UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE *104th* CONGRESS

SECOND SESSION

VOLUME 142—PART 14

JULY 25, 1996 TO JULY 30, 1996

(PAGES 19023 TO 20565)

GENERAL SERVICES ADMINISTRATION
4/26/99
LAW
LIBRARY
CENTRAL OFFICE

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1996

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

For sale by the U.S. Government Printing Office, Superintendent of Documents, Mail Stop: SSOP, Washington, DC 20402-9328

United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 104th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Thursday, July 25, 1996*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mrs. MYRICK].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 25, 1996.

I hereby designate the Honorable SUE MYRICK to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As Your Word tells us to do justly and to love mercy, help us, O God, to walk the path of justice and mercy in our lives. We admit that our ways are weak and our wishes can miss the mark and we too easily mind our own way. We know too that there are many paths available to us and there are choices we make every day. We pray, gracious God, for the insight and wisdom to follow the path that leads to faith, the road that strengthens hope, and the way that celebrates love. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Washington [Mr. NETHERCUTT] come forward and lead the House in the Pledge of Allegiance.

Mr. NETHERCUTT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1627. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, and for other purposes.

H.R. 3235. An act to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for 3 years, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain eight 1-minutes per side.

THE FIGHT TO CURE DIABETES

(Mr. NETHERCUTT asked and was given permission to address the House for 1 minute.)

Mr. NETHERCUTT. Madam Speaker, today is a new day in the fight to cure diabetes. Not only Members of Congress but every group who is dedicated to curing this disease and preventing its health consequences, from the Juvenile Diabetes Foundation to the American Diabetes Foundation to the Coalition for Diabetes Research, they are all concerned about and they are united behind legislation that has been introduced by the gentlewoman from Oregon [Ms. FURSE] and me and sponsored by over 230 other Members of Congress.

We all realize that the complications of diabetes can be prevented if the 16 million American diabetics and over 100 million diabetics internationally have the proper education about their disease and the means to take care of themselves.

This legislation does just that, Madam Speaker. It allows Medicare to cover the cost of diabetes education and the cost of blood testing and monitoring, critical factors if we are to reduce the $100 billion it costs American society each year to combat the results of diabetes.

I urge all my colleagues and the other 200 who have not sponsored it yet to support this legislation and give life to the fight against diabetes.

CONGRESSIONAL REFORM

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Madam Speaker, America has asked for real reform of the way this Congress operates, an end to the money chase and more attention to the Nation's business, and a bipartisan effort has been made to accomplish real campaign finance reform, supported by a number of independent citizen watchdog groups. But today, 1 week after Reform Week was canceled by the Gingrich leadership, today we will have phony reform and be denied completely an opportunity to even vote on a bipartisan reform of the way business operates here.

And what of the bill that will come before us? Well, 10 Republicans have described that Gingrich bill as fundamentally flawed, more so than the current system, as freezing the average American out of the political process. That is their description of the bill.

The independent watchdog groups like Common Cause have been more direct. They refer to this Thomas bill as phony reform that locks in the corrupt status quo, leaves open the floodgates of special interest PAC money and increases the amounts that the wealthy can give. This is not reform, it is a fraud.

CAMPAIGN FINANCE REFORM

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Madam Speaker, today Speaker GINGRICH has an opportunity to do something truly positive

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

for the American people, to save a dying effort for real reform. Basically the Republican bill puts more money into the system, the Democratic bill favors less money in politics. The two bills are miles apart and dead on arrival. The only way to revive campaign finance in the Senate and to pass a viable bill here in the House is to create an independent strong commission that will come forward with a principal plan for an up-or-down vote.

Madam Speaker, Speaker GINGRICH and the President shook hands on it and publicly endorsed the concept. An independent commission is reform's only chance in this Congress. Madam Speaker, only Speaker GINGRICH can make it happen.

WORKING FAMILIES FLEXIBILITY ACT

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Madam Speaker, American working men and women need the Working Families Flexibility Act. Federal labor laws mandate that overtime compensation must be in the form of cash wages, even if the employee would prefer to have paid off or comp time.

The time has come to update these antiquated laws to reflect the evolving needs of today's working families. For some employees, in today's hectic pace, time off is more valuable than money. For working moms, dads, and single parents, time off allows them to better balance the often competing demands of work and family.

Some of my colleagues on the other side of the aisle claim that this is an attempt to weaken overtime protections in the law for employees. This is simply not true. The truth is that the Working Families Flexibility Act will give private sector employees the same options and flexibility which public sector employees have had for years. Let's change the law to accommodate the needs of today's workers who want more options and greater control over their working schedules. Support the Working Families Flexibility Act.

WHAT IS MISSING FROM OUR SCHOOLS IS PRAYER

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, something does not add up. Congress continues to spend more money on crime and cops, more money on jails and prisons, pumps money into schools wherever possible, but you can still find drugs in our schools, guns and violence in our schools. There are even condoms in our schools, God forbid, rape, and even cases of murder in our schools.

About the only thing you cannot find in our school today is prayer. Even though "in God we trust" is written over all our buildings and on all our currency, about the only time you can hear God's name in school is when God's name is taken in vain. Shame, Congress. Shame. A nation and a Congress that will keep God out just may have invited the Devil. Think about that one.

IT IS TIME FOR OUR PRESIDENT TO SIGN COMMONSENSE WELFARE REFORM

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Madam Speaker, the current welfare system cannot be defended. It is a system characterized by dependence, illegitimacy, and family breakdown.

Tuesday, the other Chamber, with a strong bipartisan vote, approved commonsense reforms that will stop welfare from becoming a way of life. These reforms honor work and encourage personal responsibility.

Bill Clinton campaigned on a promise to "end welfare as we know it." It is now the fourth year of his Presidency and so far, he has done nothing but stand in the way of welfare reform. He postures. He poses. He talks tough, but he never comes through.

Madam Speaker, it is time for Bill Clinton to lead. It is time for him to keep at least one of the promises he made during his campaign. It is time for Bill Clinton to get with the program and sign commonsense welfare reform.

EDUCATION

(Mr. KILDEE asked and was given permission to address the House for 1 minute.)

Mr. KILDEE. Madam Speaker, last week Bob Dole gave an education speech in Minneapolis during which he said that public schools are being driven into the ground by bureaucrats and teachers.

First of all, if Bob Dole wants to know what is going on in public schools he ought to visit a few—and talk to parents and teachers who are struggling to help students become knowledgeable and productive citizens in tomorrow's world.

I would like to suggest that he visit Pontiac Central High School where this year a team of corporate engineers, students, and teachers designed and built an innovative robot that won first place in a nationwide competition of 73 teams. If Bob Dole were to visit a school like Pontiac Central High he might not see just problems, he might see what the teachers and the scientific and engineering community of Pontiac see—children with promise.

Madam Speaker, Mr. Dole should use his campaign to encourage public schools as they strive for excellence and innovation. He should join with the leaders of business and industry who are calling for a renewed commitment to public schools. Above all, he should not squander that opportunity by condemning the legacy of public education and demonizing those people who commit themselves to educating children in a pluralistic society—our Nation's classroom teachers.

PRESIDENT CLINTON SHOULD LISTEN TO WHAT PEOPLE WANT AND SIGN WELFARE REFORM

(Mr. JONES asked and was given permission to address the House for 1 minute.)

Mr. JONES. Madam Speaker, this week Congress has taken bold steps toward enacting genuine welfare reform. The next step will be President Clinton's. We will send him real work requirements, real time limits. We will end welfare for noncitizens. Our bill will lift 1.3 million people out of welfare and into jobs by 2002, and we will end the process whereby able-bodied recipients stay on welfare for 13 years.

Many in Congress would say that welfare reform is cruel to children. Absolute nonsense. Nothing could be more cruel than to leave today's children in yesterday's welfare system. The goal of any true welfare reform is to lift children and families out of poverty and despair. If America is to prosper in the next century, we must reform welfare so that it honors work and encourages people's responsibility.

Mr. President, the American people want you to sign this welfare reform bill. Please, Mr. President, listen to the people.

CAMPAIGN FINANCE REFORM

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Madam Speaker, today our prayer was about doing justice and loving mercy and today our legislative agenda is about descending these steps collecting more and more money from special interest groups. We have failed at campaign finance reform and we have failed miserably. This is not what the American people want. Common Cause points out that anybody who votes for this is going to be going along with having the richest people in America having even more influence and the average people having even less. Is that justice, coming down here with GOPAC and the Speaker? I do not think so.

It is time to admit we have failed. It is time to call upon the Speaker to go back to that bipartisan spirit he had when he shook hands with the President in New Hampshire, and it is time to get real reform that will bring dignity back to this House and get the special interest groups that are courting all of this out.

THE PRESIDENT AND THE CONGRESS

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Madam Speaker, here they go again. No ideas, so let us scare America with White House distortions and union leader lies.

Before Republicans took control of Congress last year, the President's 1995 budget had a rising deficit. Now overnight he is a budget hawk.

There is no real surprise here. The winds have shifted so the President has changed his sails.

But here is the truth: It is the Republican-led Congress that has cut the deficit. It has been cut $43 billion just last year. Yet the President has the gall to take the credit. It is like the rooster taking credit for the sunrise. We would have saved even more if the President had not stood in our way. He has literally fought against deficit reduction by begging for more spending on pet programs.

The only areas where the spending continues to grow out of control is Medicare and Medicaid, more than $50 billion. Yet when we tried to address the problem, he looked the other way.

What we get from the White House leadership is a steady stream of whining because they cannot cut themselves off from the spending gravy train.

Madam Speaker, I yield back the balance of White House promises withering on the vine.

□ 1015

CAMPAIGN REFORM DAY

(Mr. FARR of California asked and was given permission to address the House for 1 minute.)

Mr. FARR of California. Madam Speaker, I rise today to address this House regarding campaign reform day. That is the legislation that is going to be on the floor, and the choice today is between the two R's, between reform, which the Democratic side of the aisle is promoting, and the rich, which is what the other side is promoting.

The Speaker asked not long ago for more money to be delivered to political campaigns, and today the law allowing him to do it will be delivered to the floor. They claim that there is reform in their bill, but for whom? It hurts women, hurts minority candidates.

The Democratic bill is the only bill that responds to the American public. It sets limits. It sets limits on PAC's, sets limits on the rich, and it sets limits on wealthy candidates.

Colleagues, we have a choice today. We can reform for the rich interest or we can reform for the American public. Reject the Thomas bill. Support the alternative Democratic Farr bill. I ask for your vote.

INTRODUCING THE VETERANS' CEMETERY PROTECTION ACT

(Mr. CALVERT asked and was given permission to address the House for 1 minute.)

Mr. CALVERT. Madam Speaker, last month 128 bronze grave markers were stolen from the Riverside National Cemetery in my district—the second largest national cemetery next to Arlington.

This was a despicable act. Our Nation should have no tolerance for those who desecrate and vandalize the graves of brave Americans.

The men and women who are buried at Riverside National Cemetery and other national cemeteries have paid the ultimate price for our freedom. They deserve our deepest respect and our eternal thanks.

Today I am introducing the Veterans' Cemetery Protection Act. This bill will create a criminal penalty of up to 10 years in prison for vandalism or desecration of a national cemetery.

If the criminals try to profit from stolen property the penalty is increased to up to 15 years in prison or a $250,000 fine.

Many of you have already asked to cosponsor this legislation. If you are not yet a cosponsor and would like to show your support, please contact my office.

SUPPORT THE FARR CAMPAIGN REFORM ALTERNATIVE

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Madam Speaker, many of us on both sides of the aisle have been waiting very patiently for this day when campaign finance reform would be before the House. This is our one opportunity in this term of Congress, and I must say we are extremely disappointed.

The rule that is being brought forward is very restrictive, will not allow for the bipartisan bill to be offered, and controls very much what we can consider on this floor. That is wrong.

The underlying bill moves in the wrong direction. The Republican bill would have us spend more money and put no limits on what we can be spent in campaigns. It carries out the wishes of Speaker GINGRICH when he stated that he thinks the problem with our campaign laws is that there is not enough money being spent.

My constituents disagree. We should be reforming the system to put controls on how much money can be spent and to reward small contributors, and that is exactly what the bill offered by the gentleman from California [Mr. FARR] will do. I urge my colleagues to support it.

No wonder that all of the public interest groups oppose the Republican bill, from Common Cause to Public Citizen, the League of Women Voters, U.S. PIRG. They oppose the Republican bill. I urge my colleagues to vote against that bill and support the Farr alternative.

COMMONSENSE WELFARE REFORM

(Mrs. SEASTRAND asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SEASTRAND. Madam Speaker, let me go through some reasons I think America needs commonsense welfare reform. Between 1965 and 1994, the Government has spent $5.4 trillion, that's trillion with a "t," on welfare programs. These programs were started under the proviso that we were waging a war on poverty. Thirty years and trillions of tax dollars later, poverty is winning.

Another reason we need to fix welfare is the alarming increase in broken families and especially teenage illegitimacy. Researchers at the University of Washington have found that increased levels of welfare benefits almost always lead to increases in the teenage illegitimate birth rate.

Welfare does not fight poverty; it perpetuates it. Welfare creates a set of incentives that crushes the work ethic, ruins the family, corrupts basic morals, and ultimately destroys the trust between people that is so necessary for civilized society.

Madam Speaker, it's way past time to fix the broken welfare system.

NO SUBSTANTIVE CAMPAIGN FINANCE REFORM

(Mr. MEEHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEHAN. Madam Speaker, the most fundamental way that we can reform the way the Congress does business is to pass campaign finance reform. The Republican leadership today will renege on that promise to offer real, substantive campaign finance reform. It will happen today.

We had an opportunity. We were going to have reform week, and we have nothing. Now we have the Republicans presenting a bill before this House, calling it reform, that is a phony fraud.

Campaign finance reform is up, and not one Member of the Republican Party got up before this House in one-minutes to defend their piece of fraud legislation. Does that not speak volumes about today's debate? Not one of them would get up and defend the campaign finance reform bill that they are going to present before this House today. It is a disgrace.

We need to change our campaign finance system and we cannot get a bill to do it. They want to increase influence. Not one of their Members will come down and defend their bill. America is watching today, and Republicans will pay the price in November.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. HEFLEY. Madam Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole under the 5-minute rule:

Committee on Agriculture; Committee on Banking and Financial Services; Committee on Commerce; Committee on Economic and Educational Opportunities; Committee on Government Reform and Oversight; Committee on International Relations; Committee on the Judiciary; Committee on Resources; Committee on Small Business; and Committee on Transportation and Infrastructure.

Madam Speaker, it is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore (Mrs. MYRICK). Is there objection to the request of the gentleman from Colorado?

There was no objection.

HAPPY BIRTHDAY TO THE CHAPLAIN OF THE HOUSE

(Mr. MYERS of Indiana asked and was given permission to address the House for 1 minute.)

Mr. MYERS of Indiana. Madam Speaker, in the wee hours of this morning as we were finding a way to adjourn and come back this morning, one in our midst passed over the big 65. He joined the Medicare-eligible society that several of us have already joined.

If it were possible to sing happy birthday under the rules of the House we would do that this morning, but since we can't, we do wish it to our Chaplain, Jim Ford, who is now eligible to go on Medicare. Of course he looks that old, but it is kind of shocking to realize that he really is, because we have known Jim for a good many years now since he finally graduated from West Point and came down to join us.

But, Jim, we wish you many more happy ones. Your birthday almost sneaked by us here, but after we woke up this morning we realized that you are passing the big one, we wanted to take this opportunity.

So, happy birthday, Jim.

Mrs. SCHROEDER. Mr. Speaker, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman so much for pointing that out. It is such fun to see people get older, is it not, but especially our Chaplain, and he wears it very well.

I think the gentleman should sing. Is it truly without the rules?

Mr. MYERS of Indiana. Reclaiming my time, it is against the rules of the House, yes.

Mrs. SCHROEDER. Mr. Speaker, how sad.

Mr. MYERS of Indiana. Most of us cannot sing. The rules really protect us.

Mrs. SCHROEDER. The gentleman is the only one who could.

Mr. MYERS of Indiana. Thank goodness we have that rule, otherwise we would be trying to do it all the time.

GENERAL LEAVE

Mr. MYERS of Indiana. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes, and that I may be allowed to include tabular and extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The SPEAKER pro tempore (Mrs. MYRICK). Pursuant to House Resolution 483 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3816.

□ 1025

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes, with Mr. OXLEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, July 24, 1996, amendment No. 14 offered by the gentleman from Tennessee [Mr. HILLEARY] had been disposed of.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 483, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order: Amendment No. 4 by Mr. OBEY of Wisconsin; an amendment by Mr. SCHAEFER of Colorado; and amendments No. 15 and 16 by Mr. MARKEY of Massachusetts.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. OBEY

The CHAIRMAN. The unfinished business is the request for a recorded vote on the amendment offered by the gentleman from Wisconsin [Mr. OBEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. OBEY:

On page 17, line 21, after the dollar amount insert the following: "(reduced by $17,000,000)".

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 211, not voting 24, as follows:

[Roll No. 357]

AYES—198

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Beilenson
Berman
Bilbray
Bilirakis
Bishop
Blumenauer
Boehlert
Bonior
Boucher
Brown (FL)
Brown (OH)
Brownback
Bunning
Camp
Campbell
Cardin
Castle
Chabot
Christensen
Chrysler
Clay
Coble
Coburn
Collins (MI)
Conyers
Cooley
Costello
Cummings
Cunningham
Danner
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dickey
Dixon
Doggett
Duncan
Durbin
Engel
Ensign
Eshoo
Evans
Ewing
Farr
Fields (LA)
Filner
Foley
Frank (MA)
Franks (NJ)
Furse
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Green (TX)
Gunderson
Gutknecht
Hancock
Harman
Hastings (FL)
Hefley
Hilleary
Hinchey
Hoekstra
Hoke
Horn
Hostettler
Istook
Jacobs
Jefferson
Johnson (SD)
Johnston
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kingston
Klug
Kolbe
LaHood
Lantos
Largent
LaTourette
Leach
Levin
Lewis (GA)
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Moran
Morella
Nadler
Neal
Neumann
Oberstar
Obey

Olver
Orton
Owens
Pallone
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pomeroy
Porter
Poshard
Rahall
Ramstad
Rangel
Reed
Richardson
Rivers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schroeder
Schumer
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Skaggs
Slaughter
Smith (MI)
Stark
Stockman
Stokes
Studds
Stupak
Talent
Tate
Thompson
Thurman
Torkildsen
Torres
Towns
Upton
Vento
Ward
Waters
Watt (NC)
Waxman
Whitfield
Williams
Woolsey
Wynn
Yates
Zimmer

NOES—211

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bevill
Bliley
Blute
Boehner
Bonilla
Bono
Borski
Brewster
Browder
Brown (CA)
Bryant (TN)
Bryant (TX)
Bunn
Burr
Burton
Buyer
Callahan
Calvert
Canady
Chambliss
Chapman
Chenoweth
Clayton
Clement
Clinger
Clyburn
Collins (GA)
Combest
Condit
Cox
Coyne
Cramer
Crapo
Cremeans
Cubin
Davis
de la Garza
DeLay
Dicks
Dingell
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
English
Everett
Fattah
Fawell
Fazio
Fields (TX)
Flanagan
Foglietta
Fowler
Fox
Franks (CT)
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Gekas
Geren
Gonzalez
Gordon
Graham
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefner
Heineman
Herger
Hilliard
Hobson
Holden
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jackson-Lee (TX)
Johnson (CT)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennelly
Kim
King
Kleczka
Klink
Knollenberg
LaFalce
Latham
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Lucas
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Meek
Meyers
Mica
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Ortiz
Oxley
Packard
Parker
Pastor
Paxon
Pickett
Pombo
Portman
Pryce
Quillen
Quinn
Radanovich
Regula
Riggs
Roberts
Roemer
Rogers
Rush
Schaefer
Schiff
Scott
Seastrand
Shuster
Sisisky
Skeen
Skelton
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stump
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Tiahrt
Torricelli
Traficant
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Weldon (FL)
Weldon (PA)
Weller
White
Wicker
Wise
Wolf
Zeliff

NOT VOTING—24

Becerra
Coleman
Collins (IL)
Crane
Diaz-Balart
Dornan
Flake
Forbes
Ford
Greene (UT)
Hayes
Lincoln
McDade
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Tauzin
Velazquez
Watts (OK)
Wilson
Young (AK)
Young (FL)

□ 1046

Messrs. BONO, BAKER, BUYER, JACKSON of Illinois, and SCOTT, Mrs. MEEK of Florida, and Messrs. SOLOMON, LIVINGSTON, and HALL of Ohio changed their vote from "aye" to "no."

Ms. BROWN of Florida, Messrs. NEUMANN, MATSUI, WYNN, and MANZULLO, and Ms. McKINNEY changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WATTS of Oklahoma. Mr. Chairman, on rollcall No. 357, I was unavoidably detained with constituents. Had I been present, I would have voted "aye."

AMENDMENT OFFERED BY MR. SCHAEFER

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendment offered by the gentleman from Colorado [Mr. SCHAEFER] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SCHAEFER: Page 17, line 21, strike ", to" and insert in lieu thereof "(reduced by $11,930,200) (increased by $42,103,200), to".

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 279, noes 135, not voting 19, as follows:

[Roll No. 358]

AYES—279

Abercrombie
Ackerman
Allard
Andrews
Baker (LA)
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bilirakis
Bishop
Bliley
Blumenauer
Boehlert
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Bunn
Buyer
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Collins (MI)
Condit
Conyers
Cooley
Coyne
Cramer
Cummings
Cunningham
Danner
Deal
DeFazio
DeLauro
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Flanagan
Foglietta
Foley
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frost
Funderburk
Furse
Ganske
Gejdenson
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodling
Gordon
Green (TX)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastings (FL)
Hayworth
Hefner
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hoyer
Inglis
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Klink
Klug
LaFalce
Lantos
Latham
Lazio
Leach
Levin
Lewis (GA)
Linder
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meehan
Meek
Metcalf
Meyers
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Molinari
Montgomery
Moran
Morella
Nadler
Neal
Nethercutt
Neumann
Nussle
Oberstar
Obey
Olver
Orton
Owens
Oxley
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pombo
Pomeroy
Porter
Portman
Pryce
Quinn
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roberts
Roemer
Roukema
Roybal-Allard
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skeen
Slaughter
Smith (WA)
Spratt
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Taylor (MS)
Tejeda
Thomas
Thompson
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Williams
Wise
Woolsey
Wynn
Yates
Young (AK)
Zimmer

NOES—135

Archer
Armey
Bachus
Baesler
Baker (CA)
Ballenger
Barr
Barton
Bass
Bateman
Bevill
Bilbray
Blute
Boehner
Bryant (TN)
Bunning
Burr
Burton
Callahan
Chapman
Chenoweth
Coble
Coburn
Collins (GA)
Combest
Costello
Cox
Crapo
Cremeans
Cubin
Davis
de la Garza
DeLay
Diaz-Balart
Doolittle
Dreier
Duncan
Durbin
Everett
Filner
Fowler
Frelinghuysen
Frisa
Gallegly
Gekas
Gibbons
Goodlatte
Goss
Graham
Greene (UT)
Gunderson
Gutierrez
Hancock
Hastert
Hastings (WA)
Hefley
Heineman
Herger
Hilleary
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Istook
Jackson (IL)
Johnson, Sam
King
Knollenberg
Kolbe
LaHood
Largent
LaTourette
Laughlin
Lewis (CA)

Lewis (KY)
Lightfoot
Lipinski
Livingston
Lucas
Manzullo
McCollum
McCrery
McIntosh
Menendez
Mica
Miller (FL)
Mollohan
Moorhead
Murtha
Myers
Myrick
Ney
Norwood
Ortiz
Packard
Parker
Paxon
Petri
Pickett
Poshard
Quillen
Radanovich
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Rush
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skelton
Smith (MI)
Smith (TX)
Solomon
Souder
Spence
Stark
Stockman
Talent
Tate
Taylor (NC)
Thornberry
Vucanovich
Walker
Wamp
Weller
White
Whitfield
Wicker
Wolf
Zeliff

NOT VOTING—19

Coleman
Collins (IL)
Crane
Dornan
Flake
Forbes
Ford
Hayes
Lincoln
McDade
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Tauzin
Velazquez
Wilson
Young (FL)

☐ 1055

Mr. SMITH of Texas changed his vote from "aye" to "no."

Mr. CUNNINGHAM and Mr. FAWELL changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENTS EN BLOC OFFERED BY MR. MARKEY

The CHAIRMAN. The unfinished business is the demand for a recorded vote on the amendments en bloc offered by the gentleman from Massachusetts [Mr. MARKEY] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. MARKEY: Page 17, line 21, insert "(reduced by $5,000,000)" after "$2,648,000,000".

Page 22, line 22, insert "(reduced by $15,000,000)" after "$5,409,310,000".

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 138, noes 278, not voting 17, as follows:

[Roll No. 359]

AYES—138

Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Beilenson
Bilbray
Blumenauer
Blute
Boehlert
Bonior
Borski
Browder
Brown (OH)
Bryant (TX)
Cardin
Chabot
Chrysler
Clay
Clayton
Clyburn
Conyers
Coyne
Cramer
Cummings
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Doggett
Doyle
Engel
Eshoo
Evans
Fattah
Filner
Foley
Frank (MA)
Franks (CT)
Franks (NJ)
Furse
Ganske
Gejdenson
Gephardt
Gibbons
Gordon
Goss
Hall (OH)
Hastings (FL)
Hefner
Hilleary
Hinchey
Horn
Hoyer
Jefferson
Johnson (SD)
Johnston
Kaptur
Kasich
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kingston
Kleczka
Klink
Klug
LaFalce
Lantos
Levin
Lewis (GA)
LoBiondo
Lofgren
Longley
Lowey
Luther
Markey
Martinez
Mascara
McDermott
McHale
McKinney
McNulty
Meehan
Menendez
Metcalf
Miller (CA)
Minge
Mink
Moakley
Moran
Morella
Neal
Neumann
Oberstar
Obey
Olver
Orton
Owens
Pallone
Payne (NJ)
Pelosi
Peterson (MN)
Pomeroy
Rahall
Ramstad
Rangel
Reed
Richardson
Roybal-Allard
Sabo
Sanders
Sanford
Saxton
Scarborough
Schroeder
Schumer
Shays
Slaughter
Spratt
Stark
Stokes
Studds
Torkildsen
Torres
Vento
Ward
Waters
Watt (NC)
Waxman
Williams
Wise
Woolsey
Zimmer

NOES—278

Abercrombie
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bentsen
Bereuter
Berman
Bevill
Bilirakis
Bishop
Bliley
Boehner
Bonilla
Bono
Boucher
Brewster
Brown (CA)
Brown (FL)
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chambliss
Chapman
Chenoweth
Christensen
Clement
Clinger
Coble
Coburn
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Danner
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Dixon
Dooley
Doolittle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Farr
Fawell
Fazio
Fields (LA)
Fields (TX)
Flanagan
Foglietta
Fowler
Fox
Frelinghuysen
Frisa
Frost
Funderburk
Gallegly
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilliard
Hobson
Hoekstra
Hoke
Holden
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kelly
Kim
King
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
Lucas
Maloney
Manton
Manzullo
Martini
Matsui
McCarthy
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Meek
Meyers
Mica
Millender-McDonald
Miller (FL)
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Myrick
Nadler
Nethercutt
Ney
Norwood
Nussle
Ortiz
Oxley
Packard
Parker
Pastor
Paxon
Payne (VA)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Rush
Salmon
Sawyer
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Stupak
Talent
Tate
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torricelli
Towns
Traficant
Upton
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Wynn
Yates
Young (AK)
Zeliff

NOT VOTING—17

Coleman
Collins (IL)
Dornan
Flake
Forbes
Ford
Hayes
Lincoln
McDade
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Tauzin
Velazquez
Young (FL)

☐ 1104

Messrs. SCHUMER, RICHARDSON, and JEFFERSON changed their vote from "no" to "aye."

So the amendments en bloc were rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. VELÁZQUEZ. Mr. Chairman, during rollcall votes 357, 358, and 359, I was unavoidably detained. If I were present, I would have voted "yes" on all three amendments.

PERSONAL EXPLANATION

Mr. FLAKE. Mr. Chairman, this morning I returned to J.F. Kennedy Airport, which is in my district, to be with the families of those who were downed in Flight 800. Thus, I missed the following votes: rollcall No. 357, I would have voted "yes"; rollcall No. 358, I would have voted "no"; rollcall No. 359, I would have voted "yes"; on final passage, I would have voted "yes"; and on the previous question, I would have voted "yes."

PERSONAL EXPLANATION

Mr. NADLER. Mr. Speaker, on rollcall vote 359 I was incorrectly recorded as voting "no." I intended to vote "aye."

(Mr. JACOBS asked and was given permission to speak out of order.)

HALL OF FAME INDUCTION

Mr. JACOBS. Mr. Chairman, the time is August 4, 2 p.m. Eastern. The channel is ESPN. The occasion is sublime.

Our colleague, the gentleman from Kentucky [Mr. BUNNING] then and there will be inducted into baseball's Hall of Fame.

I know that my colleagues, like my wife and I, will be watching, and our VCR's will be watching as well.

And, Mr. Chairman, I want to join the gentleman who is about to speak in heaping the well-deserved encomiums on my dear friend forever in the past and forever in the future, the honorable, the very honorable gentleman from Indiana [Mr. MYERS].

Mr. FAZIO of California. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FAZIO of California. Mr. Chairman, in 1966 the gentleman from Covington, IN, and the gentleman from Jasper, AL, were elected to Congress. Little did they know that over the next 30 years they would share so much responsibility and be so much a symbol to all of us of the best of the House of Representatives when it works together on a bipartisan basis. I say to my colleagues, "For 20 years it has been BEVILL and MYERS or MYERS and BEVILL, and it really didn't matter because you needed the two of them if you wanted to do anything, and for many of us, it meant we have been able to do a great deal. In fact they have done a great deal for the country."

Many of us have taken time during the last few hours of debate to express our appreciation, but I thought it might be appropriate when all the Members were gathered here in the Chamber if we give these two outstanding symbols of public service the standing ovation their careers warrant.

The CHAIRMAN. Are there other amendments permitted by the previous order of the House of Wednesday, July 24, 1996.

If not, pursuant to House Resolution 483, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. UPTON) having assumed the chair, Mr. OXLEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3816), making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes, pursuant to House Resolution 483, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The CHAIRMAN. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 391, nays 23, not voting 19, as follows:

[Roll No. 360]

YEAS—391

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Collins (MI)
Combest
Condit
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flanagan
Foglietta
Foley
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Rangel
Regula
Richardson
Riggs
Rivers
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zeliff
Zimmer

NAYS—23

Barrett (WI)
Danner
Davis
Ensign
Hancock
Jacobs
Johnson, Sam
Johnston
Klug
Meehan
Morella
Neumann
Obey
Petri
Ramstad
Reed
Roemer
Royce
Schroeder
Sensenbrenner
Slaughter
Smith (MI)
Stockman

NOT VOTING—19

Becerra
Coleman
Collins (IL)
Conyers
Dornan
Flake
Forbes
Ford
Hayes
Hinchey
Lincoln
McDade
Peterson (FL)
Roberts
Rose
Roth
Smith (NJ)
Tanner
Young (FL)

☐ 1128

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1617, WORKFORCE AND CAREER DEVELOPMENT ACT OF 1996

Mr. GOODLING submitted the following conference report and statement on the bill (H.R. 1617) to consolidate and reform workforce development and literacy programs, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-707)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1617), to consolidate and reform workforce development and literacy programs, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Workforce and Career Development Act of 1996".

SEC. 2. TABLE OF CONTENTS.

The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. Purpose and policy.
Sec. 4. Definitions.
Sec. 5. General provision.

TITLE I—STATEWIDE WORKFORCE AND CAREER DEVELOPMENT SYSTEMS

Subtitle A—State and Local Provisions

Sec. 101. Statewide workforce and career development systems established.
Sec. 102. State allotments.
Sec. 103. State apportionment by activity.
Sec. 104. State plan.
Sec. 105. Collaborative process.
Sec. 106. Accountability.
Sec. 107. Identification of eligible providers of training services.
Sec. 108. Local workforce development boards.

Subtitle B—Allocation

Sec. 111. Distribution for employment and training activities.
Sec. 112. Distribution for at-risk youth activities.
Sec. 113. Funding for State vocational education activities and distribution for secondary school vocational education.
Sec. 114. Distribution for postsecondary and adult vocational education.
Sec. 115. Special rules for vocational education.
Sec. 116. Distribution for adult education and literacy.
Sec. 117. Distribution for flexible activities.

Subtitle C—Use of Funds

Sec. 121. Employment and training activities.
Sec. 122. At-risk youth activities.
Sec. 123. Vocational education activities.
Sec. 124. Adult education and literacy activities.
Sec. 125. Flexible activities.
Sec. 126. Requirements and restrictions relating to use of funds.

Subtitle D—National Activities

Sec. 131. Coordination provisions.
Sec. 132. Incentive grants and sanctions.
Sec. 133. National emergency grants.
Sec. 134. Evaluation; research, demonstrations, dissemination, and technical assistance.
Sec. 135. Migrant and seasonal farmworker program.
Sec. 136. Native American Program.
Sec. 137. Grants to outlying areas.
Sec. 138. National Institute for Literacy.
Sec. 139. Labor market information.

Subtitle E—Transition Provisions

Sec. 141. Waivers.
Sec. 142. Technical assistance.
Sec. 143. Applications and plans under covered Acts.
Sec. 144. Interim authorizations of appropriations.

Subtitle F—General Provisions

Sec. 151. Authorization of appropriations.
Sec. 152. Local expenditures contrary to title.
Sec. 153. Effective dates.

TITLE II—WORKFORCE AND CAREER DEVELOPMENT-RELATED ACTIVITIES

Subtitle A—Amendments to the Wagner-Peyser Act

Sec. 201. Definitions.
Sec. 202. Functions.
Sec. 203. Designation of State agencies.
Sec. 204. Appropriations.
Sec. 205. Disposition of allotted funds.
Sec. 206. State plans.
Sec. 207. Repeal of Federal Advisory Council.
Sec. 208. Regulations.
Sec. 209. Effective date.

Subtitle B—Amendments to the Rehabilitation Act of 1973

Sec. 211. References.
Sec. 212. Findings and purposes.
Sec. 213. Definitions.
Sec. 214. Administration.
Sec. 215. Reports.
Sec. 216. Evaluation.
Sec. 217. Declaration of policy.
Sec. 218. State plans.
Sec. 219. Individualized employment plans.
Sec. 220. State Rehabilitation Advisory Council.
Sec. 221. Evaluation standards and performance indicators.
Sec. 222. Effective date.

Subtitle C—Job Corps

Sec. 231. Definitions.
Sec. 232. Purposes.
Sec. 233. Establishment.
Sec. 234. Individuals eligible for the Job Corps.
Sec. 235. Screening and selection of applicants.
Sec. 236. Enrollment and assignment.
Sec. 237. Job Corps centers.
Sec. 238. Program activities.
Sec. 239. Support.
Sec. 240. Operating plan.
Sec. 241. Standards of conduct.
Sec. 242. Community participation.
Sec. 243. Counseling and placement.
Sec. 244. Advisory committees.
Sec. 245. Application of provisions of Federal law.
Sec. 246. Special provisions.
Sec. 247. Review of Job Corps Centers.
Sec. 248. Administration.
Sec. 249. Authorization of appropriations.
Sec. 250. Effective date.

Subtitle D—Amendments to the National Literacy Act of 1991

Sec. 261. Extension of functional literacy and life skills program for State and local prisoners.

TITLE III—MUSEUMS AND LIBRARIES

Sec. 301. Museum and library services.
Sec. 302. National Commission on Libraries and Information Science.
Sec. 303. Transfer of functions from Institute of Museum Services.
Sec. 304. Service of individuals serving on date of enactment.
Sec. 305. Consideration.
Sec. 306. Transition and transfer of funds.

TITLE IV—HIGHER EDUCATION

Sec. 401. Reorganization of the Student Loan Marketing Association through the formation of a holding company.
Sec. 402. Connie Lee privatization.
Sec. 403. Eligible institution.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

Sec. 501. Repeals.
Sec. 502. Conforming amendments.
Sec. 503. Effective dates.

SEC. 3. PURPOSE AND POLICY.

(a) PURPOSE.—The purpose of this Act is to transform the vast array of Federal education, employment, and job training programs from a collection of fragmented and duplicative categorical programs into streamlined, coherent, and accountable statewide systems designed—

(1) to develop more fully the academic, occupational, and literacy skills of all segments of the population of the United States; and

(2) to meet the needs of employers in the United States to be competitive.

(b) POLICY.—It is the sense of the Congress that adult education and literacy activities are a key component of any successful statewide workforce and career development system.

SEC. 4. DEFINITIONS.

Except as otherwise specified in this Act, as used in this Act:

(1) ADULT EDUCATION.—The term "adult education" means services or instruction below the postsecondary level for individuals—

(A) who have attained 16 years of age;

(B) who are not enrolled or required to be enrolled in secondary school;

(C)(i) who lack sufficient mastery of basic educational skills to enable the individuals to function effectively in society; or

(ii) who do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education; and

(D) who lack a mastery of basic skills and are therefore unable to speak, read, or write the English language.

(2) ADULT EDUCATION AND LITERACY ACTIVITIES.—The term "adult education and literacy activities" means the activities authorized in section 124.

(3) ALL ASPECTS OF THE INDUSTRY.—The term "all aspects of the industry" means strong experience in, and comprehensive understanding of, the industry that individuals are preparing to enter.

(4) AREA VOCATIONAL EDUCATION SCHOOL.—The term "area vocational education school" means—

(A) a specialized secondary school used exclusively or principally for the provision of vocational education to individuals who are available for study in preparation for entering the labor market;

(B) the department of a secondary school exclusively or principally used for providing vocational education in not fewer than 5 different occupational fields to individuals who are available for study in preparation for entering the labor market;

(C) a technical institute or vocational school used exclusively or principally for the provision of vocational education to individuals who have completed or left secondary school and who are available for study in preparation for entering the labor market, if the institute or school admits as regular students both individuals who have completed secondary school and individuals who have left secondary school; or

(D) the department or division of a junior college, or community college, that operates under the policies of the eligible agency and that provides vocational education in not fewer than 5 different occupational fields leading to immediate employment but not necessarily leading to a baccalaureate degree, if the department or division admits as regular students both individuals who have completed secondary school and individuals who have left secondary school.

(5) AT-RISK YOUTH.—The term "at-risk youth" means an individual who—

(A) is not less than age 15 and not more than age 21;

(B) is low-income, defined as an individual who meets the requirements of subparagraph (A), (B), or (C) of paragraph (31); and

(C) is 1 or more of the following:

(i) A school dropout.

(ii) Homeless, a runaway, or a foster child.

(iii) Pregnant or a parent.

(iv) An offender.

(v) An individual who requires additional education, training, counseling, or related assistance in order to participate successfully in regular schoolwork, to complete an educational program, or to secure and hold employment.

(6) AT-RISK YOUTH ACTIVITIES.—The term "at-risk youth activities" means the activities authorized in section 122, carried out for at-risk youth.

(7) CAREER GRANT.—The term "career grant" means a voucher or credit issued to a participant under subsection (e)(3) or (g) of section 121 for the purchase of training services from eligible providers of such services.

(8) CAREER GUIDANCE AND COUNSELING.—The term "career guidance and counseling" means a program that—

(A) pertains to a body of subject matter and related techniques and methods organized for the development of career awareness, career planning, career decisionmaking, placement skills, and knowledge and understanding of local, State, and national occupational, educational, and labor market needs, trends, and opportunities, in individuals;

(B) assists such individuals in making and implementing informed educational and occupational choices;

(C) is comprehensive in nature; and

(D) with respect to minors, includes the involvement of parents, where practicable.

(9) CHIEF ELECTED OFFICIAL.—The term "chief elected official" means the chief elected executive officer of a unit of general local government in a local workforce development area.

(10) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community.

(11) COOPERATIVE EDUCATION.—The term "cooperative education" means a method of instruction of education for individuals who, through written cooperative arrangements between a school and employers, receive instruction, including required academic courses and related instruction, by alternation of study in school with a job in any occupational field, which alternation shall be planned and supervised by the school and employer so that each contributes to the education and employability of the individual, and may include an arrangement in which work periods and school attendance may be on alternate half days, full days, weeks, or other periods of time in fulfilling the cooperative program.

(12) COVERED ACTIVITY.—The term "covered activity" means an activity authorized to be carried out under a provision described in section 501(f) (as such provision was in effect on the day before the date of enactment of this Act).

(13) DISLOCATED WORKER.—The term "dislocated worker" means an individual who—

(A)(i) has been terminated or laid off, or who has received a notice of termination or layoff, from employment;

(ii) is eligible for or has exhausted entitlement to unemployment compensation; and

(iii) is unlikely to return to a previous industry or occupation;

(B) has been terminated or laid off, or has received a notice of termination or layoff, from employment as a result of any permanent closure of, or any substantial layoff at, a plant, facility, or enterprise;

(C) has been unemployed long-term and has limited opportunities for employment or reemployment in the same or a similar occupation in the area in which such individual resides;

(D) was self-employed (including a farmer and a rancher) but is unemployed as a result of general economic conditions in the community in which the individual resides or because of natural disasters;

(E) is a displaced homemaker; or

(F) has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.

(14) DISPLACED HOMEMAKER.—The term "displaced homemaker" means an individual who—

(A) has attained 16 years of age; and

(B)(i) has worked primarily without remuneration to care for a home and family, and for that reason has diminished marketable skills; or

(ii) is a parent whose youngest dependent child will become ineligible to receive assistance under the program for aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) not later than 2 years after the date on which the parent applies for assistance under this title.

(15) EDUCATIONAL SERVICE AGENCY.—The term "educational service agency" means a regional public multiservice agency authorized by State statute to develop and manage a service or program and provide the service or program to a local educational agency.

(16) ELIGIBLE AGENCY.—The term "eligible agency" means—

(A) in the case of vocational education activities or requirements described in title I—

(i) the individual, entity, or agency in a State responsible for administering or setting policies for vocational education in such State pursuant to State law; or

(ii) if no individual, entity, or agency is responsible for administering or setting such policies pursuant to State law, the individual, entity, or agency in a State responsible for administering or setting policies for vocational education in such State on the date of enactment of this Act; and

(B) in the case of adult education and literacy activities or requirements described in title I—

(i) the individual, entity, or agency in a State responsible for administering or setting policies for adult education and literacy services in such State pursuant to State law; or

(ii) if no individual, entity, or agency is responsible for administering or setting such policies pursuant to State law, the individual, entity, or agency in a State responsible for administering or setting policies for adult education and literacy services in such State on the date of enactment of this Act.

(17) ELIGIBLE INSTITUTION.—The term "eligible institution", used with respect to vocational education activities, means a local educational agency, an area vocational education school, an educational service agency, an institution of higher education (as such term is defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))), a State corrections educational agency, and a consortium of such entities.

(18) ELIGIBLE PROVIDER.—The term "eligible provider", used with respect to—

(A) one-stop career centers, means a provider who is designated or certified in accordance with section 108(d)(2)(A);

(B) training services (other than on-the-job training), means a provider who is identified in accordance with section 107;

(C) at-risk youth activities, means a provider who is awarded a grant in accordance with subsection (c) or (d) of section 112;

(D) vocational education activities described in section 123(b), means a provider determined to be eligible for assistance in accordance with section 113 or 114;

(E) adult education activities described in section 124(b), means a provider determined to be eligible for assistance in accordance with section 116; or

(F) other workforce and career development activities, means a public or private entity selected to be responsible for such activities, in accordance with this title.

(19) EMPLOYMENT AND TRAINING ACTIVITIES.—The term "employment and training activities" means the activities authorized in section 121.

(20) ENGLISH LITERACY PROGRAM.—The term "English literacy program" means a program of instruction designed to help individuals of limited English proficiency achieve full competence in the English language.

(21) FAMILY AND CONSUMER SCIENCES PROGRAMS.—The term "family and consumer sciences programs" means instructional programs, services, and activities that prepare students for personal, family, community, and career roles.

(22) FAMILY LITERACY SERVICES.—The term "family literacy services" means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family and that integrate all of the following activities:

(A) Interactive literacy activities between parents and their children.

(B) Training for parents on how to be the primary teacher for their children and full partners in the education of their children.

(C) Parent literacy training.

(D) An age-appropriate education program for children.

(23) FLEXIBLE ACTIVITIES.—The term "flexible activities" means the activities authorized in section 125.

(24) INDIVIDUAL OF LIMITED ENGLISH PROFICIENCY.—The term "individual of limited English proficiency" means an individual—

(A) who has limited ability in speaking, reading, or writing the English language; and

(B)(i) whose native language is a language other than English; or

(ii) who lives in a family or community environment where a language other than English is the dominant language.

(25) INDIVIDUAL WITH A DISABILITY.—

(A) IN GENERAL.—The term "individual with a disability" means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

(B) INDIVIDUALS WITH DISABILITIES.—The term "individuals with disabilities" means more than 1 individual with a disability.

(26) LABOR MARKET AREA.—The term "labor market area" means an economically integrated geographic area within which individuals can—

(A) find employment within a reasonable distance from their place of residence; or

(B) readily change employment without changing their place of residence.

(27) LITERACY.—The term "literacy", used with respect to an individual, means the ability of the individual to speak, read, and write English, and compute and solve problems, at levels of proficiency necessary—

(A) to function on the job, in the family of the individual, and in society;

(B) to achieve the goals of the individual; and

(C) to develop the knowledge potential of the individual.

(28) LOCAL BOARD.—The term "local board" means a local workforce development board established under section 108.

(29) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(30) LOCAL WORKFORCE DEVELOPMENT AREA.—The term "local workforce development area" means a local workforce development area identified in accordance with section 104(b)(4).

(31) LOW-INCOME INDIVIDUAL.—The term "low-income individual" means an individual who—

(A) receives, or is a member of a family that receives, cash welfare payments under a Federal, State, or local welfare program;

(B) had received an income, or is a member of a family that had received a total family income, for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and payments described in subparagraph (A)) that, in relation to family size, does not exceed the higher of—

(i) the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), for an equivalent period; or

(ii) 70 percent of the lower living standard income level, for an equivalent period;

(C) is a member of a household that receives (or has been determined within the 6-month period prior to application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

(D) qualifies as a homeless individual, as defined in subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302);

(E) is a foster child on behalf of whom State or local government payments are made; or

(F) in cases permitted by regulations of the Secretary, is an individual with a disability whose own income meets the requirements of a program described in subparagraph (A) or of subparagraph (B), but who is a member of a family whose income does not meet such requirements.

(32) NONTRADITIONAL EMPLOYMENT.—The term "nontraditional employment", refers to occupations or fields of work for which individuals from one gender comprise less than 25 percent of the individuals employed in each such occupation or field of work.

(33) ON-THE-JOB TRAINING.—The term "on-the-job training" means training in the public or private sector that is provided to a paid participant while engaged in productive work in a job that—

(A) provides knowledge or skills essential to the full and adequate performance of the job;

(B) provides reimbursement to employers of up to 50 percent of the wage rate of the participant, for the extraordinary costs of providing the training and additional supervision related to the training; and

(C) is limited in duration as appropriate to the occupation for which the participant is being trained.

(34) OUTLYING AREA.—The term "outlying area" means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(35) PARTICIPANT.—The term "participant", used with respect to an activity carried out under this Act, means an individual participating in the activity.

(36) PELL GRANT RECIPIENT.—The term "Pell Grant recipient" means a recipient of financial aid under subpart 1 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a et seq.).

(37) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term "postsecondary educational institution" means an institution of higher education (as such term is defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088)) that continues to meet the eligibility and certification requirements under title IV of such Act (20 U.S.C. 1070 et seq.).

(38) RAPID RESPONSE ASSISTANCE.—The term "rapid response assistance" means assistance provided by a State, or by an entity designated by a State, with funds provided by the State under section 111(a)(2)(B), in the case of a permanent closure or mass layoff at a plant, facility, or enterprise, or a natural or other disaster, that results in mass job dislocation, in order to assist dislocated workers in obtaining reemployment as soon as possible, with services including—

(A) the establishment of onsite contact with employers and employee representatives—

(i) immediately after the State is notified of a current or projected permanent closure or mass layoff; or

(ii) in the case of a disaster, immediately after the State is made aware of mass job dislocation as a result of such disaster;

(B) the provision of information and access to available employment and training activities;

(C) the provision of emergency assistance adapted to the particular closure, layoff, or disaster; and

(D) the provision of assistance to the local community in developing a coordinated response and in obtaining access to State economic development assistance.

(39) SCHOOL DROPOUT.—The term "school dropout" means an individual who is no longer attending any school and who has not received a secondary school diploma or its recognized equivalent.

(40) SECONDARY SCHOOL.—The term "secondary school" has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(41) SECRETARIES.—The term "Secretaries" means the Secretary of Labor and the Secretary of Education, in accordance with the interagency agreement described in section 131.

(42) SEQUENTIAL COURSE OF STUDY.—The term "sequential course of study" means an integrated series of courses that are directly related to the educational and occupational skill preparation of an individual for a job, or to preparation for postsecondary education.

(43) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

(44) STATE BENCHMARKS.—The term "State benchmarks", used with respect to a State, means—

(A) the quantifiable benchmarks required under section 106(b) and identified in the report submitted under section 106(c); and

(B) such other quantifiable benchmarks of the statewide progress of the State toward meeting the State goals as the State may identify in the report submitted under section 106(c).

(45) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the meaning given such term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(46) STATE GOALS.—The term "State goals", used with respect to a State, means—

(A) the goals specified in section 106(a); and

(B) such other major goals of the statewide system of the State as the State may identify in the report submitted under section 106(c).

(47) STATEWIDE SYSTEM.—The term "statewide system" means a statewide workforce and career development system, referred to in section 101, that includes employment and training activities, activities carried out pursuant to the Wagner-Peyser Act (29 U.S.C. 49 et seq.), at-risk youth activities, vocational education activities, and adult education and literacy activities, in the State.

(48) SUPPORTIVE SERVICES.—The term "supportive services" means services such as transportation, child care, dependent care, and needs-based payments, that are necessary to enable an individual to participate in employment and training activities or at-risk youth activities.

(49) TECH-PREP PROGRAM.—The term "tech-prep program" means a program of study that—

(A) combines at least 2 years of secondary education (as determined under State law) and 2 years of postsecondary education in a nonduplicative sequential course of study;

(B) integrates academic and vocational instruction and utilizes worksite learning where appropriate;

(C) provides technical preparation in an area such as engineering technology, applied science, a mechanical, industrial, or practical art or trade, agriculture, a health occupation, business, or applied economics;

(D) builds student competence in mathematics, science, communications, economics, and workplace skills, through applied academics and integrated instruction in a coherent sequence of courses;

(E) leads to an associate degree or a certificate in a specific career field; and

(F) leads to placement in appropriate employment or further education.

(50) UNIT OF GENERAL LOCAL GOVERNMENT.—The term "unit of general local government" means any general purpose political subdivision of a State that has the power to levy taxes and spend funds, as well as general corporate and police powers.

(51) VETERAN.—The term "veteran" has the meaning given such term in section 101(2) of title 38, United States Code.

(52) VOCATIONAL EDUCATION.—The term "vocational education" means organized educational programs that—

(A) offer a sequence of courses that provide individuals with the academic knowledge and skills the individuals need to prepare for further education and careers in current or emerging employment sectors; and

(B) include competency-based applied learning that contributes to the academic knowledge, higher-order reasoning and problem-solving skills, work attitudes, general employability skills, and occupation-specific skills, of an individual.

(53) VOCATIONAL EDUCATION ACTIVITIES.—The term "vocational education activities" means the activities authorized in section 123.

(54) VOCATIONAL REHABILITATION PROGRAM.—The term "vocational rehabilitation program" means a program assisted under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(55) VOCATIONAL STUDENT ORGANIZATION.—The term "vocational student organization" means an organization, for individuals enrolled in programs of vocational education activities, that engages in activities as an integral part of the instructional component of such programs, which organization may have State and national units.

(56) WORKFORCE AND CAREER DEVELOPMENT ACTIVITIES.—The term "workforce and career development activities" means employment and training activities, at-risk youth activities, vocational education activities, and adult education and literacy activities.

SEC. 5. GENERAL PROVISION.

None of the funds made available under this Act shall be used—

(1) to require any participant to choose or pursue a specific career path or major;

(2) to require any participant to enter into a specific course of study that requires, as a condition of completion, attainment of a federally funded or endorsed industry-recognized skill or standard; or

(3) to require any participant to attain or obtain a federally funded or endorsed industry-recognized skill, certificate, or standard, unless the participant has selected and is participating in a program or course of study that requires, as a condition of completion, attainment of an industry-recognized skill or standard.

TITLE I—STATEWIDE WORKFORCE AND CAREER DEVELOPMENT SYSTEMS

Subtitle A—State and Local Provisions

SEC. 101. STATEWIDE WORKFORCE AND CAREER DEVELOPMENT SYSTEMS ESTABLISHED.

For program year 1998 and each subsequent program year, the Secretaries shall make allotments under section 102 to States to assist the States in paying for the cost of establishing statewide workforce and career development systems and carrying out workforce and career development activities through such statewide systems, in accordance with this title.

SEC. 102. STATE ALLOTMENTS.

(a) In General.—The Secretaries shall allot to each State that meets the requirements of subsection (e) an amount equal to the total of the amounts made available under subparagraphs (A), (B), (C), and (D) of subsection (b)(2), adjusted in accordance with subsections (c) and (d).

(b) Allotments Based on Populations.—

(1) Definitions.—As used in this subsection:

(A) Adult recipient of assistance.—The term "adult recipient of assistance" means a recipient of assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) who is not a dependent child (as defined in section 406(a) of such Act (42 U.S.C. 606(a))).

(B) Individual in poverty.—The term "individual in poverty" means an individual who—

(i) is not less than age 16;

(ii) is not more than age 64; and

(iii) is a member of a family (of 1 or more members) with an income that does not exceed the poverty line.

(C) Poverty line.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made, and applying the definition of poverty used by the Bureau of the Census in compiling the 1990 decennial census.

(2) Calculation.—Except as provided in subsections (c) and (d), from the amount reserved under section 151(b)(1), the Secretaries—

(A) using funds equal to 60 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals who are not less than age 15 and not more than age 65 (as determined by the Secretaries using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State bears to the total number of such individuals in all States;

(B) using funds equal to 20 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the total number of individuals in poverty in the State bears to the total number of individuals in poverty in all States;

(C) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average number of unemployed individuals (as determined by the Secretary of Labor for the most recent 24-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average number of unemployed individuals (as so determined) in all States; and

(D) using funds equal to 10 percent of such reserved amount, shall make available to each State an amount that bears the same relationship to such funds as the average monthly number of adult recipients of assistance (as determined by the Secretary of Health and Human Services for the most recent 12-month period for which data are available, prior to the program year for which the allotment is made) in the State bears to the average monthly number of adult recipients of assistance (as so determined) in all States.

(c) Minimum State Allotment.—

(1) Definition.—As used in this subsection, the term "national average per capita payment", used with respect to a program year, means the amount obtained by dividing—

(A) the amount reserved under section 151(b)(1) for the program year; by

(B) the total number of individuals who are not less than age 15 and not more than age 65 (as determined by the Secretaries using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in all States.

(2) Minimum allotment.—Except as provided in paragraph (3) and subsection (d), no State shall receive an allotment under this section for a program year in an amount that is less than 0.5 percent of the amount reserved under section 151(b)(1) for the program year.

(3) Limitation.—No State that receives an increase in an allotment under this section for a program year as a result of the application of paragraph (2) shall receive an allotment under this section for the program year in an amount that is more than the product obtained by multiplying—

(A) the total number of individuals who are not less than age 15 and not more than age 65 (as determined by the Secretaries using the most recent available data provided by the Bureau of the Census, prior to the program year for which the allotment is made) in the State; and

(B) the product obtained by multiplying—

(i) 1.5; and

(ii) the national average per capita payment for the program year.

(4) Adjustments.—In order to increase the allotments of States as a result of the application of paragraph (2), the Secretaries shall reduce, on a pro rata basis, the allotments of the other States (except as provided in subsection (d)).

(d) Overall Limitations.—

(1) Definition.—As used in this subsection, the term "State percentage" means—

(A) with respect to the program year preceding program year 1998, the percentage that a State receives of the financial assistance made available to States to carry out covered activities for the year ending on June 30, 1998; and

(B) with respect to program year 1998 and each subsequent program year, the percentage that a State receives of the amount reserved under section 151(b)(1) for the program year.

(2) Limitations.—No State shall receive an allotment under this section for a program year in an amount that would make the State percentage for the program year—

(A) less than the product obtained by multiplying—

(i) 0.98; and

(ii) the State percentage of the State for the preceding program year; or

(B) greater than the product obtained by multiplying—

(i) 1.02; and

(ii) the State percentage of the State for the preceding program year.

(e) Conditions.—The Secretaries shall allot funds under subsection (a) to States that—

(1) submit State plans that contain all of the information required under section 104(b), including the identification of State goals and State benchmarks; and

(2) prepare the plans in accordance with the requirements of sections 104 and 105 relating to the development of the State plan.

SEC. 103. STATE APPORTIONMENT BY ACTIVITY.

(a) Activities.—From the funds made available to a State through an allotment received under section 102 for a program year—

(1) a portion equal to 32 percent of such sum shall be made available for employment and training activities;

(2) a portion equal to 16 percent of such sum shall be made available for at-risk youth activities;

(3) a portion equal to 26 percent of such sum shall be made available for vocational education activities;

(4) a portion equal to 6 percent of such sum shall be made available for adult education and literacy activities; and

(5) a portion equal to 20 percent of such sum shall be made available for flexible activities (which portion may be referred to in this title as the "flex account");

carried out through the statewide system.

(b) Recipients.—Subject to subsection (c), funds allotted to a State under section 102 shall be distributed—

(1) to the Governor of the State for the portions described in paragraphs (1) and (2) of subsection (a), and such part of the flex account as the Governor may be eligible to receive, as determined under the State plan submitted under section 104; and

(2) to the eligible agencies in the State for the portions described in paragraphs (3) and (4) of subsection (a), and such part of the flex account as the eligible agencies may be eligible to receive, as determined under the State plan submitted under section 104.

(c) Construction.—Nothing in this title shall be construed—

(1) to negate or supersede any State law that is not inconsistent with the provisions of this title, including the legal authority under State law of any State agency, State entity, or State public official over programs that are under the jurisdiction of the agency, entity, or official;

(2) to interfere with the authority of such agency, entity, or official to enter into a contract under any provision of law; and

(3) to prohibit any individual, entity, or agency in a State that is administering activities described in section 123 or 124 prior to the date of enactment of this Act, or setting education policies consistent with authority under State law for such activities on the day preceding the date of enactment of this Act, from continuing to administer such activities or set such education policies consistent with authority under State law for such activities and in accordance with this title.

(d) Smith-Hughes Vocational Education Act.—Notwithstanding any other provision of law, the Secretary of Education shall use funds appropriated under section 1 of the Act of February 23, 1917 (39 Stat. 929; 20 U.S.C. 11) (commonly known as the "Smith-Hughes Vocational Education Act") to make allotments to States. Such funds shall be allotted to each State in the same manner and at the same time as allotments are made under section 102. Section 103(a) shall not apply with respect to such funds. The requirements of this title (other than section 103(a)) shall apply to such funds to the same extent that the requirements apply to funds made available under section 103(a)(3).

SEC. 104. STATE PLAN.

(a) In General.—For a State to be eligible to receive an allotment under section 102, the Governor of the State shall submit to the Secretaries a single comprehensive State plan that outlines a 3-year strategy for the statewide system of the State and that meets the requirements of section 105 and this section.

(b) Contents.—The State plan shall include—

(1)(A) a description of the collaborative process described in section 105 used in developing

the plan, including a description of the manner in which the individuals and entities involved in the process collaborated in the development of the plan; and

(B)(i)(I) information demonstrating the support of the individuals and entities participating in the collaborative process for the State plan; and

(II) the comments referred to in section 105(c)(2)(C), if any; and

(ii) information demonstrating the agreement, if any, of the Governor and the eligible agencies on all elements of the State plan;

(2) a description of the State goals and State benchmarks for workforce and career development activities, that includes—

(A) information identifying the State goals and State benchmarks and how the goals and benchmarks will ensure continuous improvement of the statewide system and make the statewide system relevant and responsive to labor market and education needs at the local level;

(B) information identifying performance indicators that relate to measurement of the State progress toward meeting the State goals and reaching the State benchmarks; and

(C) information describing how the State will coordinate workforce and career development activities to meet the State goals and reach the State benchmarks;

(3) information describing—

(A) the needs of the State with regard to current and projected demands for workers, by occupation;

(B) the skills and economic development needs of the State; and

(C) the type and availability of workforce and career development activities in the State;

(4)(A) an identification of local workforce development areas in the State, including a description of the process used for the designation of such areas, which shall take into consideration labor market areas, service areas in which related Federal programs are provided or historically have been provided, and service areas in which related State programs are provided or historically have been provided; or

(B) if the State receives an increase in an allotment under section 102 for a program year as a result of the application of section 102(c)(2), information stating that the State will be treated as a local workforce development area for purposes of the application of this title, at the election of the State;

(5) an identification of criteria for the appointment of members of local workforce development boards, based on the requirements of section 108;

(6) a description of how the State will utilize the statewide labor market information system described in section 139(d);

(7) a description of the measures that will be taken by the State to assure coordination and consistency and avoid duplication among activities receiving assistance under this title, programs receiving assistance under title II, and programs carried out under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) or the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), including a description of common data collection and reporting processes;

(8) a description of the process used by the State to provide an opportunity for public comment, and input into the development of the plan, prior to submission of the plan;

(9) information identifying how the State will obtain the active and continuous participation of business, industry, and (as appropriate) labor in the development and continuous improvement of the statewide system;

(10) assurances that the State will provide for fiscal control and fund accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, funds paid to the State through the allotment made under section 102;

(11) information describing the allocation within the State of the funds made available through the flex account for the State;

(12) information identifying how any funds that a State receives through the allotment made under section 102 will be leveraged with other private and public resources (including funds made available to the State under the Wagner-Peyser Act (29 U.S.C. 49 et seq.)) to maximize the effectiveness of such resources for all activities described in subtitle C, and expand the participation of business, industry, employees, and individuals in the statewide system;

(13) information identifying how the workforce and career development activities to be carried out with funds received through the allotment made under section 102 will be coordinated with programs carried out by the Veterans' Employment and Training Service with funds received under title 38, United States Code, in order to meet the State goals and reach the State benchmarks related to veterans;

(14) an assurance that the funds made available to the State through the allotment made under section 102 will supplement and not supplant other public funds expended to provide activities described in subtitle C;

(15) with respect to economic development activities described in section 121(c)(1)(C), information describing—

(A) any economic development activities that will be carried out with the funds described in section 111(a)(2)(B);

(B) how the activities will lead directly to increased earnings of nonmanagerial employees in the State; and

(C) whether the nonmanagerial employees (including labor, as appropriate) support the activities;

(16) with respect to employment and training activities, information—

(A) describing the employment and training activities that will be carried out with the funds received by the State through the allotment made under section 102, including a description of how the State will provide rapid response assistance to dislocated workers;

(B) describing the strategy of the State (including the timeframe for such strategy) for development of a fully operational statewide one-stop career center system as described in section 121(d), including—

(i) criteria for use by local boards, with respect to the designation or certification of one-stop career center eligible providers, in each local workforce development area in accordance with section 108(d)(4)(B)(i)(I);

(ii) the steps that the State will take over the 3 years covered by the plan to ensure that all publicly funded labor exchange services described in section 121(e)(2) or 139, and all such services authorized in the Wagner-Peyser Act (29 U.S.C. 49 et seq.), are provided through the one-stop career center system of the State; and

(iii) the steps that the State will take over the 3 years covered by the plan to provide information to individuals through the one-stop career center system on the quality of workforce and career development activities, and vocational rehabilitation program activities, as appropriate;

(C) describing the procedures the State will use to identify eligible providers of training services described in section 121(e)(3), as required under this title;

(D) describing how the State will serve the employment and training needs of dislocated workers, low-income individuals, and other individuals with multiple barriers to employment (as determined by the State); and

(E) describing how the State will establish and implement the required career grant pilot program for dislocated workers pursuant to section 121(g), including a description of the size, scope, and quality of such program and a description of how the State, after 3 years, will evaluate such program and use the findings of the evaluation to improve the delivery of training services described in section 121(e)(3) for dislocated workers and other participants under section 121;

(17) with respect to at-risk youth activities, information—

(A) describing the at-risk youth activities that will be carried out with funds received by the State through the allotment made under section 102;

(B) describing how the State will adequately address the needs of at-risk youth in alternative education programs that teach to the same challenging academic, occupational, and skill proficiencies as are provided for all other students; and

(C) identifying the types of criteria the Governor and local boards will use to identify effective and ineffective at-risk youth activities and eligible providers of such activities;

(18) with respect to vocational education activities, information—

(A) describing the vocational education activities that will be carried out with funds received by the State through the allotment made under section 102;

(B) describing the plan of the State to develop the academic and occupational skills of students participating in such vocational education activities, including—

(i) the integration of academic and vocational education;

(ii) the integration of classroom and worksite learning; and

(iii) linkages between secondary and postsecondary education;

(C) describing how the State will improve career guidance and counseling;

(D) describing how the State will promote the active involvement of parents and business (including small- and medium-sized businesses) in the planning, development, and implementation of such vocational education activities;

(E) describing how funds received by the State through the allotment made under section 102 will be allocated among secondary school vocational education, or postsecondary and adult vocational education, or both;

(F) describing how the State will adequately address the needs of students who participate in such vocational education activities to be taught to the same challenging academic proficiencies as are provided for all other students;

(G) describing how the State will annually evaluate the effectiveness of such vocational education activities;

(H) describing how the State will address the professional development needs of the State with respect to such vocational education activities; and

(I) describing how the State will provide local educational agencies in the State with technical assistance; and

(19) with respect to adult education and literacy activities, information—

(A) describing the adult education and literacy activities that will be carried out with funds received by the State through the allotment made under section 102;

(B) describing how such adult education and literacy activities described in the State plan and the State allocation of funds received through the allotment made under section 102 for such activities are an integral part of comprehensive efforts of the State to improve education and training for all individuals; and

(C) describing how the State will annually evaluate the effectiveness of such adult education and literacy activities.

(c) SPECIAL RULES.—

(1) GOVERNOR.—The Governor of a State shall have final authority to determine the content of the portion of the State plan described in paragraphs (1) through (17) of subsection (b).

(2) ELIGIBLE AGENCIES.—An eligible agency in a State shall have final authority to determine the content of the portion of the State plan described in paragraph (18) or (19) of subsection (b), as appropriate.

(d) MODIFICATIONS TO PLAN.—A State may submit modifications to the State plan in accordance with the requirements of this section and section 105, as necessary, during the 3-year period of the plan.

SEC. 105. COLLABORATIVE PROCESS.

(a) IN GENERAL.—A State shall use a collaborative process to develop the State plan described in section 104, through which individuals and entities including, at a minimum—

(1) the Governor;

(2) representatives, appointed by the Governor, of—

(A) business and industry;

(B) local chief elected officials (representing both cities and counties, where appropriate);

(C) local educational agencies (including vocational educators);

(D) postsecondary institutions (including community and technical colleges);

(E) parents; and

(F) employees (which may include labor);

(3) the lead State agency official for—

(A) the State educational agency;

(B) the eligible agency for vocational education;

(C) the eligible agency for adult education and literacy;

(D) the State agency responsible for postsecondary education; and

(E) the State agency responsible for vocational rehabilitation, and where applicable, the State agency providing vocational rehabilitation program activities for the blind;

(4) such other State agency officials, including officials responsible for economic development and employment, as the Governor may designate;

(5) representatives of the State legislature; and

(6) the representative of the Veterans' Employment and Training Service assigned to the State under section 4103 of title 38, United States Code;

shall collaborate in the development of the plan.

(b) ALTERNATIVE PROCESSES.—

(1) IN GENERAL.—For purposes of complying with subsection (a), a State may use any State collaborative process (including any council, State workforce development board, or similar entity) in existence on the date of enactment of this Act that meets or is conformed to meet the requirements of such subsection.

(2) FUNCTIONS OF STATE HUMAN RESOURCES INVESTMENT COUNCILS.—If a State uses a State human resources investment council in existence on the date of enactment of this Act, as described in paragraph (1), the functions of such board shall include—

(A) advising the Governor on the development of the statewide system, the State plan described in section 104, and the State goals and State benchmarks;

(B) assisting in the development of performance indicators that relate to the measurement of State progress toward meeting the State goals and reaching the State benchmarks and providing guidance on how such progress may be improved;

(C) assisting the Governor in preparing the annual report to the Secretaries described in section 106(c);

(D) assisting the Governor in developing the statewide labor market information system described in section 139(d); and

(E) assisting in the monitoring and continuous improvement of the performance of the statewide system, including evaluation of the effectiveness of workforce and career development activities.

(c) AUTHORITY OF GOVERNOR.—

(1) FINAL AUTHORITY.—If, after a reasonable effort, the Governor is unable to obtain the support of the individuals and entities participating in the collaborative process described in subsection (a) or (b) for the State plan, the Governor shall have final authority to submit the State plan as described in section 104, except as provided in section 104(c) and in paragraph (3).

(2) PROCESS.—The Governor shall—

(A) provide such individuals and entities with copies of the State plan;

(B) allow such individuals and entities to submit to the Governor, not later than the end of the 30-day period beginning on the date on which the Governor provides such individuals and entities with copies of such plan under subparagraph (A), comments on such plan; and

(C) include in the State plan any such comments that—

(i) are submitted by an eligible agency and represent disagreement with such plan, with respect to provisions of the State plan described in paragraph (18) or (19) of section 104(b), as appropriate; or

(ii) are submitted by an individual or entity participating in the collaborative process.

(3) ELIGIBLE AGENCY COMMENTS.—An eligible agency, in submitting comments under paragraph (2)(C)(i), may submit provisions for the portion of the State plan described in paragraph (18) or (19) of section 104(b), as appropriate. The Governor shall include such provisions in the State plan submitted under section 104. Such provisions shall be considered to be such portion of the State plan.

SEC. 106. ACCOUNTABILITY.

(a) GOALS.—Each statewide system supported by an allotment under section 102 shall be designed to meet—

(1) the goal of assisting participants in obtaining meaningful unsubsidized employment opportunities in the State; and

(2) the goal of enhancing and developing more fully the academic, occupational, and literacy skills of all segments of the population of the State.

(b) BENCHMARKS.—

(1) MEANINGFUL EMPLOYMENT.—To be eligible to receive an allotment under section 102, a State shall develop and identify in the State plan submitted under section 104, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (a)(1), which shall include, at a minimum, measures of—

(A) placement of participants in unsubsidized employment;

(B) retention of the participants in unsubsidized employment (12 months after completion of the participation);

(C) increases in earnings, or in earnings and employer-assisted benefits, for the participants; and

(D) attainment by the participants of industry-recognized occupational skills, as appropriate.

(2) EDUCATION.—To be eligible to receive an allotment under section 102, a State shall develop and identify in the State plan submitted under section 104, proposed quantifiable benchmarks to measure the statewide progress of the State toward meeting the goal described in subsection (a)(2), which shall include, at a minimum, measures, for participants, of—

(A) attainment of challenging State academic proficiencies;

(B) attainment of secondary school diplomas or general equivalency diplomas;

(C) attainment of industry-recognized occupational skills according to skill proficiencies for students in career preparation programs;

(D) placement in, retention in, and completion of postsecondary education or advanced training, or placement and retention in military service, employment, or qualified apprenticeships; and

(E) attainment of the literacy skills and knowledge individuals need to be productive and responsible citizens and to become more actively involved in the education of their children.

(3) POPULATIONS.—

(A) MINIMUM MEASURES.—In developing and identifying, under paragraphs (1) and (2), measures of the progress of the State toward meeting the goals described in subsection (a), a State shall develop and identify in the State plan, in addition to statewide benchmarks, proposed quantifiable benchmarks for populations that include, at a minimum—

(i) low-income individuals;

(ii) dislocated workers;

(iii) at-risk youth;

(iv) individuals with disabilities;

(v) veterans; and

(vi) individuals of limited literacy, as determined by the State.

(B) ADDITIONAL MEASURES.—In addition to the benchmarks described in subparagraph (A), a State may develop and identify in the State plan proposed quantifiable benchmarks to measure the progress of the State toward meeting the goals described in subsection (a) for populations with multiple barriers to employment, which may include older workers, as determined by the State.

(4) APPLICATION.—

(A) MEANINGFUL EMPLOYMENT BENCHMARKS.—Benchmarks described in paragraph (1) shall apply to employment and training activities and, as appropriate, to at-risk youth activities and adult education and literacy activities.

(B) EDUCATION BENCHMARKS.—Benchmarks described in paragraph (2) shall apply to vocational education activities, at-risk youth activities, and, as appropriate, adult education and literacy activities.

(5) SPECIAL RULE.—If a State adopts for all students in the State performance indicators, attainment levels, or assessments for skills according to challenging academic, occupational, or industry-recognized skill proficiencies, the State shall, at a minimum, use such performance indicators, attainment levels, or assessments in measuring the progress of all students who participate in workforce and career development activities.

(6) TECHNICAL ASSISTANCE.—

(A) IN GENERAL.—The Secretaries shall provide technical assistance to States requesting such assistance, which may include the development, in accordance with subparagraph (B), of model benchmarks for each of the benchmarks described in paragraphs (1) and (2) at achievable levels based on existing (as of the date of the development of the benchmarks) workforce and career development efforts in the States.

(B) COLLABORATION.—Any such model benchmarks shall be developed in collaboration with the States and other appropriate parties.

(7) INCENTIVE GRANTS.—A State that meets the requirements of section 132(a) (including requirements relating to State benchmarks) shall be eligible to receive an incentive grant under section 132(a).

(8) SANCTIONS.—A State that has failed to meet the State benchmarks described in paragraphs (1) and (2) for the 3-year period covered by a State plan described in section 104, as determined by the Secretaries, may be subject to sanctions under section 132(b).

(c) REPORT.—

(1) In General.—Each State that receives an allotment under section 102 shall annually prepare and submit to the Secretaries a report that states how the State is performing on State benchmarks that relate to workforce and career development activities. The report shall include information on how the local workforce development areas in the State are performing on local benchmarks described in section 108(d)(4)(A). The report shall also include information on the status and results of any State evaluations specified in subsection (d) that relate to employment and training activities carried out in the State. In preparing the report, the State may include information on such additional benchmarks as the State may establish to meet the State goals.

(2) Information Dissemination.—The Secretaries shall make the information contained in such reports available to the general public through publication and other appropriate methods, and shall disseminate State-by-State comparisons of the information.

(3) Evaluation.—In preparing the report for the third year of the 3-year period covered by the State plan, the State shall include the findings of the evaluation described in section 104(b)(16)(E) of the career grant pilot program described in section 121(g).

(d) Evaluation of State Programs.—

(1) Employment and Training Activities.—Using funds reserved under section 111(a)(2)(B), a State shall conduct ongoing evaluations of employment and training activities carried out in the State.

(2) Methods.—The State shall—

(A) conduct such evaluations of employment and training activities through controlled experiments using experimental and control groups chosen by random assignment;

(B) in conducting such evaluations, determine, at a minimum, whether employment and training activities effectively raise the hourly wage rates of individuals receiving services through such activities; and

(C) conduct, or arrange under paragraph (3) for the conduct of, at least 1 such evaluation at any given time during any period in which the State is receiving funding under this title for such activities.

(3) Multi-State Agreements.—A State may enter into an agreement with 1 or more States to arrange for the conduct of such evaluations in accordance with the requirements of paragraphs (1) and (2).

(e) Fiscal and Management Accountability Information Systems.—

(1) In General.—Using funds reserved under sections 111(a)(2)(B) and 112(a)(2)(C), the State may operate a fiscal and management accountability information system, based on guidelines established by the Secretaries in consultation with the Governors and other appropriate parties. Such guidelines shall promote the efficient collection and use of fiscal and management information for reporting and monitoring the use of funds made available to the State for employment and training activities and at-risk youth activities and for use by the State in preparing the annual report described in subsection (c). In measuring State performance on State benchmarks, a State may, pursuant to State law, utilize quarterly wage records available through the unemployment insurance system.

(2) Confidentiality.—In carrying out the requirements of this Act, the State shall comply with section 444 of the General Education Provisions Act (20 U.S.C. 1232g) (as added by the Family Educational Rights and Privacy Act of 1974). In addition, the State shall protect the confidentiality of information obtained through the fiscal and management accountability information system through the use of recognized security procedures.

SEC. 107. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

(a) Eligibility Requirements.—

(1) In General.—Except as provided in subsection (d), to be eligible to receive funds made available under section 111 to provide training services described in section 121(e)(3) (referred to in this section as "training services") and be identified as an eligible provider of such services, a provider of such services shall meet the requirements of this section.

(2) Postsecondary Educational Institutions.—A postsecondary educational institution shall automatically be eligible to receive such funds for—

(A) a program that leads to an associate, baccalaureate, professional, or graduate degree;

(B) a program that—

(i) is at least 2 academic years in length; and

(ii) is acceptable for academic credit toward a baccalaureate degree; or

(C) a program that—

(i) is at least 1 academic year in length;

(ii) is a training program;

(iii) leads to a certificate, degree, or other recognized educational credential; and

(iv) prepares a student for gainful employment in a recognized occupation.

(3) Other Eligible Providers.—

(A) Procedure.—The Governor shall establish a procedure for determining the eligibility of public and private providers not described in paragraph (2) (including eligibility of postsecondary educational institutions for programs not described in paragraph (2)) to receive such funds. In determining the eligibility, the Governor shall solicit and take into consideration recommendations of the local boards concerning the identification of eligible providers of training services in local workforce development areas.

(B) Levels of Performance.—At a minimum, the Governor shall establish a procedure that requires such a provider to meet minimum acceptable levels of performance based on—

(i) verifiable program-specific performance information described in subparagraph (C) and submitted to the State agency designated under subsection (b), as required under paragraphs (2) and (3) of subsection (b); and

(ii) performance criteria relating to the rates and percentages described in subparagraph (C)(i).

(C) Performance Information.—

(i) Required Information.—To be eligible to receive such funds, a provider shall submit information on—

(I) program completion rates for participants in the applicable program conducted by the provider;

(II) the percentage of the participants obtaining employment in an occupation related to the program conducted;

(III) where appropriate, the rates of licensure or certification of graduates of the program; and

(IV) where appropriate, the percentage of the participants who demonstrate significant gains in literacy and basic skills.

(ii) Additional Information.—In addition to the performance information described in clause (i), the Governor may require that a provider described in this paragraph submit such other performance information as the Governor determines to be appropriate, which may include information relating to—

(I) the adequacy of space, staff, equipment, instructional materials, and student support services offered by the provider through a program conducted by the provider;

(II) the earnings of participants completing the program; and

(III) the percentage of graduates of the program who attain industry-recognized occupational skills in the subject, occupation, or industry for which training is provided.

(b) Administration.—

(1) Designation.—The Governor shall designate a State agency to collect and disseminate the performance information described in subsection (a)(3)(C) and submitted pursuant to this subsection and carry out other duties described in this subsection.

(2) Application.—To be eligible to receive funds as described in subsection (a), a provider shall submit an application at such time, in such manner, and containing such information as the designated State agency may require.

(3) Submission.—To be eligible to receive funds as described in subsection (a), a provider described in subsection (a)(3) shall submit the performance information described in subsection (a)(3)(C) annually to the designated State agency at such time and in such manner as the designated State agency may require. The designated State agency may accept program-specific performance information consistent with the requirements for eligibility under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) from such a provider for purposes of enabling the provider to fulfill the applicable requirements of this paragraph.

(4) List of Eligible Providers.—The designated State agency, after reviewing the performance information described in subsection (a)(3)(C) and using the procedure described in subsection (a)(3)(B), shall identify eligible providers of training services described in paragraph (2) or (3) of subsection (a), compile a list of such eligible providers, accompanied by the performance information described in subsection (a)(3)(C) for each such provider described in subsection (a)(3), and disseminate such list and information to one-stop career centers and to local boards. Such list and information shall be made widely available to participants in workforce and career development activities and others through the one-stop career center system described in section 121(d).

(c) Enforcement.—

(1) Accuracy of Information.—If the designated State agency determines that a provider or individual supplying information on behalf of a provider intentionally supplies inaccurate information under this section, the agency shall terminate the eligibility of the eligible provider to receive funds described in subsection (a) for a period of time, but not less than 2 years, as prescribed in regulations issued by the Governor.

(2) Compliance With Criteria or Requirements.—If the designated State agency determines that an eligible provider or a program of training services carried out by an eligible provider fails to meet the required performance criteria described in subsection (a)(3)(B)(ii) or materially violates any provision of this title or the regulations promulgated to implement this title, the agency may terminate the eligibility of the eligible provider to receive funds described in subsection (a) for such program or take such other action as the agency determines to be appropriate.

(3) Eligibility Under the Higher Education Act of 1965.—If the designated State agency determines that the eligibility of an eligible provider described in subsection (a)(2) under title IV of the Higher Education Act of 1965 has been terminated, the agency shall—

(A) terminate the automatic eligibility of the provider under subsection (a)(2); and

(B) require the provider to meet the requirements of subsection (a)(3) to be eligible to receive funds as described in subsection (a).

(4) Repayment.—Any provider whose eligibility is terminated under paragraph (1) or (2) for a program shall be liable for repayment of all funds described in subsection (a) received for the program during any period of noncompliance described in such paragraph.

(5) Appeal.—The Governor shall establish a procedure for an eligible provider to appeal a determination by the designated State agency that results in termination of eligibility under

this subsection. Such procedure shall provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(d) On-the-Job Training Exception.—

(1) In general.—Providers of on-the-job training shall not be subject to the requirements of subsection (a), (b), or (c).

(2) Collection and dissemination of information.—A one-stop career center eligible provider in a local workforce development area shall collect such performance information from on-the-job training providers as the Governor may require, and disseminate such information through the delivery of core services described in section 121(e)(2), as appropriate.

SEC. 108. LOCAL WORKFORCE DEVELOPMENT BOARDS.

(a) Establishment.—There shall be established in each local workforce development area of a State, and certified by the Governor of the State, a local workforce development board, reflecting business and community interests in workforce and career development activities.

(b) Membership.—

(1) State criteria.—The Governor of the State shall establish criteria for the appointment of members of the local boards for local workforce development areas in the State in accordance with the requirements of paragraph (2). Information identifying such criteria shall be included in the State plan submitted under section 104.

(2) Composition.—Such criteria shall require at a minimum, that the membership of each local board—

(A) shall include—

(i) a majority of members who are representatives of business and industry in the local workforce development area, appointed from among individuals nominated by local business organizations and trade associations;

(ii) representatives of local secondary schools, representatives of postsecondary educational institutions (including representatives of community colleges), representatives of vocational educators, and representatives of providers of adult education and literacy services, where such schools, institutions, educators, or providers, as appropriate, exist; and

(iii) representatives of employees, which may include labor; and

(B) may include—

(i) individuals with disabilities;

(ii) parents;

(iii) veterans; and

(iv) representatives of community-based organizations.

(3) Chairperson.—The local board shall elect a chairperson from among the members of the board.

(c) Appointment and Certification of Board.—

(1) Appointment of board members and assignment of responsibilities.—

(A) In general.—The chief elected official in a local workforce development area is authorized to appoint the members of the local board for such area, in accordance with the State criteria established under subsection (b).

(B) Multiple units of local government in area.—

(i) In general.—In a case in which a local workforce development area includes more than 1 unit of general local government, the chief elected officials of such units may execute an agreement that specifies the respective roles of the individual chief elected officials—

(I) in the appointment of the members of the local board from the individuals nominated or recommended to be such members in accordance with the criteria established under subsection (b); and

(II) in carrying out any other responsibilities assigned to such officials.

(ii) Lack of agreement.—If, after a reasonable effort, the chief elected officials are unable to reach agreement as provided under clause (i), the Governor may appoint the members of the local board from individuals so nominated or recommended.

(2) Certification.—

(A) In general.—The Governor may annually certify 1 local board for each local workforce development area in the State.

(B) Criteria.—Such certification shall be based on factors including the criteria established under subsection (b) and, for a second or subsequent certification, the extent to which the local board has ensured that employment and training activities and at-risk youth activities carried out in the local workforce development area have met expected levels of performance with respect to the local benchmarks required under subsection (d)(4)(A).

(C) Failure to achieve certification.—Failure of a local board to achieve certification shall result in reappointment and certification of another local board for the local workforce development area pursuant to the process described in paragraph (1) and this paragraph.

(3) Decertification.—Notwithstanding paragraph (2), the Governor may decertify a local board at any time for fraud or abuse, or failure to carry out the functions specified for the local board in paragraphs (1) through (3) of subsection (d), after providing notice and an opportunity for comment. If the Governor decertifies a local board for a local workforce development area, the Governor may require that a local board be appointed and certified for the local workforce development area pursuant to a plan developed by the Governor in consultation with the chief elected official in the local workforce development area and in accordance with the criteria established under subsection (b).

(4) Exception.—Notwithstanding subsection (b) and paragraphs (1) and (2), if a State described in section 104(b)(4)(B) indicates in the State plan that the State will be treated as a local workforce development area for purposes of the application of this title, the Governor may designate the individuals and entities involved in the collaborative process described in section 105 to carry out any of the functions described in subsection (d).

(d) Functions of Local Board.—The functions of the local board shall include the following:

(1) Local plan.—

(A) In general.—Each local board shall develop and submit to the Governor a comprehensive multiyear strategic local plan. The local plan shall be consistent with the State goals and State plan described in section 104.

(B) Contents.—The local plan shall include—

(i) an identification of the workforce development needs of local industries, jobseekers, and workers;

(ii) a description of employment and training activities and at-risk youth activities to be carried out in the local workforce development area as required under sections 121 and 122, that, with activities authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), will contribute to the coherent delivery of workforce and career development activities;

(iii) a description of the local benchmarks negotiated with the Governor pursuant to paragraph (4)(A), to be used by the local board for measuring the performance of eligible providers, and the performance of the one-stop career center system, in the local workforce development area;

(iv) a description of the process negotiated with the Governor pursuant to paragraph (4)(B) that the local board will use to designate or certify, and to conduct oversight with respect to, one-stop career center eligible providers in the local workforce development area, that will—

(I) ensure that the most effective and efficient providers will be chosen; and

(II) ensure the continuous improvement of such providers and ensure that such providers will continue to meet the labor market needs of local employers and participants;

(v) a description of how the local board will ensure the continued participation of the chief elected official in the local workforce development area in carrying out the duties of the local board, including the participation of such official in carrying out the oversight responsibilities of the board;

(vi) a description of how the local board will obtain the active and continuous participation of representatives of business and industry, employees (which may include labor), local educational agencies, postsecondary educational institutions, providers of adult education and literacy services, vocational educators, other providers of workforce and career development activities, community-based organizations, parents, and consumers (including individuals with disabilities, older workers, and veterans), where appropriate, in the development and continuous improvement of the employment and training activities to be carried out in the local workforce development area;

(vii) a description of the steps the local board will take to work with local educational agencies, postsecondary educational institutions, vocational educators, providers of adult education and literacy services, and other representatives of the educational community to address local employment, education, and training needs;

(viii) a description of the process that will be used to fully involve representatives of business, employees (which may include labor), the local education community (including vocational educators and teachers), parents, and community-based organizations in the development and implementation of at-risk youth activities in the local workforce development area, including a description of the process used to ensure that the most effective and efficient providers are chosen to carry out the activities; and

(ix) such other information as the Governor may require.

(C) Consultation.—The local board shall—

(i) consult with the chief elected official in the appropriate local workforce development area in the development of the local plan; and

(ii) provide the chief elected official with a copy of the local plan.

(D) Approval.—

(i) In general.—The chief elected official shall—

(I) approve the local plan; or

(II) reject the local plan and make recommendations to the local board on how to improve the local plan.

(ii) Submission.—If, after a reasonable effort, the local board is unable to obtain the approval of the chief elected official for the local plan, the local board shall submit the plan to the Governor for approval under subparagraph (A), and shall submit the recommendations of the chief elected official to the Governor along with the plan.

(2) Selection and oversight responsibilities.—

(A) One-stop career centers.—Consistent with section 111(c)(1)(A) and the agreement negotiated with the Governor under paragraph (4)(B)(i), the local board is authorized to designate or certify one-stop career center eligible providers, and conduct oversight with respect to such providers, in the local workforce development area.

(B) At-risk youth activities.—Consistent with section 112(d), the local board is authorized to award grants on a competitive basis to eligible providers of at-risk youth activities, and conduct oversight with respect to such providers, in the local workforce development area.

(3) IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.—Consistent with section 107, the local board is authorized to make recommendations to the Governor concerning the identification of eligible providers of training services described in section 121(e)(3) in the local workforce development area.

(4) NEGOTIATIONS.—

(A) LOCAL BENCHMARKS.—The local board and the Governor shall negotiate and reach agreement on local benchmarks designed to meet the goals described in section 106(a) for the local workforce development area. In determining such benchmarks, the Governor and the local board shall take into account the State benchmarks described in section 106(b)(1) with respect to employment and training activities and as appropriate, at-risk youth activities, the State benchmarks described in section 106(b)(2) with respect to at-risk youth activities, and specific economic, demographic, and other characteristics of the populations to be served in the local workforce development area.

(B) LOCAL ONE-STOP DELIVERY OF SERVICES.—

(i) IN GENERAL.—Consistent with criteria identified in the State plan information submitted under section 104(b)(16)(B)(i), the local board and the Governor shall negotiate and reach agreement on a process to be used by the local board that meets the requirements of subclauses (I) and (II) of paragraph (1)(B)(iv) for—

(I) the designation or certification of one-stop career center eligible providers in the local workforce development area, including a determination of the role of providers of activities authorized under the Wagner-Peyser Act in the one-stop delivery of services in the local workforce development area; and

(II) the continued role of the local board in conducting oversight with respect to one-stop career center eligible providers, including the ability of the local board to terminate for cause the eligibility of a provider of such services.

(ii) ESTABLISHED ONE-STOP CAREER CENTERS.—Notwithstanding section 111(c)(1)(B), if a one-stop career center has been established in a local workforce development area prior to the date of enactment of this Act, or if approval has been obtained for a plan for a one-stop career center under the Wagner-Peyser Act (29 U.S.C. 49 et seq.) prior to the date of enactment of this Act, the local board and the Governor involved may agree to certify the one-stop career center provider for purposes of this subparagraph.

(e) SUNSHINE PROVISION.—The local board shall make available to the public, on a regular basis, information regarding the activities of the local board, including information regarding membership, the designation and certification of one-stop career center eligible providers, and the award of grants to eligible providers of at-risk youth activities.

(f) OTHER ACTIVITIES.—

(1) LIMITATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), no local board may directly carry out an employment and training activity.

(B) WAIVERS.—The Governor of the State in which the local board is located may grant to the local board a written waiver of the prohibition set forth in subparagraph (A).

(2) CONFLICT OF INTEREST.—No member of a local board may—

(A) vote on a matter under consideration by the local board—

(i) regarding the provision of services by such member (or by an organization that such member represents); or

(ii) that would provide direct financial benefit to such member or the immediate family of such member; or

(B) engage in any other activity determined by the Governor to constitute a conflict of interest.

(g) TECHNICAL ASSISTANCE.—If a local workforce development area fails to meet expected levels of performance on negotiated benchmarks described in subsection (d)(4)(A), the Governor may provide technical assistance to the local board to improve the level of performance of the local workforce development area.

Subtitle B—Allocation

SEC. 111. DISTRIBUTION FOR EMPLOYMENT AND TRAINING ACTIVITIES.

(a) RESERVATIONS FOR STATE AND LOCAL ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (1) and (5) of section 103(a) for employment and training activities shall be made available in accordance with this section.

(2) DISTRIBUTION.—Of the sum described in paragraph (1) that is made available to a State for a program year—

(A) not less than 75 percent shall be made available to local workforce development areas under subsection (b) to carry out employment and training activities described in subsections (e) and (f) of section 121;

(B) not less than 20 percent shall be made available to the Governor to carry out State employment and training activities described in subsections (b) and (c) of section 121; and

(C) not more than 5 percent shall be made available for administrative expenses at the State level.

(b) WITHIN STATE FORMULA.—

(1) IN GENERAL.—The Governor shall develop a formula for the allocation of the funds described in subsection (a)(2)(A) to local workforce development areas, taking into account—

(A) the poverty rate, among individuals who are not less than age 18 and not more than age 64, as determined by the Bureau of the Census, within each local workforce development area;

(B) the unemployment rate within each local workforce development area;

(C) the proportion of the State population of individuals who are not less than age 18 and not more than age 64, residing within each local workforce development area; and

(D) such additional factors as the Governor (in consultation with local boards and local elected officials) determines to be necessary.

(2) EQUITABLE ALLOCATION.—In developing such formula, the Governor shall ensure that—

(A) the funds described in subsection (a)(2)(A) are allocated in a geographically equitable manner throughout the State; and

(B) the factors described in paragraph (1) do not receive disproportionate weight in the allocation.

(c) ELIGIBILITY.—

(1) ELIGIBILITY FOR DESIGNATION OR CERTIFICATION AS A ONE-STOP CAREER CENTER ELIGIBLE PROVIDER.—

(A) IN GENERAL.—To be eligible to receive funds made available under this section to provide employment and training activities through a one-stop career center system and be designated or certified as a one-stop career center eligible provider for a local workforce development area, an entity shall—

(i) be selected in accordance with section 108(d)(2)(A); and

(ii) be a public or private entity, or consortium of entities, located in the local workforce development area, which entity or consortium may include an institution of higher education (as defined in section 481 of the Higher Education Act of 1965 (20 U.S.C. 1088), a local employment service office established under the Wagner-Peyser Act (29 U.S.C. 49 et seq.), a local government agency, a private for-profit entity, a private nonprofit entity, or other interested entity, of demonstrated effectiveness, such as a local chamber of commerce or other business organization.

(B) EXCEPTION.—Elementary schools and secondary schools shall not be eligible for designation or certification as one-stop career center eligible providers.

(2) ELIGIBILITY FOR IDENTIFICATION AS AN ELIGIBLE PROVIDER OF TRAINING SERVICES.—Except as provided in section 107(d), to be eligible to receive funds made available under this section to provide training services described in section 121(e)(3) and be identified as an eligible provider of such services, an entity shall meet the requirements of section 107.

SEC. 112. DISTRIBUTION FOR AT-RISK YOUTH ACTIVITIES.

(a) RESERVATIONS FOR STATE AND LOCAL ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (2) and (5) of section 103(a) for at-risk youth activities shall be made available in accordance with this section.

(2) DISTRIBUTION.—Of the sum described in paragraph (1) that is made available to a State for a program year—

(A) not less than 75 percent shall be made available to local workforce development areas under subsection (b) to carry out at-risk youth activities;

(B) not more than 21 percent shall be made available to the Governor to carry out at-risk youth activities; and

(C) not more than 4 percent shall be made available for administrative expenses at the State level.

(b) WITHIN STATE FORMULA.—

(1) IN GENERAL.—The Governor, using the collaborative process described in subsection (a) or (b) of section 105, shall develop a formula for the allocation of the funds described in subsection (a)(2)(A) to local workforce development areas, taking into account—

(A) the poverty rate, as determined by the Bureau of the Census, within each local workforce development area;

(B) the proportion of the State at-risk youth population residing within each local workforce development area; and

(C) such additional factors as are determined to be necessary.

(2) EQUITABLE ALLOCATION.—In developing such formula, the Governor shall ensure that—

(A) the funds described in subsection (a)(2)(A) are allocated in a geographically equitable manner throughout the State; and

(B) the factors described in paragraph (1) do not receive disproportionate weight in the allocation.

(c) STATE GRANTS.—

(1) IN GENERAL.—The Governor shall use the funds described in subsection (a)(2)(B) to award grants, on a competitive basis, to eligible providers to carry out at-risk youth activities under section 122.

(2) ELIGIBLE PROVIDERS.—Providers eligible to receive grants under this subsection to carry out such activities include—

(A) local educational agencies, area vocational education schools, educational service agencies, institutions of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))), State corrections educational agencies, or consortia of such entities;

(B) units of general local government;

(C) private nonprofit organizations (including community-based organizations);

(D) private for-profit entities; and

(E) other organizations or entities of demonstrated effectiveness that are approved by the Governor.

(3) APPLICATION.—To be eligible to receive a grant under this subsection from the State to carry out such activities, a provider shall prepare and submit an application to the Governor

of the State at such time, in such manner, and containing such information as the Governor may require.

(4) AWARD OF GRANTS.—

(A) PROCESS.—

(i) IN GENERAL.—The Governor shall develop a peer review process for reviewing the applications and awarding the grants on a competitive basis.

(ii) CRITERIA.—The Governor shall establish criteria described in section 104(b)(17)(C) to be used in reviewing the applications.

(B) AWARDS.—

(i) IN GENERAL.—Using the process referred to in subparagraph (A), and taking into consideration the criteria referred to in subparagraph (A), the Governor shall award the grants to eligible providers.

(ii) PRIORITY.—In awarding the grants, the Governor shall give priority to providers submitting applications to serve communities, or combinations of communities, that contain a large number or a high concentration of at-risk youth.

(iii) EQUITABLE DISTRIBUTION.—In awarding the grants, the Governor shall ensure that—

(I) the funds made available through the grants are distributed in a geographically equitable manner throughout the State; and

(II) no factor receives disproportionate weight in the distribution.

(d) LOCAL GRANTS.—

(1) IN GENERAL.—From the funds made available under subsection (a)(2)(A) to a local workforce development area (other than funds described in section 122(c)), the local board for such local workforce development area shall award grants, on a competitive basis, to eligible providers to carry out at-risk youth activities under section 122.

(2) ELIGIBLE PROVIDERS.—Providers eligible to receive grants under this subsection to carry out such activities in a local workforce development area include the providers described in subparagraphs (A) through (D) of subsection (c)(2) and other organizations or entities of demonstrated effectiveness that are approved by the local board.

(3) APPLICATION.—To be eligible to receive a grant under this subsection from the local board to carry out such activities in a local workforce development area, a provider shall prepare and submit an application to the board at such time, in such manner, and containing such information as the board may require.

(4) AWARD OF GRANTS.—

(A) PROCESS.—

(i) IN GENERAL.—The local board shall develop a peer review process for reviewing the applications and awarding the grants on a competitive basis.

(ii) CRITERIA.—The local board shall establish criteria described in section 104(b)(17)(C) to be used in reviewing the applications.

(B) AWARDS.—

(i) IN GENERAL.—Using the process referred to in subparagraph (A), and taking into consideration the criteria referred to in subparagraph (A), the local board shall award the grants to eligible providers.

(ii) PRIORITY.—In awarding the grants, the local board shall give priority to providers submitting applications to serve communities, or combinations of communities, that contain a large number or a high concentration of at-risk youth.

(iii) EQUITABLE DISTRIBUTION.—In awarding the grants, the local board shall ensure that—

(I) the funds made available through the grants are distributed in a geographically equitable manner throughout the local workforce development area; and

(II) no factor receives disproportionate weight in the distribution.

(5) LIMITATION.—No local board may directly carry out an at-risk youth activity.

(e) TECHNICAL ASSISTANCE.—The Governor, in consultation with the chief elected officials in a local workforce development area, shall provide technical assistance to the local board for the local workforce development area to improve the level of performance of the local workforce development area with respect to at-risk youth activities if—

(1) the local board requests such technical assistance; or

(2) the Governor, in carrying out the certification requirements of section 108(c)(2), determines that the local board requires such technical assistance.

SEC. 113. FUNDING FOR STATE VOCATIONAL EDUCATION ACTIVITIES AND DISTRIBUTION FOR SECONDARY SCHOOL VOCATIONAL EDUCATION.

(a) RESERVATIONS FOR STATE AND LOCAL ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (3) and (5) of section 103(a) for vocational education activities shall be made available in accordance with this section and sections 114 and 115.

(2) DISTRIBUTION.—Of the sum described in paragraph (1) that is made available to an eligible agency for vocational education for a program year—

(A) not less than 85 percent shall be made available to eligible providers to carry out vocational education activities under this section or section 114;

(B) not more than 11 percent shall be made available to carry out State activities described in section 123(a); and

(C) not more than 4 percent shall be made available for administrative expenses at the State level.

(3) STATE DETERMINATIONS.—From the amount available to an eligible agency in a State for distribution to eligible providers under paragraph (2)(A) for a program year, such agency shall determine the percentage of such amount that will be distributed in accordance with this section and section 114 for such year for vocational education activities in such State in the area of secondary school vocational education, or postsecondary and adult vocational education, or both.

(b) ALLOCATION FOR SECONDARY SCHOOL VOCATIONAL EDUCATION.—

(1) IN GENERAL.—Except as otherwise provided in this section and section 115, each eligible agency for vocational education in a State shall distribute the portion of the funds made available for any program year (from funds made available for the corresponding fiscal year, as determined under section 151(c)) by such agency for secondary school vocational education under subsection (a)(3) to local educational agencies within the State as follows:

(A) SEVENTY PERCENT.—From 70 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 70 percent as the number of children who are described in paragraph (2) and reside in the school district served by such agency for the preceding fiscal year bears to the total number of such children who reside in the school districts served by all local educational agencies in the State for such preceding year.

(B) THIRTY PERCENT.—From 30 percent of such portion, each local educational agency shall be allocated an amount that bears the same relationship to such 30 percent as the number of students enrolled in schools, and adults enrolled in training programs, under the jurisdiction of such local educational agency for the preceding fiscal year bears to the number of students enrolled in schools, and adults enrolled in training programs, under the jurisdiction of all local educational agencies in the State for such preceding year.

(2) NUMBER OF CHILDREN.—

(A) IN GENERAL.—The number of children referred to in paragraph (1)(A) is the number of children aged 5 through 17, inclusive, from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved for the fiscal year for which the determination is made.

(B) POPULATION UPDATES.—In fiscal year 1999 and every 2 years thereafter, the Secretary of Education shall use updated data on the number of children aged 5 through 17, inclusive, from families with incomes below the poverty line for local educational agencies, published by the Department of Commerce, unless the Secretary of Education and the Secretary of Commerce determine that use of the updated population data would be inappropriate or unreliable, taking into consideration the recommendations of the study to be conducted by the National Academy of Sciences pursuant to section 1124(c)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)(4)). If the Secretary of Education and the Secretary of Commerce determine that some or all of the data referred to in this subparagraph are inappropriate or unreliable, they shall jointly issue a report setting forth their reasons in detail. In determining the families with incomes below the poverty line, the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census, in such form as those criteria have been updated by increases in the Consumer Price Index for all urban consumers, published by the Bureau of Labor Statistics.

(3) WAIVER FOR MORE EQUITABLE DISTRIBUTION.—Subject to subsection (c), the Secretary of Education may waive the application of paragraph (1) in the case of any eligible agency that submits to the Secretary an application for such waiver that—

(A) demonstrates that an alternative formula will result in a greater distribution of funds to local educational agencies within the State that serve the highest number or greatest percentage of children described in paragraph (2) than the formula described in paragraph (1); and

(B) includes a proposal for such an alternative formula.

(c) MINIMUM ALLOCATION.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), no local educational agency shall receive an allocation under subsection (b) for a program year unless the amount allocated to such agency under subsection (b) is $15,000 or more. A local educational agency may enter into a consortium with other local educational agencies for purposes of meeting the minimum allocation requirement of this paragraph.

(2) WAIVER.—The eligible agency may waive the application of paragraph (1) in any case in which the local educational agency—

(A) is located in a rural, sparsely populated area; and

(B) demonstrates that such agency is unable to enter into a consortium for purposes of providing services under this section.

(3) REDISTRIBUTION.—Any amounts that are not allocated by reason of paragraph (1) for a program year shall be redistributed for such program year—

(A) to a local educational agency—

(i) that did not receive an allocation under subsection (b) or pursuant to paragraph (2) for such program year;

(ii) that is located in a rural, sparsely populated area; and

(iii) for which at least 15 percent of the children in the school district served by such agency are children described in subsection (b)(2); and

(B) for vocational education services and activities of sufficient size, scope, and quality to be effective.

(d) LIMITED JURISDICTION AGENCIES.—

(1) IN GENERAL.—In applying the provisions of subsection (b), no eligible agency receiving assistance under this title shall allocate funds to a local educational agency that serves only elementary schools, but shall distribute such funds to the local educational agency or regional educational agency that provides secondary school services to secondary school students in the same attendance area.

(2) SPECIAL RULE.—The amount to be distributed under paragraph (1) for a program year to a local educational agency that has jurisdiction only over secondary schools shall be determined based on the number of students that entered such secondary schools in the previous year from the elementary schools involved.

(e) ALLOCATIONS TO AREA VOCATIONAL EDUCATION SCHOOLS AND EDUCATIONAL SERVICE AGENCIES.—

(1) IN GENERAL.—Each eligible agency shall distribute the portion of funds made available for any program year by such agency for secondary school vocational education under subsection (a)(3) to the appropriate area vocational education school or educational service agency in any case in which the area vocational education school or educational service agency, and the local educational agency concerned—

(A) have formed or will form a consortium for the purpose of receiving funds under this section; or

(B) have entered into or will enter into a cooperative arrangement for such purpose.

(2) ALLOCATION BASIS.—If an area vocational education school or educational service agency meets the requirements of paragraph (1), then—

(A) the amount that would otherwise be distributed to the local educational agency for a program year under this section shall be allocated to the area vocational education school, the educational service agency, and the local educational agency, based on each school's or agency's relative share of students who are attending vocational education programs (based, if practicable, on the average enrollment for the prior 3 years); or

(B) such amount may be allocated on the basis of an agreement between the local educational agency and the area vocational education school or educational service agency.

(3) APPEALS PROCEDURE.—The eligible agency shall establish an appeals procedure for resolution of any dispute arising between a local educational agency and an area vocational education school or an educational service agency with respect to the allocation procedures described in this section, including the decision of a local educational agency to leave a consortium or terminate a cooperative arrangement.

(4) CONSORTIUM REQUIREMENTS.—

(A) IN GENERAL.—Notwithstanding the provisions of paragraphs (1), (2), and (3), any local educational agency receiving an allocation that is not sufficient to conduct a secondary school vocational education program of sufficient size, scope, and quality to be effective may—

(i) form a consortium or enter into a cooperative agreement with an area vocational education school or educational service agency offering secondary school vocational education programs of sufficient size, scope, and quality to be effective; and

(ii) transfer such allocation to the area vocational education school or educational service agency.

(B) FUNDS TO CONSORTIUM.—Funds allocated to a consortium formed to meet the requirements of this paragraph shall be used only for purposes and activities that are mutually beneficial to all members of the consortium. Such funds may not be reallocated to individual members of the consortium for purposes or activities benefiting only one member of the consortium.

(f) DATA.—The Secretary of Education shall collect information from States regarding how funds made available by the eligible agency for vocational education under subsection (a)(3) are distributed to local educational agencies in accordance with this section.

SEC. 114. DISTRIBUTION FOR POSTSECONDARY AND ADULT VOCATIONAL EDUCATION.

(a) ALLOCATION.—

(1) IN GENERAL.—Except as provided in subsection (b) and section 115, each eligible agency for vocational education in a State, using the portion of the funds made available for any program year by such agency for postsecondary and adult vocational education under section 113(a)(3), shall distribute such portion to eligible institutions or consortia of eligible institutions within the State.

(2) FORMULA.—Each eligible institution or consortium of eligible institutions shall receive an amount for the program year (from funds made available for the corresponding fiscal year, as determined under section 151(c)) from such portion that bears the same relationship to such portion as the number of individuals who are Pell Grant recipients or recipients of assistance from the Bureau of Indian Affairs and are enrolled in programs offered by such eligible institution or consortium of eligible institutions, respectively, for the preceding fiscal year bears to the number of all such individuals who are enrolled in any such program within the State for such preceding year.

(3) CONSORTIUM REQUIREMENTS.—

(A) IN GENERAL.—In order for a consortium of eligible institutions described in paragraph (1) to receive assistance pursuant to such paragraph such consortium shall operate joint projects that—

(i) provide services to all postsecondary institutions participating in the consortium; and

(ii) are of sufficient size, scope, and quality to be effective.

(B) FUNDS TO CONSORTIUM.—Funds allocated to a consortium formed to meet the requirements of this section shall be used only for purposes and activities that are mutually beneficial to all members of the consortium. Such funds may not be reallocated to individual members of the consortium for purposes or activities benefiting only one member of the consortium.

(b) WAIVER FOR MORE EQUITABLE DISTRIBUTION.—The Secretary of Education may waive the application of subsection (a) in the case of any eligible agency that submits to the Secretary of Education an application for such a waiver that—

(1) demonstrates that an alternative formula will result in a greater distribution of funds to the eligible institutions or consortia of eligible institutions within the State that serve the highest numbers of low-income individuals than the formula described in subsection (a)(2); and

(2) includes a proposal for such an alternative formula.

(c) MINIMUM AMOUNT.—

(1) IN GENERAL.—No distribution of funds provided to any eligible institution or consortium of eligible institutions for a program year under this section shall be for an amount that is less than $50,000.

(2) REDISTRIBUTION.—Any amounts that are not distributed by reason of paragraph (1) shall be redistributed to eligible institutions or consortia of eligible institutions in accordance with the provisions of this section.

SEC. 115. SPECIAL RULES FOR VOCATIONAL EDUCATION.

(a) SPECIAL RULE FOR MINIMAL ALLOCATION.—

(1) GENERAL AUTHORITY.—Notwithstanding the provisions of section 113 or 114 and in order to make a more equitable distribution of funds for programs serving the highest numbers or greatest percentages of low-income individuals, for any program year for which a minimal amount is made available by an eligible agency for distribution under section 113 or 114 such agency may distribute such minimal amount for such year—

(A) on a competitive basis; or

(B) through any alternative method determined by the eligible agency.

(2) MINIMAL AMOUNT.—For purposes of this section, the term "minimal amount" means not more than 15 percent of the total amount made available by the eligible agency under section 113(a)(3) for sections 113 and 114 for a program year.

(b) REDISTRIBUTION.—

(1) IN GENERAL.—In any program year that an eligible provider receiving financial assistance under section 113 or 114 does not expend all of the amounts distributed to such provider for such year under section 113 or 114, respectively, such provider shall return any unexpended amounts to the eligible agency for distribution under section 113 or 114, respectively. The eligible agency may waive the requirements of the preceding sentence, on a case-by-case basis, for good cause as determined by such agency.

(2) REDISTRIBUTION OF AMOUNTS RETURNED LATE IN A PROGRAM YEAR.—In any program year in which amounts are returned to the eligible agency under paragraph (1) for programs described in section 113 or 114 and the eligible agency is unable to redistribute such amounts according to section 113 or 114, respectively, in time for such amounts to be expended in such program year, the eligible agency shall retain such amounts for distribution in combination with amounts made available under such section for the following program year.

(c) CONSTRUCTION.—Nothing in section 113 or 114 shall be construed—

(1) to prohibit a local educational agency (or a consortium thereof) that receives assistance under section 113, from working with an eligible provider (or consortium thereof) that receives assistance under section 114, to carry out secondary school vocational education activities in accordance with this title; or

(2) to prohibit an eligible provider (or consortium thereof) that receives assistance under section 114, from working with a local educational agency (or consortium thereof) that receives assistance under section 113, to carry out postsecondary and adult vocational education activities in accordance with this title.

(d) LOCAL APPLICATION FOR VOCATIONAL EDUCATION ACTIVITIES.—

(1) APPLICATION REQUIRED.—Each provider in a State desiring financial assistance under this subtitle for vocational education activities shall submit an application to the eligible agency for vocational education at such time, in such manner, and accompanied by such information as such agency (in consultation with other educational entities as the eligible agency determines appropriate) may require. Such application shall cover the same period of time as the period of time applicable to the State plan submitted under section 104.

(2) CONTENTS.—Each application described in paragraph (1) shall, at a minimum—

(A) describe how the vocational education activities required under section 123 will be carried out with funds received under this subtitle;

(B) describe how the activities to be carried out relate to meeting the State goals, and reaching the State benchmarks, concerning vocational education activities;

(C) describe how the provider will address the needs of students who participate in vocational education activities to be taught to the same challenging academic proficiencies as all students;

(D) describe the process that will be used to independently evaluate and continuously improve the performance of the provider;

(E) describe how the provider will coordinate the activities of the provider with the activities of the local board in the local workforce development area; and

(F) describe how parents, teachers, and the community are involved in the development and implementation of activities under this section.

SEC. 116. DISTRIBUTION FOR ADULT EDUCATION AND LITERACY.

(a) RESERVATIONS FOR STATE AND LOCAL ACTIVITIES.—

(1) IN GENERAL.—The sum of the funds made available to a State for any program year under paragraphs (4) and (5) of section 103(a) for adult education and literacy activities shall be made available in accordance with this section.

(2) DISTRIBUTION.—Of the sum described in paragraph (1) that is made available to an eligible agency for adult education and literacy for a program year—

(A) not less than 85 percent shall be made available to award grants in accordance with this section to carry out adult education and literacy activities;

(B) not more than 10 percent shall be made available to carry out State activities described in section 124(a); and

(C) subject to subparagraph (A), not more than 5 percent, or $50,000, whichever is greater, shall be made available for administrative expenses at the State level.

(b) GRANTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), from the amount made available to an eligible agency for adult education and literacy under subsection (a)(2)(A) for a program year, such agency shall award grants, on a competitive basis, to local educational agencies, correctional education agencies, community-based organizations of demonstrated effectiveness, volunteer literacy organizations, libraries, public or private nonprofit agencies, postsecondary educational institutions, public housing authorities, and other nonprofit institutions, that have the ability to provide literacy services to adults and families, or consortia of agencies, organizations, or institutions described in this subsection, to enable such agencies, organizations, institutions, and consortia to carry out adult education and literacy activities.

(2) CONSORTIA.—An eligible agency may award a grant under this section to a consortium that includes a provider described in paragraph (1) and a for-profit agency, organization, or institution, if such agency, organization, or institution—

(A) can make a significant contribution to carrying out the objectives of this title; and

(B) enters into a contract with such provider to carry out adult education and literacy activities.

(c) GRANT REQUIREMENTS.—

(1) EQUITABLE ACCESS.—Each eligible agency awarding a grant under this section for adult education and literacy activities shall ensure that the providers described in subsection (b) will be provided direct and equitable access to all Federal funds provided under this section.

(2) SPECIAL RULE.—Each eligible agency awarding a grant under this section shall not use any funds made available under this title for adult education and literacy activities for the purpose of supporting or providing programs, services, or activities for individuals who are not individuals described in subparagraphs (A) and (B) of section 4(1), except that such agency may use such funds for such purpose if such programs, services, or activities are related to family literacy services.

(3) CONSIDERATIONS.—In awarding grants under this section, the eligible agency shall consider—

(A) the past effectiveness of a provider described in subsection (b) in providing services (especially with respect to recruitment and retention of educationally disadvantaged adults and the learning gains demonstrated by such adults);

(B) the degree to which the provider will coordinate services with other literacy and social services available in the community, including coordination with one-stop career center systems established in section 121(d); and

(C) the commitment of the provider to serve individuals in the community who are most in need of literacy services.

(d) LOCAL ADMINISTRATIVE COST LIMITS.—

(1) IN GENERAL.—Except as provided in paragraph (2), of the funds provided under this section by an eligible agency to a provider described in subsection (b), not less than 95 percent shall be expended for provision of adult education and literacy activities. The remainder shall be used for planning, administration, personnel development, and interagency coordination.

(2) SPECIAL RULE.—In cases where the cost limits described in paragraph (1) will be too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination supported under this section, the eligible agency shall negotiate with the provider described in subsection (b) in order to determine an adequate level of funds to be used for noninstructional purposes.

SEC. 117. DISTRIBUTION FOR FLEXIBLE ACTIVITIES.

(a) EMPLOYMENT AND TRAINING ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out employment and training activities shall distribute such funds in accordance with section 111.

(b) AT-RISK YOUTH ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out at-risk youth activities shall distribute such funds in accordance with section 112.

(c) VOCATIONAL EDUCATION ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out vocational education activities shall distribute such funds in accordance with sections 113, 114, and 115.

(d) ADULT EDUCATION AND LITERACY ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out adult education and literacy activities shall distribute such funds in accordance with section 116.

Subtitle C—Use of Funds

SEC. 121. EMPLOYMENT AND TRAINING ACTIVITIES.

(a) IN GENERAL.—Funds made available to States and local workforce development areas under this title for employment and training activities—

(1) shall be used to carry out the activities described in subsections (b), (e), and (g); and

(2) may be used to carry out the activities described in subsections (c) and (f).

(b) REQUIRED STATE ACTIVITIES.—A State shall use funds made available for State employment and training activities under section 111(a)(2)(B)—

(1) to provide rapid response assistance;

(2) to provide labor market information as described in section 139; and

(3) to conduct evaluations, under section 106(d), of activities authorized in this section.

(c) PERMISSIBLE STATE ACTIVITIES.—A State may use funds made available for State employment and training activities under section 111(a)(2)(B)—

(1) to provide services that may include—

(A) providing professional development and technical assistance;

(B) making incentive grants to local workforce development areas for exemplary performance in reaching or exceeding benchmarks described in section 108(d)(4)(A);

(C) providing economic development activities (to supplement other funds provided by the State, a local agency, or the private sector for such activities) that consist of—

(i) providing services to upgrade the skills of employed workers who are at risk of being permanently laid off;

(ii) retraining employed workers in new technologies and work processes that will facilitate the conversion and restructuring of business to assist in the avoidance of a permanent closure or substantial layoff at a plant, facility, or enterprise;

(iii) providing customized assessments of the skills of workers and an analysis of the skill needs of employers;

(iv) assisting consortia of small- and medium-size employers in upgrading the skills of their workforces;

(v) providing productivity and quality improvement training programs for the workforces of small- and medium-size employers; and

(vi) establishing and implementing an employer loan program to assist employees in skills upgrading;

(D) implementing efforts to increase the number of participants trained and placed in nontraditional employment; and

(E) carrying out other activities authorized in this section that the State determines to be necessary to assist local workforce development areas in carrying out activities described in subsection (e) or (f) through the statewide system;

(2) to operate a fiscal and management accountability information system under section 106(e);

(3) to assist in the establishment of the one-stop career center system described in subsection (d); and

(4) to carry out the career grant pilot program described in subsection (g).

(d) ESTABLISHMENT OF ONE-STOP CAREER CENTER SYSTEM.—

(1) IN GENERAL.—There shall be established in a State that receives an allotment under section 102 a one-stop career center system, which—

(A) shall provide the core services described in subsection (e)(2);

(B) shall provide access to the activities (if any) carried out under subsection (f);

(C) shall make labor market information described in section 139 and subsection (e)(2)(D) available and shall provide all job search, placement, recruitment, and other labor exchange services authorized under the Wagner-Peyser Act (29 U.S.C. 49 et seq.); and

(D)(i) shall provide access to training services as described in subsection (e)(3), which may include serving as the point of distribution of career grants for training services to participants in accordance with subsection (e)(3); and

(ii) may serve as the point of distribution of career grants for training services to participants in accordance with subsection (g).

(2) ONE-STOP DELIVERY.—At a minimum, the one-stop career center system shall make the services described in paragraph (1) available—

(A) through a network of eligible providers that assures participants that the core services described in subsection (e)(2) will be available regardless of where the participants initially enter the statewide system, including the availability of such services through multiple, connected access points, linked electronically or technologically;

(B) through a network of career centers that can provide the services described in paragraph (1) to participants;

(C) at not less than 1 physical, co-located career center in each local workforce development area of the State, that provides the services described in paragraph (1) to participants seeking such services; or

(D) through a combination of the options described in subparagraphs (A) through (C).

(e) REQUIRED LOCAL ACTIVITIES.—

(1) IN GENERAL.—Funds made available to local workforce development areas under section 111(a)(2)(A) shall be used—

(A) to establish the one-stop career center described in subsection (d);

(B) to provide the core services described in paragraph (2) (referred to in this section as "core services") to participants through the one-stop career center system; and

(C) to provide training services described in paragraph (3) (referred to in this section as "training services") to participants described in such paragraph.

(2) CORE SERVICES.—Funds made available to local workforce development areas under section 111(a)(2)(A) shall be used to provide core services, which shall be available to all individuals through a one-stop career center system and shall, at a minimum, include—

(A) outreach, intake, and orientation to the information and other services available through the one-stop career center system;

(B) initial assessment of skill levels, aptitudes, abilities, and supportive service needs;

(C) job search and placement assistance, and, where appropriate, career counseling;

(D) provision of accurate labor market information relating to—

(i) local, State, and, if appropriate, regional or national, occupations in demand; and

(ii) skill requirements for such occupations, where available;

(E)(i) provision of accurate information relating to the quality and availability of activities authorized in this section, at-risk youth activities, vocational education activities, adult education and literacy activities, and vocational rehabilitation program activities;

(ii) provision of information relating to adult education and literary activities, through cooperative efforts with eligible providers of adult education and literacy activities described in section 116(b); and

(iii) referral to appropriate activities described in clauses (i) and (ii);

(F) provision of eligibility information relating to unemployment compensation, publicly funded education and training programs (including registered apprenticeships), and forms of public financial assistance, such as student aid programs, that may be available in order to enable individuals to participate in workforce and career development activities;

(G) dissemination of lists of providers and performance information in accordance with paragraph (3)(E)(ii); and

(H) provision of information regarding how the local workforce development area is performing on the local benchmarks described in section 108(d)(4)(A), and any additional performance information provided by the local board.

(3) REQUIRED TRAINING SERVICES.—

(A) SERVICES.—Funds made available to local workforce development areas under section 111(a)(2)(A) shall be used to provide training services to individuals who are unable to obtain employment through the core services, who after an interview, evaluation or assessment, and counseling by an eligible provider have been determined to be in need of training services, and who meet the requirements of subparagraph (B). Training services may include—

(i) occupational skills training;

(ii) on-the-job training;

(iii) skills upgrading and retraining for persons not in the workforce; and

(iv) basic skills training when provided in combination with services described in clause (i), (ii), or (iii).

(B) QUALIFICATION.—

(i) REQUIREMENT.—Except as provided in clause (ii), provision of such training services shall be limited to participants who—

(I) are unable to obtain other grant assistance for such services, including Federal Pell Grants established under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.); or

(II) who require assistance beyond the assistance made available under other grant assistance programs, including Federal Pell Grants.

(ii) REIMBURSEMENTS.—Training services may be provided under this paragraph to an individual who otherwise meets the requirements of this paragraph while an application for a Federal Pell Grant is pending, except that if such individual is subsequently awarded a Federal Pell Grant, appropriate reimbursement shall be made to the local workforce development area from such Federal Pell Grant.

(C) PRIORITY.—In the event that funds are limited within a local workforce development area, priority shall be given to dislocated workers and other unemployed individuals for receipt of training services provided under this paragraph. The appropriate local board and the Governor shall provide policy guidance to one-stop career center eligible providers in the local workforce development area for making determinations related to such priority.

(D) DELIVERY OF SERVICES.—Training services provided under this paragraph shall be provided—

(i) except as provided in section 107(d), through eligible providers of such services identified in accordance with section 107; and

(ii) in accordance with subparagraph (E).

(E) CONSUMER CHOICE REQUIREMENTS.—

(i) IN GENERAL.—Training services provided under this paragraph may be provided through the use of career grants, contracts, or other methods (which may include performance-based contracting) and shall, to the extent practicable, maximize consumer choice in the selection of an eligible provider of such services.

(ii) ELIGIBLE PROVIDERS.—Each local workforce development area, through one-stop career centers, shall make available—

(I) the list of eligible providers of training services required under section 107(b)(4), with a description of the training courses available from such providers and a list of the names of on-the-job training providers; and

(II) the performance information described in subsections (b)(4) and (d)(2) of section 107 relating to such providers.

(iii) PURCHASE OF SERVICES.—An individual eligible for receipt of training services under this paragraph may select an eligible provider of training services from the lists of providers described in clause (ii)(I). Upon such selection, the operator of the one-stop career center shall, to the extent practicable, refer such individual to the eligible provider of training services, and arrange for payment for such services.

(F) USE OF CAREER GRANTS.—A State or a local workforce development area may deliver all training services authorized in this paragraph through the use of career grants.

(f) PERMISSIBLE LOCAL ACTIVITIES.—

(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—Funds made available to local workforce development areas under section 111(a)(2)(A) may be used to provide, through one-stop delivery described in subsection (d)(2)—

(A) co-location of services related to workforce and career development activities, such as unemployment insurance, vocational rehabilitation program activities, veterans' employment services, or other public assistance;

(B) intensive employment-related services for participants who are unable to obtain employment through the core services, as determined by the State;

(C) dissemination to employers of information on activities carried out through the statewide system;

(D) customized screening and referral of qualified participants to employment; and

(E) customized employment-related services to employers on a fee-for-service basis.

(2) SUPPORTIVE SERVICES.—Funds made available to local workforce development areas under section 111(a)(2)(A) may be used to provide supportive services to participants—

(A) who are receiving training services; and

(B) who are unable to obtain such supportive services through other programs providing such services.

(3) FOLLOWUP SERVICES.—Funds made available to local workforce development areas under section 111(a)(2)(A) may be used to provide followup services for participants in activities authorized in this section who are placed in unsubsidized employment.

(4) NEEDS-RELATED PAYMENTS.—

(A) IN GENERAL.—Funds made available to local workforce development areas under section 111(a)(2)(A) may be used to provide needs-related payments to dislocated workers who are unemployed and do not qualify for, or have ceased to qualify for, unemployment compensation, for the purpose of enabling such individuals to participate in training services.

(B) ADDITIONAL ELIGIBILITY REQUIREMENTS.—In addition to the requirements contained in subparagraph (A), a dislocated worker who has ceased to qualify for unemployment compensation may be eligible to receive needs-related payments under this paragraph only if such worker was enrolled in the training services—

(i) by the end of the 8th week of the worker's initial unemployment compensation benefits period; or

(ii) if later, by the end of the 8th week after the worker is informed that a short-term layoff will, in fact, exceed 6 months.

(C) LEVEL OF PAYMENTS.—The level of a needs-related payment made under this paragraph—

(i) shall not exceed the greater of—

(I) the applicable level of unemployment compensation; or

(II) an amount equal to the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved, for an equivalent period; and

(ii) shall be adjusted to reflect changes in total family income.

(5) CAREER GRANT PILOT PROGRAM.—Funds made available to local workforce development areas under section 111(a)(2)(A) may be used to carry out the career grant pilot program described in subsection (g), which may be carried out in conjunction with the provision of training services under subsection (e)(3).

(g) CAREER GRANT PILOT PROGRAM FOR DISLOCATED WORKERS.—The State shall carry out (using funds made available under section 111(a)(2)(B) or by making funds available to local workforce development areas under section 111(a)(2)(A)) a career grant pilot program for dislocated workers that is of sufficient size, scope, and quality to measure the effectiveness of the use of career grants for the provision of training services under subsection (e)(3).

(h) LOCAL ADMINISTRATION.—Not more than 10 percent of the funds made available under section 111(a)(2)(A) to a local workforce development area may be used for administrative expenses.

SEC. 122. AT-RISK YOUTH ACTIVITIES.

(a) REQUIRED ACTIVITIES.—Funds made available to Governors and local workforce development areas under this title for at-risk youth activities shall be used to carry out, for at-risk youth, activities that—

(1) provide strong linkages between academic, occupational, and worksite learning;

(2) provide postsecondary educational opportunities, where appropriate;

(3) involve business and parents in the design and implementation of the activities;

(4) provide adult mentoring;

(5) provide career guidance and counseling; and

(6) are of sufficient size, scope, and quality to be effective.

(b) PERMISSIBLE ACTIVITIES.—Funds made available to Governors and local workforce development areas under this title for at-risk youth activities may be used to carry out, for at-risk youth, activities that provide—

(1) tutoring, study skills training, and instruction, leading to completion of secondary school, including dropout prevention strategies;

(2) alternative secondary school services;

(3) paid and unpaid work experience, including summer employment opportunities, that are directly linked to academic, occupational, and worksite learning; and

(4) training-related supportive services.

(c) LOCAL ADMINISTRATION.—Not more than 10 percent of the funds made available under section 112(a)(2)(A) to a local workforce development area may be used for administrative expenses. The local board for the local workforce development area may use not more than 4 percent of the funds made available under section 112(a)(2)(A) for the administrative expenses of the local board. The remainder of the 10 percent may be used for administrative expenses of eligible providers of at-risk youth activities in the local workforce development area.

SEC. 123. VOCATIONAL EDUCATION ACTIVITIES.

(a) PERMISSIBLE STATE ACTIVITIES.—The eligible agency for vocational education shall use not more than 11 percent of the funds made available to the eligible agency under subtitle A for activities that may include—

(1) an assessment of the activities authorized in this section;

(2) support for tech-prep programs;

(3) support for activities authorized in this section for single parents, displaced homemakers, and single pregnant women;

(4) professional development activities, including—

(A) inservice and preservice training in state-of-the-art vocational education programs and techniques; and

(B) support of education programs for teachers of vocational education in public schools to ensure such teachers stay current with the needs, expectations, and methods of industry;

(5) support for programs that offer experience in, and understanding of, all aspects of the industry students are preparing to enter;

(6) leadership and instructional programs in technology education;

(7) support for cooperative education;

(8) support for family and consumer sciences programs;

(9) support for vocational student organizations;

(10) improvement of career guidance and counseling;

(11) technical assistance; and

(12) performance awards for 1 or more eligible providers that the eligible agency determines have achieved exceptional performance in providing activities described in this section.

(b) REQUIRED LOCAL ACTIVITIES.—The eligible agency for vocational education shall use not less than 85 percent of the funds made available to the eligible agency under subtitle A to provide financial assistance under sections 113 and 114 to eligible providers to enable such providers to carry out activities authorized in this section that include—

(1)(A) integrating academic and vocational education;

(B) integrating classroom and worksite learning; and

(C) linking secondary and postsecondary education, including implementing tech-prep programs;

(2) providing career guidance and counseling;

(3) providing vocational education programs of sufficient size, scope, and quality to be effective;

(4) improving and expanding access to quality, state-of-the-art activities authorized in this section;

(5) providing professional development; and

(6) involving business and parents in the design and implementation of activities authorized in this section.

SEC. 124. ADULT EDUCATION AND LITERACY ACTIVITIES.

(a) PERMISSIBLE STATE ACTIVITIES.—The eligible agency for adult education and literacy may use not more than 10 percent of the funds made available to the eligible agency under subtitle A for activities that may include—

(1) the establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities authorized in this section, including instruction provided by volunteers;

(2) the provision of technical assistance to eligible providers of activities authorized in this section;

(3) the provision of technology assistance to eligible providers of activities authorized in this section to enable the providers to improve the quality of such activities;

(4) the support of State or regional networks of literacy resource centers; and

(5) the monitoring and evaluation of the quality of and the improvement in activities authorized in this section.

(b) REQUIRED LOCAL ACTIVITIES.—The eligible agency for adult education and literacy shall require that each eligible provider receiving a grant under section 116 use the grant to establish or operate 1 or more programs that provide instruction or services in 1 or more of the following categories:

(1) Adult education and literacy services.

(2) Family literacy services.

(3) English literacy programs.

SEC. 125. FLEXIBLE ACTIVITIES.

(a) IN GENERAL.—A State may use the funds made available to the State under this title through the flex account to carry out—

(1) employment and training activities;

(2) at-risk youth activities;

(3) vocational education activities; and

(4) adult education and literacy activities.

(b) USE OF FUNDS.—

(1) EMPLOYMENT AND TRAINING ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out employment and training activities shall expend such funds in accordance with sections 121 and 126.

(2) AT-RISK YOUTH ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out at-risk youth activities shall expend such funds in accordance with sections 122 and 126.

(3) VOCATIONAL EDUCATION ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out vocational education activities shall expend such funds in accordance with sections 123 and 126.

(4) ADULT EDUCATION AND LITERACY ACTIVITIES.—A State that uses funds made available to the State under this title through the flex account to carry out adult education and literacy activities shall expend such funds in accordance with sections 124 and 126.

SEC. 126. REQUIREMENTS AND RESTRICTIONS RELATING TO USE OF FUNDS.

(a) FISCAL REQUIREMENTS FOR VOCATIONAL EDUCATION ACTIVITIES AND ADULT EDUCATION AND LITERACY ACTIVITIES.—

(1) SUPPLEMENT NOT SUPPLANT.—Funds made available under this title for vocational education activities or adult education and literacy activities shall supplement, and may not supplant, other public funds expended to carry out activities described in section 123 or 124, respectively.

(2) MAINTENANCE OF EFFORT.—

(A) DETERMINATION.—

(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), and subparagraph (B), no payments shall be made under this title for any program year to a State for vocational education activities or adult education and literacy activities unless the Secretary of Education determines that the fiscal effort per student or the aggregate expenditures of such State for activities described in section 123 or 124, respectively, for the program year preceding the program year for which the determination is made, equaled or exceeded such effort or expenditures for activities described in section 123 or 124, respectively, for the second program year preceding the fiscal year for which the determination is made.

(ii) COMPUTATION.—In computing the fiscal effort or aggregate expenditures pursuant to clause (i), the Secretary of Education shall exclude capital expenditures, special one-time project costs, similar windfalls, and the cost of pilot programs.

(iii) DECREASE IN FEDERAL SUPPORT.—If the amount made available for vocational education activities or adult education and literacy activities under this title for a fiscal year is less than the amount made available for vocational education activities or adult education and literacy activities, respectively, under this title for the preceding fiscal year, then the fiscal effort per student or the aggregate expenditures of a State required by clause (i) for such preceding fiscal year shall be decreased by the same percentage as the percentage decrease in the amount so made available.

(B) SPECIAL RULE.—Notwithstanding any provision of the Carl D. Perkins Vocational Education Act (as such Act was in effect on September 24, 1990), a State shall be deemed to have met the requirements of section 503 of such Act with respect to decisions appealed by applications filed on April 30, 1993 and October 29, 1993 under section 452(b) of the General Education Provisions Act.

(C) WAIVER.—The Secretary of Education may waive the requirements of subparagraph (A) (with respect to not more than 5 percent of expenditures required for the preceding fiscal year by any eligible agency) for 1 program year only, after making a determination that such waiver would be equitable due to exceptional or uncontrollable circumstances affecting the ability of the eligible agency to meet such requirements, such as a natural disaster or an unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this paragraph for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but for such waiver, have been required.

(3) EXPENDITURES OF NON-FEDERAL FUNDS FOR ADULT EDUCATION AND LITERACY ACTIVITIES.—

For any program year for which an allotment is made to the State under this title, the State shall expend, on programs and activities relating to adult education and literacy activities, an amount, derived from sources other than the Federal Government, equal to 25 percent of the amount made available to a State under paragraphs (4) and (5) of section 103(a) for adult education and literacy activities.

(b) LIMITATIONS ON ACTIVITIES THAT IMPACT EMPLOYEES.—

(1) WAGES.—No funds provided under this title shall be used to pay the wages of incumbent employees during their participation in economic development activities described in section 121(c)(1)(C) provided through the statewide system.

(2) RELOCATION.—

(A) IN GENERAL.—No funds provided under this title for an employment and training activity shall be used or proposed for use to encourage or induce the relocation, of a business or part of a business, that results in a loss of employment for any employee of such business at the original location, if such original location is within the United States.

(B) REPAYMENT.—If the Secretary of Labor determines that a violation of this paragraph or paragraph (3) has occurred, the Secretary of Labor shall require the State that has violated this paragraph or paragraph (3), respectively, to repay to the United States an amount equal to the amount expended in violation of this paragraph or paragraph (3), respectively.

(3) TRAINING AND ASSESSMENTS FOLLOWING RELOCATION.—No funds provided under this title for an employment and training activity shall be used for customized or skill training, on-the-job training, or company-specific assessments of job applicants or employees, for any business or part of a business, that has relocated, until 120 days after the date on which such business commences operations at the new location, if the relocation of such business or part of a business, results in a loss of employment for any employee of such business at the original location and such original location is within the United States.

(4) DISPLACEMENT.—

(A) PROHIBITION ON DISPLACEMENT.—A participant in an activity authorized in section 121 or 122 (referred to in this section as a "specified activity") shall not displace (including a partial displacement, such as a reduction in the hours of nonovertime work, wages, or employment benefits) any currently employed employee (as of the date of the participation).

(B) PROHIBITION ON IMPAIRMENT OF CONTRACTS.—A specified activity shall not impair an existing contract for services or collective bargaining agreement, and no such activity that would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

(C) PROHIBITION ON REPLACEMENT.—A participant in a specified activity shall not be employed in a job—

(i) when any other individual is on temporary layoff, with the clear possibility of recall, from the same or any substantially equivalent job with the participating employer; or

(ii) when the employer has terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created with the participant.

(5) HEALTH AND SAFETY.—Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of participants engaged in specified activities. To the extent that a State workers' compensation law applies, workers' compensation shall be provided to participants on the same basis as the compensation is provided to other individuals in the State in similar employment.

(6) EMPLOYMENT CONDITIONS.—Participants employed or assigned to work in positions subsidized for specified activities shall be provided benefits and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.

(7) EFFECT ON OTHER LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, color, religion, sex, national origin, age, or disability.

(8) NONDISCRIMINATION.—Except as otherwise permitted in law, no individual may be discriminated against with respect to participation in specified activities because of race, color, religion, sex, national origin, age, or disability.

(9) GRIEVANCE PROCEDURE.—A State that receives an allotment under section 102 shall establish and maintain a grievance procedure for resolving complaints alleging violations of any of the prohibitions or requirements described in this subsection.

(10) EXCLUSIVE REMEDY.—Except as provided in paragraph (7), nothing in this Act shall be construed to provide an individual with an entitlement to a service or to establish a right for an individual to bring any action for a violation of a prohibition or requirement of this title or to obtain services through an activity established under this title, except that a participant in specified activities under this title may pursue a complaint alleging a violation of any of the prohibitions or requirements described in this subsection through the grievance procedure described in paragraph (9).

(c) LIMITATIONS ON PARTICIPANTS IN TRAINING SERVICES.—

(1) DIPLOMA OR EQUIVALENT.—

(A) IN GENERAL.—No individual may participate in training services described in section 121(e)(3) until the individual has obtained a secondary school diploma or its recognized equivalent, or is enrolled in a program or course of study to obtain a secondary school diploma or its recognized equivalent.

(B) EXCEPTION.—Nothing in subparagraph (A) shall prevent participation in such training services by an individual for whom the requirement described in subparagraph (A) has been determined to be inappropriate, pursuant to the interview, evaluation or assessment, and counseling described in section 121(e)(3)(A).

(2) SERVICES.—

(A) REFERRAL.—If an individual who has not obtained a secondary school diploma or its recognized equivalent applies to participate in such training services, and a determination described in paragraph (1)(B) has not been made for such individual, such individual shall be referred to State-approved adult education and literacy activities that provide instruction designed to help such individual obtain a secondary school diploma or its recognized equivalent.

(B) PROVISION OF SERVICES.—Funds made available under section 111(a)(2)(A) and allocated within the local workforce development area for the provision of such training services may be used to provide State-approved adult education and literacy activities that provide instruction designed to help individuals obtain a secondary school diploma or its recognized equivalent, to individuals who—

(i) are seeking to participate in such training services; and

(ii) are otherwise unable to obtain such services.

(d) DRUG TESTING LIMITATIONS ON PARTICIPANTS IN TRAINING SERVICES.—

(1) FINDING.—Congress finds that—

(A) the possession, distribution, and use of drugs by participants in training services should not be tolerated, and that such use prevents participants from making full use of the benefits extended through such training services at the expense of taxpayers; and

(B) applicants and participants should be tested for illegal drug use, in order to maximize the training services and assistance provided under this title.

(2) DRUG TESTS.—Each eligible provider of training services described in section 121(e)(3) shall administer a drug test—

(A) on a random basis, to individuals who apply to participate in such training services; and

(B) to a participant in such training services, on reasonable suspicion of drug use by the participant.

(3) ELIGIBILITY OF APPLICANTS.—In order for such an applicant to be eligible to participate in such training services, the applicant shall agree to submit to a drug test administered as described in paragraph (2)(A) and, if the test is administered to the applicant, shall pass the test.

(4) ELIGIBILITY OF PARTICIPANTS.—In order for such a participant to remain eligible to participate in such training services, the participant shall agree to submit to a drug test administered as described in paragraph (2)(B) and, if the test is administered to the participant, shall pass the test. If a participant refuses to submit to the drug test, or fails the drug test, the eligible provider shall dismiss the participant from participation in such training services.

(5) REAPPLICATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), an individual who is an applicant and is disqualified from eligibility under paragraph (3), or who is a participant and is dismissed under paragraph (4), may reapply, not earlier than 6 months after the date of the disqualification or dismissal, to participate in such training services. If the individual demonstrates that the individual has completed a drug treatment program and passed a drug test within the 30-day period prior to the date of the reapplication, the individual may participate in such training services, under the same terms and conditions as apply to other applicants and participants, including submission to drug tests administered as described in paragraph (2).

(B) SECOND DISQUALIFICATION OR DISMISSAL.—If the individual reapplies to participate in such training services and fails a drug test administered under paragraph (2) by the eligible provider, while the individual is an applicant or a participant, the eligible provider shall disqualify the individual from eligibility for, or dismiss the individual from participation in, such training services. The individual shall not be eligible to reapply for participation in the such training services for 2 years after such disqualification or dismissal.

(6) APPEAL.—A decision by an eligible provider to disqualify an individual from eligibility for participation in such training services under paragraph (3) or (5), or to dismiss a participant as described in paragraph (4) or (5), shall be subject to expeditious appeal in accordance with procedures established by the State in which the eligible provider is located.

(7) NATIONAL UNIFORM GUIDELINES.—

(A) IN GENERAL.—The Secretary of Labor shall develop voluntary guidelines to assist eligible providers concerning the drug testing required under this subsection.

(B) PRIVACY.—The guidelines shall promote, to the maximum extent practicable, individual privacy in the collection of specimen samples for such drug testing.

(C) LABORATORIES AND PROCEDURES.—With respect to standards concerning laboratories and

procedures for such drug testing, the guidelines shall incorporate the Mandatory Guidelines for Federal Workplace Drug Testing Programs, 53 Fed. Reg. 11970 (1988) (or a successor to such guidelines), including the portion of the mandatory guidelines that—

(i) establishes comprehensive standards for all aspects of laboratory drug testing and laboratory procedures, including standards that require the use of the best available technology for ensuring the full reliability and accuracy of drug tests and strict procedures governing the chain of custody of specimen samples;

(ii) establishes the minimum list of drugs for which individuals may be tested; and

(iii) establishes appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform such drug testing.

(D) SCREENING AND CONFIRMATION.—The guidelines described in subparagraph (A) shall provide that, for drug testing conducted under this subsection—

(i) each laboratory involved in the drug testing of any individual shall have the capability and facility, at such laboratory, of performing screening and confirmation tests;

(ii) all tests that indicate the use, in violation of law (including Federal regulation) of a drug by the individual shall be confirmed by a scientifically recognized method of testing capable of providing quantitative data regarding the drug;

(iii) each specimen sample shall be subdivided, secured, and labeled in the presence of the individual; and

(iv) a portion of each specimen sample shall be retained in a secure manner to prevent the possibility of tampering, so that if the confirmation test results are positive the individual has an opportunity to have the retained portion assayed by a confirmation test done independently at a second certified laboratory, if the individual requests the independent test not later than 3 days after being advised of the results of the first confirmation test.

(E) CONFIDENTIALITY.—The guidelines shall provide for the confidentiality of the test results and medical information (other than information relating to a drug) of the individuals tested under this subsection, except that the provisions of this subparagraph shall not preclude the use of test results for the orderly imposition of appropriate sanctions under this subsection.

(F) SELECTION FOR RANDOM TESTS.—The guidelines shall ensure that individuals who apply to participate in the training services described in paragraph (2) are selected for drug testing on a random basis, using nondiscriminatory and impartial methods.

(8) NONLIABILITY OF LOCAL BOARDS.—A local board, and the individual members of a local board, shall be immune from civil liability with respect to any claim based in whole or part on activities carried out to implement this subsection.

(9) REPORTING REQUIREMENTS.—An eligible provider shall make records of drug testing conducted under this subsection available for inspection by other eligible providers, including eligible providers in other local workforce development areas, for the sole purpose of enabling the providers to determine the eligibility status of an applicant pursuant to this subsection.

(10) USE OF DRUG TESTS.—No Federal, State, or local prosecutor may use drug test results obtained under this subsection in a criminal action.

(11) DEFINITIONS.—As used in this subsection:

(A) DRUG.—The term "drug" means a controlled substance, as defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

(B) DRUG TEST.—The term "drug test" means a biochemical drug test carried out by a facility that is approved by the eligible provider administering the test.

(C) RANDOM BASIS.—For purposes of the application of this subsection in a State, the term "random basis" has the meaning determined by the Governor of the State, in the sole discretion of the Governor.

(e) SUPPORTIVE SERVICES.—Supportive services may be provided with funds provided through the allotment described in section 102 only to the extent that such services are not available through alternative funding sources specifically designated for such services.

(f) SPECIAL RULE FOR CRIMINAL OFFENDERS.—Notwithstanding subtitle B and this subtitle, a portion of the funds made available under subtitle A may be distributed to 1 or more State corrections agencies to enable the State corrections agencies to carry out any activity described in this subtitle for juvenile and adult criminal offenders in correctional institutions in the State, including correctional institutions operated by local authorities.

(g) SENSE OF THE CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this title should be made in the United States.

Subtitle D—National Activities

SEC. 131. COORDINATION PROVISIONS.

(a) COLLABORATIVE ADMINISTRATION.—The Secretary of Labor and the Secretary of Education (referred to in this section as "the Secretaries") shall enter into an interagency agreement to administer the provisions of this title (other than sections 103(d), 113, 114, 126(a), 126(b), 138, and 139 (referred to in this section as the "excluded provisions")).

(b) RESPONSIBILITIES OF SECRETARIES.—Such agreement shall specify the manner in which the Secretaries shall administer this title (other than the excluded provisions), including—

(1) making allotment determinations under section 102;

(2) reviewing State plans submitted in accordance with section 104;

(3) carrying out the duties assigned to the Secretaries under section 106;

(4)(A) establishing uniform procedures, including grantmaking procedures; and

(B) issuing uniform guidelines and regulations, subject to subsection (e);

(5) carrying out the duties assigned to the Secretaries under this subtitle (other than sections 138 and 139);

(6) preparing and submitting to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate an annual report on the absolute and relative performance of States in reaching State benchmarks; and

(7) reviewing federally funded education, employment, and job training programs, other than activities authorized under this title, and submitting recommendations to the Committees described in paragraph (6) regarding the integration of such programs into the statewide systems.

(c) CONTENTS.—The interagency agreement shall include, at a minimum—

(1) a description of the methods the Secretaries will use to work together to carry out their duties and responsibilities under this title in a manner that will ensure that neither the Department of Labor nor the Department of Education duplicates the work of the other department; and

(2) a description of the manner in which the Secretaries will utilize personnel and other resources of the Department of Labor and the Department of Education to administer this title (other than the excluded provisions).

(d) ADMINISTRATION OF THE ACT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretaries shall prepare and submit to the President, the Committee on Economic and Educational Opportunities of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, the interagency agreement. Such agreement shall also be available to the public through publication in the Federal Register.

(2) APPROVAL.—Not later than 200 days after the date of enactment of this Act, the President shall—

(A) approve or disapprove the interagency agreement made by the Secretaries; and

(B) if the agreement is disapproved, make recommendations to the Secretaries with respect to an alternative plan and require the Secretaries to submit such a plan in accordance with this section not later than 30 days after the date of the disapproval.

(e) LIMITATION ON FEDERAL REGULATIONS.—The Secretary of Labor or the Secretary of Education may issue regulations under this title only to the extent necessary to administer and ensure compliance with the specific requirements of this title.

(f) EFFECT ON PERSONNEL.—

(1) IN GENERAL.—The Secretaries shall take such actions as may be necessary, including reduction in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to ensure that the positions of personnel that relate to a covered activity and are not otherwise minimally necessary to carry out this Act are terminated.

(2) SCOPE.—

(A) INITIAL REDUCTIONS.—Not later than July 1, 1998, the Secretaries shall take the actions described in paragraph (1), including reduction in force actions, with respect to not less than ⅓ of the number of positions of personnel that relate to a covered activity.

(B) SUBSEQUENT REDUCTIONS.—Not later than July 1, 2003, the Secretaries shall take the actions described in paragraph (1)—

(i) with respect to not less than 60 percent of the number of positions of personnel that relate to a covered activity, unless the Secretaries submit (prior to July 1, 2003) a report to Congress demonstrating why such actions have not occurred; or

(ii) with respect to not less than 40 percent of the number of positions of personnel that relate to a covered activity, if the Secretaries submit the report referred to in clause (i).

(C) CALCULATION.—For purposes of calculating, under this paragraph, the number of positions of personnel that relate to a covered activity, such number shall include the number of positions of personnel that are terminated under paragraph (1).

SEC. 132. INCENTIVE GRANTS AND SANCTIONS.

(a) INCENTIVE GRANTS.—

(1) AWARD OF GRANTS.—From amounts reserved under section 151(b)(5) for any fiscal year, the Secretaries may award incentive grants to States, each of which shall be awarded for not more than $15,000,000 per fiscal year to a State that—

(A)(i) reaches or exceeds, during the most recent 12-month period for which data are available, State benchmarks required under section 106(b), including the benchmarks required under section 106(b)(3); or

(ii) demonstrates continuing progress toward reaching or exceeding, during the 3-year period covered by the State plan submitted under section 104, the benchmarks described in clause (i);

(B) obtains an eligibility determination described in paragraph (2)(A) for such benchmarks; and

(C) demonstrates, in the State plan information submitted under section 104(b)(1)(B)(ii),

that the Governor and eligible agencies have agreed on all elements of the State plan.

(2) ELIGIBILITY DETERMINATIONS.—

(A) INITIAL DETERMINATIONS.—

(i) DETERMINATION.—Not later than 30 days after receipt of the State plan submitted under section 104, the Secretaries shall—

(I) compare the proposed State benchmarks identified in the State plan with State benchmarks proposed in other State plans; and

(II) determine if the proposed State benchmarks, taken as a whole, are sufficient to make the State eligible to qualify for an incentive grant under this subsection, if the State meets the requirements of subparagraphs (A) and (C) of paragraph (1).

(ii) NOTIFICATION, REVISION, AND TECHNICAL ASSISTANCE.—If the Secretaries determine that a State is not eligible to qualify for an incentive grant pursuant to clause (i)(II), the Secretaries shall provide, upon request, technical assistance to the State regarding the necessary action to be taken to make the State eligible to qualify for such grant under this subsection. Such State shall have 30 days after the date on which the State receives notification of ineligibility or the date on which the State receives technical assistance, whichever is later, to revise the State benchmarks in order to become eligible to qualify for an incentive grant under this subsection, if the State meets the requirements of subparagraphs (A) and (C) of paragraph (1).

(B) GRANT DETERMINATIONS.—Not later than 30 days after receipt of an annual report submitted under section 106(c) that contains an application for such an incentive grant from a State that meets the requirements of paragraph (1), the Secretaries shall—

(i) compare the progress the State has made toward reaching or exceeding the State benchmarks, as described in such annual report, with the progress made by the other States towards reaching or exceeding their State benchmarks, as described in such annual reports of the other States; and

(ii) determine if the progress the State has made toward reaching or exceeding the State benchmarks, taken as a whole, is sufficient to enable the State to receive an incentive grant under this subsection.

(3) USE OF FUNDS.—A State that receives an incentive grant may use funds made available through the grant only to carry out workforce and career development activities. Determinations concerning the distribution of such funds shall be made by the individuals and entities participating in the collaborative process described in subsection (a) or (b) of section 105.

(b) SANCTIONS.—

(1) FINDING.—If a State fails to meet the State benchmarks required under section 106(b) for the 3 years covered by a State plan described in section 104, the Secretaries shall determine whether the failure is attributable to—

(A) employment and training activities;

(B) at-risk youth activities;

(C) vocational education activities; or

(D) adult education and literacy activities.

(2) TECHNICAL ASSISTANCE OR REDUCTION OF ALLOTMENTS.—

(A) IN GENERAL.—The Secretaries may—

(i) provide technical assistance to the State to improve the level of performance of the State; or

(ii) on making a determination described in paragraph (1), reduce, by not more than 10 percent, the portion of the allotment made under section 102 for the category of activities to which the failure is attributable.

(B) PORTION OF THE ALLOTMENT.—For purposes of subparagraph (A), in determining a portion of an allotment for a category of activities, the Secretaries shall include in such portion any funds allocated to such category from the flex account.

(3) FUNDS RESULTING FROM REDUCED ALLOTMENTS.—The Secretaries may use an amount retained as a result of a reduction in an allotment made under paragraph (2)(A)(ii) to award an incentive grant under subsection (a).

SEC. 133. NATIONAL EMERGENCY GRANTS.

(a) IN GENERAL.—From the amounts reserved under section 151(b)(5), the Secretary of Labor, in accordance with the interagency agreement developed pursuant to section 131, is authorized to award national emergency grants, in a timely manner—

(1) to an entity described in subsection (b) to provide employment and training assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or closures and realignments of military installations; and

(2) to provide assistance to the Governor of any State within the boundaries of which is an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of The Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(1) and (2)) (referred to in this section as the "disaster area").

(b) EMPLOYMENT AND TRAINING ASSISTANCE REQUIREMENTS.—

(1) APPLICATION.—To be eligible to receive a grant under subsection (a)(1), an entity shall submit an application to the Secretary of Labor at such time, in such manner, and accompanied by such information, as the Secretary may reasonably require.

(2) ELIGIBLE ENTITY.—For purposes of this section, the term "entity" means a State, unit of general local government, or public or private local entity, including a for profit or nonprofit entity.

(c) DISASTER RELIEF EMPLOYMENT ASSISTANCE REQUIREMENTS.—Funds made available under subsection (a)(2)—

(1) shall be used exclusively to provide employment on projects that provide food, clothing, shelter, and other humanitarian assistance for disaster victims, and projects regarding demolition, cleaning, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

(2) may be expended through public and private agencies and organizations engaged in such projects.

SEC. 134. EVALUATION; RESEARCH, DEMONSTRATIONS, DISSEMINATION, AND TECHNICAL ASSISTANCE.

(a) SINGLE PLAN.—

(1) IN GENERAL.—The Secretaries, as part of the interagency agreement required under section 131, shall develop a single plan for evaluation and assessment, research, demonstrations, dissemination, and technical assistance activities with regard to the activities assisted under this title.

(2) PLAN.—Such plan shall—

(A) identify the activities the Secretaries will carry out under this section;

(B) describe how such activities will be carried out collaboratively;

(C) describe how the Secretaries will evaluate such activities in accordance with subsection (b); and

(D) include such other information as the Secretaries determine to be appropriate through the interagency agreement.

(b) EVALUATION AND ASSESSMENT.—

(1) IN GENERAL.—From amounts made available under paragraph (3), the Secretaries shall provide for the conduct of an independent evaluation and assessment of employment and training activities, at-risk youth activities, vocational education activities, and adult education and literacy activities, through studies and analyses conducted independently through grants and contracts awarded on a competitive basis.

(2) CONTENTS.—Such evaluation and assessment shall include descriptions of—

(A) the extent to which State, local, and tribal entities have developed, implemented, or improved the statewide system;

(B) the degree to which the expenditures at the Federal, State, local, and tribal levels address improvement in employment and training activities, at-risk youth activities, vocational education activities, and adult education and literacy activities, including the impact of funds provided under this title on the delivery of such activities;

(C) the extent to which vocational education activities and at-risk youth activities succeed in preparing individuals participating in such activities for entry into postsecondary education, further learning, or high-skill, high-wage careers;

(D) the effect of benchmarks, performance measures, and other measures of accountability on the delivery of employment and training activities, at-risk youth activities, vocational education activities, and adult education and literacy activities, including family literacy services;

(E) the extent to which employment and training activities enhance the employment and earnings of participants in such activities, reduce income support costs, improve the employment competencies of such participants, and increase the level of employment of program participants over the level of employment that would have existed in the absence of such activities, which may be evaluated using experimental and control groups chosen by scientific random assignment; and

(F) the extent to which the adult education and literacy activities, including family literacy services, increase the literacy skills of adults, and of children in the case of family literacy services, lead the participants in such activities to involvement in further education and training, enhance the employment and earnings of such participants, and, if applicable, lead to other positive outcomes such as reductions in recidivism in the case of prison-based adult education and literacy activities.

(3) AUTHORIZATION.—There are authorized to be appropriated $15,000,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years 1999 through 2002 to carry out this subsection.

(c) RESEARCH.—

(1) IN GENERAL.—The Secretaries, pursuant to the interagency agreement, shall award grants, on a competitive basis, to an institution of higher education, a public or private organization or agency, or a consortium of such institutions, organizations, or agencies to establish a national research center or centers—

(A) to carry out research for the purpose of developing, improving, and identifying the most successful methods and techniques for addressing the education, employment, and training needs of adults;

(B) to carry out research for the purpose of developing, improving, and identifying the most successful methods for successfully addressing the education, employment, and training needs of at-risk youth;

(C) to carry out research to increase the effectiveness and improve the implementation of vocational education activities, including conducting research and development, and providing technical assistance, with respect to—

(i) combining academic, vocational education, and worksite learning;

(ii) identifying ways to establish effective linkages among employment and training activities, at-risk youth activities, and vocational education activities, at the State and local levels; and

(iii) conducting studies providing longitudinal information or formative evaluation with respect to vocational education activities;

(D) to carry out research to increase the effectiveness of and improve the quality of adult education and literacy activities, including family literacy services;

(E) to provide technical assistance to State and local recipients of assistance under this title in developing and using benchmarks and performance measures for improvement of workforce and career development activities; and

(F) to carry out such other activities as the Secretaries determine to be appropriate to achieve the purposes of this title.

(2) SUMMARY.—The Secretaries shall provide an annual report summarizing the evaluations and assessments described in subsection (b), and the research conducted pursuant to this subsection, and the findings of such evaluations and assessments, and research, to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(3) AUTHORIZATION.—There are authorized to be appropriated $15,000,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years 1999 through 2002 to carry out this subsection.

(d) DEMONSTRATIONS, DISSEMINATION, AND TECHNICAL ASSISTANCE.—

(1) AUTHORITY.—

(A) PROGRAMS AND ASSISTANCE AUTHORIZED.—The Secretaries, pursuant to the interagency agreement, are authorized to carry out demonstration programs, to replicate model programs, to disseminate best practices information, and to provide technical assistance, for the purposes of developing, improving, and identifying the most successful methods and techniques for providing the activities assisted under this title.

(B) ACTIVITIES.—Such activities may be carried out directly or through grants, contracts, cooperative agreements, or through the national center or centers, and may include projects—

(i) conducted jointly with the Department of Defense to develop training programs utilizing computer-based and other innovative learning technologies;

(ii) which promote the use of distance learning—

(I) to enable students to take courses through the use of media technology, such as video, teleconferencing, computers, or the Internet; and

(II) to deliver continuing education, skills upgrading and retraining services, and postsecondary education, directly to the community or to individuals who would not otherwise have access to such education and services; and

(iii) conducted through partnerships with national organizations which have special expertise in developing, organizing, and administering employment and training services for individuals with disabilities at the national, State, and local levels.

(2) CLEARINGHOUSE.—The Secretaries shall maintain a clearinghouse, through the national center or centers, that will collect and disseminate to Federal, State, and local organizations, agencies, and service providers data and information, including information on best practices, about the condition of statewide systems and employment and training activities, at-risk youth activities, vocational education activities, and adult education and literacy activities.

(3) TECHNICAL ASSISTANCE.—The Secretaries shall provide technical assistance to States and local areas to enhance the capacity of such States and local areas to develop and deliver effective activities under this title.

(4) AUTHORIZATION.—There are authorized to be appropriated $30,000,000 for fiscal year 1998 and such sums as may be necessary for each of fiscal years 1999 through 2002 to carry out this subsection.

(e) TRANSITION PERIOD.—Notwithstanding any other provision of law, the Secretaries may use funds made available under section 404 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2404) to prepare, during the period beginning on January 1, 1998, and ending June 30, 1998, to award a grant under subsection (c) on July 1, 1998.

(f) DEFINITION.—As used in this section, the term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(g) CONFORMING AMENDMENTS.—Section 404(a)(2) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2404(a)(2)) is amended—

(1) in subparagraph (A), by striking "for a period of 5 years" and inserting "until June 30, 1998"; and

(2) in the first sentence of subparagraph (B), by striking "5".

(h) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), this section shall take effect on July 1, 1998.

(2) TRANSITION PROVISIONS.—Subsection (e) shall take effect on January 1, 1998.

(3) AMENDMENTS.—The amendments made by subsection (g) shall take effect on the date of enactment of this Act.

SEC. 135. MIGRANT AND SEASONAL FARMWORKER PROGRAM.

(a) IN GENERAL.—From amounts reserved under section 151(b)(2), the Secretaries shall make grants to, or enter into contracts with, eligible entities to carry out the activities described in subsection (d).

(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant or enter into a contract under this section, an entity shall have an understanding of the problems of migrant farmworkers or seasonal farmworkers, a familiarity with the area to be served, and the ability to demonstrate a capacity to administer effectively a diversified program of workforce and career development activities for migrant farmworkers or seasonal farmworkers, respectively.

(c) PROGRAM PLAN.—

(1) IN GENERAL.—To be eligible to receive a grant or enter into a contract under this section, an entity described in subsection (b) shall submit to the Secretaries a plan that describes a 3-year strategy for meeting the needs of migrant farmworkers or seasonal farmworkers, and the dependents of such farmworkers, in the area to be served by such entity.

(2) CONTENTS.—Such plan shall—

(A) identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or be retained in unsubsidized employment;

(B) describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(C) describe the goals and benchmarks to be used to assess the performance of such entity in carrying out the activities assisted under this section.

(d) AUTHORIZED ACTIVITIES.—Funds made available under this section shall be used to carry out comprehensive workforce and career development activities and related services for migrant farmworkers or seasonal farmworkers which may include employment, training, educational assistance, literacy assistance, an English literacy program, worker safety training, housing, supportive services, and the continuation of the case management database on participating migrant farmworkers or seasonal farmworkers.

(e) CONSULTATION WITH GOVERNORS AND LOCAL BOARDS.—In making grants and entering into contracts under this section, the Secretaries shall consult with the Governors and local boards of the States in which the eligible entities will carry out the activities described in subsection (d).

(f) REGULATIONS.—The Secretaries shall consult with migrant and seasonal farmworker groups and States in establishing regulations to carry out this section, including performance standards for eligible entities which take into account the economic circumstances of migrant farmworkers and seasonal farmworkers.

(g) DEFINITIONS.—As used in this section:

(1) MIGRANT FARMWORKER.—The term "migrant farmworker" means a seasonal farmworker whose farm work requires travel such that the worker is unable to return to a permanent place of residence within the same day.

(2) SEASONAL FARMWORKER.—The term "seasonal farmworker" means a person who during the eligibility determination period (12 consecutive months out of 24 months prior to application) has been primarily employed in farm work that is characterized by chronic unemployment or under employment.

SEC. 136. NATIVE AMERICAN PROGRAM.

(a) PURPOSE AND POLICY.—

(1) PURPOSE.—The purpose of this section is to support workforce and career development activities for Indian and Native Hawaiian individuals in order—

(A) to develop more fully the academic, occupational, and literacy skills of such individuals;

(B) to make such individuals more competitive in the workforce; and

(C) to promote the economic and social development of Indian and Native Hawaiian communities in accordance with the goals and values of such communities.

(2) INDIAN POLICY.—All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the Federal Government and Indian tribal governments.

(b) DEFINITIONS.—As used in this section:

(1) ALASKA NATIVE.—The term "Alaska Native" means a Native as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)).

(2) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—The terms "Indian", "Indian tribe", and "tribal organization" have the meanings given such terms in subsections (d), (e), and (l), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(3) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(4) NATIVE HAWAIIAN AND NATIVE HAWAIIAN ORGANIZATION.—The terms "Native Hawaiian" and "Native Hawaiian organization" have the meanings given such terms in paragraphs (1) and (3), respectively, of section 9212 of the Native Hawaiian Education Act (20 U.S.C. 7912).

(5) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the meaning given such term in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

(6) TRIBALLY CONTROLLED POSTSECONDARY VOCATIONAL INSTITUTION.—The term "tribally controlled postsecondary vocational institution" means an institution of higher education that—

(A) is formally controlled, or has been formally sanctioned or chartered, by the governing body of an Indian tribe or Indian tribes;

(B) offers a technical degree or certificate granting program;

(C) is governed by a board of directors or trustees, a majority of whom are Indians;

(D) demonstrates adherence to stated goals, a philosophy, or a plan of operation, that fosters individual Indian economic and self-sufficiency opportunity, including programs that are appropriate to stated tribal goals of developing individual entrepreneurships and self-sustaining economic infrastructures on reservations;

(E) has been in operation for at least 3 years;

(F) holds accreditation with or is a candidate for accreditation by a nationally recognized accrediting authority for postsecondary vocational education; and

(G) enrolls the full-time equivalent of not fewer than 100 students, of whom a majority are Indians.

(c) PROGRAM AUTHORIZED.—

(1) IN GENERAL.—From amounts reserved under section 151(b)(3), the Secretaries shall make grants to, or enter into contracts or cooperative agreements with, Indian tribes, tribal organizations, Alaska Native entities, tribally controlled community colleges, tribally controlled postsecondary vocational institutions, Indian-controlled organizations serving Indians, or Native Hawaiian organizations to carry out the authorized activities described in subsection (d).

(2) TRANSFER OF AUTHORITY FOR VOCATIONAL EDUCATION ACTIVITIES.—In carrying out paragraph (1), the Secretaries may agree that the Secretary of Education may provide any portion of assistance under paragraph (1) devoted to vocational education activities, including assistance provided to entities described in paragraph (1) that are not eligible for funding pursuant to the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801 et seq.).

(3) SPECIAL AUTHORITY RELATING TO SECONDARY SCHOOLS OPERATED OR SUPPORTED BY THE BUREAU OF INDIAN AFFAIRS.—An Indian tribe, a tribal organization, or an Alaska Native entity, that receives funds through a grant made or contract entered into under paragraph (1) may use the funds to provide assistance to a secondary school operated or supported by the Bureau of Indian Affairs to enable such school to carry out vocational education activities.

(d) AUTHORIZED ACTIVITIES.—

(1) IN GENERAL.—Funds made available under this section shall be used to carry out the activities described in paragraphs (2) and (3) that—

(A) are consistent with this section; and

(B) are necessary to meet the needs of Indians or Native Hawaiians preparing to enter, renter, or retain unsubsidized employment.

(2) WORKFORCE AND CAREER DEVELOPMENT ACTIVITIES AND SUPPLEMENTAL SERVICES.—

(A) IN GENERAL.—Funds made available under this section shall be used for—

(i) comprehensive workforce and career development activities for Indians or Native Hawaiians; or

(ii) supplemental services for Indian or Native Hawaiian youth on or near Indian reservations and in Oklahoma, Alaska, or Hawaii.

(B) SPECIAL RULE.—Notwithstanding any other provision of this section, individuals who were eligible to participate in programs under section 401 of the Job Training Partnership Act (29 U.S.C. 1671) (as such section was in effect on the day before the date of enactment of this Act) shall be eligible to participate in an activity assisted under subparagraph (A)(i).

(3) VOCATIONAL EDUCATION ACTIVITIES AND ADULT EDUCATION AND LITERACY ACTIVITIES.—Funds made available under this section shall be used for—

(A) vocational education activities and adult education and literacy activities conducted by entities described in subsection (c); or

(B) the support of tribally controlled postsecondary vocational institutions in order to ensure continuing and expanded educational opportunities for Indian students.

(e) PROGRAM PLAN.—In order to receive a grant or enter into a contract or cooperative agreement under this section an entity described in subsection (c) shall submit to the Secretaries a plan that describes a 3-year strategy for meeting the needs of Indian or Native Hawaiian individuals, as appropriate, in the area served by such entity. Such plan—

(1) shall be consistent with the purposes of this section;

(2) shall identify the population to be served;

(3) shall identify the education and employment needs of the population to be served and the manner in which the services to be provided will strengthen the ability of the individuals served to obtain or retain unsubsidized employment;

(4) shall describe the services to be provided and the manner in which such services are to be integrated with other appropriate services; and

(5) shall describe the goals and benchmarks to be used to assess the performance of entities in carrying out the activities assisted under this section.

(f) CONSOLIDATION OF FUNDS.—Each entity receiving assistance under this section may consolidate such assistance with assistance received from related programs in accordance with the provisions of the Indian Employment, Training and Related Services Demonstration Act of 1992 (25 U.S.C 3401 et seq.).

(g) NONDUPLICATIVE AND NONEXCLUSIVE SERVICES.—Nothing in this section shall be construed—

(1) to limit the eligibility of any entity described in subsection (c) to participate in any activity offered by a State or local entity under this title; or

(2) to preclude or discourage any agreement, between any entity described in subsection (c) and any State or local entity, to facilitate the provision of services by such entity or to the population served by such entity.

(h) ADMINISTRATIVE PROVISIONS.—

(1) ORGANIZATIONAL UNIT ESTABLISHED.—The Secretaries shall designate a single organizational unit that shall have as the unit's primary responsibility the administration of the activities authorized in this section.

(2) REGULATIONS.—The Secretaries shall consult with the entities described in subsection (c)—

(A) in establishing regulations to carry out this section, including performance standards for entities receiving assistance under this section, that take into account the economic circumstances of such entities; and

(B) in developing a funding distribution plan that takes into consideration previous levels of funding, and sources of funds not provided pursuant to this title.

(3) TECHNICAL ASSISTANCE.—The Secretaries, through the unit established under paragraph (1), are authorized to provide technical assistance to entities described in subsection (c) that receive assistance under this section to enable such entities to improve the workforce and career development activities provided by such entities.

SEC. 137. GRANTS TO OUTLYING AREAS.

(a) APPLICABILITY OF TITLE TO OUTLYING AREAS.—The provisions of this title (other than this section) shall apply to each outlying area to the extent practicable in the same manner and to the same extent as the provisions apply to a State.

(b) ALLOTMENT.—

(1) IN GENERAL.—For each program year the Secretaries shall allot funds in accordance with paragraph (2) for each outlying area that meets the applicable requirements of this title to enable the outlying area to carry out workforce and career development activities.

(2) POPULATION DATA.—Except as provided in subsection (c), from the amount reserved under section 151(b)(4), the Secretaries shall allot for each outlying area an amount that bears the same relationship to such funds as the total number of individuals who are not less than age 15 but not more than age 65 (as determined by the Secretaries using the most recent census data prior to the program year for which the allotment is made) in the outlying area bears to the total number of such individuals in all outlying areas.

(c) GRANT AWARDS.—

(1) UNITED STATES TERRITORIES.—The Secretaries shall award grants from allotments under subsection (b) to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.

(2) LIMITATION FOR FREELY ASSOCIATED STATES.—

(A) COMPETITIVE GRANTS.—Using funds allotted for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau under subsection (b), the Secretaries shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out workforce and career development activities.

(B) AWARD BASIS.—The Secretaries shall award grants pursuant to subparagraph (A) on a competitive basis and pursuant to recommendations from the Pacific Region Educational Laboratory in Honolulu, Hawaii.

(C) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this paragraph for any program year that begins after September 30, 2001.

(D) ADMINISTRATIVE COSTS.—The Secretaries may provide not more than 5 percent of the amount made available for grants under this paragraph to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this section.

SEC. 138. NATIONAL INSTITUTE FOR LITERACY.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established the National Institute for Literacy (in this section referred to as the "Institute"). The Institute shall be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretary of Labor and the Secretary of Health and Human Services (in this section referred to as the "Interagency Group"). The Interagency Group may include in the Institute any research and development center, institute, or clearinghouse established within the Department of Education, the Department of Labor, or the Department of Health and Human Services whose purpose is determined by the Interagency Group to be related to the purpose of the Institute.

(2) OFFICES.—The Institute shall have offices separate from the offices of the Department of Education, the Department of Labor, and the Department of Health and Human Services.

(3) BOARD RECOMMENDATIONS.—The Interagency Group shall consider the recommendations of the National Institute for Literacy Advisory Board (in this section referred to as the "Board") established under subsection (d) in planning the goals of the Institute and in the implementation of any programs to achieve such goals.

(4) DAILY OPERATIONS.—The daily operations of the Institute shall be carried out by the Director of the Institute appointed under subsection (g).

(b) DUTIES.—

(1) IN GENERAL.—The Institute shall improve the quality and accountability of the adult basic skills and literacy delivery system by—

(A) providing national leadership for the improvement and expansion of the system for delivery of literacy services;

(B) coordinating the delivery of such services across Federal agencies;

(C) identifying effective models of basic skills and literacy education for adults and families that are essential to success in job training, work, the family, and the community;

(D) supporting the creation of new methods of offering improved literacy services;

(E) funding a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to improve literacy by—

(i) encouraging the coordination of literacy services;

(ii) carrying out evaluations of the effectiveness of adult education and literacy activities;

(iii) enhancing the capacity of State and local organizations to provide literacy services; and

(iv) serving as a reciprocal link between the Institute and providers of workforce and career development activities for the purpose of sharing information, data, research, expertise, and literacy resources;

(F) supporting the development of models at the State and local level of accountability systems that consist of goals, performance measures, benchmarks, and assessments that can be used to improve the quality of adult education and literacy activities;

(G) providing technical assistance, information, and other program improvement activities to national, State, and local organizations, such as—

(i) providing information and training to local boards and one-stop career centers concerning how literacy and basic skills services can be incorporated in a coordinated workforce development model;

(ii) improving the capacity of national, State, and local public and private organizations that provide literacy and basic skills services, professional development, and technical assistance, such as the State or regional adult literacy resource centers referred to in subparagraph (E); and

(iii) establishing a national literacy electronic database and communications network;

(H) working with the Interagency Group, Federal agencies, and the Congress to ensure that such Group, agencies, and the Congress have the best information available on literacy and basic skills programs in formulating Federal policy with respect to the issues of literacy, basic skills, and workforce and career development; and

(I) assisting with the development of policy with respect to literacy and basic skills.

(2) GRANTS, CONTRACTS, AND AGREEMENTS.—The Institute may make grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or consortia of such institutions, agencies, or organizations to carry out the activities of the Institute. Such grants, contracts, or agreements shall be subject to the laws and regulations that generally apply to grants, contracts, or agreements entered into by Federal agencies.

(c) LITERACY LEADERSHIP.—

(1) FELLOWSHIPS.—The Institute, in consultation with the Board, may award fellowships, with such stipends and allowances as the Director considers necessary, to outstanding individuals pursuing careers in adult education or literacy in the areas of instruction, management, research, or innovation.

(2) USE OF FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education, training, technical assistance, or other activities to advance the field of adult education or literacy, including the training of volunteer literacy providers at the national, State, or local level.

(3) INTERNS AND VOLUNTEERS.—The Institute, in consultation with the Board, may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute determines necessary.

(d) NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—There is established a National Institute for Literacy Advisory Board. The Board shall consist of 10 individuals appointed by the President, with the advice and consent of the Senate, from individuals who—

(i) are not otherwise officers or employees of the Federal Government; and

(ii) are representative of entities or groups described in subparagraph (B).

(B) ENTITIES OR GROUPS DESCRIBED.—The entities or groups referred to in subparagraph (A) are—

(i) literacy organizations and providers of literacy services, including—

(I) nonprofit providers of literacy services;

(II) providers of programs and services involving English language instruction; and

(III) providers of services receiving assistance under this title;

(ii) businesses that have demonstrated interest in literacy programs;

(iii) literacy students;

(iv) experts in the area of literacy research;

(v) State and local governments; and

(vi) representatives of employees.

(2) DUTIES.—The Board—

(A) shall make recommendations concerning the appointment of the Director and staff of the Institute;

(B) shall provide independent advice on the operation of the Institute; and

(C) shall receive reports from the Interagency Group and the Director.

(3) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board established by this subsection shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(4) TERMS.—

(A) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which ⅓ of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

(B) VACANCY APPOINTMENTS.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made. A vacancy in the Board shall not affect the powers of the Board.

(5) QUORUM.—A majority of the members of the Board shall constitute a quorum but a lesser number may hold hearings. Any recommendation of the Board may be passed only by a majority of the Board's members present.

(6) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

(e) GIFTS, BEQUESTS, AND DEVISES.—The Institute may accept, administer, and use gifts or donations of services, money, or property, both real and personal.

(f) MAILS.—The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(g) DIRECTOR.—The Interagency Group, after considering recommendations made by the Board, shall appoint and fix the pay of a Director.

(h) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum rate payable under section 5376 of title 5, United States Code.

(i) EXPERTS AND CONSULTANTS.—The Board and the Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(j) REPORT.—The Institute shall submit a report biennially to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate. Each report submitted under this subsection shall include—

(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in the field of literacy for the period covered by the report;

(2) a description of how plans for the operation of the Institute for the succeeding two fiscal years will facilitate achievement of the goals of the Institute and the goals of the literacy programs within the Department of Education, the Department of Labor, and the Department of Health and Human Services; and

(3) any additional minority, or dissenting views submitted by members of the Board.

(k) FUNDING.—Any amounts appropriated to the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services for purposes that the Institute is authorized to perform under this section may be provided to the Institute for such purposes.

(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this section.

SEC. 139. LABOR MARKET INFORMATION.

(a) SYSTEM CONTENT.—

(1) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this section, shall oversee the maintenance and continuous improvement of the system of labor market information that includes—

(A) statistical programs of data collection, compilation, estimation, and publication conducted in cooperation with the Bureau of Labor Statistics;

(B) State and local employment information, including other appropriate statistical data related to labor market dynamics (compiled by and for States and localities with technical assistance provided by the Secretary) that will—

(i) assist individuals to make informed choices relating to employment and training; and

(ii) assist employers to locate and train individuals who are seeking employment and training;

(C) technical standards for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

(D) analysis of data and information described in subparagraphs (A) and (B) for uses such as State and local policymaking;

(E) wide dissemination of such data, information, and analysis, training for users of the data, information, and analysis, and voluntary technical standards for dissemination mechanisms; and

(F) programs of—

(i) research and demonstration; and

(ii) technical assistance for States and localities.

(2) INFORMATION TO BE CONFIDENTIAL.—

(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

(i) use the information furnished under the provisions of this section for any purpose other than the statistical purposes for which such information is furnished;

(ii) make any publication from which the data contained in the information so furnished under this section can be used to identify any individual; or

(iii) permit any individual other than the sworn officers, employees, or agents of any Federal department or agency to examine individual reports through which the information is furnished.

(B) IMMUNITY FROM LEGAL PROCESS.—

(i) IN GENERAL.—Any information that is collected and retained for purposes of this section shall be immune from the legal process and shall not, without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

(ii) RULE OF CONSTRUCTION.—Nothing in this subparagraph shall be construed as providing immunity from the legal process for information that is independently collected or produced for purposes other than for purposes of this section.

(b) SYSTEM RESPONSIBILITIES.—

(1) IN GENERAL.—The labor market information system shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government, States, and local entities.

(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor market information for the system, shall carry out the following duties:

(A) Assign responsibilities within the Department of Labor for elements of the system content described in subsection (a) to ensure that all statistical and administrative data collected is consistent.

(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

(D) In collaboration with the States and the Bureau of Labor Statistics, develop and maintain the necessary elements of the system described in subsection (a), including the development of consistent definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1) and the development of the annual plan under subsection (c).

(c) ANNUAL PLAN.—

(1) IN GENERAL.—The Secretary, in collaboration with the States and the Bureau of Labor Statistics, and with the assistance of other appropriate Federal agencies, shall prepare an annual plan that shall describe the cooperative Federal-State governance structure for the labor market information system. The plan shall—

(A) describe the elements of the system, including consistent definitions, formats, collection methodologies, and other necessary system elements, for use in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1);

(B) describe how the system will ensure that—

(i) such data are timely;

(ii) administrative records are consistent in order to facilitate aggregation of such data;

(iii) paperwork and reporting are reduced to a minimum; and

(iv) States and localities are fully involved in the maintenance and continuous improvement of the system at the State and local levels;

(C) evaluate the performance of the system and recommend needed improvements; and

(D) describe current (as of the date of the submission of the plan) spending and spending needs to carry out activities under this section.

(2) COOPERATION WITH THE STATES.—The Secretary and the Bureau of Labor Statistics, in cooperation with the States, shall develop the plan by holding formal consultations, which shall be held on not less than a semiannual basis, with—

(A) State representatives who have expertise in labor market information, selected by the Governors of each State;

(B) representatives from each of the ten Federal regions of the Department of Labor, elected by and from among individuals who perform the duties described in subsection (d)(2) pursuant to a process agreed upon by the Secretary and the States; and

(C) employers or representatives of employers, elected pursuant to a process agreed upon by the Secretary and the States.

(d) STATE RESPONSIBILITIES.—

(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this section, the Governor of a State—

(A) shall designate a single State agency or entity within the State to be responsible for the management of the portions of the system described in subsection (a) that comprise a statewide labor market information system; and

(B) may establish a process for the oversight of such system.

(2) DUTIES.—In order to receive Federal financial assistance under this section, the State agency or entity designated under paragraph (1)(A) shall—

(A) consult with employers and local boards, where appropriate, about the labor market relevance of the data to be collected and disseminated through the statewide labor market information system;

(B) maintain and continuously improve the portions of the system described in subsection (a) that comprise a statewide labor market information system in accordance with this section;

(C) ensure the performance of contract and grant responsibilities for data collection, analysis, and dissemination for such system;

(D) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide labor market information system; and

(E) participate in the development of the annual plan described in subsection (c).

(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a State agency or entity to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $65,000,000 for fiscal year 1998 and such sums as may be necessary for each of the fiscal years 1999 through 2002.

Subtitle E—Transition Provisions

SEC. 141. WAIVERS.

(a) WAIVER AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of Federal law, and except as provided in subsection (d), the Secretary may waive any requirement under any provision of law relating to a covered activity, or of any regulation issued under such a provision, for—

(A) a State that requests such a waiver and submits an application as described in subsection (b); or

(B) a local entity that requests such a waiver and complies with the requirements of subsection (c);

in order to assist the State or local entity in planning or developing a statewide system or workforce and career development activities to be carried out through the statewide system.

(2) TERM.—Each waiver approved pursuant to this section shall be for a period beginning on the date of the approval and ending on June 30, 1998.

(b) STATE REQUEST FOR WAIVER.—

(1) IN GENERAL.—A State may submit to the Secretary a request for a waiver of 1 or more requirements referred to in subsection (a). The request may include a request for different waivers with respect to different areas within the State.

(2) APPLICATION.—To be eligible to receive a waiver described in subsection (a), a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including information—

(A) identifying the requirement to be waived and the goal that the State (or the local entity applying to the State under subsection (c)) intends to achieve through the waiver;

(B) identifying, and describing the actions that the State will take to remove, similar State requirements;

(C) describing the activities to which the waiver will apply, including information on how the activities may be continued, or related to activities carried out, under the statewide system of the State;

(D) describing the number and type of persons to be affected by such waiver; and

(E) providing evidence of support for the waiver request by the State agencies or officials with jurisdiction over the requirement to be waived.

(c) LOCAL ENTITY REQUEST FOR WAIVER.—

(1) IN GENERAL.—A local entity that seeks a waiver of 1 or more requirements referred to in subsection (a) shall submit to the State a request for the waiver and an application containing sufficient information to enable the State to comply with the requirements of subsection (b)(2). The State shall determine whether to submit a request and an application for a waiver to the Secretary, as provided in subsection (b).

(2) TIME LIMIT.—

(A) IN GENERAL.—The State shall make a determination concerning whether to submit the request and application for a waiver as described in paragraph (1) not later than 30 days after the date on which the State receives the application from the local entity.

(B) DIRECT SUBMISSION.—

(i) IN GENERAL.—If the State does not make a determination to submit or does not submit the request and application within the 30-day time period specified in subparagraph (A), the local entity may submit the request and application to the Secretary.

(ii) REQUIREMENTS.—In submitting such a request, the local entity shall obtain the agreement of the State involved to comply with the requirements of this section that would otherwise apply to a State submitting a request for a waiver. In reviewing an application submitted under this section by a local entity, the Secretary shall comply with the requirements of this section that would otherwise apply to the Secretary with respect to review of such an application submitted by a State.

(d) Waivers Not Authorized.—The Secretary may not waive any requirement of any provision referred to in subsection (a), or of any regulation issued under such provision, relating to—

(1) the allocation of funds to States, local entities, or individuals;

(2) public health or safety, civil rights, occupational safety and health, environmental protection, displacement of employees, or fraud and abuse;

(3) the eligibility of an individual for participation in a covered activity, except in a case in which the State or local entity can demonstrate that the individuals who would have been eligible to participate in such activity without the waiver will participate in a similar covered activity; or

(4) a required supplementation of funds by the State or a prohibition against the State supplanting such funds.

(e) Activities.—Subject to subsection (d), the Secretary may approve a request for a waiver described in subsection (a) that would enable a State or local entity to use the assistance that would otherwise have been used to carry out 2 or more covered activities (if the State or local entity were not using the assistance as described in this section)—

(1) to address the high priority needs of unemployed persons and at-risk youth in the appropriate State or community for workforce and career development activities;

(2) to improve efficiencies in the delivery of the covered activities; or

(3) in the case of overlapping or duplicative activities—

(A) by combining the covered activities and funding the combined activities; or

(B) by eliminating 1 of the covered activities and increasing the funding to the remaining covered activity.

(f) Approval or Disapproval.—The Secretary shall approve or disapprove any request submitted pursuant to subsection (b) or (c), not later than 60 days after the date of the submission, and shall issue a decision that shall include the reasons for approving or disapproving the request.

(g) Failure To Act.—If the Secretary fails to approve or disapprove the request within the 60-day period described in subsection (f), the request shall be deemed to be approved on the day after such period ends. If the Secretary subsequently determines that the waiver relates to a matter described in subsection (d) and issues a decision that includes the reasons for the determination, the waiver shall be deemed to terminate on the date of issuance of the decision.

(h) Definitions.—As used in this section:

(1) Local entity.—The term "local entity" means—

(A) a local educational agency responsible for carrying out the covered activity at issue; or

(B) the local public or private agency or organization responsible for carrying out the covered activity at issue.

(2) Secretary.—The term "Secretary" means—

(A) the Secretary of Labor, with respect to any act relating to a covered activity carried out by the Secretary of Labor;

(B) the Secretary of Education, with respect to any act relating to a covered activity carried out by the Secretary of Education; and

(C) the Secretary of Labor and the Secretary of Education, acting jointly, with respect to a covered activity under the School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(3) State.—The term "State" means—

(A) an eligible agency responsible for carrying out the covered activity at issue; or

(B) the Governor, with respect to any act by another State entity responsible for carrying out the covered activity at issue.

SEC. 142. TECHNICAL ASSISTANCE.

Beginning on the date of the enactment of this Act, the Secretaries shall provide technical assistance to States that request such assistance in—

(1) preparing the State plan required under section 104; or

(2) developing the State benchmarks required under section 106(b).

SEC. 143. APPLICATIONS AND PLANS UNDER COVERED ACTS.

Notwithstanding any other provision of law, no State or local entity shall be required to comply with any provision of law relating to a covered activity that would otherwise require the entity to submit an application or a plan to a Federal agency during fiscal year 1997 for funding of a covered activity. In determining whether to provide funding to the State or local entity for the covered activity, the Secretary of Labor or the Secretary of Education, as appropriate, shall consider the last application or plan, as appropriate, submitted by the entity for funding of the covered activity.

SEC. 144. INTERIM AUTHORIZATIONS OF APPROPRIATIONS.

(a) Carl D. Perkins Vocational and Applied Technology Education Act.—Section 3(a) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2302(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1992 through 1998".

(b) Adult Education Act.—Section 313(a) of the Adult Education Act (20 U.S.C. 1201b(a)) is amended by striking "for each of the fiscal years" and all that follows through "1995" and inserting "for each of fiscal years 1993 through 1998".

Subtitle F—General Provisions

SEC. 151. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated to carry out this title (except sections 134, 138, and 139) such sums as may be necessary for each of fiscal years 1998 through 2002.

(b) Reservations.—Of the amount appropriated under subsection (a) for a fiscal year—

(1) 90 percent shall be reserved for making allotments under section 102;

(2) $70,000,000 shall be reserved for carrying out section 135;

(3) $90,000,000 shall be reserved for carrying out section 136;

(4) $14,000,000 shall be reserved for carrying out section 137; and

(5) the remainder shall be reserved for carrying out sections 132 and 133.

(c) Program Year.—

(1) In general.—Appropriations for any fiscal year for programs and activities carried out under this title or subtitle C of title II shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.

(2) Administration.—Funds obligated for any program year for employment and training activities and at-risk youth activities may be expended by each recipient during the program year and the 2 succeeding program years.

SEC. 152. LOCAL EXPENDITURES CONTRARY TO TITLE.

(a) Repayment by State.—Except as provided in sections 107(c)(4) and 126(b)(2)(B), if the Secretaries require a State to repay funds as a result of a determination that an eligible provider of employment and training activities or at-risk youth activities in a local workforce development area of the State has expended funds made available under this title in a manner contrary to the objectives of this title, and such expenditure does not constitute fraud, embezzlement, or other criminal activity, the Governor of the State may use an amount deducted under subsection (b) to repay the funds.

(b) Deduction by State.—The Governor may deduct an amount equal to the expenditure described in subsection (a) from a subsequent program year allocation to the local workforce development area from funds available for local administration for employment and training activities or at-risk youth activities, as appropriate.

SEC. 153. EFFECTIVE DATES.

(a) In General.—Except as otherwise provided in section 134 and subsection (b), this title shall take effect on July 1, 1998.

(b) Administration and National Institute for Literacy.—Sections 131 and 138, subtitle E, section 151, and this section shall take effect on the date of enactment of this Act.

TITLE II—WORKFORCE AND CAREER DEVELOPMENT-RELATED ACTIVITIES

Subtitle A—Amendments to the Wagner-Peyser Act

SEC. 201. DEFINITIONS.

Section 2 of the Wagner-Peyser Act (29 U.S.C. 49a) is amended—

(1) in paragraph (1), by striking "Job Training Partnership Act" and inserting "Workforce and Career Development Act of 1996";

(2) by striking paragraphs (2) and (4);

(3) by redesignating paragraphs (3) and (5) as paragraphs (6) and (7), respectively;

(4) by inserting after paragraph (1) the following:

"(2) the term 'local workforce development area' has the meaning given such term in section 4 of the Workforce and Career Development Act of 1996;

"(3) the term 'local workforce development board' means a local workforce development board established under section 108 of the Workforce and Career Development Act of 1996;

"(4) the term 'one-stop career center system' means a one-stop career center system established under section 121(d) of the Workforce and Career Development Act of 1996;

"(5) the term 'public employment office' means an office that provides employment services to the general public and is part of a one-stop career center system;"; and

(5) in paragraph (6) (as redesignated in paragraph (3)), by striking the semicolon and inserting "; and".

SEC. 202. FUNCTIONS.

(a) In General.—Section 3(a) of the Wagner-Peyser Act (29 U.S.C. 49b(a)) is amended to read as follows:

"(a) The Secretary of Labor shall—

"(1) assist in the coordination and development of a nationwide system of labor exchange services for the general public, provided as part of the one-stop career center systems of the States;

"(2) assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of jobseekers relating to the system; and

"(3) ensure, for individuals otherwise eligible to receive unemployment compensation, the continuation of any activities in which the individuals are required to participate to receive the compensation.".

(b) Conforming Amendments.—Section 508(b) of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a(b)) is amended—

(1) by striking "the third sentence of section 3(a)" and inserting "section 3(b)"; and

(2) by striking "49b(a)" and inserting "49b(b))".

SEC. 203. DESIGNATION OF STATE AGENCIES.

Section 4 of the Wagner-Peyser Act (29 U.S.C. 49c) is amended—

(1) by striking "a State shall, through its legislature," and inserting "a Governor, in consultation with the State legislature, shall"; and

(2) by striking "United States Employment Service" and inserting "Secretary".

SEC. 204. APPROPRIATIONS.

Section 5(c) of the Wagner-Peyser Act (29 U.S.C. 49d(c)) is amended by striking paragraph (3).

SEC. 205. DISPOSITION OF ALLOTTED FUNDS.

Section 7 of the Wagner-Peyser Act (29 U.S.C. 49f) is amended—

(1) in subsection (b)(2), by striking "private industry council" and inserting "local workforce development board";

(2) in subsection (c)(2), by striking "any program under" and all that follows and inserting "any workforce and career development activity carried out under the Workforce and Career Development Act of 1996.";

(3) in subsection (d)—

(A) by striking "United States Employment Service" and inserting "Secretary"; and

(B) by striking "Job Training Partnership Act" and inserting "Workforce and Career Development Act of 1996"; and

(4) by adding at the end the following:

"(e) All job search, placement, recruitment, labor market information, and other labor exchange services authorized under subsection (a) shall be provided as part of the one-stop career center system established by the State.".

SEC. 206. STATE PLANS.

Section 8 of the Wagner-Peyser Act (29 U.S.C. 49g) is amended—

(1) in subsection (a) to read as follows:

"(a) Any State desiring to receive assistance under this Act shall submit to the Secretary, as part of the State plan submitted under section 104 of the Workforce and Career Development Act of 1996, detailed plans for carrying out the provisions of this Act within such State.";

(2) by striking subsections (b), (c), and (e); and

(3) by redesignating subsection (d) as subsection (b).

SEC. 207. REPEAL OF FEDERAL ADVISORY COUNCIL.

Section 11 of the Wagner-Peyser Act (29 U.S.C. 49j) is hereby repealed.

SEC. 208. REGULATIONS.

Section 12 of the Wagner-Peyser Act (29 U.S.C. 49k) is amended by striking "The Director, with the approval of the Secretary of Labor," and inserting "The Secretary".

SEC. 209. EFFECTIVE DATE.

The amendments made by this subtitle shall take effect on July 1, 1998.

Subtitle B—Amendments to the Rehabilitation Act of 1973

SEC. 211. REFERENCES.

Except as otherwise expressly provided in this subtitle, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

SEC. 212. FINDINGS AND PURPOSES.

Section 2 (29 U.S.C. 701) is amended—

(1) in subsection (a)(4), by striking "the provision of individualized training, independent living services, educational and support services," and inserting "implementation of a statewide system that provides meaningful and effective participation for individuals with disabilities in workforce and career development activities and activities carried out through the vocational rehabilitation program established under title I, and through the provision of independent living services, support services,"; and

(2) in subsection (b)(1)(A)—

(A) by striking "and coordinated"; and

(B) by inserting "that are coordinated with statewide systems" after "vocational rehabilitation".

SEC. 213. DEFINITIONS.

Section 7 (29 U.S.C. 706) is amended by adding at the end the following new paragraphs:

"(36) The term 'statewide system' means a statewide system, as defined in section 4 of the Workforce and Career Development Act of 1996.

"(37) The term 'workforce and career development activities' has the meaning given such term in section 4 of the Workforce and Career Development Act of 1996.".

SEC. 214. ADMINISTRATION.

Section 12(a)(1) (29 U.S.C. 711(a)(1)) is amended by inserting ", including providing assistance to achieve the meaningful and effective participation by individuals with disabilities in the activities carried out through a statewide system" before the semicolon.

SEC. 215. REPORTS.

Section 13 (29 U.S.C. 712) is amended in the fourth sentence by striking "The data elements" and all that follows through "age," and inserting the following: "The information shall include all information that is required to be submitted in the report described in section 106(c) of the Workforce and Career Development Act of 1996 and that pertains to the employment of individuals with disabilities, including information on age,".

SEC. 216. EVALUATION.

Section 14(a) (29 U.S.C. 713(a)) is amended in the third sentence by striking "to the extent feasible," and all that follows through the end of the sentence and inserting the following: "to the maximum extent appropriate, be consistent with the State benchmarks established under paragraphs (1) and (2) of section 106(b) of the Workforce and Career Development Act of 1996. For purposes of this section, the Secretary may modify or supplement such benchmarks to the extent necessary to address unique considerations applicable to the participation of individuals with disabilities in the vocational rehabilitation program established under title I and activities carried out under other provisions of this Act.".

SEC. 217. DECLARATION OF POLICY.

Section 100(a) (29 U.S.C. 720(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (E), by striking "; and" and inserting a semicolon;

(B) in subparagraph (F)—

(i) by inserting "workforce and career development activities and" before "vocational rehabilitation services"; and

(ii) by striking the period and inserting "; and"; and

(C) by adding at the end the following subparagraph:

"(G) linkages between the vocational rehabilitation program established under this title and other components of the statewide system are critical to ensure effective and meaningful participation by individuals with disabilities in workforce and career development activities."; and

(2) in paragraph (2)—

(A) by striking "a comprehensive" and inserting "statewide comprehensive"; and

(B) by striking "program of vocational rehabilitation that is designed" and inserting "programs of vocational rehabilitation, each of which is—

"(A) coordinated with a statewide system; and

"(B) designed".

SEC. 218. STATE PLANS.

(a) IN GENERAL.—Section 101(a) (29 U.S.C. 721(a)) is amended—

(1) in the first sentence, by striking ", or shall submit" and all that follows through "et seq.)" and inserting ", and shall submit the State plan on the same dates as the State submits the State plan described in section 104 of the Workforce and Career Development Act of 1996 to the Secretaries (as defined in section 4 of such Act)";

(2) by inserting after the first sentence the following: "The State designated unit shall also submit the State plan for vocational rehabilitation services for review and comment to the individuals and entities participating in the collaborative process described in subsection (a) or (b) of section 105 of the Workforce and Career Development Act of 1996 and such individuals and entities shall submit comments on the State plan to the State designated unit.";

(3) in paragraph (15)—

(A) by striking ", including—" and all that follows through "(C) review of" and inserting ", including review of";

(B) by striking "paragraph (9)(C)" and inserting "paragraph (9)(D)";

(C) by striking "most severe disabilities; and" and inserting "most severe disabilities;"; and

(D) by striking subparagraph (D);

(4) by striking paragraphs (10), (27), (28), and (30);

(5) in paragraph (19)—

(A) by striking "(19)" and inserting "(19)(A)"; and

(B) by inserting "and" after the semicolon;

(6) in paragraph (20), by striking "(20)" and inserting "(B)";

(7) by redesignating—

(A) paragraphs (11) through (18) as paragraphs (10) through (17), respectively;

(B) paragraph (19) (as amended by paragraphs (5) and (6)) as paragraph (18);

(C) paragraphs (21) through (26) as paragraphs (19) through (24), respectively;

(D) paragraph (29) as paragraph (25); and

(E) paragraphs (31) through (36) as paragraphs (26) through (31), respectively;

(8) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following:

"(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in the administration and supervision of the plan, including—

"(i)(I) the results of a comprehensive, statewide assessment of the rehabilitation needs of individuals with disabilities (including individuals with severe disabilities, individuals with disabilities who are minorities, and individuals with disabilities who have been unserved, or underserved, by the vocational rehabilitation system) who are residing within the State; and

"(II) the response of the State to the assessment;

"(ii) a description of the method to be used to expand and improve services to individuals with the most severe disabilities, including individuals served under part C of title VI;

"(iii) with regard to community rehabilitation programs—

"(I) a description of the method to be used (such as a cooperative agreement) to utilize the programs to the maximum extent feasible; and

"(II) a description of the needs of and utilization of the programs, including the community rehabilitation programs funded under the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.) and such programs funded by State use contracting programs; and

"(iv) an explanation of the methods by which the State will provide vocational rehabilitation services to all individuals with disabilities within the State who are eligible for such services, and, in the event that vocational rehabilitation services cannot be provided to all such eligible individuals with disabilities who apply for such services, information showing and providing the justification for the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided (which order of

selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first the individuals with the most severe disabilities in accordance with criteria established by the State, and shall be consistent with priorities in such order of selection so determined, and outcome and service goals for serving individuals with disabilities, established in regulations prescribed by the Commissioner);";

(B) in subparagraph (B), by striking "; and" and inserting a semicolon; and

(C) by striking subparagraph (C) and inserting the following subparagraphs:

"(C) with regard to the statewide assessment of rehabilitation needs described in subparagraph (A)(i)—

"(i) provide that the State agency will make reports at such time, in such manner, and containing such information, as the Commissioner may require to carry out the functions of the Commissioner under this title, and comply with such provisions as are necessary to assure the correctness and verification of such reports; and

"(ii) provide that reports made under clause (i) will include information regarding individuals with disabilities and, if an order of selection described in subparagraph (A)(iv) is in effect in the State, will separately include information regarding individuals with the most severe disabilities, on—

"(I) the number of such individuals who are evaluated and the number rehabilitated;

"(II) the costs of administration, counseling, provision of direct services, development of community rehabilitation programs, and other functions carried out under this Act; and

"(III) the utilization by such individuals of other programs pursuant to paragraph (10); and

"(D) describe—

"(i) how a broad range of rehabilitation technology services will be provided at each stage of the rehabilitation process;

"(ii) how a broad range of such rehabilitation technology services will be provided on a statewide basis; and

"(iii) the training that may be provided to vocational rehabilitation counselors, client assistance personnel, personnel of the eligible providers of core services described in subsection (e)(2) of section 121 of the Workforce and Career Development Act of 1996 through one-stop career centers described in subsection (d) of such section, and other related services personnel;";

(9) in subparagraph (A)(i)(II) of paragraph (7), by striking ", based on projections" and all that follows through "relevant factors";

(10) in paragraph (9)—

(A) in subparagraph (B), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in subparagraph (C), by striking "plan in accordance with such program" and inserting "State plan in accordance with the employment plan";

(11) in paragraph (10) (as redesignated in paragraph (7))—

(A) in subparagraph (A), by striking "State's public" and all that follows and inserting "Federal, State, and local programs that are not part of the statewide system of the State;"; and

(B) in subparagraph (C)—

(i) by striking "if appropriate—" and all that follows through "entering into" and inserting "if appropriate, entering into";

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii), respectively; and

(iii) by indenting the clauses and aligning the margins of the clauses with the margins of clause (ii) of subparagraph (A) of paragraph (7);

(12) in paragraph (20) (as redesignated in paragraph (7)), by striking "referrals to other Federal and State programs" and inserting "referrals within the statewide system of the State to programs"; and

(13) in paragraph (22) (as redesignated in paragraph (7))—

(A) in subparagraph (B), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in subparagraph (C)—

(i) in clause (ii), by striking "; and" and inserting a semicolon;

(ii) in clause (iii), by striking the semicolon and inserting "; and"; and

(iii) by adding at the end the following clause:

"(iv) the manner in which students who are individuals with disabilities and who are not in special education programs can access and receive vocational rehabilitation services, where appropriate;".

(b) CONFORMING AMENDMENTS.—

(1) Section 7(22)(A)(i)(II) (29 U.S.C. 706(22)(A)(i)(II)) is amended by striking "101(a)(5)(A)" each place it appears and inserting "101(a)(5)(A)(iv)".

(2) Section 12(d) (29 U.S.C. 711(d)) is amended by striking "101(a)(5)(A)" and inserting "101(a)(5)(A)(iv)".

(3) Section 101(a) (29 U.S.C. 721(a)) is amended—

(A) in paragraph (18)(A) (as redesignated in subsection (a)(7)), by striking "paragraph (15)" and inserting "paragraph (14)";

(B) in paragraph (22) (as redesignated in subsection (a)(7)), by striking "paragraph (11)(C)(ii)" and inserting "paragraph (10)(C)";

(C) in paragraph (27) (as redesignated in subsection (a)(7)), by striking "paragraph (36)" and inserting "paragraph (31)"; and

(D) in subparagraph (C) of paragraph (31) (as redesignated in subsection (a)(7)), by striking "101(a)(1)(A)(i)" and inserting "paragraph (1)(A)(i)".

(4) Section 102 (29 U.S.C. 722) is amended—

(A) in subsection (a)(3), by striking "101(a)(24)" and inserting "101(a)(22)"; and

(B) in subsection (d)(2)(C)(ii)—

(i) in subclause (II), by striking "101(a)(36)" and inserting "101(a)(31)"; and

(ii) in subclause (III), by striking "101(a)(36)(C)(ii)" and inserting "101(a)(31)(C)(ii)".

(5) Section 103(a)(13) (29 U.S.C. 723(a)(13)) is amended by striking "101(a)(11)" and inserting "101(a)(10)".

(6) Section 105(a)(1) (29 U.S.C. 725(a)(1)) is amended by striking "101(a)(36)" and inserting "101(a)(31)".

(7) Section 107(a) (29 U.S.C. 727(a)) is amended—

(A) in paragraph (2)(F), by striking "101(a)(32)" and inserting "101(a)(27)"; and

(B) in paragraph (4)(C), by striking "101(a)(35)" and inserting "101(a)(30)".

(8) Section 111(a) (29 U.S.C. 731(a)) is amended—

(A) in paragraph (1)—

(i) by striking "101(a)(34)(A)" and inserting "101(a)(29)(A)"; and

(ii) by striking "101(a)(34)(B)" and inserting "101(a)(29)(B)"; and

(B) in paragraph (2)(A), by striking "101(a)(17)" and inserting "101(a)(16)".

(9) Section 124(a)(1)(A) (29 U.S.C. 744(a)(1)(A)) is amended by striking "101(a)(34)(B)" and inserting "101(a)(29)(B)".

(10) Section 315(b)(2) (29 U.S.C. 777e(b)(2)) is amended by striking "101(a)(22)" and inserting "101(a)(20)".

(11) Section 102(e)(23)(A) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212(e)(23)(A)) is amended by striking "section 101(a)(36) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(36))" and inserting "section 101(a)(31) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(31))".

SEC. 219. INDIVIDUALIZED EMPLOYMENT PLANS.

(a) IN GENERAL.—Section 102 (29 U.S.C. 722) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 102. INDIVIDUALIZED EMPLOYMENT PLANS.";

(2) in subsection (a)(6), by striking "written rehabilitation program" and inserting "employment plan";

(3) in subsection (b)—

(A) in paragraph (1)(A)—

(i) in clause (i), by striking "written rehabilitation program" and inserting "employment plan"; and

(ii) in clause (ii), by striking "program" and inserting "plan";

(B) in paragraph (1)(B)—

(i) in the matter preceding clause (i), by striking "written rehabilitation program" and inserting "employment plan";

(ii) in clause (iv)—

(I) by striking subclause (I) and inserting the following:

"(I) include a statement of the specific vocational rehabilitation services to be provided (including, if appropriate, rehabilitation technology services and training in how to use such services) that includes specification of the public or private entity that will provide each such vocational rehabilitation service and the projected dates for the initiation and the anticipated duration of each such service; and";

(II) by striking subclause (II); and

(III) by redesignating subclause (III) as subclause (II); and

(iii) in clause (xi)(I), by striking "program" and inserting "plan";

(C) in paragraph (1)(C), by striking "written rehabilitation program and amendments to the program" and inserting "employment plan and amendments to the plan"; and

(D) in paragraph (2)—

(i) by striking "program" each place the term appears and inserting "plan"; and

(ii) by striking "written rehabilitation" each place the term appears and inserting "employment";

(4) in subsection (c)—

(A) in paragraph (1), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) by striking "written program" each place the term appears and inserting "plan"; and

(5) in subsection (d)—

(A) in paragraph (5), by striking "written rehabilitation program" and inserting "employment plan"; and

(B) in paragraph (6)(A), by striking the second sentence.

(b) CONFORMING AMENDMENTS.—

(1) The table of contents for the Act is amended by striking the item relating to section 102 and inserting the following:

"Sec. 102. Individualized employment plans.".

(2) Paragraphs (22)(B) and (27)(B), and subparagraphs (B) and (C) of paragraph (34) of section 7 (29 U.S.C. 706), section 12(e)(1) (29 U.S.C. 711(e)(1)), section 501(e) (29 U.S.C. 791(e)), subparagraphs (C), (D), and (E) of section 635(b)(6) (29 U.S.C. 795n(b)(6) (C), (D), and (E)), section 802(g)(8)(B) (29 U.S.C. 797a(g)(8)(B)), and section 803(c)(2)(D) (29 U.S.C. 797b(c)(2)(D)) are amended by striking "written rehabilitation program" each place the term appears and inserting "employment plan".

(3) Section 7(22)(B)(i) (29 U.S.C. 706(22)(B)(i)) is amended by striking "rehabilitation program" and inserting "employment plan".

(4) Section 107(a)(3)(D) (29 U.S.C. 727(a)(3)(D)) is amended by striking "written rehabilitation programs" and inserting "employment plans".

(5) Section 101(b)(7)(A)(ii)(II) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(b)(7)(A)(ii)(II)) is amended by striking "written rehabilitation program" and inserting "employment plan".

SEC. 220. STATE REHABILITATION ADVISORY COUNCIL.

(a) IN GENERAL.—Section 105 (29 U.S.C. 725) is amended—

(1) in subsection (b)(1)(A)(vi), by inserting before the semicolon the following: "who, to the extent feasible, are individuals involved in the collaborative process described in section 105 of the Workforce and Career Development Act of 1996"; and

(2) in subsection (c)—

(A) by redesignating paragraphs (3) through (7) as paragraphs (4) through (8), respectively;

(B) by inserting after paragraph (2) the following new paragraph:

"(3) advise the designated State agency and the designated State unit regarding strategies for ensuring that the vocational rehabilitation program established under this title is coordinated with the statewide system of the State;"; and

(C) in paragraph (6) (as redesignated in subparagraph (A))—

(i) by striking "6024), and" and inserting "6024),"; and

(ii) by striking the semicolon at the end and inserting the following: ", and the individuals and entities involved in the collaborative process described in section 105 of the Workforce and Career Development Act of 1996;".

(b) CONFORMING AMENDMENT.—Subparagraph (B)(iv), and clauses (ii)(I) and (iii)(I) of subparagraph (C), of paragraph (31) (as redesignated in section 218(a)(7)) of section 101(a) (29 U.S.C. 721(a)) are amended by striking "105(c)(3)" and inserting "105(c)(4)".

SEC. 221. EVALUATION STANDARDS AND PERFORMANCE INDICATORS.

Section 106(a)(1) (29 U.S.C. 726(a)(1)) is amended—

(1) by striking "(1) IN GENERAL.—The Commissioner shall" and inserting the following:

"(1) EVALUATION STANDARDS AND PERFORMANCE INDICATORS.—

"(A) IN GENERAL.—The Commissioner shall"; and

(2) by adding at the end the following:

"(B) MODIFICATION OR SUPPLEMENTATION.—

"(i) IN GENERAL.—The Commissioner shall modify or supplement such standards and indicators to ensure that, to the maximum extent appropriate, such standards and indicators are consistent with the State benchmarks established under paragraphs (1) and (2) of section 106(b) of the Workforce and Career Development Act of 1996.

"(ii) ADDITIONAL PROVISIONS.—The Commissioner—

"(I) shall, in modifying or supplementing such standards and indicators, comply with the requirements under the timetable for establishing such benchmarks under the Workforce and Career Development Act of 1996; and

"(II) may modify or supplement such standards and indicators, to the extent necessary, to address unique considerations applicable to individuals with disabilities in the vocational rehabilitation program.".

SEC. 222. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle shall take effect on the date of enactment of this Act.

(b) STATEWIDE SYSTEM REQUIREMENTS.—The changes made in the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) by the amendments made by this subtitle that relate to State benchmarks, or other components of a statewide system, shall take effect on July 1, 1998.

Subtitle C—Job Corps

SEC. 231. DEFINITIONS.

As used in this subtitle:

(1) ENROLLEE.—The term "enrollee" means an individual enrolled in the Job Corps.

(2) GOVERNOR.—The term "Governor" means the chief executive officer of a State.

(3) JOB CORPS.—The term "Job Corps" means the Job Corps described in section 233.

(4) JOB CORPS CENTER.—The term "Job Corps center" means a center described in section 233.

(5) OPERATOR.—The term "operator" means an entity selected under this subtitle to operate a Job Corps center.

(6) SECRETARY.—The term "Secretary" means the Secretary of Labor.

SEC. 232. PURPOSES.

The purposes of this subtitle are—

(1) to maintain a national Job Corps program, carried out in partnership with States and communities, to assist at-risk youth who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens;

(2) to set forth standards and procedures for selecting individuals as enrollees in the Job Corps;

(3) to authorize the establishment of Job Corps centers in which enrollees will participate in intensive programs of workforce and career development activities; and

(4) to prescribe various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps.

SEC. 233. ESTABLISHMENT.

There shall be established in the Department of Labor a Job Corps program, to carry out, in conjunction with the activities carried out under section 247, activities described in this subtitle for individuals enrolled in the Job Corps and assigned to a center.

SEC. 234. INDIVIDUALS ELIGIBLE FOR THE JOB CORPS.

To be eligible to become an enrollee, an individual shall be—

(1) not less than age 15 and not more than age 24;

(2) an individual who—

(A) receives, or is a member of a family that receives, cash welfare payments under a Federal, State, or local welfare program;

(B) had received an income, or is a member of a family that had received a total family income, for the 6-month period prior to application for the program involved (exclusive of unemployment compensation, child support payments, and payments described in subparagraph (A)) that, in relation to family size, does not exceed the higher of—

(i) the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), for an equivalent period; or

(ii) 70 percent of the lower living standard income level, for an equivalent period;

(C) is a member of a household that receives (or has been determined within the 6-month period prior to application for the program involved to be eligible to receive) food stamps pursuant to the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

(D) qualifies as a homeless individual, as defined in subsections (a) and (c) of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302);

(E) is a foster child on behalf of whom State or local government payments are made; or

(F) in cases permitted by regulations of the Secretary, is an individual with a disability whose own income meets the requirements of a program described in subparagraph (A) or of subparagraph (B), but who is a member of a family whose income does not meet such requirements; and

(3) an individual who is 1 or more of the following:

(A) Basic skills deficient.

(B) A school dropout.

(C) Homeless or a runaway.

(D) Pregnant or a parent.

(E) An individual who requires additional education, training, or intensive counseling and related assistance, in order to secure and hold employment or participate successfully in regular schoolwork.

SEC. 235. SCREENING AND SELECTION OF APPLICANTS.

(a) STANDARDS AND PROCEDURES.—

(1) IN GENERAL.—The Secretary shall prescribe specific standards and procedures for the screening and selection of applicants for the Job Corps, after considering recommendations from the Governors, local boards, and other interested parties.

(2) METHODS.—In prescribing standards and procedures under paragraph (1) for the screening and selection of Job Corps applicants, the Secretary shall—

(A) require enrollees to take drug tests within 30 days of enrollment in the Job Corps;

(B) allocate, where necessary, additional resources to increase the applicant pool;

(C) establish standards for outreach to and screening of Job Corps applicants;

(D) where appropriate, take measures to improve the professional capability of the individuals conducting such screening;

(E) require Job Corps applicants to pass background checks, conducted in accordance with procedures established by the Secretary; and

(F) assure that an appropriate number of enrollees are from rural areas.

(3) IMPLEMENTATION.—To the extent practicable, the standards and procedures shall be implemented through arrangements with—

(A) eligible providers of core services described in section 121(e)(2) through one-stop career centers described in section 121(d);

(B) agencies and organizations such as community action agencies, professional groups, and labor organizations; and

(C) agencies and individuals that have contact with youth over substantial periods of time and are able to offer reliable information about the needs and problems of the youth.

(4) CONSULTATION.—The standards and procedures shall provide for necessary consultation with individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers.

(b) SPECIAL LIMITATIONS.—No individual shall be selected as an enrollee unless the individual or organization implementing the standards and procedures determines that—

(1) there is a reasonable expectation that the individual considered for selection can participate successfully in group situations and activities, is not likely to engage in behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between the Job Corps center to which the individual might be assigned and surrounding communities; and

(2) the individual manifests a basic understanding of both the rules to which the individual will be subject and of the consequences of failure to observe the rules.

SEC. 236. ENROLLMENT AND ASSIGNMENT.

(a) RELATIONSHIP BETWEEN ENROLLMENT AND MILITARY OBLIGATIONS.—Enrollment in the Job Corps shall not relieve any individual of obligations under the Military Selective Service Act (50 U.S.C. App. 451 et seq.).

(b) ASSIGNMENT.—After the Secretary has determined that an enrollee is to be assigned to a Job Corps center, the enrollee shall be assigned to the center that is closest to the residence of the enrollee, except that the Secretary may waive this requirement for good cause, including to ensure an equitable opportunity for individuals described in section 234 from various sections of the United States to participate in the Job Corps program, to prevent undue delays in assignment of an enrollee, to adequately meet the educational or other needs of an enrollee, and for efficiency and economy in the operation of the program.

(c) PERIOD OF ENROLLMENT.—No individual may be enrolled in the Job Corps for more than 2 years, except—

(1) in a case in which completion of an advanced career training program under section 238(d) would require an individual to participate for more than 2 years; or

(2) as the Secretary may authorize in a special case.

SEC. 237. JOB CORPS CENTERS.

(a) OPERATORS AND SERVICE PROVIDERS.—

(1) ELIGIBLE ENTITIES.—The Secretary shall enter into an agreement with a Federal, State, or local agency, which may be a State board or agency that operates or wishes to develop an area vocational education school facility or residential vocational school, or with a private organization, for the operation of each Job Corps center. The Secretary shall enter into an agreement with an appropriate entity to provide services for a Job Corps center.

(2) SELECTION PROCESS.—Except as provided in subsections (c) and (d), the Secretary shall select an entity to operate a Job Corps center on a competitive basis, after reviewing the operating plans described in section 240. In selecting a private or public entity to serve as an operator for a Job Corps Center, the Secretary shall, at the request of the Governor of the State in which the center is located, convene and obtain the recommendation of a selection panel described in section 242(b). In selecting an entity to serve as an operator or to provide services for a Job Corps center, the Secretary shall take into consideration the previous performance of the entity, if any, relating to operating or providing services for a Job Corps center.

(b) CHARACTER AND ACTIVITIES.—Job Corps centers may be residential or nonresidential in character, and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with access to activities described in section 238. In any year, no more than 20 percent of the individuals enrolled in the Job Corps may be nonresidential participants in the Job Corps.

(c) CIVILIAN CONSERVATION CENTERS.—

(1) IN GENERAL.—The Job Corps centers may include Civilian Conservation Centers operated under agreements with the Secretary of Agriculture or the Secretary of the Interior, located primarily in rural areas, which shall provide, in addition to other training and assistance, programs of work experience to conserve, develop, or manage public natural resources or public recreational areas or to develop community projects in the public interest.

(2) SELECTION PROCESS.—The Secretary may select an entity to operate a Civilian Conservation Center on a competitive basis, as provided in subsection (a), if the center fails to meet such national performance standards as the Secretary shall establish.

(d) INDIAN TRIBES.—

(1) GENERAL AUTHORITY.—The Secretary may enter into agreements with Indian tribes to operate Job Corps centers for Indians.

(2) DEFINITIONS.—As used in this subsection, the terms "Indian" and "Indian tribe", have the meanings given such terms in subsections (d) and (e), respectively, of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

SEC. 238. PROGRAM ACTIVITIES.

(a) ACTIVITIES PROVIDED THROUGH JOB CORPS CENTERS.—Each Job Corps center shall provide enrollees assigned to the center with access to core services described in section 121(e)(2), and such other employment and training activities and at-risk youth activities as may be appropriate to meet the needs of the enrollees. Each Job Corps center shall provide the enrollees with such activities described in sections 121 and 122 as may be appropriate to meet the needs of the enrollees. The activities provided under this subsection shall provide work-based learning throughout the enrollment of the enrollees and assist the enrollees in obtaining meaningful unsubsidized employment, participating successfully in secondary education or postsecondary education programs, enrolling in other suitable training programs, or satisfying Armed Forces requirements, on completion of their enrollment.

(b) ARRANGEMENTS.—The Secretary shall arrange for enrollees assigned to Job Corps centers to receive employment and training activities and at-risk youth activities through or in coordination with the statewide system, including employment and training activities and at-risk youth activities provided through local public or private educational agencies, vocational educational institutions, or technical institutes.

(c) FISCAL AND MANAGEMENT ACCOUNTABILITY INFORMATION SYSTEM.—The Secretary shall establish a fiscal and management accountability information system for Job Corps centers, and coordinate the activities carried out through the system with activities carried out through the fiscal and management accountability information systems for States described in section 106(e), if such systems are established.

(d) ADVANCED CAREER TRAINING PROGRAMS.—

(1) IN GENERAL.—The Secretary may arrange for programs of advanced career training for selected enrollees in which the enrollees may continue to participate for a period of not to exceed 1 year in addition to the period of participation to which the enrollees would otherwise be limited.

(2) POSTSECONDARY EDUCATIONAL INSTITUTIONS.—The advanced career training may be provided through a postsecondary educational institution for an enrollee who has obtained a secondary school diploma or its recognized equivalent, has demonstrated commitment and capacity in previous Job Corps participation, and has an identified occupational goal.

(3) COMPANY-SPONSORED TRAINING PROGRAMS.—The Secretary may enter into contracts with appropriate entities to provide the advanced career training through intensive training in company-sponsored training programs, combined with internships in work settings.

(4) BENEFITS.—

(A) IN GENERAL.—During the period of participation in an advanced career training program, an enrollee shall be eligible for full Job Corps benefits, or a monthly stipend equal to the average value of the residential support, food, allowances, and other benefits provided to enrollees assigned to residential Job Corps centers.

(B) CALCULATION.—The total amount for which an enrollee shall be eligible under subparagraph (A) shall be reduced by the amount of any scholarship or other educational grant assistance received by such enrollee for advanced career training.

(5) DEMONSTRATION.—Each year, any operator seeking to enroll additional enrollees in an advanced career training program shall demonstrate that participants in such program have achieved a reasonable rate of completion and placement in training-related jobs before the operator may carry out such additional enrollment.

SEC. 239. SUPPORT.

The Secretary shall provide enrollees assigned to Job Corps centers with such personal allowances, including readjustment allowances, as the Secretary may determine to be necessary or appropriate to meet the needs of the enrollees.

SEC. 240. OPERATING PLAN.

(a) IN GENERAL.—To be eligible to operate a Job Corps center, an entity shall prepare and submit an operating plan to the Secretary for approval. Prior to submitting the plan to the Secretary, the entity shall submit the plan to the Governor of the State in which the center is located for review and comment. The entity shall submit any comments prepared by the Governor on the plan to the Secretary with the plan. Such plan shall include, at a minimum, information indicating—

(1) in quantifiable terms, the extent to which the center will contribute to the achievement of the proposed State goals and State benchmarks identified in the State plan submitted under section 104 for the State in which the center is located;

(2) the extent to which the activities described in section 238 and delivered through the Job Corps center are directly linked to the workforce and career development needs of the region in which the center is located;

(3) an implementation strategy to ensure that all enrollees assigned to the Job Corps center will have access to services through the one-stop delivery of core services described in section 121(e)(2); and

(4) an implementation strategy to ensure that the curricula of all such enrollees is integrated into activities described in section 238(a), including work-based learning, work experience, and career-building activities, and that such enrollees have the opportunity to obtain secondary school diplomas or their recognized equivalent.

(b) APPROVAL.—The Secretary shall not approve an operating plan described in subsection (a) for a center if the Secretary determines that the activities proposed to be carried out through the center are not sufficiently integrated with the activities carried out through the statewide system of the State in which the center is located.

SEC. 241. STANDARDS OF CONDUCT.

(a) PROVISION AND ENFORCEMENT.—The Secretary shall provide, and directors of Job Corps centers shall stringently enforce, standards of conduct within the centers. Such standards of conduct shall include provisions forbidding the actions described in subsection (b)(2)(A).

(b) DISCIPLINARY MEASURES.—

(1) IN GENERAL.—To promote the proper moral and disciplinary conditions in the Job Corps, the directors of Job Corps centers shall take appropriate disciplinary measures against enrollees. If such a director determines that an enrollee has committed a violation of the standards of conduct, the director shall dismiss the enrollee from the Job Corps if the director determines that the retention of the enrollee in the Job Corps will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees.

(2) ZERO TOLERANCE POLICY.—

(A) GUIDELINES.—The Secretary shall adopt guidelines establishing a zero tolerance policy for an act of violence, for use, sale, or possession of a controlled substance, for abuse of alcohol, or for other illegal or disruptive activity.

(B) DEFINITIONS.—As used in this paragraph:

(i) CONTROLLED SUBSTANCE.—The term "controlled substance" has the meaning given the term in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(ii) ZERO TOLERANCE POLICY.—The term "zero tolerance policy" means a policy under which an enrollee shall be automatically dismissed from the Job Corps after a determination by the

director that the enrollee has carried out an action described in subparagraph (A).

(c) APPEAL.—A disciplinary measure taken by a director under this section shall be subject to expeditious appeal in accordance with procedures established by the Secretary.

SEC. 242. COMMUNITY PARTICIPATION.

(a) ACTIVITIES.—The Secretary shall encourage and cooperate in activities to establish a mutually beneficial relationship between Job Corps centers in the State and nearby communities. The activities shall include the use of local boards established in the State to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest.

(b) SELECTION PANELS.—The Governor may recommend individuals to serve on a selection panel convened by the Secretary to provide recommendations to the Secretary regarding any competitive selection of an operator for a center in the State. The panel shall have not more than 7 members. In recommending individuals to serve on the panel, the Governor may recommend members of local boards established in the State, or other representatives selected by the Governor. The Secretary shall select at least 1 individual recommended by the Governor.

(c) ACTIVITIES.—Each Job Corps center director shall—

(1) give officials of nearby communities appropriate advance notice of changes in the rules, procedures, or activities of the Job Corps center that may affect or be of interest to the communities;

(2) afford the communities a meaningful voice in the affairs of the Job Corps center that are of direct concern to the communities, including policies governing the issuance and terms of passes to enrollees; and

(3) encourage the participation of enrollees in programs for improvement of the communities, with appropriate advance consultation with business, labor, professional, and other interested groups, in the communities.

SEC. 243. COUNSELING AND PLACEMENT.

The Secretary shall ensure that enrollees assigned to Job Corps centers receive academic and vocational counseling and job placement services, which shall be provided, to the maximum extent practicable, through the delivery of core services described in section 121(e)(2).

SEC. 244. ADVISORY COMMITTEES.

The Secretary is authorized to make use of advisory committees in connection with the operation of the Job Corps program, and the operation of Job Corps centers, whenever the Secretary determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities.

SEC. 245. APPLICATION OF PROVISIONS OF FEDERAL LAW.

(a) ENROLLEES NOT CONSIDERED TO BE FEDERAL EMPLOYEES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection and in section 8143(a) of title 5, United States Code, enrollees shall not be considered to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including such provisions regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) PROVISIONS RELATING TO TAXES AND SOCIAL SECURITY BENEFITS.—For purposes of the Internal Revenue Code of 1986 and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed to be employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(3) PROVISIONS RELATING TO COMPENSATION TO FEDERAL EMPLOYEES FOR WORK INJURIES.—For purposes of subchapter I of chapter 81 of title 5, United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed to be civil employees of the Government of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of such subchapter shall apply as specified in section 8143(a) of title 5, United States Code.

(4) FEDERAL TORT CLAIMS PROVISIONS.—For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered to be employees of the Government.

(b) ADJUSTMENTS AND SETTLEMENTS.—Whenever the Secretary finds a claim for damages to a person or property resulting from the operation of the Job Corps to be a proper charge against the United States, and the claim is not cognizable under section 2672 of title 28, United States Code, the Secretary may adjust and settle the claim in an amount not exceeding $1,500.

(c) PERSONNEL OF THE UNIFORMED SERVICES.—Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Secretary for the support of the Job Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade in such services.

SEC. 246. SPECIAL PROVISIONS.

(a) ENROLLMENT OF WOMEN.—The Secretary shall immediately take steps to achieve an enrollment of 50 percent women in the Job Corps program, consistent with the need—

(1) to promote efficiency and economy in the operation of the program;

(2) to promote sound administrative practice; and

(3) to meet the socioeconomic, educational, and training needs of the population to be served by the program.

(b) STUDIES, EVALUATIONS, PROPOSALS, AND DATA.—The Secretary shall assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of carrying out the Job Corps program shall become the property of the United States.

(c) GROSS RECEIPTS.—Transactions conducted by a private for-profit contractor or a nonprofit contractor in connection with the operation by the contractor of a Job Corps center or the provision of services by the contractor for a Job Corps center shall not be considered to be generating gross receipts. Such a contractor shall not be liable, directly or indirectly, to any State or subdivision of a State (nor to any person acting on behalf of such a State or subdivision) for any gross receipts taxes, business privilege taxes measured by gross receipts, or any similar taxes imposed on, or measured by, gross receipts in connection with any payments made to or by such contractor for operating or providing services for a Job Corps center. Such a contractor shall not be liable to any State or subdivision of a State to collect or pay any sales, excise, use, or similar tax imposed on the sale to or use by such contractor of any property, service, or other item in connection with the operation of or provision of services for a Job Corps center.

(d) MANAGEMENT FEE.—The Secretary shall provide each operator or entity providing services for a Job Corps center with an equitable and negotiated management fee of not less than 1 percent of the contract amount.

(e) DONATIONS.—The Secretary may accept on behalf of the Job Corps or individual Job Corps centers charitable donations of cash or other assistance, including equipment and materials, if such donations are available for appropriate use for the purposes set forth in this subtitle.

SEC. 247. REVIEW OF JOB CORPS CENTERS.

(a) NATIONAL JOB CORPS REVIEW PANEL.—

(1) ESTABLISHMENT.—The Secretary shall establish a National Job Corps Review Panel (hereafter referred to in this section as the "Panel").

(2) MEMBERSHIP.—The Panel shall be composed of nine individuals selected by the Secretary, of which—

(A) three individuals shall be members of the national office of the Job Corps;

(B) three individuals shall be representatives from the private sector who have expertise and a demonstrated record of success in understanding, analyzing, and motivating at-risk youth; and

(C) three individuals shall be members of the Office of the Inspector General of the Department of Labor.

(3) DUTIES.—The Panel shall conduct a review of the activities carried out under part B of title IV of the Job Training Partnership Act (29 U.S.C. 1691 et seq.), and, not later than July 31, 1997, the Panel shall submit to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report containing the results of the review, including—

(A) information on the amount of funds expended for fiscal year 1996 to carry out activities under such part, for each State and for the United States;

(B) for each Job Corps center funded under such part, information on the amount of funds expended for fiscal year 1996 under such part to carry out activities related to the direct operation of the center, including funds expended for student training, outreach or intake activities, meals and lodging, student allowances, medical care, placement or settlement activities, and administration;

(C) for each Job Corps center, information on the amount of funds expended for fiscal year 1996 under such part through contracts to carry out activities not related to the direct operation of the center, including funds expended for student travel, national outreach, screening, and placement services, national vocational training, and national and regional administrative costs;

(D) for each Job Corps center, information on the amount of funds expended for fiscal year 1996 under such part for facility construction, rehabilitation, and acquisition expenses;

(E) information on the amount of funds required to be expended under such part to complete each new or proposed Job Corps center, and to rehabilitate and repair each existing Job Corps center, as of the date of the submission of the report;

(F) a summary of the information described in subparagraphs (B) through (E) for all Job Corps centers;

(G) an assessment of the need to serve individuals described in section 234 in the Job Corps program, including—

(i) a cost-benefit analysis of the residential component of the Job Corps program;

(ii) the need for residential education and training services for individuals described in section 234, analyzed for each State and for the United States; and

(iii) the distribution of training positions in the Job Corps program, as compared to the need for the services described in clause (ii), analyzed for each State;

(H) an overview of the Job Corps program as a whole and an analysis of individual Job Corps centers, including a 5-year performance measurement summary that includes information, analyzed for the program and for each Job Corps center, on—

(i) the number of enrollees served;

(ii) the number of former enrollees who entered employment, including the number of former enrollees placed in a position related to the job training received through the program and the number placed in a position not related to the job training received;

(iii) the number of former enrollees placed in jobs for 32 hours per week or more;

(iv) the number of former enrollees who entered employment and were retained in the employment for more than 13 weeks;

(v) the number of former enrollees who entered the Armed Forces;

(vi) the number of former enrollees who completed vocational training, and the rate of such completion, analyzed by vocation;

(vii) the number of former enrollees who entered postsecondary education;

(viii) the number and percentage of early dropouts from the Job Corps program;

(ix) the average wage of former enrollees, including wages from positions described in clause (ii);

(x) the number of former enrollees who obtained a secondary school diploma or its recognized equivalent;

(xi) the average level of learning gains for former enrollees; and

(xii) the number of former enrollees that did not—

(I) enter employment or postsecondary education;

(II) complete a vocational education program; or

(III) make identifiable learning gains;

(I) information regarding the performance of all existing Job Corps centers over the 3 years preceding the date of submission of the report; and

(J) job placement rates for each Job Corps center and each entity providing services to a Job Corps center.

(b) RECOMMENDATIONS OF PANEL.—

(1) RECOMMENDATIONS.—The Panel shall, based on the results of the review described in subsection (a), make recommendations to the Secretary, regarding improvements in the operation of the Job Corps program, including—

(A) closing 5 Job Corps centers by September 30, 1997, and 5 additional Job Corps centers by September 30, 2000;

(B) relocating Job Corps centers described in paragraph (2)(A)(iii) in cases in which facility rehabilitation, renovation, or repair is not cost-effective; and

(C) taking any other action that would improve the operation of a Job Corps center or any other appropriate action.

(2) CONSIDERATIONS.—

(A) IN GENERAL.—In determining whether to recommend that the Secretary close a Job Corps center, the Panel shall consider whether the center—

(i) has consistently received low performance measurement ratings under the Department of Labor or the Office of Inspector General Job Corps rating system;

(ii) is among the centers that have experienced the highest number of serious incidents of violence or criminal activity in the past 5 years;

(iii) is among the centers that require the largest funding for renovation or repair, as specified in the Department of Labor Job Corps Construction/Rehabilitation Funding Needs Survey, or for rehabilitation or repair, as reflected in the portion of the review described in subsection (a)(3)(E);

(iv) is among the centers for which the highest relative or absolute fiscal year 1996 expenditures were made, for any of the categories of expenditures described in subparagraph (B), (C), or (D) of subsection (a)(3), as reflected in the review described in subsection (a);

(v) is among the centers with the least State and local support; or

(vi) is among the centers with the lowest rating on such additional criteria as the Panel may determine to be appropriate.

(B) COVERAGE OF STATES AND REGIONS.—Notwithstanding subparagraph (A), the Panel shall not recommend that the Secretary close the only Job Corps center in a State or a region of the United States.

(C) ALLOWANCE FOR NEW JOB CORPS CENTERS.—Notwithstanding any other provision of this section, if the planning or construction of a Job Corps center that received Federal funding for fiscal year 1994 or 1995 has not been completed by the date of enactment of this Act—

(i) the appropriate entity may complete the planning or construction and begin operation of the center; and

(ii) the Panel shall not evaluate the center under this section sooner than 3 years after the first date of operation of the center.

(3) REPORT.—Not later than August 30, 1997, the Panel shall submit to the Secretary a report that contains—

(A) the results of the review conducted under subsection (a) (as contained in the report submitted under such subsection); and

(B) the recommendations described in paragraph (1).

(c) IMPLEMENTATION OF PERFORMANCE IMPROVEMENTS.—The Secretary shall, after reviewing the report submitted under subsection (b)(3), implement improvements in the operation of the Job Corps program, including closing 10 individual Job Corps centers pursuant to subsection (b). In implementing such improvements, the Secretary may close such additional Job Corps centers as the Secretary determines to be appropriate. Funds saved through the implementation of such improvements shall be used to maintain overall Job Corps program service levels, improve facilities at existing Job Corps centers, relocate Job Corps centers, initiate new Job Corps centers with a priority on placing Job Corps centers in States without existing Job Corps centers, and make other performance improvements in the Job Corps program.

(d) REPORT TO CONGRESS.—The Secretary shall annually report to Congress the information specified in subparagraphs (H), (I), and (J) of subsection (a)(3) and such additional information relating to the Job Corps program as the Secretary may determine to be appropriate.

SEC. 248. ADMINISTRATION.

The Secretary shall carry out the responsibilities specified for the Secretary in this subtitle, notwithstanding any other provision of this Act.

SEC. 249. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this subtitle.

SEC. 250. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this subtitle shall take effect on July 1, 1998.

(b) REPORT.—Section 247 shall take effect on the date of enactment of this Act.

Subtitle D—Amendments to the National Literacy Act of 1991

SEC. 261. EXTENSION OF FUNCTIONAL LITERACY AND LIFE SKILLS PROGRAM FOR STATE AND LOCAL PRISONERS.

Paragraph (3) of section 601(i) of the National Literacy Act of 1991 (20 U.S.C. 1211–2(i)) is amended—

(1) by striking "1994, and" and inserting "1994,"; and

(2) by inserting ", and such sums as may be necessary for each of the fiscal years 1997, 1998, 1999, 2000, 2001, and 2002" before the period.

TITLE III—MUSEUMS AND LIBRARIES

SEC. 301. MUSEUM AND LIBRARY SERVICES.

The Museum Services Act (20 U.S.C. 961 et seq.) is amended to read as follows:

"TITLE II—MUSEUM AND LIBRARY SERVICES

"Subtitle A—General Provisions

"SEC. 201. SHORT TITLE.

"This title may be cited as the 'Museum and Library Services Act'.

"SEC. 202. GENERAL DEFINITIONS.

"As used in this title:

"(1) COMMISSION.—The term 'Commission' means the National Commission on Libraries and Information Science established under section 3 of the National Commission on Libraries and Information Sciences Act (20 U.S.C. 1502).

"(2) DIRECTOR.—The term 'Director' means the Director of the Institute appointed under section 204.

"(3) INSTITUTE.—The term 'Institute' means the Institute of Museum and Library Services established under section 203.

"(4) MUSEUM BOARD.—The term 'Museum Board' means the National Museum Services Board established under section 275.

"SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.

"(a) ESTABLISHMENT.—There is established, within the National Foundation on the Arts and the Humanities, an Institute of Museum and Library Services.

"(b) OFFICES.—The Institute shall consist of an Office of Museum Services and an Office of Library Services. There shall be a National Museum Services Board in the Office of Museum Services.

"SEC. 204. DIRECTOR OF THE INSTITUTE.

"(a) APPOINTMENT.—

"(1) IN GENERAL.—The Institute shall be headed by a Director, appointed by the President, by and with the advice and consent of the Senate.

"(2) TERM.—The Director shall serve for a term of 4 years.

"(3) QUALIFICATIONS.—Beginning with the first individual appointed to the position of Director after the date of enactment of the Workforce and Career Development Act of 1996, every second individual so appointed shall be appointed from among individuals who have special competence with regard to library and information services. Beginning with the second individual appointed to the position of Director after the date of enactment of the Workforce and Career Development Act of 1996, every second individual so appointed shall be appointed from among individuals who have special competence with regard to museum services.

"(b) COMPENSATION.—The Director shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code.

"(c) DUTIES AND POWERS.—The Director shall perform such duties and exercise such powers as may be prescribed by law, including awarding financial assistance for activities described in this title.

"(d) NONDELEGATION.—The Director shall not delegate any of the functions of the Director to any person who is not an officer or employee of the Institute.

"(e) COORDINATION.—The Director shall ensure coordination of the policies and activities of the Institute with the policies and activities of other agencies and offices of the Federal Government having interest in and responsibilities for the improvement of museums and libraries and information services.

"SEC. 205. DEPUTY DIRECTORS.

"The Office of Library Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have a graduate degree in library science and expertise in library and information services. The Office of Museum Services shall be headed by a Deputy Director, who shall be appointed by the Director from among individuals who have expertise in museum services.

"SEC. 206. PERSONNEL.

"(a) IN GENERAL.—The Director may, in accordance with applicable provisions of title 5, United States Code, appoint and determine the compensation of such employees as the Director determines to be necessary to carry out the duties of the Institute.

"(b) VOLUNTARY SERVICES.—The Director may accept and utilize the voluntary services of individuals and reimburse the individuals for travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"SEC. 207. CONTRIBUTIONS.

"The Institute is authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such property or services in furtherance of the functions of the Institute. Any proceeds from such gifts, bequests, or devises, after acceptance by the Institute, shall be paid by the donor or the representative of the donor to the Director. The Director shall enter the proceeds in a special-interest bearing account to the credit of the Institute for the purposes specified in each case.

"Subtitle B—Library Services and Technology

"SEC. 211. SHORT TITLE.

"This subtitle may be cited as the 'Library Services and Technology Act'.

"SEC. 212. PURPOSE.

"It is the purpose of this subtitle—

"(1) to consolidate Federal library service programs;

"(2) to stimulate excellence and promote access to learning and information resources in all types of libraries for individuals of all ages;

"(3) to promote library services that provide all users access to information through State, regional, national and international electronic networks;

"(4) to provide linkages among and between libraries and one-stop career center systems; and

"(5) to promote targeted library services to people of diverse geographic, cultural, and socioeconomic backgrounds, to individuals with disabilities, and to people with limited functional literacy or information skills.

"SEC. 213. DEFINITIONS.

"As used in this subtitle:

"(1) INDIAN TRIBE.—The term 'Indian tribe' means any tribe, band, nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation, as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized by the Secretary of the Interior as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

"(2) LIBRARY.—The term 'library' includes—

"(A) a public library;

"(B) a public elementary school or secondary school library;

"(C) an academic library;

"(D) a research library, which for the purposes of this subtitle means a library that—

"(i) makes publicly available library services and materials suitable for scholarly research and not otherwise available to the public; and

"(ii) is not an integral part of an institution of higher education; and

"(E) a private library, but only if the State in which such private library is located determines that the library should be considered a library for purposes of this subtitle.

"(3) LIBRARY CONSORTIUM.—The term 'library consortium' means any local, statewide, regional, interstate, or international cooperative association of library entities which provides for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers, for improved services for the clientele of such library entities.

"(4) STATE.—The term 'State', unless otherwise specified, includes each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"(5) STATE LIBRARY ADMINISTRATIVE AGENCY.—The term 'State library administrative agency' means the official agency of a State charged by the law of the State with the extension and development of public library services throughout the State.

"(6) STATE PLAN.—The term 'State plan' means the document which gives assurances that the officially designated State library administrative agency has the fiscal and legal authority and capability to administer all aspects of this subtitle, provides assurances for establishing the State's policies, priorities, criteria, and procedures necessary to the implementation of all programs under this subtitle, submits copies for approval as required by regulations promulgated by the Director, identifies a State's library needs, and sets forth the activities to be taken toward meeting the identified needs supported with the assistance of Federal funds made available under this subtitle.

"SEC. 214. AUTHORIZATION OF APPROPRIATIONS.

"(a) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated $150,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this subtitle.

"(2) TRANSFER.—The Secretary of Education shall—

"(A) transfer any funds appropriated under the authority of paragraph (1) to the Director to enable the Director to carry out this subtitle; and

"(B) not exercise any authority concerning the administration of this title other than the transfer described in subparagraph (A).

"(b) FORWARD FUNDING.—

"(1) IN GENERAL.—To the end of affording the responsible Federal, State, and local officers adequate notice of available Federal financial assistance for carrying out ongoing library activities and projects, appropriations for grants, contracts, or other payments under any program under this subtitle are authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year during which such activities and projects shall be carried out.

"(2) ADDITIONAL AUTHORIZATION OF APPROPRIATIONS.—In order to effect a transition to the timing of appropriation action authorized by subsection (a), the application of this section may result in the enactment, in a fiscal year, of separate appropriations for a program under this subtitle (whether in the same appropriations Act or otherwise) for two consecutive fiscal years.

"(c) ADMINISTRATION.—Not more than 3 percent of the funds appropriated under this section for a fiscal year may be used to pay for the Federal administrative costs of carrying out this subtitle.

"CHAPTER 1—BASIC PROGRAM REQUIREMENTS

"SEC. 221. RESERVATIONS AND ALLOTMENTS.

"(a) RESERVATIONS.—

"(1) IN GENERAL.—From the amount appropriated under the authority of section 214 for any fiscal year, the Director—

"(A) shall reserve 1½ percent to award grants in accordance with section 261; and

"(B) shall reserve 4 percent to award national leadership grants or contracts in accordance with section 262.

"(2) SPECIAL RULE.—If the funds reserved pursuant to paragraph (1)(B) for a fiscal year have not been obligated by the end of such fiscal year, then such funds shall be allotted in accordance with subsection (b) for the fiscal year succeeding the fiscal year for which the funds were so reserved.

"(b) ALLOTMENTS.—

"(1) IN GENERAL.—From the sums appropriated under the authority of section 214 and not reserved under subsection (a) for any fiscal year, the Director shall award grants from minimum allotments, as determined under paragraph (3), to each State. Any sums remaining after minimum allotments are made for such year shall be allotted in the manner set forth in paragraph (2).

"(2) REMAINDER.—From the remainder of any sums appropriated under the authority of section 214 that are not reserved under subsection (a) and not allotted under paragraph (1) for any fiscal year, the Director shall award grants to each State in an amount that bears the same relation to such remainder as the population of the State bears to the population of all States.

"(3) MINIMUM ALLOTMENT.—

"(A) IN GENERAL.—For the purposes of this subsection, the minimum allotment for each State shall be $340,000, except that the minimum allotment shall be $40,000 in the case of the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"(B) RATABLE REDUCTIONS.—If the sum appropriated under the authority of section 214 and not reserved under subsection (a) for any fiscal year is insufficient to fully satisfy the aggregate of the minimum allotments for all States for that purpose for such year, each of such minimum allotments shall be reduced ratably.

"(C) SPECIAL RULE.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subsection and using funds allotted for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau under this subsection, the Director shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this subtitle in accordance with the provisions of this subtitle that the Director determines are not inconsistent with this subparagraph.

"(ii) AWARD BASIS.—The Director shall award grants pursuant to clause (i) on a competitive basis and pursuant to recommendations from the Pacific Region Educational Laboratory in Honolulu, Hawaii.

"(iii) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this subtitle for any fiscal year that begins after September 30, 2001.

"(iv) ADMINISTRATIVE COSTS.—The Director may provide not more than 5 percent of the funds made available for grants under this subparagraph to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subparagraph.

"(4) DATA.—The population of each State and of all the States shall be determined by the Director on the basis of the most recent data available from the Bureau of the Census.

"SEC. 222. ADMINISTRATION.

"(a) IN GENERAL.—Not more than 4 percent of the total amount of funds received under this

subtitle for any fiscal year by a State may be used for administrative costs.

"(b) CONSTRUCTION.—Nothing in this section shall be construed to limit spending for evaluation costs under section 224(c) from sources other than this subtitle.

"SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.

"(a) PAYMENTS.—The Director shall pay to each State library administrative agency having a State plan approved under section 224 the Federal share of the cost of the activities described in the State plan.

"(b) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share shall be 66 percent.

"(2) NON-FEDERAL SHARE.—The non-Federal share of payments shall be provided from non-Federal, State, or local sources.

"(c) MAINTENANCE OF EFFORT.—

"(1) STATE EXPENDITURES.—

"(A) REQUIREMENT.—

"(i) IN GENERAL.—The amount otherwise payable to a State for a fiscal year pursuant to an allotment under this chapter shall be reduced if the level of State expenditures, as described in paragraph (2), for the previous fiscal year is less than the average of the total of such expenditures for the 3 fiscal years preceding that previous fiscal year. The amount of the reduction in allotment for any fiscal year shall be equal to the amount by which the level of such State expenditures for the fiscal year for which the determination is made is less than the average of the total of such expenditures for the 3 fiscal years preceding the fiscal year for which the determination is made.

"(ii) CALCULATION.—Any decrease in State expenditures resulting from the application of subparagraph (B) shall be excluded from the calculation of the average level of State expenditures for any 3-year period described in clause (i).

"(B) DECREASE IN FEDERAL SUPPORT.—If the amount made available under this subtitle for a fiscal year is less than the amount made available under this subtitle for the preceding fiscal year, then the expenditures required by subparagraph (A) for such preceding fiscal year shall be decreased by the same percentage as the percentage decrease in the amount so made available.

"(2) LEVEL OF STATE EXPENDITURES.—The level of State expenditures for the purposes of paragraph (1) shall include all State dollars expended by the State library administrative agency for library programs that are consistent with the purposes of this subtitle. All funds included in the maintenance of effort calculation under this subsection shall be expended during the fiscal year for which the determination is made, and shall not include capital expenditures, special one-time project costs, or similar windfalls.

"(3) WAIVER.—The Director may waive the requirements of paragraph (1) if the Director determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State.

"SEC. 224. STATE PLANS.

"(a) STATE PLAN REQUIRED.—

"(1) IN GENERAL.—In order to be eligible to receive a grant under this subtitle, a State library administrative agency shall submit a State plan to the Director not later than April 1, 1997.

"(2) DURATION.—The State plan shall cover a period of 5 fiscal years.

"(3) REVISIONS.—If a State library administrative agency makes a substantive revision to its State plan, then the State library administrative agency shall submit to the Director an amendment to the State plan containing such revision not later than April 1 of the fiscal year preceding the fiscal year for which the amendment will be effective.

"(b) CONTENTS.—The State plan shall—

"(1) establish goals, and specify priorities, for the State consistent with the purposes of this subtitle;

"(2) describe activities that are consistent with the goals and priorities established under paragraph (1), the purposes of this subtitle, and section 231, that the State library administrative agency will carry out during such year using such grant;

"(3) describe the procedures that such agency will use to carry out the activities described in paragraph (2);

"(4) describe the methodology that such agency will use to evaluate the success of the activities established under paragraph (2) in achieving the goals and meeting the priorities described in paragraph (1);

"(5) describe the procedures that such agency will use to involve libraries and library users throughout the State in policy decisions regarding implementation of this subtitle; and

"(6) provide assurances satisfactory to the Director that such agency will make such reports, in such form and containing such information, as the Director may reasonably require to carry out this subtitle and to determine the extent to which funds provided under this subtitle have been effective in carrying out the purposes of this subtitle.

"(c) EVALUATION AND REPORT.—Each State library administrative agency receiving a grant under this subtitle shall independently evaluate, and report to the Director regarding, the activities assisted under this subtitle, prior to the end of the 5-year plan.

"(d) INFORMATION.—Each library receiving assistance under this subtitle shall submit to the State library administrative agency such information as such agency may require to meet the requirements of subsection (c).

"(e) APPROVAL.—

"(1) IN GENERAL.—The Director shall approve any State plan under this subtitle that meets the requirements of this subtitle and provides satisfactory assurances that the provisions of such plan will be carried out.

"(2) PUBLIC AVAILABILITY.—Each State library administrative agency receiving a grant under this subtitle shall make the State plan available to the public.

"(3) ADMINISTRATION.—If the Director determines that the State plan does not meet the requirements of this section, the Director shall—

"(A) immediately notify the State library administrative agency of such determination and the reasons for such determination;

"(B) offer the State library administrative agency the opportunity to revise its State plan;

"(C) provide technical assistance in order to assist the State library administrative agency in meeting the requirements of this section; and

"(D) provide the State library administrative agency the opportunity for a hearing.

"CHAPTER 2—LIBRARY PROGRAMS

"SEC. 231. GRANTS TO STATES.

"(a) IN GENERAL.—Of the funds provided to a State library administrative agency under section 214, such agency shall expend, either directly or through subgrants or cooperative agreements, at least 96 percent of such funds for—

"(1) establishing or enhancing electronic linkages among or between libraries, library consortia, one-stop career center systems established under section 121(d) of the Workforce and Career Development Act of 1996, and eligible providers as such term is defined in section 4 of such Act, or any combination thereof; and

"(2) targeting library and information services to persons having difficulty using a library and to underserved urban and rural communities, including children (from birth through age 17) from families with incomes below the poverty line (as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved.

"(b) SPECIAL RULE.—Each State library administrative agency receiving funds under this chapter may apportion the funds available for the purposes described in subsection (a) between the two purposes described in paragraphs (1) and (2) of such subsection, as appropriate, to meet the needs of the individual State.

"CHAPTER 3—ADMINISTRATIVE PROVISIONS

"Subchapter A—State Requirements

"SEC. 251. STATE ADVISORY COUNCILS.

"Each State desiring assistance under this subtitle may establish a State advisory council which is broadly representative of the library entities in the State, including public, school, academic, special, and institutional libraries, and libraries serving individuals with disabilities.

"Subchapter B—Federal Requirements

"SEC. 261. SERVICES FOR INDIAN TRIBES.

"From amounts reserved under section 221(a)(1)(A) for any fiscal year the Director shall award grants to organizations primarily serving and representing Indian tribes to enable such organizations to carry out the activities described in section 231.

"SEC. 262. NATIONAL LEADERSHIP GRANTS OR CONTRACTS.

"(a) IN GENERAL.—From the amounts reserved under section 221(a)(1)(B) for any fiscal year the Director shall establish and carry out a program awarding national leadership grants or contracts to enhance the quality of library services nationwide and to provide coordination between libraries and museums. Such grants or contracts shall be used for activities that may include—

"(1) education and training of persons in library and information science, particularly in areas of new technology and other critical needs, including graduate fellowships, traineeships, institutes, or other programs;

"(2) research and demonstration projects related to the improvement of libraries, education in library and information science, enhancement of library services through effective and efficient use of new technologies, and dissemination of information derived from such projects;

"(3) preservation or digitization of library materials and resources, giving priority to projects emphasizing coordination, avoidance of duplication, and access by researchers beyond the institution or library entity undertaking the project; and

"(4) model programs demonstrating cooperative efforts between libraries and museums.

"(b) GRANTS OR CONTRACTS.—

"(1) IN GENERAL.—The Director may carry out the activities described in subsection (a) by awarding grants to, or entering into contracts with, libraries, agencies, institutions of higher education, or museums, where appropriate.

"(2) COMPETITIVE BASIS.—Grants and contracts under this section shall be awarded on a competitive basis.

"(c) SPECIAL RULE.—The Director shall make every effort to ensure that activities assisted under this section are administered by appropriate library and museum professionals or experts.

"SEC. 263. STATE AND LOCAL INITIATIVES.

"Nothing in this subtitle shall be construed to interfere with State and local initiatives and responsibility in the conduct of library services. The administration of libraries, the selection of *personnel and library books and materials, and insofar as consistent with the purposes of this subtitle, the determination of the best uses of the funds provided under this subtitle, shall be reserved for the States and their local subdivisions.*

"Subtitle C—Museum Services

"SEC. 271. PURPOSE.

"It is the purpose of this subtitle—

"(1) to encourage and assist museums in their educational role, in conjunction with formal systems of elementary, secondary, and postsecondary education and with programs of nonformal education for all age groups;

"(2) to assist museums in modernizing their methods and facilities so that the museums are better able to conserve the cultural, historic, and scientific heritage of the United States; and

"(3) to ease the financial burden borne by museums as a result of their increasing use by the public.

"SEC. 272. DEFINITIONS.

"As used in this subtitle:

"(1) MUSEUM.—The term 'museum' means a public or private nonprofit agency or institution organized on a permanent basis for essentially educational or aesthetic purposes, that utilizes a professional staff, owns or utilizes tangible objects, cares for the tangible objects, and exhibits the tangible objects to the public on a regular basis.

"(2) STATE.—The term 'State' means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"SEC. 273. MUSEUM SERVICES ACTIVITIES.

"(a) GRANTS.—The Director, subject to the policy direction of the Museum Board, may make grants to museums to pay for the Federal share of the cost of increasing and improving museum services, through such activities as—

"(1) programs that enable museums to construct or install displays, interpretations, and exhibitions in order to improve museum services provided to the public;

"(2) assisting museums in developing and maintaining professionally trained or otherwise experienced staff to meet the needs of the museums;

"(3) assisting museums in meeting the administrative costs of preserving and maintaining the collections of the museums, exhibiting the collections to the public, and providing educational programs to the public through the use of the collections;

"(4) assisting museums in cooperating with each other in developing traveling exhibitions, meeting transportation costs, and identifying and locating collections available for loan;

"(5) assisting museums in the conservation of their collections;

"(6) developing and carrying out specialized programs for specific segments of the public, such as programs for urban neighborhoods, rural areas, Indian reservations, and penal and other State institutions; and

"(7) model programs demonstrating cooperative efforts between libraries and museums.

"(b) CONTRACTS AND COOPERATIVE AGREEMENTS.—

"(1) PROJECTS TO STRENGTHEN MUSEUM SERVICES.—The Director, subject to the policy direction of the Museum Board, is authorized to enter into contracts and cooperative agreements with appropriate entities, as determined by the Director, to pay for the Federal share of enabling the entities to undertake projects designed to strengthen museum services, except that any contracts or cooperative agreements entered into pursuant to this subsection shall be effective only to such extent or in such amounts as are provided in appropriations Acts.

"(2) LIMITATION ON AMOUNT.—The aggregate amount of financial assistance made available under this subsection for a fiscal year shall not exceed 15 percent of the amount appropriated under this subtitle for such fiscal year.

"(3) OPERATIONAL EXPENSES.—No financial assistance may be provided under this subsection to pay for operational expenses.

"(c) FEDERAL SHARE.—

"(1) 50 PERCENT.—Except as provided in paragraph (2), the Federal share described in subsections (a) and (b) shall be not more than 50 percent.

"(2) GREATER THAN 50 PERCENT.—The Director may use not more than 20 percent of the funds made available under this subtitle for a fiscal year to make grants under subsection (a), or enter into contracts or agreements under subsection (b), for which the Federal share may be greater than 50 percent.

"(d) REVIEW AND EVALUATION.—The Director shall establish procedures for reviewing and evaluating grants, contracts, and cooperative agreements made or entered into under this subtitle. Procedures for reviewing grant applications or contracts and cooperative agreements for financial assistance under this subtitle shall not be subject to any review outside of the Institute.

"SEC. 274. AWARD.

"The Director, with the advice of the Museum Board, may annually award a National Award for Museum Service to outstanding museums that have made significant contributions in service to their communities.

"SEC. 275. NATIONAL MUSEUM SERVICES BOARD.

"(a) ESTABLISHMENT.—There is established in the Institute a National Museum Services Board.

"(b) COMPOSITION AND QUALIFICATIONS.—

"(1) COMPOSITION.—The Museum Board shall consist of the Director and 14 members appointed by the President, by and with the advice and consent of the Senate.

"(2) QUALIFICATIONS.—The appointive members of the Museum Board shall be selected from among citizens of the United States—

"(A) who are members of the general public;

"(B) who are or have been affiliated with—

"(i) resources that, collectively, are broadly representative of the curatorial, conservation, educational, and cultural resources of the United States; or

"(ii) museums that, collectively, are broadly representative of various types of museums, including museums relating to science, history, technology, art, zoos, and botanical gardens; and

"(C) who are recognized for their broad knowledge, expertise, or experience in museums or commitment to museums.

"(3) GEOGRAPHIC AND OTHER REPRESENTATION.—Members of the Museum Board shall be appointed to reflect persons from various geographic regions of the United States. The Museum Board may not include, at any time, more than 3 members from a single State. In making such appointments, the President shall give due regard to equitable representation of women, minorities, and persons with disabilities who are involved with museums.

"(c) TERMS.—

"(1) IN GENERAL.—Each appointive member of the Museum Board shall serve for a term of 5 years, except that—

"(A) of the members first appointed, 3 shall serve for terms of 5 years, 3 shall serve for terms of 4 years, 3 shall serve for terms of 3 years, 3 shall serve for terms of 2 years, and 2 shall serve for terms of 1 year, as designated by the President at the time of nomination for appointment; and

"(B) any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

"(2) REAPPOINTMENT.—No member of the Museum Board who has been a member for more than 7 consecutive years shall be eligible for reappointment.

"(3) SERVICE UNTIL SUCCESSOR TAKES OFFICE.—Notwithstanding any other provision of this subsection, a member of the Museum Board shall serve after the expiration of the term of the member until the successor to the member takes office.

"(d) DUTIES AND POWERS.—The Museum Board shall have the responsibility to advise the Director on general policies with respect to the duties, powers, and authority of the Institute relating to museum services, including general policies with respect to—

"(1) financial assistance awarded under this subtitle for museum services; and

"(2) projects described in section 262(a)(4).

"(e) CHAIRPERSON.—The President shall designate 1 of the appointive members of the Museum Board as Chairperson of the Museum Board.

"(f) MEETINGS.—

"(1) IN GENERAL.—The Museum Board shall meet—

"(A) not less than 3 times each year, including—

"(i) not less than 2 times each year separately; and

"(ii) not less than 1 time each year in a joint meeting with the Commission, convened for purposes of making general policies with respect to financial assistance for projects described in section 262(a)(4); and

"(B) at the call of the Director.

"(2) VOTE.—All decisions by the Museum Board with respect to the exercise of the duties and powers of the Museum Board shall be made by a majority vote of the members of the Museum Board who are present. All decisions by the Commission and the Museum Board with respect to the policies described in paragraph (1)(A)(ii) shall be made by a ⅔ majority vote of the total number of the members of the Commission and the Museum Board who are present.

"(g) QUORUM.—A majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official meetings of the Museum Board, but a lesser number of members may hold hearings. A majority of the members of the Commission and a majority of the members of the Museum Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the Museum Board.

"(h) COMPENSATION AND TRAVEL EXPENSES.—

"(1) COMPENSATION.—Each member of the Museum Board who is not an officer or employee of the Federal Government shall be compensated at a rate to be fixed by the President, but not to exceed the daily equivalent of the maximum rate authorized for a position above grade GS–15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Museum Board. All members of the Museum Board who are officers or employees of the Federal Government shall serve without compensation in addition to compensation received for their services as officers or employees of the Federal Government.

"(2) TRAVEL EXPENSES.—The members of the Museum Board shall be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5, United States Code, for persons employed intermittently in Federal Government service.

"(i) COORDINATION.—The Museum Board, with the advice of the Director, shall take steps to ensure that the policies and activities of the Institute are coordinated with other activities of the Federal Government.

"SEC. 276. AUTHORIZATION OF APPROPRIATIONS.

"(a) GRANTS.—For the purpose of carrying out this subtitle, there are authorized to be appropriated to the Director $28,700,000 for the fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1998 through 2002.

"(b) ADMINISTRATION.—Not more than 10 percent of the funds appropriated under this section for a fiscal year may be used to pay for the administrative costs of carrying out this subtitle.

"(c) SUMS REMAINING AVAILABLE.—Sums appropriated pursuant to subsection (a) for any fiscal year shall remain available for obligation until expended.".

SEC. 302. NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE.

(a) FUNCTIONS.—Section 5 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1504) is amended—

(1) by redesignating subsections (b) through (d) as subsections (d) through (f), respectively; and

(2) by inserting after subsection (a) the following:

"(b) The Commission shall have the responsibility to advise the Director of the Institute of Museum and Library Services on general policies with respect to the duties, powers, and authority of the Institute of Museum and Library Services relating to library services, including—

"(1) general policies with respect to—

"(A) financial assistance awarded under the Museum and Library Services Act for library services; and

"(B) projects described in section 262(a)(4) of such Act; and

"(2) measures to ensure that the policies and activities of the Institute of Museum and Library Services are coordinated with other activities of the Federal Government.

"(c)(1) The Commission shall meet not less than 1 time each year in a joint meeting with the National Museum Services Board, convened for purposes of providing advice on general policy with respect to financial assistance for projects described in section 262(a)(4) of such Act.

"(2) All decisions by the Commission and the National Museum Services Board with respect to the advice on general policy described in paragraph (1) shall be made by a ⅔ majority vote of the total number of the members of the Commission and the National Museum Services Board who are present.

"(3) A majority of the members of the Commission and a majority of the members of the National Museum Services Board shall constitute a quorum for the conduct of business at official joint meetings of the Commission and the National Museum Services Board.".

(b) MEMBERSHIP.—Section 6 of the National Commission on Libraries and Information Science Act (20 U.S.C. 1505) is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "Librarian of Congress" and inserting "Librarian of Congress, the Director of the Institute of Museum and Library Services (who shall serve as an ex officio, nonvoting member),";

(B) in the second sentence—

(i) by striking "special competence or interest in" and inserting "special competence in or knowledge of; and

(ii) by inserting before the period the following: "and at least one other of whom shall be knowledgeable with respect to the library and information service and science needs of the elderly";

(C) in the third sentence, by inserting "appointive" before "members"; and

(D) in the last sentence, by striking "term and at least" and all that follows and inserting "term."; and

(2) in subsection (b), by striking "the rate specified" and all that follows through "and while" and inserting "the daily equivalent of the maximum rate authorized for a position above grade GS-15 of the General Schedule under section 5108 of title 5, United States Code, for each day (including traveltime) during which the members are engaged in the business of the Commission. While".

SEC. 303. TRANSFER OF FUNCTIONS FROM INSTITUTE OF MUSEUM SERVICES.

(a) DEFINITIONS.—For purposes of this section, unless otherwise provided or indicated by the context—

(1) the term "Federal agency" has the meaning given to the term "agency" by section 551(1) of title 5, United States Code;

(2) the term "function" means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(3) the term "office" includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(b) TRANSFER OF FUNCTIONS FROM THE INSTITUTE OF MUSEUM SERVICES AND THE LIBRARY PROGRAM OFFICE.—There are transferred to the Director of the Institute of Museum and Library Services established under section 203 of the Museum and Library Services Act—

(1) all functions that the Director of the Institute of Museum Services exercised before the date of enactment of this section (including all related functions of any officer or employee of the Institute of Museum Services); and

(2) all functions that the Director of Library Programs in the Office of Educational Research and Improvement in the Department of Education exercised before the date of enactment of this section and any related function of any officer or employee of the Department of Education.

(c) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determination of the functions that are transferred under subsection (b).

(d) DELEGATION AND ASSIGNMENT.—Except where otherwise expressly prohibited by law or otherwise provided by this section, the Director of the Institute of Museum and Library Services may delegate any of the functions transferred to the Director of the Institute of Museum and Library Services by this section and any function transferred or granted to such Director of the Institute of Museum and Library Services after the effective date of this section to such officers and employees of the Institute of Museum and Library Services as the Director of the Institute of Museum and Library Services may designate, and may authorize successive redelegations of such functions as may be necessary or appropriate, except that any delegation of any such functions with respect to libraries shall be made to the Deputy Director of the Office of Library Services and with respect to museums shall be made to the Deputy Director of the Office of Museum Services. No delegation of functions by the Director of the Institute of Museum and Library Services under this section or under any other provision of this section shall relieve such Director of the Institute of Museum and Library Services of responsibility for the administration of such functions.

(e) REORGANIZATION.—The Director of the Institute of Museum and Library Services may allocate or reallocate any function transferred under subsection (b) among the officers of the Institute of Museum and Library Services, and may establish, consolidate, alter, or discontinue such organizational entities in the Institute of Museum and Library Services as may be necessary or appropriate.

(f) RULES.—The Director of the Institute of Museum and Library Services may prescribe, in accordance with chapters 5 and 6 of title 5, United States Code, such rules and regulations as the Director of the Institute of Museum and Library Services determines to be necessary or appropriate to administer and manage the functions of the Institute of Museum and Library Services.

(g) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL.—Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by this section, subject to section 1531 of title 31, United States Code, shall be transferred to the Institute of Museum and Library Services. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(h) INCIDENTAL TRANSFERS.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, may make such determinations as may be necessary with regard to the functions transferred by this section, and make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section.

(i) EFFECT ON PERSONNEL.—

(1) IN GENERAL.—Except as otherwise provided by this section, the transfer pursuant to this section of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for 1 year after the date of transfer of such employee under this section.

(2) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this section, any person who, on the day preceding the effective date of this section, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Institute of Museum and Library Services to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(j) SAVINGS PROVISIONS.—

(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official of a Federal agency, or by a court of competent jurisdiction, in the performance of functions that are transferred under this section; and

(B) that were in effect before the effective date of this section, or were final before the effective date of this section and are to become effective on or after the effective date of this section;

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the Institute of Museum and Library Services or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) PROCEEDINGS NOT AFFECTED.—This section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Institute of Museum Services on the effective date of this section, with respect to functions transferred by this section. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken from the orders, and payments shall be made pursuant to the orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be construed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) SUITS NOT AFFECTED.—This section shall not affect suits commenced before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the Institute of Museum Services, or by or against any individual in the official capacity of such individual as an officer of the Institute of Museum Services, shall abate by reason of the enactment of this section.

(5) ADMINISTRATIVE ACTIONS RELATING TO PROMULGATION OF REGULATIONS.—Any administrative action relating to the preparation or promulgation of a regulation by the Institute of Museum Services relating to a function transferred under this section may be continued by the Institute of Museum and Library Services with the same effect as if this section had not been enacted.

(k) TRANSITION.—The Director of the Institute of Museum and Library Services may utilize—

(1) the services of such officers, employees, and other personnel of the Institute of Museum Services with respect to functions transferred to the Institute of Museum and Library Services by this section; and

(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(l) REFERENCES.—A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Director of the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Director of the Institute of Museum and Library Services; and

(2) the Institute of Museum Services with regard to functions transferred under subsection (b), shall be deemed to refer to the Institute of Museum and Library Services.

(m) ADDITIONAL CONFORMING AMENDMENTS.—

(1) RECOMMENDED LEGISLATION.—After consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, the Director of the Institute of Museum and Library Services shall prepare and submit to the appropriate committees of Congress recommended legislation containing technical and conforming amendments to reflect the changes made by this section.

(2) SUBMISSION TO CONGRESS.—Not later than 6 months after the effective date of this section, the Director of the Institute of Museum and Library Services shall submit to the appropriate committees of Congress the recommended legislation referred to under paragraph (1).

SEC. 304. SERVICE OF INDIVIDUALS SERVING ON DATE OF ENACTMENT.

Notwithstanding section 204 of the Museum and Library Services Act, the individual who was appointed to the position of Director of the Institute of Museum Services under section 205 of the Museum Services Act (as such section was in effect on the day before the date of enactment of this Act) and who is serving in such position on the day before the date of enactment of this Act shall serve as the first Director of the Institute of Museum and Library Services under section 204 of the Museum and Library Services Act (as added by section 301 of this title), and shall serve at the pleasure of the President.

SEC. 305. CONSIDERATION.

Consistent with title 5, United States Code, in appointing employees of the Office of Library Services, the Director of the Institute of Museum and Library Services shall give strong consideration to individuals with experience in administering State-based and national library and information services programs.

SEC. 306. TRANSITION AND TRANSFER OF FUNDS.

(a) TRANSITION.—The Director of the Office of Management and Budget shall take appropriate measures to ensure an orderly transition from the activities previously administered by the Director of Library Programs in the Office of Educational Research and Improvement in the Department of Education to the activities administered by the Institute for Museum and Library Services under this title. Such measures may include the transfer of appropriated funds.

(b) TRANSFER.—The Secretary of Education shall transfer to the Director the amount of funds necessary to ensure the orderly transition from activities previously administered by the Director of the Office of Library Programs in the Office of Educational Research and Improvement in the Department of Education to the activities administered by the Institute for Museum and Library Services. In no event shall the amount of funds transferred pursuant to the preceding sentence be less than $200,000.

TITLE IV—HIGHER EDUCATION

SEC. 401. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

(a) AMENDMENT.—Part B of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq.) is amended by inserting after section 439 (20 U.S.C. 1087–2) the following new section:

"SEC. 440. REORGANIZATION OF THE STUDENT LOAN MARKETING ASSOCIATION THROUGH THE FORMATION OF A HOLDING COMPANY.

"(a) ACTIONS BY THE ASSOCIATION'S BOARD OF DIRECTORS.—The Board of Directors of the Association shall take or cause to be taken all such action as the Board of Directors deems necessary or appropriate to effect, upon the shareholder approval described in subsection (b), a restructuring of the common stock ownership of the Association, as set forth in a plan of reorganization adopted by the Board of Directors (the terms of which shall be consistent with this section) so that all of the outstanding common shares of the Association shall be directly owned by a Holding Company. Such actions may include, in the Board of Director's discretion, a merger of a wholly owned subsidiary of the Holding Company with and into the Association, which would have the effect provided in the plan of reorganization and the law of the jurisdiction in which such subsidiary is incorporated. As part of the restructuring, the Board of Directors may cause—

"(1) the common shares of the Association to be converted, on the reorganization effective date, to common shares of the Holding Company on a one for one basis, consistent with applicable State or District of Columbia law; and

"(2) Holding Company common shares to be registered with the Securities and Exchange Commission.

"(b) SHAREHOLDER APPROVAL.—The plan of reorganization adopted by the Board of Directors pursuant to subsection (a) shall be submitted to common shareholders of the Association for their approval. The reorganization shall occur on the reorganization effective date, provided that the plan of reorganization has been approved by the affirmative votes, cast in person or by proxy, of the holders of a majority of the issued and outstanding shares of the Association common stock.

"(c) TRANSITION.—In the event the shareholders of the Association approve the plan of reorganization under subsection (b), the following provisions shall apply beginning on the reorganization effective date:

"(1) IN GENERAL.—Except as specifically provided in this section, until the dissolution date the Association shall continue to have all of the rights, privileges and obligations set forth in, and shall be subject to all of the limitations and restrictions of, section 439, and the Association shall continue to carry out the purposes of such section. The Holding Company and any subsidiary of the Holding Company (other than the Association) shall not be entitled to any of the rights, privileges, and obligations, and shall not be subject to the limitations and restrictions, applicable to the Association under section 439, except as specifically provided in this section. The Holding Company and any subsidiary of the Holding Company (other than the Association or a subsidiary of the Association) shall not purchase loans insured under this Act until such time as the Association ceases acquiring such loans, except that the Holding Company may purchase such loans if the Association is merely continuing to acquire loans as a lender of last resort pursuant to section 439(q) or under an agreement with the Secretary described in paragraph (6).

"(2) TRANSFER OF CERTAIN PROPERTY.—

"(A) IN GENERAL.—Except as provided in this section, on the reorganization effective date or as soon as practicable thereafter, the Association shall use the Association's best efforts to transfer to the Holding Company or any subsidiary of the Holding Company (or both), as directed by the Holding Company, all real and personal property of the Association (both tangible and intangible) other than the remaining property. Subject to the preceding sentence, such transferred property shall include all right, title, and interest in—

"(i) direct or indirect subsidiaries of the Association (excluding special purpose funding companies in existence on the date of enactment of this section and any interest in any government-sponsored enterprise);

"(ii) contracts, leases, and other agreements of the Association;

"(iii) licenses and other intellectual property of the Association; and

"(iv) any other property of the Association.

"(B) CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit the Association from transferring remaining property from time to time to the Holding Company or any

subsidiary of the Holding Company, subject to the provisions of paragraph (4).

"(3) TRANSFER OF PERSONNEL.—On the reorganization effective date, employees of the Association shall become employees of the Holding Company (or any subsidiary of the Holding Company), and the Holding Company (or any subsidiary of the Holding Company) shall provide all necessary and appropriate management and operational support (including loan servicing) to the Association, as requested by the Association. The Association, however, may obtain such management and operational support from persons or entities not associated with the Holding Company.

"(4) DIVIDENDS.—The Association may pay dividends in the form of cash or noncash distributions so long as at the time of the declaration of such dividends, after giving effect to the payment of such dividends as of the date of such declaration by the Board of Directors of the Association, the Association's capital would be in compliance with the capital standards and requirements set forth in section 439(r). If, at any time after the reorganization effective date, the Association fails to comply with such capital standards, the Holding Company shall transfer to the Association additional capital in such amounts as are necessary to ensure that the Association again complies with the capital standards.

"(5) CERTIFICATION PRIOR TO DIVIDEND.—Prior to any such distribution, the Association shall certify to the Secretary of the Treasury that the payment of the dividend will be made in compliance with this paragraph and shall provide copies of all calculations needed to make such certification.

"(6) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY ASSOCIATION.—

"(A) IN GENERAL.—After the reorganization effective date, the Association shall not engage in any new business activities or acquire any additional program assets described in section 439(d) other than in connection with—

"(i) student loan purchases through September 30, 2007;

"(ii) contractual commitments for future warehousing advances, or pursuant to letters of credit or standby bond purchase agreements, which are outstanding as of the reorganization effective date;

"(iii) the Association serving as a lender-of-last-resort pursuant to section 439(q); and

"(iv) the Association's purchase of loans insured under this part, if the Secretary, with the approval of the Secretary of the Treasury, enters into an agreement with the Association for the continuation or resumption of the Association's secondary market purchase program because the Secretary determines there is inadequate liquidity for loans made under this part.

"(B) AGREEMENT.—The Secretary is authorized to enter into an agreement described in clause (iii) of subparagraph (A) with the Association covering such secondary market activities. Any agreement entered into under such clause shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The fee provided under section 439(h)(7) shall not apply to loans acquired under any such agreement with the Secretary.

"(7) ISSUANCE OF DEBT OBLIGATIONS DURING THE TRANSITION PERIOD; ATTRIBUTES OF DEBT OBLIGATIONS.—After the reorganization effective date, the Association shall not issue debt obligations which mature later than September 30, 2008, except in connection with serving as a lender-of-last-resort pursuant to section 439(q) or with purchasing loans under an agreement with the Secretary as described in paragraph (6). Nothing in this section shall modify the attributes accorded the debt obligations of the Association by section 439, regardless of whether such debt obligations are incurred prior to, or at any time following, the reorganization effective date or are transferred to a trust in accordance with subsection (d).

"(8) MONITORING OF SAFETY AND SOUNDNESS.—

"(A) OBLIGATION TO OBTAIN, MAINTAIN, AND REPORT INFORMATION.—The Association shall obtain such information and make and keep such records as the Secretary of the Treasury may from time to time prescribe concerning—

"(i) the financial risk to the Association resulting from the activities of any associated person, to the extent such activities are reasonably likely to have a material impact on the financial condition of the Association, including the Association's capital ratio, the Association's liquidity, or the Association's ability to conduct and finance the Association's operations; and

"(ii) the Association's policies, procedures, and systems for monitoring and controlling any such financial risk.

"(B) SUMMARY REPORTS.—The Secretary of the Treasury may require summary reports of the information described in subparagraph (A) to be filed no more frequently than quarterly. If, as a result of adverse market conditions or based on reports provided pursuant to this subparagraph or other available information, the Secretary of the Treasury has concerns regarding the financial or operational condition of the Association, the Secretary of the Treasury may, notwithstanding the preceding sentence and subparagraph (A), require the Association to make reports concerning the activities of any associated person whose business activities are reasonably likely to have a material impact on the financial or operational condition of the Association.

"(C) SEPARATE OPERATION OF CORPORATIONS.—

"(i) IN GENERAL.—The funds and assets of the Association shall at all times be maintained separately from the funds and assets of the Holding Company or any subsidiary of the Holding Company and may be used by the Association solely to carry out the Association's purposes and to fulfill the Association's obligations.

"(ii) BOOKS AND RECORDS.—The Association shall maintain books and records that clearly reflect the assets and liabilities of the Association, separate from the assets and liabilities of the Holding Company or any subsidiary of the Holding Company.

"(iii) CORPORATE OFFICE.—The Association shall maintain a corporate office that is physically separate from any office of the Holding Company or any subsidiary of the Holding Company.

"(iv) DIRECTOR.—No director of the Association who is appointed by the President pursuant to section 439(c)(1)(A) may serve as a director of the Holding Company.

"(v) ONE OFFICER REQUIREMENT.—At least one officer of the Association shall be an officer solely of the Association.

"(vi) TRANSACTIONS.—Transactions between the Association and the Holding Company or any subsidiary of the Holding Company, including any loan servicing arrangements, shall be on terms no less favorable to the Association than the Association could obtain from an unrelated third party offering comparable services.

"(vii) CREDIT PROHIBITION.—The Association shall not extend credit to the Holding Company or any subsidiary of the Holding Company nor guarantee or provide any credit enhancement to any debt obligations of the Holding Company or any subsidiary of the Holding Company.

"(viii) AMOUNTS COLLECTED.—Any amounts collected on behalf of the Association by the Holding Company or any subsidiary of the Holding Company with respect to the assets of the Association, pursuant to a servicing contract or other arrangement between the Association and the Holding Company or any subsidiary of the Holding Company, shall be collected solely for the benefit of the Association and shall be immediately deposited by the Holding Company or such subsidiary to an account under the sole control of the Association.

"(D) ENCUMBRANCE OF ASSETS.—Notwithstanding any Federal or State law, rule, or regulation, or legal or equitable principle, doctrine, or theory to the contrary, under no circumstances shall the assets of the Association be available or used to pay claims or debts of or incurred by the Holding Company. Nothing in this subparagraph shall be construed to limit the right of the Association to pay dividends not otherwise prohibited under this subparagraph or to limit any liability of the Holding Company explicitly provided for in this section.

"(E) HOLDING COMPANY ACTIVITIES.—After the reorganization effective date and prior to the dissolution date, all business activities of the Holding Company shall be conducted through subsidiaries of the Holding Company.

"(F) CONFIDENTIALITY.—Any information provided by the Association pursuant to this section shall be subject to the same confidentiality obligations contained in section 439(r)(12).

"(G) DEFINITION.—For purposes of this paragraph, the term 'associated person' means any person, other than a natural person, who is directly or indirectly controlling, controlled by, or under common control with, the Association.

"(9) ISSUANCE OF STOCK WARRANTS.—On the reorganization effective date, the Holding Company shall issue to the Secretary of the Treasury a number of stock warrants that is equal to one percent of the outstanding shares of the Association, determined as of the last day of the fiscal quarter preceding the date of enactment of this section, with each stock warrant entitling the holder of the stock warrant to purchase from the Holding Company one share of the registered common stock of the Holding Company or the Holding Company's successors or assigns, at any time on or before September 30, 2008. The exercise price for such warrants shall be an amount equal to the average closing price of the common stock of the Association for the 20 business days prior to the date of enactment of this section on the exchange or market which is then the primary exchange or market for the common stock of the Association. The number of shares of Holding Company common stock subject to each warrant and the exercise price of each warrant shall be adjusted as necessary to reflect—

"(A) the conversion of Association common stock into Holding Company common stock as part of the plan of reorganization approved by the Association's shareholders; and

"(B) any issuance or sale of stock (including issuance or sale of treasury stock), stock split, recapitalization, reorganization, or other corporate event, if agreed to by the Secretary of the Treasury and the Association.

"(10) RESTRICTIONS ON TRANSFER OF ASSOCIATION SHARES AND BANKRUPTCY OF ASSOCIATION.—After the reorganization effective date, the Holding Company shall not sell, pledge, or otherwise transfer the outstanding shares of the Association, or agree to or cause the liquidation of the Association or cause the Association to file a petition for bankruptcy under title 11, United States Code, without prior approval of the Secretary of the Treasury and the Secretary of Education.

"(d) TERMINATION OF THE ASSOCIATION.—In the event the shareholders of the Association approve a plan of reorganization under subsection (b), the Association shall dissolve, and the Association's separate existence shall terminate on September 30, 2008, after discharge of all *outstanding debt obligations and liquidation pursuant to this subsection. The Association may dissolve pursuant to this subsection prior to such date by notifying the Secretary of Education and the Secretary of the Treasury of the Association's intention to dissolve, unless within 60 days after receipt of such notice the Secretary of Education notifies the Association that the Association continues to be needed to serve as a lender of last resort pursuant to section 439(q) or continues to be needed to purchase loans under an agreement with the Secretary described in paragraph (6). On the dissolution date, the Association shall take the following actions:*

"(1) ESTABLISHMENT OF A TRUST.—The Association shall, under the terms of an irrevocable trust agreement that is in form and substance satisfactory to the Secretary of the Treasury, the Association and the appointed trustee, irrevocably transfer all remaining obligations of the Association to the trust and irrevocably deposit or cause to be deposited into such trust, to be held as trust funds solely for the benefit of holders of the remaining obligations, money or direct noncallable obligations of the United States or any agency thereof for which payment the full faith and credit of the United States is pledged, maturing as to principal and interest in such amounts and at such times as are determined by the Secretary of the Treasury to be sufficient, without consideration of any significant reinvestment of such interest, to pay the principal of, and interest on, the remaining obligations in accordance with their terms. To the extent the Association cannot provide money or qualifying obligations in the amount required, the Holding Company shall be required to transfer money or qualifying obligations to the trust in the amount necessary to prevent any deficiency.

"(2) USE OF TRUST ASSETS.—All money, obligations, or financial assets deposited into the trust pursuant to this subsection shall be applied by the trustee to the payment of the remaining obligations assumed by the trust.

"(3) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association not transferred to the trust, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association outstanding. Any obligations of the Association which cannot be fully satisfied shall become liabilities of the Holding Company as of the date of dissolution.

"(4) TRANSFER OF REMAINING ASSETS.—After compliance with paragraphs (1) and (3), any remaining assets of the trust shall be transferred to the Holding Company or any subsidiary of the Holding Company, as directed by the Holding Company.

"(e) OPERATION OF THE HOLDING COMPANY.—In the event the shareholders of the Association approve the plan of reorganization under subsection (b), the following provisions shall apply beginning on the reorganization effective date:

"(1) HOLDING COMPANY BOARD OF DIRECTORS.—The number of members and composition of the Board of Directors of the Holding Company shall be determined as set forth in the Holding Company's charter or like instrument (as amended from time to time) or bylaws (as amended from time to time) and as permitted under the laws of the jurisdiction of the Holding Company's incorporation.

"(2) HOLDING COMPANY NAME.—The names of the Holding Company and any subsidiary of the Holding Company (other than the Association)—

"(A) may not contain the name 'Student Loan Marketing Association'; and

"(B) may contain, to the extent permitted by applicable State or District of Columbia law, 'Sallie Mae' or variations thereof, or such other names as the Board of Directors of the Association or the Holding Company deems appropriate.

"(3) USE OF SALLIE MAE NAME.—Subject to paragraph (2), the Association may assign to the Holding Company, or any subsidiary of the Holding Company, the 'Sallie Mae' name as a trademark and service mark, except that neither the Holding Company nor any subsidiary of the Holding Company (other than the Association or any subsidiary of the Association) may use the 'Sallie Mae' name on, or to identify the issuer of, any debt obligation or other security offered or sold by the Holding Company or any subsidiary of the Holding Company (other than a debt obligation or other security issued to the Holding Company or any subsidiary of the Holding Company). The Association shall remit to the Secretary of the Treasury $5,000,000 within 60 days of the reorganization effective date as compensation for the right to assign such trademark or service mark.

"(4) DISCLOSURE REQUIRED.—Until 3 years after the dissolution date, the Holding Company, and any subsidiary of the Holding Company (other than the Association), shall prominently display—

"(A) in any document offering the Holding Company's securities, a statement that the obligations of the Holding Company and any subsidiary of the Holding Company are not guaranteed by the full faith and credit of the United States; and

"(B) in any advertisement or promotional materials which use the 'Sallie Mae' name or mark, a statement that neither the Holding Company nor any subsidiary of the Holding Company is a government-sponsored enterprise or instrumentality of the United States.

"(f) STRICT CONSTRUCTION.—Except as specifically set forth in this section, nothing in this section shall be construed to limit the authority of the Association as a federally chartered corporation, or of the Holding Company as a State or District of Columbia chartered corporation.

"(g) RIGHT TO ENFORCE.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request that the Attorney General bring an action in the United States District Court for the District of Columbia for the enforcement of any provision of this section, or may, under the direction or control of the Attorney General, bring such an action. Such court shall have jurisdiction and power to order and require compliance with this section.

"(h) DEADLINE FOR REORGANIZATION EFFECTIVE DATE.—This section shall be of no further force and effect in the event that the reorganization effective date does not occur on or before 18 months after the date of enactment of this section.

"(i) DEFINITIONS.—For purposes of this section:

"(1) ASSOCIATION.—The term 'Association' means the Student Loan Marketing Association.

"(2) DISSOLUTION DATE.—The term 'dissolution date' means September 30, 2008, or such earlier date as the Secretary of Education permits the transfer of remaining obligations in accordance with subsection (d).

"(3) HOLDING COMPANY.—The term 'Holding Company' means the new business corporation established pursuant to this section by the Association under the laws of any State of the United States or the District of Columbia for the purposes of the reorganization and restructuring described in subsection (a).

"(4) REMAINING OBLIGATIONS.—The term 'remaining obligations' means the debt obligations of the Association outstanding as of the dissolution date.

"(5) REMAINING PROPERTY.—The term 'remaining property' means the following assets and liabilities of the Association which are outstanding as of the reorganization effective date:

"(A) Debt obligations issued by the Association.

"(B) Contracts relating to interest rate, currency, or commodity positions or protections.

"(C) Investment securities owned by the Association.

"(D) Any instruments, assets, or agreements described in section 439(d) (including, without limitation, all student loans and agreements relating to the purchase and sale of student loans, forward purchase and lending commitments, warehousing advances, academic facilities obligations, letters of credit, standby bond purchase agreements, liquidity agreements, and student loan revenue bonds or other loans).

"(E) Except as specifically prohibited by this section or section 439, any other nonmaterial assets or liabilities of the Association which the Association's Board of Directors determines to be necessary or appropriate to the Association's operations.

"(6) REORGANIZATION.—The term 'reorganization' means the restructuring event or events (including any merger event) giving effect to the Holding Company structure described in subsection (a).

"(7) REORGANIZATION EFFECTIVE DATE.—The term 'reorganization effective date' means the effective date of the reorganization as determined by the Board of Directors of the Association, which shall not be earlier than the date that shareholder approval is obtained pursuant to subsection (b) and shall not be later than the date that is 18 months after the date of enactment of this section.

"(8) SUBSIDIARY.—The term 'subsidiary' includes one or more direct or indirect subsidiaries.".

(b) TECHNICAL AMENDMENTS.—

(1) ELIGIBLE LENDER.—

(A) AMENDMENTS TO THE HIGHER EDUCATION ACT.—

(i) DEFINITION OF ELIGIBLE LENDER.—Section 435(d)(1)(F) of the Higher Education Act of 1965 (20 U.S.C. 1085(d)(1)(F)) is amended by inserting after "Student Loan Marketing Association" the following: "or the Holding Company of the Student Loan Marketing Association, including any subsidiary of the Holding Company, created pursuant to section 440,".

(ii) DEFINITION OF ELIGIBLE LENDER AND FEDERAL CONSOLIDATION LOANS.—Sections 435(d)(1)(G) and 428C(a)(1)(A) of such Act (20 U.S.C. 1085(d)(1)(G) and 1078–3(a)(1)(A)) are each amended by inserting after "Student Loan Marketing Association" the following: "or the Holding Company of the Student Loan Marketing Association, including any subsidiary of the Holding Company, created pursuant to section 440".

(B) EFFECTIVE DATE.—The amendments made by this paragraph shall take effect on the reorganization effective date as defined in section 440(h) of the Higher Education Act of 1965 (as added by subsection (a)).

(2) ENFORCEMENT OF SAFETY AND SOUNDNESS REQUIREMENTS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087–2(r)) is amended—

(A) in the first sentence of paragraph (12), by inserting "or the Association's associated persons" after "by the Association";

(B) by redesignating paragraph (13) as paragraph (15); and

(C) by inserting after paragraph (12) the following new paragraph:

"(13) ENFORCEMENT OF SAFETY AND SOUNDNESS REQUIREMENTS.—The Secretary of Education or the Secretary of the Treasury, as appropriate, may request that the Attorney General bring an action in the United States District Court for the District of Columbia for the enforcement of any provision of this section, or may, under the direction or control of the Attorney General, bring such an action. Such court

shall have jurisdiction and power to order and require compliance with this section.".

(3) FINANCIAL SAFETY AND SOUNDNESS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087–2(r)) is further amended—

(A) in paragraph (1)—

(i) by striking "and" at the end of subparagraph (A);

(ii) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C)(i) financial statements of the Association within 45 days of the end of each fiscal quarter; and

"(ii) reports setting forth the calculation of the capital ratio of the Association within 45 days of the end of each fiscal quarter.";

(B) in paragraph (2)—

(i) by striking clauses (i) and (ii) of subparagraph (A) and inserting the following:

"(i) appoint auditors or examiners to conduct audits of the Association from time to time to determine the condition of the Association for the purpose of assessing the Association's financial safety and soundness and to determine whether the requirements of this section and section 440 are being met; and

"(ii) obtain the services of such experts as the Secretary of the Treasury determines necessary and appropriate, as authorized by section 3109 of title 5, United States Code, to assist in determining the condition of the Association for the purpose of assessing the Association's financial safety and soundness, and to determine whether the requirements of this section and section 440 are being met."; and

(ii) by adding at the end the following new subparagraph:

"(D) ANNUAL ASSESSMENT.—

"(i) IN GENERAL.—For each fiscal year beginning on or after October 1, 1996, the Secretary of the Treasury may establish and collect from the Association an assessment (or assessments) in amounts sufficient to provide for reasonable costs and expenses of carrying out the duties of the Secretary of the Treasury under this section and section 440 during such fiscal year. In no event may the total amount so assessed exceed, for any fiscal year, $800,000, adjusted for each fiscal year ending after September 30, 1997, by the ratio of the Consumer Price Index for All Urban Consumers (issued by the Bureau of Labor Statistics) for the final month of the fiscal year preceding the fiscal year for which the assessment is made to the Consumer Price Index for All Urban Consumers for September 1997.

"(ii) DEPOSIT.—Amounts collected from assessments under this subparagraph shall be deposited in an account within the Treasury of the United States as designated by the Secretary of the Treasury and shall remain available subject to amounts specified in appropriations Acts to carry out the duties of the Secretary of the Treasury under this subsection and section 440.";

(C) in paragraph (11), by striking "paragraphs (4) and (6)(A)" and inserting "paragraphs (4), (6)(A), and (14)"; and

(D) by inserting after paragraph (13) (as added by paragraph (2)(C)) the following new paragraph:

"(14) ACTIONS BY SECRETARY.—

"(A) IN GENERAL.—For any fiscal quarter ending after January 1, 2000, the Association shall have a capital ratio of at least 2.25 percent. The Secretary of the Treasury may, whenever such capital ratio is not met, take any one or more of the actions described in paragraph (7), except that—

"(i) the capital ratio to be restored pursuant to paragraph (7)(D) shall be 2.25 percent; and

"(ii) if the relevant capital ratio is in excess of or equal to 2 percent for such quarter, the Secretary of the Treasury shall defer taking any of the actions set forth in paragraph (7) until the next succeeding quarter and may then proceed with any such action only if the capital ratio of the Association remains below 2.25 percent.

"(B) APPLICABILITY.—The provisions of paragraphs (4), (5), (6), (8), (9), (10), and (11) shall be of no further application to the Association for any period after January 1, 2000.".

(4) INFORMATION REQUIRED; DIVIDENDS.—Section 439(r) of the Higher Education Act of 1965 (20 U.S.C. 1087–2(r)) is further amended—

(A) by adding at the end of paragraph (2) (as amended in paragraph (3)(B)(ii)) the following new subparagraph:

"(E) OBLIGATION TO OBTAIN, MAINTAIN, AND REPORT INFORMATION.—

"(i) IN GENERAL.—The Association shall obtain such information and make and keep such records as the Secretary of the Treasury may from time to time prescribe concerning—

"(I) the financial risk to the Association resulting from the activities of any associated person, to the extent such activities are reasonably likely to have a material impact on the financial condition of the Association, including the Association's capital ratio, the Association's liquidity, or the Association's ability to conduct and finance the Association's operations; and

"(II) the Association's policies, procedures, and systems for monitoring and controlling any such financial risk.

"(ii) SUMMARY REPORTS.—The Secretary of the Treasury may require summary reports of such information to be filed no more frequently than quarterly. If, as a result of adverse market conditions or based on reports provided pursuant to this subparagraph or other available information, the Secretary of the Treasury has concerns regarding the financial or operational condition of the Association, the Secretary of the Treasury may, notwithstanding the preceding sentence and clause (i), require the Association to make reports concerning the activities of any associated person, whose business activities are reasonably likely to have a material impact on the financial or operational condition of the Association.

"(iii) DEFINITION.—For purposes of this subparagraph, the term 'associated person' means any person, other than a natural person, directly or indirectly controlling, controlled by, or under common control with the Association."; and

(B) by adding at the end the following new paragraph:

"(16) DIVIDENDS.—The Association may pay dividends in the form of cash or noncash distributions so long as at the time of the declaration of such dividends, after giving effect to the payment of such dividends as of the date of such declaration by the Board of Directors of the Association, the Association's capital would be in compliance with the capital standards set forth in this section.".

(c) SUNSET OF THE ASSOCIATION'S CHARTER IF NO REORGANIZATION PLAN OCCURS.—Section 439 of the Higher Education Act of 1965 (20 U.S.C. 1087–2) is amended by adding at the end the following new subsections:

"(s) CHARTER SUNSET.—

"(1) APPLICATION OF PROVISIONS.—This subsection applies beginning 18 months and one day after the date of enactment of this subsection if no reorganization of the Association occurs in accordance with the provisions of section 440.

"(2) SUNSET PLAN.—

"(A) PLAN SUBMISSION BY THE ASSOCIATION.—Not later than July 1, 2007, the Association shall submit to the Secretary of the Treasury and to the Chairman and Ranking Member of the Committee on Labor and Human Resources of the Senate and the Chairman and Ranking Member of the Committee on Economic and Educational Opportunities of the House of Representatives, a detailed plan for the orderly winding up, by July 1, 2013, of business activities conducted pursuant to the charter set forth in this section. Such plan shall—

"(i) ensure that the Association will have adequate assets to transfer to a trust, as provided in this subsection, to ensure full payment of remaining obligations of the Association in accordance with the terms of such obligations;

"(ii) provide that all assets not used to pay liabilities shall be distributed to shareholders as provided in this subsection; and

"(iii) provide that the operations of the Association shall remain separate and distinct from that of any entity to which the assets of the Association are transferred.

"(B) AMENDMENT OF THE PLAN BY THE ASSOCIATION.—The Association shall from time to time amend such plan to reflect changed circumstances, and submit such amendments to the Secretary of the Treasury and to the Chairman and Ranking Minority Member of the Committee on Labor and Human Resources of the Senate and Chairman and Ranking Minority Member of the Committee on Economic and Educational Opportunities of the House of Representatives. In no case may any amendment extend the date for full implementation of the plan beyond the dissolution date provided in paragraph (3).

"(C) PLAN MONITORING.—The Secretary shall monitor the Association's compliance with the plan and shall continue to review the plan (including any amendments thereto).

"(D) AMENDMENT OF THE PLAN BY THE SECRETARY OF THE TREASURY.—The Secretary of the Treasury may require the Association to amend the plan (including any amendments to the plan), if the Secretary of the Treasury deems such amendments necessary to ensure full payment of all obligations of the Association.

"(E) IMPLEMENTATION BY THE ASSOCIATION.—The Association shall promptly implement the plan (including any amendments to the plan, whether such amendments are made by the Association or are required to be made by the Secretary of the Treasury).

"(3) DISSOLUTION OF THE ASSOCIATION.—The Association shall dissolve and the Association's separate existence shall terminate on July 1, 2013, after discharge of all outstanding debt obligations and liquidation pursuant to this subsection. The Association may dissolve pursuant to this subsection prior to such date by notifying the Secretary of Education and the Secretary of the Treasury of the Association's intention to dissolve, unless within 60 days of receipt of such notice the Secretary of Education notifies the Association that the Association continues to be needed to serve as a lender of last resort pursuant to subsection (q) or continues to be needed to purchase loans under an agreement with the Secretary described in paragraph (4)(A). On the dissolution date, the Association shall take the following actions:

"(A) ESTABLISHMENT OF A TRUST.—The Association shall, under the terms of an irrevocable trust agreement in form and substance satisfactory to the Secretary of the Treasury, the Association, and the appointed trustee, irrevocably transfer all remaining obligations of the Association to a trust and irrevocably deposit or cause to be deposited into such trust, to be held as trust funds solely for the benefit of holders of the remaining obligations, money or direct noncallable obligations of the United States or any agency thereof for which payment the full faith and credit of the United States is pledged, maturing as to principal and interest in such amounts and at such times as are determined by the Secretary of the Treasury to be sufficient, without consideration of any significant reinvestment of such interest to pay the principal of,

and interest on, the remaining obligations in accordance with their terms.

"(B) USE OF TRUST ASSETS.—All money, obligations, or financial assets deposited into the trust pursuant to this subsection shall be applied by the trustee to the payment of the remaining obligations assumed by the trust. Upon the fulfillment of the trustee's duties under the trust, any remaining assets of the trust shall be transferred to the persons who, at the time of the dissolution, were the shareholders of the Association, or to the legal successors or assigns of such persons.

"(C) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association outstanding.

"(D) TRANSFER OF REMAINING ASSETS.—After compliance with subparagraphs (A) and (C), the Association shall transfer to the shareholders of the Association any remaining assets of the Association.

"(4) RESTRICTIONS RELATING TO WINDING UP.—

"(A) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY THE ASSOCIATION.—

"(i) IN GENERAL.—Beginning on July 1, 2009, the Association shall not engage in any new business activities or acquire any additional program assets (including acquiring assets pursuant to contractual commitments) described in subsection (d) other than in connection with the Association—

"(I) serving as a lender of last resort pursuant to subsection (q); and

"(II) purchasing loans insured under this part, if the Secretary, with the approval of the Secretary of the Treasury, enters into an agreement with the Association for the continuation or resumption of the Association's secondary market purchase program because the Secretary determines there is inadequate liquidity for loans made under this part.

"(ii) AGREEMENT.—The Secretary is authorized to enter into an agreement described in subclause (II) of clause (i) with the Association covering such secondary market activities. Any agreement entered into under such subclause shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The fee provided under subsection (h)(7) shall not apply to loans acquired under any such agreement with the Secretary.

"(B) ISSUANCE OF DEBT OBLIGATIONS DURING THE WIND UP PERIOD; ATTRIBUTES OF DEBT OBLIGATIONS.—The Association shall not issue debt obligations which mature later than July 1, 2013, except in connection with serving as a lender of last resort pursuant to subsection (q) or with purchasing loans under an agreement with the Secretary as described in subparagraph (A). Nothing in this subsection shall modify the attributes accorded the debt obligations of the Association by this section, regardless of whether such debt obligations are transferred to a trust in accordance with paragraph (3).

"(C) USE OF ASSOCIATION NAME.—The Association may not transfer or permit the use of the name 'Student Loan Marketing Association', 'Sallie Mae', or any variation thereof, to or by any entity other than a subsidiary of the Association.".

(d) REPEALS.—

(1) IN GENERAL.—Sections 439 of the Higher Education Act of 1965 (20 U.S.C. 1087–2) and 440 of such Act (as added by subsection (a) of this section) are repealed.

(2) EFFECTIVE DATE.—The repeals made by paragraph (1) shall be effective one year after—

(A) the dissolution date, as such term is defined in section 440(i)(2) of the Higher Education Act of 1965 (as added by subsection (a)), if a reorganization occurs in accordance with section 440 of such Act; or

(B) the date the Association is dissolved pursuant to section 439(s) of such Act (as added by subsection (c)), if a reorganization does not occur in accordance with section 440 of such Act.

(e) ASSOCIATION NAMES.—Upon dissolution in accordance with section 439 of the Higher Education Act of 1965 (20 U.S.C. 1087–2), the names "Student Loan Marketing Association", "Sallie Mae", and any variations thereof may not be used by any entity engaged in any business similar to the business conducted pursuant to section 439 of such Act (as such section was in effect on the date of enactment of this Act) without the approval of the Secretary of the Treasury.

SEC. 402. CONNIE LEE PRIVATIZATION.

(a) STATUS OF THE CORPORATION AND CORPORATE POWERS; OBLIGATIONS NOT FEDERALLY GUARANTEED.—

(1) STATUS OF THE CORPORATION.—The Corporation shall not be an agency, instrumentality, or establishment of the United States Government, nor a Government corporation, nor a Government controlled corporation, as such terms are defined in section 103 of title 5, United States Code. No action under section 1491 of title 28, United States Code (commonly known as the Tucker Act) shall be allowable against the United States based on the actions of the Corporation.

(2) CORPORATE POWERS.—The Corporation shall be subject to the provisions of this section, and, to the extent not inconsistent with this section, to the District of Columbia Business Corporation Act (or the comparable law of another State, if applicable). The Corporation shall have the powers conferred upon a corporation by the District of Columbia Business Corporation Act (or such other applicable State law) as from time to time in effect in order to conduct the Corporation's affairs as a private, for-profit corporation and to carry out the Corporation's purposes and activities incidental thereto. The Corporation shall have the power to enter into contracts, to execute instruments, to incur liabilities, to provide products and services, and to do all things as are necessary or incidental to the proper management of the Corporation's affairs and the efficient operation of a private, for-profit business.

(3) LIMITATION ON OWNERSHIP OF STOCK.—

(A) SECRETARY OF THE TREASURY.—The Secretary of the Treasury, in completing the sale of stock pursuant to subsection (c), may not sell or issue the stock held by the Secretary of Education to an agency, instrumentality, or establishment of the United States Government, or to a Government corporation or a Government controlled corporation, as such terms are defined in section 103 of title 5, United States Code, or to a government-sponsored enterprise as such term is defined in section 622 of title 2, United States Code.

(B) STUDENT LOAN MARKETING ASSOCIATION.—The Student Loan Marketing Association shall not increase its share of the ownership of the Corporation in excess of 42 percent of the shares of stock of the Corporation outstanding on the date of enactment of this Act. The Student Loan Marketing Association shall not control the operation of the Corporation, except that the Student Loan Marketing Association may participate in the election of directors as a shareholder, and may continue to exercise the Student Loan Marketing Association's right to appoint directors under section 754 of the Higher Education Act of 1965 (20 U.S.C. 1132f–3) as long as that section is in effect.

(C) PROHIBITION.—Until such time as the Secretary of the Treasury sells the stock of the Corporation owned by the Secretary of Education pursuant to subsection (c), the Student Loan Marketing Association shall not provide financial support or guarantees to the Corporation.

(D) FINANCIAL SUPPORT OR GUARANTEES.—After the Secretary of the Treasury sells the stock of the Corporation owned by the Secretary of Education pursuant to subsection (c), the Student Loan Marketing Association may provide financial support or guarantees to the Corporation, if such support or guarantees are subject to terms and conditions that are no more advantageous to the Corporation than the terms and conditions the Student Loan Marketing Association provides to other entities, including, where applicable, other monoline financial guaranty corporations in which the Student Loan Marketing Association has no ownership interest.

(4) NO FEDERAL GUARANTEE.—

(A) OBLIGATIONS INSURED BY THE CORPORATION.—

(i) FULL FAITH AND CREDIT OF THE UNITED STATES.—No obligation that is insured, guaranteed, or otherwise backed by the Corporation shall be deemed to be an obligation that is guaranteed by the full faith and credit of the United States.

(ii) STUDENT LOAN MARKETING ASSOCIATION.—No obligation that is insured, guaranteed, or otherwise backed by the Corporation shall be deemed to be an obligation that is guaranteed by the Student Loan Marketing Association.

(iii) SPECIAL RULE.—This paragraph shall not affect the determination of whether such obligation is guaranteed for purposes of Federal income taxes.

(B) SECURITIES OFFERED BY THE CORPORATION.—No debt or equity securities of the Corporation shall be deemed to be guaranteed by the full faith and credit of the United States.

(5) DEFINITION.—The term "Corporation" as used in this section means the College Construction Loan Insurance Association as in existence on the day before the date of enactment of this Act, and any successor corporation.

(b) RELATED PRIVATIZATION REQUIREMENTS.—

(1) NOTICE REQUIREMENTS.—

(A) IN GENERAL.—During the six-year period following the date of enactment of this Act, the Corporation shall include, in each of the Corporation's contracts for the insurance, guarantee, or reinsurance of obligations, and in each document offering debt or equity securities of the Corporation, a prominent statement providing notice that—

(i) such obligations or such securities, as the case may be, are not obligations of the United States, nor are such obligations or such securities, as the case may be, guaranteed in any way by the full faith and credit of the United States; and

(ii) the Corporation is not an instrumentality of the United States.

(B) ADDITIONAL NOTICE.—During the five-year period following the sale of stock pursuant to subsection (c)(1), in addition to the notice requirements in subparagraph (A), the Corporation shall include, in each of the contracts and documents referred to in such subparagraph, a prominent statement providing notice that the United States is not an investor in the Corporation.

(2) CORPORATE CHARTER.—The Corporation's charter shall be amended as necessary and without delay to conform to the requirements of this section.

(3) CORPORATE NAME.—The name of the Corporation, or of any direct or indirect subsidiary thereof, may not contain the term "College Construction Loan Insurance Association", or any substantially similar variation thereof.

(4) ARTICLES OF INCORPORATION.—The Corporation shall amend the Corporation's articles

of incorporation without delay to reflect that one of the purposes of the Corporation shall be to guarantee, insure, and reinsure bonds, leases, and other evidences of debt of educational institutions, including Historically Black Colleges and Universities and other academic institutions which are ranked in the lower investment grade category using a nationally recognized credit rating system.

(5) REQUIREMENTS UNTIL STOCK SALE.—Notwithstanding subsection (d), the requirements of sections 754 and 760 of the Higher Education Act of 1965 (20 U.S.C. 1132f–3 and 1132f–9), as such sections were in effect on the day before the date of enactment of this Act, shall continue to be effective until the day immediately following the date of closing of the purchase of the Secretary of Education's stock (or the date of closing of the final purchase, in the case of multiple transactions) pursuant to subsection (c)(1) of this Act.

(c) SALE OF FEDERALLY OWNED STOCK.—

(1) SALE OF STOCK REQUIRED.—The Secretary of the Treasury shall sell, pursuant to section 324 of title 31, United States Code, the stock of the Corporation owned by the Secretary of Education as soon as possible after the date of enactment of this Act, but not later than six months after such date.

(2) PURCHASE BY THE CORPORATION.—In the event that the Secretary of the Treasury is unable to sell the stock, or any portion thereof, at a price acceptable to the Secretary of Education and the Secretary of the Treasury, the Corporation shall purchase, within six months after the date of enactment of this Act, such stock at a price determined by the Secretary of the Treasury and acceptable to the Corporation based on the independent appraisal of one or more nationally recognized financial firms, except that such price shall not exceed the value of the Secretary of Education's stock as determined by the Congressional Budget Office in House Report 104–153, dated June 22, 1995.

(3) REIMBURSEMENT OF COSTS OF SALE.—The Secretary of the Treasury shall be reimbursed from the proceeds of the sale of the stock under this subsection for all reasonable costs related to such sale, including all reasonable expenses relating to one or more independent appraisals under this subsection.

(4) ASSISTANCE BY THE CORPORATION.—The Corporation shall provide such assistance as the Secretary of the Treasury and the Secretary of Education may require to facilitate the sale of the stock under this subsection.

(d) REPEAL OF STATUTORY RESTRICTIONS AND RELATED PROVISIONS.—Part D of title VII of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is repealed.

SEC. 403. ELIGIBLE INSTITUTION.

(a) AMENDMENTS.—Section 481(b) of the Higher Education Act of 1965 (20 U.S.C. 1088(b)) is amended by inserting after the end of the first sentence the following new sentence: "For the purposes of determining whether an institution meets the requirements of clause (6), the Secretary shall not consider the financial information of any institution for a fiscal year that began on or before April 30, 1994.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any determination made on or after July 1, 1994, by the Secretary of Education pursuant to section 481(b)(6) of the Higher Education Act of 1965 (20 U.S.C. 1088(b)(6)).

TITLE V—REPEALS AND CONFORMING AMENDMENTS

SEC. 501. REPEALS.

(a) GENERAL IMMEDIATE REPEALS.—The following provisions are repealed:

(1) Section 204 of the Immigration Reform and Control Act of 1986 (8 U.S.C. 1255a note).

(2) Title II of Public Law 95–250 (92 Stat. 172).

(3) The Library Services and Construction Act (20 U.S.C. 351 et seq.).

(4) Part F of the Technology for Education Act of 1994 (contained in title III of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7001 et seq.)).

(5) The School Dropout Assistance Act (part C of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7261 et seq.)).

(6) The Displaced Homemakers Self-Sufficiency Assistance Act (29 U.S.C. 2301 et seq.).

(7) Section 211 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 211).

(8) Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), except subtitle B and section 738 of such title (42 U.S.C. 11431 et seq. and 11448).

(9) Section 201 of the National Literacy Act of 1991 (20 U.S.C. 1211–1).

(10) Section 304 of the National Literacy Act of 1991 (20 U.S.C. 1213c note).

(b) IMMEDIATE REPEAL OF HIGHER EDUCATION ACT OF 1965 PROVISIONS.—The following provisions of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) are repealed:

(1) Part B of title I (20 U.S.C. 1011 et seq.), relating to articulation agreements.

(2) Part C of title I (20 U.S.C. 1015 et seq.), relating to access and equity to education for all Americans through telecommunications.

(3) Title II (20 U.S.C. 1021 et seq.), relating to academic libraries and information services.

(4) Chapter 3 of subpart 2 of part A of title IV (20 U.S.C. 1070a–31 et seq.), relating to presidential access scholarships.

(5) Chapter 4 of subpart 2 of part A of title IV (20 U.S.C. 1070a–41 et seq.), relating to model program community partnerships and counseling grants.

(6) Section 409B (20 U.S.C. 1070a–52), relating to an early awareness information program.

(7) Chapter 8 of subpart 2 of part A of title IV (20 U.S.C. 1070a–81), relating to technical assistance for teachers and counselors.

(8) Subpart 8 of part A of title IV (20 U.S.C. 1070f), relating to special child care services for disadvantaged college students.

(9) Section 428J (20 U.S.C. 1078–10), relating to loan forgiveness for teachers, individuals performing national community service and nurses.

(10) Section 486 (20 U.S.C. 1093), relating to training in financial aid services.

(11) Subpart 1 of part H of title IV (20 U.S.C. 1099a et seq.) relating to State postsecondary review programs.

(12) Part A of title V (20 U.S.C. 1102 et seq.), relating to State and local programs for teacher excellence.

(13) Part B of title V (20 U.S.C. 1103 et seq.), relating to national teacher academies.

(14) Subpart 1 of part C of title V (20 U.S.C. 1104 et seq.), relating to Paul Douglas teacher scholarships.

(15) Subpart 3 of part C of title V (20 U.S.C. 1106 et seq.), relating to the teacher corps.

(16) Subpart 3 of part D of title V (20 U.S.C. 1109 et seq.), relating to class size demonstration grants.

(17) Subpart 4 of part D of title V (20 U.S.C. 1110 et seq.), relating to middle school teaching demonstration programs.

(18) Subpart 1 of part E of title V (20 U.S.C. 1111 et seq.), relating to new teaching careers.

(19) Subpart 1 of part F of title V (20 U.S.C. 1113), relating to the national mini corps programs.

(20) Section 586 (20 U.S.C. 1114), relating to demonstration grants for critical language and area studies.

(21) Section 587 (20 U.S.C. 1114a), relating to development of foreign languages and cultures instructional materials.

(22) Subpart 3 of part F of title V (20 U.S.C. 1115), relating to small State teaching initiatives.

(23) Subpart 4 of part F of title V (20 U.S.C. 1116), relating to faculty development grants.

(24) Section 597 and subsection (b) of section 599 (20 U.S.C. 1117a and 1117c), relating to early childhood staff training and professional enhancement.

(25) Section 605 (20 U.S.C. 1124a), relating to intensive summer language institutes.

(26) Section 607 (20 U.S.C. 1125a), relating to periodicals and other research material published outside the United States.

(27) Part A of title VII (20 U.S.C. 1132b et seq.), relating to improvement of academic and library facilities.

(28) Title VIII (20 U.S.C. 1133 et seq.), relating to cooperative education programs.

(29) Part A of title IX (20 U.S.C. 1134a et seq.), relating to grants to institutions and consortia to encourage women and minority participation in graduate education.

(30) Part B of title IX (20 U.S.C. 1134d et seq.), relating to the Patricia Roberts Harris fellowship program.

(31) Part E of title IX (20 U.S.C. 1134r et seq.), relating to the faculty development fellowship program.

(32) Part F of title IX (20 U.S.C. 1134s et seq.), relating to assistance for training in the legal profession.

(33) Subpart 2 of part B of title X (20 U.S.C. 1135c et seq.), relating to science and engineering access programs.

(34) Part C of title X (20 U.S.C. 1135e et seq.), relating to women and minorities science and engineering outreach demonstration programs.

(35) Part D of title X (20 U.S.C. 1135f), relating to the Dwight D. Eisenhower leadership program.

(c) IMMEDIATE REPEAL OF EDUCATION AMENDMENTS OF 1986 PROVISIONS.—The following provisions of the Higher Education Amendments of 1986 are repealed:

(1) Part D of title XIII (20 U.S.C. 1029 note), relating to library resources.

(2) Part E of title XIII (20 U.S.C. 1221–1 note), relating to a National Academy of Science study.

(3) Part B of title XV (20 U.S.C. 4441 et seq.), relating to Native Hawaiian and Alaska Native culture and art development.

(d) IMMEDIATE REPEAL OF EDUCATION AMENDMENTS OF 1974 PROVISION.—Section 519 of the Education Amendments of 1974 (20 U.S.C. 1221i) is repealed.

(e) IMMEDIATE REPEAL OF EDUCATION AMENDMENTS OF 1992 PROVISIONS.—The following provisions of the Higher Education Amendments of 1992 are repealed:

(1) Part F of title XIII (25 U.S.C. 3351 et seq.), relating to American Indian postsecondary economic development scholarships.

(2) Part G of title XIII (25 U.S.C. 3371), relating to American Indian teacher training.

(3) Section 1406 (20 U.S.C. 1221e–1 note), relating to a national survey of factors associated with participation.

(4) Section 1409 (20 U.S.C. 1132a note), relating to a study of environmental hazards in institutions of higher education.

(5) Section 1412 (20 U.S.C. 1101 note), relating to a national job bank for teacher recruitment.

(6) Part B of title XV (20 U.S.C. 1452 note), relating to a national clearinghouse for postsecondary education materials.

(7) Part C of title XV (20 U.S.C. 1101 note), relating to a school-based decisionmakers demonstration program.

(8) Part D of title XV (20 U.S.C. 1145h note), relating to grants for sexual offenses education.

(9) Part E of title XV (20 U.S.C. 1070 note), relating to Olympic scholarships.

(10) Part G of title XV (20 U.S.C. 1070a–11 note), relating to advanced placement fee payment programs.

(f) SUBSEQUENT REPEALS.—The following provisions are repealed:

(1) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(2) The Adult Education Act (20 U.S.C. 1201 et seq.).

(3) The School-to-Work Opportunities Act of 1994 (20 U.S.C. 6101 et seq.).

(4) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

SEC. 502. CONFORMING AMENDMENTS.

(a) REFERENCES TO SECTION 204 OF THE IMMIGRATION REFORM AND CONTROL ACT OF 1986.—The table of contents for the Immigration Reform and Control Act of 1986 is amended by striking the item relating to section 204 of such Act.

(b) REFERENCES TO TITLE II OF PUBLIC LAW 95–250.—Section 103 of Public Law 95–250 (16 U.S.C. 791) is amended—

(1) by striking the second sentence of subsection (a); and

(2) by striking the second sentence of subsection (b).

(c) REFERENCES TO LIBRARY SERVICES AND CONSTRUCTION ACT.—

(1) TECHNOLOGY FOR EDUCATION ACT OF 1994.—The Technology for Education Act of 1994 (20 U.S.C. 6801 et seq.) is amended in section 3113(10) by striking "section 3 of the Library Services and Construction Act;" and inserting "section 4 of the Workforce and Career Development Act of 1996;".

(2) OMNIBUS EDUCATION RECONCILIATION ACT OF 1981.—Section 528 of the Omnibus Education Reconciliation Act of 1981 (20 U.S.C. 3489) is amended—

(A) by striking paragraph (12); and

(B) by redesignating paragraphs (13) through (15) as paragraphs (12) through (14), respectively.

(3) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—Section 3113(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6813(10)) is amended by striking "section 3 of the Library Services and Construction Act" and inserting "section 213 of the Library Services and Technology Act".

(4) COMMUNITY IMPROVEMENT VOLUNTEER ACT OF 1994.—Section 7305 of the Community Improvement Volunteer Act of 1994 (40 U.S.C. 276d–3) is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

(5) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 214(c) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 214(c)) is amended by striking "Library Services and Construction Act;".

(6) DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT ACT OF 1966.—Section 208(2) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3338(2)) is amended by striking "title II of the Library Services and Construction Act;".

(7) PUBLIC LAW 87–688.—Subsection (c) of the first section of the Act entitled "An Act to extend the application of certain laws to American Samoa", approved September 25, 1962 (48 U.S.C. 1666(c)) is amended by striking "the Library Services Act (70 Stat. 293; 20 U.S.C. 351 et seq.),".

(8) COMMUNICATIONS ACT OF 1934.—Paragraph (4) of section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)(4)) is amended by striking "library not eligible for participation in State-based plans for funds under title III of the Library Services and Construction Act (20 U.S.C. 335c et seq.)" and inserting "library or library consortium not eligible for assistance from a State library administrative agency under the Library Services and Technology Act".

(d) REFERENCE TO SCHOOL DROPOUT ASSISTANCE ACT.—Section 441 of the General Education Provisions Act (42 U.S.C. 1232d), as amended by section 261(f) of the Improving America's Schools Act of 1994, is further amended by striking "(subject to the provisions of part C of title V of the Elementary and Secondary Education Act of 1965)".

(e) REFERENCES TO TITLE VII OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—

(1) TABLE OF CONTENTS.—The table of contents of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 1142 et seq.) is amended by striking the items relating to title VII of such Act, except subtitle B and section 738 of such title.

(2) TITLE 31, UNITED STATES CODE.—Section 6703(a) of title 31, United States Code, is amended—

(A) by striking paragraph (15); and

(B) by redesignating paragraphs (16) through (19) as paragraphs (15) through (18), respectively.

(f) REFERENCES TO INSTITUTE OF MUSEUM SERVICES.—

(1) TITLE 5, UNITED STATES CODE.—Section 5315 of title 5, United States Code, is amended by striking the following:

"Director of the Institute of Museum Services." and inserting the following:

"Director of the Institute of Museum and Library Services.".

(2) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Section 301 of the Department of Education Organization Act (20 U.S.C. 3441) is amended—

(A) in subsection (a)—

(i) by striking paragraph (5); and

(ii) by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively; and

(B) in subsection (b)—

(i) by striking paragraph (4); and

(ii) by redesignating paragraphs (5) through (7) as paragraphs (4) through (6), respectively.

(3) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) Sections 2101(b), 2205(c)(1)(D), 2208(d)(1)(H)(v), and 2209(b)(1)(C)(vi), and subsections (d)(6) and (e)(2) of section 10401 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6621(b), 6645(c)(1)(D), 6648(d)(1)(H)(v), 6649(b)(1)(C)(vi), and 8091 (d)(6) and (e)(2)) are amended by striking "the Institute of Museum Services" and inserting "the Institute of Museum and Library Services".

(B) Section 10412(b) of such Act (20 U.S.C. 8102(b)) is amended—

(i) in paragraph (2), by striking "the Director of the Institute of Museum Services," and inserting "the Director of the Institute of Museum and Library Services,"; and

(ii) in paragraph (7), by striking "the Director of the Institute of Museum Services," and inserting "the Director of the Institute of Museum and Library Services,".

(C) Section 10414(a)(2)(B) of such Act (20 U.S.C. 8104(a)(2)(B)) is amended by striking clause (iii) and inserting the following new clause:

"(iii) the Institute of Museum and Library Services.".

(g) REFERENCES TO OFFICE OF LIBRARIES AND LEARNING RESOURCES.—Section 413(b)(1) of the Department of Education Organization Act (20 U.S.C. 3473(b)(1)) is amended—

(1) by striking subparagraph (H); and

(2) by redesignating subparagraphs (I) through (M) as subparagraphs (H) through (L), respectively.

(h) REFERENCES TO STATE POSTSECONDARY REVIEW ENTITY PROGRAMS.—The Higher Education Act of 1965 is amended—

(1) in section 356(b)(2) (20 U.S.C. 10696(b)), by striking "II,";

(2) in section 453(c)(2) (20 U.S.C. 1087c(c)(2))—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) through (H) as subparagraphs (E) through (G), respectively;

(3) in section 487(a)(3) (20 U.S.C. 1094(a)(3)), by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively;

(4) in section 487(a)(15) (20 U.S.C. 1094(a)(15)), by striking "the Secretary of Veterans Affairs, and State review entities under subpart 1 of part H" and inserting "and the Secretary of Veterans Affairs";

(5) in section 487(a)(21) (20 U.S.C. 1094(a)(21)), by striking ", State postsecondary review entities,";

(6) in section 487(c)(1)(A)(i) (20 U.S.C. 1094(c)(1)(A)(i)), by striking "State agencies, and the State review entities referred to in subpart 1 of part H" and inserting "and State agencies";

(7) in section 487(c)(4) (20 U.S.C. 1094(c)(4)), by striking ", after consultation with each State review entity designated under subpart 1 of part H,";

(8) in section 487(c)(5) (20 U.S.C. 1094(c)(5)), by striking "State review entities designated under subpart 1 of part H,";

(9) in section 496(a)(7) (20 U.S.C. 1099b(a)(7)), by striking "and the appropriate State postsecondary review entity";

(10) in section 496(a)(8) (20 U.S.C. 1099b(a)(8)), by striking "and the State postsecondary review entity of the State in which the institution of higher education is located";

(11) in section 498(g)(2) (20 U.S.C. 1099c(g)(2)), by striking everything after the first sentence;

(12) in section 498A(a)(2)(D) (20 U.S.C. 1099c–1(a)(2)(D)), by striking "by the appropriate State postsecondary review entity designated under subpart 1 of this part or";

(13) in section 498A(a)(2) (20 U.S.C. 1099c–1(a)(2))—

(A) by inserting "and" after the semicolon at the end of subparagraph (E);

(B) by striking subparagraph (F); and

(C) by redesignating subparagraph (G) as subparagraph (F); and

(14) in section 498A(a)(3) (20 U.S.C. 1099c–1(a)(3))—

(A) by inserting "and" after the semicolon at the end of subparagraph (C);

(B) by striking "; and" at the end of subparagraph (D) and inserting a period; and

(C) by striking subparagraph (E).

(i) REFERENCES TO CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.—

(1) IMMIGRATION AND NATIONALITY ACT.—Section 245A(h)(4)(C) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(C)) is amended by striking "Vocational Education Act of 1963" and inserting "Workforce and Career Development Act of 1996".

(2) NATIONAL DEFENSE AUTHORIZATION ACT.—Section 4461 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended—

(A) by striking paragraph (4); and

(B) by redesignating paragraphs (5) and (6) as paragraphs (4) and (5), respectively.

(3) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 626(g) of the Individuals with Disabilities Education Act (20 U.S.C. 1425(g)) is amended—

(A) by striking "1973," and inserting "1973 and"; and

(B) by striking ", and the Carl D. Perkins Vocational and Applied Technology Education Act".

(4) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended—

(A) in section 1114(b)(2)(C)(v) (20 U.S.C. 6314(b)(2)(C)(v)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act," and inserting "Workforce and Career Development Act of 1996";

(B) in section 9115(b)(5) (20 U.S.C. 7815(b)(5)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Workforce and Career Development Act of 1996";

(C) in section 14302(a)(2) (20 U.S.C. 8852(a)(2))—

(i) by striking subparagraph (C); and

(ii) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E), respectively; and

(D) in the matter preceding subparagraph (A) of section 14307(a)(1) (20 U.S.C. 8857(a)(1)), by striking "Carl D. Perkins Vocational and Applied Technology Education Act" and inserting "Workforce and Career Development Act of 1996".

(5) EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.—Section 533(c)(4)(A) of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note) is amended by striking "(20 U.S.C. 2397h(3)" and inserting ", as such section was in effect on the day preceding the date of enactment of the Workforce and Career Development Act of 1996".

(6) IMPROVING AMERICA'S SCHOOLS ACT OF 1994.—Section 563 of the Improving America's Schools Act of 1994 (20 U.S.C. 6301 note) is amended by striking "the date of enactment of an Act reauthorizing the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)" and inserting "July 1, 1998".

(7) INTERNAL REVENUE CODE OF 1986.—Section 135(c)(3)(B) of the Internal Revenue Code of 1986 (26 U.S.C. 135(c)(3)(B)) is amended—

(A) by striking "subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act" and inserting "subparagraph (C) or (D) of section 4(4) of the Workforce and Career Development Act of 1996"; and

(B) by striking "any State (as defined in section 521(27) of such Act)" and inserting "any State or outlying area (as the terms 'State' and 'outlying area' are defined in section 4 of such Act)".

(8) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 214(c) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App. 214(c)) (as amended by subsection (c)(5)) is further amended by striking "Carl D. Perkins Vocational Education Act" and inserting "Workforce and Career Development Act of 1996".

(9) VOCATIONAL EDUCATION AMENDMENTS OF 1968.—Section 104 of the Vocational Education Amendments of 1968 (82 Stat. 1091) is amended by striking "section 3 of the Carl D. Perkins Vocational Education Act" and inserting "the Workforce and Career Development Act of 1996".

(10) OLDER AMERICANS ACT OF 1965.—The Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) is amended—

(A) in section 502(b)(1)(N)(i) (42 U.S.C. 3056(b)(1)(N)(i)), by striking "or the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)"; and

(B) in section 505(d)(2) (42 U.S.C. 3056c(d)(2))—

(i) by striking "the Secretary of Education" and inserting "the Secretaries (as defined in section 4 of the Workforce and Career Development Act of 1996)";

(ii) by striking "employment and training programs" and inserting "workforce and career development activities"; and

(iii) by striking "the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.)" and inserting "the Workforce and Career Development Act of 1996".

(j) REFERENCES TO ADULT EDUCATION ACT.—

(1) REFUGEE EDUCATION ASSISTANCE ACT.—Subsection (b) of section 402 of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is repealed.

(2) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) SECTION 1202 OF ESEA.—Section 1202(c)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)(1)) is amended by striking "Adult Education Act" and inserting "Workforce and Career Development Act of 1996".

(B) SECTION 1205 OF ESEA.—Section 1205(8)(B) of such Act (20 U.S.C. 6365(8)(B)) is amended by striking "Adult Education Act" and inserting "Workforce and Career Development Act of 1996".

(C) SECTION 1206 OF ESEA.—Section 1206(a)(1)(A) of such Act (20 U.S.C. 6366(a)(1)(A)) is amended by striking "an adult basic education program under the Adult Education Act" and inserting "adult education and literacy activities under the Workforce and Career Development Act of 1996".

(D) SECTION 3113 OF ESEA.—Section 3113(1) of such Act (20 U.S.C. 6813(1)) is amended by striking "section 312 of the Adult Education Act" and inserting "section 4 of the Workforce and Career Development Act of 1996".

(E) SECTION 9161 OF ESEA.—Section 9161(2) of such Act (20 U.S.C. 7881(2)) is amended by striking "section 312(2) of the Adult Education Act" and inserting "section 4 of the Workforce and Career Development Act of 1996".

(3) OLDER AMERICANS ACT OF 1965.—Section 203(b)(8) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)(8)) is amended by striking "Adult Education Act" and inserting "Workforce and Career Development Act of 1996".

(k) REFERENCES TO SCHOOL-TO-WORK OPPORTUNITIES ACT OF 1994.—

(1) SECTION 1114 OF ESEA.—Section 1114(b)(2)(C)(v) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6314(b)(2)(C)(v)) (as amended in subsection (i)(4)(A)) is further amended by striking "the School-to-Work Opportunities Act of 1994,".

(2) SECTION 5204 OF ESEA.—Section 5204 of such Act (20 U.S.C. 7234) is amended—

(A) by striking paragraph (4); and

(B) by redesignating paragraphs (5) through (7) as paragraphs (4) through (6), respectively.

(3) SECTION 9115 OF ESEA.—Section 9115(b)(5) of such Act (20 U.S.C. 7815(b)(5)) (as amended in subsection (i)(4)(B)) is further amended by striking "the School-to-Work Opportunities Act of 1994 and".

(4) SECTION 14302 OF ESEA.—Section 14302(a)(2) of such Act (20 U.S.C. 8852(a)(2)) (as amended in subsection (i)(4)(C)) is further amended—

(A) in subparagraph (C) (as redesignated in such subsection), by striking the semicolon and inserting "; and";

(B) by striking subparagraph (D) (as redesignated in such subsection); and

(C) by redesignating subparagraph (E) (as redesignated in such subsection) as subparagraph (D).

(5) SECTION 14307 OF ESEA.—Section 14307(a)(1) of such Act (20 U.S.C. 8857(a)(1)) (as amended in subsection (i)(4)(D)) is further amended by striking ", the School-to-Work Opportunities Act of 1994,".

(6) SECTION 14701 OF ESEA.—Section 14701(b)(1) of such Act (20 U.S.C. 8941(b)(1)) is amended—

(A) in subparagraph (B)(ii), by striking ", and the School-to-Work Opportunities Act of 1994, and be coordinated with evaluations of such Acts" and inserting "and be coordinated with evaluations of such Act"; and

(B) in subparagraph (C)(ii), by striking ", the School-to-Work Opportunities Act of 1994,".

(l) REFERENCES TO JOB TRAINING PARTNERSHIP ACT.—

(1) TITLE 5, UNITED STATES CODE.—Section 3502(d) of title 5, United States Code, is amended—

(A) in paragraph (3)—

(i) in subparagraph (A), by striking clause (i) and inserting the following:

"(i) the Governor of the appropriate State; and"; and

(ii) in subparagraph (B)(iii), by striking "other services under the Job Training Partnership Act" and inserting "other workforce and career development activities under the Workforce and Career Development Act of 1996"; and

(B) in paragraph (4), in the second sentence, by striking "Secretary of Labor on matters relating to the Job Training Partnership Act" and inserting "the Secretaries (as defined in section 4 of the Workforce and Career Development Act of 1996) on matters relating to such Act".

(2) FOOD STAMP ACT OF 1977.—

(A) SECTION 5.—Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking "Notwithstanding section 142(b) of the Job Training Partnership Act (29 U.S.C. 1552(b)), earnings to individuals participating in on-the-job training programs under section 204(b)(1)(C) or section 264(c)(1)(A) of the Job Training Partnership Act" and inserting "Earnings to individuals participating in on-the-job training under the Workforce and Career Development Act of 1996".

(B) SECTION 6.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended—

(i) in subsection (d)(4)(N), by striking "the State public employment offices and agencies operating programs under the Job Training Partnership Act" and inserting "the State public employment offices and other State agencies and providers providing employment and training activities under the Workforce and Career Development Act of 1996"; and

(ii) in subsection (e)(3), by striking subparagraph (A) and inserting the following:

"(A) a program relating to employment and training activities carried out under the Workforce and Career Development Act of 1996;".

(C) SECTION 17.—The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended—

(i) by striking "to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812)," and inserting "to accept an offer of employment from a service provider carrying out employment and training activities through a program carried out under the Workforce and Career Development Act of 1996,"; and

(ii) by striking ": Provided, That all of the political subdivision's" and all that follows and inserting ", if all of the jobs supported under the program have been made available to participants in the program before the service provider providing the jobs extends an offer of employment under this paragraph, and if the service provider, in employing the person, complies with the requirements of Federal law that relate to the program.".

(3) IMMIGRATION AND NATIONALITY ACT.—Section 245A(h)(4)(F) of the Immigration and Nationality Act (8 U.S.C. 1255a(h)(4)(F)) is amended by striking "The Job Training Partnership Act." and inserting "The Workforce and Career Development Act of 1996.".

(4) REFUGEE EDUCATION ASSISTANCE ACT OF 1980.—Section 402(a)(4) of the Refugee Education Assistance Act of 1980 (8 U.S.C. 1522 note) is amended by striking "the Comprehensive Employment and Training Act of 1973" and inserting "the Workforce and Career Development Act of 1996".

(5) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1993.—

(A) SECTION 3161.—Section 3161(c)(6) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(6)) is amended by striking subparagraph (A) and inserting the following:

"(A) programs carried out by the Secretaries (as defined in section 4 of the Workforce and Career Development Act of 1996) under such Act;".

(B) SECTION 4461.—Section 4461(1) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking "The Job Training Partnership Act (29 U.S.C. 1501 et seq.)." and inserting "The Workforce and Career Development Act of 1996.".

(C) SECTION 4471.—Section 4471 of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 2501 note) is amended—

(i) in subsection (d)(2), by striking "the State dislocated" and all that follows through "and the chief" and inserting "the Governor of the appropriate State and the chief";

(ii) in subsection (e)—

(I) in the first sentence, by striking "for training, adjustment assistance, and employment services" and all that follows through "except where" and inserting "to participate in employment and training activities carried out under the Workforce and Career Development Act of 1996, except in a case in which"; and

(II) by striking the second sentence; and

(iii) in subsection (f)—

(I) in paragraph (3)—

(aa) in subparagraph (B), by striking "the State dislocated" and all that follows through "and the chief" and inserting "the Governor of the appropriate State and the chief"; and

(bb) in subparagraph (C), by striking "grantee under section 325(a) or 325A(a)" and all that follows through "employment services" and inserting "recipient of assistance under the Workforce and Career Development Act of 1996 providing employment and training activities"; and

(II) in paragraph (4), by striking "for training," and all that follows through "beginning" and inserting "to participate in employment and training activities under the Workforce and Career Development Act of 1996 beginning".

(D) SECTION 4492.—Section 4492(b) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143 note) is amended by striking "the Job Training Partnership Act" and inserting "the Workforce and Career Development Act of 1996".

(6) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991.—Section 4003(5)(C) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2391 note) is amended by inserting before the period the following: ", as in effect on the day before the date of the enactment of the Workforce and Career Development Act of 1996".

(7) NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1994.—Section 1333(c)(2)(B) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2701 note) is amended by striking "Private industry councils (as described in section 102 of the Job Training Partnership Act (29 U.S.C. 1512))." and inserting "Local workforce development boards established under section 108 of the Workforce and Career Development Act of 1996.".

(8) SMALL BUSINESS ACT.—The fourth sentence of section 7(j)(13)(E) of the Small Business Act (15 U.S.C. 636(j)(13)(E)) is amended by striking "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce and Career Development Act of 1996".

(9) EMPLOYMENT ACT OF 1946.—Section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)) is amended by striking "and include these in the annual Employment and Training Report of the President required under section 705(a) of the Comprehensive Employment and Training Act of 1973 (hereinafter in this Act referred to as 'CETA')" and inserting "and prepare and submit to the President an annual report containing the recommendations".

(10) FULL EMPLOYMENT AND BALANCED GROWTH ACT OF 1978.—

(A) SECTION 206.—Section 206 of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3116) is amended—

(i) in subsection (b)—

(I) in the matter preceding paragraph (1), by striking "CETA" and inserting "the Workforce and Career Development Act of 1996"; and

(II) in paragraph (1), by striking "(including use of section 110 of CETA when necessary)"; and

(ii) in subsection (c)(1), by striking "CETA" and inserting "activities carried out under the Workforce and Career Development Act of 1996".

(B) SECTION 401.—Section 401(d) of the Full Employment and Balanced Growth Act of 1978 (15 U.S.C. 3151(d)) is amended by striking "include, in the annual Employment and Training Report of the President provided under section 705(a) of CETA," and inserting "include, in the annual report referred to in section 4(f)(2)(B) of the Employment Act of 1946 (15 U.S.C. 1022a(f)(2)(B)),".

(11) TITLE 18, UNITED STATES CODE.—Subsections (a), (b), and (c) of section 665 of title 18, United States Code are amended by striking "the Comprehensive Employment and Training Act or the Job Training Partnership Act" and inserting "the Workforce and Career Development Act of 1996".

(12) TRADE ACT OF 1974.—Section 239(e) of the Trade Act of 1974 (19 U.S.C. 2311(e)) is amended by striking "under title III of the Job Training Partnership Act" and inserting "made available under the Workforce and Career Development Act of 1996".

(13) HIGHER EDUCATION ACT.—Section 480(b)(14) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(b)(14)) is amended by striking "Job Training Partnership Act noneducational benefits" and inserting "benefits received through participation in employment and training activities under the Workforce and Career Development Act of 1996".

(14) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Section 626 of the Individuals with Disabilities Education Act (20 U.S.C. 1425) is amended—

(A) in the first sentence of subsection (a), by striking "(including the State job training coordinating councils and service delivery area administrative entities established under the Job Training Partnership Act)" and inserting "(including the individuals and entities participating in the State collaborative process under subsection (a) or (b) of section 105 of the Workforce and Career Development Act of 1996 and local workforce development boards established under section 108 of such Act)";

(B) in subsection (e)—

(i) in paragraphs (3)(C) and (4)(A)(iii), by striking "local Private Industry Councils (PICS) authorized by the Job Training Partnership Act (JTPA)," and inserting "local workforce development boards established under section 108 of the Workforce and Career Development Act of 1996,"; and

(ii) in clauses (iii), (iv), (v), and (vii) of paragraph (4)(B), by striking "PICS authorized by the JTPA" and inserting "local workforce development boards established under section 108 of the Workforce and Career Development Act of 1996"; and

(C) in subsection (g) (as amended by subsection (i)(3)), by striking "the Job Training Partnership Act (JTPA)" and inserting "the Workforce and Career Development Act of 1996".

(15) DEPARTMENT OF EDUCATION ORGANIZATION ACT.—Subsection (a) of section 302 of the Department of Education Organization Act (20 U.S.C. 3443(a)) (as redesignated in section 271(a)(2) of the Improving America's Schools Act of 1994) is amended by striking "under section 303(c)(2) of the Comprehensive Employment and Training Act" and inserting "relating to such education".

(16) NATIONAL SKILL STANDARDS ACT OF 1994.—

(A) SECTION 504.—Section 504(c)(3) of the National Skill Standards Act of 1994 (20 U.S.C. 5934(c)(3)) is amended by striking "the Capacity Building and Information and Dissemination Network established under section 453(b) of the Job Training Partnership Act (29 U.S.C. 1733(b)) and".

(B) SECTION 508.—Section 508(1) of the National Skill Standards Act of 1994 (20 U.S.C. 5938(1)) is amended to read as follows:

"(1) COMMUNITY-BASED ORGANIZATION.—The term 'community-based organization' means a private nonprofit organization of demonstrated effectiveness that is representative of a community or a significant segment of a community and that provides workforce and career development activities, as defined in section 4 of the Workforce and Career Development Act of 1996.".

(17) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—

(A) SECTION 1205.—Section 1205(8)(B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365(8)(B)) (as amended by subsection (j)(2)(B)) is further amended by striking ", the Individuals with Disabilities Education Act, and the Job Training Partnership Act" and inserting "and the Individuals with Disabilities Education Act".

(B) SECTION 1414.—Section 1414(c)(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6434(c)(8)) is amended by striking "programs under the Job Training Partnership Act," and inserting "activities under the Workforce and Career Development Act of 1996,".

(C) SECTION 1423.—Section 1423(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6453(9)) is amended by striking "programs under the Job Training and Partnership Act" and inserting "activities under the Workforce and Career Development Act of 1996".

(D) SECTION 1425.—Section 1425(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6455(9)) is amended by striking ", such as funds under the Job Training Partnership Act," and inserting ", such as funds made available under the Workforce and Career Development Act of 1996,".

(18) FREEDOM SUPPORT ACT.—The last sentence of section 505 of the FREEDOM Support Act (22 U.S.C. 5855) is amended by striking ", through the Defense Conversion" and all that follows through "or through" and inserting "or through".

(19) INTERNAL REVENUE CODE OF 1986.—

(A) SECTION 42.—Section 42(i)(3)(D)(i)(II) of the Internal Revenue Code of 1986 is amended by striking "assistance under" and all that follows through "or under" and inserting "assistance under the Workforce and Career Development Act of 1996 or under".

(B) SECTION 51.—Section 51(d) of the Internal Revenue Code of 1986 is amended by striking paragraph (10).

(C) SECTION 6334.—Section 6334(d)(12) of the Internal Revenue Code of 1986 is amended to read as follows:

"(12) ASSISTANCE UNDER THE WORKFORCE AND CAREER DEVELOPMENT ACT OF 1996.—Any amount payable to a participant in workforce and career development activities carried out under the Workforce and Career Development Act of 1996 from funds appropriated under such Act.".

(20) EMERGENCY JOBS AND UNEMPLOYMENT ASSISTANCE ACT OF 1974.—

(A) SECTION 204.—Section 204(b) of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended by striking "designate as an area" and all that follows and inserting "designate as an area under this section an area that is a local workforce development area under the Workforce and Career Development Act of 1996.".

(B) SECTION 223.—Section 223 of the Emergency Jobs and Unemployment Assistance Act of 1974 (26 U.S.C. 3304 note) is amended—

(i) in paragraph (3), by striking "assistance provided" and all that follows and inserting "assistance provided under the Workforce and Career Development Act of 1996;"; and

(ii) in paragraph (4), by striking "funds provided" and all that follows and inserting "funds provided under the Workforce and Career Development Act of 1996;".

(21) REHABILITATION ACT.—Section 612(b) of the Rehabilitation Act of 1973 (29 U.S.C. 795a(b)) is amended by striking "the Job Training Partnership Act" and inserting "the Workforce and Career Development Act of 1996".

(22) JOB TRAINING REFORM AMENDMENTS OF 1992.—Section 701 of the Job Training Reform Amendments of 1992 (29 U.S.C. 1501 note) is repealed.

(23) PUBLIC LAW 98–524.—Section 7 of Public Law 98–524 (29 U.S.C. 1551 note) is repealed.

(24) VETERANS' BENEFITS AND PROGRAMS IMPROVEMENT ACT OF 1988.—Section 402 of the Veterans' Benefits and Programs Improvement Act of 1988 (29 U.S.C. 1721 note) is amended—

(A) in subsection (a), by striking "title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.)" and inserting "the Workforce and Career Development Act of 1996";

(B) in subsection (c), by striking "Training, in consultation with the office designated or created under section 322(b) of the Job Training Partnership Act," and inserting "Training"; and

(C) in subsection (d)—

(i) in paragraph (1), by striking "under—" and all that follows through "the Veterans'" and inserting "under the Veterans'"; and

(ii) in paragraph (2), by striking "Employment and training" and all that follows and inserting "Employment and training activities under the Workforce and Career Development Act of 1996.".

(25) VETERANS' JOB TRAINING ACT.—

(A) SECTION 13.—Section 13(b) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking "assistance under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "assistance under the Workforce and Career Development Act of 1996".

(B) SECTION 14.—Section 14(b)(3)(B)(i)(II) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended by striking "under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "under the Workforce and Career Development Act of 1996".

(C) SECTION 15.—Section 15(c)(2) of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(i) in the second sentence, by striking "part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce and Career Development Act of 1996"; and

(ii) in the third sentence, by striking "title III of".

(26) WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT.—Section 3(a)(2) of the Worker Adjustment and Retraining Notification Act (29 U.S.C. 2102(a)(2)) is amended by striking "to the State" and all that follows through "and the chief" and inserting "to the Governor of the appropriate State and the chief".

(27) TITLE 31, UNITED STATES CODE.—Section 6703(a) of title 31, United States Code, is amended by striking paragraph (4) and inserting the following:

"(4) Activities under the Workforce and Career Development Act of 1996.".

(28) VETERANS' REHABILITATION AND EDUCATION AMENDMENTS OF 1980.—Section 512 of the Veterans' Rehabilitation and Education Amendments of 1980 (38 U.S.C. 4101 note) is amended by striking "the Comprehensive Employment and Training Act (29 U.S.C. et seq.)," and inserting "the Workforce and Career Development Act of 1996,".

(29) TITLE 38, UNITED STATES CODE.—

(A) SECTION 4102A.—Section 4102A(d) of title 38, United States Code, is amended by striking "the Job Training Partnership Act" and inserting "the Workforce and Career Development Act of 1996".

(B) SECTION 4103A.—Section 4103A(c)(4) of title 38, United States Code, is amended by striking "(including part C of title IV of the Job Training Partnership Act (29 U.S.C. 1501 et seq.))".

(C) SECTION 4213.—Section 4213 of title 38, United States Code, is amended by striking "any employment or training program assisted under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)," and inserting "any employment and training activity carried out under the Workforce and Career Development Act of 1996,".

(30) UNITED STATES HOUSING ACT.—Section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) is amended—

(A) in subsection (b)(2)(A), by striking "the Job Training" and all that follows through "or the" and inserting "the Workforce and Career Development Act of 1996 or the";

(B) in the first sentence of subsection (f)(2), by striking "programs under the" and all that follows through "and the" and inserting "activities under the Workforce and Career Development Act of 1996 and the"; and

(C) in subsection (g)—

(i) in paragraph (2), by striking "programs under the" and all that follows through "and the" and inserting "activities under the Workforce and Career Development Act of 1996 and the"; and

(ii) in paragraph (3)(H), by striking "program under" and all that follows through "and any other" and inserting "activity under the Workforce and Career Development Act of 1996 and any other".

(31) HOUSING ACT OF 1949.—Section 504(c)(3) of the Housing Act of 1949 (42 U.S.C. 1474(c)(3)) is amended by striking "pursuant to" and all that follows through "or the" and inserting "pursuant to the Workforce and Career Development Act of 1996 or the".

(32) OLDER AMERICANS ACT OF 1965.—

(A) SECTION 203.—Section 203 of the Older Americans Act of 1965 (42 U.S.C. 3013) is amended—

(i) in subsection (a)(2), by striking the last sentence and inserting the following: "In particular, the Secretary of Labor and the Secretary of Education shall consult and cooperate with the Assistant Secretary in carrying out the Workforce and Career Development Act of 1996."; and

(ii) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) the Workforce and Career Development Act of 1996,".

(B) SECTION 502.—Section 502 of the Older Americans Act of 1965 (42 U.S.C. 3056) is amended—

(i) in subsection (b)(1)(N)(i) (as amended by subsection (i)(10)(A)), by striking "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce and Career Development Act of 1996"; and

(ii) in subsection (e)(2)(C), by striking "programs carried out under section 124 of the Job Training Partnership Act (29 U.S.C. 1534)" and inserting "employment and training activities carried out under the Workforce and Career Development Act of 1996".

(C) SECTION 503.—Section 503(b)(1) of the Older Americans Act of 1965 (42 U.S.C. 3056a(b)(1)) is amended by striking "the Job Training Partnership Act," each place it appears and inserting "the Workforce and Career Development Act of 1996,".

(D) SECTION 510.—Section 510 of the Older Americans Act of 1965 (42 U.S.C. 3056h) is amended by striking "the Job Training Partnership Act, eligible individuals shall be deemed to satisfy the requirements of sections 203 and 204(d)(5)(A) of such Act (29 U.S.C. 1603, 1604(d)(5)(A))" and inserting "the Workforce and Career Development Act of 1996, eligible individuals shall be deemed to satisfy the requirements of such Act".

(33) OMNIBUS CRIME CONTROL AND SAFE STREETS ACT OF 1968.—Section 1801(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796ee(b)(3)) is amended by striking "activities carried out under part B of title IV of the Job Training Partnership Act (relating to Job Corps) (29 U.S.C. 1691 et seq.)" and inserting "activities carried out under subtitle C of title II of the Workforce and Career Development Act of 1996".

(34) ENVIRONMENTAL PROGRAMS ASSISTANCE ACT OF 1984.—The second sentence of section 2(a) of the Environmental Programs Assistance Act of 1984 (42 U.S.C. 4368a(a)) is amended by striking "and title IV of the Job Training Partnership Act" and inserting "and the Workforce and Career Development Act of 1996".

(35) DOMESTIC VOLUNTEER SERVICE ACT OF 1973.—

(A) SECTION 103.—The second sentence of section 103(d) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4953(d)) is amended to read as follows: "Whenever feasible, such efforts shall be coordinated with a local workforce development board established under section 108 of the Workforce and Career Development Act of 1996.".

(B) SECTION 109.—Subsections (c)(2) and (d)(2) of section 109 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4959) is amended by striking "administrative entities designated to administer job training plans under the Job Training Partnership Act" and inserting "eligible providers of training services, as defined in section 4 of the Workforce and Career Development Act of 1996".

(36) AGE DISCRIMINATION ACT OF 1975.—Section 304(c)(1) of the Age Discrimination Act of 1975 (42 U.S.C. 6103(c)(1)) is amended by striking "the Comprehensive Employment and Training Act of 1974 (29 U.S.C. 801, et seq.), as amended," and inserting "the Workforce and Career Development Act of 1996".

(37) ENERGY CONSERVATION AND PRODUCTION ACT.—Section 414(b)(3) of the Energy Conservation and Production Act (42 U.S.C. 6864(b)(3)) is amended by striking "the Comprehensive Employment and Training Act of 1973" and inserting "the Workforce and Career Development Act of 1996".

(38) NATIONAL ENERGY CONSERVATION POLICY ACT.—Section 233 of the National Energy Conservation Policy Act (42 U.S.C. 6873) is amended, in the matter preceding paragraph (1), by striking "the Comprehensive Employment and Training Act of 1973" and inserting "the Workforce and Career Development Act of 1996".

(39) COMMUNITY ECONOMIC DEVELOPMENT ACT OF 1981.—Section 617(a)(3) of the Community Economic Development Act of 1981 (42 U.S.C. 9806(a)(3)) is amended by striking "activities such as those described in the Comprehensive Employment and Training Act" and inserting "employment and training activities described

in the Workforce and Career Development Act of 1996".

(40) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Section 103(b)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302(b)(2)) is amended by striking "the Job Training Partnership Act" and inserting "the Workforce and Career Development Act of 1996".

(41) NATIONAL AND COMMUNITY SERVICE ACT OF 1990.—

(A) SECTION 177.—Section 177(d) of the National and Community Service Act of 1990 (42 U.S.C. 12637(d)) is amended to read as follows:

"(d) TREATMENT OF BENEFITS.—Allowances, earnings, and payments to individuals participating in programs that receive assistance under this title shall not be considered to be income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).".

(B) SECTION 198C.—Section 198C of the National and Community Service Act of 1990 (42 U.S.C. 12653c) is amended—

(i) in subsection (b)(1), by striking "a military installation described in section 325(e)(1) of the Job Training Partnership Act (29 U.S.C. 1662d(e)(1))." and inserting "a military installation being closed or realigned under—

"(A) the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note); and

"(B) title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note)."; and

(ii) in subsection (e)(1)(B), by striking clause (iii) and inserting the following:

"(iii) an at-risk youth (as defined in section 4 of the Workforce and Career Development Act of 1996).".

(C) SECTION 199L.—Section 199L(a) of the National and Community Service Act of 1990 (42 U.S.C. 12655m(a)) is amended by striking "the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "the Workforce and Career Development Act of 1996".

(42) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—

(A) SECTION 454.—Subparagraphs (H) and (M) of subsection (c)(2), and subsection (d)(7), of section 454 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899c) are amended by striking "the Job Training Partnership Act" and inserting "the Workforce and Career Development Act of 1996".

(B) SECTION 456.—The first sentence of section 456(e) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899e(e)) is amended by inserting "(as in effect on the day before the date of the enactment of the Workforce and Career Development Act of 1996)" after "the Job Training Partnership Act" each place it appears.

(43) VIOLENT CRIME CONTROL AND LAW ENFORCEMENT ACT OF 1994.—Section 31113(a)(4)(C) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13823(a)(4)(C)) is amended by striking "authorized under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)" and inserting "or employment and training activities authorized under the Workforce and Career Development Act of 1996".

SEC. 503. EFFECTIVE DATES.

(a) REPEALS.—

(1) IMMEDIATE REPEALS.—The repeals made by subsections (a) through (e) of section 501 shall take effect on the date of the enactment of this Act.

(2) SUBSEQUENT REPEALS.—The repeals made by section 501(f) shall take effect on July 1, 1998.

(b) CONFORMING AMENDMENTS.—

(1) IMMEDIATELY EFFECTIVE AMENDMENTS.—The amendments made by subsections (a) through (h) of section 502 shall take effect on the date of the enactment of this Act.

(2) SUBSEQUENTLY EFFECTIVE AMENDMENTS.—The amendments made by subsections (i) through (l) of section 502 shall take effect on July 1, 1998.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the Senate to the title of the bill, insert the following: "An Act to consolidate Federal employment, education, and job training programs and create statewide workforce and career development systems, and for other purposes.".

And the Senate agree to the same.

BILL GOODLING,
STEVE GUNDERSON,
RANDY "DUKE" CUNNINGHAM,
HOWARD P. "BUCK" MCKEON,
FRANK D. RIGGS,
LINDSEY GRAHAM,
MARK SOUDER,
Managers on the Part of the House.

NANCY LANDON KASSEBAUM,
JIM JEFFORDS,
DAN COATS,
JUDD GREGG,
BILL FRIST,
MIKE DEWINE,
JOHN ASHCROFT,
SPENCER ABRAHAM,
SLADE GORTON,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1617) to consolidate and reform workforce development and literacy programs, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

STATEMENT OF MANAGERS

GENERAL

Short title

1. The House bill is referred to as the CAREERS Act. The Senate amendment is referred to as the Workforce Development Act of 1995.

The House recedes with an amendment naming the bill the "Workforce and Career Development Act of 1996".

Table of contents

2. Both the House bill and the Senate amendment contain a table of contents.

Legislative counsel.

Findings

3. The Senate amendment provides findings on the failures of the existing Federal job training system. The House bill contains no findings, except those for title IV, Adult Education and Literacy Programs. (See next Note.)

The Senate recedes.

3a. The House bill provides findings on the importance of improving literacy.

The House recedes.

Purpose

4. The House bill provides one purpose for the Act—to transform existing programs into a more effective system. The Senate amendment contains three purposes: (1) to create statewide workforce development systems, (2) to improve skills, and (3) to promote economic development.

The Senate recedes with an amendment combining the purposes of both bills.

4a. The House bill contains additional purposes for the youth development and career preparation, adult employment and training, and adult education and literacy titles.

The House recedes.

Authorizations

5. The House bill provides authorizations of (1) $2,324,600,000 for the youth development grant, (2) $2,183,000,000 for the adult training grant, and (3) $280,000,000 for the adult education and literacy grant. The Senate amendment provides for an authorization of $5,884,000,000 for workforce development for fiscal year 1996 and 1997 (which includes funds made available under the Wagner-Peyser Act). The Senate amendment also provides for an authorization of $2,100,000,000 for Job Corps and at-risk youth, and $500,000 for transition to the Federal Partnership.

The Senate recedes with an amendment authorizing "such sums" for a single workforce and career development block grant and "such sums" for Job Corps.

5a. The House bill authorizes funds from fiscal year 1997–2002. The Senate amendment authorizes funds from fiscal year 1998–2001, except that for fiscal years 1996 and 1997, $500,000 is authorized for the National Board.

The Senate recedes with an amendment authorizing appropriations beginning in fiscal year 1998 through fiscal year 2002.

6. Both the House bill and the Senate amendment provide for program years beginning on July 1 each fiscal year.

The House recedes.

7. Both the House bill and the Senate amendment allow funds obligated for any program year to be expended by the recipient during the program year and 2 years thereafter. However, the House bill requires the Secretary to reallot a portion of the unexpended funds. Under the Senate amendment, no amount can be deobligated if the rate of expenditure is consistent with the State's plan.

The House recedes with an amendment authorizing carryover of funds for employment and training and at-risk youth activities for up to two years.

Definitions

8. The House bill, but not the Senate amendment, includes a definition of "administration," which applies only to the youth grant.

The House recedes.

9. Both the House bill and the Senate amendment definitions of "adult" differ in the calculation of age and whether or not an individual is required to be enrolled in a secondary school. In addition, the Senate amendment's definition of "adult" applies only to the definition of adult education programs.

The House and Senate recede.

10. The House bill and the Senate amendment have similar definitions of "adult education," but the House bill includes in the definition instruction for adults who are not enrolled or not required to be enrolled in school and who lack mastery of basic skills.

The Senate recedes with an amendment combining the definition of "adult education" in both bills.

11. The House bill, but not the Senate amendment, includes a definition of "all aspects of the industry," which applies only to the youth grant.

The Senate recedes with an amendment to modify the definition of "all aspects of the industry".

12. The Senate amendment, but not the House bill, defines "appropriate Secretary" to mean either the Secretary of labor, the Secretary of Education, or both Secretaries acting jointly.

The House recedes.

13. Both the House bill and the Senate amendment include similar definitions of "area vocational education school." The Senate amendment includes technical institutions on vocational schools, but only if the institute or school admits both individuals who have finished secondary school and who have left secondary school. The House bill requires that the department or division of a junior college, community college, or university operate under the policies of the State board.

The Senate recedes with an amendment replacing the reference to "State board" with "eligibility agency".

14. The House bill, but not the Senate amendment, includes a definition of "articulation agreement," which applies only to the youth grant.

The House recedes.

15. The House bill and the Senate amendment differ in the definition of "at-risk youth". For example, the House bill defines "at-risk youth" as including both out-of-school and in-school youth. The Senate amendment defines "at-risk youth" in terms of low income.

The House recedes with an amendment defining "at-risk youth" as an individual who is between the ages of 15 and 21, is low-income, and who has additional barriers to education or employment.

15a. The Senate amendment also defines "at-risk youth" for the purposes of the Job Corps and at-risk youth title.

The Senate recedes.

16. The House bill, but not the Senate amendment, includes a definition of "career grant."

The Senate recedes with an amendment defining a "career grant" as a voucher or credit used to purchase training services.

17. The House bill, but not the Senate amendment, includes a definition of "case management."

The House recedes.

18. The House bill and the Senate amendment include similar definitions of "chief elected official," except that the House bill refers to workforce development areas and the Senate amendment refers to substate areas.

The Senate recedes.

19. The House bill and the Senate amendment include similar definitions of "community-based organization." However, the Senate bill requires the organization to have demonstrated effectiveness and to provide workforce development activities. The House bill lists the activities.

The House recedes with an amendment defining a "community-based organization" as a private, non-profit organization of demonstrated effectiveness.

While the Managers intend that providers under this system, including community-based organizations, be of "demonstrated effectiveness," this is in no way intended to limit the ability of new providers to participate in the delivery of services under workforce and career preparation programs. Such providers simply must be able to demonstrate that they can provide services effectively.

20. The House bill, but not the Senate amendment, includes a definition of "comprehensive career guidance and counseling".

The Senate recedes with an amendment to modify the definition of "career guidance and counseling".

21. The House bill, but not the Senate amendment, includes a definition of "cooperative education," which applies only to the youth grant.

The Senate recedes.

22. The House bill, but not the Senate amendment, includes a definition of "correctional education agency," which applies only to the adult education and family literacy grant.

The House recedes.

23. The House bill, but not the Senate amendment, includes a definition of "cooperative vocational education," which applies only to the youth grant.

The House recedes.

24. The Senate amendment, but not the House bill, includes a definition of "covered activity," (programs repealed or amended under this Act).

The House recedes with technical and conforming amendments.

25. The House bill, but not the Senate amendment, includes a definition of "curricula," which applies only to the youth grant.

The House recedes.

26. The House bill, but not the Senate amendment, includes a definition of "demographic characteristics."

The House recedes.

27. The House bill and the Senate amendment have similar definitions of "dislocated worker." However, the Senate amendment includes in the definition a displaced homemaker and an individual unemployed as a result of Federal action limiting the use of marine natural resources.

The Senate recedes with an amendment striking the reference to older workers and inserting references to displaced homemakers and individuals displaced because of Federal action that limits the use of marine natural resources in the definition of "dislocated worker".

The Managers agree to strike the specific reference to older workers in the definition because it was determined that older workers who are dislocated from their jobs are implicitly covered under the definition of a dislocated worker. It is still the intent of the Managers, however, that older workers who are in need of employment and training activities, be served fairly and equitably through employment training activities authorized under this Act.

28. The House bill and the Senate amendment contain different definitions of "displaced homemaker." For example, the House bill includes in the definition an adult dependent on public assistance or a parent whose youngest dependent child is ineligible for assistance. The Senate amendment's definition requires the Federal Partnership to determine guidelines solely for individuals who were full-time homemakers previously receiving financial support.

The Senate recedes with an amendment modifying the definition of "displaced homemaker".

29. The House bill, but not the Senate amendment, includes a definition of "earnings."

The House recedes.

30. The Senate amendment, but not the House bill, includes a definition of "economic development activities."

The Senate recedes.

31. The House bill, but not the Senate amendment, includes a definition of "economic development agencies."

The House recedes.

32. The House bill, but not the Senate bill, includes a definition of "economically disadvantaged."

The Senate recedes with an amendment changing the term "economically disadvantaged" to "low-income individual", modifying the reference to poverty guidelines, and striking additional State criteria.

33. The House bill and the Senate amendment include similar definitions of "educational service agency." However, the House bill provides that an educational service agency be recognized as an administrative agency for vocational education.

The House recedes.

34. The House bill, but not the Senate amendment, includes a definition of "educationally disadvantaged adult," which applies only to the adult education and family literacy grant.

The House recedes.

35. The Senate amendment, but not the House bill, includes a definition of "elementary school; secondary school." In addition, the Senate amendment includes a definition of "local educational agency." (See Note 52 for the comparable House definition of local educational agency.)

The House recedes with an amendment striking the definition of "elementary school" and "local educational agency".

36. The House bill, but not the Senate amendment, includes a definition of "eligible institution," which applies only to the youth grant.

The Senate recedes with an amendment striking the reference to "intermediate educational agency" and replacing it with "educational service agency".

37. The House bill, but not the Senate amendment, includes a definition of "employed."

The House recedes.

38. The House bill, but not the Senate amendment, includes a definition of "English literacy program."

The Senate recedes with an amendment striking the reference to "adults, out-of-school youth, or both".

39. The House bill, but not the Senate amendment, includes a definition of "excess number."

The House recedes.

40. The House bill, but not the Senate amendment, includes a definition of "family and consumer sciences."

The Senate recedes.

41. The House bill, but not the Senate amendment, includes a definition of "family literacy services," which applies only to the adult education and family literacy grant.

The Senate recedes.

42. The Senate amendment, but not the House bill, includes a definition of "Federal Partnership."

The Senate recedes.

43. The Senate amendment, but not the House bill, includes a definition of "flexible workforce activities."

Legislative counsel.

44. The House bill, but not the Senate amendment, includes a definition of "Governor."

The House recedes.

45. The House bill, but not the Senate amendment, includes a definition of "individual of limited English proficiency.

The Senate recedes with an amendment changing "adult or youth" to "individual".

46. The House bill and the Senate amendment include a definition of "individuals with disabilities." The Senate amendment also includes a definition of "individual with a disability." The House bill refers to the Rehabilitation Act of 1973, the Senate amendment refers to section 3 of the Americans with Disabilities Act of 1990.

The House recedes.

47. The House bill, but not the Senate amendment, includes a definition of "institution of higher education." (See Note 36 for a definition of "eligible institution.")

The House recedes.

48. The House bill, but not the Senate amendment, includes a definition of "job search assistance."

The House recedes.

49. The House bill, but not the Senate amendment, includes a definition of "labor market area."

The Senate recedes with an amendment striking second sentence of House definition.

50. The House bill, but not the Senate amendment, includes a definition of "library." However, the Senate amendment includes definitions of "library consortia," "library entity," and "public library" in the provisions pertaining to Museums and Libraries. (See Note 550a)

The House recedes.

51. The House bill, but not the Senate amendment, includes a definition of "literacy."

The Senate recedes.

52. Both the House bill and the Senate amendment, include the same definition for "local educational agency." (See Note 35 for the comparable Senate definition)

The Senate recedes.

53. The Senate amendment, but not the House bill, includes a definition of "local entity."

Legislative counsel.

54. The Senate amendment, but not the House bill, includes a definition of "local partnership."

The Senate recedes.

55. The House bill, but not the Senate amendment, includes a definition of "migrant farmworker."

The House recedes.

56. The Senate amendment, but not the House bill, includes a definition of "National Board."

The Senate recedes.

57. The House bill, but not the Senate amendment, includes a definition of "Native American." However, the Senate amendment includes definitions of "Indian," "Alaska Native," and "Native Hawaiian" in the provisions pertaining solely to Indian workforce development activities in section 107. (See Note 422)

The House recedes.

58. The House bill, but not the Senate amendment, includes a definition of "nontraditional employment."

The Senate recedes with an amendment modifying the definition of "nontraditional employment".

59. The House bill, but not the Senate amendment, includes a definition of "on-the-job training."

The Senate recedes with an amendment striking the reference to the Occupational Employment Statistics Program Dictionary, and replacing it with criteria limiting the duration of on-the-job training, as appropriate.

60. The Senate amendment, but not the House bill, includes a definition of "outlying area." (See related Note 76)

The House recedes.

61. The Senate amendment, but not the House bill, includes a definition of "participant."

The Senate recedes.

62. The House bill, but not the Senate amendment, includes a definition of "partnership" which applies only to the youth grant.

The House recedes.

63. Both the House and the Senate amendment include a definition of "postsecondary educational institution." The House bill refers to eligibility and certification requirements under the Higher Education Act of 1965. The Senate amendment requires two or four year programs of instruction.

The Senate recedes.

64. The House bill, but not the Senate amendment, includes a definition of "pre-employment skills training; job readiness skills training."

The House recedes.

65. The House bill, but not the Senate amendment, includes a definition of "public assistance." (See related Note 91.)

The House recedes.

66. The House bill defines "rapid response." The Senate amendment defines "rapid response assistance." The House bill specifies who provides the assistance, when on-site contact should occur, and lists types of assistance. The House bill refers to "substantial layoff," the Senate amendment refers to "layoff of 50 or more people."

The House recedes with an amendment combining the two definitions into a single definition of "rapid response assistance".

67. The House bill, but not the Senate amendment, includes a definition of "registered apprenticeship."

The House recedes.

68. The House bill, but not the Senate amendment, includes a definition of "school dropout."

The Senate recedes with an amendment replacing "youth" with "individual" and striking the reference to a certificate of a secondary school equivalency program.

69. The Senate amendment, but not the House bill, includes a definition of "school-to-work activities."

The Senate recedes.

70. The House bill, but not the Senate amendment, includes a definition of "seasonal farmworker."

The House recedes.

71. The House bill, but not the Senate amendment, includes a definition of "Secretary," which applies to both the youth grant and adult education and family literacy grant.

The House recedes.

72. The House bill, but not the Senate amendment, includes a definition of "sequential course of study," which applies only to the youth grant.

The Senate recedes with an amendment striking "youth" and inserting "individuals."

73. The House bill, but not the Senate amendment, includes a definition of "single parent," which applies only to the youth grant.

The House recedes.

74. The House bill, but not the Senate amendment, includes a definition of "skill certificate."

The House recedes.

75. The House bill, but not the Senate amendment, includes a definition of "special populations," which applies only to the youth grant.

The House recedes.

76. Both the House bill and the Senate amendment include a definition of "State," however, the House bill includes in the definition the Virgin Islands, American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

The House recedes.

77. The Senate amendment, but not the House bill, includes a definition of "State benchmarks."

The House recedes with conforming amendments.

78. The House bill and the Senate amendment include different definitions of "State Educational Agency." The House bill includes the same definition as the Elementary and Secondary Education Act. The Senate amendment's definition differs from the Elementary and Secondary Education Act by including the State board of education or other officer, and by adding the clause "or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law."

The Senate recedes.

79. The Senate amendment, but not the House bill, includes a definition of "State goals."

The House recedes.

80. Both the House bill and the Senate amendment include a definition of "State library administrative agency." However, the Senate amendment definition is included in the provisions pertaining to Museums and Libraries. (See Note 550b)

The Senate recedes. (Definition moves to libraries section.)

81. The Senate amendment, but not the House bill, includes a definition of "statewide system."

The House recedes with an amendment including employment and training activities, vocational education activities, adult education and literacy activities, at-risk youth activities, and activities carried out pursuant to the Wagner-Peyser Act in the definition of "statewide system".

82. The Senate amendment, but not the House bill, includes a definition of "substate area."

The Senate recedes.

83. The House bill, but not the Senate amendment, includes a definition of "supportive services."

The Senate recedes with an amendment streamlining the definition of "supportive services".

84. Both the House bill and the Senate amendment include similar definitions of "tech-prep." The House bill defines "tech-prep education program," the Senate amendment defines "tech-prep program."

The House recedes.

84a. The Senate amendment refers to State law.

The House recedes with an amendment striking "sequence" and inserting "sequential course of study."

84b. The Senate amendment includes work-site learning.

The House recedes.

84c. The House bill provides technical preparation in at least 1 field. The Senate amendment includes applied economics.

The House recedes.

84d. The Senate amendment includes economics.

The House recedes.

84e. The House bill refers to careers meeting labor market needs.

The House recedes.

85. The House bill, but not the Senate amendment, includes a definition of "unemployed."

The House recedes.

86. The House bill, but not the Senate amendment, includes a definition of "unit of general local government."

The Senate recedes.

87. Both the House bill and the Senate amendment definitions are the same, except for a technical difference.

The House recedes.

88. Both the House bill and the Senate amendment include different definitions of "vocational education."

The House recedes.

89. The House bill, but not the Senate amendment, includes a definition of "vocational student organizations," which applies only to the youth grant.

The Senate recedes with an amendment striking all after the word "units".

90. The Senate amendment, but not the House bill, includes a definition of "vocational rehabilitation program."

The House recedes.

91. The Senate amendment, but not the House bill, includes a definition of "welfare assistance." (See related Note 65)

The Senate recedes.

92. The Senate amendment, but not the House bill, includes a definition of "welfare recipient."

The Senate recedes.

93. The House bill, but not the Senate amendment, includes a definition of "work experience."

The House recedes.

94. The Senate amendment, but not the House bill, includes a definition of "workforce development activities."

The House recedes with an amendment striking "workforce development activities" and inserting "workforce and career development activities."

95. The Senate amendment, but not the House bill, includes a definition of "workforce education activities."

The House recedes with an amendment referencing "vocational education activities" and "adult education and literacy activities" instead of "workforce education activities."

96. The Senate amendment, but not the House bill, includes a definition of "workforce employment activities."

The House recedes with an amendment referencing "employment and training activities" instead of "workforce employment activities."

97. The Senate amendment, but not the House bill, includes a definition of "workforce preparation activities for at-risk youth."

The House recedes with an amendment referencing "at-risk youth activities" instead of "workforce preparation activities for at-risk youth."

98. The House bill, but not the Senate amendment, includes a definition of "workplace mentor."

The House recedes.

99. The House bill, but not the Senate amendment, includes a definition of "youth."

The House recedes.

STATE ROLE

Description of system

100. The House bill, but not the Senate amendment, uses title I to establish an infrastructure for the workforce development and literacy system, composed of three block grants.

The House recedes.

101. The Senate amendment, but not the House bill, provides for the Secretaries to make an allotment to each State to establish a statewide workforce development system.

The House recedes with an amendment conforming the reference to the Secretary of Education and the Secretary of Labor to the "Secretaries" as defined in this title.

102. Under the House bill, grants for programs are provided under four separate titles, known as Workforce Development and Literacy Programs. (The House bill no longer contains a separate title for vocational rehabilitation.) Under the Senate amendment, a State must allocate its allotment as follows: 25% for workforce employment, 25% for workforce education, and the remaining 50% for the flex account.

The House recedes with an amendment apportioning a State's block grant funds as follows: 32 percent for employment and training activities, 26 percent for vocational education activities, 16 percent for at-risk youth activities, and 6 percent for adult education and literacy activities.

102(a). The Senate amendment, but not the House bill, provides that 50% of the allotment be used for the flex account for workforce employment or workforce education activities, as a State may decide. In addition, a State would be required to spend a portion of the flex account on school-to-work activities. (See Note 350) A State may also use a portion of the flex account for economic development activities, if certain conditions are met. (See Note 352)

The House recedes with an amendment apportioning 20 percent for the flex account.

103. The House, but not the Senate amendment, allows the Governor to transfer up to 10% of the funds between title II (youth) and title III (adult training).

The House recedes.

104. Under the Senate amendment, but not the House bill, the Secretaries are directed to make payments to the Governor for workforce employment and to the State educational agency for workforce education.

The House recedes with an amendment providing that block grant funds allotted to a State will be distributed to the Governor for employment and training and at-risk youth activities, and to the eligible agency for vocational education and adult education and literacy activities. The amendment further provides for a definition for the term "eligible agency."

The Managers intend that the reference to "State law" in determining the individual, entity or agency is a State responsible for administering or setting policies for vocational education or adult education and literacy includes State statutes or the State constitution. The term "State law" does not include regulations by the Governor. The Managers do not intend to prohibit States from redesignating the agency or agencies responsible for these activities by State statute.

Collaborative process/State boards

105. The House bill, but not the Senate amendment, requires a Governor to certify to the Secreatries that a collaborative process has occurred where required under the Act.

The House recedes.

106. Under the House bill, the collaborative process is a process for making the key decisions at the State level, including development of the State plan. The collaborative process under the Senate amendment is used solely for developing the State's strategic plan. The State provides a description of the process in its plan.

The Senate recedes with an amendment clarifying that the collaborative process is to be used for the development of the State plan.

107. The House bill and the Senate amendment list the participants in the collaborative process.

The Senate recedes with an amendment combining and modifying the lists of participants in the collaborative process from both bills.

In determining who should participate in each State's collaborative process, the Managers intentionally limited the number of individuals and entities who are required by the legislation to participate in such effort. However, this was in no way intended to be an exhaustive list. The Managers encourage the participation of employment and training providers, especially private providers such as outplacement firms and for-profit training companies, whose private sector perspective and expertise should prove valuable to a State's comprehensive workforce preparation efforts.

108. The House bill, but not the Senate amendment, allows States to use existing processes, including State councils, that are substantially the same as those described in section 103(a) and (b), outlining the collaborative process.

The Senate recedes with an amendment allowing an existing State board, council or other entity to serve as the State's collaborative process, and describing the functions of such a State board.

109. The Senate amendment permits the Governor to establish a State workforce development board to assist in the development of the statewide workforce development system. The House bill permits existing State boards under section 103(c) (See previous Note).

The Senate recedes.

110. Both the House bill and the Senate amendment allow the Governor to act, if he or she is unable to obtain the support of the participants in the collaborative process. However, comments from participants must be included in the State plan. The House bill specifically gives the Governor final authority to submit the State plan, and to make decisions for all programs authorized under the Act, except where State law provides such authority to an individual or agency other than the Governor.

The Senate recedes with an amendment clarifying that the Governor shall have final authority for the content of the State plan relating to employment and training and at-risk youth activities, and the eligible agency shall have final authority for the content of the State plan relating to vocational education and adult education and literacy activities. The amendment further clarifies that the Governor has final authority to submit the State plan, including comments submitted by participants in the collaborative process. If the eligible agency disagrees with the portion of the State plan in its jurisdiction, the eligible agency's comments shall be considered to be the State's plan for those activities.

111. The House bill and the Senate amendment provide that neither shall be construed to supersede State law or authority, although the Senate amendment applies only to education activities.

The Senate recedes with an amendment combining the provisions of both bills that provides that nothing in this title should supersede State law.

It was important to the Managers that nothing in this Act supersede or negate the authority of any State official, agency, or entity over programs under that official's, agency's, or entity's jurisdiction. The Managers wish to clarify that this protection is also extended to any existing authority or jurisdiction granted by State law to State Legislatures.

State allotments

(Workforce Development/At-Risk Youth)

112. The Senate amendment, but not the House bill, provides that funds be expended

in accordance with the State's laws and procedures.

The Senate recedes.

113. Under the Senate amendment, funds for workforce development activities will be distributed according to a formula based on the following factors: 60% of the funds based on each State's percentage share of the population aged 15 to 65 years, 20% of the funds based on each State's percentage share of individuals aged 18 to 64 years who are at or below the official poverty line, 10% of the funds based on each State's percentage share of the average unemployment rate for the previous 2 years; and 10% based on each State's percentage share of adult recipients of welfare assistance. The House bill has no comparable allotment requirement for a single grant to States, but does provide allotments to States under the three separate block grants. (See Notes 115, 116, & 117)

The House recedes with an amendment changing the age range of individuals in poverty to ages 16 to 64, and making other conforming changes in the State allotments.

113a. Under the Senate amendment, in addition to the factors described in the previous Note, there is a provision for a State minimum allocation, so that no State receives less than 0.5% of the total allocation. However, the application of the minimum grant provision cannot result in an allotment that is larger than 150% of the product of a State's population times the national per capita payment under the formula (which is the total allocation divided by the total population). The House bill also includes State minimums in its separate grant allotments. (See Notes 115, 116, & 117)

The House recedes with an amendment striking any references to the Federal Partnership

113b. Notwithstanding any other provision of the formula in the Senate amendment, no State would receive an increase or decrease of more than 5% in its share of funds from the previous year.

The House recedes with an amendment striking "0.95" and inserting "0.98"; and striking "1.05" and inserting "1.02"

114. The Senate amendment provides funding for Job Corps and at-risk youth through an allotment based on 1996 appropriations for Job Corps, and the remainder distributed by formula for workforce preparation activities for at-risk youth. The House bill provides funding for at-risk youth under the youth grant. (See Note 115). The House bill retains current law for Job Corps.

The Senate recedes.

114a. Under the Senate amendment, the Secretaries provide funds for the operation of Job Corps centers based on the amounts appropriated in fiscal year 1996 and such additional amounts as are necessary for the construction of new centers.

The Senate recedes.

114b. Under the Senate amendment, the Secretaries may reserve at-risk youth funds for Indians and Native Hawaiians.

The Senate recedes.

114c. Remaining funds for at-risk youth are allocated in the Senate amendment based on the following factors: 33⅓% of the funds based on each State's percentage share of the average unemployment rate for the previous two years, 33⅓% of the funds based on each State's percentage share of individuals aged 18 to 64 years who are at or below the official poverty line, and 33⅓ percent of the funds based on each State's percentage share of at-risk youth.

The Senate recedes.

(Youth)

115. Under the House bill's grant for youth (which includes in-school and at-risk youth), States are provided an amount of funding which bears the same ratio as the average of funds they received in fiscal year 1995 under sections 101 and 101A of the Perkins Act (basic State and tech prep grants) and sections 252 and 262 of JTPA (Title II-B Summer Youth and Title II-C Youth Training). A small State minimum of 1/4 of 1% is provided. For a description of the Senate allotment for workforce development (which includes youth) and the allotment for at-risk youth. (See Notes 113 and 114).

The House recedes.

(Employment and Training Activities)

116. Under the House bill's grant for adult employment and training, States are provided funds based on each State's share of fiscal year 1995 appropriations under JTPA Title II-A (Adult Training) and Title III (Dislocated Workers). In addition, no State would receive less than 0.25% of the amount made available for these activities. For a description of the Senate allotment which includes employment and training, see Note 113.

The House recedes.

(Adult Education)

117. Under the House bill's grant for adult education and literacy, States are provided an allotment of $250,000. Funds remaining after these allotments are made would be distributed to States in proportion to the adult population who are: at least 16 years of age but less than 61 years, beyond the age of compulsory school attendance, do not have a high school diploma (or the equivalent), and who are not currently enrolled in school. For a description of the Senate allotment which includes adult education, see Note 113.

The House recedes.

State responsibilities

(State plan/General)

118. Under the House bill, the Governor must submit a single State plan (to the Secretaries of Education and Labor) for the workforce development and literacy programs under the Act. Under the Senate amendment, the Governor must submit a single, comprehensive 3-year plan to the Federal Partnership.

The Senate recedes with an amendment clarifying that the State plan will cover a 3-year period.

119. Under the House bill, but not the Senate amendment, the plan remains in effect for 6 years, unless the State modifies the plan.

The Senate recedes with an amendment clarifying that a State may submit modifications to its State plan during the 3-year period.

Contents

120. Under the Senate amendment, but not the House bill, the plan contains three components: (1) the strategic plan, (2) the description of workforce employment activities, and (3) the description of workforce education activities. The strategic plan, developed through the collaborative process, describes the statewide strategy and the allocation of funds in the flex account.

The Senate recedes.

121. Both the House bill and the Senate amendment require that State plans include various elements. To the extent both the House bill and the Senate amendment contain comparable requirements, there are differences in content.

The Senate recedes with an amendment changing the title to "State Plan" and striking "workforce development and literacy".

121a. Both the House bill and the Senate amendment require a description of the collaborative process. The House bill and the Senate amendment differ in the use of the collaborative process. The Senate amendment also requires a demonstration of support by the participants. (See Note 106)

The House recedes with an amendment requiring the State plan to describe the collaborative process, and to demonstrate the support of participants for the plan and the agreement of the eligible agencies for the plan.

121b. Both the House bill and the Senate amendment require a description of the State goals (and in the Senate amendment, State benchmarks) for workforce development and how to achieve them.

The House recedes with an amendment requiring the State plan to describe State goals and benchmarks and how workforce and career activities will be coordinated to reach them.

121c. Both the House bill and the Senate amendment require a description of the current and future workforce development needs of each State.

The Senate recedes with an amendment requiring the State plan to describe workforce and career development needs in the State.

121d. Both the House bill and the Senate amendment require a description of performance indicators to measure and continuously improve upon the performance of the statewide system. The House bill requires the identification of progress indicators. (See Notes 123c and 125b for comparable Senate provisions)

The House and Senate recede.

121e. The House bill, but not the Senate amendment, requires a description of how the State will comply with the requirements for (1) the designation of workforce development areas, (2) the establishment of local boards, (3) integrated career center system, and (4) identification of eligible education and training providers, as required by the Act.

The Senate recedes with an amendment requiring the identification of local workforce development areas in the State plan, with an exception for small States, and the development and inclusion of criteria to identify effective and ineffective at-risk youth providers and programs.

Under the conference agreement, local workforce development areas are to be identified as a part of the collaborative planning process in each State, with such identification included in the State plan. As such, it is the intent of the Managers that individuals involved in the collaborative process, including representatives of local chief elected officials, local educational agencies, postsecondary institutions (including community colleges), and business, as well as others, be involved in the identification of these local areas. In addition, as part of the broader requirement that the State plan must be made available to the public for comment, it is intended that the designation of these areas is truly a participatory process.

Regarding identification of the actual geographic boundaries of local workforce development areas, in addition to labor market areas, the Managers encourage States to take into consideration existing service areas (including service delivery areas established under the Job Training Partnership Act, areas served by postsecondary institutions and area vocational education schools, areas served by local educational agencies and intermediate educational agencies, and units of general local government). The Managers also encourage States to take into account the distance that individuals must travel for receipt of services in making such determinations.

The Managers also intend for the identification of effective and ineffective providers of at-risk youth activities to provide States and local workforce development boards with useful information regarding "best practices" and "failed practices" in addressing the employment and training needs of at-risk youth.

121f. Both the House bill and the Senate amendment require a description of how the State will participate in the national labor market information system.

The Senate recedes with an amendment requiring the State plan to describe the statewide labor market information system.

121g. The House bill, but not the Senate amendment, requires additional plan elements outlined in titles II–IV.

The House recedes.

121h. Both the House bill and the Senate amendment require a description of how the State will eliminate duplication among services, including a description of common data collection and reporting processes.

The Senate recedes.

121i. The House bill, but not the Senate amendment, requires a description of the process for public comment.

The Senate recedes.

121j. Both the House bill and the Senate amendment require a description of business participation.

The House recedes with an amendment clarifying participation of labor, as appropriate.

121k. The House bill, but not the Senate amendment, requires assurance that the State will be accountable for funds distributed under the Act.

The Senate recedes.

121l. The House bill, but not the Senate amendment, requires a description of the sanctions which may be imposed for actions contrary to the Act.

The House recedes.

121m. The Senate amendment, but not the House bill, requires a description of how funds in the flex account will be allocated among workforce activities.

The Senate recedes.

121n. The Senate amendment, but not the House bill, requires information regarding the participation of local partnerships.

The Senate recedes.

121o. The Senate amendment, but not the House bill, requires information regarding other public and private resources for workforce development activities.

The House recedes with an amendment including a reference to the Wagner-Peyser Act and clarifying the participation of employees in the statewide system.

121p. The Senate amendment, but not the House bill, requires information regarding how Veterans' employment activities will be coordinated with the statewide system.

The House recedes.

121q. The Senate amendment, but not the House bill, requires an assurance that funds under the Act will supplement and not supplant other public funds for workforce development activities.

The House recedes.

121r. The Senate amendment, but not the House bill, requires information regarding economic development activities, if any.

The House recedes with an amendment striking the reference to "labor organizations" and replacing it with a reference to "labor as appropriate".

122. Under the House bill, but not the Senate amendment, States must provide additional information regarding adult employment and training activities.

The House recedes.

122a. The House bill, but not the Senate amendment, requires a description of how the State will serve the employment and training needs of various segments of the population, and how it will provide rapid response assistance to dislocated workers.

The Senate recedes with an amendment requiring the State plan to describe how the State will serve dislocated workers and other unemployed individuals.

123. Under the Senate amendment, but not the House bill, the second part of the plan, developed by the Governor, describes workforce employment activities.

The Senate recedes.

123a. The Senate amendment requires an identification of substate areas. The House bill requires a description of how the State will designate local workforce development areas. (See Note 129 and 1213).

The Senate recedes.

123b. The Senate amendment requires a description of the basic features of the State's one-stop career center system. The House bill requires a description of how the State will establish integrated career center systems. (See Note 121e)

The House recedes with an amendment requiring the State plan to describe the strategy for developing the one-stop career center system in the State.

123c. The Senate amendment requires an identification of performance indicators relating to the State goals and benchmarks for workforce employment activities. The House bill requires an identification of progress indicators. (See related Note 121d for comparable House provision)

The Senate recedes.

123d. The Senate amendment requires a description of the workforce employment activities to be carried out. The House bill contains no such specific plan requirement.

The House recedes with an amendment requiring the State plan to describe how the State will provide rapid response assistance to dislocated workers.

123e. The Senate amendment requires a description of the steps the State will take over three years to establish a statewide labor market information system. The House bill requires a description of the State's participation in the labor market information system (See Note 121f for comparable House provision)

The Senate recedes.

123f. The Senate amendment, but not the House bill, requires a description of the steps the State will take over three years to establish a job placement accountability system.

The House recedes.

123g. The Senate amendment requires a description of the process the State will use to approve training providers. The House bill requires a description of how the State will identify education and training providers. (See Note 121e)

The House recedes with an amendment requiring the State plan to describe the process the State will use to identify eligible providers of training services.

124. In order to receive funds for youth, under the House bill, but not the Senate amendment, a State must submit additional information describing activities for youth.

The House recedes with an amendment inserting "With respect to vocational education activities, information—".

124a. The House bill, but not the Senate amendment, requires a description of the State's plan to develop the academic and occupational skills of youth and provide the attainment of challenging vocational-technical education standards. (See Notes 125g and 125k for Senate plan requirements regarding workforce education activities to improve education and performance measures)

The Senate recedes with an amendment requiring the State plan to describe how the State will develop the academic and occupational skills of students participating in vocational education activities.

124b. The House bill, but not the Senate amendment, requires a description of how the State will improve comprehensive career guidance and counseling. Both the House bill and the Senate amendment require a description of how the State will address professional development needs. (See related Note 125I)

The Senate recedes with an amendment requiring the State plan to describe how the State will improve career guidance and counseling.

124c. The House bill, but not the Senate amendment, requires a description of the State's strategy for integrating academic, vocational, and work-based learning. Both the House bill and the Senate amendment require collaborative efforts. (See related Note 125)

The House recedes.

124d. Both the House bill and the Senate amendment require a description of how the State will encourage the participation of parents (and under the House bill—businesses), in education and youth development activities.

The Senate recedes with an amendment requiring the State plan to describe the involvement of parents and business in vocational education activities.

124e. The House bill, but not the Senate amendment, requires a description of how the State will serve single parents, displaced homemakers, and single pregnant women and promote the elimination of sex bias without mandating a set-aside.

The House recedes.

125. Under the Senate amendment, but not the House bill, the third part of the plan, developed by representatives of education, describes workforce education activities.

The Senate recedes.

125a. The Senate amendment, but not the House bill, requires a description of how the funds will be allocated among adult education, and among secondary and postsecondary vocational education programs. [Note: The House bill has separate grants for youth and for adult education and literacy.]

The House recedes with an amendment requiring the State plan to describe how vocational education funds will be allocated among secondary and postsecondary and adult vocational education.

125b. In the House bill, goals and progress indicators for adult education and family literacy must be described in the plan as a condition of receiving funds. In the Senate amendment, performance indicators for workforce education activities must be identified in the plan.

The House recedes with an amendment moving the reference to performance indicators from this section to a single reference following the description of the State goals and benchmarks included in the State plan.

125c. The Senate amendment, but not the House bill, requires a description of the workforce education activities to be carried out.

The House recedes with technical amendments.

125d. The Senate amendment requires a description of how the State will address the adult education needs of the State. The House bill includes an assessment of adult education needs in section 104(b)(2)(B). (See Note 121c)

The Senate recedes.

125e. The Senate amendment, but not the House bill, requires a description of how the State will disaggregate data relating to at-risk youth.

The Senate recedes.

125f. The Senate amendment, but not the House bill, requires a description of how the State will adequately address the needs of at-risk youth in alternative education programs.

The Senate recedes.

125g. The Senate amendment, but not the House bill, requires a description of how the workforce education funds and activities are an integral part of State efforts to improve education.

The House recedes with an amendment requiring the State plan to describe how the State will address the needs of students participating in vocational education activities to be taught to the same challenging academic proficiencies as all students.

125h. The Senate amendment, but not the House bill, requires a description of how the State will annually evaluate the effectiveness of the workforce education plan.

The House recedes with technical amendments.

125i. The Senate amendment requires a description of how the State will address the professional development needs for workforce education activities. (See Note 124b for related House provision)

The House recedes with technical amendments.

125j. The Senate amendment, but not the House bill, requires a description of how the State will provide technical assistance to local educational agencies.

The House recedes.

125k. The Senate amendment, but not the House bill, requires a description of how the State will assess its progress in implementing student performance measures.

The Senate recedes.

126. Under the Senate amendment, a State must provide additional information in the plan to be eligible for funds for at-risk youth. However, a State is not required to provide such information in order to be eligible for funds for other workforce development activities.

The House recedes with an amendment requiring a description to be included in the State plan of the State's at-risk youth activities and adult education and literacy activities.

127. The Senate amendment provides that the Governor may develop the entire plan with the consent of certain representatives of education. The House bill provides for the Governor, through the collaborative process, (which includes representatives of education) to develop the plan. (See Notes 118 and 121a)

The Senate recedes.

Conditions

128. Under the House bill, in order for a State to receive a grant under one or more of the programs, it must: establish a collaborative process, develop a plan, and comply with the requirements of the Act. Additional requirements must be satisfied in order to receive an adult education and literacy grant. The Senate amendment provides that a State plan will be approved if the State has: included the required information in the plan, developed the strategic plan through the collaborative process, and negotiated the State benchmarks.

The House recedes with an amendment providing that in order to receive funds, a State must submit a State plan containing all required elements and prepared through the collaborative process.

128a. The House bill requires States to meet additional grant requirements, including establishing goals, progress indicators, and performance measures, in order to receive funds for adult education and literacy.

The House recedes.

Provisions regarding local Workforce Development Area/Boards

129. Under the House bill, the Governor is required to designate local workforce development areas through the collaborative process, after consultation with local chief elected officials, and after considering comments received through public participation. The Senate amendment requires plan information on substate areas. (See Note 123a)

The House recedes.

Criteria for selection

130. Under the House bill, a State is required to establish a local workforce development board in each local workforce development area. Under the Senate amendment, a State may elect to have local workforce development boards in substate areas, but is not required to do so. (See Note 182)

The House and Senate recede.

131. Both the House bill and the Senate amendment allow the Governor to establish criteria for use by local chief elected officials in the selection of members of local boards. The House bill requires the Governor to determine the criteria through the collaborative process. (See Note 183)

The House and Senate recede.

Certification

132. Under the Senate amendment, but not the House bill, if a State elects to establish State and local workforce development boards, or elects to offer services through vouchers beginning in program year 2000, it may use up to 50% of the funds in the flex account for economic development.

The Senate recedes.

133. Under the House bill, but not the Senate amendment, the Governor is authorized to certify biennially one board for each workforce development area. If a workforce development area is a State, the collaborative process may serve as the local workforce development board.

The House recedes.

One-stops/integrated career center systems

134. The House bill, but not the Senate amendment, requires the Governor to ensure the establishment of an integrated career center system by local workforce development boards within each local workforce development area. The Senate amendment requires the Governor to establish a statewide approach to integrating employment and training activities. (See Note 321)

The House recedes.

135. The House bill, but not the Senate amendment, requires the Governor, through the collaborative process, to establish statewide criteria for selecting career center providers. (See Note 322)

The House recedes.

136. Both the House bill and the Senate amendment require States to implement a statewide approach to the delivery of employment and training, based on the concept of integrated or one-stop career centers, although the requirements of each bill differ. (See Note 323)

The House and Senate recede.

136a. The House bill requires a system where common intake, assessment, and job search are provided. The Senate amendment provides as an option a system where core services are provided, regardless of point of entry. (See Note 323a)

The House and Senate recede.

136b. Both the House bill and the Senate amendment allow for access points that are electronically or computer linked. The House bill further provides for the availability of labor market information and common management information across the system. (See Note 323b)

The House and Senate recede.

136c. The House bill requires at least one physical, co-located career center (to the extent practicable), but encourages a network of such centers combined with affiliated sites. The Senate amendment provides as an option, that there be core services available at not less than one physical location in each substate area, and also allows for a combination of the options listed above.

The House and Senate recede.

137. The House bill, not the Senate amendment, permits the Governor, through the collaborative process, to develop alternatives to the integrated career center system, subject to approval by the Secretaries. (See Note 328)

The House recedes.

Identification of education/training providers

138. The House bill requires an identification process for determining which service providers are eligible to receive funds for adult training or vocational rehabilitation programs through vouchers, skill grants, or otherwise. The Senate amendment has no such requirement, other than to identify in the State plan the criteria for eligible providers, if a State chooses to offer services through vouchers. (See Note 339)

The Senate recedes with an amendment providing that certain programs of postsecondary educational institutions are automatically eligible to be providers of training services.

The Managers recognize the demonstrated effectiveness of the Center for Employment and Training (CET) in providing employment education, training, and placement services to low income individuals. While it is recognized that States and local boards require flexibility in choosing the most appropriate training models to meet their individual needs, it is the Managers' intent, where possible, that exemplary models of demonstrated effectiveness such as CET be replicated on the State and local levels.

139. The House bill, but not the Senate amendment, establishes an alternative eligibility procedure for service providers that are not eligible to participate in title IV of the Higher Education Act of 1965. (See Note 340)

The Senate recedes with an amendment requiring the Governor to establish an alternative procedure to determine the eligibility of other public and private providers of training services that are not determined to be automatically eligible.

The Managers recognize that both private non-profit and for-profit providers of training services should be encouraged to participate fully as providers of training services. Since 1980, private sector professional firms have developed extensive programs to serve the growing training needs of our rapidly changing economy and workforce. Research indicates that the training market in the information technology training industry alone totaled $2 billion in 1994, most of this provided by commercial firms. This section of the legislation will enable States to authorize a wide variety of training providers to participate in training programs. This expanded provider involvement will allow program participants to access the training through both public and private providers that will best enable them to enter or reenter the workforce. By ensuring that one provider is not favored over another, this section provides maximum consumer choice and easy access to services.

140. The House bill requires the State to identify performance-based information to be submitted by service providers. The Senate amendment has no such requirement, other than to identify in the State plan information related to ensuring the accountability of service providers, if a State chooses to offer services through vouchers. (See Note 341)

The Senate recedes with an amendment describing the information that is required to be submitted by providers seeking eligibility under the alternative procedure, and additional information that the Governor may also require.

141. Under the House bill, but not the Senate amendment, the Governor must designate a State agency to collect, verify, and disseminate performance-based information relating to service providers, along with a list of eligible providers, to local workforce development boards and integrated career center systems. (See Note 342)

The Senate recedes with an amendment requiring the Governor to designate a State agency to collect and disseminate the required information, receive applications from providers, and publish a list of eligible providers of training services.

The conference agreement allows States to accept from service providers offering programs not automatically eligible for participation in training programs, performance information consistent with requirements for eligibility under Title IV of the Higher Education Act.

The Managers note that regulations implementing Title IV include provisions regarding the calculation of completion rates (34 CFR 668.8(f)) and of placement rates (34 CFR 668.8(g)). The regulations permit Title IV eligibility only for those programs with substantiated completion rates of at least 70 percent and with substantiated placement rates of at least 70 percent (34 CFR 668.8(e)). States are encouraged to adopt similar standards in establishing their performance information requirements.

142. Under the House bill, but not the Senate amendment, a service provider who provides inaccurate, performance-based information will be disqualified from receiving funds under this Act for two years, unless upon an appeal the provider can demonstrate that the information was provided in good faith. (See Note 343)

The Senate recedes with an amendment providing that providers who intentionally supply inaccurate information shall have their eligibility terminated for at least two years. Providers who fail to meet required performance criteria or otherwise materially violate the provisions of the title may also have their eligibility terminated. The Governor is required to establish an appeals process.

The provision of inaccurate information to the designated State agency is grounds for disqualification of a provider from program participation for two years or longer. The purpose of this provision is to penalize providers that intentionally and fraudulently misrepresent program performance to obtain eligibility. The Managers do not intend that providers be disqualified on the basis of minor errors in information submitted to the designated Stat agency, such as small errors in math.

143. Under the House bill, but not the Senate amendment, on-the-job training providers are exempt from this section, except that performance-based information on such providers must be collected and disseminated. (See note 344)

The Senate recedes with an amendment stating that providers of on-the-job training are exempt from these requirements. The Governor may require one-stop career centers to collect and disseminate performance information about on-the-job training providers.

144. The House bill, but not the Senate amendment, provides that nothing in this section prohibits a State from providing services. (See Note 345)

The House recedes.

Accountability

145. Both the House bill and the Senate amendment require States to submit a performance report each year. The House bill, but not the Senate amendment, requires reporting on performance of local areas and local entities; and public disclosure of such reports. The Senate amendment, but not the House bill, requires the results of any ongoing State evaluations of workforce development activities. (See Note 163)

The House recedes with an amendment requiring States to submit an annual report on their progress toward meeting their goals and benchmarks.

146. The House bill, but not the Senate amendment, requires States to submit a report for adult education and literacy.

The House recedes.

147. The Senate amendment, but not the House bill, allows States to submit a consolidated workforce development and welfare assistance report to the Federal Partnership, the Secretary of Agriculture, and the Secretary of Health and Human Services.

The Senate recedes.

Core indicators/goals and benchmarks

148. The Senate amendment establishes two principal goals for each statewide system: (1) providing meaningful employment and (2) improving skills.

The House recedes.

149. The House bill, but not the Senate amendment, requires each State to develop a statewide performance accountability system. The Senate amendment requires a job placement accountability system. (See Note 165)

The House recedes.

150. Under the House bill each State must identify indicators of performance, consistent with State goals, which at a minimum must include core indicators as provided under this section. The Senate amendment required benchmarks. (See Note 152)

The House recedes.

151. The House bill, but not the Senate amendment, requires the Secretaries of Labor and Education to collaborate with States, representatives of business and others to develop technical definitions of core indicators.

The House recedes.

152. The House bill requires common core indicators for adults, with additional indicators specifically for adult employment and training, adult education and literacy, and vocational rehabilitation. The House bill also requires core performance indicators for youth. The Senate amendment requires States to develop benchmarks for attaining the goals of meaningful employment and improved skills.

The House recedes with an amendment combining the core indicators for adults in the House bill with the employment benchmarks in the Senate bill and combining the core indicators for youth development and career preparation in the House bill with the education benchmarks in the Senate bill. The amendment also clarifies that employment benchmarks apply to employment and training activities and, where appropriate, to at-risk youth activities and adult education and literacy activities. The education benchmarks apply to vocational education activities, at-risk youth activities and where appropriate, adult education and literacy activities.

152(a) While certain of the House bill's core indicators are similar to the Senate amendment's benchmarks, the House bill's indicators are organized around youth and adults. The Senate amendment's benchmarks correspond to employment and education.

The House recedes with an amendment requiring States to develop minimum measures for certain specific populations, to measure how these populations are meeting the State's employment and education goals and benchmarks. States may also develop such measures for additional populations.

153. The House bill, but not the Senate amendment, also requires, through the collaborative process, the establishment of goals for improving literacy and progress indicators to evaluate local providers receiving literacy funds.

The House recedes.

154. The Senate amendment, but not the House bill, allows States to use existing performance measures for skills attainment.

The House recedes with an amendment clarifying that the special rule applies to a State that adopts performance indicators, attainment levels, or assessments.

The Managers intend that if a State has already implemented a system of evaluation, that State may use this system rather than developing a new system of measures. The Managers recognize many States have already established rigorous State academic measures for both vocational and non-vocational students and the Managers do not want to duplicate the efforts of these States. The Managers want to make sure however, that if a State desires to change these measures, the Special Rule does not preclude any State from revising their State academic or other standards. The Managers also want to clarify that the decision of whether or not to use existing State measures is a State decision and is not mandated by this bill.

155. Under the House bill, but not the Senate amendment, each State must identify expected levels of performance for local areas, which may be adjusted by the Governor through the collaborative process.

The House recedes.

156. Under the House bill, the Secretaries, through collaboration with States, representatives of business, and others, must identify challenging levels of performance with respect to core indicators. Under the Senate amendment, the Federal Partnership must establish model benchmarks based on existing State efforts.

The House recedes with an amendment providing that the Secretaries shall provide technical assistance to States that request such assistance in the development of State benchmarks, which may include the development of model benchmarks.

If the Secretaries of Education and Labor decide to develop model benchmarks in order to provide effective technical assistance to the States, the Secretaries must do so in collaboration with the States and with other appropriate parties. The Managers intend that this collaborative process include Governors, leading representatives of business and industry, representatives of employees, leaders in education and training, parents, and other interested parties for the identification of challenging benchmarks which States may use as models in development of their own State benchmarks. Such process may also include the development of technical definitions for use by the States in measuring the benchmarks, in order to encourage nationwide comparability of data.

157. The Senate amendment, but not the House bill, provides a process through which States negotiate with the Federal Partnership to determine appropriate benchmark levels.

The Senate recedes.

Incentives

158. Both the House bill and Senate amendment provide incentive grants based on performance. The House bill provides incentive grants an grants for exemplary statewide system design, funded through the adult and employment training grant. [Note: State to local incentive grants are discussed under the heading "Uses of Funds"]

The House and Senate recede.

159. The Senate amendment, but not the House bill, provides incentive grants of up to $15 million annually to States that (1) reach or exceed their benchmarks, (2) reduce the number of welfare recipients, or (3) choose to offer services through vouchers.

The House recedes with an amendment providing that the Secretaries may award incentive grants of not more than $15 million per year to States that reach, exceed, or demonstrate continuing progress toward reaching State benchmarks. In order for a State to be eligible to receive an incentive grant, the Governor and eligible agency must agree on all contents of the State plan. If the State is not eligible for receipt of an incentive grant, the Secretaries shall provide technical assistance to the State upon request. A State that is initially determined ineligible for an incentive grant will have 30 days to revise its benchmarks.

Sanctions

160. The Senate amendment, but not the House bill, allows the Federal Partnership to determine the imposition of sanctions of States that have failed to demonstrate progress toward reaching their benchmarks over three years.

The House recedes with an amendment providing that a State that fails to meet its benchmarks for the 3-years covered by a State plan, may be sanctioned by the Secretaries by up to 10 percent of its total block grant allotment.

161. Both the House bill and the Senate amendment permit the Secretaries to reduce funding for poor performance. The House bill provides for a reduction of 5% based on the State's degree of failure. The House bill also provides for technical assistance.

The Senate recedes with an amendment providing that the Secretaries may determine whether the State's failure to meet its benchmarks was attributable to one or more categories of activities authorized under this title. If so, the Secretaries may provide technical assistance or reduce the portion of the allotment for the responsible category not more than 10 percent.

161a. Under the Senate amendment, but not the House bill, if a State has submitted an integrated plan under section 105(b)(5), the Secretaries may reduce only the portion of funding (up to 5%) for the category of activities—workforce employment or workforce education—to which the failure is attributable. States would also be required to transfer an equal percentage of funds from such reduced category of activities to the other category and spend such amount in accordance with the integrated plan.

The Senate recedes.

161b. Under the Senate amendment, but not the House bill, funds returned by the Secretaries as a result of a reduction may be used to award incentive grants.

The House recedes with technical amendments.

Local sanctions and consequences

162. The House bill, but not the Senate amendment, allows the Governor, through the collaborative process, to establish criteria for determining poor performance of local entities.

The House recedes.

162a. The House bill, but not the Senate amendment, allows the Governor, through the collaborative process, to provide technical assistance to local workforce development areas that perform poorly. Continued poor performance may result in a reduction of funds or other corrective action.

The House recedes.

Evaluations

163. Both the House bill and the Senate amendment provide for ongoing evaluations of employment-related activities, including the use of controlled experiments using groups chosen by random assignment. In the House bill, the Secretary of Labor performs the evaluations, and in the Senate amendment the States perform the evaluations. (See Note 417a)

The House recedes with an amendment requiring States to conduct ongoing evaluations of employment and training activities through the use of controlled experiments. Such evaluations would determine, at a minimum, whether employment and training activities effectively raise the hourly wage rates of participants. States would be required to conduct at least 1 evaluation during any period in which the State is receiving funding, but could enter into an agreement with another State to share the costs of such evaluation.

164. The House bill, but not the Senate amendment, also allows the Secretary of Labor to conduct evaluations of other Federal employment-related programs to determine their effectiveness. (See Note 417b)

The House recedes.

Job placement accountability system

165. The Senate amendment, but not the House bill, requires each State to establish a job placement accountability system to provide a uniform set of data to measure progress of the State toward reaching its benchmarks.

The Senate recedes.

Management information system

166. The House bill, but not the Senate amendment, authorizes each State to design a unified management information system for reporting and monitoring programs and workforce development expenditures. Such system must ensure privacy protections.

The Senate recedes with an amendment authorizing States to operate fiscal and management accountability information systems that streamline reporting and monitoring of Federal funds for employment and training activities and at-risk youth activities. In addition, States are authorized to utilize quarterly wage records available through the unemployment insurance system to facilitate reporting on employment benchmarks. The State is required to protect the confidentiality of any information obtained pursuant to the fiscal and management accountability information system through the use of recognized security procedures and shall also comply with the provisions of the Family Education Rights and Privacy Act under Section 444 of the General Education Provisions Act.

Other

167. The Senate amendment, but not the House bill, provides that States monitor the participation of individuals who are engaged in workforce activities as a condition of receiving welfare assistance.

The Senate recedes.

General State provisions

168. Both the House bill and the Senate amendment include provisions for disallowed costs. Under the House bill, expenditures disallowed by either Secretary for adult employment and training, at-risk youth, or vocational rehabilitation, may be repaid from funds allocated for such grants in subsequent years. Under the Senate amendment, the Governor may deduct workforce employment funds allocated to substate areas in subsequent program years.

The House recedes with an amendment providing that if the Secretaries require a State to repay funds because a local eligible provider of employment and training activities or at-risk youth activities has expended funds in a manner contrary to the objectives of the block grant, and such expenditure does not constitute fraud, embezzlement, or other criminal activity, the Governor may deduct an equal amount from a subsequent program year allocation to the local workforce development area from funds available for administration of such activities in the local area, for such repayment.

Workers' rights

169. The Senate amendment, but not the House bill, contains limitations on the uses of funds.

The House recedes.

169a. The Senate amendment prohibits funds from being used to pay the wages of incumbent workers.

The House recedes.

169b. The Senate amendment restricts the use of funds in connection with the relocation of businesses.

The House recedes with an amendment clarifying that the business which has relocated was originally located within the United States.

170. Both the House bill and the Senate amendment prohibit the displacement of currently employed workers, although the House bill applies only to the adult employment and training and youth grants.

The House recedes.

171. Both the House bill and the Senate amendment prohibit the impairment of existing contracts. However, the House bill further requires that any program inconsistent with such an agreement must have the approval of the labor organization and the employer.

The Senate recedes with technical amendments.

172. Both the House bill and the Senate amendment prohibit the replacement of terminated employees, although there are several differences in content.

The Senate recedes with technical amendments.

173. Both the House bill and the Senate amendment address health and safety with different standards. The Senate amendment also requires standards for workers' compensation.

The House recedes with an amendment clarifying that to the extent workers' compensation law is applicable in a State, then workers' compensation shall be provided to participants on the same basis as the compensation is provided to other individuals in the State engaged in similar employment.

174. The Senate amendment, but not the House bill, provides standards for employment conditions for subsidized employment.

The House recedes.

175. Both the House bill and the Senate amendment address anti-discrimination through different means.

The Senate recedes with an amendment stating that nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, color, religion, sex, national origin, age, or disability and that except as otherwise permitted in law, no individual may be discriminated against with respect to participation in certain workforce and career development activities. In addition, nothing in this Act shall be construed to provide an individual with an entitlement to a service or to establish a right for an individual to bring any action for a violation of a requirement of this section or to obtain services, except through the grievance procedure specified in this section.

The phrase "Except as otherwise permitted in law" is intended to bring Federal workforce and career development activities within the scope of relevant civil rights provisions which recognize specific exceptions to general prohibitions against discrimination. For example, Title IX of the Education Amendments Act of 1972, which prohibits discrimination based on sex in any education program receiving Federal financial assistance, exempts certain institutions, associations and activities from its terms. Since workforce and career development activities may include "education programs' within the meaning of Title IX, institutions, associations and activities that are exempt form Title IX are likewise exempt from this provision's proscription against sex-based discrimination.

176. The Senate amendment, but not the House bill, provides for a grievance procedure and remedies for violation under this section.

The House recedes with an amendment requiring States to establish a grievance procedure for resolving complaints alleging violations of any of the prohibitions or requirements described in this section.

176a. The Senate amendment, but not the House bill, provides remedies that may be imposed under this paragraph for violations of the prohibitions and requirements described in this subsection.

The House recedes with an amendment providing that the Secretary of Labor shall require a State to repay funds expended in violation of the prohibition against business relocation.

GED requirements

177. The Senate amendment, but not the House bill, prohibits participation in certain workforce employment activities until an individual has obtained a diploma or its equivalent, or is enrolled in a program to obtain the same.

The House recedes with an amendment prohibiting an individual from participating in training services until such individual has obtained a secondary school diploma or its recognized equivalent, or is enrolled in a program or course of study to obtain a secondary school diploma or its recognized equivalent. An individual would not be denied such training services, however, if the requirement is determined to be inappropriate after an interview, evaluation or assessment, and counseling. Funds made available for training services may be used to provide State-approved adult education and literacy activities to help individuals meet the requirement.

Drug testing

178. The Senate amendment, but not the House bill, requires local providers to administer a drug test to applicants, on a random basis, and to participants, upon reasonable suspicion of drug use.

The House recedes with an amendment providing additional safeguards to the mandatory requirement that States conduct drug testing of participants in training services. Such safeguards include voluntary guidelines based upon the Mandatory Guidelines for Federal Workplace Drug Testing Programs, immunity from liability, prohibition against the use of drug test results in criminal actions, and reporting requirements to prevent unnecessary multiple tests.

American made

179. The House bill, but not the Senate amendment, includes a provision encouraging the purchase of American-made products.

The Senate recedes with an amendment striking the notice requirement with respect to the purchase of American-made products.

No entitlement to services

180. The House bill prohibits private rights of action for services under the adult employment and training title. The Senate amendment provides that no individual is entitled to services under the Act.

The House and Senate recede.

LOCAL ROLE

Establishment of local workforce development boards

182. The House bill requires the Governor to ensure the establishment of workforce boards within each workforce development area. The Senate amendment allows, but does not require, the State to establish local workforce boards in each substate area. (See Note 130)

The Senate recedes with an amendment requiring the establishment of a local workforce development board in each local workforce development area in a State.

183. Both the House bill and the Senate amendment allow the Governor to establish criteria for use by local chief elected officials in the selection of members of local boards. The House bill requires the Governor to determine the criteria through the collaborative process. (See Note 131)

The House recedes with an amendment requiring the Governor of a State to establish criteria for the appointment of members to local boards, which criteria shall be included in the State plan.

184. Both the House bill and the Senate amendment include minimum requirements for representation on local workforce boards.

The Senate recedes with an amendment requiring a majority of business representatives on the local board.

184a. Both the House bill and the Senate amendment require a majority business representation. The House bill further specifies the types of representatives.

The Senate recedes with an amendment inserting "a majority of members who are representatives of business and industry in the workforce development area appointed from among nominations submitted by local business organizations and trade associations;".

184b. Both the House bill and the Senate amendment require representation of one or more individuals with disabilities.

The House and Senate recede.

184c. Both the House bill and the Senate amendment include representatives of education. The House bill further specifies the types of representatives, including training providers.

The House recedes with an amendment requiring representatives of education on the local board.

184d. Both the House bill and the Senate amendment include representatives of community-based organizations, employees, and veterans. The Senate amendment includes a minimum 25% representation requirement for this category of representatives excluding veterans.

The Senate recedes with an amendment requiring representatives of employees, which may include labor, on the local board. Additional members of the board may include individuals with disabilities, parents, veterans, and community-based organizations.

185. The House bill requires that the local board elect its chairperson from among the members of its board, and allows the board to adopt its operating procedures. The Senate amendment requires that each local board select a chairperson from its business members.

The Senate recedes with an amendment requiring the local board to elect its own chairperson from among the members of the board.

186. The House bill includes provisions governing the selection of members of local workforce boards, including provisions governing the appointment of board members by locally-elected officials, in areas with multiple jurisdictions. The Senate amendment contains similar provisions governing selection of representatives of local partnerships, but not of local boards (See Note 199c).

The Senate recedes with an amendment authorizing the chief local elected official to appoint the members of the local board. Where a local workforce development area is comprised of more than one unit of local government, the chief elected officials of such units are authorized to enter into an agreement defining their respective roles. If the chief elected officials are unable to reach agreement, the Governor is authorized to appoint the members of the local board.

187. The House bill, but not the Senate amendment, authorizes the Governor to biennially certify one local workforce board for each workforce development area. (See Note 133)

The Senate recedes with an amendment authorizing the Governor to annually certify one local board in each local workforce development area. Such certification shall be based on criteria outlined in the State plan and for a second or subsequent certification the extent to which the local board has ensured that local programs have met expected levels of performance. Failure to achieve certification shall result in reappointment of another local board pursuant to the requirements of this section. A Governor may decertify a local board at any time for fraud, abuse, or failure to perform its required duties (with the exception of the duty of negotiate with the Governor on local benchmarks and on the designation of one-stop career centers).

The references to Governor in the certification process shall mean that that the Governor or the Governor's designee is authorized to certify local workforce development boards.

188. Under the House bill, if the workforce development area is a State, the State collaborative process may serve as the local workforce development board. (See Note 133). The Senate amendment contains a comparable provision for the local partnership. (See Note 201)

The Senate recedes with an amendment providing an exception for small States that may designate the members of the collaborative process at the State level to carry out the required activities in this section.

189. The House bill and the Senate amendment list certain duties/functions of local workforce boards.

Legislative counsel.

189a. Both the House bill and the Senate amendment require local workforce boards to develop, and submit to the Governor, a local workforce development plan. The House bill requires a biennial plan, and a local approval process. If the board is unable to obtain the approval of local officials, the plan may be submitted directly to the Governor, with the comments of such officials. The Senate amendment requires a 3-year plan, but contains no comparable local approval process, but does require that the board consult with chief elected officials. (See Note 193)

The Senate recedes with an amendment requiring local boards to conduct the following activities: (1) develop and submit to the Governor a local workforce development plan, outlining the employment and training activities and at-risk youth activities to be carried out in the local area; (2) designate or certify one-stop career and center eligible providers in the local area, award competitive grants to at-risk youth eligible providers, and conduct oversight with respect to local programs; and (3) make recommendations to the Governor identifying eligible providers of training services.

190. The Senate amendment, but not the House bill, requires the local board to enter into local agreement with the Governor including how funds shall be spent for workforce development activities. (See Note 199).

The Senate recedes.

191. The House bill requires the local board to identify and assess the needs of the local workforce development area. A similar provision is included in the Senate amendment under the local plan.

The House recedes.

192. The House bill and the Senate amendment contain budget and oversight duties for the local board. (See related Note 192b)

The House recedes.

192a. The House bill requires the local board to develop a budget for the adult training and the at-risk youth programs, and the integrated career center system, subject to the approval of the local elected official(s). (See related Note 192b)

The House recedes.

192b. The House bill requires the local board (in partnership with the local elected official(s)) to conduct oversight of the above-listed programs. The Senate amendment requires the local board to oversee the operation of the one-stop delivery system, including the designation of local entities and approval of annual budgets. (See related Note 192a)

The House recedes with an amendment requiring the local board and the Governor to negotiate and reach agreement on local benchmarks to measure the performance of employment and training activities and at-risk youth activities and the process to be used by the local board to designate or certify one-step career center eligible providers. The Governor and the local board may agree to certify a one-stop career center provider that was established prior to the date of enactment of this Act.

192c. The Senate amendment, but not the House bill, also requires the local board to submit annual progress reports to the Governor.

The Senate recedes.

193. The Senate amendment requires that the local board's functions be conducted in consultation with the local chief elected official(s). (See Notes 189a, 192a and 192b for related House provisions)

The House recedes with an amendment requiring the local board to consult with the chief local elected official in developing the local plan, to provide copies of the local plan to such official, and to include any recommendations submitted by such official with the local plan submitted to the Governor.

194. The House bill provides that the local board may receive and disburse funds for adult training and at-risk youth programs, or may designate a fiscal agent (which may include the State through a mutual agreement between the local board and the State). The Senate amendment contains no comparable provision.

The House recedes.

194a. The House bill allows the local board to employ its own staff. The Senate amendment contains no comparable provisions.

The House recedes.

The Managers agree that statutory language authorizing local boards to employ staff is not necessary, as such authority is implicit in the legislation. Up to 10 percent of employment and training funds and at-risk youth distributed to local workforce development areas may be spent on administrative expenses. While local workforce development boards may use a portion of these administrative funds to employ necessary staff (limited to 4 percent under the at-risk) youth provisions), the Managers intend that such administrative, and in particular staff expenses of local boards be limited. Because local boards will no longer be involved in the operation of programs (with limited exceptions), as well as the significant reduction of paperwork and reporting requirements as a result of this legislation, the administrative expenses of local boards should be significantly reduced from those currently spent by private industry councils under the Job Training Partnership Act.

195. The House bill, but not the Senate amendment, specifies that the local board may not operate programs established under this Act. The House bill further allows Governors to prohibit employees of agencies from providing staff support to local boards.

The Senate recedes with an amendment prohibiting local boards from carrying out employment and training activities, unless granted a waiver by the Governor.

Although the conference agreement allows a Governor to waive restrictions that prohibit a local workforce development board from directly providing services, the Mangers believe this authority should be exercised only on rare occasions. One example would be in a rural area where a competitive selection process has produced no other qualified service provider with demonstrated expertise. The workforce development board should be the service provider of last resort. Clearly, a key element of this Act is the reliance on the provision of services by entities who meet certain qualification standards and are able to achieve specified positive outcomes. This, the Managers believe, is best accomplished through an open, fair and competitive process to select entities to provide services to eligible individuals.

196. The House bill and the Senate amendment contain similar conflict of interest provisions. Under the House bill, the Governor is authorized to enforce more rigorous standards. The Senate amendment allows the Governor to determine activities that constitute a conflict of interest. The Senate amendment also prohibits local board members from voting on matters that would benefit immediate family members.

The Senate recedes with an amendment prohibiting the local board from engaging in activities that constitute a conflict of interest and requiring the local board to make available to the public information regarding the board's activities in the local area.

197. The House bill allows the Governor, through the collaborative process, to require local boards to carry out other duties as determined appropriate.

The House recedes.

198. Under the Senate amendment, but not the House bill, if a State elects to establish State and local boards, or elects to offer services through vouchers (starting in the year 2000), it may use up to 50% of its flex account funds for economic development. (See Note 132)

The Senate recedes.

Local agreements

199. The Senate amendment, but not the House bill, requires the Governor to enter into agreements with local partnerships (or where established, local boards), regarding workforce development activities in each substate area.

The Senate recedes.

199a. Under the Senate amendment, the local partnership (or local board) may make recommendations on the allocation of funds for, or administration of, workforce education activities, in accordance with the Act.

The Senate recedes.

199b. The Senate amendment requires that local partnerships be established by the chief local elected official and includes representation requirements.

The Senate recedes.

199c. The Senate amendment provides for the appointment of the partnership, by local elected officials, in areas with multiple jurisdictions. (See Note 186 for comparable House provision).

The Senate recedes.

199d. The Senate amendment includes required representation of business in the partnership, and a requirement that business representatives have a lead role in the partnership's activities.

The Senate recedes.

199e. The Senate amendment lists the contents of the local partnership agreement.

The Senate recedes.

200. Under the Senate amendment, but not the House bill, if the Governor is unable to reach agreement with the local partnership (or board), The Governor shall provide the local partnership (or board) an opportunity to comment on fund allocation.

The Senate recedes.

201. The Senate amendment allows a State to be treated as a substate area for purposes of the partnership and local board requirements. (See Note 188 for comparable House provision.)

The Senate recedes.

USE OF FUNDS

Education/youth

202. Both the House bill and the Senate amendment reserve funds for State activities.

The House bill grants general authority to States to conduct State programs and activities using not more than 8% of funds allotted to the State. The Senate amendment requires the State educational agency to carry out statewide workforce education activities using 20% of funds made available to the State. (See Note 218a)

The Senate recedes with a technical amendment providing that the eligible agency shall conduct State programs and activities.

203. The House bill specifically lists 12 permissible activities for which the 8% of State funds may be used. The Senate amendment lists 3 broad categories of permissible activities for which 20% of the State funds may be used.

The Senate recedes with an amendment providing a list of permissible State uses of funds.

203a. The House bill, but not the Senate amendment, allows a State to use money from their 8% State held funds to make performance awards to local communities who have exceeded their performance goals, implemented exemplary youth programs at the local level, or provided exemplary education services and activities for at-risk youth.

The House recedes.

204. The House bill, but not the Senate amendment, requires institutions receiving funds at the local level under the youth development and career preparation grant to use the monies to improve youth development and career-related education programs.

The House recedes with a technical amendment.

205. Both the House bill and the Senate amendment have required uses of funds. The House bill requires that funds received by eligible institutions at the local level for in-school youth programs shall be used for specific programs. The Senate amendment requires that funds received by the State educational agency shall be used for specific workforce education activities.

The Senate recedes with a technical amendment.

The Managers intend that activities such as purchasing, leasing or upgrading equipment, including instructional material; in-service training of vocational and academic instructors; apprenticeship programs; and those activities which provide strong experience in, and understanding of, all aspects of the industry students are preparing to enter not be precluded from funding at the local level. The bill's list of required activities is not meant to limit schools and school districts' ability to find creative ways to meet their education goals.

205a. Both the House bill and the Senate amendment require integration of academic and vocational education, linkages of secondary and postsecondary education, and career guidance and counseling. In addition, the Senate amendment requires tech-prep to be implemented as part of linking secondary and postsecondary education.

The House recedes with an amendment modifying the list of required local uses of funds for vocational education activities.

205b. Both the House bill and the Senate amendment have additional required uses of funds.

The Senate recedes with an amendment with additional required local activities for vocational education.

206. The House bill, but not the Senate amendment, lists eleven additional permissible uses of funds by eligible institutions at the local level for in-school youth programs.

The House recedes.

At-risk-youth

207. The House bill, but not the Senate amendment, grants general authority for local workforce development boards to subgrant to providers for programs that serve at-risk and out-of-school youth. (See Note 283)

The House recedes.

208. The Senate amendment, but not the House bill, grants authority to the Secretary of Labor and Secretary of Education, acting jointly on the advice of the Federal Partnership, to make allotments to States to enable the Secretary of Labor and the States to carry out at-risk youth programs. (See Note 284)

The Senate recedes.

209. The Senate amendment, but not the House bill, requires the Secretary of Labor to continue funding for Job Corps centers who received assistance under part B of title IV JTPA in FY 1996 and which were not closed under section 156. (See Note 285)

The Senate recedes.

210. The Senate amendment, but not the House bill, requires States to use a portion of the funds reserved for Indians and Native Hawaiians to make grants to eligible entities to run summer job programs that provide work-based learning opportunities that are directly linked to year-round school-to-work activities. The Senate amendment further requires that no funds shall be used to displace employed workers. (See Note 286)

[Statutory cite to subsection (c)(3) is incorrect. Statutory cite should be subsection (c)(4) which is the allotment for at-risk youth.]

The Senate recedes.

211. The House bill, but not the Senate amendment, lists 8 program elements which local workforce development boards are required to provide for at-risk and out-of-school youth. (See Note 210 for the Senate amendment's required activities.)

The House recedes.

212. The House bill lists additional permissible uses of funds by eligible providers at the local level for at-risk/out-of-school youth programs. (See Note 288). The Senate amendment permits States to make grants to eligible entities to carry out alternative programs or other activities for at-risk youth. The activities are not specifically listed.

The House and Senate recede.

213. The House bill, but not the Senate amendment, limits administrative funds used by a local workforce development board to no more than 10%. (See Note 289)

The House recedes.

214. The House bill, but not the Senate amendment, does not permit local workforce boards to operate programs (See Note 195), and requires that they subcontract to eligible providers. (See Note 290)

The House recedes.

215. The House bill, but not the Senate amendment, lists eligible providers to receive contracts from the local workforce development board including: (1) eligible institutions including local educational agencies, area vocational schools, intermediate educational agencies; postsecondary institutions including community colleges, State corrections educational agency and any consortia of the aforementioned list; (2) local government entities; (3) private, nonprofit organizations including community based organizations; (4) private, for-profit entities; or (5) other organizations or entities that have a demonstrated effectiveness and have been approved by the local workforce development board. (See Note 291).

The House recedes.

Maintenance of effort

216. The Senate amendment, but not the House bill, requires that States expend the same amount of money, or more, for workforce education activities as they did the preceding fiscal year in order to receive Federal funds. The Senate amendment further provides that the Federal Partnership may grant a waiver to a State for a 95% maintenance-of-effort requirement for 1 year only.

The House recedes with an amendment which provides that if the Federal share for a State decreases, then the fiscal effort required of the State shall be decreased by the same percentage as the percentage decrease in the overall amount made available to the State. The amendment also corrects a previous calculation of maintenance of effort.

LIMITATIONS

Supplement not supplant

217. Both the House bill and the Senate amendment provide that funds used by a State shall supplement and not supplant other public funds for workforce education and youth development and career preparation programs. The House requirement applies to youth development programs, not adult education. The Senate amendment applies to workforce education programs.

The House recedes with a technical amendment.

Allocation for State/Local programs

218. Both the House bill and the Senate amendment have a within State allocation. (See related Note 293)

Legislative counsel.

218a. The House bill provides that the Governor, through the collaborative process, allocate not less than 90% of funds to the local level. The Senate amendment provides that the State educational agency distribute 80% of funds to eligible local entities.

The Senate recedes with a technical amendment.

218b. The House bill requires not less than 90% of a State's funds for the youth block grant go to the local level to serve in-school and at-risk/out-of-school youth, not more than 8% for State programs and not more than 2% for administration. The Senate amendment requires that 80% of a State's funds for workforce education go to the local level, and 20% for State activities (with no more than 5% of such 20%) for administration.

The Senate recedes with an amendment providing that not less than 85 percent of funds be distributed to the local level, not more than 11 percent for State programs, and not more than 4 percent for administrative expenses.

219. The Senate amendment provides that the State educational agency shall determine how workforce education funds are allocated among secondary vocational education, postsecondary vocational education and adult education programs. The House bill provides separate funding streams for a youth development and career preparation grant and for an adult education and literacy grant.

The House recedes with an amendment requiring the eligible agency to determine how vocational education funds will be allocated between secondary vocational education and postsecondary and adult vocational education.

220. The House bill, but not the Senate amendment, requires that of the 90% of

funds sent to the local level, not less than 40% of the funds must be used for programs serving in-school youth and not less than 40% of the funds must be used for programs to serve at-risk and out-of-school youth. Of the remaining 20% of funds, the Governor, through the collaborative process, can distribute one-half of the remaining funds by formula and one-half by either discretionary grant or formula.

The House recedes.

Within State formula

221. Both the House bill and the Senate amendment provide for a within State formula.

Legislative counsel.

221a. The House bill requires the Governor, through the collaborative process, to develop a formula taking into account local poverty rates, the proportion of the State's youth population residing within local communities and other factors considered appropriate. In establishing the formula, the Governor shall ensure that funds are equitably distributed throughout the State and that the factors described above do not receive disproportionate weighting.

The House recedes with a technical amendment.

221b. The Senate amendment requires distribution of funds for secondary school vocational education to be distributed according to the current Perkins law formula—70% allocated on Title I ESEA formula, 20% allocated based on the number of children served under IDEA, and 10% allocated on the total number of students enrolled in schools and adults enrolled in training programs under the jurisdiction of local educational agencies.

The House recedes with an amendment providing that the formula for distribution of funds for secondary school vocational education be distributed as follows: 70 percent based on the number of children aged 5 to 17 living in poor families; and 30 percent based on the overall number of students within the local educational agency. The amendment also allows an eligible agency to develop an alternative formula if such formula distributes more funds to local educational agencies with the highest number or percentage of poor students.

The Managers recognize that States are in a better position to know their needs and have therefore provided a waiver which allows the eligible agency the option to develop an alternative formula which would better target poor areas—both those with high populations of poor and those with high percentages of poor. The Managers intend that providing a waiver for high percentages of poor will enable more funds to flow to poor, rural areas. The requirement that an alternative formula target more dollars to school districts that serve the "highest" number or "greatest" percentage of poor children is meant to include a group of such districts, not a single district. A State may determine the range of poor districts that it will target with an alternative formula.

222. Both the House bill and the Senate amendment establish minimum grant awards of $15,000 for a local educational agency or consortium of such agencies.

The House recedes.

223. Both the House bill and the Senate amendment permit a State to grant a waiver for the minimum grant amount in cases where the eligible recipient is located in a rural, sparsely populated area; and demonstrates that they are unable to enter into a consortium for purposes of providing services.

The House recedes with a technical amendment.

224. The Senate amendment, but not the House bill, requires that any funds not allocated by reason of minimum grant award for secondary school vocational education shall be redistributed to local educational agencies.

The House recedes with an amendment allowing an eligible agency to redistribute funds to rural, poor areas.

The Managers are concerned that not enough of the Federal dollars are reaching rural, poor areas. Language is included which creates a source of funds for eligible agencies to distribute to high poverty rural areas which are often in greater need. Funds for this purpose would come from funds not distributed to districts which failed to qualify for the minimum grant. These funds would be distributed only to poor, rural areas that were ineligible to receive formula funds.

225. The Senate amendment, but not the House bill, retains current Perkins law prohibiting funds from being allocated to a local educational agency that serves only elementary schools.

The House recedes.

226. The Senate amendment retains current Perkins law in allocating funds to area vocational education schools or educational service agencies. The House bill provides funding for area vocational education schools and educational service agencies in the within State formula. (See Note 221a)

The House recedes with an amendment striking the requirement that area vocational schools serve more low-income or disabled students than the LEA.

227. The Senate amendment, but not the House bill, retains current Perkins law which provides that funds for postsecondary and adult vocational education shall be distributed according to the formula in current Perkins law which gives priority to institutions serving Pell Grant and Bureau of Indian Affairs recipients. The House bill provides funding for postsecondary education in the within State formula. (See Note 221a)

The House recedes with an amendment striking the reservation for corrections vocational education.

227a. The Senate amendment, but not the House bill, allows the Federal Partnership to waive the postsecondary and adult vocational education formula in favor of a more equitable distribution of funds upon application from the State educational agency.

The House recedes with an amendment striking the additional criteria for the alternative formula.

228. Both the House bill and the Senate amendment establish minimum grant awards of $50,000 to postsecondary institutions or consortium of such institutions.

The House recedes.

229. The House bill, but not the Senate amendment, allows secondary-postsecondary institutions to form consortia to receive grant funds with a minimum award of $50,000.

The House recedes.

230. The Senate amendment, but not the House bill, requires that any funds not allocated by reason of minimum grant awards for postsecondary and adult vocational education shall be redistributed to eligible institutions.

The House recedes.

231. The House bill, but not the Senate amendment, prevents consortium from forming to receive funds and then separate immediately after and divide the funds. The House bill further requires that consortia must form for the purposes established under the youth development and career preparation title and to stay in a consortia arrangement for purposes of delivering services to youth.

The Senate recedes with conforming amendments.

232. The House bill, but not the Senate amendment, establishes minimum grant awards of $15,000 for local workforce development boards to serve at-risk/out-of-school youth. (Section repeated. See Note 295)

The House recedes.

233. The Senate amendment requires States to reserve an amount of funds from the amount they receive for postsecondary and adult voational education to distribute to State corrections agencies. The House bill allows States to use funds from their 8% of State monies for corrections education. (See Note 203)

The House recedes with an amendment providing that corrections institutions may receive funds for any of the four authorized activities.

234. The Senate amendment, but not the House bill, includes definitions for "eligible institution," low-income," and "Pell Grant recipient" that only apply to the within State formula.

The House recedes with an amendment striking the references to "eligible institutions" and "low-income" and moving the definition of "Pell Grant recipient" to the general definitions section.

Local process for receipt of funds

235. The house bill, but not the Senate amendment, states that in order to receive a grant at the local level, the local workforce development board and eligible institution(s) must form a partnership. The purpose of the partnership is to allow for collaborative planning, coordination of programs serving in-school and at-risk/out-of-school youth and allow for effective public participation. (See Note 296)

The House recedes.

236. Both the House bill and the Senate amendment provide for a local application. (The Senate amendment has a separate at-risk application. See related Note 297b)

The House recedes with an amendment requiring local entities to submit an application to the eligible agency for vocational educational funds.

236a. The House bill states that the partnership must develop and submit for approval to the Governor, through the State collaborative process, a comprehensive plan outlining how they are planning to serve both in-school and at-risk/out-of-school youth.

The House recedes.

236b. The Senate amendment requires each eligible entity to submit an application to the State educational agency for funding of workforce education activities (including vocational education activities for youth and adults). The Senate amendment further includes a list of items to be included in the application.

The House recedes with an amendment modifying the local application for vocational education funds.

237. The House bill, but not the Senate amendment, requires the partnership assure the involvement of parents, teachers and the local community in the planning process. (See Note 298)

The House recedes.

238. The House bill, but not the Senate amendment, provides that the Governor, through the collaborative process, is authorized to develop procedures for the resolution of issues in dispute. (See Note 299).

The House recedes.

239a. The House bill outlines that funds directed to the local level from the State to serve in-school youth must go to schools and eligible institutions. Funds directed to the local level from the State to serve at-risk youth will be sent to the local workforce development board to be subgranted to eligible entities for programs to serve at-risk and out-of-school youth.

The House recedes.

239b. The Senate amendment distributes secondary and postsecondary workforce education funds by formula to schools. (See Notes 221, 226, & 227). At-risk youth funds are distributed by competitive grants to local entities. (See Note 300).

The House recedes.

Adult education and literacy

240. The House bill and the Senate amendment provide funds for adult education and literacy. The House bill provides a separate Adult Education and Family Literacy Block Grant. The Senate amendment provides that the State educational agency shall determine how workforce education funds are allocated among secondary vocational education, postsecondary vocational education and adult education and literacy programs. (See Note 219).

The Senate recedes on the requirement that the State educational agency allocate workforce education funds.

241. The House bill, but not the Senate amendment, requires States to use 3% off the top of their Adult Education block Grant to provide funds, on a competitive basis to local service providers that have provided adult education or family literacy services to certain target populations.

The House recedes.

242. The House bill provides that States may use no more than 12% of funds received under the Adult Education block Grant, after the deduction of the 3% for target populations, for a variety of specified activities. The Senate amendment lists 3 broad categories of permissible activities for which 20% of workforce education funds reserved at the State level may be used.

The Senate recedes with an amendment providing that not more than 10 percent of adult education and literacy funds may be spent for a variety of State activities, including professional development, technical assistance, technology assistance, regional literacy networks, and evaluation.

Matching

243. The House bill, but not the Senate amendment, requires that a State receiving a grant shall spend, from non-Federal funds, an amount equal to 25% of the State's initial and additional allotments of the year for adult education and family literacy services.

The Senate recedes with technical amendments.

244. The House bill, but not the Senate amendment, provides that States may use no more than 3% of their block grant, or $50,000, whichever is greater, for planning, administration, interagency coordination and support for integrated career center systems. The Senate amendment requires that 80% of a State's funds for workforce education go to the local level, and 20% for State activities (with no more than 5% of such 20%) for administration. (See Note 218a)

The Senate recedes with an amendment providing that not more than 5 percent or $50,000 (whichever is greater) of adult education and literacy funds shall be spent on administrative expenses.

245. The Senate amendment, but not the House bill, sets a local administrative cost limit of 5% on agencies, organizations, institutions or consortiums which provide adult education instructional activities. Such funds may be used for planning, administration, personnel development and interagency coordination.

The Senate amendment further allows the State educational agency to negotiate with grant recipients in cases where cost limits would be too restrictive to permit them from carrying out allowable activities.

The House recedes with an amendment substituting the references to "State educational agency" with "eligible agency."

Distribution

246. The House bill and the Senate amendment provide for the distribution of funds to local providers.

Legislative counsel.

246a. The House bill provides that States are to use 85% of funds under the block grant to make grants, on a competitive basis, to local service providers. The Senate amendment provides that a State educational agency shall award grants for adult education, on a competitive basis to eligible entities and/or a consortia of such entities.

The House recedes with an amendment requiring that 85 percent of the adult education and literacy funds be allocated to local providers, and lists the entities eligible for assistance.

246b. The House bill and the Senate amendment have similar lists of eligible entities, but the House provision is contained under its "equitable access" provisions. (See Note 247a)

The House recedes with an amendment adding "family literacy services" to a list of eligible entities.

247. Both the House bill and the Senate amendment provide a list of grant requirements.

Legislative counsel.

247a. Both the House bill and the Senate amendment include a provision requiring direct and equitable access to all eligible entities.

The House recedes with an amendment substituting the reference to "State educational agency" with "eligible agency" and restricting the use of adult education and literacy funds for programs that serve non-adult populations, unless such programs are related to family literacy services.

247b. The House bill, but not the Senate amendment, requires a State to give priority to local service providers which demonstrate joint planning with local workforce development boards and integrated career center systems.

The House recedes.

247c. The Senate amendment, but not the House bill, requires States to consider the past effectiveness of applicants in providing services, the degree to which the applicant will coordinate and utilize other literacy and social services available in the community and the commitment of the applicant to serve those in the community who are most in need of literacy services.

The House recedes with technical amendments.

248. The Senate amendment, but not the House bill, allows a State educational agency under certain circumstances to award a grant to a consortium that includes an eligible entity and a for-profit agency, organization or institution.

The House recedes with a technical amendment.

249. The House bill, but not the Senate amendment, allows a local service provider which receives a grant from a State under this subtitle to negotiate with a local workforce development board with respect to receipt of payments for adult education and literacy services provided by a provider to adults referred to the provider by a program supported by other titles of the House bill.

The House recedes.

250. The House bill, but not the Senate amendment, authorizes a local service provider receiving a grant under this block grant to receive payment for adult education and literacy services provided to an adult participating in programs authorized under other titles of the House bill, either in the form of a career grant or by some other means.

The House recedes.

251. The Senate amendment, but not the House bill, requires each eligible entity to submit an application to the State educational agency for funding of workforce education activities (including adult education activities). (See Note 236b)

The Senate recedes.

Use of funds

252. The House bill requires that local services providers which receive a grant must use such grant to establish or operate one or more programs that provide instruction or services within one or more of the following categories: adult basic education, adult secondary education, English literacy instruction, and family literacy services.

The Senate amendment lists literacy and basic education services for adults and out-of-school youth, including adults and out-of-school youth in correctional institutions and programs for adults and out-of-school youth to complete their secondary education among their list of Workforce Education Activities. (See Senate Section 106(b)(4)(5))

The Senate recedes with an amendment requiring that adult education and literacy funds at the local level be used for adult education services, English literacy services, and family literacy services.

National Literacy Act

253. Both the House bill and the Senate amendment allocate funds for the National Institute of Literacy.

The House bill reserves $4.5 million in each fiscal year for the National Institute for Literacy. Such funds are reserved at the Federal level before distribution to the States.

The Senate amendment reserves 0.15% of the $5,884,000,000 authorization ($8,830,000) for four programs, including funds for the National Institute for Literacy.

The Senate recedes with an amendment authorizing the appropriation of $10 million for fiscal year 1997 and such sums through fiscal year 2002 for the National Institute for Literacy.

254. Both the House bill and the Senate amendment establish the National Institute for Literacy.

The House bill requires the Institute to be administered under the terms of an interagency agreement entered into by the Secretary of Education with the Secretaries of Labor and Health and Human Services (the Interagency Group).

The Senate amendment requires the Institute to be administered by the Federal Partnership established under the Workforce Development Act of 1995.

The Senate recedes.

255. Both the House bill and the Senate amendment allow the inclusion in the Institute of any research and development center, institute or clearinghouse whose purpose is related to the purpose of the Institute.

Legislative counsel.

256. The Senate amendment, but not the House bill, requires the Institute to have offices separate from the offices of the Department of Education or the Department of Labor.

The House recedes.

257. Both the House bill and the Senate amendment require the Interagency Group (Federal Partnership) to consider recommendations of the National Institute for Literacy Advisory Board (National Institute Council) in planning the goals of the Institute and implementing programs to achieve such goals. Both the House bill and the Senate amendment require the daily operations to be carried out by the Director of the Institute.

The Senate amendment, but not the House bill, requires the Federal Partnership to provide a written explanation to the Council if it does not follow the Council's recommendations and allows the Council to request a meeting to discuss the Council's recommendations.

The Senate recedes.

258. Both the House bill and the Senate amendment set forth the duties and activities of the Institute, with differences.

The Senate recedes with an amendment listing the activities for the National Institute for Literacy.

259. Both the House bill and the Senate amendment permit the Institute to award fellowships with stipends and allowances which the Director considers necessary to outstanding individuals pursuing careers in adult education or literacy.

Legislative counsel.

260. Both the House bill and the Senate amendment provide that such fellowships be used to engage in research, education, training, technical assistance or other activities to advance the field of adult education or literacy.

Legislative counsel.

261. The Senate amendment, but not the House bill requires individuals receiving fellowships to be called "Literacy Leader Fellows."

The Senate recedes.

262. The House bill, but not the Senate amendment, allows the Institute to award paid and unpaid internships to individuals seeking to help the Institute. The House bill allows the Institute to accept and use voluntary and uncompensated services as they deem necessary.

The Senate recedes.

263. The House bill establishes the National Institute for Literacy Advisory Board. The Senate amendment establishes the National Institute Council.

The Senate recedes.

263a. Both entities serve in an advisory capacity and consist of ten individuals appointed by the President with the advice and consent of the Senate.

The Senate recedes.

263b. Both the House bill and the Senate amendment require that such individuals may not otherwise be officers or employees of the Federal Government and be representative of entities or groups described in Note 264.

The Senate recedes.

263c. The Senate amendment requires such individuals to be chosen from recommendations made to the President by individuals who represent such entities or groups.

The Senate recedes.

264. Both the House bill and the Senate amendment describe the entities or groups from which members are to be chosen. The only differences are that: (a) the House bill, but not the Senate amendment, includes providers of programs and services involving English language instruction; and (b) the House bill refers to "representatives of employees" and the Senate amendment refers to "organized labor."

The Senate recedes.

265. Both the House bill and the Senate amendment contain a list of duties for the Board (Council). The duties are the same.

The Senate recedes.

266. The Senate amendment, but not the House bill, requires the Council to be subject to the provisions of the Federal Advisory Committee Act.

The House recedes with an amendment substituting the reference to "Council" with "Board."

267. Both the House bill and the Senate amendment limit the term of members of the Board (Council) to three years. The Senate amendment prohibits a member from being appointed for not more than two consecutive terms. The House bill requires that initial terms for members may be one, two or three years in order to establish a rotation in which one-third of the members are selected each year.

The Senate recedes with an amendment requiring that any member of the Board may not be appointed for more than 2 consecutive terms.

268. Both the House bill and Senate amendment contain the same provisions for appointing members to fill a vacancy which occurs before the expiration of the term for which a member was appointed.

The Senate recedes.

269. Both the House bill and the Senate amendment contain provisions regarding the number of members required to constitute a quorum but allow a lesser number to hold hearings. Both the House bill and Senate amendment require that recommendations be passed only by a majority of its members.

The Senate recedes.

270. Both the House bill and Senate amendment provide for the election of a chairperson and vice chairperson. The House bill provides that each shall serve for a term of one year. The Senate amendment permits such individuals to serve for two years.

The House recedes.

271. Both the House bill and the Senate amendment provide that the Board (Council) shall meet at the call of the chairperson or a majority of its members.

The Senate recedes.

272. Both the House bill and the Senate amendment provide for gifts, bequests and devises.

The House bill allows the Institute to accept, administer and use gifts or donations of services, money or property, both real and personal.

The Senate amendment allows the Institute and the Council to accept (but not solicit), use, and dispose of gifts, bequests or devices of services or property for the purpose of aiding or facilitating the work of the Institute or Council. The Senate amendment requires such gifts, bequests or devices of money and proceeds from sales of other property to be deposited in the Treasury and be available for disbursement upon order of the Institute or the Council.

The Senate recedes.

273. Both the House bill and the Senate amendment permit the Board (Council) and the Institute to use the mails in the same manner as other departments and agencies.

The Senate recedes.

274. Both the House bill and the Senate amendment provide that the Interagency Group (Federal Partnership), after considering recommendations of the Board (Council) is to appoint and fix the pay of the Director. The Senate amendment provides that the Director of the Federal Partnership is also to appoint and fix the pay of the staff of the Institute.

The Senate recedes.

275. Both the House bill and the Senate amendment contain provisions regarding the applicability of certain Civil Service laws.

Legislative counsel.

276. Both the House bill and the Senate amendment contain identical provisions with respect to experts and consultants.

The Senate recedes.

277. Both the House bill and the Senate amendment require the Institute to submit a biennial report.

The House recedes.

277a. The House bill requires the report be submitted to the Interagency Group and the Congress. The Senate amendment requires the report be submitted to the appropriate committees of Congress.

The House recedes.

277b. The Senate amendment also includes a list of items which must be included in such report.

The House recedes with technical amendments.

278. The Senate amendment, but not the House bill, provides that funds appropriated to the Federal Partnership, the Secretary of Education, the Secretary of Labor, or the Secretary of Health and Human Services for purposes that the Institute is authorized to perform, may be provided to the Institute.

The House recedes with an amendment striking the reference to "the Federal Partnership."

279. Both the House bill and the Senate amendment address State or Regional Adult Literacy Resources Centers.

The Senate amendment specifically provides for the establishment of a network of State or regional adult literacy resource centers to assist State and local public and private nonprofit efforts to eliminate illiteracy. The House bill allows States and the Department of Education to fund these activities. (See Notes 242 & 282)

The House and Senate recede.

280. The House bill repeals the National Workforce Literacy Assistance Collaborative. (See Note 449a.) The Senate amendment repeals the authorization of appropriations for the National Workforce Literacy Assistance Collaborative.

The Senate recedes.

280a. Both the House bill and the Senate amendment repeal the Family Literacy Public Broadcasting Program. (See Note 449a for House repeal)

The Senate recedes.

281. The Senate amendment, but not the House bill, extends through the year 2001 the separate program providing literacy for incarcerated individuals. The House bill repeals this program. (See Note 449a for House repeal)

The House recedes.

282. The House bill, but not the Senate amendment, requires the Secretary of Education to carry out a program of national leadership and evaluation activities to enhance the quality of adult education and family literacy programs nationwide. The House bill outlines the list of authorized activities, includes the information to be received from a national evaluation, and allows the Secretary to carry out activities directly or through grants, contracts and cooperative agreements.

The House recedes.

At-risk youth

283. The House bill, but not the Senate amendment, grants general authority for local workforce development boards to subgrant to providers for programs that serve at-risk and out-of-school youth. (See Note 207)

The Senate recedes with an amendment providing authority to carry out at-risk youth activities.

284. The Senate amendment, but not the House bill, grants authority to the Secretary of Labor and Secretary of Education, acting jointly on the advice of the Federal Partnership, to make allotments to States to enable the Secretary of Labor and the States to carry out at-risk youth programs. (See Note 208)

The Senate recedes.

285. The Senate amendment, but not the House bill, requires the Secretary of Labor to continue funding for Job Corps centers who received assistance under part B of title IV JTPA in FY 1996 and which were not closed under section 156. (See Note 209)

The Senate recedes.

286. The Senate amendment, but not the House bill, requires States to use a portion of the funds reserved for Indians and Native Hawaiians to make grants to eligible entities to run summer job programs and provide work-based learning opportunities that are directly linked to year-round school-to-work activities. Senate amendment requires that no funds shall be used to displace employed workers. (See Note 210)

[Statutory cite to subsection (c)(3) is incorrect. Statutory cite should be subsection (c)(4) which is the allotment for at-risk youth.]

The Senate recedes.

287. The House bill, but not the Senate amendment, lists 8 program elements which local workforce development boards are required to provide for at-risk and out-of-school youth. (See Note 286 for the Senate amendment's required activities)

The Senate recedes with an amendment providing required program elements for at-risk youth activities.

288. The House bill lists additional permissible uses of funds by eligible providers at the local level for at-risk and out-of-school youth programs. (See Note 212). The Senate amendment permits States to make grants to eligible entities to carry out alternative programs or other activities for at-risk youth programs. The activities are not specifically listed.

The Senate recedes with an amendment providing additional program elements for at-risk youth activities.

289. The House bill, but not the Senate amendment, limits administrative funds used by local workforce development boards to no more than 10%. (See Note 213)

The House recedes.

290. The House bill, but not the Senate amendment, does not permit local workforce boards to operate programs (See Note 195), and requires that they subcontract to eligible providers. (See Note 214)

The Senate recedes with an amendment prohibiting a local workforce development board from operating programs, but allowing the local board to contract with eligible providers of at-risk youth activities of demonstrated effectiveness.

291. The House bill, but not the Senate amendment, lists eligible providers to receive contracts from the local workforce development board including: (1) eligible institutions including local educational agencies; postsecondary institutions including community colleges, State corrections educational agency and any consortia of the aforementioned list; (2) local government entities; (3) private, nonprofit organizations including community based organizations; (4) private, for-profit entities; or (5) other organizations or entities that have a demonstrated effectiveness and have been approved by the local workforce development board. (See Note 215)

The Senate recedes with an amendment allowing Governors or local workforce development boards to approve other organizations or entities of demonstrated effectiveness as eligible providers of at-risk youth activities.

The Managers recognize the demonstrated effectiveness of the Center for Employment and Training (CET), the Youth Build Program, the Employability Program developed at North Omaha's Sacred Heart School (which helps students in a low-income minority district with high unemployment to obtain skills needed to retain meaningful employment), and the Opportunities Industrialization Centers of America in providing employment education, training, and placement services to at-risk youth. While it is recognized that States and local workforce development boards require flexibility in choosing the most appropriate training models to meet their individual needs, it is the Managers' intent, where possible, that exemplary models of demonstrated effectiveness such as CET be replicated on the State and local levels.

292. The Senate amendment, but not the House bill, provides that at-risk youth funds be expended in accordance with the State's laws and procedures. (See Note 112)

The Senate recedes.

Allocations for State/local programs

293. Both the House bill and the Senate amendment have a within State allocation. (See related Note 218)

The House recedes with a technical amendment.

293a. The House bill requires that not less than 90% of a State's funds for the youth grant go to the local level to serve in-school and at-risk/out-of-school youth, not more than 8% for State programs and not more than 2% for administration. The Senate amendment requires that 85% of a State's funds for at-risk youth activities go to the local level and 15% for State activities.

The House recedes with an amendment distributing funds for at-risk youth activities and outlining the development of a within State formula that must take into account certain factors for the distribution of local funds. The amendment further outlines the awarding of grants. Funds are distributed as follows: 75 percent to local workforce development areas; 21 percent to the Governor; and 4 percent for administrative purposes at the State level.

294. The House bill, but not the Senate amendment, requires that of the 90% of funds sent to the local level, not less than 40% of the funds must be used for programs to serve at-risk and out-of-school youth. Of the remaining 20% of funds, the Governor, through the collaborative process, can distribute one-half of the remaining funds by formula and one-half by either discretionary grant or formula. (See Note 220)

The House recedes.

295. The House bill, but not the Senate amendment, establishes minimum grant awards of $15,000 for local workforce development boards to serve at-risk/out-of-school youth. (See Note 232)

The House recedes.

296. The House bill, but not the Senate amendment, states that in order to receive a grant at the local level, the local workforce development board and eligible institution(s) must for a partnership. The purpose of the partnership is to allow for collaborative planning, coordination of programs serving in-school and at-risk/out-of-school youth and allow for effective public participation. (See Note 235)

The House recedes.

297. Both the House bill and the Senate amendment provide for a local application.

The House recedes.

297a. The House bill states that the partnership must develop and submit for approval to the Governor, through the State collaborative process, a comprehensive plan outlining how they are planning to serve both in-school and at-risk/out-of-school youth. (See Note 236)

The House recedes.

297b. The Senate amendment requires eligible entities to submit an application to the Governor for funding of certain at-risk youth activities.

The House recedes with an amendment requiring entities to submit a local application in order to receive funding.

298. The House bill, but not the Senate amendment, requires the partnership to assure the involvement of parents, teachers and the local community in the planning process. (See Note 237)

The House recedes.

299. The House bill, but not the Senate amendment, provides that the Governor, through the collaborative process, is authorized to develop procedures for the resolution of issues in dispute. (See Note 238)

The House recedes.

300. The House bill outlines that funds directed to the local level from the State to serve at-risk and out-of-school youth will be sent to the local workforce development board to be subgranted to eligible entities. The Senate amendment distributes funds for at-risk youth programs to local entities in part by competitive grants. (See Note 239b for House provision, and Note 297 for Senate provision.)

The House recedes.

Job Corps

301. The Senate amendment contains provisions regarding Job Corps. The House bill has no comparable provisions, but retains Job Corps under current law.

The House recedes.

302. The Senate amendment, but not the House bill, provides for definitions relating to Job Corps which includes a definition for "at-risk youth". (See Note 15 for House definition of "at-risk 75 youth".)

The House recedes with an amendment striking the definition of at-risk youth.

303. The Senate amendment, but not the House bill, provides specific purposes for Job Corps.

The House recedes.

304. The Senate amendment, but not the House bill, establishes a Job Corps program in the Department of Labor.

The House recedes with an amendment striking the reference to the "National Board".

305. Under the Senate amendment, but not the House bill, only at risk youth are eligible for Job Corps.

The House recedes with an amendment providing requirements to be eligible to become an enrollee of the Job Corps program.

306. The Senate amendment, but not the House bill, requires the Secretary of Labor to prescribe procedures for screening and selecting applicants, after consultation with States and localities.

The House recedes with an amendment striking the references to State workforce development boards and local partnerships.

306a. The Senate amendment, but not the House bill, lists requirements for such screening and selection, provides for their implementation, and requires consultation with individuals and organizations.

The House recedes with an amendment requiring that in addition to other factors, the Secretary of Labor assure that Job Corps enrollees include an appropriate number of candidates selected from rural areas.

306b. The Senate amendment, but not the House bill, contains special limitations on enrollees.

The House recedes.

307. The Senate amendment, but not the House bill, provides requirements for the enrollment in, and assignment to, Job Corps centers.

The House recedes.

308. The Senate amendment, but not the House bill, provides for the eligibility and selection of operators of Job Corps Centers, the character and activities of those centers, and special provisions for Civilian Conservation Centers and centers operated by Indian Tribes.

The House recedes.

309. The Senate amendment, but not the House bill, requires Job Corps centers to provide workforce development activities to meet the needs of enrollees through or in coordination with the statewide system. The Senate amendment also requires the Secretary of Labor to establish a job placement accountability system for Job Corps Centers.

The House recedes with an amendment requiring the Secretary of Labor to establish a fiscal and management accountability system for Job Corps centers and to coordinate its activities, carried out through the fiscal and management accountability systems for States, if any.

309a. The Senate amendment, but not the House bill, provides for advance career training programs for certain Job Corps enrollees.

The House recedes.

309b. The Senate amendment, but not the House bill, provides for full benefits or a montly stipend for participants in an advanced training program.

The House recedes.

310. The Senate amendment, but not the House bill, provides for personal allowances for Job Corps enrollees.

The House recedes.

311. The Senate amendment, but not the House bill, requires center operators to submit a plan to the Secretary of Labor for approval. The Senate amendment lists the requirements for such plan.

The House recedes with conforming and technical changes.

312. The Senate amendment, but not the House bill, requires the Secretary of Labor to provide standards of conduct, including a zero tolerance policy for violence and drug abuse, to be enforced by the center directors.

The House recedes.

313. The Senate amendment, but not the House bill, directs the Secretary of Labor to encourage community participation and establishes a selection panel for center operators. The Senate amendment also requires each center director to engage in certain community outreach efforts.

The House recedes with conforming and technical changes.

314. The Senate amendment, but not the House bill, directs the Secretary of Labor to ensure that Job Corps enrollees receive counseling and placement.

The House recedes.

315. The Senate amendment, but not the House bill, authorizes the Secretary of Labor to use advisory committees to assist Job Corps activities.

The House recedes.

316. The Senate amendment, but not the House bill, provides that Job Corps enrollees are not to be considered Federal employees except with respect to the Internal Revenue Code, the Social Security Act, Federal workers' compensation, and Federal tort claims.

The House recedes.

317. The Senate amendment, but not the House bill, contains special provisions relating to Job Corps, including directing the Secretary of Labor to take steps to achieve an enrollment of 50% women, State tax exemptions, and minimum management fee requirements.

The House recedes.

318. The Senate amendment, but not the House bill, provides for a review of all Job Corps Centers by March 31, 1997, and lists the requirements for such review.

The House recedes with an amendment requiring the Secretary of Labor to establish a National Job Corps Review Panel consisting of nine persons to conduct a review of Job Corps activities to be completed not later than July 31, 1997.

318a. The Senate amendment, but not the House bill, requires the National Board to make recommendations to the Secretary of Labor on how to improve Job Corps, including the closure of 5 centers by September 30, 1997 and 5 centers by September 30, 2000.

The House recedes with an amendment striking all references to the "National Board" and inserting "National Job Corps Review Panel".

318b. The Senate amendment, but not the House bill, provides that the National Board take into account specific considerations in recommending the closure of centers.

The House recedes with an amendment striking all references to the "National Board" and inserting "National Job Corps Review Panel".

318c. The Senate amendment, but not the House bill, requires the National Board to submit a report of its findings not later than June 30, 1997.

The House recedes with an amendment striking all references to the "National Board" and inserting "National Job Corps Review Panel", and changing the date the report must be submitted from June 30 to August 30, 1997.

318d. The Senate amendment, but not the House bill, requires the Secretary to implement improvements in Job Corps, including the closure of 10 centers, and report annually to Congress.

The House recedes with an amendment requiring the Secretary of Labor, if initiating a new Job Corps center, to make it a priority on placing Job Corps centers in those States without existing Job Corps centers.

The Managers intend that the States without existing Job Corps Centers receive a priority, but that the quality of applications continue to be a primary consideration.

319. The Senate amendment, but not the House bill, provides for the Secretary of Labor to carry out his responsibilities, notwithstanding other provisions of the title.

The House recedes.

320. The Senate amendment, but not the House bill, has an effective date of July 1, 1998 for the Job Corps provisions, except for the report, which will begin immediately.

The House recedes.

EMPLOYMENT AND TRAINING ACTIVITIES

One-stops/integrated career center system

321. The House bill requires the Governor to ensure the establishment of an integrated career center system by local workforce boards within each workforce development area. The Senate amendment has no comparable provisions. (See Note 134)

The Senate recedes with an amendment requiring States to establish one-stop career center systems.

322. The House bill, but not the Senate amendment, requires the Governor, through the collaborative process, to establish statewide criteria for selecting career center providers. (See Note 135)

The House recedes.

323. Both the House bill and the Senate amendment require States to implement a statewide approach to the delivery of employment and training, based on the concept of integrated or one-stop career centers, although the requirements of each bill differ. (See Note 136)

The Senate recedes with conforming amendments.

323a. The House bill requires a system where common intake, assessment, and job search are provided. The Senate amendment provides as an option, a system where core services are provided, regardless of point of entry.

The House recedes with an amendment providing that core services may be provided through a network that assures participants that such services will be available regardless of where the participants initially enter the statewide system, including through multiple, connected access points, linked electronically or technologically.

323b. Both the House bill and Senate amendment allow for access points that are electronically or computer linked. The House bill further provides for the availability of labor market information and common management information across the system

The House and Senate recede.

323c. The House bill requires at least one physical, co-located career center (to the extent practicable), but encourages a network of such centers combined with affiliated sites. The Senate amendment provides as an option, that there are core services available at not less than one physical location in each substate area, and also allows for a combination of the options listed above.

The House recedes with an amendment providing that core services may be provided through a network of career centers which can provide core services and services authorized under the Wagner-Peyser Act to individuals; at not less than one physical, co-located center in each workforce development area of the State, which provides comprehensive core services to individuals seeking such services; or through some combination of the options described in this section.

323d. The House bill requires that labor market information compiled pursuant to title II of the Wagner-Peyser Act be available through all career centers and affiliated sites. The Senate amendment has no comparable provision.

The Senate recedes with an amendment providing that labor market information, shall be available through the one-stop career center system.

323e. The House bill, but not the Senate amendment, provides that an entity or consortium of entities in a local workforce area may be designated by the local board to operate a career center, and lists certain eligible entities.

The Senate recedes with an amendment listing public and private eligible providers that may be designated or certified to operate a one-step career center. The amendment also includes an exception providing that elementary and secondary schools shall not be eligible to operate a one-stop career center.

324. Both the House bill and Senate amendment list core services to be provided through integrated career centers or one-stop delivery system.

The House recedes.

324a. The House bill requires that core services be provided on a universal and nondiscriminatory basis, with reasonable accommodations for individuals with disabilities. The Senate amendment contains no such specific provision, but also does not restrict eligibility for core services.

The House recedes with an amendment providing that core services shall be available to all individuals seeking such services.

324b. Both the House bill and Senate amendment require that outreach and intake for services be available, and the Senate amendment includes orientation to services available through the one-stop.

The House recedes.

324c. Both the House bill and Senate amendment include initial assessment of skill levels, service needs, and need for supportive services. However, the two bills differ in what is to be specifically assessed.

The House recedes.

324d. Both the House bill and Senate amendment require job search assistance (the Senate amendment also specifies placement assistance), and career counseling, although the Senate amendment provides for career counseling where appropriate. The House bill also includes career planning based on a preliminary assessment.

The House recedes.

324e. Both the House bill and Senate amendment provide for information related to the local labor market. However the language differs as to what is required.

The Senate recedes with an amendment providing that one-stop career center systems shall provide accurate labor market information relating to local and State, and if appropriate, to regional or national occupations in demand and skill requirements for such occupations, where available.

324f. The Senate amendment provides for information on the quality and availability of other workforce employment, education, and vocational rehabilitation activities, and for referral to such programs. The House bill also provides such information and referral to programs, but refers to specific programs.

The House recedes with an amendment providing that one-stop career centers shall provide accurate information relating to the quality and availability of workforce and career development activities and vocational rehabilitation activities; referrals to such programs; and the provision of information related to adult education and literacy activities through cooperative efforts with eligible providers of such activities.

324g. The House bill requires that information on eligibility for Federal education and training programs be provided. The Senate amendment requires such information on forms of public financial assistance.

The Senate recedes with an amendment requiring one-stop career centers to provide eligibility information relating to unemployment compensation, publicly-funded education and training programs, and forms of public financial assistance, such as student aid programs, that may be available in order to enable individuals to participate in workforce and career development activities.

324h. The House bill, but not the Senate amendment, requires that information on the performance of programs be available through career centers.

The Senate recedes with an amendment requiring one-stop career centers to provide performance information on eligible training providers.

324i. The Senate amendment, but not the House bill, requires that customized screening and referral be provided.

The Senate recedes.

324j. The Senate amendment, but not the House bill, requires information on performance of the substate area with respect to the State benchmarks.

The House recedes with an amendment requiring one-stop career centers to provide information on how the local workforce development areas are performing on their local benchmarks, and any additional performance information provided by the local boards.

324k. The House bill, but not the Senate amendment, requires career centers to accept applications for unemployment compensation. The Senate amendment allows States to co-locate with unemployment compensation services. (See Note 327)

The House recedes.

325. The House bill, but not the Senate amendment, specifies that career centers or affiliated sites may serve as the point of distribution of career grants.

The Senate recedes with an amendment providing that a one-stop career center may serve as the point of distribution of career grants for the purchase of training services.

326. The House bill, but not the Senate amendment, allows career center systems to contract out for core services for individuals with severe disabilities.

The House recedes.

327. Both the House bill and Senate amendment contain different permissible or additional services that may be provided through the integrated career center or one-stop delivery systems.

The House recedes with conforming amendments and inserting additional discretionary one-stop activities.

328. The House bill, but not the Senate amendment, permits the Governor, through the collaborative process, to develop alternatives to the integrated career center system, subject to the approval of the Secretaries

The House recedes.

Employment and training use of funds

329. The Senate amendment, but not the House bill, requires the following use of funds for workforce employment activities: one-stop delivery of core services; establishment of a labor market information system; and establishment of a job placement accountability system.

The Senate amendment also permits the use of funds for: permissible one-stop activities; other permissible training activities; staff development; incentive grants; and the provision of training services through vouchers.

The House recedes with an amendment requiring that funds made available to a State and local workforce development areas for employment and training activities shall be used to carry out required State and local employment and training activities; to conduct a career grant pilot program; and may be used to carry out permissible State and local employment and training activities.

330. The House bill, but not the Senate amendment, requires that certain mandatory activities be conducted by the State, from funds reserved by the Governor under the Adult Employment and Training grant, including: rapid response activities; and additional assistance for other worker dislocation events.

The Senate recedes with an amendment requiring States to use a portion of their State-held employment and training funds for rapid response assistance; labor market information; and to conduct evaluations.

Discretionary activities

331. Both the House bill and the Senate amendment list certain discretionary activities. The House bill, not the Senate amendment, specifically lists certain activities to be carried out by the State, and funded from the Governor's reserve. Under the Senate amendment's, permissible activities under section 106(a)(6) (A) through (N) are listed below, starting with Note 333b.

The House recedes with an amendment inserting a new title "PERMISSIBLE STATE ACTIVITIES", with conforming and technical changes.

331a. Both the House bill and the Senate amendment allow funds to be used for staff development and training, but the House bill further allows for capacity building.

The House recedes with an amendment allowing a State to use State funds to provide professional development and technical assistance.

331b. Both the House bill and the Senate amendment allow for incentive grant awards, but the House bill further allows for research and demonstration.

The House recedes with an amendment allowing a State to use State funds to provide incentive grants to workforce development areas for exemplary performance in reaching or exceeding benchmarks.

331c. In addition, the House bill allows States to use State reserve funds for incumbent worker training; assistance for career center systems; support for a common management information system; and training in nontraditional employment.

The House recedes with an amendment allowing additional permissible State activities including; certain economic development activities; implementation of efforts to increase the number of individuals trained and placed in nontraditional employment; other employment and training activities that the State deems necessary to assist local workforce development areas; a fiscal and management accountability system; the establishment of the one-stop career center system; and the career grant pilot program.

332. The House bill requires that adult employment and training grant funds be used to provide core services to adults through career center systems. The Senate amendment requires that workforce employment funds be used to provide core services through one-stop delivery. (See Note 324)

The House recedes.

333. The House bill, but not the Senate amendment, requires that adult employment training grant funds be used to provide intensive services, through career center systems, to adults who are unable to obtain employment through core services, but provides discretion on the types of services. The Senate amendment provides that intensive services are a permissible one-stop delivery activity. (See Note 327)

The Senate recedes with an amendment providing that funds made available to local workforce development areas shall be used to provide core services to individuals through the one-stop career center system of the State; and to provide training services to individuals who are unable to obtain employment through the core services and who after an interview, evaluation or assessment, and counseling, have been determined to be in need of training services.

333a. The House bill, but not the Senate amendment, specifies that intensive services may include: comprehensive and specialized assessments; individual employment plans; identification of employment goals; group or individual counseling and career planning; case management; and follow up counseling for up to 1 year.

The House recedes.

333b. Both the House bill and the Senate amendment permit the use of funds for case management and follow-up services.

The Senate recedes with an amendment authorizing training services which may include occupational skills training; on-the-job-training; skills upgrading and retraining for persons not in the workforce; and basic skills training when in combination with at least one of the other services listed.

334. The House bill requires that adult employment training grant funds be used to provide education and training services for only those adults who are unable to obtain employment through core or intensive services, and who are unable to obtain other grant assistance, but provides discretion on the types of education and training services. The Senate amendment does not require funds to be spent on such training activities, nor are there prerequisites for obtaining such services.

The Senate recedes with an amendment requiring that funds may be used to provide training services for individuals who are unable to obtain other grant assistance for such services, including Federal Pell grants established under title IV of the Higher Education Act of 1965; or who require assistance beyond that made available from other grant assistance programs including Federal Pell grants. The amendment also provides that training services may be provided to an individual while an application for a Pell grant is pending, provided that if such individual is subsequently awarded a Pell grant, appropriate reimbursement is made to the workforce development area from such Pell grant.

334a. The House bill and the Senate amendment include comparable training services as permissible uses of funds, but also include different additional services.

The House recedes.

334b. The House bill permits funds to be used for remedial education and literacy programs. The Senate amendment provides for such services under workforce education activities.

The House recedes.

334c. Both the House bill and the Senate amendment allow for: occupational skills training, on-the-job training, programs that combine workplace training with related instruction; skill upgrading and retraining; entrepreneurial training; employability training; and customized training. The House bill also allows private sector training. The Senate amendment also includes: preemployment training for youth; rapid response assistance; connecting activities for businesses to provide work-based learning for youth; and services to assist individuals in attaining industry-based skills.

The House and Senate recede.

335. Both the House bill and the Senate amendment list supportive services as an allowable use of funds. However, the House bill limits such assistance.

The Senate recedes with an amendment providing for additional permissible services including supportive services which may be provided to individuals who are receiving training services; and who are unable to obtain such supportive services through other programs providing such services. Follow-up services for individuals who are placed in unsubsidized employment are also authorized.

335a. The House bill, but not the Senate amendment, specifies the allowable use of needs-related payments, with specific education and training participation requirements.

The Senate recedes with an amendment to add as a permissible local activity, the provision of needs related payments to individuals enrolled in training programs in order to enable their participation in such training services. In addition, certain time limits and payment caps were added for the provision of such payments.

336. The House bill, but not the Senate amendment, requires local boards to establish a priority process for providing intensive, or education and training services to dislocated workers and economically disadvantaged individuals when funding is limited.

The Senate recedes with an amendment to require that priority be given to dislocated workers and other unemployed individuals for receipt of training services with guidance provided to one-stop career centers by the Governor and local boards in establishing such policies.

The Managers agree that priority should be given to dislocated workers and other unemployed individuals in the provision of training services, when funding is limited. Such priority for services is consistent with the employment-first approach to training taken under the employment and training component of this legislation. This priority language however, is not intended to preclude the provision of training services to other individuals, particularly to low income employed individuals, for which training is essential to obtain high skilled employment. Substantial flexibility is granted to States and local workforce development areas in making such individual determinations.

Career grants/vouchers

337. The House bill requires that education and training services for adults be provided through the use of career grants (vouchers), with providers identified in accordance with section 108 of the House bill. Such grants must be provided through the career center system. The Senate amendment allows, but does not require States to deliver some or all of the permissible employment activities under section 106(a)(6) through vouchers administered through the one-stop system.

The Senate amendment restricts the receipt of vouchers to individuals age 18 or older, who are unable to obtain Pell grants. The House bill also restricts receipt of career grants (vouchers). (See Note 334)

The Senate recedes with an amendment clarifying that training services may be provided through the use of career grants, and requiring States to carry out a career grant pilot program for dislocated workers that is of sufficient size, scope and quality to measure the effectiveness of the use of such a method of service delivery. The amendment requires States to describe in their State plan how the State will establish and implement the required career grant pilot program for dislocated workers and a description of how the State, after 3 years, will evaluate such program and use such findings to improve the delivery of training services for dislocated workers and other individuals. The amendment also requires that all training services shall be provided through the use of career grants, contracts, or other methods that shall to the extent practicable, maximize consumer choice in the selection of an eligible provider.

337a. The House bill, but not the Senate amendment, provides 4 exceptions to the required use of vouchers.

The House recedes.

337b. The House bill, but not the Senate amendment, allows a 3-year transition for the full implementation of vouchers, from the date of enactment.

The House recedes.

337c. The House bill, but not the Senate amendment, requires that education and training be directly linked to occupations in demand.

The Senate recedes.

338. Under the Senate amendment, but not the House bill, States that choose to use vouchers must describe in the State plan criteria for the activities, the amount of funds and the eligibility of participants and providers.

The Senate recedes.

339. The House bill requires an identification process for determining which service providers are eligible to receive funds for adult training or vocational rehabilitation programs. The Senate amendment has no such requirement, other than to identify in the State plan the criteria for eligible providers, if a State chooses to offer services through vouchers. (See Note 138)

The House and Senate recede.

340. The House bill, but not the Senate amendment, establishes an alternative eligibility procedure for service providers that are not eligible to participate in title IV of the Higher Education Act. (See Note 139)

The House recedes.

341. The House bill requires the State to identify performance-based information to be submitted by service providers. The Senate amendment has no such requirement, other than to identify in the State plan information related to ensuring the accountability of service providers, if a State chooses to offer services through vouchers. (See Note 140)

The House and Senate recede.

342. Under the House bill, but not the Senate amendment, the Governor must designate a State agency to collect, verify, and disseminate performance-based information relating to service providers, along with a list of eligible providers, to local workforce development boards, and integrated career center systems. (See Note 141)

The House recedes.

343. Under the House bill, but not the Senate amendment, a service provider who provides inaccurate performance-based information will be disqualified from receiving funds under this Act for two years, unless upon the appeal, the provider can demonstrate that the information was provided in good faith. (See Note 142)

The House recedes.

344. Under the House bill, but not the Senate amendment, on-the-job training providers are exempt from this section, except that performance-based information on such providers must be collected and disseminated. (See Note 143)

The House recedes.

344a. The House bill, but not the Senate amendment, provides that nothing in this section prohibits a State from providing services. (See Note 144)

The House recedes.

345. The Senate amendment, but not the House bill, requires a State that chooses to provide training activities must indicate in the State plan the extent to which the State will use vouchers to deliver such training activities.

The Senate recedes.

Substate allocation

346. The Senate amendment, but not the House bill, provides that funds made available for workforce employment activities

(less Wagner-Peyser funds), and funds from the flex account dedicated to workforce employment activities, are available to the Governor to distribute as provided in the next Note. (See Note 347)

The Senate recedes.

347. The House bill allows Governors to reserve up to 20% of the State's allotment under the adult training grant for statewide activities and administration. From this 20% reserve, States are limited to 25% for administration. The Senate amendment allows Governors to reserve up to 25% to carry out workforce employment activities. From this 25% reserve, States are limited to 20% for administrative expenses.

The House recedes with an amendment requiring that of the funds made available for employment and training activities for a program year, 20 percent shall be reserved by the Governor to carry out State employment and training activities; and not more than 5% shall be made available for administrative expenses at the State level.

347a. The House bill requires that Governors allocate the remainder of funds to workforce development areas. The Senate amendment requires that Governors distribute 75% of funds to local entities.

The House recedes with an amendment requiring that of the funds made available for employment and training activities for a program year, 75 percent shall be distributed by the Governor to local workforce development areas to carry out employment and training activities.

347b. The House bill requires that of the funds to be distributed to workforce development areas, 90% be allocated based on a substate formula, established by the Governor, through the collaborative process and after consultation with local officials, taking into account: poverty rates; unemployment rates; the State's adult population within each local workforce area; and other factors as considered appropriate. The formula must distribute funds equitably, and none of the factors can receive disproportionate weighting.

The Senate amendment requires the Governor to distribute the 75% of funds to local entities based on such factors as the relative distribution among substate areas of individuals who are not less than 15 and not more than 65; individuals in poverty, unemployed individuals, and adult recipients of assistance. The Senate amendment also allows Governors, in consultation with local partnerships (or local boards) to include such additional factors as determined necessary.

The Senate recedes with an amendment requiring that the Governor develop a formula for the allocation of 75 percent of the employment and training funds to workforce development areas that must take into account certain factors for the distribution of local funds.

347c. The House bill, but not the Senate amendment, allows the Governor discretion over 10% of the funds required for distribution to local workforce boards.

The House recedes.

348. The House bill limits the administrative costs of the local workforce development board to 10%. The Senate has no comparable provision.

The Senate recedes with amendment striking "board" and inserting "area."

Flex account

349. The Senate amendment, but not the House bill, allows the use of flex-account funds for school-to-work, workforce employment activities, workforce education activities and economic development.

The House recedes with an amendment striking "WORKFORCE".

350. The Senate amendment, but not the House bill, requires States to use a portion of flex account funds for school-to-work activities, broadly defined. However, any State receiving a grant under the School-to-Work Opportunities Act of 1994, must continue such activities under the terms of the grant.

The Senate recedes.

351. Under the Senate amendment, but not the House bill, States may use flex account funds for either training activities or education activities, as the State decides.

The House recedes with an amendment allowing States to use flex-account funds to carry out employment and training, at-risk youth, vocational education, and adult education and literacy activities.

352. Under the Senate amendment, but not the House bill, a State may engage in economic development activities if the State has established State and local workforce development boards or provides services through vouchers beginning in the year 2000. A State may use up to 50% of the flex account funds to engage in the listed activities for upgrading skills of incumbent workers.

The Senate recedes.

FEDERAL

Administrative Partnership

353. The Senate amendment, but not the House bill, establishes in the Department of Labor and the Department of Education a Workforce Development Partnership ("Federal Partnership"), under the joint control of the Secretary of Labor and the Secretary of Education, to administer the Act.

The House recedes with an amendment requiring the Secretary of Labor and the Secretary of Education to enter into an interagency agreement to administer the provisions of this title, other than sections relasting to vocational education, labor market information and national literacy activities.

354. Under the Senate amendment, but not the House bill, the Secretary of Labor and the Secretary of Education, working jointly through the Federal Partnership, will be responsible for activities including: approving State plans and benchmarks, making allotments to States, awarding annual incentive grants, applying sanctions, designing the transfer of personnel and activities to the Partnership, and disseminating information and providing technical assistance to States.

The House recedes with an amendment requiring the Secretary of Labor and the Secretary of Education to agree on the administration of this title.

355. Under the Senate amendment, but not the House bill, the Federal Partnership will be directed by a National Workforce Development Board, composed of 13 members, appointed by the President by and with the advice and consent of the Senate, including: 7 representatives of business and industry, 2 representatives of labor and workers, 2 representatives of adult and vocational education, and 2 Governors.

The Senate recedes.

356. Under the Senate amendment, but not the House bill, the Federal Partnership will be responsible for activities including: overseeing the development and implementation of the nationwide integrated labor market information system, establishing model benchmarks, negotiating State benchmarks, receiving and reviewing reports, preparing an annual report on the performance of States toward reaching the benchmarks, advising the Secretary of Labor and the Secretary of Education regarding the review and approval of State plans and procedures for awarding incentive grants and applying sanctions, reviewing Federal programs, and recommending how they could be integrated into State systems, and reviewing any issues about which the Secretary of Labor and the Secretary of Education disagree and making recommendations to the President regarding their resolution.

The Senate recedes.

357. The Senate amendment, but not the House bill, provides for the appointment by the President of a Director, by and with the advice and consent of the Senate, to administer the general duties of the Federal Partnership.

The Senate recedes.

358. The Senate amendment, but not the House bill, provides for the transfer of personnel from the Employment and Training Administration (ETA) within the Department of Labor and the Office of Adult and Vocational Education (OAVE) within the Department of Education to the Federal Partnership.

The Senate recedes.

358a. The Senate amendment, but not the House bill, requires the Secretaries to submit a proposed workplan outlining the transfers to be made to the Federal Partnership.

The House recedes with an amendment requiring the Secretaries to prepare and submit to the President and the appropriate committees of Congress, not later than 180 days after the date of enactment, an interagency agreement which includes a description of how the Secretary of Labor and the Secretary of Education will work together to carry out their duties and responsibilities under this title.

358b. The Senate amendment, but not the House bill, provides that the National Board shall review the Secretaries' workplan. The National Board may reject the workplan and submit their own workplan to the President outlining the transfers to be made to the Federal Partnership.

The Senate recedes.

358c. Under the Senate amendment, but not the House bill, the President shall make a decision regarding the implementation of such workplan.

The House recedes with an amendment requiring the President within 200 days to approve or disapprove the interagency agreement, and make recommendations on an alternative plan, in the event such agreement is not approved.

358d. The Senate amendment, but not the House bill, provides that if the Secretaries do not submit a workplan, the President shall delegate full responsibility for the administration of this Act to either the Secretary of Labor or the Secretary of Education.

The Senate recedes.

359. The Senate amendment, but not the House bill, requires an initial one-third reduction in the number of Federal employees necessary to perform the functions associated with the Federal administration of the Act. Not later than 5 years after the date of initial transfers to the Federal Partnerships there must be a 60% reduction in the number of Federal employees, unless the Secretaries submit a report to Congress stating why such reduction has not occurred. However, there must be a minimum 40% reduction in the number of Federal employees.

The House recedes with an amendment making technical changes.

360. The Senate amendment, but not the House bill, provides that personnel from ETA and OAVE that do not perform functions related to the administration of the Act will be

transferred to other entities in the appropriate department.

The Senate recedes.

361. The Senate amendment, but not the House bill, requires the Secretaries to submit an additional workplan outlining the transfers of individuals to entities other than the Federal Partnership.

The Senate recedes.

362. The Senate amendment, but not the House bill, eliminates the Office of Adult and Vocational Education (OAVE) within the Department of Education and the Employment and Training Administration (ETA) within the Department of Labor on July 1, 1998.

The Senate recedes.

Wagner-Peyser (Employment Service)

363. The Senate amendment, but not the House bill, amends section 1 of the Wagner-Peyser Act to provide that the Federal Partnership shall oversee the activities of the Employment Service.

The Senate recedes.

364. Both the House bill and the Senate amendment amend section 2 to reflect the repeal of the Job Training Partnership Act and to conform the definitions and terms to each of the appropriate bills.

The Senate recedes with technical and conforming amendments.

365. Both the House bill and the Senate amendment amend section 3, the duties of the Federal government, by requiring the Secretary of Labor (or the Federal Partnership in the Senate amendment) to assist in the coordination and development of a nationwide system of labor exchange services for the general public, to assist in the development of continuous improvement models for such nationwide system which ensures private sector satisfaction and meets the demands of jobseekers, and to ensure the continued services for individuals receiving unemployment compensation.

The House recedes with an amendment requiring the Secretary of Labor to assist in the coordination and development of a nationwide system of labor exchange services for the general public, provided as part of the one-stop career center systems of the States; assist in the development of continuous improvement models for such nationwide system that ensure private sector satisfaction with the system and meet the demands of jobseekers relating to the system; and ensure, for individuals otherwise eligible to receive unemployment compensation, the continuation of any activities in which the individuals are required to participate to receive the compensation.

366. The Senate amendment, but not the House bill, makes conforming amendments to the Unemployment Compensation Amendments of 1976.

The House recedes.

367. Both the House bill and Senate amendment amend section 4 to require the Governor (and in the House bill, the Governor through the collaborative process) to designate a State agency to carry out the Act.

The House recedes with an amendment inserting "in consultation with the State legislature".

367a. In the House bill, the designated State agency cooperates with the Secretary of Labor. In the Senate amendment, such agency cooperates with the Federal Partnership.

The Senate recedes.

368. The House bill requires that 25% of the funds available under the Wagner-Peyser Act be used to cover both the current BLS programs (funded under sec. 14) and to support State/local labor market information.

The House recedes.

369. The Senate amendment, but not the House bill, amends section 5(c) to strike an obsolete provision.

The House recedes.

370. Both the House bill and the Senate amendments amend section 7 to conform with the repeals of the Job Training Partnership Act and the Carl D. Perkins Vocational and Applied Technology Education Act.

The House recedes with an amendment striking "Workforce Development Act of 1995" and inserting "Workforce and Career Development Act of 1996".

370a. The Senate amendment, but not the House bill, requires that labor exchange services be provided through the one-stop career center system. The House bill has a similar provision in its definition of "Public Employment Office."

The House recedes with an amendment striking "through" and inserting "as part of".

371. Both the House bill and the Senate amendment amend section 8 to require States to submit detailed plans for carrying out this Act as a part to their workforce development plans.

The Senate recedes with an amendment requiring that any State desiring to receive assistance under the Wagner-Peyser Act shall submit to the Secretary, as part of the State plan under the Workforce and Career Development Act, plans for carrying out the provisions of the Wagner-Peyser Act.

372. Both the House bill and the Senate bills repeal section 11, the Federal Advisory Council.

The Senate recedes.

373. Both the House bill and the Senate amendment include conforming amendments.

The Senate recedes with an amendment striking reference to "Consolidated and Reformed Education, Employment, and Rehabilitation Systems Act" and inserting "the Workforce and Career Development Act of 1996".

Labor market information

374. The Senate amendment, but not the House bill, requires States to use a portion of their workforce employment funds to pay for a statewide labor market information system. (See Note 368 for related House provision)

The Senate recedes.

375. The House bill, but not the Senate amendment, places the labor market information activities under the Wagner-Peyser Act.

The Senate recedes with an amendment authorizing an appropriation of $65 million for fiscal year 1998 and such sums through fiscal year 2002.

375a. The House bill, but not the Senate amendment provides a purpose.

The House recedes.

376. The House bill provides the Secretary of Labor with the responsibility for the LMI system. The Senate amendment provides this responsibility to the Federal Partnership. Both the House bill and the Senate amendment list comparable elements of the nationwide LMI system, with language differences.

The House recedes with an amendment requiring the Secretary of Labor, in accordance with this section, to oversee the maintenance and continuous improvement of the system of labor market information.

The Managers commend the National and State Occupational Information Coordinating Committee (NOICC/SOICC) for leadership in building the foundation for the existing labor market information system, which includes occupational information. Further, the Managers assume that the Federal and State governments will build upon the NOICC/SOICC initiatives in the development of occupational, career and consumer information delivery systems and related products, the training of professionals in the use of labor market information in career decision making, the support of career development programs, and in coordinating a multi-agency approach in building upon the existing labor market information system.

At the State level, the Managers encourage Governors and State agency heads to use the SOICC to carry out the collaborative, interagency process in building upon the existing statewide labor market information system. Further, at the Federal level, the Managers wish to make clear that the NOICC may be used during transition to support the labor market information system activities of the Department of Education and the Department of Labor and encourage the continued use of NOICC expertise under the improved system.

376a. The House bill specifies that data may include data aggregated by demographic characteristics. The Senate amendment states that data may be from "cooperative statistical" programs.

The Senate recedes with an amendment to include within the system of labor market information statistical programs of data collection, compilation, estimation and publication conducted in cooperation with the Bureau of Labor Statistics.

The specific cooperative statistics program currently managed by the Bureau of Labor Statistics include: Current Employment Statistics (CES), Local Area Unemployment Statistics (LAUS), Occupational Employment Statistics (OES), Mass Layoff Statistics (MLS). The Managers intend that these programs will continue to be authorized under the Wagner-Peyser Act and that this legislation will not alter the way they are funded. The Bureau of Labor Statistics will continue to justify funding levels through the appropriations process, as it has in the past, including its request for non-trust funds money.

376b. The House bill includes data on individuals with severe disabilities and clarifies that data under this part are available from the Bureau of Census and other sources. The Senate amendment specifies that such data should be current and be collected from populations at the substate, State and national level.

The House and Senate recede.

376c. The House bill, but not the Senate amendment, specifies that data shall be maintained in an aggregated fashion and specifies that such data are available from the Bureau of Census and other sources.

The House and Senate recede.

376d. The House bill, but not the Senate amendment, clarifies that information such as the unemployment insurance wage data records may be used.

The House and Senate recede.

376e. The Senate amendment, but not the House bill, specifies the form in which employment and consumer information shall be collected.

The Senate recedes with an amendment requiring that State and local employment information include other appropriate statistical data related to labor market dynamics which will assist individuals to make informed choices related to employment and training and assist employers to locate and train employees who are seeking employment and training.

The Managers intend that the State-based data collection and analysis be produced in a way as to produce a common set of labor market products and services that will be consistently available in all parts of the country and that, at the same time, will meet the unique needs of States and localities. The primary customers of the State and local products and services will be job seekers, employers and counselors. The consumer information, as described under Section 121, and other information supplied by the States and local workforce development boards will also be useful to these customers. To the extent feasible, the core products and services are expected to include: profiles of employers in the local labor market, including job openings, locations, hiring requirements, the nature of the work, employment requirements, wages, benefits, and hiring patterns—as such information is volunteered by employers; aggregate data related to the employment and training needs and skill levels of job seekers in the local labor market area.

376f. The House bill would profile "employers" as opposed to "industries" as in the Senate amendment. The House bill, but not the Senate amendment would also collect information on hiring patterns.

The House and Senate recede.

376g. The House bill, but not the Senate amendment, specifies that aggregate data shall be maintained.

The House and Senate recede.

376h. The House bill includes collection of information on the level of satisfaction of the participants and their employers and would also require the collection of descriptive information on programs (beyond performance).

The Senate amendment requires that the performance data include the percentage of program completion, while the House bill refers to summary data on program completion.

The House and Senate recede.

376hh. The House bill and the Senate amendment provide for technical standards.

The Senate recedes with an amendment to include within the system of labor market information technical standards for data and information which at a minimum, meet the criteria of chapter 35 of title 44.

The technical standards in Section 139(a) will ensure the standardization of data and will ensure that data from one State can be compared with data available in another State. Technical standards are important because of the mobility of the U.S. workforce and the number of States with multi-State labor markets. These technical standards, to the extent practicable, are also intended to cover the consumer information in this Act.

376i. The Senate amendment, but not the House bill, also includes standardized definitions of labor market terms related to State benchmarks.

The House and Senate recede.

376j. The Senate amendment, but not the House bill, clarifies that the collection and analysis should be of labor market and occupational information.

The House and Senate recede.

376k. The Senate amendment, but not the House bill, specifies occupational information.

The House and Senate recede.

376l. The House bill uses the term "Federal," the Senate version uses the term "national" for the purposes of policymaking.

The Senate recedes with an amendment to include within the system of labor market information analysis of data information for uses such as State and local policymaking.

376m. The Senate amendment, but not the House bill, also specifies research on occupational dynamics.

The House and Senate recede.

376n. The House bill, but not the Senate amendment, includes the standardization of technical standards and the design of user interfaces and communication protocols.

The Senate recedes with an amendment to include within the labor market information system the wide dissemination of data and analysis, training for users of the data and analysis, and voluntary technical standards for dissemination mechanisms.

376o. The House bill includes programs providing assistance in using systems to improve access to individuals to labor market information. The Senate amendment includes programs in the area of continuous improvement of data and provides for the training of counselors, teachers and others in using the LMI system to improve career decisionmaking.

The Senate recedes with an amendment to include within the system of labor market information programs of research and demonstration, and technical assistance for States and localities.

377. The House bill, but not the Senate amendment, specifies that statistical information collected as part of the LMI system would be subject to a number of confidentiality requirements. (This language is similar to the current statutory language under which the census data is collected)

The Senate recedes with an amendment requiring that no officer or employee of the Federal Government or agent of the Federal Government may use the information furnished under the provisions of this section for any purpose other than the statistical purposes for which it is furnished; make any publication whereby the data contained in the information so furnished under this section can be used to identify any individual; or permit anyone other than the sworn officers, employees or agents of any Federal department or agency to examine individual reports through which the information is furnished.

378. Under the House bill, but not the Senate amendment, any information collected as part of the LMI system may not be used against an individual in a legal process.

The Senate recedes with an amendment providing that nothing in this subparagraph shall be construed as providing immunity from the legal process for information that is independently collected or produced for purposes other than for purposes of this section.

379. Both the House bill and the Senate amendment outline the cooperative administrative structure for the LMI system, but the House bill refers to local entities as part of such structure.

The Senate recedes with an amendment providing that the labor market information system be planned, administered, overseen, and evaluated by a cooperative governance structure involving the Federal Government, States, and local entities. The amendment also specifies certain duties for the Secretary of Labor.

380. The House bill, but not the Senate amendment requires the Secretary of Labor to carry out specific duties with respect to data collection.

The House recedes.

381. The House bill requires the Secretary, in collaboration with Bureau of Labor Statistics to carry out additional duties. The Senate amendment requires plan information regarding such duties.

The House recedes.

382. The House bill, but not the Senate amendment, clarifies that the annual plan is part of the DOL budget submitted to Congress. As such, it is the written justification for the use of these funds and for the priority of these funds for the following fiscal year. Both the House bill and the Senate amendment require the plan to include various elements. To the extent that both bills include similar elements, there are differences in content.

The House recedes with an amendment requiring the Secretary of Labor, in collaboration with the States and the Bureau of Labor Statistics, and with the assistance of other appropriate Federal agencies, to prepare an annual plan that shall describe the cooperative Federal-State governance structure for the labor market information system.

383. The House bill requires that the plan be developed through a formal process involving the Secretary of Labor, Bureau of Labor Statistics and State directors of LMI, whereas the Senate amendment requires a description of formal consultations.

The Senate recedes with an amendment requiring the Secretary of Labor and the Bureau of Labor Statistics, in cooperation with the States, to develop the plan by holding formal consultations with State representatives who have expertise in labor market information; and pursuant to a process agreed upon by the Secretary of Labor and the States, representatives from each of the Federal regions of the Department of Labor; and employers or representatives of employers.

384. Both the House bill and the Senate amendment allow for representatives of the Governor to participate in deliberations relating to budget issues for the development of the annual plan.

The House and Senate recede.

385. Under both the House bill and the Senate amendment, the Governor must designate a single State agency (or entity in the Senate amendment) to be responsible for the management of the statewide LMI system. Under the House bill this agency would also have an oversight role. In the Senate amendment, the oversight function would be carried out under an interagency process.

The House recedes with an amendment requiring the Governor of a State to designate a single State agency or entity to be responsible for the management of the statewide labor market information system and authorizing establishment of a process for the oversight of such a system.

386. Both the House bill and the Senate amendment require States to carry out specific duties in exchange for receipt of funds. To the extent that both bills include similar requirements, they differ in content.

The House recedes with an amendment describing the duties of the State agency designated to be responsible for labor market information.

386a. The Senate amendment, but not the House bill, provides for a rule of construction.

The House recedes.

387. Under the Senate amendment, but not the House bill, this section takes effect July 1, 1998. (See Note 456 for comparable House provision)

The House recedes.

UI trust fund

388. The Senate amendment, but not the House bill, makes amendments to the Unemployment Trust Fund to conform with the Workforce Development Act.

The Senate recedes.

Limited Federal regulations

389. The House bill, but not the Senate amendment, restricts Department of Education and Department of Labor from issuing unnecessary regulations in regard to this Act.

The Senate recedes with conforming and technical changes.

NATIONAL PROGRAMS

Education/youth

390. The House bill authorizes $25 million or 20% of total funding for the youth development block grant funding—whichever is less—for Federal research, a national assessment of youth development programs and a national center(s) for research on youth development programs. The Senate amendment reserves 0.15% of the $5.884 billion authorization ($8,826,000) for a national center for research in education and workforce development, a national assessment of vocational education and the National Institute for Literacy.

The House and Senate recede.

391. The House bill, but not the Senate amendment, allows the Secretary to award discretionary grants for demonstration and model programs. Funds may also be used by the Department of Education for evaluation, capacity building and technical assistance.

The Senate recedes with an amendment requiring the Secretaries, as part of the interagency agreement, to develop a single plan for assessment and evaluation, research, demonstrations, dissemination of model programs, and technical assistance activities with regard to the services and activities carried out under this title. The amendment authorizes $15 million for assessment and evaluation of activities assisted under this title; $15 million for a national research center or centers; $30 million for demonstration programs, replication of model programs, dissemination of best practices information, and technical assistance for fiscal years 1998–2002.

The Managers intend that the Secretaries may use demonstration funds to allow national disability organizations to continue to carry out national employment, training and job placement activities for which they are uniquely qualified.

It is also the intent of the Managers that in awarding demonstration grants under this authority that the Secretaries give strong consideration to projects that involve a partnership between a four year higher education institution, local public educational organizations, non-profit organizations and private sector business participants that provide program support, facilities, specific skills training, retraining, education, tutoring, counseling, employment preparation through distance learning in emerging and established professions to individuals who otherwise would not have access to such services, as exemplified by programs currently proposed by Pacific Union College and Napa Valley Community Resource Center in Angwin, California.

The Managers further intend for the Secretaries to use the resources made available under the "demonstrations, dissemination, and Technical Assistance" section to replicate models of demonstrated effectiveness, such as the Center for Employment and Training (CET) and the youth Build Program, for the purpose of developing, improving, and identifying the most successful methods and techniques in providing the services and activities authorized under this Act.

392. The House bill, but not the Senate amendment, requires the Secretary of Education to establish a system to disseminate information received from research and development activities.

The House recedes.

393. The House bill requires Office of Educational Research and Improvement to conduct a biennial assessment. The Senate amendment requires the Secretary to conduct an assessment.

The House and Senate recede.

394. The Senate amendment, but not the House bill, creates a national advisory panel to advise the Secretary on the assessment. The advisory panel may submit an independent analysis to the appropriate congressional committees and the Federal Partnership.

The Senate recedes.

395. Both the House bill and the Senate amendment require the assessment to review certain activities.

The House and Senate recede.

395a. Both the House bill and the Senate amendment require a review of how funds received are being used by State and local areas to achieve the intended results of this Act; program improvement; the effect of performance measures, accountability and State and local assessments; and the success of students in meeting academic and occupational measures.

The House and Senate recede.

395b. Both the House bill and the Senate amendment have additional assessment requirements.

The House and Senate recede.

396. The Senate amendment, but not the House bill, requires the Secretary to consult with Congress on the design and implementation of the assessment. The Senate amendment further requires an interim report to Congress and prohibits review of the report outside the Department of Education prior to the transmittal to Congress.

The Senate recedes.

397. The Senate amendment has an effective date of July 1, 1998. (See Note 456 for comparable House provision.)

The Senate recedes.

398. Both the House bill and the Senate amendment allow institutions of higher education, public and private agencies or consortia of such agencies to compete for a national research center contract.

The House and Senate recede.

398a. The House bill allows the Secretary of Education to contract for a National center to conduct research. The Senate amendment allows the Secretary of Education and the Secretary of Labor, acting on the advice of the Federal Partnership, to award a contract for a national center.

The House recedes.

398b. The House bill, but not the Senate amendment, requires that if such centers are established, the national center currently in operation shall continue under the terms of its contract.

The House recedes.

399. Both the House bill and the Senate amendment require the center to carry out required activities.

The Senate recedes.

399a. Both the House bill and the Senate amendment require research and assistance in combining academic and vocational education, new models for remediation of academic skills, new linkages among education and job training, and new models for career guidance.

The House and Senate recede.

399b. Both the House bill and the Senate amendment have additional required activities.

The House and Senate recede.

400. Both the House bill and the Senate amendment require the center to help States and localities develop performance measures and indicators. The House bill further requires the center to provide technical assistance and outreach.

The House and Senate recede.

401. Both the House bill and the Senate amendment require the center to maintain a clearinghouse to disseminate information to Federal, State and local entities.

The House and Senate recede.

402. The Senate amendment allows the Federal Partnership to ask the center to study topics or conduct activities as they determine necessary. The House bill allows the Secretary of Education to request that the center conduct other activities.

The Senate recedes.

403. The Senate amendment, but not the House bill, requires the center to identify current research and technical assistance needs using a variety of sources including a panel of Federal, State and local practitioners.

The Senate recedes.

404. The House bill and the Senate amendment require the center to annually submit a report to the Secretaries of Education and Labor and to the House and Senate authorizing committees. The Senate amendment further requires the center to annually submit a report to the Federal Partnership.

The House and Senate recede.

405. The Senate amendment, but not the House bill, provides a 6 month transition period between the current grant aware expiration and subsequent authorization.

The House recedes with an amendment striking "on the advice of the Federal Partnership".

406. Both the House bill and the Senate amendment use the definition of higher education which excludes proprietary schools. (See Note 36 for House definition of "eligible institution.")

The House recedes.

407. The Senate amendment, but not the House bill, makes conforming amendments to current law for the transition period.

The House recedes.

408. The Senate amendment has a July 1, 1998 effective date and includes a January 1, 1998 effective date for the transition period for the national center. (See Note 456 for comparable House provision.)

The House recedes.

Employment and training activities

409. The House bill reserves 15% of the adult employment and training grant authorization ($327 million) for national discretionary grants (including incentive grants, research, development, and workforce development loans). The Senate amendment reserves 5% of the $5.88 billion authorization ($294 million) for national discretionary grants, incentive grants and for the administration of this title.

The House recedes with an amendment reserving 10 percent of the block grant for national activities. After funds have been distributed for Native Americans, migrants, and the outlying areas programs, the remainder shall be reserved for national emergency grants and incentive grants.

410. Under the House bill, the Secretary of Labor is provided full discretion to award grants for major economic dislocations. Under the Senate amendment, the Secretary of Labor and the Secretary of Education must act jointly on the advice of the Federal Partnership for the award of such grant. The Senate amendment also includes a provision for an emergency determination.

The Senate recedes with an amendment authorizing the Secretary of Labor to award national emergency grants to provide employment and training assistance to workers affected by major economic dislocations such as plant closures, mass layoffs, or closures and realignment of military installations.

For the purposes of awarding a National Emergency Grant, it is the intent of the Managers that the Secretary of Labor should develop criteria to determine if an event constitutes a "major economic dislocation." In doing so, the Secretary should consider the number of workers affected in relation to the size and unique situation of the community affected, rather than by establishing any one threshold number. The Managers are deeply concerned that establishing an arbitrary threshold overlooks the varying impact of these kinds of events on communities of different sizes. For instance, a plant closing or other event affecting a small number of workers has a profoundly different impact on a large community as compared to a small community.

411. The House bill includes a number of entities as eligible to receive grants under this part. The Senate amendment includes a State or local entity as eligible to receive grants under this part. (See Note 53 for Senate description of "local entity.")

The House recedes with an amendment defining "eligible entity" to mean a State, a unit of general local government, or a public or private local entity (including for-profit or non-profit).

412. Under the House bill, eligible entities must submit an application to the Secretary of Labor. Under the Senate amendment, such entities must submit an application to the Federal Partnership.

The Senate recedes.

413. Both the House bill and the Senate amendment provide that funds may be used for disaster relief employment assistance.

The Senate recedes with an amendment authorizing the Secretary of Labor to provide assistance to the Governor of any State within the boundaries of which is an area that has suffered an emergency or a major disaster.

414. The House bill, but not the Senate amendment, clarifies that funds may be expended through public and private agencies.

The Senate recedes.

415. Under the House bill, but not the Senate amendment, only individuals dislocated or laid off due to the disaster are eligible to be offered disaster employment.

The House recedes with an amendment requiring that funds be used exclusively to provide employment on projects assisting disaster areas.

416. The House bill, but not the Senate amendment, limits the length of time such individuals may be employed under this part to six months.

The House recedes.

417. The House bill, but not the Senate amendment provides for the Secretary of Labor to use a portion of its' discretionary funding to carry our research, demonstrations, evaluations, national partnerships, capacity building and technical assistance.

The House recedes.

417a. Both the House bill and the Senate amendment provide for ongoing evaluations of employment-related activities, including the use of controlled experiments using groups chosen by random assignment. In the House bill, the Secretary of Labor performs the evaluations, and in the Senate amendment the States perform the evaluations. (See Note 163)

The House recedes.

417b. The House bill, but not the Senate amendment, also allows the Secretary of Labor to conduct evaluations of other Federal employment-related workforce programs to determine their effectiveness. (See Note 164)

The House recedes.

417c. The House bill requires the Secretary of Labor to provide capacity building and technical assistance. The Senate amendment requires the Secretary of Labor and the Secretary of Education, acting jointly, to provide technical assistance in appropriate cases. (See Note 354.)

The House recedes.

418. The House bill, but not the Senate amendment, allows the Secretary of Labor to use a portion of its' discretionary funding to make grants to States to establish workforce skills and loan programs.

The House recedes.

Native American programs

419. The House bill reserves 4% of the Adult Employment and Training Grant authorization of $85 million, whichever is less, for Native American programs. The Senate amendment reserves 1.25% of the $5.884 billion authorization ($73.5 million) for Native American programs.

The House recedes with an amendment reserving $90 million from the annual appropriation for Native American programs.

420. The Senate amendment, but not the House bill, allows the Secretaries to reserve a portion of at-risk youth funds to carry out programs for Native American at-risk youth.

The Senate recedes.

421. The Senate amendment, but not the House bill, contains purposes.

The House recedes.

422. The Senate amendment includes several definitions relating to Indian workforce activities. (For comparable definition of Native American in the House bill see Note 57)

The House recedes.

423. Both the House bill and the Senate amendment authorize similar entities for the receipt of funds. However, in the House bill, Indian controlled organizations serving "off-reservation" areas are eligible, in the Senate amendment, such entities serving "Indians" are eligible. Also, the House bill specifies the types of areas served by Alaska Native entities.

The House recedes with an amendment making technical changes.

424. The Senate amendment, but not the House bill, requires the Secretaries to distribute funds by formula.

The Senate recedes.

425. Both the House bill and the Senate amendment list authorized activities. However, the Senate amendment further specifies such activities.

The House recedes with an amendment requiring that activities carried out are consistent with this section and are necessary to meet the needs of Indians or Native Hawaiians preparing to enter, reenter, or retain unsubsidized employment. The amendment requires that funds be used for workforce development activities and supplemental services and vocational education, adult education, and literacy services.

426. The Senate amendment, but not the House bill, continues eligibility for individuals previously eligible under the JTPA program for Native Americans.

The House recedes.

427. The House bill, but not the Senate amendment, allows for the Secretary of Labor to transfer authority to the Secretary of Education to carry out specific vocational education programs for Native Americans.

The Senate recedes with an amendment allowing the Secretaries to agree that the Secretary of Education may carry out any portion of assistance devoted to vocational education activities including assistance to entities not eligible for funding pursuant to the Tribally Controlled Community College Assistance Act.

The Managers have consolidated employment and training services, including vocational education services, into a Native American block grant. The Department of Labor as part of the interagency agreement is encouraged to transfer the portion of the funds covering vocational education services to the Department of Education in recognition of that Department's special expertise in this area.

In making grants for education services the Secretary, consistent with previous policy, shall give consideration to applications from Tribally Controlled Community Colleges. The Managers also recognize the important role of the two tribal postsecondary vocational education institutions—United Tribes Technical College and Crownpoint Institute of Technology—and expect the Secretary to continue support for these institutions from funds allocated under this section.

428. The Senate amendment, but not the House bill, requires eligible entities to submit a 3-year plan to the Federal Partnership.

The House recedes with an amendment striking "Federal Partnership" and inserting "Secretaries".

429. Both the House bill and the Senate amendment allow eligible entities to further consolidate funds under this Act in accordance with P.L. 102-477.

The Senate recedes.

430. The Senate amendment, but not the House bill, includes provisions regarding nonduplicative and nonexclusive services.

The House recedes.

431. The Senate amendment, but not the House bill, establishes an office within the Federal Partnership to administer this section.

The House recedes with an amendment requiring the Secretaries to designate a single organizational unit to administer Native American programs and to provide technical assistance.

432. Both the House bill and the Senate amendment require that regulations be developed in consultation with Tribal entities. Under the House bill, the Secretary of Labor is responsible for establishing regulations, whereas the Senate amendment specifies the Partnership, through the Native American office.

The Senate recedes with an amendment requiring the Secretaries to consult with the eligible entities in establishing regulations and performance standards for Native American programs.

433. The Senate amendment, but not the House bill, permits the Secretaries to act jointly in the distribution of at-risk youth funds, if any, for Native Americans.

The Senate recedes.

Migrant and seasonal farmworker program

434. The House bill reserves 4% of the Adult Training and Employment authorization or $85 million, whichever is less, for migrant and seasonal farmworkers. The Senate amendment reserves 1.25% of the $5.884 billion authorization ($73.5 million) for migrant and seasonal farmworkers.

The Senate recedes with an amendment reserving $70 million from the annual appropriation for migrant and seasonal farmworker programs.

The conference agreement includes the consolidation of current programs for migrant and seasonal farmworkers into a single program which is intended to serve as the main vehicle for Federal investments in migrant and seasonal farmworkers' training, placement, and related assistance. These investments assist farmworkers to secure stable, meaningful employment. These programs target services to one of the most hard-to-serve and at-risk populations in the United States.

The legislative language includes broad allowable services that may be provided under this section for migrant and seasonal farmworkers and their dependents including single purpose grants for the provision of training and technical assistance for housing and related assistance.

434a. The House bill authorizes the Secretary of Labor to carry out this program. The Senate amendment authorizes the Secretaries, acting jointly on advice of the Federal Partnership, to carry out this program.

The House recedes with an amendment making technical changes.

435. The House bill allows the Secretary of Labor to determine eligible entities. The Senate amendment lists specific criteria for eligible entities.

The House recedes with an amendment requiring that eligible entities shall have an understanding of the problems of migrant and seasonal farmworkers, a familiarity with the area to be served, and can demonstrate a capacity to administer effectively a diversified program of workforce development activities for migrant and seasonal farmworkers.

436. The House bill lists specific allowable activities. The Senate amendment authorizes funds for "comprehensive workforce development activities and related services."

The Senate recedes with an amendment requiring that funds made available under this section shall be used to carry out comprehensive workforce development activities and related services for migrant and seasonal farmworkers and their dependents.

437. The House bill, but not the Senate amendment, require that regulations be developed in consultation with farmworker groups.

The Senate recedes with an amendment requiring the Secretaries to consult with seasonal and migrant farmworker groups and States in establishing regulations and performance standards for the migrant and seasonal farmworker program.

438. The Senate amendment, but not the House bill, requires eligible entities to submit a 3-year plan to the Federal Partnership.

The House recedes with an amendment requiring that eligible entities submit to the Secretaries a plan that describes a 3-year strategy for meeting the needs of migrant and seasonal farmworkers and their dependents.

439. The Senate amendment, but not the House bill, require that grants be distributed in consultation with Governors and local partnership.

The House recedes with an amendment requiring that in making grants and entering into contracts under this section, the Secretaries shall consult with the Governors and with local workforce development boards.

Territories/Outlying areas

440. The House bill provides funding for territories in each of the three grants. For the youth grant, funds are available to territories through the State allotment, with the definition of "State" including such territories. For the adult employment and training grant, up to one quarter of 1% of the authorized allotment available for States, ($4.6 million), is reserved for territories. For the adult education and literacy grant, $100,000 is reserved for each of the territories. The Senate amendment authorizes .2% of the $5.884 billion authorization ($11.76 million) for outlying areas.

The House recedes with an amendment reserving $14 million from the annual appropriation for the outlying areas.

441. The Senate amendment, but not the House bill, authorizes the Secretaries, acting jointly on the advice of the Federal partnership, to award grants to outlying areas.

The House recedes with an amendment that allots funds to the outlying areas, reserves the funds allotted to the Republic of the Marshall Islands, the Federated States of Micronesia and Palau for a competitive grant award to all of the outlying areas based on recommendations by the Pacific Region Educational Lab to the Secretaries, and terminates the authority for the Republic of the Marshall Islands, the Federated States of Micronesia and Palau to receive funds under this title on September 30, 2001.

OTHER

No tracking

442. The House bill, but not the Senate amendment, includes two provisions prohibiting the tracking of individuals, including youth, into a specific career or to require the attainment of a federally funded or endorsed skill certificate.

The Senate recedes with a clarifying amendment.

Transition

443. The House bill provides that the Secretary of Labor and the Secretary of Education will ensure an orderly transition from programs repealed or amended. The Senate amendment provides that States and local entities may seek waivers from the Secretaries under any of the programs repealed or amended during the 2 year transition period.

The House recedes with technical and conforming changes and increasing the time the Secretary has to approve or disapprove a waiver from 45 to 60 days.

444. The Senate amendment, but not the House bill, provides a flexibility demonstration program for six States (which meet specific eligibility requirements) to waive any statutory or regulatory requirement under any of the programs repealed or amended during the 2-year transition period.

The Senate recedes.

445. The Senate amendment, but not the House bill, requires each State to submit an interim State plan to the Federal Partnership by June 30, 1997. The Secretaries may approve the interim plan and authorize the full integration of program funds and activities as provided in the block grant in fiscal year 1997. If the Secretaries disapprove the interim plan, they must make recommendations and provide technical assistance to States for developing the State plan to be submitted for fiscal year 1998.

The House recedes with an amendment authorizing the Secretaries to provide technical assistance to State that request such assistance in preparing the State plan or in developing the State benchmarks.

446. The Senate amendment, but not the House bill, provides that States and local entities will not be required to submit applications or plans in fiscal years 1996 or 1997 in order to receive funding under any programs which will ultimately be repealed under the Act.

The House recedes with an amendment striking "1996 or".

447. The Senate amendment, but not the House bill, provides that the Federal Partnership will take over administration of the School-to-Work Opportunities Act on October 1, 1996.

The Senate recedes.

448. The Senate amendment, but not the House bill, extends the authorizations for the Carl D. Perkins Vocational and Applied Technology Act and the Adult Education Act through fiscal years 1998.

The House recedes with an amendment striking paragraphs (b)(2), (b)(3), and (b)(4).

Repealers

449. Under the House bill, the Smith-Hughes Act is repealed on October 1, 1995. Under the Senate amendment, the following laws are repealed immediately upon enactment: (1) the State Legalization Impact Assistance Grant (SLIAG), (2) Title II of Public Law 95-250, (3) the Displaced Homemakers Self-Sufficiency Assistance Act, (4) the Appalachian Vocational and Other Education Facilities & Operations program, (5) the Job Training for the Homeless Demonstration Project, (6) Section 5322 of title 49, U.S.C., and (7) Subchapter I of chapter 421 of title 49, U.S.C.

The House recedes with an amendment striking the repeal of Section 5322 of title 49, United States Code and Subchapter I of chapter 421 of title 49, United States Code.

449a. Under the House bill, the following laws are repealed on July 1, 1997: (1) the Carl D. Perkins Vocational and Applied Technology Education Act, (2) the School-to-Work Opportunities Act, (3) the Adult Education Act, (4) the Adult Education for the Homeless program, (5) the School Dropout Assistance Act, (6) the National Literacy Act (except section 101), (7) the Library Services and Construction Act, (8) the Technology for Education Act of 1994, and (9) the Job Training for the Homeless Demonstration Project.

Under the Senate amendment, the following laws are repealed on July 1, 1998: (1) the Carl D. Perkins Vocational and Applied Technology Education Act, (2) the School-to-Work Opportunities Act, (3) the Adult Education Act, (4) the Adult Education for the Homeless program, and (5) the Education for Homeless Children and Youth Education program.

The Senate recedes with an amendment striking the repeal of The National Literacy Act of 1991, and repealing Title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.), other than subtitle B and section 738.

449b. Under the House bill, all of the Job Training Partnership Act, except for the Job Corps program and the veterans' employment programs, is repealed on July 1, 1997. Under the Senate amendment, all of the Job Training Partnership Act is repealed on July 1, 1998.

The House recedes with an amendment striking paragraph (c)(2).

450. Both the House bill and the Senate amendment make amendments to other laws to conform with the repeal of programs as described in Note 449.

Legislative counsel.

450a. Both the House bill and the Senate amendment make conforming amendments to other Federal laws which reference the Adult Education Act.

Legislative counsel.

450b. The Senate amendment, but not the House bill, makes conforming amendments to other Federal laws which reference the Carl D. Perkins Vocational and Applied Technology Education Act.

Legislative counsel.

450c. The Senate amendment, not the House bill, makes conforming amendments to other Federal laws which reference the School-to-Work Opportunities Act of 1994.

Legislative counsel.

450d. The House bill includes conforming amendments to the Job Training Partnership Act to reflect the repeal of some parts of such Act. The Senate amendment, which repeals the entire Job Training Partnership Act, makes conforming amendments to other Federal laws which reference the Job Training Partnership Act.

Legislative counsel.

450e. The Senate amendment, not the House bill, makes conforming amendments to other Federal laws which reference the Stewart B. McKinney Homeless Assistance Act.

Legislative counsel.

450f. The Senate amendment, not the House bill, requires the Federal Partnership, after consultation with the appropriate committees of Congress and the Director of the Office of Management and Budget, to submit to Congress legislation containing further technical and conforming amendments.

The Senate recedes.

450g. Under the House bill, the conforming amendments are effective on July 1, 1997. Under the Senate amendment, the conforming amendments for the programs repealed immediately are effective on the date of enactment, and for the programs repealed subsequently are effective on July 1, 1998.

The House recedes.

Higher Ed Repeals

451. The House bill, but not the Senate amendment, repeals the following programs:

(1) Articulation Agreements
(2) Access & Equity to Education for all Americans through Telecommunications
(3) Academic Libraries and Information Services
(4) National Early Intervention Scholarships
(5) Presidential Access Scholarships
(6) Model Program Community Partnership & Counseling Grants
(7) Early Awareness Information Program
(8) Technical Assistance for Teachers & Counselors
(9) Special Child Care Services for Disadvantaged College Students
(10) Loan Forgiveness for Teachers, Individuals Performing Community Service and Nurses
(11) Training in Financial Aid Services
(12) State Postsecondary Review Program
(13) State & Local Programs for Teachers Excellence
(14) National Teacher Academies
(15) Paul Douglas Teacher Scholarships
(16) Teacher Corps
(17) Class Size Demonstration Grant
(18) Middle School Teaching Demonstration Programs
(19) New Teaching Careers
(20) National Mini Corps Programs
(21) Demonstration Grants for Critical Language/Area Studies
(22) Development of Foreign Language & Culture Instructions Materials
(23) Small State Teaching Initiative
(24) Faculty Development Grants
(25) Early Childhood Staff Training & Professional Enhancement
(26) Intensive Summer Language Institutes
(27) Periodicals and Other Research Materials Published Outside the United States
(28) Improvement of Academic & Library Facilities
(29) Cooperative Education
(30) Grants to Institutions and Consortia to Encourage Women & Minority Participation in Graduate Education
(31) Harris Fellowships
(32) Javits Fellowships
(33) Faculty Development Fellowship Program
(34) Assistance for Training in the Legal Profession
(35) Law School Clinical Experience
(36) FIPSE—Special Projects in Areas of National Need
(37) Science & Engineering Access
(38) Woman & Minorities Science & Engineering Outreach Demonstration Programs
(39) Eisenhower Leadership Program
(40) Community Service Programs

(1) National Academy of Science Study
(2) Native Hawaiian and Alaska Native Culture and Arts Development

(1) American Indian Postsecondary Economic Development Scholarship
(2) American Indian Teach Training
(3) National Survey of Factors Associated with Participation
(4) Study of Environmental Hazards in Institutions of Higher Education
(5) National Job Bank for Teacher Recruitment
(6) National Clearinghouse for Postsecondary Education Materials
(7) School-Based Decisionmakers
(8) Grants for Sexual Offenses Education
(9) Olympic Scholarships
(10) Advanced Placement Fee Payment Program

The Senate recedes with an amendment striking the repeal of the National Early Intervention Scholarships program; the Javits Fellowship program; the Law School Clinical Experience program; the FIPSE—Special Projects in Areas of National Needs program; and the Community Service Programs.

452. The House bill, but not the Senate amendment, deletes all references to State postsecondary review entities.

The Senate recedes.

453. The House bill, but not the Senate amendment, amends the Higher Education Act to specify that, for purposes of eligibility under Section 481(b)(6) [the 85/15 Rule], a proprietary institution may use its independent auditor rather than a certified public accountant to review the school's financial data; may use generally accepted accounting practices to determine compliance; and may count revenues earned from providing training on a contractual basis to government, business, or industry as non-Federal revenue.

The House recedes.

454. The House bill, but not the Senate amendment, prohibits the Secretary from considering an institution's financial information for an institution's fiscal year which began on or before April 30, 1994. This date coincides with the day after which the Secretary's regulations implementing the 85/15 rule became final.

The Senate recedes.

455. The House bill, but not the Senate amendment, sets an effective date for these changes of July 1, 1994. This date coincides with the start of the 1994–1995 academic year.

The Senate recedes.

Effective date

456. The House bill takes effect on July 1, 1997. The Senate amendment (including the workforce development grant and the at-risk youth grant) takes effect on July 1, 1998.

The House recedes with technical amendments.

Immigration and Nationality Act

457. The Senate amendment, but not the House bill, amends the Immigration and Nationality Act to prohibit funds authorized under that Act to be use for training activities for refugees.

The Senate recedes.

Rehabilitation Act

458. The House bill, but not the Senate amendment, provides that the Act retains current law and has no legal effect on the Rehabilitation Act of 1973.

The House recedes.

459. The Senate amendment, but not the House bill, explains that references in title II, subtitle A, of the Workforce Development Act of 1995, unless otherwise noted, are to the Rehabilitation Act of 1973.

The House recedes.

460. The Senate amendment, but not the House bill, amends section 2(a)(4) of the Rehabilitation Act by indicating that increased employment of individuals with disabilities can be achieved through implementation of a statewide workforce development system that provides meaningful and effective participation for such individuals in workforce development activities and through title I of the Rehabilitation Act. The Senate amendment also amends section 2(b)(1)(A) of the Rehabilitation Act by adding that empowering individuals with disabilities can occur through statewide workforce development systems that include comprehensive and coordinated programs of vocational rehabilitation.

The House recedes with an amendment striking "and (2) in subsection (b)(1)(A)", by inserting "statewide workforce development systems that include, as integral components," after "(A)"; and inserting "(2) in subsection (b)(1)(A), by striking 'and coordinated' and inserting prior to the semicolon, 'that coordinate with statewide workforce development systems".

461. The Senate amendment, but not the House bill, repeals section 6 of the Rehabilitation Act that allows consolidated plans from State vocational rehabilitation agencies and State developmental disabilities councils.

The Senate recedes.

462. The Senate amendment, but not the House bill, amends section 7 of the Rehabilitation Act by conforming definitions with the Work Force Development Act.

The House recedes with conforming amendments.

463. The Senate amendment, but not the House bill, amend section 12(a)(1) of the Rehabilitation Act by giving the Commissioner of the Rehabilitation Services Administration the authority to provide consultative services and technical assistance to public and nonprofit private agencies to achieve the meaningful participation of individuals with disabilities in the statewide workforce development system.

The House recedes with conforming amendments.

464. The Senate amendment, but not the House bill, amends section 13 of the Rehabilitation Act by conforming data collection with the Workforce Development Act of 1995.

The House recedes with conforming amendments.

465. The Senate amendment, but not the House bill, amends section 14(a) of the Rehabilitation Act by conforming evaluation requirements with the Workforce Development Act of 1995. The Senate amendment also states that the Secretary may modify or supplement such benchmarks, under certain conditions, to address unique conditions associated with reporting on individuals with disabilities.

The House recedes with conforming amendments.

466. The Senate amendment, but not the House bill, amends section 100(a)(1)(F) of the Rehabilitation Act by adding to the finding the term "workforce development activities".

The House recedes.

467. The Senate amendment, but not the House bill, adds a new (G) to section 100(a)(1) of the Rehabilitation Act, a finding which states that linkages between vocational rehabilitation program and other components of the workforce development system are critical to the effective and meaningful participation of individuals with disabilities in workforce development activities.

The House recedes with conforming amendments.

468. The Senate amendment, but not the House bill, amends section 100(a)(2) of the Rehabilitation Act, which expresses the purpose of title I, adding specifications that a program of vocational rehabilitation is an integral component of a statewide workforce development system.

The House recedes with an amendment striking "an integral component of" and inserting "coordinated with the" and conforming amendments.

469. The Senate amendment, but not the House bill, amends section 101(a) of the Rehabilitation Act, conforming the schedule for submitting the State plan under title I of the Rehabilitation Act to coincide with the schedule for submission of the workforce plan, and requires that the State plan required under title I of the Rehabilitation Act be submitted to any State workforce development board for review and comment, and submission of such comments to the appropriate designated State unit which administers the vocational rehabilitation program.

The House recedes with an amendment striking paragraph "(3)" and inserting "(3) by striking paragraphs (10)(A), (15)A-B), (27), (28) and (30)"; striking paragraphs "(6)" and "(7)"; and conforming amendments.

470. The Senate amendment, but not the House bill, adds a new paragraph (3) with regard to improving and expanding vocational rehabilitation services for individuals with disabilities.

The Senate recedes.

471. The Senate amendment, but not the House bill, adds in paragraph (6) (so redesignated), that the State plan shall include the results of a comprehensive, statewide needs assessment.

The House recedes with an amendment to section 101(a)(9) to include, in the assessment, the utilization of community rehabilitation programs funded under the Javits-Wagner-O'Day Act and State use contracting programs and clarifying that training may be provided to counselors and other personnel.

472. The Senate amendment, but not the House bill, amends subparagraph (A) of paragraph (8) as redesignated, by consolidating provisions pertaining to personnel development.

The House recedes.

473. The Senate amendment, but not the House bill, deletes in section 101(a) of the Rehabilitation Act, in paragraph (9) as redesignated, reference to individuals at extreme medical risk.

The Senate recedes.

474. The Senate amendment, but not the House bill, makes technical changes to section 101(a) of the Rehabilitation Act, in paragraph (10) as redesignated, substituting the term "individualized employment plan" for the term "individualized written rehabilitation program."

The House recedes with conforming amendments.

475. The Senate amendment, but not the House bill, amends paragraph (11) as redesignated, allowing for entering into cooperative agreements with entities that are and are not part of the workforce development system.

The House recedes with conforming amendments.

476. The Senate amendment, but not the House bill, adds in paragraph (14) as redesignated, the requirement for timely notice of public hearings, collecting comments, and disseminating information about how comments affect the delivery of services.

The Senate recedes.

477. The Senate amendment, but not the House bill, amends paragraph (16) as redesignated, establishing the obligation to make referrals within the workforce development system.

The House recedes.

478. The Senate amendment, but not the House bill, amends paragraph (17) as redesignated, by transferring the current law provisions of Sec. 101(a)(30) of the Rehabilitation Act which describes how the needs of individuals who are not in special education can access and receive vocational rehabilitation services.

The House recedes.

479. The Senate amendment, but not the House bill, amends section 102 of the Rehabilitation Act by substituting the term "individualized employment plan" for the term "individualized written rehabilitation program", wherever it appears.

The House recedes.

480. The Senate amendment, but not the House bill, amends section 103 of the Rehabilitation Act by removing the authority to use title I funds of the Rehabilitation Act for surgery or construction.

The Senate recedes.

481. The Senate amendment, but not the House bill, amends section 105 of the Rehabilitation Act by encouraging links between members of the Council and any boards established under the Workforce Development Act of 1995.

The House recedes with conforming amendments.

482. The Senate amendment, but not the House bill, amends section 106(a)(1) of the Rehabilitation Act to require that standards and indicators, to the maximum extent appropriate, will be consistent with benchmarks established under the Workforce Development Act of 1995. The Senate amendment also provides that the Secretary may modify or supplement such benchmarks, under certain conditions, to address unique conditions associated with reporting on individuals with disabilities.

The House recedes with an amendment that specifies the application of this requirement to future standards and indicators under the authority of the Commissioner of the Rehabilitation Services Administration to modify or supplement such benchmarks.

483. The Senate amendment, but not the House bill, amends Title I by repealing part C, Innovation and Expansion Grants, and redesignating parts D, American Indian Vocational Rehabilitation Services, and E, Vocational Rehabilitation Services Client Information, as parts C and D.

The Senate recedes.

484. The Senate amendment, but not the House bill, makes conforming amendments to the Rehabilitation Act of 1973.

The Senate recedes.

485. The Senate amendment, but not the House bill, provides that amendments to the Rehabilitation Act take effect upon enactment, except that statewide system requirements, specifically provisions that relate to State benchmarks or other components of a statewide system, shall take effect in a State that submits and obtains approval of an interim plan under section 173 for program year 1997 on July 1, 1997; and in any other State, on July 1, 1998.

The House recedes with an amendment to conform the dates with the rest of the Act.

Higher education privatization

486. The House bill, but not the Senate amendment, requires Sallie Mae's current Board of Directors to develop a reorganization plan for the restructuring of the Association's ownership. Current shares in Sallie Mae would be converted into shares in a newly formed Holding Company chartered in a State or the District of Columbia.

The Senate recedes with an amendment providing that the Student Loan Marketing Association (SLMA) shall either vote to reorganize as a private company or shall be dissolved. In either instance, SLMA as a government sponsored enterprise with implicit Federal financial backing, shall cease to exist. The amendment specifies that within 18 months of the date of enactment, SLMA's board of directors shall develop a plan for reorganization and present such plan to its shareholders for approval. In the event that the shareholders agree to the plan, a newly formed corporation shall coexist with the current GSE until 2008. This lengthy transition is necessary for budget purposes, during which time only the GSE may engage in Federal student loan activity authorized under the Higher Education Act of 1965. In the event that the shareholders do not agree to reorganize, SLMA shall submit to the Secretary of the Treasury a plan outlining how it will cease all business activities by the year 2013.

487. The House bill, but not the Senate amendment, requires that the reorganization plan be approved by the holders of a majority of Sallie Mae's outstanding stock. As defined, the "reorganization effective date" means the date determined by the Association Board of Directors pending stockholder approval, but no later than 18 months after the enactment of this section.

The House recedes.

488. The House bill, but not the Senate amendment, clarifies that, except as specifically modified by the provisions of section 440, the provisions of section 439 of the Higher Education Act continue to apply in full force and effect to the Association during its wind-down period following the reorganization of its ownership. The Holding Company and its other subsidiaries shall not be entitled or subject to any of the rights, privileges, obligations or limitations applicable to the Association under section 439, except as specifically provided in section 440. This section clarifies that the Holding Company and its non-GSE subsidiaries shall not purchase federally-insured student loans until the Association ceases to purchase such loans, except for the Association's purchase of such loans as a lender-of-last-resort or under agreement with the Secretary of Education pursuant to section 440(c)(6).

The House recedes.

489. The House bill, but not the Senate amendment, specifies that, as soon as practicable after the reorganization, the Association would be required to use its best efforts to transfer to the Holding Company or its

non-GSE subsidiaries all real and personal property, including intangibles held by the Association, except for property defined as "remaining property." Remaining property would include the financial, program-related assets and obligations of the Association, such as debt obligations, student loans, portfolio investments, letters of credit, outstanding swap agreements and forward purchase commitments. Such property could be transferred out of the GSE subsequently, so long as the GSE continued to maintain adequate capital to meet the requirements of section 439(r), as amended.

The House recedes.

490. The House bill, but not the Senate amendment, specifies that at the time of the reorganization, the employees of the Association will become employees of the Holding Company or the other subsidiaries. This provision requires the Holding Company and the subsidiaries to provide management and operational support for the Association during the wind-down as requested by the Association. The Association is also specifically empowered to obtain management and operational support from persons other than the Holding Company and the subsidiaries.

The House recedes.

491. The House bill, but not the Senate amendment, clarifies that the Association may pay dividends in the form of cash or noncash distributions to the Holding Company, just as it may pay dividends to shareholders under current law. The payment of dividends would continue to be subject to the requirements of section 439(r).

The House recedes.

492. The House bill, but not the Senate amendment, provides that for purposes of calculating compliance with the Association's capital requirements, any distribution of noncash assets by the Association to the Holding Company is to be valued at net book value as of the date the distribution was approved by the Association's Board of Directors.

The House recedes.

493. The House bill, but not the Senate amendment, limits the Association's ability to engage in new business activities or acquire new assets following the reorganization. Activities may be undertaken in connection with student loan purchases through September 30, 2005; in connection with contractual commitments for future warehousing advances, where such commitments are outstanding as of the date of the reorganization; or pursuant to a letter of credit or standby bond purchase agreement that is outstanding as of such date. Activities may also be undertaken in connection with the GSE's role as lender of last resort pursuant to section 439. Finally, activities may be undertaken pursuant to agreements entered into with the Secretary of Education if the Secretary requests the Association to continue or resume its secondary market purchase program. The Secretary may make such a request only after determining that there is inadequate liquidity for loans made under Part B of Title IV of the Higher Education Act. Any such agreement shall cover a period of 12 months, but may be renewed if the Secretary determines that liquidity remains inadequate. The provision provides that the offset fee provided under section 439(h)(7) shall not apply to loans acquired pursuant to any such agreement.

The House recedes.

494. The House bill, but not the Senate amendment, prohibits the Association from issuing new debt obligations that mature later than September 30, 2009, except in connection with fulfilling the Association's lender of last resort role or with purchasing loans under an agreement with the Secretary of Education described in the previous paragraph.

The House recedes.

495. The House bill, but not the Senate amendment, establishes new requirements to the safety and soundness requirements currently applicable to the Association under the Higher Education Act. The GSE is required to obtain such information and keep such records as the Secretary of the Treasury may prescribe concerning any material financial risk to the Association which could reasonably result form the activities of the Holding Company or its non-GSE subsidiaries. The GSE must also keep records relating to the policies, procedures and systems used by the GSE to monitor and control such risk. The summary reports may be required by the Secretary of the Treasury, but no more frequently than quarterly.

The House recedes.

496. The House bill, but not the Senate amendment, imposes requirements to ensure that a substantial degree of separation is maintained between the Association and its affiliates, including (i) the assets of the Association shall be maintained separately from those of the Holding Company and its other subsidiaries and may be used only in connection with the Association's purposes and obligations; (ii) the Association's books and records shall clearly reflect the assets and liabilities of the Association, separate from the assets and liabilities of the Holding Company and its other subsidiaries; (iii) the Association's corporate office shall be physically separate from all offices of the Holding Company and its other subsidiaries; (iv) no director of the Association who is appointed by the President may serve as a director of the Holding Company; (v) at least one of the Association's officers shall be an officer solely of the Association; (vi) transactions between the Association and the Holding Company and its subsidiaries shall be on terms no less favorable than the Association would receive from a third party; (vii) the Association shall not extend credit to the Holding Company or its subsidiaries or guarantee or provide credit enhancement for any debt of the Holding Company or the subsidiaries; (viii) any amounts collected on behalf of the Association by the Holding Company or its other subsidiaries with respect to the assets of the Association are required to be immediately deposited to an account controlled solely by the Association. No restrictions shall apply to directors of the Association not appointed by the President.

The House recedes.

497. The House bill, but not the Senate amendment, provides that under no circumstances shall the assets of the Association be available to pay claims or debts incurred by the Holding Company.

The above requirement shall not limit the right of the Association to pay dividends that are otherwise permissible and shall not limit any liability of the Holding Company that is explicitly provided for in Part B.

The House recedes.

498. The House bill, but not the Senate amendment, limits the Holding Company's activities to the ownership of the Association and its other subsidiaries during the wind-down period, and all business activities shall be conducted at the subsidiary level.

The House recedes.

499. The House bill, but not the Senate amendment, gives the Holding Company, as sole shareholder of Sallie Mae, the authority to choose the shareholder-elected members of the Association's Board of Directors. The directors will not be required to meet current eligibility standards.

The House recedes.

500. The House bill, but not the Senate amendment, requires the Holding Company to issue to the Secretary of the Treasury 200,000 stock warrants, each warrant entitling the holder to purchase a share of stock of the Holding Company at any time on or before September 30, 2009.

The House recedes.

501. The House bill, but not the Senate amendment, provides that after the reorganization, the Holding Company shall not sell, pledge, or otherwise transfer any outstanding shares of the Association, or cause the Association to liquidate or file bankruptcy, without the approval of the Secretary of the Treasury and the Secretary of Education.

The House recedes.

502. The House bill, but not the Senate amendment, limits the period for winding down the GSE activities of the Association to September 30, 2009. The Association may determine to cease its activities and dissolve prior to September 30, 2009, unless the Secretary of Education determines that the Association continues to be needed as a leader of last resort or continues to be needed to purchase loans in furtherance of an agreement under section 440(a)(6).

The House recedes.

503. The House bill, but not the Senate amendment, requires at the end of the period all of the Association's outstanding debt obligations to be transferred to a trust that will satisfy all payment obligations on the remaining debt issues which will retain the attributes accorded them by the Association's statutory charter. The Association must deposit certain qualifying assets into the trust. The assets are to be transferred irrevocably, solely for the benefit of the holders of the Association's debt obligations, and in such amount as is determined by the Secretary of the Treasury to be sufficient to pay the principal and interest on the outstanding debt obligations according to their terms. To the extent that the Association cannot provide qualifying assets in the amount required, the Holding Company shall be required to transfer such assets in an amount necessary to prevent any deficiency.

The House recedes.

504. The House bill, but not the Senate amendment, requires the trust to transfer any remaining assets to either the Holding Company or its subsidiaries as directed by the Holding Company.

The House recedes.

505. The House bill, but not the Senate amendment, requires that after funding the trust and prior to dissolution, the Association must take whatever actions are necessary to discharge all other obligations of the Association, including the repurchase or redemption of the Association's preferred stock. Any such obligations that cannot be fully satisfied, shall become liabilities of the Holding Company as of the date of dissolution.

The House recedes.

506. The House bill, but not the Senate amendment, requires that to the extent that any assets remain in the Association following the foregoing procedures, such assets shall be transferred to the Holding Company.

The House recedes.

507. The House bill, but not the Senate amendment, specifies that the number and composition of the Board of Directors of the

Holding Company shall be as set forth in the Holding Company's charter or bylaws and as permissible under the laws of the jurisdiction of its incorporation.

The House recedes.

508. The House bill, but not the Senate amendment, specifically prohibits the use of the name "Student Loan Marketing Association" and allows the use of "Sallie Mae" to the extent permitted by the applicable State or DC law.

The House recedes.

509. The House bill, but not the Senate amendment, specifically permits the Association to assign to the Holding Company or any of its other subsidiaries the name "Sallie Mae," to be used as a trademark or service mark. The bill includes a fee of $5 million in 1996 for the right to assign the name.

The House recedes.

510. The House bill, but not the Senate amendment, requires certain disclosures to be made during the period commencing after the reorganization and ending three years after the dissolution of the Association.

The House recedes.

511. The House bill, but not the Senate amendment, makes clear that, except as explicitly provided, the section is not intended to limit the authority of the Association to act as a federally chartered GSE or the authority of the Holding Company to take any actions that are lawful for a State-chartered corporation.

The House recedes.

512. The House bill, but not the Senate amendment, grants authority to the Attorney General, upon request of the Secretary of Education or the Secretary of the Treasury, to enforce the provisions of new Section 440, by action brought tin the United States District Court for the District of Columbia.

The House recedes.

513. The House bill, but not the Senate amendment, sets a deadline of 18 months after the effective date of the section for the occurrence of the reorganization pursuant to which Sallie Mae's outstanding common stock will be converted to common stock of the Holding Company. If the reorganization has not taken place by 18 months after the effective date of section 440, this subsection provides that the section shall be of no further force and effect.

The House recedes.

514. The House bill, but not the Senate amendment, sets forth the defined terms used throughout section 440.

The House recedes.

515. The House bill, but not the Senate amendment, sets forth technical amendments to the Higher Education Act.

The House recedes.

516. The House bill, but not the Senate amendment, permits the Holding Company and any of its subsidiaries to be eligible lenders under the Higher Education Act for secondary market purposes.

The House recedes.

517. The House bill, but not the Senate amendment, supplements existing safety and soundness requirements applicable to the Association by amending Section 439(r) of the Higher Education Act to authorize the Attorney General, upon request of the Secretary of Education or the Secretary of the Treasury to enforce such requirements in an action before the United States District Court for the District of Columbia.

The House recedes.

518. The House bill, but not the Senate amendment, amends the safety and soundness requirements set forth in Section 439(r). The subsection supplements the reports provided by the Association in support of its safety and soundness requirements by requiring the Association to provide to the Secretary of the Treasury, within 45 days of the end of each calendar quarter, financial statements and quarterly reports setting forth the calculation of the Association's capital ratio. The subsection also amends the safety and soundness provisions relating to the Association's capital ratio by providing new capital requirements applicable to the Association after January 1, 2000, if the Association's shareholders have approved the reorganization. At such time, the Association will be required to maintain a capital ratio of 2.25 percent for any quarter. If the Association fails to maintain such ratio, the Secretary of the Treasury may take certain specified actions to limit increases in the Association's liabilities, restrict growth in the Association's assets (other than student loan purchases and warehousing advances), restrict capital distributions by the Association, require that the Association issue new capital sufficient to restore the capital ratio to the required 2.25 percent, and limit certain increases in the executive compensation paid by the Association. However, if the Association's capital ratio for any quarter falls below 2.25 percent, but is equal to or in excess of 2 percent, the Secretary must defer taking such actions until the next quarter and then may proceed with such actions only if the capital ratio remains below 2.25 percent. Further, the Association is deemed to be in compliance with its capital ratio requirements if it is rated by two nationally recognized statistical rating organizations, without regard to its status as a federally chartered corporation, in one of the two highest full rating categories.

The House recedes.

519. The House bill, but not the Senate amendment, provides that upon the dissolution of the Association and the creation of the trust pursuant to new section 440(d), both the Association's Federal charter and section 439, shall be repealed.

The House recedes.

520. The House bill, but not the Senate amendment, privatizes the College Construction Loan Insurance Association ("Connie Lee," or "the Corporation").

The Senate recedes with an amendment repealing the authorizing legislation which created Connie Lee. The Secretary of the Treasury is required to sell the Connie Lee stock owned by the Secretary of Education within 6 months of the date of enactment of this legislation ensuring the total privatization of Connie Lee. Connie Lee will no longer have a Federal charter or any ties to the Federal Government.

521. The House bill, but not the Senate amendment, repeals Federal restrictions on Connie Lee's activities.

The House recedes.

522. The House bill, but not the Senate amendment, restricts stock ownership in the Corporation for government agencies, government corporations, and government sponsored enterprises, including Sallie Mae. Specifically, Sallie Mae may continue to own stock held as of the day of enactment, but may not acquire new stock in the Corporation until such time as Sallie Mae is privatized.

The House recedes.

523. The House bill, but not the Senate amendment, prohibits Sallie Mae from controlling the operations of the Corporation, but allows it to retain its current representation on the board of the Corporation. The House bill further prevents Sallie Mae from providing financial support or guarantees to the Corporation.

The House recedes.

524. The House bill, but not the Senate amendment, requires that, for a five year period following enactment, the Corporation shall disclose that it is not a government sponsored corporation or instrumentality.

The House recedes.

525. The House bill, but not the Senate amendment, prohibits the Corporation from using the name College Construction Loan Insurance Association.

The House recedes.

526. The House bill, but not the Senate amendment, requires certain amendments to the Corporation's Articles of Incorporation.

The House recedes.

527. The House bill, but not the Senate amendment, places certain reporting requirements on the Corporation for a period of two years.

The House recedes.

528. The House bill, but not the Senate amendment, requires the Secretary of the Treasury to sell the federally held stock in the Corporation within six months of the date of enactment.

The House recedes.

529. The House bill, but not the Senate amendment, requires that, in the event that the Secretary of the Treasury cannot sell the federally held stock to another entity, the Corporation must repurchase the stock at a price not to exceed the value estimated by the Congressional Budget Office.

The House recedes.

Museums and library services

530. The House bill consolidates the Federal library programs under the Library Services and Construction Act, the Elementary and Secondary Education Act, and Title II of the Higher Education Act into one Federal libraries program focused on helping libraries acquire and use new technologies and forging electronic ties among libraries and between libraries and one-stop career centers.

The Senate amendment creates a new Institute of Museums and Library Services, and consolidates into it the functions of the Institute of Museum Services (IMS), along with Federal library programs under the Library Services and Construction Act and Title II of the Higher Education Act. Focuses of the Senate amendment include technology, life-long learning, and information access for those needing special services.

Legislative counsel.

531. The House bill authorizes $110 million for each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002 for library technology programs under this act. The House bill further authorizes the forward funding of these programs.

The House and Senate recede with an amendment authorizing $150 million for fiscal year 1997 and such sums for fiscal year 1998 through fiscal year 2002. The amendment provides for forward funding and an additional authorization of appropriations to effect a timely transition to the new authorization. Additional amounts as may be necessary are authorized to be appropriated for the fiscal year prior to the first year in which appropriations are made under the forward funding procedure.

531a. The Senate amendment authorizes $75 million for Fiscal Year 1996 and such sums as necessary for fiscal years 1997–2000 for library technology programs.

The Senate recedes.

531b. The Senate amendment, but not the House bill, authorizes $75 million for Fiscal

Year 1996 and such sums as necessary for fiscal years 1997–2000 to provide library services to special populations.

The Senate recedes.

531bb. The Senate amendment, but not the House bill, allows for the transfer of funds between the Secretary of Education and the Director of Museum Services.

The House recedes.

531c. The Senate amendment, but not the House bill, provides that no less than 5% nor more than 7% of library funds be used for joint projects with museums.

The Senate recedes.

531d. The Senate amendment, but not the House bill, allows not more than 10% of funds appropriated for library services under this Act to be spent for Federal administration.

The House recedes with an amendment limiting administrative funds to 3 percent.

531e. The Senate amendment, but not the House bill, authorizes $28,700,000 for FY1996, and such sums as necessary for Fiscal Years 1997–2000 for museum services under this Act.

The House recedes with an amendment authorizing $28,700,000 for fiscal year 1997, and such sums as may be necessary for fiscal year 1998 through fiscal year 2002.

531f. The Senate amendment, but not the House bill, allows not more than 10% of funds appropriated for museum services to be used for administrative expenses.

The House recedes.

531g. The Senate amendment, but not the House bill, provides that not less than 5% nor more than 7% of appropriated museum funding be used for joint projects with libraries.

The Senate recedes.

531h. The Senate amendment, but not the House bill, mandates that funds made available for museum services under this Act shall remain available until expended.

The House recedes.

531i. The Senate amendment, but not the House bill, authorizes such sums as necessary for the Arts and Artifacts Indemnity Act.

The Senate recedes.

532. The Senate amendment, but not the House bill, amends the Museum Services Act.

The House recedes.

533. The Senate amendment, but not the House bill, includes certain definitions.

The House recedes.

534. The Senate amendment, but not the House bill, establishes an Institute of Museum and Library Services.

The House recedes.

535. The Senate amendment, but not the House bill, provides for the appointment of a Director of the Institute of Museum and Library Services by the President with the advice and consent of the Senate. The Senate amendment further provides that the Director will serve for a term of 4 years, and that the appointment will alternate between individuals with expertise in library and museum services.

The House recedes.

536. The Senate amendment, but not the House bill, provides for the appointment by the Director of Deputy Directors for the offices of Library Services and Museum Services.

The House recedes with an amendment striking paragraph (b).

537. The Senate amendment, but not the House bill, provides for the staffing of the Institute by the Director.

The House recedes.

538. The Senate amendment, but not the House bill, provides the Director with the authority to accept or solicit gifts and bequests on behalf of the Institute.

The House recedes.

539. The Senate amendment, but not the House bill, sets forth purposes for funding of museum services under this subtitle.

The House recedes.

540. The Senate amendment, but not the House bill, sets forth definitions for this subtitle.

The House recedes with an amendment providing a definition of "State" for this subtitle to mean, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Northern Mariana Islands, the Virgin Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

541. The Senate amendment, but not the House bill, empowers the Director of the Institute to award grants for Museum improvements, and outlines purposes for which the grants may be used.

The House recedes with an amendment adding model programs demonstrating cooperative efforts between libraries and museums to the list of museum services activities.

541a. The Senate amendment, but not the House bill, allows the Director to enter into contract or cooperative agreements for the improvement of museums.

The House recedes.

541b. The Senate amendment, but not the House bill, limits the Federal share of activities funded under this section.

The House recedes.

541c. The Senate amendment, but not the House bill, requires the Director to develop procedures for reviewing assistance made under this Section.

The House recedes.

542. The Senate amendment, but not the House bill, provides for an assessment of collaborative efforts that museums can engage in to serve the public more effectively, applicable only in years when appropriations for museum services exceed $28.7 million.

The Senate recedes.

543. The Senate amendment, but not the House bill, allows the Director to annually award a national award for museum services to outstanding museums for significant contributions in service to the community.

The House recedes.

544. The Senate amendment, but not the House bill, establishes a National Museum Service Board appointed by the President with advice and consent of the Senate.

The House recedes.

544a. The Senate amendment, but not the House bill, sets forth qualifications for appointment to the Board.

The House recedes.

544b. The Senate amendment, but not the House bill, provides for 5 year staggered terms for members of the board.

The House recedes.

544c. The Senate amendment, but not the House bill, sets forth the powers and duties of the board. The Senate amendment further outlines the structure and general operating rules of the Board.

The House recedes.

545. The Senate amendment, but not the House bill, amends the National Commission on Libraries and Information Science Act to provide the commission with the responsibility of advising the Director of the Institute of Museum and Library Services on matters relating to library services. The Senate amendment further outlines procedures for advising the Director and modifies membership and membership criteria for the commission.

The House recedes.

546. The Senate amendment, but not the House bill, provides for the orderly transition of functions from the Institute of Museum Services (IMS) to the Institute of Museum and Library Services.

The House recedes with an amendment transferring all functions formerly exercised by the Director of Library Programs in the Department of Education's Office of Education Research and Improvements to the Institute.

547. The Senate amendment, but not the House bill, provides an authorization for the Arts and Artifacts Indemnity Act.

The Senate recedes.

547a. The Senate amendment, but not the House bill, transfers authority for indemnity agreements to the Director of the IMLS from the Federal Council on the Arts and the Humanities.

The Senate recedes.

547b. The Senate amendment, but not the House bill, retains the definition of eligible items from current law.

The Senate recedes.

547c. The Senate amendment, but not the House bill, expands coverage under the Act to domestic exhibits on display within the U.S.

The Senate recedes.

547d. The Senate amendment, but not the House bill, retains the applications procedure from current law.

The Senate recedes.

547e. The Senate amendment, but not the House bill, retains the terms under which indemnity agreements are made from current law.

The Senate recedes.

547f. The Senate amendment, but not the House bill, makes conforming amendments to current law with respect to the authority of the Director to issue regulations and certify claims.

The Senate recedes.

547g. The Senate amendment, but not the House bill, retains reporting requirements from current law.

The Senate recedes.

548. The Senate amendment, but not the House bill, provides for a short title.

The House recedes.

549. Both the House bill and the Senate amendment provide for purposes.

The House and Senate recede with an amendment stating the purpose of this subtitle.

549a. The purposes of the House bill are limited to the consolidation of library programs, providing access through new technology and providing electronic linkages among libraries and between libraries and integrated career center systems. The House bill contains no recognition of need.

The House recedes.

549b. The purposes of the Senate amendment include an emphasis on life-long access to learning and library information resources as well as preparing libraries for service in the 21st Century in the areas of access to electronic networks, workforce and economic development, and adequate provision of resources and services to special populations.

The Senate recedes.

550. Both the House bill and the Senate amendment provide definitions relative to library services. However, definitions in the House bill are in title I of the House bill.

The House recedes.

550a. The Senate amendment includes definitions of "library consortia," "library entity," and "public library." The House bill includes a definition of "library" in the general definitions section. (See Note 50.)

The House and Senate recede with an amendment retaining the definitions of "library consortia" and "State"; striking the definition of "library entity" and "State advisory council," and modifying the definition of "library".

550b. Both the House bill and the Senate amendment include a definition of "State library administrative agency". The Senate amendment also includes a definition of "State Plan". (See Note 80.)

The Senate recedes on the definition of "STATE LIBRARY ADMINISTRATIVE AGENCY" and the House recedes on the definition of "STATE PLAN".

551. The Senate amendment, but not the House bill, reserves 1½% of funds appropriated for serving Indian Tribes. In the House bill, Indian Tribes may use funds allotted under section 325 for library services.

The House recedes.

551a. The Senate amendment, but not the House bill, reserves 8% of allotted funds for a national leadership program in library services.

The House recedes with an amendment reserving 4 percent of allotted funds for "National Leadership Grants", and specifying that if these funds have not been obligated by the end of the fiscal year in which they are reserved, that they shall be reobligated in the next fiscal year to the States as part of the States' formula grant. The House amendment further stipulates that States may carryover unobligated funds for use in the next fiscal year.

552. Both the House bill and the Senate amendment provide for minimum State allotments. However, the House bill does not provide funding for the Freely Associated States.

The House recedes with an amendment providing that funds allotted to the "Freely Associated States" be reserved for competitive grants to all outlying areas based on the recommendations by the Pacific Region Educational Lab to the Director, limits the Pacific Regional Education Laboratory to using no more than 5 percent of these funds for administrative purposes, and specifies that eligibility for assistance under this Act for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall terminate as of September, 30, 2001.

552aa. The House bill and the Senate amendment both provide allotments.

The House recedes with an amendment authorizing the State minimum allotment at $340,000.

552a. Both the House bill and the Senate amendment provide for the ratable reduction of funds should appropriations be insufficient.

Legislative counsel.

552b. Both the House bill and the Senate amendment allot remaining funds based on State populations.

Legislative counsel.

553. The House bill, but not the Senate amendment, requires the Secretary to make grants to States that will meet minimum requirements such as submitting an approved application, providing 100% of the amount of the grant to the State library administrative agency, and requiring that agency to use the allocated funds to carry out activities described in the application. The House bill further provides that such grant will be the lesser of the sum of the initial allotment and the additional allotment or 75% of the total cost of the activities described in the application.

The House recedes.

554. Both the House bill and the Senate amendment limit administrative funding at the State level. The Senate amendment limits this amount to not more than 5%. The House bill limits State administrative funding to 3% elsewhere in this Subtitle.

The Senate recedes with an amendment allowing States to use no more than 4 percent of funds allotted for administrative purposes.

555. The Senate amendment establishes the Federal share for programs under this subtitle and sets forth maintenance of effort provisions. The House bill establishes the Federal share for programs under this subtitle, but does not require maintenance of effort.

The House recedes.

555a. The Senate amendment sets the Federal share for State projects at 50% with higher Federal shares for the Trust Territories, and defines non-Federal share. The House bill sets the Federal share for State projects at 75%, and makes no distinction for the Trust Territories.

The House recedes with an amendment setting the Federal share for the States and Trust Territories at 66 percent.

555b. The Senate amendment, but not the House bill, reduces a State's allocation if the State fails to maintain its funding level for library services. The reduction in Federal allocation is in proportion to the reduction in State effort.

The House recedes with an amendment clarifying that States may reduce their maintenance-of-effort in proportion to any Federal reduction without being penalized.

555c. The Senate amendment, but not the House bill, provides a waiver for reductions in a State's allocation under this subsection if the reduction in State efforts is due to certain uncontrollable circumstances.

The House recedes.

556. The House bill requires that each State seeking a grant under this subtitle submit an annual application establishing goals and priorities consistent with the purposes of this subtitle describing activities and procedures to reach these goals, describing methodologies for evaluation, describing procedures to involve libraries and their areas in policy decisions to implement this subtitle, and assuring that reporting practices required by the Secretary will be implemented. The Senate amendment requires States to provide similar information as part of the State plan, which covers a period of 5 years.

The Senate recedes with an amendment providing that States submit a plan covering a 5 year period.

556a. The House bill requires the Secretary to approve each application which meets the requirements outlined in Note 556. The House bill further provides States with an opportunity to revise their applications, should they fail to be approved. The Senate amendment requires the Director to approve a State plan if it meets the purposes of this subtitle. The Senate amendment further provides that if a State plan is not approved, the State will have an opportunity to revise its plan, that the Director will provide the State with technical assistance and that the State library administrative agency will have the opportunity for a hearing.

The House recedes.

557. The House bill, but not the Senate amendment, requires that State library administrative agencies use at least 97% of funds provided under this subtitle for electronically connecting libraries to integrated career center systems, establishing or enhancing linkages among libraries, assisting libraries to access information through electronic networks, encouraging the formation of library consortia, helping libraries acquire and share new technologies, and improving library services for individuals with special needs. The Senate amendment does require that State library administrative agencies follow their State plan.

The Senate recedes with an amendment requiring State agencies to expend at least 96 percent of funds received under this subtitle to establish or enhance linkages among or between libraries, library consortia, one-stop career centers, and local service providers, or any combination thereof, and to target library and information services to persons having difficulty using a library and underserved urban and rural communities, including children from families living below the official income poverty line. Each State agency may apportion funds between these purposes, as appropriate, to meet the needs of the individual State.

The Managers note that these purposes are not mutually exclusive, and that enhancing electronic resources may also meet the needs of disadvantaged persons.

557a. The House bill limits the amount of each States allotment used for administrative expenses by the State library administrative agency to no more than 3%. The Senate amendment limits this amount to 5%. (See Note 554.)

The House recedes.

558. The Senate amendment, but not the House bill, creates a separate program to provide library services for special populations. However, the House bill does make the improvement of library services for special populations an allowable use of funds at the discretion of the State library administrative agency.

The Senate recedes.

559. The Senate amendment, but not the House bill, requires State library administrative agencies to reserve up to 15% of their Federal funds to serve children in poverty. In determining this amount, the State agency shall set aside up to $1.50 per preschool child from families below the poverty level, and up to $1.00 per school aged child from families living below the poverty levels.

The Senate recedes.

559a. Of the amount reserved for children in poverty, the Senate amendment, but not the House bill, requires that each library in the State receive a share equal to its share of such children.

The Senate recedes.

559b. The Senate amendment, but not the House bill, allows for the aggregation of funds set aside to serve children in poverty, should an individual library's grant be too small to be effective. The Senate amendment further prescribes conditions under which such funds can be aggregated.

The Senate recedes.

559c. The Senate amendment, but not the House bill, requires that public libraries seeking grants to serve children in poverty submit a plan for how those children will be served.

The Senate recedes.

560. The Senate amendment, but not the House bill, sets forth specific criteria under which States must evaluate activities undertaken in accordance with the library technology and library services provisions of the Senate amendment.

The Senate recedes with an amendment moving evaluations to State plan. (See Note 556)

561. The Senate amendment, but not the House bill, requires that States receiving assistance under this subtitle establish a State advisory council. The Senate amendment further sets forth guidelines for the composition and duties of these councils.

The House recedes with an amendment providing that a State may establish a State advisory council which is broadly representative of the library entities within the State.

562. The Senate amendment, but not the House bill, provides for grants for library services for Indian Tribes. The Senate amendment further specifies the purposes for which these grants can be used, requirements as to who may administer these funds, and maintenance of effort requirements.

The Senate recedes with an amendment to conform Indian provisions with the rest of the Act.

562a. The Senate amendment, but not the House bill, prescribes the procedure for applying for grants under this section.

The Senate recedes.

563. The Senate amendment, but not the House bill, establishes a national leadership program for library services, and sets forth activities for which such funds may be used.

The House recedes with an amendment providing for "National Leadership Grants" to enhance the quality of library services nationwide and to provide coordination with museums.

563a. The Senate amendment, but not the House bill, sets forth criteria under which the director may award leadership grants, including that awards be made on a competitive basis.

The Senate recedes.

564. The Senate amendment, but not the House bill, specifies that nothing in this subtitle shall be construed to interfere with State or local initiatives.

The House recedes.

565. The House bill repeals the Library Services and Construction Act, Title II of the Higher Education Act, and Part F of the Technology for Education Act.

The Senate recedes.

565a. The Senate amendment repeals the Library Services and Construction Act and Title II of the Higher Education Act, but not Part F of the Technology for Education Act.

The Senate recedes.

565b. Both the House bill and the Senate amendment make technical and conforming amendments to reflect these repeals.

Legislative counsel.

BILL GOODLING,
STEVE GUNDERSON,
RANDY "DUKE" CUNNINGHAM,
HOWARD P. "BUCK" MCKEON,
FRANK D. RIGGS,
LINDSAY GRAHAM,
MARK SOUDER,
Managers on the Part of the House.

NANCY LANDON KASSEBAUM,
JIM JEFFORDS,
DAN COATS,
JUDD GREGG,
BILL FRIST,
MIKE DEWINE,
JOHN ASHCROFT,
SPENCER ABRAHAM,
SLADE GORTON,
Managers on the Part of the Senate.

CAMPAIGN FINANCE REFORM ACT OF 1996

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 481 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 481

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on House Oversight. After general debate the bill shall be considered for amendment under the five-minute rule and shall be considered as read. No amendment shall be in order except an amendment in the nature of a substitute consisting of the text of H.R. 3505, modified by the amendment printed in the report of the Committee on Rules accompanying this resolution. That amendment may be offered only by the minority leader or his designee, shall be considered as read, shall be debatable for one hour equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment. All points of order against that amendment are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. UPTON). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purposes of debate only.

(Mr. SOLOMON asked and was given permission to revise and extend his remarks and to include extraneous material).

Mr. SOLOMON. Mr. Speaker, House Resolution 481 is a modified closed rule providing for the consideration of the bill H.R. 3820, which is the Campaign Finance Reform Act of 1996.

The rule provides for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on House Oversight.

The rule makes in order one amendment in the nature of a substitute if offered by the minority leader or his designee, consisting of the text of H.R. 3505 that I believe was introduced by the gentleman from California [Mr. FARR], as modified by an amendment printed in the report and the rule.

All points of order are waived against the substitute, the Democrat substitute, as modified. The substitute will be debated for 1 hour equally divided between the proponent and an opponent.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, just as the rule now self-executes a further amendment to the Farr substitute by the Democrats, I will also offer an amendment to this rule at the conclusion of my opening remarks that will self-execute the adoption of an amendment to the base bill printed in yesterday's CONGRESSIONAL RECORD by Chairman THOMAS. In other words, an equal situation.

Since the rule was reported last week, the gentleman from California [Mr. THOMAS] has had further discussions with Members and leadership to reach a compromise that is acceptable to a larger group of Members of this House, including a number of Democrats as well as some Republicans.

The provisions of that compromise will be discussed in greater detail during further debate on this rule and, of course, on the bill itself. Suffice it to say that it will reduce the contribution limits for individuals, for PAC's and for parties that are now in the bill.

Mr. Speaker, this rule was reported to the House by voice vote after a motion was agreed to that it be reported without recommendation. While that is an unusual action for the Committee on Rules to take, it does reflect a sincere difference of opinion among our members over the proper course of action to take on this issue and this rule at this point in our session.

On the one hand, there is a strong case to be made on an issue such as this to allow for just one minority substitute. In fact, in the last two Congresses, the 102d and 103d Congresses, controlled then by the Democratic Party, only one amendment was allowed on the campaign reform bill considered, and that was a minority substitute.

On both of those occasions, the majority party, the Democrats, even denied the minority a motion to recommit with instructions. That is something that we are not going to do, we have not denied to the minority in this rule, because we have guaranteed that right by a new House rule adopted at the beginning of this Congress; and the minority, whether they be Republicans or Democrats, ought to have that right to put forth a position of their party.

So we are actually giving the minority twice as many amendments as they gave us over the last 2 Congresses for the last 4 years.

Notwithstanding that precedent of allowing only one minority substitute on campaign reform bills, there were some of our Members who thought we should make, in order, more amendments out of the 27 or so that were filed with the Rules Committee.

There were other Members who thought we should not even take up any campaign reform bill since it was already dead, defeated in the Senate and stood no chance of becoming law, so why waste the valuable time of the House considering what we have to accomplish here in just the next 26 legislative days, which is all that is left.

But politics is the art of compromise, and this rule is a product of compromise. Our leadership has committed to bring this issue to the floor for a vote, and that is what we are doing today. In the final analysis we are the leadership's procedural committee, so we are carrying out their wishes.

Moreover, as I stated earlier, the leadership has further agreed to allowing the new compromise language of the gentleman from California [Mr. THOMAS] to be offered by way of an amendment to the rule that I have just explained. That compromise does accommodate recommendations made in other amendments filed with the Committee on Rules.

So we have honored our responsibility to the leadership by bringing this rule to the floor in order to allow the House to vote on whether it wants to consider the majority or minority campaign reform alternatives.

Mr. Speaker, the issue of campaign finance reform is a very sensitive and important matter for all of our colleagues, for nonincumbent candidates, and for the people that we represent. Every Member of this body is an expert of sorts on campaign financing since we have all been through that at least one successful campaign or else we would not be here, in my case it is 17 campaigns, and we all favor a campaign system that is open, that is fair, and that is clean and competitive.

Mr. Speaker, we have come a long way over the past several decades in achieving a more open and more aboveboard campaign financing system, due largely to the detailed disclosure laws we now have for individuals, for party and PAC contributions. However, when it comes to how we might further improve that system, there is a wide divergence of opinion, both inside and outside this House, as to what we ought to do.

That was certainly in evidence in the variety of amendments filed before our Rules Committee last week, all of which were by very sincere Members on both sides of the aisle who have very strong feelings about the way they think we should go. I think it is fair to say that there is very little support either inside this House or among our constituents for funding congressional campaigns with taxpayer dollars. I for one am unalterably opposed to that. Yet, that is how we finance Presidential campaigns to a greater degree.

Another alternative is to encourage candidates to agree to certain contributions and spending limits in return for certain other benefits such as reduced rates for postage and broadcast time. I am unalterably opposed to that. Under no circumstances should we be giving discounts on postage, which is going to drive up the cost of letters that our constituents might want to mail. That is the wrong way to go, and by all means we should never be placing a mandate on the private sector to help fund our campaigns. That is outrageous. It is ridiculous.

There are others who argue just as forcibly that imposing spending limits, even on such a voluntary basis, inures to the benefits of incumbents who have better name recognition to begin with by virtue of their holding office.

In short, Mr. Speaker, no matter how we squeeze this balloon, no matter whose idea of reform we adopt, someone will be considered as having a greater advantage depending on how we devise the campaign financing mechanisms. There will always be perceived winners and losers and at will always be in the eye of the beholder as to who has the upper hand. In the final analysis, however, there is no such thing as a perfect or pristine campaign financing system.

As I indicated at the outset, probably one of the most important reforms ever adopted was the current disclosure system which allows the voters to decide how much weight to give to the mix of contributions a candidate receives and from what sources.

I for one think there is more that we can do to improve our campaign financing system, but I also have a lot more confidence in the wisdom of the voters to take into account how we each finance our campaigns than I do in those who would severely limit the ability of all candidates, incumbents, and challengers alike, to raise sufficient funds to run a competitive and credible campaign, given the costs involved.

I do not subscribe to the view espoused by some that any candidate, regardless of party or political philosophy, is somehow bought, tainted, or beholden to his or her campaign contributors. The fact is we all receive contributions from a wide variety of individuals and groups who choose to support us because of our views and our campaign promises and/or because of our previous voting record.

I know of very few Members of this body, or challengers for that matter, whose views are shaped by the amounts of money that they might receive from campaign contributions. I think we demean ourselves and this system by giving credence to such a cynical view. I for one resent it when such accusations are made of honorable men and women who run for office. It is tough enough to get good, capable people to run these days.

In conclusion, Mr. Speaker, while I reserve decision on whether or not to vote for the bill that this rule makes in order, I do urge every single Member to come over and vote for the rule. While we already know that the other body will take no further action on this issue in this Congress, at least our debate today in this House on two alternatives before us will give us a better idea of what we might want to do in the next Congress. We will have moved the process at least one step closer to arriving at some consensus in the future.

Mr. Speaker, I include the following material for the RECORD:

THE AMENDMENT PROCESS UNDER SPECIAL RULES REPORTED BY THE RULES COMMITTEE,[1] 103D CONGRESS V. 104TH CONGRESS

[As of July 24, 1996]

Rule type	103d Congress		104th Congress	
	Number of rules	Percent of total	Number of rules	Percent of total
Open/Modified-Open[2]	46	44	81	60
Structured/Modified Closed[3]	49	47	37	27
Closed[4]	9	9	17	13
Total	104	100	135	100

[1] This table applies only to rules which provide for the original consideration of bills, joint resolutions or budget resolutions and which provide for an amendment process. It does not apply to special rules which only waive points of order against appropriations bills which are already privileged and are considered under an open amendment process under House rules.

[2] An open rule is one under which any Member may offer a germane amendment under the five-minute rule. A modified open rule is one under which any Member may offer a germane amendment under the five-minute rule subject only to an overall time limit on the amendment process and/or a requirement that the amendment be preprinted in the Congressional Record.

[3] A structured or modified closed rule is one under which the Rules Committee limits the amendments that may be offered only to those amendments designated in the special rule or the Rules Committee report to accompany it, or which preclude amendments to a particular portion of a bill, even though the rest of the bill may be completely open to amendment.

[4] A closed rule is one under which no amendments may be offered (other than amendments recommended by the committee in reporting the bill).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS

[As of July 24, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 38 (1/18/95)	O	H.R. 5	Unfunded Mandate Reform	A: 350–71 (1/19/95).
H. Res. 44 (1/24/95)	MC	H. Con. Res. 17	Social Security	A: 255–172 (1/25/95).
		H.J. Res. 1	Balanced Budget Amdt	
H. Res. 51 (1/31/95)	O	H.R. 101	Land Transfer, Taos Pueblo Indians	A: voice vote (2/1/95).
H. Res. 52 (1/31/95)	O	H.R. 400	Land Exchange, Arctic Nat'l. Park and Preserve	A: voice vote (2/1/95).
H. Res. 53 (1/31/95)	O	H.R. 440	Land Conveyance, Butte County, Calif	A: voice vote (2/1/95).
H. Res. 55 (2/1/95)	O	H.R. 2	Line Item Veto	A: voice vote (2/2/95).
H. Res. 60 (2/6/95)	O	H.R. 665	Victim Restitution	A: voice vote (2/7/95).
H. Res. 61 (2/6/95)	O	H.R. 666	Exclusionary Rule Reform	A: voice vote (2/7/95).
H. Res. 63 (2/8/95)	MO	H.R. 667	Violent Criminal Incarceration	A: voice vote (2/9/95).
H. Res. 69 (2/9/95)	O	H.R. 668	Criminal Alien Deportation	A: voice vote (2/10/95).
H. Res. 79 (2/10/95)	MO	H.R. 728	Law Enforcement Block Grants	A: voice vote (2/13/95).
H. Res. 83 (2/13/95)	MO	H.R. 7	National Security Revitalization	PQ: 229–199; A: 227–197 (2/15/95).
H. Res. 88 (2/16/95)	MC	H.R. 831	Health Insurance Deductibility	PQ: 230–191; A: 229–188 (2/21/95).
H. Res. 91 (2/21/95)	O	H.R. 830	Paperwork Reduction Act	A: voice vote (2/22/95).
H. Res. 92 (2/21/95)	MC	H.R. 889	Defense Supplemental	A: 282–144 (2/22/95).
H. Res. 93 (2/22/95)	MO	H.R. 450	Regulatory Transition Act	A: 252–175 (2/23/95).
H. Res. 96 (2/24/95)	MO	H.R. 1022	Risk Assessment	A: 253–165 (2/27/95).
H. Res. 100 (2/27/95)	O	H.R. 926	Regulatory Reform and Relief Act	A: voice vote (2/28/95).
H. Res. 101 (2/28/95)	MO	H.R. 925	Private Property Protection Act	A: 271–151 (3/2/95).
H. Res. 103 (3/3/95)	MO	H.R. 1058	Securities Litigation Reform	
H. Res. 104 (3/3/95)	MO	H.R. 988	Attorney Accountability Act	A: voice vote (3/6/95).
H. Res. 105 (3/6/95)	MO			A: 257–155 (3/7/95).
H. Res. 108 (3/7/95)	Debate	H.R. 956	Product Liability Reform	A: voice vote (3/8/95).
H. Res. 109 (3/8/95)	MC			PQ: 234–191 A: 247–181 (3/9/95).
H. Res. 115 (3/14/95)	MO	H.R. 1159	Making Emergency Supp. Approps	A: 242–190 (3/15/95).
H. Res. 116 (3/15/95)	MC	H.J. Res. 73	Term Limits Const. Amdt	A: voice vote (3/28/95).
H. Res. 117 (3/16/95)	Debate	H.R. 4	Personal Responsibility Act of 1995	A: voice vote (3/21/95).
H. Res. 119 (3/21/95)	MC			A: 217–211 (3/22/95).
H. Res. 125 (4/3/95)	O	H.R. 1271	Family Privacy Protection Act	A: 423–1 (4/4/95).
H. Res. 126 (4/3/95)	O	H.R. 660	Older Persons Housing Act	A: voice vote (4/6/95).
H. Res. 128 (4/4/95)	MC	H.R. 1215	Contract With America Tax Relief Act of 1995	A: 228–204 (4/5/95).
H. Res. 130 (4/5/95)	MC	H.R. 483	Medicare Select Expansion	A: 253–172 (4/6/95).
H. Res. 136 (5/1/95)	O	H.R. 655	Hydrogen Future Act of 1995	A: voice vote (5/2/95).
H. Res. 139 (5/3/95)	O	H.R. 1361	Coast Guard Auth. FY 1996	A: voice vote (5/9/95).
H. Res. 140 (5/9/95)	O	H.R. 961	Clean Water Amendments	A: 414–4 (5/10/95).
H. Res. 144 (5/11/95)	O	H.R. 535	Fish Hatchery—Arkansas	A: voice vote (5/15/95).
H. Res. 145 (5/11/95)	O	H.R. 584	Fish Hatchery—Iowa	A: voice vote (5/15/95).
H. Res. 146 (5/11/95)	O	H.R. 614	Fish Hatchery—Minnesota	A: voice vote (5/15/95).
H. Res. 149 (5/16/95)	MC	H. Con. Res. 67	Budget Resolution FY 1996	PQ: 252–170 A: 255–168 (5/17/95).
H. Res. 155 (5/22/95)	MO	H.R. 1561	American Overseas Interests Act	A: 233–176 (5/23/95).
H. Res. 164 (6/8/95)	MC	H.R. 1530	Nat. Defense Auth. FY 1996	PQ: 225–191 A: 233–183 (6/13/95).
H. Res. 167 (6/15/95)	O	H.R. 1817	MilCon Appropriations FY 1996	PQ: 223–180 A: 245–155 (6/16/95).
H. Res. 169 (6/19/95)	MC	H.R. 1854	Leg. Branch Approps. FY 1996	PQ: 232–196 A: 236–191 (6/20/95).
H. Res. 170 (6/20/95)	O	H.R. 1868	For. Ops. Approps. FY 1996	PQ: 221–178 A: 217–175 (6/22/95).
H. Res. 171 (6/22/95)	O	H.R. 1905	Energy & Water Approps. FY 1996	A: voice vote (7/12/95).
H. Res. 173 (6/27/95)	C	H.J. Res. 79	Flag Constitutional Amendment	PQ: 258–170 A: 271–152 (6/28/95).
H. Res. 176 (6/28/95)	MC	H.R. 1944	Emer. Supp. Approps	PQ: 236–194 A: 234–192 (6/29/95).
H. Res. 185 (7/11/95)	O	H.R. 1977	Interior Approps. FY 1996	PQ: 235–193 D: 192–238 (7/12/95).
H. Res. 187 (7/12/95)	O	H.R. 1977	Interior Approps. FY 1996 #2	PQ: 230–194 A: 229–195 (7/13/95).
H. Res. 188 (7/12/95)	O	H.R. 1976	Agriculture Approps. FY 1996	PQ: 242–185 A: voice vote (7/18/95).
H. Res. 190 (7/17/95)	O	H.R. 2020	Treasury/Postal Approps. FY 1996	PQ: 232–192 A: voice vote (7/18/95).
H. Res. 193 (7/19/95)	C	H.J. Res. 96	Disapproval of MFN to China	A: voice vote (7/20/95).
H. Res. 194 (7/19/95)	O	H.R. 2002	Transportation Approps. FY 1996	PQ: 217–202 (7/21/95).
H. Res. 197 (7/21/95)	O	H.R. 70	Exports of Alaskan Crude Oil	A: voice vote (7/24/95).
H. Res. 198 (7/21/95)	O	H.R. 2076	Commerce, State Approps. FY 1996	A: voice vote (7/25/95).
H. Res. 201 (7/25/95)	O	H.R. 2099	VA/HUD Approps. FY 1996	A: 230–189 (7/25/95).
H. Res. 204 (7/28/95)	MC	S. 21	Terminating U.S. Arms Embargo on Bosnia	A: voice vote (8/1/95).
H. Res. 205 (7/28/95)	O	H.R. 2126	Defense Approps. FY 1996	A: 409–1 (7/31/95).
H. Res. 207 (8/1/95)	MC	H.R. 1555	Communications Act of 1995	A: 255–156 (8/2/95).
H. Res. 208 (8/1/95)	O	H.R. 2127	Labor, HHS Approps. FY 1996	A: 323–104 (8/2/95).
H. Res. 215 (9/7/95)	O	H.R. 1594	Economically Targeted Investments	A: voice vote (9/12/95).
H. Res. 216 (9/7/95)	MO	H.R. 1655	Intelligence Authorization FY 1996	A: voice vote (9/12/95).
H. Res. 218 (9/12/95)	O	H.R. 1162	Deficit Reduction Lockbox	A: voice vote (9/13/95).
H. Res. 219 (9/12/95)	O	H.R. 1670	Federal Acquisition Reform Act	A: 414–0 (9/13/95).
H. Res. 222 (9/18/95)	O	H.R. 1617	CAREERS Act	A: 388–2 (9/19/95).
H. Res. 224 (9/19/95)	O	H.R. 2274	Natl. Highway System	PQ: 241–173 A: 375–39–1 (9/20/95).
H. Res. 225 (9/19/95)	MC	H.R. 927	Cuban Liberty & Dem. Solidarity	A: 304–118 (9/20/95).
H. Res. 226 (9/21/95)	O	H.R. 743	Team Act	A: 344–66–1 (9/27/95).
H. Res. 227 (9/21/95)	O	H.R. 1170	3-Judge Court	A: voice vote (9/28/95).
H. Res. 228 (9/21/95)	O	H.R. 1601	Internatl. Space Station	A: voice vote (9/27/95).
H. Res. 230 (9/27/95)	C	H.J. Res. 108	Continuing Resolution FY 1996	A: voice vote (9/28/95).
H. Res. 234 (9/29/95)	O	H.R. 2405	Omnibus Science Auth	A: voice vote (10/11/95).
H. Res. 237 (10/17/95)	MC	H.R. 2259	Disapprove Sentencing Guidelines	A: voice vote (10/18/95).
H. Res. 238 (10/18/95)	MC	H.R. 2425	Medicare Preservation Act	PQ: 231–194 A: 227–192 (10/19/95).
H. Res. 239 (10/19/95)	C	H.R. 2492	Leg. Branch Approps	PQ: 235–184 A: voice vote (10/31/95).
H. Res. 245 (10/25/95)	MC	H. Con. Res. 109	Social Security Earnings Reform	PQ: 228–191 A: 235–185 (10/26/95).
		H.R. 2491	Seven-Year Balanced Budget	
H. Res. 251 (10/31/95)	C	H.R. 1833	Partial Birth Abortion Ban	A: 237–190 (11/1/95).
H. Res. 252 (10/31/95)	MO	H.R. 2546	D.C. Approps.	A: 241–181 (11/1/95).
H. Res. 257 (11/7/95)	C	H.J. Res. 115	Cont. Res. FY 1996	A: 216–210 (11/8/95).
H. Res. 258 (11/8/95)	MC	H.R. 2586	Debt Limit	A: 220–200 (11/10/95).
H. Res. 259 (11/9/95)	O	H.R. 2539	ICC Termination Act	A: voice vote (11/14/95).
H. Res. 262 (11/9/95)	C	H.R. 2586	Increase Debt Limit	A: 220–185 (11/10/95).
H. Res. 269 (11/15/95)	O	H.R. 2564	Lobbying Reform	A: voice vote (11/16/95).
H. Res. 270 (11/15/95)	C	H.J. Res. 122	Further Cont. Resolution	A: 249–176 (11/15/95).
H. Res. 273 (11/16/95)	MC	H.R. 2606	Prohibition on Funds for Bosnia	A: 239–181 (11/17/95).
H. Res. 284 (11/29/95)	O	H.R. 1788	Amtrak Reform	A: voice vote (11/30/95).
H. Res. 287 (11/30/95)	O	H.R. 1350	Maritime Security Act	A: voice vote (12/6/95).
H. Res. 293 (12/7/95)	C	H.R. 2621	Protect Federal Trust Funds	PQ: 223–183 A: 228–184 (12/14/95).
H. Res. 303 (12/13/95)	O	H.R. 1745	Utah Public Lands	PQ: 221–197 A: voice vote (5/15/96).
H. Res. 309 (12/18/95)	C	H. Con. Res. 122	Budget Res. W/President	PQ: 230–188 A: 229–189 (12/19/95).
H. Res. 313 (12/19/95)	O	H.R. 558	Texas Low-Level Radioactive	A: voice vote (12/20/95).
H. Res. 323 (12/21/95)	C	H.R. 2677	Natl. Parks & Wildlife Refuge	Tabled (2/28/96).
H. Res. 366 (2/27/96)	MC	H.R. 2854	Farm Bill	PQ: 228–182 A: 244–168 (2/28/96).
H. Res. 368 (2/28/96)	O	H.R. 994	Small Business Growth	Tabled (4/17/96).
H. Res. 371 (3/6/96)	C	H.R. 3021	Debt Limit Increase	A: voice vote (3/7/96).
H. Res. 372 (3/6/96)	MC	H.R. 3019	Cont. Approps. FY 1996	PQ: voice vote A: 235–175 (3/7/96).
H. Res. 380 (3/12/96)	C	H.R. 2703	Effective Death Penalty	A: 251–157 (3/13/96).
H. Res. 384 (3/14/96)	MC	H.R. 2202	Immigration	PQ: 233–152 A: voice vote (3/19/96).
H. Res. 386 (3/20/96)	C	H.J. Res. 165	Further Cont. Approps	PQ: 234–187 A: 237–183 (3/21/96).
H. Res. 388 (3/21/96)	C	H.R. 125	Gun Crime Enforcement	A: 244–166 (3/22/96).
H. Res. 391 (3/27/96)	C	H.R. 3136	Contract w/America Advancement	PQ: 232–180 A: 232–177, (3/28/96).
H. Res. 392 (3/27/96)	MC	H.R. 3103	Health Coverage Affordability	PQ: 229–186 A: Voice Vote (3/29/96).
H. Res. 395 (3/29/96)	MC	H.J. Res. 159	Tax Limitation Const. Amdmt.	PQ: 232–168 A: 234–162 (4/15/96).
H. Res. 396 (3/29/96)	O	H.R. 842	Truth in Budgeting Act	A: voice vote (4/17/96).

SPECIAL RULES REPORTED BY THE RULES COMMITTEE, 104TH CONGRESS—Continued

[As of July 24, 1996]

H. Res. No. (Date rept.)	Rule type	Bill No.	Subject	Disposition of rule
H. Res. 409 (4/23/96)	O	H.R. 2715	Paperwork Elimination Act	A: voice vote (4/24/96).
H. Res. 410 (4/23/96)	O	H.R. 1675	Natl. Wildlife Refuge	A: voice vote (4/24/96).
H. Res. 411 (4/23/96)	C	H.J. Res. 175	Further Cont. Approps. FY 1996	A: voice vote (4/24/96).
H. Res. 418 (4/30/96)	O	H.R. 2641	U.S. Marshals Service	PQ: 219–203 A: voice vote (5/1/96).
H. Res. 419 (4/30/96)	O	H.R. 2149	Ocean Shipping Reform	A: 422–0 (5/1/96).
H. Res. 421 (5/2/96)	O	H.R. 2974	Crimes Against Children & Elderly	A: voice vote (5/7/96).
H. Res. 422 (5/2/96)	O	H.R. 3120	Witness & Jury Tampering	A: voice vote (5/7/96).
H. Res. 426 (5/7/96)	O	H.R. 2406	U.S. Housing Act of 1996	PQ: 218–208 A: voice vote (5/8/96).
H. Res. 427 (5/7/96)	O	H.R. 3322	Omnibus Civilian Science Auth	A: voice vote (5/9/96).
H. Res. 428 (5/7/96)	MC	H.R. 3286	Adoption Promotion & Stability	A: voice vote (5/9/96).
H. Res. 430 (5/9/96)	S	H.R. 3230	DoD Auth. FY 1997	A: 235–149 (5/10/96).
H. Res. 435 (5/15/96)	MC	H. Con. Res. 178	Con. Res. on the Budget, 1997	PQ: 227–196 A: voice vote (5/16/96).
H. Res. 436 (5/16/96)	C	H.R. 3415	Repeal 4.3 cent fuel tax	PQ: 221–181 A: voice vote (5/21/96).
H. Res. 437 (5/16/96)	MO	H.R. 3259	Intell. Auth. FY 1997	A: voice vote (5/21/96).
H. Res. 438 (5/16/96)	MC	H.R. 3144	Defend America Act	
H. Res. 440 (5/21/96)	MC	H.R. 3448	Small Bus. Job Protection	A: 219–211 (5/22/96).
	MC	H.R. 1227	Employee Commuting Flexibility	
H. Res. 442 (5/29/96)	O	H.R. 3517	Mil. Const. Approps. FY 1997	A: voice vote (5/30/96).
H. Res. 445 (5/30/96)	O	H.R. 3540	For. Ops. Approps. FY 1997	A: voice vote (6/5/96).
H. Res. 446 (6/5/96)	MC	H.R. 3562	WI Works Waiver Approval	A: 363–59 (6/6/96).
H. Res. 448 (6/6/96)	MC	H.R. 2754	Shipbuilding Trade Agreement	A: voice vote (6/12/96).
H. Res. 451 (6/10/96)	O	H.R. 3603	Agriculture Appropriations, FY 1997	A: voice vote (6/11/96).
H. Res. 453 (6/12/96)	O	H.R. 3610	Defense Appropriations, FY 1997	A: voice vote (6/13/96).
H. Res. 455 (6/18/96)	O	H.R. 3662	Interior Approps, FY 1997	A: voice vote (6/19/96).
H. Res. 456 (6/19/96)	O	H.R. 3666	VA/HUD Approps	A: 246–166 (6/25/96).
H. Res. 460 (6/25/96)	O	H.R. 3675	Transportation Approps	A: voice vote (6/26/96).
H. Res. 472 (7/9/96)	O	H.R. 3755	Labor/HHS Approps	PQ: 218–202 A: voice vote (7/10/96).
H. Res. 473 (7/9/96)	MC	H.R. 3754	Leg. Branch Approps	A: voice vote (7/10/96).
H. Res. 474 (7/10/96)	MC	H.R. 3396	Defense of Marriage Act	A: 290–133 (7/11/96).
H. Res. 475 (7/11/96)	O	H.R. 3756	Treasury/Postal Approps	A: voice vote (7/16/96).
H. Res. 479 (7/16/96)	O	H.R. 3814	Commerce, State Approps	A: voice vote (7/17/96).
H. Res. 481 (7/17/96)	MC	H.R. 3820	Campaign Finance Reform	
H. Res. 482 (7/17/96)	MC	H.R. 3734	Personal Responsibility Act	A: 358–54 (7/18/96).
H. Res. 483 (7/18/96)	O	H.R. 3816	Energy/Water Approps	A: voice vote (7/24/96).
H. Res. 488 (7/24/96)	MO	H.R. 2391	Working Families	

Codes: O-open rule; MO-modified open rule; MC-modified closed rule; S/C-structured/closed rule; A-adoption vote; D-defeated; PQ-previous question vote. Source: Notices of Action Taken, Committee on Rules, 104th Congress.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Page 2, line 8, strike "No' and insert the following: "The amendment numbered 1 printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII on Wednesday, July 24, 1996, by Representative THOMAS of California shall be considered as adopted in the House and in the Committee of the Whole. No other".

Mr. SOLOMON. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is such a bad rule for such a bad bill that even my Republican colleagues had difficulty last week when the time came to vote to report it. For the first time in my memory, and I am assured for the first time in history, the Committee on Rules has reported a rule without recommendation. This rule is so bad that the Republican leadership was forced to postpone its consideration for a week. I was under the impression that campaign finance reform had been envisioned as the centerpiece for Reform Week. But because this rule has engendered significant opposition as evidenced by the manner in which it was reported from the Rules Committee, perhaps it was postponed until a fix for the bad rule and the bad Republican bill could be pieced together. Otherwise it seems that this rule might have been in danger of losing had it been brought to the floor last week.

So in an attempt to reform this so-called reform proposal, my Republican colleagues are now proposing an amendment to H.R. 3820 which will not be considered by the Committee on House Oversight nor will it be considered by the House Rules Committee and in fact it really will not be considered by the full House.

□ 1145

The chairman of the Committee on Rules has been forced to come to the floor and offer an amendment to the rule which will self-enact significant changes in the bill authored by the gentleman from California [Mr. THOMAS] in the hopes of passing a rule for a bill which he admits is going nowhere.

But in the interest of full and open debate, I will oppose the previous question at the conclusion of the debate on this rule. I will oppose the previous question in the hopes that the rule can be changed to not just insert the changes proposed by the gentleman from California, Chairman THOMAS, to his bill, but to allow any Member to offer any germane amendment to the base bill.

The Thomas-Solomon amendment still does not address the significant philosophical differences expressed by the gentlewoman from Washington [Mrs. SMITH], by the gentleman from Connecticut [Mr. SHAYS], and by the gentleman from Massachusetts [Mr. MEEHAN]. I hope the House will vote against the previous question in order to allow debate on this important proposal offered by these three Members as well as many other Members of the House.

Chairman SOLOMON is asking the House to adopt an amendment to the Thomas bill when the reported rule itself only allows for consideration of one other amendment, a Demoractic substitute to be offered by the gentleman from California, Mr. FARR. The House should have the opportunity to consider the Smith-Shays proposal, as well as a number of other important amendments that were presented to the Rules Committee.

Chairman SOLOMON has offered an amendment which significantly changes the Thomas proposal. I must ask, Mr. Speaker, why is this amendment being brought to the floor with little or no consideration or debate when other amendments have been shut out? Could this amendment be a bone tossed to those Republican Members who objected to the original Thomas proposal as one that gave wealthy individuals inordinate influence in the political process?

The Solomon-Thomas amendment to the Thomas bill reduces the amount of permissible individual contributions from $2,500 to $1,000, the allowable contribution under current law. PAC contributions are unchanged from the Republican bill, $2,500 per election and $5,000 per cycle. The amendment does establish an aggregate annual limit for individuals at $50,000 per year, the same as the Democratic substitute. But even if hard money contributions have been reduced from the original Thomas proposal, soft money contributions remain unlimited.

Mr. Speaker, this amendment does reduce some of the difference between the Republican bill and the Democratic substitute, but there are still significant differences that are at play. The Republican bill still does not limit campaign expenditures. The Democratic substitute does, by limiting spending to $600,000 per election.

In spite of these new amendments offered today, by not limiting campaign spending, the Republican bill still says there is not enough money in campaigns. The Thomas bill will still adhere to the philosophy espoused by Speaker GINGRICH last fall when he told the Committee on House Oversight, "One of the greatest myths of modern politics is that campaigns are too expensive. The political process, in fact, is underfunded."

The Thomas amendment appears to limit the influence of wealthy contributors, but in fact, that is an illusion. The illusion becomes especially apparent when examining those provisions of the Thomas bill which require that 50.1 percent of a candidate's total fund-raising must come from in-district contributions.

I am particularly troubled by this provision, since those candidates with wealthy friends who happen to live within the boundaries of the congressional district can raise virtually unlimited amounts of money, which will then be matched by PAC contributions and contributions from individuals who live outside the district.

While the in-district fundraising requirement raises serious constitutional freedom of speech questions, it is also inherently unfair to those candidates who either represent areas with low-income residents or who cannot depend on wealthy individuals to up the fundraising ante for them. I fear the candidates who will be most adversely affected will be African-Americans, Hispanics, and women. I must hold suspect and I will oppose any system which systematically denies those groups access to the political process, and that is what the Thomas proposal does.

I would like to elaborate on a specific example that I raised in the Rules Committee on this point. If an individual candidate happens to have two wealthy precincts in his district, and he has 100 people from those two wealthy precincts out to the local country club and they give him $2,000 each, he can raise $200,000 from 100 people in those two wealthy precincts in his district. Then he can match that with $200,000 from PAC's and from wealthy individuals who do not live in his district, thereby raising $400,000.

If the challenger has a lot of small events and raises a lot of small contributions totaling $50,000 inside his district, he can then match that with $50,000 from outside his district. He will only be able to spend $100,000. The other candidate, who can raise a lot of large dollar contributions inside his district, would be able to spend $400,000, four times as much as the second candidate.

What kind of reform is this? I contend that the end result of the Thomas proposal will be to distort the original purpose of campaign finance reform as well as the current calls for reform of the system. I urge my colleagues to vote against the previous question to allow for free and open debate on this issue.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from Sanibel, FL [Mr. GOSS], one of the very valuable members of the Committee on Rules, the subcommittee Chair.

Mr. GOSS. Mr. Speaker, I thank my friend from new York, [Mr. SOLOMON] who is the distinguished chairman of the Rules Committee, for yielding me the time. I must commend him on his handling of this extraordinarily difficult piece of legislation. His leadership and open-mindedness on this matter I think have been exemplary. This rule has truly required the wisdom of Solomon.

Most agree that the current system is not working, and we all understand that Americans have become disillusioned with the political process. But the proposed solutions that we have got really run the gamut, and generating a consensus is extremely difficult, not quite impossible but extremely difficult.

Our Committee on Rules action on this matter represents a microcosm of the divergence of views, as we have heard from the two previous speakers. Even our majority Members in the committee were torn about what is the best way to go, which explains why this rule did originally come forward without our expressed endorsement. It is also why we have an amendment to the rule to incorporate additional changes in the base bill, as we have heard.

Although I believe the amendment to the rule makes improvements in the base bill, most notably by sending a stronger signal that we want to control the flow of money into campaigns, it is still my view that this bill needs lots more time, lots more work. It is not comprehensive campaign reform, and I make no pretense that it is. But it is an important, if small, step toward full reform for the first time in this Congress in decades.

Mr. Speaker, it is true the 104th Congress has made some remarkable changes in how we do business. We adopted a stringent gift ban. We implemented real lobby disclosure reform. We put in place changes to promote accountability. We brought sunshine in. We restored some public confidence.

Yet, even with these landmark reforms, Congress continues to suffer from a serious credibility problem, based in part on the skepticism with which people view political campaigns. I must say, I agree. The Federal election laws are outdated. They are overdue for reform.

H.R. 3820, as improved by this rule, has some very good features. It requires that 50 percent of all contributions come from a candidates's home district.

It bans soft money. It eliminates leadership PAC's. While the original bill recognized that individuals and PAC's should be treated equally when it comes to contribution limits, albeit at a higher limit than exists today, the amendment to the rule would maintain a discrepancy between levels of contributions by individuals and PAC's.

This provision, to me, represents sort of a mixed bag. It is preferential to the original language in the bill since it maintains the current $1,000 threshold for individual donations. it keeps them low, but I believe it loses almost as much ground as it gains in giving up on the idea of equalizing PAC's with individuals, since a lot of us think it is very important to treat PAC's and individuals the same.

My proposal and my practice is to keep the individual limit at $1,000 and lower the PAC limit to that same $1,000 amount, and it works well for me. Not only does my bill, which is not in order today, equalize contribution limits at the $1,000 level, it also requires that 50 percent of contributions come from a candidate's district and that 90 percent come from within a candidate's State. Other Members have similar thoughts.

I think it is vital that we restore the direct link of accountability between elected officials and the people they represent and work for. That is what this is about, accountability. The bill before us makes progress in that regard, and obviously it needs to go further.

I must say I do not believe the Democratic substitute we will consider today is a worthwhile alternative, in that it advocates retaining higher spending by PAC's, even more money from PAC's, and provides roundabout incentives for overall spending limits which tilt the field toward incumbents, and that we hear a lot about. We do not want to give the incumbents the advantage.

In addition, the Democratic substitute makes no attempt to protect union members from misuse of their dues, and that is an issue this year, some 35 million dollars' worth of issue, something that H.R. 3820 does address in a very meaningful way.

In closing, I commend the gentleman from California [Mr. THOMAS] and him committee for trying to bring a consensus measure forward, a measure I will support on the understanding that more will be done toward full reform.

Meanwhile, Members have another option, and it is one I am going to take. That is the choice to voluntarily self-impose more stringent standards in one's own campaign, including things like tighter limits on PAC's, perhaps fewer dollars spent on franked election pieces, which are thinly disguised as newsletters sometimes. Those options are out there for each Member.

Meanwhile, I urge support of this rule in order to begin the debate on reform that I predict will last for years before consensus is found, but at least we are beginning the debate.

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. GOSS. I yield to the gentleman from California.

Mr. FAZIO of California. Mr. Speaker, the gentleman indicated that this Republican bill bans soft money. I think that is a gross misstatement. The bill does not change existing law as to how soft money would be transferred among committees, nor does it limit it, but it does open up an exceedingly large new approach to spending soft money.

Mr. GOSS. Reclaiming my time, I will leave the debate on the merits of the bill, as it should be, to the debate on the subject, not a debate on the rule.

Mr. FROST. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I will not oppose the rule, but I do oppose the underlying purpose driving this legislation.

In addition to seeking to increase the ability of the wealthy to dominate the political process, this bill also contains labor law provisions that have never been reported by committee and are nongermane to the issue of campaign finance reform.

Title IV of the bill requires unions to obtain annual written authorization from a worker before that worker may pay any money to a union for services not directly related to the provision of representation. In effect, this section repeals the right of workers to voluntarily join unions. It also diminishes a right to organize or litigate on behalf of their members.

H.R. 3820 imposes costly and burdensome paperwork requirements on unions. The cost of these reporting requirements alone has been estimated at approximately $200 million a year.

Mr. Speaker, this provision is placed in the bill solely to harass and harm labor unions. It is absolutely unnecessary.

Unions are democratic organizations whose officers and policies are determined by the majority will of their members. Unions are already under more extensive reporting and disclosure requirements than virtually all other institutions. No one is required to join a union.

Unions are obligated by law to inform relevant employees that they are not required to pay full union dues. Unions must inform such employees of the percentage of their union dues that are used for purposes other than directly related to collective bargaining.

The alleged evil that this legislation seeks to address is already fully regulated by law. Employees can protect their rights simply by filing a charge with the National Labor Relations Board. The Beck decision created a right for workers who disagree with the majority of their fellow workers to object to paying for certain union activities.

Rather than protecting the right of the minority to object to certain expenditures, this legislation imposes absurd obstacles in the path of the majority's ability to engage in political activity.

Both labor unions and corporations participate in politics. Corporations spend millions of shareholder dollars for the purpose of directly influencing the political process. Views expressed by corporations do not necessarily reflect the views of those who are paying for that expression, the shareholders, or those who are generating the money, the employees.

The Republican majority has singled out labor unions for a kind of harsh, punitive treatment not imposed on corporations.

☐ 1200

Mr. Speaker, this legislation is not about protecting free and open political discourse, and I urge Members to vote against H.R. 3820.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Naperville, IL, Mr. HARRIS FAWELL.

Mr. FAWELL. Mr. Speaker, I thank the gentleman for yielding me this time, and I certainly rise in support of this rule and of the campaign reform legislation which we will be debating today.

Title IV, as has already been indicated, of the campaign finance bill is a revised version of legislation that I introduced, which is referred to as the Worker Right to Know Act. This legislation is designed to implement the basic rights of workers established in the U.S. Supreme Court Beck decision back in 1988. It has never been implemented.

Although the Worker Right to Know Act is being portrayed by some as something of a Trojan horse that will destroy unions, I hope that my colleagues will view the legislation for what it is; namely an empowerment for working men and women who, in order to keep their jobs, and this is very important, in order to keep their jobs they are obligated to pay collective-bargaining union dues. It is called a union security agreement, and that is key to the discussion.

Why is this legislation necessary? The fact of the matter is that almost a decade after the Beck decision, workers are required to pay union dues as a condition of employment and are not aware that under Beck they are not obligated to pay non-collective-bargaining dues, nor do they know, really, how to implement the Beck rights.

A recent poll conducted for Americans for a Balanced Budget found that, of the 1,000 union members polled, 78 percent did not even know that they had a right to a refund of the non-collective-bargaining portion of their dues. And 58 percent did not know their dues were even used to support political activities.

I held a hearing on the issue of mandatory union dues in the Subcommittee on Employer-Employee Relations of the Committee on Economic and Educational Opportunities. We heard the frustration being expressed by the employees caught up in the current system who feel forced to support ideological, political, and social causes that they do not agree with. They cannot walk away and leave the union because they must pay the dues. My colleagues would also find it impossible, as I did, to tell them that the time is not right for reform.

The Worker Right to Know Act thus provides that an employee cannot be required to pay to a union nor can a union accept payment of any dues not necessary for collective bargaining unless the employee consents in writing in a written agreement with the union.

The bill also provides that the agreement must also include a ratio of both collective bargaining and non-collective-bargaining dues. The legislation requires such agreements to be renewed annually, and that is basically it. That seems to me to be basic democracy.

What we have here is we have revised this bill to basically say written consent and just tell us what the ratios are. That is all.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, I have been at the center of virtually every effort to reform campaign finance since the day I walked into this institution, but this exercise today is absolutely useless. It is going to produce a useless bill, which is an absolutely fraudulent imitation of real campaign reform. It gives the wealthy an even greater lock on the political system than they have right now.

The main issue in campaign finance is simply, how do we change the fact that wealthy people have far too much influence on politics today, whether they give individually or collectively?

The existing campaign finance system is beyond repair. It ought to be blown up. What amazes me is that we continue this fiction in this place that somehow elections ought to be handled as a private matter. There is no more public activity in which American citizens engage than electing the leaders who are supposed to help run the country.

This is a public responsibility. It should not be financed by the richest private deep-pockets people in this country. That is why the electoral system is virtually owned lock, stock, and barrel by the economic elite in this country, and we are not going to change that until we blow up the existing system.

I am against this silly rule because it refused to allow my amendment to be offered which would have banned all private money whatsoever in general elections. It would have eliminated all soft money loopholes. It would have eliminated the fiction that we have something called independent expenditures, which are just another legalized sham to get around the law. It would have imposed limits on what political candidates can spend, and it would have ended the ability of both parties to launder money and get it to their own candidates.

It would have financed that by imposing a one-tenth of 1 percent assessment on all corporations who make profits of more than $10 million. It would have created a fund into which individual Americans can voluntarily, I emphasize voluntarily, voluntarily contribute as much money as they choose in order to create a grassroots democracy fund out of which campaigns would be funded on a public basis.

The Republican bill that is being brought out here today, for instance, says there ought to be a 50 percent requirement for funds that are raised in a Member's district. What an absolute sham. That means that someone under independent expenditures can spend $100,000 or $200,000 raised outside of a candidate's State. They can go into his district and spend a million bucks if they want to in an independent expenditure, and yet the target of that expenditure is defenseless because he has to limit what he can raise to his own district.

What an absolute prescription to give the millionaires and billionaires of this country an opportunity to own the system even more than they do today. It is a disgrace and the Democratic alternative is too weak to do any good. I am against the whole shebang.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington State [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Speaker, I stand today against this rule because we are right at the same place we have been for many years. A couple of powerful people will decide what is going to be their partisan bill and bring them out to the floor and beat each other up with them.

I do have to say there seems to be a little more openness on the Democrat side to try to come up with something than there was on the Republican side, but what we find here is a question of why do we need reform. Simple as this: The Republicans, who have the Contract With America, promised this. The gentleman from Texas, DICK ARMEY, said we are united in the belief the people's House must be wrested from the grip of special interests and handed back to the American people.

It is as simple as this. We made our commitments. Promises made. Now it is time to keep those promises.

Neither one of the bills included in this rule do anything but tighten the grip or give credibility to the grip. The American people need to understand that the Republican bill before us today tightens the grip. It gives credibility to the money-laundering soft money system. It solidifies it in law. If people do not think the tobacco industry has some kind of a toehold, at least a little grip on this place, hang around here for a year as I have.

The Democrat bill still lets big groups give $8,000, one check at a time, night after night, at fund raisers here in Washington, DC. We all can do better than that.

What I challenge both sides to do is, we have 3 hours. The American people are watching. Are we going to beat each other up the rest of the day over partisan positioning, making nasty remarks about each other, or are we going to spend these 2 hours trying to come together? We have a recommittal vote that will take the Democrats agreeing, working together with some Republicans. We can still bring a good bill to this floor. I would ask that we think about that and vote against the rule.

Mr. FROST. Mr. Speaker, I yield 1 minute and 10 seconds to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Speaker, I appreciate the gentleman yielding me this time.

Mr. Speaker, I rise on the rule. This rule brings two bills to the floor. It brings the Republican bill, H.R. 3820, authored by the gentleman from California [Mr. THOMAS], and it brings the Democrat bill, H.R. 3505, which I have authored. I have authored it as a substitute to the Republican bill.

The rule, as it is designed in coming before us right now, reflects what the Republicans want, which is new law with no spending limits; no limits, no caps, and no reform.

But, I say to my colleagues, we have a choice: true reform with limits, which is the alternative. It limits PAC's, limits large contributions, and it limits what rich candidates can put into their own campaigns. It allows small contributors to contribute and bring back into the role of choosing their candidates for public office.

I support the rule and I urge my colleagues to support the rule. The rule is tight, but it is the only way that it allows us to debate campaign reform this year.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, there comes a time in a legislator's life when he or she has to be held accountable. On the issue of campaign finance reform that day has arrived.

We have been talking about reforming the way Congress does business for this entire Congress. Fundamentally, there is no more effective way to change the way Congress does business but than to change our campaign finance laws. We have cajoled. The Republican leadership has delayed this issue, played games with this issue.

We were supposed to deal with it last week, now we are going to deal with it this week. And what do we have? We have a group of us who have worked in a bipartisan way, 21 Democrats and 20 Republicans, in a bicameral way, working with Members of the U.S. Senate to come up with a bill that will do two things: first, voluntarily cap how much money is spent in elections and, second, curb the influence of special interest PAC's.

The President is waiting at the White House for that bill and he is ready, willing, and able to sign it. But that has the Republican leadership nervous, so we have a rule before the House that does not allow the bill, the bipartisan bill, which has more editorial and public support all across America than any legislation on campaign finance reform that we have dealt with in recent years.

What do they put in its place? They put in a bill that is such an embarrassment to their own membership that, when we were debating 1-minutes this morning, not one Republican came to the floor to defend that phony, foolish piece of legislation called campaign finance reform.

There are no spending limits. It codifies the corrupt soft money loophole. It doubles the aggregate amount that an individual can contribute to parties and Federal candidates without capping the contributions. There are so aggregate limits.

This bill that they have submitted is a sham. This debate is a sham, and the American people are going to call it for what it is.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Rocklin, CA, [Mr. JOHN DOOLITTLE].

Mr. DOOLITTLE. Mr. Speaker, I rise to oppose this rule because it only allows two versions of campaign finance reform, both of which miss the mark. They are both based on the false diagnosis that campaign spending is out of control. They are both offering the false prescription that more regulation and limits are needed.

With reference to the false diagnosis, indeed, looking back over history, we can see election spending since 1980 has been fairly constant, fluctuating between four one-hundredths of 1 percent and six one-hundredths of 1 percent of gross domestic product.

□ 1245

Americans spend more each year buying yogurt and buying potato chips than they do on congressional elections. Clearly, we are not spending too much money when juxtaposed with other legitimate expenditures that we are making.

As to the prescription that more regulation is needed, has anyone heard of the first amendment? Congress shall make no law abridging the freedom of speech. I listened to the gentleman from Wisconsin over here. Congress specifically and the people of this country specifically did not want government regulating this with all the force that government can bring. They wanted people to be able to vote, and that is how they would make their decisions. When we imposed campaign spending limits, we hurt the challenger.

If you do not believe that, just listen to what Mr. David Broder had to say recently in the Washingtonian. He said, raise the current $1,000 limit on personal campaign contributions to $50,000, maybe even go to $100,000. Today's limits are ridiculous, given television and campaign costs. Raising the limit with full disclosure would enable some people to make really significant contributions to help a candidate.

For these reasons, we should oppose the rule and the bills.

Mr. FROST. Mr. Speaker, I yield 2½ minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Speaker, I thank the gentleman for yielding me the time. I stand in strong support of this rule. This is the so-called Reform Week, but the most important reform, campaign finance reform, will not be reformed.

We have before us today two drastically different approaches to campaign finance. The Republican bill puts more money in the system. The Democratic bill limits the amount, voluntarily limits contributions, expenditures, and limits soft money. The two bills are miles apart, and really dead on arrival.

This rule is an extremely interesting one. For the first time in recent memory, the Committee on Rules reported out a bill that does not urge the adoption of the rule. I commend my friend and colleague, the gentleman from New York, for this legislative innovation. I believe the Republicans are pulling out all stops to save the Republicans from the major embarrassment of having to vote on their radical, out of touch, more money, more special interest in politics.

We need a vote on this rule. We need to let our constituents and the American public know whether their Congressperson supports more money in the system or less money in the system, so that when they go to vote this fall when we are up for election they will know how their Congressperson voted on campaign finance reform: More money, more special interests or less money and less special interests.

I truly believe that given the fact that these bills, campaign finance bills, died in the Senate that both of these bills are dead on arrival. The only real chance for campaign finance reform in this session is an independent commission.

Mr. Speaker, you publicly endorsed it. You shook hands on it. Let us turn the promise of your handshake into the reality of a law.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, the previous gentleman from California lamented that the American people spend more on potato chips than they do on campaigns. The problem is that in campaigns, they are spending $1,000 a bag. Some of them just cannot stop with one.

Democrats say they want campaign finance reform. Republicans say they want campaign finance reform. The public demands campaign finance reform. Mr. Speaker, this is not campaign finance reform.

Most people think the problem with campaigns today is that there is too much spending in elections. This bill on the floor says the problem is there is not enough spending in elections.

This bill increases the amount that the wealthiest can contribute. That is not reform. This bill increases the amount that individuals can give to political parties. That is not reform. It does nothing to stop the unlimited soft money, the real loophole in this present process. That is not reform. It does nothing to limit giving to the political parties. In fact, it increases how much you can give. That is a big loophole. It does nothing to reign in independent expenditures, one of the biggest loopholes around right now. It does nothing to limit how much political parties can spend in behalf of a candidate. That is a big loophole. That is not reform. It has nothing to do with what the American people want and what they tell me. It does nothing to limit the cost of a congressional campaign. That is not reform.

There is already too much spending in elections, too much time spent on fundraising. So presumably then reform would limit this, would it not? Not this bill. It means more spending, more fundraising, more costs, more money in elections. That is not reform.

Mr. Speaker, it is clear to me the public is going to have to demand and take this matter into their own hands by demanding that candidates live up to a voluntary code. The public is going to have to demand its own reform because this leadership is not bringing that reform to the floor today. It is not reform.

Please, vote against the bill. But let us vote for the rule to get this debate started, and maybe 1 day we are going to get some real campaign reform around here.

Mr. THOMAS. Mr. Speaker, this is always a very difficult time for Members because we are dealing with something which affects every one of us.

It is also especially troublesome because we are dealing with an attempt to write law in an area where the Constitution is fairly clear and the Supreme Court, periodically and most recently, reclarified where we are dealing with people's fundamental first amendment right of freedom of speech.

But I do have to say that the gentleman from West Virginia and several other speakers have certainly exercised their free speech rights in characterizing and perhaps overzealously characterizing provisions in both bills.

These bills do in fact limit. Ours limits, it limits in a different way. When we get into discussions about the bills and their substance, we obviously will have a lot of time to talk about the new way in which wee limit.

I am going to spend some time talking about the common way in which both bills limit and reform. It just seems to me that as we discuss what we are doing here, we do have to keep in mind that there is a Constitution, that there are rights.

The Supreme Court has corrected the overzealousness of Congress in the past. We should move reform. It should be done carefully. We will talk about the substance.

But as we deal with the rhetoric, and it appears that we are warming up on the rhetoric, we really ought to try to stick to the facts and the substance, because, frankly, some folks are getting just a little carried away.

For example, the gentleman said that there were no limits whatsoever on the amount that individuals could give to parties. There is. There is an aggregate limit in the Democrats' bill and in our bill, and it is the same amount.

Mr. WISE. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from West Virginia.

Mr. WISE. Does the gentleman do anything to limit soft money? Does the gentleman's bill do anything to limit soft money?

Mr. THOMAS. Yes. In our bill we take that money which can now be spent, the money which national parties can now spend in mixed activity in which they can utilize all soft money, and say, any time the national party is involved with Federal candidates, it must be so-called hard money, you cannot use soft money. That is a change.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I would like nothing better than to reach out and work with the gentleman from California [Mr. THOMAS], with the gentlewoman from Washington [Mrs. SMITH], with other Members of the Republican side of this House and try to develop a genuinely bipartisan approach to this very difficult problem.

So long as campaign finance reform is just a matter of how you can do more harm to your opponents than you can do unto yourself, we are not going to get anywhere.

That is where we are this morning, because the Republican leadership of this House is so afraid of a bipartisan approach, the Clean Congress Act, they will not even permit a vote on it. They have come this morning, determined to poison the well with their labor baiting, which they could have handled in a separate piece of legislation. But just in case there was any chance this Congress really might get down to the business of reform, they added a little poison, just to be sure that this Congress did not clean itself up.

You talked about having a shovel up here to clean up the Congress, but what you really have in mind through this bill is to shovel in just a little more special interest money.

One partisan after another gets up to defend this approach. Do not look to the Democrats or to the Republicans on this. Look to every nonpartisan organization that has ever tried to clean up the campaign finance system. You will not find one, not one organization in this country that endorses the kind of sham that we are offered today in this piece of legislation.

Whether it is the League of Women Voters, whether it is Common Cause, whether it is the National Council of Churches, they reject this because it is not reform. It leads us down the road to one roadblock after another to block the legitimate concerns of the American people.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. THOMAS], chairman of Committee on Government Reform and Oversight.

Mr. THOMAS. Mr. Speaker, yet another example of overzealousness.

The gentleman said that what we do is allow more folks to shovel in even more special interest money. Special interest money is usually defined as political action committee money. Our bill cuts political action committee contributions by 50 percent, far more than the Democrats' bill provides.

We had testimony in front of the committee that labor unions are now involving themselves in the political process to the tune of $300 to $400 million. That amount is not disclosed.

The provisions that we have in the bill requires that union political money to be disclosed. What we do is empower the rank and file to say, if you want your money spent for those political purposes, by all means, tell the unions to go ahead. But if you do not, following the court's decision, you can say no. We allow the rank and file to say no to the unions if they want to. It is their choice.

That is the kind of positive reform many Democrats are afraid of.

Mr. FROST. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank my friend from Texas for yielding me this time.

Mr. Speaker, the gentleman from California [Mr. THOMAS] is correct on one point; that is, that campaign finance affects each Member of this House and we are not exactly objective. But we should be concerned when every interest group, public interest group, has said that the Republican bill is phony and it is worse than no change in the current law. There is good reason for that.

I am concerned that this rule does not give us the opportunity to have a free and open debate in this House.

The Republicans told us that we were going to have open debates on the floor, but this rule does not permit it. There is a bipartisan bill that was developed by Democrats and Republicans. We are not going to have the opportunity under this rule to offer that bipartisan substitute.

There are concerns that many of us have. The Thomas bill allows soft money to be used by special interests, by corporations, by large contributors to now do new things to influence congressional campaigns. I would like to be able to offer an amendment to change that.

This bill will now not allow me to offer such an amendment. I believe that our constituents want us to limit the total amount of money spent in congressional campaigns. This rule will not allow me to offer such an amendment.

I believe there should be overall limits on the amount of PAC contributions that we can accept. This rule will not allow me to offer that amendment.

I urge my colleagues to do what the gentleman from Texas has suggested. Let us defeat the previous question so we can have a true, open debate on this floor.

Mr. SOLOMON. Mr. Speaker, I would just say to the previous gentleman that he should not stand up and say that the rule prevents the bipartisan alternative to be offered on the floor. We are giving you twice the time that you have given us in the past two Democrat Congresses when you were in power. We are giving you two bites, and you just heard the main sponsor say that she was going to have the opportunity to offer that in the motion to recommit.

Please do not try to confuse the Members. You will have two bites at the apple.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the very distinguished gentleman from Bloomfield Hills, MI [Mr. KNOLLENBERG].

☐ 1230

Mr. KNOLLENBERG. Mr. Speaker, I thank the gentleman for yielding this time to me, and I appreciate the mention of Bloomfield. It is my home.

Mr. Speaker, I rise in support of this rule. This rule would allow us to continue the debate not only on campaign finance but on the important issue of a workers right to know.

Mr. Speaker, it is estimated that the union leaders grab anywhere from $709 to $2,019 each year in membership dues. Yet, if you asked the worker how his or her hard-earned money is spent, they probably could not tell you.

After all, Mr. Speaker, union leaders like nothing more than to have their rank and file uninformed about their actions. And when they do decide to inform its membership or the public, it is a sad commentary on truthfulness. Just ask the radio and TV stations who have pulled union ads because of mistruths, distortions, and outright lies.

Mr. Speaker, it is time to let the Sunshine in. Language in H.R. 3760 lets union members decide for themselves whether they want their hard-earned union dues to go toward political scare tactics and misinformation. Whether you are for or against a balanced budget or increasing minimum wage, H.R. 3760 empowers each and every union member to see how their money is spent and object to dues taken out beyond those necessary for collective bargaining purposes.

Mr. Speaker, this is a good rule. I urge my colleagues on both sides of the aisle to vote for the rule and allow us to continue the debate. Employees have the right to know.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise today in support of this rule. The American people deserve a full and open debate on the issue of campaign finance reform. They truly do want to see the system cleaned up.

Unfortunately, Mr. Speaker, the underlying bill makes a mockery of the reform that is needed to restore integrity to our political process. The American people look at this Republican Congress, and they see an institution that is being sold out to the highest bidder.

When my Republican colleagues took over this Congress 18 months ago, they promised to change the way business is done in Washington. Instead they have proved themselves to be masters at the special interest game.

Common Cause, the good government reform lobby, says that the bill that is on the floor today, and I quote: The Thomas bill is a fraud. End quote.

It does not improve our system of campaign finance, it makes the system worse. Wealthy individuals who have reaped the lion's share of Republican tax cuts will be able to contribute even more money to Republicans in the future and have even more influence. The wealthy will still be allowed to funnel unlimited amounts of cash to the Republican Party, and this bill does absolutely nothing to limit campaign spending in congressional races.

But let me just say this is in keeping with what the Speaker, the gentleman from Georgia [Mr. GINGRICH] has talked about in this issue. Speaker GINGRICH has said that we need more money, not less money in our political system and, sadly, this bill lives up to NEWT GINGRICH's vision of reform.

This bill sadly misses an opportunity we so desperately need for reform, and it continues the same old Washington game.

Again quoting Common Cause: Any Member of Congress who votes for the Thomas bill is voting to protect a corrupt way of life in Washington, DC.

I urge my colleagues to vote against this phony reform bill.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Bakersfield, CA [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I thank my friend from California for yielding once again. I think we are getting carried away with our own rhetoric. The gentlewoman from Connecticut just said this is the same old Washington game. Apparently she does not understand that in the majority's legislation we end the same old Washington game. We say, "You have to get a majority of your money from people who live back home." We say that the incumbents who had a monopoly on the Washington game do not get it anymore.

Mr. Speaker, it is a fundamentally changed system, and I understand that a number of folk who are, and I will not yield at this point, there are a number of people who are getting carried away with their rhetoric. And I will tell my colleagues that if they do not like the majority's provision, if they do not like the minority's provision, I implore them to talk to the gentleman from Missouri [Mr. GEPHARDT], the gentleman from California [Mr. FAZIO], the gentleman from Texas [Mr. FROST].

Under this rule we have provided a motion to recommit with or without instructions. The gentleman from Wisconsin can have his wishes met, the gentlewoman from Connecticut, if she has a wish, can have her wishes met, the gentleman from Massachusetts [Mr. MEEHAN] can have his wishes met.

If my colleagues do not like what is in front of them, offer it as the motion to recommit. Then we will determine whether they are in this process to promote reform or whether they are in the process to stir the pot and create more rhetoric and confusion in the minds of the American people.

Mr. Speaker, during general debate I will be more than willing to discuss the substance of the bill.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman for yielding this time to me. I must say, for me this is a very sad day, because if my colleagues really believe we need the best government money can buy, they must be thrilled.

Let me put this in some kind of context. My average campaign contribution when I first got elected was $7.50. Today it is $50. So I really believe in the Jeffersonian concept that we should not have special interest money here. But nevertheless, this is going to allow more, more, more.

Now we saw something historic. We saw the Committee on Rules report this first reform bill out, without any recommendation, because even they were embarrassed. It allowed a family of four to give $12.4 million. Oh, yes, they would be a real free agent if somebody gave them $12.4 million, and so what they had to do, and let me finish and then I will be happy to yield—

Mr. SOLOMON. The gentlewoman said my name indirectly.

Mrs. SCHROEDER. I said the Committee on Rules. I thought the gentleman's name was SOLOMON. Is the gentleman's name Committee on Rules? I am sorry.

OK. But then what happened is they called on the gentleman from California to do this radical surgery on the bill and so, voila, we now have another bill because they have been promising reform and we have not seen it.

And now we just had the gentleman from California say, "Our big chance to do something that's really pure is we can all arm wrestle over here for who gets the motion to recommit." Well, I mean there are lots of different ideas. What is wrong with the rule that allows us to mend things, discuss things, and so forth?

Mr. Speaker, let me just say what I think the problem is. I think the problem goes back to that bipartisan handshake that we saw the President and the Speaker have in New Hampshire over a year ago when they said, look, this is like base closing. The Congress is not different than any other group. The hardest thing for any group to do is reform itself, and it is especially hard when they are weaning themselves off money. We ought to go back to that concept, get a commission in here and move forward on that. Maybe that should be the motion to recommit, Mr. Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume just to say to my good friend who is retiring, and we are going to miss her dearly in a number of different ways, but I happen to think she is a nice person, and I like her, but let me just say she says the Committee on Rules was embarrassed. That is not true.

I tell my colleagues we have 9 Republicans, we have 4 Democrats, and I would say that of the 13 members, that there were 13 different opinions up there. And when I looked back and look at what we are going to do, and I looked at the 102d Congress which the gentlewoman was involved with and the 103d which she was involved with, and she voted to gag Republicans, according to what she is saying here, the same as she says we are gagging them now, which is not the case. Actually we are giving them twice as many opportunities to work their will on the floor.

As I understood it, the gentlewoman from Washington [Mrs. SMITH] was here earlier, and she said that the Democrats were going to give her the opportunity to offer what she called an alternative, a bipartisan alternative. I do not know that, now I understand that is not going to happen. But as my colleagues know, let us let the House work its will, let us bring this bill to the floor, and let us have meaningful debate, and let us not be so partisan about it. Why do we not just try to discuss the issue and have a good solid debate that the American people understand?

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just say that it is very interesting, and I appreciate the chairman of the Committee on Rules speaking in favor of an open rule on this bill, and that is exactly what I am trying to achieve. The chairman of the Committee on Rules just said, "Well, let's let this be debated, let's vote on these issues."

Well, that is what I am proposing, and, Mr. Speaker, I urge a "no" vote on the previous question. If the previous question is defeated, I shall offer an open rule which will allow Members to offer any germane amendment to the bill.

I include the text of the amendment and accompanying documents for the RECORD at this point in the debate:

PREVIOUS QUESTION AMENDMENT TEXT—HOUSE RESOLUTION — FOR CONSIDERATION OF H.R. 3820, CAMPAIGN FINANCE REFORM ACT

In lieu of the amendment offered by Representative SOLOMON of New York insert the following:

Strike all after the resolving clause and insert in lieu thereof the following: "That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) or rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act to reform the financing of Federal election campaigns, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on House Oversight. After general debate the bill shall be considered for amendment under the five-minute rule. At the conclusion of consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit with or without instructions."

Mr. FROST. Mr. Speaker, at the beginning of this Congress the Republican majority claimed that the House was going to consider bills under an open process.

I would like to point out that 60 percent of the legislation this session has been considered under a restrictive process.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 1*	Compliance	H. Res. 6	Closed	None.
H. Res. 6	Opening Day Rules Package	H. Res. 5	Closed	None.
H.R. 5*	Unfunded Mandates	H. Res. 38	Restrictive	N/A.
H.J. Res. 2*	Balanced Budget	H. Res. 44	Restrictive	2R; 4D.
H. Res. 43	Committee Hearings Scheduling	H. Res. 43 (OJ)	Restrictive	N/A.
H.R. 101	To transfer a parcel of land to the Taos Pueblo Indians of New Mexico.	H. Res. 51	Open	N/A.
H.R. 400	To provide for the exchange of lands within Gates of the Arctic National Park Preserve.	H. Res. 52	Open	N/A.
H.R. 440	To provide for the conveyance of lands to certain individuals in Butte County, California.	H. Res. 53	Open	N/A.
H.R. 2*	Line Item Veto	H. Res. 55	Open	N/A.
H.R. 665*	Victim Restitution Act of 1995	H. Res. 61	Open	N/A.
H.R. 666*	Exclusionary Rule Reform Act of 1995	H. Res. 60	Open	N/A.
H.R. 667*	Violent Criminal Incarceration Act of 1995	H. Res. 63	Restrictive	N/A.
H.R. 668*	The Criminal Alien Deportation Improvement Act	H. Res. 69	Open	N/A.
H.R. 728*	Local Government Law Enforcement Block Grants	H. Res. 79	Restrictive	N/A.
H.R. 7*	National Security Revitalization Act	H. Res. 83	Restrictive	N/A.
H.R. 729*	Death Penalty/Habeas	N/A	Restrictive	N/A.
S. 2	Senate Compliance	N/A	Closed	None.
H.R. 831	To Permanently Extend the Health Insurance Deduction for the Self-Employed.	H. Res. 88	Restrictive	1D.
H.R. 830*	The Paperwork Reduction Act	H. Res. 91	Open	N/A.
H.R. 889	Emergency Supplemental/Rescinding Certain Budget Authority	H. Res. 92	Restrictive	1D.
H.R. 450*	Regulatory Moratorium	H. Res. 93	Restrictive	N/A.
H.R. 1022*	Risk Assessment	H. Res. 96	Restrictive	N/A.
H.R. 926*	Regulatory Flexibility	H. Res. 100	Open	N/A.
H.R. 925*	Private Property Protection Act	H. Res. 101	Restrictive	1D.
H.R. 1058*	Securities Litigation Reform Act	H. Res. 105	Restrictive	1D.
H.R. 988*	The Attorney Accountability Act of 1995	H. Res. 104	Restrictive	N/A.
H.R. 956*	Product Liability and Legal Reform Act	H. Res. 109	Restrictive	8D; 7R.
H.R. 1158	Making Emergency Supplemental Appropriations and Rescissions	H. Res. 115	Restrictive	N/A.
H.J. Res. 73*	Term Limits	H. Res. 116	Restrictive	1D; 3R
H.R. 4*	Welfare Reform	H. Res. 119	Restrictive	5D; 26R.
H.R. 1271*	Family Privacy Act	H. Res. 125	Open	N/A.
H.R. 660*	Housing for Older Persons Act	H. Res. 126	Open	N/A.
H.R. 1215*	The Contract With America Tax Relief Act of 1995	H. Res. 129	Restrictive	1D.
H.R. 483	Medicare Select Extension	H. Res. 130	Restrictive	1D.
H.R. 655	Hydrogen Future Act	H. Res. 136	Open	N/A.
H.R. 1361	Coast Guard Authorization	H. Res. 139	Open	N/A.
H.R. 961	Clean Water Act	H. Res. 140	Open	N/A.
H.R. 535	Corning National Fish Hatchery Conveyance Act	H. Res. 144	Open	N/A.
H.R. 584	Conveyance of the Fairport National Fish Hatchery to the State of Iowa.	H. Res. 145	Open	N/A.
H.R. 614	Conveyance of the New London National Fish Hatchery Production Facility.	H. Res. 146	Open	N/A.
H. Con. Res. 67	Budget Resolution	H. Res. 149	Restrictive	3D; 1R.
H.R. 1561	American Overseas Interests Act of 1995	H. Res. 155	Restrictive	N/A.
H.R. 1530	National Defense Authorization Act; FY 1996	H. Res. 164	Restrictive	36R; 18D; 2 Bipartisan.
H.R. 1817	Military Construction Appropriations; FY 1996	H. Res. 167	Open	N/A.
H.R. 1854	Legislative Branch Appropriations	H. Res. 169	Restrictive	5R; 4D; 2 Bipartisan.
H.R. 1868	Foreign Operations Appropriations	H. Res. 170	Open	N/A.
H.R. 1905	Energy & Water Appropriations	H. Res. 171	Open	N/A.
H.J. Res. 79	Constitutional Amendment to Permit Congress and States to Prohibit the Physical Desecration of the American Flag.	H. Res. 173	Closed	N/A.
H.R. 1944	Recissions Bill	H. Res. 175	Restrictive	N/A.
H.R. 1868 (2nd rule)	Foreign Operations Appropriations	H. Res. 177	Restrictive	N/A.
H.R. 1977 *Rule Defeated*	Interior Appropriations	H. Res. 185	Open	N/A.
H.R. 1977	Interior Appropriations	H. Res. 187	Open	N/A.
H.R. 1976	Agriculture Appropriations	H. Res. 188	Open	N/A.
H.R. 1977 (3rd rule)	Interior Appropriations	H. Res. 189	Restrictive	N/A.
H.R. 2020	Treasury Postal Appropriations	H. Res. 190	Open	N/A.
H.J. Res. 96	Disapproving MFN for China	H. Res. 193	Restrictive	N/A.
H.R. 2002	Transportation Appropriations	H. Res. 194	Open	N/A.
H.R. 70	Exports of Alaskan North Slope Oil	H. Res. 197	Open	N/A.
H.R. 2076	Commerce, Justice Appropriations	H. Res. 198	Open	N/A.
H.R. 2099	VA/HUD Appropriations	H. Res. 201	Open	N/A.
S. 21	Termination of U.S. Arms Embargo on Bosnia	H. Res. 204	Restrictive	1D.
H.R. 2126	Defense Appropriations	H. Res. 205	Open	N/A.
H.R. 1555	Communications Act of 1995	H. Res. 207	Restrictive	2R/3D/3 Bipartisan.
H.R. 2127	Labor/HHS Appropriations Act	H. Res. 208	Open	N/A.
H.R. 1594	Economically Targeted Investments	H. Res. 215	Open	N/A.
H.R. 1655	Intelligence Authorization	H. Res. 216	Restrictive	N/A.
H.R. 1162	Deficit Reduction Lock Box	H. Res. 218	Open	N/A.
H.R. 1670	Federal Acquisition Reform Act of 1995	H. Res. 219	Open	N/A.
H.R. 1617	To Consolidate and Reform Workforce Development and Literacy Programs Act (CAREERS).	H. Res. 222	Open	N/A.
H.R. 2274	National Highway System Designation Act of 1995	H. Res. 224	Open	N/A.
H.R. 927	Cuban Liberty and Democratic Solidarity Act of 1995	H. Res. 225	Restrictive	2R/2D.
H.R. 743	The Teamwork for Employees and Managers Act of 1995	H. Res. 226	Open	N/A.
H.R. 1170	3-Judge Court for Certain Injunctions	H. Res. 227	Open	N/A.
H.R. 1601	International Space Station Authorization Act of 1995	H. Res. 228	Open	N/A.
H.J. Res. 108	Making Continuing Appropriations for FY 1996	H. Res. 230	Closed	
H.R. 2405	Omnibus Civilian Science Authorization Act of 1995	H. Res. 234	Open	N/A.
H.R. 2259	To Disapprove Certain Sentencing Guideline Amendments	H. Res. 237	Restrictive	1D.
H.R. 2425	Medicare Preservation Act	H. Res. 238	Restrictive	1D.
H.R. 2492	Legislative Branch Appropriations Bill	H. Res. 239	Restrictive	N/A.
H.R. 2491 H. Con. Res. 109	7 Year Balanced Budget Reconciliation Social Security Earnings Test Reform.	H. Res. 245	Restrictive	1D.
H.R. 1833	Partial Birth Abortion Ban Act of 1995	H. Res. 251	Closed	N/A.
H.R. 2546	D.C. Appropriations FY 1996	H. Res. 252	Restrictive	N/A.
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 257	Closed	N/A.
H.R. 2586	Temporary Increase in the Statutory Debt Limit	H. Res. 258	Restrictive	5R.
H.R. 2539	ICC Termination	H. Res. 259	Open	
H.J. Res. 115	Further Continuing Appropriations for FY 1996	H. Res. 261	Closed	N/A.

FLOOR PROCEDURE IN THE 104TH CONGRESS 1ST SESSION; COMPILED BY THE RULES COMMITTEE DEMOCRATS—Continued

Bill No.	Title	Resolution No.	Process used for floor consideration	Amendments in order
H.R. 2586	Temporary Increase in the Statutory Limit on the Public Debt	H. Res. 262	Closed	N/A.
H. Res. 250	House Gift Rule Reform	H. Res. 268	Closed	2R.
H.R. 2564	Lobbying Disclosure Act of 1995	H. Res. 269	Open	N/A.
H.R. 2606	Prohibition on Funds for Bosnia Deployment	H. Res. 273	Restrictive	N/A.
H.R. 1788	Amtrak Reform and Privatization Act of 1995	H. Res. 289	Open	N/A.
H.R. 1350	Maritime Security Act of 1995	H. Res. 287	Open	N/A.
H.R. 2621	To Protect Federal Trust Funds	H. Res. 293	Closed	N/A.
H.R. 1745	Utah Public Lands Management Act of 1995	H. Res. 303	Open	N/A.
H. Res. 304	Providing for Debate and Consideration of Three Measures Relating to U.S. Troop Deployments in Bosnia.	N/A	Closed	1D; 2R.
H. Res. 309	Revised Budget Resolution	H. Res. 309	Closed	N/A.
H.R. 558	Texas Low-Level Radioactive Waste Disposal Compact Consent Act	H. Res. 313	Open	N/A.
H.R. 2677	The National Parks and National Wildlife Refuge Systems Freedom Act of 1995.	H. Res. 323	Closed	N/A.
PROCEDURE IN THE 104TH CONGRESS 2D SESSION				
H.R. 1643	To authorize the extension of nondiscriminatory treatment (MFN) to the products of Bulgaria.	H. Res. 334	Closed	N/A.
H.J. Res. 134 H. Con. Res. 131	Making continuing appropriations/establishing procedures making the transmission of the continuing resolution H.J. Res. 134.	H. Res. 336	Closed	N/A.
H.R. 1358	Conveyance of National Marine Fisheries Service Laboratory at Gloucester, Massachusetts.	H. Res. 338	Closed	N/A.
H.R. 2924	Social Security Guarantee Act	H. Res. 355	Closed	N/A.
H.R. 2854	The Agricultural Market Transition Program	H. Res. 366	Restrictive	5D; 9R; 2 Bipartisan.
H.R. 994	Regulatory Sunset & Review Act of 1995	H. Res. 368	Open rule; Rule tabled	N/A.
H.R. 3021	To Guarantee the Continuing Full Investment of Social Security and Other Federal Funds in Obligations of the United States.	H. Res. 371	Closed rule	N/A.
H.R. 3019	A Further Downpayment Toward a Balanced Budget	H. Res. 372	Restrictive	2D/2R.
H.R. 2703	The Effective Death Penalty and Public Safety Act of 1996	H. Res. 380	Restrictive	6D; 7R; 4 Bipartisan.
H.R. 2202	The Immigration and National Interest Act of 1995	H. Res. 384	Restrictive	12D; 19R; 1 Bipartisan.
H.J. Res. 165	Making further continuing appropriations for FY 1996	H. Res. 386	Closed	N/A.
H.R. 125	The Gun Crime Enforcement and Second Amendment Restoration Act of 1996.	H. Res. 388	Closed	N/A.
H.R. 3136	The Contract With America Advancement Act of 1996	H. Res. 391	Closed	N/A.
H.R. 3103	The Health Coverage Availability and Affordability Act of 1996	H. Res. 392	Restrictive	N/A.
H.J. Res. 159	Tax Limitation Constitutional Amendment	H. Res. 395	Restrictive	1D.
H.R. 842	Truth in Budgeting Act	H. Res. 396	Open	N/A.
H.R. 2715	Paperwork Elimination Act of 1996	H. Res. 409	Open	N/A.
H.R. 1675	National Wildlife Refuge Improvement Act of 1995	H. Res. 410	Open	N/A.
H.J. Res. 175	Further Continuing Appropriations for FY 1996	H. Res. 411	Closed	N/A.
H.R. 2641	United States Marshals Service Improvement Act of 1996	H. Res. 418	Open	N/A.
H.R. 2149	The Ocean Shipping Reform Act	H. Res. 419	Open	N/A.
H.R. 2974	To amend the Violent Crime Control and Law Enforcement Act of 1994 to provide enhanced penalties for crimes against elderly and child victims.	H. Res. 421	Open	N/A.
H.R. 3120	To amend Title 18, United States Code, with respect to witness retaliation, witness tampering and jury tampering.	H. Res. 422	Open	N/A.
H.R. 2406	The United States Housing Act of 1996	H. Res. 426	Open	N/A.
H.R. 3322	Omnibus Civilian Science Authorization Act of 1996	H. Res. 427	Open	N/A.
H.R. 3286	The Adoption Promotion and Stability Act of 1996	H. Res. 428	Restrictive	1D; 1R.
H.R. 3230	Defense Authorization Bill FY 1997	H. Res. 430	Restrictive	41 amends; 20D; 17R; 4 bipartisan.
H.R. 3415	Repeal of the 4.3-Cent Increase in Transporation Fuel Taxes	H. Res. 436	Closed	N/A.
H.R. 3259	Intelligence Authorization Act for FY 1997	H. Res. 437	Restrictive	N/A.
H.R. 3144	The Defend America Act	H. Res. 438	Restrictive	1D.
H.R. 3448/H.R. 1227	The Small Business Job Protection Act of 1996, and The Employee Commuting Flexibility Act of 1996.	H. Res. 440	Restrictive	2R.
H.R. 3517	Military Construction Appropriations FY 1997	H. Res. 442	Open	N/A.
H.R. 3540	Foreign Operations Appropriations FY 1997	H. Res. 445	Open	N/A.
H.R. 3562	The Wisconsin Works Waiver Approval Act	H. Res. 446	Restrictive	N/A.
H.R. 2754	Shipbuilding Trade Agreement Act	H. Res. 448	Restrictive	1R.
H.R. 3603	Agriculture Appropriations FY 1997	H. Res. 451	Open	N/A.
H.R. 3610	Defense Appropriations FY 1997	H. Res. 453	Open	N/A.
H.R. 3662	Interior Appropriations FY 1997	H. Res. 455	Open	N/A.
H.R. 3666	VA/HUD Appropriations	H. Res. 456	Open	N/A.
H.R. 3675	Transportation Appropriations FY 1997	H. Res. 460	Open	N/A.
H.J. Res. 182/H.Res 461	Disapproving MFN Status for the Peoples Republic of China	H. Res. 463	Closed	N/A.
H. Con. Res. 192	Making in order a Concurrent Resolution Providing for the Adjournment of the House over the 4th of July district work period.	H. Res 465	Closed	N/A.
H.R. 3755	Labor/HHS Appropriations FY 1997	H. Res. 472	Open	N/A.
H.R. 3754	Legislative Branch Appropriations FY 1997	H. Res. 473	Restrictive	3D; 5R.
H.R. 3396	Defense of Marriage Act	H. Res. 474	Restrictive	2D.
H.R. 3756	Treasury, Postal Appropriations, FY 1997	H. Res. 475	Open	N/A.
H.R. 3814	Commerce, Justice, State Appropriations, FY 1997	H. Res. 479	Open	N/A.
H.R. 3820	Campaign Finance Reform Act of 1996	H. Res. 481	Restrictive	1D.
H.R. 3734	The Personal Responsibility Act of 1996	H. Res. 482	Restrictive	1D; 1R.
H.R. 3816	Energy and Water Appropriations, FY 1997	H. Res. 483	Open	N/A.
H.R. 2391	Working Families Flexibility Act of 1996	H. Res. 488	Restrictive	N/A.

*Contract Bills, 67% restrictive; 33% open. All legislation 1st Session, 53% restrictive; 47% open. ***All legislation 2d Session, 60% restrictive; 40% open. All legislation 104th Congress, 56% restrictive; 44% open. *****NR indicates that the legislation being considered by the House for amendment has circumvented standard procedure and was never reported from any House committee. PQ Indicates that previous question was ordered on the resolution. Restrictive rules are those which limit the number of amendments which can be offered, and include so-called modified open and modified closed rules as well as completely closed rules and rules providing for consideration in the House as opposed to the Committee of the Whole. This definition of restrictive rule is taken from the Republican chart of resolutions reported from the Rules Committee in the 103d Congress. N/A means not available.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in opposition to the rule of H.R. 3820. This bill was originally reported out of the Rules Committee without any recommendation.

H.R. 3820 is a bad bill. Instead of improving the campaign election process, it makes the current situation worse by increasing the amount of money, particularly special interest money, in the system. The average American gives about $200 to a Federal campaign so it is clear that provisions of this bill that increase the caps on donations to candidates and to political parties is designed to favor wealthy individuals and not the average citizen.

H.R. 3820 should be sent back to the House Oversight Committee and the House Economic and Educational Opportunities Committee for further review. I urge my colleagues to vote against the rule on H.R. 3820 and work to pass a real campaign finance reform bill.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

Mr. SOLOMON. I yield myself such time as I might consume to say, Mr. Speaker, I am a little confused because my good friend, the gentleman from Texas [Mr. FROST] did not offer an amendment in the Committee on Rules to have an open rule. We might have considered that along with all of the other requests. As a matter of fact, I seem to recall that he said that they were going to give us enough votes on the floor to pass this rule to get the bill out of the floor, and that is really why we are here.

I really have not made up my mind how I am going to vote on either the Republican or the Democratic alternative, but the one thing I am going to do, I am going to support the attempt of the gentleman from California [Mr. THOMAS] to try to bring forth a more bipartisan approach on the floor of this House, and that is exactly what my colleagues are going to be voting on when they vote for this rule. They are going to be voting to bring the two bills closer together and give us that kind of an alternative.

So I hope the Members will come over. Whether they are going to vote for the bill or not, I hope they will come over here and support this rule which brings the bill to the floor so that we can have this open and meaningful debate.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the amendment and on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question on the amendment and on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 221, nays 193, not voting 19, as follows:

[Roll No. 361]

YEAS—221

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Morella
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Quillen
Quinn
Radanovich
Ramstad
Regula
Riggs
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff
Zimmer

NAYS—193

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bilbray
Bishop
Blumenauer
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Foglietta
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Holden
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Peterson (MN)
Pickett
Pomeroy
Poshard
Rahall
Rangel
Reed
Richardson
Rivers
Roberts
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Sisisky
Skaggs
Skelton
Slaughter
Smith (WA)
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—19

Coleman
Collins (IL)
Flake
Forbes
Ford
Hastings (FL)
Hayes
Kaptur
Kasich
Lincoln
Markey
McDade
Pelosi
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Young (FL)

□ 1301

Messrs. JEFFERSON, JOHNSTON of Florida, and ROBERTS changed their vote from "yea" to "nay."

Messrs. LATHAM, FLANAGAN, HANSEN, BUNN of Oregon, FRISA, and KING, Mrs. ROUKEMA, and Mr. BEREUTER changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. UPTON). The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HOKE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 270, nays 140, not voting 23, as follows:

[Roll No. 362]

YEAS—270

Abercrombie
Ackerman
Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Becerra
Berman
Bevill
Bilirakis
Bishop
Bliley
Blumenauer
Boehner
Bonior
Borski
Brown (CA)
Brown (FL)
Bryant (TN)
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cramer
Crapo
Cremeans
Cubin
Cummings
Danner
de la Garza
Deal
DeLauro
DeLay
Dicks
Dooley
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Flake
Foglietta
Fowler
Frank (MA)
Franks (CT)
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gonzalez
Goodlatte
Gordon
Goss
Green (TX)
Greene (UT)

Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hancock
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hinchey
Hobson
Hoekstra
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnston
Jones
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kingston
Kleczka
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lofgren
Lowey
Lucas
Maloney
Manzullo
Mascara
Matsui
McCarthy
McCrery
McDermott
McHugh
McInnis
McIntosh
McKeon
McKinney
Meek
Menendez
Meyers
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Molinari
Montgomery
Moorhead
Moran
Morella
Myrick
Nadler
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Olver
Ortiz
Owens
Oxley
Pallone
Parker
Pastor
Paxon
Payne (VA)
Pelosi
Petri
Pombo
Pomeroy
Porter
Pryce
Radanovich
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Royce
Rush
Sabo
Salmon
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Scott
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skaggs
Slaughter
Smith (MI)
Smith (TX)
Solomon
Souder
Spence
Spratt
Stark
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Thornton
Thurman
Torres
Towns
Upton
Vucanovich
Walker
Wamp
Ward
Watts (OK)
Waxman
Weldon (PA)
Weller
Whitfield
Wicker
Williams
Wise
Woolsey
Yates
Zeliff

NAYS—140

Andrews
Baesler
Baldacci
Bass
Bateman
Beilenson
Bentsen
Bereuter
Bilbray
Blute
Boehlert
Bonilla
Boucher
Brewster
Browder
Brown (OH)
Brownback
Bunn
Burton
Chabot
Chapman
Clay
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Crane
Cunningham
Davis
DeFazio
Dellums
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Doolittle
English
Ensign
Eshoo
Filner
Flanagan
Foley
Fox
Franks (NJ)
Frelinghuysen
Frisa
Geren
Gibbons
Gillmor
Gilman
Goodling
Graham
Hall (TX)
Hansen
Hefner
Hilliard
Hoke
Holden
Horn
Inglis
Jackson (IL)
Jacobs
Johnson, Sam
Kanjorski
Kaptur
King
Klink
Klug
LaFalce
Lantos
Leach
Lewis (CA)
Lipinski
Livingston
LoBiondo
Longley
Luther
Manton
Martinez
Martini
McCollum
McHale
McNulty
Meehan
Metcalf
Miller (CA)
Mink
Mollohan
Murtha
Myers
Neal
Obey
Orton
Packard
Payne (NJ)
Peterson (MN)
Pickett
Portman
Poshard
Quillen
Quinn
Rahall
Ramstad
Rangel
Roberts
Ros-Lehtinen
Roukema
Roybal-Allard
Sanders
Sanford
Schroeder
Schumer
Serrano
Shays
Skeen
Skelton
Smith (WA)
Stearns
Stenholm
Thompson
Tiahrt
Torkildsen
Traficant
Velazquez
Vento
Visclosky
Volkmer
Waters
Watt (NC)
Weldon (FL)
White
Wilson
Wolf
Wynn
Young (AK)
Zimmer

NOT VOTING—23

Bono
Bryant (TX)
Chrysler
Coleman
Collins (IL)
Cox
Dornan
Forbes
Ford
Hastings (FL)
Hayes
Kasich
Lincoln
Markey
McDade
Peterson (FL)
Rose
Roth
Smith (NJ)
Tanner
Torricelli
Walsh
Young (FL)

□ 1310

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FORBES. Mr. Speaker, I accompanied the President of the United States to Long Island to meet with the families of the victims of the tragic TWA Flight 800. The entire Nation has been paralyzed by this disaster. My prayers and thoughts are with those families and it is my hope that as a nation we can begin to move beyond the hurt and anger.

Therefore, I was unavoidably detained from being here to cast my vote on H.R. 3816, the Energy and Water Development Appropriations Act of 1997. Had I been here I would have voted "no" on rollcall No. 357, "yes" on rollcall No. 358, "no" on rollcall No. 359, and "yes" on rollcall No. 360.

Finally, on rollcall No. 361 I would have voted "yes" and on rollcall No. 362 I would have voted "no."

The SPEAKER pro tempore. Pursuant to House Resolution 481 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3820.

□ 1311

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the union for the consideration of the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes, with Mr. INGLIS of South Carolina in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. THOMAS] and the gentleman from California [Mr. FAZIO] each will control 30 minutes.

The Chair recognizes the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I yield myself 9 minutes.

Mr. Chairman, this is an important day. There were a number of people who never thought it would come about. The argument that the House simply cannot address reform of its own rules, many said, would lead us not to this day.

Notwithstanding whatever occurred over in the Senate, we have in front of us two reform pieces of legislation with the opportunity for the minority, on the motion to recommit, to offer some variation that they choose to offer.

No one doubts that the job in front of us is a difficult one. As we heard on the rule, there are any number of Members who would like to offer a substitute. As a matter of fact, if we had an open rule, there would probably be 435 different reform procedures, which means everyone could find a home and there would not be a majority to try to bring about change.

What we have here are clearly two different approaches to reform: First of all, let me say that I want to commend the gentleman from California [Mr. FAZIO] and his staff, and I want to commend the majority on our side of the aisle on the Committee on House Oversight and out staff.

Trying to put together a package which meets the various needs of the Members even required an amendment to the rule. I do not think anyone should criticize that process. I think people sent us here to get it right. If it requires adjustments right up to the time that we discuss the bill, it is better to do that than to lock in stone some position which may not afford us an opportunity to move forward.

□ 1315

What we are trying to do today is move forward. I am very pleased that in both bills there are a significant number of common reforms. In the longest and most extensive hearings on campaign finance reform since the law was passed, we heard from a number of different witnesses. No two witnesses stressed the same theme more than the chairman of the Democratic National Committee, Don Fowler, and the chairman of the Republican national committee, Haley Barbour, when they sat side-by-side and talked about the perhaps good intentions of the reformers in the 1970's but the very serious unforeseen consequences of the law over the last 20 years on the question of political parties.

In both bills today, we see very positive reform in the area of political parties, expanded opportunities to participate in the system, fewer restrictions in trying to support the issues and the candidates that the parties put forward. As a matter of fact, one of America's foremost experts on political parties, Professor Larry Sabato, who has also coauthored a book entitled "Dirty Little Secrets," about the way money flows in Washington, said this about our bill, but it extends to a certain extent to the Democrats' provisions about political parties, as well. He says, "No title is as welcome as strengthening political parties." He says, "The parties are essential, stabilizing institutions in an increasingly chaotic political environment. In our society's self-interest, they deserve to be bolstered in every reasonable way." He says, "I enthusiastically support the provision on party reform."

Also, I think a number of cynics say that we, since we are incumbents, cannot reform ourselves. I think it is important to note that in both bills, both the Republican and the Democratic bill, we ban leadership PAC's, just 1 day after one of our local newspapers ran an article about how through leadership PAC's Members of Congress are raising significant new, and in fact record, amounts of money. No one can say we are not interested in reform if we are in fact denying this kind of a structure. Banning leadership PAC's is in the Republican bill, and it is in the Democrat bill.

There are additional disclosure requirements, and we will go into some of the differences, but fundamentally both bills tighten up in the area of disclosure. However, Mr. Chairman, there are obviously fundamental differences, and the fundamental differences in the bill center around the way in which the Democrats and the Republicans choose to use government, the role of government and the use of government.

In the minority's bill, they use government to control and limit. In our bill, we use government to empower individuals. For example, in the Farr bill, there are a very confusing set of dollar amounts which are used to determine how one can participate in the political game. One can spend $600,000 in the primary and the general, but you have got to have a set amount from individuals over a set amount of dollars. If in fact you are in a close primary; that is, a primary within 20 points of your opponent, then there are new rules that apply. If you are in a run-off, there are additional rules. It is a very complicated attempt to use government to limit participation in the system.

On the other hand, we have a new approach. It is a novel approach. As a matter of fact, David Broder in The Washington Post said it may point the way to the future. It essentially reverses the traditional definition of reform. It may offer a way out of the maze. The Cleveland Plain Dealer said it comports rather well with political and constitutional realities and it is worth a try.

What we do is empower individuals. We say that the control on the amount of money spent in elections is in the hands of the people back home, local control of campaign finances. A number of our colleagues who have not yet fully appreciated the radicalness of this procedure say there are no limits at all. Pretty obviously when they are used to staying in Washington and raising money, they are not excited about having the people back home determine how much money they can spend. We hear criticisms of the system that we have to spend time in New York or in Dallas or in Hollywood raising money and we are away from our basic job of representing our constituents.

Well, folks, with the new position, the new thinking, the Republican bill, you get to go back home more often than not because you are required to raise a majority of your money back home. If that was a problem under the current system, we have changed it.

A number of folks have said special interest control, that in fact the problem is the corruption or at least the appearance of corruption with special interest money putting in a majority of money in a number of campaigns. Folks, we fix that. A majority of money has to come from individuals who live in the district. We empower the people back home.

In addition, we weaken incumbents by allowing parties to offset the incumbent carryover. This is a relatively radical idea. There have been suggestions to ban carryover, but we are the biggest sharks in the water as soon as the bell rings. What we have said is empower political parties to offset incumbent advantages.

But the biggest and the best device to control incumbents is to tell them they have to go back home and get a majority of money from people who live in the district because in Washington, we have a monopoly on attention. In any other major city, we have a monopoly on attention. When we go back to the district, we have to share our incumbency with the other candidates. We do not have the privilege of exclusivity back home. It is the most radical, the best method of controlling incumbents. When people say we do not have a limit, no, we do not use Government to control, we do not impose a one-size-fits-all limit. What we do do is empower people back home. When a majority of people in your district have said you have spent enough, you have spent enough. Empowering people back home is a radical, positive change in campaign finance reform.

Mr. Chairman, I reserve the balance of my time.

Mr. FAZIO of California. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, let me begin by indicating that we have enjoyed working with the majority on this issue. It is never easy to deal with the issues of great interests of Members and it is always more difficult to try to set the tone to in fact lead, than to critique. We in the Democratic Party have experienced that for a number of years.

It has become obvious to most Americans that there is far too much money in politics today, giving wealthy special interests far too much influence in the election campaigns and decreasing the voice of every-day working Americans in their own government.

Fearful of the effect of big money in our political system, the Democrats have for years been fighting for changes in the campaign finance laws; however, each time reform legislation has passed this House, it has been ultimately rebuffed, either by President Bush's veto or by more recent series of Republican-led filibusters in the Senate.

Having for so long resisted Democratic efforts to limit campaign spending, the new majority recently offered its plan for changing our political system, and what was that plan of the Republican leadership? Put most plainly, the majority's so-called campaign reform was to vastly increase the role of money in politics by enormously increasing all contribution limits. They sought to ensure that those interests with the greatest wealth would be permitted to contribute even greater sums into the campaign process as if the wealthiest in our society did not already wield enough influence in our politics.

Indeed, under the majority's bill, a single individual could have contributed up to $3.1 million to candidates and political parties; that is, $3.1 million from one person. Put another way, under the Republican proposal initially proposed, a family of four could have contributed nearly $12.5 million per election cycle. It is a breathtaking sum and more than 125 times the amount permitted under current law.

Perhaps this is their version of a family's first agenda, but it is hardly the change the American people are seeking. While the political parties may need strengthening, the majority's bill went to extremes in this regard as well, permitting the party to raise obscene sums of money from special interests that then in turn funnel unlimited, yes, and I mean fully unlimited, amounts of that money back into the campaign system, creating what the New York Times called a new class of super donors. What a very Republican idea that is.

Of course the inevitable result of allowing the political parties to raise and spend unlimited amounts of money is to further centralize political power and political wealth here in Washington, DC. This is hardly returning power to the average voter or reducing the influence of special interests.

But as word got out about what the majority wanted to do, Americans of all sorts were appalled at this effort to increase the influence of the rich and the powerful. Public interest groups, newspaper editorials, concerned Democrats, even some reform-minded Republicans fought to stop this abomination from becoming law, and now thanks to these efforts the Republican leadership has offered an amended version of the bill.

But they still do not get it. There is too much money with too much influence in our political system and regrettably the majority's bill does absolutely nothing to fix the problem.

The Democratic approach to campaign finance reform differs dramatically from the bill put forth by the Republican leadership. Put most plainly, we believe that our political system will not be effectively reformed until the role of big money is reduced and the influence of special interests decline. Our substitute bill is an effort to achieve that goal and to bring some sanity back to our campaign system. Our bill is designed to reduce the cost of campaigns by establishing voluntary spending limits, and the Democratic bill would require candidates to rely much more upon small contributions from those givers who donate $200 or less to campaigns.

Unlike the majority's bill, the Democratic proposal would also reform the soft money system by eliminating virtually all such contributions to political parties. Our approach to campaign finance reform is realistic. It is balanced, and it is achievable. Through these measures, we hope to limit the influence of money in our politics and restore the influence of ordinary working Americans in their government.

Mr. Chairman, I strongly urge all my colleagues to vote against H.R. 3820 and to vote for H.R. 3505, the Democratic substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. WAMP], a freshman who has had as much influence in redirecting campaign finance reform as any Member of the House.

Mr. WAMP. Mr. Chairman, I thank the chairman for yielding me the time, but more importantly for his leadership on this issue.

As a member of the Speaker's task force on reform, I have worked with many others tirelessly on this effort for many months. But Chairman THOMAS has been working on this effort for many years. Unlike other senior Members, some other senior Members of this body, he has pursued reform on campaign finance for year after year, and I commend him for this responsibility and balanced approach.

Mr. Chairman, I am 1 of only 22 Members of this body that refuses to accept any PAC money, so I really come to this argument with a desire to eliminate political action committees. As a matter of fact, I testified last week before the Committee on Rules and asked for an amendment that would ban political action committee contributions and force the Supreme Court through expedited review to go ahead now and determine should we ban political action committees or can we constitutionally do so and, if we cannot, then let us set a new limit, but let us go ahead and have the Supreme Court determine as soon as possible.

Obviously, that is not going to be done. That is my preference. But I am a reformer, one who refuses to accept the money, and I will tell you that this bill is reform. It is a step in the right direction. It is certainly not totally comprehensive, it is not perfect. Frankly, no bill that I have seen in the last 2 years is perfect, but this is a step in the right direction because it cuts PAC's, special interest political action committee contributions in half.

□ 1330

That is a step in the right direction: disconnecting so much of their influence. It requires a majority of a Member's money to come from individuals in their home district. Another great step in the right direction. Why? Because some Members take the majority of their money from people outside their district. Some stay here in Washington and raise all their money and do not count on the folks back home to tell them what to do and then follow their instructions.

It also leaves the individual limit. The bill that is on the floor today, not a bill that was floating around before, the bill this majority has brought to the floor leaves the individual limit at a thousand dollars, but it indexes it into the future because it is set for 22 years at $1,000. The cost of money has changed in the last 22 years, so it should be indexed into the future, not retroactively. This bill indexes it prospectively.

It is a commnsense solution, and it is real reform. Every Member of this body should support this reasonable approach that took many months and a roller coaster ride to arrive at.

I want to say this in closing, Mr. Chairman. The gauntlet should go down today. This issue must be addressed early in 1997 by the next Congress, regardless of this fall's elections. For the good of this country, do not put this issue off until the second year in the 105th Congress. Do not put this issue off until late in a cycle. Address it early, address it in a bipartisan way.

We have to do it, and we need to send more Members to this institution that will say no to political action committees from both parties. Let us address this in a bipartisan way.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I rise today in strong support of real campaign finance reform. I rise, however, in opposition to the sorry excuse that the Republicans are offering today.

Had it not been for the Democrats, the Republican bill would still allow individuals to contribute up to $3.1 million a year. And while that provision was revised, the Republicans actually increase the influence of soft-money contributions.

The Democratic substitute, on the other hand, reduces this influence and requires a spending limit of $600,000. The Republican bill still allows unlimited campaign spending.

In short, Mr. Chairman, the Democratic substitute offers real reform while the born-again Republican bill increases the role of big money in politics.

Once again, Mr. Chairman, the Republican Party has demonstrated its desire to perfect the art of cash-and-carry government.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER], my good friend and another member of the Committee on House Oversight.

Mr. HOYER. Mr. Chairman, I thank the ranking member for yielding me this time.

Mr. Chairman, I rise in strong opposition to this bill. Since the President and Speaker GINGRICH shook hands, the American people have been expecting progress on campaign finance reform. The public will be bitterly disappointed if this bill passes, even with the improvements made by the rule, because it fails it fails, it fails to deliver true reform.

Mr. Chairman, I want to focus on an issue which the chairman speaks to, empowering the people of my district. I tell my friend from California, I presume, like me, 100 percent of those who will elect me live in my district. They are empowered. They have the right to make a decision. But I, like the gentleman from California, am very cognizant of the demographics of my district and every district in America and the spread between Republicans and Democrats.

We do not have to have a very expensive poll or focus group to find out that the wealthier folks in most districts in America tend to be Republicans. Not absolutely. And, in fact, from my perspective, I have raised to this point in time much more in district, both in terms of percentage of givers—over 50 percent of the givers—and in percentage of money, than my opponent has in my district. So this will not adversely affect me.

I say to my friend, if one wanted to be cynical, one would say, if we were going to devise a system that advantages the wealthy and the powerful in America, then limit fund raising in districts so that the wealthy and powerful in every district will have the advantage. I say to my friends, that this is not reform, this is elitism disguised as reform.

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

What we just heard was an example of a failure to really understand how radical this new idea is, because the gentleman failed to make one particular connection, and that is the end in politics are votes, not money. Money is the name of the means. If in fact we are in the district talking to people, we are in fact going toward the end. If we are in New York, outside our district, that is the means: money. If we are in Hollywood, that is the means: money. When we are in our district, we are working toward the end. Time is money.

It is a radical change. It will take time for some Members, who are so focused on money, to appreciate that we can actually get elected without it. It is called hard work. It is called organization. It is time we put the common man back in the picture working to elect someone without looking at dollars. Majority in district empowers people, not big bucks.

Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOEKSTRA], the chairman of the reform task force.

Mr. HOEKSTRA. Mr. Chairman, I thank my colleague from California for yielding me this time and compliment him on the fantastic work he has done to bring this bill to the floor.

As a Member of Congress and someone who got out and spent somewhere in the neighborhood of 15 to 1 or 20 to 1 in my first election in a primary, I come to this debate with a different background than many of my colleagues. Also serving in my second term, I think it is important for us to take a look at the way things used to be in the House of Representatives.

Let us talk about that, It took the new majority to apply all laws that apply to the private sector and make them apply to Congress. It was the new majority that took the bold step that banned gifts. It was the new majority that conducted the first-ever audit of House finances. It was the new majority that passed comprehensive lobby reform. It was the new majority that held the first ever vote on term limits for Members of Congress. It was the new majority that passed a balanced budget amendment to the Constitution. We set term limits for the Speaker. We set term limits for committee chairs.

So for the record, as we go through this debate today, we do not need lectures from the other side of the aisle on reform. We have spent the last 18 months cleaning up after them.

As for some of the other participants that have been critical of this effort at reform, Common Cause, it is interesting. They created the current campaign finance system. Now they want to experiment with public funding, more big government, more big bureaucracy, moving decision-making away from the people and moving it to Washington. Their proposal is based on the myth of the magical Washington bureaucracy. We do not need lectures on how to reform a broken campaign finance system from the same group that gave us this system in the first place.

This is a solid campaign finance bill. It has been a frustrating process. It has been a tough process. As we have watched through the debate, it is much easier to demagog this process than it is to get something done, but we have gotten things done. We have moved decisionmaking back to the people in the district. We have reduced the influence of political action committees. We have put in measures to help those challengers who are running against well-entrenched incumbents. We have put in measures to address those candidates who are running millionaire campaign financed issues. This is real progress. This is change from the way that Washington has been doing business.

Republicans are bringing this forward. Republicans are bringing forward this change. We are continuing the process that we have been working on for 18 months. This is really one step in a long process that we are going to continue.

Mr. FAZIO of California. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank the ranking member for yielding me this time. As I indicated on the rule, I regret we are not afforded an opportunity for more bipartisanship in presenting campaign finance reform. But the Republican bill, to me, moves backward and should be rejected by this House.

We looked at the objective of campaign finance reform, and what our primary objective should be is to reduce the cost of campaigns. Between 1980 and 1994, we have seen a doubling of the cost of campaigns in House races. The average winning seat went from $178,000 to $530,000. In 1980, 28 candidates spent over $500,000. By 1994 that number grew to 272 candidates. In 1980, two candidates spent over $1 million in their races. By 1994, that grew to over 45 races of over $1 million.

So one of our primary objectives should be to reduce the cost of campaigns and the need to raise special interest funds. The Republican bill moves in the opposite direction. It moves toward spending more money in campaigns. There is no voluntary campaign limit at all in the Republican bill. It continues and expands the use of soft money.

Now, soft money can come from corporate sources, can come from large, wealthy donors. It goes to our political parties. This bill, the Republican bill, makes it easier for those funds to end up influencing our individual campaigns by relaxing the restrictions on the use of soft money. We should be moving in the opposite direction.

That is why Common Cause said that any Member, and I am quoting, any Member of Congress that votes for H.R. 3820 is giving a personal blessing and a personal stamp of approval to the corrupt soft money system.

The gentleman from California [Mr. THOMAS], my friend, indicates this is empowering the people within our district because we encourage contributions from our district. But Mr. THOMAS did not explain that there are many loopholes to that use of local money. We do not count the person's individual contribution. We do not count the political party's contribution.

We are seeing more and more parties from outside of our State contributing to our local congressional campaigns. Those funds are not counted as far as local funds are concerned. So it is not empowering the people in our district.

Also a wealthy person who contributes a thousand is treated the same as someone who does not. And again that is why Common Cause in its reason for opposing this bill said that any Member of Congress who votes for H.R. 3820 is speaking out for more access and influence in the political system for the wealthiest people in America and less for average American wage earners.

Make no mistake about it, look at all of the public interest of outside public groups that are opposing this bill: Common Cause, Public Citizen, U.S. PIRG, League of Women Voters. There is reason for that. We have an alternative. Vote for the Democratic substitute offered by the gentleman from California [Mr. FARR]. It will give us true campaign reform.

Mr. FAZIO of California. Mr. Chairman, I yield 2½ minutes to the gentleman from California [Mr. MARTINEZ], a member of the Committee on Economic and Educational Opportunities.

Mr. MARTINEZ. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to H.R. 3820, campaign finance reform legislation. Not because I'm against campaign finance reform, but because this is not reform.

The thrust of any reform must be to return the political process to the people on the local level, taking it out of the hands of special interests. The bill the majority is offering does not do that.

Mr. Chairman, in my humble opinion, it is merely a half-hearted attempt by the leadership to fulfill a promise to its Members that this issue would be brought before the House.

But, Mr. Chairman, to me what is even more objectionable about this legislation is the fact that yet another measure, which has seen very little committee action, is coming before this body.

Mr. Chairman, the so-called Worker Right to Know Act, which seeks to limit the access of a particular group of Americans to the political process, has been attached to this bill, adding another reason for the President to veto it.

Mr. Chairman, the so-called Worker Right to Know Act was never marked up by the Employer-Employee Relations Subcommittee nor the full Committee on Economic and Educational Opportunities to which it was referred.

And yet it is here. It doesn't surprise us. It's par for the course for the 104th Congress—as irrelevant as authorizing has become, the next step will be abolishment. Maybe that's appropriate since we move bills to the floor without markup.

Mr. Chairman, moving this bill into the Campaign Reform Act, after two hearings that in my opinion revealed that the legislation is not justified, is simply a political effort to attack a group they disagree with. In defense of it, one of my colleagues suggests that it is to enforce the Beck decision. Mr. Chairman, this Department of Labor has been enforcing the Beck decision. But regardless of that, Mr. Chairman, Members on the other side of the aisle have become so worried about the increased effort of organized labor to educate Americans about the antiworker, antifamily, antichild 104th Congress that through this so-called Worker Protection Act, they are seeking to stifle that effort.

Mr. Chairman, this is not the way to practice democracy.

Mr. Chairman, we all know that protections already exist for workers.

Workers can object to the use of their union dues for purposes other than bargaining, they can request a refund of the portion of their dues that are spent on these activities, and file a complaint with the National Labor Relations Board if they disagree with the amount that is returned to them.

In contrast to that, the outrage of some Members about the AFL–CIO's mobilization is almost comical when you consider that the AFL will still be far outspent by the Republicans' business allies.

In fact, the National Association of Manufacturers, in a recent newsletter, solicited donations from its members for a similar voter education effort being orchestrated by a business affiliation known as the coalition.

The NAM has gone so far as to propose that each business member donate what would amount to $1.80 per employee to present the other side. And Mr. Chairman, despite the fact that corporate expenditures on the political process greatly exceed those of organized labor, no one bothers to address the fact that corporations regularly use stockholder money for political purposes with which those investors may disagree. Yet I see no one offering legislation to force corporations to disclose to the stockholder their political expenditures. This legislation itself—as a whole—is so objectionable that it must have been drafted to guarantee its defeat.

I urge my colleagues to vote against the legislation.

□ 1345

Mr. THOMAS. Mr. Chairman, I yield 3 minutes and 30 seconds to the gentleman from Ohio [Mr. BOEHNER], chairman of the Republican Conference, a member of the Committee on Government Reform and Oversight.

Mr. BOEHNER. Mr. Chairman, I thank my colleague, the gentleman from California [Mr. THOMAS], for granting me the time and for his work on this very important legislation.

I also would like to congratulate my colleagues on both sides of the aisle on the Committee on House Oversight, who have spent an awful lot of time putting this together, and my colleagues on the Committee on Economic and Educational Opportunities, who have a section of this bill.

One thing that we have all learned over the last couple of years is that the 435 Members of the House each has their own idea about how to change the campaign finance system we have in America. One of the most difficult things that I have seen in the 5½ years that I have been here is the difficulty that leadership has had on each side of the aisle in trying to bring enough consensus around any kind of a bill and bring it to this floor and to get it passed.

I think that the bill that Mr. THOMAS and our committee brings to the floor today is a sincere, honest attempt at trying to reform the system, albeit in a different way than the Washington establishment has wanted to do for some time.

Yes, it is true, we do not have more bureaucracy. We do not have phony limits. We do not try to create a bureaucracy to try to control campaign spending from here in Washington. Our version says, let us let the people in each district around America decide because by requiring Members and candidates to raise half of their money for a campaign from their own congressional district, it is their contributors, their constituents who will determine in effect how much money is spent in those campaigns.

The fact that it reduces the influence of PAC's by cutting the maximum PAC contribution in half, I think, further allows the people of these local districts to make the decision about how much is going to be spent there.

But there is another very important part of this bill. That is, the last section that is the worker's right to know. What we are trying to do here is empower workers in America to have more control. Over what? Over their hard-earned money that they pay to unions around this country.

There is not an American that has not seen some radical ad being sponsored by the AFL–CIO and others attacking freshmen and Republican Members. They have been all over the country. They are going to spend, according to a professor who came and gave testimony in our committee, $300 to $400 million in this cycle trying to influence elections. Yet all of the money virtually is being spent on one side of the political aisle. It is not on the Republican side.

Forty percent of union members around America vote for Republican candidates. This money, their money is being spent against their will. We believe that what we ought to do is to empower those workers by doing just two simple things: Requiring unions to tell their employers just how much of their union dues is actually used for representational costs. So it requires the unions to tell their Members just how much of their dues are used for representational costs.

The second thing that this section of the bill does, very simply, is to empower the worker to decide whether any money that he pays in dues, he or she pays in dues over the representational costs, can be used for other political activities.

Now, at a time when we are trying to do more to empower workers, to encourage teamwork in America, I think this is a very modest proposal to help working men and working women in terms of using their hard-earned money for the purposes that they see fit.

The CHAIRMAN. The Chair would advise the Members that the gentleman from California [Mr. THOMAS] has 10¾ minutes remaining, and the gentleman from California [Mr. FAZIO] has 16½ minutes remaining.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in opposition to the phony campaign finance reform that is represented by the Thomas bill. The campaign finance reform bill offered by the Republican majority continues a pattern that goes back to their earliest days of running this House. Promises made and promises broken. They promised real reform in Washington, but instead they offer legislation to make a bad system worse.

The GOP legislation does nothing to limit campaign spending in congressional raises. Elections will continue to be contests of bank accounts and not of ideas. Public Citizen, Common Cause, other public interest groups have called the Thomas bill a fraud.

Business Week magazine, not exactly a liberal publication, commented on freshman Republicans earlier this year. They said, and I quote, although they stormed Capitol Hill promising to shake up the political establishment, the Republican class of 1994 has embraced one time-honored Washington tradition all too well, shaking the special money interest tree.

The American people truly want an end to business as usual in Washington. They deserve real reform of our campaign system. We have an opportunity to pass an honest campaign finance reform bill today, a bill that will enhance the ability of average Americans to participate in the electoral process and diminish the influence of special interests.

The Democratic alternative gives us the chance to pass real reform to limit the influence of big money. It limits spending for each congressional campaign to $600,000. It limits PAC contributions. It limits total contributions from large donors. It limits each candidate's use of personal money. It eliminates soft money.

These limits are reasonable, and they are, in fact, long overdue.

Mr. Chairman, I call on my colleagues to defeat the Gingrich-Thomas big-money bill and vote for the Farr Democratic substitute.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, I thank my friend for yielding the time.

This bill should not be called the campaign finance reform bill. I have some better names for it. It should be called the wealthy country club set control of American politics bill. How about the fat cat influence on American politics bill? How about the rich and incumbent protection Republican campaign bill? That is all this is doing. This is giving special interests an even larger say in campaigns. But at least our Republican friends are consistent.

They have spent the past 2 years trying to decimate Medicare and give huge tax breaks for the rich. This is just a continuation of that pattern. Let us continue to give breaks for the rich. Let them control politics. Let them have more influence in politics.

Speaker GINGRICH said, there is not enough money in politics right now. We ought to have more money in politics. This is exactly the opposite direction that we ought to be going toward.

The Republican bill imposes no limits on how much can be spent in a campaign, allowing the influence of special interest money to continue to dominate the political system. The Republican bill increases the importance of soft money in campaigns; thereby increasing the role of special interests in their party.

The Republican bill imposes huge costs and administrative burdens on labor unions; again, a consistent Republican pattern these past 2 years of punishing working men and women in this country, punishing labor unions for speaking out, for daring to speak out against the Republican extremist agenda.

This is a highly partisan bill which is designed to create an unfair advantage to the Republican Party and their wealthy donors. The only way we can have real campaign finance reform in this Congress or any Congress is to have a bipartisan bill. We ought to do that.

The Democratic bill attempts to limit big money. It attempts to put the amount of money that a candidate can spend on a campaign to have a cap. This is the only way we are going to eliminate special interests.

The big problem to our democracy, in my opinion, is that it costs so much to run a campaign, only the very wealthy can run campaigns. Is this what we want in this country, where the very wealthy can control campaigns and run?

This goes in the wrong direction. The Republican bill ought to be defeated.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Chairman, I would like to thank my good friend from California for shepherding this important piece of legislation through the House.

In the last Congress I was privileged to be a member of the Task Force on Campaign Finance Reform.

One provision I fought for in particular was that 51 percent of total contributions come from within a candidate's congressional district.

This creates stronger ties to a Member's constituents and will help reduce the influence of narrow special interests. No longer will this House operate under the image that we are beholden to PAC's or individuals based thousands of miles from the people we represent.

In my past two elections I have promised to raise a majority of my money from within my district. Indeed, I have raised an average of over 60 percent of my funds from the people of the 43d District of California.

Not only does this indicate my support from my constituents, but more importantly it allows me to better represent their views.

They are the citizens who have made my congressional career possible. They are the people whom I represent.

Mr. FAZIO of California. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. MEEHAN], a real leader in our caucus on campaign finance reform and a leader of the bipartisan effort.

Mr. MEEHAN. Mr. Chairman, you have to sit back and ask yourself, why in the world would the Republican Party submit this kind of proposal. It has been condemned by every public interest group that has been fighting for campaign finance reform in America.

Condemned by Common Cause, condemned by Public Citizen, United We Stand, every group in America who is trying to change the way Congress does business through reforming the campaign finance laws is against this proposal. Why in the world would they come forward with such a proposal that they may not even get the votes for?

Well, it comes right from the top. That is where it comes from. Because when the Speaker of the House, if you look at this chart, NEWT GINGRICH, testified before the House Committee on Government Reform and Oversight on November 2, he made the preposterous statement that, One of the greatest myths of modern politics is that campaigns are too expensive. The political process in fact is underfunded. It is not overfunded.

That is what the top, the Speaker, said. When he was asked to testify on how to reform a system that everyone agrees needs to be reformed, a system that everyone agrees there is too much money involved, that is what the Speaker said.

☐ 1400

So what happened after that? The Speaker got together with Republican leadership, and they came in with a proposal that increases the influence of special interest money. Americans who have been fighting for campaign finance reform all over this country recognize this bill for what it is, and that is a sham. It is nothing but a sham.

Now why in the world would Republicans go along with a bill that codifies the soft money loophole in the Federal election law? This legislation will allow special interests to continue setting the Republican agenda without restriction, and all we have to do is look at the headlines across this country under this Congress. Last year the Republicans raised more than $33 million in unrelated soft money contributions; 82 percent of these contributions came from businesses, 17 percent came from individuals, and less than 1 percent came from labor unions and single donors.

Now who are at the top of the Republican donors by industry? It should be a surprise to no one that the tobacco companies, big tobacco, donated a whopping $2.4 million in 1995; securities and investments, insurance, gas, the pharmaceuticals, the telephone utilities, telecommunications reform; all of them rank within the top 10 of donors to the Republican Party.

This should not be a surprise as to why we have a bill that increases the influence that these special interests will pay. They will pay, and they will play, due to the increase in money because they are the ones. The Republicans are setting the agenda.

Now two of the top individual contributors to the Republican Party: Philip Morris and R.J. Nabisco. No wonder the Republicans are adamantly opposed to regulating tobacco companies.

This bill is a sham.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. PORTMAN].

Mr. PORTMAN. Mr. Chairman, I thank the gentleman from California for the time.

Mr. Chairman, I have to tell my colleagues it is tough as incumbents to change the rules that affect us. That is why campaign finance reform is always a hard thing to do. It is also tough because it is complicated; we have unintended consequences, as we did after the 1974 post-Watergate reforms. We now have PAC's that I think are more of a problem than a solution.

But the gentleman from California [Mr. THOMAS] has done a good job. He has taken a very tough problem, and he is tried to make a difference, and he has, and I commend him for it. I hear my colleagues going on and on about how terrible this bill is, and how it does not help this and does not help that.

As my colleagues know, I do not take PAC money. I raised almost all the money in my district. This is not perfect. I would like to see a total PAC ban. This is a great step forward. That is the point. We make incremental steps around here. Maybe next year we will do even better.

What is good about this bill? It bans leadership PAC's. Who is not for banning leadership PAC's, raise their hand. I mean over there. It is a good thing. It is a good thing we are doing. It eliminates bundling by PAC's and lobbyists. It requires candidates to raise a majority of funds in their own districts.

I heard someone earlier saying that is not a good provision. I am not sure why they said it. I mean that is true for everybody. It is going to be true for every candidate. They have to raise the majority of funds in their own districts so their own voters, not the special interests, the people who they are really accountable to, their voters, have more of a say.

Political parties, look at this chart. Despite what the last speaker said, it turns out that the chairman of the Democratic Party also feels that the great organizers of democracy, our political parties, ought to play a bigger role.

They can scream they are the people in this country who do not have a special interest. They have a political interest which is the party's, Republican and Democrat. And yes, we should increase, I think, and strengthen their role in the political process and get this special interest influence that is undue, that is too great, out of the process.

So I do not know what the last speaker was talking about. He should talk to his own chairman of the Democrat National Party, who seems to agree with us on this.

Finally, it does something incredible about the war chest that people can build up, the insurance policy, essentially roll over year to year. It actually discourages people from building up these war chests. That is anti-incumbent. I think there are two major purposes to campaign finance reform, cutting down on the special interests influences, first; and second, taking away the tremendous advantage that incumbents have, and that is precisely what this legislation does.

Again it is a tremendous first step, and I support it. I will say I would like to see a total PAC ban. I think we are not really going to get to the root of the problem in terms of special interests until we have a total ban. But at least we take 50 percent of the PAC money away.

More than half the money now in House elections is PAC money. It goes mostly to incumbents, of course. It is a problem in a system. We take it away, 50 percent of it away. That is a vast improvement of the current system.

I would urge my colleagues to support this legislation.

Mr. Chairman, I rise today in support of the Thomas bill, a bill that represents a good—and long overdue—first step in giving our elections back to the voters. The bill we are considering on the House floor today takes some very important steps toward reducing the advantages enjoyed by incumbents and the undue influence of special interests.

This bill bans leadership PAC's; eliminates bundling by PAC's and lobbyists; requires candidates to raise a majority of their campaign funds from their own district; and bans non-Federal money from Federal elections. These are all positive steps. I am also pleased that the Solomon amendment codifies the worker right-to-know provisions that were set forth in the recent U.S. Supreme Court decision in Beck. I also agree with the provisions of he new bill that would strengthen political parties. These measures will increase accountability to the voters and make elections a better representation of the people they serve.

Although this bill is a good first step, I am disappointed that it does not ban PAC's. The new bill keeps the individual limit a $1,000 and reduces the PAC limit to $2,500. Adjusting the contribution limits, in my view, is mere tinkering at the edges.

I believe that the only way to reduce both the advantages of incumbents and the undue influence of special interests is to ban Political Action Committees [PAC's].

In my view, it is wrong for corporations, labor unions, or trade associations to use money that would be an illegal contribution if made directly to the campaign for fundraising or administrative subsidies to their PAC's. I believe banning those subsidies or PAC's that receive those subsidies would clearly stand up to any constitutional test. At the very least, we should ban these so-called connected PAC's, which constitute a majority of PAC contributions.

Some have said that a ban on PAC's may be unconstitutional, citing the 1976 Supreme Court case Buckley versus Valeo, which upheld the Federal Election Campaign Act's limitations on contributions. Three points of clarification. First, the Court has never directly considered the issue of whether a PAC ban would be unconstitutional. In fact, there is helpful language in the opinion that says that limits on contributions are reasonable if they stem actual or apparent corruption. Second, there are other forms of association that are recognized under the Federal Election Campaign Act—for example, partnerships. If an individual gives money to a partnership, and the partnership in turn donates the money to candidates, that individual's contribution is attributed to the individual.

This is not the case with PAC contributions. Individuals can give to PAC's and that amount is not attributed back to them for purposes of their own contribution limits. In essence, I do not believe there is a constitutional right to give an enhanced contribution merely because one affiliates.

For these reasons and the obvious fact that the makeup of the Supreme Court has changed in the 19 years since the Buckley decision, I think it is not at all clear that a total ban on PAC's would be found unconstitutional.

We are all aware of the tremendous growth of PAC's, both in number—from 608 in 1974 to almost 4,000 in 1995—and in influence—PAC contributions now account for more than half of the money in the typical House race.

PAC's also contribute substantially to the advantages incumbents enjoy. According to the Federal Election Commission [FEC], in recent years more than 70 percent of PAC contributions have gone to incumbents. In my own State of Ohio, PAC's supported incumbents over challengers by a margin of 10 to 1 during the past election cycle.

Mr. Chairman, this is a good bill—and I commend Chairman THOMAS on his leadership—but it is just the first step. I hope the next phase of campaign finance reform will ban PAC's altogether—an important step that will make elections more competitive, more fair, and a better reflection of the wishes of our citizens.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Chairman, I ask my colleagues here on the floor to think about what is going on today, ask themselves what exactly is reform. Less money is certainly reform. More power to small contributors is certainly reform. Preventing rich people from buying public office is certainly reform. Eliminating soft money is certainly reform. Leveling the playing field is certainly reform. Limiting special influence in campaigns is special reform.

Let me tell my colleagues what the President says about this: He says,

> Unfortunately the Republican leadership in the House appears determined to block any legitimate reform. The Republican leadership's bill, unlike your own legislation, would drive campaign financing in the wrong direction. Your bill would control campaign spending. The Republican bill would encourage dramatic increases in spending. Your bill reforms the soft money system. The Republican bill would place a premium on soft money contributions from the very wealthy.

I would like, Mr. Chairman, to enter this letter in the RECORD:

THE WHITE HOUSE,
Washington, July 16, 1996.

Hon. SAM FARR,
House of Representatives,
Washington, DC.

DEAR SAM: I want to commend you for the leadership you have demonstrated on a matter of major concern to the American people—campaign finance reform. The legislation you introduced in the House of Representatives, HR 3505, embodies principles that I believe are key to real campaign finance reform—effective spending limits, soft money reform, PAC reform, and less costly access to our nation's airwaves for political discourse.

Your bill would reduce the influence of the special interests and the wealthy few in the outcome of congressional elections. In addition, HR 3505 would put a check on the out of control spending that plagues the current system.

Although the Senate's recent failure to act on a bipartisan campaign reform bill was a terrible disappointment to the American people, the fight for reform did not end with the Senate's vote. The House of Representatives now has the opportunity to enact real campaign finance reform.

Unfortunately, the Republican leadership in the House appears determined to block any legitimate reform. The Republican leadership's bill, unlike your own legislation, would drive campaign financing in the wrong direction. Your bill would control campaign spending; the Republican bill would encourage dramatic increases in spending. Your bill reforms the soft money system; the Republican bill would place a premium on soft money contributions from the very wealthy.

I remain committed to making true campaign finance reform a reality and look forward to working with you and other members of the House in a renewed effort to attain meaningful campaign finance reform.

Sincerely,

BILL.

Mr. Chairman, I reserve the balance of my time.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER], who has worked actively on that portion of the bill which empowers the rank-and-file in the labor union movement.

Mr. BALLENGER. Mr. Chairman, I want to talk about the ultimate in special interest money and soft money. Much has been written in the press about the partisan politics surrounding the issue of mandatory union dues. And to be sure, there is a political aspect to this issue as there is to virtually every issue we deal with here in Congress.

But, as the House considers the Worker Right to Know Act, which is included in this campaign finance reform bill, I believe it is important our colleagues understand that this issue involves a good deal more than partisan politics. It is not just about Democrats versus Republicans or labor versus management. And, it is not about union-bashing. When we get right down to it, this is an issue about basic fairness.

For instance, is it fair that any union member should automatically have money deducted from his or her paycheck to pay for political candidates or causes with which they do not agree? Is it fair that a union member should have to battle his or her union in order to object to the union's spending of dues for political purposes? And, if he or she does object, is it fair that a union member be subjected to harassment from the union, or worse, the threat of losing his or her job? And, finally, is it fair that a union member should have to resign from his or her union and give up all rights to participate in important workplace matters, simply because he or she does not agree with union politics? I certainly do not think so, Mr. Chairman, and I would hope and expect that our colleagues on both sides of the aisle would feel the same way.

The fact is that many unions are spending their members' dues on social and political causes that are not supported by the rank and file. Moreover, a number of hurdles are placed in front of employees who want to object to such expenditures. The Worker Right to Know Act would simply require unions ask their members for permission before spending their dues on those social or political causes. Is this too much to ask?

So, as we debate this issue, Mr. Chairman, we must take care that it does not get totally lost in the rancor of partisan politics. We must not lose sight of the fact that it is an issue affecting the wages of working men and women, and that more than anything else, it is an issue of basic fairness.

The Worker Right to Know Act would accord American workers with this basic right and I urge my colleagues to support this bill.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. ESHOO].

Ms. ESHOO. Mr. Chairman, I rise today in opposition to the campaign finance legislation being offered by the Republican leadership and in favor of the American Political Reform Act introduced by the gentleman from California [Mr. FARR].

Americans across the political spectrum have raised their voices in favor of real campaign finance reform, and I want to underscore that word, real campaign finance reform, and every major reform organization in America has spoken out against this Republican bill. Yet the Republican leadership is offering legislation that would actually turn the hands of the clock back on reform by restoring big money abuses that made Watergate a household word.

The Republican leadership bill imposes no spending limits on campaigns, increases the amount of money individuals can give to candidates, and opens the door to bigger and bigger contributions to parties, PAC's and politicians.

This is not reform. It only has a rubber stamp that someone found that stamped the page "reform." It is not reform.

I urge my colleagues to vote for the best and the only campaign finance reform bill being offered today, the American Political Reform Act, and I hope all my colleagues will on a bipartisan basis so we can prove to the American people that we can move along and reform the system.

Mr. FAZIO of California. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, the gentleman from Ohio [Mr. PORTMAN] pointed out that the chairman of the Democratic National Committee had urged that there be no limit on what a campaign committee could give to a candidate and that was originally the position of Mr. Barbour, and until the bill was amended here on the floor today, that was the position of the majority.

I think cooler heads on the Republican side have now prevailed and an amendment providing new limits is now in place as the American people would want them to be, and in case there is any confusion about where the gentleman from South Carolina, Mr. Fowler, is on this issue, I would now like to include for the RECORD a stinging critique of this legislation:

DEMOCRATIC NATIONAL COMMITTEE,
Washington, DC, July 23, 1996.

Hon. VIC FAZIO,
Ranking Minority Member, Committee on House Oversight, Longworth HOB, Washington, DC.

DEAR CONGRESSMAN FAZIO: I am writing to protest in the strongest possible terms the misuse, by Congressman Bill Thomas, of excerpts from my testimony before the Committee on House Oversight last December. To suggest that I in any way endorse any element of the Gingrich/House Republicans' campaign finance reform bill (H.R. 3760) is a false, deliberate attempt to mislead and confuse the debate.

As I stated in my testimony before the Committee, and again before the Senate Rules Committee on April 17, 1996, there are some principles that I believe should guide the Congress in formulating campaign finance reform legislation. As the President has articulated, real campaign finance reform must limit campaign spending; restrict the role of special interests; open up the airwaves to qualifying candidates; and ban the use of soft money in federal campaigns.

The Gingrich/Republican bill utterly fails to meet any of these requirements. To the contrary, it would clearly make the problem far worse. the Gingrich/Republican bill would—

Do nothing whatsoever to cap or reduce total campaign spending.

Increase the role of special interests, by allowing wealthy individuals to contribute more than ten times the current limit to federal campaigns and the federal accounts of political parties in a single cycle. Indeed, under the Gingrich bill, a single individual could contribute more than $3.1 million to all campaigns and parties, in a single election cycle.

Do nothing whatever to increase access of candidates to the airwaves.

Allow political party committees to continue to receive unlimited soft money.

In that connection, Congressman Thomas's #4 "Dear Colleague" represents a particularly twisted distortion. I certainly support some expansion of the grassroots volunteer activities, but that has absolutely nothing to do with continuing to allow soft money—which we oppose and have consistently opposed.

Under current law, to the extent these grassroots activities benefit federal candidates, they must be paid for with federally-permissible funds (hard money). It has been our consistent position, as I stated in my testimony both before the Committee on House Oversight and the Senate Rules Committee, that real reform requires that both generic and mixed activity—in other words, any activity benefitting a federal candidate—be paid for entirely with federally-permissible funds ("hard money"). That would be the case both under the McCain-Feingold bill and the House Democratic bill.

By limiting the influence of special interest groups, the McCain-Feingold and House Democratic bills would increase the relative importance of the political parties in our system. Further, with spending caps imposed on candidates, candidates would require less total contributions than they do now, and more federally permissible funds would be freed to be contributed to the parties. Party resources spent on candidates—both under the section 441a(d) limits and the volunteer grassroots activities—would represent a greater portion of the candidates' total resources. Thus parties would become more significant players in our system.

By contrast, under the Gingrich/Republican bill, total contributions by wealthy individuals to campaigns would increase by enormous amounts, while the amounts parties could contribute to or expend on behalf of candidates would not increase by nearly the same proportion. Thus parties would play a less significant role, under the Gingrich/Republican bill.

Finally, Congressman Thomas has completely distorted the position of the DNC in its amicus brief filed with the U.S. Supreme Court in the Colorado Republican case. Under current law, a membership organization's communication with the public is subject to the federal campaign finance law only when it "expressly advocates" the election or defeat of a candidate, and we believe that standard should apply in determining when expenditure limits apply to the communications of political parties. The question is the definition of "express advocacy." In our brief filed with the U.S. Court of Appeals for the Fourth Circuit in the Christian Action Network case, the DNC urged the Court to reject the definition adopted by the House Republicans and instead adopt the broader definition used by the Federal Election Commission.

In short, there should be no confusion about the fact that the Gingrich/Republican bill is a sham which would make the current system much worse. By no meaningful measure can this bill be called "reform." It goes without saying that nothing I have ever said can or should be construed as an endorsement of any part of this bill. We urge the Congress of the United States to reject the Gingrich/Republican bill.

Sincerely yours,

DONALD L. FOWLER,
National Chairman.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds.

In addition to the statement in front of the committee by the chairman of the Democratic National Committee about having no limits, which we finally decided was not as wise as we thought it was initially, this is another quote. He said on December 12 in front of the committee: "I do believe that the contributions from individuals should be increased. If you asked me for a number, I would say $2,500."

We thought that perhaps was an appropriate suggestion, as well. When we then began listening to the kind of outrageous statements made by people that we were enabling fat cats, we decided not to listen to the Democratic National chairman, and keep it at $1,000.

And so it is interesting the kind of quotes the Democratic National Committee chairman actually believed when it was not rhetoric.

Mr. FAZIO of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from Michigan [Ms. RIVERS].

Ms. RIVERS. Mr. Chairman, well, welcome to reform week; where is it? Instead of a week, we are going to have 120 minutes of reform and, as a freshman who has worked very hard with others and on my own to introduce several bills that would deal with reform, I am quite disappointed. I took the time to testify to the Committee on Rules last week on several bills that would save money, establish accountability, reestablish trust between Congress and the American people, the bills that dealt with PAC checks on the floor, adding sunshine to our campaign reporting procedures, and what has happened? Nothing. No action.

Today, as we consider the issue of campaign finance reform, the majority bill provides more of the same, no action. For limits we find that instead of the truly egregious bill that we saw last week, now we are just going to double the individuals' ability to put money into the system.

Where is the accountability? Well, none that I can see. Soft money will still be a huge part of how we finance campaigns in this country.

Will we put less power in parties as many people in this country want? No; not at all. In fact, parties will probably see more money, the same sort of soft money that they have used up until now, and under the newest court rulings probably the ability to spend as much as they want in any race in the country.

And what will happen to ordinary people? The wealthy can now double their investment. Ordinary people, people like bricklayers, nurses, flight attendants who participate as a group through PAC organizations will see their influence cut in half under this bill. They will become spectators in a game where only the wealthy and the powerful may play.

The Farr amendment is a good bill, and I support it. It provides for real accountability by eliminating soft money, real limits on spending and donations and a real balance between the rich and poor, the powerful and the ordinary.

This is what normal, every day people in this country want, accountability, limits, balance. Please support the Farr substitute. It is a far, far better bill.

Mr. THOMAS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. EHLERS], vice chairman of the Committee on House Oversight, someone who has spent numerous hours working with us to perfect the bill we have today.

Mr. EHLERS. Mr. Chairman, the previous speaker referred to reform and the need for reform. I simply want to quickly point to the chart we have before us here showing that this truly is the reform Congress. Start with the very first day of this Congress and look at the many reforms we have instituted. I simply do not have time to go through all of them, but I ask you go down the list of all the reforms that we have made during this session of Congress, and note it is a truly remarkable record.

☐ 1415

You see, at the very top of the chart, campaign finance reform. This is our attempt to fulfill another one of the promises we made to the American people when we were elected.

Mr. Chairman, I think it is very important to recognize that this is truly a reform bill. There have been a lot of negative comments made, but they missed the mark. I have served at the local government level, I have served at the State level, I have served at the national level. In my experience, the key point is to trust the American people to do the right thing but give them the information they need to make a good decision. That is precisely what this bill does.

As a friend of mine said to me a few weeks ago when I was talking to him about the problems we are facing with campaign finance reform, and this is someone who is not involved in politics, but he said, "I have looked at this issue for a long time. I believe the simple answer is no cash, and full disclosure."

This bill certainly meets his requirement, because it does provide, for the first time, full disclosure of all the money that candidates and parties get and all the money that interest groups spend on elections. I think that is a very important factor: No cash, full disclosure.

But we go beyond that. We maintain many of the contribution limits, and I think that is extremely important. But it is also important to recognize that we are in this bill empowering individuals, and we are empowering political parties, to be important players in the political process.

Mr. Chairman, it is very important for us to recognize that, in modern-day America, advertising is the name of the game. General Motors spends more than $250 in advertising for every automobile they sell. We as candidates have to present ourselves to the American public. We have to give them information about ourselves and about the issues. We cannot do it without spending money on advertising. Advertising is very expensive.

In my case a full page ad in my hometown newspaper, and it is not a large city, is $2,500 for a full page ad and it costs approximately $1,500 to $3,000 for 30 seconds on TV, and they tell me that this is cheaper than many major TV markets. We have to get the message out. It costs money to get the message out.

If we add together all the money spent on political campaigns in this Nation, State, local, and national, add it all together, it is millions of dollars; but let me tell the Members, it is less than one-third of the amount of money that this Nation spends on advertising antacids.

I ask the Members, what is more important, to give the voters information about candidates and issues, or to give them information about antacids?

I believe in this bill we have put together a good package which allows us to get the information out to the American public about candidates and about issues. It does it responsibly, it does it with full disclosure, and it does a much better job of governing campaign finance than the law we have right now.

A few interest groups oppose it, but they are themselves misleading the public on some of these issues. I think it is to their shame that they are doing this. I urge support of this bill, and I urge passage of this bill.

Mr. FAZIO of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I hate to quibble with my friend, the gentleman from Michigan, but this bill does not adequately report on what third parties are putting into the political process. That is something we can improve in the motion to recommit.

Mr. Chairman, I yield the balance of my time to the gentleman from Connecticut [Mr. GEJDENSON], a member of our committee and a long-time advocate of campaign finance reform.

The CHAIRMAN. The gentleman from Connecticut [Mr. GEJDENSON] is recognized for 3¾ minutes.

Mr. GEJDENSON. Mr. Chairman, there are lots of things to debate about in campaign finance reform, but one of them is not the proposal put forth by the gentleman from California [Mr. THOMAS] today. It is clearly somewhat better than his original proposal, but it is still a bad bill; it is universally viewed as a bad bill, a bill that goes in the wrong direction, that deals with the wrong issues.

Many of those outside this political institution have described the Thomas bill as the wrong direction, a fraud, and a sham. Why? The answer is very simple: To believe that the Thomas bill is the solution to our problems in campaign financing, you would have to believe that wealthy people do not have enough influence, that poor people and working people have too much influence in this institution, and there just is not enough money in politics today.

Mr. Chairman, I am not sure where members could get that idea, but let me tell the Members something, it is a concept that the American people and most observers recognize is ridiculous. We have too much money in politics, we spend too much time raising that money, and what we have before us is a proposition that would give wealthy and powerful individuals more access to the political process and exclude poor and working people more than ever before.

We take categories of money where there used to be limits, and the Thomas bill says there are no limits for wealthy people to give. If that is not bad enough, they found a way to hide the source of the money. We are going to take politically incorrect corporations, they will give the money to the parties, and then the parties cangive the money to the candidates. So candidates can get up and posture for welfare reform, for economic reform, for the environment, for senior citizens, and take all the contributions they can get, washed through the political parties, with no identification as to where it came from.

Yes, there will be a list of who gave to the Republican Party, but it will not reflect on the individuals. One of the only good things about today's system is at least you know where the money comes from. Under the Thomas proposal you do not know where the money comes from.

Again, listen to the fundamental proposition, Speaker GINGRICH apparently enunciated it: There is not enough money in politics today. For God's sakes, if there is one thing a third-grader would know is we all spend too much time raising money, we spend too much money, and it does not help the political debate. We need to find a way to control spending. Is the Farr bill perfect? No. The Gejdenson bill was not perfect, either. I am not sure we could come up with a perfect bill.

But I can tell the Members something, this bill is dead wrong. It goes in the wrong direction, it gives rich people more power, it cuts off working people, it cuts off poor people. For God's sakes, think about this concept. We are going to call this legislation reform, and then we are going to make it easier for a handful of millionaires to control the political process.

In three categories there are no limits to the contributions. How can we come here today, after all their talk about reform, and come up with a bill that does nothing about a spending limit, that does nothing about independent expenditures? I think those on the outside who called this bill a fraud were too kind. This bill is a blatant misrepresentation of what we need, and it is a clear attempt to deprive one group of people in this country from political participation and empower the wealthiest, most influential people in the country. It was clearer in the original Thomas bill. In the original Thomas bill an average family could give $2.4 million. Ridiculous. Vote down the Thomas bill, vote for the Farr bill.

Mr. THOMAS. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I do not have the time to correct all of the dollar errors on the gentleman's chart, and I would also tell him that all of the volume in the world does not make his statement so. We have more disclosure, not less. We have tighter rules on independent expenditures, not less.

This whole debate is about the role and use of government. Democrats, true to form, want to use government to control. They want to limit. They want to have a one-size-fits-all Washington-imposed dollar amount.

The problem is, they have no limits at all, unless people voluntarily give up their constitutional rights as defined by the court. We say, let us use government to empower individuals. Let us let the people back home who are subjected to all of this determine how much should be spent in a campaign.

That is truly a frightening concept to the people across the aisle. They would have to go back home and justify what they are doing to the people in the district without their Washington power base, without their New York fundraisers, without their Hollywood extravaganzas. Let us empower the people back home. That is what we do. That is what is really revolutionary about the approach that we are taking. I would ask for an "aye" vote on the basic bill.

Mrs. ROUKEMA. Mr. Chairman, when the final chapters of the history of this Congress are written, we will have achieved many significant accomplishements. First and foremost, we have finally turned the corner on our fiscal crisis by enacting record-breaking levels of deficit reduction. In addition, we have modernized our telecommunications laws, revolutionized agricultural subsidies, and implemented badly-needed reforms in our 40-year-old lobbying laws.

And, if we all do our jobs between now and October, we will fundamentally change our out-of-control welfare system, gain control of our borders through tough immigration reform, allow working American families greater access to health insurance, and modernized our financial services laws.

Mr. Chairman, I rise today to address what should be a centerpiece of this reform Congress, but won't be—real reform of our campaign finance reform system.

Clearly, it's a system that is out of control. Campaign costs are skyrocketing. Candidates, incumbents, and challengers alike, find themselves devoting more time and more energy to fundraising. The reach and influence of political action committees continue to grow. As a result, the financial chasm between incumbent and challenger continues to widen.

Gone forever seem to be the days when a congressional challenger can run a campaign on a shoestring and defeat an entrenched incumbent, as I did through the 1978 and 1980 cycles.

All of this creates an impression in the public's mind that Members of Congress are being bought and sold by special interests with little opportunity for the average taxpaying citizen to have a real say in the process.

Let's consider the costs. Twenty years ago, the combined costs of all elections in the United States of America stood at just over $500 million. In 1992, that total exceeded $3 billion. That's three times the increase in the cost of living during that same period. In 1994, the average cost of winning a House campaign, including the many uncontested races, was more than $500,000.

The trend to these big money campaigns is terribly corrosive—and, I might add, self-perpetuating.

In the first place, candidates, including sitting Members of Congress, find themselves devoting increasing amounts of time and energy to raising money. Of course, this is time taken away from legislative or other important duties.

Which leads me directly to my second conclusion: that big money campaigns are self-perpetuating. It is a fact of political life that it is far easier for sitting Members to raise money than it is for their challengers.

I know. I've been there.

In 1978, I first ran against incumbent Representative Andrew Maguire. The money was very difficult to come by. In contrast, the Congressman was supported widely by major corporations, PAC's, and other powerful concerns.

My case was by no means unique. Today's incumbents typically have a 2-to-1 funding advantage over their challengers. A major factor in this ratio is that nearly three-quarters of PAC money goes to sitting Members—71 percent in 1994. Consider that an incumbent is typically well-known while the challenger has the difficulty of building name recognition—usually through expensive broadcast advertising—and the disparity is exaggerated. This makes a challenger's uphill battle nearly impossible.

Ironically, PAC's were once seen as a good government reform—a way for individuals who lacked power and money to band together and make their voices heard. Today, however, many PAC's are nothing more than tools of special interests and organizations that always had power and money. PAC's simply make it easier for these companies and groups to wield their considerable influence.

So the problem is well-known and, I submit, so is the solution.

Mr. Chairman, today we should be debating the bipartisan Clean Congress Act, introduced by my colleagues LINDA SMITH, CHRIS SHAYS, and MARTY MEEHAN in the House and JOHN MCCAIN and RUSS FEINGOLD in the Senate.

The bipartisan Clean Congress Act seeks to level the playing field between sitting Members and congressional challengers in a number of important areas. The bill would offer reduced rates for radio and TV commercials who agree to campaign spending limits. The bill would also prohibit PAC contributions to congressional candidates and requires that at least 60 percent of a House candidate's contributions come from the candidate's home State. Limits on lobbyists' campaign contributions would be lowered and a number of tougher important restrictions would be imposed.

Instead, we find ourselves debating two measures—neither of which is worthy of the title genuine reform.

Fundamentally, the Thomas bill will inject more money into the political system, not less, and perpetuates and expands all the corrosive effects of soft money.

The Democrat substitute also pales in comparison to our bipartisan bill. For example, it tinkers around the edges of PAC activity by trimming a mere $2,000 from the amount a PAC can contribute to a candidate.

Mr. Chairman, both of these bill are fundamentally flawed. In fact, enactment of either of these bills would do more to lock in some of the worst aspects of our campaign finance system.

Bad reform is worse than no reform. We should reject both the substitute and the base bill and start all over again. I recognize that this will not happen this year. I regret we will not be able to claim campaign finance reform on the list of accomplishments of this Congress.

If we cannot accomplish genuine reform then let's make this an issue we take to the people this election year.

Mr. POSHARD. Mr. Chairman, I rise in opposition to both the Republican campaign finance reform plan and the Farr substitute. These two proposals do not represent real reform—instead they mask the very problems that I and many of my colleagues on both sides of the aisle believe need to be addressed if we are to truly combat the influence of money in politics.

The Republican bill opens a new avenue for political parties to spend unlimited amounts of soft money on communications with their members. It is believed by many that this provision would simply codify unlimited privately funded campaigning. Additionally, both the Republican bill and the Farr substitute increase, instead of reduce, the annual aggregated contribution limit. This has the effect of giving additional buying power to the very wealthiest Americans.

Neither bill eliminates political action committee contributions, one of the biggest problems plaguing our national campaign system. Because I saw first-hand the influence of PAC money when first arrived in Washington, I have voluntarily refused PAC donations and rely instead on small, individual donors.

Because I believe drastic reforms are necessary to fix the current inequities, I am a cosponsor of the Bipartisan Clean Congress Act, a bill which eliminates PAC contributions, bans franked—taxpayer financed—mass mailings in election years, and sets voluntary spending limits with benefits of TV, radio, and postage rate discounts for those who comply with the limits. Neither of the reform bills before us today begin to meet the goals of the Clean Congress Act. While I understand there are also some concerns by an array of groups about the scope of the act, it is by far the best foundation in which to begin debating real campaign finance reform. Unfortunately, the Clean Congress Act was not allowed to come to the floor today.

We are not debating campaign finance reform today because of the House leadership's commitment to passing campaign finance reform that will dramatically change the influence on money in politics. Instead, we are here today giving Americans a false impression that a majority of Congress supports true reforms—unfortunately this is not the case. If the House was truly serious about campaign finance reform, we should be considering many of the reforms contained in the Clean Congress Act.

Mr. BLUMENAUER. Mr. Chairman, I rise in favor of passage of the substitute measure. The gentleman from California has proposed a bill that takes an important step in the direction of limiting the amount of money in Federal election campaigns. In so doing, this Democratic alternative goes in the opposite direction of H.R. 3820, which dramatically increases nearly every existing campaign contribution limit, and imposes no limit on spending.

Mr. Speaker, it is a mystery to me why the subject of campaign finance reform is one that continues to divide this House along partisan lines. There is a fundamental congruence of interest on this issue between our constituents, who want to reduce the influence of large amounts of money on elections, and the members of this body, who must raise these enormous sums. It is demanding difficult, and demeaning to spend so much time in the pursuit of money instead of discussing and debating the issues during a campaign.

The substitute measure would, for the first time, place a spending limit on candidates for Congress, with rewards for those who honor the limits and penalties for those who do not. The limit is generous—I would favor a more restrictive limitation—but it is a start, and it includes within it further limitations on expenditures of PAC contributions and large-donor contributions, ensuring that every candidate must turn to individuals of modest means for support.

I sincerely hope my colleagues on both sides of the aisle will join in adopting these limits. I hope, too, that we will view the substitute bill as a good first step, and return to this subject again, soon.

Mr. KANJORSKI. Mr. Chairman, I first introduced legislation to overhaul our system of campaign financing 6 years ago, in 1990. I introduced my bill, because I believed then, as I believe today, that our current system of financing campaigns is broke and needs fixing. I introduced my bill, H.R. 296, the House of Representatives Election Campaign Reform Act of 1995, after lengthy consultation with Members on both sides of the aisle, with eminent academic experts on campaign finance reform, and with my constituents.

Although the campaign finance reform bills considered by the House in the 102d and 103d Congresses contained only some of the provisions of my bill, I voted for the bills which came before the House in both the 102d and 103d Congresses because I believed they made significant steps in the right direction. Unfortunately, in the 102d Congress the bill was vetoed by President Bush, and in 103d Congress Senate Republicans blocked efforts to go to conference on this important legislation, and as a result neither bill became law.

Last year, in Claremont, NH, President Clinton and Speaker GINGRICH made a public commitment to embark on a bipartisan effort to pass campaign finance reform legislation. While President Clinton subsequently submitted campaign finance reform legislation to the Congress, Speaker GINGRICH effectively reneged on his commitment and no bipartisan reform commission was ever established.

Instead, what we have today, is two separate, partisan proposals, one developed by Speaker GINGRICH and House Republicans, and the other by the House Democratic leadership. Unfortunately, because both bills were drawn up by partisans, they are both seriously flawed. Instead of trying to level the playing field for incumbents and challengers alike, for Democrats and Republicans, and for wealthy candidates and poor candidates, each bill seeks to achieve an advantage for one side or another. As a result, both bills are fatally flawed, and deserve to be rejected.

The Republican bill, H.R. 3820, which was previously, H.R. 3760, is fatally flawed because it does nothing to control the overall cost of elections, because it substantially increases the amount that individuals can contribute to candidates and parties, because it creates an enormous loophole which allows rich individuals and corporate PAC's to funnel tens of thousands, if not hundreds of thousands, of dollars to candidates through State and national parties, and because it severely restricts the ability of average working people to contribute a dollar or two every pay period to candidates.

The Democratic bill, H.R. 3505, is also fatally flawed because it restricts the rights of groups to communicate to their members how House and Senate Members voted on issues they are interested in. It also contains an inappropriate loophole in the provision which otherwise prohibits the bundling of campaign contributions, effectively allowing bundling by a few favored groups.

I deeply regret that the Republican leadership has brought these campaign finance proposals to the floor under a rule which prohibits Members from offering amendments to improve either of them. This is nothing more than an attempt to appear to be for reform, knowing full well that neither bill will become law. Instead, the existing status quo, which is fatally flawed, will be maintained.

We cannot restore the confidence of the American people in their government unless we enact campaign finance reform legislation, but we cannot achieve this goal in a partisan manner. In order to have a government in Abraham Lincoln's words, "of the people, by the people, and for the people," we must eliminate the pernicious effect of enormous sums of money on our political system. That is the premise of my proposal, H.R. 296, which I believe is fair and balanced to both parties, to incumbents and challengers, and to rich and poor candidates alike.

If neither the Democratic nor the Republican proposal before us is fair, what should we do to prevent the U.S. Congress from becoming the "Millionaires' March on Washington"?

There are two overriding concerns which should guide our actions in this area: First, public officials must be more concerned with the policy implications of legislation, than on their ability to raise campaign funds, and second, no individual or group should be able to buy an election.

Mr. Chairman, I come to this issue from a somewhat unique perspective. I am one of a relatively small number of members who grew up in one party, and later became a member of the other party. I was raised as a Republican and served in the 83d Congress as a Republican page, and I worked on several Presidential, gubernatorial, congressional, and State and local Republican campaigns in the 1950's and early 1960's. As the Republican Party moved to the extreme right in the mid 1960's and deserted those of us in the moderate Rockefeller-Scranton wing of the party, I became a Democrat, and was elected to Congress as a Democrat in 1984.

My election in 1984 was also an unusual event. I defeated an incumbent Congressman in a primary, a rare occurrence, and I was one of a mere handful of new Democrats elected to the House during the 1984 Reagan landslide.

Before I was even sworn-in for my first term in January 1985, my 1986 opponent was campaigning and raising hundreds of thousands of dollars in campaign contributions. In the 1986 campaign I was outspent nearly two-to-one by an opponent who raised and spent well over a million dollars in a district where media is relatively inexpensive and where no one had ever spent more than a couple of hundred thousand dollars in a campaign. My race turned out to be one of the two or three most expensive races in the country in 1986. Despite being massively outspent, I still managed to win with more than 70 percent of the vote.

In short, Mr. Chairman, I know what it is like to be an underdog. I know what it is like to be outspent. I know how hard it is for challengers to raise campaign funds, and I know how unfair it is when one candidate has economic resources which are not available to his opponent.

My bill, H.R. 296, the House of Representatives Election Campaign Reform Act of 1995, is an effort to bridge the gap between the parties over campaign finance reform, by enacting meaningful, but fair and balanced, reforms. It encourages honest competition and will help to further the goal of a government, "of the people, by the people, and for the people."

This comprehensive campaign finance reform bill addresses all of the most pressing issues in campaign finance reform: from the growth of political action committees [PAC's] and the declining influence of small contributions from individuals, to independent expenditures, the unfair advantages of candidates who are personally wealthy, and PAC's controlled by elected officials.

H.R. 296 also contains stiff criminal penalties for individuals who violate federal election laws.

Many of the provisions contained in this legislation are based on proposals originally recommended by Dr. Norman J. Ornstein, of the American Enterprise Institute for Public Policy Research. Dr. Ornstein is a nationally known as well respected scholar of the American political and constitutional systems. He is held in high regard by members of both parties, which is why his ideas may help us move beyond our past partisan differences.

The cornerstone of H.R. 296 is the significant reduction in the amount of money political action committees [PAC's] many contribute to candidates and the strong new incentives provided to encourage small contributions from instate contributors. The bill slashes the maximum contribution a PAC can make to a candidate from the current $5,000 to no more than $2,000 per election cycle. That is a 60 percent reduction.

The bill provides both a tax credit and a Federal matching payment for individual contributions of $200 or less to qualify candidates who are running for Congress in the contributor's home State.

In order to qualify for matching funds, a candidate must agree not to spend more than $100,000 of his own money on the campaign, and must raise at least $25,000 in contributions of $200 or less from instate residents. A voluntary income tax checkoff, similar to the one already used to finance Presidential elections, is created to provide the Federal matching funds.

The bill also provides reduced broadcast rates for commercials which are at least 1 minute long, thus discouraging 30-second sound bite commercials. It provides disincentives to discourage so-called independent expenditures, and it penalizes candidates who spend large sums of their personal money on their campaigns.

Mr. Chairman, I know there may be a tendency on the part of some to blame all the ills of our current system on political action committees. They are convenient scapegoats, but they are nowhere near as responsible for our current problems as the disparity in resources between incumbents and challengers, and the amount of money which must be raised and spent in many races just to be competitive. The elections of 1994 demonstrate dramatically that all the PAC money in the world cannot save a candidate if the public does not agree with his message.

We must also remember that PAC's were created in the early 1970's as part of a reform to cure what was then an even larger problem, the fact that special interest groups could give virtually unlimited sums of money without anyone knowing who was making the contribution. PAC's were created to increase disclosure and accountability, so that everyone would know where campaign funds were coming from. In this respect they have succeeded and have increased both disclosure and accountability. Sunshine and full disclosure are the most important tools we can provide voters so that they can make informed choices.

Some people contend that if we simply do away with PAC's all of our campaign finance problems will disappear. That just is not true. It is a simplistic view of the world. It does not take into account the advantages that wealthy candidates have over candidates of modest means. It will not make an average citizen a competitive candidate. The sad truth, Mr.

Chairman, is that even through PAC limits have not changed in 20 years, and have thus declined in real terms, campaign expenditures have continued to escalate, and expenditures which were extraordinary as recently as 1986, are nearly commonplace today.

That is why I also believe we need a constitutional amendment to allow us to set absolute limits on campaign expenditures and contributions.

Changes in Federal law relating to PAC's are necessary, but alone they are not sufficient to reform our campaign finance system. PAC reform without more comprehensive financing reform will not work. It would deal with the symptom, but not the underlying disease, which would eventually re-emerge and kill the patient.

In conclusion, Mr. Chairman, I would like to include in the RECORD, a full section-by-section analysis of my bill, H.R. 296, a comprehensive solution to our campaign finance problems which is much fairer to both parties and to challengers and incumbents alike, than any of the proposals we will consider today.

SECTION-BY-SECTION ANALYSIS OF HON. PAUL KANJORSKI'S HOUSE OF REPRESENTATIVES ELECTION CAMPAIGN REFORM ACT OF 1995 H.R. 296

SECTION 1. SHORT TITLE

The Act may be cited as the "House of Representatives Election Campaign Reform Act of 1995".

SECTION 2. LIMITATION ON CONTRIBUTING TO HOUSE OF REPRESENTATIVES CANDIDATES BY POLITICAL ACTION COMMITTEES

Reduces from $5,000 to $2,000 the maximum contribution a political action committee may make to a candidate per election.

SECTION 3. CREDIT FOR CONTRIBUTIONS TO CONGRESSIONAL CAMPAIGNS

Provides a 100% tax credit for the first $200 (or $400 in the case of a joint tax return) in personal contributions an individual makes to a House candidate running from the same state.

SECTION 4. DESIGNATION OF INCOME TAX PAYMENTS TO THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

Provides for a $2 tax credit check-off on individual federal tax returns to be paid to the "House of Representatives Campaign Trust Fund."

SECTION 5. ESTABLISHMENT OF THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

Creates a House of Representatives Campaign Trust Fund under the Secretary of the Treasury to receive funds derived from the $2 check-off on individual tax returns and authorizes expenditures from the trust fund to certified candidates who have raised not less than $25,000 in contributions of $200 or less from individual contributors from their states.

SECTION 6. AMENDMENT TO THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 RELATING TO REPORTING OF INDIVIDUAL RESIDENT CONTRIBUTIONS IN ELECTIONS FOR THE OFFICE OF REPRESENTATIVE

Requires House candidates to report to the FEC when they have raised more than $25,000 in contributions of $200 or less from individuals residing in their states and requires the FEC to certify this to the Secretary of the Treasury.

SECTION 7. AMENDMENT TO THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 RELATING TO MATCHING PAYMENTS FROM THE HOUSE OF REPRESENTATIVES CAMPAIGN TRUST FUND

(a) Entitles House candidates to matching funds from the trust fund for the first $200 in contributions from individuals who reside in the state.

(b) Limits maximum total aggregate matching payments to $300,000.

(c) In order to receive the matching payments, House candidates are required to certify, under penalty of perjury, that neither they, nor their family, shall furnish more than $100,000 in personal funds or loans for the campaign.

Establishes penalties of up to $25,000 in fines and/or 5 years in prison for violations of any certifications that a candidate will not exceed $100,000 in personal funds.

(d) Provides that if a candidate for the House refuses to make a certification that he/she will not spend over $100,000 in personal funds, that candidate's opponents may receive matching funds for up to $1,000 in contributions from individuals regardless of their state of residence.

(e) Allows opponents of a House candidate, who violates a certification to limit personal spending to $100,000, to receive from the trust fund payments equal to the amount of personal funds contributed by the violating candidate in excess of $100,000.

(f) Permits certified House candidates who are the target of independent expenditures which exceed $10,000 to receive from the trust fund an amount equal to 300% of the amount of the independent expenditure. Persons found to have willfully or intentionally sought to subvert the intent of subsection may be fined up to $25,000 and/or imprisoned for up to 5 years.

(g) Requires the repayment to the trust fund of a portion of any excess campaign funds after the election in an amount equal to the pro rata share that trust fund payments accounted for of the candidate's total aggregated receipts from all sources for the election. Repayments to the trust fund shall not exceed the total amount received from the trust fund.

(h) Requires the FEC to issue regulations to biennially index the provisions of subsection (a).

SECTION 8. AMENDMENTS TO SECTION 304 OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971 WITH RESPECT TO INDEPENDENT EXPENDITURES

Requires the reporting to the FEC, within 24 hours, of any independent expenditure in a House race which exceed $10,000, and a statement as to which candidate the independent expenditures are intended to help or hurt. Requires the FEC to notify each candidate of the independent expenditures within 24 hours.

SECTION 9. AMENDMENT RELATING TO BROADCAST MEDIA RATES AND DISCLOSURES

(a) Requires broadcast stations to offer their lowest rates, to House qualifying candidates who have agreed to limit personal spending to $100,000, for commercials which are 1 to 5 minutes in length.

(b) Requires the inclusion of the statement "This candidate has not agreed to abide by the spending limits for this Congressional election campaign set forth in the Federal Election Campaign Act" in any broadcast or print advertisements of House candidate who refuse to agree to limit personal spending to $100,000.

SECTION 10. PENALTIES

Makes it unlawful to furnish false information to, or to withhold information from, the FEC, punishable by up to $10,000 in fines and/or up to 5 years in prison.

SECTION 11. RESTRICTIONS ON CONTROL OF CERTAIN TYPES OF POLITICAL COMMITTEES BY CANDIDATES

Prohibits House candidates from establishing, maintaining, or controlling a political committee other than an authorized committee of the candidate.

SECTION 12. AUTHORIZATION OF APPROPRIATIONS

Authorizes such sums as are necessary to carry out the Act.

SECTION 13. EFFECTIVE DATE

Provides for the provisions of the Act to take effect after December 31, 1994.

SECTION 14. SEVERABILITY

If any provision of the Act is held to be invalid, this will not affect the other provisions of the Act.

Ms. HARMAN. Mr. Chairman, I rise to express my support for campaign finance reform and my disappointment that, once again, partisanship has colored this debate—to the disadvantage of the American people and our political system.

It's a shame that campaign finance reform—reform supported by an overwhelming majority of the American people—is being portrayed today as a partisan fight.

In fact, campaign finance reform is not partisan—and if the process by which we are considering amendments had been open, we could have proved it. Unfortunately, we are prevented from offering amendments, prevented from considering the Smith-Meehan-Shays bill, and prevented from making improvements to both of the alternatives brought before us.

Mr. Chairman, in my view, limiting campaign expenditures is not partisan. Limiting the influence of special interests, limiting a candidate's ability to self-finance a campaign, and limiting soft money are not partisan positions. They are sensible improvements designed to restore credibility and integrity to our campaign financing system.

Yet we are forced to choose between two competing bills in an environment highly charged by partisanship and acrimony. Once again, the leadership's efforts to drive wedges between the Members of this body will prevent us from securing the best result for the American people and for the American political process.

While I want to commend BILL THOMAS for including in the House leadership bill several significant reforms, specifically the aggregate contribution limit on individuals, PAC's and parties, the Thomas bill is far too timid of the choices available. I choose the Farr substitute.

Though not perfect, the Farr substitute contains far more of the kinds of reforms that I think are necessary.

The Farr substitute establishes an overall voluntary spending limit of $600,000 on congressional campaigns. In exchange for adhering to voluntary limits, it provides candidates with discounted broadcast and mail rates.

The substitute limits contributions from PAC's and eliminates leadership PAC's altogether. It also limits the amount large donors can contribute. And, most important, it limits the amount individuals can contribute or loan to their own campaigns. In contrast, the Thomas bill only takes off restrictions if an individual self-finances above a certain dollar threshold.

Another important reform which the Farr substitute makes is a clear definition of what constitutes an independent expenditure.

It is my hope that the Farr substitute will marshal majority support in this Chamber. If it does not, public cynicism about Congress and the electoral process are likely to increase.

Mr. Chairman, we need reform. And if afforded the opportunity to consider in an open fashion the reform proposals made by some of our colleagues, including the proposal put forward by the gentlelady from Washington [Mrs. SMITH] and the gentleman from Connecticut [Mr. SHAYS] and the gentleman from Massachusetts [Mr. MEEHAN], I think we could have found a bipartisan consensus for a strong congressional campaign finance reform measure.

Under this rule, we'll never know for sure. And, as a result, campaign finance reform will continue to be used as a partisan sledgehammer instead of a tool to restore integrity and credibility to our current campaign finance system.

Mrs. COLLINS of Illinois. Mr. Chairman, I ask unanimous consent to revise and extend my remarks. I rise in support of campaign finance reform, I have always been, but this GINGRICH Republican bill is not reform, it is revolting. So I oppose this bill, H.R. 3820.

The 104th Congress, with a Republican leadership that was bought and paid for by special interest money, is a clear demonstration of what can and did happen when money talked and elephants walked into the leadership of this Congress. The GOP—guardians of the privileged—honored their obligations to their wealthy supporters: obligations to try to pass legislation to slash health, education, social services, environmental, and other programs that provide for and lift up the vulnerable among us.

In all my 23½ years in this Congress, I have never seen such flagrant special interest legislating. How can we control this buying and selling of the Congress? Easily, by cutting out the Republicans' special interest campaign finance preferential treatment bill. We must achieve meaningful reform of the Federal campaign financing system. That doesn't mean that we should raise the amounts of money wealthy supporters can contribute, that doesn't mean that we should raise the amounts of money that can be funneled into a candidate's campaign by hiding it in political party bank accounts, and it certainly doesn't mean that we should raise the limit on how much the very wealthy can spend to influence elections every year.

Until and unless we fix this boondoggle, campaigns for the U.S. Congress and the Presidency will always be in danger of being sold to the highest bidding special interests. So, what are the Republicans proposing? Guess.

What would enhance their ability to raise more money than the Democrats? Answer: Raising the amount an individual can give to a Federal candidate from $1,000 to $2,500.

How can the Republicans help their wealthy supporters have even more influence on policy and lawmaking? Answer: By raising the limit on the total amount an individual can contribute from $25,000 in an election cycle to $72,500.

How can the Republicans help their candidates get more support from the always better funded Republican party committees? Answer: By raising the amount of funds a party committee can contribute to their candidate, or doing away with a limit altogether.

Only if we defeat this Republican inspired bill will we be able to ensure that the Congress achieved significant reforms in the way in which the campaign finance system is structured and operated.

Comprehensive campaign finance reform is necessary to ensure the true revitalization of the American democratic process and I have been a strong supporter of legislative efforts designed to lessen the ever increasing costs of Congressional campaigns, as well as to provide for more competitive contests between incumbents and challengers. Understandably, the American public has become more and more disenchanted with big-money politics, and it is imperative that we renew the faith of our citizens in the ability of Congress to objectively represent the desires of our constituents.

In the 103d Congress, the House of Representatives and the Senate considered campaign finance reform legislation which included major provisions: First, a voluntary spending cap of $600,000 per House candidate in an election cycle, second, a limitation on contributions from Political Action Committees [PAC's] and large contributors of $200,000 per election cycle, third, the closing of several loopholes in current campaign law regarding independent expenditures and so-called soft money, fourth, restrictions on campaign contributions and fundraising by lobbyists, and fifth, the introduction of communications vouchers to provide greater access to television and radio time for all candidates.

In H.R. 3820, the one-sided special interest financing bill that the Republicans have designed clearly demonstrates that they never saw a special interest with too much money. Although the Republican leadership has publicly said that there needs to be more money spent in campaigns—not less, with this bill, they are trying to make sure they get the money that can.

I urge my colleagues to use some common sense and turn down this unlimited funding bill for the wealthy to elect more Republicans. Heaven forbid.

Mr. LIPINSKI. Mr. Chairman, today is a very important day in history. Today is the day when we can restore the American people's faith in Congress.

Recent polls show that the American people distrust Congress, and I can understand why. They feel that Congress is beholden to the rich and the elite. Clearly, Congress must take strong steps to restore public confidence.

However, H.R. 3820, the Campaign Finance Reform Act, is not the way. To paraphrase the New York Times, it is deformed campaign reform. It will open the floodgates for fat cats to give even more money to candidates and parties—from a maximum of $25,000 a year to more than $3 million a year. Only 1 percent of Americans contributed $200 or more during the last election. It is clear that H.R. 3820 will give this 1 percent of Americans, the elite, even more influence in the political process.

The GOP leadership has been crowing about campaign finance reform and the much touted "Reform Week," but when it came time to put the product out, well, you see the result.

Then again, proponents of this measure are the same people who say that we do not spend enough money on politics and that campaigns, relative to the cost of marketing liquid detergents, are severely underfunded. Think about this for a moment. These are the same people who are behind H.R. 3820. That is probably why even my colleagues on the other side of the aisle are divided on it.

In a last minute attempt to gather support for this bill after a storm of public criticism, the Republican leadership made some substantial changes to their campaign finance bill. The changes, while a marked improvement over the original measure, still falls far short of any reasonable reform campaign finance. For instance, it still fails to address the problem of soft money. Wealthy individuals will continue to funnel unlimited amounts of cash through that backdoor leaving your average working families disenfranchised.

Ordinary citizens already feel that they are being pushed into the periphery of the political process by the rich and the elite. This bill only widens the chasm between ordinary citizens and the electoral process.

Fortunately, we have a viable alternative before us, and that is the Farr-Gephardt bill. Unlike the Republican proposal, it is real reform in the right direction. It establishes new limits on campaign spending, individual contributions, candidates' personal spending, and independent expenditures. In short, it reduces the influence of the rich and powerful, and rightfully increases the role of average working families in the political process. No longer will the elite 1 percent of the Nation dominate the political process.

So, Mr. Chairman, I strongly urge my colleagues to reject the Republican measure and support the real deal, the Farr-Gephardt bill. Let us not give the American people business as usual. Vote for meaningful reform during "Reform Week"—not empty symbolism.

Mr. REED. Mr. Chairman, I rise to address one of the most important issues facing our Nation: reforming the electoral process. Mr. Chairman, the time has come for real campaign finance reform.

At present, too many Americans believe that our Government is for sale. Watching millions spent on political campaigns, our Nation's citizens see a system that is reserved for the wealthy and dominated by special interests.

These perceptions promote cynicism about government and undermine public faith in Congress. To win back the American people's trust, campaign spending must be brought under control and the influence that money wields in our Nation's electoral process must be reduced.

Controlling runaway campaign costs will allow candidates to spend less time raising funds and more time discussing issues with voters. It will also level the playing field for our Nation's ordinary citizens, who now often feel that unless they are wealthy, they cannot realistically compete for public office.

Unfortunately, these goals are nowhere to be found in this Republican bill, which is opposed by nearly every group committed to government reform. United We Stand America has denounced this bill. The League of Women Voters calls it a fraud. Common Cause calls it a total phony and states, "Any

Member who votes for this bill can only be called a Protector of Corruption."

Why has the Republican bill attracted uniform opposition? Because it ignores the American people's desire for meaningful campaign finance reform that controls the cost of campaigns.

The Republican bill does nothing to limit campaign spending in congressional elections. It does nothing to limit the role of wealthy individuals or increase that of our Nation's working families in elections. It does nothing to limit the excessive spending by political parties that the Supreme Court promoted in its Colorado Republican Party versus FEC decision. It does nothing to close the soft money loophole, which lets special interests pour millions of dollars into campaigns with no accountability.

The American people deserve better than this sham. Today the House should have an open debate on campaign finance reform to find the best answer to this critical issue. However, the Republican majority opposes such full consideration and refuses to allow the Smith-Shays-Meehan bill to reach the House floor.

Since coming to Congress, I have worked for real campaign finance reform. I have supported legislation to place voluntary spending limits on congressional campaigns, cap contributions from special interests and wealthy individuals, and close the soft money loophole. This year, I proudly sign the discharge petition to allow consideration of the Smith-Shays-Meehan bill, and I cosponsored House Joint Resolution 114, which would specifically allow Congress to place reasonable limits on campaign spending.

We need real campaign finance reform. I urge my colleagues to oppose the Republican bill and answer the American people's call to reduce the role of money in our Nation's elections.

Mr. SMITH of Michigan. Mr. Chairman, today, this Congress can pass much needed campaign finance reform. While this legislation doesn't go as far as I think it should, it's a positive step in the right direction.

I have supported campaign finance reform for a long time. I've introduced legislation in both this session and the last session of Congress that would have banned PAC contributions to congressional candidates. My proposals would also have required at least 50 percent of a candidate's total contributions come from within the congressional district. I'm pleased this important part of my proposal was adopted by the committee and is part of this legislation.

Representatives shouldn't be beholden to any interest other than the peoples' interest. And for the past 15 years, since I first ran for the Michigan Senate, I haven't accepted any special interest PAC contributions.

As a member of the Campaign Finance Reform task force, I am very concerned about the excessive amount of influence special interest political action committees [PAC's] have in Washington. During the last 19 months, as we've worked to rein in big Government lobbyists have become more aggressive in protecting their special interests. We must not let special interest PAC's with their huge political contributions decide legislation.

We've made progress in this bill, but I believe true campaign finance reform will only be achieved when we remove the undue influence of special interest PAC lobbyists and their millions of dollars in campaign contributions from the political process.

Some Members feel this bill goes to far, some think it does not go far enough. However, because of perception and because of the real undue influence of special interest lobbyists we must move ahead with campaign finance reform.

Ms. DUNN of Washington. Mr. Chairman, the electorate and those who participate in the political process are owed, at a very minimum, several fundamental protections to ensure fair and competitive elections. The House of Representatives has on its calendar the Campaign Finance Reform Act of 1996, H.R. 3820, legislation that addresses many of the injustices and shortcomings of the current campaign finance system. I want in my statement to underscore several points: the importance of guaranteeing integrity in the campaign process, the importance of requiring that candidates be accountable to the voters they seek to represent, and the importance of guarding the competitive nature of campaigns. I also intend to point out areas where I believe the efforts of the legislation before us fall slightly short.

The Campaign Finance Reform Act takes a first step toward ensuring that the interests most special to Members of Congress are the interests of the citizens of their district, and not, for example, the representatives of multicandidate political committees or lobbying firms. One of my highest legislative priorities this Congress has been the formulation of a meaningful, bipartisan campaign finance proposal—the FAIR Elections Act of 1996, H.R. 3543—the essence of which is a requirement that candidates for Federal office be more accountable to the citizens they represent.

Whereas my legislation creates fairness in the treatment of contributions from multicandidate political committees and individuals by equalizing the maximum permissible limits, the amended version of the Campaign Finance Reform Act retains the current disequilibrium. Under present law, individual limits are set at $1,000 and PAC limits at $5,000 per election. This legislation proposes to retain individual limits at $1,000, and lower PAC limits by half to $2,500 per election, indexing both prospectively for inflation. While this amendment to the original provision—which proposed to equalize the limits, but then retroactively adjusted them for inflation, in essence more than doubling the contribution limits of individuals—is an improvement over the original bill language, it is still a departure from what I believe to be the correct approach.

I believe this difference is critical to effective and meaningful reform. The proposed contribution levels create the perception that if you ban together with a group of like-minded citizens in a constitutionally protected effort to exercise your free speech rights, your voice is still a little bit more valuable, more weighted so to speak, than if you are simply an individual acting on that right. I assert that everyone's rights should be equal.

I would point out that last week, I asked the Rules Committee to make in order an amendment to the Campaign Finance Reform Act to change the original retroactive indexing to prospective indexing, thereby keeping the $1,000 equalization in place, but allowing for inflation adjustments to occur only from 1996 forward. While that request was denied, I credit Chairman THOMAS for being willing to take a second look at this provision to clean up the indexing portion of the proposal.

There have been in recent years instances of extremely wealthy candidates saturating their own campaigns with personal funds, creating an immense advantage over their opponents or keeping worthy challengers out of a race because of their inability to complete with personal funds. While some people are concerned about the amount of money being spent in campaigns, right now in our country more money is spent on the advertising of yogurt in a single election year than on all Federal races combined. I believe it is critically important to present the issues necessary to the discussion of who governs our Nation. And such a presentation requires money to buy brochures and printing and television or radio time. In my view, however, the leveling of the playing field is the critical issue.

The Campaign Finance Reform Act as originally reported provides special rules for candidates in an election when one of those candidates injects large amounts of personal wealth into the campaign. In the primary election for example, if $150,000 in personal wealth is spent, the bill raises individual contribution limits and lifts in-district fundraising rules for all candidates up to the amount spent. In the general election, if between $2,500 and $150,000 in personal wealth is spent, the bill allows political parties to contribute to the opponent a matching amount. And if over $150,000 in personal wealth is spent, the bill allows political parties to contribute matching dollars and also raises the individual contribution limits and in-district fundraising requirements.

An amendment I proposed would have lowered the triggering threshold to $50,000 in both the primary and general elections; $150,000 in personal wealth could be enough to secure a primary victory. That is why I believe the triggering limit is too generous, and why I sought to lower it.

One aspect of my own proposal would have offered incentives for individuals to become personally involved in the political process. By restoring the $100 per person tax deduction—$200 for joint returns—we would encourage citizens to contribute local dollars to candidates for State or Federal office, and thereby broaden the contribution base of a candidate.

After witnessing the political process from the perspective of a private citizen, a State party chairman, a candidate for public office, and a Federal representative, I have no doubt that reform of the current system of financing campaigns is appropriate and necessary. My certainty in this regard hovers around several tenets of reform.

The first is fairness. We should create fairness by equalizing the amount groups of like-minded individuals may contribute with what individuals may give to a candidate. We should ensure strictly voluntary participation in the political process, so that American workers are not unfairly forced to finance a political agenda with which they may adamantly disagree.

The second principle is accountability. We must encourage Members of Congress to be more accountable to their constituents, not political committees, by requiring candidates, to raise the majority of their funds in-State and in-district.

Integrity is the third aspect, enhanced through the promotion of fair competition between incumbents and challengers by, for example, restricting the use of official mail—franking—allowances, and disallowing the bipartisan habit of fundraising while Congress is conducting legislative business. Finally, other reform is long overdue, such as the restoration of a $100 income tax deduction to taxpayers who participate in the political process.

Mr. Chairman, as we endeavor to restore the public's faith in the campaign finance system, the campaign process in this country simply must retain the ability to encourage good candidates to pursue public service. Elections for office must be competitive and characterized at all times by integrity. The Campaign Finance Reform Act has been a product of several hearings and a lively, yearlong discussion of the issue and is a first step toward that end. While a far from perfect bill, it makes a bold step in the right direction and provides an excellent starting point for serious and meaningful negotiations with our colleagues in the other body. This will be a process I will continue to pursue during the remainder of the 104th Congress and through Congresses to come. The American people deserve no less.

Mr. BEILENSON. Mr. Chairman, I rise to express my opposition to H.R. 3820, the Republican leadership's campaign finance bill, and in support of the substitute to be offered by the gentleman from California [Mr. FARR].

Although neither of the two proposals do enough to reduce the amount of special-interest money in congressional campaigns, the Farr substitute, with its aggregate limit on PAC contributions and on large donations from individuals, represents an enormous improvement over the existing system in that regard. The Republican proposal, in contrast, would actually increase the influence of wealthy individuals and special-interest groups in our electoral process.

But regardless of which proposal—if either—is passed by the House today, it won't matter because the Senate is not going to revisit the issue this year, and therefore a reform bill will not be signed into law.

Campaign finance reform is, without a doubt, the most important reform we could possibly make here in Congress. A campaign finance system that would lessen the role of special interests in our political and legislative process would make a bigger difference in the way Congress operates—and would do more to restore public trust in Congress—than any other change we could possibly make to this institution.

However, the dismal record on campaign finance reform from the years when Democrats controlled Congress, and the all-but-certain failure of the Republicans' effort this year, demonstrate that much more groundwork must be done to pass a reform bill and get it signed into law.

The experience of recent years has convinced many of us that we will not succeed with this issue unless we develop a campaign finance system that has bipartisan support. It is not impossible, in my view. But it is going to require the majority leadership to reach out to and work with the minority leadership in good faith.

I am also convinced that, unpopular as it may seem, part of the solution has to be the inclusion of a significant amount of public financing. That could take the form of direct Federal payments to candidates, vouchers for media and mail, requirements for free air time for candidates as part of broadcast licensing, or other means. There is simply no way congressional candidates will ever have adequate resources to run a viable campaign, and also be less influenced by campaign contributors, unless we have a system that includes public financing.

Providing some kind of public financing is our best hope for reducing the influence of special interests in our legislative process, promoting more competitive campaigns, and ensuring that people who do not have a large amount of personal wealth will have the opportunity to run for Congress.

Mr. Speaker, it is too late to enact campaign finance reform legislation this year. But I strongly urge the leadership of both parties to come together and begin working, now, on a bipartisan plan for reforming our campaign finance system that could be considered early in the next Congress. This issue is too important for the integrity of the legislative process, and for the trust people need to have in their elected officials for democracy to work, for either party to continue to pursue partisan campaign finance proposals that are only destined for failure.

Mr. KOLBE. Mr. Speaker, I rise in strong support of H.R. 3820, the Campaign Finance Reform Act. This bill fixes most of the commonly mentioned problems we see in funding campaign activities.

Mr. Speaker, I am especially pleased that this bill would require that at least half of our campaign funds would have to come from within our own district. This change alone makes the bill worth voting for. How often do we hear about special interests inside the beltway buying elections for an incumbent? This reform means that if your own constituents do not like you well enough to contribute, you will not have resources to get your message out.

And along that line, the bill cuts the influence of PAC's dramatically. Not only is their maximum contribution cut in half, but the candidate cannot even take the reduced amount if it would put him or her over the 50 percent threshold. This changes the balance of power between PAC's and individuals.

On the other hand, the bill strengthens political parties, including the local parties. And we all know that real reform begins at the local level. By increasing the amounts that local parties can contribute to the candidate, the candidate will be listening more closely to the folks at home, not to the big national PAC's.

Finally, this bill makes it possible for a candidate of modest means to run even if he or she is facing a very wealthy opponent or an incumbent with an intimidating war chest. The parties and PAC's are allowed, under these circumstances, to increase their contributions to level the playing field.

I am at a loss to understand why Common Cause would say that anyone who votes for this bill is a "Protector of Corruption." If I remember correctly, they want taxpayers to fund campaigns, a situation that would require an individual to subsidize a candidate for whom he or she would not vote. I think that is corrupt.

Mr. Speaker, I urge my colleagues to join me in supporting a true reform bill.

The CHAIRMAN. All time for debate has expired.

Pursuant to House Resolution 481, the bill is considered read for amendment under the 5-minute rule and amendment No. 1 printed in the appropriate place in the CONGRESSIONAL RECORD by the gentleman from California [Mr. THOMAS] is adopted.

The text of H.R. 3820, as amended, is as follows:

H.R. 3820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Campaign Finance Reform Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—RESTORING CONTROL OF ELECTIONS TO INDIVIDUALS

Sec. 101. Requiring majority of House of Representatives candidate funds to come from individuals residing in district.
Sec. 102. Reduction in allowable contribution amounts for political action committees; revision of limitations on amounts of other contributions.
Sec. 103. Modification of limitations on contributions when candidates spend or contribute large amounts of personal funds.
Sec. 104. Indexing limits on contributions.
Sec. 105. Prohibition of leadership committees.
Sec. 106. Prohibiting bundling of contributions to candidates by political action committees and lobbyists.
Sec. 107. Definition of independent expenditures.
Sec. 108. Requirements for use of payroll deductions for contributions.

TITLE II—STRENGTHENING POLITICAL PARTIES

Sec. 201. Limitation amount for contributions to State political parties.
Sec. 202. Allowing political parties to offset funds carried over from previous elections.
Sec. 203. Prohibiting use of non-Federal funds in Federal elections.
Sec. 204. Permitting parties to have unlimited communication with members.
Sec. 205. Promoting State and local party volunteer and grassroots activity.

TITLE III—DISCLOSURE AND ENFORCEMENT

Sec. 301. Timely reporting and increased disclosure.
Sec. 302. Streamlining procedures and rules of Federal Election Commission.

TITLE IV—WORKER RIGHT TO KNOW

Sec. 401. Findings.

Sec. 402. Purpose.
Sec. 403. Worker choice.
Sec. 404. Worker consent.
Sec. 405. Worker notice.
Sec. 406. Disclosure to workers.
Sec. 407. Construction.
Sec. 408. Effective date.
TITLE V—GENERAL PROVISIONS
Sec. 501. Effective date.
Sec. 502. Severability.
Sec. 503. Expedited court review.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Our republican form of government is strengthened when voters choose their representatives in elections that are free of corruption or the appearance of corruption.

(2) Corruption or the appearance of corruption in elections may evidence itself in many ways:

(A) Voters who democratically elect representatives must believe they are fairly represented by those they elect. The current election laws have led many to believe that the interests of those who actually vote for their representatives are less important than those who cannot vote, but who can influence an election by their contributions to the candidates.

(B) Failure to disclose, or timely disclose, those who contribute and how much they contribute unnecessarily withholds information voters need to cast ballots with complete confidence, thereby increasing the belief of, or the appearance of, corruption.

(C) The diminishing role of political parties, despite parties' long-standing role in advancing broad national agendas, in assisting the election of party candidates, and in organizing members, has relatively enhanced groups that pursue narrower interests. This relative shift of influence has been interpreted by some as corrupting the election process.

(D) Complicated and obsolete election laws and rules discourage citizens from becoming candidates, allow for coerced involuntary payments for political purposes, fail to keep contribution amounts current with inflation, and fail to provide reasonable compensating contribution limits for candidates who run against candidates who wish to exercise their constitutional right of spending their own resources. The current state of laws and rules is such that if they do not corrupt, at the very least they unduly hinder fair, honest, and competitive elections.

TITLE I—RESTORING CONTROL OF ELECTIONS TO INDIVIDUALS

SEC. 101. REQUIRING MAJORITY OF HOUSE OF REPRESENTATIVES CANDIDATE FUNDS TO COME FROM INDIVIDUALS RESIDING IN DISTRICT.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not accept contributions with respect to an election cycle from persons other than local individual residents totaling in excess of the total of contributions accepted from local individual residents (as determined on the basis of the most recent information included in reports pursuant to section 304(d).

"(2) In determining the amount of contributions accepted by a candidate for purposes of this subsection, contributions of the candidate's personal funds shall be subject to the following rules:

"(A) To the extent that the amount of the contribution does not exceed the limitation on contributions made by an individual under subsection (a)(1)(A), such contribution shall be treated as any other contribution.

"(B) The portion (if any) of the contribution which exceeds the limitation on contributions which may be made by an individual under subsection (a)(1)(A) shall be allocated in accordance with paragraph (8).

"(3) In determining the amount of contributions accepted by a candidate for purposes of this subsection, contributions from a political party or a political party committee shall be allocated in accordance with paragraph (8).

"(4) In determining the amount of contributions accepted by a candidate for purposes of this subsection, any funds remaining in the candidate's campaign account after the filing of the post-general election report under section 304(a)(2)(A)(ii) for the most recent general election shall be allocated in accordance with paragraph (8).

"(5) In determining the amount of contributions accepted by a candidate for purposes of this subsection, any contributions accepted pursuant to subsection (j) which are from persons other than local individual residents shall be allocated in accordance with paragraph (8).

"(6)(A) Any candidate who accepts contributions that exceed the limitation under this subsection, as determined on the basis of information included in reports pursuant to section 304(d), shall pay to the Commission at the time of the filing of the report which contains the information, for deposit in the Treasury, an amount equal to 3 times the amount of the excess contributions (or, in the case of a candidate described in subparagraph (C), an amount equal to 5 times the amount of the excess contributions plus a civil penalty in an amount determined by the Commission).

"(B) Any amounts paid by a candidate under this paragraph shall be paid from contributions subject to the limitations and prohibitions of this title, including the limitation under this subsection.

"(C) A candidate described in this subparagraph is a candidate who accepts contributions that exceed the limitation under this subsection as of the last day of the period ending on the 20th day before an election or any period ending after such 20th day and before or on the 20th day after such election.

"(7) As used in this subsection, the term 'local individual resident' means an individual who resides in the congressional district involved.

"(8) For purposes of this subsection, any amounts allocated in accordance with this paragraph shall be allocated as follows:

"(A) 50 percent of such amounts shall be deemed to be contributions from local individual residents.

"(B) 50 percent of such amounts shall be deemed to be contributions from persons other than local individual residents.".

(b) REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) Each principal campaign committee of a candidate for the House of Representatives shall include the following information in reports filed under subsection (a)(2) and subsection (a)(6)(A):

"(1) With respect to each report filed under such subsection—

"(A) the total contributions received by the committee with respect to the election cycle involved from local individual residents (as defined in section 315(i)(7)), as of the last day of the period covered by the report;

"(B) the total contributions received by the committee with respect to the election cycle involved which are not from local individual residents, as of the last day of the period covered by the report; and

"(C) a certification as to whether the contributions reported comply with the limitation under section 315(i), as of the last day of the period covered by the report.

"(2) In the case of the first report filed under such subsection which covers the period which begins 19 days before an election and ends 20 days after the election—

"(A) the total contributions received by the committee with respect to the election cycle involved from local individual residents (as defined in section 315(i)(7)), as of the last day of such period;

"(B) the total contributions received by the committee with respect to the election cycle involved which are not from local individual residents, as of the last day of such period; and

"(C) a certification as to whether the contributions reported comply with the limitation under section 315(i), as of the last day of such period.".

SEC. 102. REDUCTION IN ALLOWABLE CONTRIBUTION AMOUNTS FOR POLITICAL ACTION COMMITTEES; REVISION OF LIMITATIONS ON AMOUNTS OF OTHER CONTRIBUTIONS.

(a) REVISION OF CURRENT LIMITATIONS.—

(1) CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2) of such Act (2 U.S.C. 441a(a)(2)) is amended—

(A) in subparagraphs (A) and (C), by striking "$5,000" and inserting "$2,500"; and

(B) in subparagraph (B), by striking "$15,000" and inserting "$40,000".

(2) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(A) in subparagraph (C), by striking "$5,000" and inserting "$2,500"; and

(B) in subparagraph (B), by striking "$20,000" and inserting "$40,000".

(3) AGGREGATE ANNUAL CONTRIBUTION BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$50,000".

(b) LIMITATIONS ON CONTRIBUTIONS BY POLITICAL PARTY COMMITTEES.—

(1) IN GENERAL.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended—

(A) by redesignating paragraphs (3) through (8) as paragraphs (4) through (9); and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) No political party committee may make contributions—

"(A) to any candidate or the candidate's authorized political committees with respect to any election for Federal office which, in the aggregate, exceed $10,000; or

"(B) to any other political committees other than a political party committee in any calendar year which, in the aggregate, exceed $10,000.".

(2) CONFORMING AMENDMENTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended—

(A) in paragraph (5) (as redesignated by paragraph (1)(A)), by striking "paragraphs (1) and (2)" and inserting "paragraphs (1), (2), and (3)";

(B) in paragraph (6) (as redesignated by paragraph (1)(A)), by striking "paragraph (1) and paragraph (2)" each place it appears and inserting "paragraphs (1), (2), and (3)"; and

(C) in paragraph (7) (as redesignated by paragraph (1)(A)), by striking "paragraphs (1), (2), and (3)".

(c) POLITICAL PARTY COMMITTEE DEFINED.—Section 315(a)(5) of such Act (2 U.S.C.

441a(a)(4)) (as redesignated by subsection (b)(1)(A)) is amended by adding at the end the following sentence: "For purposes of this section, the term 'political party committee' means a political committee which is a national, State, district, or local political party committee (including any subordinate committee thereof).".

(d) OTHER CONFORMING AMENDMENTS.—Section 311(a)(6) of such Act (2 U.S.C. 438(a)(6)) is amended—

(1) in subparagraph (B), by inserting after "multi-candidate committees" the first place it appears the following: "and political committees which are not authorized committees of candidates or political party committees";

(2) in subparagraph (B), by striking "multicandidate committees" the second place it appears and inserting "such committees"; and

(3) in subparagraph (C), by striking "multicandidate committees" and inserting "committees described in subparagraph (B)".

SEC. 103. MODIFICATION OF LIMITATIONS ON CONTRIBUTIONS WHEN CANDIDATES SPEND OR CONTRIBUTE LARGE AMOUNTS OF PERSONAL FUNDS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 101(a), is further amended by adding at the end the following new subsection:

"(j)(1) Notwithstanding subsection (a), if in a general election a House candidate makes expenditures of personal funds (including contributions by the candidate to the candidate's authorized campaign committee) in an amount in excess of the amount of the limitation established under subsection (a)(1)(A) and less than or equal to $150,000 (as reported under section 304(a)(2)(A)), a political party committee may make contributions to an opponent of the House candidate without regard to any limitation otherwise applicable to such contributions under subsection (a), except that the opponent may not accept aggregate contributions under this paragraph in an amount greater than the greatest amount of personal funds expended (including contributions to the candidate's authorized campaign committee) by any House candidate (other than such opponent) with respect to the election (as reported in a notification submitted under section 304(a)(6)(B)).

"(2) If a House candidate makes expenditures of personal funds (including contributions by the candidate to the candidate's authorized campaign committee) with respect to an election in an amount greater than $150,000 (as reported under section 304(a)(2)(A)), the following rules shall apply:

"(A) In the case of a general election, the limitations under subsections (a)(1), (a)(2), and (a)(3) (insofar as such limitations apply to political party committees and to individuals, and to other political committees to the extent that the amount contributed does not exceed 10 times the amount of the limitation otherwise applicable under such subsection) shall not apply to contributions to the candidate or to any opponent of the candidate, except that neither the candidate or any opponent may accept aggregate contributions under this subparagraph and paragraph (1) in an amount greater than the greatest amount of personal funds (including contributions to the candidate's authorized campaign committee) expended by any House candidate with respect to the election (as reported in a notification submitted under section 304(a)(6)(B)).

"(B) In the case of an election other than a general election, the limitations under subsection (a)(1) and (a)(2) (insofar as such limitations apply to individuals and to political committees other than political party committees to the extent that the amount contributed does not exceed 10 times the amount of the limitation otherwise applicable under such subsection) shall not apply to contributions to the candidate or to any opponent of the candidate, except that neither the candidate or any opponent may accept aggregate contributions under this subparagraph in an amount greater than the greatest amount of personal funds (including contributions to the candidate's authorized campaign committee) expended by any House candidate with respect to the election (as reported in a notification submitted under section 304(a)(6)(B)).

"(3) In this subsection, the term 'House candidate' means a candidate in an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.".

(b) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B)(i) The principal campaign committee of a House candidate (as defined in section 315(j)(3)) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate to such committee):

"(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds the amount of the limitation established under section 315(a)(1)(A) for elections in the year involved.

"(II) A notification of each such expenditure (or contribution) which, taken together with all such expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

"(III) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended with respect to the election exceeds the level applicable under section 315(j)(2) for elections in the year involved.

"(ii) Each of the notifications submitted under clause (i)—

"(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

"(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

"(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.".

SEC. 104. INDEXING LIMITS ON CONTRIBUTIONS.

(a) IN GENERAL.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended by adding at the end the following new paragraph:

"(3)(A) The amount of each limitation established under subsection (a) shall be adjusted as follows:

"(i) For calendar year 1999, each such amount shall be equal to the amount described in such subsection, increased (in a compounded manner) by the percentage increase in the price index (as defined in subsection (c)(2)) for 1997 and 1998.

"(ii) For calendar year 2001 and each second subsequent year, each such amount shall be equal to the amount for the second previous year (as adjusted under this subparagraph), increased (in a compounded manner) by the percentage increase in the price index for the previous year and the second previous year.

"(B) In the case of any amount adjusted under this subparagraph which is not a multiple of $500, the amount shall be rounded to the nearest highest multiple of $500.".

(b) APPLICATION OF INDEXING TO SUPPORT OF CANDIDATE'S COMMITTEES.—Section 302(e)(3)(B) of such Act (2 U.S.C. 432(e)(3)(B)) is amended by adding at the end the following new sentence: "The amount described in the previous sentence shall be adjusted (for years beginning with 1997) in the same manner as the amounts of limitations on contributions under section 315(a) are adjusted under section 315(c)(3).".

(c) APPLICATION OF INDEXING TO PROVISIONS RELATING TO PERSONAL FUNDS.—

(1) IN GENERAL.—Section 315(j) of such Act (2 U.S.C. 441a(j)), as added by section 103(a), is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph:

"(3) Each of the amounts provided under paragraph (1) or (2) shall be adjusted for each biennial period beginning after the 1998 general election in the same manner as the amounts of limitations on contributions established under subsection (a) are adjusted under subsection (c)(3).".

(2) CONFORMING AMENDMENT.—Section 304(a)(6)(B)(i) of such Act (2 U.S.C. 434(a)(6)(B)(i)), as added by section 103(b), is amended by striking "section 315(j)(3)" and inserting "section 315(j)(4)".

SEC. 105. PROHIBITION OF LEADERSHIP COMMITTEES.

(a) LEADERSHIP COMMITTEE PROHIBITION.—Section 302 of the Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following new subsection:

"(j) A candidate for Federal office or an individual holding Federal office may not establish, maintain, finance, or control a political committee, other than a principal campaign committee of the candidate or the individual.".

(b) CONFORMING AMENDMENT RELATING TO JOINT FUNDRAISING.—Section 302(e)(3)(A) of such Act (2 U.S.C. 432(e)(3)) is amended by striking "except that—" and all that follows and inserting the following: "except that the candidate for the office of President nominated by a political party may designate the national committee of such political party as a principal campaign committee, but only if that national committee maintains separate books of account with respect to its function as a principal campaign committee.".

(c) EFFECTIVE DATE; TRANSITION RULE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to elections occurring in years beginning with 1997.

(2) TRANSITION RULE.—

(A) IN GENERAL.—Notwithstanding section 302(j) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), if a political committee established, maintained, financed, or controlled by a candidate for Federal office or an individual holding Federal office (other than a principal campaign committee of the candidate or individual) with respect to an election occurring during 1996 has funds remaining unexpended after the

1996 general election, the committee may make contributions or expenditures of such funds with respect to elections occurring during 1997 or 1998.

(B) DISBANDING COMMITTEES; TREATMENT OF REMAINING FUNDS.—Any political committee described in subparagraph (A) shall be disbanded after filing any post-election reports required under section 304 of the Federal Election Campaign Act of 1971 with respect to the 1998 general election. Any funds of such a committee which remain unexpended after the 1998 general election and before the date on which the committee disbands shall be returned to contributors or available for any lawful purpose other than use by the candidate or individual involved with respect to an election for Federal office.

SEC. 106. PROHIBITING BUNDLING OF CONTRIBUTIONS TO CANDIDATES BY POLITICAL ACTION COMMITTEES AND LOBBYISTS.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

"(c)(1) No political action committee or person required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) may act as an intermediary or conduit with respect to a contribution to a candidate for Federal office.

"(2) In this subsection, the term 'political action committee' means any political committee which is not—

"(A) the principal campaign committee of a candidate; or

"(B) a political party committee.".

SEC. 107. DEFINITION OF INDEPENDENT EXPENDITURES.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate which is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate.

"(B) For purposes of this paragraph—

"(i) 'expressly advocating the election or defeat' means the use in the communication of explicit words such as 'vote for', 'reelect', 'support', 'cast your ballot for', 'vote against', 'defeat', or 'reject', accompanied by a reference in the communication to one or more clearly identified candidates, or words such as 'vote' for or against a position on an issue, accompanied by a listing in the communication of one or more clearly identified candidates described as for or against a position on that issue;

"(ii) 'which is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of such candidate' refers to the expenditure in question for the communication made by the person; and

"(iii) the term 'agent' means any person who has actual oral or written authority, either express or implied, to make or authorize the making of expenditures on behalf of a candidate.

"(C) An expenditure by a person for a communication which does not contain explicit words expressly advocating the election or defeat of a clearly identified candidate shall not be considered an independent expenditure.".

SEC. 108. REQUIREMENTS FOR USE OF PAYROLL DEDUCTIONS FOR CONTRIBUTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"USE OF PAYROLL DEDUCTIONS FOR CONTRIBUTIONS

"SEC. 323. (a) REQUIREMENTS FOR AUTHORIZATION OF DEDUCTION.—

"(1) IN GENERAL.—No amounts withheld from an individual's wages or salary during a year may be used for any contribution under this title unless there is in effect an authorization in writing by the individual permitting the withholding of such amounts for the contribution.

"(2) PERIOD OF AUTHORIZATION.—An authorization described in this subsection may be in effect with respect to an individual for such period as the individual may specify (subject to cancellation under paragraph (3)), except that the period may not be longer than 12 months.

"(3) RIGHT OF CANCELLATION.—An individual with an authorization in effect under this subsection may cancel or revise the authorization at any time.

"(b) INFORMATION PROVIDED BY WITHHOLDING ENTITY.—

"(1) IN GENERAL.—Each entity withholding wages or salary from an individual with an authorization in effect under subsection (a) shall provide the individual with a statement that the individual may at any time cancel or revise the authorization in accordance with subsection (a)(3).

"(2) TIMING OF NOTICE.—The entity shall provide the information described in paragraph (1) to an individual at the beginning of each calendar year occurring during the period in which the individual's authorization is in effect.".

TITLE II—STRENGTHENING POLITICAL PARTIES

SEC. 201. LIMITATION AMOUNT FOR CONTRIBUTIONS TO STATE POLITICAL PARTIES.

Paragraphs (1)(B) and (2)(B) of section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) are each amended by inserting after "national" the following: "or State".

Page 47, line 6, strike "Section 315(a)(3)" and all that follows through "is amended" and insert the following: "Section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4)) (as redesignated by section 102(b)(1)(A)) is amended".

SEC. 202. ALLOWING POLITICAL PARTIES TO OFFSET FUNDS CARRIED OVER FROM PREVIOUS ELECTIONS.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 101 and 103(a), is further amended by adding at the end the following new subsection:

"(k)(1) Subject to paragraph (2), if, in a general election for Federal office, a candidate who is the incumbent uses campaign funds carried forward from an earlier election cycle, any political party committee may make contributions to the nominee of that political party to match the funds so carried forward by such incumbent. For purposes of this paragraph, funds shall be considered to have been carried forward if the funds represent cash on hand as reported in the applicable post-general election report filed under section 304(a) for the general election involved, plus any amount expended on or before the filing of the report for a later election, less legitimate outstanding debts relating to the previous election up to the amount reported.

"(2) The political party contributions under paragraph (1) may be made without regard to any limitation amount otherwise applicable to such contributions made under subsections (a) or (i), but a candidate may not accept contributions under this subsection in excess of the total of funds carried forward by the incumbent candidate.".

SEC. 203. PROHIBITING USE OF NON-FEDERAL FUNDS IN FEDERAL ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 108, is further amended by adding at the end the following new section:

"RESTRICTIONS ON USE OF NON-FEDERAL FUNDS

"SEC. 324. (a) PROHIBITING USE OF FUNDS IN FEDERAL ELECTIONS.—No funds may be expended by a political party committee for the purpose of influencing an election for Federal office unless the funds are subject to the limitations and prohibitions of this Act, except as may be provided in this section.

"(b) RESTRICTIONS ON USE OF FUNDS FOR MIXED ACTIVITIES.—

"(1) PROHIBITING USE BY NATIONAL PARTY COMMITTEES.—A national committee of a political party (including any subordinate committee thereof) may not use any funds which are not subject to the limitations and prohibitions of this Act for any mixed activity.

"(2) MIXED ACTIVITY DEFINED.—In this subsection, the term 'mixed activity' means any activity which is both for the purpose of influencing an election for Federal office and for any purpose unrelated to influencing an election for Federal office, including voter registration, absentee ballot programs, and get-out-the-vote programs, but does not include the payment of any administrative or overhead costs, including salaries (other than payments made to individuals for get-out-the-vote activities conducted on the day of an election), rent, fundraising, or communications to members of a political party.

"(c) RESTRICTIONS ON USE OF FUNDS FOR MIXED CANDIDATE-SPECIFIC ACTIVITIES.—

"(1) REQUIRING ALLOCATION AMONG CANDIDATES.—A political party committee may use funds which are not subject to the limitations and prohibitions of this Act for mixed candidate-specific activities if the funds are allocated among the candidates involved on the basis of the time and space allocated to the candidates.

"(2) MIXED CANDIDATE-SPECIFIC ACTIVITY DEFINED.—In this subsection, the term 'mixed candidate-specific activity' means any activity which is both for the purpose of promoting a specific candidate or candidates in an election for Federal office and for the purpose of promoting a specific candidate or candidates in any other election.".

SEC. 204. PERMITTING PARTIES TO HAVE UNLIMITED COMMUNICATION WITH MEMBERS.

(a) IN GENERAL.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

"(4)(A) For purposes of applying the limitations established under paragraphs (2) and (3), in determining the amount of expenditures made by a national committee of a political party or a State committee of a political party (including any subordinate committee of a State committee), there shall be excluded any amounts expended by the committee for communications to the extent the communications are made to members of the party.

"(B) For purposes of subparagraph (A), an individual shall be considered to be a 'member' of a political party if any of the following apply:

"(i) The individual is registered to vote as a member of the party.

"(ii) There is a public record that the individual voted in the primary of the party during the most recent primary election.

"(iii) The individual has made a contribution to the party and the contribution has been reported to the Commission (in accordance with this Act) or to a State reporting agency.

"(iv) The individual has indicated in writing that the individual is a member of the party.".

(b) FUNDS AVAILABLE FOR PARTY COMMUNICATIONS.—Section 324 of such Act, as added by section 203, is amended by adding at the end the following new subsection:

"(d) FUNDS FOR PARTY COMMUNICATIONS WITH MEMBERS.—Subsection (a) shall not apply with respect to funds expended by a political party for communications to the extent the communications are made to members of the party (as determined in accordance with section 315(d)(4)), except that any communications which are both for the purpose of expressly advocating the election or defeat of a specific candidate for election to Federal office and for any other purpose shall be subject to allocation in the same manner as funds expended for mixed candidate-specific activities under subsection (c).".

SEC. 205. PROMOTING STATE AND LOCAL PARTY VOLUNTEER AND GRASSROOTS ACTIVITY.

(a) ENCOURAGING STATE AND LOCAL PARTY ACTIVITIES.—

(1) CONTRIBUTIONS.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(A) by striking "and" at the end of clause (xiii);

(B) by striking the period at the end of clause (xiv) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(xv) the payment by a State or local committee of a political party for any of the following activities:

"(I) The listing of the slate of the party's candidates, including the communication of the slate to the public.

"(II) The mailing of materials for or on behalf of specific candidates by volunteers (including labeling envelopes or affixing postage or other indicia to particular pieces of mail), other than the mailing of materials to a commercial list.

"(III) Conducting a telephone bank for or on behalf of specific candidates staffed by volunteers.

"(IV) The distribution of collateral materials (such as pins, bumper stickers, handbills, brochures, posters, party tabloids, and yard signs) for or on behalf of specific candidates (whether by volunteers or otherwise).".

(2) EXPENDITURES.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) by striking "and" at the end of clause (ix);

(B) by striking the period at the end of clause (x) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(xi) the payment by a State or local committee of a political party for any of the following activities:

"(I) The listing of the slate of the party's candidates, including the communication of the slate to the public.

"(II) The mailing of materials for or on behalf of specific candidates by volunteers (including labeling envelopes or affixing postage or other indicia to particular pieces of mail), other than the mailing of materials to a commercial list.

"(III) Conducting a telephone bank for or on behalf of specific candidates staffed by volunteers.

"(IV) The distribution of collateral materials (such as pins, bumper stickers, handbills, brochures, posters, party tabloids, and yard signs) for or on behalf of specific candidates (whether by volunteers or otherwise).".

(3) CONFORMING AMENDMENTS.—(A) Section 301(8)(B)(x) of such Act (2 U.S.C. 431(8)(B)(x)) is amended by striking "in connection with volunteer activities on behalf of nominees of such party" and inserting "in connection with State or local activities, other than any payment described in clause (xv)".

(B) Section 301(9)(B)(viii) of such Act (2 U.S.C. 431(9)(B)(viii)) is amended by striking "in connection with volunteer activities on behalf of nominees of such party" and inserting "in connection with State or local activities, other than any payment described in clause (xi)".

(b) FUNDS AVAILABLE FOR ACTIVITIES.—

(1) PERMITTING USE OF NON-FEDERAL FUNDS FOR MIXED ACTIVITIES.—Section 324(b) of such Act, as added by section 203, is amended—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following new paragraph:

"(2) USE BY STATE OR LOCAL PARTY COMMITTEES.—A State, local, or district committee of a political party (including any subordinate committee thereof) may use funds which are not subject to the limitations and prohibitions of this Act for mixed activity if the funds are allocated in accordance with the process described in subsection (g).".

(2) FUNDS AVAILABLE FOR STATE AND LOCAL PARTIES.—Section 324 of such Act, as added by section 203 and as amended by section 204(b), is amended by adding at the end the following new subsection:

"(e) FUNDS AVAILABLE FOR STATE AND LOCAL PARTY VOLUNTEER AND GRASSROOTS ACTIVITIES.—Subsection (a) shall not apply with respect to payments described in section 301(8)(B)(xv) or section 301(9)(B)(xi), except that any payments which are both for the purpose of expressly advocating the election or defeat of a specific candidate for election to Federal office and for any other purpose shall be subject to allocation in the same manner as funds expended for mixed candidate-specific activities under subsection (c).".

(3) TREATMENT OF INTRA-PARTY TRANSFERS.—Section 324 of such Act, as added by section 203 and as amended by section 204(b) and paragraph (2), is amended by adding at the end the following new subsection:

"(f) RULE OF CONSTRUCTION REGARDING INTRA-PARTY TRANSFERS.—Nothing in this section shall be construed to prohibit the transfer between and among national, State, or local party committees (including any subordinate committees thereof) of funds which are not subject to the limitations and prohibitions of this Act.".

(4) ALLOCATION PROCEDURES DESCRIBED.—Section 324 of such Act, as added by section 203 and as amended by section 204(b) and paragraphs (2) and (3), is amended by adding at the end the following new subsection:

"(g) STATE AND LOCAL PARTY COMMITTEES; METHOD FOR ALLOCATING EXPENDITURES FOR MIXED ACTIVITIES.—

"(1) GENERAL RULE.—All State and local party committees except those covered by paragraph (2) shall allocate their expenses for mixed activities, as described in subsection (b)(2), according to the ballot composition method described as follows:

"(A) Under this method, expenses shall be allocated based on the ratio of Federal offices expected on the ballot to total Federal and non-Federal offices expected on the ballot in the next general election to be held in the committee's State or geographic area. This ratio shall be determined by the number of categories of Federal offices on the ballot and the number of categories of non-Federal offices on the ballot, as described in subparagraph (B).

"(B) In calculating a ballot composition ratio, a State or local party committee shall count the Federal offices of President, United States Senator, and United States Representative, if expected on the ballot in the next general election, as one Federal office each. The committee shall count the non-Federal offices of Governor, State Senator, and State Representative, if expected on the ballot in the next general election, as one non-Federal office each. The committee shall count the total of all other partisan statewide executive candidates, if expected on the ballot in the next general election, as a maximum of two non-Federal offices. State party committees shall also include in the ratio one additional non-Federal office if any partisan local candidates are expected on the ballot in any regularly scheduled election during the 2 year congressional election cycle. Local party committees shall also include in the ratio a maximum of 2 additional non-Federal offices if any partisan local candidates are expected on the ballot in any regularly scheduled election during the 2 year congressional election cycle. State and local party committees shall also include in the ratio 1 additional non-Federal office.

"(2) EXCEPTION FOR STATES THAT DO NOT HOLD FEDERAL AND NON-FEDERAL ELECTIONS IN THE SAME YEAR.—State and local party committees in states that do not hold Federal and non-Federal elections in the same year shall allocate the costs of mixed activities according to the ballot composition method described in paragraph (1), based on a ratio calculated for that calendar year.".

TITLE III—DISCLOSURE AND ENFORCEMENT

SEC. 301. TIMELY REPORTING AND INCREASED DISCLOSURE.

(a) DEADLINE FOR FILING.—

(1) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE WITHIN 20 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)(A)) is amended—

(A) by striking "after the 20th day, but more than 48 hours before any election" and inserting "during the period which begins on the 20th day before an election and ends at the time the polls close for such election"; and

(B) by striking "48 hours" the second place it appears and inserting the following: "24 hours (or, if earlier, by midnight of the day on which the contribution is deposited)".

(2) REQUIRING ACTUAL DELIVERY BY DEADLINE.—

(A) IN GENERAL.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)), as amended by section 103(b), is further amended by adding at the end the following new subparagraph:

"(D) Notwithstanding paragraph (5), the time at which a notification or report under this paragraph is received by the Secretary, the Commission, or any other recipient to whom the notification is required to be sent shall be considered the time of filing of the notification or report with the recipient.".

(B) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking "paragraph (2)(A)(i) or (4)(A)(ii)" and inserting "paragraphs (2)(A)(i), (4)(A)(ii), or (6))".

(b) INCREASING ELECTRONIC DISCLOSURE.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)), as amended by section 103(b) and subsection (a)(2)(A), is further amended by adding at the end the following new subparagraph:

"(E)(i) The Commission shall make the information contained in the reports submitted under this paragraph available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.

"(ii) In this subparagraph, the term 'Internet' means the international computer network of both Federal and non-Federal interoperable packet-switched data networks.".

(c) CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.—Section 304(b) of such Act (2 U.S.C. 434(b)) is amended by inserting "(or election cycle, in the case of an authorized committee of a candidate for Federal office)" after "calendar year" each place it appears in paragraphs (2), (3), (4), (6), and (7).

(d) CLARIFICATION OF PERMISSIBLE USE OF FACSIMILE MACHINES TO FILE REPORTS.—Section 304(a)(11)(A) of such Act (2 U.S.C. 434(a)(11)) is amended by striking "method," and inserting "method (including by facsimile device in the case of any report required to be filed within 24 hours after the transaction reported has occurred),".

(e) REQUIRING RECEIPT OF INDEPENDENT EXPENDITURE REPORTS WITHIN 24 HOURS.—

(1) IN GENERAL.—Section 304(c)(2) of such Act (2 U.S.C. 434(c)(2)) is amended in the matter following subparagraph (C)—

(A) by striking "shall be reported" and inserting "shall be filed"; and

(B) by adding at the end the following new sentence: "Notwithstanding subsection (a)(5), the time at which the statement under this subsection is received by the Secretary, the Commission, or any other recipient to whom the notification is required to be sent shall be considered the time of filing of the statement with the recipient.".

(2) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)), as amended by subsection (a)(2)(B), is further amended by striking "or (6)" and inserting "or (6), or subsection (c)(2)".

(f) REQUIRING RECORD KEEPING AND REPORT OF SECONDARY PAYMENTS BY CAMPAIGN COMMITTEES.—

(1) REPORTING.—Section 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is amended by striking the semicolon at the end and inserting the following: ", and, if such person in turn makes expenditures which aggregate $500 or more in an election cycle to other persons (not including employees) who provide goods or services to the candidate or the candidate's authorized committees, the name and address of such other persons, together with the date, amount, and purpose of such expenditures;".

(2) RECORD KEEPING.—Section 302 of such Act (2 U.S.C. 432), as amended by section 105(a), is further amended by adding at the end the following new subsection:

"(k) A person described in section 304(b)(5)(A) who makes expenditures which aggregate $500 or more in an election cycle to other persons (not including employees) who provide goods or services to a candidate or a candidate's authorized committees shall provide to a political committee the information necessary to enable the committee to report the information described in such section.".

(3) NO EFFECT ON OTHER REPORTS.—Nothing in the amendments made by this subsection may be construed to affect the terms of any other recordkeeping or reporting requirements applicable to candidates or political committees under title III of the Federal Election Campaign Act of 1971.

(g) INCLUDING REPORT ON CUMULATIVE CONTRIBUTIONS AND EXPENDITURES IN POST ELECTION REPORTS.—Section 304(a)(7) of such Act (2 U.S.C. 434(a)(7)) is amended—

(1) by striking "(7)" and inserting "(7)(A)"; and

(2) by adding at the end the following new subparagraph:

"(B) In the case of any report required to be filed by this subsection which is the first report required to be filed after the date of an election, the report shall include a statement of the total contributions received and expenditures made as of the date of the election.".

(h) INCLUDING INFORMATION ON AGGREGATE CONTRIBUTIONS IN REPORT ON ITEMIZED CONTRIBUTIONS.—Section 304(b)(3) of such Act (2 U.S.C. 434(b)(3)) is amended—

(1) in subparagraph (A), by inserting after "such contribution" the following: "and the total amount of all such contributions made by such person with respect to the election involved"; and

(2) in subparagraph (B), by inserting after "such contribution" the following: "and the total amount of all such contributions made by such committee with respect to the election involved".

SEC. 302. STREAMLINING PROCEDURES AND RULES OF FEDERAL ELECTION COMMISSION.

(a) STANDARDS FOR COMMISSION REGULATION AND JUDICIAL INTERPRETATION.—Section 307 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437d) is amended by adding at the end the following new subsection:

"(f)(1) When developing prescribed forms and making, amending, or repealing rules pursuant to the authority granted to the Commission by subsection (a)(8), the Commission shall act in a manner that will have the least restrictive effect on the rights of free speech and association so protected by the First Article of Amendment to the Constitution of the United States.

"(2) When the Commission's actions under paragraph (1) are challenged, a reviewing court shall hold unlawful and set aside any actions of the Commission that do not conform with the principles set forth in paragraph (1).".

(b) WRITTEN RESPONSES TO QUESTIONS.—

(1) IN GENERAL.—Title III of such Act (2 U.S.C. 431 et seq.) is amended by inserting after section 308 the following new section:

"OTHER WRITTEN RESPONSES TO QUESTIONS

"SEC. 308A. (a) PERMITTING RESPONSES.—In addition to issuing advisory opinions under section 308, the Commission shall issue written responses pursuant to this section with respect to a written request concerning the application of this Act, chapter 95 or chapter 96 of the Internal Revenue Code of 1986, a rule or regulation prescribed by the Commission, or an advisory opinion issued by the Commission under section 308, with respect to a specific transaction or activity by the person, if the Commission finds the application of the Act, chapter, rule, regulation, or advisory opinion to the transaction or activity to be clear and unambiguous.

"(b) PROCEDURE FOR RESPONSE.—

"(1) ANALYSIS BY STAFF.—The staff of the Commission shall analyze each request submitted under this section. If the staff believes that the standard described in subsection (a) is met with respect to the request, the staff shall circulate a statement to that effect together with a draft response to the request to the members of the Commission.

"(2) ISSUANCE OF RESPONSE.—Upon the expiration of the 3-day period beginning on the date the statement and draft response is circulated (excluding weekends or holidays), the Commission shall issue the response, unless during such period any member of the Commission objects to issuing the response.

"(c) EFFECT OF RESPONSE.—

"(1) SAFE HARBOR.—Notwithstanding any other provisions of law, any person who relies upon any provision or finding of a written response issued under this section and who acts in good faith in accordance with the provisions and findings of such response shall not, as a result of any such act, be subject to any sanction provided by this Act or by chapter 95 or chapter 96 of the Internal Revenue Code of 1986.

"(2) NO RELIANCE BY OTHER PARTIES.—Any written response issued by the Commission under this section may only be relied upon by the person involved in the specific transaction or activity with respect to which such response is issued, and may not be applied by the Commission with respect to any other person or used by the Commission for enforcement or regulatory purposes.

"(d) PUBLICATION OF REQUESTS AND RESPONSES.—The Commission shall make public any request for a written response made, and the responses issued, under this section. In carrying out this subsection, the Commission may not make public the identity of any person submitting a request for a written response unless the person specifically authorizes to Commission to do so.

"(e) COMPILATION OF INDEX.—The Commission shall compile, publish, and regularly update a complete and detailed index of the responses issued under this section through which responses may be found on the basis of the subjects included in the responses.".

(2) CONFORMING AMENDMENT.—Section 307(a)(7) of such Act (2 U.S.C. 437d(a)(7)) is amended by striking "of this Act" and inserting "and other written responses under section 308A".

(c) OPPORTUNITY FOR ORAL ARGUMENTS BEFORE COMMISSION.—Section 309(a)(3) of such Act (2 U.S.C. 437g(a)(3)) is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding at the end the following new subparagraph:

"(B) If a respondent submits a brief under subparagraph (A), the respondent may submit (at the time of submitting the brief) a request to present an oral argument in support of the respondent's brief before the Commission. If at least 2 members of the Commission approve of the request, the respondent shall be permitted to appear before the Commission in open session and make an oral presentation in support of the brief and respond to questions of members of the Commission. Such appearance shall take place at a time specified by the Commission during the 30-day period which begins on the date the request is approved, and the Commission may limit the length of the respondent's appearance to such period of time as the Commission considers appropriate. Any information provided by the respondent during the appearance shall be considered by the Commission before proceeding under paragraph (4).".

(d) INDEX OF ADVISORY OPINIONS.—

(1) IN GENERAL.—Section 308 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437f) is amended by adding at the end the following new subsection:

"(e) The Commission shall compile, publish, and regularly update a complete and detailed index of the advisory opinions issued under this section through which opinions may be found on the basis of the subjects included in the opinions.".

(2) EFFECTIVE DATE.—The Federal Election Commission shall first publish the index of advisory opinions described in section 308(e) of the Federal Election Campaign Act of 1971 (as added by paragraph (1)) not later than 60 days after the date of the enactment of this Act.

(e) STANDARD FOR INITIATION OF ACTIONS.—Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe" and all that follows through "of 1954," and inserting the following: "it has a reason to investigate a possible violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 that has occurred or is about to occur (based on the same criteria applicable under this paragraph prior to the enactment of the Campaign Finance Reform Act of 1996),".

(f) APPLICATION OF AGGREGATE CONTRIBUTION LIMIT ON CALENDAR YEAR BASIS DURING NON-ELECTION YEARS.—Section 315(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(4) as redesignated by section 102(b)(1)(A)) is amended.

(g) REPEAL REPORT BY SECRETARY OF COMMERCE ON DISTRICT-SPECIFIC VOTING AGE POPULATION.—Section 315(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(e)) is amended by striking "States, of each State, and of each congressional district" and inserting "States and of each State".

(h) COMMERCIALLY REASONABLE LOANS NOT TO BE TREATED AS CONTRIBUTIONS BY LENDER.—Section 301(8)(B)(vii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(vii)) is amended—

(1) by striking "or a depository" and inserting "a depository"; and

(2) by inserting after "Administration," the following: "or any other commercial lender,".

(i) ABOLITION OF EX OFFICIO MEMBERSHIP OF CLERK OF HOUSE OF REPRESENTATIVES ON COMMISSION.—Section 306(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)) is amended—

(1) in paragraph (1), by striking "and the Clerk" and all that follows through "designees" and inserting "or the designee of the Secretary"; and

(2) in paragraphs (3), (4), and (5), by striking "and the Clerk of the House of Representatives" each place it appears.

(j) GRANTING COMMISSION AUTHORITY TO WAIVE REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434), as amended by section 101(b), is further amended by adding at the end the following new subsection:

"(e) The Commission may by unanimous vote relieve any person or category of persons of the obligation to file any of the reports required by this section, or may change the due dates of any of the reports required by this section, if it determines that such action is consistent with the purposes of this title. The Commission may waive requirements to file reports or change due dates in accordance with this subsection through a rule of general applicability or, in a specific case, by notifying all the political committees involved.".

(k) PERMITTING CORPORATIONS TO COMMUNICATE WITH ALL EMPLOYEES.—

(1) IN GENERAL.—Section 316(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking "executive or administrative personnel" each place it appears in paragraphs (2)(A), (2)(B), (4)(A)(i), (4)(D), and (5) and inserting "officers or employees".

(2) CONFORMING AMENDMENT.—Section 316(b) of such Act is amended by striking paragraph (7).

(l) PERMITTING UNLIMITED SOLICITATIONS BY CORPORATIONS OR LABOR ORGANIZATIONS; PROTECTING CONFIDENTIALITY OF CONTRIBUTIONS NOT GREATER THAN $100.—Section 316(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(3)), as amended by subsection (k)(2), is amended—

(1) in paragraph (4)(A), by striking "(B), (C)," and inserting "(C)";

(2) in paragraph (4)(A)(ii), by striking the period at the end and inserting the following: ", its officers or employees and their families, employees who are not members and their families, and officers, employees, or stockholders of a corporation (and their families) in which the labor organization represents members working for the corporation.";

(3) in paragraph (4), by striking subparagraph (B); and

(4) by adding at the end the following new paragraph:

"(7)(A) Any corporation or labor organization (or separate segregated fund established by such a corporation or such a labor organization) making solicitations of contributions shall make such solicitations in a manner that ensures that the corporation, organization, or fund cannot determine who makes a contribution of $100 or less as a result of such solicitation and who does not make such a contribution.

"(B) Subparagraph (A) shall not apply with respect to any solicitation of contributions of a corporation from its stockholders.".

(m) GREATER PROTECTION AGAINST FORCE AND REPRISALS.—Section 316(b)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(3)), is amended—

(1) by redesignating subparagraphs (A) through (C) as subparagraphs (B) through (D); and

(2) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

"(A) for such a fund to cause another person to make a contribution or expenditure by physical force, job discrimination, financial reprisals, or the threat of force, job discrimination, or financial reprisal;".

(n) REQUIRING COMPLAINANT TO PROVIDE NOTICE TO RESPONDENTS.—Section 309(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(1)) is amended by striking the third sentence and inserting the following: "The complaint shall include the names and addresses of persons alleged to have committed such a violation. Within 5 days after receipt of the complaint, the Commission shall provide written notice of the complaint together with a copy of the complaint to each person described in the previous sentence, except that if the Commission determines that it is not necessary for a person described in the previous sentence to receive a copy of the complaint, the Commission shall provide the person with written notice that the complaint has been filed, together with written instructions on how to obtain a copy of the complaint without charge from the Commission.".

(o) STANDARD FORM FOR COMPLAINTS; STRONGER DISCLAIMER LANGUAGE.—

(1) STANDARD FORM.—Section 309(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(1)) is amended by inserting after "shall be notarized," the following: "shall be in a standard form prescribed by the Commission, shall not include (but may refer to) extraneous materials,".

(2) DISCLAIMER LANGUAGE.—Section 309(a)(1) of such Act (2 U.S.C. 437g(a)(1)) is amended—

(A) by striking "(a)(1)" and inserting "(a)(1)(A)"; and

(B) by adding at the end the following new subparagraph:

"(B) The written notice of a complaint provided by the Commission under subparagraph (A) to a person alleged to have committed a violation referred to in the complaint shall include a cover letter (in a form prescribed by the Commission) and the following statement: 'The enclosed complaint has been filed against you with the Federal Election Commission. The Commission has not verified or given official sanction to the complaint. The Commission will make no decision to pursue the complaint for a period of at least 15 days from your receipt of this complaint. You may, if you wish, submit a written statement to the Commission explaining why the Commission should take no action against you based on this complaint. If the Commission should decide to investigate, you will be notified and be given further opportunity to respond.'".

(p) BANNING ACCEPTANCE OF CASH CONTRIBUTIONS GREATER THAN $100.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 101, 103(a)(1), and 202, is further amended by adding at the end the following new subsection:

"(l) No candidate or political committee may accept any contributions of currency of the United States or currency of any foreign country from any person which, in the aggregate, exceed $100.".

(q) APPOINTMENT AND SERVICE OF STAFF DIRECTOR AND GENERAL COUNSEL OF COMMISSION.—

(1) APPOINTMENT; LENGTH OF TERM OF SERVICE.—

(A) IN GENERAL.—The first sentence of section 306(f)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)(1)) is amended by striking "by the Commission" and inserting the following: "by an affirmative vote of not less than 4 members of the Commission and may not serve for a term of more than 4 consecutive years without reappointment in accordance with this paragraph".

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply with respect to any individual serving as the staff director or general counsel of the Federal Election Commission on or after January 1, 1997, without regard to whether or not the individual served as staff director or general counsel prior to such date.

(2) TREATMENT OF INDIVIDUALS FILLING VACANCIES; TERMINATION OF AUTHORITY UPON EXPIRATION OF TERM.—Section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting after the first sentence the following new sentences: "An individual appointed as a staff director or general counsel to fill a vacancy occurring other than by the expiration of a term of office shall be appointed only for the unexpired term of the individual he or she succeeds. An individual serving as staff

director or general counsel may not serve in any capacity on behalf of the Commission after the expiration of the individual's term unless reappointed in accordance with this paragraph.".

(3) APPOINTMENT OF ADDITIONAL STAFF.—

(A) IN GENERAL.—The last sentence of section 306(f)(1) of such Act (2 U.S.C. 437c(f)(1)) is amended by inserting "not less than 4 members of" after "approval of".

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply with respect to personnel appointed on or after January 1, 1997.

(r) ENCOURAGING CITIZEN GRASSROOTS ACTIVITY ON BEHALF OF FEDERAL CANDIDATES.—

(1) EXEMPTION OF INDIVIDUAL CONTRIBUTIONS UNDER $100.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)), as amended by section 205(a), is further amended—

(A) by striking "and" at the end of clause (xiv);

(B) by striking the period at the end of clause (xv) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(xvi) any payment of funds on behalf of a candidate (whether in cash or in kind, but not including a direct payment of cash to a candidate or a political committee of the candidate) by an individual from the individual's personal funds which in the aggregate does not exceed $100, if the funds are used for activities carried out by the individual or a member of the individual's family.".

(2) EXEMPTION OF INDIVIDUAL EXPENDITURES UNDER $100.—Section 301(9)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)), as amended by section 205(b), is amended—

(A) by striking "and" at the end of clause (x);

(B) by striking the period at the end of clause (xi) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(xii) any payment of funds on behalf of a candidate (whether in cash or in kind, but not including a direct payment of cash to a candidate or a political committee of the candidate) by an individual from the individual's personal funds which in the aggregate does not exceed $100, if the funds are used for activities carried out by the individual or a member of the individual's family.".

(s) PERMITTING PARTNERSHIPS TO SOLICIT CONTRIBUTIONS AND PAY ADMINISTRATIVE COSTS OF POLITICAL COMMITTEES IN SAME MANNER AS CORPORATIONS AND LABOR UNIONS.—

(1) TREATMENT OF CONTRIBUTIONS.—Section 301(8)(B) of the Federal Election Campaign Act (2 U.S.C. 431(8)(B)), as amended by section 205(a) and subsection (r)(1), is amended—

(A) by striking "and" at the end of clause (xv);

(B) by striking the period at the end of clause (xvi) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(xvii) any payment made or obligation incurred by a partnership in the establishment and maintenance of a political committee, the administration of such a political committee, or the solicitation of contributions to such committee.".

(2) TREATMENT OF EXPENDITURES.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)), as amended by section 205(b) and subsection (r)(2), is amended—

(A) by striking "and" at the end of clause (xi);

(B) by striking the period at the end of clause (xii) and inserting "; and"; and

(C) by adding at the end the following new clause:

"(xiii) any payment made or obligation incurred by a partnership in the establishment and maintenance of a political committee, the administration of such a political committee, or the solicitation of contributions to such committee.".

TITLE IV—WORKER RIGHT TO KNOW

SEC. 401. FINDINGS.

The Congress finds the following:

(1) The United States Supreme Court announced in the landmark decision, Communications Workers of America v. Beck (487 U.S. 735), that employees who work under a union security agreement, and are required to pay union dues as a condition of employment, may not be forced to contribute through such dues to union-supported political, legislative, social, or charitable causes with which they disagree, and may only be required to pay dues related to collective bargaining, contract administration, and grievance adjustment necessary to performing the duties of exclusive representation.

(2) Little action has been taken by the National Labor Relations Board to facilitate the ability of employees to exercise their right to object to the use of their union dues for political, legislative, social, or charitable purposes, or other activities not necessary to performing the duties of the exclusive representative of employees in dealing with the employer on labor-management issues, and the Board only recently issued its first ruling implementing the Beck decision nearly 8 years after the Supreme Court issued the opinion.

(3) The evolution of the right enunciated in the Beck decision has diminished its meaningfulness because employees are forced to forego critical workplace rights bearing on their economic well-being in order to object to the use of their dues for purposes unrelated to collective bargaining, to rely on the very organization they are challenging to make the determination regarding the amount of dues necessary to the union's representational function, and do not have access to clear and concise financial records that provide an accurate accounting of how union dues are spent.

SEC. 402. PURPOSE.

The purpose of this title is to ensure that workers who are required to pay union dues as a condition of employment have adequate information about how the money they pay in dues to a union is spent and to remove obstacles to the ability of working people to exercise their right to object to the use of their dues for political, legislative, social, or charitable causes with which they disagree, or for other activities not necessary to performing the duties of the exclusive representative of the employees in dealing with the employer on labor-management issues.

SEC. 403. WORKER CHOICE.

(a) RIGHTS OF EMPLOYEES.—Section 7 of the National Labor Relations Act (29 U.S.C. 157) is amended by striking "membership" and all that follows and inserting the following: "the payment to a labor organization of dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation as a condition of employment as authorized in section 8(a)(3).".

(b) UNFAIR LABOR PRACTICES.—Section 8(a)(3) of such Act (29 U.S.C. 158(a)(3)) is amended by striking "membership therein" and inserting "the payment to such labor organization of dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation".

SEC. 404. WORKER CONSENT.

(a) WRITTEN AGREEMENT.—Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following:

"(h) An employee subject to an agreement between an employer and a labor organization requiring the payment of dues or fees to such organization as authorized in section 8(a)(3) may not be required to pay to such organization, nor may such organization accept payment of, any dues or fees not related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation unless the employee has agreed to pay such dues or fees in a signed written agreement that must be renewed between the first day of September and the first day of October of each year. Such signed written agreement shall include a ratio of the dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation and the dues or fees related to other purposes.".

(b) WRITTEN ASSIGNMENT.—Section 302(c)(4) of the Labor Management Relations Act, 1947 (29 U.S.C. 186(c)(4)) is amended by inserting before the semicolon the following: ": *Provided further*, That no amount may be deducted for dues unrelated to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation unless a written assignment authorizes such a deduction".

SEC. 405. WORKER NOTICE.

Section 8 of the National Labor Relations Act (29 U.S.C. 158), as amended by section 404(a), is further amended by adding at the end the following:

"(i) An employer shall be required to post a notice, of such size and in such form as the Board shall prescribe, in conspicuous places in and about its plants and offices, including all places where notices to employees are customarily posted, informing employees of their rights under section 7 of this Act and clarifying to employees that an agreement requiring the payment of dues or fees to a labor organization as a condition of employment as authorized in subsection (a)(3) may only require that employees pay to such organization any dues or fees related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation.".

SEC. 406. DISCLOSURE TO WORKERS.

(a) EXPENSES REPORTING.—Section 201(b) of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(b)) is amended by adding at the end the following new sentence: "Every labor organization shall be required to attribute and report expenses by function classification in such detail as necessary to allow its members to determine whether such expenses were related to collective bargaining, contract administration, or grievance adjustment necessary to performing the duties of exclusive representation or were related to other purposes.".

(b) DISCLOSURE.—Section 201(c) of the Labor-Management Reporting and Disclosure Act of 1959 (29 U.S.C. 431(c)) is amended—

(1) by inserting "and employees required to pay any dues or fees to such organization" after "members"; and

(2) inserting "or employee required to pay any dues or fees to such organization" after "member" each place it appears.

(c) REGULATIONS.—The Secretary of Labor shall prescribe such regulations as are necessary to carry out the amendments made by this section not later than 120 days after the date of the enactment of this Act.

SEC. 407. CONSTRUCTION.

Nothing in this title shall be construed to affect section 14(b) of the National Labor Relations Act or the concurrent jurisdiction of Federal district courts over claims that a labor organization has breached its duty of fair representation with regard to the collection or expenditure of dues or fees.

SEC. 408. EFFECTIVE DATE.

This title shall take effect on the date of enactment, except that the requirements contained in the amendments made by sections 404 and 405 shall take effect 60 days after the date of the enactment of this Act.

TITLE V—GENERAL PROVISIONS

SEC. 501. EFFECTIVE DATE.

Except as otherwise specifically provided, this Act and the amendments made by this Act shall take effect January 1, 1997.

SEC. 502. SEVERABILITY.

If any provision of this Act or any amendment made by this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 503. EXPEDITED COURT REVIEW.

(a) RIGHT TO BRING ACTION.—The Federal Election Commission, a political committee under title III of the Federal Election Campaign Act of 1971, or any individual eligible to vote in any election for the office of President of the United States may institute an action in an appropriate district court of the United States (including an action for declaratory judgment) as may be appropriate to construe the constitutionality of any provision of this Act or any amendment made by this Act.

(b) HEARING BY THREE-JUDGE COURT.—Upon the institution of an action described in subsection (a), a district court of three judges shall immediately be convened to decide the action pursuant to section 2284 of title 28, United States Code. Such action shall be advanced on the docket and expedited to the greatest extent possible.

(c) APPEAL OF INITIAL DECISION TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by the court of 3 judges convened pursuant to subsection (b) in an action described in subsection (a). Such appeal shall be brought not later than 20 days after the issuance by the court of the judgment, decree, or order.

(d) EXPEDITED REVIEW BY SUPREME COURT.—The Supreme Court shall accept jurisdiction over, advance on the docket, and expedite to the greatest extent possible an appeal taken pursuant to subsection (c).

The CHAIRMAN. No other amendment shall be in order except an amendment in the nature of a substitute consisting of the text of H.R. 3505, modified by the amendment printed in House Report 104-685. That amendment may be offered only by the gentleman from Missouri [Mr. GEPHARDT] or his designee, shall be considered read, shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment.

AMENDMENT IN THE NATURE OF A SUBSTITUTE AS MODIFIED BY THE RULE OFFERED BY MR. FAZIO OF CALIFORNIA

Mr. FAZIO of California. Mr. Chairman, I offer an amendment in the nature of a substitute as the designee of the minority leader.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute, as modified by the rule, is as follows:

Amendment in the nature of a substitute, as modified by the rule, offered by Mr. FAZIO of California.

H.R. 3505

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "American Political Reform Act".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CONGRESSIONAL CAMPAIGN SPENDING LIMITS AND BENEFITS

Subtitle A—Election Campaign Spending Limits and Benefits

Sec. 101. Spending limits and benefits.

Subtitle B—Limitations on Contributions to House of Representatives Candidates

Sec. 121. Limitations on political committees.
Sec. 122. Limitations on political committee and large donor contributions that may be accepted by House of Representatives candidates.

Subtitle C—Related Provisions

Sec. 131. Reporting requirements.
Sec. 132. Registration as eligible House of Representatives candidate.
Sec. 133. Definitions.

Subtitle D—Tax on Excess Political Expenditures of Certain Congressional Campaign Funds

Sec. 141. Tax treatment of certain campaign funds.

TITLE II—INDEPENDENT EXPENDITURES

Sec. 201. Clarification of definitions relating to independent expenditures.
Sec. 202. Reporting requirements for certain independent expenditures.

TITLE III—CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES

Sec. 301. Definitions.
Sec. 302. Contributions to political party committees.
Sec. 303. Increase in the amount that multicandidate political committees may contribute to national political party committees.
Sec. 304. Merchandising and affinity cards.
Sec. 305. Provisions relating to national, State, and local party committees.
Sec. 306. Restrictions on fundraising by candidates and officeholders.
Sec. 307. Reporting requirements.

TITLE IV—CONTRIBUTIONS

Sec. 401. Restrictions on bundling.
Sec. 402. Contributions by dependents not of voting age.
Sec. 403. Prohibition of acceptance by a candidate of cash contributions from any one person aggregating more than $100.
Sec. 404. Contributions to candidates from State and local committees of political parties to be aggregated.
Sec. 405. Prohibition of false representation to solicit contributions.
Sec. 406. Limited exclusion of advances by campaign workers from the definition of the term "contribution".
Sec. 407. Amendment to section 316 of the Federal Election Campaign Act of 1971.
Sec. 408. Prohibition of certain election-related activities of foreign nationals.

TITLE V—REPORTING REQUIREMENTS

Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
Sec. 502. Disclosure of personal and consulting services.
Sec. 503. Political committees other than candidate committees.
Sec. 504. Use of candidates' names.
Sec. 505. Reporting requirements.
Sec. 506. Simultaneous registration of candidate and candidate's principal campaign committee.
Sec. 507. Reporting on general campaign activities of persons other than political parties.

TITLE VI—BROADCAST RATES AND CAMPAIGN ADVERTISING

Sec. 601. Broadcast rates and campaign advertising.
Sec. 602. Campaign advertising amendments.
Sec. 603. Eligibility for nonprofit third class bulk rates of postage.

TITLE VII—MISCELLANEOUS

Sec. 701. Prohibition of leadership committees.
Sec. 702. Appearance by Federal Election Commission as amici curiae.
Sec. 703. Prohibiting solicitation of contributions by members in hall of the House of Representatives.

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

Sec. 801. Effective date.
Sec. 802. Severability.
Sec. 803. Expedited review of constitutional issues.
Sec. 804. Regulations.

TITLE I—CONGRESSIONAL CAMPAIGN SPENDING LIMITS AND BENEFITS

Subtitle A—Election Campaign Spending Limits and Benefits

SEC. 101. SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—The Federal Election Campaign Act of 1971 is amended by adding at the end the following new title:

"TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

"TITLE V—ELECTION SPENDING LIMITS AND BENEFITS

"Subtitle A—Election Campaigns for the House of Representatives

"Sec. 501. Expenditure limitations.
"Sec. 502. Personal contribution limitations.
"Sec. 503. Definition.

"Subtitle B—Administrative Provisions

"Sec. 511. Certifications by Commission.
"Sec. 512. Examination and audits; repayments and civil penalties.
"Sec. 513. Judicial review.
"Sec. 514. Reports to Congress; certifications; regulations.

"Sec. 515. Closed captioning requirement for television commercials of eligible candidates.

"Subtitle C—Congressional Election Campaign Fund

"Sec. 521. Establishment and operation of the Fund.

"Sec. 522. Designation of receipts to the Fund.

"Subtitle A—Election Campaigns for the House of Representatives

"SEC. 501. EXPENDITURE LIMITATIONS.

"(a) IN GENERAL.—An eligible House of Representatives candidate may not, in an election cycle, make expenditures aggregating more than $600,000.

"(b) RUNOFF ELECTION AND SPECIAL ELECTION AMOUNTS.—

"(1) RUNOFF ELECTION AMOUNT.—If an eligible House of Representatives candidate is a candidate in a runoff election, the candidate may make additional expenditures aggregating not more than $200,000 in the election cycle.

"(2) SPECIAL ELECTION AMOUNT.—An eligible House of Representatives candidate who is a candidate in a special election may make expenditures aggregating not more than $600,000 with respect to the special election.

"(c) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 20 percentage points or less, the candidate may make additional expenditures aggregating not more than $200,000 in the election cycle.

"(d) EXCEPTIONS TO LIMITATIONS.—

"(1) NONPARTICIPATING OPPONENT.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if any other general election candidate seeking nomination or election to that office—

"(A) is not an eligible House of Representatives candidate; and

"(B) makes expenditures in excess of 30 percent of the limitation under subsection (a).

"(2) INDEPENDENT EXPENDITURES AGAINST ELIGIBLE CANDIDATE.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if the total amount of independent expenditures made during the election cycle on behalf of candidates opposing such eligible candidate exceeds $15,000.

"(3) CONTINUED ELIGIBILITY FOR BENEFITS.—An eligible House of Representatives candidate referred to in paragraph (1) or paragraph (2) shall continue to be eligible for all benefits under this title.

"(e) EXEMPTION FOR LEGAL COSTS AND TAXES.—

"(1) IN GENERAL.—Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee, or a Federal officeholder, for qualified legal services, for Federal, State, or local income taxes on earnings of a candidate's authorized committees, or to comply with section 512 shall not be considered in the computation of amounts subject to limitation under this section.

"(2) QUALIFIED LEGAL SERVICES.—For purposes of this subsection, the term 'qualified legal services' means—

"(A) any legal service performed on behalf of an authorized committee; or

"(B) any legal service performed on behalf of a candidate or Federal officeholder in connection with his or her duties or activities as a candidate or Federal officeholder.

"(f) EXEMPTION FOR FUNDRAISING OR ACCOUNTING COSTS.—Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee in connection with the solicitation of contributions on behalf of such candidate, or for accounting services to ensure compliance with this Act, shall not be considered in the computation of amounts subject to expenditure limitation under subsection (a) to the extent that the aggregate of such costs does not exceed 10 percent of the expenditure limitation under subsection (a).

"(g) INDEXING.—The dollar amounts specified in subsections (a), (b), and (c) shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1996.

"(h) RECALL ACTIONS.—The limitations of this section do not apply in the case of any recall action held pursuant to State law.

"SEC. 502. PERSONAL CONTRIBUTION LIMITATIONS.

"(a) PERSONAL CONTRIBUTIONS.—An eligible House of Representatives candidate may not, with respect to an election cycle, make contributions or loans to the candidate's own campaign totaling more than $50,000 from the personal funds of the candidate. Contributions from the personal funds of a candidate may not qualify for certification for voter benefits under this title.

"(b) LIMITATION EXCEPTION.—The limitation imposed by subsection (a) does not apply—

"(1) in the case of an eligible House of Representatives candidate if any other general election candidate for that office makes contributions or loans to the candidate's own campaign totaling more than $50,000 from the personal funds of the candidate; or

"(2) with respect to any contribution or loan used for costs described in section 501 (e) or (f).

"(c) AGGREGATION.—For purposes of subsection (a), any contribution or loan to a candidate's campaign by a member of a candidate's immediate family shall be treated as made by the candidate.

"SEC. 503. DEFINITION.

"As used in this title, the term 'benefits' means, with respect to an eligible House of Representatives candidate, reduced charges for use of a broadcasting station under section 315 of the Communications Act of 1934 (47 U.S.C. 315) and eligibility for nonprofit third-class bulk rates of postage under section 3626(e) of title 39, United States Code.

"Subtitle B—Administrative Provisions

"SEC. 511. CERTIFICATIONS BY COMMISSION.

"(a) GENERAL ELIGIBILITY.—The Commission shall certify whether a candidate is eligible to receive benefits under subtitle A. The initial determination shall be based on the candidate's filings under this title. Any subsequent determination shall be based on relevant additional information submitted in such form and manner as the Commission may require.

"(b) CERTIFICATION OF BENEFITS.—

"(1) DEADLINE FOR RESPONSE TO REQUESTS.—The Commission shall respond to a candidate's request for certification for eligibility to receive benefits under this section not later than 5 business days after the candidate submits the request.

"(2) REQUESTS.—Any request for certification submitted by a candidate shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirement of this title.

"(3) PARTIAL CERTIFICATION.—If the Commission determines that any portion of a request does not meet the requirement for certification, the Commission shall withhold the certification for that portion only and inform the candidate as to how the request may be corrected.

"(4) CERTIFICATION WITHHELD.—The Commission may withhold certification if it determines that a candidate who is otherwise eligible has engaged in a pattern of activity indicating that the candidate's filings under this title cannot be relied upon.

"(c) WITHDRAWAL OF CERTIFICATION.—If the Commission determines that a candidate who is certified as an eligible House of Representatives candidate pursuant to this section has made expenditures in excess of any limit under subtitle A or otherwise no longer meets the requirements for certification under this title, the Commission shall revoke the candidate's certification.

"SEC. 512. EXAMINATION AND AUDITS; REPAYMENTS AND CIVIL PENALTIES.

"(a) EXAMINATIONS AND AUDITS.—

"(1) GENERAL ELECTIONS.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 5 percent of the eligible House of Representatives candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. The Commission shall conduct an examination and audit of the accounts of all candidates for election to an office where any eligible candidate for the office is selected for examination and audit.

"(2) SPECIAL ELECTION.—After each special election involving an eligible candidate, the Commission shall conduct an examination and audit of the campaign accounts of all candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this Act.

"(3) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible House of Representatives candidate in a general election if the Commission determines that there exists reason to believe whether such candidate may have violated any provision of this title.

"(b) NOTIFICATION OF EXCESS EXPENDITURES.—If the Commission determines that any eligible candidate who has received benefits under this title has made expenditures in excess of any limit under subtitle A, the Commission shall notify the candidate.

"(c) CIVIL PENALTIES.—

"(1) EXCESS EXPENDITURES.—

"(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

"(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

"(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subtitle A by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus, if the Commission determines such excess expenditures were knowing and willful, a civil penalty in an amount determined by the Commission.

"(2) MISUSED BENEFITS OF CANDIDATES.—If the Commission determines that an eligible House of Representatives candidate used any benefit received under this title in a manner not provided for in this title, the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

"(d) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than 3 years after the date of such election.

"SEC. 513. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 514. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the House of Representatives setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the benefits certified by the Commission as available to each eligible candidate under this title; and

"(3) the names of any candidates against whom penalties were imposed under section 512, together with the amount of each such penalty and the reasons for its imposition.

"(b) DETERMINATIONS BY COMMISSION.—Subject to sections 512 and 513, all determinations (including certifications under section 511) made by the Commission under this title shall be final and conclusive.

"(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives a report containing a detailed explanation and justification of each rule and regulation of the Commission under this title. No such rule, regulation, or form may take effect until a period of 60 legislative days has elapsed after the report is received. As used in this subsection, the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

"SEC. 515. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE CANDIDATES.

"No eligible House of Representatives candidate may receive benefits under subtitle A unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.".

Subtitle B—Limitations on Contributions to House of Representatives Candidates

SEC. 121. LIMITATIONS ON POLITICAL COMMITTEES.

(a) MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(A)) is amended by striking out "with respect" and all that follows through "$5,000," and inserting in lieu thereof: "which, in the aggregate, exceed $5,000 with respect to an election for Federal office or $8,000 with respect to an election cycle (not including a runoff election);".

(b) CANDIDATE'S COMMITTEES.—(1) Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) For the purposes of the limitations provided by paragraphs (1) and (2), any political committee which is established or financed or maintained or controlled by any candidate or Federal officeholder shall be deemed to be an authorized committee of such candidate or officeholder. Nothing in this paragraph shall be construed to permit the establishment, financing, maintenance, or control of any committee which is prohibited by paragraph (3) or (6) of section 302(e)."

(2) Section 302(e)(3) of such Act (2 U.S.C. 432(e)(3)) is amended to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee."

(c) EFFECTIVE DATES.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply to elections (and the election cycles relating thereto) occurring after December 31, 1996.

(2) In applying the amendments made by this section, there shall not be taken into account—

(A) contributions made or received before January 1, 1997; or

(B) contributions made to, or received by, a candidate on or after January 1, 1997, to the extent such contributions are not greater than the excess (if any) of—

(i) such contributions received by any opponent of the candidate before January 1, 1997, over

(ii) such contributions received by the candidate before January 1, 1997.

SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) LIMITATIONS ON CONTRIBUTIONS ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATE.—

"(1) POLITICAL COMMITTEES.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions from political committees aggregating in excess of $200,000.

"(2) PERSONS OTHER THAN POLITICAL COMMITTEES.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions aggregating in excess of $200,000 from persons other than political committees whose contributions total more than $200.

"(3) CONTESTED PRIMARIES.—In addition to the contributions under paragraphs (1) and (2), if a House of Representatives candidate in a contested primary election wins that primary election by a margin of 20 percentage points or less, the candidate may accept contributions of—

"(A) not more than $66,600 from political committees; and

"(B) not more than $66,600 from persons referred to in paragraph (2).

"(4) RUNOFF ELECTIONS.—In addition to the contributions under paragraphs (1) and (2), a House of Representatives candidate who is a candidate in a runoff election may accept contributions of (A) not more than $100,000 from political committees; and (B) not more than $100,000 from persons referred to in paragraph (2).

"(5) EXEMPTION FOR CERTAIN COSTS.—Any amount—

"(A) accepted by a House of Representatives candidate; and

"(B) used for costs incurred under section 501 (e) and (f),

shall not be considered in the computation of amounts subject to limitation under this subsection.

"(6) TRANSFER PROVISION.—The limitations imposed by this subsection shall apply without regard to amounts transferred from previous election cycles or other authorized committees of the same candidate. Candidates shall not be required to seek the redesignation of contributions in order to transfer such contributions to a later election cycle.

"(7) INDEXATION OF AMOUNTS.—The dollar amounts specified in this subsection shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under subsection (c), except that, for the purposes of such adjustment, the base period shall be calendar year 1996."

Subtitle C—Related Provisions

SEC. 131. REPORTING REQUIREMENTS.

Title III of the Federal Election Campaign Act of 1971 is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR HOUSE CANDIDATES

"SEC. 304A. A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress who—

"(1) makes contributions in excess of $50,000 of personal funds of the candidate to the authorized committee of the candidate; or

"(2) makes expenditures in excess of 50 percent and 100 percent of the limitation under section 501(a);

shall report that the threshold has been reached to the Commission not later than 48 hours after reaching the threshold. The Commission shall transmit a copy to each other candidate for election to the same office within 48 hours of receipt."

SEC. 132. REGISTRATION AS ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATE.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by adding at the end the following new paragraphs:

"(6)(A) In the case of a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who desires to be an eligible House of Representatives candidate, a declaration of participation of the candidate to abide by the limits specified in sections 315(i), 501, and 502 and provide the information required under section 503(b)(4) shall be included in the designation required to be filed under paragraph (1).

"(B) A declaration of participation that is included in a statement of candidacy may not thereafter be revoked."

SEC. 133. DEFINITIONS.

(a) IN GENERAL.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

"(19) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.

"(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office.

"(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(22) The term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B).

"(23) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

"(24) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

"(25) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

"(26) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

"(27) The term 'special election' means any election (whether primary, runoff, or general) for Federal office held by reason of a vacancy in the office arising before the end of the term of the office.

"(28) The term 'special election period' means, with respect to any candidate for any Federal office, the period beginning on the date the vacancy described in paragraph (28) occurs and ending on the earlier of—

"(A) the date the election resulting in the election of a person to the office occurs; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(29) The term 'eligible House of Representatives candidate' means a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who, as determined by the Commission under section 511, is eligible to receive benefits under subtitle A of title V by reason of filing a declaration of participation under section 302(e) and complying with the continuing eligibility requirements under section 511."

(b) IDENTIFICATION.—Section 301(13)(A) of such Act (2 U.S.C. 431(13)(A)) is amended by striking "mailing address" and inserting "permanent residence address".

Subtitle D—Tax on Excess Political Expenditures of Certain Congressional Campaign Funds

SEC. 141. TAX TREATMENT OF CERTAIN CAMPAIGN FUNDS.

(a) GENERAL RULE.—Chapter 41 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new subchapter:

"Subchapter B—Excess Political Expenditures of Certain Congressional Campaign Funds

"Sec. 4915. Tax on excess political expenditures of certain campaign funds.

"SEC. 4915. TAX ON EXCESS POLITICAL EXPENDITURES OF CERTAIN CAMPAIGN FUNDS.

"(a) IMPOSITION OF TAX.—If any applicable campaign fund has excess political expenditures for any election cycle, there is hereby imposed on such excess political expenditures a tax equal to the amount of such excess political expenditures multiplied by the highest rate of tax specified in section 11(b). Such tax shall be imposed for the taxable year of such fund in which such election cycle ends.

"(b) APPLICABLE CAMPAIGN FUND.—For purposes of this section, the term 'applicable campaign fund' means any political organization if—

"(1) such organization is designated by a candidate for election or nomination to the House of Representatives as such candidate's principal campaign committee for purposes of section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)), and

"(2) such candidate has made contributions to such political organization during the election cycle in excess of the contribution limitation which would have been applicable under section 501(a) or 512(a) of such Act, whichever is applicable, if an election under such section had been made.

"(c) EXCESS POLITICAL EXPENDITURES.—

"(1) IN GENERAL.—For purposes of this section, the term 'excess political expenditures' means, with respect to any election cycle, the excess (if any) of the political expenditures incurred by the applicable campaign fund during such cycle, over, in the case of a House of Representatives candidate, the expenditure ceiling which would have been applicable under subtitle B of title V of such Act if an election under such subtitle had been made.

"(2) SPECIAL RULE FOR DETERMINING AMOUNT OF EXPENDITURES.—For purposes of paragraph (1), in determining the amount of political expenditures incurred by an applicable campaign fund, there shall be excluded any such expenditure which would not have been subject to the expenditure limitations of title V of the Federal Election Campaign Act of 1971 had such limitations been applicable, other than any such expenditure which would have been exempt from such limitations under section 501(e) or 501(f) of such Act.

"(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) ELECTION CYCLE.—The term 'election cycle' has the meaning given such term by section 301 of the Federal Election Campaign Act of 1971.

"(2) POLITICAL ORGANIZATION.—The term 'political organization' has the meaning given to such term by section 527(e)(1).

"(3) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of section 4911(e)(4) shall apply."

(b) CLERICAL AMENDMENTS.—

(1) Chapter 41 of such Code is amended by striking the chapter heading and inserting the following:

"CHAPTER 41—LOBBYING AND POLITICAL EXPENDITURES OF CERTAIN ORGANIZATIONS

"Subchapter A. Public charities.

"Subchapter B. Excess political expenditures of certain campaign funds.

"Subchapter A—Public Charities".

(2) The table of sections for subtitle D of such Code is amended by striking the item relating to chapter 41 and inserting the following:

"Chapter 41. Lobbying and political expenditures of certain organizations."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of and without consultation with a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by an authorized committee of a candidate for Federal office

"(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(iv) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(18)(A) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

"(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.".

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).".

SEC. 202. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (9); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

"(3)(A) Any person (including a political committee) making independent expenditures (including those described in subsection (b)(6)(B)(iii)) with respect to a candidate in an election aggregating $1,000 or more made after the 20th day, but more than 24 hours, before the election shall file a report within 24 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $1,000 are made with respect to the same candidate after the latest report filed under this subparagraph.

"(B) Any person (including a political committee) making independent expenditures with respect to a candidate in an election aggregating $2,500 or more made at any time up to and including the 20th day before the election shall file a report within 48 hours after such independent expenditures are made. An additional report shall be filed each time independent expenditures aggregating $2,500 are made with respect to the same candidate after the latest report filed under this paragraph.

"(C) A report under subparagraph (A) or (B) shall be filed with the Commission and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

"(D) For purposes of this section, an independent expenditure shall be considered to have been made upon the making of any payment or the taking of any action to incur an obligation for payment.

"(4)(A) If any person (including a political committee) intends to make independent expenditures with respect to a candidate in an election totaling $2,500 or more during the 20 days before an election, such person shall file a report no later than the 20th day before the election.

"(B) A report under subparagraph (A) shall be filed with the Commission and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure is actually intended to support or to oppose. Not later than 48 hours after the Commission receives a report under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

"(5) The Commission may, upon a request of a candidate or on its own initiative, make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any candidate in any election which in the aggregate exceed the applicable amounts under paragraph (3) or (4). The Commission shall notify each candidate in such election of such determination within 48 hours after making it. Any determination made at the request of a candidate shall be made within 48 hours of the request.

"(6) At the time at which an eligible House of Representatives candidate is notified under paragraph (3), (4), or (5) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504(a)(3)(B) or section 513(f).

"(7)(A) A person that makes a reservation of broadcast time to which section 315(a) of the Communications Act of 1947 (47 U.S.C. 315(a)) applies, the payment for which would constitute an independent expenditure, shall at the time of reservation—

"(i) inform the broadcast licensee that payment for the broadcast time will constitute an independent expenditure;

"(ii) inform the broadcast licensee of the names of all candidates for the office to which the proposed broadcast relates and state whether the message to be broadcast is intended to be made in support of or in opposition to each such candidate;

"(iii) transmit to all candidates for the office to which the proposed broadcast relates a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available.".

TITLE III—CONTRIBUTIONS AND EXPENDITURES BY POLITICAL PARTY COMMITTEES

SEC. 301. DEFINITIONS.

(a) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (x)—

(i) by striking "and" at the end of subclause (2),

(ii) by inserting "and" at the end of subclause (3), and

(iii) by adding at the end the following new subclause:

"(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;";

(B) in clause (xi), by striking "That" and all that follows through "Act;" and inserting "That—

"(1) such payments are made from contributions subject to the limitations and prohibitions of this Act; and

"(2) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;" and

(C) in clause (xii)—

(i) by inserting "in connection with volunteer activities" after "such committee",

(ii) by striking "for President and Vice President",

(iii) by striking "and" at the end of subclause (2),

(iv) by inserting "and" at the end of subclause (3), and

(v) by adding at the end the following new subclause:

"(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;".

(2) Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) in clause (viii)—

(i) by striking "and" at the end of subclause (2),

(ii) by inserting "and" at the end of subclause (3), and

(iii) by adding at the end the following new subclause:

"(4) such activities are conducted solely by, and any materials are prepared for distribution and mailing and are distributed (if other than by mailing) solely by, volunteers;"; and

(B) in clause (ix)—

(i) by inserting "in connection with volunteer activities" after "such committee",

(ii) by striking "for President or Vice President", and

(iii) by striking "and" at the end of subclause (2), by inserting "and" at the end of subclause (3), and by adding at the end the following new subclause:

"(4) such activities are conducted solely by, and any materials are prepared for distribution and are distributed (if other than by mailing) solely by, volunteers;".

(b) GENERIC ACTIVITIES; STATE PARTY GRASSROOTS FUND.—Section 301 of such Act (2 U.S.C. 431), as amended by section 133, is further amended by adding at the end the following new paragraphs:

"(30) The term 'generic campaign activity' means a campaign activity that promotes a political party rather than any particular Federal or non-Federal candidate.

"(31) The term 'State Party Grassroots Fund' means a separate segregated fund established and maintained by a State committee of a political party solely for purposes of making expenditures and other disbursements described in section 324(d).".

SEC. 302. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) by striking "or" at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $20,000; or

"(ii) any other political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a person to the State Party Grassroots Fund and all committees of a State committee of a political party in any State in any calendar year shall not exceed $20,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Section 315(a)(2) of such Act (2 U.S.C. 441a(a)(2)) is amended—

(1) by striking "or" at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph:

"(C) to—

"(i) a State Party Grassroots Fund established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $15,000; or

"(ii) to any other political committee established and maintained by a State committee of a political party which, in the aggregate, exceed $5,000,

except that the aggregate contributions described in this subparagraph which may be made by a multicandidate political committee to the State Party Grassroots Fund and all committees of a State committee of a political party in any State in any calendar year shall not exceed $15,000; or".

(c) OVERALL LIMIT.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended to read as follows:

"(3)(A) No individual shall make contributions during any election cycle which, in the aggregate, exceed $100,000.

"(B) No individual shall make contributions during any calendar year—

"(i) to all candidates and their authorized political committees which, in the aggregate, exceed $25,000; or

"(ii) to all political committees established and maintained by State committees of a political party which, in the aggregate, exceed $20,000.

"(C) For purposes of subparagraph (B)(i), any contribution made to a candidate or the candidate's authorized political committees in a year other than the calendar year in which the election is held with respect to which such contribution is made shall be treated as made during the calendar year in which the election is held.".

(d) PRESIDENTIAL CANDIDATE COMMITTEE TRANSFERS.—(1) Section 315(b)(1) of such Act (2 U.S.C. 441a(b)(1)) is amended to read as follows:

"(B) in the case of a campaign for election to such office, an amount equal to the sum of—

"(i) $20,000,000, plus

"(ii) the amounts transferred by the candidate and the authorized committees of the candidate to the national committee of the candidate's political party for distribution to State Party Grassroots Funds.

In no event shall the amount under subparagraph (B)(ii) exceed 2 cents multiplied by the voting age population of the United States (as certified under subsection (e)). The Commission may require reporting of the transfers described in subparagraph (B)(ii), may conduct an examination and audit of any such transfer, and may require the return of the transferred amounts to the Presidential Election Campaign Fund if not used for the appropriate purpose."

(2) Subparagraph (A) of section 9002(11) of the Internal Revenue Code of 1986 is amended—

(A) by striking "or" at the end of clause (ii); and

(B) in clause (iii), by striking "offices," and inserting the following: "offices, or (iv) consisting of a transfer to the national committee of the political party of a candidate for the office of President or Vice President for distribution to State Party Grassroots Funds (as defined in the Federal Election Campaign Act of 1971) to the extent such transfers do not exceed the amount determined under section 315(b)(1)(B)(ii) of such Act,".

SEC. 303. INCREASE IN THE AMOUNT THAT MULTICANDIDATE POLITICAL COMMITTEES MAY CONTRIBUTE TO NATIONAL POLITICAL PARTY COMMITTEES.

Section 315(a)(2)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)(B)) is amended by striking "$15,000" and inserting "$25,000".

SEC. 304. MERCHANDISING AND AFFINITY CARDS.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

"(c) Notwithstanding the provisions of this section or any other provision of this Act to the contrary, an amount received from a corporation (including a State-chartered or national bank) by any political committee (other than a separate segregated fund established under section 316(b)(2)(C)) shall be deemed to meet the limitations and prohibitions of this Act if such amount represents a commission or royalty on the sale of goods or services, or on the issuance of credit cards, by such corporation and if—

"(1) such goods, services, or credit cards are promoted by or in the name of the political committee as a means of contributing to or supporting the political committee and are offered to consumers using the name of the political committee or using a message, design, or device created and owned by the political committee, or both;

"(2) the corporation is in the business of merchandising such goods or services, or of issuing such credit cards;

"(3) the royalty or commission has been offered by the corporation to the political committee in the ordinary course of the corporation's business and on the same terms and conditions as those on which such corporation offers royalties or commissions to nonpolitical entities;

"(4) all revenue on which the commission or royalty is based represents, or results from, sales to or fees paid by individual consumers in the ordinary course of retail transactions;

"(5) the costs of any unsold inventory of goods are ultimately borne by the political committee in accordance with rules to be prescribed by the Commission; and

"(6) except for any royalty or commission permitted to be paid by this subsection, no goods, services, or anything else of value is provided by such corporation to the political committee, except that such corporation may advance or finance costs or extend credit in connection with the manufacture and distribution of goods, provision of services, or issuance of credit cards pursuant to this subsection if and to the extent such advance, financing, or extension is undertaken in the ordinary course of the corporation's business and is undertaken on similar terms by such corporation in its transactions with nonpolitical entities in like circumstances."

SEC. 305. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—Title III of the Federal Election Campaign Act of 1971 is amended by inserting after section 323 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) LIMITATIONS ON NATIONAL COMMITTEE.—(1) A national committee of a political party and the congressional campaign committees of a political party may not solicit or accept contributions or transfers not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to contributions—

"(A) that—

"(i) are to be transferred to a State committee of a political party and are used solely for activities described in clauses (xi) through (xvii) of paragraph (9)(B) of section 301; or

"(ii) are described in section 301(8)(B)(viii); and

"(B) with respect to which contributors have been notified that the funds will be used solely for the purposes described in subparagraph (A).

"(b) ACTIVITIES SUBJECT TO THIS ACT.—Any amount solicited, received, expended, or disbursed directly or indirectly by a national, State, district, or local committee of a political party with respect to any of the following activities shall be subject to the limitations, prohibitions, and reporting requirements of this Act:

"(1)(A) Any get-out-the-vote activity conducted during a calendar year in which an election for the office of President is held.

"(B) Any other get-out-the-vote activity unless subsection (c)(2) applies to the activity.

"(2) Any generic campaign activity.

"(3) Any activity that identifies or promotes a Federal candidate, regardless of whether—

"(A) a State or local candidate is also identified or promoted; or

"(B) any portion of the funds disbursed constitutes a contribution or expenditure under this Act.

"(4) Voter registration.

"(5) Development and maintenance of voter files during an even-numbered calendar year.

"(6) Any other activity that—

"(A) significantly affects a Federal election, or

"(B) is not otherwise described in section 301(9)(B)(xvii).

Any amount spent to raise funds that are used, in whole or in part, in connection with activities described in the preceding paragraphs shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

"(c) Get-Out-The-Vote Activities By State, District, and Local Committees of Political Parties.—(1) Except as provided in paragraph (2), any get-out-the-vote activity for a State or local candidate, or for a ballot measure, which is conducted by a State, district, or local committee of a political party shall be subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to any activity which the State committee of a political party certifies to the Commission is an activity which—

"(A) is conducted during a calendar year other than a calendar year in which an election for the office of President is held,

"(B) is exclusively on behalf of (and specifically identifies only) one or more State or local candidates or ballot measures, and

"(C) does not include any effort or means used to identify or turn out those identified to be supporters of any Federal candidate (including any activity that is undertaken in coordination with, or on behalf of, a candidate for Federal office).

"(d) State Party Grassroots Funds.—(1) A State committee of a political party may make disbursements and expenditures from its State Party Grassroots Fund only for—

"(A) any generic campaign activity;

"(B) payments described in clauses (v), (x), and (xii) of paragraph (8)(B) and clauses (iv), (viii), and (ix) of paragraph (9)(B) of section 301;

"(C) subject to the limitations of section 315(d), payments described in clause (xii) of paragraph (8)(B), and clause (ix) of paragraph (9)(B), of section 301 on behalf of candidates other than for President and Vice President;

"(D) voter registration; and

"(E) development and maintenance of voter files during an even-numbered calendar year.

"(2) Notwithstanding section 315(a)(4), no funds may be transferred by a State committee of a political party from its State Party Grassroots Fund to any other State Party Grassroots Fund or to any other political committee, except a transfer may be made to a district or local committee of the same political party in the same State if such district or local committee—

"(A) has established a separate segregated fund for the purposes described in paragraph (1); and

"(B) uses the transferred funds solely for those purposes.

"(e) Amounts Received by Grassroots Fund From State and Local Candidate Committees.—(1) Any amount received by a State Party Grassroots Fund from a State or local candidate committee for expenditures described in subsection (b) that are for the benefit of that candidate shall be treated as meeting the requirements of subsection (b) and section 304(e) if—

"(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount specified in section 315(a) (1)(A) and (2)(A); and

"(B) the State or local candidate committee—

"(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met; and

"(ii) certifies that such requirements were met.

"(2) For purposes of paragraph (1)(A), in determining whether the funds transferred meet the requirements of this Act described in such paragraph—

"(A) a State or local candidate committee's cash on hand shall be treated as consisting of the funds most recently received by the committee, and

"(B) the committee must be able to demonstrate that its cash on hand contains sufficient funds meeting such requirements as are necessary to cover the transferred funds.

"(3) Notwithstanding paragraph (1), any State Party Grassroots Fund receiving any transfer described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act, and shall submit to the Commission all certifications received, with respect to receipt of the transfer from such candidate committee.

"(4) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.

"(f) Related Entities.—The provisions of this Act shall apply to any entity that is established, financed, or maintained by a national committee or State committee of a political party in the same manner as they apply to the national or State committee."

(b) Contributions and Expenditures.—

(1) Contributions.—Section 301(8)(B) of such Act (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (viii), by inserting after "Federal office" the following: ", or any amounts received by the committees of any national political party to support the operation of a television and radio broadcast facility";

(B) by striking "and" at the end of clause (xiii);

(C) by striking clause (xiv); and

(D) by adding at the end the following new clauses:

"(xiv) any amount contributed to a candidate for other than Federal office;

"(xv) any amount received or expended to pay the costs of a State or local political convention;

"(xvi) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

"(xvii) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

"(I) overhead, including party meetings;

"(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

"(III) conducting party elections or caucuses;

"(xviii) any payment for research pertaining solely to State and local candidates and issues;

"(xix) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

"(xx) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).".

(2) Expenditures.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended—

(A) by striking "and" at the end of clause (ix);

(B) by striking the period at the end of clause (x) and inserting a semicolon; and

(C) by adding at the end the following new clauses:

"(xi) any amount contributed to a candidate for other than Federal office;

"(xii) any amount received or expended to pay the costs of a State or local political convention;

"(xiii) any payment for campaign activities that are exclusively on behalf of (and specifically identify only) State or local candidates and do not identify any Federal candidate, and that are not activities described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1);

"(xiv) any payment for administrative expenses of a State or local committee of a political party, including expenses for—

"(I) overhead, including party meetings;

"(II) staff (other than individuals devoting a significant amount of their time to elections for Federal office and individuals engaged in conducting get-out-the-vote activities for a Federal election); and

"(III) conducting party elections or caucuses;

"(xv) any payment for research pertaining solely to State and local candidates and issues;

"(xvi) any payment for development and maintenance of voter files other than during the 1-year period ending on the date during an even-numbered calendar year on which regularly scheduled general elections for Federal office occur; and

"(xvii) any payment for any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office and which is not an activity described in section 324(b) (without regard to paragraph (6)(B)) or section 324(c)(1).".

(c) Limitation Applied at National Level; Permitting Committees To Match Independent Expenditures Made on Opponent's Behalf.—Section 315(d) of such Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (3), by striking "The national committee" and inserting "Subject to paragraph (4), the national committee"; and

(2) by adding at the end the following new paragraph:

"(4)(A) Notwithstanding paragraph (3), the applicable congressional campaign committee of a political party shall make the expenditures described in such paragraph which are authorized to be made by a national or State committee with respect to a candidate in any State unless it allocates all or a portion of such expenditures to either or both of such committees.

"(B) For purposes of paragraph (3), in determining the amount of expenditures of a national or State committee of a political party in connection with the general election campaign of a candidate for election to the office of Representative, Delegate, or Resident Commissioner, there shall be excluded an amount equal to the total amount of independent expenditures made during the campaign on behalf of candidates opposing the candidate.".

(d) Limitations Apply for Entire Election Cycle.—Section 315(d)(1) of such Act (2 U.S.C. 441a(d)(1)) is amended by adding at the end the following new sentence: "Each limitation under the following paragraphs shall apply to the entire election cycle for an office.".

SEC. 306. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDER.

(a) State Fundraising Activities.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 122, is further amended by adding at the end the following new subsection:

"(j) Limitations on Fundraising Activities of Federal Candidates and Officeholders and Certain Political Committees.—(1) For purposes of this Act, a candidate for Federal office, an individual holding Federal office, or any agent of the candidate or individual may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under subsections (a) (1) and (2), and are not from sources prohibited by such subsections with respect to elections to Federal office.

"(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

"(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, an agent of such a candidate or individual, or any national, State, district, or local committee of a political party (including a subordinate committee) and any agent of such a committee.

"(3) The appearance or participation by a candidate for Federal office or individual holding Federal office in any fundraising event conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if such candidate or individual does not solicit or receive, or make disbursements from, any funds resulting from such activity.

"(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

"(A) holds a Federal office; or

"(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.".

(b) Tax-Exempt Organizations.—Section 315 of such Act (2 U.S.C. 441a), as amended by section 122 and subsection (a), is further amended by adding at the end the following new subsection:

"(k) Tax-Exempt Organizations.—(1) If an individual is a candidate for, or holds, Federal office during any period, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if—

"(A) the organization is established, maintained, or controlled by such individual; and

"(B) a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual—

"(A) holds a Federal office; or

"(B) holds a position described in level I of the Executive Schedule under section 5312 of title 5, United States Code.".

SEC. 307. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(d) Political Committees.—(1) The national committee of a political party and any congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A State, district, or local committee of a political party to which section 324 applies shall report all receipts and disbursements for the reporting period, including separate schedules for receipts and disbursements for State Grassroots Funds.

"(3) Any political committee shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(d)(2) and shall itemize such amounts to the extent required by section 304(b)(3)(A).

"(4) The Commission may prescribe regulations to require any political committee to which paragraph (1) or (2) does not apply to report any receipts or disbursements used in connection with a Federal election, including those which are also used, directly or indirectly, to affect a State or local election.

"(5) If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as subsection (b) (3)(A), (5), or (6).

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) Report of Exempt Contributions.—Section 301(8) of such Act (2 U.S.C. 431(8)) is amended by inserting at the end the following new subparagraph:

"(C) The exclusion provided in clause (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions aggregating in excess of $200 (and disbursements therefrom) shall be reported.".

(c) Reports by State Committees.—Section 304 of such Act (2 U.S.C. 434), as amended by subsection (a), is further amended by adding at the end the following new subsection:

"(e) Filing of State Reports.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

(d) Other Reporting Requirements.—

(1) Authorized committees.—Section 304(b)(4) of such Act (2 U.S.C. 434(b)(4)) is amended—

(A) by striking "and" at the end of subparagraph (H);

(B) by adding "and" at the end of subparagraph (I); and

(C) by adding at the end the following new subparagraph:

"(J) in the case of an authorized committee, disbursements for the primary election, the general election, and any other election in which the candidate participates;".

(2) Names and addresses.—Section 304(b)(5)(A) of such Act (2 U.S.C. 434(b)(5)(A)) is amended—

(A) by striking "within the calendar year", and

(B) by inserting ", and the election to which the operating expenditure relates" after "operating expenditure".

TITLE IV—CONTRIBUTIONS

SEC. 401. RESTRICTIONS ON BUNDLING.

Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8)(A) No person, either directly or indirectly, may act as a conduit or intermediary for any contribution to a candidate.

"(B)(i) Nothing in this section shall prohibit—

"(I) joint fundraising conducted in accordance with rules prescribed by the Commission by 2 or more candidates; or

"(II) fundraising for the benefit of a candidate that is conducted by another candidate.

"(ii) No other person may conduct or otherwise participate in joint fundraising activities with or on behalf of any candidate.

"(C) The term 'conduit or intermediary' means a person who transmits a contribution to a candidate or candidate's committee or representative from another person, except that—

"(i) a House of Representatives candidate or representative of a House of Representatives candidate is not a conduit or intermediary for the purpose of transmitting contributions to the candidate's principal campaign committee or authorized committee;

"(ii) a professional fundraiser is not a conduit or intermediary, if the fundraiser is compensated for fundraising services at the usual and customary rate;

"(iii) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(b), is not a conduit or intermediary for the purposes of that event; and

"(iv) an individual is not a conduit or intermediary for the purpose of transmitting a contribution from the individual's spouse.

For purposes of this section a conduit or intermediary transmits a contribution when receiving or otherwise taking possession of the contribution and forwarding it directly to the candidate or the candidate's committee or representative.

"(D) For purposes of this section, the term 'representative'—

"(i) shall mean a person who is expressly authorized by the candidate to engage in fundraising, and who, in the case of an individual, is not acting as an officer, employee, or agent of any other person;

"(ii) shall not include—

"(I) a political committee with a connected organization;

"(II) a political party;

"(III) a partnership or sole proprietorship;

"(IV) an organization prohibited from making contributions under section 316; or

"(V) a person required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.).

"(E) For purposes of this section, the term 'acting as an officer, employee, or agent of any other person' includes the following activities by a salaried officer, employee, or paid agent of a person described in subparagraph (D)(ii)(IV):

"(i) Soliciting contributions to a particular candidate in the name of, or by using the name of, such a person.

"(ii) Soliciting contributions to a particular candidate using other than the incidental resources of such a person.

"(iii) Soliciting contributions to a particular candidate under the direction or control of other salaried officers, employees, or paid agents of such a person.

For purposes of this subparagraph, the term 'agent' shall include any person (other than individual members of an organization described in subparagraph (b)(4)(C) of section 316) acting on authority or under the direction of such organization.".

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by sections 122 and 306, is further amended by adding at the end the following new subsection:

"(i) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.".

SEC. 403. PROHIBITION OF ACCEPTANCE BY A CANDIDATE OF CASH CONTRIBUTIONS FROM ANY ONE PERSON AGGREGATING MORE THAN $100.

Section 321 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441g) is amended by inserting ", and no candidate or authorized committee of a candidate shall accept from any one person," after "make".

SEC. 404. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)), as amended by section 121, is further amended by adding at the end the following new paragraph:

"(10) Notwithstanding paragraph (5)(B), a candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee) if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.".

SEC. 405. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after "SEC. 322." the following: "(a)"; and

(2) by adding at the end the following:

"(b) No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 406. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION".

Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)), as amended by section 305, is amended—

(1) in clause (xix), by striking "and" after the semicolon at the end;

(2) in clause (xx), by striking the period at the end and inserting: "; and"; and

(3) by adding at the end the following new clause:

"(xxi) any advance voluntarily made on behalf of an authorized committee of a candidate by an individual in the normal course of such individual's responsibilities as a volunteer for, or employee of, the committee, if the advance is reimbursed by the committee within 10 days after the date on which the advance is made, and the value of advances on behalf of a committee does not exceed $500 with respect to an election.".

SEC. 407. AMENDMENT TO SECTION 316 OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended—

(1) by striking "(2) For" and inserting "(2)(A) Except as provided in subparagraph (B), for";

(2) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively; and

(3) by adding at the end the following:

"(B) Payments by a corporation or labor organization for candidate debates, voter guides, or voting records directed to the general public shall be considered contributions unless—

"(i) in the case of a candidate debate, the organization staging the debate is either an organization described in section 301 (9)(B)(i) whose broadcasts, cablecasts, or publications are supported by commercial advertising, subscriptions, or sales to the public, including a noncommercial educational broadcaster, or a nonprofit organization exempt from Federal taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 that does not endorse, support, or oppose candidates or political parties, and any such debate features at least 2 candidates competing for election to that office;

"(ii) in the case of a voter guide, the guide is prepared and distributed by a corporation or labor organization and consists of questions posed to at least two candidates for election to that office; and

"(iii) in the case of a voting record, the record is prepared and distributed by a corporation or labor organization at the end of a session of Congress and consists solely of votes by all Members of Congress in that session on one or more issues;

except that such payments shall be treated as contributions if any communication made by a corporation or labor organization in connection with the candidate debate, voter guide, or voting record contains express advocacy, or any structure or format of the candidate debate, voter guide, or voting record, or any preparation or distribution of any such guide or record, reflects a purpose of influencing the election of a particular candidate.".

SEC. 408. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended by adding at the end the following new subsection:

"(c) A foreign national shall not directly or indirectly direct, control, influence, or participate in any person's election-related activities, such as the making of contributions or expenditures in connection with elections for any local, State, or Federal office or the administration of a political committee.".

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2), (3), (4), (6), and (7) of section 304(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b) (2)-(7)) are each amended by inserting "(election cycle, in the case of an authorized committee of a candidate for Federal office)" after "calendar year" each place it appears.

SEC. 502. DISCLOSURE OF PERSONAL AND CONSULTING SERVICES.

(a) REPORTING BY POLITICAL COMMITTEES.—Section 304(b)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: ", except that if a person to whom an expenditure is made by a candidate or the candidate's authorized committees is merely providing personal or consulting services and is in turn making expenditures to other persons (not including its owners or employees) who provide goods or services to the candidate or the candidate's authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

(b) RECORDKEEPING AND REPORTING BY PERSONS TO WHOM EXPENDITURES ARE PASSED THROUGH.—Section 302 of such Act (2 U.S.C. 432) is amended by adding at the end the following new subsection:

"(j) The person described in section 304(b)(5)(A) who is providing personal or consulting services and who is in turn making expenditures to other persons (not including employees) for goods or services provided to a candidate shall maintain records of and shall provide to a political committee the information necessary to enable the political committee to report the information described in section 304(b)(5)(A).".

SEC. 503. POLITICAL COMMITTEES OTHER THAN CANDIDATE COMMITTEES.

Section 303(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 433(b)) is amended—

(1) in paragraph (2), by inserting ", and if the organization or committee is incorporated, the State of incorporation" after "committee"; and

(2) by striking the "name and address of the treasurer" in paragraph (4) and inserting "the names and addresses of any officers (including the treasurer)".

SEC. 504. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name, or

"(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 505. REPORTING REQUIREMENTS.

(a) FILING ON THE 20TH DAY OF A MONTH.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(1) in paragraph (2)(A)(iii), by striking "15th" and inserting "20th";

(2) in paragraph (3)(B)(ii), by striking "15th" and inserting "20th";

(3) in paragraph (4)(A)(i), by striking "15th" and inserting "20th"; and

(4) in paragraph (8), by striking "15th" and inserting "20th".

(b) OPTION TO FILE MONTHLY REPORTS.—Section 304(a)(2) of such Act (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(3) by inserting the following new subparagraph at the end:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.".

(c) POLITICAL COMMITTEES.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended in subparagraph (A)(i) by inserting ", and except that if at any time during the election year a committee receives contributions in excess of $100,000 ($10,000 in the case of a multicandidate political committee), or makes disbursements in excess of $100,000 ($10,000 in the case of a multicandidate political committee), monthly reports on the 20th day of each month after the month in which that amount of contributions is first received or that amount of disbursements is first anticipated to be made during that year" before the semicolon.

(d) INCOMPLETE OR FALSE CONTRIBUTOR INFORMATION.—Section 302(i) of such Act (2 U.S.C. 432(i)) is amended—

(1) by inserting "(1)" after "(i)";

(2) by striking "submit" and inserting "report"; and

(3) by adding at the end the following new paragraph:

"(2) A treasurer shall be considered to have used best efforts under this section only if—

"(A) all written solicitations include a clear and conspicuous request for the contributor's identification and inform the contributor of the committee's obligation to report the identification in a statement prescribed by the Commission;

"(B) the treasurer makes at least 1 additional request for the contributor's identification for each contribution received that aggregates in excess of $200 per calendar year and which does not contain all of the information required by this Act; and

"(C) the treasurer reports all information in the committee's possession regarding contributor identifications.".

(e) WAIVER.—Section 304 of such Act (2 U.S.C. 434), as amended by section 307, is further amended by adding at the end the following new subsection:

"(f) WAIVER.—The Commission may relieve any category of political committees of the obligation to file 1 or more reports required by this section, or may change the due dates of such reports, if it determines that such action is consistent with the purposes of this Act. The Commission may waive requirements to file reports in accordance with this subsection through a rule of general applicability or, in a specific case, may waive or extend the due date of a report by notifying all political committees affected.".

SEC. 506. SIMULTANEOUS REGISTRATION OF CANDIDATE AND CANDIDATE'S PRINCIPAL CAMPAIGN COMMITTEE.

Section 303(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 433(a)) is amended in the first sentence by striking "no later than 10 days after designation" and inserting "on the date of its designation".

SEC. 507. REPORTING ON GENERAL CAMPAIGN ACTIVITIES OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) REPORTING REQUIREMENT.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 307 and 505, is further amended by adding at the end the following new subsection:

"(g) CERTAIN COMMUNICATIONS BY CORPORATIONS AND LABOR ORGANIZATIONS.—(1) Any person making disbursements to pay the cost of applicable communication activities aggregating $5,000 or more with respect to a candidate in an election after the 20th day, but more than 24 hours, before the election shall file a report of such disbursements within 24 hours after such disbursements are made.

"(2) Any person making disbursements to pay the cost of applicable communications activities aggregating $5,000 or more with respect to a candidate in an election at any time up to and including the 20th day before the election shall file a report within 48 hours after such disbursements are made.

"(3) Any person required to file a report under paragraph (1) or (2) which also makes disbursements to pay the cost directly attributable to a get-out-the-vote campaign described in section 316(b)(2)(B) aggregating $25,000 or more with respect to an election shall file a report within 48 hours after such disbursements are made.

"(4) An additional report shall be filed each time additional disbursements described in paragraph (1), (2), or (3), whichever is applicable, aggregating $10,000 are made with respect to the same candidate in the same election as the initial report filed under this subsection. Each such report shall be filed within 48 hours after the disbursements are made.

"(5) For purposes of this subsection, the term 'applicable communication activities' means activities which are covered by the exception to section 301(9)(B)(iii).

"(6) Any statement under this subsection—

"(A) shall be filed in the case of—

"(i) disbursements relating to candidates for the House of Representatives, with the Clerk of the House of Representatives and the Secretary of State of the State involved, and

"(ii) any other disbursements, with the Commission, and

"(B) shall contain such information as the Commission shall prescribe."

(b) CONFORMING AMENDMENT.—Section 301(9)(B) of such Act (2 U.S.C. 431(9)(B)) is amended by inserting "and shall, if such costs exceeds the amount described in paragraph (1), (2), or (4) of section 304(g), be reported in the manner provided in section 304(g)" before the semicolon at the end of clause (iii).

TITLE VI—BROADCAST RATES AND CAMPAIGN ADVERTISING

SEC. 601. BROADCAST RATES AND CAMPAIGN ADVERTISING.

(a) BROADCAST RATES.—Section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by amending subsection (b) to read as follows:

"(b)(1) Except as provided in paragraph (2), the charges made for the use of a broadcasting station by a person who is a legally qualified candidate for public office in connection with the person's campaign for nomination for election, or election, to public office shall not exceed the charges made for comparable use of such station by other users thereof.

"(2) In the case of an eligible House of Representatives candidate, during the 30 days preceding the date of the primary or primary runoff election and during the 60 days preceding the date of a general or special election in which the person is a candidate, the charges made for the use of a broadcasting station by the candidate shall not exceed 50 percent of the lowest unit charge of the station for the same class and amount of time for the same period.";

(2) by redesignating subsections (c) and (d) as subsections (f) and (g), respectively;

(3) by inserting after subsection (b) the following new subsections:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1)(A), of a broadcast station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to subsection (b)(1)(A).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

"(d) If any person makes an independent expenditure through a communication on a broadcasting station that expressly advocates the defeat of an eligible House of Representatives candidate, or the election of an eligible House of Representatives candidate (regardless of whether such opponent is an eligible candidate), the licensee, as applicable, shall, not later than 5 business days after the date on which the communication is made (or not later than 24 hours after the communication is made if the communication occurs not more than 2 weeks before the date of the election), transmit to the candidate—

"(1) a statement of the date and time on which the communication was made;

"(2) a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available; and

"(3) an offer of an equal opportunity for the candidate to use the broadcasting station to respond to the communication without having to pay for the use in advance.

"(e) A licensee that endorses a candidate for Federal office in an editorial shall, within the time period stated in subsection (d), provide to all other candidates for election to the same office—

"(1) a statement of the date and time of the communication;

"(2) a script or tape recording of the communication, or an accurate summary of the communication if a script or tape recording is not available; and

"(3) an offer of an equal opportunity for the candidate or spokesperson for the candidate to use the broadcasting station to respond to the communication."; and

(4) in subsection (f), as redesignated by paragraph (2)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(3) the terms 'eligible House of Representatives candidate' and 'independent expenditure' have the meanings stated in section 301 of the Federal Election Campaign Act of 1971.".

(b) REVOCATION OF LICENSE FOR FAILURE TO PERMIT ACCESS.—Section 312(a)(7) of such Act (47 U.S.C. 312(a)(7)) is amended—

(1) by striking "or repeated";

(2) by inserting "or cable system" after "broadcasting station"; and

(3) by striking "his candidacy" and inserting "his or her candidacy, under the same terms, conditions, and business practices as apply to its most favored advertiser".

(c) MEETING REQUIREMENTS FOR RATES AS CONDITION OF GRANTING OR RENEWAL OF LICENSE.—Section 307 of such Act (47 U.S.C. 307) is amended by adding at the end the following new subsection:

"(f) The continuation of an existing license, the renewal of an expiring license, and the issuance of a new license shall be expressly conditioned on the agreement by the licensee or the applicant to meet the requirements of section 315(b), except that the Commission may waive this condition in the case of a licensee or applicant who demonstrates (in accordance with such criteria as the Commission may establish in consultation with the Federal Election Commission) that meeting such requirements will impose a significant financial hardship.".

SEC. 602. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(2) in the matter before paragraph (1) of subsection (a), by striking "an expenditure" and inserting "a disbursement";

(3) in the matter before paragraph (1) of subsection (a), by striking "direct";

(4) in paragraph (3) of subsection (a), by inserting after "name" the following "and permanent street address"; and

(5) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any communication described in subsection (a)(1) or (a)(2) that is provided to and distributed by any broadcasting station or cable system (as such terms are defined in sections 315 and 602, respectively, of the Federal Communications Act of 1934) shall include, in addition to the requirements of subsections (a)(1) and (a)(2), an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a communication described in paragraph (1) contains any visual images, the communication shall include a written statement which contains the same information as the audio statement and which—

"(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e)(1) Any communication described in subsection (a)(3) that is provided to and distributed by any broadcasting station or cable system described in subsection (d)(1) shall include, in addition to the requirements of that subsection, in a clearly spoken manner, the following statement—

' is responsible for the content of this advertisement.'

with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor.

"(2) If the communication described in paragraph (1) contains visual images, the communication shall include a written statement which contains the same information as the audio statement and which appears in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement for a period of at least 4 seconds.".

SEC. 603. ELIGIBILITY FOR NONPROFIT THIRD-CLASS BULK RATES OF POSTAGE.

Paragraph (2) of section 3626(e) of title 39, United States Code, is amended—

(1) in subparagraph (A) by striking "Committee, and the" and inserting "Committee, the", and by striking "Committee;" and inserting "Committee, and a qualified campaign committee;";

(2) by striking "and" at the end of subparagraph (B);

(3) by striking the period at the end of subparagraph (C) and inserting a semicolon; and

(4) by adding at the end the following:

"(D) the term 'qualified campaign committee' means the campaign committee of an eligible House of Representatives candidate; and

"(E) the term 'eligible House of Representatives candidate' has the meaning given that term in section 301 of the Federal Election Campaign Act of 1971.".

TITLE VII—MISCELLANEOUS

SEC. 701. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee."; and

(2) by adding at the end the following new paragraph:

"(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, finance, maintain, or control any Federal or non-Federal political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office. This paragraph shall not preclude a Federal officeholder who is a candidate for State or local office from establishing, financing, maintaining, or controlling a political committee for election of the individual to such State or local office.

"(B) For 2 years after the effective date of this paragraph, any political committee established before such date but which is prohibited under subparagraph (A) may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.".

SEC. 702. APPEARANCE BY FEDERAL ELECTION COMMISSION AS AMICI CURIAE.

Section 306(f) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(f)) is amended by striking out paragraph (4) and inserting in lieu thereof the following new paragraph:

"(4)(A) Notwithstanding the provisions of paragraph (2), or of any other provision of law, the Commission is authorized to appear on its own behalf in any action related to the exercise of its statutory duties or powers in any court as either a party or as amicus curiae, either—

"(i) by attorneys employed in its office, or

"(ii) by counsel whom it may appoint, on a temporary basis as may be necessary for such purpose, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title. The compensation of counsel so appointed on a temporary basis shall be paid out of any funds otherwise available to pay the compensation of employees of the Commission.

"(B) The authority granted under subparagraph (A) includes the power to appeal from, and petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which the Commission appears pursuant to the authority provided in this section.".

SEC. 703. PROHIBITING SOLICITATION OF CONTRIBUTIONS BY MEMBERS IN HALL OF THE HOUSE OF REPRESENTATIVES.

(a) IN GENERAL.—A Member of the House of Representatives may not solicit or accept campaign contributions in the Hall of the House of Representatives, rooms leading thereto, or the cloakrooms.

(b) DEFINITION.—In subsection (a), the term "Member of the House of Representatives" means a Representative in, or a Delegate or Resident Commissioner to, Congress.

(c) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such this section is deemed a part of the rules of the House of Representatives and supersedes other rules only to the extent inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE VIII—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 801. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act, but shall not apply with respect to activities in connection with any election occurring before January 1, 1997.

SEC. 802. SEVERABILITY.

(a) IN GENERAL.—Except as otherwise provided in this section, if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

(b) EXCEPTIONS.—If any provision of subtitle A of title V of the Federal Election Campaign Act of 1971 (as added by title I) is held to be invalid, all provisions of such subtitle, and the amendment made by section 122, shall be treated as invalid.

SEC. 803. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court finding any provision of this Act or amendment made by this Act to be unconstitutional.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

SEC. 804. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out the provisions of this Act within 12 months after the effective date of this Act.

The CHAIRMAN. Pursuant to House Resolution 481, the gentleman from California [Mr. FAZIO] and the gentleman from California [Mr. THOMAS] will each be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Chairman, I yield 4 minutes to the gentleman from California [Mr. FARR] who has led the effort on our side of the aisle to propose an alternative to this very unfortunate bill.

Mr. FARR of California. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise urging my colleagues to support the bill that is under consideration, H.R. 3505. Mr. Chairman, this is a good bill. Let me tell the Members why. This bill imposes spending limits on political candidates. It reduces the influence on special interest money. It eliminates soft money. It corrals unregulated advocacy spending. It is a good bill because this is what the American people have asked for, and it is what they deserve: campaigns that are free of big money, free of powerful interests, and unregulated third party spending. It is a good bill because it brings sanity to an insane world of campaign finance reform. It is a good bill because it lets us say goodbye to the high-roller politics.

Let us take a look at what is happening in America. Right now there are no spending limits, and certainly under the bill of the gentleman from California [Mr. THOMAS], there are no limits. Candidates can spend whatever and however they want to spend. There is a $600,000 spending limit in a 2-year cycle under our bill. The American people want to see limits on what people spend in campaigns. They think there is too much money being spent in campaigns.

Earlier this year the League of Women Voters ran a series of citizen assemblies focused on the issues of campaign finance reform and found overwhelmingly: "The citizens feel it is obscene to spend so much money on elections in this time of scarce public resources."

In the last election cycle we in this Chamber, the Members who got elected in this Chamber, spent a total of $230.8 million to get elected, $230.8 million, and that does not even count our opponents, the people who ran against us. Those who ran against us spent $300 million or so trying to defeat us. On the average, together, those who got elected and those who did not, we spent over $500,000 each to get here. That is a lot of money. The trend is for more money to be spent, not less.

Over the last 10 years, the total amount spent by winning House candidates has just about doubled. Where are we going to be under the Thomas legislation 10 years from now? In the last 20 years, the total amount spent by winning House candidates has increased by more than 14 times. It is runaway. Not only is a lot of money being spent, it takes a lot of time to raise it.

If we end the money chase, our elections will focus more on issues and on policy debates and less on the issue of collecting dollars. That is what my bill seeks to do, to end the money chase. We debate here daily about tightening our belts and reducing Government spending. How many votes in the last few days or weeks have been cast on the floor where we were cutting appropriations, limiting Government expenditures? Why can we not do that for campaigns?

□ 1430

Why can we not cut, squeeze, and trim? The spending limits in the bill that I am offering are voluntary. They show a commitment on the part of the candidate to spend money wisely and responsibly. They put limits on the amount we can raise from PAC's. They put limits on the amount we can raise from wealthy people, on the amount of money a wealthy person can put into his or her own campaign. The opposition bill has no limits.

We ask this of our government bureaucrats. We ask it of welfare recipients. We should ask no less of politicians. I urge an "aye" vote on my bill.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. HOKE].

Mr. HOKE. I thank the gentleman for yielding me this time.

Mr. Chairman, I want to talk about two things about this bill that actually are good and go in the right direction and that are good enough to at least encourage me to reluctantly vote for the bill. First of all, we reduce from $5,000 to $2,500 per election the amount of money that a political action committee can give to a candidate. The previous speaker from Connecticut suggests that this means that working people and less affluent people will not have the same opportunities for political expression as a result of that and it is absolutely false.

The fact is that there is a tremendous difference between the character of a political action committee and the character of individual contributions. Individuals are infinitely complex. They are subtle. They are varied. They have a very wide spectrum of causes and concerns and issues that matter to them, whereas political action committees representing special interests that are based for the most part in Washington, DC, are thick. They are narrow. They have a very crude view of the political process, and it is fundamentally transactional. The first transactional is access; the second is influence; and, finally, the transaction is to get a vote.

On how many issues, how many votes in a 2-year cycle; maybe one, maybe five, certainly not many more than that. The idea, the game, is to get a specific result. That is not how individuals are. That is not how individuals contribute.

PAC's, political action committees, representing special interests, are an undermining influence on this U.S. Congress. The public knows that. Going from $5,000 to $2,500 is the right direction. It ought to be from $2,500 to zero.

The second thing that is good about this bill is that it requires a majority of the contributions must come from individuals who live inside the district which is electing that particular person to the Congress.

Mr. FAZIO of California. Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia [Mr. LEWIS] who hails from the Olympic capital, Atlanta.

Mr. LEWIS of Georgia. Mr. Chairman, I rise today to urge my colleagues to oppose this so-called Thomas campaign finance reform bill. The Thomas bill is a shame, a sham, a scam. It is a farce, it is a joke, because it is not reform at all. This is a special interest bill designed to allow the superwealthy to funnel hundreds of thousands of dollars into the Republican campaign coffers.

The American people are in agreement. Our political process is sick. It is corrupt. There is too much money, too much special interest influence on our elections. But that is Dr. GINGRICH's prescription for this problem? Well, testifying before the Committee on House Oversight, GINGRICH said there was not too much money in our political process, there was too little. Far more money is needed, he contended.

Well, this bill is Dr. GINGRICH's solution. It would increase the ability of superwealthy people to influence our election. In fact, in its original form this bill would have allowed an individual to donate more than $3 million to Republican coffers. Only when the Democrats in the House exposed this scandal did the Republicans change this bill overnight.

Mr. Chairman, NEWT GINGRICH has succeeded in funneling between $10 and $20 million into campaigns through his personal political slush fund, GOPAC, without ever reporting a single dime. It is alleged that he used nonprofit groups to further channel funds to his pet political projects.

Mr. Chairman, this bill will open the floodgates of special interest funds. This bill is the Republican way to do under the law what must now be done by going around the law.

This bill, not Medicare, Mr. Chairman, deserves to wither on the vine. Let me say it again, Mr. Chairman: This bill, not Medicare, deserves to wither on the vine.

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman is from the Olympic city and just as the IBM computers are garbling the various statistics and data going on at the Olympics, I think we are beginning to see that in terms of the dollar amounts involved in these various bills, so I think it is time to review the bidding.

We have a $1,000 amount for individuals, indexed prospectively. The Democrats have the same amount. For PAC's we have $2,500. They have $8,000 in an election cycle, $5,000 in an election, twice as much as we do. On the aggregate amount that an individual can give a party, they have $100,000, we have $100,000.

So when you get wound up in your rhetoric about what our bill does versus the Farr bill, please, it's the same amount on individuals, half as much on PAC's, and the same amount on aggregate amount to parties.

Where we went wrong temporarily was listening to Don Fowler, the chairman of the Democratic National Committee, who said they should be unlimited to parties and that the amount that individuals could give should be $2,500. We put that in the bill. When we examined it more closely, we decided he was a bit too exuberant. So when you look at the numbers, please keep in mind facts and reality.

Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. FAWELL], the chairman of an extremely important subcommittee of the Committee on Economic and Educational Opportunities which has given us a very valuable addition to the bill known as the Worker's Right To Know.

Mr. FAWELL. I thank the gentleman for yielding me this time, Mr. Chairman, and I rise in opposition to the substitute and in support of the Thomas bill.

Mr. Chairman, I would like to, as the gentleman from California [Mr. THOMAS] has indicated, center my comments in regard to title IV. But I do want to laud the gentleman from California [Mr. THOMAS]. I know of no man in this Congress who more avidly pursues campaign reform, and whatever topic he goes after, he does it, I think, in a very fine, workmanlike manner. I commend him. I think that nothing is perfect, but I think this gentleman has done a service for the Congress.

Mr. Chairman, the Worker Right to Know Act, I think, can be, understandably, easily misunderstood; and there is a proclivity, I think, to misunderstand it. I would summarize it as being a procedural Bill of Rights, constitutional rights to the workers of America, and something that can give them some empowerment.

It implements the Beck decision, which was passed by the Supreme Court back in 1988 and never really has had any implementation from the National Labor Relations Board. Basically, what it states is this: A union cannot accept noncollective-bargaining dues from workers without having their written consent.

There are not many workers in America who are going to object to something like that as being terrible. In addition, it also puts an obligation of disclosure upon unions, and it states that at the time that you wish to collect these noncollective-bargaining dues from union members, at the same time you have to disclose the ratio between noncollective-bargaining dues and collective-bargaining dues. And that is only reasonable because it is not the union workers who understand these ratios.

Obviously, the union has all this knowledge. So why do they not easily share it with their membership? There is nothing wrong with that. So what we have here is notice and consent and disclosure. I just cannot see where many people can get too uptight about something like that.

There is also a provision that the union in reporting its expenses should do so by functional classification so as to be able to better serve their membership so the membership can better ascertain how the money is being spent in terms of, again, collective bargaining and noncollective bargaining.

What in the world is wrong with that? Compare it to the current procedure that exists today. The Supreme Court indeed has said that a worker has the right to object to paying noncollective-bargaining dues. But if you are a worker, you should have come to our hearings and listened to what the workers of America had to say about what they have to go through in order to be able to exercise these rights.

They really do not know what procedures; it varies from union to union. In fact, a poll showed that 78 percent of all the union workers, at least of some, I think 2,000 or 3,000 of union workers that were polled, perhaps more than that, 78 percent did not even know they had the right to object to paying noncollective-bargaining dues. They were not even aware of that.

The stories they told to our subcommittee, oftentimes they face great intimidation, they have to resign from the union. So here is this poor guy who comes along or this gal, and she wants to object to the fact that her dues might be being used for political purposes that she does not agree with. Forty percent of the workers are voting Republican, by the way. And they tell her, "You've got to resign." They kick her out of the union because she brings this up.

We are not even changing that, by the way. After they have to resign from the union, which is customarily what happens, we know they still have to continue to pay collective-bargaining dues. But we do not change the law which states they have nothing to say, they have to give up all their rights of membership which means they have no right to vote on a strike or not to strike, or any of the other crucial decisions. They have to give all that up. We are not even altering that law.

We are just basically saying, do you not think it would be a good idea if the worker has the right to opt in rather than have the burden of opting out? Is that not fair?

In my district, there are groups of labor union workers who are endorsing this concept. They look upon it as a nice piece of democracy that will strengthen the union. I hope that Members will look at it that way, too. This is minority rights, and it is something that we all ought to endorse as a good, decent part of this Thomas legislation.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER], a strong advocate of working men and women in this country.

(Mr. MILLER of California asked and was given permission to revise and extend his remarks.)

Mr. MILLER of California. Mr. Chairman, campaign money at its current levels in the Congress of the United States is dangerous to our democracy, it is toxic to our system, it is corrosive of our values and it is corrupting of this institution. It is time that we get it under control and that once again we allow average men and women in this country to participate. But unfortunately the legislation brought forth by the Republicans does not do that. It does not do that because in fact, as the gentleman just explained, it makes it more difficult for working men and women to participate in campaigns while making it easier for the wealthy of this country to participate. It still allows soft money, which has become the sewer of campaign money, to run unregulated and has nothing to do about that.

Soft money. I bet a lot of Americans wish they had soft money. They only have hard money, money that they work hard for every day. But some people are so wealthy they have soft money. It is given out in $20,000 and $30,000 and $50,000 and $100,000 bundles to parties, to unregulated activities, to influence campaigns.

□ 1445

What has been the result? Well, we saw what the results were with Republicans when in the first 100 days during the Contract on America, they were raising money in unprecedented levels. They threw open the doors of the offices around here to lobbyists to write legislation. They created the Thursday Club so lobbyists could come in and consult with them, but you could not get in the room unless you gave them campaign money. Campaign money bought you access to that room. Mr. and Mrs. America could not get in that room, but if you gave them enough money for their party, for their candidates, then you could get in that room and you could rewrite the Clean Water Act, the Clean Air Act. You could rewrite the regulations, the Endangered Species Act if you gave them enough campaign money. Congressman DELAY made it clear, if you are not on the list, if you were not contributing, you do not get to participate.

What happens to the rest of the American citizenry that cannot come to Washington, that cannot give soft money, that cannot give hundreds of thousands of dollars? Under the Thomas bill, they are out of luck, but so is democracy when we start excluding those kinds of individuals.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds to place in the RECORD a letter from Common Cause. It starts out, "Dear President Clinton: According to recent news reports, the Democratic National Committee has promised special access to you and other top administration officials in exchange for large campaign contributions," et cetera, et cetera, et cetera.

The letter referred to follows:

COMMON CAUSE,
Washington, DC, July 5, 1995.

DEAR PRESIDENT CLINTON: According to recent news reports, the Democratic National Committee (DNC) has promised special access to you and other top Administration officials in exchange for large campaign contributions.

We call on you immediately to end these fundraising tactics, and to publicly make clear that neither you nor members of your Administration will engage in such activities.

According to an article published in the Chicago Sun-Times:

For $100,000, a contributor gets two meals with you and two meals with Vice President Gore, as well as a slot on a foreign trade mission with party leaders, and other benefits such as a daily fax report and an assigned DNC staff member "to assist them in their personal request."

For $50,000, a contributor gets invited to a reception with you, one dinner with Vice President Gore, two special high-level briefings, and other benefits.

For $10,000, a contributor gets invited to a presidential reception, a dinner with Vice President Gore and "preferred" status at the 1996 Democratic Convention.

In promoting this fundraising approach, the DNC has apparently surveyed the "access and influence" marketplace, toted up a price tag, published a catalog and advertised a sale of your time and attention, as well as that of the Vice President and other top Administration officials.

There is no defense for this. It is not enough to say that this type of fundraising is just an unfortunate part of the current campaign finance system. Nor is it enough to say that past Administrations have engaged in similar sales of access to the Presidency.

This is wrong, pure and simple. Every American knows that it is wrong and your own statements make clear that you know it is wrong.

In your book, "Putting People First," you said that American politics "is being held hostage by big money interests . . . while political action committees, industry lobbies, and cliques of $100,000 donors buy access to Congress and the White House."

Yet despite your own statements, you are now participating in a fundraising effort that will allow "cliques of $100,000 donors" to "buy access" to *your* White House. This kind of fundraising perpetuates the all too prevalent cynicism in this country that our government is for sale, that the wealthy have privileged access to elected officials and that special-interest money dominates the political process to the benefit of the few at the expense of the many.

Most Americans could not even dream of making a $100,000 campaign contribution. The vast majority of Americans earn far less than $100,000 a year. It is tremendously disillusioning for the American people to see privileged access sold to those who are already the most privileged in our society.

The DNC's fundraiser makes explicit what is often only implicit in campaign fundraising: that in exchange for large campaign contributions, you can buy the time and attention of this Nation's elected officials. The fundraiser also is a perfect illustration of the corrupting evils of the existing soft money system, where large contributions of $100,000 or more are again part of the American presidential election system, just as they were during the Watergate era.

President Clinton, we strongly urge you to end this blatant peddling of access to your Presidency. We call on you to publicly announce that you are closing down the DNC's sale of access, and to make clear that neither you nor any member of your Administration will participate in the activities offered by the DNC in exchange for large campaign contributions.

Sincerely,

ANN MCBRIDE,
President.

Mr. Chairman, I yield 2½ minutes to the gentlewoman from California [Mrs. SEASTRAND], an in-the-flesh working woman.

Mrs. SEASTRAND. Mr. Chairman, I rise in opposition to the substitute bill and support the Thomas bill.

As we consider the Worker Right to Know Act included in the campaign finance reform bill, some have suggested that this is a solution in search of a problem, that unions today rarely, if ever, bring pressure to bear on workers to join the union. Unfortunately, such assertions ignore the reality of what is really taking place in many American workplaces.

As evidence of this fact, I would like to draw Members' attention to the following excerpt from a newsletter published by the International Brotherhood of Electrical Workers in their October 1995 newsletter. I quote: "Employees who elect to become agency fee payers—that is, who choose not to become full-fledged IBEW members—forfeit the right to enjoy a number of benefits available only to members. Among the benefits available only to full union members are the right to attend and participate in union meetings; to nominate and vote for candidates for union office; the right to participate in contract ratification and strike votes; the right to participate in the formulation of IBEW collective bargaining demands; and the right to serve as delegates to the international convention."

Now, if this were not subtle enough, I would point out the letter Mr. Gary Bloom of Medina, MN, received from local 12 of the Office of Professional Employees Union. In their correspondent with Mr. Bloom, the union was very direct when they informed Mr. Bloom: "If you choose not to be a member of local 12, I shall have no alternative but to request GHI that your employment be terminated."

The fact of the matter is that every day unions are bringing extreme pressure to bear on American workers to join their ranks, including threats of reprisal and termination of employment. Moreover, once they have pressured these workers to join the union, they then often take dues from those workers and spend them on political or social causes which the worker may not support.

So the contentions of organized labor notwithstanding, the fact is that there is a problem out there today in the American workplace with respect to mandatory assessment of union dues, and it is the one that affects the wages of working men and women across this country.

The Worker Right to Know Act will address that problem by simply requiring that the union tell workers how their dues are spent and then ask permission to spend those dues on noncollective bargaining purposes. When you get right down to it, it is really an issue of basic fairness, and I urge my colleagues to support the Worker Right to Know Act and oppose this substitute bill.

Mr. FAZIO of California. Mr. Chairman, I include for the RECORD at this point letters condemning this legislation offered by the majority from Common Cause and Public Citizen.

The letters referred to follows:

COMMON CAUSE,
Washington, DC, July 24, 1996.

DEAR REPRESENTATIVE: The repackaged Thomas bill—H.R. 3820—is phony reform that locks in the corrupt status quo, leaves open the floodgates for special-interest PAC money and increases the amount that wealthy individuals can contribute to influence federal elections.

Any Member of Congress who votes for the Thomas bill is voting to protect the corrupt way of life in Washington, DC.

H.R. 3820 codifies and expands the soft money system—the most flagrant and corrupt abuse in politics today. This system allows unlimited corporate, union and huge individual contributions to be laundered through the political parties to affect federal elections.

Any Member of Congress who votes for H.R. 3820 is giving a personal blessing and a personal stamp of approval to the corrupt soft money system.

H.R. 3820 fails to make any real reductions in the PAC system of funding House races. If the Thomas bill had been in effect during the last election, it would have cut less than nine percent of PAC contributions and would have continued the PAC incumbent protection system where 72 percent of PAC funds go to incumbents (and 10 percent go to challengers) and where 90 percent of incumbents are reelected.

Any Member of Congress who votes for H.R. 3820 is personally endorsing the status quo PAC system and the incumbent protection it provides.

H.R. 3820 doubles the amount that wealthy individuals can give in hard money to candidates and parties. Under H.R. 3820, an individual could give $100,000 per election cycle—an amount that is more than three times the annual income of the average American wage earner.

Any Member of Congress who votes for H.R. 3820 is speaking out for more access and influence in the political system for the wealthiest people in America and less for average American wage earners.

The Thomas bill is a fraud. Any Member of Congress who wants real reform will simply refuse to go along with this charade and will vote no on H.R. 3820.

Sincerely,

ANN MCBRIDE,
President.

PUBLIC CITIZEN,
Washington, DC, July 25, 1996.

DEAR REPRESENTATIVE: Late in the day on Wednesday, Rep. Bill Thomas (R–CA) released amendments to his campaign finance bill, H.R. 3820. The amendments do away with the extraordinary increases in contribution limits, but they do not make H.R. 3820 real reform. It is still a big step in the wrong direction on campaign finance and should be defeated. We urge you to vote NO on H.R. 3820.

Despite the changes, the underlying philosophy of the H.R. 3820 bill remains the same—that there is not enough money in politics. That premise is fundamentally wrong, and therefore, H.R. 3820 still is not worthy of the title of "Reform." In particular, we oppose this bill because it:

Gives congressional approval to the disgraceful soft money system, under which corporations, labor unions, and wealthy individuals contributed nearly $60 million to the national political party committees last year.

Opens a huge new avenue for the parties to spend that soft money (which would be illegal if contributed to federal candidates) by allowing them to spend unlimited amounts of soft money on "communications" with their members. This provision will lead to unlimited corporate funded newsletters, bulletins, and ads from the opposing party attacking Members of Congress starting on the very first day of the Congress.

Doubles the annual total amount that wealthy individuals can contribute to PACS, parties, and candidates. Only 167,000 contributions of $1,000 were made to federal candidates in the 1994 cycle—less than 7/100 of a percent of the American public. There is simply no justification for giving additional "buying power" to the very rich in our country. (The Democratic alternative contains a similar increase in the annual aggregate contribution limit. But unlike H.R. 3820, that alternative bans soft money. The new aggregate limit in the Democratic bill allows individuals to make additional contributions to state party "Grassroots Funds" to pay for activities that heretofore were generally financed with soft money; it maintains the aggregate limit in existing law for contributions to candidates, PACs, and parties. H.R. 3820 preserves soft money and allows wealthy individuals to make additional hard money contributions to candidates, PACs, and parties. That is not reform.)

Fails to significantly reduce PAC funding of campaigns because it has no aggregate limit for PAC contributions. A cut in the PAC limit to $2,500 per election will have only a slight effect on PAC giving, and that limit will in any event be raised to $3,000 per election in 1999 because of the indexing provisions of the bill.

Provides for a 50% increase in the individual contribution limit in 1999 under the new indexing provisions. This provision will magnify the influence of the tiny portion of the public able to make the maximum contribution, further alienating people of average means from political process.

Perpetuates incumbent campaign spending advantages through in-district fundraising requirements that impose de factor spending limits on candidates who lack financial support from the wealthy elite in their district.

Fails to prohibit bundling by corporate executives who are not technically lobbyists but wield great influence in the legislative process.

Promotes independent attacks on candidates in the form of "issue ads" by writing into law the most restrictive and unrealistic definition of "express advocacy".

The Thomas bill will not solve the campaign finance problem, and in many respects will make it much worse. Members who truly wish to respond to the public's desire for real reform will vote NO on H.R. 3820.

Thank you for your consideration.

Sincerely,

JOAN CLAYBROOK,
President.
ROBERT F. SCHIFF,
Staff Attorney, Congress Watch.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Chairman, our Founding Fathers envisioned a government of the people, by the people and for the people, a Government made up of citizens from all walks of life, rich and poor, not just the elite.

As we have seen in recent elections, a well-financed candidate can practically buy their way to victory. The Republican bill will continue to increase the influence of wealthy candidates and special interest pandering. My colleagues, if you are serious about campaign finance reform, I urge Members to support the Farr substitute.

The Farr substitute is real campaign finance reform. This timely legislation will place voluntary limits on campaign spending and most importantly will limit candidates' personal expenditures, effectively leveling the playing field for all candidates. The American people deserve the effective spending limits, soft money reforms and PAC reforms included in the Farr substitute.

Mr. Chairman, I am saddened to see the American public becoming more and more disenchanted with the political process. The American democracy was built on equal opportunity. Right now I am not so sure the ordinary Americans have a place and a voice in the political arena. The average American should not only have the opportunity to run for an elected office, but to run and win.

I remember a time when political campaigns were determined by the moral character and message of the candidate, not the money in their pocket. Let us turn back the clock for the American people. Vote for real campaign reform. Vote yes on the Farr substitute.

We have talked about campaign finance reform for a long time around here, but somehow, some way, we have got to put an aggregate number, a ceiling on campaign spending. Let us support the Farr substitute.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds, and I am going to try it one more time.

Their limit is voluntary. If someone wants to spend as much money as they want, all the rules are out; they do not control spending. What we do is change the rules. If a wealthy candidate wishes to exercise their rights, we allow parties, we allow individuals, we allow PAC's to assist a candidate against the person who exercises their constitutional rights. They do not have a solution, they have an argument.

Mr. Chairman, I yield 2½ minutes to the gentleman from Florida [Mr. WELDON].

Mr. WELDON of Florida. Mr. Chairman, I thank the gentleman from California for yielding me the time.

Mr. Chairman, I rise in support of the Worker Right to Know Act, which is title IV of the campaign finance bill we are now considering. In doing so, Mr. Chairman, I must take issue with the suggestion from my colleagues on the other side of the aisle that it is Republicans who have politicized the issue of compulsory union dues. After all, it was at a special convention of the AFL–CIO that the union announced that it would impose a special assessment on every union member to fund the union's election-year political campaign, a campaign in which the union made its intentions clear, to attack Republican Members of Congress.

Also at the convention, the leadership announced its endorsement of the Clinton-GORE reelection campaign. So here you have the Washington union bosses taking more money out of the pockets of union members without any input from the rank and file for the explicit purpose of funding the President's reelection campaign and attacking House Republicans, all of this when recent polling shows that nearly half of union members vote Republican.

It has also been suggested by my colleagues on the other side that Republican interest in compulsory union dues is nothing more than a recent political response to the AFL–CIO's transparent attempt to buy the November elections. Unfortunately, such assertions ignore the facts. The fact of the matter is that since 1985, congressional Republicans have introduced more than 20 separate pieces of legislation aimed at providing workers with greater control over their union dues.

So let us be clear on this point, it is Washington union bosses and their supporters in the Democrat Party that have recently politicized the issue of compulsory union dues and Republicans who have been working for years to give employees a greater say in how their dues are spent.

We may disagree on the policy, but American workers deserve our honesty with regard to politics. I urge my colleagues to support the Worker Right to Know Act.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Chairman, I want to thank again the ranking member for yielding me the time.

Mr. Chairman, I have listened to the gentleman from California [Mr. THOMAS] trying to justify a similarity between the substitute in the Republican bill on limits. Good try, just not accurate. You have not explained the fact that with soft money under the Republican bill, millions of dollars can be poured in by special interest and by corporations into our national parties, into our State parties and can be funneled into local elections. The substitute bans soft money.

Yes, it is true that we have a voluntary $600,000 limit. The Republicans have no limit in their bill. But let me explain that voluntary limits have worked, it worked in our Presidential campaign. It is consistent with the Constitution. If we do not try to limit the amount of money being spent, with recent trends we are going to find the average campaign over $1 million.

We also discourage independent expenditures. The Republican bill does nothing about that. We have limits on large contributors. The Republican bill does nothing but encourage more money from large contributors. The substitute will reduce the amount of money being spent in campaigns, the Republican bill will increase it.

Mr. Chairman, I urge my colleagues to support the substitute.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, both sides argue good points and there are some I agree with. If they were just standing here on the floor with a provision that would say union members get to know, I would be voting for it because my husband is union and we need to know and be asked before they spend our money, but that is not what we are talking about.

What we are talking about today is a bill that does not change anything, anything with what happens here in Washington, DC. Every night Members of Congress can still hold their fundraisers across the street and raise, listen to this, 50 percent of their money at these fundraisers because there is no aggregate cap. If they raise $1 million, they can raise $500,000 at these PACs' fundraisers. This does not change anything.

But worse yet, tobacco money still can be funneled through the parties, made legitimate by the Republican bill; funneled through in hundreds of thousands and millions of dollars, to be then funneled through to candidates.

Mr. Chairman, what is worse, wealthy people now prevail. I go home to blue-collar America, folks, and we cannot afford $25 a month, much less $25,000 to $50,000 and more.

Mr. THOMAS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would suggest to the gentlewoman from Washington that if she is able to raise $500,000 from individuals back home, she does not have to come to Washington, because the whole concept is she would have already won the election because every one of those people she talked to back home has a vote.

When you have a majority required from your district, you are not only raising money, you are raising votes. That is the concept of the underlying bill.

Let me take just a minute, because I think it is time to exercise the "gotcha rule." You have heard the Democrats and the gentleman from Maryland go through and extol the virtues of their bill versus ours. What they will never do is talk about the fine print. That is our job, so I will do it: Gotcha.

Take a look at section 304 of the Democrat campaign reform bill. Currently, corporate contributions cannot be admitted in Federal political campaigns. What they are not telling us is that they have a provision in their bill, section 304, which says corporate funds from credit card royalties are to be converted into Federal PAC contributions. If you take out a credit card, and we have all seen these schemes with various organizations, and it says "Democratic Party" on it, the royalties that come from the corporation that sold the credit card and carried on the processing of the papers are magically converted into Federal funds.

☐ 1500

They will not tell us that. They will criticize our bill on the time they are supposed to be explaining their bill, so I thought I would. Gotcha.

Mr. Chairman, I yield 3½ minutes to the gentleman from Pennsylvania [Mr. GREENWOOD], one of the more thoughtful Members of the House.

Mr. GREENWOOD. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in opposition to the Farr substitute and in support of H.R. 3820

As many Members of this body are aware, I have had serious reservations about some provisions of the Republican campaign reform bill. When we opened debate on this key reform proposal, I envisioned a new day in American politics: A crisp November morning when the stars and stripes that fly above our city and town halls, our local schools and in our parks would honor an electoral process free from the corruption of special interests; an election day morning when Americans could go to the polls and cast their votes realizing that their political involvement was again valued in our campaign system.

Over the last 16 years I have been a candidate in 15 elections. During my career in the State legislature, in the State senate, I accepted PAC contributions; but since my election to the Congress 4 years ago, I have not accepted PAC checks, and I love the difference. In 1992 I defeated a 14-year incumbent who received the vast majority of his contributions from outside our Philadelphia suburban district.

These experiences, as well as my long-time commitment to reforming our Nation's electoral process, led me to take an active role in this debate.

Indeed, during the Committee on Rules consideration of this bill, I offered amendments. My provisions would have banned connected PAC's, which are corporate or labor union PAC's that use union or corporate treasuries to subsidize their administrative and solicitation costs.

In addition, my amendments would have eliminated the retroactive indexing originally in this bill and brought both individual and PAC contribution levels down to $1,000. Unfortunately, I was not offered the opportunity to offer my amendments before this body.

The Republican campaign finance reform bill, even with the manager's amendment, has a number of weaknesses, in my view. It does fail to adequately address real PAC reform and to remove the special interests from our electoral system. This legislation also maintains a disparity between the individual and PAC contribution limits, and injects more money into the electoral system through increases in the aggregate contribution limit.

I do not believe this is a comprehensive campaign finance reform package, yet acknowledging these weaknesses, this legislation is a step forward and a step forward for which the gentleman from California [Mr. THOMAS] should be commended, and I will vote for the bill as amended.

By cutting the PAC contribution limit in half and requiring that 50 percent of the candidate's campaign funds come from inside one's district, this bill does work to return elections to individual Americans. Furthermore, this reform package includes provisions to reduce the influence of wealthy candidates, to eliminate leadership PAC's and bundling, and to encourage grass roots volunteers and increased FEC disclosure.

In conclusion, Mr. Chairman, I see the passage of this legislation not as the conclusion of our campaign finance debate but rather as a beginning, the beginning of a true commitment by the Republicans in this Congress to craft real campaign finance reform. I am confident and hopeful that we can and will use this legislation as a starting point from which to launch our debate on this difficult and crucial issue in the next Congress.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. BARRETT], a strong advocate of reform.

Mr. BARRETT of Wisconsin. Mr. Chairman, I thank the gentleman from California for yielding me this time.

Mr. Chairman, this is a disappointing day for Congress, but more than that, it is a disappointing day for the people of this country, because they were promised that we would have campaign finance reform in this Congress.

Instead of getting campaign finance reform, we are getting campaign finance deform, because what this bill that has been presented by the Republicans does, it allows wealthier Americans to have more influence in the political system. I would venture to guess if we put a poll to the American people and asked them if they want wealthy Americans to have more influence in this system, overwhelmingly the people would say no.

For as long as there is going to be politics, Democrats will complain about Republican money and Republicans are going to complain about Democratic money. The only way to resolve this problem is to take some of the money out of the system, to lower the amount that candidates can spend, and that is what the Farr alternative attempts to do.

The Republican bill does not do that. In fact, the Republican bill is based on the premise there is not enough money in this system. That is ludicrous. The problem is there is too much money. Vote down the Republican alternative. Support the Farr alternative.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to H.R. 3820, the Republican campaign finance reform bill before us today. This bill only further solidify the stranglehold of special interests on our representative process. It is not true reform.

It is interesting to note the manner in which the Republican leadership has handled this issue. With much fanfare they made the campaign finance reform bill the centerpiece of a proposed reform week. Just as the reform week turned out to be a sham, so too has this campaign finance reform bill.

The American people want less, not more money in the electoral process. H.R. 3820, the Republican bill, increases the amount of money in the electoral process. It increases the amount a wealthy individual can give to a campaign, it increases the aggregate amount a wealthy individual can give to all campaigns in general, and it increases the amount that wealthy individuals can give to the parties.

We must increase participation of average people in our country, not the participation of the wealthiest individuals and the participation of even more money.

We do have a chance today to reform campaign finance, but it is through the passage of Representative FARR's campaign finance reform bill, not through the Republican campaign finance sham. The Democratic alternative being offered today reduces the amount of money in politics. It imposes a voluntary limit on campaign spending.

I urge my colleagues to support the Democratic alternative, which is true campaign finance reform, and to oppose the Republican leadership's bill, which is a campaign finance promotion bill.

It is time to deliver our system out of the hands of the special interests which control it and back into the hands of the American people. We have a responsibility to remove obstacles of participation in the electoral process for the American people. We can do that by passing the Farr legislation today and rejecting the Republican leadership sham.

Mr. HOEKSTRA. Mr. Chairman, I thank my colleague for yielding time to me.

As it concerns the wealthy individuals, the Republican bill and the Democratic bill are almost identical. The Republicans limit individual contributions to $1,000. On PAC's, we say that wealthy individuals or any individual can only give $2,500 to a PAC.

The Democratic side says we will be cheaper than that. We will only give $5,000. I think it is kind of like the Democratic math again. They let wealthy candidates give more money to PAC's than Republicans do.

On the aggregate amount, Republican and Democratic bills have the same amount. So I think the previous speaker misrepresented what is in the Republican bill.

But let us take a look at what this bill does. It is genuine movement forward: Fifty percent in-district; provisions for wealthy candidates; provisions for carryover funds; reduced PAC funding; bans leadership PAC's; and goes after compulsory dues.

The bottom line: This is genuine reform in the Republican bill. It is progress. It is not perfect but it is a significant step forward. I urge support of the Thomas bill.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Chairman, I have a somewhat different position than many of my party on this particular proposal. I think many of its provisions are very interesting. The idea of strengthening political parties, frankly, prior to the amendments the gentleman made in the Committee on Rules, the notion of opening up larger individual contributions made sense to me.

There are many interesting ideas for participation in this process that I respect and that I think are worth seriously discussing. But I would suggest the provisions the majority has included in this bill dealing with union members and union dues demonstrates a level of animus, hostility, and hypocrisy. A deregulatory majority that speaks with such passion about the onus on the average person of government regulation, in the context of a series of laws that protect and require union democracy, elected representatives, have prohibited closed shops, have made compulsory unionism through union shop agreements weaker by allowing dues, who through the Beck decision have provided for rebate of monies spent that are not directly related to the collective bargaining process, by adding to all those existing schemes, a process that is so regulatory, which is so costly to the union movement, and which so denies the premises of elected representation and rule of the majority in that political process, demonstrates a hypocrisy which undermines the credibility of the entire bill.

This should never have been put that in. It takes away from the arguments about political pluralism, participation, and how to broaden it. It demeans the very subject the gentleman claims to try to reform by doing it.

I find it ironic that so many of the speakers from the majority party who speak on this issue do not focus upon the campaign reform provisions in this. They come in here to bash the unions, to bash the representatives of the working people of this country. They are not just trying to reform a political process and a campaign finance process, they are trying to tilt it against the interests that the union movement has always held historic, the protection of working people, the promotion of civil rights, the safety of the workplace, and to tilt it in favor of the corporations that have been their historic and traditional financiers.

I do not think this is the place for that kind of a provision.

Mr. FAZIO of California. Mr. Chairman, how much time is reminding for each side?

The CHAIRMAN. The gentleman from California [Mr. Fazio] has 12½ minutes remaining, and the gentleman from California [Mr. Thomas] has 10 minutes remaining.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. Pallone].

Mr. PALLONE. Mr. Chairman, I rise today to urge my colleagues to vote against the Republican campaign finance bill and support the commonsense Farr substitute.

The Republican bill is basically a sham. The Republicans received so much criticism from their own parties and groups, such as Common Cause and United We Stand, that they are now seeking to amend their own bill. It is clear the Republican bill is changing campaign spending to allow more money into the political process, not less, completely contrary to the will of the American people.

Now, let me tell my colleagues why I like the Farr substitute. Every source of private funds for a campaign, in my opinion, is basically bad. I would like to see public financing of campaigns, but we are not voting on that today. But the nice thing, the good thing about the Farr substitute is it caps the amount of money that is spent on a campaign and then mixes up the sources of those funds, $600,000 maximum, and then it says only $200,000 from PAC's, only $200,000 from large donors, which is defined as $200 or more, only $50,000 of a Member's own individual money, and I guess the rest probably small donors.

That is what we need, a mixture of various sources of funding so no funding source, not wealthy individuals, not PAC's or individual contributions, is the primary source of money for a campaign. It is only through mixing the sources and capping the amount of money that we can spend on a campaign that I think we have a way of financing a campaign that basically makes sense and does not allow for special interests or any particular interests to influence too much what happens to the campaign.

In the same way the Farr bill also allows for lower postal rates, it reduces rates for broadcasting, and so it allows the message to get out better. That is what campaigns should be all about: Who is the best candidate? Who has the best message? Not who has the wealthiest contributor or who has the most PAC money or who has the most money overall.

The reason why this Republican bill is terrible and is a sham is because it is trying to put more money into campaigns and not limit the amount and the sources of the financing.

□ 1515

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman correctly described the Democratic bill. What it does is coerce people to provide subsidies so that government can attempt to convince people they should not exercise their free speech rights. That is the typical approach that the Democrats use in the use of government; that is, coercion, control, and limits.

But I really would like to focus on the bill itself. If anyone is interested, section 304 says, merchandising and affinity cards. We have heard the term "true reform." We have heard common sense in terms of the way the Democrats are approaching this.

Take a look at section 304. It says,

> Notwithstanding the provisions of this section or any other provision of this Act to the contrary, an amount received from a corporation shall be deemed to meet the limitations and prohibitions of this act if such amount represents a commission or a royalty.

True reform or a scam?

Mr. FAZIO of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I will yield on the gentleman's time.

Mr. FAZIO of California. Mr. Chairman, I was hoping the gentleman would yield on his time, since he raised the issue twice.

Mr. THOMAS. No. I do not have the time. I will not yield on my time. I would be more than happy to yield on the gentleman's time.

Mr. FAZIO of California. Well, we will put in the Record what is a de minimis issue.

Mr. THOMAS. The gentleman says taking money from corporations on under the guise of hard dollars is a de minimis issue. I think the American people would differ with him. That is why he is not talking about that section.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. Kingston].

Mr. KINGSTON. Mr. Chairman, I thank the gentleman from California [Mr. Thomas] for yielding the time to me.

I have concerns. I support the Thomas bill and not the Farr bill. I have concerns that the Farr bill does not address this worker right to know issue.

The people, the rank and file dues-paying union members who are concerned about the second amendment, they want to keep their guns. They are concerned about the issue of abortion or balancing the budget and so forth. They do not know where their money is going.

They are told that their PAC is bipartisan. Let me talk to you about bipartisan PAC's. Here is the actual campaign dollars spent in 1994 by certain PAC's. AFL–CIO, $804,000; 99.15 percent going to Democrats. The American Trial Lawyers Association, $1,759,000; 95 percent of it going to Democrats. The Longshoremen, $300,000; 96 percent going to Democrats.

Here is one, Mr. Chairman, my colleagues will really like, the rank and file workers are told that the Democrat Republican Independent Voter Education Committee is a bipartisan PAC, but $2,131,000 was spent on Democrats or 97 percent of their total budget. They should change the name and just call this the Democrat status quo PAC.

The NEA, the National Education Association, $1,968,000; 99 percent of it going to Democrats.

I say there is nothing wrong with rank and file union members being told, hey, 99 percent of your money is going to the Democrat party who stands against the balanced budget, who stands against protecting and increasing Medicare, who stands for all kinds of left wing causes like taking your guns away and so forth. I just think that the guys back home would like to know that if you are told your PAC is bipartisan, it is not. I have a whole list of them, Mr. Chairman. I will submit these for the Record.

The fact is, our American workers have the right to know where their money is spent. I say vote "no" on Farr; vote "yes" for Thomas.

Mr. Chairman, I include for the Record the following information:

Donors—Who's really snared by special interest groups?

[PAC Funding—1994 House of Representatives Race]

PAC	Democrat	Republican
AFL–CIO	$804,709 (99.15%)	$6,880 (0.85%)
American Federation of Teachers	$1,053,690 (99.33%)	$7,000 (0.66%)
ATL	$1,759,285 (95.00%)	$92,500 (5.00%)
Human Rights	$470,495 (96.51%)	$17,000 (3.49%)
Community Action Program	$42,250 (96.57%)	$1,500 (3.43%)
Democrat Republican Independent Voter Ed. Committee	$2,131,517 (97.82%)	$47,475 (2.18%)
ILGWU	$229,672 (96.51%)	$8,070 (3.49%)
Int'l Longshoreman's Assoc.	$300,125 (96.66%)	$10,350 (3.33%)
IUE	$204,050 (100%)	$0 (0.00%)
Int'l Union of Bricklayers	$143,550 (98.97%)	$1,500 (1.03%)

Donors—Who's really snared by special interest groups?—Continued

[PAC Funding—1994 House of Representatives Race]

PAC	Democrat	Republican
NEA	$1,968,750 (99.00%)	$19,800 (1.00%)
Office and Professional Employees	$65,150 (98.49%)	$1,000 (1.51%)
Service Employees Int'l	$699,694 (98.18%)	$13,000 (1.82%)
UAW Voluntary Comm. Action	$1,914,376 (99.25%)	$14,455 (0.75%)

Mr. FAZIO of California. Mr. Chairman, I simply would like to say to the gentleman from Georgia, we are going to be giving everyone an opportunity to let people know where the money comes from and where it goes with the motion to recommit.

Mr. Chairman, I yield 2 minutes to the gentlewoman from Missouri [Ms. McCARTHY].

Ms. McCARTHY. Mr. Chairman, I thank the gentleman from California for yielding me the time.

I rise today in strong support of genuine campaign finance reform, and urge my colleagues to vote for the Farr substitute. I am glad my Republican friends have significantly changed their original proposal to embrace the Farr bill. Unfortunately the House leadership's catering to special interests still goes too far and fails to meet real reform standards.

Our initiative, the Farr substitute, will change the way business is done in Washington. One significant difference in the Farr bill is a call for voluntary spending limits. Until we have limits on revenues and expenditures in campaigns there will continue to be huge amounts of money spent on politics.

In an attempt to further alienate citizens who are thoroughly sick of negative advertising the House Leadership bill actually invites independent expenditures on these activities, as well as the potential for nondisclosure of these contributions.

The Farr bill makes important strides towards encouraging participation by average Americans by limiting the amount of money in campaigns, limiting the extent to which a candidate can rely upon large contributions from individuals, and limiting contributions from PAC's. The Farr bill is the only plan to eliminate "soft money," the only plan to encourage candidates to rely on small contributions, and by observing spending limits, the only plan to reduce the costs of TV and mail.

The demands of running a campaign today can distract public officials from their responsibility to citizens. Our commitment to improving the lives of American families ought to be our primary concern.

Real campaign finance reform is important and necessary. The Farr bill will provide that reform, the House Leadership plan will not. I urge my colleagues to support the Farr substitute.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Chairman, like other Members of this Congress, I have been successful under the current system. I will keep doing the things necessary. If we want to serve in Congress, we have no choice but to be out trying to raise hundreds of thousands of dollars. But I do not like it because I know it is not too much to say that unless we fundamentally change this system, ultimately campaign finance will consume the very essence of our democracy.

We are reaching the point wherever every Member of this Congress is going to have to spend more time out raising money than tending to the Nation's business. It is fundamentally a corrupting influence on the operation of this body.

What answer does Speaker GINGRICH provide? He tells us, contrary to what every authority has said that it is a myth it is not true, it is just one of the greatest myths of modern politics that campaigns are too expensive. The American people do not know what they see on TV. The political process is, in fact, underfunded. It is not overfunded.

Well, that idea that we do not have enough special interest money, we do not have enough tobacco money, for example, in this Congress to make it healthy here makes about as much sense as we do not have enough tobacco smoking to make our physical health healthy, which seems to be something else the Dole-Gingrich ticket is a bit confused about. All this, of course, from the same man who pioneered tax-exempt campaign finance through GOPAC.

No, we have no opportunity for a bipartisan solution today. You have yet to hear throughout any part of this debate any of the 10 Republicans, 10 Republicans who condemn this proposal as fundamentally flawed, as freezing out ordinary Americans, to stand up and defend it. You have yet to hear one citizen organization that has worked over the years to try to see that we get fundamental campaign finance reform do anything but to condemn the speech of Mr. GINGRICH and the proposal before us.

This is, as they have said, a sham, a fraud. It is not reform.

Mr. THOMAS. Mr. Chairman, I yield 30 seconds to the gentleman from Michigan [Mr. HOEKSTRA].

Mr. HOEKSTRA. Mr. Chairman, I would just like to tell my colleague from Texas that we, as Members, do have a choice. It is within our power to say how we are going to raise funds for our campaigns. We do have a choice about whether we are going to take political action committee money.

We do have a choice about who and what individuals we are going to accept and how much money we are going to spend in campaigns. Nobody tells us to go out and raise a million dollars. Nobody tells us to go out and raise a quarter of a million dollars from political action committees. We do have that choice.

There are many Members here who are taking perhaps what may be seen as a risk, but the American people are rewarding them because they are not swayed by that.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in opposition to H.R. 3820 and say that the real campaign finance reform is the Farr bill.

First of all, it limits spending to $600,000. And then to the gentleman from Georgia let me say, he referred to the guys back home. This campaign finance reform refers to the ladies back home, individuals who have to have those who can represent their interests that are not spoken for by the very high cost special interests.

And yes, what is wrong with having for challengers and others who are cash poor the television system willing to provide information to the constituencies so they, too, know the issues and are not just around high priced receptions where you cannot get any information.

The Farr bill allows for a third class bulk nonprofit rate on postage which, again, allows cash-poor challengers to have access to the U.S. Congress. Interestingly enough, the New York Times really called it well, on July 17, 1996. They say, the Republican bill is campaign reform deformed. But what they really say is, here is a bill that allows you to go from a $25,000 donation in Federal campaigns to $3 million. That is not reform.

Mr. Chairman, I rise in support of the Democratic substitute offered by my colleague, Congressman SAM FARR. This substitute represent our best hope during this session of Congress of reducing the influence of special interests over the political process. As you know, the Senate has failed to act on campaign finance reform. The simple truth of the matter is that the bill, H.R. 3820 increases the amount of money that special interests and wealthy individuals can give to candidates.

This substitute contains a voluntary spending limit of $600,000 for the 2-year election cycle. It indexes the limit for future inflation. Furthermore, the substitute would limit the contributions of large individual donors to $200,000 in an election cycle and limits a candidate to spending no more than $50,000 of their own money, including loans. The bill, however, would allow an individual to give up to $3,000,000 per election cycle including funding to candidates and political parties.

In exchange for candidates agreeing to the voluntary measures set forth in the substitute, they would receive a discount rate for broadcasting and a third class bulk nonprofit rate on postage. Candidates who do not agree to the voluntary limits would pay the regular commercial rate for broadcast time and the regular third class postage bulk rate.

Additionally, this substitute eliminates bundling of campaign contributions except for nonaffiliated, independent PAC's that do not lobby such as Emily's List. Leadership PAC's are eliminated at the end of this year. Contributions from PAC's to individual candidates are limited to a maximum of $8,000 during each election cycle. Candidates are also limited to receiving no more than $200,000 from PAC's per election cycle unless there is a runoff election, which would enable PAC's to give additional funds.

This substitute is a stronger statement for reform. It strikes a good balance between protecting the first amendment rights of individuals and fostering a positive role for Government in reducing the influence of special interests. The bill, however, really goes too far in requiring candidates to raise half of their campaign funds from individuals who reside in their congressional districts. This provision would hurt candidates who are running in poorer congressional districts and favor candidates with significant personal wealth.

I urge my colleagues to support real campaign finance reform by voting in favor of this substitute to the bill. It represents an opportunity for all of us to make real the promise that President Clinton and Speaker GINGRICH made to produce real reform in our political process.

Mr. THOMAS. Mr. Chairman, I yield myself 15 seconds. The last statement of the gentlewoman from Texas is simply not true.

Mr. FAZIO of California. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Chairman, I want to thank the gentleman for his hard work on campaign finance reform.

Mr. Chairman, I rise in support of Democratic bill, the Farr bill, which voluntarily limits expenditures, contributions, and soft money. We have before us today two bills that are dramatically different in philosophy and direction. One allows more money in politics; one limits money in politics.

But in reality, both bills are dead because the Senate has already acted. Congress has tried to reform campaign finance by itself since 1974. Unless we change course dramatically, all we will have is the same old shell game that Congress continues to play with campaign finance reform. Now you see a bill; now you do not. Now you pass one in the House but not in the Senate. Now you pass them in the House and the Senate but it does not get signed.

Realistically, Mr. Chairman, the only way, the only way to enact meaningful campaign finance reform in the 104th Congress is to enact an independent commission that will come forth with a principled plan that will be voted up or down, similar to the Army suggestion on base closing.

I have introduced such a bill, H.R. 1100, which has bipartisan support, including the gentleman from California [Mr. DREIER] and many others.

Mr. Chairman, the Speaker is the only one who could make it happen. I hope he will move to pass a campaign finance reform independent commission.

Mr. THOMAS. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee [Mr. WAMP].

Mr. WAMP. Mr. Chairman, cutting PAC's, political action committees, contributions from $5,000 to $4,000 simply is not enough. Let us cut them in half to $2,500. That is one basic difference.

We have seen an exhibition on partisanship and demagoguery. For the gentleman from Texas or New Jersey to tell me that this proposal is a sham is offensive.

Listen to me. I am one of 22 Members, as is our chairman, that does not accept PAC money. We are the ones you should listen to. A journey of 1,000 miles begins with a single step. This is a small step, but it is a step in the right direction.

This bill is late. I wish we would have been addressing this bill last year. We tried to push it. It took too long. The bill is late, but it is not a dollar short. This bill is real reform. It moves us in the right direction.

We have got to cut PAC's in half and listen to the folks who have the guts not to accept the PAC money, not the people with a million bucks in the bank that take all the PAC money they can get. Listen to us, the people who make the phone calls to individuals in our district to raise our money. The pure people say, pass this bill.

Mr. FAZIO of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

(Mr. KILDEE asked and was given permission to revise and extend his remarks.)

Mr. KILDEE. Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, I rise today in opposition to this Republican campaign finance reform bill.

Instead of stopping the tidal waive of special interest money into congressional campaigns, the Republican bill opens the flood gates for wealthy individuals to influence the outcome of congressional elections.

Mr. Chairman, I also want to set the record straight on the issue of donations by union members to labor PAC's.

And I want to use the American Federation of State, County, and Municipal Employees as an example of how unions are responsive to those union members who do not wish to contribute to the PAC.

Since 1974, AFSCME members have had the right to receive a refund for that portion of their union dues that goes for political activities.

All an AFSCME member must do is send a letter to the union's Washington office requesting the refund.

This year alone, about 15,000 AFSCME members will take advantage of that right and receive such a rebate.

In contrast, Mr. Chairman, corporate shareholders, the real owners of American corporations, currently have no right to object to the use of their corporation's funds for political purposes.

Shareholders do not have the ability to get a rebate on their corporation's funds used to support candidates and parties that they themselves do not support.

Retirees who own stock through their pensions, or workers who own stock in their companies—these individuals cannot demand that the company they own give them a refund on the portion of the corporation's funds used to support a political party that is hostile to their interests as retirees or workers.

Mr. FAZIO of California. Mr. Chairman, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, the previous speaker from the other side of the aisle, the PAC-pure gentleman from Tennessee, says that this bill is not a dollar short, referring to the Republican alternative. Amen, brother. It is a dollar long. It is dollars long. It is hundreds of thousands of dollars long. It is millions of dollars long. It ain't a dollar short. You said it like it is.

The American public wants less, not more money in campaigns. That is the message. That is what the Farr bill says, and is not what your bill says.

I tell my friend from Tennessee, it is not the Members that are calling it a sham. It is the community, the citizens, the activists who have been working for reform who call it a sham.

□ 1530

I say to my colleagues, you bet. It's a dollar long, not a dollar short.

Mr. THOMAS. Mr. Chairman, I yield myself 30 seconds.

The gentleman from Maryland [Mr. HOYER] is correct. Those people who are urging support for the Farr bill and oppose the Republican bill are the people who believe that government should be used to impose controls on people and to limit and coerce them into giving up their free speech rights. What we do is empower individuals.

Mr. FAZIO of California. Mr. Chairman, I yield myself the remaining time.

The CHAIRMAN. The gentleman from California is recognized for 2½ minutes.

Mr. FAZIO of California. Mr. Chairman, clearly we do not all agree on how best to reform our present campaign system. Democrats wish to limit spending, Republicans prefer a variety of other solutions, and there seem to be on both sides of the aisle, very honestly, a thousand variations of what to do. But surely, surely, all of us can agree on the need for full and complete disclosure of the money spent in the campaign system. Surely all of us can agree that the American people deserve to know where the money comes from and where it goes. As I indicated to the gentleman from Georgia [Mr. KINGSTON] a few minutes ago, we should give them nothing less.

Now in the newspaper locally here today, the Washington Post, the first paragraph of a headline story on the front page, an unnamed corporate donor has put up $1.3 million to help the Republican Party broadcast coverage on its convention next month on the Christian Coalition founder Pat Robertson's family channel, unnamed corporate donor. My friends across the aisle have said in the past that they support disclosure. Now is their chance to practice what they preach for we must approach this issue in a bipartisan way if we are going to get anywhere.

Because the hidden money is a problem in our political system, in a few moments we will propose a motion to recommit which adopts a definition of independent expenditure which is virtually identical to that definition found in the Smith-Meehan bipartisan bill. This provision will allow a reasonable remedy for a problem which haunts our system. This is an area of concern for everyone, and we will ask for our colleagues' support. We want it to be the beginning of a bipartisan effort that, with full disclosure, will allow us to operate perhaps on the same plane in the next Congress when perhaps the desire for real campaign reform may be reborn.

We think it is time for a consensus step forward, and we think we need to begin by reaching a basis of understanding about just who it is that is part of the political process. Labor, management; left, right; we really do not care where the chips fall. We simply think that we cannot be critical of interest groups and individuals when we do not really know who they are or who is contributing.

It seems to me that we have an opportunity here in a few minutes to get beyond the partisan wrangling and to put it all out on the table. But for now, let us vote "aye" on the real reform proposal on the floor today offered by my friend from California [Mr. FARR]. It is the only one that really steps up to the plate and takes on the difficult questions of dealing with the real way to limit the amount of money that flows into the political process.

The Farr bill is the product of many, many, many years of effort to reach consensus. There is opposition to it today that never existed before from groups that now fear that it is catching fire and may, in fact, gain a majority vote on this floor, and we are very hopeful that people will put aside their partisanship and see an opportunity to show their constituents that even if this is not real and we are not going to pass something this year, we ought to at least begin to move in the direction of the kind of campaign reform we have long advocated.

It has been vetoed, it has been filibustered. Let us give it a new life. Vote "aye" on the Farr substitute.

Mr. Speaker, clearly, we do not all agree on how best to reform our present campaign system. Democrats wish to limit spending; Republicans prefer other solutions; and there seems to be a thousand variations of what to do.

But surely—surely—all of us can agree on the need for full and complete disclosure of the money spent in the campaign system. Surely, all of us can agree that the American people deserve to know where the money comes from—and where it goes. We should give them nothing less.

My friends across the aisle have said in the past that they support disclosure. Now is your chance to practice what you preach, for we must approach this issue in a bipartisan way. Because the hidden money is a problem in our political system, in a few moments, we will propose a motion to recommit which adopts a definition of independent expenditure which is virtually identical to that definition found in the Smith-Meehan bipartisan bill. This provision will allow a reasonable remedy for a problem which haunts our system. This is an area of concern for everyone—and we will ask for your support. That would be a real consensus step forward. But for now vote aye on the only real reform bill on the floor today—vote "aye" on the Farr bill.

Mr. THOMAS. Mr. Speaker, I yield the balance of our time to the gentleman from Georgia [Mr. GINGRICH] to conclude the debate both on the Republican bill and on the Farr substitute, a gentleman who prior to becoming Speaker was the ranking member on the House Administration Committee that oversees all of the Federal election laws, someone who is very familiar with this area. It is my pleasure for our side to yield to the Speaker of the House.

The CHAIRMAN. The Speaker of the House is recognized for 5 minutes.

Mr. GINGRICH. I want to thank the gentleman from California [Mr. THOMAS] for yielding this time to me, and I want to thank all of my colleagues on both sides of the aisle for today's debate and for the effort to come to grips with some very real challenges in our political system. The fact is that every voter has the right to expect of their country that we ought to have a political system where on election day they have full knowledge of the facts and they have a real opportunity to make a real choice. The fact is, in a free society, one of the keys to that freedom is to be able to fire incumbents and hire new people, and the fact is that in an ideal setting no candidate would have a unique advantage, and the voter would have full information, and for at least a quarter of a century now we have been trying to wrestle with how, as we enter the information age, can we achieve that kind of reform?

We began to go down a trail over 20 years ago of limiting expenditures, which frankly does not work. We see it clearly not working today in the Presidential campaign where in theory the taxpayer pays the full cost of the campaign with the result now that the unions are spending millions on ads, the Democratic National Committee is spending millions on ads, and the fact is the Republican National Committee is trying to answer what the Democratic National Committee and the unions are spending. So instead of having taxpayer-financed Presidential campaigns and no other spending, which was the theory of that reform, we now have tax-paid Presidential campaigns plus other spending, and in fact the nontax-paid spending this year on the Presidential campaigns will probably be 2 to 3 times the size of the amount spent by the Presidential campaign.

So we have seen Bob Woodward in his new book, "The Choice," says President Clinton clearly, consciously and systematically is getting around the law and knows it and has designed his campaign to do it because the law does not work. In a free society it is very hard to establish limits, and I know that our good friends on the left are trying to, and I sympathize with the frustration that leads them toward trying to set limits, but they are not real. When we have labor unions announcing they are going to spend $500,000 per district trying to beat Republican freshmen, to then suggest a $600,000 limit for the campaign so that the liberal candidate would have their own $600,000, plus the $500,000 from the union, is clearly the kind of limits that in the real world make no sense.

Furthermore, if a colleague happens to be in a media market where the media is biased against him or her, the editorial writer gets to write for free. The television commentator gets to commentate for free. The talk show host gets to be a talk show host for free. The result is we can have hundreds of thousands spent before reaching the very first ad. It may take a great deal of time and effort to undo the damage done by people who are given the time for free or given the print for free.

So I think that going to route of an overall limit simply has not worked.

David Broder pointed out in a column on July 17 entitled: "A New Twist In Campaign Finance," quote, "House Republicans have come forward with a new approach to the conundrum of campaign finance reform. It will not become law this year, but it may point the way to the future."

Now, I am not at all sure it will not become law this year, because we have not seen what will happen. I hope it will pass here and start a new dialog in the Senate. But I am certain that David Broder was right when he said, quote, "it may point the way to the future." Broder himself points out, quote, "Classic reformers—Common Cause and its allies—have scrambled around for years to find ways to stem the tide. It hasn't worked."

And so we are trying to find a way in the real world that we believe will work. We start with a very important principle. This bill, the Republican campaign reform proposal, returns control to the people of the United States by establishing the principle that 50 percent of candidates' money has to be raised in the district they represent so they have to go back home to talk with the people of their own district to raise the money.

Furthermore, it says that all the outside money combined cannot exceed what is raised at home. So one's ability to convince the people they are supposed to represent—in effect, it combines the geographic precinct with the financial precincts, and one can no longer earn or raise all the money out of Washington's groups, or raise it from Hollywood stars, or raise it from New York trial lawyers, or raise it from other kinds of PAC's. They actually have to go home to raise the money.

Second, it says we are going to take serious steps to offset the millionaires who are buying seats. It is just wrong to have the U.S. Senate or the U.S. House begin to be the playpen of millionaires who, as a hobby, decide that instead of buying a yacht or a third home they will buy a congressional seat or a Senate seat.

And so as this campaign finance reform bill begins to create the opportunity for middle-class candidates to raise money without limit if their opponent spends over $100,000 personally, so we begin to balance the odds, and we no longer allow millionaires to have an unfair advantage.

Third, this bill strengthens the political parties and begins to reestablish institutional support so that middle-class candidates can rise by working within the framework of their party,. and that means it also establishes responsibility beyond the ego of the individual candidate because the party has a longer view and the party has the right vehicle to strengthen if we want stable politics.

In addition, it allows the parties to begin to offset some of the advantages of incumbency so that we do not have the field totally biased in favor of incumbents, and I want to commend the gentleman from California [Mr. THOMAS] because now that we are the majority party he has continued the same tradition of trying to make it relatively easier for a challenger to have a fair chance to win even though as the majority party that is to our disadvantage. It was the right thing to do.

Finally, this bill establishes the principle that union members have the right to know how their money is spent. The union members have the right to know which of their dues are taken for representational purposes and which of their dues were taken for nonrepresentational purposes. This right was given to them in the Beck decision 8 years ago by the Supreme Court when Justice Brennan wrote a decision that said every union member has the right to know how their money is being spent, and this bill not only requires full disclosure, but it allows the union member to decide whether or not they want to give the additional nonrepresentational money, which is exactly what the Supreme Court said their rights should be 8 years ago.

So all we are doing in that section is putting into legislation the rights that the Supreme Court said were due to the working men and women of America and allowing them to know how their union spent their money and allowing them to decide voluntarily for the nonrepresentational part. It does not change at all the legitimate obligation to pay representational dues, but it does provide for worker information.

So, in closing, on the one side we have what I think is a failed effort to provide a cap that will not work, which would actually strengthen the power of the biased media, would actually strengthen the power of outside independent expenditures, would actually strengthen the power of people other than candidates and parties. On the other hand what we have done is we return power to the district, to the local district, we require 50 percent of the money to be raised at home, we actually lower the PAC's far more than do our Democratic friends, and weaken the PACs' ability to have impact far more. We actually strengthen middle-class candidates against millionaires. We actually strengthen the parties and thereby strengthen challengers against incumbents, and we allow union members to have the right to know how their money is spent and decide whether or not they want to voluntarily give the money the Supreme Court said they could not be forced to give.

We think it is a good reform bill, it is a first step in the right direction. I commend the gentleman from California [Mr. THOMAS], I commend the gentleman from Michigan [Mr. HOEKSTRA], and others who worked very, very hard to make this possible. I believe my colleagues should vote "no" on the Democratic substitute, they should vote "yes" on final passage, and I urge our colleagues let us pass a good campaign finance bill moving in the right direction, as David Broder said, and let us then see if we cannot convince our colleagues in the Senate to work with us to pass a good campaign finance bill this year.

□ 1545

The CHAIRMAN. The question is on the amendment in the nature of a substitute as modified by the rule, offered by the gentleman from California [Mr. FAZIO].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. THOMAS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 177, noes 243, not voting 14, as follows:

[Roll No. 363]

AYES—177

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bilirakis
Bishop
Blumenauer
Blute
Boehlert
Bonior
Borski
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clayton
Clement
Clyburn
Coburn
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Doyle
Duncan
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frisa
Frost
Furse
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kleczka
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Olver
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pomeroy
Quinn
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Skaggs
Slaughter
Spratt
Stark
Stokes
Studds
Stupak
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Velazquez
Vento
Visclosky
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zimmer

NOES—243

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bliley
Boehner
Bonilla
Bono
Boucher
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clay
Clinger
Coble
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Dornan
Dreier
Dunn
Ehlers

Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kildee
Kim

King
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
Longley
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Murtha
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Ortiz
Orton
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Poshard
Pryce
Radanovich
Rahall
Ramstad

Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Volkmer
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff

NOT VOTING—14

Bevill
Coleman
Collins (IL)
Deutsch
Ford

Hastings (FL)
Hayes
Lincoln
McDade
Peterson (FL)

Quillen
Roth
Tanner
Young (FL)

☐ 1604

Messrs. STENHOLM, KILDEE, TAYLOR of Mississippi, and TEJEDA changed their vote from "aye" to "no."

Mr. NADLER and Mr. FLAKE changed their vote from "no" to "aye."

So the amendment in the nature of a substitute, as modified by the rule, was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DEUTSCH. Mr. Chairman, I missed one rollcall vote earlier today because I was unavoidably detained. Had I been present, I would have voted "yes" on rollcall vote No. 363, the Fazio substitute for campaign finance reform.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DREIER) having assumed the chair, Mr. INGLIS of South Carolina, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3820) to amend the Federal Election Campaign Act of 1971 to reform the financing of Federal election campaigns, and for other purposes, pursuant to House Resolution 481, he reported the bill, as amended pursuant to that rule, back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. FAZIO OF CALIFORNIA

Mr. FAZIO of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. FAZIO of California. Yes I am, Mr. Speaker, most definitely.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. FAZIO of California moves to recommit the bill H.R. 3820 to the Committee on House Oversight with instructions to report the same back to the House forthwith with the following amendment:

Strike section 107 and insert the following (and conform the table of contents accordingly):

SEC. 107. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of and without consultation with a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by an authorized committee of a candidate for Federal office.

"(ii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iii) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(iv) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office. For purposes of this clause, the term 'professional services' shall include any services (other than legal and accounting services solely for purposes of ensuring compliance with any Federal law) in support of any candidate's or candidates' pursuit of nomination for election, or election, to Federal office.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(18)(A) The term 'express advocacy' means, when a communication is taken as a whole and with limited reference to external events, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party.

"(B) The term 'expression of support for or opposition to' includes a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity, or to refrain from taking action.".

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of such Act (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that is not an independent expenditure under paragraph (17).".

Mr. FAZIO of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. FAZIO] is recognized for 5 minutes in support of his motion to recommit.

Mr. FAZIO of California. Mr. Speaker, it is pretty obvious by now that Democrats believe there is too much money in our political system today. But we think it is equally important that all the money in our political system be fully disclosed to the American people. Voters must know who paid for an advertisement to help them evaluate its purpose.

Toward that end, Mr. Speaker, this motion to recommit includes the commonsense definition of what is called an independent expenditure, as set forth a decade ago by the Court of Appeals in the Fergatch case, which has never been overruled by the U.S. Supreme Court.

The Republican bill, by contrast, adopts the narrowest possible definition, one that is riddled with loopholes. As a result, the Republican bill would deprive Americans of the information they want by reducing the requirements for disclosure of political money. It would also, frankly, have the unfortunate effect of encouraging the anonymous negative advertising that has grown so common lately in this country.

The Republican aversion to disclosure is not limited to independent expenditures. Time and time again the Republican leadership has sought to stifle communication from working people in the labor movement who have fought so hard for an increase in the minimum wage. Specific antilabor provisions were grafted onto the Republican bill as an exercise, I believe, in union bashing. It seems the majority prefers to create a campaign issue rather than seek a solution to the alleged problem.

Recently every Republican on the Committee on House Oversight voted against an amendment to require disclosure of the funding sources for election-related communication expenditures. This provision would have required disclosure by labor unions and it would also have required disclosure of the vast amounts of money favored by Republicans and their allies, groups like the NFIB and GOPAC, groups which funnel far greater amounts of money in total than organized labor.

☐ 1615

The majority, it seems, prefers to talk about disclosure but cannot bring themselves to disclose where their supporters get such funding. We Democrats say let it all hang out. Business groups, labor groups, left, right, middle, everything should be disclosed for public review. Sunlight is the greatest disinfectant we can apply, because there is such a problem with hidden money in our political system.

We offer our motion to recommit with instructions to resolve this problem in a reasonable, common-sense way, in a way that protects first amendment interests while providing the public with the information they want, need and deserve. I reach out to every one of my colleagues of both parties to join us in this effort. This will be their chance to put their vote behind their rhetoric. If they would not support disclosure here today, let the American people never again hear them whining about labor unions or other groups they oppose. Let us put it all on the record.

Mr. Speaker, I yield the remainder of my time to the gentleman from Massachusetts [Mr. MEEHAN].

Mr. MEEHAN. Mr. Speaker, when I came to the Congress of the United States, I looked to a senior Member to help me in my efforts to work on campaign finance reform. He taught me that we have to work in a bipartisan manner if we are going to get real campaign finance reform passed.

That was Mike Synar, and he introduced a bill that I signed on to, that Republicans signed on to, to have real campaign finance reform in a bipartisan way. That is why I have worked so hard in this session in a bipartisan way to get real campaign finance reform, in the history and tradition of Mike Synar.

The gentleman from California has introduced a piece of that bipartisan bill. It involves disclosures and making sure when people make independent expenditures, like the independent expenditures that were made against Mike Synar and many other Members, that the American people have a right to know where their money comes from. The American people have a right to know who is funding this.

And guess what? Both Democrats and Republicans behind this bipartisan effort, every public interest group in America supports this language: the League of Women Voters, Common Cause, Public Citizen, United We Stand. There is not anyone in the country who is fighting for campaign finance reform that does not support this language.

Let us have a tremendous opportunity to take a bad bill and make it a heck of a lot better. Let us send this bill back with this provision, in the history of bipartisan reform, in the tradition of Mike Synar, in the tradition of good Democratic politics.

The SPEAKER pro tempore (Mr. DREIER). Is there a Member who rises in opposition to the motion to recommit?

Mr. THOMAS. Mr. Speaker, I rise in opposition.

The SPEAKER pro tempore. The gentleman from California is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, some people will say, how in the world can anyone stand up and oppose that? The fact of the matter is, Members really need to know the whole story. This is not about disclosure. If it were about disclosure, we can deal with that in any number of statutes.

The gentleman from California said this is sunlight. Let me tell the gentleman, if we pass this, what will happen. He will think it is sunlight. Someone else will think it is a grow light. Somebody else will think it is a 100-watt bulb. Somebody else will think it is a 300-watt bulb. What is it?

The Supreme Court, not a lower court, not some district court, the Supreme Court said free speech is so fundamental to a free society that we have got to let people express themselves. Advocacy is a fundamental right. If you express support for someone, that is express advocacy.

What they have not told us is that their amendment contains this, on page 3 of the amendment: The term "express advocacy" means, they want to say, when taken as a whole.

The Court in Buckley said it means when you use the words expressly, vote for, elect, support, cast your ballot for, not when taken as a whole. They said when it is sunlight, it is sunlight and everybody knows it.

Do not give in to the urge to take the freedom of speech away from people. Justice Potter Stewart said, "I can't define obscenity but I know it when I see it," these people want to take the definition "I know it when I see it" and suppress free speech.

The Supreme Court in Buckley said no, it is not your judgment as to whether or not it is free speech. It is the words as they are stated. When they are stated, it is. When we think they are, it is not. If you believe in a free society, if you believe in the Constitution, you do not take the words taken as a whole, you take the words. Reject their motion to recommit.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. FAZIO of California. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 209, noes 212, not voting 13, as follows:

[Roll No. 364]

AYES—209

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bass
Becerra
Beilenson
Bentsen
Berman
Bishop
Blumenauer
Blute
Boehlert
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Durbin
Edwards
Engel
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Holden
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
Klug
LaFalce
Lantos
Leach
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Nadler
Neal
Oberstar

Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Riggs
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Zimmer

NOES—212

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myers
Myrick
Nethercutt
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Petri
Pickett
Pombo
Porter
Portman
Pryce
Radanovich
Ramstad
Regula
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Salmon
Saxton
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Vucanovich
Walker
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff

NOT VOTING—13

Bevill
Coleman
Collins (IL)
Ford
Hastings (FL)
Hayes
Lincoln
McDade
Peterson (FL)
Quillen
Roth
Tanner
Young (FL)

□ 1637

Mr. FLANAGAN and Mr. MARTINI changed their vote from "aye" to "no."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. DREIER). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. THOMAS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 162, nays 259, not voting 13, as follows:

[Roll No. 365]

YEAS—162

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Boehner
Bono
Bryant (TN)
Bunn
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Deal
DeLay
Dickey
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Fox
Franks (CT)
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gingrich
Goodlatte
Goss
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Istook
Johnson (CT)
Jones
Kasich
Kelly
Kim
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Lightfoot
Linder
Livingston
Lucas
Manzullo
McCollum
McCrery
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Molinari
Moorhead
Myrick
Ney
Norwood
Nussle
Oxley
Parker
Paxon
Petri
Pombo
Porter
Portman
Pryce
Ramstad
Regula
Riggs
Rogers
Rohrabacher
Royce
Salmon
Scarborough
Schaefer
Schiff
Seastrand
Sensenbrenner
Shadegg
Shaw
Shuster
Skeen
Smith (MI)
Smith (TX)
Spence
Stearns
Stockman
Stump
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Upton
Vucanovich
Walker
Wamp
Weldon (FL)
Weldon (PA)
Weller
Wicker
Zeliff

NAYS—259

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bilbray
Bishop
Blumenauer
Blute
Boehlert
Bonilla
Bonior
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TX)
Burton
Cardin
Castle
Chapman
Clay
Clayton
Clement
Clyburn
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Coyne
Cramer
Cummings
Danner
Davis
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Durbin
Edwards
Engel
English
Ensign
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Foley
Forbes
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Gonzalez
Goodling
Gordon
Graham
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hefner
Hilliard
Hinchey
Holden
Horn
Houghton
Hoyer
Inglis
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
Klug
LaFalce
Lantos
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Longley
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McInnis
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Montgomery
Moran
Morella
Murtha
Myers
Nadler
Neal
Nethercutt
Neumann
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Packard
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Quinn
Radanovich
Rahall
Rangel
Reed
Richardson
Rivers
Roberts
Roemer
Ros-Lehtinen
Rose
Roukema
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Saxton
Schroeder
Schumer
Scott
Serrano
Shays
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith (WA)
Solomon
Souder
Spratt
Stark
Stenholm
Stokes
Studds
Stupak
Tate
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Walsh
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
White
Whitfield
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zimmer

NOT VOTING—13

Bevill
Coleman
Collins (IL)
Ford
Hastings (FL)
Hayes
Lincoln
McDade
Peterson (FL)
Quillen
Roth
Tanner
Young (FL)

□ 1655

Mr. SMITH of New Jersey changed his vote from "yea" to "nay."

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill just considered.

The SPEAKER pro tempore (Mr. DREIER). Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2823, INTERNATIONAL DOLPHIN CONSERVATION PROGRAM ACT

Mr. GOSS (before the vote on final passage of H.R. 3820) from the Committee on Rules, submitted a privileged report (Rept. No. 104–708) on the resolution (H. Res. 489) providing for consideration of the bill (H.R. 2823) to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT REGARDING AMENDMENT PROCESS FOR H.R. 123, ENGLISH AS THE OFFICIAL LANGUAGE OF GOVERNMENT

(Mr. GOSS asked and was given permission to address the House for 1 minute.)

Mr. GOSS. Mr. Speaker, the Rules Committee is planning to meet this Wednesday, July 31, to grant a rule which may limit the amendments which may be offered to H.R. 123, English as the Official Language of Government.

Subject to the approval of the Rules Committee, this rule may include a provision limiting amendments to those specified in the rule. Any Member who wishes to offer an amendment should submit 55 copies and a brief explanation of the amendment by 12 noon on Tuesday, July 30, to the Rules Committee, at room H-312 in the Capitol. Members should also have the amendment printed in the CONGRESSIONAL RECORD by Tuesday, July 30.

Amendments should be drafted to the text of the Goodling substitute, which will be printed in the CONGRESSIONAL RECORD of July 25, as an amendment in the nature of a substitute to H.R. 123. The rule is likely to self-execute in the Goodling amendment as a new base text for H.R. 123.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain their amendments comply with the rules of the House.

AUTHORIZING MINORS TO LOAD MATERIALS INTO BALERS AND COMPACTERS

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1114) to authorize minors who are under the child labor provisions of the Fair Labor Standards Act of 1938 and who are under 18 years of age to load materials into balers and compacters that meet appropriate American National Standards Institute design safety standards, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. AUTHORITY FOR 16- AND 17-YEAR-OLDS TO LOAD MATERIALS INTO SCRAP PAPER BALERS AND PAPER BOX COMPACTORS.

Section 13(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(c)) is amended by adding to the end thereof the following new paragraph:

"(5)(A) In the administration and enforcement of the child labor provisions of this Act, employees who are 16 and 17 years of age shall be permitted to load materials into, but not operate or unload materials from, scrap paper balers and paper box compactors—

"(i) that are safe for 16- and 17-year-old employees loading the scrap paper balers or paper box compactors; and

"(ii) that cannot be operated while being loaded.

"(B) For purposes of subparagraph (A), scrap paper balers and paper box compactors shall be considered safe for 16- or 17-year-old employees to load only if—

"(i)(I) the scrap paper balers and paper box compactors meet the American National Standards Institute's Standard ANSI Z245.5–1990 for scrap paper balers and Standard ANSI Z245.2—1992 for paper box compactors; or

"(II) the scrap paper balers and paper box compactors meet an applicable standard that is adopted by the American National Standards Institute after the date of enactment of this paragraph and that is certified by the Secretary to be at least as protective of the safety of minors as the standard described in subclause (I);

"(ii) the scrap paper balers and paper box compactors include an on-off switch incorporating a key-lock or other system and the control of the system is maintained in the custody of employees who are 18 years of age or older;

"(iii) the on-off switch of the scrap paper balers and paper box compactors is maintained in an off position when the scrap paper balers and paper box compactors are not in operation; and

"(iv) the employer of 16- and 17-year-old employees provides notice, and posts a notice, on the scrap paper balers and paper box compactors stating that—

"(I) the scrap paper balers and paper box compactors meet the applicable standard described in clause (i);

"(II) 16- and 17-year-old employees may only load the scrap paper balers and paper box compactors; and

"(III) any employee under the age of 18 may not operate or unload the scrap paper balers and paper box compactors.

The Secretary shall publish in the Federal Register a standard that is adopted by the American National Standards Institute for scrap paper balers or paper box compactors and certified by the Secretary to be protective of the safety of minors under clause (i)(II).

"(C)(i) Employers shall prepare and submit to the Secretary reports—

"(I) on any injury to an employee under the age of 18 that requires medical treatment (other than first aid) resulting from the employee's contact with a scrap paper baler or paper box compactor during the loading, operation, or unloading of the baler or compactor; and

"(II) on any fatality of an employee under the age of 18 resulting from the employee's contact with a scrap paper baler or paper box compactor during the loading operation, or unloading of the baler or compactor.

"(ii) The reports described in clause (i) shall be used by the Secretary to determine whether or not the implementation of subparagraph (A) has had any effect on the safety of children.

"(iii) The reports described in clause (i) shall provide—

"(I) the name, telephone number, and address of the employer and the address of the place of employment where the incident occurred;

"(II) the name, telephone number, and address of the employee who suffered an injury or death as a result of the incident;

"(III) the date of the incident;

"(IV) a description of the injury and a narrative describing how the incident occurred; and

"(V) the name of the manufacturer and the model number of the scrap paper baler or paper box compactor involved in the incident.

"(iv) The reports described in clause (i) shall be submitted to the Secretary promptly, but not later than 10 days after the date on which an incident relating to an injury or death occurred.

"(v) The Secretary may not rely solely on the reports described in clause (i) as the basis for making a determination that any of the employers described in clause (i) has violated a provision of section 12 relating to oppressive child labor or a regulation or order issued pursuant to section 12. The Secretary shall, prior to making such a determination, conduct an investigation and inspection in accordance with section 12(b).

"(vi) The reporting requirements of this subparagraph shall expire 2 years after the date of enactment of this subparagraph.".

SEC. 2. CIVIL MONEY PENALTY.

Section 16(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 216(e)) is amended in the first sentence—

(1) by striking "section 12," and inserting "section 12 or section 13(c)(5),"; and

(2) by striking "that section" and inserting "section 12 or section 13(c)(5)".

SEC. 3. CONSTRUCTION.

Section 1 shall not be construed as affecting the exemption for apprentices and student learners published in section 570.63 of title 29, Code of Federal Regulations.

Mr. BALLENGER (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. HOBSON). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from North Carolina?

Mr. ANDREWS. Mr. Speaker, reserving the right to object, I do not intend to object. I ask the gentleman from North Carolina, the subcommittee chairman, if he would explain the legislation.

Mr. BALLENGER. Mr. Speaker, will the gentleman yield?

Mr. ANDREWS. I yield to the gentleman from North Carolina.

Mr. BALLENGER. Mr. Speaker, H.R. 1114 amends regulations which the Department of Labor has issued and which prohibit employers from allowing teenage employees from loading, operating, or unloading paper balers and paper compactors, such as are normally used by grocery stores and other facilities that receive a lot of items in boxes and similar paper based containers.

The House of Representatives passed H.R. 1114 on October 24 of last year. The Senate has returned the bill with an amendment that essentially makes two changes to bill which we in the House passed last year.

The first change addresses a concern which some had with the constitutionality of one aspect of the House-passed bill. Under the House bill, teenagers would be allowed to load paper balers and compactors which meet the most current safety standard issued by the American National Standards Institute, or ANSI, so long as certain other protections were also provided. While it is clear that Congress may, by reference, incorporate the current ANSI standard, there was concern about incorporating by reference future standards by a nongovernmental entity. Under the Senate amendment, future ANSI standards would apply only if the Secretary of Labor certifies that the standard is at least as protective of the safety of minors as the current ANSI standards are.

Second, the Senate amendment adds a reporting requirement to the legislation. During the 2 years following enactment, employers will be required to report any injuries and fatalities to employees under age 18 to the Department of Labor, if those injuries or fatalities result from contact with a paper baler or compactor during the loading, operating, or unloading of the machine. The purpose of this reporting requirement is to provide the Department of Labor and Congress with information on the impact, if any, on teenage injuries, of this legislation and of allowing teenagers to load materials into certain paper balers and compactors. I might add here a note that under the bill, a violation of the reporting requirement is considered a child labor violation and therefore subject to a fine of up to $10,000 per violation. Given the way in which the Department of Labor has sometimes enforced paperwork and recordkeeping requirements in other contexts, I want to add to something that Senator HARKIN said in presenting this amendment in the Senate: The purpose of the reporting requirement is to get information on injuries, if any, to teenagers from paperbalers over the next 2 years. Employers should not be fined for relatively minor or inadvertent errors in following the reporting requirements. The purpose of this requirement is to collect information not to have another reason to fine employers.

Mr. Speaker, I support the Senate amendment and I thank the gentleman for yielding.

□ 1700

Mr. ANDREWS. Mr. Speaker, continuing under my reservation of objection, I want to concur in the comments of my friend and say this is really the Youth Job Protection Act. This is going to help a lot of young people get jobs in grocery stores and supermarkets and protect their health and safety at the same time.

I want to thank the gentleman from North Carolina [Mr. BALLENGER] and the gentleman from Illinois [Mr. EWING] for their excellent work on this bill, and the other members of the committee and also representatives from labor and management. I concur in his remarks, am happy to work with him.

Mr. EWING. Mr. Speaker, I rise in strong support of the Senate amendments to H.R. 1114, and urge the House to once again pass this important legislation and send it to President Clinton's desk for his quick signature. Action by the House will encourage grocery stores to start hiring teenagers again this summer.

As my colleagues know from the previous consideration of this legislation, the Labor Department has been vigorously enforcing Hazardous Occupation Order 12, a regulation which hasn't been updated in about 40 years and which prohibits teenage workers from in any way coming in contact with paper balers and compactors. My colleagues know that the modern machines are extremely safe, but the Labor Department has been handing out fines up to $10,000 for a single violation of H.O. 12.

This final legislation will only allow 16- and 17-year-old workers to load modern machines, but retains the prohibition on teenagers operating or unloading any paper balers or compactors. Before teens could load a machine, it must meet modern safety standards set by the American National Standards Institute [ANSI] including an on-off switch with a key-lock system and which cannot be operated while being loaded, and requires the on-off switch to be in the off position when the equipment is not in operation. The legislation also requires the key to be maintained is not in operation. The legislation also requires the key to be maintained in the custody of adult employees and requires the employer to post notice that the machine meets safety standards and that 16 and 17 year olds may load only, but not operate or unload. In addition, the Senate added two additional safety provisions allowing the Secretary of Labor to certify that future ANSI safety standards are at least as protective as the current standards, and requiring that for 2 years any injuries involving teenagers working with these machines be reported to the Labor Department.

Mr. Speaker, it is unfortunate that while this Congress clearly has determined that H.O. 12 is outdated, the Labor Department has continued its excessive and unreasonable enforcement while this legislation was being written. For example, the Department's Wage and Hour Division recently cited a grocery store in the Midwest for alleged violations involving six teenage employees. The store is facing fines in excess of $14,000.

The supermarket has a compactor which is not inside the store, but is located outside, on a back lot. It is connected by an 8 foot long chute which goes from the building to the compactor and is loaded through the chute from inside the supermarket. Adequate notice and safety precautions were posted on the door of the chute, indicating that minors are not to load or operate the machine. The manager told the employees that they were not allowed to place cardboard down the chute. Despite these good-faith efforts, six young employees decided that there was no harm in throwing boxes down the chute.

Because the machine is outside the store, the teenagers still never came in contact with the compactor and there were never any injuries. However, the Labor Department still levied fines against this store of more than $14,000.

I am told that this supermarket, which is located in a small town, is not profitable and the owner is considering closing the store because of the huge fine he is being asked to pay. If this happens, the Labor Department will have put more than 50 people out of work.

Passage of this legislation is a clear statement of the intent of Congress. It is my hope that the Labor Department will heed this message and re-evaluate the pending enforcement proceedings in this case, withdraw the fines, and save 50 jobs.

This legislation is a good example of how labor and management and Republicans and Democrats can work in a spirit of compromise to solve a problem. Over the past several months we have negotiated with all interested parties to write this legislation. I would like to thank my partner, Congressmen LARRY COMBEST, who has helped lead this effort for over 2 years. I would also like to thank Chairmen GOODLING and BALLENGER for their assistance, and Congressman ROB ANDREWS for playing a critical role in negotiating this compromise. In addition, I would like to thank Senators CRAIG, KASSEBAUM, KENNEDY, and HARKIN for their assistance in moving this legislation through the Senate. I would also like to recognize the cooperative spirit in which the Food Marketing Institute, the National Grocers' Association, and the United Food and Commercial Workers' Union worked to come to a compromise which will put an end to unnecessary regulation without jeopardizing the safety of workers.

Unfortunately, throughout this entire process the Labor Department played absolutely no useful role and showed zero interest in solving this problem.

Mr. ANDREWS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HOBSON). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that all members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 1114 and the Senate amendment thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REFORM WEEK HAS BECOME WEAK REFORM

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend here remarks.)

Ms. DELAURO. Mr. Speaker, for months the Republican leadership has been talking about reform week and promising to end the current money chase in Washington. Well, today the House held reform hour, and it was a disgrace. Instead of presenting legislation that could have passed the House with a bipartisan majority, the Republican leadership put up a bill that benefited special interests only.

Ralph Nader's group Public Citizen called the Thomas bill a big step in the wrong direction on campaign finance and urged its defeat. Common Cause said:

> The repackaged Thomas bill is phony reform that locks in the corrupt status quo, leaves open the floodgates for special-interest PAC money and increases the amount wealthy individuals can contribute to influence special elections.

Now reform week has come and gone, and the Republican leadership has squandered any chance we had to keep our promise to reform the political money game in Washington. Reform week has truly become weak reform.

REQUEST FOR PERMISSION TO PRESENT SPECIAL ORDER

Mr. CLINGER. Mr. Speaker, I ask unanimous consent to present my special order at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Ms. KAPTUR. I object, Mr. Speaker.

The SPEAKER pro tempore. Objection is heard.

TRIBUTE TO CAPT. JOHN WILLIAM (JACK) KENNEDY

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLF. Mr. Speaker, CAPT. John William (Jack) Kennedy is coming home. Next Friday, August 2, a nearly 25-year saga surrounding the fate of Captain Kennedy, a missing-in-action Air Force pilot in Vietnam, will end at Arlington National Cemetery.

On August 16, 1971, Air Force Captain Kennedy was flying an O–2A aircraft, solo, on a visual reconnaissance mission over the Quangtin Province of South Vietnam when radio contact was lost. He was a forward air controller pilot for the 20th Tactical Air Support Squadron based in Chu Lai, Vietnam, in support of the 23d Infantry Division. The area in which he was flying was rugged mountainous terrain covered by thick jungle and a known location of enemy ground forces. When Captain Kennedy failed to respond to normal communications checks, a search effort was initiated. But no crash was found, no radio contacts made, and no witnesses were identified. He was listed as "Mission in Action," a status he carried until the Air Force moved to change it to "Presumed Killed in Action" in July 1978.

Mr. Speaker, I call Captain Kennedy to the attention of our colleagues because his is a case I became familiar with during the 1980's when I represented his hometown of Arlington, VA. It was then that I met his mother, Sally Kennedy, who was active in the National League of Families. She was stalwart in her determination to find out what happened to her son, and, in the larger context of working with the National League of Families, to help keep alive the effort to determine the fate of all those service personnel missing in action.

She was tenacious in making sure that a search was ongoing to find Jack's crash site, and has been kept advised of all that went on with the various search teams that went in each year they were allowed into Vietnam as the National League of Families diligently sought to obtain permission throughout the years. As tensions between the United States and Vietnam decreased, significant levels of activity in identifying and exploring possible U.S. forces crash sites took place.

In 1992, after several visits and discussion with Vietnamese villagers, a possible crash site was identified. At that time no conclusive evidence was available to specifically identify the site as Jack's. In 1993, several bone fragments, reportedly from the pilot of that aircraft, were provided by villagers. Also engines of the type used on Jack Kennedy's aircraft were found in the area. It wasn't until just recently that techniques were such that DNA could be extracted from these bone fragments and compared with those of his mother. Just this past May, the U.S. Air Force positively identified those bone fragments as belonging to Capt. John William Kennedy.

Jack's remains arrived at Travis Air Force Base, CA, in late June and will be flown to Washington, DC, on August 1 with funeral services next Friday morning, August 2, at the Fort Myers Chapel with interment with full military honors including a flyover at Arlington National Cemetery.

John William Kennedy was born in Washington, DC, on May 1, 1947; raised in Arlington, VA; graduated from Wakefield High School in 1965 and Virginia Military Institute in 1969. At VMI he was the 1969 Southern Conference Wrestling Champion in the 160-pound class, was cocaptain of the varsity wresting and soccer teams, a member of the VMI Honor Court, was included in "Who's Who in American Colleges and Universities" and Kappa Alpha after graduation. In 1980, he was also inducted into the VMI Sports Hall of Fame.

He began active duty in the U.S. Air Force in October 1969, and for his military service was awarded the Distinguished Flying Cross, Purple Heart, Air Medal with 2 oak leaf clusters National Defense Service Medal, Vietnam Service Medal, and Republic of Vietnam Campaign Medal.

In addition to his mother, Sally Kennedy, of Lake Ridge, VA, he is survived by his brother Daniel E. Kennedy, Jr., of Dumfries, VA, also a VMI, Class of 1966, graduate and retired lieutenant colonel in the U.S. Air Force with one combat tour in Southeast Asia from 1972 to 1973.

The waiting and hoping and wondering for the Kennedy family has not come to an end and as Sally Kennedy said in a recent letter, "time will bring a peace and finality to me." she also reminded as a poet has written, "A man is never dead until he is forgotten."

Mr. Speaker, we express not only our sympathies to the Kennedy family, but also our gratitude for the service to his country of Capt. John William Kennedy. And we offer a prayer that some day all the families whose loved ones served their Nation but remain missing in action can find peace.

ROUT OF THE REVOLUTIONARIES

(Mr. DOGGETT asked and was given permission to address the House for 1 minute.)

Mr. DOGGETT. Well, Mr. Speaker, this is what it has come to. A year and a half is down, and a rout of the revolutionaries. They promised us a revolution in the way this Congress was operated, and today they delivered, defeating the one hope for campaign finance reform.

Every citizens group that looked at this independently, not Democratic groups or Republican groups, every citizen group spoke out against this sham reform. Ten Republicans had the courage to condemn this Gingrich bill, and the Speaker, Speaker GINGRICH, came right here to the floor of the House to demand that this regressive piece of legislative be approved. The House has rejected it.

Mr. Speaker, it is time for us to have bipartisan reform, not more of the same old business out of this so-called revolutionary Congress that once again has demonstrated that it is not revolutionary, just revolting.

REAL CAMPAIGN FINANCE REFORM

(Mr. MEEHAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MEEHAN. Mr. Speaker, I want to thank the 20 Republicans who signed on to the bipartisan bill and thank all of the Democrats who signed on to the bipartisan bill, thank the thousands of people all over America who have been calling up for campaign finance reform; the League of Women Voters, Public Citizen, United We Stand, Common Cause. And let me just say we will not let this travesty that happened on the floor today hold us back from real campaign finance reform because the torch goes on and we will continue this fight.

What we saw on the floor of the House today will result in outrage all across America because Americans are committed to changing the way we finance campaigns in America. So there will be a response, we will be back, and we will have real campaign finance reform after the November elections.

THERE MUST BE TRUE CAMPAIGN FINANCE REFORM

(Mr. PALLONE asked and was given permission to address the House for 1 minute).

Mr. PALLONE. Mr. Speaker, I just wanted to say I am very pleased to see that this Republican bill went down to defeat today and also to see that so many Republicans actually joined with the Democrats in defeating the bill. I think it shows that there is some sense in this House, and once again people have risen up and recognized that we have to have true campaign finance reform and the way of the Republican leadership, which is just let more wealthy people, more special interests and more money be basically the basic tenet of financing a campaign is not the way to go.

Now we have the opportunity, I think, to move toward true campaign finance reform that limits the amount that can be spent on a campaign and that looks to different sources of income for the campaign other than just wealthy contributors.

CAMPAIGN FINANCE REFORM, CLEAR CHOICE: MORE MONEY IN THE PROCESS, OR LESS?

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, the House voted down two campaign finance proposals today, neither of which solves the fundamental problem: the excessive influence of wealthy interests on our political process crowding out and even alienating average citizens from their own democracy. It is increasingly true that the real two-party system in our country consists not of Republicans and Democrats, but the party of donors and the party of voters.

I voted in favor of the Farr substitute today because voluntary spending limits are better than no limits at all, and I completely disagree with Speaker GINGRICH, who says that he would emphasize far more money in the political process.

That is absolutely ludicrous. In fact the New York Times in a recent story says money is not speech, it is raw power, and that is why the only answer to this problem, because of the Supreme Court decisions, is passage of H.J. Res. 114 to allow Congress and the States to set mandatory limits on campaign expenditures.

The choice is clear: More money in the process or less.

25TH ANNIVERSARY OF YOUTH CONSERVATION CORPS

(Mr. DICKS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, today I had the pleasure of attending the 25th anniversary of the Youth Conservation Corps, a program that was created in 1970 with the leadership of Congressman Lloyd Meeds and a former Senator from the State of Washington who served in the other body, Senator Henry M. Jackson. This is a program that employs several thousand people each summer working on our national parks, our wildlife refuges in order to do work and maintenance in those areas. It is modeled on the very successful Civilian Conservation Corps of the Roosevelt administration, and I had a chance to see these young workers today doing work on the C&O Canal and to hear their stories about their involvement, and again I think it emphasizes how important it is for us in this Congress to support programs like the YCC, and I believe that the taxpayers get a good return and young people get an opportunity to serve the country and work on important environmental projects.

MARMENT LOCKS IMPORTANT TO INLAND WATERWAY SYSTEM

(Mr. WISE asked and was given permission to address the House for 1 minute.)

Mr. WISE. Mr. Speaker, the Marment Locks are an extremely important project not only for West Virginia but actually for the inland waterway system. There is a lot of uncertainty because the appraisal and real estate acquisition process must go forward. Two hundred families have been waiting a long time for this to happen. In the energy and water appropriation bill today that passed this House there was no language about that, and that is because that there is a two step, there are two ways that we can get such a project as this moving forward, and I just want to assure people that the process is not stopped.

The energy and water appropriation bill had a rule that there would be no new starts involved in it, neither the House, nor Senate, at this time. However, the other step the other way is the authorization process, and the water resources bill contains full authorization for the Marment Locks, it has passed the Transportation and Infrastructure Committee.

I am urging the congressional leadership, and I think on a bipartisan basis, to bring this to the floor as soon as possible and to end this uncertainty. It is definitely possible for the water resources bill to be enacted this year to give approval for the Marment Locks to move forward and end this delay and uncertainty for so many families in West Virginia.

ORDER OF BUSINESS

Mr. CLINGER. Mr. Speaker, I ask unanimous consent to present my special order at this time.

The SPEAKER pro tempore. Is there objection to the request the gentleman from Pennsylvania?

There was no objection.

WHITE HOUSE ACQUISITION OF FBI FILES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. CLINGER] is recognized for 5 minutes.

Mr. CLINGER. Mr. Speaker, I rise today to address a very serious issue. For over 3 years I have tried to get to the bottom of the White House travel office firings and most recently the White House's acquisition of hundreds of FBI background files of former Republican officials.

Why has the White House resisted making public the information needed to conclude these investigations? One of the foremost questions in my mind as the committee sought to understand how and why the White House obtained these FBI background files was: Who is Craig Livingstone? Who recommended him? Who hired him? And why was he ever put in charge of such a sensitive job at the White House? Simple enough questions, or so I thought.

Even though Mr. Livingstone enjoyed an unusually long tenure in the White House Counsel's office—surviving four White House counsels and even though he enjoyed a 40-percent salary increase by touting his record as a "team player" while keeping bankers' hours—now a month later, we still have no answers to the simple question of who brought Craig Livingstone into the Clinton inner circle as Security Chief. Does Craig Livingstone really not know who hired him or is he just not telling us? Who in the White House recommended that the counsel's office hire Craig Livingstone?

Seeking answers elsewhere for Craig Livingstone's immaculate hiring as it was described by one observer, I directed my investigative staff to conduct depositions of the FBI agents assigned to the White House for background investigations. FBI Director Louis Freeh personally suggested that I review Mr. Livingstone's FBI background investigation file rather than question his agents directly on this subject.

Last Thursday, July 18, I went to the FBI headquarters where I reviewed Mr. Livingstone's FBI background file. During the course of an FBI background investigation, it is customary to interview an individual's supervisors. Among those interviewed for Craig Livingstone's background check was then-White House Counsel Bernard W. Nussbaum. The interviews took place in early March.

In the interview conducted of 1993, an interview conducted by Agent Dennis Sculimbrene, his report of this interview stated that Mr. Nussbaum advised, and I am quoting, "that he is not only an appointee of Craig Livingstone for the period of time that he has been employed in the new administration, Mr. Livingstone had come highly recommended to him by Hillary Clinton, who has known his mother for a longer period of time." The agent reported that Mr. Nussbaum said that, quoting, "he was confident that the appointee lives a circumspect life and was not aware of any drug or alcohol problems."

This 1993 statement calls into question Mr. Nussbaum's June 26, 1996 statements made under oath before the Government Reform and Oversight Committee. When Congressman STEVE HORN asked former Associate White House Counsel William Kennedy whether Mrs. Clinton wanted Mr. Livingstone there at the White House, Mr. Kennedy testified that, and I am quoting: "I can state that I have never discussed Mr. Livingstone with Mrs. Clinton in any way, shape or form." Mr. Nussbaum immediately responded: "Nor did I." When I directly asked Mr. Nussbaum, "Do you know who hired Craig Livingstone?" Mr. Nussbaum responded: "I don't know who brought Mr. Livingstone into the White House."

Just as disturbing, is the fact that the FBI provided a heads up about this information to the White House. I learned this week that prior to my review of Graig Livinstone's FBI background file, the FBI called White House Deputy Counsel to the President Kathleen Wallman to provide information contained in Craig Livingstone's file—information that previously had not been provided to the White House. Did the White House tell anyone about this information?

What possible legitimate purpose could the FBI have had to call the White House about this information? Why did the FBI not contact the independent counsel if they really were concerned about the information discovered in Livingston's background file?

The day after the FBI contacted the White House, on Wednesday, July 17, two headquarters agents went to Agent Dennis Sculimbrene's home at 10:00 in the morning and interviewed him about the taking of the Nussbaum statement. The FBI agents conducting the interview told Mr. Sculimbrene that the White House was unhappy and concerned about this particular interview and about what had been said about Bernie Nussbaum.

Why, after the Attorney General herself said that it would be a conflict of interest for the FBI or the Justice Department to investigate anything related to this matter, would FBI agents go to the home of such a critical witness? Who directed these agents? Who approved and knew about these actions and when did they know? Was the independent counsel informed and why was Agent Sculimbrene told that the White House was unhappy?

□ 1715

This is a matter I will refer to the U.S. attorney for the District of Columbia. Because Attorney General Reno has designated Independent Counsel Kenneth Starr to investigate potential criminal wrongdoing in the White House Travel Office and FBI Files matters, I am simultaneously forwarding this matter to Judge Starr's attention.

While our investigation is continuing, our focus is not, not on possible criminal activities. I want to emphasize that I am not here to prejudge the veracity of any of the statements that I have referred to, but I am concerned about what appear to be very serious discrepancies. I believe, therefore, this issue must be addressed by a Federal law enforcement office tasked to review these types of issues.

Mr. Speaker, I include for the RECORD the following information:

WHITE HOUSE AND FBI ACTIONS AND CONTACTS ON FBI FILE MATTER—PREPARED BY STAFF OF HOUSE GOVERNMENT REFORM AND OVERSIGHT COMMITTEE

JUNE 14, 1996

FBI issues report on White House obtaining FBI files saying the FBI was "victimized" by the White House's gathering of FBI background files.

Craig Livingstone is deposed by the Committee on Government Reform and Oversight and reveals problems in his background.

JUNE 17, 1996

Craig Livingstone is deposed by the Committee on Government Reform and Oversight.

White House Counsel Jack Quinn announces that Livingstone has asked to be put on administrative leave.

JUNE 18, 1996

After an initial inquiry, Independent Counsel Starr advised Attorney General Reno that he does not believe he has jurisdiction to investigate the FBI File matter further.

Attorney General Reno ordered the FBI to conduct a thorough investigation into unjustified White House requests for background files.

JUNE 20, 1996

Attorney General Reno turned the investigation of White House requests for FBI background files over to Whitewater Independent Counsel Starr in order to avoid a conflict of interest. Reno wrote: "I have concluded it would constitute a conflict of interest for the Department of Justice itself to investigate the matter involving an interaction between the White House and the FBI, a component of the Department of Justice."

JUNE 26, 1996

Craig Livingstone announces his resignation in his opening statement before a Committee on Government Reform and Oversight hearing on the Security of the FBI Files.

JUNE–JULY 1996

Independent Counsel investigation proceeds with numerous White House witnesses appearing before the Grand Jury.

JULY 15, 1996

Dennis Sculimbrene is deposed by the Committee on Government Reform and Oversight.

JULY 16, 1996

Chief Investigative Counsel Barbara Olson of the Committee reviews the FBI background file of Craig Livingstone and Anthony Marceca.

According to FBI Counsel Shapiro, he contacted Deputy White House Counsel Kathleen Wallman regarding the Nussbaum interview in Livingstone's FBI background file.

JULY 17, 1996

Two FBI agents from FBI Headquarters appear at the Haymarket, Virginia home of Dennis Sculimbrene to talk with him about his interview of Bernard Nussbaum and show him the document. They also ask him for his notes of the interview.

Committee holds hearing with Secret Service witnesses on the Security of FBI Background Files. Secret Service Agent Arnold Cole reveals that he spoke with Bill Kennedy about problems in the background of Craig Livingstone when the Secret Service reviewed his file for security concerns.

JULY 18, 1996

Chairman Clinger and Chief Investigative Counsel Barbara Olson review Craig Livingstone's FBI background file at the FBI. Chairman Clinger requests information regarding any communication of information in the Craig Livingstone FBI Background file to the White House.

JULY 19, 1996

FBI General Counsel Shapiro writes letter to Chairman Clinger informing him that the FBI did indeed provide the White House with information on the Nussbaum interview:

"because issues raised in Mr. Nussbaum's interview [in Livingstone's FBI background file] has been discussed in connection with the Committee's oversight investigation, it was determined that the Bureau had a responsibility to advise affected parties. Therefore, after arrangements were made for your staff to review the files, the Department of Justice, and then the White House, were advised of the results of this review."

A PARTISAN SMEAR

The SPEAKER pro tempore (Mr. HOBSON). Under a previous order of the House, the gentleman from California [Mr. WAXMAN] is recognized for 5 minutes.

Mr. WAXMAN. Mr. Speaker, I want to point out how outrageous it is that the gentleman from Pennsylvania [Mr. CLINGER], the chairman of the committee, that has been investigating whether there has been an invasion of privacy by the gathering of FBI files would come to the floor and disclose information that he has from FBI files. It seems to me that, if we are talking about protecting people's privacy, it is out of line to come to the floor and use information that has not been verified, presumably from some FBI file, to try to smear the First Lady, Bernard Nussbaum, the counsel, and the Democratic administration. This is a partisan smear.

I have information that I am going to insert in the RECORD that contradicts the statement made by the gentleman from Pennsylvania [Mr. CLINGER]. I want to point out that, when a Member of Congress speaks from the House floor, he is protected. We can say anything we want. No one can file a lawsuit against us. But that does not give us the right to come here and disclose information that ought not to be disclosed.

If there is an accusation about people in the White House having gathered FBI files improperly, that accusation appears to be accurate, but there has been no showing that any of that information was ever made public or used for political purposes. But what we have here right now is the use politically of information from the FBI.

I include for the RECORD these statements that contradict what has been alleged on the House floor and to point out to the Members that this kind of activity, it seems to me, is outrageous and is really uncalled for.

The material referred to is as follows:

U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, July 19, 1996.

Hon. WILLIAM F. CLINGER,
Chairman, Committee on Government Reform and Oversight, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I have been advised that you and Committee Counsel Barbara Olson visited the FBI yesterday for the purpose of reviewing the background investigation files of Craig Livingstone and Anthony Marceca. As you know, the FBI's investigations of Mr. Livingstone and Mr. Marceca were undertaken at the request of the White House and the results of the investigations were previously provided to the White House.

After your review of these files, I understand that you noted that neither of the summary memoranda reflecting the results of the FBI's investigation of Mr. Livingstone reflected certain specific information recorded as a result of the FBI's interview of Bernard Nussbaum, then counsel to the President. You asked what the FBI's response would be if the White House requested any additional information from the file beyond the summary memoranda furnished.

As you know, the FBI conducts background investigations for various congressional committees and other government entities, including the White House. With regard to requests for background investigations from the Department of Justice, the Department of Energy, the Nuclear Regulatory Commission, and the Administrative Office of the U.S. Courts, the FBI provides the actual investigative reports. Only certain information is withheld, e.g., if an interviewee requests that his identity be protected from disclosure outside the FBI. With regard to background investigations conducted for congressional committees and the White House, by agreement the FBI provides summary memoranda that synopsize the information in the underlying investigative reports. Since 1983, at the request of the White House, the FBI also attaches to the summary memoranda any FD-302s that reflect derogatory information. So, for example, the FBI's communication that provided the White House with the results of the remainder of the Bureau's investigation of Mr. Livingstone included an FD-302 reflecting the results of an interview with an individual who volunteered derogatory information. The summary memoranda are intended to address all the concerns of the client entity requesting the background investigation but if that client asks for additional information from the report, the FBI would provide the requested information subject to certain limitations, e.g., the interviews specifically requests confidentiality.

You also expressed concern as to whether the information in Mr. Livingstone's files, particularly with regard to the record of the interview with Mr. Nussbaum, should be provided to the White House by the FBI. You indicated that you would want to know if the White House asked for or was provided that information and what the justification for providing it would be.

During the course of this or any other oversight investigation, the FBI works to cooperate fully with congressional committees as well as any other agencies or entities impacted by the inquiry. Our effort is to remain non-partisan ensuring that facts within our possession which are relevant to an inquiry are provided to affected entities to the extent that we are aware of such an interest.

When the FBI first learned from your staff that your Committee was interested in looking at the background investigative files of Mr. Livingstone and Mr. Marceca, the files were reviewed to remove identifying information relating to third parties as well as third agency information. During this review, the information concerning the results of the interview with Mr. Nussbaum were identified. Because issues raised in Mr. Nussbaum's interview had been discussed in connection with the Committee's oversight investigation, it was determined that the Bureau had a responsibility to advise affected parties. Therefore, after arrangements were made for your staff to review the files, the Department of Justice, and then the White House, were advised of the results of this review. As you will recall, we followed this procedure of full disclosure when we first located the White House request for Barnaby Braeseux's previous reports, which the Director advised you of personally on June 5, 1996. In that instance, as in others, you were advised of the information well in advance of any notices being given to the White House.

The minority staff of the Committee on Government Reform and Oversight have not asked for further details about the information in question. However, if they do so, the FBI will similarly advise them.

I hope this information is helpful to you. As the Director has advised you, the FBI wants to continue to cooperate fully with you in this matter. Please advise me if I can be of any other assistance.

Sincerely yours,
HOWARD M. SHAPIRO,
General Counsel.

FIRST LADY HILLARY CLINTON Q AND A'S IN BUCHAREST, ROMANIA, MONDAY, JULY 1, 1996

Q from AP: Before we get too far along with our wonderful Romanian visit, I want to clear up just one thing hanging over Washington. Did you or to your knowledge, did Vince Foster have anything to do with the hiring of Craig Livingstone?

A from HRC: I don't know anything about it, I know I didn't.

Q from AP: Do you have any reason to believe that Vince Foster did?

A from HRC: I have no reason believe that.

Q from AP: Is there any connection between your mother and Craig Livingstone's mother. Which is something the FBI agent is claiming.

A from HRC: The "ex FBI Agent"? No there is no connection. I do believe, if I ever meet the woman I'm going to say "Mrs. Livingstone I presume."

FIRST LADY DISCUSSION WITH TRAVELING PRESS, HELSINKI, FINLAND, JULY 10, 1996

Q from ABC: I need to follow-up on one of Ron's questions. When did you first meet Craig Livingstone? When did you become aware that you knew him?

A from HRC: I don't have any idea. I don't recall meeting him for the first couple of years we were in the White House. I just don't know him. I have met him since then, but my best memory is sometime within the last year is the first time I ever put a face and a name together.

Q from AP: I really don't want to belabor this, but did I understand you on the Livingstone question, that you don't really have a memory of knowing him until this all happened?

A from HRC: Ron, I did not know his mother. I did not know him. I did not have anything to do with his being hired. And, I do not remember even meeting him until sometime in the last year. So, it does not mean I did not run into him. It does not mean that I did not shake his hand in a receiving line. All that could have happened. But, in terms of any connection with this young man or any kind of relationship with him, there was none.

DEPOSITION OF WILLIAM H. KENNEDY, III, COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT, JUNE 18, 1996

Q. Do you know if the First Lady was involved at all with the hiring of Craig Livingstone in your office?

A. I don't believe she was. I do not know one way or the other. I don't believe so.

Q. Do you recall ever saying to anyone that the First Lady wanted to have Craig Livingstone in the position at the Security Office at the White House?

A. Me ever saying that?

Q. Yes.

A. I never said that.

STATEMENT OF WILLIAM H. KENNEDY, JUNE 29, 1996

Gary Aldrich's account of a conversation with me about Craig Livingstone's suitability for the job of Director of Personnel Security is pure fiction. I never told Aldrich that Mrs. Clinton wanted Mr. Livingstone in that post. I have never had any discussion with Mrs. Clinton about Craig Livingstone. No one else ever told me that Mrs. Clinton had any interest whatsoever in Mr. Livingstone or his position.

SWORN TESTIMONY OF CRAIG LIVINGSTONE, SENATE JUDICIARY COMMITTEE, JUNE 28, 1996

Leahy: OK. I've also read in the press allegations that come from unspecified sources that your mother is a close friend of the first lady. Is she?

Livingstone: No, sir.

Leahy: And you have no idea who those sources are that tell these things?

Livingstone: No. sir. I've asked my mother and she, for the record, says that she has never met Mrs. Clinton.

SWORN TESTIMONY OF CRAIG LIVINGSTONE, HOUSE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT, JUNE 26, 1996

Horn: Well, what I'm curious now is, Mr. Marceca and Mr. Livingstone, did Vice President Gore or Mrs. Clinton recommend you for the position you held, Mr. Livingstone, to your knowledge?

Livingstone: I have no knowledge of that.

Mica: Does anyone in your family have any relationship with the first family?

Livingstone: Absolutely not.

A PROPER AND APPROPRIATE DISCUSSION

(Mr. WALKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, what we have just heard is a chairman of a committee of jurisdiction tell this House that members of the administration or formerly members of the administration came before this Congress and told a lie. I think that is the business of this Congress. I think it is entirely appropriate to discuss on the House floor the fact that someone came before an investigative committee and lie to that committee. I think it is entirely appropriate for the chairman of that committee to take those actions that are available to him in order to ensure that those matters are brought before proper authorities.

What has happened here this evening is that we have had a chairman exercise his obligation to the American people and his obligation under the Constitution to, first of all, do oversight and then, if that oversight process is not properly adhered to, to ensure that the proper law enforcement officials focus on it. That is exactly what was done here tonight. It is absolutely proper.

EMBARRASSING ACTIVITIES OF THE COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 5 minutes.

Mr. KANJORSKI. Mr. Speaker, I am very disappointed in the fact that my chairman came here and took the floor. I have had a great deal of respect and regard for the gentleman from Pennsylvania [Mr. CLINGER], and as the days and weeks move on toward the end of this session, watching the activities of the Committee on Government Reform and Oversight of the House of Representatives, I am getting more embarrassed every moment.

I say, and I am looking right at the gentleman from Pennsylvania [Mr. CLINGER], I was aware of what you were going to say today. . . .

Mr. SOLOMON. Mr. Speaker, I demand that the gentleman's words be taken down.

The SPEAKER pro tempore (Mr. HOBSON). The gentleman will be seated.

The gentleman asks that the words be taken down.

The Clerk will report the words.

□ 1720

The SPEAKER pro tempore (Mr. HOBSON). Does the gentleman from Pennsylvania seek recognition?

Mr. KANJORSKI. Yes, Mr. Speaker.

Mr. Speaker, I understand that the taking down of my words was with the intention that it was a personal attack, referring to the gentleman from Pennsylvania [Mr. CLINGER] . . . Certainly I am not attacking nor do I intend to attack him personally in that regard. The expressions were perhaps not precise in the use of the language and I would like to correct and get understood on the record what my intentions were.

That is, as an old lawyer myself and as a reader of the Constitution, I wanted to call the attention of the House and those people watching this proceeding that if the remarks made by my colleague from Pennsylvania were made outside of the House Chamber, he could be subject to tortious action.

Mr. WALKER. Mr. Speaker, I demand the gentleman's words be taken down again.

The SPEAKER pro tempore. Does the gentleman from Pennsylvania have a unanimous-consent request?

Mr. KANJORSKI. Mr. Speaker, I am making a request to withdraw my original words.

The SPEAKER pro tempore. The gentleman will state his unanimous-consent request.

Mr. KANJORSKI. Mr. Speaker, I ask unanimous consent to withdraw my words.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

Mr. WELDON of Pennsylvania. Mr. Speaker, reserving the right to object, is the gentleman apologizing for his statement?

Mr. KANJORSKI. No.

Mr. WELDON of Pennsylvania. Then I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will report the words.

The Clerk read as follows:

> I was aware of what you were going to say today. You know full well the reason you came down here on the floor and said what you said is that you didn't have the nerve to go up in the Press Galley and make those charges because you would be subject to a lawsuit.

The SPEAKER pro tempore. The Chair will rule. In the opinion of the Chair, the remarks question the integrity of the gentleman from Pennsylvania [Mr. CLINGER] and constitute a personality in debate.

Without objection, the words are stricken from the RECORD.

There was no objection.

The SPEAKER pro tempore. Without objection, the gentleman from Pennsylvania may proceed in order.

Mr. WALKER. I object.

The SPEAKER pro tempore. Objection is heard.

Mr. HORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, the gentleman from California is recognized for 1 minute.

Mr. RANGEL. Mr. Speaker, reserving the right to object, I would like to ask the Chair whether this intervention at all will cause the matter that was before the Chair to be discontinued. In other words, we are not finished with this matter.

The SPEAKER pro tempore. Other Members may speak with permission of the House.

Mr. RANGEL. And so this matter can be returned to, notwithstanding the unanimous-consent request?

The SPEAKER pro tempore. By other Members of the House.

Mr. RANGEL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I think it is clear to all of us that the committees of this House are agents of the House, and ultimately it is the House that determines whether such committees exist or not, and I think, as most of my colleagues know, when a witness comes before the Committee on Government Reform and Oversight and any of its subcommittees, one of which I Chair, each witness, unless it is a Member of Congress, takes the oath to tell the truth, nothing but the truth, the whole truth, and so forth. These witnesses were all under oath.

The chairman of the committee, when he recalled that the question was asked specifically of each of these witnesses as to whether or not either the First Lady or the Vice President of the United States had recommended Mr. Livingstone, every single one of the witnesses before us denied it.

Mr. Speaker, that is a matter of perjury that ought to be of concern to the House of Representatives. They did not say what one other series of witnesses said to a Senate committee, that, "Gee, I can't recollect; I just don't remember." They did not say that. They said no, none of that was true. We now find it was true.

Mr. FILNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, the gentleman from California may proceed.

There was no objection.

Mr. WAXMAN. Mr. Speaker, will the gentleman yield?

Mr. FILNER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, let me clarify for everybody what is involved here. There is a retired FBI agent who has said that he talked to Bernie Nussbaum, the counsel to the President, when he was doing the file for Mr. Livingstone, and he claimed Mr. Nussbaum said that Livingstone was being hired because his mother was a friend of Hillary Clinton's. Bernie Nussbaum denies that. Hillary Clinton denies that.

Mr. Speaker, there is no verification by the gentleman from Pennsylvania [Mr. CLINGER] of the facts of it. Instead, he has come to the floor and made the assertion that when Mr. Nussbaum denied this and Mr. Kennedy denied this and said that they knew of no connection with Hillary Clinton that they committed perjury.

Mr. Speaker, how can you reach the conclusion that when they deny what they know and what they said makes them wrong and somebody else right, unless you are going to take the statement by this FBI agent as fact without any verification?

Mr. Speaker, I am inserting in the RECORD a clear statement from Mr. Nussbaum indicating he never said such a thing and it was not true.

STATEMENT OF BERNARD NUSSBAUM

I never told FBI Agent Sculimbrene, or anyone else, that the First Lady recommended Craig Livingstone for his position in the White House or that the First Lady knew Livingstone's mother. I never knew or heard any such things. In fact, I understand that the First Lady and Livingstone's mother don't know each other. I am mystified and outraged that someone would attribute to me something I never said.

Mr. DELAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Without objection, the gentleman from Texas is recognized for 1 minute.

There was no objection.

Mr. DELAY. Mr. Speaker, before I yield to the distinguished chairman of the Committee on Government Reform and Oversight, I just want to say that there have been a lot of misstatements in the press, outside this Hall and inside this Hall, by the administration concerning the FBI files.

Mr. Speaker, I stand behind this chairman, and no one in this town or in this Nation would ever question the integrity and the straightforwardness of the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Pennsylvania.

Mr. CLINGER. Mr. Speaker, I just want to make sure the record is straight, that I have not accused anybody of perjury or of false statement. I have said that there are serious discrepancies between testimony that was given before our committee and statements that were made to an FBI agent in pursuing the Craig Livingstone background file.

I did indicate, however, that these discrepancies should be explored. It is not the role of the Committee on Government Reform and Oversight to determine which is right or which is wrong. I think it is the appropriate role of the independent counsel or of the U.S. attorney for the District of Columbia to determine where the truth lies. I hope the gentleman will agree he made a misstatement that I was accusing somebody of perjury.

(Mr. WAXMAN asked and was given permission to address the House for 1 minute.)

Mr. WAXMAN. Mr. Speaker, I do not in any way want to impugn the integrity of the gentleman from Pennsylvania for whom I have the greatest respect. He has indicated that there is a discrepancy. The discrepancy is that in the FBI files there was an FBI agent who claimed that he was told by Mr. Nussbaum that the reason Craig Livingstone got this job is because his mother was a friend of Hillary Clinton's.

I am putting in the RECORD a statement from Gloria Livingstone saying she does not know Hillary Clinton. The only time she ever met her was when she decorated a Christmas tree and Hillary Clinton came out and thanked everybody for their help.

Mr. Speaker, I have previously included in the RECORD an unequivocal denial by Mr. Nussbaum, who is willing to come before the committee and make this denial under oath.

Mr. Speaker, I think we ought to make clear that when the chairman comes and makes a statement like this, which is quite inflammatory, that it is not an uncontroverted statement by a man who does not know firsthand whether Mr. Nussbaum actually said such a thing or Mrs. Clinton was a friend of Mr. Livingstone's mother.

JULY 25, 1996.

STATEMENT OF GLORIA LIVINGSTONE

I do not know Hillary Rodham Clinton. I have never met Mrs. Clinton, and I have never spoken with Mrs. Clinton. We are not, and never have been, personal friends.

I believe the only occasion I was in the same room as Mrs. Clinton was shortly before Christmas last year, when I had the privilege of helping to decorate the White House Christmas tree. At one point, Mrs. Clinton entered the room and thanked us as a group for our efforts.

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute.)

Mr. GEJDENSON. Mr. Speaker, I find a very frightening trend in this Chamber that there is an attempt to squelch free speech. It actually started in the very first days of the Congress, shutting down some of the institutions that represented various concerns in the country.

Now, we see on the floor when individuals try to express or respond to what was a very inflammatory statement apparently on the Republican side, that when the minority tries to respond parliamentary maneuvers are used to prevent them from speaking.

Frankly, through the years we gave far greater opportunity to the minority to express its statements than we have seen here. The attempt to operate this House ad hoc out of the Committee on Rules, to try to squelch honest debate and criticism, the first instance of course was the Speaker himself when the Speaker used to come to the well and absolutely devastate everyone else as soon as his name was mentioned. They stopped it. It is an outrage.

Mr. ARMEY. Mr. Speaker, I ask unanimous consent to speak out of order for 2 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Speaker, again let me extend my apologies for my abruptness to the gentleman from Wisconsin who was up at the same time seeking recognition.

Mr. Speaker, I would like to suggest to all of us here that although there is an intense interest in the issue we have been discussing, and there are certainly going to be many opportunities for this discussion to continue, both on and off the floor of this Chamber, that we do have the New York delegation who are here, and have been patiently waiting for the opportunity to express themselves in a special order about a fallen comrade. I do think that perhaps it might be in the best interest of the decorum of this body if perhaps we could move this debate to another time, another venue, or perhaps further work in the committee or on the floor at another time, and at this point cede the floor to those folks that are so concerned, so interested in doing their job.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I wonder if we might, so that the New York delegation could get to its intended business, if we could dispose of this matter the same way that we disposed of an incident several weeks ago involving the gentleman from Arizona and the gentleman from Wisconsin now speaking, when the gentleman from Illinois [Mr. HYDE] suggested that it might be resolved by simply an expression of regret to the House by the Member in question that the incident occurred so that we can expunge the RECORD and return to the normal business of the House.

Mr. ARMEY. Mr. Speaker, I thank the gentleman from Wisconsin.

Mr. Speaker, again I think in the interest of decorum and the interest of consideration, one for another among our colleagues, I would like to personally ask unanimous consent that the gentleman from Pennsylvania [Mr. KANJORSKI] be given time for a short statement, after which I would expect we should be able to move on, return to normalcy for all parties concerned and allow the New York delegation to move on with their work.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania is recognized for 1 minute.

Mr. KANJORSKI. I appreciate the majority leader's courtesy.

Mr. Speaker, I wish to take this opportunity to apologize to my friend from Pennsylvania, if I have in any way caused you discomfort to attacking your integrity. I never intended to do that. I merely wanted to express that there was another forum that could have been used for this, and there would be other jeopardies involved if it had been used.

Having served in the House for 12 years now and having been here some 42 years ago with a good friend of mine, Bill Emerson, who we just saw die last week, it has always been my intention that we have comity in the House and civility, and I have to say that I see myself having gotten into this engagement with great disappointment because it does destroy the civility and the comity of the House, and I want my friends on the other side to know that I hope not to be a part of that, and any remarks that are taken that way, not only the gentleman from Pennsylvania [Mr. CLINGER] but all my friends on the Republican side, I would hope that you would do me the kind courtesy of taking it as I truly intended it, not to attack the integrity of the gentleman from Pennsylvania [Mr. CLINGER].

Mr. ARMEY. Mr. Speaker, with that apology, which I found to be quite gracious, I move that Mr. KANJORSKI be permitted to proceed in order and I would give my best regards to the New York delegation as I am confident we will soon be moving to them.

The SPEAKER pro tempore. Without objection, the motion is agreed to.

There was no objection.

☐ 1740

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. HOBSON). Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

THE NEED TO INCREASE AIRPORT SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

Mr. BURTON of Indiana. Mr. Speaker, in deference to the New York delegation and to the untimely death of our beloved Ham Fish, I will not take the entire 5 minutes.

Mr. Speaker, I would just like to say real quickly that there was a tragedy that occurred last week in New York going out of Kennedy airport. The TWA airplane that took off from Kennedy heading for Paris was blown up shortly after takeoff, and it is highly suspicious as to what was the cause. Some people right now believe it may have been the act of a terrorist. It is premature to say that but it certainly looks that way.

Toward that end, I have introduced legislation which I introduced after the Pan Am bombing over Lockerbie, Scotland a few years ago, which mandated that at every major airport in the United States, the 50 largest airports, that there would be sniffer dogs at the gates and where the luggage goes through to try to find out if plastic explosive or other explosive devices are going through. With the millions and millions of people that are traveling through the airports and through the air in the United States of America, it is imperative that they be as safe as is humanly possible.

The mechanical devices that have been tested have been found flawed. Sniffer dogs and other animals that can sniff out plastic explosives can save a lot of lives. We here in the Capitol today were using sniffer dogs because we had foreign dignitaries visiting, and we wanted to make sure they were protected and there were no explosive devices put in this Capitol.

They do work. They are effective. There are some down sides to them. It is expensive. You have to have a lot of dogs. But in this climate of terrorism in this world and in the United States of America, I think it is imperative that this legislation be passed as quickly as possible. I urge my colleagues to look at this bill seriously and cosponsor it if they feel so inclined.

INTRODUCING THE CHURCH INSURANCE PROTECTION ACT OF 1996

The Speaker pro tempore. Under a previous order of the House, the gentleman from California [Mr. FILNER] is recognized for 5 minutes.

Mr. FILNER. Mr. Speaker, today my colleague the gentlewoman from Georgia, CYNTHIA MCKINNEY, and I rise in defense of our Nation's sacred houses of worship by introducing H.R. 3830, the Church Insurance Protection Act of 1996.

Our legislation will prohibit insurance companies from canceling, overpricing or refusing to renew fire insurance policies for any house of worship due to the current threat of arson. We are currently joined in our efforts by over 20 of our colleagues, and we are confident that this number will grow as more become familiar with the need for this important legislation.

We cannot allow the insurer's fear of a claim to remove a congregation's ability to adequately protect its house of worship and support buildings. Our churches must be held harmless and not subject to punitive measures from insurance companies.

Last month in a rare unanimous vote this House approved H.R. 3525, the Church Arson Prevention Act of 1996, to deter the epidemic assault on our Nation's houses of worship. It was our obligation to deter the flames of bigotry and ignorance that set these churches ablaze. We could do no less.

Thankfully, few churches have been lost in the weeks since we passed this legislation. However, our work is not complete. America's churches are facing another threat, the loss of insurance coverage. With the embers of the destroyed churches still smoldering, some insurance companies have canceled or have threatened to cancel fire insurance policies for houses of worship because of the perceived increased risk of arson, and more companies are threatening to do the same.

This threat has not been limited to the areas most affected by the church fires. Both predominantly African-American and predominantly white congregations in my own congressional district in San Diego have been threatened with loss of their fire insurance policies, as well. By prohibiting policy cancellations, this Church Insurance Protection Act extinguishes the smoldering embers that will continue to threaten our churches long after the fires are put out.

America's houses for prayer are sacred places. While we continue our efforts to stop this current rash of arson fire and to rebuild these houses of worship, we must also be certain to protect their ability to insure themselves against future violence. Just as the House rose, with one voice, to denounce these hate-driven acts of arson last month, I hope it will unanimously endorse this measure to guarantee insurance protection for our churches.

America's churches cannot wait any longer for passage of this bill. We urge our colleagues to act promptly to bring this important legislation to the full House before Congress adjourns.

REPORT FROM INDIANA: SHARES, INC.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. McINTOSH] is recognized for 5 minutes.

Mr. McINTOSH. Mr. Speaker, I rise today to give my report from Indiana. But before I do, let me digress for 30 seconds and say I was at the hearing at which the gentleman from Pennsylvania [Mr. CLINGER] chaired on the issue of the FBI files, and I share his recollection. I also share his frustration that much of the testimony there seemed incomplete, inaccurate, and perhaps intentionally so. I want to applaud his efforts at being very judicious and thorough in getting to the bottom of this.

When I was at home in my district, several people came up to me and said: This is not a partisan matter. We are Democrats, but we want you to get to the bottom of this because we fear there may have been a grave breach of our civil liberties in this country by those actions. So I think it is something that we should all, on both sides of the aisle, support the effort to get all of the facts on the table as the gentleman from Pennsylvania [Mr. CLINGER] has done in chairing that committee.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Indiana yield to the gentleman from New York?

Mr. McINTOSH. Yes, Mr. Speaker.

Mr. RANGEL. Mr. Speaker, I thought that it was the ruling of this House that this issue was taken off of the floor so that we could proceed rapidly in other matters. Was that the ruling of the Chair as relates to the matter of the gentleman from Pennsylvania [Mr. CLINGER]?

Mr. McINTOSH. Reclaiming my time, I have no further remarks about that subject. Let me continue with my report from Indiana.

Mr. Speaker, every weekend I return home with my wife Ruthie to visit wonderful people throughout the State of Indiana. They are the type of people who are contributing to making our community strong, people that I think of as Hoosier heroes. Why do I call them Hoosier heroes? Because they are the type of people who go beyond the ordinary in order to help build stronger communities in our State. We can all be proud to call them our friends and our neighbors.

Today I want to commend the people who operate a company called Shares, Inc., in Shelbyville. It is an operation which employs and helps 300 handicapped, disabled, and mentally retarded individuals. Dick Fero, who is a good friend of mine, brought me to Shares and toured me through the plant over 3 years ago, and I was impressed with the vast resources made available to help these people who have special needs in Rush and Shelby Counties, everything from transportation, recreation, counseling, adult education, and speech therapy.

The true success of Shares is found in the hearts and souls of the employees, the workers and the volunteer board of directors. Their hearts and souls unconditionally give their time, energy, and love to help these very special people.

People like Judy Weaver, who has worked there as the work manager for 12 years. Judy takes care of these people by making sure that their job on the line—they are performing light assembly and other services—is something that they can do in order to enrich their lives. She is tops at what she does. So is Arnie Petrie, who is another dedicated employee of Shares.

The key thing in Shares, Inc., is that they are willing to put people to work who ordinarily would not be able to receive a job in the marketplace. If you take a tour of Shares, you can see the happiness and the pride in the faces of those people who are working there, because they have a chance to earn a living and take care of themselves.

Success stories are wide and deep. Take 25-year-old Angela Woolen of Shelbyville. She is mildly handicapped, and yet she has been able to get a job at the Pizza Hut and the local library because of her work experience at Shares, Inc. Perhaps her success in the real work environment can be found in her own words: "I am not different from anyone else. I want to get my job done right. Independence is the most important thing to me."

In addition to their services for the handicapped, the folk at Shares provide them with real jobs and training that helps them in their lives. Everyone wins: the staff, the mentally ill, the handicapped workers.

The folks at Shares are doing good things. They see that these people who are less fortunate than the rest of us have a chance and are not forgotten. Indeed, they set an example for the rest of us that we reach out, lend a helping hand, and that we show our love for those people who cannot always care for themselves. Everyone involved with Shares is a Hoosier hero.

Mr. Speaker, that concludes my report from Indiana.

JEREMY RATHBURN

Mr. Speaker, I rise today to give my report from Indiana. So often, people share with me amazing stories about their friends and family. Stories about good citizens doing good deeds. These people make our communities a better place.

Those that reside in the 2d Congressional District of Indiana, I have termed "Hoosier Heroes."

Hoosier Heroes because they set examples for us all to live by. Today, I'd like to share with you the story of a 10-year-old Hoosier Hero from Greensburg, IN.

Jeremy Rathburn, a graduate of Washington Elementary. He enjoys basketball, soccer, rollerblading, and trading cards, just as all kids his age do.

What sets him apart is something most kids, as well as adults, would not do.

It is so unique, in fact, that his aunt contacted our office. She said, "Jeremy is a real good boy and I'm proud of him. I thought he should be recognized." And indeed he should. Jeremy turned in $250 that he found on the floor of McDonald's.

The Greensburg Police Department returned the money to the rightful owner and recognized Jeremy's honesty in front of his classmates.

Jeremy also received a reward from the owner of the money, a certificate from Mayor Shel Smith, and McDonald's gift certificates.

Today, we only hear about the problems surrounding the youth of society—drugs, crime, violence.

It is truly comforting to hear stories of honesty, integrity, and good deed.

Children are taught the difference between right and wrong.

Jeremy Rathburn recognized that difference and I am pleased to recognize him for his virtuous behavior. That, Mr. Speaker, concludes my report from Indiana.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind Members that we are trying to accommodate the gentleman from New York; however, 5-minute requests have precedence over longer special orders and within the bounds of the rules of the House, all matters are able to be discussed.

THE VANISHING AMERICAN DREAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. MASCARA] is recognized for 5 minutes.

Mr. MASCARA. Mr. Speaker, I rise this evening to talk about the vanishing American dream and what we need to do to restore that vision of hope once widely held by hard-working Americans.

It is no secret that American families today are upset and afraid of what their tomorrow's may hold. Each one of us hears their concern every time we talk with constituents back home.

Back in the 1950's and 1960's, the road to a middle-class life was clearly marked. You made your way through high school, got a job in the local mill or plant, and in 5 or 10 years, you were well on your way to a secure future for yourself and your children.

Unfortunately, that comfort level does not exist today. Despite our growing national economy, low unemployment, and increasing productivity, Americans are no longer secure in their jobs and lives.

Recent polling shows they are very afraid the ax may fall tomorrow and any day they could be handed a pink slip, losing their job, their savings, their home, their hope for tomorrow.

A recent poll I took of my own constituents puts this issue into even sharper focus. When I asked what are the top five issues facing the country and our local area, the most frequent answers from nearly 8,000 respondents were too much unemployment, a lack of fair wages, and a need for more jobs.

It is no secret that working Americans blame big corporations for many of their woes. They greatly resent the incredible salaries paid to some top executives and firmly believe that workers have lost their jobs to pay for the CEO's golden parachute.

They will tell you that being loyal to a firm and working hard no longer counts. Tomorrow you could still be out the door.

Workers know the world is not going to go back to the way things operated in the 1950's. They understand global competition and the need for American firms and workers to face the reality of the new economic order.

All they are asking for is a return to fairness, a renewal of respect for the value of hard work, and a restoration of policies that ensure workers share in the financial success of their employers.

They especially want those of us serving in Congress to hear their plea and to take action to make life better for their families.

Members on my side of the aisle recently unveiled the families first agenda which includes a variety of realistic, moderate, achievable proposals for turning this situation around.

At the top of our list of legislative proposals are several that would provide security for working families by helping to ensure they are paid fair wages, have health care coverage for their children, and are afforded greater access to portable pension plans.

We also intend to open up educational and economic opportunities by proposing tax deductions for vocational and college educations and increasing efforts to help small businesses prosper.

While corporations have been downsizing, since the late 1980's, small businesses have created millions of new jobs. Many American families dream about operating their own small businesses. We need to give them the chance to succeed.

The last major component of this plank is called responsibility. Democrats believe the Government must be responsible and balance its budget. We acknowledge individuals must be responsible and there is a need for welfare reform, and a need for increased enforcement of child support orders, and a need to prevent teen pregnancies. Importantly, we also seek corporate responsibility, ensuring pensions and the environment are protected while offering incentives to encourage businesses to be more family and worker friendly.

One portion of this agenda which I personally recommend to my leadership was a section urging development of State infrastructure banks. Millions of miles of roads and water systems in our country are near total collapse. Every day, millions of dollars in commerce and productivity are lost forever because goods cannot be transported on our highways. Countless cities and towns across this country face a major crisis as aging water and sewer systems—many well over 100 years old—simply fail.

Before coming to Congress, I served as chair of the board of Washington County, PA commissioners for 15 years. My major focus in life was, and continues to be, economic development for southwestern Pennsylvania.

My district lost hundreds of thousands of jobs in the 1970's and 1980's as mines and steel mills closed. Several of the counties I represent are among the poorest in Pennsylvania.

So it should be no surprise that during my years as a county commissioner I worked day and night to attract new businesses to my region. Through a variety of innovative financing methods and working cooperatively with business operators, I was successful in bringing 12,000 new jobs to the county.

Since coming to Congress, I have continued to work hard for my district, promoting a number of economic development projects including construction of the Mon-Fayette Expressway, a major thoroughfare that would bring economic renewal to many areas of my district.

My point this evening is to urge that we all listen to hardworking families. We must begin to bring some of those innovative economic development tools used at the local level here to Congress.

I think if we do, we can begin to restore the faith of American workers and the American dream which should still be a reality for each and every American.

Thank you, Mr. Speaker, I yield back the balance of my time.

□ 1755

WEST MICHIGAN HAS LOW-COST, QUALITY HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. EHLERS] is recognized for 5 minutes.

Mr. EHLERS. Mr. Speaker, I take the floor today to highlight two studies that were completed by the Center for Health Affairs and the Michigan Health and Hospital Association regarding the excellent health care that is delivered in my district and throughout west Michigan. The studies show that west Michigan hospitals have lower costs while also delivering health care that is consistently equal to or better than the expected rates for lengths of stay and mortality. These factors combined help to illustrate the fact that health care in west Michigan is both low in cost and high in quality, and that we can serve as a model for national efforts to reform our health care system.

Over the past 10 years, we have seen national consumer health care prices increasing significantly. Last year's increase in consumer health care prices of 4.5 percent was the lowest in 22 years, but this increase is still nearly two times the increase in overall consumer prices. So you can understand why a report illustrating the low cost of hospital care in west Michigan is an important event. These low costs can be attributed to several factors, but the most significant ones are that administrators are operating efficient hospitals, doctors are making responsible decisions about appropriate care, and patients are not over-utilizing health care resources.

The most traditional measure of hospital resources is inpatient bed capacity, measured by beds per 1,000 residents. The number of beds in west Michigan hospitals has decreased by 26 percent over the past 10 years. This reflects the changing philosophy in the health care sector toward less intrusive treatments, shorter hospital stays, the use of outpatient and home care, and greater emphasis on preventive care. In west Michigan, the number of acute care beds per 1,000 people dropped to 2.35 in 1993, meaning that we had 1,700 fewer beds than would be expected at the statewide average. And the State average is still below the national average of 3.3 beds per 1,000 people.

In addition, the admission rate to acute care hospitals in west Michigan is 28 percent lower than the average rate across the State and throughout the Great Lakes region. The length of time that a person is expected to stay in the hospital upon admission has also fallen considerably in west Michigan from 1980 to 1993. The average length of stay at 5.3 days is over 15 percent lower than the national average. In terms of length of stay for selected medical cases, west Michigan hospitals performed better than expected in all categories. The days of care per 1,000 people in west Michigan is 35 percent lower than the days of care per 1,000 people at the national average. Finally, the per person operating costs in west Michigan hospitals are 30 percent lower than the statewide average, and the expenses per admission are also 10 percent lower than the State expense per admission.

All these statistics may be numbing, but together these data show that west Michigan hospitals are leading the State and the Nation in developing low-cost, quality hospital care. The entire health care community is working together in west Michigan to find ways to lower the cost of health care, while still increasing the quality of the services delivered. I applaud health care providers in my region for the innovation and leadership that they have demonstrated. And I would like to highlight two hospitals in the Third District, Blodgett Memorial Medical Center and Butterworth Hospital, for being recognized for the second year in a row as one of the top 100 hospitals in the Nation. Hospitals included in this report, which is conducted by HCIA, Inc. and Mercer Health Care Consulting, reduced expenses per adjusted discharge, lowered mortality, and cut length of stay. If all hospitals emulated this performance, hospital expenses would decline by 17 percent, inpatient mortality would drop by 24 percent, and average lengths of stay would decrease by almost a day. These are the kind of results that we are going to need in order to decrease health care costs in a way that does not decrease the quality of care.

These results will also help us address the rapidly increasing rate of spending in the Medicare program. The Social Security Board of Trustees' report for the Medicare trust fund illustrates the grim prognosis that the rate of increased spending poses for the Medicare trust fund. One way that we can slow this increase in spending is by utilizing alternatives to fee-for-service coverage.

It is ironic, however, that the low cost of health care in west Michigan currently hinders our ability to attract Medicare managed-care organizations. In order to determine payments to managed care plans, Medicare uses a formula that is based on 95 percent of the average amount that Medicare pays per beneficiary for fee-for-service care. Low-cost areas, like west Michigan, receive dramatically lower managed care payments, based on this formula. As a result, the payments are too small to attract managed care organizations. This comes down to a basic issue of fairness because Medicare beneficiaries pay the same amount to participate in the program, but those in high-cost, high-utilization areas are able to access better benefits through managed care. It is improper that areas, such as west Michigan, that have worked hard to keep their medical costs low are then penalized with less adequate Medicare coverage. If we expect to help lower Medicare spending through the use of alternatives to fee-for-service coverage, we must ensure that managed care payments are developed in a fair manner.

I address the House today to commend west Michigan for the low-cost health care that its hospitals have developed. As we proceed with Medicare and other health are reform, I urge this body to take steps to ensure that we do not penalize low-cost areas, like west Michigan, as they try to develop alternatives to fee-for-service coverage.

TRIBUTE TO THE LATE HONORABLE HAMILTON FISH, JR.

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. GILMAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. GILMAN. Mr. Speaker, I would gladly have made any sacrifice to avoid having to stand before you today for this solemn purpose.

Before I make comments on this special order, I would like to note for our colleagues' information, that on Tuesday, July 30, 1996, at 10 a.m. at St. Albans Episcopal Church on the corner of Massachusetts and Wisconsin Avenue, there will be a memorial service for our distinguished colleague, Hamilton Fish.

The House Sergeant at Arms will provide bus transportation for Members, and buses will depart the east front of the Capitol at 9:15 a.m. and return to the Hill following the reception.

Mr. Speaker, the passing of Hamilton Fish, Jr., is a genuine shock which reverberated in this Chamber as well as back in our Hudson Valley region of New York. We knew that Ham was ill when he announced his retirement from this body only 2 years ago, but his intelligence, his helpfulness, his integrity, and his charm were so overpowering—right until the end—that it is virtually impossible to believe that he is no longer with us.

Ham Fish was born right here in Washington, DC 70 years ago last month. At the time of Ham's birth, his father, Hamilton Fish II, was serving in his fourth term in this Chamber. The senior Congressman Fish went on to serve until near the end of World War II, earning a nationwide reputation as a critic of the New Deal and as ranking minority member on the House International Relations Committee.

In fact, members of the Fish family, usually surnamed Hamilton, have served in the Congress, representing New York, since the earliest days of our Republic. One Hamilton Fish, after service in this body, went on to serve as a Senator and as Secretary of State in the Grant administration.

Our Hamilton, the one who shone so brightly in this Chamber during the last third of the 20th century, brought to this Chamber a heritage of public service nearly 200 years old.

Ham received his B.A. from Harvard, and his LL.B. from the New York University School of Law. In between, he committed himself to service with our Foreign Service, and as a member of the Naval Reserve. He was admitted to the New York Bar in 1958.

Ham Fish first sought election to the House in 1966. He narrowly lost to a popular incumbent, but 2 years later was victorious. In order to win that 1968 election, Ham first had to defeat a local district attorney in the Republican primary. The person Ham defeated was named G. Gordon Liddy, who later went to achieve notoriety in other ways. Today, Mr. Liddy is a nationally syndicated radio show host, and I understand that yesterday he devoted a portion of his show in an extremely gracious tribute to Ham Fish.

Since his first election to the House in 1968, Ham served on the House Judiciary Committee, which becomes his principal love. As a distinguished member of that committee, Ham became a champion of civil rights under the law, and human decency tempered with justice.

The entire Nation first learned of Ham's talents during the wrenching days of Watergate. As a member of the Judiciary Committee, Ham was one of the first Republicans to vote in favor of impeaching President Nixon, to the objection of many of his constituents including his own father. Ham, however, recognized that a government of laws had to have precedence over any individual or party loyalty. His belief in our constitutional system of government was absolute and he was willing to endure criticism and censure to stand up for it.

When Ham passed on earlier this week, the Poughkeepsie Journal, his hometown newspaper, asked Ethel Block, who was chairman of the Dutchess County Republican Party at the time of Watergate, to recall her recollection of Ham Fish's role at that time: "I personally had such faith in him that after that vote [to impeach Nixon], I was sure that it must have been the right thing to do. It took a lot of backbone," Ms. Block noted.

Throughout the coming years, Ham's seniority on the Judiciary Committee grew, until he eventually became ranking Republican on that committee.

However, Ham's contributions were legion even before he reached that pinnacle of leadership. He was one of the four original sponsors of the extension of the Voting Rights Act which were enacted into law in 1970, 1975, and 1982. Just as his father earned fame and glory as the champion of Afro-Americans during World War II, Ham earned recognition as their champion at a time when prejudice and racial hatred became much more subtle but just as insidious.

Ham fought discrimination in education by his authorship of the Civil Rights Restoration Act in 1988, requiring all operations in any entity receiving Federal funds to adhere to all antidiscrimination requirements contained in the major Civil Rights Acts of 1988. It was with courage that Ham Fish prodded the Congress into adopting this legislation; it was with even more courage that he led the successful battle to override the Presidential veto of it.

The Fair Housing Amendments Act of 1988, the Civil Rights Act of 1990, and perhaps most significantly of all the far-reaching Americans with Disabilities Act of 1990 are all legislative landmarks that are living monuments to Congressman Ham Fish.

Ham did not restrict his incredible energies to the work of his Judiciary Committee. Back at home, representing adjacent districts, Ham and I fought many battles together: the battle to try to keep the General Motors plant operating in Tarrytown; the battle for better commuter service on our Metro North rail lines; the fight to expand Stewart Airport and with it the economy of our region; the struggle on behalf of our apple growers and vegetable farmers; the continual fight to render our majestic Hudson River pollution free and pristine—there was no cause, no group, no constituent in which Ham Fish did not have a love and an abiding interest.

This week, the Poughkeepsie Journal chronicled memories of Ham from many of this neighbors: "He was a very gentle man," said Michael Giordano. "I just loved him. He was a sweetheart," said Betsy Abrams. "He will be remembered by everyone in Dutchess County," said Richard Archer.

If Ham had sought election to a 14th term in Congress 2 years ago, there is no question his friends and neighbors would have reelected him. Had that happened, Ham would have become chairman of our House Judiciary Committee.

Ham was fully cognizant of that fact, but it did not distract him. Instead, he threw his considerable energies into the private practice of law here in Washington, with the prestigious firm of Mudge, Rose, Guthrie, Alexander, and Ferdon. Just a few weeks ago, he visited our International Relations Committee, and I was pleased to introduce him to our colleagues and to the many guests in attendance at our hearing. Ham was as alert and as welcome as ever.

Ham Fish is the father of three sons, Hamilton III, Nicholas Stuyvesant, and Peter Livingston, and of one daughter, Alexa Fish Ward. He also leaves behind eight grandchildren.

Ham's first wife, the mother of his children, was Julia Fish. Julia was killed in a tragic automobile accident during his first year as a Congressman. Later, Ham married Billy Lester Cline, a vivacious person who died of a brain tumor in 1985.

Ham's widow, who so many of us know so well, is Mary Ann Tinklepaugh Knauss, who in her own right is one of the premier activists here in Washington. Currently, Mary Ann serves as an assistant to New York Gov. George Pataki here in his Washington offices.

To the entire Fish family, we extend our sincerest condolences. We know that their grief is great, but perhaps they will receive some consolation from the realization that so many of us share their loss.

We also extend our condolences to the people who Ham Fish represented so superbly for over a quarter of a century. Each and every one of them is well aware, as we all are, that a giant in public service has now departed from their midst, and that the world is a far better place thanks to the dedication of Ham Fish, Jr.

I thank our colleagues who have joined us in this special order.

Mr. Speaker, I am pleased to recognize the dean of our New York delegation, the gentleman from New York, CHARLES RANGEL.

Mr. RANGEL. Mr. Speaker, I want to thank my friend, BEN GILMAN, for getting this time for the New York delegation.

A few minutes ago one of the Members on the floor asked, is this only for New York Members? And I did not give a full answer, but, no, Hamilton Fish and his memory will never be just for New York Members or Members of this Congress, because I think when you see where we are today and where we were 2 or 4 years ago, most everybody that was here would say, do you remember the old days of civility, of tolerance, of mutual respect? How we could disagree, and yet have respect for each other?

And I am reminded that throughout the rules which govern us in this body, interlaced throughout them are words, such as "yielding to the gentleman," kind and gentle words that allow us to protect the interests of our constituents, and, at the same time, to have this place be one that we respect, and would want not only our constituents to respect us, but history would do it.

And who really epitomizes that? We have had a lot of people, Tip O'Neill, Silvio Conte, Chairman Natcher, and even Bob Michel, who fought for the beliefs of his party. Yet, when you think about a person that, no matter what the issue was, Hamilton Fish was not only a gentleman, but he had really the type of class, because he came from class. His grandfather was Governor and Senator and Secretary of State. His dad, who I knew before Hamilton, was not only a member of this body for 24 years, but how would I know him so well was because after serving in Korea, the only veteran's organization that seemed to want a Korean veteran was the 369th African-American Veterans Association, and I had to learn about the history of that group.

It turns out that the 15th Regiment, which later became the 369th Regiment, were groups of African-Americans who wanted to serve in World War I and were denied the opportunity. They could not enlist to fight for their country. So what did they do? They marched all up and down in my district on Lenox Avenue with broomsticks, training each other, hoping that America would change its mind and allow them to defend the free world.

□ 1815

Eventually they won out and they were trained and they were sent to Europe. And there were some protests among the white soldiers. But the captain of that 369th pulled out his gun and told the white soldiers that were protesting the presence of these African-Americans in the 369th that to defend his country he had to defend his regiment, and he cocked his pistol and said, if you touch one of these soldiers I will kill you dead.

That person was Capt. Hamilton Fish, the father of the person that we served with. He took them to Europe and they came back to America as the most decorated unit that served in the entire World War II. And there was not a parade that the 369th veterans ever had, until the time that Hamilton Fish's dad died, that he was not at that parade.

When I met his son, I felt as though I knew him because his dad accepted me and the things I believed in because of our military background but was always critical of his liberal son Hamilton.

So, then, Hamilton and I go on to the Judiciary Committee, where we found a voice there that was not only there to weigh the facts, to see whether or not they were so serious that we should even think about impeachment, but he was a mediator, a conciliator, one that brought Democrats and Republicans together, not just for the TV cameras, but to sit down, to weigh the evidence and to see whether it made any sense not to impeach or not to impeach but to better understand how important this was for the integrity of our great

Nation and to make certain that Chairman Rodino would not have to make anything that looked partisan because he was there to work it out.

The funniest thing in the world was seeing Hamilton Fish working out problems and his dad having a press conference saying he should not even be thinking about impeaching the President. Is that not what makes America great? And it was.

I hope that in memory of our dear friend that maybe when we are tempted to be angry with each other, maybe when we are tempted to say the things that we all regret after we say them, that we can wonder what Hamilton would want us to do no matter how angry and how many differences we had about reaching that common goal.

And so we all lose a dear friend, but I lose someone that is a part of a very, very long tradition. He is a part of the history of the House of Representatives, and he served us so well that we can all know in the State of New York that nobody from any other State could possibly do better in presenting what a Congressperson should be.

In his memory I will try to be a more compassionate, a better understanding person, because it is not our individual beliefs that count, it is how do we look as a body that represents not just our districts but the United States of America. He was in New York and we are proud, but he was first an American.

Mr. GILMAN. I thank the gentleman from New York [Mr. Rangel] for his moving words.

I am pleased to recognize the gentleman from New York, our distinguished chairman of our House Committee on Rules, Mr. Solomon.

Mr. SOLOMON. Mr. Speaker, I thank Chairman Gilman for taking this special order to pay tribute to not only a great Congressman, a great American, but really a great friend of all of ours.

Ham Fish, Jr. It seems like only yesterday, although it was 18 years ago, that I walked onto this floor as a newly elected Member of Congress and there were 35 Members from New York State back in those days, before reapportionment cost us all of our seats and now we are down to 32, I guess. But the only two left after the passing of Ham Fish, is you, Mr. Chairman, and Charlie Rangel over there.

It seems like this young pup now is the third ranking member of our delegation. That does not seem possible, but I recall it because I can recall how proud Ham Fish was at the last delegation meeting that he presided over. He pointed out back in those days when Frank Horton was here, and Frank Horton was the chairman of a very important committee. I beg your pardon, he was the ranking member of a very important committee, along with Norman Lent, who was ranking on Commerce, and Ben Gilman, you were ranking on Foreign Affairs, and myself ranking on Rules, and the 5 members of the New York delegation were the ranking members on 5 of the 13 committees.

That was really something that Ham was proud of back in those days. It just makes you think of the difference between Ham Fish and perhaps the rest of us.

I look over here and I see the gentleman from Louisiana, Bob Livingston, and he is the chairman of the Committee on Appropriations, and he has a reputation like Jerry Solomon of sometimes being a little excitable perhaps; but I can remember how many times when I had a tendency to be excitable and Ham would walk up and we would sit down in the back of the Chamber and it would just rub off, that calmness that that man exuded. It was something that you had to really look at in him and respect.

Mr. Gilman said so much here, I am going to be brief because we do have an awful lot of Members here that are coming on the floor and want to talk, but Ham Fish really was the quintessential family man and I believe one of the most devout public servants that ever served in this body and certainly in the Hudson Valley that you and I and some of the others here have the privilege of representing. To me, Ham Fish was not just a Congressman, he was a mentor of mine and he taught us all so much.

He was just a great friend and it was truly an honor and privilege to have served with him representing the Hudson Valley. Ham's good nature was just renowned throughout this Congress.

I even see some former Members of Congress from New York sitting over here, and, Bob, you remember too from both sides of the aisle. He just embodied what it means to be a representative of democracy and he will undoubtedly be remembered as a true gentleman of this House, and what better respect can you say of a person than that.

We will miss him dearly. Our deepest sympathies go out to his wife Mary Ann, his entire family and, Ham, we just wish you the best, good friend.

Mr. GILMAN. Thank you, Jerry Solomon, for your kind remarks on behalf of Hamilton Fish.

I am pleased to now recognize the gentleman from New York [Mr. Manton].

Mr. MANTON. Mr. Speaker, I thank the gentleman for setting up this special order.

Mr. Speaker, I rise today to pay tribute to a dear departed friend and colleague, Hamilton Fish, Jr. It was a true honor to serve with Ham fish as a fellow New York delegation member. His presence in the House has been dearly missed over the past 2 years and he will continue to be missed both in Washington and in the Hudson Valley, which he proudly represented in Congress.

Hamilton Fish, following a 150-year-old family tradition of congressional service, was a most conscientious and thoughtful legislator. He was naturally gifted at working with colleagues on both sides of the aisle to reach bipartisan agreements that resulted in legislation benefiting all of us today.

As an ardent advocate of civil and human rights, he worked diligently to pass legislation such as the 1982 Voting Rights Act extension, the Fair Housing Act of 1988, and the Americans with Disabilities Act of 1990. His hard work was also instrumental in passing the Civil Rights Act of 1991 that provides women and minorities with monetary damages when discriminated against in the workplace. His commitment to New York and this country was exceptional and his accomplishments beyond number. Ham Fish was also a champion for freedom and human rights in Ireland. I am honored to follow in his path as a cochair of the Ad Hoc Committee for Irish Affairs.

Mr. Speaker, I am most thankful that Ham Fish graced the halls of this House. His integrity and credibility was widely recognized and earned him respect and admiration from all of his colleagues.

I would like to send my condolences to Mary Ann and all of the Fish family. My thoughts and prayers are with you at this most difficult time.

Mr. GILMAN. I thank the gentleman from New York, Mr. Manton, for his kind remarks, and I am pleased to yield at this time to the gentlewoman from New York, Congresswoman Sue Kelly, who succeeded Hamilton Fish, representing that district in New York.

Mrs. KELLY. Mr. Speaker, we were all deeply saddened by the passing of our friend, and a distinguished Member of this institution, Hamilton Fish. Ham served in Congress for 26 years, representing the same congressional district from the Hudson Valley of New York that I have the honor of representing today.

Each of us has our own personal memories of Ham Fish. My husband and I remember Ham as a good friend with a wonderful sense of humor. We also remember him as a public servant devoted to the well-being of the people of the Hudson Valley in New York.

In fact, the term "public service" was at the core of Hamilton Fish's life. He served in the Navy during World War II. After the war, Ham attended the Harvard Graduate School of Public Administration, and then joined the U.S. Foreign Service. In the early fifties he was posted to Dublin, Ireland. He really loved Ireland. He talked about it often.

Following this stint, he earned his law degree from New York University in 1957, and practiced law in the city and in Dutchess County, NY until he became a Member of Congress in 1968. I first met him 2 years before he was redistricted into my area.

I set up and worked in his first office in Westchester County and my husband and I worked to back him for the next 24 years. As a matter of fact, my staff card for Hamilton Fish's office expired 20 years to the day I was sworn into Congress. My husband and I have been priviledged to know first three, and now four, generations of this Hamilton Fish family. They have represented the gentility of the Hudson River Valley. Ham was a gentleman's gentleman. His behavior on the floor of the House set a standard many of the Members of this Congress would do well to emulate.

His career was marked by accomplishments in the areas of civil rights, the environment, crime, the handicapped, and business regulation. Ham was a strong supporter of the Legal Services Corporation because he recognized and prized the important role LSC plays in providing legal assistance to those who otherwise could not afford it.

The 1990 Civil Rights Act and the Americans With Disabilities Act represent hallmark achievements and will stand as lasting legacies to the memory of Hamilton Fish.

To know Hamilton Fish, Mr. Speaker, was to know someone dedicated to truth and the dignity of public service. This institution is too often criticized for its problems, the partisanship, the lack of comity, and the arduous process that is the people's business.

Unfortunately, it is seldom judged by the virtues of its individual Members. Ham Fish carried out his work with dignity and respect, and represented the very best of this institution.

Mr. Speaker, we will miss Ham. My thoughts and prayers go out to his wife, Mary Ann, and his children, Alexa Ward, Hamilton, Nicholas Stuyvesant, and Peter Livingston, and his eight grandchildren.

Mr. GILMAN. I thank Congresswoman KELLY for her moving remarks. I would be pleased to yield to the gentleman from New York, Congressman MAURICE HINCHEY.

Mr. HINCHEY. Mr. Speaker, I thank our friend, the gentleman from New York [Mr. GILMAN], the distinguished chairman of the Committee on International Relations, for arranging this tribute to our friend, Hamilton Fish, Jr.

Mr. Speaker, it was with deep sorrow that we received the news that the Nation and New York have lost one of its great men, Hamilton Fish, Jr. Ham stood for what was best in this institution and what is best about our system of government. He was the kind of person that Jefferson and Madison had in mind when they wrote the Constitution, the kind of person they wanted and expected to serve in the legislature they were creating. They wanted the seats in this Chamber to be occupied by people who took their responsibilities more seriously than they took themselves, people of judgment, people of substance. Ham was above all a thoughtful, judicious person, a man of integrity. This institution already misses his wisdom.

Ham was known and respected for his independence. He was still a relatively junior Member of Congress when he gained national recognition for his committee vote to recommend impeachment of President Nixon. He will always be remembered for that vote, for his decision to apply his high standards of integrity impartially, even when he must have been under great pressure to do otherwise. But it would be a mistake to take that one vote as the measure of his independence or of his career. Ham was proud to be called a loyal Republican, but he knew that loyalty does not mean surrender of one's own judgment and temperament. Much of what Ham accomplished was done quietly, behind the scenes, in his conversations and discussions with his colleagues on both sides of the aisle. He believed that he served his party best when he served the country best, and that he served the country best by bringing the best of his own mind and heart to every issue he addressed.

There have been Hamilton Fishes in Congress since our republic was young. His family was one of the most celebrated and distinguished families in the Hudson Valley of New York, which is also my home, and they have made their mark. One of his forebears served as President Grant's Secretary of State. His father was famous for his staunch opposition to the New Deal. Another forebear was known as an arbiter of New York society, an aristocrat among aristocrats. I know some people thought of Ham that way. His bearing, his manners, even his height marked him as a distinguished person, someone who literally stood head and shoulders above the rest. Ham had all the good characteristics we associate with aristocrats like Lincoln and Jefferson. But like them, he believed in all the people, and did not set himself above anyone. He brought people up to his level by treating them as if they had always been there.

For many years, he served as the ranking member of the House Subcommittee on Immigration. To some people, this seemed incongruous, perhaps even threatening. Here was a man whose ancestors had settled in long before the Revolution making policy on immigration. But perhaps it was this perspective that let him understand just how much America is an immigrant Nation, and how much immigrants continue to contribute. Despite the traditional hostility between the Irish and the English, Ham was probably honored and loved by more Irish groups back in the Hudson Valley than any of us who can trace our ancestry back to Ireland. Some of my friends up there still wonder if he had some hidden connection or relation to Ireland, to Italy, or to Poland, since he was so fair and generous to their people. I don't think he did—but any of them would have been honored if they could count him as one of their sons.

Ham and I both represented parts of the Hudson Valley for many years, most of my time in the State Assembly, most of his time in Congress. Our mutual love of the valley brought us together many times. Ham could always be counted on to support any effort to protect the valley's beauty, grace, and charm, and to advance the welfare of its citizens. It was Ham Fish who wrote the legislation preserving Eleanor Roosevelt's home at Hyde Park as a national historic site, although his father could not bear to hear her name. I hope that his actions, his spirit, and above all his character will long be remembered in our valley, and I hope they will be remembered too here in Congress. If his spirit serves as an example to us, perhaps it can raise all of us to his towering height.

I extend my condolences to his widow, Mary Ann, and his children.

☐ 1830

Mr. GILMAN. Mr. Speaker, I thank the gentleman from New York [Mr. HINCHEY] for his kind words.

Mr. Speaker, I am pleased to recognize the gentleman from Louisiana [Mr. LIVINGSTON], chairman of the Committee on Appropriations, who I understand is a relation of Mr. Fish.

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman from New York [Mr. GILMAN], my friend, for yielding me this time, and I thank him for taking out the time to pay tribute to a great American, Hamilton Fish, Jr.

Mr. Speaker, I am very, very pleased to rise along with all of the members of the New York delegation who have spoken, and I think it is testament to the character of Ham Fish, Jr., that he has had such a strong bipartisan show of support for his memory.

Indeed, we are distant cousins. I cannot help but remember how gracious and charming he was when I came to Congress 19 years ago. He opened his heart to me, and showed me the ropes as a freshman Congressman, and helped guide me throughout the processes in my early days as I stumbled along and tried to learn about this intricate place.

I am proud to rise on his behalf because Ham Fish, Jr., emulated what I believe to be all that is good and fine about public service.

Ham Fish, Jr., was not the only one in his family to serve as has been indicated before. There has been a Fish in the country's history going back to its origin. Ham's great grandfather served as Governor of New York, U.S. Senator, and Secretary of State. His grandfather served in the House of Representatives. His father served in the House of Representatives for over 20 years and earned a name for himself as a strong opponent of the New Deal and an outspoken proponent of the free enterprise system.

But Ham, Jr., in his own 26 years on behalf of New York's 21st District throughout the Hudson Valley, placed his mark on American history as well.

As was indicated, he was the picture of civility, integrity, gentlemanly cordiality, and he was steadfast in his belief in the institution of Congress and in the worthiness of his service in the U.S. House of Representatives.

As a Member and ultimately ranking minority member of the Judiciary Committee, Ham Fish, Jr., was a champion of civil rights and social justice, and he believed in the fiscal integrity of this Nation as well.

He was a strong proponent of the line-item veto and the balanced budget. But of all of those activities and the others that have been discussed here this evening, Ham will be remembered because he was a warm and gracious and friendly person.

Mr. Speaker, I appreciate his assistance and his guidance throughout the time that I was privileged to serve with him. We affectionately knew each other and called each other "Cousin" rather than by our proper names. We engaged in special orders from time to time to commemorate his heritage and forebears in the Congress, and it was my privilege to call him my friend.

To Mary Ann and to his children and to all of his family, my wife Bonnie joins with me in extending our prayers and our best wishes to the memory of a fine and wonderful American.

Mr. GILMAN. Mr. Speaker, I thank Chairman LIVINGSTON for his kind remarks. I am pleased to yield to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, tonight we gather to mourn the loss and celebrate the life of Congressman Hamilton Fish, Jr. Hamilton Fish was one of the kindest, elegant, finest Members with whom I have had the pleasure of working with in this House.

I had the good fortune of working with Ham for 6 of the 26 years that he spent in Congress, and during that time I came to appreciate the fact that Ham was not only deeply concerned and involved with local issues, he certainly can be considered one of the most expert Members in policy.

Ham served as the Ranking Republican on the Committee on the Judiciary and Immigration Subcommittee. More important, Ham was a moderate and a fair man who could work with Members on both sides of the aisle and rise above partisan politics to achieve the goals of the American people.

Hamilton Fish was part of a true political dynasty in New York's Hudson Valley, a dynasty as old as the republic itself. It is from Nicholas Fish, who fought in the American Revolution and mounted an unsuccessful campaign for Congress, to Ham's great grandfather who ran as a Whig in 1842, to Hamilton Jr., who served his country honorably in the Navy during World War II and in the House of Representatives for 26 years, from 1969 to 1994.

Although there were times when his congressional district was more conservative than he was, Ham never strayed from his moderate, fair ideals. Despite the fact that his father, Hamilton Sr., was an isolationist, Ham was an advocate for human rights issues and refugees worldwide. He worked tirelessly during the cold war to allow for Soviet Jews to enter the United States. During the 1970's, Ham was an outspoken critic of the Nixon administration and its involvement in the Vietnam war. As a member of the Committee on the Judiciary, Ham was one of the first members of his party to call for President Nixon's resignation.

Ham also had an exemplary record on civil rights issues. Ham fervently supported the 1978 extension of the equal rights amendment and the 1982 Voting Rights Act. He also supported the Americans with Disabilities Act of 1990 and the Civil Rights Act of 1991.

As Ralph Neas, the former director of the Leadership Conference on Civil Rights said, "Many of the almost two dozen civil rights bills passed in the 1980's would not have become law without him."

Mr. Speaker, I, too, would like to extend my deepest sympathies and condolences to the Fish family. While this country has lost a great civil leader, his wife, Mary Ann, has lost a dear, devoted husband, his children, Ham, Nick, Peter, and Alexa, have lost a father, and of course his eight grandchildren have lost a friend and a role model.

As a freshman Member of Congress in 1988, I learned from Ham Fish. This Congress would do well to heed his legacy. He was a leader, a colleague, and a friend. He will be sorely missed.

Mr. GILMAN. Mr. Speaker, I thank Ms. LOWEY for her kind statement, and I am pleased to yield to the gentleman from new York, Mr. LAFALCE.

Mr. LAFALCE. Mr. Speaker, I rise today to join with my colleagues in paying tribute to our late colleague, Hamilton Fish, Jr. As the fourth generation from his famous family to serve in Congress, Ham could easily have acted as if he were entitled to his position, as if he were born to it, but that was the exact opposite of the way he was.

Ham Fish was as down to Earth and genuine as anyone I have ever known. Most important, Ham Fish was indeed a gentleman. One word. And a very gentle man.

He could, and did, hold his own in the rough and tumble of politics, but he would not hurt a soul. He must have had as a tenet: Hurt no one. Embarrass no one. Be kind and gentle to everyone. Because that is the way Ham Fish was, day in and day out. He epitomized what every person should strive to be.

He also epitomized what every legislator should strive to be: A fervent advocate for his point of view, yet someone always willing to see the other side and always understanding of the necessity to compromise for the greater good.

One got the clear sense that when Ham looked at someone he did not see labels like Republican or Democrat, liberal or conservative. Ham saw a fellow human being, someone who deserved to be heard, regardless of ideology, regardless of any other arbitrary classification. And that perhaps was his true hallmark. That arbitrary classifications were not only not smart, but that they were and are dehumanizing.

Mr. Speaker, I join in praising the record of service that Hamilton Fish gave to his fellow Americans. I, too, extend my sympathies to his wife and his entire family.

In the long run, Ham will be remembered for his hard work, yes. But even more than that, I will remember Ham for his grace, his kindness, his gentleness, his wisdom, his tolerance, and his love for his fellow human beings. And there can be no greater role model and no greater legacy than that.

Mr. GILMAN. I thank Congressman LAFALCE for his kind remarks.

Mr. Speaker, I am pleased to yield to the gentleman from western New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Speaker, I would say to the gentleman from New York, Mr. GILMAN, as I was listening to Mr. LAFALCE and others, it really is too bad that you cannot hear what other people really feel about you while you are alive. I do not know whether Ham is listening or whether he can listen, or that is possible in the overall scheme of things, but it is a wonderful tribute to hear people from different walks of life, different associations say what they have about him.

I just would like to say a few things. There is an old Arab proverb that says, A word when spoken must pass three gates. The first gate is, "Is it true?" The second gate is, "Is it necessary?"

☐ 1845

The third gate is, "is it kind?" Many of us here would not get out of the first gate, but Ham always would. He passed all those gates in whatever he did. He hit the issues hard, and yet there was an old expression from Proverbs, a soft answer turns away wrath. We need more of it here. He exemplified that.

I go back a long way with Ham. It started in 1946, when we both got out of the service in World War II, went to college and then periodically kept our friendship going during the years.

I was always in awe of Ham's heritage. It did not seem to be anybody that had a greater heritage than Ham, but Mary Ann Fish, his lovely wife, told me a story the other day of Ham going into the Rotunda and pointing to one of the murals and pointing out that Nicholas Fish was standing beside George Washington as he received the surrender from Cornwallis. And this man was very polite and he said, thank you very much, Mr. Fish.

He said, on the other hand, there was a mural of Dutch settlers coming across and landing in New Amsterdam, and my ancestor was the minister at that time; of course, a full 100 years before Nicholas Fish ever appeared in Yorktown. And he was always being poked with fun for things like this, but had a delightful, easy, wonderful sense of humor.

We develop many friendships down here. Some are political. Some are personal. Some are diplomatic. Some are business. Yet at the same time, as you work through this place, you understand those people who have that special quality that you know they will not betray you if you are vulnerable. Ham was one of those people.

There are questions which we always ask ourselves: What do I believe; what do I stand for; what do I really want. Ham never used that. He always changed the "I" to a "we." What do we believe; what do we stand for; what do we really want. If anybody epitomized service over self-service, it was Hamilton Fish and we are going to miss him.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for those moving comments, Mr. HOUGHTON.

I yield to the gentlewoman from North Carolina Mrs. EVA CLAYTON.

Mrs. CLAYTON. Mr. Speaker, I want to thank the gentleman and the delegation from New York for allowing me, from North Carolina, to say a word of tribute to all of our friends and colleague, Hamilton Fish. My husband and I both, too, knew Hamilton Fish. We knew him in a personal way.

I am a new Member to Congress so I do not have that long lineage of getting to know someone, but I did know him in a personal way. He did indeed have fun. So I want to tell you that although he was a gentleman and a scholar, he was also a person who could relate to human beings.

My husband and he had a certain passion for certain fun and they had a certain memory that they would remember. His wife, who is probably known as a vivacious, caring person, is certainly one that I have gotten to know and we had occasion, I guess just 2 months ago, for us all meeting together. So this week this Congress, New York will miss him, but America will miss him because in many ways he was not only the ideal person from New York, but he also was the ideal Congressperson for America.

We all will not only lose a friend but lose someone who has been epitomized as being an idol and a symbol.

Mr. Speaker, this week, Congress and America suffered a sad and great loss.

Former Representative Hamilton Fish, Jr. passed and has left a deep void in our reservoir of decency and fair play.

This devoted husband, caring father and loving grandfather served the people of the 19th District of New York for more than a quarter of a century. But, he provided more than service to New York's citizens.

Hamilton Fish, Jr. provided a high standard of statesmanship, an unparalleled measure of respectability and dignity, an unprecedented display of nonpartisan cooperation.

Those of us who serve in this 104th Congress can learn much from Hamilton Fish, the manner in which he lived his life, the honor he brought to this institution, the distinction with which he served his party.

His ability to function as a gentleman in the sometimes murky and perilous waters of politics must be attributed in part to the deep roots of his ancestors which guided him and gave him important benchmarks. This son of New York was always up for the challenge, always prepared for the task.

Throughout his life, he refused to accept mediocrity. He had hopes and dreams, he had goals, he had vision, and he dared to be different and determined to make a difference.

In Congress, he distinguished himself, making his mark in many places, leaving his permanent imprint on the sands of time.

He supported civil rights, fought for justice, stood for equality and was unwavering in behalf of the principles that make this Nation great.

Tirelessly, he was a role model for role models, a leader among leaders and a champion for all.

In this august body, he was more than a Member of Congress. He was Congress.

He leaves us now, not to quit, but to fight another fight, to write another chapter, to run another race.

To his darling wife, Mary Ann, who I consider to be my friend, to his three sons, Hamilton III, Nicholas, and Peter, to his daughter, Alexa, and to his many grandchildren, I say hold fast to the fond memories, stay strong on the wings of tradition Hamilton provided and celebrate the legacy he has left through the life he lived.

Mr. GILMAN. Mr. Speaker, I yield to the gentleman from New York [Mr. LAZIO].

Mr. LAZIO of New York. Mr. Speaker, I guess, like Congresswoman CLAYTON, I remember my friend as a little bit of a prankster, someone with a sense of humor who would joke, a man who certainly had dignity and guts, who showed independence and brilliance, but also was not beyond whispering something very funny in your ear as you went down the aisle.

As it turned out, I met Ham Fish not 15 or 20 years ago but only 4 years ago now when I was beginning my first term in Congress. He was finishing up what would end up being his last term in Congress. But almost immediately, he and I struck out together for what might be an unlikely duo, sort of an odd couple, to hang out in the back of this Chamber, talk a little bit, see each other once in a while, what were very civilized and very social New York State delegation meetings.

I remember him enjoying his sundae ice cream with complete relish on his face as the desserts were offered. I remember him in flashes of both frustration and annoyance at things that we did in this body, a sense of defiance when he thought we were going down the wrong path out of political expediency.

Ham Fish was somebody who had the ability to have a sense of honor and a sense of humor. He was able to mix both with a good old Yankee pragmatism, and I think he represents the very best traditions of the Republican Party and of this Chamber.

He was a man of great courage who always kept his bearings. During my freshman term, I always thought that he was protective of me. He was the sort of generous person who always took time out to help a new Member, sit down and discuss things if you had a question, and I will always cherish the wisdom that he was able to share with me.

As my colleagues know and they have been talking about tonight, Ham Fish came from a remarkable American political family historical not just from a New York perspective but from a national perspective, a family whose record of public service can be traced back to the beginnings of our Nation.

In Congress Ham Fish himself was something of a tradition. He was a centrist who got things done. He liked to work together with people. He played a key role in forging compromises that resulted in important legislation like the Fair Housing Act of 1988, the Americans with Disabilities Act of 1990 and the Civil Rights Act of 1991.

As a House Committee on the Judiciary member, not just a member but as the ranking member, he showed great courage back in the 1970's by voting his conscience as one of the few Republicans who voted for the articles of impeachment against former President Richard Nixon.

As the ranking member Republican on the Committee on the Judiciary, Ham always was a strong advocate for causes that he deeply believed in, the sense of civil rights, the sense of right over wrong.

He was particularly remembered for his efforts in support of not just civil rights but environmental protection.

With Ham's passing, our Nation has lost a great American. My condolences and the condolences of my wife Patricia go to his wife, Mary Ann, and to his sons Nicholas, Peter, and Ham Fish III and his daughter Alexa Fish Ward and their eight grandchildren, all of which I know he loved deeply. We have lost a great friend.

Mr. GILMAN. Mr. Speaker, I yield to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding.

I thank him and his colleagues from New York, Mr. RANGEL and Mr. GILMAN, for having this special order to allow us to pour out our hearts to somebody that we dearly love. I firmly believe that those of us who serve in this body are diminished as well as the American public are diminished by the loss of Ham Fish, Jr. He was fourth generation in terms of serving this great country in Congress 26 years.

I learned about Ham Fish when I was involved in the campaign of a man who served with him in the early years, Charles Mac Mathias, who then went on to the U.S. Senate. To me Ham Fish himself was a tradition. When I was elected to serve in the 100th Congress starting in 1987, I turned to Ham and told him that I knew so much about him and looked forward to serving with him. Well, he smiled in his very warm way, recognizing I had a lot to learn.

I did find that Ham Fish was a role model. He was always very upbeat. There might be times that I would come into this Chamber and go over to him despondent about some issue that was coming up or perplexed about a vote that needed to be cast. He was always assuage one in terms of recognizing what truly are the priorities, and the priorities, I think, for him were really human contact.

I found him somebody who could make us see what was really important, who had a very warm sense of humor, somebody who became a hero because he deserved it in the areas of civil rights, human rights, fair housing, employment discrimination alleviation, caring about minorities, caring about women, having a streak of effective independence. We could always rely on Ham to do that. Very often I did converse with him about the issues that we had to decide because I looked on him as somebody who was a real role model and one who would lead me correctly in the right way.

So Ham Fish will be missed. I got to know Ham and his wife Mary Ann personally. My husband and I traveled with them. We always appreciated his warm sense of humor, his understanding of human foibles. And with Mary Ann, her sense of love of life, the fact that she laughed a lot, and Ham helped her to laugh a lot. He was also someone who received the benefit of that sense of humor, a man who had great courage.

Mr. Speaker, I remember we were at a conference in Madrid where we had a few hours off. This is when Ham was not well. We would go to an art gallery, and he was indeed a true collector of art and an appreciator of art. I thought at that time this man of great courage also has made politics into an art and has done it exceedingly well.

I just want to say that we will certainly miss Ham Fish, and he will live on in love. I am reminded of a quote from Thornton Wilder, who said: "There is a land of the living and a land of the dead; and the bridge is love, the only survival and the only meaning."

Tony and I extend to Mary Ann and to the family of Ham Fish our deepest condolences.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman, Congresswoman MORELLA, for her kind remarks.

I yield to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I got to know Ham Fish when I joined the House and became a member of the Committee on the Judiciary where he was then a senior Republican. Later he became the ranking Republican.

Mr. Speaker, I want to talk a little bit about some of the things he so exemplified that are less in fashion than they used to be. You will look very hard to find a politician who worked as hard for people unlikely to vote for him in return. In the first place Ham Fish was a champion of a decent policy protecting the human rights of people all around the world. Ham Fish spent an awful lot of time on people who were never going to be able to vote for him, were never going to be able to vote at all in the United States.

He was a man who became an expert in the intricacies of immigration law so that he could give full vent to his burning desire to help people live in freedom. I say burning desire because Ham's quiet, relaxed demeanor may have fooled people.

□ 1900

One of the things we can learn from him is that being civil and being thoughtful in no way rules out being passionate. This was a man of great passion on behalf of human rights, and he exerted a good deal of his own influence and his own resource of time and energy on people all over this world.

Immigrants are not the most popular people these days, and people who live in other countries are not the most popular people in America. I wish the spirit of Ham Fish informed this place a little bit more today when it came to recognizing that we, with the great blessing of living in this wonderful free country have some obligation to help people elsewhere.

Similarly Ham, hardly from a district where civil rights in the traditional sense was a burning constituency issue for him, was a consistent defender of legislation that said America has an obligation to end discrimination, to do what we can as a Federal Government to reach into those pockets that unfortunately persist of racism and of sexual discrimination. He was a consistent and staunch defender.

I must tell you as we have debated affirmative action in these past couple of years that I missed Ham Fish because I believe that the voice and the commitment and the passion he showed on behalf of fairness would have served us very, very well.

I also want to talk about Ham Fish as a legislator, a longtime legislator. He was here for what, 26 years. I guess the term-limits people think that is a terrible thing. People who think we should have term limits regret the fact that a man like him was here for 26 years, not for lack of anything else to do, not as a careerist, but as a man who had a passion which could best be satisfied by helping other people and who got better at it and better at it and who was a superb legislator who understood.

And sometimes people defend moderation and give it a bad name because moderation gets defended sometimes as a kind of mindlessness, as if the middle was the place to be, as if by definition, as if the arithmetic means was always the right place. Ham Fish was moderate in his approach, and, yes, he was a great legislator, and he could compromise and bring people together, but it is because he started from somewhere. He did not walk out and say, "OK, what's the middle of this issue and how can I be a big hero by talking about what a middle-of-the-roader I am?" He had passionate and firm convictions on immigration, on racial justice, on other areas. He understood how to legislate, and that is a talent unfortunately scorned these days in many quarters rather than celebrated.

So I consider this country to have been enormously enriched by Ham Fish's service on the judiciary committee as a senior Republican, a man who, as we know, was not always in accord with his party on all issues but who understood the importance of party in this country and showed, I think, how you could both be loyal to your party and independent on issues of principle when that was important.

And finally, let us talk about family values. I think he exemplified that at its best too in a 2-generation way. He had fundamental disagreements with his own father. He was in Congress a few years and had his own father, a man of very, very strong convictions.

Yes, his father opposed the New Deal, he also opposed American participation in World War II, and he took out ads criticizing his son when his son voted for impeachment, and Ham Fish, the Congressman, never let that interfere with the loving relationship with his father, his ability obviously to differ strongly with his father on these issues and maintain the loving relationship that was there.

And I was privileged to see that duplicated in Ham's own response to his own children. I knew his son, Ham. I was particularly friendly and had been with his son, Nick, and I send my condolences to them, and both of Ham's sons became Democrats and had differences with him, and they maintained with Ham the same kind of loving relationship in which strong personal affection coexisted with deep political differences that Ham had showed with his father, and that ability to do that is something all of us would benefit from.

So he is a man who enriched our lives in a lot of ways, and, like everybody else here, I miss him a lot.

Mr. GILMAN. I thank the gentleman from Massachusetts, Congressman BARNEY FRANK, for his moving remarks.

CONTINUATION OF TRIBUTE TO HAMILTON FISH

The SPEAKER pro tempore (Mr. CAMPBELL). The time of the gentleman from New York under the majority leader's designated time has expired, and so under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. RANGEL] will be recognized for the first portion of that time designated by the minority leader.

Mr. RANGEL. I thank the Chair, and I yield to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, I think each one of us in our own way and perhaps sometimes differently have seen one of the basic qualities of Ham Fish, a beloved Member of this House, and that is that he was a gentleman. He was a warm and wise man. He was compassionate. He not only cared about mankind, he also cared about his neighbors and his friends. He was decent, effective, and quiet spoken. And as many know in this Chamber, some of our most effective legislators are quiet spoken and work behind the scenes to bring people together and to build a consensus.

Ham Fish had an engaging smile, and what you saw was what he was. He was not a phony. He was a person that was interested in people.

And how I came to know him as a newcomer to this Chamber in 1993 was because my mother had been a devoted follower of his father. And like his differences with his father on foreign policy, I had those differences in my own family. His father was one of the great isolationists of the 1930's. My mother who had been an active seeker of world peace was a devoted isolationist, and she and Hamilton Fish's father used to exchange letters on occasion, and as most of us know, his father was going strong at 100.

Ham Fish was part of an American political dynasty. Allen Nevins wrote a prize winning book on his great-grandfather, who served as Secretary of State under President Ulysses Simpson Grant. He was of our great Secretaries of State. Ham's family was grounded in public service. They devoted their lives to helping America through various crises. Sometimes they might have been wrong in the ultimate judgment of who had the right policy or the wrong policy at a given time, but they never wavered in terms of their courage and their dedication.

When Judiciary Ranking Minority Member Hamilton Fish criticized the treatment of the minority by the then-majority during the formulation of the 1994 crime bill, he did not do it with rancor. He just laid it out in simple English and in simple declarative sentences. That is why we respected him. He was honest, to the point, and straightforward.

He was a gentleman who was also a Republican. His father had been a Progressive and a Republican. His grandfather was a Republican. His great-grandfather had been a Whig and then a Republican. Those four spanned the century and a half of our two-party system. They saw the evolution of the two-party system. They contributed ideas and vigor to that two-party system.

And to MaryAnn, the children, and the grandchildren: All of us will remember the wonderful things Ham did as a friend and as a Member of this Chamber. He consistently did the right thing. We honor him for that and we honor him for being a dedicated, warm human being.

Mr. RANGEL. Thank you so much for that statement. I recognize the gentleman from Connecticut.

Mr. SHAYS. Mr. Speaker, I thank the gentleman from New York for yielding, and I thank both of my colleagues from New York, Mr. GILMAN and Mr. RANGEL, for allowing those of us who are not part of New York, but certainly part of this Congress, to just express our love and our admiration and affection for Ham Fish. But I want to claim him as someone who had tremendous impact on Connecticut because his district was in Westchester County, to the west of Connecticut and to the north of part of our district. In fact, I think Ham's home and my home are probably less than 20 minutes apart.

Ham Fish was a good friend of my predecessor, Stewart McKinney. They were two very distinguished Members of this Chamber, both of whom are no longer living. But I remember thinking as a young person that I was represented by an extraordinary man, Stewart McKinney, but also I felt in some ways represented by another extraordinary individual, Ham Fish, because he was still part of our area, and he was just someone who stood out almost any time he spoke as someone who was thoughtful, someone who was quiet in one sense, but strong behind that quietness, and at times you do not always get to see the courageousness of a Member, but you saw it periodically in some very key votes where Ham Fish simply was kind of going against the tide of maybe his district or maybe his party. But you always felt that he was doing what he felt was right, not with a sense of arrogance, but with a sense of conviction and a willingness to accept however his constituents judged him.

So as a member of Connecticut's Fourth Congressional District and someone who got to see him in his function not only as a Member when I came here but as someone who I loved and admired before I got here, it was a privilege to be able to have served with him.

This would probably be hard for someone who is now 50 years old to say that he had a sense of a fatherly figure for me, but I did feel like I could go up to him and say, this is what I am wrestling with, and it was not a difficult issue for him to help me analyze. He just helped me sort out what my feelings were and what my constituents' feelings were, and then what did I think was right and why did I think it was right, and he just gave me a nice process to move forward.

And once in a while when I felt that I was maybe taking a stand that might take a little bit of courage, it did not seem like courage when after you spoke with Ham you just felt like you were doing the right thing, even, and I make this very key point, even when it was voting against the way he wanted me to vote.

I think one of the nicest things you can say about someone is that they will tell you the truth and they do not have any hidden agenda, and so there were times Ham wanted me to do something and vote a certain way, but he would know where I was coming from, and he said, well, given you, and given the way you think, and given your district, this may not be the way you want to go, and he would do that even if it risked losing a bill that he wanted very much.

I just want to again thank my colleagues.

Mr. RANGEL, if Ham Fish could make you want to be a better person, that kind of drew me over here, and he made all of us want to be a better person, and I just want to express my love, my condolences, to his wife Mary Ann, to his sons, Nicholas and Peter and Ham Fish III, and to his daughter, Alexa Fish Ward, and to their eight grandchildren. You have a precious husband, father, and grandfather to always remember. You have benefited by his love and affection, but so have we.

Mr. RANGEL. Mr. Chairman, I like to take this time to thank my dear friend, the gentleman from California [Mr. FARR]. As he and we know, the time that was allotted to the New York delegation had expired and the time we are now on is his special order, and we deeply appreciate you giving this consideration on behalf of our lost colleague, and I would ask the remaining speakers to please take that in consideration as relates to the length of their statements because Congressman FARR still has his time remaining.

I would like to yield to the gentleman from New Jersey [Mr. PAYNE].

Mr. PAYNE of New Jersey. Mr. Speaker, I rise to pay tribute to a man who brought honor to the House of Representatives through his grace, kindness, and sense of decorum, Ham Fish. As a Representative from a neighboring State, I had long admired Ham Fish even before coming to Congress. After my election I was fortunate enough to develop a personal relationship with him. In August 1994 we traveled together as a part of a delegation attending a conference in Berlin under the Aspen Institute. Ham added so much to the experience because not only was he extremely knowledgeable, but he and his wife, Mary Ann, were two of the most gracious, accommodating and generous people I have ever met. Their helpfulness and sense of humor pulled us through, especially when one of our Members got into a funny predicament. I will not relate the details here, but Ham and Mary Ann's willingness to extend themselves for others was unparalleled and will not be forgotten.

Ham Fish and I shared an interest in international relations, and although he lived in the cold war era and served in the Naval Reserve, he firmly believed that we could and should work together to achieve peace.

During the 1950's he served as vice counsel in Ireland. I will be visiting there next month, and I will certainly think of Ham when I see that beautiful country which has been seeking peace for so long.

□ 2115

He was well loved by the Irish people because he shared their hopes for their homeland, as well as their characteristics and their friendliness and their love of life.

As chairman of the Congressional Black Caucus, I wanted to especially note that Ham Fish, although unassuming as an individual, was a passionate champion of causes in which he believed. A long-time supporter of civil rights, he continued to stick to his principles, even fighting for the passage of the Civil Rights Act of 1991 when it was unfairly assailed by his own party as a quota bill. He sponsored amendments to the Voting Rights Act so all Americans would have access to the political process.

In addition, in conclusion, he pushed for passage of the Americans with Disabilities Act to ensure that no American would be unfairly denied opportunities the rest of us enjoy.

Ham Fish was proud to be from the old school, when courtesy and civility were the marks of a true gentleman. The Fish legacy should be remembered and honored in this day and age. There is too much divisiveness, both here in Congress and throughout the Nation.

Let us resolve to honor Ham Fish in the best possible way by following the outstanding example he set. Our condolences go out to his wonderful family: His wife, Mary Ann, his four children, his sister, and his eight grandchildren.

Mr. RANGEL. Mr. Speaker, I thank the gentleman from New Jersey, and yield to the gentleman from New York, ELIOT ENGEL.

Mr. ENGEL. Mr. Speaker, I thank my colleague from New York for yielding to me.

Mr. Speaker, as I was sitting in the Chamber and listening to all our colleagues speak about Ham, I could not help thinking if Ham were here right now he would be terribly embarrassed about it all. He would probably admonish us to not say the kind things we were saying, and he probably would say, "Oh, you know, it's not really true."

But I think the fact, Mr. Speaker, that there have been so many Members who have come here after hours from both sides of the aisle, both parties, to speak from their heart about Ham Fish really says just the kind of person he was. Everybody loved him. Everybody cared about him.

When you serve in office and you are elected again and again, as he was for so many years, it really means that the people in his district understood that he had a very special quality. Those of us that are privileged to serve in government, we meet people from both sides of the aisle. It is very quick and easy for us to figure out who are the real good ones.

I think we all know that Ham Fish was one of the real good ones. He had a very laid-back demeanor, a very kindly demeanor, and that made him even more effective. You really knew that he cared about you. You really knew that he cared about people.

I was privileged not only to serve with Ham Fish as a member of the New York State delegation, but there were four of us that shared part of Westchester County in New York State. Ham and I both shared parts of Westchester County, and so we worked together, the four of us, two Democrats and two Republicans, to try to get things for Westchester County. Never once can I remember a time where Ham embarrassed me or when Ham was not trying to help me.

Politics was not important. It was helping people, caring about people, that was important to Ham Fish. Every conversation I ever had with him, everything we ever discussed, was always pleasant.

I remember during reapportionment, and my colleague, the gentleman from New York, CHARLIE RANGEL, and other colleagues from New York will remember that there was a lot of trepidation in New York because we were losing three congressional seats in reapportionment, so it was a very, very tense moment. Ham would always kind of crack a joke.

There were many different maps that were drawn. One of the maps had me going deep into Westchester County. Ham counted the number of golf courses that would be in my district, and he said to me, "Boy, 19 golf courses. That is a pretty good district." That district was never meant to be, it was not a district that I had received, that I eventually wound up having, but every time I saw him afterwards he would always joke about the 19 golf courses and how perhaps we could play some golf.

Ham Fish was a wealthy man. He was one of the wealthiest men in Congress, but you would never know it. You would never know it because he never flaunted it. He truly cared about people. It did not matter how much money people had, it did not matter what they looked like, it did not matter the color of their skin, their race, their religion. Ham Fish cared about them all.

After he left Congress, a couples of times in the Shuttle coming back and forth from new York to Washington I bumped into him. Again, he always had a smile, always had a good word, always was asking me how I was, how my wife was, how Congress was. This was the kind of person that Ham Fish really was.

The New York delegation in particular has lost a good friend, but he will certainly live on in our hearts and in our minds. When I look to see what kind of a legislator, what kind of a person, indeed, that I try to be, Ham Fish is a perfect, perfect role model: Hardworking, quiet, and effective.

So I want to say to his family, the Fish family, to Mary Ann and to his children, whom I know, and to everyone, we will certainly miss Ham Fish, but we will never forget him. I know Ham Fish is looking down at us now, being a bit embarrassed by it all, but everything that has been said by every Member today is true. It is the way we feel about Ham Fish. He will truly be missed and he was truly loved.

Mr. RANGEL. Mr. Speaker, I thank the gentleman from New York.

Mr. Speaker, I would like to remind the remaining speakers that the time that we are on is that of our colleague, the gentleman from California, SAM FARR, who has yielded such time to us in memory of Hamilton Fish. I think we should take that into consideration as it relates to the length of our remarks.

Mr. Speaker, I yield to the gentleman from New York, JERRY NADLER.

Mr. NADLER. Mr. Speaker, I thank the gentleman for yielding to me. I want to thank my colleagues, the gentlemen from New York, Mr. RANGEL and Mr. GILMAN, for organizing this, and to join my colleagues in remembering a distinguished Member of this House and a dear friend of every American, Hamilton Fish, Junior.

When I was first elected to the House a few years ago, Ham was gracious in welcoming me and providing expert guidance as I learned my way around. As the ranking minority member at that time of the Committee on the Judiciary, on which I was privileged to serve with him, he was always a model of collegiality and decency. As we lament the sometimes bitter tone our work has taken in these recent days, we would do well to recall Ham Fish's leadership and his civility, his rationality, and his courage.

Ham Fish was an outstanding and expert advocate always for human and civil rights. I remember first being impressed and becoming admiring of Ham Fish when I was a young law student and I watched on television as Ham Fish, as a member of the Watergate subcommittee of the Committee on the Judiciary, voted to impeach a President of his own party, based on his view of the evidence and his view of the defense of the Constitution against aversion.

America will remember Ham Fish for his legacy as a major architect of the Voting Rights Act of 1982, the Civil Rights Act of 1991, the Americans with Disabilities Act, and much other legislation that advanced civil rights.

My home State of New York owes much to the Fish family, which has served this Nation and our State from the early days of the Republic. Ham carried on that tradition with grace. Whether taking the initiative to ensure agreement on vital fair housing legislation, or voting the Americans with Disabilities Act into law, he was a master of the legislative art, and used those abilities to the benefit of the Nation always.

We will miss Hamilton Fish. I want to extend my sympathies to the Fish family, to Mary Ann, to Ham III, to Alexa, and to my friend and constituent, Nick. This House and this country is the better for his having served it, and it is the less for his absence from it.

Mr. RANGEL. Mr. Speaker, I yield to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, I thank the leader of our delegation, CHARLIE RANGEL, for helping with this special order. I just want to add my words of condolence and consolation to Mary Ann, whose my good friend, Ham, who was my college classmate; Nick, who I have met in West Side politics; and to the rest of the Fish family.

Let me just say that Ham was the best. He was the best of the old school, he was the best of this Congress, he was the best of America. I served with Ham for a long time before JERRY NADLER came. We were the only New Yorkers on the Committee on the Judiciary, so we would have to spend a great deal of time together.

On that committee, Ham was the swing vote. The way Ham went, the committee usually went, and not for any accident. Ham was thoughtful, he was decent, he was rarely pulled in any direction by any special interest. So when Ham voted a certain way or spoke a certain way, people followed. Ham was what a legislator should be. He had the interests of the people of his district at heart in Westchester and Putnam and Duchess County, but he also had the interests of this country at heart.

He was a true patriot, and that is why he cared so much, I think, about civil rights. It really was not a big issue in his district. He just cared about it. That is why he cared so much about having fair and reasonable immigration laws, and would often resist the tide of those who were trying to just cut back for cutting back's sake. That is why, on antitrust laws, he did not go after companies with a vengeance, but he knew they had to be curbed at certain times.

Ham was just the best. He had a twinkle in his eye half the time. He would have that droll sense of humor. He would be saying something that at first you thought was serious, and then you realized, no, this is Ham. He is pulling my leg. He was just a wonderful, wonderful person.

He kept his dignity despite his illness. He kept his strength and his wisdom for his many years, and the legacy he leaves is twofold: A wonderful wife, and what a twinkle there is always in her eye, and I think a lot of that was because of Ham, and what wonderful children; and his legacy that he really helped make this country a better place.

When I worry about the future of this Congress, the devisiveness, the partisanship, the fear of always looking over one's shoulder because there will be a 15-second sound bite, or some group that you anger, I think if the Congress had a few more Ham Fishes, if the Ham Fish way of legislating were here, this Congress would have a great and glorious future.

So he is something, in summation, that all of us should aspire to and live up to, and there is sadness in all of us that Ham is no longer with us, but there is also a lot of joy because he left so much that we can all aspire to and follow.

Mr. RANGEL. Mr. Speaker, I yield to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman from New York for calling this special order, and for yielding to me.

Mr. Speaker, heeding his admonition and that of Mr. GILMAN to be brief, I will associate myself with the remarks of our colleagues who went before, but just take a moment to immediately associate myself with the remark of the gentleman from New York [Mr. SCHUMER] who said that Ham was the best. That was part of my remarks, too. He was the best that our system had to offer.

If there was an aristocracy in America, he would certainly be part of it, an American aristocrat, almost a contradiction in terms; not by dint of his birth, which goes back to the pre-Revolutionary days, his family was here in the pre-Revolutionary days of our Republic, nor also for his wealth, but by dint of his great dignity, his respect for the principles on which our country was founded, and his love for our country.

Others have talked about his fight for civil rights, et cetera. I want to just acknowledge that he was a leader in fighting any and all forms of discrimination: discrimination in voting, discrimination in education, discrimination in housing, discrimination in the workplace, and discrimination against the disabled, which has been mentioned earlier.

The legacy that he leaves here, as a person who was a champion of human rights throughout the world, is the legacy of respect for every person. He taught us about the issues, he taught us about the procedure, and he taught us about the respect that we must have for each other in this body.

Over 12,000 people have served in the House of Representatives since its origin. I think each of us who served with Ham Fish have had a special privilege. I hope it is a comfort to Mary Ann and to the Fish family, the entire Fish family, that Ham's distinguished service was highly recognized with the many awards that he received in his life, for the reasons my colleagues have mentioned. I hope they are comforted by the fact that he was a recognized champion of human rights in America and throughout the world, and as I said, that every Member of this body who served with him over those many years will consider it a fortunate honor to have had that association, and that it will be part of our legacy that we were exposed to the greatness of Ham Fish.

On behalf of many of my colleagues in California, whom time prevents from participating in this special order, and certainly on behalf of my own constituents, who benefited greatly from the leadership of Ham Fish, I extend my deepest condolences to Mary Ann and to the Fish family. I thank my colleague from New York for yielding me this time and his leadership.

Mr. RANGEL. Mr. Speaker, I yield to the gentleman from Pennsylvania, GEORGE GEKAS.

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding.

One day several years back I wandered onto the floor and discovered there was a meeting going on of the former Members of Congress. They gather every year and they have a program and an agenda, as everybody knows. Very soon I learned that they were saying hello to Hamilton Fish, the former Member of Congress, who was in his nineties, who happened to be sitting with his kid, and his kid was our Hamilton Fish. They were talking together.

□ 1930

It dawned on me that there is a line of consanguinity that goes back in American history to the Cabinet of Ulysses S. Grant. We had the privilege of serving with that long line of American heroes who have served this country in good times and in bad, but always with that purest sense of patriotism and in the posture of a gentleman's gentleman that our Ham Fish was.

GENERAL LEAVE

Mr. RANGEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the life character and public service of the late Honorable Hamilton Fish, Jr.

The SPEAKER pro tempore (Mr. CAMPBELL). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RANGEL. Mr. Speaker, as I yield to the gentleman from California [Mr. FARR], let me once again thank him for the courtesies that he extended to his Members in the House and especially the New York delegation.

Mr. FARR of California. Mr. Speaker, if I may, on the remainder of the time of the gentleman from New York [Mr. RANGEL], I wanted to give this time because when I arrived here, I just wanted to say that one of the Members that I remembered first meeting was Hamilton Fish. The reason that I remember it so distinctly is that his cousin Stuymie Fish lives out in California and as anybody who has ever been on the Monterrey Peninsula knows, the Fish Ranch is this beautiful piece of property that everybody can see. So you have the Fish family well known all the way from New York to California and from Monterrey and Carmel all the way back to the East Coast. It was a pleasure to be able to give you some time since you could pay this tribute to a well-respected friend of us all and even friend to those like me. He was only here a short while while I was here but I was very impressed and we got to talk a little bit about the family relationship between the East Coast and the West Coast.

Mr. RANGEL. Mr. Speaker, may I thank BEN GILMAN. We have always considered ourselves as colleagues rather than partisan. There is hardly anything that we do here that we do not try to do in a bipartisan fashion as well as this order. I also thank our former colleague, Robert Garcia, for taking the time out to pay a tribute to his friend and former colleague.

Mr. STOKES. Mr. Speaker, I want to thank my colleagues, the distinguished members of the New York congressional delegation, BEN GILMAN, SUE KELLY, and CHARLIE RANGEL, for reserving time on the House floor today. We gather to pay tribute to Hamilton Fish, Jr., our former colleague and good friend.

Ham Fish passed away earlier this week. With his death, we mourn the loss of a distinguished individual and a committed public servant. When Hamilton Fish, Jr., was elected to the Congress in 1968, he continued a political lineage dating back to the American Revolution. He followed in the footsteps of his father, grandfather, and great-grandfather, each of whom served in Congress.

For over a quarter of a century, Ham represented New York's 19th Congressional District in the Halls of Congress. I share the sentiment of others who state that Ham Fish was one of the outstanding Members of this body in the century. America mourns the loss of an individual who was a real champion of justice and fairness.

Mr. Speaker, Hamilton Fish, Jr., earned respect from his colleagues and the Nation for his leadership on civil rights, immigration, and judicial issues. He is credited with helping to fashion compromises which resulted in the passage of the Fair Housing Act of 1988 and the Americans With Disabilities Act in 1990. He was also a sponsor of the Civil Rights Act and a backer of the Voting Rights Act and the Fair Housing Act.

As a Member from the other side of the aisle, Ham played a key role in helping the House to operate in a bipartisanship manner. Many of us recall the leadership and wisdom he displayed during the impeachment hearings of President Nixon. Hamilton Fish was able to work beyond party lines and take courageous stands. He was a man of the highest integrity and principles.

Mr. Speaker, I enjoyed a close personal friendship with Hamilton Fish. In fact, we both came to Congress in 1969. I recall that for a period of time our offices were next to each other and it was common for us to see one another every day. He was always cordial and friendly and we enjoyed a personal friendship. I had great respect for him as a legislator and as a colleague. I admired him for his very principled stands on issues of national concern and his leadership on civil rights matters. Ham Fish was a man who distinguished himself in this body and I deem it an honor to have served with him.

Mr. Speaker, I am proud to have served in the Congress with Hamilton Fish, Jr. He was a credit to this institution, a true gentleman, and a close personal friend. I join my colleagues in expressing our sympathy to his wife, Mary, his children, and grandchildren. We hope they find comfort in knowing that others share their sorrow.

Mr. BEVILL. Mr. Speaker, I rise to pay tribute to my long-time friend and former colleague, Hamilton Fish, Jr., who passed away this week.

As you know, Ham served the Hudson Valley region of New York from 1968 until his retirement in 1994. He was a wonderful man who came from a long line of fine public servants. His father, grandfather, and great-grandfather—all named Hamilton Fish—also devoted themselves to public service.

Hamilton Fish, Jr., was one of the most dedicated people I ever had the privilege to serve with. Everyone liked him and respected him. I was always very impressed with him and I enjoyed his friendship. I felt that he rendered outstanding service not only to his constituents in New York, but also to the entire Nation.

Hamilton Fish, Jr., is someone who will always be remembered as the kind of person every public servant should aspire to be. He was gracious and kind. He cared about people and he displayed a great deal of common sense and good humor.

He will be greatly missed by all who knew him, but his achievements and his contributions to our country will always be remembered.

Mr. PORTER. Mr. Speaker, I rise with my colleagues to commemorate the passing of one of my good friends, Hamilton Fish, Jr. Together with my family, I want to extend my deepest sympathies to Ham's family and urge them to be strong in this time of loss.

Ham was a respected Member of this institution and a mentor to me when I was a young Member of this body. He was respected by all who knew him for his deep and abiding respect for the Constitution, his knowledge of the law and his wisdom as a legislator, his sense of decorum and the importance of this institution, and for his ability to work on both sides of the aisle to find consensus on controversial issues.

Ham was also a fighter for the things he believed in, a fighting spirit that was demonstrated in his courageous battle against cancer. Unfortunately, he has now lost this battle.

As chairman of the Labor, Health and Human Services, Education Subcommittee, I want the Members of this body to know that I take the heart the courage shown by Ham in his battle against cancer, courage that too many Americans facing this dread disease must muster every day. And I want the Members to know that I will continue to do all that I can to bolster research funding for the National Institutes of Health, including the National Cancer Institute, in the hope that we can make greater progress against this disease and, by so doing, honor Ham's memory and the memories of those who, like him, have shown such courage.

Mr. SENSENBRENNER. Mr. Speaker, I rise today in tribute to the late Hon. Hamilton Fish, Jr., an outstanding American of great compassion, decency, and dignity.

Known to this friends as "Ham," he dedicated his life to serving the United States. As a young American, he interrupted his education to enlist in the Navy during World War II. Later Ham joined the U.S. Foreign Service and served in Dublin as Vice Consul to Ireland from 1951 to 1953. In 1968 he began his 26 years of dedicated service to the people of New York's 19th Congressional District as their representative to Congress. His constituents appreciated his leadership and hard work, electing him by overwhelming margins as a result.

I observed Ham's legislative skills while serving with him on the Judiciary Committee. He was a master at working together with all Members to achieve a consensus. While in Congress, Ham focused his skills on passing legislative landmarks, such as the Americans With Disabilities Act and the Fair Housing Act. In addition, he was a leader in crafting copyright and antitrust law.

While he was well known for his legislative accomplishments, Ham Fish was best known as a great American. Friends and foes alike respected and admired Ham. His affable and kind personality positively impacted all who knew him.

Today America has indeed lost an outstanding citizen. I offer my condolences to the family and friends of the late Hon. Hamilton Fish, Jr.

Mrs. MALONEY. Mr. Speaker, I rise today to honor the memory of a beloved Congressman from New York, Hamilton Fish. Congressman Fish's death is an extraordinary loss to a community he faithfully served for over 25 years, and to all of us in this House and around the world who knew him well.

Although I only had the privilege of serving with Rep. Fish in the 103d Congress, I quickly saw his impact on this institution, and on me. His warmth and openness made a junior Member feel welcome and confident in an organization that can be overwhelming. Even though Rep. Fish worked hard as one of the busiest members of Congress, he always had time to serve as a teacher and mentor to other Members. I will always remember him as the example of how to serve New York State and how to serve our country in a truly bipartisan manner.

Hamilton Fish died on July 23d, but his service to the mid-Hudson Valley constituency will ensure that he has an everlasting memory to all. During the years he lived among us, Congressman Fish was a pioneer and supporter of Civil Rights legislation. He was the principal Republican sponsor of the Civil Rights Act of 1991, and also worked with Democrats to sponsor amendments to the Fair Housing Act and the Americans with Disabilities Act.

However, his concern for others was not limited to the borders of this country. He was an outspoken advocate for human rights around the globe and worked on behalf of Soviet Jews who for years were battling to emigrate from tyranny to freedom. As a member of the House Judiciary Committee, Representative Fish worked to expand refugee assistance programs. He wanted to ensure that all people, no matter from what background, had an opportunity to fulfill the American dream.

Rep. Fish was born to a family whose political legacy dates back to the Revolutionary War. One of his ancestors Nicholas Fish fought with George Washington during the birth of our nation. His great-grandfather, Hamilton fish, served as governor of New York before serving in the Senate and as Secretary of State to Ulysses S. Grant.

His grandfather, of the same name, served in the 61st Congress after a long career in the New York Assembly. Congressman Fish's father, Hamilton Fish, Sr. served in Congress from 1920 to 1945. Thus, Congressman Fish brought a legacy that was 200 years old the first day he sat in his seat in 1968.

He received his B.A. from Harvard, and his LL.B. from the New York University School of Law. His college career was interrupted twice. Once in 1944 by World War II, and the second time by Fish's enlistment to the Foreign Service. Despite these interruptions, Fish was admitted to the New York Bar in 1958.

Hamilton Fish's dedication to seeking the truth can never be questioned. As a member of the Judiciary Committee during Watergate, Fish was one of the first Republicans to vote in favor of impeaching the President. His action went against the beliefs of many in his party, including his father, but Fish recognized that the need for truth and justice was greater than party and individual loyalties.

This is the legacy of Hamilton Fish. The legacy of a man who carried the responsibility of representation with grace and dignity. He was a kind and gentle mentor I am proud to have served with in Congress. Always seeking the truth and compassion for those who were less fortunate, he will truly be missed.

WHY THE NEED FOR THREAT ASSESSMENT IN HAITI?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I too would like to associate with the extraordinary outpouring of tributes to Ham Fish by so many of our colleagues. They bring back many happy memories of a wonderful man, and I join in the sympathies sent to Mary Ann and the family.

Mr. Speaker, yesterday when we began hearing from some of our acquaintances down in Haiti regarding a sudden and apparently secret surprise increase in American troop presence, we were not sure what was going on. Despite the high level of interest in Haiti, of many offices on the Hill here, no one in the administration appears to have taken the time to notify anybody of this new deployment. Frankly, this kind of uncertainty falls far short of adequate when we are talking about committing more American troops anywhere, especially in Haiti, especially today.

Because we took the time to ask around, we now think we have confirmation that indeed a force from the 82d Airborne has arrived in Haiti. Billed as an extension of Operation Fairwinds, which is an operation there, 200 members strong, civil engineering mission that has been in Haiti. Apparently company size or so, about that many troops have been sent on a mission of reconnaissance and threat assessment.

Mr. Speaker, this brings up a number of questions, questions that certainly are going to be of interest to the taxpayers of this country who have already seen the Clinton administration spend something like $3 billion in Haiti.

One of the first questions that has got to be answered is, how much is this latest operation going to cost and is this just the beginning of something that is going to go on and be something larger? Then I have got to ask, why does a good will operation like Operation Fairwinds, which is supposed to be an engineering operation, require reconnaissance and threat assessment with company size strength and additional soldiers of the 82d Airborne who are there in humvees, and machine guns and battle dress, I am told.

These are the crack troops that we send to deal with hot spots. I am curious why we are sending these troops to this place that the Clinton administration keeps telling us is a success story in their foreign policy annals. What prompted this deployment? Is it a tacit admission on the part of the administration that things are not going as well as we are told in Haiti? Does this new deployment arise from concerns brought on by a Haitian court's decision on the Guy Malary murder trial earlier this week?

Should we infer that there are credible threats against Americans and American interests in Haiti which regrettably we have had reported? Or perhaps this is an extraction force set up to implement an evacuation plan. What does reconnaissance or threat assessment mean in this sense by the 82d Airborne? I think it is very important that we have answers to this.

I know there are some that have already suggested that this force is being sent to determine what kind of firepower it is going to take to keep law and order in Haiti at least through November. I do not know. That is certainly cynical, but I do not know whether that is a question that needs to be asked. Will there be a follow-on mission? That is something we all would like to know.

Mr. Speaker, I yield to the distinguished gentleman from New York [Mr. GILMAN], chairman of the Committee on International Relations.

Mr. GILMAN. I thank the gentleman for yielding, and I think the gentleman from Florida [Mr. GOSS] raises some very serious questions.

As I understand it, none of the committees have been briefed on this operation, at least to my knowledge. I know our Committee on International

Relations has not been briefed. I know the Permanent Select Committee on Intelligence, the committee of the gentleman from Florida [Mr. GOSS], has not been briefed.

We are very curious just why we are sending this crack division of military people, the 82d, into Haiti at this time allegedly to protect a road-building operation. There are some very serious questions we would like answered, and our committee intends to seek out those answers in the very prompt, early days of next week.

Mr. GOSS. Reclaiming my time, I thank the distinguished chairman for being part of this. It is this kind of thing that makes it very hard to work cooperatively with the administration because we have had so many assurances they are going to keep us apprised of events. This is a significant event.

You do not send the 82d Airborne someplace quietly and not expect to have somebody ask some questions. Are we putting troops back in harm's way? So rather than have the spin doctors down at the White House spin yet another story, I want to know what is going on, Mr. Speaker, and I hope the administration is listening, is going to take the trouble to brief the Hill.

Mr. GILMAN. I want to thank the gentleman for raising the issue to the floor, and I hope we can get some early answers to these questions.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. FARR] is recognized for 33 minutes as the designee of the minority leader.

Mr. FARR of California. Mr. Speaker, I rise tonight to reflect on what was accomplished here on the floor of this House today where we finally got around to what was labeled last week as reform week but came down to essentially reform hours, about 2½ hours of reform, a discussion on campaign financing reform.

I think those who were in the Chamber and who participated today saw again history being made by Republican leadership in being able to defeat campaign reform. It was an interesting saga today because it started off with a reflection on the history of where campaign reform had been.

In 1987 Congress passed campaign reform. That was the 100th session of Congress. The Republicans filibustered the campaign finance bill in the Senate and were able to kill it in that year. Then in 1989 the House passed in the 101st Congress a bill that the Republicans delayed action in 1990 in the Senate until it was too late to appoint the conferees so that they could settle the differences between the House and Senate version, again a defeat by Republican leadership.

Then in 1991 the House and Senate passed bills and later in 1992 a final conference report. That bill got to the President. The President then was George Bush, and he vetoed the bill. So from beginning in 1987, working its way up, campaign reform on this House being dealt with and being defeated. Then again in 1993 the House and Senate passed bills. But in 1994 the Republicans blocked appointing the conferees so that the differences again between the House and Senate version could not make it to the President. At that time we had elected Bill Clinton as President. Had that bill gotten to the President's desk, it would have been signed.

Today what we saw was that the Democrats came back again with a bill that I happened to author. The bill had bipartisan support. Unfortunately the Speaker came down to the floor and argued very strenuously to defeat the Farr bill and to pass the Republican version, the Thomas bill. An interesting vote took place. First, on the substitute, the Democratic substitute was defeated.

Then the vote was taken on the underlying bill, the Thomas bill. Really surprisingly, historically surprising is that that not only was defeated by almost 100 votes, but it was defeated by Members of the Speaker's own party.

So what we have seen here in the last several years, dating back to 1987, is the inability for Congress to get sufficient votes to enact campaign reform. I think one of the difficulties is that that campaign reform movement had always been moving as the Democratic bill did today with one of setting limits on what Members of Congress could spend in campaigns. It limited it to a specific amount. Then it said, even though the Supreme Court has indicated that you cannot really limit people in what they spend because of the interpretation of the free speech, article 1 of the Constitution, but the courts have never commented on whether you voluntarily get up and say, as a candidate for office, that you would limit your expenditures, which is what our bill did.

It said, if you go that route, then you can put limits on a Member. We put the amount at $600,000, quite a bit of money to run for Congress. Frankly, that is about the average that the winning Member of Congress had to spend. So if we are going to reform something, we have got to start with where we are and begin from there.

In addition to limiting the amount of money, it also put in provisions for how much you could raise and where you could raise it from. It began with PAC's, which are very controversial. Always in campaign reform, some people want to eliminate PAC's. We think that that is probably unconstitutional.

What we did in our bill is we said, all right, we will limit the amount that PAC's can give to the candidate. And in addition we will limit the amount that candidates can spend, the first time we had limits on PAC contributions.

The second part of the provision said that not only will we limit PAC's but we will limit the amount that wealthy individuals can contribute. We defined a wealthy contribution as any amount $200 or more. We said that only one-third of your money could come from wealthy individuals.

Then the third category was individuals donating less than $200, essentially small contributions. In that area we indicated that you could raise as much as you wanted from small contributions, essentially bringing the issue back to the constituents, back to people participating in the election of Members of the House of Representatives.

There was no limit on the amount you could raise from small contributions just as long as the aggregate amount did not exceed the cap which we had put on Members who were voluntarily limiting themselves to $600,000.

I think the most interesting part of the campaign proposal was the part that limited how much wealthy candidates could contribute, wealthy persons running for Congress could contribute to their own campaign, $50,000. This is a limit that we think brings the level playing field between wealthy candidates and those who do not have those kinds of resources.

Earlier this year, or in November, actually, of last year, the Speaker of this House said, and I quote: "One of the greatest myths of modern politics is that campaigns are too expensive. The process in fact is underfunded, not overfunded."

□ 1945

Mr. Speaker, what we saw today was a bill sponsored by the gentleman from California [Mr. THOMAS] that would allow that process of getting more money into campaigns to be amended into law, to lift the current law's limits and to provide a greater expenditure of funds.

So I think what the public interest groups and so on were very instrumental in bringing to the attention of every Member of Congress, and particularly to people watching this issue and concerned about this issue, that this was not reform at all; it was moving in totally the opposite direction than anyone had ever intended, and that message was heard loud and clear when the vote was taken, with the Speaker's bill being defeated by, as I said earlier, by almost 100 votes.

So where are we? We have again, in the 104th Congress, discussed campaign reform, developed two contrasting pieces of legislation, giving Members of this House the option to vote for one or the other, and in this case, both of them were rejected.

I think that there is good news and bad news in that. The good news is that the bad bill did not get out. The bad news is that the good bill did not get out, either. But there is some hope because I think this Congress is beginning to realize, as we move toward the end of the 104th Congress, that we are not going to be able to accomplish reforms of the institution or reforms of this Nation without doing it in a bipartisan fashion, that there is no win-win by strictly taking a partisan approach to problemsolving.

So what we found out from the double defeat today was the fact that we need to pull together in a bipartisan fashion, and I think that I have seen in the last several weeks as we tried to work these votes out that there is a coming together. But the coming together is going to be much closer to what was called the bipartisan bill, which was very, very close to the one that I offered today, had minor differences. And I think the differences between that bipartisan bill and the bill that I authored can easily be worked out, and hopefully next year when we come back as a new Congress, one of the first items of the new Congress will be a reform package that will address some of the reforms that we still need to do internally, but also will incorporate those reforms into something we need to do externally. And externally is revising and reforming how Members of the United States Congress are elected.

So, Mr. Speaker, I am very pleased that we are getting closer to the solution, and I am very pleased and thankful for the numerous Members of the opposite side of the aisle who helped me on the vote today. I just want the record to show that even though we lost, we think we were successful in bringing the issue to the House and to demonstrate that the American public has been heard in the U.S. Congress on campaign reform, and that is that they do not want to see, and this House has supported them by not supporting a bill that would go for more money in campaigns and lift the lids that have been voluntarily placed on it.

So next year we come back and hopefully put together a meaningful bipartisan campaign reform that will be a little bit of a modification between the Farr bill and the bipartisan bill and hopefully, given time to reflect on it and given support across this Nation, and given the fact that when we are deliberating this bill, it will not be just before an election. I believe that we can pass such legislation and get it to the President's desk for his signature.

So again I want to thank my colleagues for supporting my bill, I want to thank the Republicans that helped support it, as well. I look forward to working with everyone next year to make a meaningful campaign reform, not just a discussion, not just a debate, not just a vote but a reality.

THE MUNICH ELEVEN

The SPEAKER pro tempore (Mr. CAMPBELL). Under a previous order of the House, the gentleman from Georgia [Mr. KINGSTON] is recognized for 60 minutes.

Mr. KINGSTON. Mr. Speaker, 24 years ago this summer, this August, people from all over the world started turning their eyes toward Munich for the summer Olympics. That was one of many historic Olympic games that were held.

While the world turned there and many went there to pursue gold and silver and bronze medals, others went there and returned only with memories. And 11 members of the international committee, Olympic athletes, did not come home.

Tonight we want to discuss this tragic page in world events. I have with me the distinguished gentleman from New York, Congressman BEN GILMAN, who I want to yield the floor to tonight. He has been waiting. Congress, as you know, Mr. Speaker, adjourned several hours ago but he has been waiting to make a statement.

I am going to yield the floor because I understand he has an engagement and I do not want to hold him up, but I certainly appreciate him participating.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Georgia [Mr. KINGSTON] for arranging his special order.

Mr. Speaker, I want to take this opportunity to commend the gentleman from Georgia for sponsoring this order at this very special occasion during the Olympics in Atlanta and on the closing of the Tisha be-Av holiday for the Jewish community, a very solemn occasion. It is a fitting memorial tribute to the 11 athletes of Israel's team who were taken hostage and viciously murdered by a group of Palestinian Black September terrorists at the Munich Olympic games in 1972, and I commend the Atlanta Jewish Federation and Israeli Olympic Committee for erecting a permanent monument to these athletes which will be dedicated in Atlanta this Sunday.

Regrettably, the International Olympics Committee, IOC, is not a sponsor of this monument but will send a delegate to attend the proceedings. During the planning for these Olympic games, IOC chairman, Juan Antonio Samaranch, apparently promised the athletes' families the IOC would officially memorialize the murdered athletes at these games. This has turned out not to be the case. Accordingly, ad hoc memorials, such as today's special order, will have to suffice. We will have to fight the scourge of global terrorism without the IOC.

Mr. Speaker, the horrible events of September 5, 1972 witnessed eight members of the Black September terrorist organization break into an Olympic Village dormitory in the early morning hours where the Israeli delegation was housed, and despite strenuous efforts by the targeted athletes to save themselves and each other, only six members of the team managed to reach safety; the remainder were taken hostage and killed in the violence which ensued.

We remember the painful broadcasts which hour by hour saw the terrorists' deadlines pushed back and frantic hopes that these Olympians' lives could be saved. With negotiations conducted by the German authorities, the masked terrorists demanded the release of 236 guerrillas held in Israeli jails, as well as the release of the leaders of the notorious Bader Meinhoff gang and safe passage to a foreign country. Late that evening, the terrorists, with their hostages in tow, boarded buses for an airfield and helicoptered to a waiting Lufthansa Boeing 707. German police snipers fired on two of the terrorists as they approached the plane and a fire fight ensued. The terrorists were armed with grenades and automatic machine guns while the police possessed only single-bore rifles.

Just after midnight, one terrorist threw a grenade into the helicopter, killing the nine remaining hostages while the terrorists shot at the fire response team, keeping them from the burning helicopter. The three remaining terrorists were then apprehended but were released by the German Government approximately 8 weeks later when Black September terrorists hijacked a Lufthansa flight from Damascus to Frankfurt in late October. The three men were picked up in Zagreb airport and flown to Libya where subsequently they disappeared.

We therefore honor the memories this evening of those Israeli athletes and their coaches murdered at the Munich Olympics: David Berger, a dual American-Israeli national, Zeev Friedman, Yoseph Gutfreund, Eliezer Halfin, Yoseph Romano, originally from Libya, Amitzur Shapira, Kehat Shor, Mark Slavin, a Soviet Jewish immigrant who had arrived in Israel only 4 months earlier, Andre Spitzer, Yaacov Shpringer, and Moshe Weinberg.

These men lost their lives for no reason other than because they were Israeli citizens and Jewish. The terrorists who seek to spread their evil today do so for the same reasons, despite the many years which separate that tragedy from recent ones. Yet it is clear that our fight against terrorism is not over in the least and those who perpetrate these crimes against humanity all too often are set free.

Let us therefore rededicate our efforts to combat this threat wherever it rears its ugly head. Israel's Munich athletes may be gone but they are not forgotten, and it is in their memory that we press on against this worldwide menace and its State sponsors.

Again I thank the gentleman from Georgia [Mr. KINGSTON] for helping us refresh our memories with regard to this tragic accident and to memorialize the losses of these people.

Mr. KINGSTON. Mr. Speaker, I certainly thank the distinguished gentleman from New York for participating and all the work that he does for international peace and fighting international terrorism, because we need people like him involved in this and the leadership.

What I wanted to do, Mr. Speaker, is kind of maybe draw a picture of that tragic night of September 5 when the athletes were all bedding down for the evening and a young Andre Spitzer had called his wife, Ankie. They had only been married about 15 months at the time, and they had a new daughter 2 months old, Anouk. They were very happy. They talked a little bit about the games to come up, about his role as fencing coach, and then they talked about the new daughter and how happy they were. And that night as they hung up the phone, Andre said to Ankie, I love you. Then he, along with 10 other athletes, went to bed that night, and they had come so far for their own talents of wrestling, fencing, shooting, track, and weightlifting. As they put their head on the pillow, their hearts were inspired, their minds maybe a bit anxious, their emotions certainly somewhat eager. As they went to bed they were confident that with the morning light they would have a daytime opportunity to realize a dream that they had indeed had all their life, but instead they were awakened to darkness and awakened in a nightmare.

Mr. GILMAN talked about this. I will reiterate a little bit of exactly what has happened. There are a lot of different accounts but generally, as Mr. GILMAN said, at 5:30 a.m., a group burst into the Israelis' quarters. Only one Israeli, weightlifting coach Tuvia Sikulski escaped the first attack. And another one, Gadza Barry, a wrestler, escaped during the fight. In fact, six of the team members escaped into safety, one of the members, Moshe Weinberg, only 33 years old, held the door against the attackers, hollering over his shoulder to his friends inside the dormitory, get out, escape while you can, and they began breaking the windows with their hands, and yet a burst from an AK-47, and that was all for Mr. Weinberg.

□ 2000

Yoseph Romano, a 32-year-old weight lifter, was also killed during fighting with the terrorists. Nine others could not escape. Nine others were trapped, and they fought with knives, but certainly were overpowered with the heavy artillery of the terrorists.

Their hands were tied behind their backs and they were forced to hobble to a central location. And what ensued was 21 hours of pure hell as they went from location to location, as negotiations began, negotiations broke down, and the threats from the terrorists to kill a hostage each hour went out.

The families sat by helpless. Indeed, authorities and people from all over the world sat by helpless. And it went on until about 10:20 that night.

They were taken out to an airport, and at that time a faulty rescue mission took place. There were so many mixed signals, so many ideas that were aborted and so many, I guess just scared and skittishness, that, as Mr. GILMAN said, only five West German sharpshooters were able to get there, and, of course, there were eight terrorists.

Five of the terrorists were killed. But during the battle that lasted for about 1½ hours, in cold blood, a hand grenade was thrown into the helicopter that had the nine hostages, and they were killed.

It was a very sad situation, obviously, for the family, and a very dark chapter in the history of the world.

I want to talk about the shattered effect this has had on the families, but I also wanted to acknowledge and thank the gentlemen from Georgia, Mr. DEAL, and Mr. LINDER, for joining us, and I would be happy to yield the floor to either of you if you would like to talk at this time, if you want to. But we appreciate your sympathy to the families and acknowledging them.

Mr. LINDER. If the gentleman will yield, I think it is appropriate you are bringing this to the floor. We in Georgia are celebrating the 100th Olympiad, the centennial games, and there is great joy and great excitement in Atlanta for all the 11,000 athletes participating there. But for all the winners, we need to look back at the Munich games and remember there were some losers.

Throughout history, the free history, it always seems to be the Israelis who were the losers. They were the ones that were murdered. In fact, they are the only ones about whom we have now in Atlanta been forced to double our security, triple our security, because of terrorists trying to do damage to Israelis.

I am told on Sunday evening in Atlanta there will be a ceremony honoring those who died and their families. Unfortunately, I will be here and not there, or I would be delighted to attend it. But it is appropriate to bring this issue up in the midst of the excitement and the glory of the games and when all are watching, that we think back to those 1972 games, where great athletes, who had trained, who looked to the gold, who tried to win, were shot down by terrorists in our own midst.

I will yield back and continue to enjoy your speech.

Mr. KINGSTON. The gentleman mentioned the family members. I think it is appropriate as we are focusing on the widows and on the 14 children and grandchildren that I enter into the RECORD their names and say a little bit of who the athletes were who now are known as the Munich 11. I will do this, and then I will yield the floor to Mr. DEAL and Mr. FOX, the gentleman from Pennsylvania, who has joined us.

The Munich 11: David Berger, 28. Weight lifter. Born in Cleveland, OH; graduated from Colombia University, degrees in law, economics, and psychology. Immigrated to Israel in 1970 where he worked as a lawyer.

Zeev Friedman, 28 years old. Weight lifter. Survived by his parents and sister. Born in Poland; immigrated to Israel in 1960.

Yoseph Gutfreund, age 40. International wrestling judge and referee. Survived by his wife and two daughters. Born in Romania. He was a businessman in Jerusalem.

Eliezer Halfin, 24. Wrestler. Survived by his parents and sister. Born in the Soviet Union; immigrated to Israel in 1969. He was a mechanic.

Yoseph Romano, age 32. Coach of the weight lifters. Survived by his wife and three daughters.

Amizur Shapira, age 40. Track coach. Survived by his wife and four children. Born in Israel.

Kehat Shor, age 53. Shooting coach. Born in Romania; immigrated to Israel in 1963. Survived by his wife and a married daughter.

Yaacov Shpringer, age 50. International judge and referee in wrestling. Born in Poland and immigrated to Israel in 1956. Survived by his wife, a son, and a daughter.

Mark Slavin, died at age 18. Wrestler. Born in the Soviet Union and immigrated to Israel in 1972. Survived by his parents, a brother, and a sister.

Andre Spitzer, 27. Fencing coach. Born in Romania. Survived by his wife and a daughter.

Moshe Weinberg, died, age 33. Wrestling coach. Born in Israel. Survived by his wife and baby.

And now I would like to say the names of the children, because I think it is so important for us to make sure that we are focusing on a very human tragedy, although an international one, certainly a very personal one, too. Shirly Shapira, Shay Shapira, Oz Shapria, Eyal Shapira, Alex Shpringer, Eugenia Shpringer, Anouk Spitzer, Shlomit Romano, Rachel Romano, Oshrat Romano, Gur Weingberg, Michal Shorr, Yael Gutfreund, Yehudit Gutfreund. These are the children. These are the real people that are affected by this.

I don't have all seven names of the widows. I would like to submit that to the RECORD, and I will work on getting those names.

I am going to read you just a couple of quotes before I yield to you. This is a comment by Shlomit Romano, 24-year-old daughter of the weightlifting coach who was killed.

"They were killed and it's over? We didn't say the word daddy once in our whole lives and nobody remembers."

To live your life without knowing your dad.

Then here is a word from Guri Weinberg. "A lot of people say I look like my dad and move like him, I talk like him. But I don't know."

He never had the chance to know his dad.

These are just two of the quotes of the children. And that registers on the heart not just of everyone here in Congress and everyone here in America, but citizens throughout the world.

Let me yield to Mr. DEAL.

Mr. DEAL. I appreciate, first of all, your bringing this to the attention of this Congress, and at this appropriate time, as these 14 children, who are really orphaned as a result of this very tragic event, have been able to come to these Olympic games that are being hosted in our State of Georgia and our capital city of Atlanta.

It is certainly appropriate I think for us all to remember these tragic events of the 1972 Olympic games, and certainly appropriate, as you have just done, to read the names of those who were tragically murdered in that event and to remember these 14 orphans who are here in the United States for these Olympic games.

As Mr. LINDER referred to earlier, I am pleased, as I know all of us are, that there will be a ceremony on July 28 at 7:30 at the Selig Center in Atlanta in which a memorial will be dedicated in memory of those who were slain in the 1972 Olympic games, the 11. It is being hosted by the Atlanta Jewish Federation, and certainly is an appropriate way of all of us remembering this particular tragedy that still has a cloud that hangs over the Olympic games, in spite of the fact that we have come very far in the years that have followed.

But we are pleased that these children are here in our country and in our home State of Georgia and in our city of Atlanta for the Olympic games, and we want them to know that those of us here, especially those of us from the Georgia delegation in Congress, have not forgotten this event, and we welcome them to these Olympic games and to our country, and we want to assure them that as this memorial is dedicated this weekend, that we will all be remembering the ones that they lost in Munich.

I thank you again for yielding me time and for bringing this matter to the attention of this body.

Mr. KINGSTON. Let me yield with pleasure to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX. Thank you, Congressman KINGSTON. I thank you for your leadership in securing this time period for Congressman DEAL, Mr. LINDER, and yourself, to highlight the importance of the tragic events of September 6, 1972, when 8 Palestinian terrorists entered the Olympic Village in Munich and killed 11 innocent athletes and coaches that represented the State of Israel. Twenty-four years later, I commend the Atlanta Jewish Federation and each of you for your part in the Israeli Olympic Committee erecting a permanent monument to the memory and the honor of these slain Olympians, who were competitors and coaches, and, like the other Olympians, wanted to participate and make a difference in this world.

Their lives were cut short tragically in a despicable display of violence that should never be repeated. The spirit of Israel and their fine athletes live on despite these tragic events, and we here in Congress will work on antiterrorism legislation. We have already passed some bills. We will also pass others that will stop these rogue states and have them be responsible for any future acts. Hopefully with our increased security here in the United States and abroad, we will make a difference, so that such tragic events and such despicable activity will never again happen at the Olympics or anywhere else.

I will continue working with each of you for peace in the Middle East, and use our diplomatic channels and peace through strength, as the new Prime Minister discussed just here in the Chamber of the House 2 weeks ago, in how working with a strong Israel and a strong America, two great democracies, we will lead the way to peace in the Middle East and assure that our future athletes, whether they be American Olympians or Israeli Olympians, surely have the security of knowing they can participate without this kind of bloodshed.

So I have to commend you as the Georgia delegation and me as an honorary member of that delegation for moving forward with this fine memorial, which is going to be a living testimonial to their efforts, their strength, and their leadership.

I yield back to the gentleman from Georgia.

Mr. KINGSTON. We thank the gentleman for joining us tonight, and we thank you for your efforts and energy that you have put into supporting the peace process in the Middle East.

You know, the sad footnote of this world tragedy is as the world went on, there were other world events, there were other plans that were high-jacked and other people that were taken hostage and there were other sad things. But getting back to the families, what they wanted, at the time the chancellor said, "Let's continue the Olympics, but let's fly the flags at half staff." A number of countries would not do that, so the mandate was lifted and flags were not flown at half staff.

Well, as respects the survivors, the families, OK. You know, it is sad, but that was not their No. 1 priority then.

But now, as these 14 children get older, there is a kind of therapeutic value to saying it would be nice if the International Olympics Committee and Juan Antonio Samaranch would acknowledge that it happened.

In a quote that I wanted to read from Mrs. Spitzer, she said:

> You know, we don't ask that they mention 11 Israelis or 11 Jews. We Jews ask that they mention the 11 athletes who came to participate in the international games with a spirit of peace and brotherhood, and went home in coffins.

What they wanted the other night in Atlanta was not even a moment of silence. They just want it to be acknowledged that these kids, these families, had come, incidentally, not on their government, but by their own paycheck, with their own money, out of pocket, had come just to mention. And they sat there disappointed as Sarajevo was mentioned, and yet, nothing. And I believe that that is why this memorial dedication in Atlanta by the Atlanta Jewish Federation on Sunday is so important, just to let them know that the world cares and that we do love them and that we do respect them.

I know, having had death in my family, that there is certain therapeutic value to rituals, certain comfort in human acknowledgment of that tragedy. The families, Mrs. Romano, Mrs. Spitzer, and the other five widows, have tried for over 20 years now, the Montreal games, Russia, Los Angeles, Barcelona, Sarajevo, now Atlanta, just for something, just to let us know. It is important.

We are spending now, and I believe it is correct, $46.5 million on security. I do not want that, and I do not think they want that, to be the only legacy of Munich. They want something a little bit more, peace.

I think it is positive that Palestine is participating in the Olympics. That shows that the peace process that we all support is moving forward. This is not trying to rehash that. This is just saying, let us move on, but you have got to acknowledge it happened.

□ 2015

Mr. LINDER. Will the gentleman yield?

Mr. KINGSTON. I will be glad to yield.

Mr. LINDER. I am pleased that the Atlanta community and Atlanta Jewish Federation is seeing fit to make a memorial to this occasion at this Olympics at this time. But how many memorials must there be? How many more opportunities to shed tears over the deaths of innocent Israelis and Jews must we have before we get real peace?

All of us who sat here in this Chamber and heard Prime Minister Netanyahu deliver probably the most bold speech I have ever heard in this Chamber since I have been here, are encouraged by his commitment to building Israel. But I have been there, and you cannot go through those streets in Jerusalem and not feel the vulnerability of this Nation and the anger of their neighbors. We should all go there, often.

How many more memorials do we need? Since the peace process began on the south lawn of the White House and the great handshake occurred, more innocent civilian Israelis have been murdered than in all the rest of the history of Israel. These brave athletes who just came to Munich in 1972 to celebrate a wonderful international experience, with their talents and their practice and their training, were gunned down, and they are only fit in a long line of those who have been gunned down in the Middle East over this very serious problem.

It is to be hoped that this effort on behalf of the Jewish community in Atlanta will lead to broader efforts across the country; that we will not begin to think that this is just one more memorial in the history of memorials but this may be the beginning of the end of memorials.

We are moving toward the process of peace in the Middle East. We have much more to go, but when they gun down innocent athletes in innocent games in the pursuit of athletic prowess and it does not get recognized, we make a mistake.

I am proud of our Jewish community in Atlanta, and I hope that other communities across the country will understand that these games are more than just games, they are opportunities to put aside anger and bitterness and fighting among parochial groups of people and begin to put together a real peace in which innocent people do not continue to die.

I congratulate the community in Atlanta for what they are doing. I hope it will be emulated across the country. I yield back.

Mr. KINGSTON. I thank the gentleman.

Mr. FOX of Pennsylvania. Will the gentleman yield?

Mr. KINGSTON. I yield to the gentleman from Pennsylvania.

Mr. FOX of Pennsylvania. In hearing Congressman LINDER speak, it does make a very poignant footnote, in that how many times and places can there be for international cooperation and international dialogue? Here we have the Olympics every 4 years. We have international associations meeting in different countries.

There was an expectation in that September 1972 in the Olympic village that the athletes of each country would be protected, would be secure, would be able to participate and meet other athletes and talk about life's dreams, but these 11 individuals from Israel will no longer have that opportunity, and their lives were snuffed out.

I am hopeful, as you are, that similar celebrations of memorial and similar events as are taking place in Atlanta on July 28 will take place in every State across this country, so that the lessons that should be taken from these tragedies will not be repeated, so that those of us who can make a difference in bringing about peace in the Middle East will make that the legacy of these heroes from Israel.

I yield back to you, Mr. KINGSTON.

Mr. KINGSTON. Mr. Speaker, it has been said that friction between nations and people and different philosophies can often be brought down by a dialogue, getting over things. There is a very touching story that happened as a consequence of the Civil War.

Atlanta was the site of probably the turning point in the Civil War when the North invaded the South and Sherman's troops were victorious and basically burned Atlanta to the ground. The highest commanding general under Sherman was a man named McPherson. He died in Atlanta, and there is a monument built to him in Atlanta, GA, that is respected by the sons of Confederates and the sons of the northern soldiers.

The story I want to tell, though, has to do with Gen. Joseph Johnston, who was defeated in Atlanta. Now years after the war, he and William Tecumseh Sherman were not buddies, but they were friends. They reconciled their differences.

When General Sherman died, his funeral was in New York. As his casket was going down the street, Gen. Joseph Johnston, southern Confederate general, took his hat off to honor his dead comrade, although on a different side of the fence. Because he did that, he later caught a cold, subsequently pneumonia, and died. On his deathbed, people said, "Why did you take your hat off for General Sherman, our arch enemy?" And he said, "Because he would have taken it off for me. The war is over."

For these family members, Munich is not over. I think it would be just and proper for the international community to acknowledge the tragedy so that they can move on and this peace process, which is so important to all of us, so important to the world balance, can go and move forward, maybe with just a little more momentum.

As I said before, let us not have the legacy to them just be increased security. Let us have the legacy to the deaths of the Munich 11 be a happier world for their children and their grandchildren through peace.

Mr. LINDER. If the gentleman would continue to yield, your bringing this to the floor tonight and your foresight to precede the celebration or the ceremony in Atlanta at 7:30 on Sunday night may be enough, it is to be hoped, to spur the Atlanta Committee for the Olympic Games to correct a wrong.

We know that this is a very large enterprise with 10,000 or 11,000 athletes and 2 or 3 million people in our city, and the world focused on it. It is understandable if some things have slipped by and not been noticed by the planners who have been working long days for long years. But it is to be hoped that perhaps your bringing this to the floor of the House and our airing the concerns of the family members, the 14 family members, about their 11 parents from the 1972 Olympics will come to their attention and will, indeed, have the opportunity, we have enough days left in this Olympics, to perhaps allow the Atlanta Committee for the Olympic Games and the International Olympic Committee to find a spot in the closing ceremonies to close the door, to give honor and credit and attention to those who tragically died 24 years ago.

I would hope that those who are watching will make contact with the committee. There is plenty of time to find a small opening in those marvelous closing ceremonies, which will be, I am certain, at least as exciting as the opening ceremonies, and perhaps we can close this door and put to rest and put to peace the concerns of these family members.

I congratulate the gentleman for bringing this to the attention of the Congress and thank him for his perspicacity.

Mr. KINGSTON. I thank the gentlemen from Georgia, Mr. LINDER and Mr. DEAL, and the gentleman from Pennsylvania, Mr. FOX, and I thank the gentleman from New York, Mr. GILMAN, for being here.

I will close with this, an old U.S. Army tradition of the rollcall. The rollcall that they have in the Army at celebrations, not celebrations but melancholy tributes, they call the roll of their fallen comrades. I will close with that, and then I want to yield the floor to the gentleman from Utah.

Berger, Friedman, Guttfreund, Halfin, Romano, Shapira, Shorr, Springer, Slavin, Spitzer, Weinberg.

Mr. GINGRICH. Mr. Speaker, I want to take this opportunity to remember the 11 Israeli Olympic athletes and coaches who were victims of terrorism on September 6, 1972, during the Olympic games in Munich, Germany.

On Sunday, July 28, 1996, the Atlanta Jewish Federation along with the Olympic Committee of Israel will host a memorial service honoring the Olympic competitors who were killed by terrorists in 1972. During this occasion, a sculpture with an eternal flame, the Olympic rings, and the names of the victims will be unveiled as a reminder of the tragedy and loss suffered on that dreadful day 24 years ago.

We remember again today the families and friends of these athletes and coaches who suffered such a terrible loss at the hands of ruthless terrorists.

Mr. ZIMMER. Mr. Speaker, I thank my colleague, Mr. KINGSTON, for arranging this special order. As the hosts of the Centennial Olympic Games, we join the world in celebrating the dedication, camaraderie, and spirit that marks these competitions. At the same time, we cannot forget the horrible tragedy that befell the 11 Israeli athletes who were slain at the hands of terrorists during the 1972 Munich Olympics. Since that time, the International Olympic Committee has been beseeched by relatives to memorialize their fates—as well as the courage and determination that brought them to Munich in the first place. Because they have not yet been successful, I would like to lend my own support to their efforts.

I would like, as well, to commend the Atlanta Jewish Federation, which has stepped in to arrange the first-ever memorial service for the 11 Israeli athletes during the celebration of the current Olympic games. They plan an evening of services and dedication of a memorial sculpture this Sunday.

As my colleagues know, I have been among those in Congress who have repeatedly warned of the threat posed by terrorists to the peace and security not only of Israel but of the world. It is my hope that we will always remember the courage and decency of those 11 Israeli athletes; that their spirit will forever prevail; and that we as a world community will do whatever lies in our power to ensure that terrorism will not prevail.

Mr. KINGSTON. Mr. Speaker, I submit for the RECORD additional information on the Munich 11 memorial:

THE MUNICH 11 MEMORIAL

On the evening of Sunday July 28, 1996, the Atlanta Jewish Federation will be hosting, on behalf of the Olympic Committee of Israel (OCI), a gala reception for representatives of the IOC, National Olympic Committees and the Israeli Olympic Team. Preceding the reception will be the first-ever memorial service for the 11 Israeli athletes and coaches who were killed by Palestinian terrorists in the 1972 Olympic Games in Munich (the Munich 11). Family members of the victims were invited by the Federation and will be in attendance for the service and the dedication of a memorial sculpture.

The three-foot sculpture, which will be unveiled for the first time at the July 28 service, incorporates an eternal flame, the Olympic rings and the names of the victims. As the Olympic rings reflect on the mirrored stainless steel base of the sculpture, the viewer will see eleven rings, symbolizing the fallen athletes and coaches. Quite literally, the mirror creates a reflection on past Olympic games, but also projects the positive image of the Olympic spirit in the future. The names of the athletes and coaches are carved into the sculpture's base in English and in Hebrew and are accompanied by their event symbols. Within the center ring will burn an eternal flame, to be lit by one of the family members of a slain athlete.

There will be a media room at the July 28 event for interviews with the family members, Israeli dignitaries and members of the Israeli team. Pre-event media clearance is mandatory for attendance.

For more information about the Israeli Olympic Team, the Israeli Olympic Team Reception or the Munich 11 Memorial, or to obtain media clearance, please contact Lynne Tobins at (404) 870–1860 or for time-sensitive inquiries, (770) 379–9439.

The Atlanta Jewish Federation, the primary fundraising, budgeting, social planning and community relations body for Atlanta's 70,000-plus Jewish community, supports over 300 social and humanitarian programs each year in Atlanta, Israel and 58 countries around the world. Remarks given by Stephen Selig, President, Atlanta Jewish Federation at the July 22 press conference held at the Israeli Consulate for the children of the Munich 11:

"I am Stephen Selig, president of the Atlanta Jewish Federation. I'd like to extend a warm welcome to the families of the Munich 11.

"This is an historical time for the Jewish community of Atlanta. Not only have we opened and dedicated the Federation's beautiful new building. The Selig Center, we have been proud to take part in the once-in-a-lifetime experience of hosting the world for the Centennial Olympic Games. The Atlanta Jewish community is also proud to do what is right—what is appropriate—for a community to do. We are stopping for a moment—amid the festivities and celebration—to remember the 11 athletes and coaches who were slain in the 1972 Munich Games.

"We join the families of the Munich 11 in their guest to keep the memory of this tragedy alive. On Sunday, July 28, the Atlanta Jewish Federation will hold a memorial service and dedicate a commemorative sculpture which will remain a permanent part of the Selig Gardens and will ensure that even as the world celebrates the triumph of the human body and spirit, it will never forget the need for vigilance against terrorism and hate. We are pleased that the International Olympic Committee has agreed to participate in this memorial service and dedication.

"I'd like to invite all members of the media to join us, so they can help us convey to the world that what happened in Munich must be properly acknowledged and never forgotten."

OLYMPIC MEDIA ALERT

IOC TO PARTICIPATE IN MUNICH 11 MEMORIAL

For the first time in 24 years, members of the International Olympic Committee will attend and participate in a memorial service and commemorative sculpture dedication for the 11 Israeli athletes and coaches killed by Palestinian terrorists in the 1972 Munich Games.

Children of victims, ACOG representatives, Mayor Bill Campbell, Israeli dignitaries and Israeli Olympic Team also to attend.

Memorial and dedication to be hosted by the Atlanta Jewish Federation, July 28, 7:30 p.m. at the The Selig Center, 1440 Spring Street, Atlanta.

Memorial attendance by invitation only. Pre-event media clearance is mandatory for attendance. Media asked to arrive between 5 and 6 p.m. for security clearance.

[From the Atlanta Journal-Constitution, July 23, 1996]

WHEN SILVER ISN'T ENOUGH TO TAKE HOME

(By Peter Kent)

In an instant, Yael Arad was transformed from a judo player into a national hero. With her silver medal in Barcelona, Arad became the first Israeli to ascend the medalists' podium.

A child of Israel—a sabra—the 29-year-old with eyes that burn with searing intensity changed the history of her nation. Arad's triumph in 1992 laid to rest the past, celebrated Israel's present and set a course for the country's athletic future.

For Arad, second place is not good enough. She returns to the judo mat today seeking what eluded her. Gold. Not for herself, but for her country and for those who died in Israel's lifelong struggle for survival.

Yizkoi is the Hebrew word for "remember." It is also the name of a Jewish prayer, a version of the Kaddish, the mourners' prayer. In one of Judaism's most moving prayers, the living honor the dead by being worthy descendants of Abraham, Issac and Jacob, proclaiming their faith and their vow to never forget. Exodus. The Diaspora. The Holocaust. Munich.

Arad was 5 years old in 1972, hardly old enough to understand the horror of the attack by Black September terrorists on the Israeli Olympic team, which killed 11 of her countrymen. As she grew, the tragedy of "The Eleven" was passed on to her as part of her nation's history.

In 1992, before leaving for Barcelona, Arad met with many of the families of the 11 Israelis who died in Munich. She dedicated her Olympic performance to their memory. Arad was determined to win a gold to honor them. It was not meant to be.

Fighting through the ranks, Arad reached the final against France's Catherine Fluery. They fought to a draw, and the judges declared Fluery the winner. At the medal ceremony, Arad wept joyous tears for what she had accomplished for Israel, bitter tears for having fallen short of her goal.

"[It] was the biggest disappointment I've ever had in my life, to lose the final," Arad said. "It's not what I wanted. I wanted to see my flag, to hear my anthem."

For Israelis, Arad's silver was as good as gold. The desert nation's 40-year Olympic drought ended. She was awarded $80,000 and was given a shiny new red Alfa Romeo. Arad went from a celebrated judo player to a sought-after celebrity for everything from talk-show spots to product endorsements. "For two or three months, I couldn't step out of my house. People hugging and kissing me in the street," Arad recalled.

More importantly, Arad's victory reforged the chain that linked Israel and the Olympics. For 20 years, to speak of the Olympics was to bring to mind Munich. Arad created a new connection, one of joy to balance against past sorrow.

"Maybe now we can say, if it is possible, that we have avenged this murder," she said at a post-medal ceremony press conference. "I think we owe it to the families and the people of Israel. We'll never forget it, but maybe today it is something that will close the circle."

This year, another tragedy struck Israel. The assassination of Prime Minister Yitzhak Rabin deeply affected Arad. After Arad's effort in Barcelona, Rabin sent her a telegram that read, "Congratulations, Israel thanks you and is proud of your performance." The two became friends as they worked together to improve funding for potential Olympians. She has dedicated her performance in Atlanta to his memory.

A sports celebrity is something of a luxury for Israel. In the 48 years since the country's creation, Israelis have had to devote themselves to the hard work of nationhood. The obligation to serve in the army comes at the moment when young men and women are at their physical prime, putting off any hopes of sports achievement. The nation needed professionals and workers in a host of economic fields more than it needed athletes in track and field.

While a new Israeli government has sparked uncertainty, Israel is prospering and at peace—for the moment at least. It can afford to indulge in the national pride that comes from winning sporting events.

As Israel prepares to celebrate its 50th anniversary. Arad symbolizes how far the country has come. A new generation of Israelis is rising to define the character and aspirations of their nation, and Arad is an inspiration. Her achievement has planted the seed of Olympic dreams in many Israeli youngsters.

And what of Yael Arad's future? There are the Yael Arad Foundation and her projects to increase private and public funding for sports. Last year, she married. It is time for her to get on with her life.

This will be Arad's last Olympics, almost certainly. Age, injury and commitments slow her down, Still, she cannot be discounted here.

"When people and children [in Israel] think about sports, they know sports are for winners," Arad said.

[From the Atlanta Jewish Time, July 19, 1996]

Munich's Cold Shadow

A surge of pride swelled through the small crowd of Jews at the Olympic Village on Sunday morning as the Israeli flag was raised. Equally, a tide of anger went through them and many others when the Olympic committee this week again refused to host an official memorial for Israeli athletes slain at the 1972 Munich games. Yet, at presstime we learned that it would be formally represented at an Atlanta Jewish Federation memorial. Our hearts go out to the children and wives of those sportsmen, many of whom are guests of our community during the games.

Also this week, the International Olympic Committee balked at Israel's last-minute complaint about a delegation from "Palestine," which indicates an independent country. IOC Director General Francois Carrard accused the Israeli government of playing politics by doing this so close to the games' start. But we weren't doing so two years ago when we called and faxed the Olympics headquarters in Lausanne, Switzerland about this matter. Mr. Carrard is simply, like the sneakiest of teflon politicians, ducking the issue.

For the record, we have no problem with a Palestinian delegation. The Palestinian Authority exists and there is an irrefutable sense of nationalism among the Palestinian people. We hope that the Palestinian Authority understands that seeing the flag here is the result of progress in the peace talks.

But for the moment, Palestine does not exist. Referring to the Palestinian movement as such is a blatant political act.

The Atlanta Jewish community is keenly aware of the emotions that the Israeli children and widows of the 1972 competitors feel about this and of being denied a memorial ceremony. We are extremely proud that our community has launched the first large effort to commemorate the tragedy that befell Israel, and by extension the Jewish people, 24 years ago.

One event will be open to the public—this Saturday morning's commemoration at Ahavath Achim Synagogue. We hope that those who cannot attend say their own prayers for Israel's fallen. The other will be a private affair at the Federation. There, a permanent memorial statue, subsequently open for public viewing, will be dedicated.

One day, perhaps, the IOC will learn that politics is not behind remembering Munich's chilled shadow on the Olympic movement and what it means to Jews. The IOC made a gross error in 1972 and the following games by not formally facing the horrors of 24 years ago. And it mocks all Jews when it accuses Israel of politics without owning up to its own version of playing that game.

[From the Altanta Journal/Atlanta Constitution, June 29, 1996]

Families Make Games Visit To Honor Slain Israelis

(By Mark Sherman)

Fourteen children and two widows of the Israeli athletes killed at the Munich Olympics in 1972 will visit Atlanta during the Summer Games to serve as a reminder of an event that Olympics officials have no plans to commemorate, Israeli Consul General Arye Mekel said Friday.

Ankie Rechess, whose husband, Andre Spitzer, was the Olympic fencing coach, and Ilana Romano, who was married to weightlifter Joseph Romano, will lead the delegation, which will take part in various events arranged by Atlanta's Jewish community, Mekel said.

The group will attend the Opening Ceremonies July 19 and participate in a synagogue service the next day, he said.

"It is important that the international Olympic community and the Olympics in Atlanta do not forget the terrible tragedy that happened within the Olympic Village some 24 years ago," Mekel said.

Palestinian terrorists invaded the village in Munich in 1972, eventually killing 11 Israeli athletes and coaches.

This year's Games have added meaning for the Israelis, because they will be the first to include a Palestinian team.

Rechess has fought unsuccessfully for Olympic recognition of the Munich massacre for the past 20 years, asking that at least a moment of silence be observed at every Olympic Games.

The International Olympic Committee's official commemorations have been dedications of artwork in Munich and at the Olympic museum at the organization's headquarters in Lausanne, Switzerland.

[From the Atlanta Journal/Atlanta Constitution]

Israeli's Moment Never Came

(By Mark Sherman)

For Moshe "Moony" Weinberg, it was a double dose of joy. He watched a mohel circumcise his newborn son, Guri, in the Jewish ritual traced back to Abraham.

The next day, he kissed his wife goodbye and joined the Israeli wrestlers he was going to coach in the 1972 Olympic Games in Munich.

"I was mad at him because he left me with this baby," his wife, Mimi Weinberg, recalled. "He said, 'I promise you, this is it,' He was right."

She and her son, now 23, heard the worshipers at Atlanta's Congregation Ahavath Achim chant the mourner's kaddish Saturday for Weinberg and his 10 teammates who were killed by Palestinian terrorists in Munich.

The Weinbergs are in Atlanta as part of a delegation of relatives of the victims of the Munich massacre, the ghastly attack that cast a pall over the 1972 Games. Two Israelis were killed in the Olympic Village dormitory, which was invaded by terrorists Sept. 5. Nine others died at the airport when a German rescue effort went awry.

The crash of TWA's Flight 800 last week, while not yet classified a terrorist attack, brought inevitable comparisons to the Munich killings, especially because the air disaster came in the days leading up to the start of the Atlanta Olympic Games.

The Israelis who traveled to Atlanta attended Friday's Opening Ceremony hoped to hear words of sorrow or remembrance or reconciliation from Olympics officials, who have never used the world stage of the Olympics to commemorate the darkest hour in the history of the Olympics.

The presence of the first Palestinian team to march in the parade of nations and take part in the Games added a poignancy that the Israelis felt Olympics officials could not, would not, ignore.

"Alas, it was not to be," Rabbi Arnold M. Goodman told the worshipers Saturday.

ACOG President Billy Payne said the Opening Ceremony would pay tribute to all past hosts of the Summer Games, including Munich. Indeed, a runner bearing a Munich flag joined other runners representing the other Olympic hosts.

And among the medal winners recognized during the ceremony was Mark Spitz, the American swimmer who captured seven medals in Munich.

In 1972, Spitz, who is Jewish, was put under heavy guard following the attack and spirited away from the city.

The Israelis sat in the stands Friday night but heard just those two references to Munich.

The IOC hews to its line that politics are not part of the Olympics. When Israel complained a week before the Games began about the Palestinian team's use of the name "Palestine," Carrard dismissed the objection as "last-minute politics" and said the IOC would not bow to such political pressure.

Ankie Rechess was in Munich in 1972, accompanying her husband, fencing coach Andre Spitzer.

Rechess, a television news reporter, has been a leader in the effort to win Olympic recognition of the massacre. "We will never forget the transformation of the world sports arena into a slaughterhouse," she said at Saturday's memorial service.

Rechess and the others initially asked for a moment of silence for the killings, which as she said, "took place within the Olympics themselves," they would have settled for any mention at all.

"They say they don't want to put politics in it," said Guri Weinberg, an actor living in Los Angeles.

But he said he felt a moment of hope Friday when IOC President Juan Antonio Samaranch mentioned rebuilding athletic facilities in war-ravaged Sarajevo, which hosted the 1984 Winter Games.

"He was talking about Sarajevo, but he couldn't say one word about athletes who were murdered?" Weinberg asked.

Before the healing could begin, there has to be some pain.

Members of the Israeli Olympic team, what was left of it, gathered at the Tel Aviv airport Sept. 7, 1972, dressed in the same white hats and blue blazers they wore in the Munich Opening Ceremony.

The occasion was the funeral of 10 of the 11 slain Israelis. One, David Berger, was buried in the United States.

Oshrat Romano was just 6 years old and so she wasn't at the funeral of her father, weightlifter Joseph Romano. He was the first Israeli killed.

"My mother went to the airport thinking she would find two coffins, of Romano and Weinberg, the two Israelis killed in the Olympic Village," Romano said. "She saw 11. She was shocked because she didn't know about the others."

Meanwhile, in Cairo, Egypt, five terrorists who died in a gunfight with German police at the airport were mourned in mosques as martyrs, according to news accounts.

The children of the Israelis grew up "under the shadow of the Olympics," Rechess said.

Most had only dim memories of their fathers and some, like Weinberg, none at all.

"I heard stories, always stories," he said. "It was always, 'Did I tell you the story?' And it was always, 'Yes, about 20 times.' As a child I didn't understand what had happened. I only knew I had a mother and no father. There was no money, and we were trying to survive. As a little kid you don't know what's going on, and then when you grow up, everyone expects you to handle it and you don't know how to handle it."

Weinberg has never visited Munich and thought for a long time before deciding to come to Atlanta. He is here, he said, because he has spent his life "living under a black veil of what happened, and you're always trying to lift it."

When President Clinton addressed American athletes Friday, he told them of a Palestinian man in the Olympic Village who said the Palestinians had a team at the Olympics for the first time because of the United States and its role in the peace process.

The entrance of the team in the Olympic Stadium was a vastly important symbolic moment for Palestinians, one that gave them a stamp of legitimacy.

The relatives of the Munich dead approached the moment with trepidation, torn between the pageantry of the ceremony and the inescapable desire to hold all Palestinians responsible for what happened to their husbands and fathers.

"You don't know how to feel," Weinberg said. "Its a weird situation."

Ultimately, he said, he feels no ill will toward the Palestinian athletes. "They didn't go kill my father," Weinberg said, his piercing blue eyes looking squarely at his questioner. "They're athletes, not politicians just like my dad wasn't a politician."

For Romano, Friday's ceremony was a chance for her and her mother and two sisters to think about her father. "We saw one team that reminded us of the pictures of our delegation in Munich."

She said she shared the ambivalence many in her group felt when the Palestinians marched around the stadium. "We felt something, but I don't know how to explain."

Then, she added, "They are one delegation like the others."

Nearby, one of her sisters held Romano's 2-year-old son, predictable restless after a long worship service.

The boy is named Asaf Yesef, his second name for the grandfather he never knew who was killed at a time when a team from Palestine was as distant as the boy's birth.

Mr. KINGSTON. Mr. Speaker, I yield the floor to the gentleman from Utah [Mr. HANSEN].

SECRETARY BABBITT'S STRAINED RELATIONSHIP WITH CONGRESS

Mr. HANSEN. Mr. Speaker, I appreciate my friend from Georgia and the kindness and courtesy he has shown me in allowing me to use part of his hour. I appreciate the sensitive nature of the issue which he has been discussing, and many folks realize that in 2002 Utah will also be a recipient of the Olympic games.

The thing I would like to discuss tonight is predicated on the idea that I chair the Subcommittee on National Parks, Forests and Land in the Committee on Resources, and I have been very disturbed, more so than in the 36 years that I have been an elected official. I have never been more disturbed with an individual as I am with the Secretary of the Interior, Mr. Bruce Babbitt. I would like to go over some of the problems that we are experiencing here in Congress in our relationship with the Secretary.

Over the last 3 years, the travels of Secretary Babbitt have been quite impressive. In fact, he has spent over 40 percent of his time in office crisscrossing this country. Many of those trips consisted of politically inspired activities of the highest order, including photo-ops and rigged roundtable discussions to get President Clinton reelected by distorting the Republican record.

Every Secretary plays politics for their President, you say? Well, this Secretary's political trips have included mistruths and distortions like no other. This has, in turn, allowed neglect of management problems at the department to fester. In some instances, it has resulted in the Secretary failing to meet his legal obligations to Congress.

In addition, it has recently come to light in press reports that the Secretary's trips in 1995, the start of his "Natural Heritage Tours," were part of an orchestrated effort engineered by the White House and its allies in the environmental community. In other words, raw politics plain and simple.

Earlier this year, while the Secretary was campaigning across the country, doing the bidding of the Clinton-Gore 1996, the Committee on Resources Chairman, the gentleman from Alaska, Mr. DON YOUNG, discovered that the Department of the Interior had failed to ask for or receive reimbursement for costs stemming from appearances by Babbitt on behalf of Democratic candidates during his travels.

Under a policy that each White House has used for decades, the Government must seek reimbursement from each campaign for that portion of the Cabinet Secretary's travel related to a political event. Yet the Department of the Interior failed to bill a single one of the campaigns or organizations until Chairman YOUNG began an investigation into the travels of Mr. Babbitt.

These costs stem from two dozen mixed trips, part political, part official, involving 35 events for campaigns or political organizations that Mr. Babbitt took in 1994 and 1995. This includes 4 organizations and 28 candidates. Virtually none of the campaigns were billed until March or April of this year.

The administration claims that as of June 15, 1996 all campaigns have reimbursed the Government. This complete collapse of the billing process resulted in at least one case, that of a gubernatorial candidate in Nebraska, where the campaign's address was no longer valid by the time the department billed it. In the real world, what kind of business could get away with not collecting money owed it for so long? This would be unheard of.

Yet, what did Mr. Babbitt and his propaganda machine do when they were caught? Listen to this. They blamed failure to reimburse campaigns on a young special assistant in the Secretary's office. Well, all I can say is, thank God Bruce Babbitt is not in charge of the Department of Defense. Imagine what kind of excuse that would be in that big organization.

Chairman YOUNG and the gentleman from California, Chairman HORN, of the Committee on Government Reform and Oversight, have asked GAO to look into what went wrong with the reimbursement process. The total cost of these trips, both political and official, have been estimated at well over $100,000, including costs of staff, meals, lodging and transportation.

He is at it again. Even as we speak, today he appeared in Portland and Eugene, OR, attacking Republicans on the Clean Water Act, a law which he has very little jurisdiction over. While Mr. Babbitt was canoeing at the taxpayers' expense today, a senior official from the Fish and Wildlife Service testified on Capitol Hill that if the $386 million maintenance backlog that has accumulated in wildlife refuges to date were the responsibility of a private company, it would be bankrupt.

☐ 2030

As if irresponsibility was not enough for Secretary Babbitt and his staff, they have, like their teachers at the White House, continued to obstruct the Committee on Resources Republican efforts to get the truth about the nature of Mr. Babbitt's travel conduct. In a letter earlier this year, Chairman YOUNG sent several follow-up questions to the Secretary regarding the reimbursement issue. Yet, Secretary Babbitt refused and continues to refuse to answer several questions posed in that letter.

Of particular importance to the American people, we believe, is his refusal to provide the chairman with documents regarding direct communications between the Secretary and the White House regarding the Natural Heritage tours.

This conduct is particularly troubling now in light of media reports which indicate Mr. Babbitt was personally involved in White House orchestrated efforts to attack Republicans on environmental issues for political purpose through creation of the Natural Heritage tours. These reports indicate that Mr. Babbitt and the President discussed the political impact of the Secretary's attacks.

Also of note is Mr. Babbitt's credibility regarding the planning of the Natural Heritage tours. For instance, Mr. Babbitt said in his March 21 letter to the chairman that the Natural Heritage tours were not planned in advance;

however, the evidence suggests otherwise. In addition to media reports, the Secretary and the staff words speak for themselves on June 12, 1995, in Inside Energy, the following was reported, "Interior Secretary Bruce Babbitt is committed to visiting various regions of the country during the coming months to make a case against the GOP-led congressional assault on environmental programs, a department spokeswoman said. Babbitt plans to travel at least twice a month on what the department is billing as a Natural Heritage Tour to talk about environmental success stories, the spokeswoman said."

In a speech on December 13, 1995, in which the Department paid to put the speech on the AP wire, the Secretary said: "On Earth Day 1995, I set out on a journey, a series of 11 Natural Heritage Tours all across this country."

"And while in the 1994 election campaign, the environment was not an issue, I can assure you, by November, 1996, in each county, State, congressional, and in the Presidential election, the environment will be right at the core of every single debate."

In the press conference a short time later, Mr. Babbitt went still further and personalized the issue. In response to a question regarding environment as a political issue, he said: "I absolutely intended to make it a political issue."

So there you have it. The Secretary admits to playing politics as he continues to state mistruths about Republican positions.

Tonight we will begin to discuss the true size of the mismanagement at the Department, the scope of the misstatements, and give a distortion-free look at the misguided policies.

Secretary Babbitt has been running around the country claiming that the Congress is engaged in some attempt to close down or auction off units of the Park System.

However, his own director of the Park Service has testified under oath, when I put him under oath, that he was unaware of any bills that would auction off or close down the park system. Further, Director Kennedy states that he was not aware of a list contrary to what the Secretary of the Interior said, about the Park System being closed.

While the 104th Congress has taken no legislative action to close down any unit of the Park System, the Secretary has already closed some areas and is considering closing numerous park areas.

Last year, while leveling unfounded attacks against Congress claiming that this budget resolution without the force of law would have closed 200 park areas, the Clinton administration announced plans to close three parks in the Washington area. Again in the fiscal year 1997 budget submittal for the Park System the administration has begun to withdraw all funding for these three park areas.

At the same time, the Secretary is considering turning over as many as 30 park areas to Native Americans. These are not small isolated park areas but some of the best known parks in the country. According to an internal National Park Service document dated November 1995, Secretary Babbitt has under consideration turning over to Indian tribes such areas as the Redwoods National Park, Great Basin National Park, and Lake Clark National Park.

Just 2 months ago in May, the Secretary turned over management of City of Rocks to the State of Idaho.

Do any of Secretary Babbitt's park closures have public support? No one really knows since none of them have been subject to public review or scrutiny.

Further, last year during the lapse in appropriations, Secretary Babbitt shut down every single concession in the National Parks and closed off access to millions and millions of persons. By comparison, bless his heart, Secretary Glickman of the Forest Service did not shut down a single concession on Forest Service lands even though he had no budget.

Well, what is clear is that they are duplicitous at best because the Secretary is so busy running around the country claiming that Congress in attempting to close parks because the Committee on Resources reported a bipartisan bill which requires a public review of the National Park System.

As further evidence of his desire of this administration and Secretary Bruce Babbitt in particular to play politics with parks and disrupt the lives of persons who wish to visit and enjoy our Federal lands, consider how the Secretary has dealt with park concessioners.

The Assistant Attorney General memorandum of August 16, 1995 provides guidance on the scope of permissible Government operations during a lapse in appropriations, including explicit detail on the process to be used in determining who are the emergency employees which should be retained on duty during a budgetary shutdown. The memorandum states that such a determination should be made on the basis of assuming the continued operation of the private economy.

The opinion goes on to State that such an assumption is the reason for determining that air traffic controllers, Federal meat inspectors, and other such personnel are emergency.

Using those criteria in the Attorney General opinion, Secretary Babbitt could permit the private businesses which operate park concessions to remain open to serve the public, and then declare those persons necessary for safe operation of the concession as emergency personnel.

That is precisely what the Forest Service has done. Not one single Forest Service ski area, resort, or even a single outfitter or guide on Forest Service land has been told to shut down. Every single one of them is open, serving the public as we debate this bill today.

Even the concessions at the Smithsonian Institution remain open on the same basis.

However, Secretary Babbitt is so driven to public disservice that not only has he shut down park concessioners, but last week he tried to get the Forest Service to close all their ski areas and other concessions fearing it would expose his unnecessary closure of park concessions. I pay strong tribute to the former Member of this body, Agriculture Secretary Dan Glickman, for rejecting those attempts by Mr. Babbitt to further disrupt the American people and attempting to serve the public in the best possible way during this difficult period.

There is one final irony to this issue of closing park concessions. Secretary Babbitt has closed these concessions primarily because he felt he did not have adequate personnel on duty to supervise their safe operations.

Yet, when we, our committee, called a dozen parks around the country during the shutdown last November, we found just as many park rangers on duty during the peak of that shutdown as there was prior to the shutdown. The only difference was that none of these rangers were serving the public because the parks had been shut down by Secretary Babbitt.

I hope this country will never again have a Secretary of the Interior so driven to public disservice as Secretary Babbitt, but as long as there is the possibility that we will have another Secretary more interested in playing politics than carrying out his duties and serving the public in the best way possible, this legislation is essential that we are working on.

Mr. Speaker, I yield back the balance of my time.

MAKING POLITICS FOR THE RICH ONLY

The SPEAKER pro tempore (Mr. CAMPBELL). Under the Speaker's announced policy of May 12, 1995, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, today the common sense of the ordinary American people came home here to the Chamber, and a fraudulent campaign reform bill was voted down by the majority of the Member of this House. It was a fraudulent bill. It was an insult. It was an insult to common sense, and I think most of the Members joined the American people in exercising some common sense.

It was a bill to make politics the province of the rich in America. Under the guise of campaign reform, we would have had advantages all given to the richest Americans while disadvantages would be compounded for the poorest. I think that the majority of the Members did not see themselves going back and facing their constituents with that kind of fraudulent construction. So common sense came home and common sense is rising from the great masses out there and more and more is beginning to infiltrate into Washington and infiltrate into this Chamber. People are beginning to understand that the mass of Americans have this quality of understanding of what is really going on.

They understand that they are in an economy which is booming for a handful of people, relatively speaking, the top 20 percent in America, while it is stagnating or even declining for the bottom 80 percent. They understand this. There is no way you can get around that with your statistics and your charts and your graphs. That cannot get you around the basic common sense understanding of the people of this Nation that the economy is locked into a number of contradictions.

They understand that something different ought to be happening. They do not know what it is, but they understand.

They understand that the Republican majority which came into power at the beginning of this session has moved in very extreme ways to make life more difficult for the average American out there. They understand this. They understand that at this point as we are nearing the end of the most active part of the 104th Congress, we still do not have a minimum wage bill. We do not have a minimum wage bill yet.

They understand something is radically wrong if you cannot increase minimum wages by 90 cents over a 2-year period from $4.25 an hour to $5.15 in a 2-year period. if we cannot do this as leaders of this great Nation in a time of great prosperity where corporate profits are higher than ever before, something is radically wrong. Common sense tells the American people something is wrong here in this Chamber.

They understand that a group of leaders who took control of Congress and chose to wage war, and I am using the Speaker's terminology, that politics is war without blood. Speaker GINGRICH has said that several times. The way this House has proceeded in the 104th Congress, it certainly is evident that there is a belief that politics is war without blood, and war is being made on the least powerful in our Nation.

The people who are the most vulnerable, the poorest, they are the victims of this war. They understand that the Republican majority first declared war on schoolchildren who needed lunches, fee lunches. Federally funded free lunches were attacked first, and the American people understand that that was the beginning of a highly visible exposure of where the mean-spirited Republican majority was coming from.

□ 2045

It was a mean-spirited act. They understood that. They understood later on when proposals were made to eliminate the Department of Education, because education is for poor people. Public education is for poor people, and for the majority of the people, the 80 percent. The preoccupation of this particular leadership in Congress is not with the 80 percent, it is with the 20 percent of the elite who can afford to to go private schools. They understand that war on the Department of Education hurt the vast majority of our people.

They understand that when you cut title I, the $7 billion Federal aid program, the only major aid program of the Federal Government that goes to elementary and secondary education, a program that impacts and has some small part of its benefits in 90 percent of the school districts in America, they understand that when you attack that kind of a program, you do not have the best interests of the average American at heart. Common sense has come home to illuminate what other people have shrouded in very complex statistics.

We have heard the majority of Republicans stand up with their charts and show how they are really not cutting school lunches. We have heard the majority stand up and say education will not suffer if you cut title I. They even went as far as to cut Head Start about $300 million. Ronald Reagan, that was one of his favorite programs. No other President since the inception of Head Start had ever proposed cuts in Head Start. In fact, as I said before, Ronald Reagan increased the Head Start budget. But this group decided to cut Head Start. The average American out there understands what this says and what revelation this is about the heart and soul of the majority in this House.

The majority of Republicans are elitists. The majority of Republicans do not represent the majority of Americans. They understand this. Of course, I think that the commonsense wisdom of the American people came home to the majority of Republicans. They retreated. They did not cut Head Start after all. They did not cut title I by $1.1 billion. They did not cut a number of education programs, including Goals 2000, in the first budget of this session. They finally backed down. The cuts are in there again for Goals 2000 and a few other programs, but there is no proposal now to cut Head Start. There is no proposal to cut title I again.

The common sense of the American people resonated, came home, and the leadership of the Republican majority understood that. They are not tampering with education anyone. There is no more talk here in this House about the eradication of the Department of Education. There is no more talk about wiping out the Department of Education. We would be the only industrialized nation or one of the only nations in the world, really, of any substance—even the developing nations have departments of education. Whereas we do not have a Department of Education as big as Japan's or as big as Germany's or as big as France's, we do not want to have that kind of centralized bureaucracy running education in all parts of the country. We are a long ways from that, and to eliminate it totally would be to go to an extreme. Maybe France, Germany, Japan, their bureaucratic structure for centralized education departments is at one extreme, but to have none would be at another extreme.

We do not spend but 7 percent of the education budget. The only percentage of the education budget that is really covered by the Federal Government at this point is 7 percent of the total amount spent on education. That means that the States and the localities finance most of the education in America. If you want to increase the Federal participation by some additional percentage, even get it up as high as 25 percent, that 25 percent Federal participation in the funding of education would still be a small percentage. The 75 percent controlled by the State governments and the local governments would mean that just as they are putting up 75 percent of the funding, they have 75 percent of the control. If you had a greater participation of the Federal Government in the funding of education, it would not mean that education is controlled by the Federal Government. It still would be controlled by the States. It would be controlled by the localities.

So we could afford to spend much more. Not only should we not be contemplating elimination of the Department of Education, we should be contemplating a greater participation in education. I think most Americans understand that.

As the members of the Republican majority have gone home and really talked about their extreme proposals in education and some other areas, the people out there with common sense have educated them. So it goes on.

We are in a period now where Medicare cuts are still on the drawing board. I cannot say that there has been a retreat; just as they have retreated from cutting Head Start, that they have retreated from cutting Medicare. No, Medicare cuts are still on the drawing boards, and most people should understand that. Medicare cuts are on the drawing board now. They are still proposing huge cuts for Medicare. At the same time, they are proposing to give back taxes to large numbers of rich people. A large percentage of the people who pay the highest taxes will get a tax cut. The tax cut and the Medicare cut are very close to each other in terms of it is robbing one in order to fund the other. That is a fact we pointed out a long time ago. It is still the case.

So common sense on Medicare still has not come home. They still do not understand that the average American knows what they are doing when they talk about great cuts in Medicare. In the name of saving Medicare from bankruptcy, they are proposing huge cuts. At the same time, they are proposing that there be huge cuts in the taxes of the richest people. They are correlated. You do not have to be a genius to make that correlation. The American people have a grasp of that, but somehow that has not come home yet. There is a need for more people to communicate with their legislators what the commonsense position is, to let them know we understand that Medicare is being threatened, still.

Medicare is little more than 30 years old. We had this past summer a birthday party for Medicare in about 10 senior citizen centers in my district. We made up a little card, which actually had the bill, a photostat of the bill, signed by Lyndon Johnson 30 years ago.

People have Medicare very much on their minds now. I hope they still remember that the fight is not over. This present Republican budget, this present Republican-controlled Congress, in their appropriations bills they are still going after Medicare. Medicare is still on the chopping block. The commonsense wisdom has not come home to the members of the majority. They still do not understand that the American people know what they are doing. You have to talk a little louder, I guess, scream a bit.

They are obfuscating the problem with medical savings accounts and all kinds of language about going bankrupt, and they are going to save us from bankruptcy. But look at it straight. I have used several times the example of the sophomore who came home from college, and he was sitting at the table, and his very ordinary working-class father was at the table, and the other kids, and the mother was there.

The sophomore wanted to show off his knowledge of philosophy. He told his father that, really, you know, there are two chickens on this table. I can prove to you, Dad, there is not one chicken on this table, there are two chickens. I can prove that to you, Dad. It is all a matter of your a priori assumptions, and if you get into the right syllogism and we move from the hypothesis to the conclusion, et cetera, and he was going on.

His father said, wait a minute, son. Hold it for a minute. If you can prove there are two chickens on this table, why don't we just eat this one, and we will leave the other one for you to eat. That is the simplest way to solve the problem. I think that kind of commonsense wisdom is out there. It is a feature of American society. There are senior citizens who understand, you are taking our Medicare money and you are moving it to give a tax cut.

There will be another example tomorrow on the floor of the House. I understand that the comp time bill that was postponed today will be up tomorrow. Comp time means compensatory time for your overtime. A better way to state what is happening tomorrow is that the same Republicans who went after the school lunch program and the Title I program, the same Republican majority that tried to cut Head Start, the same Republican majority that went after Medicare, is still going after Medicare, they now want your overtime pay. The Republicans are coming for your overtime pay. That is what the comp time bill tomorrow is all about.

Instead of paying you for your overtime, as is done in private industry and has been done for years, and the whole economy of working-class people is structured on how much overtime can I make, how much cash can I bring home in my paycheck to pay for some shoes and to pay for a new refrigerator; you have to have cash to meet necessities, it is not a luxury, where you can afford to take it in comp time, have a bank of comp time.

You work so many hours this week, so in 6 months we will give what you accumulated this week and what you accumulated next week, give it to you all in one lump sum, and you can go off in the wintertime, when the factory is slowed down and our inventory is high, we do not need you, and we will give you time off, or you can take a long vacation. But you do not have any money.

The Republicans are coming for your overtime, because if they do not pay you cash, they may set it up so their friends, the elite that already earn the highest incomes—and the people who own the factories are not making minimum wage, the CEOs of corporations who will benefit from this, they are not making minimum wage, they are making very high salaries—they are going to take your overtime, what they should have been paying you in cash, and keep it and invest it.

They can have a whole lot of things: Stocks can be bought, bonds can be bought, speculation; various things can happen with the money they normally shell out to you in overtime. In the meantime, you are left in anxiety about maybe you will get your overtime in compensatory time, maybe you will not, because there are no safeguards in this bill that is coming up tomorrow against bankruptcy. If a company goes out of business, how do you get your overtime? You just lost. You can go to court and sue, but try suing a bankrupt company.

Many corporations disappear. Small businesses, the smaller they are, the more likely they are to just disappear. All kinds of things happen with your compensatory time. There is no protection in the bill that is going to be on the floor tomorrow about that. It is just one more piece of evidence of the heartlessness of this Republican majority, the heartlessness which common sense can clearly understand. Nobody out there needs to be told that your overtime is needed to buy shoes, to buy the things that you need right now.

There is another provision that says, well, this is voluntary. If you work in private industry and you now are paid dollars for your overtime, you do not have to agree to a provision that you have to take it in comp time; instead of you taking dollars, you can take time off later on. You do not have to agree to that; it is voluntary.

Common sense will tell anybody who has ever worked in a real job that you do not confront your foreman or the owner of your company with an unpopular preference. One way to lose your job is to say, well, you want me to take overtime, but I choose not to, and law says I do not have to take compensatory time. I can take it in cash. How long will the employees who choose to take their overtime in cash last on the job, versus those who choose to cooperate with the management and take compensatory time?

You do not have to be a genius, you do not have to major in psychology, you do not have to study Machiavelli, to understand that here is a policy situation. The owner of the factory, the boss, is in a situation where if he says, "I suggest strongly that you take your overtime in comp time instead of in cash," 99 percent of the employees who need their jobs, and most people who are working, they need their jobs, they will agree, oh, yes, we will take it in comp time.

There is a provision in the bill which says that the choice of when you take your comp time has to be mutually agreed upon by the worker and the person who owns the business or who is in charge. So how many of you think that if you choose to take your comp time in July, when your children are out of school and you want to go on a vacation and you prefer the sun instead of the snow, but the inventory is such that it is to the best interests of the company to keep you working, that you are going to work out a mutual agreement whereby the company will let you go at a time which is disadvantageous to them?

When your kids are in school in January and the snow is on the ground and you cannot take the kind of vacation you want to take, but the inventory is high, the company will choose to tell you, that is the best time for you to take your comp time. If they have this kind of wisdom that they offer you, how many employees are going to argue with the management and say, no, I want my comp time in the summertime. I want to go swimming, I want to go the beach, I want to be with my kids? How many employees, for how long, will be able to take advantage of this so-called mutual agreement, this voluntary arrangement?

If we look at the bill that is going to be on the floor tomorrow, which is a revision of the Fair Labor Standards Act, the Fair Labor Standards Act, which was established by Franklin Roosevelt under the New Deal, there are a lot of provisions in there, but one provision is clear: Anybody who works more than 40 hours during the week is eligible for overtime, overtime pay. Overtime pay is time and a half. That is cash.

□ 2100

There has a lot been made about the fact that in the public sector, municipal government, State government, Federal Government, we have comp time provisions now already. Comp time provisions are there, they have always been there because the government is not in the business of earning a profit. The government does not have any extra margin. The government for various reasons is not in the same position as private industry.

People who go into government traditionally have accepted the fact that you do not have the same provisions that you have in the private sector because the government has been traditionally a more secure place to work. Security was traded for the paycheck advantage that you have in the private industry. So having the security of a long-term Government job, having the pensions that Government jobs had, having the health care plan that a Government job had, there are a number of reasons people traded off and decided not to worry about being paid in cash.

What is happening nowadays is that the municipal systems and the State governments and the Federal Government are becoming less and less secure. We are behaving more and more like private industry, so it is probably altogether fitting and proper that we change and have government pay overtime in cash. We are going the wrong direction. We are not going to give people job security. Their pensions are no safer because we are playing around with pensions in some government units. Health care we want to tamper with. If we are going to behave as the private sector behaves, then maybe everybody should be paid in cash instead of having this tradeoff where you accept the situation of comp time. But we are going the opposite direction. We are about to move in to take the overtime away from working people in an atmosphere which is hostile.

I serve on the Committee on Economic and Educational Opportunities which is responsible for this particular provision of the law, the Fair Labor Standards Act. In fact I am the ranking Democrat on the Subcommittee on Workforce Protections which is directly responsible for this piece of legislation, and there are some adjustments that probably could be made. I do not think that we should ever pour concrete over any set of rules and regulations. I do not think we should ever be so inflexible that we cannot adjust anything. But in the present atmosphere where the Republican majority has attacked working families and workers consistently since January of 1995 when they came into power, there is no reason to believe that there is a good faith glue that might help make some of the onerous provisions of this bill better. There is no reason to take anything for granted. If you do not have protections for people who are working overtime and prefer to have cash instead of comp time, if there is no way to guarantee that they have an equal choice there and that the management cannot bully them, then why go into it? If there is no way to guarantee that they are going to be able to take the comp time off when they want to or reach some kind of reasonable settlement or agreement with the management, then why go into it? Why in a period where we have a party in power operating on behalf of an elite business community which refuses to give us 90-cent increase in the minimum wage over a 2-year period, which attacks the Occupational Safety and Health Agency, Americans across the country benefit from the provisions of OSHA. That was attacked, I forgot to mention. Very early OSHA was put under attack. One-third of the budget was cut in the bill that the President vetoed. Finally they brought the cut down. There is still less funding for OSHA now than there was before the attack was launched by the Republican majority. Davis-Bacon provisions are under attack still by this Republican majority. Why in an atmosphere where the National Labor Relations Board, they proposed to cut its budget by one-third and they backed away from that but there is a cut and there are less resources now for the National Labor Relations Board than there were before. In an atmosphere where every organ of government that benefits working people is under attack, why should we accept any proposal for a good faith effort on taking away your overtime? The Republicans are coming for your overtime and you should be aware of that. Republicans are coming for your overtime. You should send a commonsense message to the Congress, Republicans and Democrats, that you understand what is going on.

I understand that the focus groups, the polling groups and all the experts that politicians pay large amounts of money to, they are reaching the conclusion that I discussed here 6 months ago, that common sense says we have a party in power that cares very little about working people. Common sense says that we have a party in power that wants to help the rich to get richer. Common sense says that the gap in the incomes of the richest Americans which has greatly increased over the last 10 years is not just some piece of statistics on a paper, it is symbolic of the kind of anxiety that American families feel. Common sense says that people who brought us streamling and downsizing, common sense says that the same people who are tampering with our pension funds in corporations, common sense says that they cannot be trusted to give us a new deal on our overtime and it benefit the workers. It will not benefit the workers. The workers are under attack and the tampering with the Fair Labor Standards Act that is being proposed tomorrow on this floor is just one more example of how the Republican majority has not gotten the commonsense message yet fully. They have gotten it in education, so they modified their approach on education cuts. But they have not understood that the average constituent out there understands that these are policies which benefit an elite minority. These policies which support streamlining, downsizing and now want to take your overtime pay, that is one more piece of money, pot of money that whey will have to invest. Your overtime pay, instead of being given to you, will be invested somewhere by the people who are already earning a great amount of money off their investments. Common sense says no. You need to communicate that.

They are getting the message slowly here in the Chamber. The vote on the Campaign Finance Reform Act says that it is coming home. Common sense is telling the legislators that you cannot swindle the American people. You cannot set up a system where the richest people are given free rein to spend as much money as they want to, to contribute to campaigns in greater numbers, and the poorest are confined to raising the money within their district. If you happen to live in a poor district, you are going to have to raise money just in that district. At least half of the funds have to come from there. There are various mechanisms which are thrown out there which look good on the surface, yet when you look behind it and you understand that the cap is being taken off the rich and they can spend more and more to influence the way our democracy works. It does not take a genius to understand that kind of swindle.

Mr. Speaker, I received a fax last time, I receive lots of faxes after the comments I make on these special orders, but the last time, it was very interesting, I received a fax from some gentleman who said in the fax, "You are a true believer. You are dangerous because you really believe in what you are saying. You are naive but you believe what you are saying." That seems to shock him that I should believe.

That night I talked about the Families First agenda and I talked about the fact that the critical problem is jobs and the companion problem is education, the two inextricably interwoven. When I came to Congress, I asked to be placed on the Committee on Education and Labor because my district needed jobs more than anything else, and I understood that they would not be able to get jobs unless they got better education and you had to mix the two.

So I was talking about jobs and education. I talked about that segment of the Families First agenda, and he said, "You really believe that stuff." Yes, I do believe it. It is not just a construct that minority leader DICK GEPHARDT put together. It is not something that is out there swinging in the wind as a slogan to attract, as bait to attract people who would vote for Democrats. It is common sense that nothing is more important at this particular juncture in our society than jobs and education, and the two go together. Nothing is more relevant than jobs and education.

I have some people in my district who talk about, you go into these special orders, what does it have to do with a poor person in your district? I have a district which is not all poor, there is some diversity, but two-thirds of the people in the district are poor. Those who are working are making minimum wage. What relevant does this speech have? Well, it has a great deal of relevance. I am concerned about jobs and the failure of our economy to create more jobs for people who are poor, who do not have education, who would have to take entry level jobs, as we call them. I am very concerned about that. I am concerned about the fact that those entry level jobs get more complicated all the time and that really if you want to help somebody to get out of poverty, they are going to have to have more education. It has a relevance to the people in my district.

The poorest parts of my district need jobs and there are ways to create those jobs, and I am concerned about the fact that what goes on down here in Washington does not address those needs. At the same time that the Republican majority was proposing to eliminate the Department of Education which would greatly hurt the people who want education back in my district, at the same time they were proposing to do that, they cut out the Department of Tourism in the Commerce Department, a very small unit. Of all the industrialized nations, we had the smallest effort going forward in terms of promoting tourism.

Tourism is a gold mine for a Nation like this which is admired throughout the world. Tourists want to come from all parts of the world. There are many municipal governments that understand this and they are working hard to attract tourists. There are many States that understand this and they are working hard to attract tourists, tourists from one part of the United States to another and tourists from overseas. Tourists are a very important part of New York City, probably the largest industry in New York City, at least the second largest. It changes. The finance sector may have the largest one year, tourism another.

But tourism is a huge industry, an industry that does not require pollution. You do not have to have big factories polluting the air. It does not require natural resources being located nearby so you can haul the iron ore and the coal and mix them together and get a product. Tourism is a very unique kind of industry which has a great growth potential in a place like New York City and most of America.

People want to see the Grand Canyon, the cities out west, small towns, all kinds of things are on the agenda for tourists within the country and tourists from outside of the country. Most people want to see America at one time in their lifetime. They cannot do it unless they belong to the middle class. The middle class groups are the only ones who have the leftover income, that discretionary income that can allow them to travel. But the middle classes across the world are increasing.

I give the example to the people in my district. It is relevant to New York residents that the tourism trade flourish, because when people come to a big city like New York, they all eat in restaurants, so the jobs in the restaurants, whether it is washing dishes or cooking, all those jobs increase; waiting tables, all those jobs increase. When people come to New York, they go to the stores and buy retail products. Those jobs increase. When they come to New York, they go to places of entertainment, small and large. Those jobs increase.

So the person in my district, whether they are uneducated and have to take an entry level dishwashing job or whether they have some skills and can take a job as a chef in a hospital, it is very relevant.

In fact, there was a young man that I have known for a long time who recently told me about his catering business. I saw him about 4 years ago and he was down and out, working hard, going to work every day, but he was depressed. Even his physical demeanor communicated depression and defeat, the same kind of defeat and depression that so many black males feel in America. There was an article in the Washington Post yesterday about suicide among black males which was astonishing, shocking, frightening. Suicide among black males has greatly increased in the last few years. I am black, I have been black all my life, born black, and in our folk culture, we swear that black folks do not commit suicide. No matter what happens, we adjust, we cope, we love life. We do not commit suicide. Well, that is just one of those pieces of folk wisdom that has gone by the way. The statistics are there, they are horrifying, large numbers of black males are committing suicide. They are depressed. Whatever the reasons, I will not go into this point, it is a subject for a later discussion.

But here is a black male in his thirties, early thirties, two kids, a wife, going to work every day, not getting anywhere, he decided to go to school, get a food handler's license, then go further, get training. Now he is a chef, a chef at a hospital.

□ 2115

In addition to being a chef at a hospital, he is developing his own catering business. The difference in the demeanor, the sunshine that comes out of his face and the change in his voice, everything is a transformation.

He is going places, his catering business is going places. He has to rent kitchens on the weekend. In New York, they have lots of people and people are always eating, so the catering business is a good business. More tourists come, of course there will be more people who have to eat, various kinds of functions. There is a future there, great future.

So what I am saying is relevant to him. The more tourists we get, the more our economy grows, the more people there are to feed in situations which require caterers. It is relevant. Everything all falls in place.

It is relevant that he had an opportunity to go to school. He had to pay for the courses himself. He chose to make that investment, but he has become a chef. Beyond being a chef, he is going to be a businessman.

I say all this to say that the person who said to me, you are a true believer, you are dangerous, and some other people say what you say on the floor of this House, this empty Chamber, is not relevant, is very relevant. It is relevant because we are in a transition period in this Nation, and what we do here in the House of Representatives and what we do in the other body, and we are not just a few people around talking, we are very powerful people.

If you look at the 100 Members of the Senate and 435 Members of the Congress, you are talking about 535 people who are like vice presidents of the world's most powerful corporation. People like to play games out there and talk about we spend too much money on our mail, we spend too much money on our phones, we rent cars for too great an expense. They like to play around the edges and like to trivialize the Members of Congress, as they do all politicians. But we are very powerful people. We make decisions which are life and death decisions.

We are at a critical period in this country where we have people in power who are making the wrong decisions, and it is important to take advantage of the opportunity at least to have a discourse, and if you can, do nothing more than point it out and verbalize it, talk about it.

I want to talk about the great mistakes that are being made. It was a mistake to talk about abolishing the Department of Education. We have backed away from that. We abolished the Department of Tourism and the tourism unit in the Department of Commerce, how small it was, has been abolished. That was a great mistake.

We are making humongous errors in not going forward to fund higher education at a higher level, escalating level. We need to be investing tremendous amounts of money in all education, and certainly in education, in higher education, but right across the board our investment in education should be escalating instead of stagnating and actually suffering cuts in many ways. We are at a period in history where if we do not take the flood, as Shakespeare said, there is a time when you have to act.

We are at a critical period where 80 percent of the population is getting more and more anxious, and some elements of the population are getting angry. Some elements of the population are committing suicide because they are bottled up in an economy and they see plenty all around them advertised on television, millionaires and CEO's making fantastic salaries.

The anxiety and the tension is unhealthy for Americans in general. People who have something now still have anxiety because they see it slipping away.

We are in a period where we need to take a bold step and say the salvation of this society is education. The salvation of this society is an explosive investment in education which will also be followed by an explosive investment in new kinds of jobs that people can qualify for.

There have been two periods in American history where we have been fortunate enough to have visionaries on the scene and listened to those visionaries long enough to let them put in place a revolutionary concept that has transformed the nature of our society.

People do not talk much about the Morrell Act. The Morrell Act created the land grant colleges in all the States. The Morrell Act guarantees that every State would have a college, a university which was committed to practical education. The Morrell Act was a revolutionary idea.

Thomas Jefferson, when he founded the University of Virginia, spoke in terms of he would like to see every State have a university, but he was in no position to act upon it.

Morrell, whose name very few people know, the act very few people know about it, created a situation where the Federal Government invested in higher education in every State of the Union. Every State has a land grant college or university. They went beyond that and gave a mission to these colleges and universities, so the universities spawned experiments in agriculture.

Experiments that took place in agriculture in the theoretical structure of the university, and then they developed agriculture experimental stations, they developed the county agents who took what the agriculture experiment stations had learned and took it out to the farmers, into the fields, and showed the farmers how to apply it, and as a result, the one place where this Nation has been unchallenged for the last few decades, nobody comes close to America in terms of its production of food. Our agriculture industry stands alone. We have the cheapest food in the world. We export food. It all started with education, folks.

Nobody understands it is not just that our soil is better than the European soil or our rain is better. There are some advantages that a few places in the country have, but we have suffered floods and famines and all the folks' problems that they suffer in other countries, but the wisdom which led to the application of the principles learned in the classroom to experimentation and then down to the actual farmer's field, that has made all the differences in the world, the Morrell Act, an act of Congress that very few people understand which transformed education in America.

In addition to agriculture, engineering is what you will find in every land grant college. Very early they went into engineering and the kind of industrialized might that Adolf Hitler had to face when America entered the war did not happen overnight. It was built up through the complex of education institutions that had been developed long before a world war was ever contemplated by any American, the Morrell Act.

Another great revolutionary act that is not given due credit is the GI bill of rights. When the large numbers of soldiers returning from the Second World War were given the right to go to school, not just to college, but also to trade schools, not just to college, but also to trade schools, and any soldier had a right to go to school and the Federal Government would pay for most of that education, that was another revolutionary act that you do not understand. Large numbers of people were interjected in our society with educations to keep building our industrial base in very sophisticated ways.

The Soviet Union never knew what hit it when it began to rival the United States in production, in achievement, scientific engineering achievement. It had to face the combination of the Morrell Act and the GI bill of rights, a massive infusion of dollars for education which produced the desired results, the massive number of educated people. We are at a period now where that kind of transition is what we need. So it is relevant.

Democrats talk about paycheck security, helping families to get the paycheck they deserve. They are not just talking about tomorrow's fight on the floor of the House to keep the Republicans from taking away the overtime cash payments for people. We are not talking just about that; we are talking about paycheck security in terms of providing for people to upgrade their skills, to get more education in this complex society.

Probably education has to be a permanent feature of the life of every family, of every person getting more education to stay up, to keep up. That is absolutely necessary. So paycheck security is relevant to everything else I have been talking about. It is relevant to keeping the Department of Education and the Department of Labor active so that they can stay on top: What kind of training do we need for the year 2000? How are we funding that so that it is not just an elite minority that gets help, not only people who are going into academic training but the guy who wants to be a chef?

There are more of them out there and they are needed. The people who want to go into electronics, we are going to need more and more people who can really fix computers, VCR's. Half the families I know who have computers will tell you they are not working or one part of it is not working, they are using only a tiny part of the capacity because part of it is not working or they cannot figure out how to work it. So there are large numbers of possible job opportunities out there for people who go into electronics and deal with these gadgets and keep up with the complications that have developed, are developing all the time.

Auto mechanics are not what they used to be. They have to be very well-educated and deal with very complex systems. You think you are talking to a physics professor sometimes when you go into a garage. This is the way things are now, the way they are going to be.

If we do not give the educational opportunities, if they are not there, we are going to have a society that is crippled, because we have great needs out there that cannot be met in terms of functions. At the same time, we have a need for people to earn a living.

The welfare bill that we passed last week, when we start talking about welfare reform now, people's eyes glaze over. Nobody wants to hear all the detailed discussions.

But the problem with the welfare bill is at the heart of the bill that calls for reform, to put people to work, is a big lie. The provisions for work are not there. The provisions for the development of jobs, the provision for job training, the provisions for child care for people who go into job training or work, they are not there.

The Congressional Budget Office has said we need $9 to $10 billion to just do what you say in that bill. The Republican bill has language, they have rhetoric in there about work and job training, but if you do what you say you are going to do, you need $10 billion more over the next 6 years. This is not the wild-eyed liberal from New York, MAJOR OWENS, talking. This is the Congressional Budget Office.

The Congressional Budget Office did not say it that way, but that there is fraud in the whole construct. Every time we hear people talk about welfare reform, they talk about putting people to work, and yet the provisions for guaranteeing that the people are given skills that they need and the competencies they need in order to match up with the jobs that are available, it is not there. The provisions for the creation of new jobs is not there.

We need lots of things in this society. There are jobs out there, there is work to be done, but if you do not pay for it, it is not a job.

The Federal Government needs to pay for the building of schools during this transition period, so a lot of people get work building schools. The Federal Government needs to pay for some of our infrastructure improvements in terms of highways and roads. More needs to be done that would provide jobs during this transition period. All of these things are necessary to make work a reality.

There are no jobs in Brooklyn. There are no jobs in my 11th Congressional District. Every time somebody announces a job, long lines of people form, and only a handful can get the few jobs that are available.

There are jobs that are being lost in my congressional district. Every hospital is laying off people. The largest employer in the 11th Congressional District in Brooklyn that I serve is a hospital. The biggest hospital in Brooklyn is Kings County Hospital. It has been in existence for more than 100 years. They are talking about closing Kings County Hospital. Thousands of people work there in many different capacities.

Do we need fewer hospitals? Maybe we do, but there is a wholesale movement on to rush into privatization of health care that is going to destroy those jobs before we are really certain as to what is going to replace them.

These are things that are happening. We need ways to train the new medical personnel if we are going to have personnel in a different setting. The people will not go away. They still have health care needs. You need new kinds of people to carry out those health care needs.

□ 2130

What I am saying is that it all holds together. What I talked about is practical. It applies to people in my district who are suffering from a lack of jobs and job opportunities. We have taken some steps in my district to combat some of the hysteria surrounding the move for privatization.

The Republican majority here in the Congress is not alone. There are Republicans in city hall in New York, there are Republicans in the Governor's chamber in New York, and because people have come alive, because common sense in New York is manifesting itself and communicating itself, we have just gone through the passage of a State legislative budget where no further cuts in tuition at any of the State colleges will take place. The City University of New York, the State University of New York, a total of more than 400,000 students, they will not have to face another tuition increase. That is a victory, because the projections were they were going to have to face new increases.

Certain hospitals projected to be closed by the Governor, one in my district, Kingsborough Psychiatric Hospital, serving 2.5 million people, the only one in the district, 2.5 million people need a psychiatric hospital. They were proposing to close it down, because the people have become aware, because common sense has said "no," they backed down. They are not closing that hospital.

So we have a check that is built into democracy. If it can operate fast enough, the common sense of the people communicates to the leaders, who are off in their own extremist dream land agenda, and the leaders, if they are listening to the people, they respond.

There is a correction. There is a need for a great correction in course. We have been pushed off course by the philosophy that politics is war without blood; have been pushed off course by the philosophy that you need to attack and eliminate a whole segment of society. We need to wipe out labor unions, organized labor, workers, the power that workers have to make decisions.

That is the wrong way to go. We need a correction. We need to recognize that we are going into a transition, and that kind of foolhardy approach, that kind of extremist approach, only moves us away from the building of a kind of Great Society that we wanted to build.

The families first agenda addresses this by trying to bring the extremists back down to earth. We talk about paycheck security, about healthcare security. Healthcare security means you have to stop tampering with Medicare. The medical savings account is a way to erode Medicare, take away the healthiest people from the pool and guaranteeing that there will be a collapse in the Medicare system, if you only have to pay for the sickest people. Healthcare security is a very vital part of the families first agenda.

Opportunity is absolutely vital. Educational opportunity, making college and vocational schools tax deductible and other ways for parents to make sure their kids get better paying jobs. Educational opportunity means that you should not have as many college students who are going back to college in the fall now facing situations which are more difficult with respect to getting loans. We want to eliminate that.

We want to latch on to the proposals that have been made by the President for tax deductibility and for tax credits related to education. We want to adopt the President's proposals about merit scholarships.

All of this is part of the understanding that we are in a transition period and we need to have a different set of priorities. We cannot pour another $13 billion into defense while we are cutting the education budget.

I want to close by saying that I am a believer. The Families First agenda, which emphasizes security, opportunity, responsibility, is a practical agenda. It is worth fighting for. It is an agenda which is humane. It is an agenda which develops human beings and promises a society which is just and fair for everybody. It is an agenda which will bring us prosperity and growth.

Prosperity and growth is directly linked to the number of people educated. Nothing is more important to our society than an educated population. The educated population has to be a healthy population. We cannot say we care about people if we are willing to take away their food stamps and to deny Aid to Families with Dependent Children.

I think most people out there do not understand that Aid to Families with Dependent Children, what is normally called welfare, is about 1 percent of the total Federal budget. More important, most people do not understand that Aid to Families with Dependent Children is part of the Social Security Act. It started with the Social Security Act, as a part of the Social Security Act. It is all under the Social Security Act. That is where Medicare is also under. Medicaid is also under the Medicaid act.

I get senior citizens that say to me, "Please don't let them touch my Social Security." There is no direct assault on what you call Social Security, your check that comes in the mail, yet. The fact that welfare in the form of Aid to Families with Dependent Children is going to cease if this bill passes and the President signs it, there will be no more entitlement for Aid to Families with Dependent Children. That is a part of the Social Security Act that has been chopped away.

That sets up the stage for more of the Social Security Act to be chopped away. We do not talk about that, but I think you ought to come to that realization. If they are willing to go after Medicare, if they are willing to transfer the dollars in Medicare to provide for a tax cut for the rich, then they certainly eventually will not mind chopping away at Social Security. Let us get ready.

If they are willing to go after young children and declare that we have no responsibility for them as a Federal Government anymore, the entitlement is gone. They are setting up a situation where the governors will be able to not only play with the dollars that are given for Aid to Families with Dependent Children, but the governors want to play with Medicaid money. There is not enough money in Aid to Families with Dependent Children, so there is a move to get their hands on the dollars in Medicaid, to take the money meant for the poor and do other things to meet the needs at the state and local level.

I am going to conclude with a little rap poem I wrote sometime ago in connection with the way we are treating children. There is a great deal of clamor about choice versus the right-to-life. I wish we would care about life for the children who are already here. This little rap poem, which I already have placed in the CONGRESSIONAL RECORD some time ago, which is called "Message From the Newborn to the Fetus." The newborn is talking to the fetus.

MESSAGE FROM THE NEWBORN TO THE FETUS

Man stay in there
The womb is where its at
Until tots slide out and breathe
The right-to-life is guaranteed
You never had it so good
Out here in America
They don't treat us
Like they promised they would
Right away at the hospital
They put us out
Cause my welfare Mom
Didn't have no clout
Stay where you are man
The womb is where its at
A smart fetus can live
Like a rich lady's cat
No food stamps for immigrants
But long picket lines protect
Our pre-birth rights
The womb they glorify
Outside they watch us die
The womb is where its at
Curled up in that nice nest
You always get the very best
But out here only fear
They'll take my entitlement
Man stay in there
Cash in on this fetus fetish
Be a hero embryo
Pro-life politicians
Offer nine months of love
But at birth's border
Immigrants from heaven
Receive a hellish shove
Until tots slide out and breathe
The right to life is guaranteed
Long protest lines protected
Our pre-birth rights
We crave the medals they gave
When we were hidden
Intimately way out of sight
The womb is where its at
Safely grow soft and fat
Immigrant school lunches are now gone
Budget cuts down to the bone
Newborns sound the trumpet
This land is littered
With ugly infant tombs
Babies must unite in battle
Make war to regain
Our wonderful respected wombs
The womb is where its at
Until tots slide out and breathe
The right-to-life is guaranteed
We appeal to the United Nations
We cry out to the Almighty Pope
The holy right of return
Is now our only hope
Man stay in there
The womb is where its at.

REVISED LEVELS OF NEW BUDGET AUTHORITY AND OUTLAYS FOR FISCAL YEAR 1997

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, I hereby submit the following revised levels of new budget authority and outlays for fiscal year 1997. These levels supersede those printed in the CONGRESSIONAL RECORD on July 10, 1996, in compliance with section 606(e) of the Congressional Budget Act. Section 606(e) of the Congressional budget Act provides for the revision of the budgetary levels established by concurrent budget resolutions and accompanying reports to accommodate additional appropriations for continuing disability reviews under the Supplemental Security Income Program. The revised levels of total new budget authority and total budget outlays printed in the RECORD on July 10 were not based on the appropriate levels in the fiscal year 1997 budget resolution conference report (H. Rept. 104–612).

For fiscal year 1997, the revised level of total new budget authority is $1,314,785,000,000 and the revised level of total budget outlays is $1,311,171,000,000.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COLEMAN (at the request of Mr. GEPHARDT) for Wednesday, July 24, Thursday, July 25, and Friday, July 26, on account of illness in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MASCARA) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.

Mr. MASCARA, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Ms. ROS-LEHTINEN, for 5 minutes, today.

Mr. SHADEGG, for 5 minutes, today.

Mr. GOSS, for 5 minutes, today.

Mr. DIAZ-BALART, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. WAXMAN, for 5 minutes, today.

(The following Member (at his own request) and to include extraneous matter:)

Mr. KANJORSKI, for 5 minutes, today.

(The following Member (at the request of Mr. GOSS) to revise and extend his remarks and include extraneous material:)

Mr. KASICH, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MASCARA) and to include extraneous matter:)

Mr. DINGELL.

Mr. CUMMINGS.

Mr. ACKERMAN.

Mr. FILNER.

Mrs. MALONEY.

Mr. DEUTSCH.

Mr. KANJORSKI.

(The following Members (at the request of Mr. GUTKNECHT) and to include extraneous matter:).

Mr. SOLOMON.

Mr. SMITH of Michigan.

Mr. FIELDS of Texas, in two instances.

Mr. SPENCE.

Mr. HOKE.

(The following Members (at the request of Mr. OWENS) and to include extraneous material:)

Mr. GINGRICH.

Mr. FOX of Pennsylvania in six instances.

Mr. GANSKE.

Mr. CALLAHAN.

Mr. RICHARDSON.

Mr. PACKARD.

Mrs. MORELLA.

Mr. LIPINSKI in two instances.

Ms. ROS-LEHTINEN.

Mr. CONYERS.

Mr. KIM.

Mr. BAKER of California.
Ms. JACKSON-LEE of Texas.
Ms. LOFGREN.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee has examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1627. An act to amend the Federal Insecticide, Fungicide, and Rondenticide Act and the Federal Food, Drug, and Cosmetic Act, and for other purposes.

H.R. 2337. An act to amend the Internal Revenue Code of 1986 to provide for increased taxpayer protections.

H.R. 3235. An act to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for 3 years, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 3107. An act to impose sanctions on persons making certain investments directly and significantly contributing to the enhancement of the ability of Iran or Libya to develop its petroleum resources, and on persons exporting certain items that enhance Libya's weapons or aviation capabilities or enhance Libya's ability to develop its petroleum resources, and for other purposes.

ADJOURNMENT

Mr. OWENS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 40 minutes p.m.), the House adjourned until tomorrow, Friday, July 26, 1996, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4316. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida; Assessment Rate [FV96-905-1 IFR] received July 24, 1996, pursuant to 5 U.S.C. 801(A)(1)(A); to the Committee on Agriculture.

4317. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, transmitting the Service's final rule—Mexican Fruit Fly Regulations; Removal of Regulated Area [APHIS Docket No. 96-053-1] received July 24, 1996, pursuant to 5 U.S.C. 801(A)(1)(A); to the Committee on Agriculture.

4318. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the Chief Financial Officers Act Report for the Federal Deposit Insurance Corporation for 1995, pursuant to 31 U.S.C. 9106; to the Committee on Government Reform and Oversight.

4319. A letter from the Chairman, Merit Systems Protection Board, transmitting a copy of a statistical report on the U.S. Merit Systems Protection Board's [MSPB] cases decided in fiscal year 1995, pursuant to 5 U.S.C. 1204(A)(3); to the Committee on Government Reform and Oversight.

4320. A letter from the Director, Office of Personnel Management, transmitting OPM's fiscal year 1995 annual report to Congress on the Federal Equal Opportunity Recruitment Program [FEORP], pursuant to 5 U.S.C. 7201(e); to the Committee on Government Reform and Oversight.

4321. A letter from the Director, Office of Personnel Management, transmitting the Office's final rule—Funding of Administrative Law Judge Examination (RIN: 3206-AH31) received July 24, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4322. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—VISAS: Passports and Visas Not Required for Certain Nonimmigrants (Bureau of Consular Affairs) [Public Notice 2415] received July 24, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4323. A letter from the Commissioner, Immigration and Naturalization Service, transmitting the Department's final rule—Adding Australia to the List of Countries Authorized to Participate in the Visa Waiver Pilot Program [INS No. 1782-96] (RIN: 1115-AB93) received July 24, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4324. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Operational Measures to Reduce Oil Spills From Existing Tank Vessels Without Double Hulls (U.S. Coast Guard) [CGD 91-045] (RIN: 2115-AE01) received July 24, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4325. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Procedures for Transportation Workplace Drug and Alcohol Testing: Insufficient Specimens and Other Clarifications [Docket OST-95-321] (RIN: 2105-AC22) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4326. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area: Boston Harbor, Spectacle Island (U.S. Coast Guard) [CGD01-96-042] (RIN: 2115-AE84) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4327. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area: Ohio River Mile 461.0 to Mile 462.0 (U.S. Coast Guard) [CGD02-96-007] (RIN: 2115-AE84) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4328. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zones, Security Zones, and Special Local Regulations (U.S. Coast Guard) [CGD 96-036] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4329. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Sail Boat Regatta, Upper Illinois River Mile 162.5, Peoria, IL (U.S. Coast Guard) [CGD02-96-005] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4330. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Cityfair Powerboat Superleague Races Ohio River Mile 603.5-604.5, Louisville, KY (U.S. Coast Guard) [CGD02-96-009] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4331. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Thunderfeet, Upper Mississippi River Mile 583.0-579.3, Dubuque, IA (U.S. Coast Guard) (CGD02-96-011] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4332. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Wonder Lake Ski Show Team, Illinois River Mile 179.5-180.5, Chillicohe, IL (U.S. Coast Guard) [CGD02-96-012] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4333. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Oquawka Shootout, Upper Mississippi River Mile 415.5-416.0, Oquawka, IL (U.S. Coast Guard) [CGD02-96-013] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4334. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Waterfest Weekend, Missouri River Mile 737.0-733.0, South Sioux City, NE (U.S. Coast Guard) [CGD02-96-014] (RIN 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4335. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Great Tennessee River Race and Jam, Tennessee River Mile 463.5-464.5, Chattanooga, TN (U.S. Coast Guard) [CGD02-96-015] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4336. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Chincoteague Power Boat Regatta, Assateague Channel, Chincoteague, Virginia (U.S. Coast Guard) [CGD05-96-044] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4337. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; City of Fort Lauderdale, FL [CGD07-96-033] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4338. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Rada Fajardo, East of Villa marina, Fajardo, PR (U.S. Coast Guard) [CGD07-96-036] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4339. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations; Key West Super Boat Race; Key West, FL (U.S. Coast Guard) [CGD07-96-037] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4340. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Pro-Tour El Morro Offshore Cup; San Juan Bay and North of Old San Juan, PR (U.S. Coast Guard) [CGD07-96-038] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4341. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Fort Myers Beach Offshore Grand Prix; Fort Myers Beach, FL (U.S. Coast Guard) [CGD07-96-040] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4342. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Riverfest, Mississippi River Mile 51.6-53.0, Cape Girardeau, MO (U.S. Coast Guard) [CGD08-96-013] (RIN: 2115-AE46) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4343. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; Ohio River, Mile 249.0-251.0 (U.S. Coast Guard) [COTP Huntington 96-007] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4344. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; San Pedro Bay, CA (U.S. Coast Guard) [COTP Los Angeles-Long Beach, CA; 96-012] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4345. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; Port Everglades, Fort Lauderdale, FL (U.S. Coast Guard) [COTP Miami-96-030] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4346. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations; Delaware Bay, Delaware River, Salem River, New Jersey (U.S. Coast Guard) [COTP Philadelphia, PA Regulation 96-016] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4347. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; San Diego Bay, CA (U.S. Coast Guard) [COTP San Diego Bay; 96-004] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee and Transportation and Infrastructure.

4348. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; San Diego Bay, CA (U.S. Coast Guard) [COTP San Diego Bay; 96-005] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4349. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; San Diego Bay, CA (U.S. Coast Guard) [COTP San Diego Bay; 96-006] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4350. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; San Francisco Bay, CA (U.S. Coast Guard) [COPT San Francisco Bay; 96-001] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4351. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations; Savannah River; Savannah, GA (U.S. Coast Guard) [COTP Savannah Regulation 96-029] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4352. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations; Savannah River; Savannah, GA (U.S. Coast Guard) [COTP Savannah Regulation 96-035] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4353. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; Cut "A" Channel, Tampa, FL (U.S. Coast Guard) [COTP Tampa 96-027] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4354. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Washington Street Caterers/Franklin Mutual Fireworks, Upper New York Bay, New York and New Jersey (U.S. Coast Guard) [CGD01-96-029] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4355. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone: Vice Presidential Visit, Boston, MA (U.S. Coast Guard) [CGD01-96-031] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4356. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone: Presidential Security Zone, New London, CT (U.S. Coast Guard) [CGD01-96-032] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4357. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone: Presidential Arrival and Departure, Liberty State Park, New Jersey (U.S. Coast Guard) [CGD01-96-036] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4358. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone: Vice-Presidential Arrival and Departure, Bowery Bay, Queens, New York (U.S. Coast Guard) [CGD01-96-038] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4359. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone: Presidential Visit, Intrepid Sea-Air-Space Museum, Hudson River, New York (U.S. Coast Guard) [CGD01-96-039] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4360. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation: Boston Inner Harbor, Boston, MA (U.S. Coast Guard) [CGD1-96-040] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4361. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation: Nantasket Beach, Hull, MA (U.S. Coast Guard) [CGD1-96-043] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4362. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation: Charles River Fireworks Display, Boston, MA (U.S. Coast Guard) [CGD1-96-044] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4363. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Patsy Wedding Fireworks, Southampton, NY (U.S. Coast Guard) [CGD01-96-052] (RIN: 2115-AA97) received July 25 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4364. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Security Zone: Presidential Visit, East River, New York (U.S. Coast Guard) [CGD01-96-060] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C 801 (a)(1)(A); to the Committee on Transportation and Infrastructure.

4365. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: American Legion Post 83 Fireworks, Branford, CT (U.S. Coast Guard) [CGDO1-96-061] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4366. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: 47th P.T. Barnum Festival, Bridgeport, CT (U.S. Coast Guard) [CGDO1-96-062] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4367. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay,. Delaware River, Salem River, New Jersey (U.S. Coast Guard) [CGD05-95-020] (RIN: 2115-AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4368. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation: Delaware Bay, Delaware River, Salem River, New Jersey (U.S. Coast Guard) [CGDO5–96–022] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4369. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay, Delaware River (U.S. Coast Guard) [CGDO5–96–023] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4370. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulation: Coos Bay, North Bend, OR (U.S. Coast Guard) [CGD13–96–017] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4371. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay, Delaware River, Salem River, New Jersey (U.S. Coast Guard) [CGD05–96–024] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4372. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay, Delaware River, Salem River, NJ (U.S. Coast Guard) [CGD05–96–027] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4373. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay, Delaware River (U.S. Coast Guard) [CGD05–96–029] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4374. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Great Egg Harbor, New Jersey and New Jersey Coastline from Great Egg Harbor Inlet to Atlantic City (U.S. Coast Guard) [COTP Philadelphia, PA Regulation—CGD05–96–035] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4375. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay, Delaware River, Salem River, New Jersey (U.S. Coast Guard) [CGD05–96–036] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4376. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware River between the Ben Franklin Bridge, Philadelphia, Pennsylvania and the Commodore Barry Bridge, Chester, PA [COTP Philadelphia, PA Regulation—CGD05–96–037] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4377. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; Chesapeake Bay, Hampton Roads, James River, VA (U.S. Coast Guard) [CGD05–96–039] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4378. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Delaware Bay, Delaware River, Salem River, New Jersey (U.S. Coast Guard) [CGD05–96–040] (RIN: 2115–AA97] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4379. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone; Chesapeake Bay, Hampton Roads, James River, VA (U.S. Coast Guard) [CGD05–96–047] (RIN: 2115–AA97) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4380. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone: Milwaukee River (U.S. Coast Guard) [CGD09–96–004] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4381. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Cinco de Mayo Fireworks Display, Williamette River, Portland, OR (U.S. Coast Guard) [CGD13–96–013] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4382. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Safety Zone Regulations: Portland Rose Festival Fireworks Display, Williamette River, Portland, OR (U.S. Coast Guard) [CGD13–96–016] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOODLING: Committee of Conference. Conference report on H.R. 1617. A bill to consolidate and reform workforce development and literacy programs, and for other purposes (Rept. 104–707). Ordered to be printed.

Mr. GOSS: Committee on Rules. House Resolution 489. Resolution providing for the consideration of the bill (H.R. 2823) to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes (Rept. 104–708). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GANSKE:

H.R. 3895. A bill to authorize amounts required to be paid by the United States pursuant to a judgment or a settlement in favor of an individual to be used to pay child support and alimony obligations of the individual; to the Committee on Ways and Means.

By Mr. BURTON of Indiana:

H.R. 3896. A bill to amend title 49, United States Code, to require the use of dogs or other appropriate animals at major airports for the purpose of detecting plastic explosives and other devices which may be used in airport piracy and which cannot be detected by metal detectors; to the Committee on Transportation and Infrastructure.

By Mr. LAZIO of New York (for himself, Mr. LEACH, Mr. BEREUTER, Mr. BAKER of Louisiana, Mr. CASTLE, Mr. WELLER, Mr. HAYWORTH, Mr. BONO, Mr. NEY, Mr. EHRLICH, Mr. CREMEANS, Mr. FOX, Mr. HEINEMAN, Mr. WATTS of Oklahoma, Mr. ENGLISH of Pennsylvania, Mr. ENSIGN, and Mr. FLANAGAN):

H.R. 3897. A bill to provide permanent authority for the insurance of home equity conversion mortgages and promote consumer education in connection with such mortgages, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. CUNNINGHAM (for himself, Mr. PORTER, and Mr. CANADY):

H.R. 3898. A bill to declare English as the official language of the United States, and for other purposes; to the Committee on Economic and Educational Opportunities, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned..

By Mr. LIPINSKI:

H.R. 3899. A bill to amend title II of the Social Security Act to provide that the waiting period for disability benefits shall not be applicable in the case of a disabled individual suffering from a terminal illness; to the Committee on Ways and Means.

By Mr. COMBEST (for himself, Mr. ROBERTS, Mr. DE LA GARZA, Mr. STENHOLM, Mr. ALLARD, Mr. BARRETT of Nebraska, Mr. JOHNSON of South Dakota, Mr. LUCAS, Mr. CHAMBLISS, Mr. THORNBERRY, Mr. EDWARDS, and Mr. TEJEDA):

H.R. 3900. A bill to amend the Agricultural Market Transition Act to provide greater planting flexibility, and for other purposes; to the Committee on Agriculture.

By Mr. CALVERT (for himself, Mr. BOEHNER, Mr. SOLOMON, Mr. STUMP, Mr. MONTGOMERY, Mr. MCCOLLUM, Mr. LEWIS of California, Mr. WALKER, Mr. MOORHEAD, Mr. HOKE, Mr. BUYER, Mr. MORAN, Mr. SAM JOHNSON, Mr. CHRISTENSEN, Mr. COX, Mr. HUNTER, Mr. MCKEON, Mr. BREWSTER, Mr. CHAMBLISS, Mr. ACKERMAN, Mr. SAXTON, Mr. KIM, Mr. ENGLISH of Pennsylvania, Mr. WATTS of Oklahoma, Mr. EWING, Mr. HORN, Mr. BONILLA, Mr. BILBRAY, Mr. HAYWORTH, Mr. LIGHTFOOT, Mr. ROEMER, Mr. BROWN of California, Mr. GILCHREST, Mr. CUNNINGHAM, Mr. RAMSTAD, Mrs. SEASTRAND, Mr. FALEOMAVAEGA, and Mr. TORRICELLI):

H.R. 3901. A bill to amend title 18, United States Code, to create criminal penalties for theft and malicious vandalism at national cemeteries; to the Committee on the Judiciary.

By Mr. DINGELL (for himself, Mr. WAXMAN, Mr. STUPAK, and Mrs. LINCOLN):

H.R. 3902. A bill to amend the Omnibus Consolidated Rescissions and Appropriations Act of 1996 to extend the date specified for the transfer of certain amounts to be available for drinking water State revolving funds from August 1, 1996, to September 30, 1996; to the Committee on Appropriations.

By Mr. DOOLITTLE:

H.R. 3903. A bill to require the Secretary of the Interior to sell the Sly Park Dam and

Reservoir, and for other purposes; to the Committee on Resources.

By Mrs. LOWEY (for herself, Mrs. JOHNSON of Connecticut, Mr. DURBIN, Mr. HOYER, Mrs. MORELLA, Mr. LEACH, Ms. PELOSI, Mr. NADLER, and Ms. DELAURO):

H.R. 3904. A bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes; to the Committee on Commerce.

By Mr. SOLOMON (for himself, Ms. DUNN of Washington, Ms. MOLINARI, Mr. JOHNSTON OF Florida, Mr. GALLEGLY, Mr. OXLEY, Mr. TATE, Mrs. CUBIN, Mr. BAKER of Louisiana, Mr. FRANKS of Connecticut, Mrs. SEASTRAND, Mr. BILBRAY, Mrs. LOWEY, Ms. PRYCE, Mr. ACKERMAN, and Mrs. FOWLER):

H.R. 3905. A bill to amend the Controlled Substances Act to provide an enhanced penalty for distributing a controlled substance with the intent to facilitate a rape or sexual battery, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BAKER of California (for himself and Ms. LOFGREN):

H.R. 3906. A bill to encourage the development and use of new and innovative environmental monitoring technology by accelerating the move toward performance-based monitoring methods, establishing target dates for implementing a new regulatory approach across all environmental programs, and for other purposes; to the Committee on Science, and in addition to the Committees on Commerce, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VOLKMER:

H.J. Res. 187. Joint resolution proposing an amendment to the Constitution of the United States relative to expenditures to affect congressional, Presidential, State, and local elections; to the Committee on the Judiciary.

By Mr. LIPINSKI (for himself, Mr. RUSH, Mr. JACKSON, Mr. FLANAGAN, Mr. HYDE, Mr. CRANE, Mr. YATES, Mr. PORTER, Mr. WELLER, Mr. COSTELLO, Mr. FAWELL, Mr. HASTERT, Mr. EWING, Mr. LAHOOD, and Mr. DURBIN):

H. Con. Res. 201. Concurrent resolution expressing the sense of the Congress with respect to the implementation by the Secretary of Transportation of exceptions to the train whistle requirement of section 20153 of title 49, United States Code; to the Committee on Transportation and Infrastructure.

By Mr. FRANKS of Connecticut:

H. Con. Res. 202. Concurrent resolution expressing the sense of the Congress that U.S. companies should acquire technology that was developed by U.S. companies from those companies instead of from their overseas competitors; to the Committee on Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 616: Mr. CUMMINGS.

H.R. 1046: Mr. OBERSTAR.

H.R. 1073: Mr. BLUMENAUER, Mr. CLINGER, Mr. REGULA, Mr. SCHAEFER, Mr. WELDON of Florida, Mr. BONILLA, Mr. LEACH, Mr. GUTKNECHT, Mr. FOLEY, Mr. BOEHLERT, Mr. METCALF, Mr. PORTER, and Mr. LEVIN.

H.R. 1074: Mr. BLUMENAUER, Mr. CLINGER, Mr. REGULA, Mr. SCHAEFER, Mr. WELDON of Florida, Mr. BONILLA, Mr. GUTKNECHT, Mr. FOLEY, Mr. BOEHLERT, Mr. PORTER, and Mr. LEVIN.

H.R. 1100: Mr. BILIRAKIS.

H.R. 1281: Mrs. LOWEY.

H.R. 2209: Mr. MANTON, Mr. DINGELL, Ms. SLAUGHTER, Mr. VISCLOSKY, Mrs. LOWEY, Mr. ORTON, and Mr. FRANKS of Connecticut.

H.R. 2244: Mr. FRANKS of New Jersey.

H.R. 2270: Mr. POSHARD.

H.R. 2421: Mr. LAZIO of New York.

H.R. 2470: Mr. CRAPO.

H.R. 2701: Mr. LAHOOD.

H.R. 2757: Mrs. CHENOWETH.

H.R. 3000: Mr. SAWYER.

H.R. 3079: Mrs. CHENOWETH.

H.R. 3207: Mr. BARRETT of Wisconsin and Mr. CRAMER.

H.R. 3492: Mr. BOUCHER.

H.R. 3512: Mr. BARRETT of Wisconsin.

H.R. 3513: Mr. BARRETT of Wisconsin.

H.R. 3521: Mr. PASTOR.

H.R. 3565: Mr. PICKETT.

H.R. 3608: Mr. WATT of North Carolina, Mr. YATES, Mr. OWENS, Mr. DELLUMS, and Mr. FATTAH.

H.R. 3710: Mr. BOEHLERT, Mr. SHAW, and Mrs. CLAYTON.

H.R. 3713: Mr. TORRICELLI.

H.R. 3748: Mr. BERMAN.

H.R. 3794: Mr. EVANS.

H.R. 3835: Mr. DELLUMS, Mr. EVANS, Mr. FROST, Mr. LEWIS of Georgia, and Mr. OLVER.

H.R. 3846: Mr. DEFAZIO, Mr. BROWN of California, Mr. LANTOS, Mr. BERMAN, Mr. PAYNE of Virginia, Mr. HALL of Ohio, Mr. WAXMAN, Mr. PAYNE of New Jersey, Mr. BEREUTER, Mr. MEEHAN, Mr. MCNULTY, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. MILLER of California.

H.R. 3878: Mr. CHRYSLER.

H.J. Res. 114: Mr. SAWYER and Mrs. MALONEY.

H. Con. Res. 63: Mr. SAXTON and Mr. KINGSTON.

H. Con. Res. 103: Mr. ACKERMAN.

H. Con. Res. 199: Mrs. LOWEY.

H. Res. 30: Mr. SHADEGG and Mr. SALMON.

SENATE—*Thursday, July 25, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. The Chaplain will now deliver the opening prayer.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious God, we begin this day praying with the psalmist, "Teach me to do Your will, for You are my God; Your Spirit is good."—Psalm 143:10. In a world of people with mixed motives and forces of evil seeking to distract us, we thank You that we know You are good. It is wonderful to know that You will our good, seek to help us know what is good for our loved ones and our Nation. You constantly are working things together for our good, arranging circumstances for what is ultimately best for us. We never have to worry about Your intentions. You know what will help us grow in Your grace and what will make us mature leaders.

Today, we want to be filled so full of Your goodness that we will know how to discern Your good for our decisions. Bless the Senators. Make them good leaders by Your standards of righteousness. Remind us that our Nation's greatness is in being good. Help us confront mediocrity at any level that keeps us from Your vision for our Nation; recruit us for the battle of ethical and social goodness. We make another verse of the psalmist our life-time motto "May goodness and mercy follow me all the days of my life and I will dwell in the house of the Lord forever." Amen.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 3540, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3540) making appropriations for foreign operations and export financing in and related programs for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McCain amendment No. 5017, to require information on cooperation with United States antiterrorism efforts in the annual country reports on terrorism.

Coverdell amendment No. 5018, to increase the amount of funds available for international narcotics control programs.

The PRESIDENT pro tempore. There will now be 30 minutes of debate equally divided on the McCain amendment No. 5017.

The able Senator from Kentucky is recognized.

SCHEDULE

Mr. McCONNELL. Mr. President, this morning the Senate will immediately resume consideration of the foreign operations appropriations bill. Under the agreement reached last night, the Senate will begin 30 minutes of debate on the McCain amendment No. 5017 regarding antiterrorism efforts. Senators can expect a rollcall vote on or in relation to that amendment no later than 10 o'clock this morning, if all debate time is used.

Additional amendments are anticipated. Therefore, Senators can expect votes throughout the session of the Senate today. The majority leader has indicated that he hopes to complete action on this bill today. I might say that I think that is entirely possible. We have a number of amendments that are anticipated to be offered that would be acceptable, and there is really no reason why we should not be able to complete this bill today. The leader then plans to turn to the consideration of the VA-HUD appropriations bill following final passage of this bill.

Mr. President, I see the Senator from Arizona here. I will yield the floor.

Mr. LEAHY. Mr. President, if the Senator from Arizona will yield. Mr. President, I wish to compliment the distinguished Senator from Arizona, who had worked with this amendment last night and could have asked for a vote last night. I asked him if he might be willing to withhold while we discussed it further with him. I know there have been some discussions. I note that because the Senator from Arizona showed his usual courtesy and cooperation, I wish to thank him here on the Senate floor.

With that, I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from Arizona is recognized.

PRIVILEGE OF THE FLOOR

Mr. McCAIN. Mr. President, I ask unanimous consent that Greg Suchan, a fellow on my staff, be granted the privilege of the floor during the discussion of H.R. 3540.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5017, AS MODIFIED

Mr. McCAIN. Mr. President, I thank the Senator from Vermont and his staff for working with us last night on this particular amendment. In accordance with the previous unanimous-consent agreement, I send to the desk a modification of my amendment.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment will be so modified.

The amendment (No. 5017), as modified, is as follows:

On page 198, between lines 17 and 18, insert the following:

INFORMATION ON COOPERATION WITH UNITED STATES ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY REPORTS ON TERRORISM

SEC. 580. Section 140 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989 (22 U.S.C. 2656f) is amended—

(1) in subsection (a)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following:

"(3) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the investigation or prosecution of an act of international terrorism against United States citizens or interests, information on—

"(A) the extent to which the government of the foreign country is cooperating with the United States Government in apprehending, convicting and punishing the individual or individuals responsible for the act; and

"(B) the extent to which the government of the foreign country is cooperating in preventing further acts of terrorism against United States citizens in the foreign country; and

(4) With respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the prevention of an act of international terrorism against such citizens or interests, the information described in paragraph (3)(B)." and

(2) in subsection (c)—

(A) by striking "The report" and inserting "(1) Except as provided in paragraph (2), the report";

(B) by indenting the margin of paragraph (1) as so designated, 2 ems; and

(C) by adding at the end the following:

"(2) If the Secretary of State determines that the transmittal of the information with respect to a foreign country under paragraph (3) or (4) of subsection (a) in classified form would make more likely the cooperation of the government of the foreign country as specified in such paragraph, the Secretary may transmit the information under such paragraph in classified form".

Mr. McCAIN. Mr. President, I thank the Senator from Vermont for his cooperation. I think we have reached an agreeable resolution to this issue, which achieves the goal I was trying to accomplish. I think it satisfies the concerns not only of the Senator from Vermont had, but also of the administration.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Mr. President, this amendment would require the Secretary of State, as part of his annual report to Congress on global terrorism, to provide information on the extent to which foreign governments are cooperating with U.S. requests for assistance in investigating terrorist attacks with Americans. The Secretary will also be required to provide information on the extent to which foreign countries are cooperating with U.S. efforts to prevent further terrorist attacks against Americans.

The recent terrorist attack in Dhahran demonstrates the importance of cooperation of other governments in investigating and preventing terrorism against Americans. The proposed amendment would of course cover terrorist attacks against Americans or U.S. interests abroad, such as the Riyadh bombing last year or the assassination of two State Department employees in Karachi. It would also cover terrorist attacks in the United States, either by foreign terrorists or domestic terrorists operating with foreign assistance. For example, if the destruction of TWA flight 800 proves to be a terrorist act—and at this time we do not know that it was—the amendment would ensure that we know whether other countries are cooperating with the United States in investigating the crash and bringing to justice those responsible.

As part of his annual report on terrorism, the Secretary of State is already required by law to report on the counterterrorism efforts of countries where major international terrorist attacks occur and on the response of their judicial systems to matters relating to terrorism against American citizens and facilities. I believe it would be very useful to add to this report important information about how foreign governments are responding to U.S. requests for cooperation in investigating and preventing terrorist attacks against Americans.

Moreover, the executive branch is already required to provide information on other countries' antiterrorism cooperation. Section 330 of the recently enacted antiterrorism bill prohibits the export of defense articles or services to a country that the President certifies is not cooperating fully with U.S. antiterrorism efforts. Such cooperation must certainly include investigating terrorists acts against Americans. If such information is reasonable and useful in the context of military cooperation, then I see no reason why similar information cannot be provided for all other countries who are not the recipients of U.S. defense equipment or services.

The State Department has expressed reservations about the earlier drafts of this amendment, which included a requirement for certification along the lines of the anti-terrorism bill. Working with the Senator from Vermont, we have addressed this concern by requiring that the Secretary's report provided information, rather than a certification.

Another concern raised by the State Department is that there may be times when other countries, for reasons of their own, might not want it made public that they are cooperating with our anti-terrorism efforts. The amendment, therefore allows the Secretary to provide this information in a classified manner when it will enhance foreign countries' cooperation.

But international terrorism is a global problem that must be addressed by the joint efforts of all civilized states. If the United States seeks the cooperation of other countries in pursuing those who commit acts of terrorism against Americans, then I believe the Congress and the American people have a right to know whether foreign governments are indeed cooperating with the United States.

Just last week, I met with the family of a young American woman, Alisa Flatow, who was killed by an Islamic Jihad truck bomb in the Gaza Strip last year. According to Alisa's father, Stephen M. Flatow of West Orange, NJ, when President, Clinton sent an FBI team to investigate the attack, the Palestinian authority refused to cooperate with the FBI. "As a result," Mr. Flatow writes in a letter to me supporting this amendment, "the people responsible for planning my daughter's death have not been apprehended."

Mr. President, I ask unanimous consent that at this point a letter from Stephen M. Flatow, of West Orange, NJ, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WEST ORANGE, NJ,
July 15, 1996.

Re H.R. 3540.
Senator JOHN MCCAIN,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR MCCAIN: It was a pleasure to meet you last Thursday on the steps of the Longworth Building. I wholeheartedly support your amendment to the Foreign Operations Appropriations Bill, H.R. 3540, as it deals with crimes against Americans in foreign countries.

Following the death of my 20-year-old daughter, Alisa, in April 1995, President Clinton ordered an FBI team to Israel and Gaza to investigate the circumstances of her murder by the Islamic Jihad. While the Israelis cooperated fully, to my family's chagrin the Palestinian Authority would not cooperate with the FBI team. As a result, the people responsible for planning my daughter's death have not been apprehended.

It seems now that for the second time the Saudis are blocking a similar investigation by Americans of a crime involving the deaths of Americans. My sympathies are with the families of the victims of terror and my prayers are for the capture and proper adjudication of the perpetrator's guilt.

I am confident that, with your perseverance, justice will be done.

Sincerely,

STEPHEN M. FLATOW.

Mr. McCAIN. Mr. President, I might add that this refusal to cooperate with the FBI is not mentioned at all in the State Department's 1995 report on international terrorism. But this is an excellent example of the type of information that I believe the executive branch should routinely provide to the Congress and to the American people.

I urge my colleagues to support this amendment. Again, Mr. President, this is not my original proposal. I would have liked to have seen a certification process. I understand the concerns raised by the Senator from Vermont and by the State Department. I am pleased as always to have the opportunity to work with him, as, clearly, this issue of terrorism transcends any party or political viewpoint.

As I said earlier in my remarks, I do not know if the tragedy of TWA flight 800 was an act of terror or not. I was pleased to note this morning, as we all were, that the black boxes were recovered, which, in the opinion of most experts, will give us the kind of factual evidence we need to reach a conclusion. But whether flight TWA 800 was an act of terror or not, the reality is that terror has now became part of the world scene and the American scene.

Any expert that you talk to will clearly state that you could not attack terrorism where the act of terror takes place. You attack it at the root and the source of the act itself. That means going to places where the training, equipping, and arming takes place. It also means obtaining the cooperation of every other civilized nation and taking whatever action is necessary to go to the source of this act of terrorism.

Mr. President, as I said, I am not drawing any conclusions, nor would I advocate any course of action, because there is a wide range of options that are open to an American President and Congress in the event that an act of terror is perpetrated on American citizens.

It is instructive to note that some years ago, when there was a bomb in a cafe in Germany, that a previous administration was able to identify the source of that act of terror. A bombing raid was mounted and successfully carried out in Libya, and since that time, Mr. Qadhafi has been rather quiet. It does not mean that Mr. Qadhafi has abandoned his revolutionary zeal, but it was certainly a cautionary lesson to Mr. Qadhafi and his friends.

I do not say that is the remedy in every case of an act of terror. I think that there are a wide range of options, such as economic sanctions and others, that are open to us. But if we do not act in response to acts of terror, and if we do not act in a cooperative fashion, then it is virtually impossible to address these acts of terror in an effective fashion.

Mr. President, I thank my colleagues, the Senator from Vermont and the Senator from Kentucky, for their assistance on this amendment.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCAIN. Mr. President, I reserve the remainder of my time.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I believe that there is strong support for the amendment of the Senator from Arizona. I know that I am one supporting it. Again, I compliment him for the effort that he has made on this.

I also understand that as a result of efforts to get some Senators back in here, that we will probably not have this vote until 10 o'clock. I know that meets the satisfaction of leadership. So I might just make a couple of general comments on the bill along the lines of what I did yesterday.

This legislation reflects the best compromise that we are able to make in the Senate in the committee and a compromise between the distinguished Senator from Kentucky and myself in this legislation. We had an effort within a very small limit and a very small allocation. The allocation itself reflected the best efforts of the distinguished chairman of the overall Appropriations Committee, Senator HATFIELD.

But I think that, Mr. President, we have to ask ourselves at some point just how long we can go down this road. No matter what the administration is, Republican or Democrat, we are going to have to face up to the responsibility of world leadership when we are the most powerful and wealthiest democracy known to history. We have seen steady cuts in the area of foreign aid. Maybe it is politically popular to go back home and talk about those cuts, but let us look at what we have with the conservative, tightfisted, anti-foreign-aid rhetoric of the Reagan administration.

President Reagan's budgets were almost 40 percent higher in foreign aid than President Clinton's. President Bush's were. Frankly, those budgets reflected reality. The rhetoric did not reflect reality. The budget reflected more reality. But we have been so caught up with the rhetoric. The rhetoric of the Reagan administration rarely reflected their spending priorities. But we have gotten so caught up with the rhetoric that we have now made the spending priorities a reality. As a result, we are not reflecting our responsibilities. Some are just pure economic sense.

If we help in the development of these other countries, that is usually the biggest and fastest growing market for our export products. We create jobs in the United States. The more exports we can create, the more jobs we create, and our fastest growing and biggest potential market is in the Third World. That is why Japan and so many other countries spend more money than the United States does as part of their budget in these other parts of the world, because they know that with the United States stepping out of that they can step in. They are creating jobs. We lose American jobs. They create Japanese jobs, European jobs, and otherwise. They probably sit there and laugh and cannot understand why we believe our own rhetoric and give up these potential jobs. But they will take them over.

Then we have another area, and it is a moral area. We have less than 5 percent of the world's population; we use more than 50 percent of the world's resources. Don't we as a country have a certain moral responsibility to parts of the world?

In some parts of the world, the annual—think about this for a moment, Mr. President—in some parts of the world, the annual per capita income of a person is less than one page of the cost of printing the CONGRESSIONAL RECORD for this debate. We have already spent in the debate this morning by 10 minutes of 10 more than the per capita income of parts of the world where we help out with sometimes 20 cents per capita, sometimes even 25 cents per capita. Are we carrying out our moral responsibility as the wealthiest, most powerful nation on Earth?

We can look at pure economic sense. It makes little economic sense to us. We lose jobs as we cut back. We lose export markets as we cut back. But we also have some moral responsibility. Most Americans waste more food in a day than a lot of these hungry countries, the sub-Saharan countries and others, will ever see on their tables. We spend more money on diet preparations in this country than most of these nations will ever see to feed their newborn children or their families.

So I ask, Mr. President, at some point when you feel good about the rhetoric of going home, Members feel good about the rhetoric of going home and talking about how they are opposed to foreign aid, they ought also to look in their soul and conscience and ask what they are doing. And, if they are not touched in their soul and their conscience, then also talk to the business people in their State and say: "We are doing this even though we are cutting off your export jobs, even though we are cutting out American jobs by doing this."

There is an interesting op-ed piece in the Burlington Free Press of July 24 by George Burrill, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, July 24, 1996]

U.S. FOREIGN AID HELPS AMERICANS AT HOME

(By George Burrill)

Of all the budget cuts enacted last year, none was more damaging than the reductions in foreign assistance. Fortunately, the hemorrhaging appears to have stopped. The Senate is now acting on the foreign operations spending bill, which will increase the funding slightly over this year's level. In James Jeffords and Patrick Leahy, Vermont is fortunate to have two senators who understand the role of foreign assistance in improving the economic security of Americans. Both serve on the appropriations subcommittee with jurisdiction over foreign operations, and both have supported the programs that helped create future markets for U.S. exports.

One poll last year showed that nearly six out of 10 Americans incorrectly believed that the U.S. spends more on foreign aid than on Medicare. In fact, the government collects only about $11 per person each year from income taxes to pay for foreign assistance.

Most people know that foreign aid can be humanitarian. But few Americans realize that 80 percent of the total foreign assistance budget is spent right here in the United States, on American goods and services—more than $10 billion in 1994. This translates to about 200,000 U.S. jobs. For example, Cormier Textile Products in Maine provided tarps for disaster relief and temporary housing in Africa.

Closer to home, I am working on a project to enhance the computer capabilities of the Egyptian parliament. What kind of computers? IBM—which has over 6,000 employees in Essex Junction.

Today, exports account for 10 percent of the entire U.S. economy—double the level of a decade ago. In 1983, the jobs of five million workers depended on U.S. exports. Today, that number has reached 12 million.

The fastest growing markets for U.S. goods and services are in the developing world. Between 1990 and 1995, exports to developing countries increased by nearly $100 billion, creating roughly 1.9 million jobs in the United States.

This increase in U.S. exports to the developing world is no accident. Most of the foreign assistance that we spend on developing countries today goes toward making them good customers tomorrow. The American economy is growing today mainly because other countries want and can afford to buy our products and services.

U.S. foreign assistance now focuses on encouraging six reforms in developing countries.

First, we encourage reform of developing countries' overall economic policy. For example, in the Czech Republic, we assisted in the transition from a command economy to a free-market system. The United States helped the Czech government create a healthy economic environment for investors, which included a balanced government budget, low inflation and low unemployment. With over 10 million mostly urban and well-educated consumers, reforming the Czech economy has meant an 11 percent increase in U.S. exports there between 1993 and 1994.

Second, we encourage developing countries to dismantle laws and institutions that prevent free trade. Guatemala now exports specialty fruits, vegetables, and flowers—and the increased buying power of Guatemalans has meant a 19 percent increase in U.S. exports there every year since 1989.

Third, we are helping to privatize state-dominated economies. This dismantling of state-run industries is an important means of attracting foreign investment. A $3 million U.S. government to investment to support privatization in the Indonesian energy sector has led to a $2 billion award to an American firm for Indonesia's first private power contract. In fact, the U.S. foreign assistance budget has enabled U.S. companies to dominate the global market for private energy.

Fourth, U.S. foreign assistance encourages developing countries to establish business codes, regulated stock markets, fair tax codes and the rule of law. Foreign assistance helps create the stable business environments that U.S. companies need in order to cooperate effectively.

Fifth, we are helping to educate a new class of consumers in developing regions. When the United States helps educate a population, we help develop the skills needed in modern economy and a solid middle class with a vested interest in seeing economic reforms succeed.

Sixth, we help build small businesses. Community-run lending programs administered by the U.S. government are expanding small businesses and increasing per capita income in many developing countries.

The United States spent relatively more on foreign economic aid in the 1960s and '70s than it does today. The economy activity we are seeing in the developing world is tightly linked to the work the U.S. government carried out 20 and 30 years ago. Although the private sector is ultimately responsible for economic growth, the government's work is critical. At the very least, our goal should be to match the mean level of total U.S. economic assistance of the 1960s—about $18 billion a year.

America is at a crossroads. We can choose to make a smart investment now or pay a steep price later. The relatively small amount of money we spend on foreign economic assistance serves as an engine for our future economic growth.

Mr. LEAHY. So, Mr. President, let us go on with this debate, as we will. As I said, I support the amendment of the distinguished Senator from Arizona. But let us understand that there are issues here beyond what might be in the applause line at a town meeting back home or at a service club meeting when you say, "By God, we are taking the money away from those foreigners and putting it right here in America." We are not doing that really. When we cut back on all our programs for development and for democracy around the world, we cut back on the potential of American jobs in export, we cut back our own security, we increase the potential that our men and women will be sent into trouble spots worldwide, but also we ignore our moral responsibilities as a country with 5 percent of the world's population using over 50 percent of the world's resources.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I ask unanimous consent to add Senator HUTCHISON and Senator COHEN as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question occurs on amendment No. 5017, as modified, offered by the Senator from Arizona [Mr. McCAIN]. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New York [Mr. D'AMATO] is necessarily absent.

Mr. FORD. I announce that the Senator from Hawaii [Mr. INOUYE] and the Senator from New Jersey [Mr. LAUTENBERG] are necessarily absent.

I further announce that the Senator from New York [Mr. MOYNIHAN] is absent on official business.

The PRESIDING OFFICER (Mr. INHOFE). Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 96, nays 0, as follows:

[Rollcall Vote No. 238 Leg.]

YEAS—96

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Faircloth
Feingold
Feinstein
Ford
Frahm
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NOT VOTING—4

D'Amato
Inouye
Lautenberg
Moynihan

The amendment (No. 5017), as modified, was agreed to.

Mr. LEAHY. I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, for the information of Members of the Senate, Senator COVERDELL has an amendment pending which we are going to lay aside and immediately go to an amendment to be offered by the distinguished Senator from Maine.

I see Senator COVERDELL is on the floor. I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, just from a housekeeping point of view from this side of the aisle, if we have Democrats who have amendments, I wish they would contact me. We want to be as cooperative with the distinguished chairman as possible and slot these in. I would be happy to go to third reading in the next 15 minutes, if we could. I do not think that is possible. But I urge Senators to move as quickly as possible if they have amendments and get them up and go forth.

Mr. McCONNELL. Mr. President, very quickly, there are 28 amendments that we are currently aware of. At least seven of those we now know we can accept. So we should be able to move along here with dispatch.

I see the Senator from Georgia is on the floor. Mr. President, I yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

AMENDMENT NO. 5018

Mr. COVERDELL. Mr. President, I ask unanimous consent to add Senator THURMOND and Senator HATCH as cosponsors to amendment No. 5018.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask for the yeas and nays on amendment No. 5018.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Coverdell amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5019

(Purpose: To promote the improvement of the lives of the peoples of Burma through democratization, market reforms and personal freedom)

Mr. COHEN. Mr. President, I have an amendment I send to the desk, and ask for its immediate consideration.

The legislative clerk read as follows:

The Senator from Maine [Mr. COHEN], for himself, Mrs. FEINSTEIN, Mr. CHAFEE, and Mr. McCAIN, proposes amendment numbered 5019.

Mr. COHEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 188, strike lines 3 through 22 and insert the following:

POLICY TOWARD BURMA

SEC. 569. (a) Until such time as the President determines and certifies to Congress that Burma has made measurable and substantial progress in improving human rights practices and implementing democratic government, the following sanctions shall be imposed on Burma:

(1) BILATERAL ASSISTANCE.—There shall be no United States assistance to the Government of Burma, other than:

(A) humanitarian assistance,

(B) counter-narcotics assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, if the Secretary of State certifies to the appropriate congressional committees that:

(i) the Government of Burma is fully cooperating with U.S. counter-narcotics efforts, and

(ii) the programs are fully consistent with United States human rights concerns in Burma and serve the United States national interest, and

(C) assistance promoting human rights and democratic values.

(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of funds of the respective bank to or for Burma.

(3) VISAS.—Except as required by treaty obligations or to staff the Burmese mission to the United States, the United States shall not grant entry visas to any Burmese government official.

(b) CONDITIONAL SANCTIONS.—The President shall prohibit United States persons from new investment in Burma, if the President determines and certifies to Congress that, after the date of enactment of this act, the Government of Burma has physically harmed, rearrested for political acts, or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the democratic opposition.

(c) MULTILATERAL STRATEGY.—The President shall seek to develop, in coordination with members of ASEAN and other countries having major trading and investment interests in Burma, a comprehensive, multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Law and Order Restoration Council (SLORC) and democratic opposition groups within Burma.

(d) PRESIDENTIAL REPORTS.—Every six months following the enactment of this act, the President shall report to the Chairmen of the Committee on Foreign Relations, the Committee on International Relations and the House and Senate Appropriations Committees on the following:

(1) progress toward democratization in Burma;

(2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and

(3) progress made in developing the strategy referred to in subsection (c).

(e) WAIVER AUTHORITY.—The President shall have the authority to waive, temporarily or permanently, any sanction referred to in subsection (a) or subsection (b) if he determines and certifies to Congress that the application of such sanction would be contrary to the national security interests of the United States.

(f) DEFINITIONS.—

(1) The term "international financial institutions" shall include the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Asian Development Bank, and the International Monetary Fund.

(2) The term "new investment" shall mean any of the following activities if such an activity is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a non-governmental entity in Burma, on or after the date of the certification under subsection (b):

(A) the entry into a contract that includes the economical development of resources located in Burma, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract;

(B) the purchase of a share of ownership, including an equity interest, in that development;

(C) the entry into a contract providing for the participation in royalties, earnings, or profits in that development, without regard to the form of the participation;

provided that the term "new investment" does not include the entry into, performance of, or financing of a contract to sell or purchase goods, services, or technology.

Mr. COHEN. Mr. President, this is one of the so-called Burma amendments. I will take a few moments to explain the nature of what I am seeking to achieve.

I am offering this amendment on behalf of myself, Senator FEINSTEIN, and Senator CHAFEE, and Senator McCAIN. Let me begin, Mr. President, by stating that nothing that we do or say on the floor of the Senate today is going to magically bring democracy, freedom and prosperity to the long-suffering people of Burma.

Burma's history, since gaining independence after World War II, has been a series of oppressive regimes unable to set the Burmese economy on its feet, unwilling to grant the peoples of Burma the democracy and justice that motivated their heroic struggle for independence in the years leading up to the British withdrawal.

When decades of isolation and economic mismanagement gave way in the late 1980's to a transitional period under military rule, there was a slight glimmer of hope that Burma might finally be moving toward a more bright and democratic future. But stolen elections, student riots, and the jailing of democratic politicians, including the Nobel Prize winning leader of the democracy movement, Aung San Suu Kyi, soon made clear freedom's day had not yet arrived for Burma.

Over the past 5 years, Burma's military junta, the State Law and Order Restoration Council, or SLORC, as it is called—its acronym—has pursued policies of economic restructuring, leading to economic growth. But its continued oppressive tactics and the oppression of the forces of democracy, the use of conscripted labor, and the quest to pacify ethnic unrest in various parts of the country have all brought us to where we are today.

Mr. President, the amendment that I am offering seeks to substitute language that the Foreign Operations Subcommittee has offered in this bill.

While I disagree with the subcommittee's approach to the issue, I would like at this time to pay personal recognition to Senator McCONNELL for his longstanding dedication to the issue of Burmese freedom. It is an issue little discussed in the Senate until recently. I think that the considerable attention the issue now receives owes a great deal of credit to Senator McCONNELL's persistence to this issue. So I want to commend him for his untiring efforts, drawing our attention to this issue.

I want to also recognize Senator McCAIN and Senator KERRY of Massachusetts for their sustained involvement in the debate over America's Burma policy.

Mr. President, the choice today is not whether the subcommittee's approach or the one that I am offering in this amendment is going to turn Burma into a functioning democracy overnight. Neither will accomplish that. And it is not a question of who is more committed to improving the lives of the Burmese people or who has greater respect for the tireless eloquence and courage of Aung San Suu Kyi. All of us involved in this matter respect Suu Kyi immensely and share her aspirations for a democratic and prosperous future for the Burmese people.

But the question is, does the approach laid out by the subcommittee increase America's ability to foster change in Burma and strengthen our hand and allow the United States to engage in the type of delicate diplomacy needed to help a poor and oppressed people obtain better living standards, political and civic freedoms, and a brighter future as a dynamic Asian economy—one of the next of the so-called Asian Tigers?

I think, Mr. President, with all due respect, the answer is no. By adopting the subcommittee language the Senate will be sending the follow message:

That the United States is ready to relinquish all of its remaining leverage in Burma;

That America is shutting every door and cutting off all of its already-depleted stake in Burma's future;

That the Congress is ready to further bind the hands of this and any future administrations, taking away those tools of diplomacy—incentives, both in a positive and negative sense—which are crucial if we are ever going to hope to effect change in a nation where our words and actions already carry diminished clout.

All of us deplore the behavior of the Burmese junta. We all sense the plight of the Burmese people. We know the United States must support the forces of democratic change in Burma. I fully support the appropriation in this year's foreign operations bill to aid the democrats in the struggle.

I think we have to recognize the reality of the situation in Burma and our influence over there. Burma is not identical to previous situations in which the United States has successfully pressured governments who are antithetical to our values of democracy and freedom.

First, let me say Burma is not South Africa. Burma is not South Africa. Back in the 1970's and 1980's, the oppressive nature of the apartheid regime in South Africa led the Senate to impose heavy sanctions and isolation to end the regime. In order to do that, we had the support of not only our Western European allies but of the frontline nations, those surrounding South Africa, who also lent their support and joined in the effort to bring an end to apartheid.

Unlike South Africa in the 1970's and 1980's, Burma is not surrounded by nations ready to shun it. As a matter of fact, Burma's neighbors and other states in the region reject the view that isolating Burma is the best means to encourage change. They are pursuing trade and engagement, and will do so regardless of what we do or say. Those nations over there who are closest and in closest proximity are maintaining their relations with Burma, seeking to bring about change over a period of time. Isolating Burma is simply not going to work, and we will not have the support of our allies. We will not have the support of our Asian friends.

Second, Burma is not Iran. Do not make that comparison to Iran. The Revolutionary Islamic Government of Iran is known as a sponsor of terrorism and promoter of sectarian unrest throughout the Middle East and beyond. Not only does Iran flout the rights of its own citizens, it sponsors international terrorism, works to undermine neighboring governments and pursues the development of nuclear weapons. As a result of this, Iran is largely a pariah state. While we might have disagreements with our friends and allies around the world regarding our Iranian policy or our policy toward Iran, there is general recognition that the revolutionary government there is pursuing policies contrary to the interests of regional stability and peace.

There is no such consensus on the Burmese junta. While many of their neighbors express irritation about the refugee flow caused by the SLORC's ongoing battles with the various ethnic groups, they view the efforts to oust SLORC as a threat to peace and stability in the region. The subcommittee's proposal will not make American policy more effective or make possible a more cooperative policy or regional consensus in dealing with SLORC.

Let me say that Burma is not China. I do not happen to be a particular supporter of the Clinton administration's China policy in general. A central tenet of the policy is that the United States can threaten sanctions on Chinese exports to the United States in order to convince the government of Beijing to live up to its agreements. We have had a longstanding debate over our policy with respect to China. I know many people might disagree with the administration's proposal.

I recall, for example, when President Bush was in the White House, there was strong opposition coming from the Democratic side to having anything to do with China, because we wanted to impose sanctions because of their terrible record on human rights. I recall many Members stood on this floor and talked about the butchers of Beijing, kowtowing to the Chinese, and imposing this policy of sanctions. President Clinton, when he was candidate Clinton, adopted that policy. Then, when he took office, he saw it was not going to work. We did not have the support of our allies. We did not have the support of our other friends in Asia.

So the administration changed its policy toward China, and it is because of that we have some leverage; we have considerable leverage because the Chinese export many billions of dollars of goods to this country. So now, by engaging the Chinese, we are able to exercise some influence in some areas of concern to the United States, including human rights, but also with respect to our intellectual property rights, which we feel have been violated time and time again.

So we cannot compare this to China because we do not have that kind of policy leverage over Burma. We do not have the kind of export-import relationship with Burma that we have with China, so we do not have the leverage to help in bringing about change.

For all of the reasons I am suggesting, it is important we create a Burma policy in tune with the realities of Burma today and not the examples of South Africa, Iran or China. The alternative that I offer today sets a course for a coherent American Burma policy which upholds our values and, at the same time, expresses our interests in regional stability. It does, however, make American values and interests clear in a way that gives the administration flexibility in reacting to changes, both positive and negative, with respect to the behavior of the SLORC.

In addition, I hope that the amendment I propose would not only allow for exceptions to the subcommittee's proposal, but I want to create some conditionality here, Mr. President. I propose to allow exceptions to the policy of no assistance to Burma in three critical areas.

First, humanitarian assistance: We do not want to impose sanctions that are basically going to be directed against the people, the Burmese people. That is only going to impoverish them more. So I would have no sanctions across the board in terms of including humanitarian assistance.

Second, there is an exception for counternarcotics effort. The counternarcotics provision, I think, is important, because, as Senator MCCAIN has pointed out on so many occasions, the real victims of a failure to crack down on the narcotics trade in Burma are the millions of Americans who are harmed, both directly and indirectly, by our Nation's epidemic drug abuse.

Burma is estimated to be the source of two-thirds of the world's production of heroin. So, does it make sense for us to eliminate all efforts to have a counternarcotics program in Burma? Are we not serving our national interests by at least maintaining some policy consistent with trying to stop the flow, interdict the flow, find other alternatives for the Burmese people to replace their crops with other types of crops?

My amendment would allow a limited counternarcotics effort in Burma. It is certified to be in our national security interests in accord with our human rights concerns.

The subcommittee's bill would prohibit all counternarcotics efforts in Burma. My amendment would not end the flow of heroin, but I think at least it does not throw in the towel in an effort to stem that poisonous stream. The amendment I offered recognizes that, to be effective, American policy in Burma has to be coordinated with our Asian friends and allies. This is not the case of the unilateral actions offered by the subcommittee.

Mr. President, I have traveled in recent years throughout Southeast Asia, and I have discussed foreign policy, certainly, with many of the leaders there. Frankly, they do not see eye to eye with our policies. That does not mean that we have to necessarily conform our policies to the way in which they view the situation in Burma, but it does mean that we should look on each and every occasion to consult with and, when possible, cooperate with the other nations of ASEAN, if we hope to effect change in Burma.

It seems to me that we can get on the floor, point to the oppression of the Burmese junta, and we can satisfy ourselves that we are seeking to punish them. But if, in fact, we do not have the support of our allies, and we do not have the support of those neighbors in the region friendly to us who are seeking to work us with on a multilateral basis, then we can stomp on this stage here and produce no visible effect or improvement on behalf of the Burmese people.

Burma is located in one of the most dynamic regions of the world. It is the most dynamic region of the world. I suggest, Mr. President, that we have seen the flowering of democracy and freedom in parts of the world where values were quite alien to those that we support. We have seen developments, for example, in South Korea and Taiwan that have proven democracy can evolve out of formally authoritarian regimes. The same thing can happen in Burma. The best way to do that is to adopt a policy which gives the President some tools to influence the situation. The subcommittee's proposal is all sticks, no carrots. What we seek to do is give the President some limited flexibility to improve the situation on behalf of the Burmese people.

I hope my colleagues will recognize this is not an effort to contradict what the subcommittee seeks to achieve, but rather provides the President with flexibility. It does not matter whether you support this President or not.

Someone asked me whether or not I was carrying the water of the administration. Let me say, Mr. President, I have never considered myself to be a waterboy for anybody. I have never carried water for any administration, if I thought it was simply seeking to accommodate the administration. I think there is only one team. There is not a Republican or Democratic team; there is only one team when it comes to foreign policy. We all ought to be on the same side.

We ought to try to develop a bipartisan approach to foreign policy. I am not seeking to carry the water of the administration, any more than I have in the past, when I was accused of not acting on behalf of an administration. What we need to have is a policy which this President or, what I hope to be President Dole after the next election, has the flexibility to achieve the goals that we all desire, and that is the promotion of democracy and humanitarian relief.

Mr. McCONNELL. I thank my colleague from Maine for his thoughtful presentation.

I know there are some others on the floor who would like to speak. Let me make a few observations here at the outset of the debate. My good friend from Maine mentioned that we had consulted with leaders in the area. The one leader that we have not consulted with is the duly elected leader of Burma, Aung San Suu Kyi. Her party won 82 percent of the vote in 1990. She is the legitimately elected head of a Burmese Government that has not been allowed to function. It has not been allowed to function because the State Law and Order Restoration Council simply disallowed the election, put her under house arrest until July 1995, and she still effectively is in that state. They say she is not under arrest anymore, but, in fact, she stays at home most of the time. That is the safest place to stay. She has to sort of smuggle out messages to the rest of the world.

So the one leader we have not consulted, Aung San Suu Kyi, has an opinion about the proposal in the foreign operations bill. The duly elected leader of Burma, receiving 82 percent of the vote, thinks that the approach in the underlying bill is the way to go. Maybe the other people in Indonesia, Korea, Philippines, and other places do not think it is the way to go, but the one who won the election, the Western-style supervised election in 1990, thinks that the only thing that will work are sanctions.

Mr. JOHNSTON. Will the Senator yield at that point?

Mr. McCONNELL. Not yet. Mr. President, let me say that in terms of the pain to American business, there are only two companies, both of them oil companies, that are in there and plan to stay. Everybody else is pulling out. One oil company decided not to deal with this regime. Eddie Bauer pulled out, and Liz Claiborne pulled out. The retailers do not want to have anything to do with this crowd, which exists for the sole purpose of terrorizing its own citizens. They have a 400,000-person army, armed to the teeth, not because of any expansionist goal, but to suppress and abuse their own citizens. That is all they do. So if you want to do business in Burma, you cut a deal with the State Law and Order Restoration Council and you enrich them.

So in terms of the pain to American business, if this sanctions measure went into effect, it would affect only two companies—not like South Africa, in which my friend and colleague from Maine supported the South African sanctions bill, as did I. My friend from Maine voted to override the President's veto, as did I. A lot of others did, too, a good number of Senators who are still in the Senate on both sides of the aisle. That was actually a painful decision because there was a lot of American investment in South Africa that had to pick up and leave. There is no question about whether South African sanctions worked. They worked. Now, I know there is a feeling around here on the part of some that sanctions never work. The truth of the matter is that sometimes they do and sometimes they do not. We have to pursue these issues one at a time, in a pragmatic way, and consider what is appropriate in a given country.

I say to my friend from Maine, and others, that we did not start proposing unilateral sanctions the first year. I have been working on this issue for a couple of years, most of the time sort of by myself, because there are no Burmese-Americans to get us all interested in this. America is a melting pot, and a lot of Americans who came from other places get interested in foreign assistance bills. Whether they are Jewish-Americans, Ukrainian-Americans, Polish-Americans, they take an interest, or Armenian-Americans. There are not many Burmese-Americans. So this issue has not been on the radar screen here. But, as a practical matter, this is one of the most, if not the most, because it ranks up there with North Korea, repressive regimes in the world.

It has been 6 years since the election. The Bush administration did not pay any attention to the election, and neither is the Clinton administration. The problem I have with the proposal of my friend from Maine—and I know it is well-intentioned and popular with the other countries in ASEAN—is that I do not think it will have any impact, I say with all due respect, because the present administration has shown no interest in doing anything significant.

As I understand the proposal of my friend from Maine, it would, in effect, mean increasing aid to SLORC, since the Senate voted 50 to 47 in November to put off aid for narcotics. We all understand that the American interest in Burma is not because we have a lot of Burmese citizens; it is because we have a lot of Burmese heroin. If you wanted to look at it from a purely domestic point of view, that is the interest in Burma.

So I guess the question is whether there would be a serious narcotics enforcement effort by this crowd running Burma.

Mr. LEAHY. If the Senator will yield, I think I know the answer.

Mr. McCONNELL. I yield for a quick observation.

Mr. LEAHY. I think it would be safe to say that if past performance is any indication—and I think it is an indication —there would not be any help in stopping the heroin traffic by the group that runs it. I think the indication is that a number of them are benefiting very directly from this heroin traffic, as the Senator from Kentucky has pointed out before.

Mr. McCONNELL. The Senator from Vermont is right on the mark. Since SLORC seized power, opium production has doubled and seizures dropped 80 percent. The warlord, Khun Sa, has had a complete safe haven. That is the kind of cooperation we are getting from the State Law and Order Restoration Council, which runs Burma with an iron hand.

Now, some will suggest that unilateral sanctions are a radical step. Well, there is precedent for it, and my friend from Maine mentioned some of the other countries. In many of them, we subsequently had help from others. I think it is reasonable to assume that if the United States takes the lead, we will not be alone. We will not be alone. Things are beginning to stir in the European Union, the European Parliament, and European companies. Two European companies pulled out just in the last week or so. So the movement is beginning.

If America will lead, there will be a lot of followers, not initially with ASEAN, I agree with my friend from Maine. They have the biggest investment there. I can see why they do not want to change the status quo. They are doing just fine. It is probably a lot easier for countries that do not have huge investments there to choose not to invest if they do not already have big investments. Certainly, it is not going to be much of a hit to U.S. business to take this step. But it is a beginning. It is a beginning.

We have pursued unilateral sanctions against Libya, Iran, and Cuba. So we have done this before. It is not completely unique. It is not a radical step. It has been 6 years, Mr. President, since the election over there—6 years of terrorism and murder, and the ASEAN countries are doing business and everybody else is ignoring it.

It seems to me, at this point, it is not reasonable to assume that this sort of constructive engagement is going to improve. There has been no improvement—none in 6 years. First, the Bush administration and then this administration either (a) has ignored the problem or (b) tried to engage in constructive engagement.

There are plenty of other Senators who would like to speak. I just wanted to lay out for the Senate, as we begin the debate, what the committee position suggests is not a particularly radical step. This is truly one of a handful of pariah regimes in the world. If the United States doesn't lead, who will?

I yield the floor.

Mr. THOMAS. Mr. President, I rise in full support of the COHEN amendment to the Burma provisions of H.R. 3540.

As the chairman of the Subcommittee on East Asian and Pacific Affairs, I strongly object to the present language in the committee substitute amendment. My problems with the provision are both procedural and substantive.

First, on the procedural issue, this matter is clearly one for an authorizing committee to consider, not—with all due respect—an appropriating committee. The subject matter of the provision is clearly legislative in nature; it has absolutely nothing to do with funding. Consequently, it has no business being included in an appropriations bill. In the House, this provision would be subject to a point of order on that grounds alone, and would have been formerly in the Senate too until the recent Hutchinson precedent.

Second, if enacted into law, the provision would create a significant change in our relationship with Burma. Although I will readily admit that our present relationship with Burma is not especially deep, the imposition of mandatory economic sanctions would certainly downgrade what little relationship we have. Moreover, it would affect our relations with many of our allies in Asia as we try to corral them into following our lead. Finally, and I have heard precious little from the manager of the bill on this, it would have a substantial and detrimental impact —to the tune of many millions of dollars—on several United States businesses with investments in Burma.

Consequently, the provision and its possible ramifications are a matter which should be carefully considered by the authorizing committees of jurisdiction: the Committee on Banking and the Committee on Foreign Relations. To date, Mr. President, neither committee has had that opportunity. The Banking Committee held a hearing on Burma sanctions several weeks ago. At that hearing, the committee heard from only the first of three witness panels; the first panel consisted of supporters of the legislation, while the second and third consisted of the administration—which is opposed to the bill—and sanctions opponents. The remainder of the hearing has been indefinitely postponed. Under those circumstances, I do not believe that it can be said that the Banking Committee has had an opportunity to fully consider the matter.

As for the Foreign Relations Committee, neither the full committee nor my subcommittee has held a hearing on Burma or the sanctions provisions in this Congress. We were prevented from holding hearings on the Burma sanctions bill of the Senator from Kentucky [Mr. MCCONNELL] because the Parliamentarian ruled it was preferable only to Banking. Yet despite the fact that the provision strikes at the very heart of bilateral relations with Burma, neither Senator MCCONNELL or his staff has ever even discussed this matter with me or the chairman of the full Foreign Relations Committee. When Congress acts it should do so only after careful and considered deliberation, something lacking in this case, and not by a last-minute attachment to appropriations legislation.

Substantively, I believe the sanctions provided for in the bill are a completely ineffective way to get Burma's attention. We all know very well that economic sanctions only work if they are multilateral. We've seen that proven time after time.

It is clear that in this case, we would be the only country imposing sanctions. All of the ASEAN countries, especially those which border Burma, have told us point blank that they will not join us in imposing sanctions. They will continue their policy of constructive engagement with Burma, and they told a recent United States mission to the area that imposing sanctions would be foolish. In fact, Mr. President, no other country I know of has agreed to go along with proposed sanctions—no other country, Mr. President.

Therefore, we are left in a position of imposing unilateral sanctions, and unilateral sanctions are just like no sanctions at all. If we prohibit United States companies from doing business in Burma, foreign business with no similar handicap will be more than happy to step in and take our place. There is very little I can think of that we are in a position to supply to Burma which couldn't be supplied by a foreign country were we removed from the arena. This was a principal argument put forward by many Senators against imposing sanctions against the People's Republic of China. I wonder how many of those Senators are now arguing in favor of sanctions against Burma?

In addition, the Burma provisions strike me as somewhat hypocritical. The Socialist Republic of Vietnam, in same region, is a Communist country that routinely violates human rights and suppresses democracy; free speech is forbidden, opponents of the government are locked up for years, just like in Burma. But Mr. President, I don't see anybody moving to impose sanctions against that government.

On the contrary, we're doing everything we can to increase U.S. business there because we believe that's the best way to effectuate change. We've seen that increased business contacts are the best way to influence China; this seeming truism is the principal reason why we continue to renew China's most-favored-nation status each year. Most Senators have apparently concluded that the same is true for Vietnam. Why, then, are we taking a different position with regards to Burma?

Mr. President, I am the first to agree that democracy needs to be restored in Burma, that SLORC has to go, and that Daw Aung Sun Suu Kyi and her party are the rightful government of that country. Unfortunately, this bill is not going to bring us one step closer to bringing that about. All it is going to do is hurt U.S. companies, put us out on a limb without the support of our allies or other countries in the region, and make us look somewhat foolish.

For these reasons, I oppose the committee amendment and support the

Cohen amendment. I strongly urge my colleagues to do likewise.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I rise in support of the Cohen amendment. I was part of a group that perfected an amendment and put out a "Dear Colleague" letter. It was similar in many respects to the Cohen amendment. It had some significant differences, and we had a broad support I believe for that amendment. But, Mr. President, we have determined—Senator NICKLES and I, and other supporters of this amendment—that the differences between the Johnston-Nickles amendment and the Cohen amendment were not sufficient so as to divide our forces. And we believe that essentially this amendment incorporates what we think is the central thrust of our amendment. So, therefore, we support it, and I urge my colleagues to do so.

Mr. President, this is a difficult question. No one defends the SLORC, the group that is running Myanmar, or Burma. It is true they are a bad regime. They are not an Iran in the sense that they do not practice state terrorism. They are not a Nazi Germany in the sense that they engage in genocide. But they are plenty bad, Mr. President, and we do not defend them.

The question is: Would it be effective to do what Senator MCCONNELL has proposed? Would it be effective? Would it help achieve the end? Mr. President, I think it would do precisely and exactly the opposite.

Mr. President, to cut off American participation in Burma—not foreign participation but American participation—would be exactly the wrong thing. First of all, it is no sanction because Americans are less than 10 percent of foreign investment in Burma today and the total of foreign investment is less than Burmese send back—Burmese expatriates from around the world send back to their own country. The reason for this is because under the former leader of Burma, General Ne Win, who was there for over two decades, Burma was one of the most hermetically sealed countries on the face of the Earth. People did not go outside Burma. People did not come inside Burma. It was a totally closed not only economy but society that practiced the most cruel kind of repression; no doubt about that. It has only been in the last few years, Mr. President, that Burma has opened up at all. They have begun to let a little bit of light in. Indeed, Unocal, which is an American company, is in there together with Total, which is a French company, to develop the gas fields. Actually they want to send the gas to Thailand. The Thais are very strong supporters of this, as you might suspect.

And the question is: Is it good to have an American company, or would it be better to have Total, the French company, have the contract? Really that is the question proposed by the McConnell approach. I submit it is better to have an American company there.

Mr. President, I talked to the President of Unocal. He personally have been talking to these people in what we call the SLORC, the State Law and Order Restoration Council, the group that is running Burma. Whether or not he has been successful, or whether or not he is beginning to be successful, you can argue. But I can tell you, Mr. President, that the President of Unocal—an American—it is better to have him in there than to have only the French because the French and the Europeans have never really helped on human rights matters. I mean they never helped on China. They never helped on other countries around the world. It is always the United States who does the propagation of democracy and human rights. We have a Louisiana company that has a subcontract there.

The South Koreans are ready, willing, and able. And, as a matter of fact, it is grooming to take their place in Burma. I ask you, Mr. President. Do you think that the South Koreans are going to be in talking about human rights and democracy? Mr. President, it is much more likely that Americans will do so. When you have a country that has been so sealed off from Western influences, from civilizing influence, from moderating influences all these years, it is important to let the light in—the cleansing light of democracy, the cleansing light of Western civilization, the dynamic forces of the free market. It is better to let those in. Then you have something with which to sanction. If, just as they are letting the light in, you suddenly shut the light off, there is neither a sanction to be had nor a loss for the Burmese in continuing with their course of conduct.

My colleague from Kentucky says that there has been no improvement at all; that they have not responded at all. Mr. President, I would say that is debatable. We asked the Burmese to do a couple of things, both of which they did. We asked them to release Aung San Suu Kyi. They did, as my colleague from Kentucky says. She is not under house arrest. She stays at home because it is the safest place. Maybe so. But we asked them to do that, and they did that. She is not in prison. That is not much but it is something we asked them to do, and they did it.

We asked them to release the Members of Parliament. Most of them have been released. Several hundred have been released. There are a number which remain in prison. They say there is no Member of Parliament in prison, and rather cynically they are able to justify that by saying they decertified those Members of Parliament.

So I do not mean to make the case that the Burmese are responding completely, or responding in good faith, or that there is great reason to hope. But, Mr. President, there is some progress and some measurable progress where there was none before. When Ne Win was running that country, you could not even get American news media in; a member of the news media. Now, Mr. President, there is at least reason to hope.

My friend from Kentucky says Aung San Suu Kyi, that brave woman who did in fact win the election, has backed his position. Mr. President, I tried to read everything that she has said. I stand second to none in my admiration for her. She is a very brave woman. She has risked her personal safety to stand up for freedom and democracy in Burma. And I hope eventually that she will be successful.

But I am not aware—I was going to ask my colleague from Kentucky—if she has endorsed the specific language of the McConnell amendment. Has she endorsed this specific language?

Mr. McCONNELL. I would say to my friend from Louisiana that I believe the answer to that is yes.

Let me read the quote. I have not shown her the language. She said that "Foreign investment currently benefits only Burma's military." These are direct words from Aung San Suu Kyi. "Foreign investment currently benefits only Burma's military rulers and some local interests but would not help improve the lot of the Burmese in general." She says, "Investment made now is very much against the interests of the people of Burma." She said further, these are direct quotes in May 1996, this year: "Burma is not developing in any way. Some people are getting very rich. That is not economic development." All of those are direct recent quotes.

I think it is safe to say that she hopes that we will begin these kinds of sanctions.

A further direct quote from the New York Times of July 19, 1996, direct quote: "What we want are the kind of sanctions that will make it quite clear that economic change in Burma is not possible without political change."

So I would say to my friend from Louisiana, the answer is no. I have not shown her the actual language. I am totally confident that she supports the approach that I have recommended.

Mr. JOHNSTON. Mr. President, I thank the Senator for responding on that. I think the answer to my question is—and I think the Senator was honest in saying—that Aung San Suu Kyi has neither seen nor endorsed this language, that she in fact endorsed sanctions, as the Senator from Maine [Mr. COHEN] has in his amendment. It is sanctions. One of the central questions is this. I made up a little poem. I am not as good at poetry as the Senator from Maine is, but my little poem is this:

> A sanction will not a sanction be if it hurts the sanctioner and not the sanctionee.

What that means is if all you do is cost American jobs and influence by substituting, for Unocal, Total, a French company, when Unocal is trying its best to influence the SLORC, influence the government, doing what it can, and all you are doing is getting the Americans out and putting in the French, getting the Americans out and putting in the South Koreans, then I submit that is no sanction at all.

Now, we are told by my friend from Kentucky that there is precedent for this because we have taken unilateral sanctions against Iran and Libya and Cuba.

First of all, I think these three countries are greatly distinguishable, the first two practicing terrorism all around the world, and in the case of Cuba, shooting down American planes over international airspace. Whatever else you may say about Burma, they do not practice state terrorism, nor do they threaten their neighbors.

Moreover, my friend from Kentucky says that sanctions sometimes work and sometimes do not, and he talks about the example of South Africa. They did, in fact, work in South Africa where you had a united world. The whole world was united against South Africa. In the case of Burma, the United States, to my knowledge, has not one single ally. The nations of the area, the ASEAN countries, actively oppose sanctions and actively hope that we will engage Burma not just because they want to trade with Burma, and they do, but because they believe that the best way to sanitize that regime, to encourage a dialog, to bring democracy to Burma is by beginning to engage that country.

The European Union 2 weeks ago voted not to impose unilateral sanctions. Not even the Danes, whose diplomat there died in prison under very suspicious circumstances, are willing to engage in sanctions against Burma.

The Cohen amendment seeks to have our administration get other nations of the world to engage in multilateral sanctions. Multilateral sanctions will work. If we can engage the other countries of the region and of the world to cooperate with us in sanctions, that, in fact, will be a sanction and will not be what we call friendly fire. Friendly fire, as we found out in Desert Storm and as we have always known, never hurts the other side. It hurts yourself. It decreases our influence with Burma.

So, Mr. President, I strongly urge that we pass the Cohen amendment and that we seek to help bring democracy to Burma.

Mr. McCONNELL addressed the Chair.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Kentucky.

Mr. McCONNELL. Very briefly, I just wanted to make a couple of observations with regard to the comments of my good friend from Louisiana.

Aung San Suu Kyi has a cousin, an official spokesman, who resides in the United States and heads an organization called the National Coalition of Government of the Union of Burma. He is, in effect, Aung San Suu Kyi's spokesman in our country. He is here because he has to be here. He cannot be over there and continue to breathe. I have a copy of a letter dated July 12, 1996, from him on the very issue that we are debating here this morning. Dr. Sein Win says:

> The immediate imposition of economic sanctions against the ruling military junta is urgently needed. I do not take the impositions of sanctions on my country lightly.

He understands what we are talking about here.

> I and the democratic forces working to liberate our country know that foreign investment serves to strengthen SLORC. It is providing SLORC with the means to finance a massive army and intelligence service whose only job is to crush international dissent.

He goes on to say:

> The situation in my country has deteriorated into free fall.

He concludes by saying:

> I urge you to stand on the side of 42 million freedom-loving Burmese and support economic sanctions against this rogue regime.

I certainly agree with my friend from Louisiana that the State Law and Order Restoration Council is no threat to its neighbors. It is not. It is a threat to its own citizens. That is what this is, a regime of terrorism against the Burmese people. If we do not impose sanctions unilaterally, who is going to start this? Who is going to take the lead if the United States does not? Sooner or later, if the international community is going to notice what is going on there and take some steps, it is going to happen because of American leadership.

Mr. President, I know the Senator from Missouri is anxious to speak. I will come back to this later. I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I rise today in support of the amendment by my colleague from Maine. I am very much concerned about the impact of the provisions in the underlying bill. Like most, if not all, of my colleagues, I would agree and agree wholeheartedly that the present conditions in Burma, or Myanmar, are deplorable. The conditions of SLORC cannot and should not be condoned. As I have said in the past on many occasions, their claim to govern is an illegitimate claim. Their hold on power through oppression and denial of human rights is one that I and, I believe, everyone else in this body would like to see come to end as soon as possible.

Aung San Suu Kyi and her party won an election in 1990 and I am confident would win again if another election were held today. SLORC came to power solely due to its ability to coerce. Period. End of story.

The question that we are now trying to answer is, how do we respond to the situation? How can the United States influence the activities of SLORC to bring about change in Burma and to bring the democratically elected government of Aung San Suu Kyi back to Burma?

One approach that is taken in the foreign operations appropriations bill is to try to achieve change in Burma through total unilateral sanctions—unilateral sanctions. This approach assumes that such actions will influence and pressure SLORC to change its behavior.

I have to commend my colleagues for their eagerness, their dedication and the leadership of the Senator from Kentucky to try to see that we do something to bring about change in Burma, but I am not convinced that cutting off what little contact we do have with that country will serve the positive purpose we seek. That action, in my opinion, will do nothing to bring about change in Burma. Such sanctions would be ineffective in achieving their purpose and would solely deny the Burmese people, the ones we are trying to assist in this whole debate, the positive effect of closer and deeper American engagement.

What would be accomplished by implementing sanctions unilaterally on a country where U.S. investment is relatively insignificant, minor, almost unimportant and would be quickly taken up by our competitors? We must remember that all of the nations of Asia and much of Europe, including France, Germany, and the United Kingdom, disagree with this policy of sanctions.

Like the Senator from Maine, I have had the opportunity to visit with leaders in the ASEAN countries, and I can tell you that they are not going to impose sanctions. They believe in engagement. They are going to continue to engage in Burma.

Is the progress toward peace, human rights, and the recognition of democratic principles more likely to be furthered by our withdrawing from the field? I think not. Sanctions did work in South Africa, but only because the United States was part of a much larger coalition. They do not work when we go in as the Lone Ranger and try to cut off our minuscule investment.

The Senator from Kentucky has given us quotes from Aung San Suu Kyi and her spokesperson, in which they talk about foreign sanctions. If all countries who are now trading with Burma could be enlisted, then there could be a major impact. But I can tell you from talking to—and mostly from listening to—the leaders of the countries that are the neighbors of Burma, that is not going to happen.

Burma is just beginning to open its doors to the outside world. There are neighboring countries and other countries in the world anxious and willing to go in. The opening is a unique opportunity that we have not seen before, an opportunity to help bring about change, to make things happen. Frankly, I am not so much concerned, not so much interested in the very small investment that our companies may now have in Burma. If we were part of an overall sanctions picture, I would say it would be worth it, if other countries would get out as well. But I can see us having a positive effect in the entire region if we continue to be involved, if we continue to have the opportunity to exercise U.S. influence to bring U.S. values to that country. It just makes sense.

How can we influence anything if we are the only ones outside the room while the rest of the world is carrying on without us, probably happy to see us play the self-righteous outsider and get out? I cannot see how punishing United States firms by threatening to keep them out of Burma is an effective way to bring about change. United States presence, U.S. firms are the ones on the ground who can help spread American values.

Obviously, our global competitors and Burma's neighbors see opportunities arising in Burma. I fear they are more interested in monetary gain, in many instances, from such change and not the opportunity to bring about the political change that we in the United States are seeking. I can imagine that European and Asian trade competitors would be wildly supportive and happy to see total sanctions unilaterally imposed by the United States on its own companies.

Another possibility we must start considering is the security issue of continually isolating Burma. To do so could drive them into the arms of the Chinese. A strong security relationship between Burma and China is not, in my view, in the best interests of the United States. I fear to think what it would mean if such a relationship were to lead to a port in Southeast Asia for the Chinese Navy.

At this time the United States does not do much for Burma. We purchase a mere 7 percent of all Burma's exports and provide an insignificant 1 percent of its imports. We provide them no aid. We limit international financing by continuing to vote against loans to Burma through international financial institutions. Frankly, these votes are likely to be overridden by other voting countries who seek the opportunities that large-scale projects in Burma would provide. We have very little leverage even now with Burma. To isolate ourselves even further from that country would be to give up what little influence, what positive pressure for change we can bring.

The United States can either be at the table and foster meaningful dialog and negotiations, or we can walk out of the room. I believe that, recognizing the opportunity that SLORC is providing by opening Burma to foreign interests, staying and engaging the country's foreign leader is the best hope we have for fostering democratic change in Burma.

We all want to see change in Burma. We all feel that SLORC's actions are reprehensible and would like to see the legitimately elected government of Aung San Suu Kyi brought to power. I hope, while making efforts to bring about these results, we do not give up existing and future United States interests, not only in Burma but throughout Southeast Asia. I yield the floor.

The PRESIDING OFFICER. The assistant majority leader.

Mr. NICKLES. I compliment my colleague for an excellent statement. I echo his comments. I also compliment Senator COHEN for his amendment.

Senator JOHNSTON and I have been working on a comparable amendment. It is almost identical. We are not going to offer that. I think it is important for people to have one alternative to the language in the appropriations bill.

On page 188 in the bill, it says we are going to have sanctions against Burma. All of us want to change policies in Burma. Burma has been repressive. It has denied human rights. We need to make changes. So, how does the committee, or how does the language that we have before us in the bill, do that? First, it says, "No national of the United States shall make any investment in Burma."

Some people, some companies, some U.S. citizens have already made investments. We are going to say no more investments; no investments, period. That is a very stark punishment. I am not sure it is punishment so much on Burma and officials in Burma as it is on officials of the United States and people of the United States. The language continues. It goes on and says we will deny United States assistance to Burma.

The Cohen amendment does that as well, but it is a little more targeted. Under the language that we have in the bill, it says United States assistance to Burma is prohibited. Under the Cohen amendment it says assistance is prohibited except for humanitarian assistance. We are trying to help some people. There has been repression over there. It also says we could continue to have assistance in areas for counternarcotics. Right now there are a lot of narcotics coming from Burma. Should we not have United States assistance, some undercover, some open, used to investigate sources of heroin and other drugs that might be leaving Burma and ultimately end up in the United States? The language that is in the bill before us would deny any assistance, including counternarcotics efforts. I think that would be a serious mistake.

The idea of having a unilateral sanction, I think, is a mistake. I think, if we are going to have sanctions, they should be multilateral. If we are saying only the United States steps forward, no U.S. citizen shall invest, and no other country comes forward, there may not be any change whatsoever. Certainly, if we are going to have U.S. sanctions, I want my colleagues to consider—I will not be offering it at this time, but I was considering an amendment that we should at least have a report on the economic impact and whether or not it had any positive impact on achieving our goal.

If we have sanctions, certainly we want to know whether they are working or not working. We want to have the changes in Burma, but do we make those changes when we have unilateral sanctions affecting our very small investments? I doubt it. Certainly they can be offset by other countries.

Can you have changes when you have multilateral sanctions? Possibly. Sanctions are difficult in this day and age. When the Carter administration imposed a wheat embargo on Russia for some serious abuses, what happened is we lost markets to one of our weak competitors. In Russia, it was replaced by a lot of other countries—Australia, Argentina and other countries. They expanded their wheat base. They exported to Russia. Russia now does not buy as much from the United States. They buy from other countries. We just created another group of competitors in this particular one commodity. Did we change policy in Russia? I do not think so. I do not think that had, really, a triggering impact in making policy changes. I want to make the policy change.

Another important segment of the Cohen amendment is that it does give the President some discretion, some leverage, which will have influence on future decisions on Burma. Do we just want to punish them for past decisions, punish them or punish American citizens? I am afraid we will be punishing Americans more than we will be punishing the Burmese officials.

But more important, how do we change future behavior? I think the Cohen amendment does more toward changing future behavior because it says we are actually giving some discretion. If we do not see improvements, then some sanctions will come about, but the President and the diplomatic efforts can be using those for leverage. There is not a lot of leverage when it says no national of the United States can make any investment, the United

States can give no assistance whatsoever. I am afraid that will not influence anything toward the positive.

Frankly, it will cost the United States. It will be taking investments away from American citizens, I think unquestionably, and I doubt it would have the economic impact desired by my colleague from Kentucky.

I respect greatly the efforts of the Senator from Kentucky. I know he believes very sincerely in trying to effect change in Burma. I happen to share the goal of my colleague from Kentucky. I just think the method toward best achieving that would be through the amendment offered by my colleague from Maine, Senator COHEN. I compliment him on that amendment, and I urge its adoption.

Mr. McCONNELL. Mr. President, if I can say quickly to my friend from Oklahoma before he leaves, I appreciate his kind words about my work on this issue. If I heard him correctly—and I don't want to misstate his position—did I hear my friend from Oklahoma say that he thought assisting the regime there was a good idea? Maybe I misheard him.

Mr. NICKLES. Mr. President, no, I did not. I say to my colleague, I was referring to the section that says no assistance whatsoever. I would conclude that to prohibit U.S. contributions involved in any way dealing with, I think—we have exceptions for drug interdiction. Can we spend money in Burma for drug interdiction, drug identification, undercover or otherwise? I think we should have an opportunity.

Mr. McCONNELL. The current law forbids that. We just last year imposed a prohibition on dealing with SLORC. So this would, in effect, weaken existing law.

I wanted to make sure my friend from Oklahoma knew that. Existing law says no U.S. cooperation with SLORC on the drug issue, frankly because we don't trust them. So the Cohen amendment would actually weaken existing law in terms of the U.S. relationship with SLORC. I just wanted to make that clear.

Let me make a few observations about the argument that the approach we are recommending is inevitably going to be unilateral in nature and nobody will follow us.

Already there is action in the European Parliament. Let me point out to my colleagues what action has been taken this month in the European Parliament.

First, the European Parliament has condemned torture, arrests, detentions, and human rights abuses perpetrated by SLORC. Obviously, that is an easy thing to do.

It supports the suspension of concessional lending to SLORC, a little tougher step.

Third, the European Parliament has called upon members to suspend GSP for exports to Burma because of forced labor conditions.

And fourth, Mr. President, and most important, the European Union has called upon its members to suspend trade and investment with Burma.

The July 1996 European Union resolution restricts visas to SLORC officials and their families, something that is in the underlying bill and I hope we adopt.

The resolution restricts the movement of SLORC diplomatic personnel, suspends all high-level visits, demands full investigation and accountability for the death in custody of Denmark, Finland, Norway, and Switzerland's consul, Leo Nichols. Let me talk about Leo Nichols. Leo Nichols was Aung San Suu Kyi's best friend. He was the European consul who represented a number of European countries in Burma as a sort of local consulate official.

Leo Nichols was arrested a few months ago for the crime of possessing a fax machine, Mr. President. In Burma, if you are on the wrong side of this issue, you can be arrested for such things as possessing a fax machine. So Leo Nichols was arrested for possessing a fax machine and turned up dead. They had a hard time getting the body. He was denied medication.

All of a sudden, Europe discovered Burma, because a European citizen got treated the same way the Burmese citizens are treated on a daily basis—on a daily basis. All of a sudden, a European citizen got treated that way, and Europeans have all of a sudden gotten more interested in this issue.

So I raise this point to suggest that if America has the courage to take this step unilaterally, we will not be alone for very long. As a matter of fact, the rest of the world is getting interested in this issue. Secretary Christopher called me from Indonesia the day before yesterday to talk about this issue. Obviously, he supports the amendment of the Senator from Maine, and that is certainly OK.

Mr. COHEN. If the Senator will yield, I don't believe he does. He does not express support for this amendment.

Mr. McCONNELL. I am sorry, I retract that. Let's put it this way. The Secretary of State would like a proposal, I think, that gives the administration wide latitude to manage this issue as they see best, and I hope it is not a misstatement of the Senator's amendment that it does give the administration a good deal of latitude.

Mr. COHEN. It gives the administration some flexibility. They would like more. Mine does not give them quite as much as they like.

Mr. McCONNELL. I certainly would not want to misstate the position of the administration, but I am confident in saying the Secretary of State would prefer not to have unilateral sanctions. I think the Senator from Maine would agree with that.

I have been a little surprised the administration has not gotten interested in this issue, but I think they are getting more interested in the issue.

The point I was going to make before my friend from Maine stood up was what Secretary Christopher pointed out to me is it was discussed for an hour the other night at the ASEAN meeting. Previously, they acted like Burma was not there. Nobody talks about it. It is being forced on to the agenda, even in the part of the world that is least interested in doing anything about the regime, for all the obvious reasons. They have the biggest investment there.

So this is not going to go away, Mr. President. I don't know what is going to happen on the vote on the Cohen amendment, but it is not going to go away until SLORC goes away and until the results of the election in 1990 are honored.

I don't want to misrepresent at all the position of the administration on the Cohen proposal. All I can say is it is exactly what the administration and the National Security Council asked me to accept on Monday, but they will have to speak for themselves. This amendment, by the way, is not directed at the Clinton administration. The Bush administration was worse, from my point of view, on Burma than this administration has been. At least they discuss it occasionally.

So, Mr. President, let me just conclude this segment by saying I don't think we will be alone very long if we have the courage to take this step.

I yield the floor.

Mr. LEAHY addressed the Chair.

PRIVILEGE OF THE FLOOR

Mr. LEAHY. Mr. President, I ask unanimous consent that John Lis, a Javits fellow currently working on Senator BIDEN's personal staff be extended the privilege of the floor for the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I am perfectly willing to yield to whomever wants the floor. If no one is seeking the floor, I will suggest the absence of a quorum.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COHEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COHEN. Mr. President, I understand there are a number of Senators who would like to speak on this measure who cannot come to the floor at this time. So I am going to suggest the absence of a quorum in a moment, but then agree to lay aside this amendment so that other amendments that may be pending can be considered.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, there is going to be further debate on this amendment. But it is my plan, when Senator COHEN has completed, if there are no other speakers at this moment, to lay this amendment aside. I understand Senator SMITH is ready to offer an amendment that he will need a rollcall vote on. We will move to the Smith amendment.

Mr. COHEN. Could I just indicate for the record, during the course of the debate this morning the question of the administration's position was raised. I have since been apprised that the administration does lend its support to the Cohen amendment, which prior to the beginning of the discussion of this matter it did not. So perhaps they have been watching C-SPAN and have tuned in to see the better part of wisdom in supporting the Cohen amendment.

Mr. President, I ask unanimous consent that the letter, signed by Barbara Larkin, Assistant Secretary of State for Legislative Affairs be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC.

Hon. WILLIAM COHEN,
U.S. Senate,
Washington, DC.

DEAR SENATOR COHEN: The Administration welcomes and supports the amendment which you and others have offered to Section 569 (Limitation on Funds for Burma) of H.R. 3540, the Foreign Operations Appropriations bill. We believe the current and conditional sanctions which your language proposes are consistent with Administration policy. As we have stated on several occasions in the past, we need to maintain our flexibility to respond to events in Burma and to consult with Congress on appropriate responses to ongoing and future development there.

We support a range of tough measures designed to bring pressure to bear upon the regime in Rangoon. We continue to urge international financial institutions not to provide support to Burma under current circumstances. We maintain a range of unilateral sanctions and do not promote U.S. commercial investment in or trade with Burma. We refrain from selling arms to Burma and have an informal agreement with our G-7 friends and allies to do the same.

On the international level, we have strongly supported efforts in the UN General Assembly and the International Labor Organization to condemn human and worker rights violations in Burma. At the UN Human Rights Commission this month, we led the effort against attempts to water down the Burma resolution. We have urged the UN to play an active role in promoting democratic reform through a political dialogue with Aung San Suu Kyi.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report. We note, however, that the working of two of the sanctions as currently drafted raises certain constitutional concerns. We look forward to working with you and the conferees to address this.

We hope this information is useful to you. Please do not hesitate to call if we can be of further assistance.

Sincerely,
BARBARA LARKIN,
Assistant Secretary,
Legislative Affairs.

Mr. COHEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I rise to urge my colleagues to support the Cohen-Feinstein-Chafee-McCain amendment with respect to Burma.

Before I begin, I want to express my admiration for the distinguished manager of the bill, Senator MCCONNELL, who has almost singlehandedly brought this issue to the floor. He has been doggedly pursuing adjustments to our Burma policy for many months, and has focused the attention of the Senate and the administration on this issue in a way that would not have happened otherwise.

There is clearly no division, I think, at least, in this body, on the nature of the SLORC regime in Burma. It is an oppressive antidemocratic regime, and it has systematically deprived the people of Burma of the right to govern themselves. There is no disagreement on that point, I think, nor on the desirability of restoration of democracy in Burma.

The key question, though, we need to ask, is what is the most effective way to advance the goal? In order to answer that question, we need to have a clear understanding of what leverage we have, or lack of, on Burma. We also need to have a clear understanding of how other interests in the region will be affected. The key problem with the Burma provision, as I view it, in the bill before the Senate, is that it presumes we can unilaterally affect change on Burma.

I have come, as I have watched world events, to doubt that unilateral sanctions make much sense. It is absolutely essential that any pressure we seek to put on the Government of Burma be coordinated with the nations of ASEAN and our European and Asian allies. If we act unilaterally, we are more likely to have the opposite affect—alienating many of these allies, while having no real impact on the ground.

One of the key aspects of the amendment offered by the Senator from Maine is that it requires the President to work to develop, in coordination with members of ASEAN and other nations having major trading and investment interests in Burma, a comprehensive multilateral strategy to bring democracy and to improve human rights and the quality of life in Burma.

This strategy must include the promotion of dialog between the SLORC and democratic opposition groups in Burma. Only a multilateral approach is likely to be successful. Knowing that the ASEAN nations, who are moving now toward more engagement with Burma, not less, will not join us in sanctions at this time, it is clear that such a policy will not be effective. For example, on the Unocal pipeline, if we apply unilateral sanctions, the Unocal pipeline, which is now a joint venture between France and the United States company, will only be taken over by either Japanese interests—I am told Mitsui is interested—or South Korean interests. Therefore, what point do we really prove?

The Cohen-Feinstein amendment does recognize that there are steps we can and should take at this time. It does ban bilateral assistance to Burma, but it does so with three important exceptions. First, it allows humanitarian assistance, which is clearly a reasonable exception in the case of natural disaster or other humanitarian calamity. Second, it allows assistance that promotes human rights and democratic values, which clearly makes sense, since that is what we are trying to promote in Burma. Finally, it allows an exemption for counternarcotics assistance, if the Secretary of State can certify that the Government of Burma is fully cooperating with the United States counternarcotics effort, and that such assistance is consistent with United States human rights concerning Burma.

This last exemption goes to perhaps, I believe, our most important interest in Burma. Sixty percent of the heroin coming into the United States comes from Burma today, and it is a growing scourge on our cities. The Burmese Government is not cooperating with the United States counternarcotics interests and is benefiting from the drug trade. The President has decertified Burma on these grounds. But this exemption does recognize that if conditions change, it would be in our interest to be able to engage a cooperative Burmese Government in a counternarcotics policy. It is clearly in our interests to have this ability.

The Cohen-Feinstein amendment also directs the United States to oppose loans by international financial institutions to Burma, and it prohibits entry visas to Burmese Government officials, except as required by treaty obligations.

In addition, the amendment requires the President to report regularly to the Congress on progress toward democratization in Burma, improvement in human rights, including the use of forced labor, and progress toward developing a multilateral strategy with our allies.

The amendment gives us some leverage by making clear that the United States is prepared to act unilaterally if SLORC takes renewed action to rearrest, to harm, or to exile Aung San Suu Kyi, or otherwise engages in large-scale repression of the democratic opposition. The courage and dignity of Aung San Suu Kyi and her colleagues deserves respect and support from all of us. This provision may provide some measure of protection against increased oppression against them. We may be able to have the effect of nudging the SLORC toward an increased dialog with the democratic opposition. That is why we also allow the President to lift sanctions if he determines that Burma has made measurable and substantial progress toward improving human rights and implementing democratic government. We need to be able to have the flexibility to remove sanctions and provide support for Burma if it reaches a transition stage that is moving toward the restoration of democracy, which all of us support.

Mr. President, I thank my distinguished colleague from Maine for his leadership in crafting this amendment. He has worked closely with the administration, which supports his language. It represents the best policy, I believe, for us to play a role in moving Burma toward democracy. I urge my colleagues to support this amendment.

I yield the floor.

Mr. HELMS. Mr. President, with all due respect to the able Senator from Maine, whom I do respect, I have a problem with his amendment. His amendment is based on the premise that the United States should wait until a future time—nobody knows when—a future time to impose tougher sanctions against the illegal SLORC regime in Burma. The Cohen amendment for conditional sanctions provides for a ban on new investment only "if the President [of the United States] determines and certifies to Congress that, [at some future date,] the Government of Burma has physically harmed, rearrested for political acts, or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the democratic opposition."

Mr. President, the Government of Burma, the SLORC, S-L-O-R-C, as it is known, has already done enough to Ms. Suu Kyi, has already committed large-scale repression and violence, not only against the democratic opposition, but against the people of Burma.

We know there is forced labor in Burma. There is no question about that. We know that Burma is the source of more than 60 percent of the heroin finding its way into the United States, and we know that the SLORC regime is implicated in this trade. No question about it. However, we know that the people of Burma elected the National League for Democracy overwhelmingly in elections 6 years ago, and that it has been straight downhill ever since that time.

The Cohen amendment also provides a waiver to the administration. I have to ask the question—I do so with all respect—are we serious or are we not serious about Burma?

I support Chairman McCONNELL and my other distinguished colleagues who have said, enough is enough. Let us stop allowing U.S. investment to prop up the SLORC regime's repression. I hope that colleagues will vote in that direction when the vote is taken. I thank the Chair and I yield the floor.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I want to thank the distinguished chairman of the Foreign Relations Committee for his support for the sanctions against Burma. We have been very patient. The chairman of the Foreign Relations Committee and I have been hoping since the Bush administration that some administration would take this matter seriously.

I do not know whether the chairman agrees with me, but it seems to me if there were a bunch of Burmese-Americans, we would have gotten interested in this a long time ago——

Mr. HELMS. That is right.

Mr. McCONNELL. A long time ago because this is a country that ranks right up there with Libya, Iraq, Iran, and North Korea.

The proponents of the Cohen amendment will say they are no threat to their neighbors. I expect that is the case. But 400,000 of these highly armed, mean-as-a-snake troops, terrorizing their own citizens and locking up, as the Senator from North Carolina pointed out, the duly elected leader of this country in internationally supervised, Western-style real elections in 1990—they are a real pariah regime. Yet the crux of the Cohen amendment is, as the chairman of the Foreign Relations Committee pointed out, that it gives the President total discretion to keep on doing what he has been doing, which is nothing.

Mr. HELMS. That is right.

Mr. McCONNELL. Nothing. So I thank the chairman for his support for this cause.

Mr. HELMS. I thank the distinguished Senator from Kentucky for the very great work he is doing. I thank the Chair.

BURMA SANCTIONS

Mr. McCAIN. Mr. President, I am pleased to join Senator COHEN as an original cosponsor of his amendment to improve the language on Burma sanctions contained in the foreign operations bill. This amendment is constructive and a better approach to addressing the problem that Burma posses for American foreign policy.

All of us in this body want the people of Burma to enjoy their human rights. But we must avoid a policy that will only make us feel good, but that is unlikely to achieve the goals it is intended to serve. The approach advocated by the Appropriations Committee, while well-intentioned, is too precipitous. Imposing unilateral sanctions on Burma immediately and lifting them only at such time as the SLORC allows a democratically elected government to take power may even provoke a reaction from the Burmese regime which is the opposite of what the committee intends.

Burma's regional and investment partners do not share the intensity of our concern for democracy and definitely do not agree with the committee imposition of sanctions.

The *New York Times* Monday reported the attitudes of nations attending the weekend meeting of the Association of South East Asian Nations [ASEAN]. The Indonesian Foreign Minister is quoted as saying, "ASEAN has one cardinal rule, and that is not to interfere in the internal affairs of other countries." Far from agreeing with those in the United States pushing for sanctions, ASEAN took the first step in admitting Burma as a member, giving it official observer status.

ASEAN's reaction is important because these are the nations, along with the People's Republic of China and the other nations of Asia, whose views most concern the ruling authorities in Burma. The United States accounts for less than 10 percent of foreign direct investment in Burma. It receives only 7 percent of Burma's exports and United States imports account for only 1 percent of Burma's total imports. Both Thailand and Singapore are bigger investors in Burma than the United States, as are France and Britain. Given these circumstances, it is hardly surprising that United States opinion carries less weight in Burma than it does elsewhere in the world.

Proponents of immediate and sweeping sanctions on Burma have often invoked the example of South Africa. Indeed, Burma may actually exceed South Africa in its repression. After all, as repugnant as the system of apartheid was, South Africa did provide at least a minority of its people with democratic rights while Burma systematically denies these rights to all its citizens. Burma certainly deserves the condemnation of all freedom loving people.

However, Burma is unlike South Africa in a number of ways which make sanctions unlikely to yield the same result.

First, United States policy toward South Africa was coordinated with our allies and that nation's most important trading partners. It was multilateral. There was no serious prospect that when our companies pulled out of the South African economy others would readily take their place, thereby undermining the effect of sanctions and making their chief victim American companies. Second, South Africa was much richer than Burma is today. Per capita income in South Africa was $2,000 when we imposed sanctions. In Burma today it is $200, one of the lowest rates in the world. South Africa had a stake in the world economy. Burma has just begun to develop an interest in attracting foreign trade and investment. Third, Burma is an overwhelmingly rural economy, with manufacturing accounting for 9.4 percent of GDP and 8.2 percent of employment. Fourth, the South African regime and the elite that supported it had historical connections to the nations censuring it. It was not only affected materially by the sanctions imposed on it, but many in South Africa who treasured their ties to the West were dismayed by their international isolation.

Burma has a long history of self-imposed isolation. Beginning in 1962, the leaders of Burma believed that their interests were best served by rejecting the pressures of the outside world. Even today, after Burma began an economic opening to the world, that opening is decidedly modest. Tom Vallely of Harvard has pointed out that Vietnam, a nation struggling with its own market reforms, approved more investment in 6 months than Burma did in 6 years.

We are right to call for the institution of the democratically elected government of the National League for Democracy. In 1990, the people of Burma participated in a democratic election, and overwhelmingly supported the National League for Democracy. The Burmese military thwarted that victory and remains in place today as a standing insult to the proposition of democratic self-rule. They have since ruled the nation with an iron fist. But as despotic as they are, the generals who now control Burma constitutes the de-facto government.

The amendment offered by Senator COHEN is an attempt to recognize both the rights of the Burmese people and the realities of power and history. It attempts to narrow the focus of our legislative efforts, and give the President, who, whether Democrat or Republican, is charged with conducting our Nation's foreign policy, some flexibility. This amendment has the explicit support of the administration.

It has a number of specific advantages beyond giving the administration more flexibility. Conditioning an investment sanction on a significant deterioration in the human rights situation in Burma, namely the arrest of Aung San Suu Kyi or a general crackdown on the democratic opposition, is a key element which commends the alternative. I know that the committee is greatly interested in the safety and welfare of Aung San Suu Kyi. However, I believe it may have erred in not including such a targeted sanction in his own bill. If the language in the bill were signed into law, a ban on U.S. investment would come into effect immediately. If the prospect of a United States investment sanction is restraining them at all, I see no reason why the Burmese authorities would not rearrest Suu Kyi once the sanction is imposed. What would they have to lose? What would they have to lose in once again rounding up prodemocracy activists by the hundreds? The Cohen approach preserves our options while at the same time making perfectly clear the action that the United States would take if the situation deteriorates.

In the meantime, the Cohen amendment imposes three out of the four McConnell sanctions: prohibition of foreign assistance except humanitarian and counternarcotics assistance, U.S. opposition to multilateral lending, and the denial of U.S. visas to members of the regime. While doubts remain about the efficacy of even these limited sanctions, they will at a minimum demonstrate American displeasure with the situation in Burma. More importantly, a Senate vote in favor of the administration-supported Cohen amendment will demonstrate the unity and resolve of American policy toward Burma.

The two exceptions made by Senator COHEN to the prohibition on foreign assistance are, I believe, very constructive.

Last year, Senator KERRY and I fought to permit counternarcotic assistance for Burma. Ultimately, we failed, but the Cohen substitute, if passed, will once again permit this vital assistance. As my colleagues know, the United States has not provided assistance of this type to Burma since 1988, despite the fact that Burma is the source of more than 60 percent of the heroin on United States streets. Burma is the largest opium producer in the world. If we are ever to get a handle on the heroin problem in our own country, in addition to addressing demand, we will have to work with the Burmese. Engaging in the battle and achieving some degree of success will result, at the very least, in driving down the supply of opium and driving up the price.

To address the concerns of those who point to the possibility that counternarcotics assistance in the hands of the SLORC might give them the means to subdue its ethnic minorities, Senator COHEN's amendment requires the Secretary of State to certify that any proposed counternarcotic program is consistent with United States human rights concerns.

The other exception to a ban on assistance in Senator COHEN's amendment is humanitarian assistance. The committee amendment makes no allowance for humanitarian assistance. If the intent of the sanction on humanitarian assistance is to withhold legitimacy from the regime, I believe its limited value in this respect would be vastly outweighed by the practical ineffectiveness of unilateral sanctions. I am unconvinced that gutting funding for Feed the Children and World Vision is going to make Burma any more disposed toward democracy.

I know that many Senators would rather not impose any sanctions on Burma. But the committee has decided to weigh in on the formulation of United States-Burma policy. The SLORC's repression of the Burmese people's pursuit of their God-given rights have made congressionally imposed sanctions on Burma inevitable. Senator COHEN has formulated an approach which is constructive and respectful of the prerogatives of the President, and more likely to positively influence the situation in Burma than will the sanctions adopted by the committee. I commend him for his work on this issue and encourage my colleagues to vote for the COEHN amendment.

I ask unanimous consent that a letter from the State Department to Senator COHEN in support of his amendment be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC.

Hon. WILLIAM COHEN,
U.S. Senate.

DEAR SENATOR COHEN: The Administration welcomes and supports the amendment which you and others have offered to Section 569 (Limitation on Funds for Burma) of H.R. 3540, the Foreign Operations Appropriations bill. We believe the current and conditional sanctions which your language proposes are consistent with Administration policy. As we have stated on several occasions in the past, we need to maintain our flexibility to respond to events to Burma and to consult with Congress on appropriate responses to ongoing and future developments there.

We support a range of tough measures designed to bring pressure to bear upon the regime in Rangoon. We continue to urge international financial institutions not to provide support to Burma under current circumstances. We maintain a range of unilateral sanctions and do not promote U.S. commercial investment in or trade with Burma. We refrain from selling arms to Burma and have an informal agreement with our G–7 friends and allies to do the same.

On the international level, we have strongly supported efforts in the UN General Assembly and the International Labor Organization to condemn human and worker rights violations in Burma. At the UN Human Rights Commission this month, we led the effort against attempts to water down the Burma resolution. We have urged the UN to play an active role in promoting democratic reform through a political dialogue with Aung San Suu Kyi.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report. We note, however, that the wording of two of the sanctions as currently drafted raises certain constitutional concerns. We look forward to working with you and the conferees to address this.

We hope this information is useful to you. Please do not hesitate to call if we can be of further assistance.

Sincerely,

BARBARA LARKIN,
Assistant Secretary,
Legislative Affairs.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York [Mr. MOYNIHAN], is recognized.

Mr. MOYNIHAN. Mr. President, I would like to speak to the amendment offered by the Senator from Maine as a substitute to Section 569 of this bill regarding sanctions against the regime in Burma.

Section 569 is similar to a bill, S. 1511, offered by the distinguished Senator from Kentucky, which I have had the honor to cosponsor, and others have done as well. This is very simply a test of how we will respond to democracy denied.

For the longest while now, from the time, I would suppose, of Woodrow Wilson's "Fourteen Points," the United States has actively encouraged the spread of democracy and democratic institutions in the world, rightfully thinking that the world would be a safer and better place. We have seen in the course of this century events that would not have been thought possible at the outset.

Here at the end of the century, we see events that would not have been thought possible. Russia has had two presidential elections, the first in Russian history. Mongolia has had free elections. The distinguished Senator from Virginia was on the floor speaking just the other day about his experience as an observer in Mongolia. Not only did Mongolia have a free election, but they had observers from around the world and, principally, the United States to attest to that fact.

The movement towards democracy is not universal. It has never taken strong hold on the continent of Africa, and yet it now appears in Eurasia and in South Asia. The Republic of India has just had its 11th, I believe, national election since independence, an unbroken sequence of democratic elections, with one interval of national emergency but it was for a relatively short period of time and ended with the constitution intact.

The Government of Bangladesh has just had a free election between two formidable women political leaders who are descendants, in one form or another, of leaders previously deposed and shot, events that are too common in post-colonial nations. But they have had a free election and picked an impressive new Prime Minister to form a government.

British India, as it was called, extended down to the Bay of Bengal on the eastern side and included not only Bangladesh but what is now Myanmar, formerly Burma. The choice between the term Burma and Myanmar is a choice of languages, Myanmar is a Burman term. It is a multiethnic state, with eight major ethnic groups, as all those states are, each with many languages—though none at the level of India itself. Burma has four principal languages and historically has had very strong disagreements on the periphery with the governments at the center in what was Rangoon. The name has been changed, which is a perfectly legitimate thing to do, by the military regime whose initials form the unenviable acronym SLORC, as if "SLORCing" out of the black lagoon.

This is a regime which has not simply failed to move toward a democratic government, but has overthrown a democratic government, imprisoned the democratically elected leaders, a Nobel Prize-winning Prime Minister, sir.

Burma is largely a Buddhist nation. Tensions between the numerous ethnic groups resulted in a long and not happy post-colonial experience.

I was once our Ambassador to India, and I remember visiting Mandalay, where we had a one-man consulate. I was being driven around. I came to the area of the city where there were Chinese language signs. I asked the Burmese driver, "Are there many Chinese here in Mandalay?" He said, "Well, not many now, but before independence, the Indians and the Chinese owned everything around here. And that's why we had to have socialism." It was simply a form of expelling persons, moving in the general melee of the 19th century colonial Asia.

After a series of decent enough governments, possibly too passive from one event to another, the army seized control. Twenty years of a hard dictatorship followed, with a military junta headed by a general playing golf in the shadow of a pagoda, while a nation, a potentially rich nation, all but starved.

It is an experience we have seen before, nothing new, but it was cruelly inappropriate to Burma. I visited it at that time. Clearly, a land capable of great agricultural product, an industrial-capable people, ruined by government. They stayed ruined a long time, until they rose and realized, no, and in 1990, a free election at long last was held in Burma. The National League for Democracy won 82 percent of the vote, but the military junta did not step down.

This was not the beginning. This did not just happen suddenly. There was a movement for a democratic government that has been out in the jungles for a generation. I think if I had one photograph that would say to me more than anything else about our century, it would be a jungle clearing, I expect it would be up in the Shan state, where some 60 or so young men, aged 18, 19, 20—and this is at a time, about 15 years ago, when Ne Win was still in power.

Senator KENNEDY and I had made efforts such as Senator MCCONNELL is leading today. There in perfect English, perfectly formed letters, a white sign with black letters, script that must have been 30 feet long—these young men were holding this sign which said, "Thank you Senators KENNEDY and MOYNIHAN." They were out in the jungle and they knew, and it mattered that they knew. It kept them going. What we think matters so much in the world on these matters.

The military regime that overthrew the democratic government—having stepped aside, then a coup immediately followed. The results of the election have not yet been implemented. The Prime Minister elected, Aung San Suu Kyi, has been released from house arrest, but only just barely. She has, you might say, a patio and a bit of garden, a front yard.

The world is watching. We are going to hear today—and we will not hear wrong—that if we impose these sanctions, American firms will lose opportunities, and European firms or Asian firms will take advantage of them. And that may be true. But I wonder for how long, and I wonder in the end at what profit. If our firms are strong and competitive and international, it is because of the principles the United States has stood for in this century, and should continue to stand for.

It is one thing when we find we cannot move a nation closer to democracy. Not many external forces can do that. It comes when the time is ready, then so often not even then. But when a democratic regime has not emerged, overwhelmingly supported by an oppressed people who have resisted that oppression, who have understood it, who looked abroad for any signs of support and seen in the United States, in this Senate Chamber, such support, emboldened, encouraged, and have risen to claim their rights as a people, only to have it crushed by a military regime, SLORC? No, sir.

This is the time for the United States to stand for what is best in our Nation, in our national tradition, what is triumphant in the world. This is not a time to allow the overthrow of the democracy. This is no time to beat retreat. This is a time for the McConnell provision for sanctions on Burma.

And I thank the Chair for your courtesy. I yield the floor.

Mr. JOHNSTON. Will the Senator yield for a question?

Mr. MOYNIHAN. Yes.

Mr. JOHNSTON. Mr. President, there is no peer in the Senate, in fact, in the country, of the Senator from New York in his knowledge of history. Therefore, I wonder, what is the basis of this hope that other countries, particularly Asian countries, would join in a unilateral action started by the United States?

Can the Senator tell me, outside of maybe the South African situation, where we have had luck with having others joining us unilaterally? If we cannot get the Europeans to join us with Libya, an international terrorist organization, Iran, the same, and Cuba, how in the world are we going to get them to join with sanctions against Burma?

Mr. MOYNIHAN. I do not claim that this is something easily done or we would have done it long since. But I think that it is something which can be done. I think the Republic of South Korea is so little interested in how we feel about matters of Burma, there are ways to suggest to the Republic of South Korea that it might well reconsider its position. Not for nothing do we have the United States Army divisions in Korea. If they think that is not really in their interest, that can be arranged, too.

I do not dispute the Senator's point. I simply make the argument that a matter of principle is at stake here. If it is costly, so be it. Principles are precious.

Mr. JOHNSTON. If I may follow further on the example you mentioned, South Korea. If you turn the clock back to 1962, when General Ne Win took control, he had control for over a quarter of a century. At that time, Burma was a relatively prosperous country. South Korea was not prosperous and was——

Mr. MOYNIHAN. Was devastated.

Mr. JOHNSTON. A totally repressive regime. The same, I think, would be said for our friends, the Taiwanese.

Mr. MOYNIHAN. Yes.

Mr. JOHNSTON. The difference between our treatment of the three is that we isolated Burma, and General Ne Win isolated himself, whereas, because of the cold war, we embraced the Taiwanese, we embraced the South Koreans. Today, having been isolated for over a quarter of a century, Burma continues to be the same country it was, maybe only worse than 30-odd years ago, whereas South Korea and Taiwan have developed into thriving, prosperous democracies.

Now, does the Senator see any lesson to be learned from this difference in treatment?

Mr. MOYNIHAN. Yes. Both Taiwan and South Korea have now established freely elected governments. If they were suddenly to be overthrown by a military coup, our position would have to be, in my view, very different. But it is just such a situation in Burma.

I have a letter here from the Office of the Prime Minister of the National Coalition Government of the Union of Burma, which says:

Dear Senator MOYNIHAN: I have been closely following the Burma sanctions bill on the Senate floor and I am extremely alarmed about the proposal put forth by Senator COHEN. As you are no doubt aware, the Senate vote is crucial because it will send a signal to both the prodemocracy movement and the military junta about how people in the United States view the struggle for democracy in Burma.

Mr. President, I ask unanimous consent this letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL COALITION GOVERNMENT
OF THE UNION OF BURMA, OFFICE
OF THE PRIME MINISTER,
Washington, DC, July 25, 1996.

Senator DANIEL PATRICK MOYNIHAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MOYNIHAN: I have been closely following the Burma sanctions bill on the Senate floor and I am extremely alarmed about the proposal put forward by Senator Cohen. As you are no doubt aware, the Senate vote is crucial because it will send a signal to both the prodemocracy movement and the military junta about how people in the United States view the struggle for democracy in Burma. Given the reality in Burma, the National Coalition Government categorically opposes Senator Cohen's legislation. The Senate cannot afford to send a wrong signal and there is no other time than now to express its support for the democracy movement through the imposition of economic sanctions.

Let me be clear, investments will not bring about better living conditions and democracy to the people because in Burma investments pay for the soldiers, buy the guns and the supplies and ammunition that is used to violently suppress the Burmese people. Daw Aung San Suu Kyi has called for the imposition of economic sanctions because it will hurt the ruling military junta. She has categorically expressed her wish that investments in the country cease until a clear transition to democracy has been established. The National Coalition Government fully supports Daw Aung San Su Kyi's call for sanctions and that is why we support Section 569 of the Foreign Operations Appropriations Act, "Limitation on Funds for Burma," as tabled by Senator Mitch McConnell and co-sponsored by you.

There can be no middle ground here. As it stands now, the Burmese people are not benefitting from any investment coming into the country. These funds are tightly controlled by the military junta and serves to strengthen the oppression of the Burmese people. No entrepreneur can start a business in Burma without enriching either the members of the military regime, their close associates or relatives. The common people do not benefit from investments. I look forward to welcoming U.S. businesses helping rebuild our country once a democratically elected 1990 Parliament is seated in Rangoon.

The National Coalition Government also opposes any funding to the military junta in connection with narcotics control. I cannot see a logical reason for the United States to fund a military regime that conspires with and provides a safe haven to the heroin kingpin Khun Sa. It well known that the Burmese Army are partners in transporting the heroin that is devastating the streets of America.

I place my trust in the United States Senate to do the right thing. Each vote for sanctions is a vote for the democracy movement in Burma and our people who are struggling to be so desperately free.

Sincerely,

SEIN WIN,
Prime Minister.

Mr. MOYNIHAN. I yield the floor.

Mr. MCCONNELL. Mr. President, I know my friend from New York is in a conference and needs to return to it. I just wanted to commend the Senator for his longstanding interest and support for what we are trying to achieve in the underlying bill and further elaborate on the observation of Senator JOHNSTON.

I do not think we will be going this alone very long. Both the European Parliament and the European Union, this month, July, have begun to get interested in this issue because of the arrest and subsequent apparent killing of a man named Leo Nichols, who was a consulate official for a number of European countries and also happened to be, as my friend from New York knows, one of Aung San Suu Kyi's—

Mr. MOYNIHAN. He was murdered because he was found in possession of a fax machine.

Mr. MCCONNELL. So the Europeans are interested. One of their own has been treated like the citizens of Burma have been treated for years.

There is an indication that the European Parliament this month, I say to my friend from New York, called upon members to suspend trade and investment with Burma. We will be the leader of the parade.

Mr. MOYNIHAN. When the United States leads, others will follow. I am proud to be associated in this regard.

Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Washington Post on this issue, "Burma Beyond the Pale."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, July 20, 1996]

BURMA BEYOND THE PALE

On JUNE 22, James "Leo" Nichols, 65, died in a Burmese prison. His crime—for which he had been jailed for six weeks, deprived of needed heart medication and perhaps tortured with sleep deprivation—was ownership of a fax machine. His true sin, in the eyes of the military dictators who are running the beautiful and resource-rich country of Burma into the ground, was friendship with Aung San Suu Kyi, the courageous woman who won an overwhelming victory in democratic elections six years ago but has been denied power ever since.

Mr. Nichols's story is not unusual in Burma. The regime has imprisoned hundreds of democracy activists and press-ganged thousands of children and adults into slave labor. It squanders huge sums on arms imported from China while leading the world in heroin exports. But because Mr. Nichols had served as consul for Switzerland and three Scandinavian countries, his death or murder attracted more attention in Europe. The European Parliament condemned the regime and called for its economic and diplomatic isolation, to include a cutoff of trade and investment. Two European breweries, Carlsberg and Heineken, have said they will pull out of Burma. And a leading Danish pension fund sold off its holdings in Total, a French company that with the U.S. firm Unocal is the biggest foreign investor.

These developments undercut those who have said the United States should not support democracy in Burma because it would be acting alone. In fact, strong U.S. action could resonate and spur greater solidarity in favor of Nobel peace laureate Aung San Suu Kyi and her rightful government. Already, the Burmese currency has been tumbling, reflecting nervousness about the regime's stability and the potential effects of a Western boycott.

The United States has banned aid and multilateral loans to the regime, but the junta still refuses to begin a dialogue with Aung San Suu Kyi. Now there is an opportunity to send a stronger message. The Senate next week is scheduled to consider a pro-sanctions bill introduced by Sens. Mitch McConnell (R-Ky.) and Daniel Patrick Moynihan (D-N.Y.). This would put Washington squarely on the side of the democrats. Secretary of State Warren Christopher, who will meet next week with counterparts from Burma's neighbors, should challenge them to take stronger measures, since their policy of "constructive engagement" has so clearly failed.

The most eloquent call for action came last week from Aung San Suu Kyi herself, unbowed despite years of house arrest and enforced separation from her husband and children. In a video smuggled out, she called for "the kind of sanctions that will make it quite clear that economic change in Burma is not possible without political change." The world responded to similar calls from Nelson Mandela and Lech Walesa. In memory of Mr. Nichols and his many unnamed compatriots, it should do no less now.

Mr. JOHNSTON. Will my friend from Kentucky yield for a question?

Mr. MCCONNELL. I am happy to yield to the Senator.

Mr. JOHNSTON. In that same July meeting of the European Union, did they not reject sanctions against Burma?

Mr. MCCONNELL. I do not know whether that was on the agenda or not, but even if they did have it on the agenda, and if they did not approve it, that was July. We are just getting started here.

The point the Senator from New York and I are making is, if the United States leads, it is reasonable to believe others will follow.

Mr. JOHNSTON. Can the Senator name me some examples of where that has happened, other than South Africa?

Mr. MCCONNELL. Poland, South Africa.

Mr. JOHNSTON. I say other than South Africa.

Mr. MCCONNELL. Why rule South Africa out? I think South Africa is precisely the parallel.

Mr. JOHNSTON. But the whole world was united.

Mr. MCCONNELL. Mr. President, the United States led in South Africa, and others followed. That is what we suggest here. The United States ought to stand up for what it believes in, ought to put its principles first. There is every reason to believe that with American leadership, the rest of the world would follow. That is what this is about.

I yield the floor.

Mr. CRAIG. Mr. President, I want to discuss some concerns I have about section 569 of the Foreign Operations Appropriations bill, H.R. 3540—limiting funds for Burma. Before I begin outlining my concerns, I want to thank my colleague from Kentucky, Senator MCCONNELL, for pursuing this issue. While we may disagree on the details of the best policy to pursue with Burma, we wouldn't even be having this important discussion without his leadership on this issue. In addition, I doubt that we would be pursuing a much needed comprehensive, multi-national policy toward Burma. Without such an effort, we could certainly find ourselves on the floor of the Senate in the future, reacting to some catastrophic event in Burma, having done nothing constructive in the interim.

Mr. President, Burma is a nation I have never visited or studied. I do not come to the floor today to debate this issue as an expert on Burma. However, I know more than a little about its poor record on human rights. What we need to debate here is the efficacy of mandatory unilateral sanctions in the case of Burma.

While we all hope for some small signs of change, I think we all share the concern that hope is not enough to live on—especially for the Burmese people. We recognize the problem there and want to develop a policy to address that problem.

Any change will be slow in coming. However, while patience and persistence will rule the day, we need to nurture an environment in which all Burmese people are respected and treated both humanely and fairly.

In short, we need to look at putting forward a policy that will encourage the changes we seek. In addition, that policy should not negatively impact U.S. nationals and business—without the benefit of establishing changes in Burma.

The United States represents a small percentage of foreign investment in Burma. It is my understanding that depending on the survey, the U.S. ranks anywhere from third to seventh. Regardless, the private investment presence there is not on a grand scale that would likely have any crippling effects on the operations of the current government in Burma, the State Law and Order Restoration Council—commonly referred to as the "SLORC."

In addition, indications from our trading partners in Europe and the region do not demonstrate movement toward the application of sanctions.

Cutting off this trade by prohibiting U.S. nationals' private investment will not affect the current governing regime in Burma. However, it will affect American companies and American jobs. Unilaterally forcing American companies out of Burma at this time will simply provide an economic opportunity for other nations, who will quickly step forward to assume the contracts and business opportunities of the departing American companies.

American companies have taken risks and borne all the startup costs for the contracts they hold in Burma. If their departure results in replacement by companies from our trading partners in Europe and the region, any influence we might have wielded in this foreign policy game is lost. All indications at this time lead me to believe that any gap left by U.S. companies in Burma will quickly be filled by others.

In addition to the loss of that private level of interaction between Americans and Burmese, the benefit of jobs for Burmese citizens with American companies is also lost.

Mr. President, in order for the United States to encourage Burma to move toward a free society, an American presence should be felt. This is best done by private investment in the local economy. Private investment and other nongovernmental cultural exchanges can provide an important link with the people of Burma.

Mr. President, let me be perfectly clear, I do not support oppressive actions such as those taken by the SLORC in its efforts to prevent the citizens of Burma from exercising their basic human and political rights. Likewise, I do not support abandoning the 43 million people who live in Burma by withdrawing all American presence. Many times, unilateral sanctions hurt only those at the bottom of the economic scale, when the intended targets are those at the top.

Mr. President, at the core of this debate is the efficacy of unilateral sanctions as a tool of foreign policy to encourage change. And, more specifically, the usefulness of unilateral sanctions in the case of Burma. I feel very strongly that mandatory, unilateral sanctions are not the most effective tool of foreign policy.

I do not support impacting private industry in this manner if the projected policy will not yield the intended response. We must all realize that while we seek change, Burma is not South Africa, nor is it Iran. We face a unique situation, and the effectiveness of mandatory unilateral sanctions must be judged independently.

Mr. President, it is very important, not only for the United States but for other nations as well, to evaluate the situation in Burma and what ways we can work both independently and together, that will encourage the improvements in human rights and will move Burma toward a free and democratic society.

I support amending section 569 of this bill to address the concerns I have outlined here today. We can encourage humanitarian relief, drug interdiction efforts, and promote democracy. I believe that these activities, in addition to denying multilateral assistance through international financial institutions, and the establishment of a multilateral strategy will provide the best roadmap to reach these goals.

Mr. McCONNELL. Mr. President, I think that concludes—at least for this phase—the number of speakers we have on the Cohen amendment. Senator SMITH is here to offer an amendment.

Senator LEAHY and I would like to use this opportunity, before Senator SMITH lays down his amendment, to get approved amendments that have been cleared by both sides. There are eight amendments.

With the permission of the Senator from Maine, I ask unanimous consent that the Cohen amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 5020 THROUGH 5026, EN BLOC

Mr. McCONNELL. Mr. President, I send amendments, en bloc, to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL], proposes amendments, en bloc, numbered 5020 through 5026.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 5020

(Purpose: To allocate foreign assistance funds for Mongolia)

On page 119, strike lines 6 and 7 and insert in lieu thereof the following:

"(h)(1) Of the funds appropriated under title II of this Act, including funds appropriated under this heading, not less than $11,000,000 shall be available only for assistance for Mongolia, of which amount not less than $6,000,000 shall be available only for the Mongolian energy sector.

"(2) Funds made available for assistance for Mongolia shall be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.".

AMENDMENT NO. 5021

(Purpose: To restrict the use of funds for any country that permits the practice of female genital mutilation)

At the appropriate place, insert the following:

FEMALE GENITAL MUTILATION

SEC. . (a) LIMITATION.—Beginning 1 year after the date of the enactment of this Act, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

(1) has, as a cultural custom, a known history of the practice of female genital mutilation;

(2) has not made the practice of female genital mutilation illegal; and

(3) has not taken steps to implement educational programs designed to prevent the practice of female genital mutilation.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" shall include the institutions identified in section 535(b) of this Act.

AMENDMENT NO. 5022

(Purpose: To earmark funds for support of the United States Telecommunications Training Institute)

On page 107, line 23, strike "should be made available" and insert "shall be available only".

AMENDMENT NO. 5023

(Purpose: To delete a section of the bill relating to a landmine use moratorium)

On page 184, line 6, delete the word "MORATORIUM" and everything that follows through the period on page 185, line 3.

Mr. LEAHY. Mr. President, this amendment deletes a section I included in the bill entitled "Moratorium on Antipersonnel Landmines." This section simply reaffirmed current law. Having received the assurance of the Armed Services Committee that the House conferees on the fiscal year 1997 Defense Authorization bill will recede to the Senate on the certification requirement relating to the landmine use moratorium that is in the House version of that bill, I am striking this section in the fiscal year 1997 Foreign Operations bill. This assures that current law, which provides that beginning in 1999 the United States will observe a 1-year moratorium on the use of antipersonnel landmines except in certain limited circumstances, remains in effect as originally adopted by the Senate by a vote of 67 to 27 on August 4, 1995.

I appreciate the efforts by the chairman of the Armed Services Committee, Senator THURMOND, and his staff, who negotiated this agreement with the House conferees. I also want to thank the chairman of the House National Security Committee, Representative SPENCE, for his part.

AMENDMENT NO. 5024

(Purpose: To provide additional funds to support the International Development Association)

On page 177, line 24, after "Jordan," insert the following:

"Tunisia,"

On page 178, line 2, after "101–179" insert the following:

": *Provided*, That not later than May 1, 1997, the Secretary of State shall submit a report to the Committees on Appropriations describing actions by the Government of Tunisia during the previous six months to improve respect for civil liberties and promote the independence of the judiciary.

Mr. LEAHY. Mr. President, my amendment, which is cosponsored by Senator INOUYE, adds Tunisia to the list of countries that is eligible to receive excess defense equipment from the United States. I am offering this amendment because of Tunisia's support for the Middle East peace process, its geographical location between Libya and Algeria, and the fact that its armed forces do not have a history of engaging in violations of human rights.

Recently, Tunisia opened interests sections with Israel. This was a courageous step, and it is important that the United States affirm its support for Tunisia's positive role in the Middle East peace process. Additionally, Tunisia is located in an unstable and dangerous part of the world. Colonel Qaddaffi is unpredictable, and he has made no secret of his displeasure with Tunisia's actions vis a vis Israel. Algeria, on Tunisia's western border, is struggling with civil unrest stemming from clashes between the secular government and a fervent fundamentalist movement.

So while I am extremely concerned about the proliferation of conventional weapons in this volatile region, I understand the administration's purpose and I am prepared to support modest amounts of excess defense equipment to Tunisia.

However, this amendment also takes into account the serious human rights concerns that I and others have about Tunisia. According to the State Department and respected international human rights monitors, civil liberties are severely curtailed in Tunisia. Lawyers, journalists and human rights activists are frequently harassed, intimidated, jailed and otherwise mistreated for expressing their political opinions. Nejib Hosni, a well-known human rights lawyer, has been accused of various misdeeds and imprisoned, after an unfair trial. Mohammed Mouadda, leader of the largest opposition party in Parliament, has been similarly silenced. Dr. Moncef Marzouki, former president of the independent Tunisian Human Rights League, has been repeatedly harassed and his passport has been revoked. These are only three examples, but they illustrate a disturbing pattern.

In addition, the State Department reports that the Tunisian judiciary is "not independent of the executive branch, and that judges are susceptible to pressure in politically sensitive cases."

The Tunisian Government should recognize that it only hurts itself by acting this way. By attempting to silence its critics, especially individuals who do not advocate violence, it creates resentment and closes out alternative forms of expression, which can lead to violence. This is the antithesis of democracy.

This amendment requires the Secretary of State to report on actions taken by the Tunisian government to improve respect for civil liberties and to promote the independence of the judiciary. Our hope is that the Tunisian government will treat these concerns with the seriousness they deserve, and initiate a sincere effort to deal with these human rights problems on an urgent basis.

AMENDMENT NO. 5025

(Purpose: To provide additional funds to support the International Development Association)

On page 135, line 7, delete "$626,000,000" and insert in lieu thereof "$700,000,000."

Mr. LEAHY. Mr. President, the United States was instrumental in creating the International Development Association, which provides concessional loans to the poorest countries in the world. In this bill we have cut our contribution to IDA $308 million below what the President requested.

The request for fiscal year 1997 was $934 billion, and that only covers the arrears we already owe. The money in this bill for IDA is $74 million below the current level.

This amendment will bring our contribution to IDA up to the current level. That is still $234 million below the President's request, but it will at least show that we intend to do everything possible to prevent further erosion of support for IDA.

Some may think it does not matter if we maintain our leadership in IDA. They should talk to our economic competitors.

They know that IDA is a worthwhile investment, because of the contracts their companies get from IDA-financed projects and, even more importantly, the foreign markets IDA helps create. They know their ability to influence IDA policies is a direct function of their contributions. As we cut our contribution and our influence wanes, their influence grows.

It is influence many people here would miss, because with it the Congress has had a major role in making IDA lending procedures more open and subject to public scrutiny, and in eliminating wasteful policies. Money buys influence in these institutions, there is no two ways about it.

Mr. President, 40 percent of IDA lending goes to Africa, where the population is expected to more than double in the next 50 years. It would be unconscionable for the richest nation to cut its contribution to the largest source of funding for the poorest region in the world, which is potentially one of the largest emerging markets for American exports.

People need to realize that foreign assistance is not simply assistance for foreigners. It supports our own economic and political interests.

This is a critical year for IDA. When the United States indicated to the other IDA donors that we would not be able to contribute to IDA's replenishment this year and could only continue to pay off our arrears, the Europeans established an interim fund to get through this year without a U.S. contribution.

The administration supported that. But the Europeans made a miscalculation, by insisting that the U.S. would not be eligible for procurement for projects financed by the interim fund. While I can understand why they did that, since the interim fund consists entirely of their money, I believe it is misguided as a matter of policy to impose procurement restrictions on IDA-financed projects. I would say that if it were the United States or any other country that was being penalized, and whether it were IDA or any multilateral institution.

I would have liked to see us fully fund the President's request. That was not possible, since our budget is less this year than last. But I am hopeful that by maintaining our current level of funding, the Europeans will see that we are doing our best to eliminate our arrears, so we can go on to support IDA's replenishment. With the budget cuts we are facing there is only so much we can do in any single year.

I hope the Europeans will recognize the significance of what we are doing, and relent on the procurement restrictions. I think it is in everyone's interest that the United States remain a strong supporter of IDA, and that is not likely if these restrictions remain in effect.

Mr. President, there is one final aspect to this I want to mention. There has been a lot of talk about what percentage of IDA procurement American companies receive. Considering IDA alone, it is about 10 percent, largely because American companies have far less experience doing business in Africa than European companies. But when you consider World Bank and IDA contracts as a whole, U.S. procurement is about 20 percent, which is consistent with our share of contributions.

I thank the chairman of the subcommittee, Senator MCCONNELL, for accepting this amendment.

AMENDMENT NO. 5026

On page 148, line 10 through line 13, strike the following language, "That comparable requirements of any similar provision in any other Act shall be applicable only to the extent that funds appropriated by this Act have been authorized: Provided further,".

Mr. McCONNELL. Mr. President, in this group of amendments, there is a Bumpers amendment on Mongolia, a Reid amendment on female mutilation, an Inouye-Bennett amendment on USTTI, three Leahy amendments, and one McConnell-Leahy amendment on authorization restrictions.

Mr. LEAHY. Mr. President, we have no objection to those.

The PRESIDING OFFICER. Without objection, the amendments are agreed to, en bloc.

The amendments (Nos. 5020 through 5026) were agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Mr. President, I yield the floor.

AMENDMENT NO. 5027

(Purpose: To strike funds made available for the Socialist Republic of Vietnam)

Mr. SMITH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH] proposes an amendment numbered 5027.

Mr. SMITH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 105, line 17, strike "provided further," and all that follows through the colon on line 21.

Mr. SMITH. Mr. President, this is really a very simple amendment. I will not take too much of the Senate's time to discuss it. Oftentimes, little things that seem rather insignificant get tucked inside these bills that ought to be looked at more carefully, and they do cost the taxpayers a considerable amount of money. I think this is an example of one of them.

The amendment that I am offering removes a provision that now exists in the committee bill that provides up to $1.5 million in taxpayer assistance for the Communist Government of Vietnam for economic assistance. I want to point out to my colleagues that this is not humanitarian foreign aid. This is economic assistance that is above and beyond what we would call humanitarian aid.

Very specifically, the bill language states:

Funds appropriated for bilateral economic assistance shall be made available, notwithstanding any other provision of law, to assist Vietnam to reform its trade regime through, among other things, reform of its commercial and investment legal codes.

The committee report language, I say to my colleagues, is even more revealing. It is more specific. It says: "The initiative seeks to assist the Government of Vietnam's efforts to develop trade relations with other nations through reforming its legal system and trade regime so as to provide the necessary framework for commercial transactions, foreign investments and trade."

I might just say that, depending on your point of view, it may or may not be a worthwhile vote. The question is, should the taxpayers of the United

States of America provide that help when, in fact, there are companies who will stand to gain substantially if this trade does take place? In other words, under the bill, the money from the American taxpayers will be spent for the cause of making a Communist nation more attractive to corporate America. A Communist nation—this does not go to the people of Vietnam. This goes to no humanitarian aid here; this goes to the Communist Government of Vietnam.

Mr. President, I believe this is wrong, pure and simple. That is why I am offering this amendment to strike this provision. We are in a very difficult time. A lot of cuts—we are trying to balance the Federal budget. When you talk about $1.5 million, that may not seem like a lot of money; it is a lot of money where I went to school, a lot of money in most families in America unless you hit the lottery—$1.5 million to the Communist Government of Vietnam. We do not provide that kind of dollars to Cuba or North Korea. Why are we doing it to Vietnam?

The majority of Americans have been very clear over and over again to this Congress in making their voices heard—reduce foreign aid spending. This is hardly the time to start a new foreign aid program for a Communist country. I know those who disagree with me will say the opposite, but the truth of the matter is, this is the camel's nose under the tent. This is the beginning of foreign aid to a Communist country; $1.5 million is so small when you look at some of the other line items in the foreign aid bill, but it is a substantial sum of money for many, many families in America today who, I am sure, would love to have just a very small part of that $1.5 million to help with their budgets, perhaps their fuel oil, or paying for the mortgage, or feeding their children.

Why are we providing this money? Why are we putting $1.5 million tucked in, hidden in the language of this bill, in the report language? Why are we doing this? Who stands to gain? What is the purpose of this? This is not a case—I want to make this very clear—this is not a Vietnam bashing situation. It has nothing to do with POW's and MIA's. It has nothing to do with MFN. It has nothing to do with how you feel about normalization, or opening up diplomatic relations with Vietnam. That is not the issue. We have already debated that. So let us not get into that corner. But Vietnam is not a struggling democracy out there like some of the Eastern European countries who are trying to come out now from under the cloak of communism.

Vietnam criticized the U.S. Government in its relationship with Cuba by applying the sanctions tighter to Cuba, criticized President Clinton and criticized Senator Helms and others for Helms-Burton. This is not a democracy that is getting this $1.5 million. It is a Communist government, not the people, the Communist Government of Vietnam. They just finished holding their Communist Party meetings in Hanoi last month. So they are still there. They are still repressive. They still have people in forced labor camps. There is still repression.

Why do we provide from the pockets of the American taxpayers $1.5 million to encourage the investment of corporations from America? Again, that debate has been lost. Corporations are investing in Vietnam. Let them pay their own money to invest in Vietnam. They will get a return for their money. The taxpayers do not need to help some of the largest corporations in America to the tune of $1.5 million.

Again, I want to point out that this is not humanitarian aid. This is not helping kids who have lost their limbs in the war. It is not helping people get an education, helping people who may have illnesses. That is not what this is about. We have done that before, and I have supported some of that because I believe that in war innocent people do suffer. Unfortunately, that is the case and in the case of Vietnam, that was the case. Innocent people sometimes suffer on both sides of the war, and I have supported humanitarian aid for some of those people. But the committee provision represents nonhumanitarian assistance for the Government of Vietnam. There is a big, big difference.

I want to again repeat it for emphasis because it is the essence of the argument: This is nonhumanitarian aid. This is helping the government, the Communist repressive regime of Hanoi, to do better business with American businesses.

I want to point out, Mr. President, that in the same bill that we are debating here on the floor, there is a provision which prohibits foreign aid to countries like Vietnam that are in default. It says here—this is again the same bill, the exact same bill, Mr. President, under "limitation on assistance to countries in default," section 512: "No part of any appropriations contained in this act shall be used to furnish assistance to any country which is in default during a period in excess of 1 calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this act."

Let me just say that this provision has been law for 20 years. Every year it is in the committee bill and every year it is passed and signed into law. I am sure it will again happen this year. Why is it in there? It is in there because we do not want to reward countries who owe us money that have not paid us back by giving us more. That is why it is there.

So I want to draw the attention of my colleagues to a report from the Agency for International Development dated July 3, 1996, which I have sent around to every Senator's office. I hope every Senator will look at it because it is important.

According to this report which I just cited, Vietnam has been in violation of this law, the law that I just referenced, since May 29, 1976, 1 year after the North invaded and conquered the South. When it toppled the South, we all remember the helicopters, the people falling off rooftops and falling off helicopters in that terrible tragedy, when the tanks from the North roared through Saigon, when it toppled the South, North Vietnam automatically incurred responsibility for over $150 million in economic loans owed to the United States by the Government of South Vietnam. Those dollars are still on the books, Mr. President. The country of Vietnam still owes that money. It is still unresolved.

I am told that negotiations to resolve this debt have been underway between the United States and Vietnam for sometime now, but no timetable for an agreement is in sight. So with $150 million of outstanding debt being held up, not being paid, we now slide quietly, ever so slightly, sleight-of-hand, tucked into this bill a little paragraph that says: "Here is another $1.5 million. We are going to reward you. You owe us $150 million. You are still a repressive Communist regime. You repress your people. And now we are going to trade with you, and that is fine." That decision has been made. I don't agree with it. The decision has been made. But the question is, should those who decide to trade, some of the largest corporations in America, should they be given another $1.5 million of taxpayers' money to further their efforts in Vietnam to a country, A, that is Communist, B, that is repressive to its people, and, C, that has not paid its debt back to the United States of America? That is the basic question. I know that there are a lot of big issues out here on this bill and other bills that we face here in Congress, but these little issues, so-called, really are a lot bigger than they appear to be.

That was not easy. We had to read this bill to find this.

Let me just say there are other countries that are on this list of countries that owe us money, and they are in violation of the Brooke amendment. They are such countries as Syria, Afghanistan, Sudan, Somalia, and others.

So the question you have to ask yourself is, should we reward this country with another $1.5 million—just under the table: Here it is? Why should we be asked to make an exception for Vietnam in this bill for nonhumanitarian assistance? What is the reason? Why was this tucked in the bill without debate, without any information regarding the background of this surfacing? Why should we make an exception for Vietnam among other nations in the world that also owe us money? Why should we be asked to circumvent the intent of Congress?

My colleagues, that is what we are doing, because it is very clear in the legislation, very clear, as I said, under section 512, that "no part of any appropriation contained in this act shall be used to furnish assistance to any country which is in default."

So the language is placed in the bill "notwithstanding any other provision of law," which basically wipes this off for the country of Vietnam—no explanation, no rationale, just tucked in the language. So why are we doing it in this manner?

In conclusion, Mr. President, we should not be authorizing a new foreign aid program on an appropriations bill for the first time in this clandestine, undebated, secretive manner. That is the issue. That is what we are doing.

This is neither the time nor the way to start a new development assistance program to promote trade with Vietnam regardless of the amount of money involved. These things tend to grow. We all know that once an economic aid program begins—the Senator from North Carolina, who is in the Chamber, knows full well once a bureaucracy is started, once an aid program is begun, it is pretty hard to keep it from getting an increase, let alone eliminated. It reminds me of the Market Access Program which the majority of my colleagues have voted to scale back.

So we should keep in mind this is not a case where the taxpayers have to fund this, No. 1. IMF, the International Monetary Fund, has helped Vietnam. United States dollars go into that. The World Bank, United States dollars go into that. They help Vietnam. The Asian Development Bank, they have already given Vietnam millions of dollars in loans to help their economy develop. These loans are supported by United States tax dollars in part.

You can make a case that we should not do that, but I am not making that case. I am saying those are already out there. That is another issue. So why provide another $1.5 million in bilateral economic assistance when we are already contributing through multilateral organizations?

There are also private foundations helping Vietnam, helping in the reform of its commercial code, such as the Ford Foundation and IRI.

I can certainly think of, as I said before, a lot better use of $1.5 million. I am simply asking that we delete it. My amendment simply deletes the dollars, and I do that because I think we can use it better. A, we can put it on the debt, which would be my first choice, or B, we might be able to use it for something else, for some other more needy cause. There are lots of causes out there that I think are deserving of dollars ahead of this if we want to put $1.5 million somewhere.

I think the American people would agree.

So, again, Mr. President, this is a small amount of dollars in a big bill and in a big budget. I agree with that. But it is not a small amount of dollars for the average family in America today struggling to make ends meet. The problem is there are a lot of these little $1.5 million tucked away through the 13 appropriations bills as they weave their way through Congress. They all add up, as Senator Dirksen used to say, to real money. A million there, a million there. Then it is $1 billion, $1 billion here and $1 billion there. Then it is $1 trillion. I do not even know what comes after $1 trillion. What is it, quadrillion? I do not know. But it adds up.

This is a small item. Granted, maybe it is not worth an hour of debate, somebody will say, but let me tell you something. If you take care of dollars, hundreds of dollars, thousands of dollars, and millions of dollars, you will take care of billions and trillions. They will take care of themselves.

This is a very important statement we are going to make here. If this amendment is defeated, if my amendment is defeated, what we have said is that providing additional taxpayer aid to the country of Vietnam, a Communist nation like Cuba, is more important than helping children, helping the sick, helping people with AIDS, helping people who need help with their education, their student loans or retiring, helping to retire the national debt.

Again, I cannot emphasize more strongly how I feel that it is wrong to put this in this legislation. So let me, at this point, Mr. President, before yielding the floor, ask for the yeas and nays on my amendment.

The PRESIDING OFFICER (Mr. ASHCROFT). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. SMITH. I yield the floor.

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President and Members of the Senate, on a bipartisan basis, by big majorities, we have in recent years voted, first, to lift the sanctions against Vietnam, and then to open diplomatic relationships with Vietnam because we believe it is important to engage Vietnam not only in civilized discourse, but to bring them into the community of nations. We have had that debate, and this has been successfully completed as far as those of us who wish to engage Vietnam are concerned.

How do we complete the circle? How do we help Vietnam become the kind of nation we want it to be? Or to put it another way, what do we want Vietnam to do? I think if there is one thing we want Vietnam to do it is to follow the rule of law, to be a law-abiding country rather than to be a Communist country.

The two are at opposite ends. To be Communistic is not to be a rule-of-law country. To be a rule-of-law country is the opposite. So what we have done here is, working with the Vietnamese, to authorize AID to spend up to $1.5 million, not in aid to Vietnam but to give to the American Bar Association, the American Law Institute, and the U.S.-Vietnam Trade Council to help send experts to help Vietnam develop the rule of law. Not one cent of this goes to the country of Vietnam, Mr. President—not one cent. What we will do is what we did with Eastern Europe, and as a matter of fact this initiative, which was my initiative in the committee, is patterned after that which we had for Eastern Europe. After the fall of communism in Eastern Europe, they found that they had no legal system in Poland, in Czechoslovakia, et cetera. And the American Bar Association sent over lawyers and judges and others, many of them contributing their time, to help them develop a legal system, a commercial code, a bankruptcy code, a criminal code—all of the codes; and then to train the judges to help run the system. That is what we want to do for Vietnam. The Vietnamese have welcomed this. I spoke to the United States-Vietnam Trade Council. I said the thing you can do to best ensure investment in Vietnam, to ensure you will be brought into the community of nations, is to develop a legal system to follow the rule of law. They were willing and now are anxious to have this kind of aid.

Within the last 2 weeks, a group of legal scholars from Vietnam were here in Washington and I visited with them, including the head of the Vietnamese bar association as well as Vietnamese judges. They are eager and anxious to learn how to put together a legal system modeled on the American system. If there is anything we want for Vietnam, how can anyone in this body be against Vietnam adopting the rule of law? How can anybody in this body be against training Vietnamese judges to follow the law, Western-style law, propagated by the American Bar Association? I just do not understand.

The reasoning seems to be this. Vietnam is a repressive regime, says my friend, Senator SMITH. Therefore, do not give them aid in following the rule of law. That does not compute, to say you are repressive therefore we are not going to help you be less repressive; you are repressive, therefore we are not going to give you and your citizens legal protection. It does not compute.

Let me also say the whole predicate for this, which is the so-called Brooke amendment, which says you do not give foreign aid to a country that owes you money—in the first place this is usually waived. It has been waived for a broad number of countries: Colombia, Bolivia, Peru, Nicaragua, a host of African countries, Eastern European countries. Beyond that, the good news is on the $150 million that is owed by the Vietnamese—which, by the way, was incurred largely before this regime came in—we have come to closure and agreement, as I understand it, on all but about $8 million of that $150 million. And there has been a commitment to settle the whole thing.

The Vietnamese are trying to do what they can. They have agreed to resolve and most has been resolved. And even when it is not resolved, with other countries it is waived. But besides that, it is not foreign aid. The question is will it help Vietnam? You bet it will help Vietnam. It will help make Vietnam a law-abiding rule-of-law country. And that should make it easier for companies to invest there.

What is wrong with that? Do we want this Communist country to stay Communist? Or do we want them to have a legal code? It is as simple as that. For the life of me, I do not understand the reasoning that says it is wrong to help Vietnam follow the rule of law. I think that is a non sequitur and I hope the Senate will roundly reject the Smith amendment.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH. Mr. President, I ask unanimous consent to add Senator THOMAS as a cosponsor to my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH. Let me just briefly respond. The Senator from Louisiana is correct in terms of waivers being applied in the past for countries. I think he mentioned Colombia and Peru. That is true. And in most cases where such waivers were granted, it was related to narcotics, in the sense that we wanted to try to help them to stop the flow of narcotics into this country. I think if any Senator wanted to look up the background on that, they would find out that is the reason for the waiver. I think in most cases they were voted on, these waivers, in the Senate, and not tucked into a foreign operations bill.

Let me also say I am all for Vietnam coming around to the rule of law. I hope it happens before the end of my speech. But is it happening? If they supported the rule of law they would have free elections. The last time I looked I do not think there are free elections in Vietnam. If they supported the rule of law they would not be imprisoning people throughout their country without charging them with anything.

So, to say we are going to put $1.5 million of taxpayers' money into this trade council to get into Vietnam to encourage them to live by the rule of law, we could make the same argument with Cuba. How about North Korea or Libya? Why do we not pump a few million dollars in there and see if we can get them to abide by the rule of law?

Let me also respond to the position regarding assistance. For Eastern Europe, true, we do provide that kind of assistance. But Eastern Europe is not Vietnam. Eastern Europe broke out from under the yoke of communism. They are struggling democracies. They have gotten out from under this Communist tyranny. It is true and I support it. It is true we should provide and I support providing moneys to help those countries to set up a rule of law and to set up a viable free enterprise, free market system, and to continue to grow out from under the yoke of communism which they are doing so well right now. That is a different situation.

They first must make the decision that they want the rule of law. When they make the decision that they want the rule of law, then they deserve help. And they made that decision when they threw the Soviet Union out, when they broke up the Soviet Union and threw out the Communist tyranny. Vietnam has not made that decision, unfortunately. Not only have they not made it, they have criticized us pretty openly in recent times, criticized the President of the United States, criticized this Senator, Senator HELMS, and criticized others in the so-called Helms-Burton amendment here regarding our treatment of Cuba.

Mr. JOHNSTON. Will the Senator yield on that point?

Mr. SMITH. Certainly.

Mr. JOHNSTON. The Senator is aware that Vietnam is anxious to have aid from the American Bar Association in helping them develop the rule of law. We have not had that kind of request from Libya and Cuba and others. They are anxious to develop the rule of law. They want the American Bar Association in there to help them do that. That is what this is all about. Is that not true?

Mr. SMITH. I do not know that you can say emphatically and without any doubt that Vietnam is ready to embrace the rule of law. I think, if I understand this amendment and I understand the debate here, it is more likely that we are trying to encourage them through these dollars to embrace the rule of law and to make it easier for companies who do business there to do so under some legal system. That would be my interpretation of it. I do not think Vietnam has embraced the rule of law and said we will embrace the rule of law if you provide us this $1.5 million.

My point is, I say to my friend, the issue here is really: Have they made the decision and is it fair for us to put $1.5 million in aid in there when we have this money that is already owed us? Why make an exception? That is the issue.

Mr. JOHNSTON. If my friend will yield, what Vietnam has said is that they are anxious to have this aid. I mean this legal help from the ABA and the International Law Institute. They are anxious to have this aid because they want to develop this system.

They are in the process of developing a commercial code, a civil code, training their judges in criminal codes. Part of it is helping them draft the laws, and part of it is in training the lawyers and the judges, and they want this. They were in my office just 2 weeks ago. What is wrong with that?

Mr. SMITH. Let me tell you what I think is wrong with it. You are hoping that this works, and it may. No one can answer that question today. But it didn't work in Europe until after communism fell. I don't think that you can bifurcate law saying what is here on one side, business law, is good and not abiding by the rule of law in terms of its treatment of its own people, in terms of imprisoning people without having them charged. I don't think you can bifurcate those things and say this is OK and we will just overlook this.

Mr. JOHNSTON. Is my friend saying he will not give aid to help them change the legal system until the legal system is already changed?

Mr. SMITH. No.

Mr. JOHNSTON. At that point, they don't need any help.

Mr. SMITH. What I am saying is I think the right approach is to say to Vietnam, "You owe us $150 million. Let's work out a payment schedule instead of avoiding it and ducking it. Let's work out a payment schedule to return the $150 million that you owe us," and once that schedule is set up and we begin to see payments coming back for that, then we can work with them to try to help them set up a legal code that not only applies to helping big business or business do business in Vietnam, but also helps the people of Vietnam who are suffering at the hands of a system that does not really have a rule of law.

Mr. JOHNSTON. On that point, how would my friend say that we should give that aid? What would be the method of helping them set up that legal system?

Mr. SMITH. I think we would say to the Vietnamese Government, "We want you to repay."

Mr. JOHNSTON. I understand. But after they made that decision and you say it is right then to help them set up a legal system, would you not use the American Bar Association and the International Law Institute, the United States-Vietnam Trade——

Mr. SMITH. The American Bar Association, I say to my friend, certainly has the financial capability to send lawyers to Vietnam to sit down and discuss with them how they might set up a legal system without having $1.5 million of the American taxpayers' money. The American Bar Association donates tens of millions of dollars to political campaigns, frankly in my friend's party more than my own. I think they certainly have the capability of $1.5 million to go over there, if that is important to them, to set up this business structure.

But it would help also that instead of just setting up a business structure to see to it that profits can be made, I hope they also will work on helping these poor, unfortunate souls who sit in prisons for years and years and years without even having charges brought against them because there is no legal system. That is my point.

This is not a situation where we go back and replay the normalization argument or the MFN argument or diplomatic relations argument. That is over. But I do think we need to make a statement that this country is still a hard-line Communist regime.

I have been there. I love the Vietnamese people. I have traveled all over Vietnam. I have friends there, people I have met. I like the Vietnamese people. I think they would benefit from a good legal system in that country. I don't think just providing $1.5 million in aid is the way to get it. That is the issue.

The issue is very simple, you either support $1.5 million in foreign aid to a country that still owes us $150 million that is a hard-line Communist regime or you don't. If you feel that is justified, then you vote against my amendment.

I yield the floor, Mr. President.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I came to the floor to address another amendment, which, as I understand, has been laid aside so this amendment could be considered.

I have listened with interest to both sides, and I almost have no dog in this fight, but I have to agree with the distinguished Senator from New Hampshire. The American Bar Association, if it is so interested in this program, could raise $1.5 million, or whatever it is, before they go to lunch today, get on the telephone.

The point I think that Senator SMITH is making is that every time somebody gets an idea, let's do this or let's do that, they ask the taxpayers to pay for it. They don't raise the money themselves privately when they could. Some of the fattest cats in this country think up ideas to be financed by the American taxpayers.

As the result of all this, this Government is in debt well over $5 trillion. I went in the cloakroom one day a couple of months ago in connection with a report I have been making daily since 1992, stipulating and reporting the exact Federal debt as of close of business the day before. We were approaching $5 trillion at that time. I think we met it a day or two after that. I stepped in and some Senators were sitting there. I said, "How many of you know how many million are in a trillion?" These are the people who ran up this debt for the young people of this country to pay. Not one was certain about the answer. There are 1 million million in a trillion, Mr. President, as the distinguished occupant of the Chair knows.

We have run up this debt by saying, "This is a good thing to do, let's let the taxpayers pay for it." "This is a good thing to do, let's let the taxpayers pay for it." "This is a good thing to do; oh, this is going to pay for itself."

How many times have I heard that? Senator SMITH said these "temporary programs." I bet you 75 percent of the programs that are started by the Federal Government and approved by the Congress are identified as "temporary Federal programs."

For example, the Agency for International Development, when it was approved by Congress back in the fifties, was a temporary Federal program. So was ACDA. So is this one and that one, and so forth. All of them are "temporary programs" still going strong with thousands of employees being paid for by the taxpayers.

I think that is the point that Senator SMITH is making. Ronald Reagan said one time, "There's nothing so near eternal life as a temporary Federal program." I think that is the point of it.

I suggest you two fellows get together. Call the American Bar Association and ask them if they will not raise this million and a half, or whatever it is, before 1 o'clock.

Mr. SMITH. I ask unanimous consent to have printed in the RECORD a letter of support for the amendment from the American Legion.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
Washington, DC, July 25, 1996.

Hon. ROBERT C. SMITH,
U.S. Senate,
Washington, DC.

DEAR SENATOR SMITH: The American Legion supports your amendment to H.R. 3540, the Foreign Operations bill, which deletes $1.5 million in bilateral economic assistance to the Socialist Republic of Vietnam. We have steadfastly opposed any additional favorable actions toward Vietnam until they make honest and complete efforts to achieve the fullest possible accounting for our POW/MIAs.

It is clear that Vietnam can take unilateral actions today in the areas of remains and records that could account for many missing Americans. Moreover, our support for your amendment is further strengthened by the default status of prior U.S. loans prohibited under the so-called Brooke Amendment.

An appropriation of $1.5 million to Vietnam at the time to assist in reforming its trade regime would only encourage their continuing intransigence and discourage meaningful unilateral cooperation by them in providing the fullest possible accounting. We strongly support your amendment to H.R. 3540. We appreciate your continuing leadership on issues of importance to veterans.

Sincerely,

JOHN F. SOMMER, Jr.,
Executive Director.

Mr. SMITH. Mr. President, other than that, I have no further comments.

Mr. HELMS. If the Senator will yield, if he has no objection, I wish he would make me a cosponsor of his amendment.

Mr. SMITH. Mr. President, I ask unanimous consent to add Senator HELMS as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I wish to speak against the Smith amendment which would prohibit funding for economic assistance to Vietnam. I just visited Vietnam 2 months ago and I believe that this amendment would move us in exactly the wrong direction as we attempt to encourage economic and political change in Vietnam.

There is a tremendous entrepreneurial spirit pervading the streets of Hanoi. All along the narrow, winding streets you will find small stores crammed in next to each other, selling every thing under the Sun—books, postcards, clothes, car parts. The people of Vietnam very clearly want to have their own businesses. They want to trade. They clearly want a market economy, but they need help to develop it. The foreign operations bill provides funding for us to provide assistance to teach them economic and legal reforms. This type of assistance will only encourage the country to move farther away from socialism and closer to a Western-style market system.

Moreover, this is just the type of reform that United States business leaders in Hanoi told me they need to see in Vietnam. It is very much in American commercial interests to have investment and especially legal reforms in Vietnam. U.S. businesses are losing money now, but they continue to do business there because they believe change is coming to both the country and the region as a whole and that change will be profitable for them. The type of assistance this bill provides for will encourage that change to come sooner, rather than later.

By prohibiting economic assistance to Vietnam, the amendment we are discussing would needlessly stifle budding, indigenous market reforms and hurt United States companies at the same time.

It was truly an amazing sight to see the people in Vietnam in the streets, Vietnamese and American businessmen working and chatting together in a friendly way. That would have been impossible to imagine 20 years ago. I hope this amendment is not accepted and that we do what we can to encourage Vietnam's development. I yield floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, various Senators have been coming over and bringing up amendments and speaking to them. I encourage others, if they have them, to do that. I know that we are trying to accommodate the committees that are meeting, hearings that are going on, and so forth, and trying to stack votes when we can. But I know the chairman and I wish to finish the bill at a relatively expeditious time. I mention this for what it is worth. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I am happy to give another stirring speech if it would help, as I know I will have the unrestrained attention of the distinguished Presiding Officer who otherwise may find it difficult keeping both eyes open, but I would rather other Senators present their amendments so we could, as much as I know everyone prefers staying and working on this amendment, so we could get out of here on this thing. I understand the cloakroom is looking for other amendments.

I must say, in seriousness, we end up making policy sometimes directly and sometimes indirectly on this bill. We do affect the authorization as well as the appropriation on this bill because we do not have a piece of authorizing legislation to work from.

I urge Senators to understand what has happened as we have allowed ourselves to be captured by our rhetoric. The irony is that during the Reagan administration, I recall Senators still in this body who would say they strongly applaud President Reagan's efforts to curtail foreign aid. And yet, of course, President Reagan supported nearly $25 billion in foreign aid. Now that same rhetoric, they say, "We have to do something; now that the Clinton administration is here the foreign aid has risen." Well it is now down around $10 or $11 billion under the current administration. At some point, we should stop the rhetoric and face the reality.

The fact of the matter is we have interests worldwide. If we want to have a fortress America, we should make that decision. But I am afraid that is a fortress that would find its walls quickly crumbling. Much of what keeps our economy growing is our export market. What keeps America strong is the fact we are recognized as a global power with far-reaching responsibilities and far-reaching benefits.

When we pat ourselves on the back and praise ourselves for the cuts that we have done in international organizations, in international efforts, we ought to ask, why is it that some of our strongest economic competitors like Japan and others are so happy to see us withdraw, so they can step in. The fact is very simple, Mr. President, they are creating jobs.

Many countries spend a great deal more than we do as part of their budget on so-called foreign aid and development. The reason they do it, of course, is not out of any sense of moral responsibility or altruism. They do it because it creates jobs. It creates an export market for their products. It creates a presence in these countries as they develop their own economic powers. It helps stability so they do not have to get involved in regional battles. But it creates jobs.

They see the United States withdrawing and withdrawing and refusing to get involved in international efforts of economic development in these countries and they see U.S. jobs being lost. Our companies that export, our companies that have the ability to do so, are just laying off people left and right as we withdraw.

It is strange to me, Mr. President, how some of the same Members of this body who brag about how they will try to stop any efforts for economic development or democracy building in other parts of the world, will stand here and bemoan the fact that other countries in the Pacific basin or Europe or elsewhere are taking away our export jobs. They fail to see the connection. Of course, there is a connection.

As I said this morning, there is also a moral imperative here. In parts of sub-Saharan Africa we help out with aid, maybe 20 to 50 cents per capita or less. We have spent more for the costs of the Congressional Record debating this bill so far today than the per capita income of many of these countries, of whole families, in many of these countries. We will spend 25 to 50 cents there, yet we will use 50 percent or more of the world's resources with 5 percent of the world's population.

We have a moral responsibility. No matter how one looks at it, we can argue we have a responsibility to help out with other parts of the world. There is our moral responsibility, but also it makes economic good sense.

I see the distinguished Senator from Massachusetts on the floor, so I yield to him.

Mr. KERRY. Mr. President, what is the pending amendment?

The PRESIDING OFFICER (Mr. CAMPBELL). The pending business is amendment No. 5027, offered by the Senator from New Hampshire, Mr. Smith.

Mr. KERRY. I will take a few minutes to speak to that amendment. I will not spend a lot of time on it.

I strongly oppose the amendment of the Senator from New Hampshire but respect his concern about it. I commend to my colleagues that I think the concern expressed by the Senator from New Hampshire is misplaced in this particular instance, and that the real interests of the United States are to continue forward in helping to build a legal code and trade code in Vietnam that is based on our notions and precepts about both the legal systems and trade.

Mr. President, the Senator from New Hampshire argues that we should not go forward with this legal program—legal reform program in Vietnam, which is what it is—because he says Vietnam is in violation of the Brooke amendment. The Brooke amendment is an amendment that limits U.S. aid to countries that are in default to the United States on money owed. The default that he is referring to is a default that goes back to the question of debt emanating from the war, back in the 1960's.

Indeed, the United States and Vietnam have already had a number of rounds of negotiations on this debt. The debt does exist. I am not suggesting it does not. However, Vietnam has agreed in principle to pay the debt. It is a debt that has been owed to us from the time that certain property was expropriated during the war. The debt is about $150 million in total. As I say, they have agreed to pay that debt, with the exception of about an $8 million amount that remains in discussion over the question of USDA loans.

So, Mr. President, we have really resolved the major part of the issues with respect to this total debt. In addition to that, we have, in the past, on a number of different occasions, waived the Brooke amendment when it has been in the national interest to do so. We waived the Brooke amendment with respect to narcotics assistance in Colombia, with respect to Peru and Bolivia, for development assistance for Tanzania, for other African countries, and also for Nicaragua.

Mr. President, the Brooke amendment is not really what is at issue here. The issue is, Do we or do we not want to move forward with improving our ability to have a legal system in Vietnam that is based on our notions and precepts of what the law is and means, and do we want to have a trade regimen that meets the needs of our companies and the rest of the world in trying to do business with Vietnam which moves toward Western values and goals?

Mr. President, a number of years ago, I created the Fulbright Exchange Program for Vietnam. We are now in the fifth year of that program, and it has been an enormous success. We brought Vietnamese academics, officials, and others to the United States. We have trained them in some of the best schools, some of our best economic institutions, as well as some of our legal institutions. I think we are now at a point where we are seeing many American professors in law and trade and economics going to Vietnam and teaching in Vietnam.

So to suddenly take out of this bill a very small amount of money that is geared to trying to increase the ability to reform the legal system and economic structure of Vietnam would literally be to turn our backs on 30-plus years of aspirations with respect to that country. We are trying to do now, peacefully, what we invested 58,000-plus American lives to do during a 10-year war. It just does not make sense to turn away from the legal reform program that would be created by this bill, which is the logical, needed follow-on to the Fulbright program.

Vietnam wants our help in developing its legal code. What an extraordinary thing. What a great opportunity. For us now to suggest that is not a more peaceful and sensible way of approaching the process of changing a system of values and cultural—I do not know what is better than that. It seems to me that, recognizing that the full debt has been accepted in principle, the only contentious issue within the debt is $8 million of USDA money, it would simply be wrong to turn our backs on these 5 years of progress.

I hope my colleagues will join in opposing this amendment and in affirming that it is in our interest to continue to invest in the legal and economic reform of Vietnam and to bring Vietnam into the world community with respect to trade laws and regulations, property laws and rights, and all of the means of accountability for those companies that are or will be doing business in Southeast Asia.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, may I ask what is the pending business?

The PRESIDING OFFICER. The pending business is the Smith amendment No. 5027 to the foreign operations appropriations bill.

Mr. HELMS. As I understand it, at least one or maybe two other amendments have been set aside for that to be the pending business.

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. Mr. President, I ask unanimous consent that all necessary amendments be set aside so that I may call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Carolina is recognized.

AMENDMENT NO. 5028

(Purpose: To prohibit United States voluntary contributions to the United Nations and its specialized agencies if the United Nations attempts to implement or impose taxation on United States persons to raise revenue for the United Nations)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself, Mr. LOTT, and Mr. GREGG, proposes an amendment numbered 5028.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 198, between lines 17 and 18, insert the following:

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. . (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including the United Nations Development Program) if the United Nations attempts to implement or impose by taxation or fee on any United States persons or borrows funds from any international financial institution.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations or such agency, as the case may be, is not engaged in, and has not been engaged in during the previous fiscal year, any effort to develop, advocate, promote, or publize any proposal concerning taxation or fees on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section:

(1) The term "international financial institution" includes the African Development Bank, the African Development Fund, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the International Monetary Fund, and the Multilateral Insurance Guaranty Agency; and

(2) The term "United States person" refers to—

(A) a natural person who is a citizen or national of the United States; or

(B) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

Mr. HELMS. Mr. President, this amendment is cosponsored by the distinguished majority leader and the distinguished Senator from New Hampshire, Senator GREGG.

Mr. President, on January 15 of this year, the Secretary General of the United Nations, Boutros Boutros-Ghali, while speaking at Oxford University over in England, of course, outlined a series of revenue-raising options to pay for the United Nations' day-to-day activities. Mr. Boutros Boutros-Ghali then went on the British Broadcasting Corporation suggesting that the United Nations should be allowed to collect taxes directly from American citizens and citizens of all other sovereign nations so that the United Nations "would not be under the daily financial will of member states." There was quite a tempest about that idea, and it was not in a teapot.

Let me say at the outset that I know Mr. Boutros Boutros-Ghali, not well, but Dot Helms and I went to New York and had dinner with him and his wife and another friend of ours and his wife, and we had a very enjoyable evening. Mr. Boutros Boutros-Ghali has his own ideas about things, and I have been known to have my own ideas about a few things. It is in that context that I want to comment a little bit about the Secretary General's proposed scheme.

Absurd as it is, it is not an isolated one. James Tobin, an international economist, back in 1976 proposed a U.N. tax on currency transfers, and Gustave Speth, present Director of the United Nations Development Program—and all through the bureaucracy, here and there, we always use initials, and that is UNDP—the U.N. Development Program has called for a "global human security fund" financed from global fees such as the Tobin tax on speculative movements of international funds and international tax on the consumption of nonrenewable energy and a tax on arms trade. I am not making that comment just idly. That is an exact quote of what Mr. Speth proposed.

It is no coincidence that 1 week after Mr. Boutros Boutros-Ghali made his chilling announcement about the need and desire for giving the United Nations power of taxation, the former distinguished majority leader of the Senate, Bob Dole, and Senators KERRY, SHELBY, and I introduced what was then S. 1519, which was a bill to forbid any U.S. payments to the United Nations if the United Nations attempts in any way to levy taxes on the American people. All right.

So, Mr. President, the pending amendment—by the way, what is the number of the amendment?

The PRESIDING OFFICER. The number is 5028.

Mr. HELMS. I thank the Chair. The pending amendment is based on S. 1519, to which I have just referred, and it, like S. 1519, prohibits all U.S. voluntary contributions to the United Nations if the United Nations should make an attempt to levy a direct tax on the American people.

Furthermore, the amendment requires the President of the United States to certify to Congress that no United Nations agencies, including the UNDP, are concocting any sort of scheme for a direct tax on the American people. I am very pleased and honored that the present majority leader of the Senate, Mr. LOTT, and the chairman of the Commerce, State and Justice Appropriations Subcommittee, Senator GREGG, have joined in offering this amendment.

If I could ask whoever is in charge of focusing the television cameras, I hope that they will focus on the chart at my side. You will see the bureaucracy of the United Nations. You will also see how we have entitled it. We call it "The United Nations: One Big Mess." That is precisely what it is.

The United Nations is an enormous and unwieldy maze of independent fiefdoms whose bureaucracies are proliferating almost by the hour and whose costs are spiraling into the stratosphere and whose missions are constantly expanding far beyond their mandate. Worse, with its unyielding growth—just look at this bureaucracy, if you will—worse, with its unyielding growth and its misguided ideology, the United Nations is rapidly transforming itself from an institution of sovereign nations into a quasi-sovereign entity itself. This unchecked transformation and the Clinton administration's unwise over-reliance on the United Nations, obviously represents a threat to American national interests. That is the reason I am standing here on this floor with this chart right beside me.

Mr. President, the 53,000—count them—53,000 international bureaucrats at the United Nations would find it worthwhile if they would spend just a few minutes reading the Constitution of the United States of America. Despite what these bureaucrats may hope and desire, the United Nations, not being a sovereign entity itself, cannot—cannot—levy taxes. We could be grateful that it is not a world government.

You see, the United Nations exists to serve its members, of which the United States is one. The United States is also the most generous member of the United Nations—not the other way around.

Yet, when you look at this chart—I wish that the thousands of people looking at this chart on television at this moment could have a chance to examine it line-by-line. But judging from it, this insatiable U.N. bureaucracy has for 50 years now been impervious to any kind of real reform. It has grown and mushroomed "like Topsy."

That is why, from the standpoint of the U.N. bureaucracy, new taxes on the American people by way of international airline tickets, financial transactions, postcards sent from overseas—all of these and others—would provide a seemingly endless stream of resources from which, Heaven forbid, an ever-increasing number of new U.N. programs and new personnel and new bureaucrats could be undertaken.

Mr. President, if the Secretary General and his allies at the United Nations develop a program, and should they make the mistake of persisting in this U.N. tax scheme, there could very well be the 1996 version of the Boston Tea Party. This time it would be, I guess, in New York Harbor—because working Americans are already overtaxed beyond belief.

Today, the visible—the taxes that we can see—the visible tax burden for the average working family is a whopping 34.6 percent of their total income. Tax Independence Day, the day upon which American citizens stop working for the Internal Revenue Service and begin working to feed and clothe their families, is now May 7, a full week later than when Mr. Clinton took office.

In addition to this tax burden, every man, woman and child in the United States now owes an average of $19,494.49 as their share of the $5,173,226,283,802.71 debt. It should be no surprise, therefore, that the watchdog group known as the Americans for Tax Reform—a good group of people—and 14 Governors around the country, all Republicans, I might add, support the pending amendment.

The prohibition on U.N. taxation upon which this amendment is based speaks for itself. Yet the Secretary General and U.N. bureaucrats continue to raise the specter of more and more taxes on the American people.

So I guess it might be said that I am here today to try to help the American people make clear that even the consideration of U.N. tax authority is totally unacceptable. I do not want to hear any more about it, and I made that clear to Boutros Boutros-Ghali as nicely as possible. Passage of this amendment would send a clear message to Mr. Boutros Boutros-Ghali and the entrenched bureaucracy at the United Nations that what is necessary at the United Nations is real reform, not the taxation of the American citizens.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. I thank the Chair. I yield the floor.

Mr. GREGG addressed the Chair.

Mr. LEAHY. Mr. President, I wonder if the Senator will just answer a question. I realize he has yielded the floor.

I wonder if I might ask the Senator from North Carolina a question. I was just glancing over his amendment.

Mr. President, would the Senator tell me, in section (a), the first section, it speaks of the "United States persons or borrows funds from any international financial institution." Does that mean that no money could go to them if they were to borrow money from, say, the New York City Bank or other international financial institution just to pay their payroll? If they borrow from an American bank that has international affiliates to pay whatever housekeeping bills, would that preclude us?

Mr. HELMS. Of course not. If the Senator had read the amendment, he would know the answer to his own question.

"(c) Definitions. As used in this section."

Mr. LEAHY. Would this require in any way cutting money to UNICEF?

Mr. HELMS. I did not understand the Senator. Look at me so I can read your lips.

Mr. LEAHY. I am sorry. Unlike others, I was trying to follow the rules by addressing, Mr. President, the question through the Chair. But does this require cutting of any funds to UNICEF?

Mr. HELMS. There is no intention, expressed or implicit.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. LEAHY. My last question. If it was found that they had borrowed money from international financial institutions as defined here, would we then have to withhold any contributions to UNICEF?

If it was found that they were borrowing funds from one of the international financial institutions as defined—

Mr. HELMS. The answer to that is no.

Mr. LEAHY. In the amendment, would we then be precluded from contributions to them?

Mr. HELMS. The answer is no.

Mr. LEAHY. What would we be precluded under those circumstances from making contributions to? Because we have voluntary contributions to a specialized agency such as UNICEF. If we are not precluded from giving to UNICEF, what are we precluded from giving to?

Mr. HELMS. Is the Senator really concerned about UNICEF?

Mr. LEAHY. Mr. President, the Senator has had——

Mr. HELMS. If so, I will be glad to exclude it.

Mr. LEAHY. Mr. President, this Senator has spent years supporting UNICEF. As I read this, we are unable to give money to UNICEF.

Let us be clear. There are a lot of other things in here. Whatever agency provides funds for river blindness, we would be precluded from that. We would be precluded from others.

The Senator has an absolute right to have such an intention, but I just want to make sure we understand precisely what we are doing. If they borrow funds from any of these international financial institutions, I would assume this would then preclude our dollars to UNDP, UN Environmental Program, the World Food Program, International Atomic Energy Agency, UNICEF, and others. Am I correct?

Mr. HELMS. The answer is no.

Mr. LEAHY. What does it preclude us from giving?

Mr. HELMS. If the Senator wants to read the amendment——

Mr. LEAHY. I have.

Mr. HELMS. I ask the clerk to read the amendment. Apparently the Senator has not read it.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

Amendment No. 5028. On page 198, between lines 17 and 18, insert the following:

Mr. LEAHY. Mr. President, parliamentary inquiry. Has the amendment not already been reported?

The PRESIDING OFFICER. The amendment has been reported.

Mr. LEAHY. Mr. President, so let me read then what we have here. It says, "None of the funds appropriated or otherwise made available by this act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including United Nations Development Program)," and on and on. "If"—and what triggers this, among other things—"if the United Nations * * * borrows funds from any international financial institution," which would include the African Development Bank, the African Development Fund, the Asian Development Bank, the European Bank for Reconstruction and Development, and others as listed, the International Monetary Fund, and so on.

Under that, unless some waiver is given, we would be precluded from contributions to UNICEF, International Atomic Energy Agency, World Food Program, and any of these others. I do not know how one could read it otherwise.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I will say, Mr. President, in response to the Senator, I think he is on a fishing expedition and he is not going to catch any fish. But UNICEF cannot now borrow money, according to my understanding. Is that correct? So that question is moot. I do not know what the Senator from Vermont is talking about. If he wants to exclude UNICEF for some personal reason, I will be glad to exclude it.

Mr. LEAHY. Mr. President, we have a whole lot of things, but it does not speak of if UNICEF borrows. "If the United Nations * * * borrows funds from any international financial institution." I am not on a fishing expedition. I just want to make sure we have a clear record. I do not favor the United Nations or anybody outside of the United States or my own State of Vermont raising taxes. But we are talking about if the United Nations borrows, all of these others will then be precluded from contributions from us.

I am not trying to get the distinguished Senator from North Carolina to change his amendment. I just want to make sure we understand what it does, that is all. He has a perfect right.

Mr. HELMS. I say to the Senator from Vermont, what we are doing, you read to me from the amendment what gives you a problem and I will answer a question about that. I do not want you characterizing any provision of the amendment. I want you to quote from the amendment itself, and then ask me any question you want to.

Mr. LEAHY. Mr. President, on page 2 of the amendment, where it speaks——

Mr. HELMS. What line?

Mr. LEAHY. I am citing line 3: "* * * if the United Nations attempts to implement or impose any taxation or fee on any United States persons or borrows funds from any international financial institution." And then, on line 21, we have the definition of those institutions. And on line 8, it says, "None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies * * *."

That prohibition follows, as I read this, "* * * if the United Nations * * * borrows funds from any international financial institution," as defined in here. I am not arguing that point. I just want to make sure we understand what we are doing.

Mr. HELMS. You did not finish reading, Senator. If you had gone ahead and finished what you were reading, you would have discovered that this whole thing is based on Boutros Boutros-Ghali's and others' recommendation that the United Nations be given sovereignty to tax the American people and other sovereign countries. That is what this whole section is.

Mr. LEAHY. Mr. President, the idea that anybody is trying to give the Secretary General, whoever he might be, of the United Nations, the ability to impose taxes on the United States is about in the league of all these black helicopters that appear in the middle of the night, bringing U.N. troops around to take over whatever parts of the United States they are about to do. That is not about to happen.

I just want to make sure we understand, in voting for this, we could be cutting off our ability, if the United Nations has borrowed from any of these international organizations, our ability to make payments to the U.N. Environment Program, the World Food Program, International Atomic Energy Agency, UNICEF, the International Fund for the Advancement of Women, the International Fund Against Torture, the U.N. Environmental Program, and on and on.

That may be wise policy. My suggestion would be that perhaps, as such policy, it should be debated and included in an authorization bill which would originate in the committee of the distinguished Senator from North Carolina, the committee he chairs. Should he wish to do that in such an authorization bill, he ought to, rather than try to attach it onto this appropriations bill. But he is, of course free, as any Senator is, to bring up anything he wants.

I just want to make sure we know exactly what it is we are voting for. I just wanted the RECORD to be clear so Senators, those who have positions in favor of some of these independent agencies like the International Fund Against Torture or the World Heritage Agency or the International Fund for the Advancement of Women or UNICEF, or any of those, probably many others I do not have off the top of my head, they must know that, for whatever it is worth.

Mr. HELMS. Maybe the Senator would read my lips, as the statement goes. Nothing in here kicks in unless the United Nations engages in, during the fiscal year, "* * * any effort to develop, advocate, promote or publicize any proposal concerning taxation or fees on United States persons in order to raise revenue for the United Nations or any of its specialized agencies." Nothing kicks in. I believe the Senator understands that. I say, again, if he wants us to eliminate UNICEF, I will be glad to do that. It would be a meaningless gesture, but——

Mr. LEAHY. Mr. President, I appreciate the suggestion of the distinguished Senator from South Carolina to read his lips.

Mr. HELMS. North Carolina, I say to the Senator.

Mr. LEAHY. I know Presidential candidates said that, and said they would not raise taxes: "Read my lips, there will be no new taxes." But because I know what happened when we followed that, I would rather just read the words. And the words said, "None of the funds appropriated or otherwise made available under this act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies," which include the ones I have mentioned, if the United Nations borrows funds from any international financial institution.

If the U.N. borrows money to make its payments from these international institutions because the U.S. and others are in arrears in their dues, then we are not allowed to give money to the World Heritage Agency, the International Fund for the Advancement of Women, the International Fund Against Torture, the U.N. Environment Program, UNICEF, and Lord knows how many others. That is all I am saying. I am not reading anybody's lips. I am just reading the words of the amendment.

Mr. HELMS. The Senator is not reading all of it. This amendment will not, of course, kick in unless there is some effort for the United Nations to tax American citizens. That is all it is. I think it says that.

Furthermore, I think, if the Senator will recall, the United Nations tried to get borrowing authority from these lending institutions last year, I believe it was, to pay some debts, and that was denied. So that is a moot question.

The PRESIDING OFFICER. Is there further debate?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire [Mr. GREGG] is recognized.

Mr. GREGG. Mr. President, I rise in support of this amendment. As has been mentioned, I believe last year, the U.N. Secretary did state he intended to pursue the option of imposing a tax on airline tickets, currency exchanges, postage, energy sources and other programs in order to raise additional funds for the United Nations. Mr. Boutros Boutros-Ghali stated: "It will be the role of the Secretary General"—and he, of course, is the Secretary General—"to bring this project to successful fruition in the 21st century."

So we have an unequivocal statement of policy coming from the leader of the U.N. that it is the intention of the United Nations' leadership to pass a tax on, I guess, citizens of the world, but especially citizens of the United States.

I join with my colleague from North Carolina and congratulate him on bringing forward this amendment to make it unalterably clear that we object strongly, and will resist in all ways available to us, the concept of the United Nations assessing a tax on any American citizen. The United Nations is an organization which has been mismanaged in the most grotesque ways. The chart that the Senator from North Carolina sets forth is only one example of the massive patronage and financial disarray that represents the United Nations.

Just a few examples, so folks listening to this do not have to take me at my word. The average United Nations salary for a mid-level accountant is $84,500. The average salary for comparable non-United Nations individual would be $41,000, or half of it.

The average U.N. computer analyst, that individual receives approximately $111,000. That is compared with a counterpart in the private sector in the New York area of $56,000.

The Assistant Secretary General receives $190,000—this is the Assistant Secretary General—receives $190,000. That is compared with the pay for the mayor of New York City, which is $130,000.

On top of all this, U.N. salaries are not subject to tax. What an irony. You have this Secretary General of the United Nations saying that he wants to assess a tax against American citizens when he doesn't pay taxes, nor do the people who work for him, even though they are stationed in the United States. In fact, U.S. citizens working at the U.N. don't pay taxes. It is, to say the minimum, ironic.

We now, finally, have an inspector general to take a look at the money that is being spent there. In the first report, the inspector general found about $16 million was wasted. The inspector general only got to look at a small slice of the U.N. activity.

We, for example, know that they put turnstiles in at the U.N. for security reasons, I guess, but they had to pull the turnstiles out because the staff of the U.N. protested because the turnstiles were keeping track of when they came and went. It became very clear fairly quickly that most of them were coming very late and leaving very early, so they took the turnstiles out.

The U.N. for years has been a dumping ground of political patronage for people around the world. If you have a nation where the president or leadership of that nation wants to pay off a few political cronies, they send them to the U.N., put them on a U.N. salary and the United States taxpayer picks up 25 percent of that cost.

Yes, we have significant arrearages at the U.N., but we are, as a matter of policy, at least in the Congress, stating that we are not going to pay down those arrearages until the U.N. has gotten its house in order, and it does not have its house in order.

We addressed a letter, myself and Senator Dole and Senator HELMS, to the General Accounting Office to determine just what rights the Secretary General has to assess taxes against American citizens. We asked specifically:

> Are there any circumstances under which the U.N. revenue-raising proposal could be binding on U.S. citizens without an act of Congress?
>
> What is the process for approval of revenue-raising proposals by the U.N., including the role of the Security Council and the General Assembly?
>
> Are there any circumstances under which a U.N. tax proposal could be adopted over U.S. opposition?
>
> What is the status under U.S. domestic law and relevant international law of each of the U.N. revenue-raising proposals?
>
> What funding sources are available to the U.N. organization apart from contributions from member states? What authority does the U.N. have for each of these sources?

We have not yet gotten an answer to this request, but that answer is, of course, critical to the determination of just what rights American citizens have given away in chartering the U.N. relative to the issue of taxation and the policies of the U.N. and the ability of the U.N. to assess a tax.

Thus, I think it is important that we adopt this amendment so that we make it clear that as a matter of law, the Congress has spoken, that it does not intend to tolerate attacks against American citizens assessed by the U.N.

Therefore, I rise in strong support of the amendment of the Senator from North Carolina. I appreciate his leadership on this matter, and I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Madam President, I ask unanimous consent that the Burma debate be set aside while I offer an amendment.

Mr. McCONNELL. The amendment of the Senator from Alaska is one that I believe is going to be accepted, and I therefore ask unanimous consent that the pending amendment be laid aside so Senator MURKOWSKI can send his amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Madam President, I wonder, once we have disposed of the amendment of the Senator from Alaska, if we could have some idea of the order of business.

Mr. McCONNELL. I say to my friend from Vermont, as soon as Senator MURKOWSKI's amendment is disposed of, we could set votes on the Smith amendment and the Helms amendment.

I ask unanimous consent the Senate proceed to two rollcall votes, the Helms amendment and the Smith amendment, with no second-degree amendments in order, at the conclusion of the disposition of the Murkowski amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5029

(Purpose: To express the sense of the Congress regarding implementation of United States-Japan Insurance Agreement)

Mr. MURKOWSKI. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER (Ms. SNOWE). The clerk will report.

The legislative clerk read as follows:

> The Senator from Alaska [Mr. MURKOWSKI], for himself, Mr. D'AMATO, and Mr. BOND, proposes an amendment numbered 5029.

Mr. MURKOWSKI. Madam President, I ask unanimous consent that the reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 198, between lines 17 an 18, insert the following:

SENSE OF CONGRESS REGARDING THE UNITED STATES-JAPAN INSURANCE AGREEMENT

(a) FINDINGS.—the Congress makes the following findings:

(1) The United States and Japan share a long and important bilateral relationship which serves as an anchor of peace and stability in the Asia Pacific region, an alliance which was reaffirmed at the recent summit meeting between President Clinton and Prime Minister Hashimoto in Tokyo.

(2) The Japanese economy has experienced difficulty over the past few years, demonstrating that it is no longer possible for Japan, the world's second largest economy, to use exports as the sole engine of economic growth, but that the Government of Japan must promote deregulation of its domestic economy in order to increase economic growth.

(3) Japan is the second largest insurance market in the world and the largest life insurance market in the world.

(4) The share of foreign insurance in Japan is less than 3 percent, and large Japanese life and non-life insurers dominate the market.

(5) The Government of Japan has had as its stated policy for several years the deregulation and liberalization of the Japan insurance market, and has developed and adopted a new insurance business law as a means of achieving this publicly stated objective of liberalization and deregulation.

(6) The Governments of Japan and the United States concluded in October of 1994 the United States-Japan Insurance Agreement, following more than one and one-half years of negotiations, in which Agreement the Government of Japan reiterated its intent to deregulate and liberalize its market.

(7) The Government of Japan in June of 1995 undertook additional obligations to provide greater foreign access and liberalization to its market through its schedule of insurance obligations during the financial services negotiations of the World Trade Organization (WTO).

(8) The United States insurance industry is the most competitive in the world, operates successfully throughout the world, and thus could be expected to achieve higher levels of market access and profitability under a more open, deregulated and liberalized Japanese market.

(9) Despite more than one and one-half years since the conclusion of the United States-Japan Insurance Agreement, despite more than one year since Japan undertook new commitments under the WTO, despite the entry into force on April 1, 1996, of the new Insurance Business Law, the Japanese market remains closed and highly regulated and thus continues to deny fair and open treatment for foreign insurers, including competitive United States insurers.

(10) The non-implementation of the United States-Japan Insurance Agreement is a matter of grave importance of the United States Government.

(11) Dozens of meetings between the United States Trade Representative and the Ministry of Finance have taken place during the past year.

(12) President Clinton, Vice President Gore, Secretary Rubin, Secretary Christopher, Secretary Kantor, Ambassador Barshefsky have all indicated to their counterparts in the Government of Japan the importance of this matter to the United States.

(13) The United States Senate has written repeatedly to the Minister of finance and the Ambassador of Japan.

(14) Despite all of these efforts and indications of importance, the Ministry of finance has failed to implement the United States-Japan Insurance Agreement.

(15) Several deadlines have already passed for resolution of this issue with the latest deadline set for July 31, 1996.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Ministry of Finance of the Government of Japan should immediately and without further delay completely and fully comply with all provisions of the United States-Japan Insurance Agreement, including most especially those which require the Ministry of Finance to deregulate and liberalize the primary sectors of the Japanese market, and those which insure that the current position of foreign insurers in Japan will not be jeopardized until primary sector deregulation has been achieved, and a three-year period has elapsed; and

(2) failing satisfactory resolution of this matter on or before July 31, 1996, the United States Government should use any and all resources at its disposal to bring about full and complete compliance with the Agreement.

Mr. MURKOWSKI. Madam President, I rise to offer an amendment to the foreign operations appropriation bill. I think it is timely that we have an expression of the Congress toward Japan's failure to follow the letter and the spirit of the United States-Japan Insurance Agreement.

For many years, Madam President, I have been an advocate of encouraging the Japanese to open up their markets, as we have opened our markets to Japanese firms, to ensure that we maintain our competitiveness by having an open-market concept.

It has been very difficult over the years for United States firms to do business in Japan. One of our more successful U.S. international markets has been through the competitiveness of the U.S. insurance industry. The industry has proven its ability to compete in numerous countries throughout the world, providing a degree of service and coverage at competitive costs. We seem to have a significant exception in our ability to do business in Japan.

It is interesting to note that Japan has the second largest insurance market in the world. However, most of Japan's market is shared by Japanese companies. Foreign and U.S. competition share less than 3 percent of the Japanese market. In comparison, Japanese and other foreign insurers have over 10 percent of the United States insurance market.

What we are talking about, Madam President, is addressing equity. The United States and Japan negotiated over a year and a half, beginning October 19, 1994, and the United States-Japan Insurance Agreement was signed in June 1995. Japan committed to a further liberalization under the World Trade Organization. In April 1996 Japan passed new insurance business laws.

Despite these commitments over this extended period of time, no progress has been made. The United States and Japan spent several months negotiating over the meaning of an agreement that they signed 19 months ago. This is traditional in many of the business customs in Japan. You negotiate extensively, you negotiate with a committee, and time marches on. As the Japanese have observed, time and time again, many such firms simply give up, go off and do something else, because they simply cannot afford to spend that much time trying to open the market.

During this timeframe, Japan threatened to relax rules in the one small sector where foreign companies have some market share, yet they continue to protect the larger sectors where Japanese firms are dominant.

It is the same old story. We have an agreement, then that yields no results. We have seen it in the construction business analogy, and there has been this reference, "Well, to come into the Japanese market you really need to have experience. You need experience to get a license." How do you get a license? You have to have experience. You cannot get a license without experience. It is like ping-pong, going back and forth. You cannot have one without the other. You soon come to the conclusion you cannot get there from here.

We signed 74 agreements with Japan. I have the utmost respect for the Japanese negotiators, the Japanese tradition and the Japanese way of business. I have had an extensive career in business with the Japanese. They are hard negotiators. They are fair negotiators. They will take advantage of a person who is not on his toes. But, by the same token, with regard to access into their markets, for the most part, they simply stonewall us. This is not something that we have seen much relief on over the years. The agreements have not translated into market access. Our trade deficit with Japan was about $60 billion in 1995—the largest with any country.

The insurance issue is important. It has been raised at the highest level, with our President meeting with Prime Minister Hashimoto. The last time the meeting was in Japan. We have had dozens of meetings between the USTR and the Ministry of Finance. I have raised it time and time again in many forums, business discussions, and in interactions with the Japanese side. Last month, I sent a letter, with the chairman of the Finance Committee, Chairman ROTH and Chairman D'AMATO to President Clinton to express our legitimate concerns about the lack of action. We noted that "Congress has a responsibility to ensure that trade agreements are honored, and to act when they are not." It is time to act, because they are not.

Madam President, this amendment and the resolution I am offering today would call on the Minister of Finance to fully comply with the provisions of the agreement. This is the voice of the Congress speaking. If the matter is not resolved by July 31 of this year, that would be the deadline that would direct the U.S. Government to use all of its resources to bring about compliance.

I also call on my colleagues and Chairman ROTH to join me in pushing for the resolution, to hold hearings in the Senate Finance Committee if the issue is not resolved on the Japanese side. I urge my colleagues to support this resolution. I understand the floor managers will accept this.

Mr. ROTH. Madam President, the Senate's unanimous vote in favor of the Murkowski amendment demonstrates once again the serious concerns Members of this body have about the lack of action by the Japanese Ministry of Finance to implement its obligations under the United States-Japan Insurance Agreement.

The Senate fully expects Japan to live up to its agreements. The Ministry of Finance's behavior on this issue is particularly unfortunate because it undermines the credibility of the Government of Japan.

Congress has a responsibility to ensure trade agreements are honored, and to act when they are not.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 5029 offered by the Senator from Alaska.

The amendment (No. 5029) was agreed to.

Mr. McCONNELL. Madam President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Madam President, under a unanimous-consent agreement we entered into, we are about to have two rollcall votes. But Senator LEAHY and I have cleared five amendments. We would like to dispose of those first, which means we will have completed action on 15 amendments. There will be approximately 20 remaining. But the good news is only about four of those are going to require rollcall votes.

AMENDMENTS NOS. 5030 THROUGH 5034

Mr. McCONNELL. Madam President, I send five amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL] proposes amendment numbered 5030 through 5034.

Mr. McCONNELL. Madam President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 5030

(Purpose: To express the sense of Congress regarding the conflict in Chechnya)

On page 198, between lines 17 and 18, insert the following:

SENSE OF CONGRESS REGARDING THE CONFLICT IN CHECHNYA

SEC. . (a) CONGRESSIONAL DECLARATION.—The Congress declares that the continuation of the conflict in Chechnya, the continued killing of innocent civilians, and the ongoing violation of human rights in that region are unacceptable.

(b) SENSE OF CONGRESS.—The Congress hereby—

(1) condemns Russia's infringement of the cease-fire agreements in Chechnya;

(2) calls upon the Government of the Russian Federation to bring an immediate halt to offensive military actions in Chechnya and requests President Yeltsin to honor his decree of June 25, 1996 concerning the withdrawal of Russian armed forces from Chechnya;

(3) encourages the two warring parties to resume negotiations without delay so as to find a peaceful political solution to the Chechen problem; and

(4) supports the Organization for Security and Cooperation in Europe and its representatives in Chechnya in its efforts to mediate in Chechnya.

Mr. HELMS. Madam President, my purpose in offering this amendment is to focus the attention of the United States once again on the terrible tragedy unfolding in Russia. The text of the amendment parallels the language of a resolution approved last week by the European Parliament condemning the violence in Chechnya and supports the sentiment of legislation passed by the Russian State Duma this week criticizing the actions of the Russian Government.

As I speak, Russian war planes and heavy artillery continue to devastate civilian areas of Chechnya. While the attention of the Western news media has faded, the violence in Chechnya continues to worsen. Based upon pictures of the devastation, I accept estimates of up to 30,000 civilian casualties—primarily innocent men, women and children.

Madam President, by breaking the cease fire in Chechnya, the Russian military has unleashed yet another terrible cycle of abuses on both sides of this conflict. A recent Russian news report tells of Russian soldiers cutting the ears off of dead Chechens as trophies. In an unprovoked act of hatred Russian troops in Chechnya this week opened fire on three cars of civilians, killing most and finishing off the survivors with bayonets. The Russian people have endured acts of terrorism possibly inspired by the fighting in Chechnya, and the Russian military suffered its own tragedy with the discovery of several tortured and executed prisoners of war.

Compounding the tragedy in Chechnya is the fact that President Clinton has failed to voice criticism or complaint of the Russian actions. He even found occasion at a United States-Russian summit in May to speak in defense of the Russian actions by comparing them favorably to our own Civil War. I understand Russia's interest in maintaining its territorial integrity, but the current action is inexcusable.

If President Clinton will not speak for the Nation's conscience then we in the Senate must. The Russian actions in Chechnya must stop. The massacre of innocents is unacceptable and will negatively affect relations between our countries.

Madam President, the military action in Chechnya has been conducted—and continues—with a degree of brutality and reckless regard for civilian life that no democratic government can sustain. It is my great concern that, in addition to the killing of countless innocent victims, this violence in Chechnya is bringing to an end the short journey Russia has made toward the development of a democratic government.

AMENDMENT NO. 5031

(Purpose: To allocate funds for demining operations in Afghanistan)

On page 125, line 2, before the period insert the following: ": *Provided*, That, of the funds appropriated under this heading, $2,000,000 shall be available only for demining operations in Afghanistan".

AMENDMENT NO. 5032

(Purpose: To require the United Nations vote report to include information about American foreign assistance)

At the appropriate place, insert the following new section:

REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

SEC. . (a) FOREIGN AID REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in that fiscal year.

(b) UNITED STATES ASSISTANCE.—For purposes of this section, the term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

Mr. FAIRCLOTH. Madam President, current law requires the Secretary of State to publish an annual report that tells the Congress how often foreign countries voted with the United States at the Union Nations. Unfortunately, this report leaves out a key statistic, and that is how much foreign aid we are giving to the countries that vote against us.

This amendment requires the Secretary to include the amount of foreign aid that these nations receive and a side-by-side comparison of voting records and foreign aid appropriations.

This amendment will assemble this important information in a convenient and easily accessed resource. It will assist those in the Congress and in the public in their assessments of the merits of American foreign aid programs.

I believe that there is good reason to scrutinize these two statistics. The American taxpayers work hard for the money that flows to foreign countries through the Treasury. The American taxpayers are told that foreign aid encourages support for American aims and diplomatic initiatives.

Analysis of the United Nations votes of foreign aid recipients, however, reveals the fallacy of this rationale; 64 percent of American foreign aid recipients voted against the United States more often than not in the 1995 session of the United Nations.

India, for example, received $156 million in foreign aid in 1996. India, however, declined to support American diplomatic initiatives as a gesture of appreciation and voted against the United States in 83 percent of its U.N. votes. India thus offered less support to the United States than Iran and Cuba.

The ten countries that voted against the United States most often at the United Nations will nonetheless collect $212 million from the American taxpayers.

The United Nations sent troops to Haiti to restore President Aristede and also sent $123 million in aid. Nonetheless, Mr. President, Haiti voted against the United States 60 percent of the time.

President Clinton engineered a $40 billion bailout for Mexico, and, yet, Mexico voted against us in 58 percent of its U.N. votes.

Mr. President, the countries that voted against us more than 50 percent of the time at the United Nations collected about $3.1 billion in American foreign aid in 1996. The American taxpayers worked millions of hours in fields and factories to earn that money.

Clearly, however, gratitude is not a popular response to a generous flow of funds from the pockets of the American people.

The American people deserve to know the effects of large streams of foreign aid. The taxpayers deserve to know that a limited number of foreign aid recipients did, in fact, thank the American people with their votes. Israel voted with us 97 percent of the time. Latvia voted with us 87 percent of the time. Hungary voted with us 83 percent of the time. This amendment will collect these statistics in a single and easily accessed source.

This amendment thus adds an informative sunshine provision to the Foreign Relations Authorization Act. An informed Congress is best able to make intelligent decisions. I thus believe that it is important to bring this information together in a single report and hope that my colleagues will join me in support of this amendment.

AMENDMENT NO. 5033

(Purpose: To require a GAO study and report on the grants provided to foreign governments, foreign entities, and international organizations by United States agencies)

On page 198, between lines 17 and 18, insert the following new section:

REPORT ON DOMESTIC FEDERAL AGENCIES FURNISHING UNITED STATES ASSISTANCE

SEC. . (a) IN GENERAL.—Not later than June 1, 1997, the Comptroller General of the United States shall study and report to the Congress on all assistance furnished directly or indirectly to foreign countries, foreign entities, and international organizations by domestic Federal agencies and Federal agencies.

(b) DEFINITIONS.—As used in this section:

(1) DOMESTIC FEDERAL AGENCY.—The term "domestic Federal agency" means a Federal agency the primary mission of which is to carry out functions other than foreign affairs, defense, or national security functions.

(2) FEDERAL AGENCY.—The term "Federal agency" has the meaning given the term in section 551(1) of title 5, United States Code.

(3) INTERNATIONAL ORGANIZATION.—The term "international organization" has the meaning given the term in section 1 of the International Organization Immunities Act (22 U.S.C. 288).

(4) UNITED STATES ASSISTANCE.—The term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

Mr. FAIRCLOTH. Madam President, many people in this Chamber believe that all the foreign aid that we send to other countries is included in this one spending bill. But this is not the case. I have discovered that domestic agencies are also in the foreign aid business.

This amendment will require the General Accounting Office to complete a report about grants to foreign entities by Federal Government agencies. This study will be limited to domestic agencies—those not engaged in foreign affairs or national security matters—and it will track the amount of aid to foreign countries that flows outside the Foreign Operations budget.

I took to the floor of this Chamber last week to illustrate the stream of taxpayer dollars that flows to foreign nations through domestic Federal agencies.

I pointed out that the Environmental Protection Agency spent $28 million on 106 grants to foreign countries from 1993 to 1995.

I revealed that the EPA sent $20,000 to the Chinese Ministry of Public Security. The Ministry of Public Security is a national police force that issued shoot-to-kill orders during the pro-democracy rallies in 1989.

The purpose of this EPA grant to the Ministry of Public Security was fire extinguisher maintenance. I hope that my colleagues will agree that a nation that developed nuclear technologies—which it sells to countries like Iran and Pakistan—can maintain fire extinguishers without the American taxpayers' money.

The EPA spent another $20,000 to look into methane emissions from livestock in Nepal. The EPA claims that the Congress is crippling its ability to protect our environment, and, yet, their budget can manage $2,000 for fringe benefits and $5,000 for travel expenses for researchers in Nepal.

The EPA sent $65,000 to Poland to survey local environmental issues. The taxpayers will be delighted to learn about the uses of their hard-earned tax dollars: $16,000 for fringe benefits, $18,000 for travel expenses, and $6,000 for equipment costs.

The EPA sent $300,000 to Bolivia, one of the largest drug-producers in South America, for an emissions inventory. The EPA approved $23,000 in travel expenses and, while these scientists are on their international trips, EPA provided a generous $200 per diem.

This chart illustrates that these are not isolated case: $319,000 to Mexico for a satellite landscape survey; $300,000 grant to Estonia to collect, analyze and disseminate environmental information for effective environmental decisionmaking; $50,000 to Sweden for a database and global distribution of a newsletter about energy-efficient lighting; $134,000 to Mongolia and $194,000 to Botswana to study greenhouse gasses.

If this Congress intends to balance the Federal budget—and I believe that many of us do—we most certainly need to take a good look at the wasteful spending that benefits foreign countries.

EPA complains that cuts in its budget will devastate their efforts to protect the environment. The EPA argues that it cuts money for inspection and enforcement actions. However, the EPA still found $28 million for foreign countries.

I was elected to the Senate in 1992 on a pledge to bring common sense to Washington.

Clearly, Mr. President, these grants defy common sense.

The Congress debates and passes a foreign aid budget—we sent over $12 billion abroad last year—that reflects our decisions about foreign aid. It is not the business of domestic agencies—agencies that complain that their budgets are too small—to send the taxpayers' money to foreign countries.

These grants are representative of a culture of waste that pervades the Federal Government. In fact, not only does the EPA send millions of taxpayers' dollars abroad every year, but oversight of these grants is nonexistent.

The EPA Inspector General reported last year that these grant officers essentially funnel the money overseas and close their eyes.

Domestic agencies need to attend to domestic matters.

Their budgets are separate from the foreign aid budget for good reason. Their responsibilities are in the United States, not in China or Mexico.

This amendment calls for a GAO report to examine the depth and scope of these problems.

I believe that this is the least that the taxpayers deserve and thus hope that my colleagues will join me in support of this amendment.

AMENDMENT NO. 5034

(Purpose: To clarify the use of certain development funds for Africa)

On page 105, beginning on line 12, strike "amount" and all that follows through "should" on line 13 and insert "amount made available to carry out chapter 10 of part I of the Foreign Assistance Act of 1961 (relating to the Development Fund for Africa) shall".

Mr. JEFFORDS. Madam President, first, let me thank my colleague from Kentucky, the chairman of the subcommittee, for the excellent job he has done in structuring a good and fair bill in the face of severe constraints. While it is not everything that any of us would like, he has been very attentive to the concerns of his colleagues and I appreciate his efforts.

I rise in support of the amendment offered by the senior Senator from Illinois. The Senator has been an effective, outspoken, and persistent defender of assistance to Africa throughout his congressional career. He, together with the senior Senator from Kansas, have been true friends of Africa, wielding a stick when appropriate and assuring that the United States follows through with humanitarian and development assistance where appropriate. Africa has made dramatic strides over the last two decades, thanks in some part to the constant efforts of these two Senators. They will be sorely missed both in this body and around the world.

The amendment before us is a modest one. It does not change the funding levels laid out in the bill. It does not earmark a specific dollar amount, but ties funding for the Development Fund for Africa to the overall level of funding in the development assistance account. This amendment does not stake out a bigger pot for Africa, it merely ensures that Africa will receive the funding that both this committee and the administration agree it should receive.

I appreciate the efforts that have been made by the chairman to restructure the foreign aid accounts and reduce earmarks. What this amendment seeks to do, however, is to ensure that aid to Africa, the world's most needy continent, is sustained. Traditionally, funding for Africa has fallen victim to sudden needs elsewhere in the world. This amendment would protect Africa from suffering a disproportionate share of future cuts.

Our assistance to Africa is designed to help various nations achieve important goals over the long term. These goals cannot be reached if our financial support fluctuates wildly. The problems we are combating on the continent are entrenched, and will only be rectified if we have staying power. Unlike other areas of the world, we cannot hope to achieve our goals in Africa simply by doing short demonstration projects and assuming that the example will spark comprehensive reform. Reform in Africa takes significantly more work. But the rewards should be significantly greater as well. It has tremendous potential for political evolution, economic development, and growth of markets. In addition to reducing human suffering and bringing greater stability to a large area of the world, success in Africa will prove to be very important to us and our economy in the future.

I appreciate the efforts that the chairman already has made to make assistance to Africa a priority. But I hope that he will agree to accept this amendment as a modest way to ensure this does not change.

Mr. SIMON. Madam President, I appreciate the efforts of Chairman McCONNELL and Senator LEAHY for working to include the amendment I offered along with Senators KASSEBAUM, FEINGOLD, MOSELEY-BRAUN, JEFFORDS, FEINSTEIN, and MIKULSKI on the Development Fund for Africa. We all share the conviction that aid to Africa should be a priority.

Africa has two unfortunate distinctions—it is both the poorest and the most ignored continent. That is why, 8 years ago, Congress established the Development Fund for Africa to ensure aid for sub-Saharan Africa was given a high priority within our foreign aid budget. Unfortunately, aid to Africa was considered expendable when resources were sought for other purposes. We realized, however, that the United States has an interest and a duty to help out the impoverished in that region, and that the Development Fund for Africa was a good way to help meet our commitment. It would be senseless now, with the measure of hope that we see in Africa, even while it still suffers from poverty, pollution, and the scourge of AIDS, to abandon our support for sub-Saharan Africa.

Our amendment does not add new money. It maintains the language, worked out by Senators McCONNELL and LEAHY, that protects aid to sub-Saharan Africa from being cut disproportionately in a development assistance account that is getting smaller. I commend the chairman and ranking member of the subcommittee for their support for Africa, and I think this amendment can strengthen their efforts to see that aid to this region is maintained as an important priority. I look forward to working with my colleagues to see that aid to sub-Saharan Africa is protected in the conference report.

Mr. McCONNELL. These amendments include a Helms amendment on Chechnya, a Brown amendment on demining Afghanistan, two Faircloth amendments on foreign aid and domestic agencies, and a Simon amendment on Africa.

The PRESIDING OFFICER. Without objection, the amendments are agreed to, en bloc.

The amendments (Nos. 5030 through 5034) were agreed to.

Mr. McCONNELL. Madam President, I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Madam President, I have a request from Senator McCAIN to speak for 5 minutes before the vote that we are about to have.

Mr. LEAHY. Madam President, I am certainly not going to preclude the Senator from doing that. I think we are going to be in a position soon where we are going to have a series of votes.

I ask unanimous consent that prior to each of the votes we will be having on this legislation there be 4 minutes equally divided under the control of the distinguished Senator from Kentucky and myself, so that the proponent and opponent would have 2 minutes prior to each vote.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. McCONNELL. Madam President, my assumption is that the Senator from Arizona is on the way as we speak. I ask unanimous consent that the Senator from Arizona, Senator McCAIN, be allowed to speak for 5 minutes before the votes that we are about to enter into.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Might I inquire of the Senator from Kentucky, would the order of business following the two votes that are going to be taken soon be that when those votes are completed, Senator HATFIELD and I will be recognized to offer an amendment?

Mr. McCONNELL. Madam President, it is my understanding that the Senator from North Dakota is willing to enter into a time agreement of 40 minutes on that amendment, and it would be my intention to lay aside the pending amendments and go to the Dorgan amendment as soon as we dispose of these rollcall votes.

Mr. DORGAN. The Senator from Oregon, Senator HATFIELD, and I are willing to enter into a time agreement. We simply ask that we be allotted 40 minutes to present our amendment. So any time agreement that is consistent with that requirement is satisfactory with us. We would be prepared to offer the amendment following the second vote.

Mr. McCONNELL. Madam President, I am told on this side that an hour total time would be acceptable on this side. So I gather that would give my friend from North Dakota and his supporters 40 minutes and the opponents 20 minutes.

Mr. DORGAN. That would be satisfactory.

Mr. McCONNELL. Madam President, I, therefore, ask unanimous consent that when we turn to the Dorgan amendment, the time be limited to 1 hour, with 40 minutes to be controlled by the Senator from North Dakota and his supporters and the balance of the time by the opponents of the amendment.

Mr. LEAHY. Will the Senator from Kentucky further request that there be no second-degree amendments to the amendment by the Senator from North Dakota?

Mr. McCONNELL. And that there be no second-degree amendments to the Dorgan amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

Mr. McCONNELL. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Madam President, since the Senator from Arizona, Senator McCAIN, had asked for 5 minutes before the vote, now Senator SMITH understandably would like to have 5 minutes as well. So I would like to announce to my colleagues that it looks as if we are at least 10 minutes away from a vote on the Smith amendment and a vote on the Helms amendment.

Therefore, I ask unanimous consent that Senator SMITH be allowed to proceed for 5 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Will the Senator from Kentucky add to that so that people can know that we are going to vote at 2:30? The Senator from Arizona is here now.

Mr. McCONNELL. I would object to any further efforts to delay the votes. So I think Senators can be assured that 10 minutes from now, there will be two votes: a vote on the Smith amendment, and a vote on the Helms amendment. Both Senator SMITH and Senator McCAIN have 5 minutes each. The manager of the bill cares not who goes first.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the question now occurs on the amendment No. 5028 offered by the Senator from North Carolina, Senator HELMS.

Mr. McCONNELL. Madam President, I thought the unanimous-consent agreement allowed the Senator from Arizona, Senator McCAIN, and the Senator from New Hampshire, Senator SMITH, to proceed for 5 minutes each, I gather, in relation to the Smith amendment.

The PRESIDING OFFICER. The Senator is correct.

Who seeks recognition?

Mr. SMITH addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 5027

Mr. SMITH. Madam President, I hope that we are not going to make this amendment something that it is not in the debate here in the closing moments.

This amendment is very simple. It simply strikes $1.5 million out of the bill, saves the money, which is, in essence, $1.5 million in foreign aid to the country of Vietnam. Vietnam is a Communist country. It has nothing to do with diplomatic relations. It has nothing to do with any of the other issues—normalization, or other issues that we have had some differences here on in the past.

This is a question, and I think it is the ultimate question, of $1.5 million going to North Vietnam, or the country of Vietnam. These are dollars that allegedly, by opposition—by the discussion from the Senator from Louisiana, Senator JOHNSTON—are going to be used by the American Bar Association to somehow make Vietnam suddenly a system that is going to be falling in line with our legal system here in America, or at least that is the ultimate goal.

The point is the American Bar Association donates tens of millions of dollars to candidates, mostly candidates on the other side of the aisle. They have plenty of money. There is no need to take $1.5 million of the taxpayers' money to do this. The country of Vietnam, I say to my colleague, is $150 million in arrears.

The law which is in this very bill says very clearly under bilateral economic assistance that this is precluded; this is forbidden. Now they have made an exception in this provision, in this bill. That is what is wrong.

So the issue here is, Do you believe that North Vietnam, a country that denies basic human rights to its people, should get $1.5 million that the American Bar Association can certainly spend on their own, if they want to promote a legal system in Vietnam that may or may not be patterned after the United States of America?

We have no guarantee this is going to happen. There are no guarantees whatsoever that if the American taxpayers spend $1.5 million that somehow, miraculously, Vietnam is going to adopt our legal system. It is absolutely outrageous. It is the most outrageous argument I have heard since I have been in the Senate. It is crazy.

Not only that, if we are really concerned about having a legal system in Vietnam that is like America, what about a legal system that would protect these poor unfortunate souls who are imprisoned all over Vietnam with no charges against them, who have been held in reeducation camps for years and years with no charges—just held there, no system, no trial, no nothing? That is what this is issue is about.

If the people in the trade council want to trade with Vietnam, we have had that debate. Senator McCAIN and I have had that debate. This is not that debate. That is fine. The issue is not that. The issue is whether or not, in the interest of producing a legal system that somehow is going to reflect ourselves, our own legal system, that we should spend $1.5 million of the taxpayers' money.

This is a new foreign aid program. It is the camel's nose under the tent. It is $1.5 million of foreign aid to a Communist country that owes us $150 million in debts. They have not paid them. They have not tried to pay them. There has been no restructuring, or anything else, any attempt whatsoever.

That is the issue. It is not the responsibility of the American taxpayers to pay for this just because there is a group —if you look at the corporations, these are big corporations, not to mention the ABA. There is plenty of private money. We have the world banks and other international organizations that have helped Vietnam. We donate to those. We provide dollars. We give dollars to these international organizations. Why now have another $1.5 million of taxpayers' dollars in new foreign aid go to this country? It is wrong. It is absolutely wrong.

No matter how you feel about the issue of trade with Vietnam, that is not the issue here. The issue is, do we give Vietnam another $1.5 million in foreign aid in the hopes that somehow they are miraculously going to adopt our legal system and have trial by jury and have this nice legal system patterned after the United States of America? It is absolute nonsense. Maybe they will or maybe they will not, but they will not use $1.5 million of the taxpayers' money to do that. How about reforming Vietnam's election laws, to become a democracy? This is not what this is all about.

The argument about the nations of Eastern Europe who have come out from under the yoke of communism, that is the point. They came out from under the yoke of communism, and when they did, then we could help them as we have done. This is not the case here.

What is next? Maybe we ought to help the North Koreans. Maybe we ought to give them a couple of million bucks, and maybe they will—maybe they will—pattern their legal system after ours. How about Cuba? Maybe they will pattern it if we give them a couple million, too.

This is absolutely wrong. I am absolutely shocked that there would be a lot of opposition to an amendment to take $1.5 million out of this foreign operations bill for something like this.

So, in conclusion, the point is very simple. If you want to give $1.5 million of new foreign aid to North Vietnam in the hopes that they are going to pattern their legal system after the United States of America, vote against the amendment.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, thank you very much.

It is important that the legal system in Vietnam be more aligned to Western business and Western investment and Western practices and democracy. I believe that the Vietnamese have agreed in principle to repay their debt. In fact, they have assumed the debt that South Vietnam had incurred in some respects.

I am also informed by the administration that the only major dispute is over about $8 million of the $150 million debt. I think it is important. The language of the bill says that the committee urges AID to provide up to $1.5 million for the Vietnam legal reform initiative, and then it goes on to say that the committee is aware of the particular expertise of the American Bar Association, the International Law Institute, and the United States-Vietnam Trade Council, which strongly recommends that AID consider implementing the initiative through these organizations. So it is my understanding that the money would not go directly to the Vietnamese Government but to these organizations.

I believe that the distinguished managers of the bill can help me out. I believe that is the reason the language was included as it was, so that there would be development of trade relations and also assistance to provide the necessary framework for commercial transactions for foreign investment and trade.

So, as you know, there are many American corporations doing business over in Vietnam today. I am told that some are doing very well. Some are not doing very well. One of the reasons some are not doing very well is because of the lack of a legal framework. I am convinced that it may be in our national interest to see that happen.

Mr. SMITH. Madam President, is there any time remaining at all?

The PRESIDING OFFICER. There is 2 minutes on each side under the previous unanimous consent.

Mr. SMITH. I just would like to respond briefly to the last point that Senator McCAIN made.

In the committee bill in question here, the language that my amendment strikes is under the heading "Title II," which is "Bilateral Economic Assistance, Agency for International Development, Development Assistance." This is to furnish assistance to any country.

Now, here we have a situation where this is under economic assistance, so it is going directly to Vietnam because that is exactly what the language says. The actual committee language reads: "Funds appropriated under this heading shall be made available to assist Vietnam," et cetera. That is what the language says. So that is what is happening. Maybe the intent is different. I do not question anybody's intent here, but the language says that this money is to assist Vietnam. And that is what I object to.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Madam President, I would like to yield 1 minute to the distinguished manager of the bill in the hopes that maybe he might clear this up. Could I ask the Senator from Kentucky if he can help us out. I am not trying to get him into a problem here.

Mr. McCONNELL. I say to my friend I am not sure I can.

Mr. McCAIN. On page 27 of the report accompanying the bill that I am looking at——

Mr. McCONNELL. I really think Senator JOHNSTON, who is the author, ought to respond.

Mr. McCAIN. The way I read it, it says the committee "strongly recommends that AID consider implementing the initiative through those organizations." I ask the Senator from Louisiana, is that the correct interpretation of the language in the bill?

Mr. JOHNSTON. Mr. President, I say to my friend from Arizona that is precisely what is contemplated. That is precisely what the report language says.

The bill language says this would aid Vietnam, and, indeed, it does by aiding Vietnam to set up a legal system. But as the report language says, the committee is aware of the particular expertise of the American Bar Association, et cetera, and recommends that AID consider implementing the initiative through these organizations. So it explicitly calls for implementing the help to Vietnam's legal system through the American Bar Association, the International bar——

Mr. McCAIN. International Law Institute and the trade council.

Mr. JOHNSTON. International Law Institute, yes, and the trade council. So this does not go to Vietnam. It goes to these organizations which would help Vietnam set up the rule of law.

The PRESIDING OFFICER. All time has expired.

The question now is on agreeing to amendment No. 5027 offered by the Senator from New Hampshire, Mr. SMITH. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from New Jersey [Mr. LAUTENBERG] is necessarily absent.

The result was announced—yeas 43, nays 56, as follows:

[Rollcall Vote No. 239 Leg.]

YEAS—43

Abraham
Ashcroft
Baucus
Brown
Burns
Byrd
Campbell
Coats
Conrad
Coverdell
Craig
D'Amato
Domenici
Dorgan
Faircloth
Feingold
Frahm
Frist
Gramm
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kohl
Kyl
Lott
McConnell
Moseley-Braun
Nickles
Pressler
Reid
Santorum
Smith
Snowe
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NAYS—56

Akaka
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Chafee
Cochran
Cohen
Daschle
DeWine
Dodd
Exon
Feinstein
Ford
Glenn
Gorton
Graham
Grams
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Leahy
Levin
Lieberman
Lugar
Mack
McCain
Mikulski
Moynihan
Murkowski
Murray
Nunn
Pell
Pryor
Robb
Rockefeller
Roth
Sarbanes
Shelby
Simon
Simpson
Specter
Stevens

NOT VOTING—1

Lautenberg

The amendment (No. 5027) was rejected.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5028

The PRESIDING OFFICER. Under the previous order, the question occurs on amendment No. 5028 offered by the Senator from North Carolina [Mr. HELMS].

There are 4 minutes equally divided. Who seeks recognition?

Mr. LEAHY. Madam President, the Senate is not in order.

Mr. FORD. There must be respect for the Chair.

The PRESIDING OFFICER. We will not proceed without order in the Chamber.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. It is my understanding there are 2 minutes on each side in relation to the amendment.

The PRESIDING OFFICER. That is correct.

Mr. MCCONNELL. I yield the 2 minutes to the majority leader.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senate majority leader.

Mr. LOTT. Madam President, I will just be very brief before we go to the vote on this amendment sponsored by the Senator from North Carolina and the Senator from New Hampshire.

I urge my colleagues to vote for this amendment. The amendment will shut down any possible U.N. ambitions to tax American citizens. The amendment, as I understand it, would prohibit U.S. contributions to the U.N. or U.N. agencies if they develop, advocate or publicize U.N. tax proposals. I think it is a necessary and important precaution to include this in the Foreign Operations bill. I urge the adoption of the amendment.

Mr. LEAHY. Madam President, I yield the 2 minutes under my control to the Senator from Rhode Island.

Mr. PELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank my friend from Vermont.

Madam President, I wish to speak to the amendment regarding the United Nations offered by our distinguished colleague and my successor as the chairman of the Foreign Relations Committee, Senator HELMS.

I have the utmost respect for Senator HELMS, but I have deep concerns about the amendment he proposes.

As one who participated in the San Francisco conference which drew up the U.N. charter, I have tried over the years since both to support and improve the organization any way I could.

And the United Nations, I would argue, has accumulated a solid record of achievement. It has not lived up to all of its potential, but for every example that critics give of the U.N.'s failures, there are numerous countervailing examples of success—in brokering peaceful settlements to violent conflicts worldwide; in halting the proliferation of nuclear weapons; in protecting the international environment; and in immunizing the world's children and preventing the spread of disease.

The U.N.'s record is lofty, not only for its thought, but it has made the world a truly better place. The United Nations has enabled the United States to avoid unilateral responsibility for costly and entangling activities in regions of critical importance, even as it yields to the United States a position of tremendous authority.

U.S. leadership at the United Nations is threatened by our inability to pay our dues and meet our obligations. Amendments such as these only endanger our position further. I urge my colleagues to vote against it.

Mr. LEAHY. Is there time left?

The PRESIDING OFFICER. There are 30 seconds.

Mr. LEAHY. Madam President, this amendment says that if the United Nations could borrow money from an international lending organization, as defined in here, we would not be able to make our contributions to independent agencies. That means we could not make our contributions to UNICEF, to the various environmental organizations, the protection of women, or other such organizations.

The PRESIDING OFFICER. All time has expired on the Senator's side.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina. The Senator has 1½ minutes remaining.

Mr. HELMS. Madam President, what the distinguished Senator from Vermont has said is not applicable at all. He knows—anybody who has read the amendment knows that nothing happens until the United Nations begins to talk about taxing the American people. That is clear in the amendment. It does not need any obfuscation from the Senator from Vermont.

The PRESIDING OFFICER. Under the previous order, the question now occurs on agreeing to amendment No. 5028 offered by the Senator from North Carolina [Mr. HELMS]. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Louisiana [Mr. BREAUX] and the Senator from New Jersey [Mr. LAUTENBERG] are necessarily absent.

The result was announced—yeas 70, nays 28, as follows:

[Rollcall Vote No. 240 Leg.]

YEAS—70

Abraham
Ashcroft
Baucus
Bennett
Biden
Bond
Brown
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
DeWine
Dodd
Domenici
Dorgan
Exon
Faircloth
Feingold
Frahm
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Kassebaum
Kempthorne
Kerry
Kohl
Kyl
Levin
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Pryor
Robb
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner
Wyden

NAYS—28

Akaka
Bingaman
Boxer
Bradley
Bryan
Daschle
Feinstein
Ford
Glenn
Hatfield
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Leahy
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Pell
Reid
Rockefeller
Sarbanes
Simon
Specter
Wellstone

NOT VOTING—2

Breaux
Lautenberg

The amendment (No. 5028) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. MCCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, there are several more amendments that have been cleared on both sides that Senator LEAHY and I would like to dispose of at this point before we go to the amendment to be laid down by the Senator from North Dakota, which is under a time agreement.

AMENDMENTS NOS. 5039 THRU 5044, EN BLOC

Mr. MCCONNELL. Mr. President, I send some amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL] proposes amendments numbered 5039 through 5044, en bloc.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 5039

(Purpose: To require certain reports on the situation in Burma)

On page 188, between lines 22 and 23, insert the following new section:

REPORTS ON THE SITUATION IN BURMA

SEC. ___. (a) LABOR PRACTICES.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor, in consultation with the Secretary of State, shall submit a report to the appropriate congressional committees on—

(1) Burma's compliance with international labor standards including, but not limited to, the use of forced labor, slave labor, and involuntary prison labor by the junta;

(2) the degree to which foreign investment in Burma contributes to violations of fundamental worker rights;

(3) labor practices in support of Burma's foreign tourist industry; and

(4) efforts by the United States to end violations of fundamental labor rights in Burma.

(b) DEFINITION.—As used in this section, the term "appropriate congressional committees" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(c) FUNDING.—(1) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, for expenses necessary to carry out the provisions of this section, $30,000 to the Department of Labor.

(2) The amount appropriated by this Act under the heading "DEPARTMENT OF STATE, INTERNATIONAL NARCOTICS CONTROL" shall be reduced by $30,000.

AMENDMENT NO. 5040

At the appropriate place in the bill, insert the following:

SEC. . HAITI.

The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard, except as otherwise stated in law; *Provided*, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

AMENDMENT NO. 5041

(Purpose: To express the sense of the Congress that the United States should take steps to improve economic relations between the United States and the countries of Eastern and Central Europe)

At the appropriate place, insert the following new section:

SEC. . TRADE RELATIONS WITH EASTERN AND CENTRAL EUROPE.

(a) FINDINGS.—The Congress makes the following findings:

(1) The countries of Central and Eastern Europe, including Poland, Hungary, the Czech Republic, Slovakia, Romania, Slovenia, Lithuania, Latvia, Estonia, and Bulgaria, are important to the long-term stability and economic success of a future Europe freed from the shackles of communism.

(c) The Central and Eastern European countries, particularly Hungary, Poland, the Czech Republic, Romania, Slovakia, Slovenia, Latvia, Lithuania, and Estonia, are in the midst of dramatic reforms to transform their centrally planned economies into free market economies and to join the Western community.

(3) It is in the long-term interest of the United States to encourage and assist the transformation of Central and Eastern Europe into a free market economy, which is the solid foundation of democracy, and will contribute to regional stability and greatly increased opportunities for commerce with the United States.

(4) Trade with the countries of Central and Eastern Europe accounts for less than one percent of total United States trade.

(5) The presence of a market with more than 140,000,000 people, with a growing appetite for consumer goods and services and badly in need of modern technology and management, should be an important market for United States exports and investments.

(6) The United States has concluded agreements granting most-favored-nation status to most of the countries of Central and Eastern Europe.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the President should take steps to promote more open, fair, and free trade between the United States and the countries of Central and Eastern Europe, including Poland, Hungary, the Czech Republic, Slovakia, Lithuania, Latvia, Estonia, Romania, and Slovenia, including—

(1) developing closer commercial contacts;

(2) the mutual elimination of tariff and nontariff discriminatory barriers in trade with these countries;

(3) exploring the possibility of framework agreements that would lead to a free trade agreement;

(4) negotiating bilateral investment treaties;

(5) stimulating increased United States exports and investments to the region;

(6) obtaining further liberalization of investment regulations and protection against nationalization in these foreign countries; and

(7) establishing fair and expeditious dispute settlement procedures.

AMENDMENT NO. 5042

(Purpose: To permit certain claims against foreign states to be heard in United States courts where no extradition treaty with the state existed at the time the claim arose and where no other adequate and available remedies)

At the appropriate place in the bill, insert the following:

SEC. _. LIMITATION ON FOREIGN SOVEREIGN IMMUNITY.

(a) IN GENERAL.—Section 1605(a)(7) of title 28, United States Code, is amended to read as follows:

"(7) in which money damages are sought against a foreign state for personal injury or death caused by an act of torture, extrajudicial killing, aircraft sabotage, hostage taking, or the provision of material support or resources (as defined in section 2339A of title 18) for such an act, if—

"(A) such act or provision of material support was engaged in by an official, employee, or agent of such foreign state while acting within the scope of his or her office, employment, or agency;

"(B) the foreign state against whom the claim was brought—

"(i) was designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) or section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) at the time the act occurred or was later so designated as a result of such act; or

"(ii) had no treaty of extradition with the United States at the time the act occurred and no adequate and available remedies exist either in such state or in the place in which the act occurred;

"(C) the claimant has afforded the foreign state a reasonable opportunity to arbitrate the claim in accordance with accepted international rules of arbitration; and

"(D) the claimant or victim was a national of the United States (as that term is defined in section 101(a)(22) of the Immigration and Nationality Act) when the act upon which the claim is based occurred.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to actions brought in United States courts on or after the date of enactment of this Act.

AMENDMENT NO. 5043

(Purpose: To express the Sense of the Congress regarding Croatia)

At the appropriate place, add the following new section:

SECTION . SENSE OF CONGRESS REGARDING CROATIA.

(a) FINDINGS.—The Congress makes the following findings:

(2) Croatia has politically and financially contributed to the NATO peacekeeping operations in Bosnia;

(2) The economic stability and security of Croatia is important to the stability of South Central Europe; and

(3) Croatia is in the process of joining the Partnership for Peace.

(b) SENSE OF CONGRESS.—It is the Sense of Congress that:

(1) Croatia should be recognized and commended for its contributions to NATO and the various peacekeeping efforts in Bosnia;

(2) the United States should support the active participation of Croatia in activities appropriate for qualifying for NATO membership, provided Croatia continues to adhere fully to the Dayton Peace Accords and continues to make progress toward establishing democratic institutions, a free market, and the rule of law.

AMENDMENT NO. 5044

(Purpose: To express the Sense of the Congress that Romania is making significant progress toward admission to NATO)

At the appropriate place, add the following new section:

SECTION . ROMANIA'S PROGRESS TOWARD NATO MEMBERSHIP.

(a) FINDINGS.—The Congress makes the following findings:

(1) Romania emerged from years of brutal Communist dictatorship in 1989 and approved a new Constitution and elected a Parliament by 1991, laying the foundation for a modern parliamentary democracy charged with guaranteeing fundamental human rights, freedom of expression, and respect for private property;

(2) Local elections, parliamentary elections, and presidential elections have been held in Romania, with 1996 marking the second nationwide presidential elections under the new Constitution;

(3) Romania was the first former Eastern bloc country to join NATO's Partnership for Peace program and has hosted Partnership for Peace military exercises on its soil;

(4) Romania is the second largest country in terms of size and population in Central Europe and as such is strategically significant;

(5) Romania formally applied for NATO membership in April of 1996 and has begun an individualized dialogue with NATO on its membership application; and

(6) Romania has contributed to the peace and reconstruction efforts in Bosnia by participating in the Implementation Force (IFOR).

(b) SENSE OF THE CONGRESS.—Therefore, it is the sense of the Congress that:

(1) Romania is making significant progress toward establishing democratic institutions, a free market economy, civilian control of the armed forces and the rule of law;

(2) Romania is making important progress toward meeting the criteria for accession into NATO;

(3) Romania deserves commendation for its clear desire to stand with the West in NATO, as evidenced by its early entry into the Partnership for Peace, its formal application for NATO membership, and its participation in IFOR;

(4) Romania should be evaluated for membership in the NATO Participation Act's transition assistance program at the earliest opportunity; and

(5) The United States should work closely with Romania and other countries working toward NATO membership to ensure that every opportunity is provided.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 5039 through 5044), en bloc, were agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. If I may give a status report on behalf of Senator LEAHY and myself.

We have disposed of 24 amendments. There are two that have been laid aside that will be dealt with later. Senator

LEAHY and I are aware of only 12 left, of which 3 may need rollcalls. One of the three has a time agreement, and that is, of course, the amendment of the Senator from North Dakota, Senator DORGAN, which I believe is triggered under a previous unanimous-consent agreement at this point.

The PRESIDING OFFICER. The Senator is correct. Under the previous agreement, the Senator from North Dakota is to be recognized to offer an amendment. One hour of debate has been established, with 40 minutes under the control of the proponents and 20 minutes for the opponents.

The Senator from North Dakota.

Mr. DORGAN. Under the unanimous-consent agreement, there are to be no second-degree amendments. The Senator from Massachusetts had, prior to that point, asked to offer a second-degree amendment that is acceptable to myself and Senator HATFIELD.

I ask that the unanimous-consent agreement be modified to allow the Senator from Massachusetts to offer a second-degree amendment when appropriate.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DORGAN. Mr. President, the unanimous consent request provides that I now offer the amendment on behalf of myself and Senator HATFIELD and others and that we have 40 minutes on our side in the 1-hour time agreement. The Senator from Delaware and the Senator from Texas have asked if they could intervene with an amendment that they intend to offer that will take 5 minutes on each side. I have no objection, by unanimous consent, to allowing them to go 5 minutes each. I understand their amendment would be agreed to. Following the 10 minutes, I ask that we then have the 1 hour, 40 minutes allotted to us to offer the amendment on foreign arms sales.

So, Mr. President, I make that unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Reserving the right to object, I say to my friend, I believe it is a freestanding bill, not an amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Texas is recognized.

PAM LYCHNER SEXUAL OFFENDER TRACKING AND IDENTIFICATION ACT OF 1996

Mr. GRAMM. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of S. 1675, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (S. 1675) to provide for the nationwide tracking of convicted sexual predators, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 5038

(Purpose: To protect the public safety by establishing a nationwide system to track convicted sexual predators)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself, Mr. BIDEN, Mr. HATCH, and Mrs. HUTCHISON, proposes an amendment numbered 5038.

Mr. GRAMM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause, and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pam Lychner Sexual Offender Tracking and Identification Act of 1996".

SEC. 2. OFFENDER REGISTRATION.

(a) ESTABLISHMENT OF FBI DATABASE.—Subtitle A of Title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) is amended by adding at the end the following new section:

"SEC. 170102. FBI DATABASE.

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'FBI' means the Federal Bureau of Investigation;

"(2) the terms 'criminal offense against a victim who is a minor', 'sexually violent offense', 'sexually violent predator', 'mental abnormality', and 'predatory' have the same meanings as in section 170101(a)(3); and

"(3) the term 'minimally sufficient sexual offender registration program' means any State sexual offender registration program that—

"(A) requires the registration of each offender who is convicted of an offense described in subparagraph (A) or (B) or section 170101(a)(1);

"(B) requires that all information gathered under such program be transmitted to the FBI in accordance with subsection (g) of this section;

"(C) meets the requirements for verification under section 170101(b)(3); and

"(D) requires that each person who is required to register under subparagraph (A) shall do so for a period of not less than 10 years beginning on the date that such person was released from prison or placed on parole, supervised release, or probation.

"(b) ESTABLISHMENT.—The Attorney General shall establish a national database at the Federal Bureau of Investigation to track the whereabouts and movement of—

"(1) each person who has been convicted of a criminal offense against a victim who is a minor;

"(2) each person who has been convicted of a sexually violent offense; and

"(3) each person who is a sexually violent predator.

"(c) REGISTRATION REQUIREMENT.—Each person described in subsection (b) who resides in a State that has not established a minimally sufficient sexual offender registration program shall register a current address, fingerprints of that person, and a current photograph of that person with the FBI for inclusion in the database established under subsection (b) for the time period specified under subsection (d).

"(d) LENGTH OF REGISTRATION.—A person described in subsection (b) who is required to register under subsection (c) shall, except during ensuing periods of incarceration, continue to comply with this section—

"(1) until 10 years after the date on which the person was released from prison or placed on parole, supervised release, or probation; or

"(2) for the life of the person, if that person—

"(A) has 2 or more convictions for an offense described in subsection (b);

"(B) has been convicted of aggravated sexual abuse, as defined in section 2241 of title 18, United States Code, or in a comparable provision of State law; or

"(C) has been determined to be a sexually violent predator.

"(e) VERIFICATION.—

"(1) PERSONS CONVICTED OF AN OFFENSE AGAINST A MINOR OR A SEXUALLY VIOLENT OFFENSE.—In the case of a person required to register under subsection (c), the FBI shall, during the period in which the person is required to register under subsection (d), verify the person's address in accordance with guidelines that shall be promulgated by the Attorney General. Such guidelines shall ensure that address verification is accomplished with respect to these individuals and shall require the submission of fingerprints and photographs of the individual.

"(2) SEXUALLY VIOLENT PREDATORS.—Paragraph (1) shall apply to a person described in subsection (b)(3), except that such person must verify the registration once every 90 days after the date of the initial release or commencement of parole of that person.

"(f) COMMUNITY NOTIFICATION.—

"(1) IN GENERAL.—Subject to paragraph (2), the FBI may release relevant information concerning a person required to register under subsection (c) that is necessary to protect the public.

"(2) IDENTITY OF VICTIM.—In no case shall the FBI release the identity of any victim of an offense that requires registration by the offender with the FBI.

"(g) NOTIFICATION OF FBI OF CHANGES IN RESIDENCE.—

"(1) ESTABLISHMENT OF NEW RESIDENCE.—For purposes of this section, a person shall be deemed to have established a new residence during any period in which that person resides for not less than 10 days.

"(2) PERSONS REQUIRED TO REGISTER WITH THE FBI.—Each establishment of a new residence, including the initial establishment of a residence immediately following release from prison, or placement on parole, supervised release, or probation, by a person required to register under subsection (c) shall be reported to the FBI not later than 10 days after that person establishes a new residence.

"(3) INDIVIDUAL REGISTRATION REQUIREMENT.—A person required to register under subsection (c) or under a minimally sufficient offender registration program, including a program established under section

170101, who changes address to a State other than the State in which the person resided at the time of the immediately preceding registration shall, not later than 10 days after that person establishes a new residence, register a current address, fingerprints, and a photograph of that person, for inclusion in the appropriate database, with—

"(A) the FBI; and

"(B) the State in which the new residence is established.

"(4) STATE REGISTRATION REQUIREMENT.—Any time any State agency in a State with a minimally sufficient sexual offender registration program, including a program established under section 170101, is notified of a change of address by a person required to register under such program within or outside of such State, the State shall notify—

"(A) the law enforcement officials of the jurisdiction to which, and the jurisdiction from which, the person has relocated; and

"(B) the FBI.

"(5) VERIFICATION.—

"(A) NOTIFICATION OF LOCAL LAW ENFORCEMENT OFFICIALS.—The FBI shall ensure that State and local law enforcement officials of the jurisdiction to which, and the State and local law enforcement officials of the jurisdiction to which, a person required to register under subsection (c) relocates are notified of the new residence of such person.

"(B) NOTIFICATION OF FBI.—A State agency receiving notification under this subsection shall notify the FBI of the new residence of the offender.

"(C) VERIFICATION.—

"(I) STATE AGENCIES.—If a State agency cannot verify the address of or locate a person required to register with a minimally sufficient sexual offender registration program, including a program established under section 170101, the State shall immediately notify the FBI.

"(ii) FBI.—If the FBI cannot verify the address of or locate a person required to register under subsection (c) or if the FBI receives notification from a State under clause (I), the FBI shall ensure that, either the State or the FBI shall—

"(I) classify the person as being in violation of the registration requirements of the national database; and

"(II) add the name of the person to the National Crime Information Center Wanted Person File and create a wanted persons record, provided that an arrest warrant which meets the requirements for entry into the file is issued in connection with the violation.

"(h) FINGERPRINTS.—

"(1) IN GENERAL.—

"(A) FBI REGISTRATION.—For each person required to register under subsection (c), fingerprints shall be obtained and verified by the FBI or a local law enforcement official pursuant to regulations issued by the Attorney General.

"(B) STATE REGISTRATION SYSTEMS.—In a State that has a minimally sufficient sexual offender registration program, including a program established under section 170101, fingerprints required to be registered with the FBI under this section shall be obtained and verified in accordance with State requirements. The State agency responsible for registration shall ensure that the fingerprints and all other information required to be registered is registered with the FBI.

"(I) PENALTY.—A person required to register under paragraph (1), (2), or (3) of subsection (g) who knowingly fails to comply with this section shall—

"(1) in the case of a first offense—

"(A) if the person has been convicted of 1 offense described in subsection (b), be fined not more than $100,000; or

"(B) if the person has been convicted of more than 1 offense described in subsection (b), be imprisoned for up to 1 year and fined not more than $100,000; or

"(2) in the case of a second or subsequent offense, be imprisoned for up to 10 years and fined not more than $100,000.

"(j) RELEASE OF INFORMATION.—The information collected by the FBI under this section shall be disclosed by the FBI—

"(1) to Federal, State, and local criminal justice agencies for—

"(A) law enforcement purposes; and

"(B) community notification in accordance with section 170101(d)(3); and

"(2) to Federal, State, and local governmental agencies responsible for conducting employment-related background checks under section 3 of the National Child Protection Act of 1993 (42 U.S.C. 5119a).".

"(k) NOTIFICATION UPON RELEASE.—Any state not having established a program described in 170102(a)(3) must—

"(1) Upon release from prison, or placement on parole, supervised release, or probation, notify each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1) of their duty to register with the FBI; and

"(2) Notify the FBI of the release of each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1).".

SEC. 3. DURATION OF STATE REGISTRATION REQUIREMENT.

Section 170101(b)(6) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(6)) is amended to read as follows:

"(6) LENGTH OF REGISTRATION.—A person required to register under subsection (a)(1) shall continue to comply with this section, except during ensuing periods of incarceration, until—

"(A) 10 years have elapsed since the person was released from prison or placed on parole, supervised release, or probation; or

"(B) for the life of that person if that person—

"(I) has 1 or more prior convictions for an offense described in subsection (a)(1)(A); or

"(ii) has been convicted of an aggravated offense described in subsection (a)(1)(A); or

"(iii) has been determined to be a sexually violent predator pursuant to subsection (a)(2).".

SEC. 4. STATE BOARDS.

Section 170101(a)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(2)) is amended by inserting before the period at the end the following: ", victim rights advocates, and representatives from law enforcement agencies".

SEC. 5. FINGERPRINTS.

Section 170101 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) is amended by adding at the end the following new subsection:

"(g) FINGERPRINTS.—Each requirement to register under this section shall be deemed to also require the submission of fingerprints of the person required to register, obtained in accordance with regulations prescribed by the Attorney General under section 170102(h).".

SEC. 6. VERIFICATION.

Section 170101(b)(3)(A)(iii) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(3)(A)(iii)) is amended by adding at the end the following: "The person shall include with the verification form, fingerprints and a photograph of that person.".

SEC. 7. REGISTRATION INFORMATION.

Section 170101(b)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(2)) is amended to read as follows:

"(2) TRANSFER OF INFORMATION TO STATE AND THE FBI.—The officer, or in the case of a person placed on probation, the court, shall, within 3 days after receipt of information described in paragraph (1), forward it to a designated State law enforcement agency. The State law enforcement agency shall immediately enter the information into the appropriate State Law enforcement record system and notify the appropriate law enforcement agency having jurisdiction where the person expects to reside. The State law enforcement agency shall also immediately transmit all information described in paragraph (1) to the Federal Bureau of Investigation for inclusion in the FBI database described in section 170102.

SEC. 8. IMMUNITY FOR GOOD FAITH CONDUCT.

State and federal law enforcement agencies, employees of state and federal law enforcement agencies, and state and federal officials shall be immune from liability for good faith conduct under section 170102.

SEC. 9. REGULATIONS.

Not later than 1 year after the date of enactment of this Act, the Attorney General shall issue regulations to carry out this Act and the amendments made by this Act.

SEC. 10. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall become effective 1 year after the date of enactment of this Act.

(b) COMPLIANCE BY STATES.—Each State shall implement the amendments made by sections 3, 4, 5, 6, and 7 of this Act not later than 3 years after the date of enactment of this Act, except that the Attorney General may grant an additional 2 years to a State that is making good faith efforts to implement such amendments.

(c) INELIGIBILITY FOR FUNDS.—

(1) a State that fails to implement the program as describe din sections 3, 4, 5, 6, and 7 of this Act shall not receive 10 percent of the funds that would otherwise be allocated to the State under section 506 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3765).

(2) any funds that are not allocated for failure to comply with sections 3, 4, 5, 6, or 7 of this Act shall be reallocated to States that comply with these sections.

SEC. 11. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

Mr. GRAMM. Mr. President, we have before us a bill that relates to tracking and identifying sex-offenders. Senator BIDEN, myself, and a number of other Senators have worked very hard on this bill. Forty-nine States in the Union have set up systems which track known sexual predators because, of all the types of criminal activity, the probability that someone who commits a sexual predatory act will commit that type of crime again—especially against a child—is 10 times higher than the probability that any other type of crime will be repeated.

The problem with only having State laws is that people are moving across State lines to try to avoid detection. What our bill does is it sets up an FBI-based Federal tracking system which will track all movements of sexual predators, whether they move across town or across State lines. This system will give us an interactive database, and it will greatly enhance the ability of our communities, our law enforcement officials, and our families to protect our children against sexual predators.

Mr. President, again, I have named this bill, in working with Senator BIDEN, for Pam Lychner, one of the victims of the tragic TWA crash.

We have named this bill for her not because of how she tragically died, but because of how she lived. Pam Lychner was one of our Nation's greatest victim's rights advocates. She cared enough for that cause, in the words of the old Hallmark Card commercial, "to give her very best." And in doing so, she reminded people all over my State and people all over America that we are never going to be able to deal with the violent crime problem in this country until those of us who are not victims of crime are as outraged by these atrocities as are the victims themselves.

I thank my colleagues for letting this bill pass the Senate. I think it is vitally important that we identify and try to monitor sexual predators and I think we owe it to our society and to law-abiding citizens to do this.

I believe that this bill will provide society with a very strong tool which will strengthen local law enforcement, give our families the ability to protect our children, and which will establish a data base that the Boy Scouts, the Girl Scouts, and other youth organizations can use to check out those who want to be trusted with our children.

I think this bill will save lives and I think it will provide greater comfort and greater security to our families. I am very proud of this effort and I thank Senator BIDEN for his leadership on this issue.

I yield the remainder of my time.

Mr. BIDEN. Mr. President, Senator GRAMM and I are now offering a substitute amendment to S. 1675, a bill originally offered in April by myself and Senator GRAMM along with Senators HUTCHISON, FAIRCLOTH, DORGAN, KYL, SHELBY, CAMPBELL, MCCONNELL, STEVENS, MCCAIN, and THURMOND. This legislation strengthens and improves the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act.

The Jacob Wetterling Act, enacted as part of the 1994 crime law, requires States to enact laws to register and track the most violent, the most horrible—and least likely to be rehabilitated—criminals our Nation faces today. I refer to those criminals who attack our children and criminals who are sexually violent predators.

These criminals must be tracked. And local law enforcement must know when these criminals are in their communities. This was the reason I worked to include this important measure in the 1994 crime law. And I will also point out that almost all States have taken great strides to build an effective tracking system.

Now we seek to build upon this progress to meet three specific goals.

First, we must have a nationwide system that will help State and local law enforcement track these offenders as they move from State to State and will help by providing a back-up system of tracking.

Second, while most States have established or are about to establish these systems, if any States fail to act, we cannot allow there to be a "blackhole" where sexual predators can hide and are then lost to all States. A nationwide system will track offenders if States do not maintain registration systems.

Third, we must ensure that the most serious sexual predators are required to remain registered with law enforcement officials for the rest of their lives.

All of these key goals will be met by this legislation. In addition, our amendment will offer some improvements which are made possible by the nationwide system this amendment will provide. For example, our bill will—

Require all offenders to verify their address on a regular basis by returning verification cards with their fingerprints and recent photograph.

Require that a nationwide warning is issued whenever an offender fails to verify their address or when an offender cannot be located.

Institute tough penalties for offenders who willfully fail to meet their obligations to register with the nationwide system in States where there is no registration and in cases of offenders who move from one State to another.

Notify law enforcement officials not only when an offender moves to their area, but also when an offender moves out of their neighborhood.

To offer just one of the practical problems a national database will help local law enforcement address—Delaware law enforcement, because Delaware is so close to other States, will certainly need to know if a sexual predator lives just over the line in Pennsylvania. And only a national database can provide this information.

To offer a real life example of why a nationwide system is needed—in Delaware, a sex offender was released last year. Fortunately, Delaware's offender registration law requires this offender—Freddy Marine—to be tracked by Delaware law enforcement. Since his release, Marine has moved to another State. The nationwide system established by this bill will help make sure that if Freddy Marine moves back to Delaware—our State law enforcement will know, and knowledge is the key to effective enforcement.

In summary, the sex offender tracking and identification bill is possible because States such as Delaware and Texas have done the hard work to build statewide registration systems. We now seek to build a system where all movement of sexually violent and child offenders can be tracked and we will go a long way toward the day when none of these predators will fall between the cracks.

I am glad that we can now offer and pass with the unanimous consent of the Senate this important legislation to protect our children from sexual offenders. I hope that our colleagues in the House of Representatives will take up and pass the companion bill to this legislation and enact these vital protections for our children.

Mr. President, this is the next step in the approach to start action which Senator DORGAN, I, Senator GRAMM of Texas, and others were doing with the crime bill. We decided that we were going to nationalize it—it became known as Megan's Law, and it was also called the Jacob Wetterling Act, again named after a victim in this case—to make sure every State had the ability and the requirement, in order to get Federal funds, that they had a State registry so that we know the States and communities can know. It became known as Megan's Law because of the celebrated tragic case in New Jersey. It was included in the original crime bill.

What we did not do that Senator DORGAN and Senator KERRY—first Senator GRAMM came to me and asked me about participating in this, and Senator KERRY of Massachusetts and others, because all of a sudden it became pretty clear that there was a gaping hole. If, in fact, we have registration, for example, in Delaware, and our State is registering sex offenders so people know whether a pedophile has moved into the neighborhood after having been released from the jail, that gives the community some protection. But there was no vehicle or mechanism until we passed the Gramm-Biden law.

We are going to rename the law. For the person in Delaware who is in a position where a pedophile who lived in Chester County, PA—literally 4 miles or 5 miles from Wilmington, DE—moves across the line, there is no vehicle. There is no mechanism for the Pennsylvania authorities to notify the authorities in the State of Delaware.

The Senator from Massachusetts and I were talking about this. He points out that in his State, he has the same circumstance, if, in fact, you move from one State to another. As a matter of fact, his State does not even have a registry yet, which is one of his concerns he mentioned to me because it is sort of behind the rest of us. They are not moving.

The bottom line of this is real simple. We want people to know. We want a system to be available where it is a nationwide system that will help State and local enforcement people track offenders as they move from State to State, providing a backup system for tracking.

Second, while most States have established or are about to establish these systems, if any State fails to act, we cannot allow there to be a Pennsylvania black hole out there, a black hole that Massachusetts now, for example, is part of, because if folks who are pedophiles in Massachusetts are moving into Rhode Island, or any other place, or even into Massachusetts, there is nobody who knows. So we need a nationwide system.

Third, we have to assure that the most serious sexual predators are required to remain registered with law enforcement officials for the rest of their lives. This is not just being unnecessarily punitive. The recidivism rates are high, and the notification saves lives.

We require all offenders to verify their address on a regular basis by returning verification cards with their fingerprints and a recent photograph. We require that a nationwide warning is issued whenever an offender fails to verify their address or an offender cannot be located. We institute tough penalties for offenders who willfully fail to meet this requirement. We notify law enforcement officials not only when an offender moves to an area, but when they move from an area.

Let me offer one practical example of the need for this nationwide database. A sexual offender in Delaware named Freddie Marine is notorious. While in Delaware, every community was notified. But he moved out of Delaware. He may be over in Maryland or New Jersey. He is as much of a threat to a child in New Jersey or Maryland as he was in Delaware. But no one knows. There is no way they can know.

So this nationwide database will provide that. It has been a pleasure. People kid—when they said, "This is the Gramm-Biden amendment, well, we will let this go through. It must be OK." But the truth is the Senator from Texas and I work an awful lot on these criminal justice issues, and we are more in agreement than not. I thank him for, quite frankly, pointing out this black hole that I referred to early on. It is a pleasure to work with him. And I thank my friend, Senator DORGAN, for not only letting this go through but being on the ground floor when we put the Jacob Wetterling legislation together; and my friend from Massachusetts, who has been very, very concerned about the failure of his State to move, as it should have, in making sure to help fill this black hole. I thank him very much.

I yield the remainder of my time, which is a rarity for me to do on the floor.

Mr. GRAMM. Mr. President, again, I ask unanimous consent that the amendment be considered as read and agreed to, the bill be deemed to have been read the third time, and passed, as amended, the motion to reconsider be laid upon the table, and that any statements related to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 5038) was agreed to.

The bill (S. 1675), as amended, was deemed read the third time, and passed, as follows:

S. 1675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pam Lychner Sexual Offender Tracking and Identification Act of 1996".

SEC. 2. OFFENDER REGISTRATION.

(a) ESTABLISHMENT OF FBI DATABASE.—Subtitle A of title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) is amended by adding at the end the following new section:

"SEC. 170102. FBI DATABASE.

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'FBI' means the Federal Bureau of Investigation;

"(2) the terms 'criminal offense against a victim who is a minor', 'sexually violent offense', 'sexually violent predator', 'mental abnormality', and 'predatory' have the same meanings as in section 170101(a)(3); and

"(3) the term 'minimally sufficient sexual offender registration program' means any State sexual offender registration program that—

"(A) requires the registration of each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1);

"(B) requires that all information gathered under such program be transmitted to the FBI in accordance with subsection (g) of this section;

"(C) meets the requirements for verification under section 170101(b)(3); and

"(D) requires that each person who is required to register under subparagraph (A) shall do so for a period of not less than 10 years beginning on the date that such person was released from prison or placed on parole, supervised release, or probation.

"(b) ESTABLISHMENT.—The Attorney General shall establish a national database at the Federal Bureau of Investigation to track the whereabouts and movement of—

"(1) each person who has been convicted of a criminal offense against a victim who is a minor;

"(2) each person who has been convicted of a sexually violent offense; and

"(3) each person who is a sexually violent predator.

"(c) REGISTRATION REQUIREMENT.—Each person described in subsection (b) who resides in a State that has not established a minimally sufficient sexual offender registration program shall register a current address, fingerprints of that person, and a current photograph of that person with the FBI for inclusion in the database established under subsection (b) for the time period specified under subsection (d).

"(d) LENGTH OF REGISTRATION.—A person described in subsection (b) who is required to register under subsection (c) shall, except during ensuing periods of incarceration, continue to comply with this section—

"(1) until 10 years after the date on which the person was released from prison or placed on parole, supervised release, or probation; or

"(2) for the life of the person, if that person—

"(A) has 2 or more convictions for an offense described in subsection (b);

"(B) has been convicted of aggravated sexual abuse, as defined in section 2241 of title 18, United States Code, or in a comparable provision of State law; or

"(C) has been determined to be a sexually violent predator.

"(e) VERIFICATION.—

"(1) PERSONS CONVICTED OF AN OFFENSE AGAINST A MINOR OR A SEXUALLY VIOLENT OFFENSE.—In the case of a person required to register under subsection (c), the FBI shall, during the period in which the person is required to register under subsection (d), verify the person's address in accordance with guidelines that shall be promulgated by the Attorney General. Such guidelines shall ensure that address verification is accomplished with respect to these individuals and shall require the submission of fingerprints and photographs of the individual.

"(2) SEXUALLY VIOLENT PREDATORS.—Paragraph (1) shall apply to a person described in subsection (b)(3), except that such person must verify the registration once every 90 days after the date of the initial release or commencement of parole of that person.

"(f) COMMUNITY NOTIFICATION.—

"(1) IN GENERAL.—Subject to paragraph (2), the FBI may release relevant information concerning a person required to register under subsection (c) that is necessary to protect the public.

"(2) IDENTITY OF VICTIM.—In no case shall the FBI release the identity of any victim of an offense that requires registration by the offender with the FBI.

"(g) NOTIFICATION OF FBI OF CHANGES IN RESIDENCE.—

"(1) ESTABLISHMENT OF NEW RESIDENCE.—For purposes of this section, a person shall be deemed to have established a new residence during any period in which that person resides for not less than 10 days.

"(2) PERSONS REQUIRED TO REGISTER WITH THE FBI.—Each establishment of a new residence, including the initial establishment of a residence immediately following release from prison, or placement on parole, supervised release, or probation, by a person required to register under subsection (c) shall be reported to the FBI not later than 10 days after that person establishes a new residence.

"(3) INDIVIDUAL REGISTRATION REQUIREMENT.—A person required to register under subsection (c) or under a minimally sufficient offender registration program, including a program established under section 170101, who changes address to a State other than the State in which the person resided at the time of the immediately preceding registration shall, not later than 10 days after that person establishes a new residence, register a current address, fingerprints, and photograph of that person, for inclusion in the appropriate database, with—

"(A) the FBI; and

"(B) the State in which the new residence is established.

"(4) STATE REGISTRATION REQUIREMENT.—Any time any State agency in a State with a minimally sufficient sexual offender registration program, including a program established under section 170101, is notified of a change of address by a person required to register under such program within or outside of such State, the State shall notify—

"(A) the law enforcement officials of the jurisdiction to which, and the jurisdiction from which, the person has relocated; and

"(B) the FBI.

"(5) VERIFICATION.—

"(A) NOTIFICATION OF LOCAL LAW ENFORCEMENT OFFICIALS.—The FBI shall ensure that State and local law enforcement officials of the jurisdiction from which, and the State and local law enforcement officials of the jurisdiction to which, a person required to register under subsection (c) relocates are notified of the new residence of such person.

"(B) NOTIFICATION OF FBI.—A State agency receiving notification under this subsection shall notify the FBI of the new residence of the offender.

"(C) VERIFICATION.—

"(i) STATE AGENCIES.—If a State agency cannot verify the address of or locate a person required to register with a minimally sufficient sexual offender registration program, including a program established under section 170101, the State shall immediately notify the FBI.

"(ii) FBI.—If the FBI cannot verify the address of or locate a person required to register under subsection (c) or if the FBI receives notification from a State under clause (i), the FBI shall—

"(I) classify the person as being in violation of the registration requirements of the national database; and

"(II) add the name of the person to the National Crime Information Center Wanted person file and create a wanted persons record: *Provided*, That an arrest warrant which meets the requirements for entry into the file is issued in connection with the violation.

"(h) FINGERPRINTS.—

"(1) FBI REGISTRATION.—For each person required to register under subsection (c), fingerprints shall be obtained and verified by the FBI or a local law enforcement official pursuant to regulations issued by the Attorney General.

"(2) STATE REGISTRATION SYSTEMS.—In a State that has a minimally sufficient sexual offender registration program, including a program established under section 170101, fingerprints required to be registered with the FBI under this section shall be obtained and verified in accordance with State requirements. The State agency responsible for registration shall ensure that the fingerprints and all other information required to be registered is registered with the FBI.

"(i) PENALTY.—A person required to register under paragraph (1), (2), or (3) of subsection (g) who knowingly fails to comply with this section shall—

"(1) in the case of a first offense—

"(A) if the person has been convicted of 1 offense described in subsection (b), be fined not more than $100,000; or

"(B) if the person has been convicted of more than 1 offense described in subsection (b), be imprisoned for up to 1 year and fined not more than $100,000; or

"(2) in the case of a second or subsequent offense, be imprisoned for up to 10 years and fined not more than $100,000.

"(j) RELEASE OF INFORMATION.—The information collected by the FBI under this section shall be disclosed by the FBI—

"(1) to Federal, State, and local criminal justice agencies for—

"(A) law enforcement purposes; and

"(B) community notification in accordance with section 170101(d)(3); and

"(2) to Federal, State, and local governmental agencies responsible for conducting employment-related background checks under section 3 of the National Child Protection Act of 1993 (42 U.S.C. 5119a).".

"(k) NOTIFICATION UPON RELEASE.—Any State not having established a program described in section 170102(a)(3) must—

"(1) upon release from prison, or placement on parole, supervised release, or probation, notify each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1) of their duty to register with the FBI; and

"(2) notify the FBI of the release of each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1).".

SEC. 3. DURATION OF STATE REGISTRATION REQUIREMENT.

Section 170101(b)(6) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(6)) is amended to read as follows:

"(6) LENGTH OF REGISTRATION.—A person required to register under subsection (a)(1) shall continue to comply with this section, except during ensuing periods of incarceration, until—

"(A) 10 years have elapsed since the person was released from prison or placed on parole, supervised release, or probation; or

"(B) for the life of that person if that person—

"(i) has 1 or more prior convictions for an offense described in subsection (a)(1)(A); or

"(ii) has been convicted of an aggravated offense described in subsection (a)(1)(A); or

"(iii) has been determined to be a sexually violent predator pursuant to subsection (a)(2).".

SEC. 4. STATE BOARDS.

Section 170101(a)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(2)) is amended by inserting before the period at the end the following: ", victim rights advocates, and representatives from law enforcement agencies".

SEC. 5. FINGERPRINTS.

Section 170101 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) is amended by adding at the end the following new subsection:

"(g) FINGERPRINTS.—Each requirement to register under this section shall be deemed to also require the submission of a set of fingerprints of the person required to register, obtained in accordance with regulations prescribed by the Attorney General under section 170102(h).".

SEC. 6. VERIFICATION.

Section 170101(b)(3)(A)(iii) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(3)(A)(iii)) is amended by adding at the end the following: "The person shall include with the verification form, fingerprints and a photograph of that person.".

SEC. 7. REGISTRATION INFORMATION.

Section 170101(b)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(2)) is amended to read as follows:

"(2) TRANSFER OF INFORMATION TO STATE AND THE FBI.—The officer, or in the case of a person placed on probation, the court, shall, within 3 days after receipt of information described in paragraph (1), forward it to a designated State law enforcement agency. The State law enforcement agency shall immediately enter the information into the appropriate State Law enforcement record system and notify the appropriate law enforcement agency having jurisdiction where the person expects to reside. The State law enforcement agency shall also immediately transmit all information described in paragraph (1) to the Federal Bureau of Investigation for inclusion in the FBI database described in section 170102.".

SEC. 8. IMMUNITY FOR GOOD FAITH CONDUCT.

State and Federal law enforcement agencies, employees of State and Federal law enforcement agencies, and State and Federal officials shall be immune from liability for good faith conduct under section 170102.

SEC. 9. REGULATIONS.

Not later than 1 year after the date of enactment of this Act, the Attorney General shall issue regulations to carry out this Act and the amendments made by this Act.

SEC. 10. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall become effective 1 year after the date of enactment of this Act.

(b) COMPLIANCE BY STATES.—Each State shall implement the amendments made by sections 3, 4, 5, 6, and 7 of this Act not later than 3 years after the date of enactment of this Act, except that the Attorney General may grant an additional 2 years to a State that is making good faith efforts to implement such amendments.

(c) INELIGIBILITY FOR FUNDS.—

(1) A State that fails to implement the program as described in section 3, 4, 5, 6, and 7 of this Act shall not receive 10 percent of the funds that would otherwise be allocated to the State under section 506 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3765).

(2) Any funds that are not allocated for failure to comply with section 3, 4, 5, 6, or 7 of this Act shall be reallocated to States that comply with these sections.

SEC. 11. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAM APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Under the previous agreement, the Senator from North Dakota is recognized to offer his amendment. The only second-degree amendment that would be in order is an amendment offered by the Senator from Massachusetts. There is to be 1 hour of debate, with 40 minutes under the control of the proponents and 20 minutes under the control of the opponents.

Mr. DORGAN. Would the Chair please inform me when I have used 20 minutes? I yield myself such time as I may consume.

AMENDMENT NO. 5045

(Purpose: To provide congressional review of and clear standards for the eligibility of foreign governments to be considered for United States military assistance and arms transfers)

Mr. DORGAN. I am offering an amendment on behalf of myself and Senator HATFIELD with cosponsors, including Senators BUMPERS, JEFFORDS, LEAHY, HARKIN, PRYOR, MOSELEY-BRAUN, FEINGOLD, PELL, INOUYE, WYDEN, KENNEDY, SIMON, LAUTENBERG and FEINSTEIN.

I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. HATFIELD, Mr. BUMPERS, Mr. JEFFORDS, Mr. LEAHY, Mr. HARKIN, Mr. PRYOR, Ms. MOSELEY-BRAUN, Mr. FEINGOLD, Mr. PELL, Mr. INOUYE, Mr. WYDEN, Mr. KENNEDY, Mr. SIMON, Mr. LAUTENBERG, and Mrs. FEINSTEIN, proposes an amendment numbered 5045.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following new title:

TITLE —CONGRESSIONAL REVIEW OF ARMS TRANSFERS ELIGIBILITY ACT OF 1996

SEC. 01. SHORT TITLE.

This title may be cited as the "Congressional Review of Arms Transfers Eligibility Act of 1996".

SEC. 02. PURPOSE.

The purpose of this title is to provide congressional review of the eligibility of foreign governments to be considered for United States military assistance and arms transfers, and to establish clear standards for such eligibility including adherence to democratic principles, protection of human rights, nonaggression, and participation in the United Nations Register of Conventional Arms.

SEC. 03. ELIGIBILITY FOR UNITED STATES MILITARY ASSISTANCE OR ARMS TRANSFERS.

(a) PROHIBITION; WAIVER.—United States military assistance or arms transfers may not be provided to a foreign government during a fiscal year unless the President determines and certifies to the Congress for that fiscal year that—

(1) such government meets the criteria contained in section ___04;

(2) it is in the national security interest of the United States to provide military assistance and arms transfers to such government, and the Congress enacts a law approving such determination; or

(3) an emergency exists under which it is vital to the interest of the United States to provide military assistance or arms transfers to such government.

(b) DETERMINATION WITH RESPECT TO EMERGENCY SITUATIONS.—The President shall submit to the Congress at the earliest possible date reports containing determinations with respect to emergencies under subsection (a)(3). Each such report shall contain a description of—

(1) the nature of the emergency;

(2) the type of military assistance and arms transfers provided to the foreign government; and

(3) the cost to the United States of such assistance and arms transfers.

SEC. 04. CRITERIA FOR CERTIFICATION.

The criteria referred to in section ___03(a)(1) are as follows:

(1) PROMOTES DEMOCRACY.—Such government—

(A) was chosen by and permits free and fair elections;

(B) promotes civilian control of the military and security forces and has civilian institutions controlling the policy, operation, and spending of all law enforcement and security institutions, as well as the armed forces;

(C) promotes the rule of law, equality before the law, and respect for individual and minority rights, including freedom to speak, publish, associate, and organize; and

(D) promotes the strengthening of political, legislative, and civil institutions of democracy, as well as autonomous institutions to monitor the conduct of public officials and to combat corruption.

(2) RESPECTS HUMAN RIGHTS.—Such government—

(A) does not engage in gross violations of internationally recognized human rights, as described in section 502B(d)(1) of the Foreign Assistance Act of 1961;

(B) vigorously investigates, disciplines, and prosecutes those responsible for gross violations of internationally recognized human rights;

(C) permits access on a regular basis to political prisoners by international humanitarian organizations such as the International Committee of the Red Cross;

(D) promotes the independence of the judiciary and other official bodies that oversee the protection of human rights; and

(E) does not impede the free functioning of and access of domestic and international human rights organizations or, in situations of conflict or famine, of humanitarian organizations.

(3) NOT ENGAGED IN CERTAIN ACTS OF ARMED AGGRESSION.—Such government is not currently engaged in acts of armed aggression in violation of international law.

(4) FULL PARTICIPATION IN UNITED NATIONS REGISTER OF CONVENTIONAL ARMS.—Such government is fully participating in the United Nations Register of Conventional Arms.

SEC. 05. CERTIFICATION AND DECERTIFICATION.

(a) NOTIFICATION TO CONGRESS.—In the case of a determination by the President under section ___03(a) (1) or (2) with respect to a foreign government, the President shall submit to the Congress the initial certification in conjunction with the submission of the annual request for enactment of authorizations and appropriations for foreign assistance programs for a fiscal year and shall, where appropriate, submit additional or amended certifications at any time thereafter in the fiscal year.

(b) DECERTIFICATION.—If a foreign government ceases to meet the criteria contained in section ___04, the President shall submit a decertification of the government to the Congress, whereupon any prior certification under section ___03(a)(1) shall cease to be effective.

SEC. 06. UNITED STATES MILITARY ASSISTANCE AND ARMS TRANSFERS DEFINED.

For purposes of this title, the terms "United States military assistance" and "arms transfers" mean—

(1) assistance under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to military assistance), including the transfer of excess defense articles under section 516 of that Act;

(2) assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training);

(4) the transfer of defense articles, defense services, or design and construction services under the Arms Export Control Act (except any transfer or other assistance under section 23 of such Act), including defense articles and defense services licensed or approved for export under section 38 of that Act.

SEC. 07. EFFECTIVE DATE.

(a) Except as provided in subsection (b), this title shall take effect October 1, 1997.

(b) Any initial certification made under section ___03 shall be transmitted to the Congress with the President's budget submission for fiscal year 1998 under section 1105 of title 31, United States Code.

Mr. DORGAN. Mr. President, 12 years ago in August, on an almost perfect, beautiful summer morning, I was in the jungle and mountains between Nicaragua and Honduras and with two other Members of Congress visiting, as the first officials to do so, a contra camp. I will never forget the morning that we walked through this jungle. We had traveled 3½ hours by car, then back up in riverbeds, and finally walked. And I walked into a jungle clearing somewhere between Nicaragua and Honduras.

As I began to see a group of people in that clearing, I saw a very young boy wearing a blue uniform. I found out later that it was a military uniform purchased from Sears. Yes, our Sears. All of those soldiers were outfitted in uniforms from Sears. But it was not so much his uniform that captured my attention. It was seeing a young boy who appeared to be 10 or 11 years old carrying a machine gun. It turns out that the machine gun was in that young boy's hands courtesy of the United States as well.

Well, that conflict and that set of military arms transfers led to a long debate. We debated for years about whether we should or should not have sent arms to the contras. But it got me interested. I wondered, to whom are we sending arms around the world? What kind of arms are we sending? Who gets America's jet fighter planes? Who acquires American-made tanks? Who acquires American guns and cluster bombs? And I discovered that the United States of America is the largest arms merchant in the world. In 1994, we delivered over $10 billion of the $20 billion worth of arms spread all over this world, arms used for defense and for killing, in some cases arms provided to both sides of the same conflict by American arms merchants and by our Government.

Fifty two percent of the worldwide arms deliveries were from the United States of America. We offer today an amendment called the code of conduct amendment, a commonsense approach to address the issue of the arms trade.

It is interesting and tragic, I think, that selling arms to some parts of the world comes back to haunt us. American troops in Panama, Iraq, Somalia, and Haiti lost their lives facing weapons made in this country or weapons from technology this country furnished others. Someone made a profit selling arms to someone that should not have received the arms and American uniformed men and women then faced those same weapons in a conflict.

U.S. arms are often turned against innocent civilians. The United States has offered F-16 fighters to Indonesia's military regime despite the fact that U.S. weapons have already been used in the occupation of East Timor. Two hundred thousand civilians have been slaughtered there.

The definition in the dictionary of the word "boomerang" is "an act that backfires on its originator." That is what we find with some—not all, some—of the foreign military arms sales, a boomerang, an arms trade policy that ends up killing American soldiers, violating human rights, and giving away American jobs.

We do not come to the floor of the Senate suggesting that we not furnish arms anywhere in the world. Allies of ours that need arms to defend themselves should receive those arms. Democracies around the world that need arms to feel safe and secure should receive those arms. The question we ask is, should there not be some minimum standard of conduct that measures whether and when we send those arms?

We propose a commonsense approach in this legislation. And I should add that this kind of legislation is being considered by our allies in Europe and other places in the world, and we hope we will have a safer world if others and ourselves will adopt this kind of code of conduct with respect to arms transfers. Our commonsense approach is this.

First, to be eligible to receive American-made arms, we would expect a government must be promoting democracy through fair and free elections, civilian control of the military, rule of law, freedom of speech and of the press.

Second, we would expect a country receiving our arms to respect human rights. We would expect them not to commit gross violations of internationally recognized human rights.

Third, we would expect that a country receiving our arms would observe international borders and not be engaged in armed aggression against its neighbors in violation of international law.

Fourth, we would expect countries receiving our armaments to participate in the U.N. Conventional Arms Registry, which provides transparency to the world arms market by listing major arms sales and transfers.

We provide that a President may waive the criteria on an emergency basis. I conceive that there are circumstances in which that might well be necessary. We would provide for that waiver. We do not include arms export credit arrangements under Section 23 of the Arms Export Control Act, such as the Foreign Military Financing program.

What we are trying to do is think through the question, is there not some basic standard by which we judge whether an arms transfer to some other part of the world makes sense? Is it only profits? Do we only care that someone can make some additional profits by taking an incredibly sophisticated weapons machine, a jet fighter, for example, and selling it anywhere in the world? Is it only profit or is there some other measure that is important? Senator HATFIELD and I and many others believe there ought to be some measure, and it is called the code of conduct.

It is interesting that the boomerang I mentioned is not just having American-made weapons turned on American soldiers. It is also moving American jobs elsewhere. Lockheed Martin secured a sale of F-16's to Turkey in exchange for the planes being built in Turkey. What that means, of course, is, to the extent that sale would have made sense in the first place and met the criteria, someone else has the economic advantage of that sale.

But our major concern is not jobs. Our major concern is to promote and create a safer world, and it is not a safer world when we send American soldiers to deal with trouble in the world and they find themselves facing the barrel of an American-made weapon provided to a government that should not have received it in the first instance, provided without any review, without any standard code that we develop that says, "Here are the conditions under which we will transfer these arms shipments."

Those who would oppose this might say we are trying to shut off arms sales. That is simply not the case. There will remain arms sales. Arms manufacturers in this country produce a sophisticated product, in most cases the best in the world. Other countries often want those products for their common defense. We understand and accept that there will be arms transfers, but we believe it is time for this country to adopt a code, a standard, by which we judge whether an arms transfer to this dictator or that dictator or this country or that country makes sense for this country's long-term well-being. The fact is that weapons have been sold in circumstances where the sale has not been in the best interests of United States, and that is why we offer this legislation.

Let me, Mr. President, reserve the remainder of the time, since I see that my distinguished colleague Senator HATFIELD is on the floor. Let me say, before he begins, that Senator HATFIELD has been at this longer than others of us in the Senate. I deeply admire the work he has done in the Senate and for this country, and I feel deeply honored to participate with him in offering this amendment.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I ask for 8 minutes.

Mr. DORGAN. I yield the Senator 8 minutes.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 8 minutes.

Mr. HATFIELD. Mr. President, I think it is very obvious I have a problem of laryngitis.

I thank my good friend, Senator DORGAN, for taking leadership on this particular amendment. I feel strongly enough about it to be here to do two things; one, to support the amendment, but the other is to apologize to the chairman of the Subcommittee on Appropriations, Mr. MCCONNELL, for offering a rider to an appropriations bill, which I ask everybody to refrain from doing. So I guess there is no virtue of consistency in this particular environment we work in.

Let me associate myself with the eloquent statement made by Senator DORGAN to explain this bill. I would only try to add perhaps one or two perspectives.

First of all, I think we have to recognize that we are not locking the President out of an action that he might have to take if he has a problem in an emergency situation. In other words, the President would have the power to make a waiver, a waiver of the criteria we have set up in this amendment in case he feels that our national interest is at stake and to make a waiver that is in the interest of our national need and our national security. So it is flexible in that sense.

Let me pick up on Senator DORGAN's examples of how this expands the vulnerability of our own troops when they are sent abroad for peacekeeping activities after we have delivered arms. Let me take a specific. From 1981 to 1991, $154 million of arms were delivered to Somalia from the United States. Then when you begin to look at how that stimulated the arms race and endangered our national security, ultimately the total cost of arms to Somalia was $1.2 billion—25,800 United States troops were deployed, 23 were killed in action, 143 were wounded. That is the kind of return we had on that one example, of sending troops.

Also, today we are building more F-16's in Ankara, Turkey, than we are in

Fort Worth, TX. It does not help American workers, as some may say, and we, indeed, need to help employment in this country. We find that 88,000 jobs could be created in the United States in offsetting some of this extraordinary subsidy of arms. In other words, we do not lose jobs by cutting down the export of arms. We are creating them in other sectors of our economy, where there is great need.

Mr. President, I was reared in a generation where among our required reading in high school was a book called "Merchants of Death." It was a story of how the Krupp Works and other manufacturers of arms in Central Europe sent their arms out to both sides. In fact, they were sometimes guilty of stimulating conflict in order to sell their arms.

We were reared in a manner of saying that is immoral; surely our Nation would never be guilty of such a crime against humanity. Yet I have to say, since the Soviet Union has become unraveled, we are now unquestionably the No. 1 merchants of death in this world by our export of arms. We not only export them as a market, we go around promoting it. We go around ballyhooing the arms that we have, the arms that are exhibited in the Paris Air Show and many international conferences that supposedly are for some international benefit. It is an arms peddling activity. We even let our Embassies be instructed to facilitate arms transfers as part of their duty in the country in which they are representing the United States. I cannot understand how people around this country will tolerate much further this kind of export that we have engaged in.

It started with, perhaps, Charles de Gaulle. That is the way he funded his military budget, was to sell arms abroad. Unfortunately, back in 1962, that was the policy of the United States of America. That became the policy in 1962, when the President decided in order to help fund some of our own military budgets, we would export arms. This idea of funding a domestic need by exporting our arms is, to me, immoral and is counterproductive.

So I am very hopeful we will support this particular amendment. It is flexible. It takes into consideration emergencies unforeseen. And it does not lock the President out. In fact, all it does is to say the Congress has some joint responsibility in that kind of policy that was recommended by the President's review commission on arms, that the Congress should have some kind of role in assessing this from time to time.

We have not had a debate on this floor for 20 years on this subject, a comprehensive debate. I am not sure in 1 hour we are going to have it today. But at least it is a small step, I think, in raising this issue so the American public will understand our failure to uphold our responsibilities in governing some of this export of death.

The PRESIDING OFFICER. Who yields time? The Senator from North Dakota.

Mr. DORGAN. Mr. President, I intend to yield to the Senator from Massachusetts after I make a couple of observations about the comments of the Senator from Oregon.

In 1993, the United States supplied 75 percent of all weapons sold to the Third World, the countries who can least afford to be buying arms—75 percent of the weapons that went to the Third World came from the United States. According to our State Department and their own human rights report, more than three-quarters of our arms sales in 1993 went to undemocratic governments. In other words, three-quarters of the arms we send around the world goes to governments listed by the State Department as authoritarian governments with serious human rights abuses. The people who live in those areas where these American weapons are coming in have every right to wonder about America. This legislation allows us to develop some standards that move in the right direction.

Mr. President, let me yield 5 minutes to the Senator from Massachusetts, Senator KERRY.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

AMENDMENT NO. 5046 TO AMENDMENT NO. 5045

(Purpose: To promote the establishment of a permanent multilateral regime to govern the transfer of conventional arms)

Mr. KERRY. Mr. President, I send a second-degree amendment to the desk for immediate consideration. I assume that will not come up in time——

The PRESIDING OFFICER. Until the time is used or yielded back, the second-degree would not be in order.

Mr. KERRY. Mr. President, we had a unanimous-consent agreement a few moments ago, allowing for the second-degree to be reported at such time as we deemed appropriate. I ask unanimous consent at this time I be permitted to submit my second-degree amendment, under the 5 minutes I have.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KERRY] proposes an amendment numbered 5046 to amendment No. 5045.

Mr. KERRY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment, add the following new section:

SEC. . INTERNATIONAL ARMS TRANSFERS REGIME.

(a) INTERNATIONAL EFFORTS.—The President shall continue and expand efforts through the United Nations and other international forums, such as The Wassernaar Arrangement on Export Controls for Conventional Arms and Dual Use Goods and Technologies, to curb worldwide arms transfers, particularly to nations that do not meet the criteria establish a section 04, with a goal of establishing a permanent multilateral regime to govern the transfer of conventional arms.

(b) REPORT.—The President shall submit an annual report to the Congress describing efforts he has undertaken to gain international acceptance of the principles incorporated in section 04, and evaluating the progress made toward establishing a multilateral regime to control the transfer of conventional arms. This report shall be submitted in conjunction with the submission of the annual request for authorizations and appropriations for foreign assistance programs for a fiscal year.

Mr. KERRY. Mr. President, before I explain my amendment I thank the distinguished Senator from Oregon, Senator HATFIELD, for his extraordinary, long involvement in an effort to help educate and lead the U.S. Senate to a more rational approach to this question of proliferation, nuclear and conventional. When he leaves the Senate there will be an enormous gap with respect to that leadership and his voice, always clear even with laryngitis. I also welcome Senator DORGAN, whose history is not as long, but whose commitment is equally as passionate. I look forward to working with him in the future.

Their amendment embodies a fundamental shift in the way the United States needs to deal with the transfer of conventional weapons to the rest of the world. Like so many other aspects of our national security today, arms sales and other military assistance needs still to be adjusted to the realities of the post-cold-war world. The central theme of our foreign policy has changed from containment of communism to expansion of democracy. So we no longer need to send these massive amounts of weaponry to our surrogates around the world in an arms race against communism.

Instead, we need to evaluate the effect that arms transfers have on regional stability, on the promotion of democracy, and on the protection of human rights. The legislation in front of us seeks to do that. It makes democracy, human rights, and nonaggression the central criteria for decisions on arms transfers. But equally important, it forces the U.S. Congress to take responsibility for approving such transfers to countries that do not meet the criteria set forth in the legislation.

Under the present system, the President just makes a determination of which countries will receive what weapons. In theory, the Congress could act to disapprove a specific sale, but in practice we all know it is very difficult and extremely rare that happens. We ought to be more involved as a Congress in making these decisions. This legislation gives us a prominent role that is appropriate to the money that we spend on behalf of the taxpayers and to the interests we represent in the world. There still will be cases when it serves the interests of our country to transfer arms to countries that do not meet the criteria of this legislation. But in those cases, the Congress will have to agree with the President that such a transfer bolsters United States national security needs.

These changes in this legislation will focus congressional attention on the question of what really serves our interests and will, I hope, lead to a reduction in the extraordinarily dangerous worldwide proliferation of conventional weapons.

My amendment seeks to simply add one new section to this language. It instructs the President to expand the international efforts to curb worldwide arms sales and to work toward establishing a multilateral regime to govern the transfer of conventional weapons.

The amendment also requires the President to report annually to the Congress on steps that he is taking to gain international acceptance of the principles incorporated in this legislation and on the progress he is making toward establishing a permanent multilateral structure for controlling arms shipments.

I support the goals of this legislation, Mr. President. We ought to stop selling arms to nations, but the fact is that it is not just enough for us to set that example. The French, the Germans, Chinese, the Japanese, a host of other countries will rush in to fill the vacuum that we leave. What we need to do is create an international effort with our leadership that will provide the underlying force for this amendment and to guarantee that we do reduce arms proliferation in the world and slow the conventional arms race of which we are currently the leader.

I thank the distinguished Senators from Oregon and North Dakota for their leadership, and I believe that my amendment is acceptable. If so, we can act on it immediately.

Mr. President, I believe there is no further debate. If the Chair is ready, we can act on this amendment.

The PRESIDING OFFICER (Mr. THOMPSON). The question is on agreeing to the KERRY amendment No. 5046.

The amendment (No. 5046) was agreed to.

Mr. KERRY. I thank the Chair. I yield back whatever time remains to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I yield 6 minutes to the Senator from California, Senator FEINSTEIN.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I thank the Senator, and I commend both the Senator from Oregon and the distinguished Senator from North Dakota, Senator BYRON DORGAN, and the senior Senator from Illinois, Mr. SIMON, who is present on the floor, for their longtime support of this code of conduct.

I am a newcomer to this. Let me tell you what I feel. I am one who votes for defense appropriations. I want to see this Nation strong. I believe there is a deterrent value in having the best equipment, the best training and the most advanced technology for our armed forces. I believe that there is a price for freedom, and it is eternal vigilance.

But I did not come to the U.S. Senate to make the entire world less safe in the future than it was when I arrived. This code of conduct is an enormous addition to a major public policy debate and there are human dimensions to these decisions.

Every time I look into the big round eyes of my little 3-year-old granddaughter, Eileen, it is almost impossible not to ask, "Am I contributing to the kind of world in which I want my granddaughter to live? Is the world a safer place because of what I do in this body?" And I think about what that world will be like when she is 13 and 23 and 33 years old. That is not so long. Technology moves so fast, though. What kind of weapons will there be? Who will have them? How will they be used? Will they be used against her in some way?

I am sorry to say these are not just the ruminations of an overprotective grandmother. These are very real and very frightening questions the people of America must ask themselves, because our country remains the biggest, the boldest and the largest arms purveyor in the world today.

Which brings us to the question that is before us: What should U.S. policy be regarding the sale of weapons?

I truly believe we need to take more time in deciding to whom we sell weapons, not only as a matter of conscience, but as a matter of national security.

What happens to the deterrent value of our military strength when we export technologies and weapons systems that are equal to that which our own troops use?

For example:

Kuwait had the new M1–A2 main battle tank before it was even delivered to U.S. forces. Saudi Arabia now has these tanks as well.

We have exported Patriot missiles to Saudi Arabia, Kuwait and the United Arab Emirates.

F–16 and F–15 fighter planes, almost exactly what our Air Force is currently flying, have been exported to Indonesia, Malaysia, Pakistan, Singapore, Egypt and Saudi Arabia.

Turkey and South Korea, as has been stated, are building F–16 fighters under coproduction agreements with the United States. In fact, there are more people, as Senator HATFIELD said, building these planes in Turkey than there are in the United States.

The upgrades of these F–16's will not even be performed by the United States. They will be done by Denmark, Sweden and Norway.

One of the main reasons the United States overwhelmed Iraq's military in the Gulf War was because our equipment was more technologically advanced. What will be the result the next time we go to war and our troops look across the battlefield at the same tank they are sitting in?

U.S. weapons have already been used against the United States overseas.

During the eighties, we sent Somalia 4,800 M–16 rifles, 84 106-millimeter recoilless rifles, 24 machine guns, 75 81-millimeter mortars and landmines. Guess what the "technicals" of Somali warlord Mohammed Farah Aideed used to ambush and kill 30 Americans soldiers? Our own weapons.

Iran has deployed the American Hawk anti-aircraft missiles in the Straits of Hormuz, which were exported to the Shah decades ago before the revolution.

Three-hundred U.S. Stinger anti-aircraft missiles provided to Afghani rebels are unaccounted for and are reportedly being sold on the black market.

Although we don't know the cause, wouldn't it be tragically ironic if the downing of TWA Flight 800 was because of a Stinger missile obtained on the black market?

Libya and North Korea may have acquired U.S. Stinger missiles through this very same black market.

How will these weapons be used? How stable are the regions to which U.S. weapons and technology are being transferred? Did you know that Turkey used U.S. COBRA helicopters to destroy small Kurdish villages?

Today, Iran is using the same F–14 fighters we exported to the Shah.

Allies change and governments fall. What happens if the Government of Saudi Arabia falls into Islamic fundamentalist hands?

What happens if tensions between Pakistan and India reach the boiling point? We are today escalating an arms race between these two countries.

Since the Reagan administration, arms have been treated more as items for international commerce than as tools to advance our national security. I believe this is dangerous and ultimately self-defeating.

The President, any President, is confronted with strong incentives to sell arms abroad, to bolster allies whose security is in our interest, to encourage diplomatic and economic cooperation. I don't believe it is realistic to think that in the face of these pressures, any American President alone is able to unilaterally change course and substantially limit arms sales without strong congressional support and even initiation. That is what we are considering today, initiating a code of conduct.

So it is for these reasons that I believe the code of conduct on arms transfers will help to bring some increased transparency and added consideration to the whole arms sales process. The code of conduct requires the President to develop a list of countries to which our Government may export weapons systems. Their criteria, outlined by the Dorgan/Hatfield amendment, is very basic, reasonable and flexible.

In instances where a country may not qualify, the President has the ability to ask the Congress for a national security waiver, or he may enact an emergency waiver on his own so that nation may receive U.S. arms. In this way, the President maintains the flexibility he needs to deter aggressors and conduct foreign policy.

The United States continues to be the unquestioned leader in weapons technology. However, the United States currently exports 52 percent of all global arms sales, making us the leader in this dubious category as well. If we continue to export advanced and often sophisticated best weapons systems to volatile areas, we put our own troops and our national security at risk maybe not today, but what about next year and the next decade?

I am not saying that the United States should export no arms, but we must have a rational arms sales policy that first and foremost protects U.S. national security, and second does not gratuitously exacerbate a global arms race. I am very afraid that if we continue to export the numbers and kinds of weapons systems and technologies we are currently, we will be less secure in the future, not more.

It is time for the United States to show a different kind of leadership, one encouraging restraint and transparency in the sale of arms around the world. By enacting the Code of Conduct, the United States will take an important step forward in a global effort to make the world a safer place for all.

The PRESIDING OFFICER. The Senator's 6 minutes have expired.

Mrs. FEINSTEIN. I thank the Chair and yield the floor.

Mr. DORGAN. Mr. President, I yield 4 minutes to the Senator from Illinois, Senator SIMON.

Mr. SIMON. Mr. President, first I want to thank Senator HATFIELD and Senator DORGAN for their leadership on this.

I am rounding out 22 years on Capitol Hill. I am a slow learner, Mr. President, but I have learned two things, among others. One is, do not get too cozy with dictators. Eighty-five percent of our weapons sent abroad are sent to nations the State Department identifies as human rights abusers. I think we ought to be careful. Second, I have learned that weapons we send abroad may be used against us. Senator FEINSTEIN mentioned Somalia. We could be mentioning Panama, Haiti, Iraq, and other nations.

Back—I do not know—2 or 3 years ago I was in Angola with Senator FEINGOLD and Senator REID and visited the Swedish Red Cross place where they were fitting artificial limbs for children and adults. I saw the huge numbers of people in Angola being fitted for those limbs in part because of American mines, in part because of American mines purchased with American funds. We are today, as has been pointed out, the No. 1 arms merchant in the world. And 56 percent of the arms sold abroad, are sold by the United States.

While we are the No. 1 arms merchant, do you know where we are in foreign economic assistance to other countries, compared to the other Western European countries, Australia, New Zealand and Japan? We are dead last. One-sixth of 1 percent of our national income goes to help the poor beyond our borders. Norway is above 1.2 percent, and the other nations in between. And when you contrast what we do with weapons and what we do with economic assistance, it is kind of interesting.

From July 11 to 18, the National Basketball Association signed contracts totaling $927 million for free agents. Do you know what we are doing in providing development assistance for all of Africa, the poorest nation, poorest continent today, when you except Egypt? We are spending a total of $628 million, less than we spent in 1 week for free agents for the National Basketball Association.

We need some sense of perspective. And for us to spend this amount of money on development assistance for poor countries, and then eagerly get every buck we can get so we can sell arms, and we do not care whether they are dictators or not dictators, that just does not make sense. Without this particular amendment, frankly, we are not going to do anything.

We have not turned down an arms request from another country since the early 1980's when we turned down an AWAC's request from Saudi Arabia.

This amendment would start to put us in the right direction. Again, let me go to the bottom line. The No. 1 lesson we ought to learn is, do not get too cozy with dictators. And, No. 2, when you sell arms abroad to dictatorships, they may be used against you. I think those two lessons are just fundamental. I hope that we get a good vote on this amendment. I am realistic. Our friends in the defense industry obviously want to kill this amendment. But the merits are so overwhelming I hope we can pass it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

PRIVILEGE OF THE FLOOR

Mr. DORGAN. Mr. President, on behalf of Senator INOUYE, I ask unanimous consent that privilege of the floor be granted to Roxanne Potosky, from his staff, during the consideration of H.R. 3540, the foreign operations appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I yield 3 minutes to the Senator from Rhode Island, Senator PELL.

Mr. PELL. I thank my Senate colleague.

Mr. PELL. Mr. President, I have been deeply impressed over the years by the strong and unwavering commitment to arms control shown by the senior Senator from Oregon, Mr. HATFIELD. The Senator, who I am pleased to call a friend, has numerous accomplishments in the field of arms control to which he can point with pride.

As only one example, the current multinational moratorium on nuclear testing is essentially the result of an initiative he took several years ago as ranking member of the Committee on Appropriations. As many of my fellow Members are aware, a major effort is under way at the Conference on Disarmament to bring to a successful close negotiations on a comprehensive test ban to follow the international moratorium brought about largely through the efforts of the Senator and others of like mind.

I am pleased, too, that the Senator from North Dakota, Mr. DORGAN, has taken such a strong interest in this amendment, and I note with pleasure that we are joined by a number of cosponsors in support of the Arms Transfers Eligibility Act of 1996.

The purpose of the amendment is to provide congressional review of the eligibility of foreign governments to be considered for United States military assistance and arms transfers and to establish clear standards for arms cooperation.

In effect, the major change proposed in the legislation is to emphasize a requirement for congressional involvement and approval that does not now exist. For 2 decades now, arms sales have been carried out under procedures giving Congress the right to disapprove particular sales if they appear inadvisable. Interestingly enough, in those 20 years, the Congress has come close on several occasions, but it has never succeeded in getting a resolution of disapproval enacted. This does not mean that Congress has not had a significant role. A large number of sales have been modified or withheld by the executive branch following congressional consultations. As ranking Democratic member and former Chairman of the Committee on Foreign Relations, I can assure you that the dialog on arms sales with succeeding administrations has been detailed and in depth and that a number of risky, threatening or destabilizing transfers have been averted.

I understand and appreciate the Senator from Oregon's deep concern over continued arms races throughout the world and his desire to apply serious limits and controls through the legislation now under consideration. I can also understand why some in this body would prefer a system under which the positive approval of Congress would be required for transfers and assistance to a number of particular counties, as contrasted with the present emphasis on the right of disapproval.

While I very much support the underlying concept of this initiative, as we explore this and other concepts further, we will want to take care to ensure that the legislation is workable in real world situations in its final form. For instance, certain questions are raised by the prohibition on arms transfers and assistance to governments other than democracies. The prohibition would appear to exclude any monarchy, emirate or sheikdom. All of those nations in the Persian Gulf that are scared to death of Iran and Iraq are kingdoms, emirates or sheikdoms, and would thus be ineligible for transfers or assistance, unless given a Presidential waiver and approved by Congress.

We will also want to make sure that we do not create a situation in which our decisions on transfers and some assistance are less balanced and deliberate and more chaotic or haphazard. It is very important that our defense industry and its thousands of American workers understand that we want both to improve the standards under which transfers are allowed, but that we will remain dedicated to our national security interests and to the security of our friends and allies throughout the world.

I am sure that these and other concerns can be met and strong, positive legislation that earns solid, bipartisan support can emerge. I would hope that is the case because much more needs to be done to put a lid on the continuing, desperately costly arms competition throughout the world.

For the moment, I think it is important that we affirm our belief that democratic values, respect for human rights, avoidance of armed conflict in violation of international law, and participation in the U.N. register of conventional arms are all reasonable standards by which we should judge whether we wish an arms relationship with another country.

Thank you, Mr. President.

Mr. LEAHY. Mr. President, as a cosponsor of the Congressional Review of Arms Transfers Eligibility Act I support the amendment of the chairman of the Appropriations Committee, Senator HATFIELD, and the Senator from North Dakota, Senator DORGAN.

The world is awash in weapons, and there is not a political leader from any of the world's major arms sellers who has not made speeches about the evils of the arms trade.

Unfortunately, their rhetoric is not matched by action. In the United States, the defense industry, backed by the Pentagon, is using every trick in the trade to expand arms exports. The competition is fierce. Our allies, the Russians, the Chinese, and many others, are doing the same thing.

One would think that our experience in the Persian Gulf, where our troops came under fire by Iraqi soldiers armed with weapons we gave to Iraq during its war with Iran, or in Somalia where our troops were killed by United States-made weapons, would give us pause.

The weapons we sell have repeatedly fallen into the wrong hands. If they have not been used against us, they have often been used to commit abuses against innocent people elsewhere. In Afghanistan today, United States and Soviet weapons are being used to destroy what little is left of that country. Liberia is suffering the same fate. Turkey has used our weapons against Kurdish civilians. Indonesia, which faces no external threat, uses our weapons to crush internal dissent. In Central America, our weapons were used to commit unspeakable atrocities.

In the period since the end of the cold war and despite the collapse of the Soviet Union, we have exported $83 billion worth of military equipment, an increase of 140 percent. Most of this equipment has gone to developing countries, including to undemocratic governments whose armed forces have been among the worst abusers of human rights. U.S. arms account for almost half of the weapons exported to those countries.

The governments of many developing countries cannot even feed their own people, and have no discernable enemy. Yet because of the political clout of their armed forces, scarce funds that might be available for education and health care and other social services are spent on weapons.

One would hope that the days of selling arms to dictators would be over. But this amendment would not prevent us from selling or giving arms to a dictator, or even to a government that engages in gross violations of human rights.

What this amendment would do, is define basic criteria for the transfer of arms. Even if a government is not democratic, violates human rights, and fails to participate in the U.N. registry of conventional arms, it would still be eligible for U.S. military equipment under this amendment, if the Congress agrees.

I suspect if we asked the American people, the majority would say this amendment does not go far enough.

What could possible be wrong with giving Congress a say over these decisions? Haven't we had enough of our own weapons coming back to haunt us?

Some have argued that this amendment would hurt the arms industry. Baloney. It is a well-kept secret that the economic burdens of arms transfers is costing taxpayers billions of dollars, including both direct and indirect costs. By the end of this decade, more than half of U.S. weapons sales will be paid for by American taxpayers.

The real issue is what is right for national security. That is the primary criteria for arms transfers, and this amendment does not alter that one bit.

Mr. President, it is long overdue for Congress to exercise some meaningful review of decisions to sell arms to governments that do not meet the most elementary standards of conduct. That is all this amendment does. It should have been the law a long time ago.

Mrs. KASSEBAUM. Mr. President, today I will cast my vote in favor of the Hatfield amendment to prevent U.S. arms exports to countries that are undemocratic or that violate human rights—unless, of course, our national security interests override those concerns.

I am well aware of this legislation's shortcomings, and I do not cast this vote lightly. But today I dissent from those who would continue to expand America's arms exports.

We cannot stand by indefinitely as the current international arms bazaar continues to grow. And we must in honesty acknowledge that America's arms export policy has substantially contributed to the problem. Fully half of all international weapons transfers in 1994 came from the United States. A year later, in 1995, we more than doubled the number of major conventional weapons that we sent abroad.

Arms transfers can serve important American interests and, indeed, the majority of our shipments go to our NATO allies or to our major strategic allies in other regions of the world. These important transfers that serve our national interests would withstand closer scrutiny by Congress.

But too often we have seen arms we transferred abroad used to repress democracy and human rights rather than to support freedom. As chairman of the Africa Subcommittee, I have seen teenagers in Liberia and Angola who have learned to shoot before learning to read. I have seen countries whose meager coffers have been drained to purchase weapons of war while their people suffer an unconscionable standard of living. Perhaps during the cold war, when we were locked in a global struggle with communism, considerations such as these were necessarily secondary. But no more.

We cannot be responsible for the misconduct of other governments. But we can refuse to participate in arming repressive regimes or strengthening the hand of those who grossly violate human rights. We can encourage the forces of liberty abroad—in countries friend and foe alike—by making clear that the price for American arms includes progress on human rights and democratic government.

The liberal transfer of arms abroad puts our national interest at risk. Our soldiers already have faced American weapons in combat. More often, they have faced weapons supplied freely by other major arms exporters. Yet, as long as we are the world's largest seller of arms, we have little leverage to press other exporters to curtail transfers we oppose.

Mr. President, I am under no illusion that this legislation will become law. But for that very reason, I view this as a vote not just about the specific language and procedures in this amendment but about the overall direction of America's arms export policy. I believe that policy, on the whole, is headed in the wrong direction. For that reason, I am voting for a change.

THE DORGAN-HATFIELD CODE OF CONDUCT AMENDMENT

Mr. JEFFORDS. Mr. President, I rise in support of the amendment offered by my colleagues the Senator from South Dakota, Mr. DORGAN, and the senior Senator from Oregon, Mr. HATFIELD. This amendment would significantly reform the criteria by which U.S. arms sales are evaluated and enhance the roll of Congress in the process.

Under the Arms Export Control Act, arms sales are reviewed for their compliance with several criteria, including whether a foreign government respects human rights and avoids acts of international aggression. Under this amendment, consideration would also be given to whether a government adheres to democratic principles and whether it participates in the United Nations Register of Conventional Arms. And under this amendment, Congress would review and pass judgement on any sale that the Administration has approved to a nation that did not meet these requirements.

While Congress technically has the option to disapprove of any sale that does not meet the criteria of the Arms Export Control Act, in fact, it rarely exercises that right, and little attention was paid to many controversial sales. At no time was a comprehensive review of pending arms sales actively examined and approved by Congress. This process is no longer acceptable, and the changes that this amendment would bring to this process are welcome.

Yes, the Cold War is over, but we all realize that in many respects, the world does not seem like a safer place, in part because American arms are helping to fuel conflicts around the world that we then must try to resolve. An obvious way to reduce the frequency of this happening is to more closely scrutinize the sales being made to countries who do not share our basic ideology and respect for human rights. And the Congress should be given a greater role in this process.

I urge my colleagues to support the Dorgan-Hatfield amendment.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. How much time remains for the opposition to this amendment?

The PRESIDING OFFICER. Twenty minutes.

Mr. McCONNELL. Mr. President, I will not use that. I understand Senator DOMENICI is lurking and may be available to offer his amendment. And there is a little more debate on the Burma amendment. And we may well stack three votes for around 6 o'clock, or thereabouts, just to give an overview of where we are.

Let me say, Mr. President, with regard to the Dorgan amendment, the Clinton administration is strongly opposed to the amendment on the grounds that human rights and democracy are relevant criteria but not the only criteria about which arms sales should be evaluated. Regional security and stability may be overriding considerations in making a decision to proceed with a transaction. Arms transfers serve key foreign policy concerns and no single issue can be the only or primary consideration.

Let me give you an example, Mr. President. The amendment could well cut off the transfer of arms to key allies in the Middle East, for example, or in central Europe. And so the question arises, is this really in our best interest to make this kind of certification process a precondition for the transfer of arms to key allies?

So, Mr. President, I hope that the amendment will not be approved. Rarely do I find myself speaking on behalf of the Clinton administration, but my suspicion is that any administration would be opposed to this, that it would not be in our Nation's best interests.

I hope that the amendment will not be agreed to.

Mr. President, I am prepared to yield back the balance of my time, if I can locate Senator DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, is the Senator from Kentucky yielding back his time? If so, I will take the remainder of my time.

Mr. McCONNELL. I yield back the balance of my time.

Mr. DORGAN. Mr. President, I have 3 minutes remaining, is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. Mr. President, I suspect most administrations oppose this kind of proposal because it does not allow them complete and unrestrained freedom to do whatever they want wherever they want in the world.

However, this proposal has an enormous amount of common sense. We are not proposing something that would restrict critically needed arms transfers to our allies in the Middle East, for example. We specifically have a provision in this amendment that resolves that issue. That cannot be argued.

I say this: With respect to arms transfers that have occurred in other parts of the world over all of these years, this country ought to start to rethink these issues. We sold Iraq cluster bombs for its war against Iran, and only because of our superior air power did American troops not face those same American-made cluster bombs in the Middle East.

We sold Somalia 4,800 M–16 rifles, 8,400 6-millimeter recoilless rifles; 24 machine guns, 75 81-millimeter mortars, landmines. Guess what happened? Mr. Aideed would use them to kill 23 American soldiers.

This has really gone on long enough. There ought to be some basic standard by which we measure whether it is in our country's interest to continue shipping arms to every single dictator in the world, to country after country, dictator after dictator, without regard to how those countries behave or without regard to whether American men and women wearing our uniforms may face those same weapons made by American workers again at some point in the future.

We are not proposing anything radical. We are proposing something that says arms transfers ought to be made in circumstances where they are promoting democracy, where they are respecting human rights, not killing innocent people, where they are observing international borders, not attacking their neighbors, and where they participate in the U.N. conventional arms registry. That makes a lot of common sense.

It is especially now time for this country to lead. It is time for America to provide leadership on this issue. Frankly, this chart is appalling. This country, the symbol of freedom, the torch of liberty for the world, ought not be the world's arms merchant. No one ought to be able to point to a chart and say the United States of America provides 52 percent of all the arms transfers in the world. And a substantial majority go to countries in which the State Department says those countries are countries with authoritarian governments who are abusing human rights of people in their own countries.

I do not ever want to be able to point to a chart like this in the future. I want foreign arm sales and military sales and arms transfers to be made when it represents good common sense, when it is in our interest, when it is in the world's interest. If we can provide leadership and the Europeans can provide leadership to develop a code of conduct on when arms should be transferred, this will be a safer world—yes, for the children that Senator FEINSTEIN talked about, for my children, your children and all children.

To keep doing what we are doing makes no good sense at all for anyone in this world. It provides a more unstable and a more unsafe world. This amendment, if adopted, would provide for a safer, more stable world. I hope the Senate, when it votes this evening, will finally, after some two long decades of having this discussed, take the first step to say this is the right direction, this is a step toward a safer world, this is a step toward American leadership to do what is right.

I yield the floor and I yield back the balance of my time. I ask for the yeas and nays on our amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCONNELL. I ask unanimous consent the Dorgan amendment be temporarily laid aside to take up an amendment of Senator DOMENICI and Senator D'AMATO.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

AMENDMENT NO. 5047

(Purpose: To restrict the availability of funds under the Act for Mexico until drug kingpins are extradited or prosecuted)

Mr. DOMENICI. Mr. President, I send an amendment to the desk in behalf of myself, and Senators D'AMATO, HUTCHISON, FEINSTEIN, MURKOWSKI, SHELBY, HELMS, HATCH, GRAMM of Texas, BINGAMAN, KEMPTHORNE, and FAIRCLOTH, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. D'AMATO, Mrs. HUTCHISON, Mrs. FEINSTEIN, Mr. MURKOWSKI, Mr. SHELBY, Mr. HELMS, Mr. HATCH, Mr. GRAMM, Mr. BINGAMAN, Mr. KEMPTHORNE, and Mr. FAIRCLOTH proposes an amendment numbered 5047.

Mr. DOMENICI. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 198, between lines 17 and 18, insert the following new section:

PROSECUTION OF MAJOR DRUG TRAFFICKERS RESIDING IN MEXICO

SEC. ____. (a) REPORT.—(1) Not later than 30 days after the date of enactment of this Act, the Administrator of the Drug Enforcement Administration shall submit a report to the President—

(A) identifying the 10 individuals who are indicted in the United States for unlawful trafficking or production of controlled substances most sought by United States law enforcement officials and who there is reason to believe reside in Mexico; and

(B) identifying 25 individuals not named under paragraph (1) who have been indicted for such offenses and who there is reason to believe reside in Mexico.

(2) The President shall promptly transmit to the Government of Mexico a copy of the report submitted under paragraph (1).

(b) PROHIBITION.—

(1) IN GENERAL.—None of the funds appropriated under the heading "International Military Education and Training" may be made available for any program, project, or activity for Mexico.

(2) EXCEPTION.—Paragraph (1) shall not apply if, not later than 6 months after the date of enactment of this Act, the President certifies to Congress that—

(A) the Government of Mexico has extradited to the United States the individuals named pursuant to subsection (a)(1); or

(B) the Government of Mexico has apprehended and begun prosecution of the individuals named pursuant to subsection (a)(1).

(c) WAIVER.—Subsection (b) shall not apply if the President of Mexico certifies to the President of the United States that—

(1) the Government of Mexico made intensive, good faith efforts to apprehend the individuals named pursuant to subsection (a)(1) but did not find one or more of the individuals within Mexico; and

(2) the Government of Mexico has apprehended and extradited or apprehended and prosecuted 3 individuals named pursuant to subsection (a)(2) for each individual not found under paragraph (1).

Mr. DOMENICI. Mr. President, this amendment is an amendment that is urging Mexico, is pleading with Mexico, to cooperate to bring to justice the 10 most wanted, previously indicted drug lords living in Mexico.

Now, Mr. President, anyone in the Senate who has read the record over the past 10 years of what the Senator from New Mexico has said and done with reference to Mexico would know that I have been a staunch advocate of those policies in Mexico which are calculated to create a better standard of living for the Mexican people and to increase their economic prosperity.

I have from time to time even bragged too about the quality of the Mexican leadership, as it looks in hindsight. I do not regret that one bit. Frankly, my State is one of those States that borders on Mexico, and we know better than the rest of America that unless and until Mexico prospers and their standard of living for their average people goes up, the problem of illegal activities on the border can never be controlled.

What I do today is not a very major monetary measure. There is no great big money denial. The economic package that is in place is not taken into account. We do not assault it and remove pieces of it, we just take a tiny program worth $1 million in foreign aid for military education and training. The amendment provides that it shall not be delivered to the Mexican Government unless and until they cooperate with us to do some things.

Let me talk for just a little bit with the Senate and with the people who are observing this, and yes, I might say to the leaders of the Republic of Mexico, we have some very distinguished Senators who are very pro-Mexico who are on this amendment. You will note a couple are from the State of Texas, my immediate neighbor. You will note one is from California, another major border State.

I will start by asking a couple of questions: Do you know how much good law enforcement work and taxpayers' money it takes to get an indictment of a major drug trafficker or drug kingpin? An indictment is a grand jury's written accusation issued after it has heard significant evidence. The next step in the judicial process is supposed to be a trial. Getting an indictment is the sum of surveillance, interdiction of evidence, usually massive quantities of drugs, wiretaps, untangling the money-laundering networks. It is not uncommon for a border agent or two to lose their lives in a case where an indictment is sought and obtained.

According to the Department of Justice, there currently are 99 outstanding U.S. extradition requests for 110 criminals known or believed to be in Mexico who have been indicted in the United States— 107 Mexican nationals have been indicted under our Federal drug kingpin statute, which is a very large number, at a very large expense, and a very major risk of life.

This has not occurred because anybody is picking on Mexico. This has occurred because we know in the United States that the enormous growth in drug trafficking through Mexico, which I will delineate with more specificity shortly, is having an enormous negative affect on Americans, and that unless we take some of those kingpins, some of those multimillionaires, who have huge cartels that are growing as fast as the cartels did in Colombia a decade ago, and we put some of those people in jail—whether it is Mexican jails or American jails—then at least one-half of the equation of trying to get drug trafficking under control is going untended. We are leaving a huge portion of it unattended and doing nothing about it.

Now, many of these requests, Mr. President, are for violent individuals involved in the drug trade. They include the top leaders of four major

Mexican cartels. In the U.S., we get indictments, but the indictments are not worth the paper they are written on because the Mexicans won't try these people in their own courts, and they will not honor our extradition requests.

Now, Mr. President, I know that Mexican officials will say they are trying, and they will say we must be understanding, and that they are having difficult times. Well, let me suggest that this Senator understands that. What I am trying to do with this amendment is to let the Senate go on record saying to Mexico: Do something about it. Your friend from the north, the United States, wants to be helpful. If you need more help in terms of apprehending these criminals and trying them, if you need more help from the executive branch of our Government, speak to us and ask us for it.

Obtaining indictments is a dangerous business when you are dealing with drug lords and drug kingpins. In fact, last year, 140 Border Patrol agents were assaulted while apprehending illegal alien drug smugglers. So you ask, why don't we do more on the border by way of patrols? Why don't we put more people there? I will tell you pretty soon that we have done pretty well at putting in more. But 140 of these agents were assaulted while apprehending illegal alien drug smugglers. All of this money has been spent in efforts needed to culminate in bringing these drug dealers to trial.

All of this is necessary if we are ever going to stop the drug trade. Only after Senator D'AMATO held hearings on this issue in the Banking Committee in March did Mexico finally extradite its first national—actually he had dual citizenship—to the United States. Since then, drugs have continued to invade our border, causing crime and despair. The "unextraditables," as the drug lords call themselves, live comfortably. This is unacceptable. The situation at the border is getting worse. Drug seizures used to be measured in ounces and pounds. Now they are measured in tons.

Several years ago, the smugglers cut the ranchers' fences and caused mischief at night. For anyone who has seen our border, it is a couple of strands of barbed wire that border between Mexico and America. In many places, it is two single strands of barbed wire. There is Mexico on one side and America on the other. Here is a rancher from Mexico on this side and a rancher on this side.

Now, instead of just cutting fences and doing mischief at night, heavily armed Mexican drug gangs terrorize the ranchers in broad daylight. Some of the ranchers have sold their ranches, according to information we have, to the gangs or to their front men.

Several years ago, an El Paso customs inspector was killed by a drug smuggler who was running the border. More recently, a 12-year-old girl was injured when a drug smuggler was trying to run through the border crossing at one of the crossings in El Paso, TX. These smugglers now have 18-wheelers and 727 jet airplanes. They own them, travel around in them, in defiance of everyone.

Just yesterday, in the Washington Post, Ricardo Cordero Ontiveros, who quit the Mexican attorney general's office, charged that corruption and inaction at the border had prevented key drug-related arrests. He cited two examples: an intentionally unacted upon case. Even though there was a reliable tip, no action was taken, and they could have captured Ismael Higuera Guerreo, when he was in the community of Los Cabos in Mexico. It was clear that he could have been arrested. He went unattended. He is the right-hand man of the Tijuana drug cartel run by Benjamin and Ramon Arellano Felix.

On another occasion, Mexican officials had been advised that a jet carrying 20 tons of cocaine was going to land on an airstrip known to be used by the drug dealers. The Mexicans knew about it ahead of time. In addition, the plane was unable to lift off again after landing. But believe it or not, even after landing and being unable to take off, the cocaine was never intercepted.

Caro Quintero, who heads up the cartel at Guadalajara and is one of the top ten most wanted, openly admitted on a Mexican radio program that Mexican authorities "don't find me because they don't want to. I go to banks, I drive along the highways, I pass through military and Federal police check points, and it doesn't matter that they know me. Everybody knows me, and nothing happens," says this kingmaker.

Mr. President, I offer this amendment concerning Mexico, which I, unfortunately, believe should be added to this bill. I say "unfortunately" because it is not often that I come to the floor of the U.S. Senate to criticize our neighbor from the south. Mexico has, in recent years, made tremendous progress on a number of issues concerning its relationship with the United States. I believe we are still quite appropriately called their best friends.

Northern Mexico is becoming, however, a land of laundered drug money, riddled with corruption and violence. I have been a longtime friend, and I don't cavalierly say these things. It bothers me greatly. It is a country with a young and vibrant population and has the potential for a real future. But drug-driven cartels are threatening the very sovereignty of Mexico.

For many Mexican residents, the map of northern Mexico is determined by the frequently changing territories controlled by drug-trafficking organizations. There is one area where I believe there has not been enough progress, and that involves Mexico's failure to capture, prosecute, or extradite to the United States known major drug traffickers under indictment in the United States.

This amendment—I read off the sponsors—would at least send a signal that this concerns us greatly, not that we are trying to tell Mexico what to do, but essentially that we are worried. We hope the leaders of Mexico are worried. We see what has happened to other countries, and it is going to happen to Mexico.

All this amendment does is prohibit the release of a small amount of money which was going to be appropriated under this bill. It says it will not be released until they either turn over to the U.S. for us to prosecute, or until Mexico apprehends and prosecutes the 10 most-wanted of the already U.S.-indicted drug kingpins living in Mexico. This drug trade is $100 billion a year as a business operation in Mexico.

The State Department estimates that Mexico supplies 20 to 30 percent of the heroin, 80 percent of the marijuana, and 70 percent of the cocaine coming into the United States. One drug dealer reportedly makes $200 million a week from sales to the United States to our children across this land. In my State of New Mexico, use of drugs by teenagers is skyrocketing because the two interstates transverse our State, and they are used as a communication link to take the cocaine and other serious drugs from their border habitats across this land.

These cartels are like multinational companies with sophisticated operations that rival any of the Fortune 500. They have advanced networks of drug distribution channels. One drug baron is called "The Lord of the Skies" because he has a fleet of 747's at his disposal. He is headquartered in Juarez, not far from my state.

Mr. D'AMATO. Will the Senator yield?

Mr. DOMENICI. I am pleased to yield.

Mr. D'AMATO. Does the Senator really believe that the number of outstanding requests, 99 criminals, have been identified and indicted?

Mr. DOMENICI. The Senator is correct.

Mr. D'AMATO. Some of these go back 3 and 4 years with these extraditions?

Mr. DOMENICI. They are longstanding.

Mr. D'AMATO. Is it not true that there has only been one Mexican-national who has been extradited to this country out of all of those requested?

Mr. DOMENICI. That is correct. That happened after the hearings were held.

Mr. D'AMATO. That person was a child molester. It was right to send him here. But none of the others who have been indicted for murder or drug dealing—have any of them at all been extradited?

Mr. DOMENICI. To our knowledge, statements that I made here would indicate that they have not—except for Juan Garcia Abrega who had duel citizenship. I know of the Senator's genuine interest. I praise him for actually starting this. The Senator from New York started this in a hearing that had to do with the certification of Mexico a "fully cooperating" with the drug effort. They were certified by our U.S. Department of State. We did not succeed in not getting them decertified. That was not the case. I am not here trying to do that. But I think it is quite appropriate that the Senator from New York is on the floor as this amendment is offered, because he has had great concern about this issue.

I want to suggest to him and to those who are listening that as a border State of New Mexico next door to Texas we are becoming the victims of this drug wave from Mexico in ways you cannot believe. I told you that our border is the barbed wire fence. There is evidence that, in the State of Texas, the kingpins or their followers with their money are buying the ranches on the border so they will have a habitat, a place of refuge, in America on an American ranch on the American side of the border. It is already tough to get rid of them and apprehend them and to arrest them. What if they own the place?

I have asked that a serious investigation of that take place. I for one recognize property rights. But it would not take much for me to be in favor of a statute that would take that land away from them. If we can find any relationship to drug money, we ought to confiscate those ranches under our forfeiture statutes. Those ranchers may have been paid. I do not know. It seems like some have been scared to death. But I believe they have been paid.

Mr. D'AMATO. With drug money?

Mr. DOMENICI. With drug money. What else? They are there with that money all night long.

Mr. D'AMATO. In some cases they have paid many times the value.

Mr. DOMENICI. We understand that there are, at least anecdotally, a couple of stories around that they were paid much more than the value of the land. I do not see why they would not. That land is cheap. These ranchers are in big trouble. As you know, we have had a drought. The price of grain is very high. The cattle are at the lowest price in many decades. So they are hurting financially. You put these drug smugglers and their threats on top of that financial burden to make these ranchers really hurt and you do not have much life on that border.

In addition, in a city like Albuquerque, which is on the main highway, an interstate to go east out of El Paso, TX, and Juarez, we are just literally feeling the pressure in many of our neighborhoods where gangs now all have drugs; where cocaine is everywhere. That is just the spillover in transit across America to probably get it up to New York where they can sell a lot more of it.

Mr. D'AMATO. Seventy percent of the cocaine in the streets of America come right through the passageway from Mexico that the Senator has described.

Mr. DOMENICI. Mr. President, in 1993, GAO reported that Mexico had become the primary transit country for steering Colombian cocaine into the United States.

These cartels are like multinational companies, with tremendously sophisticated operations that rival those of any of the Fortune 500. They have advanced networks of drug distribution channels.

One drug baron is called the Lord of the Skies because he has a fleet of 747's at his disposal. He is headquartered in Juarez, not far from my State.

Some estimate that the Mexican cartels budget close to a half a billion dollars per year to pay bribes to corrupt officials, including officials in the United States.

The wealth, combined with the violence inherent in the drug trade, has proven deadly in Mexico and I fear that if these drug lords are not brought to justice, the violence may spill over into the United States.

In Juarez, one young drug smuggler was found shot in the head 23 times—the victim of a violent attack carried out on the orders of one of the drug lords.

A recent Los Angeles Times story reported how wealthy Mexican drug smugglers have intimidated ranchers and infiltrated police and sheriff's departments, drug task forces and even the court system on both sides of the west Texas/Mexico border.

These last reports are particularly troubling to me, because my home state lies just to the west of Texas and because citizens in New Mexico are beginning to see many of the same problems faced by their Texas neighbors.

Without an effective drug control and interdiction strategy involving help from the Mexican government, the 175 miles of shared Mexico/New Mexico border can, and does serve as a huge segment of the pipeline through which illegal drugs flow into the United States.

According to the DEA, in the past 2 years, law enforcement officials seized over 60,000 pounds of marijuana, 3,000 pounds of cocaine and 51 pounds of heroin at the major points of entry from Mexico into New Mexico.

These numbers pale in comparison to the quantities of drugs which actually make it into the United States: law enforcement officials estimate that we stop only around 10 percent of the drugs that smugglers bring to our borders.

One drug baron offered the police chief of Tijuana $100,000 per month to "turn a blind eye" to drug trafficking in that city. When the chief refused and instead got tough with these drug dealers, he was brutally murdered on a highway in Tijuana.

In 1993, Catholic Cardinal Juan Jesus Posadas-Campos was gunned down at the Guadalajara airport. Many believe that his murder was an accident, related to a feud between violent drug groups. The Cardinal however was an outspoken critic of the cartels, and some believe that his murder may not have been an accident.

Congress has continuously funneled resources to the Southwest Border in an attempt to control drug smuggling, but without Mexico's cooperation, the United States cannot possibly control the flow of drugs into the country.

Patrolling the border costs taxpayers a lot of money. Funding for the Border Patrol has increased by $183 million or 42 percent in the last three years. Congress has increased Border Patrol staffing to add at least 700 new agents each year for the past 3 years and we now have 5,253 border patrol agents in the field; 328 of those agents are on board in New Mexico.

Despite this stepped-up law enforcement presence at the border, the amount of drugs entering this country from Mexico continues to grow. As we all know, more drugs lead to more crime.

A group which I helped establish, called New Mexico First, recently published a report on crime in New Mexico. The report notes that the "common and recurring characteristic—of those committing crime in New Mexico—is substance abuse."

When President Zedillo was elected in 1994, he stated that drug trafficking was the single greatest threat to his nation's security. These statistics demonstrate that Mexican drug trafficking also is a threat to our security.

Mr. President, my amendment will restrict a small amount of United States aid to Mexico until the President certifies that Mexico has either extradited or prosecuted themselves, the DEA's 10 most wanted Mexican drug kingpins.

The amount of aid to Mexico is not the issue here. What is at issue is whether Mexico will cooperate more completely with our attempts to capture and imprison these drug barons.

I wish my colleagues would invite them to the border to better understand the situation. The drug cartels are well equipped. They have out planned, out manned, and outgunned the U.S. Border Patrol, Customs Service and DEA.

The Clinton administration claims that one of its new drug policies is to attack drugs at their source.

While this is not a new idea, I would suggest that the best way to attack the source of drugs in the United States is to go after the major suppliers in the country which sends us the vast majority of our illegal narcotics.

There is no greater threat to our borders and our population than the threat that drugs will continue to flow unimpeded into our country from Mexico. This amendment goes right to the top of these drug cartels and calls upon Mexico to get tough.

I hope that my colleagues on both sides of the aisle, particularly those from border states, will join with me in support of this amendment.

I want to say, so that anybody listening who might think that we are not doing our part, that the U.S. Government has indicted these criminals. That is not easy. That is costly. We put our best people on it. They take risks, and they get hurt.

We have dramatically increased our Border Patrol. This year, we will increase it still more. But until some of them know they are going to jail and their property confiscated, it is a losing battle. We cannot put up a fence between our two countries. It has never been there. It will never work. But we surely can together cooperate in a new kind of fence—a fence of cooperation in terms of getting rid of the criminals.

This will not do much. Mexico can say, who cares about that little million dollars? I did not put $50 million in or $20 million of the aid going to them. I just said, let us give ourselves a little bit to hang this on and let it be a signal, a message, to our friends. Let us try to put some of these people in jail.

My last admonition, before the Mexican officials react and say we should not be doing this, I hope they understand that Americans are very worried about the increase in drug use in this country. They are looking around. They are going to be easily convinced that we should do everything we can on these borders in apprehension and trial of these kinds of people and we want Mexico to know that you cannot let yourself be corrupted by it because it is going to destroy your country. We are really not here as gringoes from the north trying to tell you what to do. We are really trying to be helpful, and I hope it is taken in that context.

In any event, I hope we start seeing some trials or returns to America for trial of some of these already known criminals who have been indicted.

I yield the floor.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I do not want to interrupt the debate on this very important amendment.

In fact, I ask unanimous consent that I be added as a cosponsor to the amendment by the Senator from New Mexico.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, let me first say that I think it is obvious over the years that the senior Senator from New Mexico has demonstrated repeatedly that he is one of the most discerning, knowledgeable, and thoughtful of all of our Members on both sides, and as the record indicates—not the rhetoric of Senator DOMENICI; the record—there has been no greater friend to the people of Mexico, no greater friend. As a matter of fact, I attempted to get his support on some legislation that I have proposed that would take tough action for the inaction of the Mexican authorities in a number of cases, and the Senator felt it went too far, it was too harsh, that, indeed, these are our allies, these are our friends, these are our neighbors, the Mexican people in particular.

There is no one who has greater empathy for the plight of those Mexicans who are attempting to earn a living, and he has been supportive in terms of making moneys and resources available to help the Mexican economy. So I think it means that there is a point at which even the strongest of friends, the greatest of supporters must say to their friends and to their allies, "You are not doing enough," and that is what Senator DOMENICI's amendment says.

It does not act in a manner in which it could in terms of being much more punitive, but it sends a signal—and it is an important signal, and it is about time that we say it to our friends, because we are talking about friends—of one country recognizing the sovereignty of another country and recognizing our responsibility as good neighbors and being there. This Congress of the United States was there, the President was there, Republicans and Democrats were there in Mexico's time of need. I myself had great reservations, but my colleague said, no, it is important that we give to the Mexican Government and more importantly to the people an opportunity to be able to pay their debts, to meet their obligation, to work their way out. There they were. There was Senator DOMENICI, a supportive friend and ally.

But there comes a point in time when you have to say, how is it that you can protect drug smugglers, criminals, people involved in killings, in murders, in the distribution of billions of dollars worth of cocaine and crack that is creating havoc in the streets of America? How can you as an ally protect these people?

Mr. President, we have 99 warrants outstanding and 110 people identified over a period of 4 years, since 1992, and only one Mexican national has been extradited. There are some who we could go into detail about who prance around, who live openly without fear of apprehension because the police and the Mexican Government in control of the various provinces, indeed, are part and parcel of the cartel—only one attempt to extradite, only one attempt. And when they do go through some of the process, it is rigged. No successful extradition of a Mexican national except one, when they heard of a hearing of the Banking Committee in March of this year. We say wonderful for that one. That was a child abuser.

Talking about abuse of children, what is creating more havoc with our young people than the menace of drugs entrapping people?

The State Department by its own report says—this is not Senator DOMENICI or Senator D'AMATO. This is the U.S. Department of State, Bureau for International Narcotics and Law Enforcement Affairs, International Narcotics Control Strategy Report, March 1996. Senator DOMENICI referred to part of that—page 140:

> No country in the world possesses a more immediate narcotics threat to the United States than Mexico.

I am not going to read the rest, because then it goes into detail and talks about the tons and tons of drugs and we cannot get one of these Mexican traffickers extradited. We have indicted them—killers, murderers.

Let me give you the testimony of a border agent just this March, testimony of a brave person, because there are some people who did not want him to testify before our committee. Senator FEINSTEIN and I had a hearing on proposals that would, yes, impact on Mexico because we do not think our friend and ally is doing nearly enough. It is really giving aid and comfort to killers, to terrorists, to people who are terrorizing our communities, to the drug lords.

This is the testimony of T.V. Bonner. He is the National President of the Border Patrol Council, those people who are out there, the agents out there. Let me just read to you this little part of his testimony because this is real. This is what is going on. T.V. Bonner says:

> On January 19, 1996, Border Patrol Agent Jefferson Barr was shot and killed while intercepting a group of drug smugglers in Eagle Pass, Texas. One of his assailants was wounded in the exchange of gunfire. The individual fled to Mexico where he was captured.

They captured him.

> The FBI interviewed the suspect in a hospital in Mexico, and the United States subsequently charged him with murder and sought his extradition. The Government of Mexico has refused to extradite the accused. Even though the United States has an extradition treaty with Mexico . . ., not a single Mexican national has been extradited to date, despite numerous requests.

That is not totally accurate because when Senator FEINSTEIN and I had a hearing before the Banking Committee, the same day or the day before, they announced: "We are going to extradite someone," an unnamed person. They would not even tell us who it was. We said, "Who is it?" "We don't know, but we are going to extradite someone."

Now, what does it take to get the Mexican Government—and this is the Mexican Government. This individual who shot and killed a U.S. border agent was arrested and yet we have not been able to get him extradited. How outrageous.

I think this amendment of the Senator is so thoughtful. I believe we have to go further. But at some point in time we have to say we are not going to continue to do business as usual. We have an obligation to provide for domestic tranquility. Our country is failing miserably, Republicans and Democrats, for years.

Oh, during every campaign we get more border agents, more this, more that: Show business. After the campaign—I saw it happen in the last administration and the administration before that—after the election is over everything is forgotten, the agents do not get the support, they do not get the equipment, and it just dwindles down.

It has happened with this administration. We went from 100-plus people in the White House working on international drugs and domestic drugs down to nothing. Election time comes, they see on the scope that this is an important issue, that drug use is up, so they bring in a respected leader, General McCaffrey, terrific and respected, and I do not want to demean him and his efforts, but we should not be part-time warriors, fighting for domestic tranquility in our communities, to keep our streets safe.

We ought to be ashamed of ourselves for allowing the plight of Americans, to be held captive in so many communities where they are afraid to go out, to take a walk in the park, to go to church in the morning, to use mass transportation in off-peak hours because they may become a victim. And so much of it, 70 percent of it the FBI Director estimates, is powered by illegal drugs: 50 percent of the violent crime. And here our ally is giving aid and comfort to drug dealers and killers.

We could go into example after example. Because I think it is so poignant, although Senator DOMENICI referred to it I am going to take the liberty of referring to it again, that is the article that appeared yesterday—yesterday. How prophetic.

This amendment, by the way, was prepared long before this article, long before this article. How prophetic that it appeared in the Washington Post yesterday. Let me just read part of it. Listen to these words:

> It's a joke for the people of Mexico and for the people of the United States who think Mexico is fighting drugs.

Do you know who makes that statement? The former agent in charge, Ricardo Cordero Ontiveros. He was the former head of the National Institute for Drug Combat branch in the border city of Tijuana.

Do you know what he said, the former head, because, you see, he would not succumb to the payments that they offered him, he refused to turn his head another way? This article goes on to report that at one point he was told by his superiors: Why don't you keep quiet. Do you know how many people want this job? Somebody is willing to pay as much as $3 million for this job that you have—$3 million. Then he was told you could make $100,000 a month. Just keep quiet.

Let me go on. He says:

> The only thing they are fighting for is to make them disappear from the newspapers.
>
> Brandishing official memos and tape recordings that . . . proved his points, Cordero said that [the attorney general] cut him off when he tried to present evidence.

He says:

> Lozano told me that people would pay $3 million to have my job. . . . He was so angry I thought he would hit me.

Here is what the attorney general's office says.

> Mr. Cordero Ontiveros is obliged to prove the seriousness of his allegations, not just to go to the news media. . . .

What do you think somebody does when the attorney general tells him to keep quiet, when the record demonstrates clearly we cannot get proven killers and murderers extradited when they actually have them in custody of the Mexican Government? Our own border agents are wondering about our commitment to this war when they see our U.S. agents being shot and killed and a total failure of our Government to be able to get our friends and our allies to cooperate and have the murderers and have the drug dealers turned over.

I compliment Senator DOMENICI for his thoughtful amendment. I think it should serve as a harbinger of things we are prepared to do with our friend and ally, unless they begin to treat us as friends; unless they begin to respect us and our rights and the rights of our citizens and our youngsters who are being victimized every day as a result of their failure to even enforce basic, fundamental law.

I yield the floor.

Mr. MURKOWSKI. Mr. President, I rise to support Senator DOMENICI's amendment. This amendment would restrict all International Military Education and Training [IMET] funds to Mexico until the Mexican Government extradites the leading drug trafficking figures hiding there.

It is clear that there is a flood crossing our borders that threatens the very health and lives of all Americans—a flood of drugs, crime, and money laundering. The source of that flood is Mexico.

At a joint Finance Committee and Senate International Narcotics hearing Senator GRASSLEY held earlier this week, I brought the deteriorating situation in Mexico to the attention of Secretary of the Treasury Robert Rubin. At that hearing I raised the issue of Mexican cooperation in apprehending and extraditing drug traffickers wanted in the United States. I also questioned whether Mexico is really making any effort to enforce its own laws on official government corruption or if it is just spinning its wheels in endless prosecutions that never result in convictions. I am expecting answers to the questions and more in the coming week as we hold another hearing on this issue.

The dramatic increase in drug trafficking from Mexico is one of the unfortunate by-products of NAFTA trade liberalization and our success in getting tough on drug smuggling in the Caribbean. Reacting to the pressure of U.S. efforts such as "Operation Gateway" in Puerto Rico, drug smugglers have found even greater access to the U.S. in Mexico. The Mexican Attorney General has estimated that traffickers accumulate $30 billion in revenues each year. Mexican traffickers or their front companies have also purchased numerous ranches or Maquiladora plants in Mexico and the United States to ferry drugs across the Rio Grande.

The impact is undeniable. Only ten years ago, almost no cocaine came across the border from Mexico. Today, nearly 70 percent of all cocaine coming into the United States passes through Mexico. Mexico also supplies between 20–30 percent of the heroin consumed in the U.S. and up to 80 percent of the imported marijuana. In fact, the Drug Enforcement Administration [DEA] estimates that Mexico earns over $7 billion a year from the drug trade, making illegal drugs Mexico's third largest export to the United States.

The United States response to this escalating crisis has been inadequate. While the President talks tough on drugs and crime—backing it up in the case of Colombia—when it comes to Mexico he has bent over backwards to accommodate failure. Based on mutual declarations of cooperation at the Summit of Americas and the limited success of Mexican and United States efforts to seize large drug shipments, President Clinton certified to Congress on March 1, 1996 that Mexico was "fully cooperating" with U.S. counter-narcotics efforts. This allowed $38.5 million in bilateral aid to continue to go to the Mexican government in addition to the $20 billion of U.S. taxpayer funds provided in the tesobono bail-out last year.

Our good intentions and assistance have produced few results. Mexico's efforts to eliminate corruption among government officials and capture the worst drug offenders have produced thunder but no rain. To date, there have been no convictions in the hundreds of ongoing prosecutions for corruption among officials in the Mexican Attorney General's office. There has been little more success within the Ministry of Finance or federal police. Laws which have been on the books for years to end government corruption have been ignored while hundreds of cases have been thrown out of court over minor technicalities.

Even more glaring is the lack of a bilateral extradition treaty between the United States and Mexico. As of April 15, 1996, there were 99 outstanding formal extradition requests by the United States to Mexico involving 110 different individuals. Mexico has acted on only one of these requests—that of Juan Garcia Abrego who is being held without bond in Texas in advance of his September trial. He faces a life sentence. I have asked Secretary Rubin to provide detailed information on the current status of all the United States requests, especially for members of the drug cartels that have been indicted in the United States and are fugitives in hiding in Mexico—Denjamin Arellano-Felix and his brothers Francisco, Ramon and Javier; Amado Carillo Fuentes; and, Miguel Caro Quintero.

Enough is enough. It is time to get tough with Mexico just as we did in the Caribbean. The United States must send a strong message to Mexico that there are limits to our patience. We must continue to strengthen our partnership to stop the drug trade. But we cannot continue to flail in endless investigations and prosecutions nor can we continue to allow criminals to avoid extradition to the United States to face judgment. We must ratchet up the pressure on the government of Mexico to clean up this tide of drugs, crime, and official corruption or risk our neighbor becoming another Colombia.

This amendment by Senator DOMENICI provides that message. It provides a targeted and flexible response to the building problems in Mexico. It also serves notice that the Mexican Government must improve the enforcement of its laws and agreements. We must make clear that our relationship cannot continue to be one where the United States gives and gives while Mexico takes and takes. This was not acceptable with Colombia and it should not be with Mexico either.

Mr. President. If Congress and the President are really serious about keeping Mexico from "becoming Colombia" and reducing international crime and drug trafficking, we must take action now. I urge my colleagues to support Senator DOMENICI's amendment.

Mr. HELMS. Mr. President, I am pleased to join Senators DOMENICI and D'AMATO in introducing the pending amendment. The United States has a stake in Mexico—as our neighbor, as a key trading partner, and as the recipient of a $20 billion loan underwritten by American taxpayers. Mexico's problems often become, in a very real way, our problems. No problem affecting our two nations is more critical than drug trafficking because it directly effects the lives of millions of Americans.

At the same time, we must not forget that for many, many years, the U.S. State Department turned a blind eye to widespread drug corruption in Mexico. In its latest International Narcotics Control Strategy Report, the U.S. State Department admits that in 1995 "endemic corruption continued to undermine both policy initiatives and law enforcement operations" in Mexico. The report adds that "official Mexican Government corruption remains deeply entrenched and resistant and comprises the major impediment to a successful counter-narcotics program."

So, Mr. President, it is no surprise that Mexico is the gateway to the United States for smuggling in massive amounts of cocaine and heroin. Mexico is also a major producer of methamphetamine, one of the most dangerous drugs available. Many corrupt officials in the Mexican Government have long had an open door policy for the Mexican cartel kingpins, providing protection for a price. Mexican President Ernesto Zedillo has made some positive gestures to combat drugs and drug corruption, including appointing an Attorney General from the opposition PAN party and supporting money laundering legislation.

Nor is it a surprise that violent crime in the United States is increasingly linked to drugs. The Justice Department estimates that over one-third of violent crimes are committed by people in illegal drugs.

Regrettably, over the past 5 years, cocaine and heroin seizures in Mexico, as well as arrests of Mexican drug traffickers, have dropped by 50 percent. Seventy percent of cocaine enters the United States through Mexico, all too often with the assistance of corrupt Mexican police officers. Drug kingpins spend an estimated $500 million annually to buy politicians and law enforcement officials. There are too many credible allegations that these officials assist kingpins' efforts to expand their power and conceal ill gotten gains. While Zedillo administration officials may not be accomplices, they are supposedly responsible for the investigation and prosecution of these drug traffickers and corrupt officials.

Yet each year, in exchange for empty promises and well publicized anti-drug speeches, the U.S. administration certifies that the Mexican Government has "cooperated fully" in the war on drugs and continues to provide military equipment, technical assistance, and precious foreign aid.

Mexico is indeed our neighbor and a sort of business partner. The State Department is obviously nervous about offending Mexican Government officials by pushing them to take strong measures to fight drugs and corruption. Foggy Bottom must get over its nervousness. The United States has no greater national interest than to protect the safety and security of American people, especially the most innocent—our children and grandchildren.

It won't help either the Mexican or American people for the U.S. Government to make the tragic mistake of providing unrestricted assistance to a corrupt, morally bankrupt 67-year-old regime. This amendment will send the message that we demand cooperation with the Mexican Government—but real, effective cooperation, not more empty promises.

Mrs. FEINSTEIN. Mr. President, I am pleased to join with the distinguished chairman of the Budget Committee and the distinguished chairman of the Banking Committee in offering an amendment which I think is of great importance.

As my colleagues know, the problem of drugs coming into our country from Mexico has reached epidemic proportions.

Seventy percent of all illegal drugs entering the United States, including three-quarters of all the cocaine and 80 percent of all foreign-grown marijuana, are smuggled through Mexico. Ninety percent of the precursor chemicals used to manufacture methamphetamine are smuggled into the United States from Mexico.

We need cooperation from Mexico in many aspects of counternarcotics: from border control, to cracking down on money laundering, to combating corruption.

There has been some progress in these areas, but not nearly enough, and much more is needed. Perhaps the most basic area in which we need cooperation is in cracking down on the drug lords who run the smuggling rings. Mexican drug lords are getting rich poisoning our kids, and the Mexican Government must help us do something about it.

That means extraditions. Although the United States has had an extradition treaty with Mexico since 1978, Mexico has never extradited a Mexican national to the United States for drug charges.

Juan Garcia Abrego was not extradited—he was deported as an American citizen. And extradition orders have been signed for one Mexican national, Jesus Emilio Rivera Pinon, but he remains in a Mexican jail. Ninety-nine outstanding formal extradition requests have not been acted upon.

This amendment is designed to create additional incentive for Mexico to move forward with the extradition of our most wanted drug lords. If Mexico does not arrest them, they should at least arrest and prosecute these drug lords themselves.

If Mexico fails to take these steps, the United States will withhold funding for the International Military Education and Training Program with Mexico. This is a reasonable, and not overreaching, point of leverage to encourage the Mexicans to do what they should be doing anyway.

If Mexico will comply with these extradition requests, it will be an important step toward addressing the problem of Mexican drug trafficking.

I strongly urge my colleagues to support this amendment. Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, parliamentary inquiry. If we are finished, do we then proceed to a vote? What is the situation, I ask the manager of the bill?

Mr. MCCONNELL. My plan is to lay aside the Domenici amendment and go to the Brown amendment. It is the plan to stack several votes. That we would take them up, again this is just a guess, an estimate, around 6 o'clock. It would be my plan. I understand no one wants to speak in opposition to the Domenici amendment. Has the Senator gotten the yeas and nays?

Mr. DOMENICI. No.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, let me just summarize very quickly so no one will think these indictments that the American Government has put all these resources in are just indictments of people who are out there dealing in a few ounces of cocaine. I want to give just four names, with a brief biography, that are under indictment, that it is incredible to this Senator that Mexico does not know about and could not, if willing, to either apprehend and try in Mexico or extradite them to the United States.

Here is one:

Tijuana cartel, Arellano-Felix organization: Benjamin Arellano-Felix and his brothers Francisco, Ramon and Javier head Mexico's most violent drug family. They are responsible for the murder of Catholic Cardinal Juan Jesus Posadas in Guadalajara in 1993. Some believe that the Mexican Cardinal was killed by accident during a violent confrontation between rival drug dealers, but others believe he may have been killed because of his vocal opposition to the drug trade.

Let me move on to the Jaurez cartel:

Amado Carillo Fuentes is now considered the wealthiest and most powerful drug baron in Mexico. He has a strong relationship with Miguel Rodriguez Orejuela, the leader of the Colombian Cali cartel. Carillo is known as the "Lord of the Skies" because he owns a fleet of 727's which allows him to transport drugs from Colombia to Mexico. His drug operations are estimated to bring in $200 million a week.

I ask unanimous consent that a more complete biography of these cartel leaders be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LEADERS OF THE MAJOR MEXICAN DRUG CARTELS INDICTED IN THE UNITED STATES

TIJUANA CARTEL (ARELLANO-FELIX ORGANIZATION)

Benjamin Arellano-Felix and his brothers Francisco, Ramon and Javier head Mexico's most violent drug family. They are responsible for the murder of Catholic Cardinal Juan Jesus Posadas in Guadalajara in 1993. Some believe that the Mexican Cardinal was killed by accident during a violent confrontation between rival drug dealers, but others believe he may have been killed because of his vocal opposition to the drug trade. The Arellanos also are responsible for the murder of Frederico Benitez Lopez, the Tijuana police chief who vowed to clean up the city and refused to accept a $100,000 per month bribe from the brothers. The cartel controls the 1,000 miles of border between Tijuana and Juarez. The DEA estimates that the cartel generates around $15 million every two weeks and has a $160-400 million net worth. The Arellanos, once known for publicly flaunting their protection from local Mexican police and federales, now are fugitives in hiding in Mexico. Benjamin and Francisco have been indicted in San Diego for drug trafficking.

JUAREZ CARTEL (CARILLO FUENTES ORGANIZATION)

Amado Carillo Fuentes is now considered the wealthiest and most powerful drug baron in Mexico. He has a strong relationship with Miguel Rodriguez Orejuela, the leader of the Colombian Cali cartel. Carillo is known as the "Lord of the Skies" because he owns a fleet of 727's which allows him to transport drugs from Colombia to Mexico. His drug operations are estimated to bring in $200 million a week. Murders in Juarez have increased since he took control of the organization, and in 1995 the leader of a juvenile gang Carillo used to smuggle drugs across the border was found shot 23 times in the head. Carillo is the nephew of Ernesto Fonseca Carillo, who was imprisoned in Mexico in 1985 for the torture and murder of DEA Special Agent Enrique Camarena. Carillo has been indicted in Miami for heroin and marijuana trafficking, and in Dallas for cocaine distribution.

SONORA CARTEL (CARO QUINTERO ORGANIZATION)

Miguel Caro Quintero now heads the group made up of remnants of the old Guadalajara Cartel, best known for their involvement in the brutal 1985 torture and killing of DEA Special Agent Enrique Camarena. The Sonora Cartel was among the first Mexican organizations to transport drugs for the Colombian kingpins. The group's main trafficking routes run through Arizona border area known as "cocaine alley" with movements also coordinated through the Juarez Cartel in the territory controlled by that organization. Caro Quintero openly admitted on a Mexican radio program that Mexican authorities "don't find me because they don't want to . . . I go to banks. I drive along highways, I pass through military and federal judicial police checkpoints and it doesn't matter that they know me—everybody knows me." Miguel's brother Rafael is serving time in a Mexican maximum security prison for his involvement in the Camarena murder, but reportedly runs the cartel from jail. Miguel has been indicted in Denver and Tucson on drug trafficking charges.

GULF CARTEL (GARCIA ABREGO ORGANIZATION)

Juan Garcia Abrego was the first major Mexican cartel leader expelled to the United States for trial. In January 1996, Mexico claimed that his dual U.S./Mexican citizenship allowed them to deport him to the U.S. to face his indictment. Mexico's government had offered a $1 million reward for his capture, and the FBI offered an additional $2 million. Members of Garcia Abrego's group remain in Mexico and continue to smuggle narcotics. The Gulf Cartel was the first to begin accepting payment from Colombian drug lords in cocaine rather than cash and they at one time were responsible for half of the cocaine entering the United States from Mexico. The Gulf Cartel also shipped bulk amounts of cash across the U.S. border and during a four-year period (1989–93) the U.S. seized $53 million in cash belonging to the organization. Two American Express bankers in Brownsville, Texas were indicted for laundering $30 million for Garcia. Garcia Abrego is currently held without bond in a west Texas prison awaiting trial in September. If convicted, he faces life imprisonment. Seventy members of his organization have been prosecuted in the U.S.

Mr. DOMENICI. Mr. President, drugs are the engine of violence. According to the DEA, 50 percent of all violent crime happens because people are on drugs. One-third of all homicides in the United States have a relationship to narcotics. The relationship to this amendment, 70 percent of the cocaine comes across from Mexico; 50 percent of the marijuana, and much of the other substances that we fear so much. In fact, substantial amounts of Mexican-grown heroin is sold here.

In summary, we go through a great effort to indict Mexican drug kingpins and the indictments are not worth the paper they are written on because 99 outstanding extradition requests, 110 individuals are under indictment from us, and the Mexican Government will do nothing about it so far.

Mexico is the safe haven for drug smugglers. Indicted drug lords live an open life in a notorious style, in many cases, in many parts of Mexico. When the DEA Administrator was in Mexico in April, one of the top three most wanted barons called in to a talk show and stated, as I have said before: "They don't find me because they don't want to. I go to banks, I drive highways, I pass through Federal judicial policy check points, and it doesn't matter."

Mr. President, I hope this discussion today, and the vote, which I think will be overwhelming, will indicate to Mexico we are gravely concerned about our country and at the same time we are gravely concerned about theirs.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I ask unanimous consent the Domenici amendment be temporarily laid aside. As I indicated earlier, it is my intention to take it up for a rollcall vote along with some other amendments that have been laid aside, probably around 6 o'clock.

I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, due to a failure to communicate, I did not convey to the floor manager of the bill my very strong opposition to the Dorgan amendment. The time was yielded back.

I ask unanimous consent that I may be recognized for 5 minutes prior to the vote on the Dorgan amendment, which I feel is fatally flawed and will have very serious consequences. I would like to have the opportunity to have appropriate time to address that amendment.

I ask unanimous consent for 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I wonder if the Senator from Kentucky will yield for a question.

Mr. McCONNELL. Yes. I am happy to respond to a question of my friend from Georgia.

Mr. COVERDELL. Is it not true that my amendment which would restore the funding level for the international narcotics funding was seconded under regular order?

Mr. McCONNELL. It is my understanding. It is my recollection that the Senator from Georgia came over last night and first offered the amendment that would restore the drug funding level to the request of the Clinton administration.

Mr. COVERDELL. That is correct. We have now, it is my understanding, disposed of 24 amendments?

Mr. McCONNELL. Yes.

Mr. COVERDELL. There is an amendment which I have pending, but we have been unable to get the other side to agree to a time for debate, which is holding up this amendment which restores their President's, our President's, funding for international narcotics.

Mr. McCONNELL. I say to my friend from Georgia, we had hoped that his amendment would be first voted on this morning since he was first to the floor last night to offer a very responsible amendment, which I happen to support.

Mr. COVERDELL. I appreciate the response of the Senator from Kentucky and for, of course, his work on this bill and assistance on this amendment.

Mr. President, I ask unanimous consent that following consideration of this amendment, my amendment No. 5018 be the regular order and that there be a time agreement of 1 hour equally divided.

Mr. McCONNELL. Mr. President, reserving the right to object, obviously, I do not object, but I do not see anyone on the Democratic side in the Chamber. In fairness to them, I feel they should be given an opportunity to respond.

Mr. INOUYE. Mr. President, in behalf of Senator LEAHY, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 5019

Mr. D'AMATO. Mr. President, I think maybe it is appropriate, when we speak about those countries that are responsible in large measure—and it is not countries, it is governments, corrupt governments, corrupt officials who give aid and comfort to drug dealers, traffickers, growers, money launderers, the whole cartel—probably no case cries out for this country taking action more than the nation of Burma on behalf of the people of Burma and on behalf of the citizens of my State and the citizens of this country.

When we look at the record as it relates to drugs, in 1994, Burma was responsible for 94 percent of the opium produced worldwide. It is estimated that 60 percent of the heroin that comes into the United States originated in Burma.

When we look at the record of not only the question of narcotics and the dismal record in terms of counternarcotics efforts, there is only one thing that is even worse, and that is its record with respect to human rights. It kills those who are in opposition; it slaughters them. It imprisons those who speak out against them.

Their record on human rights and counternarcotics and its refusal to let the democratically elected National League for Democracy assume office should be immoral, and, more important, it is immoral, but it should be unacceptable to our Nation.

We need to send a strong message. Somehow we have become so imbued with economics and what company is going to benefit and make more money that we have lost the moral fiber to stand up for our citizens. I believe this. And I do not believe it is just the case as it relates to the legislation we discussed sponsored by Senator DOMENICI with respect to Mexico. I don't think it is just Burma, but certainly this is a case that cries out.

In 1988, the SLORC—SLORC—that stands for the State Law and Order Restoration Council. What a name; what a name. Talk about a fascist name. The State Law and Order Restoration Council, SLORC, has one of the most dismal records in human rights. They were responsible for killing more than 3,000 prodemocracy demonstrators—3,000—and thousands more have been jailed, thousands more driven from their homes, thousands more hiding. That is this SLORC group. Their record in counternarcotics is one of total complicity with the drug lords and the generals—total complicity. That is where they earn a lot of their money.

But now we are supposed to be doing business with them, helping them, helping their economy, helping their people. We are supposed to totally ignore the fact that they don't help their people, that they enslave their people, that they kill their people, that they deny them free and fair elections and say, "If we can allow projects to go there, it will foster democracy."

That was not fostering democracy when we took on the Soviet Union for their failure to address the human rights and human needs and considerations of its people. We did not say "Let's give them most-favored-nation status." We did not say, "Oh, no, you can continue to discriminate against Jews and Catholics and Pentecostalists" when the Soviet Union was engaged in that barbaric treatment of their citizens.

We said if a country doesn't respect its citizens, how do we ever expect it to respect the rights of others, the rights of our citizens. How quickly we forget. Incredible.

This country has lost the moral fiber that we don't even have the ability to stand up to those countries who are sheltering known terrorists and killers who are responsible for killing U.S. citizens. Why? The same reason: economics, greed, avarice.

"So and so is developing a big project there. It's an American corporation. If they don't do it, somebody else is going to do it." How often we hear that.

Then, when we are able to unite the people of this country, we have to worry about our allies. We passed a bill, the Iranian-Libyan sanctions bill, that said, "Listen, if you're going to help support their petroleum fields and they are going to continue to export terrorism"—and they have two people who we have indicted, two Libyan agents responsible for blowing a plane out of the air, Pan Am 103, we indicted them with specificity, Libyan agents, hiding in Libya. We cannot get them to turn them over here.

Yet, since 1988, when that tragedy took place, we didn't even have the courage to stop the importation of Libyan oil. We said, "We can't buy Libyan oil, can't buy it," and we went around and pounded our chest. Well, we didn't do through the front door what we allowed the oil man to deliver on the side or the back, because while we said U.S. companies can't do it, domestic companies, their foreign subsidiaries did.

They did that with both the Iranians and Libyans.

What a mockery. What a sham. How do you expect our allies to pay attention to us when we say, "We want you to join with us"?

It all comes down to the same thing, and maybe it takes a little longer to get to the point, and the point is, it is nothing more than greed, money and avarice, and, consequently, we have really allowed those states, whether they are smuggling drugs in here, whether they are bringing terrorists with bombs in here, whether they are killing our citizens in planes or in bases, to feel that they can operate with impunity, and we are not even going to take economic sanctions against them.

Our allies: "You will not allow our companies who do business with the Libyans to do business here?" Let me tell you, if we do not have the moral fiber to stand up and protect the rights of our citizens, it is no wonder why the people are angry and frustrated with all of us—with some of us even more—because they think it is all politics and we are not serious. In many cases, I think they are absolutely right. I really do. I think they are right.

Business is important. Providing economic growth and opportunity is important. But freedom and liberty is more important. The human dignity of each and every individual and their rights to live without being terrorized, both in this country and abroad, are more important.

We should not be providing succor and comfort to those who deprive millions and millions of people an opportunity to live free, an opportunity to be able to have their vote count and not just have some group, thugs by the name of SLORC, come in and take over whenever they want.

We have a right to say to those countries who are involved in exporting terrorism, whether it be by way of bomb or whether it be by way of drugs, that we are not going to countenance doing business with you as usual, and we are certainly not going to give you aid and comfort, and we are certainly not going to permit you to have access to the international money markets where U.S. citizens are participating in the international banks and say you can do business as if you are a good and decent citizen, when you are not.

I support the moves that we are taking and that this bill calls for in dealing with the SLORC in Burma. I just think it is symptomatic of the kinds of things that we have to do if we are really going to stand up and say that this Nation does make a difference, it does respect the rights of citizens, its citizens and others, to live in dignity and in freedom.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. I just want to commend the Senator from New York for his observations about Burma. What is going on here, of course, is they had a Democratic election in 1990, internationally supervised. The side that won got 82 percent of the vote. And the State Law and Order Council locked up most of the leadership and put the leader herself under house arrest for 5 years.

That is what is going on here. We fiddle around—not just this administration, but the previous one—and have done nothing. As the Senator has pointed out, they have done absolutely nothing.

So the underlying bill calls for sanctions against Burma, something long overdue. I want to commend the Senator from New York for his leadership on this issue for his support.

We have had a sort of disjointed debate here on the Burma issue, Mr. President, over the course of the afternoon. At some point I am going to ask unanimous consent that all of that debate be consolidated in the CONGRESSIONAL RECORD because it will be hard for the readers to follow.

Mr. President, I ask unanimous consent that a letter I received today from the National Coalition Government of the Union of Burma, Office of the Prime Minister, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COALITION GOVERNMENT
OF THE UNION OF BURMA, OFFICE
OF THE PRIME MINISTER,
Washington, DC, July 25, 1996.

Senator MITCH MCCONNELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCONNELL: We understand that Senator Cohen has introduced an amendment to your bill—Section 569 of the Foreign Operations Appropriations Act, "Limitation on Funds for Burma." We have to reiterate our total support for your version of the bill because it is the most and only effective way of persuading the ruling military junta in Burma to enter into a dialogue with the pro-democracy leaders.

If the U.S. Senate fails to vote for economic sanctions on the junta as outlined in your bill, it will send a wrong signal to Burma. The military junta will see it as a sign of weakness on the part of the United States and encourage it to step up the ongoing suppression of the democracy movement.

The National Coalition Government therefore opposes Senator Cohen's legislation. The Senate cannot afford to send a wrong signal. The imposition of economic sanctions is needed because currently investments are only enriching the military junta and its associates and are discouraging them to negotiate with Daw Aung San Suu Kyi.

Daw Aung San Suu Kyi has called for the imposition of economic sanctions because it is the best option available at this moment. She understands Burma situation clearly and would not initiate a move that would harm the people. Daw Suu has categorically expressed her wish that investments in the country cease until a clear transition to democracy has been established. The National Coalition Government fully supports Daw Aung San Suu Kyi's call for sanctions and that is why we have expressed our total support for your bill.

I look forward to welcoming U.S. businesses helping rebuild our country once a democratically elected 1990 Parliament is seated in Rangoon. The Burmese people will remember who their friends are.

The National Coalition Government also opposes any funding to the military junta in connection with narcotics control. I cannot find myself to condone any funding to a regime that plays an active role in providing a secure and luxurious life to the heroin kingpin Khun Sa.

I place my trust in the United States Senate to do the right thing. Each vote for sanctions is a vote for the democracy movement in Burma and our people who are struggling to be so desperately free.

Sincerely,

SEIN WIN,
Prime Minister.

Mr. McCONNELL. Mr. President, essentially what it says is:

> If the U.S. Senate fails to vote for economic sanctions on the junta as outlined in your bill—

Referring to the underlying bill . . .

> it will send a wrong signal to Burma. . . . [It will] step up the ongoing suppression of the democracy movement.
>
> The National Coalition Government therefore opposes Senator COHEN's [amendment].

Which we will be voting on later, which is supported by the Clinton administration.

> . . . currently investments are only enriching the military junta and its associates and are discouraging them to negotiate with Daw Aung San Suu Kyi.
>
> Daw Aung San Suu Kyi has called for the imposition of economic sanctions because it is the best option available at this moment. She understands the Burma situation clearly and would not initiate a move that would harm the people. . . . The National Coalition Government fully supports Daw Aung San Suu Kyi's call for sanctions and that is why we have expressed our total support for your bill.

Mr. President, the distinguished Senator from Colorado is on the floor. He has an amendment to offer as well. We would like to take that up. Have we laid the Domenici amendment aside?

The PRESIDING OFFICER. The Domenici amendment is laid aside.

Mr. BROWN. Mr. President, before I offer my amendment, I simply want to express my strong appreciation to the distinguished Senator from Kentucky for his raising the question of the loss of rights in Myanmar. The fact is, that the level of political suppression that has gone on there is one that Americans cannot ignore. If we are to be true to our beliefs, and true to our commitment to freedom and human rights that is held so dearly by both parties, we cannot stand idly by.

I believe some Members have expressed concern that perhaps there could be a different way to phrase the concerns that the Senator from Kentucky has expressed. And I hope that we will have a debate on that, that positive suggestions will come forward.

Certainly we ought to use tactics that are most likely to be successful.

So some change in those words may be in order. But I hope that debate over the words does not lose sight of the intent and the very significance of the Senator from Kentucky's action. The fact is, we cannot stand idly by and ignore what has happened in that country and not stand up and speak out and take efforts that can be effective.

I believe that this subject will get a lot of debate. I suspect the conference committee may well come up with ways to amend the language that we have here. But I want the Senator from Kentucky to know that free people around the world appreciate his efforts, and appreciate him caring enough to move forward to have this Congress consider sanctions. I, for one, will be looking forward to the process that may well perfect the language that the Senator has. But I hope it does not dilute the spirit of what he is offering because I think that is the essence of the way Americans think about foreign policy.

AMENDMENT NO. 5058

(Purpose: To amend the NATO Participation Act of 1994 to expedite the transition to full membership in the North Atlantic Treaty Organization of emerging democracies in Central and Eastern Europe.)

Mr. BROWN. Mr. President, I rise to offer an amendment to the bill. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN] for himself, Mr. SIMON, Mr. ROTH, Mr. LIEBERMAN, Mr. HELMS, Ms. MIKULSKI, Mr. MCCAIN, Mr. SPECTER, Mr. SANTORUM, Mr. MCCONNELL, Mr. GORTON, Mr. ABRAHAM, Mr. STEVENS, and Ms. MOSELEY-BRAUN, proposes an amendment numbered 5058.

Mr. BROWN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BROWN. Mr. President, this is the third in a series of efforts the Congress has made to address the issue of NATO expansion. Today the hearts of tens of millions of Americans are with us. No, not physically here in this Chamber, but they listen and they understand what we debate when we talk about NATO expansion.

Millions of Americans find their heritage hailing from central Europe. Over the last century—I should say most particularly the last half-century—they have had to swallow hard as this Nation watched Czechoslovakia dismembered by the Munich agreements, which Chamberlain agreed with, and saw a country that could have been the bulwark against Hitler and Naziism dissolved and abandoned by its allies.

Millions of American hearts sank as they saw Poland invaded by the Nazis and, moreover, an agreement between the Soviets and the Nazis to divide and dismember that country. Moreover, their hearts sank as they watched the free countries around the world back away from promises and pledges of support. And we learned the painful lesson in World War II that one country's freedom is not independent of another country's and that aggression cannot be ignored.

These are countries that now share our commitment to Democratic values. And many of them, as new converts, are passionate believers. But the trail of history does not end with World War II. It follows into the tragic period of after World War II where some of these countries were abandoned, without an effort to save them from Soviet domination. The level of suffering that they have endured has truly been extraordinary in humankind.

Now the question comes, with the fall of the Iron Curtain and the end of the cold war, as to whether or not we will recognize that other countries have a claim to control their foreign policy, that is, whether other countries can cast their sphere of influence over central Europe and dictate to them their foreign policy. That is what this series of amendments over 3 years with regard to NATO expansion has dealt with, the hesitancy of the administration to allow democratic countries in central Europe who wish to join NATO to be allowed to join NATO.

These are countries that have democratized their country, that have given civilian control over the military, and have expressed an interest and a desire to stand shoulder to shoulder with America and other countries in NATO, to make the world safe for democracy. The hesitancy that has come out of the administration has been as to whether or not they should allow the government in Russia to cast its sphere of influence over the policy of those countries, whether or not we would defer to Russia in terms of deciding whether they should be allowed to join NATO or not.

It was out of concern over this policy, that I believe to be mistaken, in which we offered the first NATO Participation Act in 1994. That measure recognized their plea for NATO membership and authorized an assistance program to aid in their preparing to become Members of NATO.

The administration failed to act decisively concerning this issue, and in the following year we followed up with the NATO Participation Act of 1995 which develops specific criteria which those countries could be judged as to whether or not they were prepared to join NATO and receive aid to help them further move toward it.

Mr. President, another year passed without the administration acting. And thus, the purpose of the third NATO Participation Act.

The measure that is before the Senate does the following things, Mr. President. First of all, it authorizes funds for transitional assistance for countries in central Europe wishing to join NATO. Mr. President, this is not a huge amount of money in terms of dollars in the foreign assistance bill but it is an enormous issue in terms of the signal we send to free people around the world. It specifically names three countries that are eligible for transitional assistance in moving into NATO. Now, that is not NATO membership, but it is transitional assistance to NATO.

Second, it establishes clear standards for other Central European countries to meet to be eligible for transitional assistance. The purpose here was to take the thoughts of the administration and others and put them forward in clear rules so the countries who want to join free people pledging to defend freedom in the North Atlantic region know what they are working toward.

Third, Mr. President, it sets a clear policy statement for NATO expansion.

Next, it establishes standards for an authorization, for a regional airspace initiative.

Mr. President, this is a measure that is bipartisan. It is strongly supported by the administration. I might make clear that they strongly support the authorization for the regional airspace initiative. I do not mean to imply they strongly support this amendment. The portion that deals with the regional airspace initiative, which I believe can have a significant value in helping countries develop a common language through equipment and procedures, in helping to deal with air traffic control problems, can be of help. I should emphasize while this is not mandatory in terms of participation, it is supported by the administration.

Mr. President, this is a bipartisan bill. We are fortunate to have Senator SIMON join as a cosponsor of this bill, as well as Senator LIEBERMAN and Senator MIKULSKI. In the past, NATO expansion has received strong support from both sides of the aisle. I must say, Mr. President, I believe this measure is strongly supported by both Democrats and Republicans throughout our country, by a large measure.

In addition, the House has voted on a version that is nearly identical to this provision, and given its strong and clear support by a vote of 353 to 62, the House voted for the similar NATO expansion provision.

I might add, we have a stronger position in the White House for this measure than we have ever had. The administration has sent out a letter indicating they do not oppose this measure.

Mr. President, let me not mislead Members. I believe—it is at least my belief—the White House has some concerns about various provisions of it. They are not opposing it. It is the strongest, most supportive effort we have had in these last 3 years. I believe the key to making this work is indeed to get all parties—the administration, Congress, Democrats, and Republicans—to work together for a common purpose.

Mr. President, there are some differences between this measure and the measure that passed the House of Representatives. Let me just name two of them that may be the more significant, although I am not sure there are significant differences. In the findings, paragraph 15, in the wording involving the caucuses, ours is not as strong a language in terms of indicating a NATO involvement in the caucus as the House language. I do not mean to indicate we lack interest in the caucuses, or concern. We do, and we express that. There is a difference between our language and the House language with regard to caucus States.

Second, we add in this bill specific criteria for the transition into NATO. We thought in the interest of being clear and precise and moving ahead, that was helpful. Those are the key differences with the House bill. On the whole, they are not major. I do not anticipate any problem in working out the differences in conference.

I should indicate, Mr. President, there are at least three concerns I am aware of, and I know Members obviously are much more able to articulate their concerns and offer alternatives than I. Senator Simon is interested in offering a modification of the measure that deals with the history of deployment of nuclear weapons in some NATO countries. I view—while we have not seen final language that Senator Simon offers—I view that as an accurate statement of the past policy, and can well be a plus.

Senator Biden has concerns about making it clear that Slovenia is immediately eligible for the transitional assistance in the measure that is before the Senate. We have not placed them in the three countries that are designated as immediately eligible for assistance, but I think Senator Biden has identified a country that does meet the standards, as I understand them. I do not consider that to be a major problem.

In addition, my understanding is that a very thoughtful Member of the Senate, Senator Nunn, has concerns, particularly with paragraph 4 in the findings, and my hope is we will be able to consider his concerns and work something out with regard to that.

Mr. President, I do not want to take an extended amount of time with regard to this except to say this: What we do with this amendment is very important. The symbolism is far more important than the modest amount of money that is authorized in this bill. The message it sends is that the countries of Central Europe are not going to have their fate decided by the influence of another country; that their fate will not be decided by someone saying that they have a sphere of influence that controls that part of the world; that we recognize their ability to commit themselves to free and democratic principles, and to seek alliances that will help secure their land. That is enormously important, and it is a commitment that we should not back down on.

Second, Mr. President, I hope every Member has some sense in their heart and in their mind and in their very being how these countries hunger to be free and independent and how much they look to the United States with admiration, and, yes, with love and with commitment. They see America as a country that has held up the torch of freedom and liberty, and they want to join us. They want to join us in the burden of holding that torch of freedom high. They want to join us in making sure the world is safe for democracy.

If we turn our backs on them, we turn our backs on the very ideals that made this country strong and free and independent. Can we turn our backs on Central Europe's freedom? Of course, it has happened before. But who among us would come forward saying that turning our backs on their freedom worked prior to World War II or worked after World War II? My guess is every Member would have to admit that those were follies of policies, that the world lost millions of lives because we failed to recognize how much their yearning for freedom was tied to ours.

Mr. President, this amendment is offered in the hope we will not repeat the mistake of the past, that we will respect their admiration and their desire to stand with us, and that we will continue the clear signal that we care about their freedom and their future.

I welcome the debate on this issue. I yield the floor.

Mr. McCONNELL. Mr. President, I know the Senator from Georgia wants to speak on this issue, but my preference would be, and I consulted with Senator Leahy on this as well, to dispose of some agreed-to amendments. I have also consulted with the Democratic leader, who would like to have a couple of votes shortly because he must be absent from the Senate around 6:30.

It would be my plan, I say to my friend from Georgia, just for his information, to have votes on the Hatfield-Dorgan amendment and the Domenici amendment beginning at 5:50, and then we would go back to the pending amendment of Senator Brown, on which I know the Senator from Georgia wishes to speak.

I ask unanimous consent the Brown amendment be temporarily laid aside.

Mr. NUNN. Reserving the right to object, I do not mind laying aside the amendment and going ahead with the votes, but I would like to make a brief statement of 2 or 3 minutes, outlining my concern here on this amendment before we vote.

Beyond that, if that is accommodated, I do not object.

Mr. McCONNELL. I was going to suggest the Senator from Georgia go right ahead.

Mr. COHEN. I want to inquire in terms of when we intend to proceed to vote on my amendment. Is it following the resolution of the Brown amendment, at some time later this evening?

Mr. McCONNELL. Yes.

Mr. COHEN. At what point?

Mr. McCONNELL. I say to the Senator from Maine, I want to just make a few more remarks about his amendment, and I am not aware of any speakers, other than I assume he would like to close on his own amendment, but we will need to do that after we dispose of these.

Mr. COHEN. I understand that. We will dispose of the other two amendments. There was no indication how long the Brown amendment may take this evening. I am just trying to find out whether or not we——

Mr. McCONNELL. If the Brown amendment is controversial, then we will move on with Burma. We will lay Brown aside and dispose of Burma and go back to Brown for whatever discussion may be forthcoming.

Mr. COHEN. All right.

AMENDMENTS NOS. 5059 THROUGH 5065, EN BLOC

Mr. McCONNELL. Mr. President, I send seven amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McConnell] proposes amendments, en bloc, numbered 5059 through 5065.

Mr. McCONNELL. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 5059

(Purpose: To express the sense of the Congress regarding expansion of eligibility for Holocaust survivor compensation by the Government of Germany)

On page 198, between lines 17 and 18, insert the following:

SENSE OF CONGRESS REGARDING EXPANSION OF ELIGIBILITY FOR HOLOCAUST SURVIVOR COMPENSATION BY THE GOVERNMENT OF GERMANY

Sec. . (a) Findings.—The Congress makes the following findings:

(1) After nearly half a century, tens of thousands of Holocaust survivors continue to be denied justice and compensation by the Government of Germany.

(2) These people who suffered grievously at the hands of the Nazis are now victims of unreasonable and arbitrary rules which keep them outside the framework of the various compensation programs.

(3) Compensation for these victims has been non-existent or, at best, woefully inadequate.

(4) The time has come to right this terrible wrong.

(b) SENSE OF CONGRESS.—The Congress calls upon the Government of Germany to negotiate in good faith with the Conference on Jewish Material Claims Against Germany to broaden the categories of those eligible for compensation so that the injustice of uncompensated Holocaust survivors may be corrected before it is too late.

AMENDMENT NO. 5060

(Purpose: To allocate funds for commercial law reform in the independent states of the former Soviet Union)

On page 117, line 14, before the period insert the following: ": *Provided further*, That of the funds appropriated under this heading $25,000,000 shall be available for the legal restructuring necessary to support a decentralized market-oriented economic system, including enactment of necessary substantive commercial law, implementation of reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys, and law students, and education of the public designed to promote understanding of a law-based economy".

Mr. KYL. Mr. President, I am pleased and honored to offer an amendment to the Foreign Operations Appropriations bill for assistance to Ukraine. Ukraine's achievement this year in the areas of ethnic stability, human rights and constitutional reform are significant, and fully justify the substantial earmark of aid being proposed. My proposal will not change the total amount of the appropriation, but it will provide assurance that appropriated funds will be used in the interest of both the United States and Ukraine.

I believe that the best forms of foreign aid are those which strengthen the recipient from within and lead toward self sufficiency and, ultimately, independence from any assistance from the United States or other foreign sources.

In this spirit, I propose this earmark in the amount of $25 million for the purpose of helping to create a complete, modern system of commercial law in Ukraine, including not only substantive laws which are compatible with international standards but also training and equipping of an independent judiciary and legal profession, which as we know are the cornerstones of law-based economy.

Such a fundamental transformation—from a totalitarian command economy to a self-sustaining free market—cannot be achieved without substantial technical assistance. Until now, assistance for comprehensive commercial law reform has been provided to Ukraine largely through pro bono publico, through a commendable program of donated aid known as the Commercial Law Project for Ukraine. These private efforts, no matter how praiseworthy, are inadequate to bring about the fundamental reforms which are so urgently needed, the earmark which I propose would fill that need and bring the goal of economic self-sufficiency for Ukraine closer to a reality.

The philosopher John Locke wrote, "Where law ends, tyranny begins." It is also true that, where law begins, tyranny ends. In this spirit, I propose an earmark for legal and commercial law restructuring in Ukraine.

I ask unanimous consent to have printed in the RECORD three letters in support of this amendment from Yuri Shcherbak, Ambassador of Ukraine, Orest A. Jejna, President of the Ukrainian American Bar Association, Askold Lozynskyj, President of the Ukrainian Congress Committee of America.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

EMBASSY OF UKRAINE,
Washington, DC, July 5, 1996.

Re foreign assistance appropriations for fiscal year 1997—sub-earmark for legal reform-commercial law restructuring.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCONNELL: Thank you very much for your successful sponsorship of a foreign aid earmark for Ukraine in the Foreign Operations Subcommittee. Please call on me or my staff at any time if we can assist you in the coming weeks to win Congressional approval of the earmark.

I am writing at this time to indicate my support for the addition of a sub-earmark for legal reform and commercial law restructuring as recently proposed by the Ukrainian American Bar Association. I respectfully request that you support the addition of such a sub-earmark, which will help to assure that U.S. assistance will promote the establishment of the rule of law in Ukraine.

This sub-earmark would be especially encouraging for my country in respect to the adoption of the New Constitution of Ukraine and preparation of a great number of legislative acts following the Constitution.

Ukraine wants from the U.S. only that assistance which will make her self-sufficient and independent of all foreign aid. Proposals such as that by the Ukrainian American Bar Association help to bring the goal of self-sufficiency closer to realization.

Thank you once again for your support for our common cause of revitalization of Ukraine.

With warmest regards, I remain,

Respectfully,

YURI SHCHERBAK,
Ambassador of Ukraine to the USA.

UKRAINIAN AMERICAN
BAR ASSOCIATION,
Phoenix, AZ, July 2, 1996.

Senator MITCH MCCONNELL,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MCCONNELL: Thank you for your sponsorship of an earmark of aid to Ukraine. Your courageous advocacy has promoted vital U.S. interests while bringing freedom to the people of Ukraine.

I want to add my voice to those who are requesting inclusion of an additional subearmark for legal reform and commercial law restructuring as necessary to support a decentralized, market-oriented economy. The funds granted to date by the U.S. government for comprehensive commercial law reform in Ukraine have been woefully inadequate to provide Ukraine with the necessary foundation for a functioning private sector.

I believe it is encumbent upon Congress to support assistance projects which will promote Ukraine's self-sufficiency and eventual independence from U.S. foreign aid. Commercial law reform and other fundamental legal reforms are among the most important priorities in achieving self-sufficiency for Ukraine.

If it is feasible at this juncture, I urge Congress to adopt an additional subearmark for legal reform in Ukraine as follows:

"$25,000,000.00 for legal restructuring necessary to support a decentralized market-oriented economic system, including the creation of all necessary substantive commercial law, all reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys and law students, and public education designed to promote understanding of a law-based economy."

If you wish any additional information on the position of the Ukrainian American Bar Association, do not hesitate to contact me at (602) 254-3872. Thank you for your consideration of this subject of vital concern.

Respectfully,

OREST A. JEJNA,
President.

UKRAINIAN CONGRESS,
COMMITTEE OF AMERICA,
New York, NY, June 11, 1996.

Hon. MITCH MCCONNELL,
U.S. Senate,
Washington, DC.

Dear Senator McConnell: On behalf of the Ukrainian Congress Committee of America, Inc. (UCCA), the representative organization of the Ukrainian-American community, please allow me to once again thank you for your leadership in the passage of the $225 million earmark for Ukraine in FY 1996. The continuance of foreign aid to Central Europe and Ukraine are vital to the security of the United States and the entire world. More importantly, foreign assistance, which is properly distributed, will help insure the stability and security of Ukraine.

Since independence almost five years ago, Ukraine and its people have been striving for political, economic, and social reform. The issue at hand is that Ukraine, like many other developing countries, cannot accomplish these reforms alone. Only by the guidance and assistance of the United States can Ukraine endure this transition period.

It has come to the attention of the UCCA that during the upcoming deliberations in the Senate Sub-Committee for Foreign Operations, the opportunity to introduce another $225 million earmark for Ukraine will likely present itself, though issues remain as to how that earmark will be sub-marked. The UCCA strongly endorses the following programs as sub-earmarks for the next fiscal year.

A sub-earmark of $50 million for energy-sector restructuring, designed to alleviate Ukraine's critical need for energy resources and to improve efficiency of its large fossil-fuel and nuclear plants, therefore lessening the chances of another catastrophic nuclear accident of global proportions;

A sub-earmark of $50 million for the continued reform of the agricultural sector in

Ukraine under the Food Systems Restructuring Program (FSRP) to be matched with private sector funding. Presently, the agricultural sector in Ukraine comprises nearly 60% of its GDP. For Ukraine to become economically self-sufficient, it must be provided the opportunity for greater efforts to enhance agricultural reform;

A sub-earmark of $45 million for the creation of a business incubator center that provides seed capital, as well as lending and equity investments to promote the growth of small- and medium-sized businesses in Ukraine.

A sub-earmark for $25 million for legal system restructuring, designed to reform the Ukrainian judiciary system and provide Ukraine with critically needed course materials for its law schools. Commercial law reform also remains vital in identifying the types of law and legal procedures which are necessary for the operation of a decentralized free market economic system, with special emphasis on contract enforcement mechanisms and the establishment of arbitration courts;

A sub-earmark of $20 million for business development programs targeting the privatization of large-scale enterprises, which would further stimulate the growth of the private sector in Ukraine;

A sub-earmark of $15 million for democracy-building programs that enable the development and expansion of efforts for further democratization in Ukraine;

A sub-earmark of $10 million for medication, hospital supplies, and training of physicians under a program to facilitate the treatment of cancers and other diseases related to the Chornobyl nuclear accident;

A sub-earmark of $5 million to promote the formation of independent broadcast and print media centers, essential elements of a democratic, law-based society; and

A sub-earmark of $4.5 million for FBI legal attaché offices, intended to respond to the increased threats of international terrorism and the troubling rise of corruption and organized crime in the former Soviet region which directly jeopardize U.S. interests at home and abroad.

Furthermore, business and university partnerships between Ukraine and U.S. should be developed to enhance a cooperation of business expertise and knowledge. These programs would provide training for sophisticated technology use and advance Ukraine in its commitment for economic reform. I urge that you consider the sub-earmarks proposed, which would guarantee Ukraine its fair share of the foreign aid directed to the NIS.

Again, thank you for your dedication to Ukraine's course of economic and political reform. If you have any questions, please feel free to contact Michael Sawkiw, Jr., Director of the Washington, D.C. office of the UCCA at (202) 547-0018 (tel) or (202) 543-5502 (fax).

Sincerely,

ASKOLD S. LOZYNSKYJ,
President.

AMENDMENT NO. 5061

(Purpose: Urging continued and increased United States support for the efforts of the International Criminal Tribunal for the former Yugoslavia to bring to justice the perpetrators of gross violations of international law in the former Yugoslavia)

Findings. The United Nations, recognizing the need for justice in the former Yugoslavia, established the International Criminal Tribunal for the former Yugoslavia (hereafter in this resolution referred to as the "International Criminal Tribunal");

United Nations Security Council Resolution 827 of May 25, 1993, requires states to cooperate fully with the International Criminal Tribunal;

The parties to the General Framework Agreement for Peace in Bosnia and Herzegovina and associated Annexes (in this resolution referred to as the "Peace Agreement") negotiated in Dayton, Ohio and signed in Paris, France, on December 14, 1995, accepted, in Article IX, the obligation "to cooperate in the investigation and prosecution of war crimes and other violations of international humanitarian law";

The Constitution of Bosnia and Herzegovina, agreed to as Annex 4 of the Peace Agreement, provides, in Article IX, that "No person who is serving a sentence imposed by the International Tribunal for the former Yugoslavia, and no person who is under indictment by the Tribunal and who has failed to comply with an order to appear before the Tribunal, may stand as a candidate or hold any appointive, elective, or other public office in Bosnia and Herzegovina";

The International Criminal Tribunal has issued 57 indictments against individuals from all parties to the conflicts in the former Yugoslavia;

The International Criminal Tribunal continues to investigate gross violations of international law in the former Yugoslavia with a view to further indictments against the perpetrators;

On July 25, 1995, the International Criminal Tribunal issued an indictment for Radovan Karadzic, president of the Bosnian Serb administration of Pale, and Ratko Mladic, commander of the Bosnian Serb administration and charged them with genocide and crimes against humanity, violations of the law or customs of war, and grave breaches of the Geneva Conventions of 1949, arising from atrocities perpetrated against the civilian population. Throughout Bosnia-Herzegovina, for the sniping campaign against civilians in Sarajevo, and for the taking of United Nations peacekeepers as hostages and for their use as human shields;

On November 16, 1995, Karadzic and Mladic were indicated a second time by the International Criminal Tribunal, charged with genocide for the killing of up to 6,000 Muslims and Srebrenica, Bosnia, in July 1995;

The United Nations Security Council, in adopting Resolution 1022 on November 22, 1995, decided that economic sanctions on the Federal Republic of Yugoslavia (Serbia and Montenegro) and the so-called Republika Srpska would be reimposed if, at any time, the High Representative or the IFOR commander informs the Security Council that the Federal Republic of Yugoslavia or the Bosnian Serb authorities are failing significantly to meet their obligations under the Peace Agreement;

The so-called Republika Srpska and the Federal Republic of Yugoslavia (Serbia and Montenegro) have failed to arrest and turn over for prosecution indicted war criminals, including Karadzic and Mladic;

Efforts to politically isolate Karadzic and Mladic have failed thus far and would in any case be insufficient to comply with the Peace Agreement and bring peace with justice to Bosnia and Herzegovina;

The International Criminal Tribunal issued International warrants for the arrest of Karadzic and Mladic on July 11, 1996.

In the so-called Republika Srpska freedom of the press and freedom of assembly are severely limited and violence against ethnic and religious minorities and opposition figures is on the rise;

It will be difficult for national elections in Bosnia and Herzegovina to take place meaningfully so long as key war criminals, including Karadzic and Mladic, remain at large and able to influence political and military developments;

On June 6, 1996, the President of the International Criminal Tribunal, declaring that the Federal Republic of Yugoslavia's failure to extradite indicted war criminals is a blatant violation of the Peace Agreement and of United Nations Security Council Resolutions, called on the High Representative to reimpose economic sanctions on the so-called Republika Srpska and on the Federal Republic of Yugoslavia (Servia and Montenegro); and

The apprehension and prosecution of indicted war criminals is essential for peace and reconciliation to be achieved and democracy to be established throughout Bosnia and Herzegovina.

(a) It is the sense of the Senate finds that the International Criminal Tribunal for the former Yugoslavia merits continued and increased United States support for its efforts to investigate and bring to justice the perpetrators of gross violations of international law in the former Yugoslavia.

(b) It is the sense of the Senate that the President of the United States should support the request of the President of the International Criminal Tribunal for the former Yugoslavia for the High Representative to reimpose full economic sanctions on the Federal Republic of Yugoslavia (Servia and Montenegro) and the so-called Republika Srpska, in accordance with United Nations Security Council Resolution 1022 (1995), until the Federal Republic of Yugoslavia (Servia and Montenegro) and Bosnian Serb authorities have complied with their obligations under the Peace Agreement and United Nations Security Council Resolutions to cooperate fully with the International Criminal Tribunal.

(c) It is further the sense of the Senate that the NATO-led Implementation Force (IFOR), in carrying out its mandate, should make it an urgent priority to detain and bring to justice persons indicted by the International Criminal Tribunal.

(d) It is further the sense of the Senate that states in the former Yugoslavia should not be admitted to international organizations and fora until and unless they have complied with their obligations under the Peace Agreement and United Nations Security Council Resolutions to cooperate fully with the International Criminal Tribunal.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

Mr. LIEBERMAN. Mr. President, I rise on a matter of some urgency. Several colleagues, from both sides of the aisle, and I, have introduced an amendment which we hope will advance the twin causes of peace and justice in the former Yugoslavia. I thank my cosponsors, Senator LUGAR, Senator BIDEN, Senator SPECTER, Senator FEINSTEIN, Senator MOYNIHAN, Senator HATCH, Senator LEVIN and Senator D'AMATO, for joining in what is, and must be, a bi-partisan effort to bring indicted war criminals to justice. It should now be apparent that we cannot divorce peace from justice in this traumatized region. To fail to address fundamental issues of justice in the former Yugoslavia, and Bosnia in particular, will mean the certain failure of the current international efforts to secure a lasting peace in the region.

I will explain why the problem is one requiring urgent attention in a moment. Let me first summarize the problem and the solutions required.

The problem is that progress in the rebuilding of Bosnia has been slow at best. This slowness is, in part, due to the slowness in overcoming the antagonisms engendered throughout a tragic war and the effect of the creation of ethnic areas. Nevertheless, the majority of Bosnian peoples of all ethnic affiliations, desperately seek peace and accommodation. Bosnia had been a relatively unified, multiethnic state, with extraordinarily high percentages of interethnic marriages, prior to the manipulative actions of power hungry nationalist leaders during the late 1980's. It can again become a multiethnic state, if those seeking to build civil institutions and a civil society are allowed to do so by those initially responsible for these antagonisms and divisions.

The problem, then, is simply stated: those attempting to build a civil society with functioning democratic institutions, are being prevented from accomplishing their mission. The prerequisites for such a development include fundamental protections of human and minority group rights, and the rule of law.

But how can these conditions be achieved while war criminals are roaming freely in and out of the Bosnian Federation? Gross violations of law, such as the support and direction of snipings and massacres of innocents, have made Karadzic and Mladic war criminals. The underlying philosophies which guided those actions continue to drive these men today. Institution-building, a task that many Bosnians are working diligently towards, is imperiled by the very xenophobic, ultranationalist criminals that contributed to the dismantlement of Bosnia in the first place.

Mr. President, I applaud the recent efforts of Ambassador Holbrooke to reduce the deleterious effects of war criminals that are allowed to freely impact on Bosnian politics. This is a substantial accomplishment that will do much to help us reach our ultimate goal. However, the signed statement in which Radovan Karadzic has agreed to remove himself from the political life of the country, is not the final end we must seek. Let's not forget the reasons we call for the apprehension of these war criminals. Support and direction of indiscriminate snipings of men, women and children during the long, agonizing, siege of Sarajevo, as well as, the unspeakable and calculated acts of genocide at Srebenica, in which men were exterminated and buried in mass graves, underline the reasons for the necessity of this resolution. Recent discoveries of the mass graves in Srebenica, with the grueling sight of twisted bodies, a sight not scene in Europe since the liberation of Dachau and Auschwitz, will ensure that antagonisms will remain alive so long as justice is hindered by timidity. No peace can survive in this torn land as long as justice is not achieved. The freedom of these criminals is an insult, a wound to those hundreds of thousands of people who lost relatives or who were forcibly removed from their homes during the war. That the future peace of the region should depend on the word of war criminals with a track record for breaking promises, seems an absurdity; surely fellow Bosnians will view the situation that way when elections arrive in September.

Now, let me be clear, Mr. President, that the Bosnian people bear the brunt of the responsibility for putting their house in order. Yet, they need help in this process. We have provided that help, both with a military component, the NATO-led Implementation Force, or IFOR, and the civilian reconstruction effort, led by the High Representative, Carl Bildt. Let us remember that the peace agreement forged at Dayton, that led to this peace mission, was done for two reasons: One, because it is an important U.S. interest that we control the conflagration that could, and still can, spread to our allies in Europe; and Two, because the costs of our intervention are reasonable, given the benefits, and the intervention is politically and militarily feasible.

But, as I said, the intent of our mission in Bosnia, the intent shared by many peace-seeking Bosnians, is being contravened by war criminals who are continuing to poison the politics of the region. Our purpose in Bosnia remains a national interest that can and should be pursued. However, we are failing to implement the peace plan hammered out at Dayton. We are failing to execute a plan that provides for feasible solutions. By so doing, we are guaranteeing a failure for institution-building in Bosnia. By allowing the virtual free reign of war criminals, we are not adhering to agreements we made which were designed to achieve success. This leaves Bosnians at the mercy of criminals and undermines confidence in the law. The results, to date, are obvious: refugees are unable to return to their homes, freedom of movement is severely limited due to a continuing solidification of ethnic camps within the country, and the conditions for free and fair elections are non-existent. Mr. Cotti, the OSCE Chairman, confirmed recently that conditions for a free and fair vote do not exist.

Mr. President, here then is my first reason for pressing the urgency of this issue. With elections scheduled for September 14, we have little time to reverse this situation. The first task to reversing this situation must be the apprehension of war criminals, most notably the former President of the Bosnian Serb Republic, Radovan Karadzic, and the Bosnian Serb General, Ratko Mladic. The tools for effecting their apprehension are available to us at minimal cost. We are not asking for house-to-house searches by IFOR troops to apprehend these war criminals. All that we are demanding is that IFOR has as one of its primary missions, the apprehension of indicted war criminals in the conduct of its many routine patrols. Despite administration claims to the contrary, troops on the ground continue to confirm that apprehending war criminals is not a priority actively sought by military members on the ground. Apprehension of these war criminals is not only a prerequisite for success of peacekeeping in the country, it is a requirement of the signatories of the peace accord.

Apprehension of the war criminals is, then, our first task because none of the other conditions required for peace in Bosnia, that I have discussed, can be addressed while the criminals remain influential. Despite their two indictments for genocide and crimes against humanity, by the International Criminal Tribunal, as well as, the issuance of international arrest warrants by the Tribunal, Karadzic and Mladic have continued to control or influence the organs of government, the media, as well as, party politics and party competition. They do not need to hold formal positions of power to exercise this influence. In this situation, moderates seeking peace continue to place their lives at risk. Certainly, the politics of a free people, with freely organized and competing parties, is impossible under these circumstances.

Mr. President, we have the capabilities for shaping the peace in Bosnia. The need to shape conditions for the upcoming elections is an urgent one. This urgency has been proclaimed by a recent letter of President Clinton written by Human Rights Watch. This excellent letter states quite eloquently the necessity for immediate apprehension of the war criminals. More importantly, this letter has 72 signatories. The groups that have signed on to this letter are diverse, including, Amnesty International, B'nai B'rith, and Doctors of the World.

My second reason for pressing the urgency of pursuing war criminals lies in the threat to U.S. and NATO credibility as our threats are made and then ignored. These recent occurrences are very reminiscent of the failure of previous peace efforts that spoke loudly but carried a little stick. The costs of failed prestige, however, are significantly higher. Now, it is the resolve of the U.S. and NATO that is on the line. It is essential both to NATO's long term future, as well as, the success of the Bosnian mission, that the NATO-led IFOR not become a paper tiger as did its predecessor, UNPROFOR. U.S.

leadership and credibility are also directly impacted by the actions and reactions in Bosnia. The United States threatened to reimpose sanctions on Belgrade unless Karadzic and Mladic were removed from power by the end of June. Another deadline has come and gone, and we are again failing to follow through on our threats. What might have emerged from the recent G–7 summit as a powerful statement with respect to apprehending war criminals in Bosnia, instead became a replay of U.S. credibility being snubbed by thugs in Bosnia. We hope that another snubbing is not soon to follow Ambassador Holbrooke's efforts, although I am not hopeful.

The final reason that I am pressing this issue as one requiring urgent attention is that apprehension of the war criminals is the strategic action required, at this time, which can determine whether peace in Bosnia will be fleeting or long-lived. Mr. President, I fear that if we do not act now on the issue of apprehension, our forces will have been sent to Bosnia for naught. Elections, with the current mix of ethnic-based politics, will only solidify opposing camps bent on ethnic exclusion. Further conflict over ethnic enclaves will certainly ensue. Tragically, any uncertainties on this issue will almost certainly embolden the ultra-nationalists to set up their terror campaigns against dissenting, moderate voices. The greatest irony of all could be that we intervened for peace only to ensure that ethnic based divisions became not only more solid, but also legitimated by the very elections that we insisted upon.

A Washington Post editorial stated the problem well. Referring to the recent disregard of IFOR and the High Representative by Karadzic, the Post has this to say:

> Recall that peace was not meant simply to consolidate and extend "ethnic cleansing," a process that carries with it the confirmation of massive injustice and the prospect of further war. It was meant to open a path back to a multi-ethnic federal Bosnia. The Karadzic taunt is taking Bosnia exactly the wrong way. It is making the would-be peacemakers in and out of NATO, not least Clinton, bit players in a Karadzic-led charade.

Mr. President, we can assist in the creation of conditions for free and fair elections. Eliminating the taunts from the "Karadzics" and the "Mladics" of Bosnia is the first step. And, no new initiatives need be diplomatically crafted. We must insist upon enforcement of our agreements made at Dayton. Security Council Resolution 1031 charged IFOR with ensuring compliance with the Dayton agreement, which includes a requirement that all parties cooperate with the Tribunal. Article 29 of the Tribunals' statute sets forth the various forms of cooperation that are due, including "the identification and location of persons," "the arrest or detention of persons," and "the surrender of the transfer of the accused to the International Tribunal."

That said, the resolution that my colleagues and I have put forward is designed to see that our international agreements are enforced. It calls for four actions, each of which has already been agreed upon in other international fora. First, it calls for the increased and continued U.S. support for the efforts of the International Criminal Tribunal to investigate and bring to justice war criminals. Second, it calls for support by the United States for economic sanctions on the Federal Republic of Yugoslavia and the so-called Republika Srpska unless those regimes comply with their obligations to apprehend the war criminals. Third, it calls on the signatories to Dayton and those guided by the relevant U.N. resolutions, to exercise their authority to bring the war criminals to justice. Finally, it calls for the prohibition of the offending parties, specifically the Federal Republic of Yugoslavia and the so-called Republika Srpska, from admission to international organizations and fora, until these parties comply with their obligations under the Dayton Peace accord.

Mr. WELLSTONE. Mr. President, I would like to commend Senator LIEBERMAN for his initiative in once again calling to the Senate's attention to the problem of the continued freedom of indicted war criminals in the former Yugoslavia, by offering this amendment to the Foreign Operations bill expressing support for the efforts of the International Criminal Tribunal in the Hague. Although I have some questions and concerns about how certain portions of this amendment would be implemented, especially with respect to the NATO-led Implementation Force's (IFOR) detention of indicted war criminals, I support the part of this amendment which calls for reimposition of economic sanctions on the so-called Republika Srpska and the Federal Republic of Yugoslavia unless and until certain war criminals are delivered to the War Crimes Tribunal. For too long, we in the West have allowed these indicted war criminals and their allies to thumb their noses at those who would bring them before the bar of justice. That must not continue.

All of the signatories to the Dayton accord agreed to meet certain obligations, one of which was to ensure full and effective implementation of the agreement "to cooperate in the investigation and prosecution of war crimes and other violations of international humanitarian law." That obligation must be borne squarely by the Federal Government of Yugoslavia. So far, even in the face of recent intense pressure from U.S. Envoy Richard Holbrooke, Milosevic has refused to budge on this question, and to apply sufficient pressure on his Bosnian Serb allies to allow these war criminals to be arrested and brought to the tribunal to face charges.

On two separate occasions since July of last year, the International Criminal Tribunal issued indictments for Radovan Karadzic, former President of the Bosnian Serb administration of Pale, and Ratko Mladic, military commander of the Bosnian Serb administration, charging them with genocide and crimes against humanity, as well as numerous other charges outlined in the amendment. Each time, the so-called "Republika Srpska" and the Federal Republic of Yugoslavia have failed to arrest and turn them over for prosecution.

Most recently, just 2 weeks ago, the War Crimes Tribunal re-issued international arrest warrants for Karadzic and Mladic, charging them with genocide and other crimes against humanity. This time, the warrants authorized their arrest if they cross any international border, and are again based on substantial credible evidence of their involvement in initiating and/or overseeing some of the worst atrocities of the war.

In my view, it is virtually impossible for free and fair national elections in Bosnia and Herzegovina to take place in September as long as key war criminals, including Karadzic and Mladic, remain at large and able to influence political and military developments. Although I acknowledge and commend the effort by Mr. Holbrooke earlier this month which resulted in the agreement to remove Karadzic from office—which hopefully will at least remove him from involvement in the political process once and for all—the fact that Mladic was not subject to this agreement, and that both Mladic and Karadzic remain free and able to influence events there remains a serious problem. As Mr. Holbrooke himself observed, the agreement he was able to reach fell far short of what he was seeking, and far short of the steps necessary to fully comply with the Peace Agreement which the U.S. is seeking.

This amendment acknowledges that the Dayton signatories on the Serb side have ignored their key responsibilities, by refusing to bring indicted war criminals to justice, and calls for several steps to force that action. I believe the most prudent course of action is to reinstitute economic sanctions in response to the failure of the signatories of the Peace Agreement to detain these individuals, and convey them to the Hague. That is the most substantial leverage we now have in the West over these people, and it is time to use it.

After careful consideration, almost a year ago I supported the participation of U.S. peacekeepers in the NATO peacekeeping mission in Bosnia. I did so because I believed then and I believe now that the Dayton Agreement was the best, and probably the last, chance for peace in the region. Although not yet fully implemented, it has proven to be successful in stopping a brutal civil war and given the parties a chance to recover, rebuild their cities and rebuild their nations.

But even though we have played a key role in developing and carrying out this agreement, let us not forget one critical thing: this is their agreement, not ours. It was developed by the parties, not imposed by outsiders. They have asked other nations, including the U.S., to help secure the future of that agreement. And by signing the agreement, they assured us, NATO, and the UN Security Council that they will respect its terms. The Serbs have failed to fulfill their commitments on war criminals, and that failure requires a tough response.

Bringing indicted war criminals to justice is a centerpiece of the peace process. Continued failure to bring Mladic and Karadzic before the International Criminal Tribunal will seriously hinder the ability of the parties to conduct free and fair elections in September, by allowing these war criminals to remain as the focal point for nationalist fervor and attention, and by allowing them to influence events there. We must increase the pressure on those who would seek to undermine the peaceful future of the former Yugoslavia. This amendment should help, however modestly, to do that.

I join Senator LIEBERMAN in his call to support the request of the President of the International Criminal Tribunal to reimpose full economic sanctions on the Federal Republic of Yugoslavia and on the so-called Republika Srpska, in accordance with United Nations Security Council Resolutions. These sanctions should remain in place until Bosnian Serb authorities have fully complied with their obligations under the Dayton accord to cooperate fully with the International Criminal Tribunal. For those who take seriously the rule of law, the obligations of justice, and the judgments of history, there is no other responsible alternative but to finally bring these indicted war criminals to justice.

AMENDMENT NO. 5062

(Purpose: To state the sense of the Senate on the delivery by the People's Republic of China of cruise missiles to Iran)

On page 198, between lines 17 and 18, insert the following:

SENSE OF SENATE ON DELIVERY BY CHINA OF CRUISE MISSILES TO IRAN

SEC. 580. (a) FINDINGS.—The Senate makes the following findings:

(1) On February 22, 1996, the Director of Central Intelligence informed the Senate that the Government of the People's Republic of China had delivered cruise missiles to Iran.

(2) On June 19, 1996, the Under Secretary of State for Arms Control and International Security Affairs informed Congress that the Department of State had evidence of Chinese-produced cruise missiles in Iran.

(3) On at least three occasions in 1996, including July 15, 1996, the Commander of the United States Fifth Fleet has pointed to the threat posed by Chinese-produced cruise missiles to the 15,000 United States sailors and marines stationed in the Persian Gulf region.

(4) Section 1605 of the Iran-Iraq Arms Non-Proliferation Act of 1992 (title XVI of Public Law 102-484; 50 U.S.C. 1701 note) both requires and authorizes the President to impose sanctions against any foreign government that delivers cruise missiles to Iran.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the Government of the People's Republic of China should immediately halt the delivery of cruise missiles and other advanced conventional weapons to Iran; to

(2) the President should enforce all appropriate United States laws with respect to the delivery by that government of cruise missiles to Iran.

Mr. PRESSLER. Mr. President, last November, Vice Admiral Scott Redd, Commander of the United States Fifth Fleet in the Persian Gulf, revealed that Iran had begun developing an integrated ship, submarine, missile, and mine capability in the Persian Gulf. The missile component was to be a new type of Chinese-made cruise missile—known as the C-802 missile. It is an anti-ship cruise missile. It is about 20 feet long, has a range of 75 miles and carries a 350 pound warhead. This is a low flying, turbojet-powered, cruise missile. This is a highly advanced conventional weapon in every sense. It can evade radar and will make any missile offensive launched by the Iranian Navy difficult to track. At that time, it was reported that these missiles would be deployed on patrol boats, also provided by China. In addition, news reports indicated that Iran was seeking a land-based version of the C-802 from China.

In January, Admiral Redd reported that Iran had test fired a C-802 missile. The Admiral noted that this new weapon, in the hands of the Iranians represented a "new threat dimension" to the many tankers and ships that use the Persian Gulf as a commercial shipping lane, and of course, to the 15,000 Americans—sailors, marines, and airmen—in the Persian Gulf.

Last February 22nd Dr. John Deutch, the Director of Central Intelligence, told the Senate Select Committee on Intelligence that the intelligence community "continues to get accurate and timely information" on "cruise missiles to iran." And, on June 19 Undersecretary of State Lynn Davis—the State Department's senior non-proliferation official—told the House International Relations Committee that the federal government has "evidence" that Chinese cruise missiles are in Iran.

So, Mr. President, there is no doubt that Chinese cruise missiles are in Iran. Further, I do not expect anyone would disagree with Admiral Redd's assessment that these advanced weapons represent an immediate and real threat to our interests and most important, to our fellow Americans in the Gulf.

Mr. President, in 1992 Congress passed the Iran-Iraq Arms Non-proliferation Act of 1992. It is commonly known as the Gore-McCAIN act—for the honorable former Senator from Tennessee, now Vice President of the United States; and the distinguished senior senator from Arizona. Their legislation calls for very severe sanctions against companies and countries that knowingly transfer advanced conventional weapons to Iran. "Knowingly" is not at issue here; nor is there a question of whether a cruise missile is an advanced conventional weapon.

The Sense of the Senate amendment I have offered along with my distinguished colleague from New York, Senator D'AMATO, is very simple. It merely calls on the Chinese authorities to cease deliveries of cruise missiles to Iran. Second, it calls on the President to enforce the law. Nothing more.

Frankly, action from the Administration is long overdue. After Admiral Redd reported the test firing last January, I and three of my colleagues—the distinguished Chair of the Banking Committee, Senator D'AMATO; the distinguished Senator from Florida, Senator MACK; and the distinguished Chair of the Intelligence Committee, Senator SPECTER—sent a letter to the President, urging that the Gore-McCain law be enforced. Simply put, we urged the President to impose sanctions, or waive them if he deemed that necessary. That letter was dated January 31, 1996—nearly 6 months ago. The President has not taken any action in response to this letter. I will ask unanimous consent later that a copy of this letter to President Clinton appear in the RECORD at the conclusion of my remarks.

Our letter apparently was not the first call for action. According to a story that appeared in the Washington Times on February 10, 1996, the Pentagon recommended to Undersecretary of State Davis that the Clinton Administration declare China in violation of Federal law for exporting advanced cruise missiles to Iran. When was that recommendation made? Last September—10 months ago.

I have been quite outspoken about Chinese weapons proliferation activities this past year. Sadly, there has been too much to talk about. I referred earlier to the testimony by Director Deutch last February. In his testimony, Director Deutch noted that the People's Republic of China also had transferred nuclear technology and M-11 missiles to Pakistan—both sanctionable offenses under Federal law. The M-11 transfer, in particular, is quite disturbing because the Clinton administration obtained a written agreement from China in September 1994, which stated that China would cease transferring ballistic missiles and related technology to Pakistan. Finally, this week, it was reported that China may have transferred ballistic missile guidance systems to Syria, which if true would be sanctionable under Federal law as well.

This is quite a track record of proliferation, Mr. President. It is a track record that is fostering instability in South Asia and the Middle East. It is a track record that has put the lives of our troops in the region in even greater danger. Congress has provided the tools for the Executive Branch to punish weapons proliferators. Our Nation's non-proliferation policy is based on a simple premise: proliferation carries a heavy price. Yet, even with this track record, the administration has yet to take any action, or impose any price against a nation that is providing cruise missiles to a terrorist nation.

Mr. President, recently Congress sent to President Clinton the Iran oil sanctions act. I know my good friend from New York, Senator D'AMATO, has worked very hard on this legislation. He is to be commended for his efforts. I hope the President will sign it.

Clearly, if we are going to get tough on those who buy Iranian oil, we should get even tougher on those who sell advanced cruise missiles to the Iranians. We owe that to our friends and allies who utilize the Persian Gulf to further their commercial interests. Most important, we owe that to Admiral Redd and all of our fine men and women serving our country in the Persian Gulf. That's why we should pass this amendment.

I ask unanimous consent that the letter I mentioned earlier be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 31, 1996.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: It has come to our attention that Iran recently test-fired a new, low-flying cruise missile. This missile was identified as a C–802 anti-ship missile, which is produced by the People's Republic of China (PRC). If that is the case, we believe sanctions may have to be imposed against the appropriate parties in the PRC pursuant to federal law. This warrants your immediate attention.

As you may know, today's New York Times reported that the Iranian Navy test fired a C–802 cruise missile from the northern Arabian Sea on January 6, 1996. Vice Admiral Scott Redd, Commander-in-Chief of the United States Fifth Fleet, stated that the C–802 adds a "new dimension" to Iran's military capabilities against free shipping in the Persian Gulf. This mobile missile can evade radar and will make any missile offensive launched by the Iranian Navy difficult to track.

Mr. President, Title XVI of the Fiscal Year 1993 Department of Defense Authorization Bill contains the Iran-Iraq Non-Proliferation Act. This act provides for sanctions against any persons and countries respectively, that transfer certain advanced conventional weapons to Iran. The act also defines advanced conventional weapons to include "long-range precision-guided munitions" and "cruise missiles."

Clearly, Admiral Redd's acknowledgement of the C–802 test-firing would appear to be an official recognition of an illegal transfer to Iran of advanced conventional weapons by Chinese defense industrial trading companies. Please inform us as soon as possible of your intention either to enforce the sanctions pursuant to federal law, or to seek a waiver.

Thank you for your attention to this vital national security matter.

Sincerely,

LARRY PRESSLER.
ARLEN SPECTER.
ALFONSE D'AMATO.
CONNIE MACK.

AMENDMENT NO. 5063

(Purpose: To state the sense of the Senate on delivery by China of ballistic missile technology to Syria)

On page 198, between lines 17 and 18, insert the following:

SENSE OF SENATE ON DELIVERY BY CHINA OF BALLISTIC MISSILE TECHNOLOGY TO SYRIA

SEC. 580. (a) FINDINGS.—The Senate makes the following findings:

(1) Credible information exists indicating that defense industrial trading companies of the People's Republic of China may have transferred ballistic missile technology to Syria.

(2) On October 4, 1994, the Government of the People's Republic of China entered into a written agreement with the United States pledging not to export missiles or related technology that would violate the Missile Technology Control Regime (MTCR).

(3) Section 73(f) of the Arms Export Control Act (22 U.S.C. 2797(f)) states that, when determining whether a foreign person may be subject to United States sanctions for transferring technology listed on the MTCR Annex, it should be a rebuttable presumption that such technology is designed for use in a missile listed on the MTCR Annex if the President determines that the final destination of the technology is a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)), has repeatedly provided support for acts of international terrorism.

(4) The Secretary of State has determined under the terms of section 6(j)(1)(A) of the Export Administration Act of 1979 that Syria has repeatedly provided support for acts of international terrorism.

(5) In 1994 Congress explicitly enacted section 73(f) of the Arms Export Control Act in order to target the transfer of ballistic missile technology to terrorist nations.

(6) The presence of ballistic missiles in Syria would pose a threat to United States armed forces and to regional peace and stability in the Middle East.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) it is in the national security interests of the United States and the State of Israel to prevent the spread of ballistic missiles and related technology to Syria;

(2) the Government of the People's Republic of China should continue to honor its agreement with the United States not to export missiles or related technology that would violate the Missile Technology Control Regime; and

(3) the President should exercise all legal authority available to the President to prevent the spread of ballistic missiles and related technology to Syria.

Mr. PRESSLER. Mr. President, the amendment I have offered along with my friend and colleague from New York, Senator D'AMATO, is very simple. I offer it in response to recent reports that China has shipped ballistic missile technology to Syria. This was first reported in the July 23rd edition of the Washington Times. I'm sure all my colleagues agree that this is a very serious allegation. It is the latest dark chapter in what certainly is a troublesome year for nonproliferation advocates.

Mr. President, I ask unanimous consent that the Washington Times story just mentioned be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PRESSLER. Specifically, our intelligence sources noted that last month a defense industrial trading company—the China Precision Machinery Import-Export Corp.—delivered military cargo to the Scientific Studies and Research Center in Syria.

China Precision Machinery is to missile production what McDonald's is to burger production. In fact, the United States had imposed sanctions twice against China Precision Machinery—in 1991 and 1993. In 1993, the firm shipped M–11 ballistic missile technology to Pakistan—a violation of the so-called Missile Technology Control Regime, or MTCR. The MTCR sanctions were lifted 1 year later after China promised the United States it would not export M–11's or related technology. If the Syrian missile deal proves to be true, it would represent a clear violation of both the MTCR and the 1994 agreement.

The Syrian firm that was reported to have received the cargo is the heart of Syria's efforts to produce ballistic missiles, and other advanced conventional arms. The firm is reported to be building a version of the Scud C ballistic missile. If Syria has received M–11 related technology, that would represent a significant technological upgrade in Syria's ballistic missile capability. No doubt, it would destabilize a region struggling to achieve peace.

Our weapons proliferation laws are based on a simple premise —proliferation carries a price. Traditionally, sanctions under the MTCR are imposed only after a clear determination has been made that a specific violation has taken place. However, in 1994 Congress passed legislation I sponsored that would lower the standard of proof when a suspected transfer goes to a nation that supports international terrorism. Clearly, any MTCR violation is very troublesome—to the United States and the other 30 nations that are co-signers of the agreement. However, our law is clear—when missiles or missile technology are being sent to a terrorist country, far more swift action is necessary. In that case, the President need not wait for conclusive evidence—he can impose sanctions and compel the sanctioned country to come forward to prove it has not violated the MTCR.

The reason for this lower standard is obvious—we need to be far more aggressive to ensure ballistic missiles and related technology do not fall into the hands of terrorist elements.

Let me make clear that the amendment I have offered today does not make any firm conclusions about the reported transfer from China to Syria. It simply makes three key points: First, it is in our Nation's national security interest to prevent the spread of ballistic missiles and related technology to Syria; second, it calls on China to honor its 1994 agreement not to export missiles or related technology that would violate the MTCR; and third, it calls on the President to exercise all legal authority to prevent the spread of ballistic missiles and related technology to Syria. That's all my amendment calls for, Mr. President. I'm sure all of my colleagues would agree with each of those points. I'm sure my colleagues will agree that the MTCR agreement and the laws we pass to enforce it mean nothing unless enforced vigorously.

I'm sure my colleagues also would agree that any effort by Syria to expand its ballistic missile capability represents a direct and clear threat to our friend and ally, Israel. Just as important, it could threaten current efforts to achieve a lasting, secure peace in the region. The people of Israel know all too well what it feels like to be on the receiving end of a ballistic missile attack. The people of Israel looked to us to stand by them during the Gulf War to withstand the Scud assaults on their country. We did stand by them.

The Gulf War is now a memory, but the threat and reality of a ballistic missile attack remains. We should still stand by Israel. The best way we can do so is to enforce the MTCR agreement—to ensure that those who engage in missile proliferation will pay a heavy price. That's what my amendment calls for.

EXHIBIT 1

[From the Washington Times, Feb. 10, 1996]

CIA SUSPECTS CHINESE FIRM OF SYRIA MISSILE AID

(By Bill Gertz)

The Chinese manufacturer of M-11 missiles sent a shipment of military cargo to Syria last month that the CIA believes may have contained missile-related components, agency sources said.

The CIA detected the delivery to Syria early in June from the China Precision Machinery Import-Export Corp., described as "China's premier missile sales firm."

The suspect military delivery raises questions about China's pledge to the United States in 1994 not to export missiles or missile components that would violate the Missile Technology Control Regime.

It also follows China's recent export of nuclear-weapons technology to Pakistan in violation of U.S. anti-proliferation laws, which was disclosed by The Washington Times in February.

The Syrian company that received the Chinese cargo was identified as the Scientific Studies and Research Center, which conducts work on Syria's ballistic missiles, weapons of mass destruction and advanced conventional arms programs, the CIA said in a classified report circulated to senior U.S. officials.

The Syrian center is in charge of programs to build Scud C ballistic missiles and a program to upgrade anti-ship missiles.

U.S. intelligence agencies said the Syrian center has received help from the China Precision Machinery Import-Export Corp. in recent years for both missile programs.

"The involvement of CPMIEC and the Syrian end user suggests the shipments [last month] are missile-related," one source said.

The exact nature of the equipment was not identified, but it was described as "special and dangerous," the source said.

CIA and State Department spokesmen declined to comment.

Chinese officials promised the State Department in 1994 not to export M-11s or their technology in exchange for a U.S. agreement to lift sanctions against Chinese Precision Machinery and the Pakistani Defense Ministry, which were involved in M-11-related transfers.

The missile-control agreement bars transfers of missiles and technology for systems that travel farther than 186 miles and carry warheads heavier than 1,100 pounds. Transfers of both the Chinese M-11 and Syria's Scud C are banned under the accord.

Syria has purchased Scud C missiles in the past from North Korea and is working on developing production capabilities for them, according to U.S. officials.

The delivery of Chinese missiles or components to Syria, if confirmed, would trigger sanctions against China because Syria is classified by the State Department as a state sponsor of international terrorism.

William C. Triplett, a China specialist and former Republican counsel for the Senate Foreign Relations Committee, said the administration does not need hard evidence to impose sanctions because the sales involved Syria.

A 1994 amendment to the Arms Export Control Act, sponsored by Sen. Larry Pressler, South Dakota Republican, says the president may presume a transfer violates the 31-nation missile-control agreement if it goes to a nation that supports terrorism.

"If it goes to a terrorist country, we consider that a much more significant event than if it goes some other place," Mr. Triplett said.

China Precision Machinery already is under intense scrutiny within the U.S. government over the earlier M-11 sales to Pakistan.

U.S. intelligence agencies concluded earlier this year that Chinese M-11s are operational in Pakistan, but the State Department is challenging the intelligence conclusion to avoid having to impose sanctions on China.

U.S.-China relations have been strained over Beijing's proliferation activities, as well as disputes concerning human rights and widespread copyright infringement.

In May, the Clinton administration decided not to impose sanctions on China for violating U.S. anti-proliferation laws with sales of nuclear weapons technology to Pakistan because Chinese officials claimed they did not know the sale took place.

China Precision Machinery has been slapped with U.S. economic sanctions twice in the past. The Bush administration in 1991 sanctioned the company, which is part of the official Chinese government defense-industrial complex, for selling missile technology to Pakistan. Sanctions also were imposed in 1993, again for the transfer of M-11 technology.

Kenneth Timmerman, director of the consulting firm Middle East Data Project, said the Syrian center that received the June shipments from China is a major agency involved in weapons research, procurement and production.

Mr. Timmerman said that North Korea and China have helped to build two missile-production centers in Syria and that Syrian missile technicians have been trained in China.

Israel's government said in 1993 that Chinese technicians were working in Syria to develop production facilities for missile-guidance systems, according to Mr. Timmerman.

AMENDMENT NO. 5064

(Purpose: To treat adult children of former internees of Vietnamese reeducation camps as refugees for purposes of the Orderly Departure Program)

At the appropriate place, insert the following:

REFUGEE STATUS FOR ADULT CHILDREN OF FORMER VIETNAMESE REEDUCATION CAMP INTERNEES RESETTLED UNDER THE ORDERLY DEPARTURE PROGRAM

SEC. . (a) ELIGIBILITY FOR ORDERLY DEPARTURE PROGRAM.—For purposes of eligibility for the Orderly Departure Program for Nations of Vietnam, an alien described in subsection (b) shall be considered to be a refugee of special humanitarian concern to the United States within the meaning of section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) and shall be admitted to the United States for resettlement if the alien would be admissible as an immigrant under the Immigration and Nationality Act (except as provided in section 207(c)(3) of that Act).

(b) ALIENS COVERED.—An alien described in this subsection is an alien who—

(1) is the son or daughter of a national of Vietnam who—

(A) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; and

(B) has been accepted for resettlement as a refugee under the Orderly Departure Program on or after April 1, 1995;

(2) is 21 years of age or older; and

(3) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

(c) SUPERSEDES EXISTING LAW.—This section supersedes any other provision of law.

Mr. McCAIN. Mr. President, the amendment I am offering reinstates the eligibility for resettlement in the United States of the adult married children of Vietnamese reeducation camp detainees.

Last April the State Department declared that the unmarried adult children of reeducation camp detainees would no longer be considered for derivative refugee status under the Orderly Department Program [ODP]. In short, it said these people, roughly 3,000 people, would be permitted to come to the United States only under worldwide refugee standards and that any special obligation we may have had to them had effectively been fulfilled. The amendment I am offering corrects this by once again making them eligible under the ODP. It has been evaluated by the Congressional Budget Office, and I am informed that it will have no significant budgetary impact.

The amendment has the support of the Catholic Conference and Refugees International. I ask unanimous consent that letters from these organizations supporting the amendment be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

INTERNATIONAL RESCUE COMMITTEE,
New York, NY, July 25, 1996.
Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: I am writing to express the International Rescue Committee's deep appreciation for your amendment to H.R. 3540 which reinstates refugee status to adult children of former reeducation camp prisoners in the Orderly Departure Program.

Since 1989, about 150,000 former prisoners and their families have successfully resettled in the United States through the ODP. However, in April 1995, the Department of State announced that adult unmarried children of former prisoners would no longer be permitted to accompany their parents to the U.S. Since then, approximately 3,000 unmarried adult children of former prisoners have been stripped from existing cases and denied resettlement. Their parents, former reeducation camp prisoners, waited years for their casework to be processed and relied on the promise of refuge for their entire family. Now these former prisoners are being asked to leave their children behind to an uncertain fate.

Your amendment represents a just and practical approach to this group of refugees. These refugees need their adult children to help them resettle successfully; they are older and some are not in good health. Their children would help make their resettlement economically, as well as emotionally, viable.

The IRC fully supports your efforts to overturn this arbitrary and unfair policy.

Sincerely,
ROBERT P. DEVECCHI,
President.

MIGRATION AND REFUGEE SERVICES,
OFFICE OF THE EXECUTIVE DIRECTOR,
Washington, DC, July 17, 1996.
Hon. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the United States Catholic Conference, I would like to express our deep appreciation for your ongoing support for the Indochinese refugee program. We support your Amendment to H.R. 3540 which reinstates derivative refugee status to the unmarried adult children of former reeducation camp prisoners. Alleviating the suffering of those imprisoned for aiding the purposes of the United States in Vietnam has made the former re-education camp prisoner program the core of the Indochinese refugee program.

Since completion of negotiations with the Vietnamese government in 1989, about 150,000 former prisoners and their families have successfully resettled in the United States. However, in April 1995, the Department of State announced that adult unmarried children of former prisoners would no longer be permitted to accompany their parents to resettlement. This arbitrary change in policy affects approximately 3,000 adult children, many of whom remained unmarried in order to qualify to accompany their parents. This inhumane decision to force apart long suffering families should not be allowed to taint the final stages of this dignified program.

Your Amendment, which restores the original policy, is not only just but also represents practical resettlement policy, as the aging former prisoners would have a much better possibility of establishing an economically viable family unit if their unmarried adult children were permitted to accompany them.

Thank you again for your commitment to this special group of refugees.

Sincerely,
JOHN SWENSON,
Executive Director.

REFUGEES INTERNATIONAL,
Washington, DC, July 10, 1996.
Hon. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: Thank you for your Amendment to H.R. 3540, to reinstate refugee status to adult children of former internees. Granting refugee status to family members, especially unmarried adult children, who are vulnerable to persecution, has been, and continues to be, of utmost importance. Refugee status is the only way to include these children into the Orderly Departure Program. Since its establishment in 1975, the program has allowed 150,000 prisoners and their families to resettle here successfully. When the Department of State changed the eligibility criteria of this program, it jeopardized the possibility of U.S. resettlement for thousands of former prisoners and their families. By reinstating the established U.S. policy allowing for the resettlement of former prisoners with their married, adult children, the successful resettlement of these former prisoners might become a reality.

Approximately 3,000 unmarried adult children of former prisoners have been stripped from existing cases and denied resettlement since April 1995. Many of these children have remained unmarried to qualify for resettlement together with their parents and siblings. These children would suffer from the persecution they would undoubtedly face in Vietnam; meanwhile, their parents would once again be victimized. After waiting years for their casework to be processed and relying on the promise of refuge for the entire family, these former prisoners are now being asked to leave their children behind to an uncertain fate. Furthermore, these former prisoners need their adult children to help them resettle successfully; they are older and some are not in good health. Their children would help make their resettlement economically, as well as emotionally, viable.

By pressing to reinstate the former U.S. policy allowing reeducation camp internees to resettle with their adult, unmarried children, you have taken a step forward to help a truly vulnerable group.

Thank you for your continued interest in the plight of these and all Indochinese refugees.

Sincerely,
LIONEL A. ROSENBLATT,
President.

Mr. MCCAIN. Under current policy, since the change, Vietnamese nationals who are able to establish that they were imprisoned for the 3 years in Vietnam as a result of their connection with the Republic of Vietnam or the United States war effort in Vietnam are admitted to the United States as refugees. Permitted to accompany them are their spouses and unmarried sons and daughters under the age of 21.

However, in many cases, these former prisoners have only adult children and have suffered so terribly from their imprisonment or are of sufficient age that they require their assistance. From the inception of ODP until last April, this situation was accommodated, as was the imperative to keep families together, by allowing adult unmarried children—over the age of 21—to immigrate with them to the United States.

The State Department has cited several reasons for removing their eligibility. Among those listed in a letter to me were: First, the assertion that the sons and daughters of former prisoners no longer face persecution as a result of their parents' association with the former South Vietnamese government. Second, the persistent problem of fraud associated with claims. Third, and the need to complete resettlement of the current case load in order to bring the program to a close and into conformity with worldwide refugee procedures.

I would like to make my case for this amendment in part by addressing these points one at a time.

On the first point, the assertion that "there is no evidence that . . . the adult children of former detainees are subject to official persecution based on their parents' association with the former South Vietnamese government," I should point out that the new State Department report on human rights, which covers the time period in which this decision was made, does cite a limited degree of discrimination encountered by these families.

On the second point, the problem with fraud, I believe fraud has always been a problem in administering U.S. immigration policy or any other Government program. The fact is that the world is still brimming with people who want to make a better life for themselves in the United States, and many times they will say and do whatever it takes to achieve their dream. It is the task of our immigration policy to identify fraud and disqualify intended immigrants appropriately. The existence of fraud, however, is no reason to exclude an entire class of prospective immigrants who merit consideration. This seems to me very unfair to those with legitimate claims. If the existence of fraud is a reason to shut down a class of eligibility, I am not sure any immigration program on the books could pass muster.

On the third point, the need to bring the ODP program to a close, I would appeal to principle. ODP was designed to fulfill a special obligation we have to those who identified themselves with our cause during the war in Vietnam. It should remain open until we have fulfilled our commitment to the fullest extent. It should not be brought to a close prematurely by changing eligibility requirements. The former reeducation camp detainee sub-program of ODP is 90 percent complete. It is not fair to those who are left—those who have waited the longest—to be told that they can either drop out of the program or leave their adult children behind.

If the original policy is not restored, these children will have to wait at a minimum 6 years before immigrating to the United States to care for their parents.

I was assured by the State Department last year that in response to my concern and the concerns of others, that "INS and ODP (would) remain alert to individual cases in which there are significant humanitarian reasons for allowing an aged-out son or daughter to accompany the principal applicant." Although this assurance was made with some qualifiers, I accepted it. I am informed now, however, that exceptions have not, in fact, been made.

It is very important to many former detainees that their adult children be permitted to emigrate with them, often because of their advanced age or deteriorating health. Additionally, many of their children have made life decisions, such as refraining from marriage, based on the requirements of a program which has now changed its eligibility standards.

I would like to close by commending the committee for addressing this issue in their report. Indeed, as stated in the committee report on the bill: "It was not the original intent of the program [ODP] to see the former prisoners separated from their family in such a manner."

The United States has a special obligation to those Vietnamese who have been persecuted for their association with the United States and the cause of freedom for which we fought. They certainly deserve, at the very least, the benefit of a consistent, compassionate admission policy for themselves and their families.

AMENDMENT NO. 5065

At the appropriate place in the bill insert the following,

SEC. . 90 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State, in consultation with the Secretary of Defense, shall provide a report in a classified or unclassified form to the Committee on Appropriations including the following information:

(a) a best estimate on fuel used by the military forces of the Democratic People's Republic of Korea (DPRK);

(b) the deployment position and military training and activities of the DPRK forces and best estimate of the associated costs of these activities;

(c) steps taken to reduce the DPRK level of forces; and

(d) cooperation, training, or exchanges of information, technology or personnel between the DPRK and any other nation supporting the development or deployment of a ballistic missile capability.

Mr. MCCONNELL. Mr President, one amendment is by Senator INOUYE, with a colloquy between Mr. PRESSLER and myself; an amendment by Senator KYL regarding legal reform in Ukraine; an amendment by Senator LIEBERMAN regarding war crimes tribunal; an amendment by Senator PRESSLER regarding PRC and Iran missile transfer; a PRESSLER amendment with reference to Syria; a McCain amendment regarding ODP; an amendment by myself relating to Korea.

For all Members of the Senate, I say that with the disposition of the amendments that we are currently aware of, we are almost completed. Other than the amendments which have been laid down, I am not aware of any other amendments upon which we will have to have votes. So we are getting close to the end of the line here.

The PRESIDING OFFICER. The question is on agreeing to the amendments, en bloc.

The amendments (Nos. 5059 through 5065), en bloc, were agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCONNELL. Mr. President, it is my understanding that Senator BOND is on the way to use his 5 minutes just prior to the Hatfield-Dorgan vote.

I yield to Senator NUNN.

AMENDMENT NO. 5058

Mr. NUNN. Mr. President, I will just take a moment at this juncture, because I know the Brown amendment will be laid aside. My friend from Colorado has indicated he will be willing to work with me and Senator BIDEN on troubling language in this amendment. I think it is essential to work out the troubling language.

There are several paragraphs that are indeed troubling here. I say that with this background: On June 27, I proposed an amendment on the floor and worked with Senator MCCAIN and, as I recall, Senator COHEN and others in offering the amendment posing a substantial and very important series of questions to the administration, to the President, to answer regarding NATO enlargement.

Now, Mr. President, I recall once coming in on the floor when I was a much younger Senator and watching the esteemed Senator from Minnesota, Senator Humphrey, propose a series of questions to the floor manager of the bill, and without ever pausing, and I think without realizing it, having said that he had to have the answer to these questions before he voted on the measure that was pending, he proceeded to answer his own questions and to come out on one side of the issue in a very decisive way. He answered his own questions, and nobody else intervened, and he solved his own problem.

Mr. President, I don't think we ought to do that regarding the questions that have been posed in a serious way. These questions were posed to the administration on June 27 by a unanimous vote in the Senate. A number of paragraphs in the Brown amendment would answer those questions only 2 weeks later, without any kind of analytical report, or any kind of thought process even, by the administration.

I don't believe we were posing these questions to ourselves. I think we were posing them to the administration and asking them seriously to answer them. So I hope that we can not have some of the findings that are in the Brown amendment, and particularly the paragraph in that amendment which states in paragraph 4 on section 4, page 8:

> The process of enlarging NATO to include emerging democracies in Central and Eastern Europe should not stop with the admission of Poland, Hungary, and the Czech Republic as full members of the NATO Alliance.

These countries are all doing well and should be considered as NATO members under the due process that has been set forth. But for the Senate of the United States to decide and imply that that already has been decided, which is what this amendment does, it seems to me is answering the question, the serious question, with no analytical process at all and without consulting the administration or our partners in NATO.

So, Mr. President, I have a long history of being involved in NATO. I have written at least three reports on NATO, and I really think it may be time to remind the Senate of the United States about that history. I am prepared to do so. I normally do not like to take the time of the Senate. But on an amendment of this magnitude, where we are making findings, it would be entirely inappropriate for the Senate to vote on this without having a very keen reminder of the history of NATO and what the alliance is all about. That may take several hours, maybe even several days.

I am hoping that we will be able to eliminate the provisions in the Brown amendment that answer the serious questions without any intervening report from the administration, and all in a 2-week period after the Senate has gone on record, I believe unanimously, in favor of posing these serious questions in a serious way.

I will be glad to work with my friend from Colorado. I know the Senator from Delaware, Senator BIDEN, has some questions himself that we will be glad to work on. I see the Senator from Missouri on the floor. I wanted to let my colleague know that this is a serious amendment about a serious subject matter. I have serious reservations about the way the amendment is now drafted. I will be glad to work with my friend from Colorado on the amendment.

Mr. McCONNELL. Mr. President, the Senator from Missouri is on the floor to claim his 5 minutes prior to the vote on the Hatfield-Dorgan amendment.

Therefore, I ask unanimous consent that, at 5:55, the Senate proceed to back-to-back rollcall votes, first a 15-minute rollcall vote on the Hatfield-Dorgan amendment, and that the second amendment be a 10-minute rollcall vote on the Domenici amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

AMENDMENT NO. 5045

Mr. BOND. I thank the Chair and the managers of the bill. I rise in opposition to the Dorgan-Hatfield amendment. I have great respect for both of the sponsors of this amendment. I can sympathize with their objectives. I think they are operating from the noblest of motives. Once again, I believe that this amendment causes far more problems than it solves. The current Arms Export Control Act requires the executive branch to assure that any sales are in the interest of the foreign policy of the United States. When the executive branch decides to go forth with a sale, the Congress is notified and reviews the sale. Modifications to sales or a withdrawal of the sale request has occurred because of these congressional reviews. Pakistan is one such example.

Now, the restrictive nature of the amendment on which we are going to be voting in a few minutes would arbitrarily cut out all but a few select countries in the world. Many other countries would argue that perhaps even the United States could not meet these standards. There is yet to be a clear definition of a political prisoner or what constitutes aggression under international law or discrimination on the basis of race, religion on gender. Very few countries have a history of elective democracy such as ours. We are not against the intent of this amendment, but I think it puts overly restrictive limitations on the administration and on our military and economic sectors.

There are over 40,000 export licenses for munitions issued per year which we may very well have to review on a case-by-case basis above and beyond what the executive branch already does.

Some of our NATO allies would be called into question. For example, Turkey, as well as our long-term friends like Israel who might be challenged on the basis of the treatment of Palestinian terrorists, or political prisoners. Spain can be attacked on the basis of its treatment of Basques, or perhaps even England for its quagmire with the IRA. Saudi Arabia and Egypt could be adversely affected by this amendment.

Where we have not had contact in countries like Cuba, communism continues to flourish in spite of our ever increasingly restrictive sanctions. They are not working there. This amendment would not prevent the procurement of weapons. It would allow the procurement of weapons from possibly rogue states and arbitrarily lock us out of a major conduit of foreign policy.

Mr. President, this is a very serious amendment. Its effect would be to immobilize the administration from normal conduct of its foreign policy, trade policy, and military policy as it would create lists of countries for congressional approval every year and then await for approval each year. Each year this body would be tied up in the process of giving a country-by-country approval needlessly antagonizing countries who support our policies. And it will most likely not affect the trade policies of our competitors, including allies. There will be no reduction in arms sales—only in U.S. businesses, jobs and, most importantly, U.S. influence.

The influence extends beyond business and military interests. It extends to our ability to work diplomatically and subtly across all policy issues. The world has changed, continues to change. The Communist monolith is crumbling. But the fact is that the countries with whom we have had a defense relationship are in general gravitating towards more democratic political systems and market-oriented economies.

There is no empirical evidence that by unilaterally denying ourselves access to other countries' military and political infrastructures that we have had or will have any positive impact on democratizing them or improving their human rights records.

The legislation is counterproductive. It would make the world less stable. We would have less influence over proliferation and lose our ability to provide a positive political effect on a military policy of friendly countries.

I urge my colleagues to recognize that while this amendment has been offered with all good intentions and with the highest of purposes, it is a significantly flawed piece of legislation that would have very much an unanticipated and very harmful impact.

I hope we will vote it down.

The PRESIDING OFFICER. Is there further debate?

Mr. BOND. Mr. President, I move to table the Dorgan amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri to lay on the table the amendment of the Senator from North Dakota. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 65, nays 35, as follows:

[Rollcall Vote No. 241 Leg.]

YEAS—65

Abraham
Ashcroft
Baucus
Bennett
Bond
Breaux
Brown
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Dodd
Domenici
Faircloth
Ford
Frahm
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Johnston
Kempthorne
Kerrey
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Nunn
Pressler
Robb
Rockefeller
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—35

Akaka
Biden
Bingaman
Boxer
Bradley
Bryan
Bumpers
Conrad
Daschle
Dorgan
Exon
Feingold
Feinstein
Harkin
Hatfield
Inouye
Jeffords
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Pell
Pryor
Reid
Sarbanes
Simon
Wellstone
Wyden

The motion was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 5047

The PRESIDING OFFICER (Mr. BENNETT). Under the previous order, the question now occurs on the amendment of the Senator from New Mexico [Mr. DOMENICI]. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON] is necessarily absent.

The result was announced, yeas 96, nays 3, as follows:

[Rollcall Vote No. 242 Leg.]

YEAS—96

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brown
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Domenici
Dorgan
Faircloth
Feingold
Feinstein
Ford
Frahm

Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NAYS—3

Bradley
Dodd
McCain

NOT VOTING—1

Exon

The amendment (No. 5047) was agreed to.

Mr. LEVIN. I move to reconsider the vote.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I ask unanimous consent that the RECORD reflect that Congressman BONIOR was instrumental in formulating the proposal that is reflected in the amendment on the Chernobyl disaster sponsored by Senators ABRAHAM and LEVIN, and I also ask unanimous consent that the following Senators be listed as cosponsors of Senator BUMPERS' amendment on Mongolia: Senators HATFIELD, GORTON, SIMON, JOHNSTON, BURNS, REID, and ROTH.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5058

The PRESIDING OFFICER. The Senate now resumes consideration of the amendment by the Senator from Colorado [Mr. BROWN], No. 5058.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. BROWN. Mr. President, I ask unanimous consent that Senator SLADE GORTON be added as a cosponsor of the Brown amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWN. Mr. President, we have been working in the interim to try to accommodate Members' concerns. I spelled out concerns by Senator SIMON, Senator NUNN, and Senator BIDEN.

MODIFICATION TO AMENDMENT NO. 5058

Mr. BROWN. Mr. President, we have reached agreement with Senator SIMON that I believe is a clear statement of current NATO policy with regard to thermal nuclear weapons and their deployment. I hereby ask unanimous consent that the Simon-Brown amendment be incorporated in the Brown amendment, or more precisely, Mr. President, I ask unanimous consent to modify my amendment with the Simon language.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator has the right to modify his own amendment. The amendment is so modified.

The modification is as follows:

Add on page 7 at the beginning of line 13:

(21) Some NATO members, such as Spain and Norway, do not allow the deployment of nuclear weapons on their territory although they are accorded the full collective security guarantees provided by article V of the Washington Treaty. There is no a priori requirement for the stationing of nuclear weapons on the territory of new NATO members, particularly in the current security climate, however NATO retains the right to alter its security posture at any time as circumstances warrant.

Mr. BROWN. Mr. President, we also have had concerns expressed about Croatia. It is my understanding we have cleared on both sides sense-of-the-Senate language that relates to Croatia and their potential future discussions with NATO countries. I ask that I be allowed to modify my amendment to include that sense-of-the-Senate language regarding Croatia.

The PRESIDING OFFICER. Again, the Senator has the right to modify his own amendment. The amendment is so modified.

Mr. BROWN. Mr. President, I ask unanimous consent to vitiate the last request to modify, I ask that Senator GORTON be added as a cosponsor of my Croatian amendment No. 5043 agreed to earlier today.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BROWN. Mr. President, with regard to the NATO amendment, my understanding is that we are working with Senator NUNN. He has concerns he would like to share. We are also working with Senator BIDEN to work through his concerns. I yield the floor.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, we can see the light at the end of the tunnel. There is a vote left to be held on the Cohen amendment and on the Coverdell amendment. We are hoping that the Brown amendment will be worked out.

I ask unanimous consent that a vote on the Cohen amendment occur at 7:20 and that the time between now and 7:20—that is 20 minutes on a side—be equally divided, and the time controlled by Senator COHEN and myself.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, will the Senator from Kentucky tell us what we might expect for the remainder of the evening?

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Yes. I thought I had just done that. Let me make it clear. We are going to vote on the Cohen amendment at 7:20. Remaining to be disposed of are the Coverdell amendment—your side has indicated they are willing to reach a time agreement on that—there is a Brown amendment, just discussed by Senator BROWN, to which Senator NUNN objects at the moment. Discussions are going on between the two of them. We hope to get that resolved. It is possible we can go to final passage after that. There are a few other amendments, but we are getting very close to finishing up here.

Mr. COHEN. Can we add, with respect to the Cohen amendment, there be no second-degree amendments?

Mr. MCCONNELL. I modify my unanimous consent agreement that no second-degree amendment is in order. I say to my friend I will make a motion to table at the appropriate time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. Mr. President, I yield 10 minutes to the distinguished Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

AMENDMENT NO. 5019

Mr. MOYNIHAN. Mr. President, the Senate faces a moment of profound moral choice. We are dealing here with the proposal of the Senator from Kentucky, joined by others, to place the United States emphatically on the side of the freely elected democratic regime of Burma, which was elected with 82 percent of the vote and then instantly overwhelmed by a military coup.

The restoration of a military regime, which had earlier, in 1962, crushed the nascent democratic society of Burma. Before that Burma had succeeded through a succession of elections beginning with one for a constituent assembly prior to independence, and then three free elections thereafter. As I say, this all ended in 1962 and was followed by 25 years of atrocious government and oppression under General Ne Win. The country never submitted to this. The resistance was always widespread, emphatic, admirable to a degree that Americans can only imagine, given our long and stable history. Now, the issue has become an international issue. Our Senate was the first to raise this issue in 1988, and we have persisted in the matter. The proposition is to isolate the military regime, to deny it the recognition of the free world and to make clear that such denial has consequences in the economic development of that potentially rich and prosperous and happy society.

I speak with some knowledge of Burma, not enough, but enough to know how important this is to the whole movement toward democracy in Asia.

We have just seen Russia conduct two democratic presidential elections, the first in their history. We have just seen Mongolia conduct a free election and choose a democratic government. The Senator from Virginia and former Secretary of State Baker were both in Mongolia as election monitors. There are many such nations in the early stages of a democratic transition. We must associate with them and stand by them. And when democracy is threatened we must make our objections known. Just this June, the European Parliament has risen up and stated that the time has come for the whole of the European Union to boycott this regime. Most American firms have already done so. Most American observers have urged us to act.

The Wall Street Journal, in an editorial of May 30 this year, put it this way:

> Throughout the world, foolishness and greed are sometimes draped with a veil of respectable sounding phrases like "constructive engagement," based on the promise that by doing business in a country like Burma you expect to change it. The problem is that once companies and governments climb into the boat with dictators, they are very reluctant to rock it, lest their deals go overboard.

The request for this embargo, the proposition, has been endorsed by Secretary of Commerce Kantor who stated last month with regard to Serbia, South Africa, Libya, and Iran, "There are times when economic restrictions done in an appropriate fashion can be very helpful. With regard to Burma, I'm in favor of taking effective action with regard to the actions of this regime."

Witnesses from South Africa, who benefited to a degree no one could imagine from American leadership in just this mode, Nelson Mandela and Bishop Tutu, have told us to have faith in our own experience. Burma will yield if the democracies stay together and the United States leads.

Most emphatically and importantly, the elected Prime Minister, an extraordinary person, a winner of the Nobel Peace Prize, Aung San Suu Kyi, asks us to do this. She has sent videotaped to the European Parliament last week with a statement supporting sanctions. She said, "What we want are the kind of sanctions that will make it quite clear that economic change in Burma is not possible without political change."

That is the record of the past three decades. A country that could be prospering today is all but prostrate because of the military regimes that have succeeded, one after the other. She went on to say, "We think this is the time for concerted international efforts with regard to the democratic process in Burma."

That, I respectfully suggest, is what is at issue in the vote we are soon to have. I hope chairman MCCONNELL will prevail. I hope democracy will prevail. I cannot doubt it will if we but keep to a firm line of principle and conviction. I thank the Senator for his time, and I yield the floor.

Mr. MCCONNELL. Mr. President, I want to thank the distinguished senior Senator from New York for his inspirational remarks. He has been a very knowledgeable observer of the Burmese scene for many years. I thank him for his leadership on this most important issue.

I yield 5 minutes to the junior Senator from New York.

Mr. D'AMATO. Mr. President, let me first say that I want to commend the manager of this bill, the distinguished Senator from Kentucky, for his leadership and his courage in saying clearly that the United States does stand up for those who are oppressed, that we have the courage to look at facts as they are, as discomforting as they may be, and sometimes painful for people to recognize.

We have become a world so interested in commercial advantage that we look aside. We make believe things are not happening. Sometimes it is not pleasant to acknowledge that there is evil, that there are people that we know, governments that we do business with that are involved in perpetuating evil. The killing of innocent human beings, killing them, imprisoning people, terrorizing them, depriving them of their most basic fundamental freedoms that are important. And if we just continue business as usual with them, as if all is well, because we may be commercially advantaged, then I suggest to you that we are betraying the greatness and the heritage of this country. We betray the principles on which so many have laid down their lives for our freedom and the freedom of others. That principle, when we have adhered to it, has always inured to the benefit of mankind and, more particularly, the benefit of our citizens here, not just the people who we have stood up for abroad.

Our history is replete with the times in which we have stood nobly and fought for freedom, and the times we have stepped aside and looked and allowed a petty dictator to terrorize his people on the altar of political expedience. We have contributed to many of the nations who fall under totalitarian domination, because we did business as if nothing was wrong with petty dictators. We condoned, in essence, their actions.

This is an opportunity for us to do what is right and to stand for people who are oppressed. No one has brought this to the table in a more eloquent way than the senior Senator from New York, Senator MOYNIHAN, who has pointed out very clearly that those people who are fighting for freedom, who are there and being oppressed, say, "Don't believe this nonsense that if you cut off doing business, you are going to be hurting the average citizen, because you are not because the government that is in control now, the junta, the dictatorship, will use those funds for their own purposes, and no real economic benefit will come to the people."

So I hope that we will continue to maintain the beacon of freedom and that we will support the chairman's mark.

Mr. COHEN. Mr. President, I yield 2 minutes to the Senator from Idaho.

Mr. CRAIG. Mr. President, I have but a few comments. I find it important to make them in support of the Cohen amendment. Mr. President, this debate, in my opinion, is not about being soft on a bunch of thugs.

At the core of this debate is the effectiveness of mandatory unilateral sanctions as a tool of foreign policy to encourage change in Burma. It is about the best policy to pursue that will bring about the changes that we all want to see in the nation of Burma.

As we address this situation, it is important that the United States engage other nations. A multilateral effort to evaluate the situation in Burma and develop ways we can work both independently and collectively will encourage the improvement in human rights and will move Burma toward a free and democratic society.

Mr. President, I support the Cohen amendment and all that it addresses. We all can encourage humanitarian relief, drug interdiction efforts, and the promotion of democracy. I believe that these activities, in addition to denying multilateral assistance through international financial institutions, and the establishment of a multilateral strategy will provide the best roadmap to reach the goals we seek in Burma.

I congratulate Senator COHEN for his effort in offering this amendment.

Mr. MCCONNELL. Mr. President, are there other speakers?

Mr. COHEN. I believe there is one other.

Mr. President, I yield 5 minutes to the Senator from California.

Mrs. FEINSTEIN. Mr. President, I rise in support of the Cohen amendment. I think we would all like to truly believe that, in an area of the world remote to the United States, this country can unilaterally impose a sanction which is going to have an effect. But it is not supported by anyone else in the area. I know of no other country in the area that will support this sanction.

Additionally, the administration—the State Department and the White House—is in support of the Cohen-Feinstein amendment. In essence, what this amendment does is, as Senator CRAIG just stated, seek to develop a multilateral alliance of the ASEAN countries, and others, to be able to deal with the problems that the SLORC regime presents to the people of Burma, or Myanmar, as some people might say. I think it is a well thought out amendment. It is an important amendment.

There is one U.S. economic venture in that country, and let us speak about it and speak about it candidly. It is a joint venture between Unocal and the French to build a pipeline. They will build schools, they will build hospitals, they will put to the community an opportunity for economic upward mobility. Let us say the unilateral sanction passes, and let us say Unocal cannot go ahead, do you know who will take Unocal's share in this? Mitsui, a Japanese company, or South Korea. They will do it without building hospitals, and they will do it without the schools. I wonder what is gained by it.

I hear many people say, "Shut down an economy and that will change a regime." I really believe that when you have an economy and you participate in it, and you bring Western values to a country, and you help with schools and you immunize kids, all of which is happening, it can be particularly effective.

Now, I very much respect Aung San Suu Kyi. I wish her well, and I think the SLORC regime would be well advised to work with her to improve the standard of living. And, at the same time, I believe it is extraordinarily important that the administration, and whatever administration, and the State Department, and whatever State Department, begin to develop the kind of multilateral alliance with the ASEAN countries that can be effective in meeting the human rights needs in this region.

So I believe that the Cohen-Feinstein amendment, which provides that there be no bilateral assistance, other than humanitarian and counternarcotics until the Government of Burma is fully cooperative with the United States on counternarcotic efforts, and the program is fully consistent with the United States human rights concerns in Burma. It promotes multilateral assistance by asking the Secretary of the Treasury to instruct the United States executive director of each international financial institution to vote against any loan or other utilization of funds of the respective bank to and for Burma.

I think it makes a great deal of sense. I urge an "aye" vote on the Cohen-Feinstein-Chafee amendment.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I want to take a few moments. I have been asked to advise my colleagues that the administration supports the Cohen-Feinstein-Chafee amendment.

I ask unanimous consent that the letter be printed in the RECORD from the Assistant Secretary of the Department of State so advising my colleagues that the administration supports the Cohen amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC.

Hon. WILLIAM COHEN,
U.S. Senate, Washington, DC.

DEAR SENATOR COHEN: The Administration welcomes and supports the amendment which you and others have offered to Section 569 (Limitation on Funds for Burma) of H.R. 3540, the Foreign Operations Appropriations bill. We believe the current and conditional sanctions which your language proposes are consistent with Administration policy. As we have stated on several occasions in the past, we need to maintain our flexibility to respond to events in Burma and to consult with Congress on appropriate responses to ongoing and future developments there.

We support a range of tough measures designed to bring pressure to bear upon the regime in Rangoon. We continue to urge international financial institutions not to provide support to Burma under current circumstances. We maintain a range of unilateral sanctions and do not promote U.S. commercial investment in or trade with Burma. We refrain from selling arms to Burma and have an informal agreement with our G-7 friends and allies to do the same.

On the international level, we have strongly supported efforts in the U.N. General Assembly and the International Labor Organization to condemn human and worker rights violations in Burma. At the U.N. Human Rights Commission this month, we led the effort against attempts to water down the Burma resolution. We have urged the U.N. to play an active role in promoting democratic reform through a political dialogue with Aung San Suu Kyi.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report. We note, however, that the wording of two of the sanctions as currently drafted raises certain constitutional concerns. We look forward to working with you and the conferees to address this.

We hope this information is useful to you. Please do not hesitate to call if we can be of further assistance.

Sincerely,

BARBARA LARKIN,
Assistant Secretary,
Legislative Affairs.

Mr. NICKLES. The definition of "new investment" in Burma in Section 569 of the amendment includes the entry into certain types of contracts. Does it also cover performance of contracts, or commitments entered into or made prior to the date of sanctions?

Mr. COHEN. It is not the intention of this legislation to compel U.S. persons to breach or repudiate pre-sanctions contracts or commitments.

Mr. BREAUX. Mr. President, I rise today in support of the amendment I have cosponsored with my distinguished colleagues Senator COHEN, Senator JOHNSTON, Senator, MCCAIN, Senator FEINSTEIN, and Senator CHAFEE. I believe this amendment makes sense because it strikes a balance between unilateral sanctions against Burma and unfettered United States investment in that country.

Mr. President, the supporters of this amendment share the same objective as the supporters of unilateral sanctions. We all want to see an end to the brutal, oppressive Burmese dictatorship and a return to a democratic government. No one will argue that the current regime in Burma is anything less than brutal, illegitimate and deplorable in almost every respect and recent events suggest that the government is escalating its oppression of the democratic opposition, even in the face of international condemnation. We all want to see the quick demise of this regime but we differ with opponents of this amendment on the way to bring this change about. In an effort to promote democratic change in Burma, this amendment prohibits new U.S. investment if the government rearrests or otherwise harms Aung San Suu Kyi, the most eloquent voice for democracy in that country.

Although the United States accounts for only ten percent of all foreign investment in Burma, allowing U.S. businesses to operate there will enable us to continue raising our concerns over human rights. I believe a U.S. voice in this process is critical if we are ever going to see real change in Burma. This amendment by the distinguished Senator from Maine also requires the President to work with our ASEAN allies and other trading partners to develop a comprehensive strategy to bring democratic change to Burma and improve human rights.

Mr. President, if our goal is to affect change in a foreign country, I don't believe unilateral sanctions are necessarily the right approach. We have seen what happens when the U.S. imposes unilateral sanctions. Our European and Asian allies are hesitant to follow suit and in this case, a U.S. withdrawal would just mean that foreign companies would fill the void when we leave. Abandoning our commercial interests in Burma will do nothing to advance human rights and democracy in that country which is the objective we all share. The U.S. already exerts pressure on the military regime in Burma by prohibiting U.S. economic aid, withholding GSP trade preferences, and decertifying Burma as a narcotics cooperating country, which requires us by law to vote against assistance to Burma by international financial institutions. This amendment takes the additional step of prohibiting new investment in Burma if the government commits large scale oppression against the democratic opposition. Our goal is to prevent repression of the democratically elected government and to promote a dialogue between their voices of democracy and the military regime.

This amendment has the support of Democrats and Republicans as well as the Administration. It is a reasonable compromise on a very difficult issue. I thank my colleagues who have worked on this amendment and I urge it adoption.

Mr. MURKOWSKI. Mr. President, I rise in support of the Cohen amendment on United States policy toward Burma. The current language within the foreign operations appropriations bill mandates immediate unilateral sanctions against Burma. The purpose of these sanctions is to punish Burma's ruling junta, the State Law and Order Restoration Council or SLORC, for failing to accede to the desire of the Burmese people for democracy and freedom and for its many past violations of basic human and civil rights.

I agree with the goals of Senator McCONNELL and Senator MOYNIHAN. Not one person in this distinguished chamber will disagree that the United States has a clear national interest in seeing a democratically elected government in charge of a free society in Burma. The question is whether the immediate imposition of unilateral investment sanctions is the best policy to achieve that goal. I do not believe that they are.

First, Burma is not a throw-away issue. The wrong U.S. policy could substantially damage our relations with our close friends and our regional influence. The United States has a clear national security interest in balancing the rising influence of China in Asia. Our full engagement in southeast Asia is an integral part of that balance. Unfortunately, the administration has long been unable to articulate and clearly demonstrate the reliability of our long-term commitment to the region. In the face of this uncertainty, ASEAN is taking steps to ensure Burma and Vietnam become members to counterbalance Chinese influence. The U.S. willingness to work with them on Burma is seen as a key test case of the U.S. commitment.

Second, our allies do not support sanctions now and said as much to Presidential envoys Ambassador Brown and Mr. ROTH. Bringing Burma into ASEAN and the ARF force the SLORC to accept and live up to the values and responsibilities that membership entails in much the same way as NATO membership will require of the countries of central Europe. This approach establishes a forum for pressuring the SLORC to negotiate with Aung San Suu Kyi and other democracy movement leaders. Unfortunately, U.S. moral suasion on behalf of sanctions will have little impact unless the situation in Burma deteriorates dramatically. Expecting others to follow our lead even if it goes against their own cold calculation of national interests only ensures that we are falling on our own sword.

I want to make it clear that the SLORC and Burma are not the 1990's equivalent of apartheid in South Africa. South Africa relied on access to the outside world. Isolating them cut off the very roots of their export-oriented economy. For most of the past 30 years, Burma isolated itself from the world. Only now is Burma establishing ties with the outside world. Isolating them now would be about as effective as prunning a tree. In particular, United States investment in Burma—save for oil interests—is minimal and even its loss would have little impact because others will take our place. With South Africa, sub-saharan Africa was also united in support of sanctions. There is no similar regional mandate for action with Burma.

When sanctions were imposed against South Africa they were accompanied by extensive contact and assistance to the black community in South Africa and the NGOs working with them. The current language on Burma has none of that and would cut off our access and ability to support the democracy movement.

There are no potential incentives for the SLORC to work with Suu Kyi as none of the sanctions will be lifted until a fully democratically-elected government comes to power. But, as we saw in South Africa and before that in Poland, the movement to democracy is often a slow, tentative process and include transitional governments. If events unfold in a similar fashion in Burma, the current language has no means for easing or eliminating sanctions to cultivate the growth of democracy.

The current language would also give SLORC the wrong signal that it can do whatever it wants because we have already used up all our bullets.

OUR POLICY AND THE CURRENT AMENDMENT

Instead of the current draconian sanctions proposed in the legislation before us, we should adopt an approach that effectively secures our national interests. The Cohen amendment does just that.

One, it establishes a framework for United States policy towards Burma that stimulates intimate cooperation with our allies in the region, especially ASEAN, that is clearly in the national interest.

Two, it draws a clear line in the sand that should the situation in Burma deteriorate the United States and our allies would impose multilateral sanctions on Burma or the United States would go it alone if necessary. SLORC will be on notice and have to be on their best behavior.

Three, it provides incentives for SLORC and Suu Kyi and the other democratic leaders and ethnic minorities to start talking and move towards democracy and freedom. It would permit assistance to the democracy movement, support efforts to curb the flow of heroin, and ensure that Americans can visit, talk with, and influence the people in Burma as they have everywhere from the Albania to South Africa.

Four, it allows the President to remove sanctions and other restrictions should there be progress towards the establishment of a full democratic government or if we are merely punishing U.S. investors.

Finally, it requires the administration to work closely with the Congress developing a multilateral strategy to bring democracy to Burma and in implementing the sanctions.

Mr. President. This is a solid strategy and bipartisan view of what the United States' policy towards Burma should be. It is a far better one than that currently envisioned in the legislation before us. I strongly urge my fellow colleagues to support this amendment.

Mr. McCONNELL. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Thirteen minutes fifteen seconds.

Mr. McCONNELL. Mr. President, let me say that if my colleagues are looking for some ideological touchpoint on this issue, they will not find any. It is going to be an odd collection of players on both sides of the aisle.

As my senior colleague from Kentucky just indicated, the Clinton administration supports the Cohen amendment, and I oppose the Cohen amendment, along with Senator MOYNIHAN, from whom you have heard, Senator LEAHY who spoke earlier on the issue, and then Senator HELMS and Senator FAIRCLOTH also will be opposing the Cohen amendment.

So if you are looking for some ideological guidelines, you will not find any on this issue. So this would be a good vote upon which to just sort of set aside party label or ideological leaning and look at the facts and think about what America stands for.

The facts are these: In 1990, in Burma they had a Western-style, internationally supervised election. Eighty percent of the vote went to the National League for Democracy, a party organized around a dynamic leader that is becoming increasingly well-known in the world, Aung San Suu Kyi. As soon as the election was completed and it was clear who had won, the ruling military junta, supported by a 400,000-person army, used entirely internally to control the people of Burma, locked up most of the leadership and put Aung San Suu Kyi under house arrest. She was essentially incommunicado until July 1995, 2 days before a bill that I crafted and introduced was introduced here in the Senate last July.

They claim she was released. Well, it is some kind of release. She is allowed to address, from home, friends and supporters who come around sometimes on a weekly basis. But they do that at some risk. She does not feel comfortable communicating with the outside world. Yet, she smuggled out a tape a week ago for use at the European Union in their Parliament debate in which they call upon their members to institute unilateral sanctions.

So, clearly she does not feel comfortable to just sort of pick up the phone and call some reporter and say, "This is how I feel." But she has been getting her views out. She and the legitimate Government of Burma, much of it now in this country, support the provisions in the underlying bill and oppose the Cohen amendment. I have already put that letter, received today, in the RECORD.

I do not want to be too hard on the Clinton administration because, obviously, this is not a very partisan issue. We have people all over the lot on this question. But they are basically not interested in doing anything about this problem. But that does not distinguish them from the Bush administration, which had no interest either.

So there has been bipartisan neglect to address this problem. Neither administration has distinguished itself by ignoring a problem which I guarantee you, if there were a bunch of Burmese American citizens, we would have been bouncing off the walls 6 years ago over this. But there are not any Burmese American citizens. We have a lot of Jewish Americans who are interested in Israel, a lot of Armenia Americans who are interested in Armenia, and a lot of Ukraine Americans who are interested in Ukraine. Boy, when we hear from them, we get real interested. But you take some isolated country that did not have the immigration pattern to this country and somehow we act like it does not exist.

But with the Burmese regime, the State Law and Order Restoration Council, SLORC—you can hardly say it without laughing, but it is not funny—runs a terrorist regime in Burma. Some people may say, "Well, it is none of our affair." Sixty percent of the heroin in our country comes from Burma—60 percent of it. Heroin from Burma is tainting the lives of thousands of Americans. This regime cooperates with the people who send it here. So it does have a direct effect on Americans living here in this country as well as offending every standard that we have come to believe in and to promote around the world.

It is safe to say that the Burmese Government can be in a rather unique category with North Korea, Libya, Iran, and Iraq. It is just a small, little family here of truly outrageous regimes, and all the rest of them we have a great interest in and we have sanctions against or we are working to try to diminish the influence of in one way or another. But this country we seem to have no interest in.

The amendment of the Senator from Maine actually makes the situation worse, in my opinion. It will allow aid to this pariah regime to increase. In other words, in the opinion of the Senator from Kentucky, it is worse than current law because last year we voted to cut off a narcotics program in that country because we did not have any confidence in dealing with this outlaw regime. This would make those dealings possible again should the administration decide to engage in it.

The second condition in the Cohen amendment which seems to me to be troublesome is it makes Aung San Suu Kyi's personal security the issue rather than the restoration of democracy. In other words, if you see that Aung San Suu Kyi is in trouble or there is large-scale trouble or violence, then you can take certain actions if you want to, but you do not have to because all of it can be waived.

In short, with all due respect to my good friend from Maine, it seems to me that this amendment basically gives the administration total flexibility to do whatever they want to do, which every administration would love to have. I can understand why they support this amendment. But looking at the track record of this administration and the previous one, given the discretion to do nothing, nothing is what you get. Nothing is what we can anticipate from this administration, and that is what we got from the last one.

Let me say this is not a radical step. Some people think that we should never have unilateral economic sanctions against anybody, but a lot of those people make exceptions for Cuba, for example. "Well, that is different," or they make an exception for a renegade regime like Libya.

The truth of the matter is we have occasionally used unilateral sanctions, and they have not always failed. I mean, it is very common to say they always fail. They do not always fail. In fact, we have a conspicuous success story in South Africa, a place where America led. When we passed the South Africa sanctions bill in 1986, which my good friend from Maine supported, and when we overrode President Reagan's veto, which both of us voted to override, we were not sure it was going to work. All of these arguments about unilateral sanctions were made then. Everybody said, "Well, nobody else will follow." In fact, everybody followed. America led and everybody else followed, and South Africa has been a great success story.

I think those followers are right around the corner. The European Union and the European Parliament took this issue up in July of this year—this month. Why did they get interested? Aung San Suu Kyi's best friend, a man named Nichols, a European who had been a consulate official in Rangoon for a number of different European countries, as the distinguished senior Senator from New York pointed out a minute ago, was arrested earlier this year. His crime was possessing a fax machine, and they killed him. He is dead; murdered.

So the Europeans all of a sudden have gotten interested in this because one of their own has been treated by the Burmese military like it has been treating the Burmese people for years. Carlsberg and Heineken, two European companies, are pulling out. American companies and one oil company decided not to go forward, and all of the retailers who were either in there or on the way in are coming out—Eddie Bauer, Liz Claiborne, Pepsico are coming out. If America leads, others will follow.

Finally, let me say that this is what Aung San Suu Kyi would like, and she won the election. She is familiar with all the arguments that are made by those who do not want unilateral sanctions, that only the people of Burma will be hurt. She is familiar with those arguments. She does not buy it. She does not agree to it. This is what she has to say. She said:

> Foreign investment currently benefits only Burma's military rulers and some local interests but would not help improve the lot of the Burmese in general.

She said in May this year, quoted in Asia Week:

> Burma is not developing in any way. Some people are getting very rich. That is not economic development.

On Australia Radio in May of this year, she was quoted as saying, a direct quote:

> Investment made now is very much against the interests of the people of Burma.

So, Mr. President, that sums up the argument. If America does not lead, no one will. If given total discretion, all indications are that this administration will have no more interest than the last one. The duly elected Government of Burma is in jail or under surveillance, and we do nothing. This is the opportunity, this is the time for America to be consistent with its principles.

So, Mr. President, I hope that the Cohen amendment will not be approved. I have great respect for my friend from Maine. But I think on this particular issue he is wrong, and I hope his amendment will not be approved.

Mr. President, last week, when she learned the European Parliament and European Union were debating a response to the death of their Honorary Consul, Leo Nichols, Aung San Suu Kyi was able to smuggle out a videotape appealing for sanctions against the military regime in Rangoon. This is the most recent of many courageous calls by the elected leader of Burma for the international community to directly and immediately support the restoration of democracy and respect for the rule of law in her country. She has repeatedly summoned us to take concrete steps to implement the results of the 1990 elections in which the Burmese people spoke with a strong, resolute voice, and the NLD carried the day.

Less we forget, the NLD did not squeak by with a 43 percent mandate as did our sitting President—the leader of the free world. The NLD claimed 392 seats in the parliament winning 82 percent of the vote. Now that's a mandate.

Unfortunately, a shining moment for democracy has been blackened by a ruthless dictatorship. To this day, the generals who make up the State Law and Order Restoration Council [SLORC] maintain a chokehold on Burma's life.

Burma is a battleground between democracy and dictatorship, between those who believe in open markets and those who openly market their self-enriching schemes, between the many who embrace freedom and the few who breed fear, and between Suu Kyi's supporters and SLORC's sycophants.

There are few modern examples where our choice is so stark, where the battle lines are so sharply drawn.

Shortly after her appeal to the U.N. Commission on Human Rights, Suu Kyi called the elected members of the 1990 Parliament to meet in Rangoon. True to her commitment to be inclusive of all Burmese, she even invited SLORC supporters who had been elected.

SLORC's response was swift and devastating. In a matter of 48 hours they rounded up over 200 members of the NLD. If the member was absent when troops arrived for the arrest, a family member was detained instead. While each and every arrest was outrageous, I want to call attention to one which ended tragically.

As many people know, Suu Kyi's father died when she was quite young. In stepped Leo Nichols. He assumed an important role in her life offering friendship and support. He was often referred to as her godfather. The closeness of their relationship was reflected in the fact that following her release last July, Suu Kyi had breakfast every Friday morning with her "Uncle Leo".

Sixty-five years old, Leo Nichols was picked up in the April sweep and charged with the illegal use of a fax machine. Even the State Department acknowledged that his relationship with Suu Kyi was the motive behind his arrest. For his crime he was sentenced to 3 years prison. Suffering from a heart condition, he was denied medication and kept in solitary confinement at Insein Prison until June 20, when he was transferred to Rangoon General Hospital. An hour later he died, according to SLORC of a cerebral hemorrhage. He was immediately buried, with family and friends warned not to attend the funeral.

Given his transfer, death, and hasty burial, accounts of his torture have been difficult to confirm. There has been claims that he was badly bruised and beaten—true or not, there is no question his detention contributed to his death, reconfirming the brutal nature of this regime.

Leo Nichols is not SLORC's only victim. There is no question that arbitrary killings, detentions, torture, rape, and forced labor and relocations are tools routinely abused to secure SLORC's position, power and wealth. The U.N. Special Rapporteur for Burma has investigated and documented the abuses in several reports which I urge my colleagues to read.

Nonetheless, some may argue that Burma is too far away from the United States to warrant any interest, time, or attention. But, there are compelling reasons for every community and politician to be concerned about developments in Burma beginning with our drug epidemic.

The 1996 International Narcotics Control Report makes the following points:

Burma is the world's largest producer of opium and heroin;

Opium production has doubled since SLORC seized power;

Burma is the source of over 60 percent of the heroin seized on our streets; and

SLORC is making less and less effort to crack down on trafficking, in fact there has been an 80 percent drop in seizures and the junta is actually offering safe haven to Khun Sa, the regions most notorious narco-warlord.

Now this is a regime with over 400,000 armed soldiers, evidence that if SLORC wanted to crack down on trafficking, they clearly have the means to do so.

The Golden Triangle's deadly exports initially caught my eye, but it is the administration's policy—or lack thereof—which fixed my gaze. This is one of the few occasions where the White House has been consistent; unfortunately, they have been consistently wrong.

As Suu Kyi has repeatedly emphasized since her release, Burma today is not one step closer to democracy. Indeed, I think the situation has seriously, dangerously, and unnecessarily deteriorated.

In November 1994, after a long, disheartening silence, Deputy Assistant Secretary of State Tom Hubbard, traveled to Rangoon to issue an ultimatum. The administration called international attention to their new, tough line. SLORC was expected to make concrete progress in human rights, narcotics, and democracy. If they were appropriately responsive, they could expect improved ties. If not, in Hubbard's words, "the U.S. bilateral relationship with Burma could be further downgraded."

As most of us learn early in life, you don't taunt a bully. SLORC moved swiftly to call our bluff. Major attacks were launched against ethnic groups, generating tens of thousands of refugees. Democracy activists were rounded up, tortured, and killed. Negotiations over Red Cross access to prisoners ground to a halt, prompting the organization to close its office in Rangoon. And, the administration remained strangely silent.

As the situation worsened, there was another burst of interest, and Madeleine Albright was dispatched to repeat the message. This time it was underscored with a personal meeting and statement of support for dialog with Suu Kyi. Those of us who follow Burma were hopeful that our U.N. Ambassador with a reputation for toughness would press forward with a clear strategy.

Sadly, again, SLORC rose—or should I say sunk—to the occasion. As the noose tightened around Suu Kyi and the NLD, the administration remained silent.

In the wake of the April sweep against the NLD, there was stepped up grass roots interest in sanctioning Burma. To preempt these calls, once again the administration dispatched officials to size up the situation. This time, instead of visiting Rangoon, they traveled the region.

A stinging column carried in the Nation, characterized the American approach as "outspoken and critical but its repeated messages or threats often carry no weight because of a lack of back up action. It is a typical case of words not being matched with deeds."

The column quoted a senior Thai official who suggested the trip was "a conspiracy to thwart attempts by the U.S. Congress to pass an economic sanctions bill which is gaining growing support." The official went on to note "The American government is good at making empty threats and last week's trip is just another example."

In briefings following up the trip, the State Department made clear that the Special Envoys were not dispatched with a specific message—they had no orders to press any agenda for action—and as the Nation so clearly stated: "The two failed to spell out, in concrete terms, possible U.S. retaliatory measures."

After hollow policy pronouncements and weak-willed waffling from the administration, SLORC is convinced it will pay no price for repression. We are left with few real options with the potential for success.

The business community understandably prefers the status quo. They suggest that our ASEAN partners will not support a strategy of escalating isolation. A tougher line will only result in a loss of market share to our French, Italian, or other competitors.

But, let me point out, just as the call for sanctions has grown stronger in the United States, it has resonated through corporate halls and the corridors of power in Europe.

The European Parliament has called upon its members to take action to suspend trade and investment in Burma. The European Union has taken up legislation suspending visas and all high level contacts with the Burmese.

Heineken and Carlsberg have pulled out in response to public pressure. And, in an important development, the Danish Government has sold off all its holdings in TOTÁL, the French oil company with the largest investment in Burma. In announcing its decision, a spokesman for the fund said it was made in anticipation of "a possible international boycott of TOTÁL due to its engagement in Burma and because of a televised report showing the intolerable living conditions in that country."

In this context, U.S. sanctions are hardly a radical step. In fact, I think it would be an unprecedented embarrassment to all this Nation represents to fall behind the European effort in supporting Burma's freedom.

In addition to suggesting that sanctions will only hurt U.S. business, opponents of my legislation argue economic progress will yield political results. This is Vietnam, they say. Burma is like China.

Well, I am a vocal advocate of MFN for China. I have supported normalizing relations with Vietnam. In both instances, we have effectively used an economic wedge to pry open access to totally closed societies. Trade is an important tool in these two cases because it is our only tool.

Burma is quite different. In Burma, millions of people turned out to vote for the NLD. The fact that they were robbed of the reward of free and fair elections defines both America's opportunity and obligation.

The appropriate analogy with Burma is not China or Vietnam, it is South Africa where our application of sanctions clearly worked, just ask Nelson Mandela. That is the course I recommend the United States pursue.

In 1996, the advocates for democracy in Burma are facing the same challenges as the 1986 opponents of apartheid. I heard exactly the same arguments then, as I do now. Let me draw some parallels for you.

When Senators ROTH, DODD, and I introduced the first sanctions bill a decade ago, both the Reagan administration and the business community argued the political value of our sizable capital investment.

U.S. investment was a meaningful catalyst for change. Major American corporations called attention to their hiring policies, scholarship programs, and contributions to hospitals, schools, and community development projects.

In sum, I was told that withdrawing U.S. investment would hurt, not help, the common man. Not so, says Bishop Tutu. In an April letter to the Bay Area Burma Roundtable he said, "The victory over apartheid in South Africa bears eloquent testimony to the effectiveness of economic sanctions."

There are other, relevant parallels.

South Africa was the African fault line in our cold war struggle for power. With Soviet proxy forces engaged in neighboring conflicts in Angola and Mozambique, South Africa assumed an important position in our regional security strategy.

The Chinese colonization of Burma should sound similar alarms. If there is a single issue which should cause our ASEAN partners deep concern, it is the expanding military and political ties between Rangoon and Beijing. Like South Africa, Burma may not represent an immediate security problem, but the long term regional trends demand our attention.

In South Africa, there was a grassroots, well-organized, vocal African-American constituency supporting sanctions.

In Burma, the constituency should be every American community concerned by our drug epidemic.

In South Africa, good corporate citizens developed a corporate conscience and pulled out.

In Burma, Amoco, Columbia Sportswear, Macys, Eddie Bauer, Liz Claiborne, Levi Strauss, and now Pepsi have answered the call to divest.

In South Africa, sanctions affected substantial, longstanding foreign investment.

In Burma, less is at stake and sanctions are largely preemptive.

But, American investment—however little—is still propping up a few generals. We are not improving the quality of life for most Burmese. U.S. capital is simply subsidizing global shopping sprees for a handful of SLORC officials and their families.

Just as SLORC has increased pressure on Burma's democracy movement, we must increase pressure on SLORC. I believe the time has come to ban U.S. investment and aid and oppose any international lending to this pariah regime. We should cut off the source of SLORC's power.

Several weeks ago, Suu Kyi noted:

> There is a danger that those who believe economic reforms will bring political progress to Burma are unaware of the difficulties in the way of democratization. Economics and politics cannot be separated, and economic reforms alone cannot bring democratization to Burma.

She has emphatically opposed any foreign investment, calling instead for the international community to take firm steps to implement the 1990 elections. And, while she has stressed the NLD's commitment to solving political problems through dialogue, she recently warned the world that she was not prepared to stand idly by as SLORC attacked her supporters.

Shortly after these remarks, SLORC surrounded her compound with razor wire, effectively cutting off the thousands of loyal and peaceful citizens who make a weekly pilgrimage to hear her speak.

Suu Kyi is prepared to accept her rearrest. Although she is under constant surveillance and severely limited in her movements, she has not chosen to join her husband and children in exile. Aung San Suu Kyi has sacrificed over and over again to secure Burma's freedom.

Let us hope it will not take the sacrifice of her life to impel this administration to assume the mantle of leadership, fitting for the only remaining superpower, and chart a course for the ship we captain called liberty.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 45 seconds.

Mr. MCCONNELL. I will reserve the 45 seconds.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. How much time is remaining?

The PRESIDING OFFICER. The Senator has 6 minutes and 53 seconds.

Mr. COHEN. Mr. President, I ask unanimous consent that Senator THOMAS be added as a cosponsor to the Cohen amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COHEN. Mr. President, as my friend from Kentucky has indicated, we have to set aside ideology on this particular vote, that and labels. He would have you believe that those who support the Cohen-Feinstein-Chafee amendment are for repression, for dictators, for brutality, for house arrests, against sanctions, against morality, against protecting Aung San Suu Kyi, against democracy.

My friends, it is not nearly so simple. And perhaps I have overstated the statements of my friend from Kentucky, but when we have allegations made that this is a profound moral choice, that this measure that I offer would, in fact, negate the impact of sanctions upon this particular regime, that it would lend support to the military junta—and we have heard statements made by our colleague from New York that adoption of the Cohen amendment would, in fact, aid and comfort the enemies of democracy—I must speak out with some vigor on such suggestions, or even implication.

We heard talk about the European Parliament boycotting Burma. Well, the European Union said no. As a matter of fact, there is a report in papers as of yesterday: "A Danish proposal for sanctions against Burma was toned down last week to one condemning the Government of SLORC." So they toned it down from sanctions to simply condemning, and we condemn them.

It was said that Mickey Kantor favors the subcommittee's approach, our Trade Representative favors it. I do not understand that. We have a letter introduced on behalf of the administration that the White House supports the approach that I and Senators FEINSTEIN and CHAFEE and others have taken.

No one has fought harder, if we talk about ideals, than our colleague from Arizona, Senator MCCAIN. He spent more than 6 years in prison keeping that flame of idealism alive, representing this country in a way that few of us can even begin to contemplate, and yet he is supporting the approach that I am suggesting.

Those of us who are urging the support of this amendment are, in fact, calling for sanctions. We are calling upon our administration to impose sanctions, to not issue visas—except those required by treaty—to any government official from Burma. We are insisting that we cast a vote of "no" on any international lending organization loans to Burma. We are saying that if they make any attempt to imprison or harass Aung San Suu Kyi, sanctions go into effect immediately, that no further business can enter that particular country.

We are for sanctions. We are for, however, limited exemptions in the field of human rights, certainly for humanitarian assistance. Does anyone here want to cut off an attempt to feed starving people?

On counternarcotics: We have heard by just the last vote, an overwhelming vote, of our concern about narcotics coming into this country. Over two-thirds of all the heroin production in the world is coming out of Burma, are we saying let us walk away? Do we not want to engage in any way, even if it is certified by the administration that the SLORC is cooperating to try to reduce the flow of narcotics coming into our country? Is that what we want to go on record in favor of? Do we want to deny funding for the National Endowment for Democracy, organizations that people like Senator MCCAIN are actively involved in, that actively promote change by the Burmese junta?

My amendment tries to carve out a narrow exemption to give some flexibility to this administration or the next administration, not simply to look to the past and punish this junta for past deeds, but rather to see if there is any way we can use whatever leverage we have, and it is very small, to encourage this junta to come into the 21st century of pro-democratic activity.

It has been suggested that we have commercial interests in mind. I do not represent any oil companies. I do not have any business interests in mind. What I am asking is, what is the most effective way to produce change? Do sanctions work? Yes and no. They worked in South Africa because the world supported it. The frontline countries in Africa supported it. The frontline countries in Asia do not support this action by the subcommittee. Iran is another exception where sanctions can and do work. It is a terrorist-sponsoring nation, destabilizing its region, and so there is world condemnation of Iran.

And China, let me just mention China. Mr. President, I was looking through my desk here while the debate was going on, and I came across some interesting remarks made by my former colleague from Maine, Senator Mitchell, some years ago in 1991-92, when debating China. He said something at that time that I think may bear some relevance here today. He said:

> The year-long renewal of most-favored-nation trade status for China has brought the world precisely nothing in the way of reform in the Chinese regime.
>
> It has not encouraged the Chinese regime to respect the human rights of any Chinese citizen.
>
> It has not emboldened the Chinese Government to broaden its experiments with a market economy beyond one province.

That was said back in 1991, and then again in 1992. He may have been right at that time as far as his perception, but things have changed in China. They are now, in fact, making changes in Shanghai. They are now providing a legal system based upon ours, they are giving an accused individual a right to an attorney before he can be arrested and apprehended. They are making vast changes. It comes about more slowly there, not nearly as fast as we would like, but change has occurred.

Yes, we are standing up to our ideals on the issue of democracy in Asia, but when you talk to the Chinese they say, you talk about ideals. For 200 years you enslaved people. You put people in chains. You treated them like subhumans. You robbed them of their families and their dignity and their lives, and it was not until about 30 years ago you finally decided to change. Give us an opportunity to bring about change in this region. Do not lecture us that you achieved your ideals all in one period of time.

So it took time for us to change over here. What we are saying with our amendment is that we can make more change in Burma from within than from without, and we can bring Burma out from the dark ages of repression into the sunlight of the 21st century and prodemocratic activity. We can do this not by trying to turn away, and trying to isolate them—because we cannot do it effectively—but by having some limited contact from within.

Mr. President, I suggest that the passage of my amendment will accomplish the goals that we all want to change the military dictatorship's activity.

The PRESIDING OFFICER. The time of the Senator has expired. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, with all due respect to my good friend from Maine, his amendment makes everything permissible or able to be waived. There is no indication that this administration is interested, and, frankly, nor was the last one, in tightening the screws on Burma. If we want to do something about a pariah regime in Burma, tonight is the time. This is the vote. I hope all my colleagues will oppose the Cohen amendment.

Mr. President, I ask unanimous consent that a list of boycott resolutions, a list of letters supporting sanctions, and a group of editorials, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BOYCOTT RESOLUTIONS

American Baptist Convention.
State of Massachusetts.
San Francisco, Oakland, Berkeley, CA.
Santa Monica, CA.
Ann Arbor, MI.
Chicago, IL.
Madison, WI.
Seattle, WA.

LETTERS SUPPORTING SANCTIONS

National Coalition Government of the Union of Burma
AFL-CIO
UAW
Bishop Tutu
Betty Williams, Huntsville, TX, Nobel Laureate, 1976
Asia American Civic Alliance of Florida
Kachinland Projects for Human Rights and Democracy of Illinois
Democratic Burmese Student Organization
United Front for Democracy and Human Rights

[From The Boston Globe, June 19, 1996]

WELD'S OPPORTUNITY

Awaiting Gov. William F. Weld's signature is a bill that would prohibit the commonwealth from purchasing goods or services from companies that do business with the illegitimate military dictatorship ruling Burma. Weld should sign this bill, not because it might work to his advantage in the U.S. Senate contest with John F. Kerry, but because this is legislation that embodies a principle of democratic solidarity rooted deep in the American tradition.

The people of Burma voted overwhelmingly in 1990 for the party of Nobel Peace Prize winner Aung San Suu Kyi. Although her National League for Democracy won more than 80 percent of the seats in Parliament, the State Law and Order Restoration Council, or SLORC, thwarted the will of the voters by seizing power and conducting a reign of terror. The junta profits from a narcotics trade that exports more than 60 percent of the heroin sold on the streets of American cities. And because the uniformed thugs of SLORC have accumulated tremendous debt, they are dependent upon foreign aid and investment and are desperately trying to counter a grass-roots campaign for American sanctions.

The timing of Weld's opportunity could not be more fortuitous. State Rep. Byron Rushing's Selective Contracting" bill, modeled on legislation that helped end apartheid in South Africa, reaches the governor at a time when thousands of Burmese democrats have been risking their lives each weekend to attend gatherings at Suu Kyi's house in Rangoon, and when the Clinton administration has dispatched envoys to Asian and European capitals to make the case for multilateral sanctions.

If the envoys fail in their mission, a Senate bill proposed by Mitch McConnell, Republican of Kentucky, and co-sponsored by Democrats Patrick Moynihan of New York and Patrick Leahy of Vermont, will ask the United States to take the lead, as it once did for the people of Poland.

Weld has a chance to help protect Suu Kyi and her followers and to encourage Washington to do the right thing.

[From the New York Times, June 15, 1996]

BURMESE REPRESSION

The Burmese military junta has outdone itself in advertising its own crude ineptitude. Frustrated by the popularity and prestige of their democratic opponent, Daw Aung San Suu Kyi, the generals have now erected huge red billboards denouncing the 1991 Nobel Peace laureate as a foreign stooge. But every Burmese knows that Mrs. Aung San Suu Kyi endured years of house arrest rather than leave the country her father helped free from foreign rule. The real threat to the Burmese people is the junta, formally known as the State Law and Order Restoration Council, or Slorc.

The billboard blitz follows the recent detention of some 250 members of Mrs. Aung San Suu Kyi's National League for Democracy, the undoubted winner of 1990 elections the Slorc then nullified. When, despite the crackdown, she attracted larger and larger crowds for speeches from her house, the junta responded with a decree banning virtually all political activities. So unwarranted were these measures that even diffident Thailand and Japan have condemned Burmese human rights abuses. Japan is the largest outside aid donor to the country the Slorc has renamed Myanmar.

Washington has commendably taken the lead in generating support for more effective collective measures to help the beleaguered Burmese democrats. The Clinton Administration has sent two senior diplomats, William Brown and Stanley Roth, to sound out Myanmar's neighbors on taking stronger political and economic measures against the Slorc. The mission itself may help deter still harsher repression. Its findings may also determine the feasibility of a ban on new American investment, as proposed by Senator Mitch McConnell of Kentucky, which the Administration is still weighing.

When the Slorc lifted Mrs. Aung San Suu Kyi's house arrest last year, there was hope that the generals might loosen their stranglehold on Myanmar. Unhappily, that has not proved to be the case. Until the Burmese junta frees its political prisoners and enters into genuine negotiations with Mrs. Aung San Suu Kyi and her supporters, it merits the strongest international condemnation.

[From the Washington Post, July 20, 1996]

BURMA BEYOND THE PALE

On June 22, James "Leo" Nichols, 65, died in the Burmese prison. His crime—for which he had been jailed for six weeks, deprived of needed heart medication and perhaps tortured with sleep deprivation—was ownership of a fax machine. His true sin, in the eyes of the military dictators who are running the beautiful and resource-rich country of Burma into the ground, was friendship with Aung San Suu Kyi, the courageous woman who won an overwhelming victory in democratic elections six years ago but has been denied power ever since.

Mr. Nichols's story is not unusual in Burma. The regime has imprisoned hundreds of democracy activists and press-ganged thousands of children and adults into slave labor. It squanders huge sums of arms imported from China while leading the world in heroin exports. But because Mr. Nichols had served as consul for Switzerland and three Scandinavian countries, his death or murder attracted more attention in Europe. The European Parliament condemned the regime and called for its economic and diplomatic isolation, to include a cutoff of trade and investment. Two European breweries, Carlsberg and Heineken, have said they will pull out of Burma. And a leading Danish pension fund sold off its holdings in Total, a French company that with the U.S. firm Unocal is the biggest foreign investor.

These developments undercut those who have said the United States should not support democracy in Burma because it would be acting alone. In fact, strong U.S. action could resonate and spur greater solidarity in favor of Nobel peace laureate Aung San Suu Kyi and her rightful government. Already, the Burmese currency has been tumbling, reflecting nervousness about the regime's stability and the potential effects of a Western boycott.

The United States has banned aid and multilateral loans to the regime, but the junta still refuses to begin a dialogue with Auug San Suu Kyi. Now there is an opportunity to send a stronger message. The Senate next week is scheduled to consider a pro-sanctions bill introduced by Sens. Mitch McConnell (R-KY.) and Daniel Patrick Moynihan (D-N.Y.). This would put Washington squarely on the side of the democrats. Secretary of State Warren Christopher, who will meet next week with counterparts from Burma's neighbors, should challenge them to take stronger measures, since their policy of "constructive engagement" has so clearly failed.

The most eloquent call for action came last week from Aung San Suu Kyi herself, unbowed despite years of house arrest and enforced separation from her husband and children. In a video smuggled out, she called for "the kind of sanctions that will make it quite clear that economic change in Burma is not possible without political change." The word responded to similar calls from Nelson Mandela and Lech Walesa. In memory of Mr. Nichols and his many unnamed compatriots, it should do no less now.

[From the Washington Post, May 28, 1996]

THE BULLIES OF BURMA

The thuggish military men who rule Burma have now rounded up more than 200 democracy activists who were planning to meet last weekend. Again they show their regime, which goes by the appropriately unappetizing acronym SLORC (State Law and Order Restoration Council), to be worthy only of international contempt.

To the extent that Americans are at all familiar with Burma's plight, it is thanks to the courage of Aung San Suu Kyi, leader of the nation's democracy movement. Her National League for Democracy won an overwhelming victory in parliamentary elections in 1990, but SLORC refused to give up power, putting her under house arrest and jailing many of her colleagues. Although Aung San Suu Kyi was nominally freed last July, after winning the Nobel Peace Prize, the regime has refused even to begin talks on a transition to democratic rule.

It was to celebrate, as it were, the sixth anniversary of those betrayed elections that Aung San Suu Kyi called a meeting. In fear of the democrats' popularity, SLORC rounded up many of her supporters, including should-be members of parliament. This is far from SLORC's only abuse. Even before the latest events, hundreds of political prisoners remained in jail, according to Human Rights Watch/Asia. The regime promotes forced labor, press-ganging citizens to act as porters in areas of armed conflict and to build roads, according to the U.S. State Department. It has built a massive army, equipped mostly by China. And Burma is the world's chief source of heroin.

The United States already has barred official aid or government loans to Burma and has influenced the World Bank and other multilateral organizations to follow suit. Now Sen. Mitch McConnell of Kentucky wants to bar private investment as well, a step supported by many of Burma's democrats. U.S. firms are the third-largest investors, Sen. McConnell said, led by Unocal Corp., which is helping develop Burma's natural gas fields. The structure of the dictatorship ensures that much of the benefit of foreign investment goes into the generals' pockets.

The most active proponents of trade, investment and engagement with Burma have been its neighbors in Southeast Asia. A nation of 42 million with high literacy rates and abundant natural resources, Burma cannot be ignored. But after SLORC's latest abuses, the burden is on those advocates of "engagement" to show what they have achieved and explain why sanctions should not be tightened. As much as South Africa under apartheid, Burma deserves to be a pariah until SLORC has given way.

Mr. McCONNELL. Mr. President, is all time used up?

The PRESIDING OFFICER. All time has expired.

Mr. McCONNELL. I move to table the Cohen amendment.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on the motion to lay on the table amendment No. 5019, offered by the Senator from Maine [Mr. COHEN]. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON] is necessarily absent.

The result was announced, yeas 45, nays 54, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—45

Abraham
Bennett
Biden
Boxer
Bradley
Brown
Bryan
Bumpers
Byrd
Campbell
Coverdell
D'Amato
DeWine
Faircloth
Feingold
Frahm
Frist
Gorton
Gramm
Grassley
Gregg
Harkin
Hatch
Hatfield
Helms
Jeffords
Kassebaum
Kennedy
Kerry
Kohl
Lautenberg
Leahy
Levin
Lugar
Mack
McConnell
Moynihan
Pell
Pressler
Robb
Sarbanes
Shelby
Smith
Specter
Wellstone

NAYS—54

Akaka
Ashcroft
Baucus
Bingaman
Bond
Breaux
Burns
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Daschle
Dodd
Domenici
Dorgan
Feinstein
Ford
Glenn
Graham
Grams
Heflin
Hollings
Hutchison
Inhofe
Inouye
Johnston
Kempthorne
Kerrey
Kyl
Lieberman
Lott
McCain
Mikulski
Moseley-Braun
Murkowski
Murray
Nickles
Nunn
Pryor
Reid

Rockefeller
Roth
Santorum
Simon
Simpson
Snowe
Stevens
Thomas
Thompson
Thurmond
Warner
Wyden

NOT VOTING—1

Exon

The motion to lay on the table the amendment (No. 5019) was rejected.

Mr. COHEN. I move to reconsider the vote.

Mrs. FEINSTEIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question occurs on agreeing to the amendment No. 5019 offered by the Senator from Maine.

The amendment (No. 5019) was agreed to.

Mr. LEAHY. I move to reconsider the vote.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. We can see the light at the end of the tunnel.

AMENDMENTS NOS. 5079 THROUGH 5082, EN BLOC

Mr. McCONNELL. Mr. President, we have more amendments agreed to which I will send to the desk at this point, a Helms amendment on deobligation of funds, a Bingaman amendment on Burundi, two amendments by Senator ABRAHAM, one on ASHA and one on geological surveys.

Mr. President, I send those amendments to the desk and ask that they be considered, en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL] proposes amendments numbered 5079 through 5082, en bloc.

Mr. McCONNELL. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 5079 through 5082) are as follows:

AMENDMENT NO. 5079

(Purpose: To require the deobligation of certain unexpended economic assistance funds)

On page 198; between lines 17 and 18, insert the following:

DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC ASSISTANCE FUNDS

SEC. 580. Chapter 3 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2401 et seq.) is amended by adding at the end the following:

"SEC. 668. DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC ASSISTANCE FUNDS.

"(a) REQUIREMENT TO DEOBLIGATE.—

"(1) IN GENERAL.—Except as provided in subsection (b) of this section and in paragraphs (1) and (3) of section 617(a) of this Act, at the beginning of each fiscal year the President shall deobligate and return to the Treasury any funds described in paragraph (2) that, as of the end of the preceding fiscal year, have been obligated for a project or activity for a period of more than 4 years but have not been expended.

"(2) FUNDS.—Paragraph (1) applies to funds made available for—

"(A) assistance under chapter 1 of part I of this Act (relating to development assistance), chapter 10 of part I of this Act (relating to the Development Fund for Africa), or chapter 4 of part II of this Act (relating to the economic support fund);

"(B) assistance under the Support for East European Democracy (SEED) Act of 1989; and

"(C) economic assistance for the independent states of the former Soviet Union under chapter 11 of part I of this Act or under any other provision of law authorizing economic assistance for such independent states.

"(b) EXCEPTIONS.—The President, on a case-by-case basis, may waive the requirement of subsection (a)(1) if the President determines and reports to the Congress that it is in the national interest to do so.

"(c) APPROPRIATE CONGRESSIONAL COMMITTEES.—As used in this section, the term 'appropriate congressional committees' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.".

Mr. HELMS. Mr. President, the Senate today is considering an $11 billion foreign aid appropriations bill for fiscal year 1997. To hear the almost hysterical hue and cry about the so called devastating cuts in foreign aid—which is simply not so—some Americans may be misled to believe that the Agency for International Development [AID] will go broke if it does not receive its $7.5 billion portion of this expensive foreign aid pie.

That, as I say, is simply not true—it is not even in the ballpark of accuracy. You see, Mr. President, much of this foreign aid money—all of it taken from the pockets of the hardworking American people—will be sitting for the next several years in what is known in Washington as a pipeline. This pipeline, which today contains more than $6.7 billion, will allow AID to continue its spending orgy for years to come—even if Congress cut every penny from AID's budget this year. Simply put, this pipeline is the best-kept secret among the bureaucrats at the Agency for International Development—the foreign aid giveaway mechanism.

The pending amendment, which I am offering on behalf of myself and the distinguished majority leader, Mr. LOTT, proposes to reduce the amount of money in the AID pipeline by requiring that all money remaining for more than 4 fiscal years in the pipeline be returned to the U.S. Treasury. In its study of Agency for International Development's pipeline, the General Accounting Office has recommended that un-used foreign aid be returned after 2 years. If enacted, this amendment would cut nearly $1 billion from foreign aid.

Mr. President, you see that $3.2 billion provided by Congress to AID in fiscal year 1995 remains unspent; more than $1.6 billion from fiscal year 1994 has yet to be spent. This hidden reservoir of funds dates back even to foreign aid approved by Congress in 1985—more than a decade ago—which has been reposing all the while in the pipeline.

Why does all this money remain in the pipeline? Well, according to a 1991 General Accounting Office study, half of this money is unspent due to unrealistic or deliberately overstated project assessments by AID employees. But there is another reason for the existence of this pipeline. AID simply has received too much money over the years and, rather than admit that it cannot spend the money wisely, AID bureaucrats simply have stashed the money away in its secret bureaucratic pipeline until someone figures out a creative way to give it away.

Larry Byrne, AID's assistant administrator for management, in a 1995 internal E-mail spoke volumes about how the AID does business. According to Mr. Byrne, AID is "62 percent through this fiscal year and we have 38 percent of the dollar volume of procurement actions completed; we need to do $1.9 billion in the next 5 months. So let's get moving." This AID administrator, Mr. Byrne, warned that this money in the AID pipeline, "imperils our ability to argue we need more money."

Lest anyone believe that this huge pipeline is merely an isolated problem, perhaps some details regarding AID's pipeline in various countries will be of interest. Mr. President, I ask unanimous consent this chart be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AID'S HIDDEN SLUSH FUND

Country	Pipeline through 1996
Egypt	$1.93 billion
Russia	566 million
Phillipines	330 million
Ukraine	217 million
South Africa	205 million
India	102 million
Mozambique	72 million
Peru	71 million
Bolivia	63 million
Bangladesh	59 million
Total AID pipeline	6.76 billion

Source: AID Fiscal Year 1996 Statistical Annex.

Mr. HELMS. So, Mr. President, this pipeline affects almost all of the 101 countries to which AID hands out the American taxpayers' money. For example, the pending bill provides more than $800 million in economic aid to

Egypt, despite the fact that more than $1.9 billion in previously-appropriated foreign aid, lingers to this day in Egypt's pipeline. This bill allows more money for Russia—yet this nation has already received, but not yet spent, $566 million in United States foreign aid. India has $102 million in un-used foreign aid. At the current rate of spending all new foreign aid obligations to India could cease and it could still receive United States foreign aid uninterrupted for at least 3 more years.

The list goes on and on. The Philippines has $330 million in unspent United States foreign aid; Peru has $71 million. All told, a whopping $6.7 billion in U.S. tax dollars—some more than a decade old—remains unspent. The pending amendment proposes that $1 billion in surplus foreign aid will be returned to the Treasury, thereby reducing the amount Americans are forced to pay for the spiraling Federal debt.

I will conclude by providing what I consider one of the most egregious abuses of AID pipeline. In 1991—5 years ago—President Bush ordered all foreign aid to Pakistan be ceased because of that nation's development of a nuclear bomb. Apparently, the bureaucrats at the Agency for International Development did not get the message because, as recently as 1995, AID spent more than $27 million for projects in Pakistan. This year, AID plans to provide more than another $5 million. So, despite the President's decision to cut all foreign aid to Pakistan in 1991, AID's pipeline continues to gush with surplus giveaway money that the American taxpayers have been forced to provide.

Mr. President, the American taxpayers have been forced to provide more than $250 billion in development and economic aid since AID was created, as a temporary agency in 1961. And AID certainly appears to be doling out cash to any number of nations around the world by making certain that this pipeline of foreign aid will continue to flow well into the next century.

Mr. President, I submit that it's high time that we do something for Americans. This amendment offers a fine opportunity: It will return to the U.S. Treasury $1 billion in unspent—and unneeded—foreign aid.

AMENDMENT NO. 5080

(Purpose: To express the Sense of the Senate in opposition to the military overthrow of the government of Burundi and to encourage the swift and prompt end to the current crisis, and for other purposes)

At the appropriate place, insert:

The Senate finds that:

The political situation in the African nation of Burundi has deteriorated and there are reports of a military coup against the elected government of Burundi, and;

The continuing ethnic conflict in Burundi has caused untold suffering among the people of Burundi and has resulted in the deaths of over 150,000 people in the past two years, and;

The attempt to overthrow the government of Burundi makes the possibility of an increase in the tension and the continued slaughter of innocent civilians more likely, and;

The United States and the International Community have an interest in ending the crisis in Burundi before it reaches the level of violence that occurred in Rwanda in 1994 when over 800,000 people died in the war between the Hutu and the Tutsi tribes,

Now, therefore it is the sense of the Senate that:

The United States Senate condemns any violent action intended to overthrow the government of Burundi, and;

Calls on all parties to the conflict in Burundi to exercise restraint in an effort to restore peace, and

Urges the Administration to continue diplomatic efforts at the highest level to find a peaceful resolution to the crisis in Burundi.

AMENDMENT NO. 5081

(Purpose: To provide for $15,000,000 earmarked for the American Schools and Hospitals Abroad Program from the Development Assistant Account)

On page 107, line 25, before the period insert the following: ": *Provided further*, That of the amount appropriated under this heading, not less than $15,000,000 shall be available only for the American Schools and Hospitals Abroad program under section 214 of the Foreign Assistance Act of 1961".

AMENDMENT NO. 5082

(Purpose: To provide for $5,000,000 earmarked for a land and resource management institute to identify nuclear contamination at Chernobyl)

On page 107, line 25, before the period insert the following: ": *Provided further*, That of the amount appropriated under this heading, $5,000,000 shall be available only for a land and resource management institute to identify nuclear contamination at Chernobyl."

The PRESIDING OFFICER. The question is on agreeing to the amendments, en bloc.

The amendments (Nos. 5079 through 5082) were agreed to.

Mr. MCCONNELL. I move to reconsider the vote.

Mr. LEAHY. I move to lay those motions on the table.

The motions to lay on the table were agreed to.

AMENDMENT NO. 5026, AS MODIFIED

Mr. MCCONNELL. Mr. President, I ask unanimous consent that I be allowed to modify amendment No. 5026.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MCCONNELL. I send the modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 148, line 10 through line 13, strike the following language, "That comparable requirements of any similar provision in any other Act shall be applicable only to the extent that funds appropriated by this Act have been previously authorized: *Provided further*,".

Mr. MCCONNELL. Mr. President, I ask unanimous consent that we complete the debate on Senator BROWN's NATO amendment, that we lay that aside, and proceed to the debate on the Coverdell amendment, with 40 minutes equally divided, at which point we proceed to two rollcall votes.

The PRESIDING OFFICER. Is there objection?

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I certainly do not want to hold up the Senate. I would be happy to work out anything that is fair to the parties. I have a statement on an amendment that the managers accepted. I would be happy to do it tomorrow or after—I need about 10 minutes.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. If I could just indicate to the Senate, there is a good chance that the two votes I just mentioned are the last two rollcall votes before final passage. So we are getting very close to the end.

Mr. NUNN addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Reserving the right to object, it is my understanding that the Senator from Colorado will be speaking to this. The Senator from Delaware and the Senator from Colorado and I have worked out the problems that we had with the Brown amendment. I understood the unanimous consent to include that as a rollcall vote. It is not my desire to have a rollcall required. The Senator from Colorado is planning on modifying his amendment, so I believe it would be wise to withhold any request for a unanimous consent for a rollcall vote until such time as the amendment is modified.

Mr. REID. Reserving the right to object, I know the leader has a lot of things to do. Everyone has places to go. I have been around here all day. As I indicated, if I could have some time tomorrow to do this, I will do it, or some time at a reasonable hour of the night. But I am not going to agree to final passage until I make a statement on something I think is extremely important.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, reserving the right to object on two points. The first, like the Senator from Nevada, I rise in part to thank the managers of the bill for accepting earlier in the day an amendment I offered with several colleagues to draw attention to the continuing freedom of indicted war criminals in Bosnia, and to urge we continue to make their apprehension and movement to the Hague a priority for all signatories.

I appreciate if at some point, either before final passage or as the Senator from Nevada has indicated, on a date certain tomorrow, to be able to speak at greater length on that matter.

Reserving the right to object, if I may ask the Senator from Kentucky, through the Chair, along with several colleagues I filed an amendment to reallocate funds for the Korean Peninsula Energy Development Organization. These two colleagues I believe were considering a second-degree amendment, and I wanted to state to the Senator from Kentucky with respect to that, I intend and hope to raise that matter before final passage.

Mr. McCONNELL. Mr. President, let my say I am aware that is not quite tied up yet. My understanding was those discussions were underway.

With regard to the Senator from Nevada, there will be an opportunity for him to speak tonight, but I would like to move ahead on the votes. There will be plenty of opportunity to speak tonight.

Mr. REID. Further reserving the right to object, I am willing to come in early some time tomorrow for morning business.

The PRESIDING OFFICER. Is there an objection to the request of the Senator from Kentucky?

Mr. LEAHY. Mr. President, would the Senator from Kentucky add to his request that before we start the Coverdell and the other matters, that the Senator from New Mexico, Mr. BINGAMAN, would have 2 minutes to speak on an amendment that has already been accepted.

Mr. McCONNELL. Mr. President, I ask unanimous consent that Senator BINGAMAN be allowed to proceed for 2 minutes on an amendment we just passed, prior to the time running on the Brown NATO amendment and the Coverdell amendment.

Mr. REID. Mr. President, again, am I going to be allowed to speak, then, before final passage?

Mr. McCONNELL. We do not have a time set for final passage. It should be no problem.

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5080

Mr. BINGAMAN. Mr. President, I wanted to just speak very briefly about the amendment that was earlier agreed to here in the Senate. It is an amendment cosponsored by Senator KASSEBAUM, Senator SIMON, and Senator FEINGOLD. The purpose of it was to express the sense of the Senate in opposition to the military overthrow of the Government of Burundi, to encourage the swift and prompt end of the current crisis, and for other purposes.

Mr. President, I rise today to speak about the current situation in Burundi and the growing evidence that the international community may soon face a disaster similar to that which occurred in Rwanda in 1994 and to offer a sense-of-the-Senate resolution condemning the reported coup that is occurring today in Burundi.

Just this past Saturday, 300 people, the majority of whom were women and children, were slaughtered as part of the continuing violence between the Hutu and Tutsi in Burundi. Survivor accounts revealed that many of those killed had their hands and feet tied before being shot in the back of the head. The rest were hacked to death with machetes.

Mr. President, those 300 join the estimated 150,000 who have been murdered over the 2½ years in this small African nation. Those 150,000 join the estimated 500,000 to 800,000 who died in the horrible killing between Hutu and Tutsi in Rwanda in less than 2 months in 1994. Together, almost the equivalent of the population of my home State of New Mexico have died in this troubled part of the world.

Mr. President, I am concerned about the apathy we see regarding the current situation. I am also concerned about the lack of a concerted international effort to prevent another situation like that which occurred in Rwanda in this region.

On Tuesday, the headline in the Washington Post read, Killings Elicit Shock, but No U.N. Action. The article noted that this weekend's massacre of 300 women and children elicited expressions of horror from the members of the Security Council but that none of the member nations, including the United States, gave any sign that the United Nations might take action to halt the killing. Yesterday it was reported that the President of Burundi had taken refuge in the U.S. Ambassador's residence. This take place amid reports of the massive deportation of Hutu refugees from northern Burundi. Just this morning, Reuters is reporting that the army has seized power, outlawed political parties and closed the airport and land borders.

To even a casual viewer it seems clear that Burundi is now on a fast slide down the precipice that its neighbor, Rwanda, slid down in 1994. As Pope John Paul said yesterday, "Burundi continues to sink into an abyss of violence whose victims are drawn from among the weakest in society—children, women and the old. I cannot but state my horror."

Mr. President, in 1994, after the plane carrying the Presidents of Rwanda and Burundi was shot down, the world stood silent while Rwanda exploded in almost unspeakable violence.

While I commend the administration for the diplomatic initiatives it has undertaken prior to this week's events, in particular the appointment of former Congressman Howard Wolpe to the position of special negotiator for Burundi and Rwanda, those efforts have not been enough. The administration's attention must now be refocused on this crisis. And while there have been those in Congress like my friends and colleagues, Senators KASSEBAUM, FEINGOLD, and SIMON, who have spoken about Burundi and Rwanda, it is now crucial that others begin to stand, and speak, with them as well.

Mr. President, some of the steps we should be supporting include:

Denouncing any extra constitutional seizure of power and making clear that the United States condemns any attempt to take power by illegal means and will not recognize or support any illegal government.

Clearly communicating to the President of Zaire that his support of Hutu rebels who are using Zaire as a springboard into Burundi where they commit unspeakable atrocities will not be tolerated by the United States.

Immediately increasing our diplomatic efforts and conducting those at a sufficiently high level to make clear that the United States is willing to be engaged in any serious effort at halting the current crisis.

Focusing our diplomatic efforts on moving the Organization of African Unity and the international community to begin assembling the regional rapid reaction force that the former President of Tanzania has negotiated with the Government of Burundi.

If the OAU is unable to organize such a force we should be prepared to support other efforts by the U.N. to develop an appropriate response to this crisis.

While I do not believe we should send U.S. ground forces to Burundi, I do believe that the United States should be ready to provide support to a rapid reaction force in the form of logistical, organizational and communications resources.

Strongly urging President Clinton to speak out once again against the violence in Burundi and make clear to the world that the United States has an interest in preventing another genocide.

Mr. President, we need not undertake another Somalia type mission to make a difference in Burundi. It does not require ground troops nor will it require large expenditures. What America can and should provide, however, is leadership and a strong, unwavering voice against the current situation.

The Pope spoke yesterday about the evil that is the ethnic hatred in Burundi and Rwanda. Today, the U.N. Under Secretary General for peacekeeping missions, Kofi Annan, said:

> We have to move very quickly before everything blows up in our faces. As it is, history will judge us rather severely for Rwanda. I don't think we can repeat that experience in Burundi. What we need and what we are seeking now is the political will to act.

Mr. President, I agree and I think passage of this resolution will put the Senate on record as supporting peace in this troubled region.

This resolution puts the Senate on record urging action by our Government at the highest possible diplomatic levels to bring international attention to this problem, and try to bring peace to the situation there before the situation in Burundi deteriorates into the very kind of tragedy we saw in Rwanda in that same region this last year.

Finally, I thank my colleagues for all agreeing to the resolution that we earlier sent to the desk and had approved. I do think it is important that the Senate speak on this important issue as part of this foreign operations bill. I appreciate the courtesy of the Senator from Vermont and the Senator from Kentucky in allowing me to speak at this time. I yield the floor.

AMENDMENT NO. 5018

The PRESIDING OFFICER. Under the previous order there are now 40 minutes of debate equally divided on the Coverdell amendment.

The Senator from Georgia.

Mr. COVERDELL. Mr. President, haggling over this amendment now for quite some period of time, I will put this in perspective. This is an amendment about an epidemic, a drug epidemic that is occurring in the United States.

In the last 36 months, Mr. President, 2 million children in our country have tragically been embroiled in this drug epidemic. That is 2 million sisters or brothers, next-door neighbors, because the drug war was shut down. This is but one of many attempts to reenergize our battle at home and abroad to deal with this drug epidemic.

In 1992, $462 million was invested in international narcotics law enforcement. In fiscal year 1996, it dropped to $135 million. I think the President of the United States has recognized this is a serious problem, both for our country and for his administration. So in the 1997 budget, he requested that $213 million be invested in the international narcotics war. In other words, a turnaround. This bill, both House and Senate, undercut that.

The effort of this amendment is very simple. It is to simply meet the President's request to get it up to $213 million. Mr. President, how do we do that? Well, first, in this budget for international operations, it appropriates $31 million more than the President requested—more. So we take $25 million of that surplus and move it back to help fill President Clinton's request for international narcotics law enforcement.

No. 2, in development assistance, we take a 2 percent across-the-board reduction, $28 million, and move it over to international narcotics, bringing the appropriation for international narcotics and law enforcement up to the President's request—not a dime more—up to the President's request.

Mr. President, the drug war today, for the first time in history, is being waged against kids. The last drug epidemic involved people 17 to 21 years of age; this epidemic begins at 8 years old, 8 to 13. They are the target. For us not to meet the President's request for international narcotics in law enforcement does not meet the test of logic, given what is happening to us in our own country. Millions of American families are at risk. Does this solve all of it? No. Is this an important piece of it? Yes. I find it somewhat incredulous that we are arguing over meeting the President's request—not exceeding it, but meeting it.

With that, Mr. President, I yield up to 5 minutes to the distinguished Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I think it has been very clearly noted that the essence of this amendment is: If you care about kids and the problems that they are having with drugs, the best place to fight that effort is before drugs ever get into this country—keeping the drugs out.

I strongly support the amendment to restore funding to the International Narcotics Control budget. In the last several years, beginning in 1993, that budget has been severely cut. Virtually without discussion the INL budget lost almost 30 percent of its funding in 1993. Funding in the last several years has been below the levels in the Bush administration. These cuts were in keeping with the downgrading of drug efforts by the Clinton administration. At the time, the administration did virtually nothing to support its own international counter-narcotics programs in Congress. Although Congress restored some of that funding last year, we still need to close the gap to ensure our international programs are adequately supported. This year I also note a surprising invisibility on the part of the administration to promote funding for its own programs.

As the task force report on National Drug Strategy notes, our overall drug effort needs to be sustained and it needs to be consistent. The administration, however, has done little to sustain its own programs. And there has not been much consistency. We must try to change this.

I am also aware that some members here feel that international programs do not do much to address the problem. To them I would say that responding to the drug problem in this country is a team effort. No single program is the magic solution to success. The problem is multi-dimensional. Our solutions must also be broad and multi-disciplinary. We cannot expect the small amounts of money, compared to the total, that we spend on international efforts to be the sole star of the show. INL programs are a part of the team and we must ensure that it is not the weakest member.

I hope that you will join me in voting for this amendment.

I yield the floor.

Mr. LEAHY. Mr. President, I see the distinguished senior Senator from Kansas on the floor. I ask how much time she may wish.

Mrs. KASSEBAUM. Mr. President, 5 or 6 minutes.

Mr. LEAHY. I yield 6 minutes to the distinguished senior Senator from Kansas.

Mrs. KASSEBAUM. Mr. President, I rise to speak in opposition to the amendment offered by my colleague from Georgia. I certainly would agree with him, and I think we all share a concern about the scope of the drug problem in this country. One cannot help but be disturbed by the growing use of life-destructive drugs.

As someone who cares deeply about the youth of this country, I certainly stand second to none in my concern about the destructive impact of drugs on children. I had worked long in community efforts in this area before I even came to the U.S. Senate. I know something about the different types of initiatives that have been undertaken. I also fully agree with the Senator from Georgia that this President has not offered the kind of moral leadership on this issue that we both need and expect. He has not spoken out forcefully against drugs. He has devoted little time to this issue, and until the appointment of General McCaffrey, he has not supported energetically those in his administration working on this problem.

Yet, despite my serious concern about the drug problem in our country, as well as my dismay about the administration's weak response, I must reluctantly oppose the amendment.

Mr. President, as has been pointed out, this amendment would increase U.S. spending for antinarcotics by some $53 million over the Senate funding level, a level which is already $45 million over last year's spending. If this amendment is approved, the Senate would nearly double what was spent last year on this program.

In a bill where every account has been straight-lined or decreased, there is absolutely no reason to support a dramatic increase for this program. Let me say why. We all want to help slow the flow of drugs into the United States. I have always been a believer, however, that where there is a demand, there will be a supply. There is a world of money to be made in drugs, and until we can address that in each and every one of our communities, we are not going to be able to effectively stop the supply into this country.

The international antinarcotics program has simply not been an effective use of scarce Federal dollars. To date, we have invested hundreds of millions of dollars in this effort. Yet, worldwide production of illicit drugs has increased dramatically. Over the past decade, just 10 years, opium and marijuana production has roughly doubled, and coca production has tripled. For example, since 1990, the United States has spent over $500 million on antinarcotics programs in Colombia alone. Yet, drug production in Colombia remains high, and the administration could not even certify Colombia as cooperating on antinarcotics programs.

Mr. President, the reality is that world production and supply of narcotics vastly exceeds world demand. Even under the best case scenario, global supply reductions are unlikely to have even a minimal effect on our domestic drug problem.

I fully appreciate the sentiments of my colleague from Georgia, and I agree with him. We all understand the destructive power of drugs, and we all want to end the flow of narcotics into the United States. But throwing more and more money at failed solutions simply does not make sense. I urge my colleagues to oppose the Coverdell amendment.

I yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, we have been working very diligently with a number of Senators and the Democratic leader to reach some unanimous consent agreements that are very important for the body. If the Members will give me a few minutes, we can go through a number of these. The time will not count against anyone's time.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the time not be taken out of the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

HEALTH COVERAGE AVAILABILITY AND AFFORDABILITY ACT OF 1996

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate insist on its amendments with respect to H.R. 3103, the health care reform bill, the Senate agree to the request for a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Presiding Officer appointed Mr. ROTH, Mrs. KASSEBAUM, Mr. LOTT, Mr. KENNEDY, and Mr. MOYNIHAN conferees on the part of the Senate.

Mr. LOTT. Mr. President, before we go to the other unanimous-consent requests, I again want to thank the distinguished Democratic leader for his efforts in this. He has worked very hard to get a medical savings account agreement. Senator KENNEDY has been involved in that. Senator KASSEBAUM has been very helpful in working to get a medical savings account agreement. We did come to an understanding on medical savings accounts, today. Therefore, we now can go forward with appointing conferees to resolve the balance of the issues. I am prepared to give to the Democratic leader the language that we will be working on in conference as soon as we complete these unanimous-consent requests.

Would the Democratic leader like to comment?

Mr. DASCHLE. Mr. President, I will have more to say about this later on this evening. But let me just take a moment at this point to thank the distinguished majority leader for the effort that he has put forth over the last couple of weeks in particular. Were it not for the cooperation that we were able to demonstrate on both sides, especially from the majority leader, I do not know that we would be here tonight.

Let me also compliment the distinguished Senator from Massachusetts. No one has been more relentless and more cooperative and more helpful in providing us with ways in which to resolve the many complicated aspects to this negotiated settlement than has the distinguished Senator from Massachusetts. I thank him, as well as the chair of the committee, the distinguished Senator from Kansas.

This has been a very cooperative effort in the last several days. It has taken a lot to get to this point. We are here, and I applaud all of those who had a part to play in it, in particular the majority leader and the Senator from Massachusetts.

Mr. KENNEDY. Will the Senator yield?

Mr. LOTT. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to join in commending both the majority leader and the minority leader for giving such support and encouragement towards reaching this important agreement which hopefully will free us to move forward on the underlying issue, which is portability and the elimination of the preexisting condition for millions of Americans. This is legislation that reflected strong bipartisan support under the leadership of Senator KASSEBAUM and the Republicans and Democrats on that committee.

I think this agreement, which includes a real, fair test of some 750,000 policies and other consumer protections, will, I think, provide for a test of this concept. But most importantly, what it will do is move us closer to the day when we can provide for the 25 million Americans that have preexisting conditions and for the millions of Americans who want portability to achieve this goal.

This has been a time where there has been strong views on certain issues. But I think it is a real tribute to both of our leaders and the persistence of Senator KASSEBAUM, as well as the leadership of Mr. ARCHER over in the House of Representatives, that we have been able to move this process forward.

I want to say how much I look forward to working with the majority leader and the other conferees to moving to the conclusion of the conference. But I join others in thanking Senator LOTT and Senator KASSEBAUM—and Senator DASCHLE, who has been such a strong supporter of moving this process forward. I thank them for their very strong support for this conclusion.

Mr. LOTT. I thank the Senator from Massachusetts.

Mr. President, I now ask unanimous consent that the Senate insist on its amendments with respect to H.R. 3448, the small business tax relief package, the Senate then agree to the request for a conference with the House, and the chair be authorized to appoint conferees on the part of the Senate.

There being no objection, the Presiding Officer (Mr. BENNETT) appointed, from the Committee on Labor and Human Resources, Mrs. KASSEBAUM, Mr. JEFFORDS, and KENNEDY, and from the Committee on Finance, Mr. ROTH, Mr. CHAFEE, Mr. GRASSLEY, Mr. HATCH, Mr. SIMPSON, Mr. PRESSLER, Mr. MOYNIHAN, Mr. BAUCUS, Mr. BRADLEY, Mr. PRYOR, and Mr. ROCKEFELLER conferees on the part of the Senate.

Mr. LOTT. Mr. President, Senator DASCHLE and I have been working with the chairman of the Finance Committee and Senators D'AMATO, MOYNIHAN, and REID, with regard to an issue involved in this conference. And the chairman of the Finance Committee has assured me, Senator D'AMATO, and Senator MOYNIHAN that the language, under this legislation, with regard to electric and gas utilities that are eligible for the two-county local furnishing rule under current law, will not cause them to lose their ability to issue tax-exempt bonds, including their ability to expand service within the counties and the cities they presently serve.

Mr. DASCHLE. Mr. President, I indicated to both New York Senators my desire to work with the majority leader to ensure that we are able to address their concerns to their satisfaction. I am sure that we can do that, and we will work with the two Senators from New York to make that a part of whatever agreement we reach in conference.

Let me also say that with regard to both conferences, the distinguished majority leader has indicated his desire to make these truly bipartisan conferences. He has given me that assurance on the floor on a number of occasions. He has related and reiterated his determination to make that happen privately to me on many occasions.

So, indeed, my expectation is that in both of these conferences we will have true bipartisanship in an effort to involve every Member of these delegations. That is the reason we appoint both Democrats and Republicans. I am very hopeful that our work can proceed in a way that will allow us to complete the work on these bills sometime in the very near future. Working together, I am quite sure that can happen.

Again, I appreciate his assurances that we will see that bipartisanship through the deliberations of both of these conferences.

Mr. LOTT. Mr. President, if I could respond to that. First, the conferees on the welfare reform package did meet today—both parties—and I understand they are going to be meeting again in the morning, to work through the differences between the two bodies.

In the case of health insurance reform, the small business tax relief package, and the minimum wage issue, I do not see any way it could be concluded without bipartisan cooperation. In fact, we would not have been able to appoint these conferees tonight without a lot of cooperation across the aisle in the Senate and the bicameral cooperation on the other side.

When the Congressman from Texas, Mr. ARCHER, and the Senator from Massachusetts, Senator KENNEDY, can get together, I think we all can get together. These conferences will proceed in this bipartisan and bicameral manner.

Mr. KENNEDY. Will the Senator yield for a brief comment?

Mr. LOTT. I am glad to yield.

Mr. KENNEDY. I want to join in thanking both leaders in moving us forward, particularly on the minimum wage. I think all of us understand—there is virtually no difference—that we accept the House provisions on the minimum wage. We will have to make sure that we have a date for enactment in a timely way. I had hoped that we would be able to do that with a 30-day provision in there. We have done it in as short as 23 days in other times when we have had the increase in the minimum wage.

I want to join with Senator DASCHLE and others to say that these workers have waited a long time. And I am very, very hopeful that we can get to the conference and move ahead so that we complete the conference to at least try to make sure that the working families are going to get that raise hopefully by Labor Day or very shortly thereafter.

I thank the majority leader and Senator DASCHLE very much for moving ahead on this program.

DISTRICT OF COLUMBIA APPROPRIATIONS FOR FISCAL YEAR 1997

Mr. LOTT. Mr. President, I ask unanimous consent then that the Senate now turn to the consideration of Calendar No. 509, which is H.R. 3845, the District of Columbia appropriations bill.

There being no objection, the Senate proceeded to consider the bill (H.R. 3845) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 1997, and for other purposes, which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 3845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1997, and for other purposes, namely:

Federal Payment to the District of Columbia

For payment to the District of Columbia for the fiscal year ending September 30, 1997, $660,000,000, as authorized by section 502(a) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended (D.C. Code, Sec. 47–3406.1).

Federal Contribution to Retirement Funds

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96–122), $52,070,000.

Presidential Inauguration

For payment to the District of Columbia in lieu of reimbursement for expenses incurred in connection with Presidential inauguration activities, $5,702,000, as authorized by section 737(b) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended (D.C. Code, sec. 1–1803), which shall be apportioned by the Chief Financial Officer within the various appropriation headings in this Act.

Division of Expenses

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

Governmental Direction and Support

Governmental direction and support, $115,663,000 and 1,440 full-time equivalent positions (including $98,691,000 and 1,371 full-time equivalent positions from local funds, $12,192,000 and 8 full-time equivalent positions from Federal funds, and $4,780,000 and 61 full-time equivalent positions from other funds): *Provided*, **[**That funds expended for the Executive Office of the Mayor are not to exceed $1,753,000: *Provided further*,**]** That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues.

Economic Development and Regulation

Economic development and regulation, $135,704,000 and 1,501 full-time equivalent positions (including $67,196,000 and 720 full-time equivalent positions from local funds, $45,708,000 and 524 full-time equivalent positions from Federal funds, and $22,800,000 and 257 full-time equivalent positions from other funds): *Provided*, That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2–135; D.C. Code, sec. 45–2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Housing Finance Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years **[**:*Provided further*, That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Housing Finance Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Housing Finance Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses**]**: *Provided further*, That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia.

Public Safety and Justice

(INCLUDING TRANSFER OF FUNDS)

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $1,041,281,000 and 11,842 full-time equivalent positions (including $1,012,112,000 and 11,726 full-time equivalent positions from local funds, $19,310,000 and 112 full-time equivalent positions from Federal funds, and $9,859,000 and 4 full-time equivalent positions from other funds): *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further*, That notwithstanding any other provision of law, or Mayor's Order 86–45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further*, That the District of Columbia government may not require the Metropolitan Police Department to submit to any other procurement review process, or to obtain the approval of or be restricted in any manner by any official or employee of the District of Columbia government, for purchases that do not exceed $500,000: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93–412; D.C. Code, sec. 11–2601 et seq.), for the fiscal year ending September 30, 1997, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5–129; D.C. Code, sec. 16–2304), for the fiscal year ending September 30, 1997, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1985: *Provided further*, That funds appropriated for expenses under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986, effective February 27, 1987 (D.C. Law 6–204; D.C. Code, sec. 21–2060), for the fiscal year ending September 30, 1997, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1989: *Provided further*, That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, riots, and similar incidents: *Provided further*, That the District of Columbia government shall also take steps to publicize the availability of the 24-hour telephone information service among the residents of the area surrounding the Lorton prison: *Provided further*, That not to exceed $100,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, and Prince William County, Virginia, for expenses incurred by the counties during the fiscal year ending September 30, 1997, in relation to the Lorton prison complex: *Provided further*, That such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, fires, riots, and similar disturbances involving the prison: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for emergency services involved*: Provided further, That in addition to the $1,041,281,000 appropriated under this heading, an additional $651,000 shall be transferred from the Department of Public Works to the District of Columbia Court System for maintenance and repair of elevators/escalators, heating, ventilation, and air conditioning systems, fire alarms and security systems, materials and services for building maintenance and repair, and trash removal.*

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $758,815,000 and 11,276 full-time equivalent positions (including $632,379,000 and 10,045 full-time equivalent positions from local funds, $98,479,000 and 1,009 full-time equivalent positions from Federal funds, and $27,957,000 and 222 full-time equivalent positions from other funds), to be allocated as follows: $573,430,000 and 9,935 full-time equivalent positions (including $479,679,000 and 9,063 full-time equivalent positions from local funds, $85,823,000 and 840 full-time equivalent positions from Federal funds, and $7,928,000 and 32 full-time equivalent positions from other funds), for the public schools of the District of Columbia; $2,835,000 from local funds for public charter schools: *Provided*, That if the entirety of this allocation has not been provided as payments to one or more public charter schools by May 1, 1997, and remains unallocated, the funds will revert to the general fund of the District of Columbia in accordance with section 2403(a)(2)(D) of the District of Columbia School Reform Act of 1995 (Public Law 104–134); $88,100,000 from local funds for the District of Columbia Teachers' Retirement Fund; $69,801,000 and 917 full-time equivalent positions (including $38,479,000 and 572 full-time equivalent positions from local funds, $11,747,000 and 156 full-time equivalent positions from Federal funds, and $19,575,000 and 189 full-time equivalent positions from other funds) for the University of the District of Columbia; $22,429,000 and 415 full-time equivalent positions (including $21,529,000 and 408 full-time equivalent positions from local funds, $446,000 and 6 full-time equivalent positions from Federal funds, and $454,000 and 1 full-time equivalent position from other funds) for the Public Library; $2,220,000 and 9 full-time equivalent positions (including $1,757,000 and 2 full-time equivalent positions from local funds and $463,000 and 7 full-time equivalent positions from Federal funds) for the Commission on the Arts and Humanities: *Provided*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for official purposes: *Provided further*, That not less than $9,200,000 shall be available from this appropriation for school repairs in a restricted line item: *Provided further*, That not less than $1,200,000 shall be available for local school allotments in a restricted line item: *Provided further*, That not less than $4,500,000 shall be available to support kindergarten aides in a restricted line item: *Provided further*, That not less than $2,800,000 shall be available to support substitute teachers in a restricted line item: *Provided further*, That not less than $1,788,000 shall be available in a restricted line item for school counselors: *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1997, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, $1,685,707,000 and 6,344 full-time equivalent positions (including $961,399,000 and 3,814 full-time equivalent positions from local funds, $676,665,000 and 2,444 full-time equivalent positions from Federal funds, and $47,643,000 and 86 full-time equivalent positions from other funds): *Provided*, That $24,793,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further*, That the District of Columbia shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services to any legally constituted private nonprofit organization (as defined in section 411(5) of Public Law 100–77, approved July 22, 1987) providing emergency shelter services in the District, if the District would not be qualified to receive reimbursement pursuant to the Stewart B. McKinney Homeless Assistance Act, approved July 22, 1987 (101 Stat. 485; Public Law 100–77; 42 U.S.C. 11301 et seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $247,967,000 and 1,252 full-time equivalent positions (including $234,391,000 and 1,149 full-time equivalent positions from local funds, $3,047,000 and 32 full-time equivalent positions from Federal funds, and $10,529,000 and 71 full-time equivalent positions from other funds): *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business.

WASHINGTON CONVENTION CENTER FUND TRANSFER PAYMENT

For payment to the Washington Convention Center Enterprise Fund, $5,400,000 from local funds.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79–648); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85–451; D.C. Code, sec. 9–219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86–515); sections 723 and 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973, as amended (87 Stat. 821; Public Law 93–198; D.C. Code, sec. 47–321, note; 91 Stat. 1156; Public Law 95–131; D.C. Code, sec. 9–219, note), including interest as required thereby, $333,710,000 from local funds.

REPAYMENT OF GENERAL FUND RECOVERY DEBT

For the purpose of eliminating the $331,589,000 general fund accumulated deficit as of September 30, 1990, $38,314,000 from local funds, as authorized by section 461(a) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973, as amended (105 Stat. 540; Public Law 102–106; D.C. Code, sec. 47–321(a)(1)).

PAYMENT OF INTEREST ON SHORT-TERM BORROWING

For payment of interest on short-term borrowing, $34,461,000 from local funds.

PRESIDENTIAL INAUGURATION

For reimbursement for necessary expenses incurred in connection with Presidential inauguration activities as authorized by section 737(b) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended, approved December 24, 1973 (87 Stat. 824; D.C. Code, sec. 1–1803), $5,702,000, which shall be apportioned by the Chief Financial Officer within the various appropriation headings in this Act.

CERTIFICATES OF PARTICIPATION

For lease payments in accordance with the Certificates of Participation involving the land site underlying the building located at One Judiciary Square, $7,926,000.

HUMAN RESOURCES DEVELOPMENT

For Human resources development, including costs of increased employee training, administrative reforms, and an executive compensation system, $12,257,000.

COST REDUCTION INITIATIVES

The Chief Financial Officer of the District of Columbia shall, on behalf of the Mayor and under the direction of the District of Columbia Financial Responsibility and Management Assistance Authority, make reductions of $47,411,000 and 2,411 full-time equivalent positions as follows: $4,488,000 in real estate initiatives, $6,317,000 in management information systems, $2,271,000 in energy cost initiatives, $12,960,000 in purchasing and procurement initiatives, and workforce reductions of 2,411 full-time positions and $21,375,000.

CAPITAL OUTLAY

(INCLUDING RESCISSIONS)

For construction projects, an increase of **[**$46,923,000**]** *$75,923,000* (including an increase of $34,000,000 for the highway trust fund, reallocations and rescissions for a net rescission of $120,496,000 from local funds appropriated under this heading in prior fiscal years and an additional $133,419,000 in Federal funds), as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58–140; D.C. Code, secs. 43–1512 through 43–1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83–364); An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85–451); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided*, That funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90–495; D.C. Code, sec. 7–134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1998, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1998: *Provided further*, That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $221,362,000 from other funds of which $41,833,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriation Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97–91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3–172; D.C. Code, secs. 2–2501 et seq. and 22–1516 et seq.), $247,900,000 and 100 full-time equivalent positions (including $7,850,000 and 100 full-time equivalent positions for administrative expenses and $240,050,000 for non-administrative expenses from revenue generated by the Lottery Board), to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia shall identify the source of funding for this appropriation title from the District's own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5–36; D.C. Code, sec. 43–1801 et seq.), $2,511,000 and 8 full-time equivalent positions (including $2,179,000 and 8 full-time equivalent positions from local funds and $332,000 from other funds).

STARPLEX FUND

For the Starplex Fund, $8,717,000 from other funds for expenses incurred by the Armory Board in the exercise of its powers granted by An Act To Establish A District of Columbia Armory Board, and for other purposes, approved June 4, 1948 (62 Stat. 339; D.C. Code, sec. 2–301 et seq.) and the District of Columbia Stadium Act of 1957, approved September 7, 1957 (71 Stat. 619; Public Law 85–300; D.C. Code, sec. 2–321 et seq.): *Provided*, That the Mayor shall submit a budget for the Armory Board for the forthcoming fiscal year as required by section 442(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 824; Public Law 93–198; D.C. Code, sec. 47–301(b)).

D.C. GENERAL HOSPITAL

For the District of Columbia General Hospital, established by Reorganization Order No. 57 of the Board of Commissioners, effective August 15, 1953, $112,419,000 of which $59,735,000 shall be derived by transfer from the general fund and $52,684,000 shall be derived from other funds.

D.C. RETIREMENT BOARD

For the D.C. Retirement Board, established by section 121 of the District of Columbia Retirement Reform Act of 1989, approved November 17, 1979 (93 Stat. 866; D.C. Code, sec. 1–711), $16,667,000 and 13 full-time equivalent positions from the earnings of the applicable retirement funds to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board: *Provided*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report.

CORRECTIONAL INDUSTRIES FUND

For the Correctional Industries Fund, established by the District of Columbia Correctional Industries Establishment Act, approved October 3, 1964 (78 Stat. 1000; Public Law 88–622), $3,052,000 and 50 full-time equivalent positions from other funds.

WASHINGTON CONVENTION CENTER ENTERPRISE FUND

For the Washington Convention Center Enterprise Fund, $47,996,000 of which $5,400,000 shall be derived by transfer from the general fund.

DISTRICT OF COLUMBIA FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY

For the District of Columbia Financial Responsibility and Management Assistance Authority, established by section 101(a) of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, approved April 17, 1995 (109 Stat. 97; Public Law 104–8), $3,400,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately-owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 110. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the Subcommittee on the District of Columbia of the House Committee on Government Reform and Oversight, the Subcommittee on Oversight of Government Management and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 111. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 112. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 113. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowings and spending progress compared with projections.

SEC. 114. The Mayor shall not borrow any funds for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 115. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 116. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.): *Provided*, That for the fiscal year ending September 30, 1997 the above shall apply except as modified by Public Law 104-8.

SEC. 117. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 118. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 119. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1996 shall be deemed to be the rate of pay payable for that position for September 30, 1996.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, per diem compensation at a rate established by the Mayor.

SEC. 120. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5, United States Code.

SEC. 121. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), based upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 122. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1997, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1997 revenue estimates as of the end of the first quarter of fiscal year 1997. These estimates shall be used in the budget request for the fiscal year ending September 30, 1998. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 123. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 124. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided*, That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 125. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037: Public Law 99-177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided*, That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99–177), as amended.

SEC. 126. Nothing in this Act shall be construed to authorize any office, agency or entity to expend funds for programs or functions for which a reorganization plan is required but has not been approved by the Council pursuant to section 422(12) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93–198; D.C. Code, sec. 1–242(12)) and the Governmental Reorganization Procedures Act of 1981, effective October 17, 1981 (D.C. Law 4–42; D.C. Code, secs. 1–299.1 to 1–299.7). Appropriations made by this Act for such programs or functions are conditioned on the approval by the Council, prior to October 1, 1996, of the required reorganization plans.

SEC. 127. (a) An entity of the District of Columbia government may accept and use a gift or donation during fiscal year 1997 if—

(1) the Mayor approves the acceptance and use of the gift or donation: *Provided*, That the Council of the District of Columbia may accept and use gifts without prior approval by the Mayor; and

(2) the entity uses the gift or donation to carry out its authorized functions or duties.

(b) Each entity of the District of Columbia government shall keep accurate and detailed records of the acceptance and use of any gift or donation under subsection (a) of this section, and shall make such records available for audit and public inspection.

(c) For the purposes of this section, the term "entity of the District of Columbia government" includes an independent agency of the District of Columbia.

(d) This section shall not apply to the District of Columbia Board of Education, which may, pursuant to the laws and regulations of the District of Columbia, accept and use gifts to the public schools without prior approval by the Mayor.

SEC. 128. None of the Federal funds provided in this Act may be used by the District of Columbia to provide for salaries, expenses, or other costs associated with the offices of United States Senator or United States Representative under section 4(d) of the District of Columbia Statehood Constitutional Convention Initiatives of 1979, effective March 10, 1981 (D.C. Law 3–171; D.C. Code, sec. 1–113(d)).

PROHIBITION AGAINST USE OF FUNDS FOR ABORTIONS

[SEC. 129. None of the funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.]

SEC. 129. None of the Federal funds appropriated under this Act shall be expended for any abortion except where the life of the mother would be endangered if the fetus were carried to term or where the pregnancy is the result of an act of rape or incest.

PROHIBITION ON DOMESTIC PARTNERS ACT

[SEC. 130. No funds made available pursuant to any provision of this Act shall be used to implement or enforce any system of registration of unmarried, cohabiting couples whether they are homosexual, lesbian, or heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any funds made available pursuant to any provision of this Act otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.]

SEC. 130. No Federal funds made available pursuant to any provision of this Act shall be used to implement or enforce any system of registration of unmarried, cohabitating couples whether they are homosexual, lesbian, or heterosexual, including but not limited to registration for the purpose of extending employment, health, or governmental benefits to such couples on the same basis that such benefits are extended to legally married couples; nor shall any Federal funds made available pursuant to any provision of this Act otherwise be used to implement or enforce D.C. Act 9–188, signed by the Mayor of the District of Columbia on April 15, 1992.

COMPENSATION OF MEMBERS OF JUDICIAL NOMINATION COMMISSION

SEC. 131. (a) IN GENERAL.—Effective as if included in the enactment of the District of Columbia Appropriations Act, 1996, section 434(b)(5) of the District of Columbia Self-Government and Governmental Reorganization Act is amended to read as follows:

"(5) Members of the Commission shall serve without compensation for services rendered in connection with their official duties on the Commission.".

(b) CONFORMING AMENDMENT.—Section 133(b) of the District of Columbia Appropriations Act, 1996 is hereby repealed, and the provision of law amended by such section is hereby restored as if such section had not been enacted into law.

MONTHLY REPORTING REQUIREMENTS—BOARD OF EDUCATION

SEC. 132. The Board of Education shall submit to the Congress, the Mayor, *the District of Columbia Financial Responsibility and Management Assistance Authority*, and the Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections vs. budget broken out on the basis of control center, responsibility center, agency reporting code, and object class, and for all funds, including capital financing;

(2) a breakdown of FTE positions and staff for the most current pay period broken out on the basis of control center, responsibility center, and agency reporting code within each responsibility center, for all funds, including capital funds;

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and agency reporting code, and for all funding sources;

(4) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged broken out on the basis of control center, responsibility center, and agency reporting code; and contract identifying codes used by the D.C. Public Schools; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that are required to be, and have been, submitted to the Board of Education; and

(6) changes made in the last month to the organizational structure of the D.C. Public Schools, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

MONTHLY REPORTING REQUIREMENTS

UNIVERSITY OF THE DISTRICT OF COLUMBIA

SEC. 133. The University of the District of Columbia shall submit to the Congress, the Mayor, *the District of Columbia Financial Responsibility and Management Assistance Authority*, and the Council of the District of Columbia no later than fifteen (15) calendar days after the end of each month a report that sets forth—

(1) current month expenditures and obligations, year-to-date expenditures and obligations, and total fiscal year expenditure projections vs. budget broken out on the basis of control center, responsibility center, and object class, and for all funds, non-appropriated funds, and capital financing;

(2) a breakdown of FTE positions and all employees for the most current pay period broken out on the basis of control center and responsibility center, for all funds, including capital funds;

(3) a list of each account for which spending is frozen and the amount of funds frozen, broken out by control center, responsibility center, detailed object, and for all funding sources;

(4) a list of all active contracts in excess of $10,000 annually, which contains the name of each contractor; the budget to which the contract is charged broken out on the basis of control center and responsibility center, and contract identifying codes used by the University of the District of Columbia; payments made in the last month and year-to-date, the total amount of the contract and total payments made for the contract and any modifications, extensions, renewals; and specific modifications made to each contract in the last month;

(5) all reprogramming requests and reports that have been made by the University of the District of Columbia within the last month in compliance with applicable law; and

(6) changes made in the last month to the organizational structure of the University of the District of Columbia, displaying previous and current control centers and responsibility centers, the names of the organizational entities that have been changed, the name of the staff member supervising each entity affected, and the reasons for the structural change.

ANNUAL REPORTING REQUIREMENTS

SEC. 134. (a) The Board of Education of the District of Columbia and the University of the District of Columbia shall annually compile an accurate and verifiable report on the positions and employees in the public school system and the university, respectively. The annual report shall set forth—

(1) the number of validated schedule A positions in the District of Columbia Public Schools and the University of the District of Columbia for fiscal year 1996, fiscal year 1997, and thereafter on a full-time equivalent basis, including a compilation of all positions by control center, responsibility center, funding source, position type, position title, pay plan, grade, and annual salary; and

(2) a compilation of all employees in the District of Columbia Public Schools and the University of the District of Columbia as of the preceding December 31, verified as to its accuracy in accordance with the functions

that each employee actually performs, by control center, responsibility center, agency reporting code, program (including funding source), activity, location for accounting purposes, job title, grade and classification, annual salary, and position control number.

(b) SUBMISSION.—The annual report required by subsection (a) of this section shall be submitted to the Congress, the Mayor, the District of Columbia Council, the Consensus Commission, and the Authority, not later than February 15 of each year.

ANNUAL BUDGETS AND BUDGET REVISIONS

SEC. 135. (a) No later than October 1, 1996, or within 15 calendar days after the date of the enactment of the District of Columbia Appropriations Act, 1997, whichever occurs later, and each succeeding year, the Board of Education and the University of the District of Columbia shall submit to the appropriate congressional committees, the Mayor, the District of Columbia Council, the Consensus Commission, and the District of Columbia Financial Responsibility and Management Assistance Authority, a revised appropriated funds operating budget for the public school system and the University of the District of Columbia for such fiscal year that is in the total amount of the approved appropriation and that realigns budgeted data for personal services and other-than-personal services, respectively, with anticipated actual expenditures.

(b) The revised budget required by subsection (a) of this section shall be submitted in the format of the budget that the Board of Education and the University of the District of Columbia submit to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia pursuant to section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301).

EDUCATIONAL BUDGET APPROVAL

SEC. 136. The Board of Education, the Board of Trustees of the University of the District of Columbia, the Board of Library Trustees, and the Board of Governors of the D.C. School of Law shall vote on and approve their respective annual or revised budgets before submission to the Mayor of the District of Columbia for inclusion in the Mayor's budget submission to the Council of the District of Columbia in accordance with section 442 of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, as amended (D.C. Code, sec. 47–301), or before submitting their respective budgets directly to the Council.

PUBLIC SCHOOL EMPLOYEE EVALUATIONS

SEC. 137. Notwithstanding any other provision of law, rule, or regulation, the evaluation process and instruments for evaluating District of Columbia Public Schools employees shall be a non-negotiable item for collective bargaining purposes.

MODIFICATIONS OF BOARD OF EDUCATION REDUCTION-IN-FORCE PROCEDURES

SEC. 138. The District of Columbia Government Comprehensive Merit Personnel Act of 1978, D.C. Code, sec. 1–601.1 et seq.), is amended—

(1) in section 301 (D.C. Code, sec. 1–603.1)—

(A) by inserting after paragraph (13), the following new paragraph:

"(13A) The term 'nonschool-based personnel' means any employee of the District of Columbia public schools who is not based at a local school or who does not provide direct services to individual students."; and

(B) by inserting after paragraph (15), the following new paragraph:

"(15A) The term 'school administrators' means principals, assistant principals, school program directors, coordinators, instructional supervisors, and support personnel of the District of Columbia public schools.";

(2) in section 801A(b)(2) (D.C. Code, sec. 1–609.1(b)(2)(L))—

(A) by striking "(L) reduction-in-force" and inserting "(L)(i) reduction-in-force"; and

(B) by inserting after subparagraph (L)(i), the following new clause:

"(ii) notwithstanding any other provision of law, the Board of Education shall not issue rules that require or permit nonschool-based personnel or school administrators to be assigned or reassigned to the same competitive level as classroom teachers;"; and

(3) in section 2402 (D.C. Code, sec. 1–625.2), by adding at the end the following new subsection:

"(f) Notwithstanding any other provision of law, the Board of Education shall not require or permit nonschool-based personnel or school administrators to be assigned or reassigned to the same competitive level as classroom teachers.".

SEC. 139. (a) Notwithstanding any other provision of law, rule, or regulation, an employee of the District of Columbia Public Schools shall be—

(1) classified as an Educational Service employee;

(2) placed under the personnel authority of the Board of Education; and

(3) subject to all Board of Education rules.

(b) School-based personnel shall constitute a separate competitive area from nonschool-based personnel who shall not compete with school-based personnel for retention purposes.

MODIFICATION OF REDUCTION-IN-FORCE PROCEDURES

SEC. 140. (a) Section 2401 of the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–625.1 et seq.) is amended by amending the third sentence to read as follows: "A personnel authority may establish lesser competitive areas within an agency on the basis of all or a clearly identifiable segment of an agency's mission or a division or major subdivision of an agency.".

(b) The District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Code, sec. 1–601.1 et seq.), as amended by section 149 of the District of Columbia Appropriations Act, 1996 (Public Law 104–134), is amended by adding at the end the following new section:

"SEC. 2407. ABOLISHMENT OF POSITIONS FOR FISCAL YEAR 1997.

"(a) Notwithstanding any other provision of law, regulation, or collective bargaining agreement either in effect or to be negotiated while this legislation is in effect for the fiscal year ending September 30, 1997, each agency head is authorized, within the agency head's discretion, to identify positions for abolishment.

"(b) Prior to February 1, 1997, each personnel authority shall make a final determination that a position within the personnel authority is to be abolished.

"(c) Notwithstanding any rights or procedures established by any other provision of this title, any District government employee, regardless of date of hire, who encumbers a position identified for abolishment shall be separated without competition or assignment rights, except as provided in this section.

"(d) An employee affected by the abolishment of a position pursuant to this section who, but for this section would be entitled to compete for retention, shall be entitled to one round of lateral competition pursuant to Chapter 24 of the District of Columbia Personnel Manual, which shall be limited to positions in the employee's competitive level.

"(e) Each employee who is a bona fide resident of the District of Columbia shall have added 5 years to his or her creditable service for reduction-in-force purposes. For purposes of this subsection only, a nonresident District employee who was hired by the District government prior to January 1, 1980, and has not had a break in service since that date, or a former employee of the United States Department of Health and Human Services at Saint Elizabeths Hospital who accepted employment with the District government on October 1, 1987, and has not had a break in service since that date, shall be considered a District resident.

"(f) Each employee selected for separation pursuant to this section shall be given written notice of at least 30 days before the effective date of his or her separation.

"(g) Neither the establishment of a competitive area smaller than an agency, nor the determination that a specific position is to be abolished, nor separation pursuant to this section shall be subject to review except as follows—

"(1) an employee may file a complaint contesting a determination or a separation pursuant to title XV of this Act or section 303 of the Human Rights Act of 1977, effective December 13, 1977 (D.C. Law 2–38; D.C. Code, sec. 1–2543); and

"(2) an employee may file with the Office of Employee Appeals an appeal contesting that the separation procedures of subsections (d) and (f) of this section were not properly applied.

"(h) An employee separated pursuant to this section shall be entitled to severance pay in accordance with title XI of this Act, except that the following shall be included in computing creditable service for severance pay for employees separated pursuant to this section—

"(1) four years for an employee who qualified for veterans preference under this Act, and

"(2) three years for an employee who qualified for residency preference under this Act.

"(i) Separation pursuant to this section shall not affect an employee's rights under either the Agency Reemployment Priority Program or the Displaced Employee Program established pursuant to Chapter 24 of the District Personnel Manual.

"(j) The Mayor shall submit to the Council a listing of all positions to be abolished by agency and responsibility center by March 1, 1997, or upon the delivery of termination notices to individual employees.

"(k) Notwithstanding the provisions of section 1708 or section 2402(d), the provisions of this Act shall not be deemed negotiable.

"(l) A personnel authority shall cause a 30-day termination notice to be served, no later than September 1, 1997, on any incumbent employee remaining in any position identified to be abolished pursuant to subsection (b) of this section".

[CEILING ON EXPENSES AND DEFICIT

[SEC. 141. (a) CEILING ON TOTAL OPERATING EXPENSES AND DEFICIT.—

[(1) IN GENERAL.—Notwithstanding any other provision of law, the total amount appropriated in this Act for operating expenses for the District of Columbia for fiscal year 1997 under the caption "DIVISION OF EXPENSES" shall not exceed the lesser of—

[(A) the sum of the total revenues of the District of Columbia for such fiscal year and $40,000,000; or

[(B) $5,108,913,000 (of which $134,528,000 shall be from intra-District funds).

[(2) ENFORCEMENT.—The Chief Financial Officer of the District of Columbia and the District of Columbia Financial Responsibility and Management Assistance Authority shall take such steps as are necessary to assure that the District of Columbia meets the requirements of this section, including the apportioning by the Chief Financial Officer of the appropriations and funds made available to the District during fiscal year 1997.

[(b) ACCEPTANCE AND USE OF GRANTS NOT INCLUDED IN CEILING.—

[(1) IN GENERAL.—Notwithstanding subsection (a), the Mayor of the District of Columbia may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

[(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

[(A) the Chief Financial Officer of the District submits to the District of Columbia Financial Responsibility and Management Assistance Authority established by Public Law 104–8 (109 Stat. 97) a report setting forth detailed information regarding such grant; and

[(B) the District of Columbia Financial Responsibility and Management Assistance Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of Public Law 104–8, the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

[(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

[(4) MONTHLY REPORTS.—The Chief Financial Officer of the District shall prepare a monthly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the month covered by the report.]

ACCEPTANCE AND USE OF GRANTS

SEC. 141. (a) ACCEPTANCE AND USE OF GRANTS.—

(1) IN GENERAL.—The Mayor of the District of Columbia may accept, obligate, and expend Federal, private, and other grants received by the District government that are not reflected in the amounts appropriated in this Act.

(2) REQUIREMENT OF CHIEF FINANCIAL OFFICER REPORT AND FINANCIAL RESPONSIBILITY AND MANAGEMENT ASSISTANCE AUTHORITY APPROVAL.—No such Federal, private, or other grant may be accepted, obligated, or expended pursuant to paragraph (1) until—

(A) the Chief Financial Officer of the District submits to the District of Columbia Financial Responsibility and Management Assistance Authority established by Public Law 104–8 (109 Stat. 97) a report setting forth detailed information regarding such grant; and

(B) the District of Columbia Financial Responsibility and Management Assistance Authority has reviewed and approved the acceptance, obligation, and expenditure of such grant in accordance with review and approval procedures consistent with the provisions of Public Law 104–8, the District of Columbia Financial Responsibility and Management Assistance Act of 1995.

(3) PROHIBITION ON SPENDING IN ANTICIPATION OF APPROVAL OR RECEIPT.—No amount may be obligated or expended from the general fund or other funds of the District government in anticipation of the approval or receipt of a grant under paragraph (2)(B) or in anticipation of the approval or receipt of a Federal, private, or other grant not subject to such paragraph.

(4) MONTHLY REPORTS.—The Chief Financial Officer of the District shall prepare a monthly report setting forth detailed information regarding all Federal, private, and other grants subject to this subsection. Each such report shall be submitted to the Council of the District of Columbia, and to the Committees on Appropriations of the House of Representatives and the Senate, not later than 15 days after the end of the month covered by the report.

[CHIEF FINANCIAL OFFICER POWERS DURING CONTROL PERIODS

[SEC. 142. Notwithstanding any other provision of law, during any control period in effect under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 the following shall apply:

[(a) the heads and all personnel of the following offices, together with all other District of Columbia executive branch accounting, budget, and financial management personnel, shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer:

[The Office of the Treasurer.

[The Controller of the District of Columbia.

[The Office of the Budget.

[The Office of Financial Information Services.

[The Department of Finance and Revenue. The District of Columbia Financial Responsibility and Management Assistance Authority established pursuant to Public Law 104–8, approved April 17, 1995, may remove such individuals from office for cause, after consultation with the Mayor and the Chief Financial Officer.

[(b) The Chief Financial Officer shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia under part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 774; Public Law 93–198), as amended, for each fiscal year occurring during a control period in effect under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, annual estimates of the expenditures and appropriations necessary for the operation of the Office of the Chief Financial Officer for the year. All such estimates shall be forwarded by the Mayor to the Council of the District of Columbia for its action pursuant to sections 446 and 603(c) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, approved December 24, 1973, without revision but subject to recommendations. Notwithstanding any other provisions of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, approved December 24, 1973, the Council may comment or make recommendations concerning such estimates, but shall have no authority to revise such estimates.]

CHIEF FINANCIAL OFFICER POWERS DURING CONTROL PERIODS

SEC. 142. Notwithstanding any other provision of law, during any control period in effect under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995 the following shall apply:

(a) the heads and all personnel of the following offices, together with all other District of Columbia accounting, budget, and financial management personnel, (except legislative and judicial personnel) shall be appointed by, shall serve at the pleasure of, and shall act under the direction and control of the Chief Financial Officer:

The Office of the Treasurer.

The Controller of the District of Columbia.

The Office of the Budget.

The Office of Financial Information Services.

The Department of Finance and Revenue.

The District of Columbia Financial Responsibility and Management Assistance Authority established pursuant to Public Law 104–8, approved April 17, 1995, may remove such individuals from office for cause, after consultation with the Mayor and the Chief Financial Officer.

(b) The Chief Financial Officer shall prepare and submit to the Mayor, for inclusion in the annual budget of the District of Columbia under part D of title IV of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 774; Public Law 93–198), as amended, for each fiscal year occurring during a control period in effect under subtitle A of title II of the District of Columbia Financial Responsibility and Management Assistance Act of 1995, annual estimates of the expenditures and appropriations necessary for the operation of the Office of the Chief Financial Officer for the year. All such estimates shall be forwarded by the Mayor to the Council of the District of Columbia for its action pursuant to sections 446 and 603(c) of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, approved December 24, 1973, without revision but subject to recommendations. Notwithstanding any other provisions of the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93–198, approved December 24, 1973, the Council may comment or make recommendations concerning such estimates, but shall have no authority to revise such estimates.

POLICE AND FIRE FIGHTER DISABILITY RETIREMENTS

SEC. 143. (a) Up to 50 police officers and up to 50 Fire and Emergency Medical Services members with less than 20 years of departmental service who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1997 shall be excluded from the computation of the rate of disability retirements under subsection 145(a) of the District of Columbia Retirement Reform Act of 1979 (93 Stat. 882; D.C. Code, sec. 1–725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act of 1979.

(b) The Mayor, within 30 days after the enactment of this provision, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section

142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96–122, approved November 17, 1979; D.C. Code, secs. 1–722(d) and 1–724(d).

(c) This section shall not go into effect until 15 days after the Mayor transmits the actuarial report required by section 142(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96–122, approved November 17, 1979) to the District of Columbia Retirement Board, the Speaker of the House of Representatives, and the President pro tempore of the Senate.

SEC. 144. (a) Section 451(c)(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 803; D.C. Code, sec. 1–1130(c)(3)), is amended by striking the word "section" and inserting the word "subsection" in its place.

DISTRICT OF COLUMBIA SCHOOL REFORM

SEC. 145. Section 2204(c)(2) of the District of Columbia School Reform Act of 1995 (Public Law 104–134) is amended to read as follows:

"(2) TUITION, FEES, AND PAYMENTS.—

"(A) PROHIBITION.—A public charter school may not, with respect to any student other than a nonresident student, charge tuition, impose fees, or otherwise require payment for participation in any program, educational offering, or activity that—

"(i) enrolls students in any grade from kindergarten through grade 12; or

"(ii) is funded in whole or part through an annual local appropriation.

"(B) EXCEPTION.—A public charter school may impose fees or otherwise require payment, at rates established by the Board of Trustees of the school, for any program, educational offering, or activity not described in clause (i) or (ii) of subparagraph (A), including adult education programs, or for field trips or similar activities.".

SEC. 146. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each agency of the Federal or District of Columbia government shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 147. Notwithstanding any other law, the District of Columbia Housing Finance Agency, established by section 210 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2–135; D.C. Code, sec. 45–2111) shall not be required to repay moneys advanced by the District government (including accrued interest thereon) pursuant to Congressional appropriations for fiscal years 1980 through 1992.

SEC. 148. Section 2561(b) of the District of Columbia School Reform Act of 1995 (Public Law 104–134) is amended to read as follows:

"(b) LIMITATION.—A waiver under subsection (a) shall not apply to requirements under 40 U.S.C. 267a–276a–7 and Executive Order 11246."

SEC. 149. ENERGY AND WATER SAVINGS AT DISTRICT OF COLUMBIA FACILITIES.—

(a) REDUCTION IN FACILITY ENERGY COSTS AND WATER CONSUMPTION.—

IN GENERAL.—The Director of the District of Columbia Office of Energy shall, subject to the contract approval provisions of Public Law 104–8—

(A) develop a comprehensive plan to identify and accomplish energy conservation measures to achieve maximum cost-effective energy and water savings;

(B) enter into innovative financing and contractual mechanisms including, but not limited to utility demand-side management programs and energy savings performance contracts and water conservation performance contracts: Provided, That the terms of such contracts do not exceed twenty-five years; and

(C) permit and encourage each department or agency and other instrumentality of the District of Columbia to participate in programs conducted by any gas, electric or water utility of the management of electricity or gas demand or for energy or water and conservation.

This Act may be cited as the District of Columbia Appropriations Act, 1997.

Mr. JEFFORDS. Mr. President, I am pleased to present the fiscal year 1997 District of Columbia appropriations bill to the Senate. This budget is, I hope, one more step in the District's path to fiscal stability and financial health.

Our goal, in this bill and every one to follow, must be a city worthy in every respect to be the symbol of our Nation—from its streets, to its schools, to its safety. The District of Columbia is at a critical juncture. If we do not exercise great care over the next few years, we will be left with a Potemkin Village on the Potomac—one with gleaming monuments and grinding poverty.

The bill presented is within the subcommittee's allocation and contains a Federal payment of $660 million. This is the authorized level and the same amount as was appropriated for 1995 and 1996.

The bill also contains $52 million in Federal contributions to the pension funds for police officers, firefighters, judges, and teachers. The Federal Government accepted this commitment when it transferred these pension funds to the District over a decade ago. Finally, the bill contains some $5.7 million for reimbursement for expenses resulting from next January's Presidential inauguration.

As my colleagues will recall, the District's financial situation had so deteriorated that last year we established a control board for the city. A little over a year ago the President appointed the five members of the District of Columbia Financial Responsibility and Management Assistance Authority and its work began.

The budget before us is the first to fully benefit from the work of the Financial Authority and the process established by its authorizing legislation. The Mayor, the city council, the chief financial officer and the Financial Authority have worked together and produced a budget which each supports.

The committee's bill adopts the consensus budget without change. I think we should respect the process we established in the control board legislation and defer to the budget presented us.

I think this budget is a sound one. It restrains spending, which is up from about $5 billion this year to some $5.1 billion next year, and relies on much more conservative assumptions than some past budget submissions.

The budget reduces spending in some areas, and increases it in others, such as public safety. As we trim spending, I think it is vital that we support spending in such core functions as public safety and education.

To further insure fiscal integrity, this bill removes any ambiguity in the authority of the CFO. The committee intends that he shall oversee all financial personnel in the executive branch, including the independent agencies.

Section 148 of the bill contains an important provision authorizing the director of the District of Columbia Energy Office to negotiate energy performance contracts, the terms of which can extend up to 25 years. Under current law, the District is limited to entering 1 year or short term contracts which acts to discourage companies from entering such contracts.

The Department of Energy's [DOE] Federal Energy Management Program is an ambitious program to reduce energy consumption in all Federal buildings and installations. Agencies and Departments invite energy service companies to install energy efficient lighting, heating, and cooling systems. The companies provide the investment capital and their payback comes from a portion of the money saved when the Agency's energy bills are lowered. A good example of the program's success is the DOE's headquarters building recently relamped without any Federal appropriation. It lowered the cost of operating the Forestall Building, reduced energy costs and saved taxpayer money.

The District's public buildings and particularly its public schools are in desperate need of repair and rehabilitation. With energy performance contracting authority, the city can attract capital improvement investments from energy service companies prepared to install energy efficient equipment.

Under this program, we can reduce the District's $50 million annual energy bill without the need to appropriate funds. Many school districts across America have come to rely upon this contracting mechanism and it is time the District of Columbia has this authority. While this would provide the District with greater flexibility, these contracts would be subject to the same review by the Financial Authority for all other contracts.

Mr. President, I want to thank my colleagues on the subcommittee, Senator KOHL and Senator CAMPBELL. I also want to thank the chairman of the Committee on Appropriations, Senator HATFIELD, and our distinguished ranking member, Senator BYRD, for their leadership and assistance on this bill.

Finally, I would like to briefly thank a former Senate staff member, Mr. B. Timothy Leeth, for all of his work on this bill and so many appropriations bills before it.

As my colleagues on the Appropriations Committee know, Tim joined the committee staff in 1977 and has served during most of his tenure as the clerk of the District Subcommittee, Congress after Congress he would inherit new chairmen and committee members who probably, like me, know very little about the details of the District's operations.

With extraordinary patience, intelligence, and good humor, he would suffer the same questions from each one of us year after year. He worked hard and well for members on both sides of the aisle, of all different political philosophies, in a thorough and professional manner. He was, and remains, an outstanding public servant.

We will miss his efforts on behalf of the committee and the Senate, but the District of Columbia is fortunate that it will continue to benefit from his work.

Mr. President, I yield the floor,

Mr. BYRD. Mr. President, I commend the distinguished majority [Mr. JEFFORDS] and minority [Mr. KOHL] managers of the Fiscal Year 1997 District of Columbia Appropriations Bill. I know, from 7 years of personal experience as Chairman of the District of Columbia Appropriations Subcommittee, how much effort is required, and how much frustration is involved, in dealing with the problems encountered in formulating this legislation. It is a thankless job.

The bill before the Senate recommends the $5.1 billion Fiscal Year 1997 District of Columbia budget that was forwarded to Congress. That budget represents a consensus agreed to by the District of Columbia City Council, the Mayor, and the Control Board. The Administration supports the consensus budget.

Mr. President, last year the Congress enacted the District of Columbia Financial Responsibility and Management Assistance Act, which was designed to restore fiscal integrity of the District of Columbia. Section 201(c) of that legislation requires that progress for equalizing expenditures and revenues of the District Government must be made with the balance being achieved in 1999. The Subcommittee Chairman and Ranking Member are keenly aware of this requirement and are working with the Control Board, the City Council, and the Mayor, to achieve the desired result.

I want to commend the staff of the Subcommittee. Tim Leeth, on the majority, and Terry Sauvain, on the minority, are two experienced committee staffers. Mr. Leeth has worked for both the majority and minority and represents a proud tradition of non-partisanship on the Senate Appropriations Committee staff. Mr. Leeth is leaving the Committee and will serve on the staff of the Control Board. He has done a fine job as a member of the Committee staff and made many important contributions. I thank him for his excellent service and wish him well in his new assignment. Mr. Sauvain continues to serve as my Deputy Staff Director of the Appropriations Committee, in addition to his work for the Subcommittee.

Mr. KOHL. Mr. President, I commend the distinguished Subcommittee Chairman [Mr. JEFFORDS], in connection with the Fiscal Year 1997 District of Columbia Appropriations Bill. He has done a good job and I support him in his efforts.

The bill before the Senate recommends the $5.1 billion Fiscal Year 1997 District of Columbia budget that was forwarded to Congress. That budget represents a consensus agreed to by the District of Columbia City Council, the Mayor, and the Control Board. The Administration supports the consensus budget.

Mr. President, last year the Congress enacted the District of Columbia Financial Responsibility and Management Assistance Act, which was designed to restore fiscal integrity of the District of Columbia. Section 201(c) of that legislation requires that progress for equalizing expenditures and revenues of the District Government must be made with the balance being achieved in 1999. The Subcommittee is keenly aware of this requirement and is working with the Control Board, the City Council, and the Mayor, to achieve the desired result.

I want to commend the staff of the Subcommittee. Tim Leeth, on the majority, and Terry Sauvain, on the minority, are two able and experienced staffers. After many years on the Committee staff, Mr. Leeth is leaving the Committee and will continue to be associated with the District of Columbia as a senior staff member of the Control Board. Tim is an excellent person and professional staff member. I have appreciated his wise counsel in matters relating to the District of Columbia. My colleagues and I will miss him here in the Senate. I am pleased that his expertise in District matters and good humor will be available to the members of the Control Board.

Mr. President, I yield the floor.

Mr. LOTT. Mr. President, I ask unanimous consent that the committee amendments be deemed agreed to, the bill be advanced to third reading, passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3845), as amended, was deemed read a third time, and passed.

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate insist on its amendments and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

There being no objection, the Presiding Officer (Mr. BENNETT) appointed Mr. CAMPBELL, Mr. HATFIELD, Mr. KOHL, and Mr. INOUYE conferees on the part of the Senate.

Mr. GORTON. Mr. President, I would like to go on record as being against this bill, which ignores the very grave problems of the District of Columbia and only throws money at what can only be called a complete mess.

In the D.C. control board we have an organization that seems incapable of dealing decisively with the D.C. government, a government that cannot provide such basic services as law enforcement, fire fighting, water, sewer and road maintenance, education, and the like. Compare this with, say, the State of North Dakota, which, with approximately the same population but with 70,636 more square miles to manage, can fulfill all its basic governing duties.

For the State of North Dakota, total government spending—State and local—for 1995 was approximately $2.7 billion. Washington, DC, by contrast, spent a total of $5.2 billion for 1995. In other words, the D.C. government spends twice as much as North Dakota and still comes up short. Let's look at it another way: Per capita government spending in North Dakota is $3,857; in D.C., it's nearly $9,000.

Comparing Washington, DC, to the rest of the Nation, the picture looks equally bleak. Looking at numbers from sworn testimony before the D.C. Appropriations Subcommittee, published studies and the Washington Post:

> "D.C. employs over 37,000 people to service a population of 550,000 people. The city of Los Angeles has the same number of employees but a population of three million people—six times that of D.C." Even though Washington, D.C.—unlike Los Angeles—has responsibilities of a state government, these numbers are still striking.
>
> "Despite a 25 percent drop in the number of school-aged children in the 1980s, D.C. public education expenditures have grown to

over $9,400 per student, the highest in the nation.

"The District spent so little on maintenance that a court had to step in to correct fire code violations."

What is the District's problem? Quite simply, there is no accountability in the D.C. control board. There is certainly no accountability in the city government. By simply continuing to write checks, and not demanding a change in behavior, we perpetuate the problem.

If it is going to improve—financially, service-wise, and in terms of just plain carrying out its day-to-day duties—if that is to happen, Mr. President, then we are going to have to stop doing the things we've been doing. A change of course is in order. No more bailing out the District; no more saving the District from itself. The city of Washington, DC, must take the initiative and make the changes necessary to bring itself out of its present miserable condition and begin to function more efficiently and affectively. Congress cannot continue to hold the District's hand, always standing by, ready to get the city out of a tight spot. Accountability and responsibility are in order.

On a related subject, I see no justification for supporting the proposal to cut taxes in the District. The city's current woes are due not to tax rates but to an outrageously inefficient government. Attempting to cure those woes with tax incentives that are not available to my hard-working constituents or to any other taxpayers across the land, only serves to reward D.C. for its outlandish mismanagement. Again, the District must face the source of its problems—a government virtually incapable of governing—and tackle them head-on

Mr. President, I would offer the strongest possible suggestion to my colleagues on the D.C. Appropriations Subcommittee that they take a new look at how they determine funding for the District of Columbia. Only by adapting a course of radical change can Washington, DC, hope to be a normal, functioning city.

INTERSTATE STALKING PUNISHMENT AND PREVENTION ACT OF 1996

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 421, H.R. 2980.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2980) to amend title 18, United States Code, with respect to stalking.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. I ask unanimous consent that an amendment which is at the desk be immediately agreed to, the bill be advanced to third reading and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 5083) was agreed to, as follows:

At the appropriate place, insert the following:

SEC. . GUN BAN FOR INDIVIDUALS COMMITTING DOMESTIC VIOLENCE.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(33) The term 'crime involving domestic violence' means a felony or misdemeanor crime of violence, regardless of length, term, or manner of punishment, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim under the dometic or family violence law of the jurisdiction in which such felony or misdemeanor was committed.".

(b) UNLAWFUL ACTS.—Section 922 of title 18, United Stats Code, is amended—

(1) in subsection (d)—

(A) by striking "or" at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting "; or"; and

(C) by inserting after paragraph (8) the following new paragraph:

"(9) has been convicted in any court of any crime involving domestic violence where the individual has been represented by counsel or knowingly and intelligently waived the right to counsel";

(2) in subsection (g)—

(A) by striking "or" at the end of paragraph (7);

(B) in paragraph (8), by striking the comma and inserting "; or"; and

(C) by inserting after paragraph (8) the following new paragraph:

"(9) has been convicted in any court of any crime involving domestic violence where the individual has been repesented by counsel or knowingly and intelligently waived the right to counsel, "; and

(3) in subsection (s)(3)(B)(i), by inserting before the semicolon the following: "and has not been convicted in any court of any crime involving domestic violence where the individual has been represented by counsel or knowingly and intelligently wavied the right to counsel".

(c) RULES AND REGULATIONS.—Section 926(a) of title 18, United States Code, is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and'; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) regulations providing for the effective recept and secure storage of firearms relinquished by or seized from persons desscribed in subsection (d)(9) or (g)(9) of section 922.".

The bill (H.R. 2980) was ordered to be engrossed for a third reading, read the third time and passed.

Mr. LOTT. Mr. President, I do want to note that this is to amend title 18 of the U.S. Code with regard to stalking, with an amendment by Senator LAUTENBERG. I want to recognize the great work and the determined effort by Senator HUTCHISON in getting this legislation through. It is something certainly we should support, and we obviously do, and also there has been cooperation by Senator HUTCHISON and Senator CRAIG and Senator LAUTENBERG to get this language worked out.

Mr. DASCHLE. Mr. President, let me just briefly commend the distinguished Senator from New Jersey for his hard work on this issue and for his patience and his cooperation in bringing it to this point.

I also wish to thank Senator CRAIG for working with us all day long in an effort to find a way to resolve the outstanding language differences, and I am very grateful to them as well.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I would be glad to defer to Senator LAUTENBERG.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I thank the Chair.

I rise to express my appreciation for the hard work that has gone into resolving the problem that we had. There was an attempt, a serious attempt to work it out, and at times it looked like we just could not come together. But through the persistence of the leaders, the help of Senator CRAIG and the agreement with Senator HUTCHISON, we were able to do this.

It is an important piece of legislation. I will take time later on to talk about it, but I want to express my thanks to all of those who enabled this piece of legislation to go through. It is going to be very meaningful to women and families across this country. Two million cases of violence are reported within households each and every year, and this will take the murder away from substantial numbers of them.

Again, I express my appreciation for the opportunity to get this bill passed.

Mr. LOTT. I would be happy to yield to the distinguished Senator from Texas, who moved this legislation, the idea of getting some Federal ability to deal with stalkers across State lines. It is an issue that obviously affects women and children to the greatest degree in this country. She has shown real compassion and a determination to get it done, and I commend her for her efforts. I am pleased we have been able to get it worked out tonight.

I would be glad to yield for her comments on it.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. I thank the Chair.

I thank the distinguished majority leader and the minority leader for helping us work this out. This is a bill that has been pending since Memorial Day to try to get all of the equipment and the resources of the FBI to go against the vicious people in this country who would harass and threaten women and children and would cross State lines to do it.

In the old days, we did not even have stalking bills because people did not know what the crime was, so people would be threatened and harassed and there was no way to prosecute these vicious actors. But now we do have stalking bills in almost every State, and this will allow us to look them up, and if someone crosses State lines breaking a State law, we will be able to apprehend them. I hope we will be able to prevent the harm and even murders of women and children in this country.

Senator LAUTENBERG is to be commended for working with us to make his amendment a good amendment, and it is a good amendment, and I applaud him for it. I think it adds to the bill. He was willing to work with us, and I think we now have a very strong bill. Because of Senator LAUTENBERG's amendment, we are also going to be able to keep people who batter their wives or people with whom they live from having handguns. So I think it is going to be a great bill that will give the women and children of this country some protection that they do not now have, and I am very pleased to be supportive of this compromise.

I thank the Chair.

HYDROELECTRIC PROJECT EXTENSION

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 234, H.R. 1051.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1051) to provide for the extension of certain hydroelectric projects located in the State of West Virginia.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. I ask unanimous consent that the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed at the appropriate place in the RECORD.

The PRESIDING OFFICER (Mr. BROWN). Is there objection? The Chair hears none, and it is so ordered.

The bill (H.R. 1051) was deemed to have been read three times and passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: No. 579, No. 676, and No. 680. I further ask unanimous consent that the nominations be confirmed en bloc and the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF JUSTICE

Glenn Dale Cunningham, of New Jersey, to be United States Marshal for the District of New Jersey for the term of four years.

THE JUDICIARY

Joan B. Gottschall, of Illinois, to be United States District Judge for the Northern District of Illinois.

Robert L. Hinkle, of Florida, to be United States District Judge for the Northern District of Florida.

NOMINATION OF GLENN CUNNINGHAM

Mr. LAUTENBERG. Mr. President, it is my pleasure to offer congratulations to Glenn Cunningham, President Clinton's nominee for United States Marshal for New Jersey, upon his confirmation by the U.S. Senate. I also extend my congratulations to Mr. Cunningham's proud family and friends.

I had the honor and privilege of recommending Mr. Cunningham to the President, and I want to take a few moments of the Senate's time to explain why I am convinced that he will do an outstanding job in this important position.

Mr. President, Glenn Cunningham has a long and distinguished record of public service. For over 25 years he has been a widely respected law enforcement officer in command-level positions.

Currently, Mr. Cunningham serves as Director of Public Safety for Hudson County, N.J. In that capacity, he oversees a department with a $42 million budget and over 700 employees. By any measure, he has been outstanding in the performance of his duties.

Previously, Mr. President, Glenn spent 14 years in the Jersey City Police Department, where he rose from the rank of Detective to Captain. He has also served as an instructor at Jersey City State College in criminal justice, as a Commissioner of the New Jersey Alcohol and Beverage Control Commission, and as Security and Housing Manager of the Jersey City Housing Authority.

Mr. President, in all of these endeavors, Glenn Cunningham has demonstrated that he is a man of real integrity, as well as a man of real talent. He has also shown himself to be dedicated to serving the public through law enforcement.

That is not just my judgment. It is the judgment of those who have known him for many years, and who have worked closely with him.

Mr. President, I am proud to have recommended Mr. Cunningham to the President, and I am very proud and pleased to offer my congratulations to him today. I wish him all the best in his new position, and I hope that he will serve our State and country for many years. I know that he will serve with integrity, dedication and distinction.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

Mr. LOTT. I yield the floor, Mr. President.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

Mr. BIDEN addressed the Chair.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I yield to the Senator from Vermont.

AMENDMENT NO. 5018

Mr. LEAHY. Mr. President, how much time is remaining on this side?

The PRESIDING OFFICER. The Senator from Georgia has 10 minutes and 38 seconds, and the Senator from Vermont has 15 minutes and 29 seconds.

Mr. LEAHY. Mr. President, I assume the time will not start until we have order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, the Senator from Delaware told me he wants 2 minutes, and I yield that to him.

Mr. BIDEN. Mr. President, I am not going to speak to the merits of the legislation. I see my friend from Iowa is in the Chamber. I was going to remain silent on this, but because of the constant partisan references to the President not caring about it, I just want the Record to show one thing. This administration since it came into office has asked for $801 million for this very purpose, and my good friend from Iowa knows the Republican Congress gave him $540 million.

Now, I find it fascinating the Senator from Iowa stands up and berates the administration for its lack of interest, and the Senator from Kansas stands up and says there is no reason we should give this much money because it is better used other places. There is some merit to her argument, but the irony, I just want the Record to show, is that fiscal year 1994 is the only year the

President asked for less than the Congress gave him. He asked for 148; he got 170. In 1995, he asked for 227; the Congress gave him 105. In 1996, he asked for 213; the Congress gave him 115. And in 1997, he asked for 213, and the Congress up to now has given him, the proposal is 160, and now our friend from Georgia is getting in line with the President of the United States and getting their act together in asking what the President asked for.

So, I cannot let it go. I am trying not to respond to everything that occurs here. But the fact is, $801 million asked by the President for this function; $540 million thus far granted by the Congress. If this succeeds, and I will support them to raise it up to the President's level of $213 million, from $160 million, that $540 million will move up in the commensurate amount. I thank the Chair and yield the floor.

Mr. GRASSLEY. Mr. President, I appreciate the remarks of the distinguished Senator from Delaware in support of full funding for the international drug program. I would remind him, however, that the cuts to the international program began in 1993 when the Democratic-controlled Congress cut the INL program by 30 percent. The President's requests in 1993 and 1994 were also well below the Bush-era budgets. Even if we vote for the $213 million today, our international narcotics budget will still be over $200 million below the 1992 level. I also remind the Senator that he has been one of the most outspoken critics of this administration drug programs. He has noted the failings. I hope he and others here will join in voting to put this program back on track.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I think one thing should unite all of us, and I think it does. What unites the Senator from Georgia, Mr. COVERDELL, myself, and everybody else in here is that we are opposed to international drug trafficking.

Back when I was a prosecutor we did not have the problem we have now, but I used to throw people in jail for drug trafficking. None of us needs to stand up and say that we declare our opposition to drug traffic.

What bothers me about the Coverdell amendment is that it cuts funds in the bill for international environmental, humanitarian, and development programs. It is going to cut UNICEF by at least $5 million, probably $10 million, potentially as much as $17 million.

I even heard about an organization called Olympic Aid Atlanta, an initiative out of Atlanta, GA, to generate money to help children affected by conflict in 14 countries through UNICEF. They are going to get cut, in all likelihood, because we transfer the funds to counter narcotics.

This amendment is virtually identical to one offered a couple of years ago. That was defeated 57 to 38 in a bipartisan vote. Anybody who doubts what we do, we have spent over $1 billion, that is $1,000 million, on the international narcotics program in the past 6 years. That is only one set of many, many sources on funding to combat drugs overseas. The House version of this year's State, Justice, Commerce appropriation bill has $75 million more for the narcotics programs than the President requested.

We should ask whether we have actually accomplished much since 1987. We did have the predictions we would stop drugs at the source. The amount of coca under cultivation has actually increased. It was 175,000 hectares in 1987; it is 214,000 in 1995. The amount of cocaine produced has gone up. We spent $1 billion—actually a lot more than $1 billion, but the flow of cocaine continues unabated. We destroy one coca field, another gets planted. We arrest one drug trafficker, another takes his place. We find one corrupt official in one of these countries, three more come in. And the market drives it. We all know that.

We are not going to give up. But let us be realistic. Until we stop the demand in this country, this is going to continue. This bill increases—the bill that we have before us, without the amendment by the distinguished Senator from Georgia—increases funding for counternarcotics 39 percent above current levels, the largest increase of any program in this bill. This would increase it another 33 percent. That is a 85 percent increase in 1 year.

Look what we are doing. At the same time our AID budget is going down—AID had to fire 200 employees last week, people with 10, 20 years experience dedicated to this country—the amount of money we know keeps going up. Look how the money has gone up, up, up, up—but narcotics do not go down. That is why, yes, work at what we might do, but we are not going to make any change in this by cutting $25 million from the U.N. Environment Program and UNICEF and the World Food Program, the Convention on Endangered Species, to name a few. Some of these programs were cut 50 percent last year.

But, when we end up cutting $5 million to $17 million out of UNICEF to pay for this, or money out of AID's development programs that are already cut 22 percent last year, to cut them another $28 million—I do not agree with this.

The President has requested a lot. But the President requested $12.8 billion for foreign assistance. Our allocation was $12.2 billion. We are already $600 million below what the President requested. If we had another half-billion dollars we could afford this. Unless we want to cut UNICEF, unless we want to cut our contribution to KEDO by half, and our other international development programs, then we cannot afford it. That is the argument we made 2 years ago and we cut it down.

I look at this bill. The first time in 22 years we are already cutting UNICEF. How much more do we want to cut it?

This bill underfunds our contributions to the Korea Economic Development Organization by half. I know the distinguished Senator from Connecticut, Senator LIEBERMAN, along with Senators NUNN, HATFIELD, THOMAS, DASCHLE, LUGAR, SIMON, and myself, are going to try to provide authority for more. But assuming that authority passes, if the Coverdell amendment is agreed to the money is not there. If we do not pay our share of KEDO, then the Secretary of Defense says the risk of the North Koreans breaking the nuclear freeze would rise significantly.

As I said, I fought drug traffic for over 8 years as a prosecutor. I voted for billions of dollars to fight drugs both here and overseas. I know of no Member of this body on either side who does not abhor the drug traffic in this country, what it is doing to our children and to so many others. But we provide a sharp increase for counternarcotics programs in this bill, and if we cut out KEDO, and put North Korea back onto their nuclear program, is that increasing our security? I think, keep the hundreds of millions of dollars we are spending on narcotics, but do not cut these other things that also affect our security. We increase amounts for drugs by cutting UNICEF or cutting international health programs, programs to clean up toxic waste? Let us remember, also where some of this money goes. Some of these funds, unfortunately, go to the Colombian Army or Bolivian police or Peruvian police. They are not going to fight drugs.

We are already giving them a 39 percent increase. Let us accept the fact we want to stop drugs. Let us accept the fact we will do everything possible. But let us not create other problems by cutting UNICEF and KEDO and everything else.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. I yield up to 4 minutes to the distinguished Senator from South Carolina.

The PRESIDING OFFICER. The distinguished Senator from South Carolina.

Mr. THURMOND. Mr. President, this amendment, offered by Senator COVERDELL and other Senators including myself, would fully fund the President's International Narcotics Control Account request of $213 million for drug interdiction and eradication efforts. Funds would come from the International Organizations and Program accounts, which are $31 million over the President's request, and from Development Assistance.

Mr. President, Mr. Matthew Robinson, writing in Investors Business Daily, has brought out certain points which I think are very important. He says:

> The Drug Enforcement Agency has lost 227 agents from September '92 to September '95.
>
> Clinton issued an executive order reducing military interdiction efforts, including the elimination of 1,000 antidrug positions.
>
> He shortened mandatory minimum sentences for drug traffickers.
>
> He tried to slash the staff of the Office of National Drug Control Policy by 80% to 25 from 146. Congress has restored funding for some of those slots.
>
> In his '95 budget, he proposed cutting funds for the U.S. Customs Service, the DEA, the Federal Bureau of Investigation, the Immigration and Naturalization Service and the U.S. Coast Guard. The result would have meant 621 fewer agents. Congress again restored some of this funding.
>
> The drug effort has suffered on another level, critics say. The first is in the actual fight against street drugs. Interdiction efforts have suffered under Clinton, drug warriors say.
>
> The military's budget for drug enforcement grew from $4.9 million in '82 to more than $1 billion in '92. It was cut back under Clinton to $700 million in '95.

Mr. President, this amendment should be agreed to. We need to do more in controlling this drug situation, and I urge the Senate to adopt this amendment. I think it will be very helpful.

I thank the able Senator.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I yield 2 minutes to the Senator from Arizona.

Mr. KYL. Mr. President, given the poor record of the Clinton administration on drug enforcement it ought to be enough to simply note that this amendment is needed to bring funding up to the level requested by President Clinton. In an Investors Business Daily article recently, they began by saying:

> In the war on drugs, a bipartisan chorus of critics charges that President Clinton has been AWOL—absent without leadership.

They quote Representative CHARLES RANGEL, a Democrat from New York, who says:

> I have never, never, never seen a President who cares less about this issue.

Representative MAXINE WATERS a Democrat from California says, "There is no war on drugs."

The article goes on to note that President Clinton cut the Drug Enforcement Agency by 227 agents; that he issued an Executive order reducing military interdiction efforts, including the elimination of 1,000 antidrug positions; that he shortened mandatory minimum sentences for drug traffickers; that he tried to slash the staff of the Office of National Drug Control Policy by 80 percent, to only 25 people down from 146; and that in his 1995 budget he proposed cutting funds for the Customs Service, the DEA, Federal Bureau of Investigation, INS, and Coast Guard, all of which would result in fewer agents for drug interdiction.

The point here is if the administration has requested the additional amount of money, surely the Congress ought to support it, given the fact that the administration has not exactly been a stalwart supporter of the drug interdiction efforts.

Certainly no one cares more about kids than the Senator from Kansas does. There is simply a difference of opinion of how to proceed here. She makes the point this is significantly more funding than last year, and that's right and that's the point.

Under President Bush, the funding was going up. Under President Clinton, the funding has gone down precipitously. We need to begin to restore that funding so that we will have an adequate effort in regard to this interdiction effort. That is why we should support the amendment of the Senator from Georgia. The funding in this effort needs to be increased. As Senator GRASSLEY said, this is something we have to do for the kids.

Mr. JEFFORDS. Mr. President, I share the concern of my friend, the Senator from Georgia, about the urgency of improving the effectiveness of our anti-narcotics efforts. The threat of international drug trafficking is very real and our efforts to combat it must become more effective. I agree with many of the Senator from Georgia's criticisms of the current program and believe that significant improvements must be made in the results of our anti-drug program.

The bill before us provides a 40 percent increase in funding for these programs, reflecting the committee's concern that there must be a strong response to the escalation of narcotics trafficking. This is a significant increase that will allow considerable expansion of U.S. efforts abroad.

Yet, the amendment before us would shift an additional $53 million to the counter-drug account. These funds would come from a $25 million cut in the International Operations and Programs account and a $28 million cut in development assistance. Unlike the international narcotics control programs, both the international organizations and programs account and development assistance have sustained significant reductions in the past years. In particular, the international organizations account was sharply reduced for fiscal year 1996, forced cuts in our contributions to organizations such as the United Nations Development Program, the World Food Program, the United Nations Environmental Program and many other worthwhile international organizations.

Development assistance has also been reduced in the past years. This includes funds for Africa, for sustainable development programs to increase world food production, to reduce environmental devastation. This account also funds child survival and disease programs, international debt restructuring and micro enterprise programs—all very worthwhile programs. The problems that these programs seek to solve are equally deserving of our attention, and in many instances, eventually would pose grave problems for the United States if they are ignored.

Mr. President, it is indeed a difficult task to balance the competing priorities of this legislation, all of them very valid in their own right. However, I urge my colleagues to resist this temptation to alter the careful balance that has been struck by the committee.

The PRESIDING OFFICER. Who seeks recognition?

Mr. LEAHY. Parliamentary inquiry, Mr. President. How much time is remaining on this side?

The PRESIDING OFFICER. The Senator from Vermont has 6 minutes 10 seconds. The Senator from Georgia has 5 minutes 40 seconds.

Mr. LEAHY. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I reiterate, none of us are in favor of drug trafficking. I suspect none of us are in favor of the millions, many millions, of dollars we spend on foreign interdiction that goes into the pockets of corrupt officials either.

But I will say, with the huge increase in counternarcotics money that is in here already, let's not even go beyond that and do it by cutting UNICEF and cutting Korean economic development and other things that are also in our best interest.

Several Senators addressed the Chair.

Mr. BIDEN. Will the Senator yield me 1 minute?

Mr. LEAHY. I yield the Senator from Delaware 1 minute.

Mr. BIDEN. Mr. President, I heard again, this time from our friend from Arizona, about the President's flagging effort on drugs and Bush up, Clinton down. Let's get the record straight.

There was over $300 million more requested by the President for this very function than the Congress is willing to give him. The Republican Congress in the Senate last year cut the FBI by $112 million, cut the drug task force by $19 million, cut the number of prosecutors by $19 million. Let's stop this.

I think it makes sense to do what the Senator from Georgia wants to do. Let's do it and stop this partisan malarkey. The facts do not sustain the assertions.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. COVERDELL. Mr. President, I yield up to 10 minutes to the distinguished Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, let's face it, since this administration has taken over, there has not been a war on drugs, not a real effort on drugs. They cut the drug czar's office. They have cut interdiction. They have cut facilities in the transit zones. They have not put the moneys where the moneys should go. They are not effectively spending them, and I have accused the President of being AWOL on drugs, or absent without leadership on drugs.

I don't think many Democrats or Republicans disagree with that statement. The fact is they have been AWOL on drugs, and there is a cavalier attitude down at the White House: "So what. Don't all young people use drugs?"

My gosh, all young people don't use drugs, and there are a lot of people who have repented and are now fighting the battle side by side with us. I commend them for having done it. I recommend the people in the White House do the same thing.

I have been appalled by what has been happening. Our borders are a sieve. Now we have these drug lords coming in and buying up ranches at exorbitant prices. Ranchers are glad to get out of there because they feel intimidated. They feel they are being mocked. They feel that they are being overrun. They feel that they are going to be murdered. So why not sell out at exorbitant prices and get through it?

Let's be honest about it, Federal law enforcement has been under severe strain, just as the technical sophistication of drug trafficking syndicates is reaching new heights. A report prepared by the Judiciary Committee finds that the administration supply reduction policy is in utter disarray, with a 53-percent drop in our ability to interdict and push back drug shipments in the transit zone. The report also finds increases in the purity of drugs and the number of drug-related emergency room admissions of hardcore users.

If you look at it, it is a disgrace. I think what the distinguished Senator from Georgia is trying to do is right. He is trying to put money back in, put money where our mouths happen to be and start helping to bolster this administration to do what it should do to begin with.

I don't have faith in the administration doing what is right in the drug war, and I don't think others do. By gosh, I think we ought to support the amendment of the Senator from Georgia. I hope people will.

I ask unanimous consent that the introduction of a report we did in the Judiciary Committee, entitled "Losing Ground Against Drugs," be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

LOSING GROUND AGAINST DRUGS (EXCERPT)

INTRODUCTION

Through the 1980s and into the early 1990s, the United States experienced dramatic and unprecedented reductions in casual drug use.

The number of Americans using illicit drugs plunged from 24.7 million in 1979 to 11.4 million in 1992. The so-called "casual" use of cocaine fell by 79 percent between 1985 and 1992, while montly cocaine use fell 55 percent between 1988 and 1992 alone—from 2.9 million to 1.3 million users.

On the surface, little appears to have changed since 1992. For the nation as a whole, drug use remains relatively flat. The vast majority of Americans still do not use illegal drugs.

Unfortunately, this appearance is dangerously misleading. Drug use has in fact experienced a dramatic resurgence among our youth, a disturbing trend that could quickly return the United States to the epidemic of drug use that characterized the decade of the 1970s.

Recent surveys, described in detail in this report, provide overwhelming evidence of a sharp and growing increase in drug use among young people:

The number of 12–17 year-olds using marijuana increased from 1.6 million in 1992 to 2.9 million in 1994. The category of "recent marijuana use" increased a staggering 200 percent among 14–15 year-olds over the same period.

Since 1992, there has been a 52 percent jump in the number of high-school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use.

One in three high school seniors now smokes marijuana.

Young people are actually more likely to be aware of the health dangers of cigarettes than of the dangers of marijuana.

Nor have recent increases been confined to marijuana. At least three surveys note increased use of inhalants and other drugs such as cocaine and LSD.

Drug use by young people is alarming by any standard, but especially so since teen drug use is at the root of hard-core drug use by adults. According to surveys by the Center on Addiction and Substance Abuse, 12–17 year-olds who use marijuana are "85 times more likely to graduate to cocaine than those who abstain from marijuana." Fully 60 percent of adolescents who use marijuana before age 15 will later use cocaine. Conversely, those who reach age 21 without ever having used drugs almost never try them later in life.

Described any other way, perhaps 820,000 of the new crop of youthful marijuana smokers will eventually try cocaine. Of these 820,000 who try cocaine, some 58,000 may end up as regular users and addicts.

The implications for public policy are clear. If such increases are allowed to continue for just two more years, America will be at risk of returning to the epidemic drug use of the 1970s. Should that happen, our ability to control health care costs, reform welfare, improve the academic performance of our school-age children, and defuse the projected "crime bomb" of youthful super-predator criminals, will all be seriously compromised.

With these thoughts in mind, I am pleased to present "Losing Ground Against Drugs: A Report on Increasing Illicit Drug Use and National Drug Policy" prepared at my direction by the majority staff of the United States Senate Committee on the Judiciary. This report examines trends in drug use and the Clinton Administration's sometimes uneven response to them, including the Administration's controversial policy of targeting chronic, hardcore drug users. The report also reviews the state of trends in use and availability. And, finally, it evaluates the performance over the past three years of our nation's criminal justice and interdiction systems.

The report finds federal law enforcement under severe strain just as the technical sophistication of drug trafficking syndicates is reaching new heights. It finds that the Administration's supply reduction policy is in utter disarray, with a 53 percent drop in our ability to interdict and push back drug shipments in the transit zone. The report also finds increases in the purity of drugs and the number of drug-related emergency room admissions of hard-core users.

Federal drug policy is at a crossroads. Ineffectual leadership and failed federal policies have combined with ambiguous cultural messages to generate changing attitudes among our young people and sharp increases in youthful drug use.

The American people recognize these problems and are increasingly concerned: A Gallup poll released December 12, 1995 shows that 94 percent of Americans view illegal drug use as either a "crisis" or a "very serious problem." Their concern, which I share, underscores the danger of compromising our struggle against the drug trade. I look forward to addressing the issues raised in this report in future hearings of the United States Senate Committee on the Judiciary.

Several Senators addressed the Chair.

Mr. BIDEN. Will the Senator yield me 30 seconds?

Mr. LEAHY. I yield myself first 1 minute.

Mr. President, I heard his ad hominem attack on the Clinton administration. I have always found the best prosecutions are those that don't become prosecutions but rise above partisanship.

I point out that the Clinton administration has appointed General McCaffrey as drug czar. For the first time, certainly since I have been here, I have seen somebody who really can be a drug czar.

Maybe people have different attitudes. I know the Speaker of the House, who is about my age, implies that all people during the time he was growing up in his age category used drugs, himself included. Mr. President, I never did. I believe perhaps because at that age I was out prosecuting people using drugs. I have never had any desire to. I have never used them.

Let's stop these ad hominem things. If Senators want to say whether they prefer using them or not, fine, but this administration has fought, as other administrations have fought, Republican and Democrat, to stop drug usage.

But let us also acknowledge something, and this is the fact that everybody, Republican and Democrat, has to stand up and admit: simply throwing the money at the drug problem does not make it go away. Whether it is the Speaker of the House saying everybody of that age used drugs or not, that does not make it go away. It is going to take a lot more than simply throwing money at this drug problem to make it go away.

I yield 30 seconds to the Senator from Delaware.

Mr. BIDEN. Mr. President, I know this is asking a lot, but let's just examine the logic of what is being said here. My friend from Utah stands up and says, "Restore what we need to restore. Make the President do what he should do."

What are we doing? The Senator from Georgia is restoring the request of the President. What are these guys talking about? The President is the one who asked for the money the Senator from Georgia says he should get. Now my friend from Utah says, "Now what we must do is restore this war on drugs."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BIDEN. So has the logic in this place.

Mr. LEAHY. Mr. President, I say to the Senator, I will be happy to yield the time back and go to a vote, so some people can go home and go to bed.

Mr. COVERDELL. I will use some of my time. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Georgia has 3 minutes; the Senator from Vermont has 2 minutes.

Mr. COVERDELL. Mr. President, there is an incongruity here between myself and the Senator from Vermont. I just heard the Senator from Vermont say, "You don't throw money at the drug program," and then the Senator from Delaware. So, you are suggesting the President is throwing money away?

This is the President's request, and to the Senator from Delaware, when it is fulfilled, it is still only up to half what it was in 1992. It is moving in the right direction. It is not a dollar more.

Now the Senator from Vermont has also suggested that, by moving this money to this international narcotics fund, it is cutting international organizations and programs. That is simply not so. The money we took from international organizations and programs is from the surplus that was over the President's request. So all I have done is taken that additional money over and above the President's request and moved it over to fulfill the President's request, which seems eminently logical to me given the condition of the drug epidemic in the United States, given the fact that this is a Presidential request, and given the fact that we are simply removing money from a surplus that the President did not request.

I have to say, given the condition of children in our country, I think the President is right on this one. I am perplexed that the other side of the aisle would be trying to thwart the President's own objectives here.

Mr. President, I do yield back whatever time is remaining.

The PRESIDING OFFICER. The Senator yields back his remaining time. The Senator from Vermont is recognized for 2 minutes.

Mr. LEAHY. Mr. President, I will take the same amount of time as the Senator from Georgia just did.

There is no surplus. UNICEF has already been cut $10 million and will be cut more under this. The Korean Economic Development Organization, KEDO, is not funded. We are going to try to have the authorization for it, but it will not be funded. Our own Secretary of Defense tells us, if it is not, we face very, very serious problems in North Korea.

The fact of the matter is, there is no surplus. This money has to come from somewhere. It will come from further cuts in UNICEF. It will come from the inability to fund KEDO. It will come from a number of those other areas.

Mr. President, I understand that in an election year nobody wants to somehow seem to be weak on drugs. I understand that even if we, no matter how much we demonstrate so much of this money has, in all administrations, gone into the pockets of corrupt individuals, no matter how much we want to say we have other security interests, too, like avoiding nuclear capabilities in North Korea, that somehow having already raised substantially the amount of money in this budget for narcotics way above anything else, we may even raise it more. Let us just go vote. I yield back my time.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, I ask unanimous consent that there be 10 minutes equally divided on the Brown amendment prior to the vote.

AMENDMENT NO. 5058, AS FURTHER MODIFIED

Mr. McCONNELL. Mr. President, I ask unanimous consent that Senator BROWN be allowed to modify his amendment to reflect the compromise reached by the Senators from Georgia and Delaware.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. I send the modification to the desk.

The amendment, as further modified, is as follows:

On page 198, between lines 17 and 18, insert the following:

TITLE ___—NATO ENLARGEMENT FACILITATION ACT OF 1996

SEC. ___01. SHORT TITLE.

This title may be cited as the "NATO Enlargement Facilitation Act of 1996".

SEC. ___02. FINDINGS.

The Congress makes the following findings:

(1) Since 1949, the North Atlantic Treaty Organization (NATO) has played an essential role in guaranteeing the security, freedom, and prosperity of the United States and its partners in the Alliance.

(2) The NATO Alliance is, and has been since its inception, purely defensive in character, and it poses no threat to any nation. The enlargement of the NATO Alliance to include as full and equal members emerging democracies in Central and Eastern Europe will serve to reinforce stability and security in Europe by fostering their integration into the structures which have created and sustained peace in Europe since 1945. Their admission into NATO will not threaten any nation. America's security, freedom, and prosperity remain linked to the security of the countries of Europe.

(3) The sustained commitment of the member countries of NATO to a mutual defense has made possible the democratic transformation of Central and Eastern Europe. Members of the Alliance can and should play a critical role in addressing the security challenges of the post-Cold War era and in creating the stable environment needed for those emerging democracies in Central and Eastern Europe to successfully complete political and economic transformation.

(4) The United States continues to regard the political independence and territorial integrity of all emerging democracies in Central and Eastern Europe as vital to European peace and security.

(5) The active involvement by the countries of Central and Eastern Europe has made the Partnership for Peace program an important forum to foster cooperation between NATO and those countries seeking NATO membership.

(6) NATO has enlarged its membership on 3 different occasions since 1949.

(7) Congress supports the admission of qualified new members to NATO and the European Union at an early date and has sought to facilitate the admission of qualified new members into NATO.

(8) As new members of NATO assume the responsibilities of Alliance membership, the costs of maintaining stability in Europe should be shared more widely. Facilitation of the enlargement process will require current members of NATO, and the United States in particular, to demonstrate the political will needed to build on successful ongoing programs such as the Warsaw Initiative and the Partnership for Peace by making available the resources necessary to supplement efforts prospective new members are themselves undertaking.

(9) New members will be full members of the Alliance, enjoying all rights and assuming all the obligations under the Washington Treaty.

(10) Cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed interest in joining NATO, such as the Baltic Peacekeeping Battalion, the Polish-Lithuanian Joint Peacekeeping Force, and the Polish-Ukrainian Peacekeeping Force, can make an important contribution to European peace and security and international peacekeeping efforts, can assist those countries preparing to assume the responsibilities of possible NATO membership, and accordingly should receive appropriate support from the United States.

(11) NATO remains the only multilateral security organization capable of conducting effective military operations and preserving security and stability of the Euro-Atlantic region.

(12) NATO is an important diplomatic forum and has played a positive role in defusing tensions between members of the Alliance and, as a result, no military action has occurred between two Alliance member states since the inception of NATO in 1949.

(13) The admission to NATO of emerging democracies in Central and Eastern Europe

which are found to be in a position to further the principles of the North Atlantic Treaty would contribute to international peace and enhance the security of the region. Countries which have become democracies and established market economies, which practice good neighborly relations, and which have established effective democratic civilian control over their defense establishments and attained a degree of interoperability with NATO, should be evaluated for their potential to further the principles of the North Atlantic Treaty.

(14) A number of Central and Eastern European countries have expressed interest in NATO membership, and have taken concrete steps to demonstrate this commitment, including their participation in Partnership for Peace activities.

(15) The Caucasus region remains important geographically and politically to the future security of Central Europe. As NATO proceeds with the process of enlargement, the United States and NATO should continue to examine means to strengthen the sovereignty and enhance the security of U.N. recognized countries in that region.

(16) In recognition that not all countries which have requested membership in NATO will necessarily qualify at the same pace, the accession date for each new member will vary.

(17) The provision of additional NATO transition assistance should include those emerging democracies most ready for closer ties with NATO and should be designed to assist other countries meeting specified criteria of eligibility to move forward toward eventual NATO membership.

(18) The Congress of the United States finds in particular that Poland, Hungary, the Czech Republic, and Slovenia have made significant progress toward achieving the stated criteria and should be eligible for the additional assistance described in this bill.

(19) The evaluation of future membership in NATO for emerging democracies in Central and Eastern Europe should be based on the progress of those nations in meeting criteria for NATO membership, which require enhancement of NATO's security and the approval of all NATO members.

(20) The process of NATO enlargement entails the agreement of the governments of all NATO members in accordance with Article 10 of the Washington Treaty.

Some NATO members, such as Spain and Norway, do not allow the deployment of nuclear weapons on their territory although they are accorded the full collective security guarantees provided by article V of the Washington Treaty. There is no prior requirement for the stationing of nuclear weapons on the territory of new NATO members, particularly in the current security climate, however NATO retains the right to alter its security posture at any time as circumstances warrant.

SEC. ___03. UNITED STATES POLICY.

It is the policy of the United States—

(1) to join with the NATO allies of the United States to adapt the role of the NATO Alliance in the post-Cold War world;

(2) to actively assist the emerging democracies in Central and Eastern Europe in their transition so that such countries may eventually qualify for NATO membership; and

(3) to work to define a constructive and cooperative political and security relationship between an enlarged NATO and the Russian Federation.

SEC. ___04. SENSE OF THE CONGRESS REGARDING FURTHER ENLARGEMENT OF NATO.

It is the sense of the Congress that in order to promote economic stability and security in Slovakia, Estonia, Latvia, Lithuania, Romania, Bulgaria, Albania, Moldova, and Ukraine—

(1) the United States should continue and expand its support for the full and active participation of these countries in activities appropriate for qualifying for NATO membership;

(2) the United States Government should use all diplomatic means available to press the European Union to admit as soon as possible any country which qualifies for membership;

(3) the United States Government and the North Atlantic Treaty Organization should continue and expand their support for military exercises and peacekeeping initiatives between and among these nations, nations of the North Atlantic Treaty Organization, and Russia; and

(4) the process of enlarging NATO to include emerging democracies in Central and Eastern Europe should not be limited to consideration of admitting Poland, Hungary, the Czech Republic, and Slovenia as full members to the NATO Alliance.

SEC. ___05. SENSE OF THE CONGRESS REGARDING ESTONIA, LATVIA, AND LITHUANIA.

In view of the forcible incorporation of Estonia, Latvia, Lithuania into the Soviet Union in 1940 under the Molotov-Ribbentrop Pact and the refusal of the United States and other countries to recognize that incorporation for over 50 years, it is the sense of the Congress that—

(1) Estonia, Latvia, and Lithuania have valid historical security concerns that must be taken into account by the United States; and

(2) Estonia, Latvia, and Lithuania should not be disadvantaged in seeking to join NATO by virtue of their forcible incorporation into the Soviet Union.

SEC. ___06. DESIGNATION OF COUNTRIES ELIGIBLE FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—The following countries are designated as eligible to receive assistance under the program established under section 203(a) of the NATO Participation Act of 1994 and shall be deemed to have been so designated pursuant to section 203(d) of such Act: Poland, Hungary, the Czech Republic, and Slovenia.

(b) DESIGNATION OF OTHER COUNTRIES.—The President shall designate other emerging democracies in Central and Eastern Europe as eligible to receive assistance under the program established under section 203(a) of such Act if such countries—

(1) have expressed a clear desire to join NATO;

(2) have begun an individualized dialogue with NATO in preparation for accession;

(3) are strategically significant to an effective NATO defense; and

(4) meet the other criteria outlined in section 203(d) of the NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note).

(c) RULE OF CONSTRUCTION.—Subsection (a) does not preclude the designation by the President of Estonia, Latvia, Lithuania, Romania, Slovakia, Bulgaria, Albania, Moldova, Ukraine, or any other emerging democracy in Central and Eastern Europe pursuant to section 203(d) of the NATO Participation Act of 1994 as eligible to receive assistance under the program established under section 203(a) of such Act.

SEC. ___07. AUTHORIZATION OF APPROPRIATIONS FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—There are authorized to be appropriated $60,000,000 for fiscal year 1997 for the program established under section 203(a) of the NATO Participation Act of 1994.

(b) AVAILABILITY.—Of the funds authorized to be appropriated by subsection (a)—

(1) not less than $20,000,000 shall be available for the subsidy cost, as defined in section 502(5) of the Credit Reform Act of 1990, of direct loans pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the "Foreign Military Financing Program");

(2) not less than $30,000,000 shall be available for assistance on a grant basis pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the "Foreign Military Financing Program"); and

(3) not more than $10,000,000 shall be available for assistance pursuant to the authority of section 203(c)(3) of the NATO Participation Act of 1994 (relating to international military education and training).

(c) RULE OF CONSTRUCTION.—Amounts authorized to be appropriated under this section are authorized to be appropriated in addition to such amounts as otherwise may be available for such purposes.

SEC. ___08. REGIONAL AIRSPACE INITIATIVE AND PARTNERSHIP FOR PEACE INFORMATION MANAGEMENT SYSTEM.

(a) IN GENERAL.—Funds described in subsection (b) are authorized to be made available to support the implementation of the Regional Airspace Initiative and the Partnership for Peace Information Management System, including—

(1) the procurement of items in support of these programs; and

(2) the transfer of such items to countries participating in these programs, which may include Poland, Hungary, the Czech Republic, Slovenia, Slovakia, Estonia, Latvia, Lithuania, Romania, Bulgaria, Moldova, Ukraine, and Albania.

(b) FUNDS DESCRIBED.—Funds described in this subsection are funds that are available—

(1) during any fiscal year under the NATO Participation Act of 1994 with respect to countries eligible for assistance under that Act; or

(2) during fiscal year 1997 under any Act to carry out the Warsaw Initiative.

SEC. ___09. EXCESS DEFENSE ARTICLES.

(a) PRIORITY DELIVERY.—Notwithstanding any other provision of law, the provision and delivery of excess defense articles under the authority of section 203(c) (1) and (2) of the NATO Participation Act of 1994 and section 516 of the Foreign Assistance Act of 1961 shall be given priority to the maximum extent feasible over the provision and delivery of such excess defense articles to all other countries except those countries referred to in section 541 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Public Law 103-306; 108 Stat. 1640).

(b) COOPERATIVE REGIONAL PEACEKEEPING INITIATIVES.—The Congress encourages the President to provide excess defense articles and other appropriate assistance to cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed an interest in joining NATO in order to enhance their ability to contribute to European peace and security and international peacekeeping efforts.

SEC. ___10. MODERNIZATION OF DEFENSE CAPABILITY.

The Congress endorses efforts by the United States to modernize the defense capability of Poland, Hungary, the Czech Republic, Slovenia, and any other countries designated by the President pursuant to section 203(d) of the NATO Participation Act of 1994, by exploring with such countries options for the sale or lease to such countries of weapons systems compatible with those used by NATO members, including air defense systems, advanced fighter aircraft, and telecommunications infrastructure.

SEC. ___11. TERMINATION OF ELIGIBILITY.

Section 203(f) of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended to read as follows:

"(f) TERMINATION OF ELIGIBILITY.—(1) The eligibility of a country designated under subsection (d) for the program established in subsection (a) shall terminate 30 days after the President makes a certification under paragraph (2) unless, within the 30-day period, the Congress enacts a joint resolution disapproving the termination of eligibility.

"(2) Whenever the President determines that the government of a country designated under subsection (d)—

"(A) no longer meets the criteria set forth in subsection (d)(2)(A);

"(B) is hostile to the NATO Alliance; or

"(C) poses a national security threat to the United States,

then the President shall so certify to the appropriate congressional committees.

"(3) Nothing in this title affects the eligibility of countries to participate under other provisions of law in programs described in this Act.".

SEC. ___12. AMENDMENTS TO THE NATO PARTICIPATION ACT.

(a) CONFORMING AMENDMENT.—The NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended in sections 203(a), 203(d)(1), and 203(d)(2) by striking "countries emerging from communist domination" each place it appears and inserting "emerging democracies in Central and Eastern Europe".

(b) DEFINITIONS.—The NATO Participation Act of 1994 (title II of Public Law 103–446; 22 U.S.C. 1928 note) is amended by adding at the end the following new section:

"SEC. 206. DEFINITIONS.

"The term 'emerging democracies in Central and Eastern Europe' includes, but is not limited to, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.".

SEC. ___13. DEFINITIONS.

As used in this title:

(1) EMERGING DEMOCRACIES IN CENTRAL AND EASTERN EUROPE.—The term "emerging democracies in Central and Eastern Europe" includes, but is not limited to, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.

(2) NATO.—The term "NATO" means the North Atlantic Treaty Organization.

Mr. McCONNELL. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER (Mrs. HUTCHISON). The Chair recognizes the Senator from Colorado.

Mr. BROWN. Let me thank the Senator from Kentucky for his kindness. We have worked out the concerns of the distinguished Senator from Delaware and the Senator from Georgia as well as worked out the issue raised by the Senator from Illinois. This measure is an important and historic measure because it fulfills our commitment for a community of freedom, a commitment for embracing freedom in central Europe. This is one more step forward towards ensuring the security of northern Europe and a continuation, I think, of our effort to ensure that the blessings of democracy and freedom are not lost in central Europe. Madam President, I think the concerns of other Members have been worked out.

I might mention I think Senator MIKULSKI does have a concern she wants to articulate. I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Madam President, I rise today to support the modifications to the amendment by the Senator from Colorado, the NATO Enlargement Facilitation Act of 1996. Mr. President, my principal modification is straightforward: it adds the Republic of Slovenia to the current list of three countries that Congress finds as having made significant progress toward achieving the stated NATO membership criteria and are therefore eligible for additional assistance described in the bill.

Mr. President, Slovenia should join Poland, the Czech Republic, and Hungary on this list for the following reasons:

First, Slovenia's progress in meeting the NATO membership criteria has been second to none, and probably the very best in Central Europe.

Second, Slovenia would provide the essential land-bridge linking current NATO member Italy and likely future NATO member Hungary.

Third, Slovenia is the only country in the area that has recently proven its military tenacity and, hence, its ability to contribute to the security of NATO, having successfully defeated the invasion attempt of the Yugoslav National Army in 1991.

Mr. President, in offering this amendment I want to underscore that I have not yet made up my mind about how I will vote on the NATO candidacy of any individual country. The answers to the questions posed by the senior Senator from Georgia in this amendment to the Defense authorization bill for fiscal year 1997 will help form my opinion on NATO enlargement in general. How well applicant countries fulfill Alliance membership criteria will, of course, be a determining factor in my ultimate vote on individual candidacies.

I do believe, however, that the amendment to the Foreign Operations appropriations bill currently offered by the Senator from Colorado is a prudent one, in that it seeks in a modest way to assist a small group of countries who have made the greatest progress toward meeting the NATO membership criteria. My amendment simply recognizes the fact that Slovenia indisputably belongs in that small group.

Mr. President, Slovenia is a small country of 2 million citizens in the far northwestern corner of the former Yugoslavia. Without fanfare and without the publicity that has accompanied change elsewhere behind the former Iron Curtain, Slovenia has rapidly created a solid democracy and a prosperous market economy. Its Western European-style coalition government is a model of stability. Economically, Slovenia now can boast of a per capita GNP approaching ten-thousand U.S. dollars, by far the highest of any country wishing to join NATO.

Moreover, Slovenia has put its nose to the grindstone, strenuously attempting to fulfill the membership criteria that the Alliance has announced. What has been the result?

Mr. President, no less an authority than U.S. Secretary of Defense William Perry flatly stated last year that of all the countries of Central and Eastern Europe "Slovenia has made perhaps the greatest progress in the transition to democracy, the transition to a market economy, and the smooth turnover of the military to civilian control." That, I would submit, is no small praise.

Slovenia's geographical location also argues strongly for its inclusion in the likely first group of new NATO members. Wedged between the northern Adriatic Sea and the Alps, it connects Italy, a charter member of NATO, with Hungary, which appears in the bill's list of preferred applicants and, solely on the basis of its accomplishment, would likely be in the first group admitted to the Alliance. Without Slovenia in the Alliance, however, Hungary would not be contiguous with NATO territory, a situation which could harm its chances for admission in the first group.

It must be added that this spring Italy and Slovenia settled a long-standing dispute over property rights, thereby clearing the way for Slovenia to sign an Association Agreement with the European Union and further cementing its ties to Western Europe.

Finally, Mr. President, little Slovenia—alone among NATO applicants—has proven that it can defend itself and be a net contributor to the security of the Western Alliance. After declaring its independence from the crumbling Yugoslavia in the spring of 1991, Slovenia had to face an invasion by the Serbian-led Yugoslav National Army or J.N.A. For ten days Slovenia stunned the world by routing the better armed and numerically superior invaders, until they withdrew, tacitly acknowledging Slovene independence.

So, Mr. President, by any standard Slovenia deserves to be included with Poland, the Czech Republic, and Hungary in the list of countries that are eligible for targeted United States transition assistance.

I would close with two brief observations. First, including Slovenia in this group would not only constitute recognition of its remarkable political, economic, and military record over the past 5 years; it would also serve to destroy the unfortunate stereotype emerging from the dreadful Balkan warfare that all South Slavs are incorrigibly violent people who cannot cooperate to improve their situation.

Finally, adding Slovenia to the bill's preferred list would lend more credibility to Congress's response to the NATO enlargement process. It would demonstrate that we are clearly focused on strengthening NATO and not, as some assert, only responding to interest-group politics. There are, to be sure, Slovene-Americans who undoubtedly have a special desire for Slovenia to join NATO, but they have not been especially active on Capitol Hill. There are undoubtedly Delawareans of Slovene descent, but to the best of my knowledge I have never been approached by any of them in regard to this issue.

Mr. President, because of its outstanding criteria-based accomplishments, its geostrategically important location, and its proven military record, Slovenia deserves to join Poland, the Czech Republic, and Hungary as eligible for additional transition assistance for NATO membership. I urge my colleagues to vote for the Brown Amendment as modified.

I thank the chair and yield the floor.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER (Mr. BROWN). The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, I rise very briefly to thank the Senator from Colorado, the distinguished occupant of the chair, for the extraordinary leadership he has shown in conceiving this proposal and shepherding it now to the point where it can be adopted by the Senate. It has been my honor to work with him on this as a cosponsor.

History is a term that is used probably too often around the Capitol, but to my way of thinking, this is a historic enactment that we are about to make because, in enacting this amendment, we are essentially saying more strongly than we ever have that the Congress of the United States is prepared to welcome into NATO, but more broadly into the community of democracies of market economies, those nations that suffered under the yoke of Communist tyranny for so long during the cold war and are now free and working their way toward being eligible for membership in NATO.

This measure, in concrete terms, not only expresses that policy, but puts some money behind that policy in offering to those nations that are most ready to enter NATO some wherewithal to help make that happen. To my way of thinking, what we are doing here tonight is, in some measure, ratifying and hoping to make permanent the victory that freedom won in the cold war.

For all that time in the cold war, we spoke often of those people who were suffering in the "captive nations." The people of those nations, including, may I say, the people of Russia, fought and dreamed and worked and finally achieved their freedom. Now these countries of central and Eastern Europe who want to get into NATO are really saying to us they want to cast their lot for the future, not just with the West but with what the West means, which is freedom, the values of democracy.

They are also accepting an obligation therein, which is the great task that NATO has achieved. NATO has not just been a defensive alliance; it has been an institution in which the countries of Europe could work to reconcile their own conflicts, work to avoid the old balance-of-power relationships that too often led to war.

As we reach out and embrace these new countries that have attained their freedom and want to enter NATO, I do not think we are doing anything here that should or would threaten Russia. What we are doing is creating stability among the nations of Europe, Western, Central, and Eastern, and guaranteeing as best we can for those millions of people who live within those countries the basic human and economic rights with which we in our own formative documents have said each person is endowed with by our Creator.

So it is a great step forward, and I thank all our colleagues who have helped to make it happen. I thank the Chair particularly, and I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I commend my colleague from Colorado for his leadership on this. The reality is this is a step forward for stability in central Europe. Two other provisions in here I think are significant. That is, we open the door to the possibility at some future time for Armenia and some of the other Newly Independent States there. The second thing; in Russia and in Belarus and in a few of the countries, there is a fear of nuclear weapons being established at their doorstep. The resolution points out that Spain and Norway, who are current members of NATO, do not have nuclear weapons and still are members of NATO.

My hope is that stations of nuclear weapons which have no military significance can be avoided. I think it will diminish fears, in Russia particularly.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I am proud to join my colleagues in supporting and cosponsoring this amendment to enlarge NATO. I support NATO enlargement because I do believe it will make Europe more stable and secure. It will mean that the new democracies of central and Eastern Europe will share the burden of European security. It could mean that future generations of Americans might not be sent to Europe to fight for Europe.

Mr. President, a word about Poland. As an American of Polish heritage, I know that the Polish people did not choose to live behind the Iron Curtain. In 1939, when Poland was invaded by the Nazis, the West was silent and talked about peace, but it was appeasement. After the end of the war, they were forced by the Yalta agreement, by Potsdam and the very West itself, to put them behind the Iron Curtain.

During World War II, my great grandmother, who came to this country from Poland, had three pictures on her mantelpiece when I would go to her home. One of Pope Pius the XII, our spiritual leader, the other of my Uncle Joe who was on the police force, and President Roosevelt, because she believed that President Roosevelt was good for America and the world.

After Yalta and Potsdam, my great grandmother turned Roosevelt's picture down on the mantel. She would not take him down because she was a Democrat, but she was pretty mad at Roosevelt, as were so many other people.

I cannot forget the history of this region. But my support for this amendment is not based on the past. It is based on the future, a future which these newly free and democratic countries will take their rightful place as members of Western Europe. That is where they want to be, with Western Europe. NATO did play an important role in securing the freedom of the world and ending the cold war. This has been an alliance that helped us win the cold war, a deterrent between the superpowers. It helped prevent confrontations between member states.

I know if NATO is to survive, it must adopt to the needs of the end of the cold war. NATO has evolved since 1949 and this is the next important step in NATO enlargement. How many times have we talked burden sharing in Europe? These countries are ready to do it. Thousands of troops from Poland, Hungary, the Czech Republic, the Baltics, Ukraine, and others are there to help secure peace. They are not asking for a handout. They are asking for a chance to be part of NATO. This amendment puts Poland, Hungary, and the Czech Republic into NATO where it runs them up where they belong.

Some people believe we will offend Russia by expanding NATO. Maybe we will. And my response to that is, so what? So what if we offend Russia? We must delink the future of Poland, Hungary and the Czech Republic from what Russia thinks.

I was offended when Russia invaded Hungary in 1956. I was offended when they forced Poland behind the Iron Curtain and made them an involuntary Communist nation. I was offended by what the Russians did around the world for over 50 years. So, now, I want to support this amendment to enlarge NATO, to secure Europe in a better way, and I hope, after we take this vote tonight, that I can go back to my great grandmother's home and put not only Roosevelt's picture back up, but HANK BROWN and so many other people here.

Mr. President, I yield the floor.

Mr. HELMS. Mr. President, the amendment offered by the distinguished Senator from Colorado [Mr. BROWN] is an important step for the countries of Central and Eastern Europe who seek to ensure their security and sovereignty as full members of the NATO Alliance.

As an original cosponsor of this legislation when it was introduced in June—the last foreign policy initiative authored by Senator Dole before he left the Senate—I am pleased to be a cosponsor of Senator BROWN's amendment.

This legislation serves to correct the terrible injustice perpetrated at Yalta half a century ago, when for reasons of political expediency artificial divisions were imposed on Europe, subjecting countries with democratic traditions similar to those in Western Europe to decades of communist domination. In the years since the Iron Curtain was lifted from the European continent, many countries in Central and Eastern Europe have made dramatic progress in resurrecting their democratic histories and instituting reform measures that solidify their commitment to the democratic ideals espoused by members of the NATO Alliance.

I firmly believe that enlarging NATO to include those countries which are capable of contributing to the Alliance is in the interests of the United States. Our country knows too well the danger of allowing a security vacuum to persist in this region and should work actively to encourage closer ties between the countries in Central and Eastern Europe and the West. Since they regained their freedom, many countries in this region have worked diligently to implement the democratic and free market reform measures which were essential to reversing years of ill founded communist policies. The Brown amendment establishes a program that will assist these countries as they prepare for the rights and responsibilities of full NATO membership.

The Brown amendment recognizes that Poland, the Czech Republic, and Hungary and Slovenia have made the most progress in implementing important reform measures such as establishing a free market economy, instituting civilian control over the military, and introducing the rule of law. These three countries are designated as eligible to receive the NATO transition assistance already appropriated in this bill. Let us show our friends in Central and Eastern Europe that we will never again abandon them to the forces of dictatorship and tyranny and that we will work side by side in partnership to create a lasting free and democratic Europe.

I urge my colleagues to support the Brown amendment.

THE NATO ENLARGEMENT FACILITATION ACT OF 1996

Mr. ROTH. Mr. President, I have long supported NATO, and the extension of membership in this transatlantic institution to the new democracies of Central and Eastern Europe. And today I wish to express my support for the NATO Enlargement Facilitation Act of 1996—extremely important legislation which I also cosponsor.

This bill is designed specifically to support and foster the careful, gradual extension of NATO membership to the nations of Central and Eastern Europe. Once passed, this bill will direct tangible assistance to the efforts of Poland, the Czech Republic, and Hungary to join the Alliance. These nations are the best prepared in their region for the responsibilities and burdens of NATO membership.

Let me also emphasize that it is the intent of the authors of this bill to ensure that the entry of Poland, Hungary, and the Czech Republic into the Alliance is part of an inclusive and ongoing process of NATO enlargement.

NATO enlargement does not have to, and should not be allowed to, create any new divisions in Europe. Hence, our bill explicitly states that the United States should continue and expand upon its support for full and active participation of all Central and Eastern European countries in activities appropriate for qualifying for NATO membership.

This legislation clearly outlines a vision of NATO enlargement, an on-going process that will reach out to all the nations of Central and Eastern Europe as they become capable of making a net contribution to the Alliance's overall interests, capabilities, and security.

Extending the Alliance's membership to Poland, the Czech Republic and Hungary, will help transform Central and Eastern Europe into a cornerstone of enduring peace and stability in post-cold war Europe. NATO enlargement is in America's interests for many reasons. Principal among these include the following:

First, it is absolutely necessary to consolidate and secure an enduring and stable peace in Europe. This is a continent where America has vital interests and it is a continent that, historically speaking, has been besieged by violent and brutal wars. NATO enlargement will project security into a region that has long suffered as a security vacuum in European affairs. History has repeatedly shown us that the strategic vulnerability of Central and Eastern Europe has produced catastrophic consequences—consequences that drew the United States twice this century into world war.

The most effective way to address this security vacuum in Central and Eastern Europe is by integrating these nations into NATO and the other institutions that constitute the transatlantic community of nations.

Second, NATO enlargement will help facilitate this integration, both politically and economically. NATO enlargement is a key step to extending to the entire continent of Europe the zone of peace, democracy, and prosperity that now includes North America and Western Europe. Passage of our NATO enlargement legislation will demonstrate America's commitment to consolidating an enlarged Europe. This will give more incentive to all the nations of the region to continue their political and economic reforms by demonstrating that these reforms do result in tangible geo-political gains.

By projecting and reinforcing stability in Central and Eastern Europe, NATO enlargement will consolidate the context necessary for this region's nations to focus on internal political and economic reform. Mr. President, security is not an alternative to reform, but it is essential for reform to occur.

Third, two great powers, Germany and Russia, are now undergoing very complex and sensitive transformations. Their futures will be significantly shaped by the future of Central and Eastern Europe. Extending NATO membership to nations of this region will reinforce the positive evolutions of these two great powers.

In the case of Germany, NATO enlargement will further lock German interests into a transatlantic security structure and thereby further consolidate the extremely positive role Bonn now plays in European affairs.

The extension of NATO membership to Central and East European nations will also be of great benefit to Russia. By enhancing and reinforcing stability and peace in Central and Eastern Europe, NATO enlargement will make unrealistic the calls by Russia's extremists for the revitalization of the former Soviet Union or the Westward expansion of Russian hegemony. Greater stability along Russia frontiers will also enable Moscow to direct more of its energy toward the internal challenges of political and economic reform.

This point is too often forgotten in this debate. There has been too strong a tendency in US policy to overreact to outdated Russian sensitivities. This overreaction comes at the expense of strategic realities and objectives central to the interests of the Alliance, as well as to the United States.

Let me add, Mr. President, that Russian opposition to NATO enlargement is withering and appears to be in the process of being replaced by a more enlightened understanding of the motivations behind NATO enlargement. I would like my colleagues to note an interview in today's Financial Times with General Alexander Lebed, who declared that Russia does not oppose NATO enlargement. Lebed was recently appointed by Russian President Yeltsin as Secretary of Russia's National Security Council. Lebed also finished third in the first round of the Russian presidential elections. Thus, his statement reflects positively on both the attitudes of the Russian public and official Russian policy toward NATO enlargement.

Mr. President, I would also like to note that this NATO enlargement legislation reflects the attitudes of many of our parliamentary counterparts in Europe. The North Atlantic Assembly, a gathering of legislators from the sixteen nations of NATO, adopted at the end of 1994, my resolution calling for the extension of membership in the Alliance to Poland, the Czech Republic, and Hungary.

Mr. President, America's defense and security must be structured to shape a strategic landscape that enhances economic, political, and military stability all across Europe. Careful and gradual extension of NATO membership to nations of Central and Eastern Europe is a critical step toward this end. This is in our national interest. It is action long overdue, and it is the intent of the NATO Enlargement Facilitation Act of 1996.

For these reasons, I call upon my colleagues in the Senate, as well as President Clinton and his Administration, to embrace this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. COVERDELL].

The yeas and nays have been ordered.

Mr. McCONNELL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. McCONNELL. Mr. President, I ask unanimous consent that following the conclusion of these two votes, the only remaining amendments in order to H.R. 3540 be a managers' amendment and an amendment to be offered by Senator SIMPSON, relative to refugees, on which there be 30 minutes to be equally divided in the usual form, with no second-degree amendments in order or amendments to the language proposed to be stricken; and an amendment by Senator LIEBERMAN with a second-degree amendment in order by Senator MURKOWSKI, and possibly one by Senator MCCONNELL; following the conclusion of the debate with respect to the amendments listed above, the amendments be laid aside, the votes to occur at 9:30 a.m. on Friday, with 2 minutes for debate prior to each stacked vote on or in relation to the Simpson amendment, to be followed by votes with respect to the other amendments, to be followed immediately by third reading and final passage of H.R. 3540.

Mr. FORD. Reserving the right to object, do I understand the floor leader, then, that we will have two more votes this evening, the debate, and then stack the votes until 9:30 in the morning, and then final passage?

Mr. McCONNELL. That is right.

Mr. FORD. Two votes tonight?

Mr. McCONNELL. That is correct.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. In light of this agreement, there will be no further rollcall votes this evening after two back-to-back votes to shortly begin, with the first votes tomorrow to begin at 9:30 a.m.

VOTE ON AMENDMENT NO. 5018

The PRESIDING OFFICER. The question is on agreeing to amendment No. 5018 offered by the Senator from Georgia Mr. [COVERDELL].

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Maine [Mr. COHEN] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 244 Leg.]

YEAS—51

Abraham
Ashcroft
Baucus
Bennett
Biden
Bond
Brown
Burns
Campbell
Chafee
Coats
Cochran
Coverdell
Craig
D'Amato
DeWine
Domenici
Faircloth
Frahm
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Pressler
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—46

Akaka
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Feingold
Feinstein
Ford
Glenn
Harkin
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mikulski
Moseley-Braun
Moynihan
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—3

Cohen
Exon
Hatfield

The amendment (No. 5018) was agreed to.

Mr. SANTORUM. Mr. President, I move to reconsider the vote.

Mr. COVERDELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 5058

The PRESIDING OFFICER. The question now occurs on agreeing to amendment No. 5058 offered by the Senator from Colorado [Mr. BROWN]. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Maine [Mr. COHEN] and the Senator from Oregon [Mr. HATFIELD] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. HATFIELD] would vote "nay."

Mr. FORD. I announce that the Senator from Nebraska [Mr. EXON] is necessarily absent.

The result was announced—yeas 81, nays 16, as follows:

[Rollcall Vote No. 245 Leg.]

YEAS—81

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bond
Boxer
Brown
Bryan
Burns
Byrd
Campbell
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Faircloth
Feingold
Feinstein
Ford
Frahm
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hollings
Inhofe
Inouye
Kassebaum
Kempthorne
Kennedy
Kerry
Kohl
Kyl
Lautenberg
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe

Specter
Stevens
Thompson
Thurmond
Warner
Wellstone

NAYS—16

Bingaman
Bradley
Breaux
Bumpers
Chafee
Dorgan
Harkin
Hutchison
Jeffords
Johnston
Kerrey
Leahy
Nunn
Pell
Thomas
Wyden

NOT VOTING—3

Cohen
Exon
Hatfield

The amendment (No. 5058), as further modified, was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote.

Mr. MURKOWSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 5084 THROUGH 5087, EN BLOC, AND AMENDMENT NO. 5082, AS MODIFIED

Mr. McCONNELL. Mr. President, there are five amendments that have been cleared on both sides; an amendment by Senator COCHRAN on IFAD, a McConnell-Leahy-Lautenberg amendment on MEDEVAC, a Leahy narcotics amendment, a Pell amendment on the environment, and a modification to amendment No. 5082. I send those to the desk and ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. MCCONNELL] proposes amendments numbered 5084 through 5087, en bloc, and amendment No. 5082, as modified.

Mr. McCONNELL. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 5084 through 5087), en bloc, and Amendment (No. 5082), as modified are as follows:

AMENDMENT NO. 5084

On page 107, line 11, strike "up to $30,000,000" and insert in lieu thereof the following: "$17,500,000".

Mr. COCHRAN. Mr. President, I have proposed this amendment because I have concluded this is the only way to ensure that the administration responds to the will of Congress regarding the International Fund for Agricultural Development [IFAD].

Last year, the Congress authorized U.S. participation in the fourth replenishment of IFAD resources. Since that time, Senators and Representatives have written to the Administrator of the U.S. Agency for International Development encouraging him to exercise the authority we provided and make a generous contribution to the fourth replenishment. The Administrator of USAID has not complied with these requests.

While other countries have agreed to the fourth replenishment, the United States has delayed, and this delay is threatening IFAD's managerial reforms and undermining U.S. leadership in the organization.

It is my objective to secure effective U.S. participation in the fourth replenishment. The United States has been the lead sponsor of IFAD, a tightly managed organization that focuses on rural poverty in developing nations by making loans directly to poor farmers. These small retail loans help combat poverty, especially among women and children, create internal stability, and help build markets for U.S. exports.

Despite wide support and the earlier stated intention of the administration to participate in the fourth replenishment, it has not yet announced its pledge. As the Nation that led in the creation and funding of IFAD, part of the U.S. responsibility is to announce our level of financial support which, in turn, helps determine the pledge amounts of other developed nations. In this way, our contribution is leveraged and brings additional resources from other developed countries, funds that are spent, not on overhead or administration, but on local projects where this money has substantial impact.

The funding in my amendment does not add to the total cost of the bill. It is a mandated transfer of bilateral assistance funds, either provided in this bill or unspent from appropriations made in prior years. The amounts to be transferred are to come from the funds the Congress provides for USAID, an agency well-suited for this task. Indeed, USAID has spoken eloquently in support on IFAD and has helped build it into a model of effective assistance. Unfortunately, however, USAID has not spent one nickel on IFAD for fiscal year 1996.

Congress cannot allow indecisiveness to undo the achievements of two decades of U.S. participation in IFAD. Senators and Representatives—on both sides of the aisle—clearly support IFAD and have called on USAID to continue funding this respected agency. Our only recourse now is to mandate participation in the fourth replenishment.

I urge Senators to support the amendment.

AMENDMENT NO. 5085

SEC. . SHORT TITLE.

This title may be cited as the "Bank for Economic Cooperation and Development in the Middle East and North Africa Act".

SEC. . ACCEPTANCE OF MEMBERSHIP.

The President is hereby authorized to accept membership for the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa (in this title referred to as the "Bank") provided for by the agreement establishing the Bank (in this title referred to as the "Agreement"), signed on May 31, 1996.

SEC. . GOVERNOR AND ALTERNATE GOVERNOR.

(a) APPOINTMENT.—At the inaugural meeting of the Board of Governors of the Bank, the Governor and the alternate for the Governor of the International Bank for Reconstruction and Development, appointed pursuant to section 3 of the Bretton Woods Agreements Act, shall serve ex-officio as a Governor and the alternate for the Governor, respectively, of the Bank. The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor.

(b) COMPENSATION.—Any person who serves as a Governor of the Bank or as an alternate for the Governor may not receive any salary or other compensation from the United States by reason of such service.

SEC. . APPLICABILITY OF CERTAIN PROVISIONS OF THE BRETTON WOODS AGREEMENTS ACT.

Section 4 of the Bretton Woods Agreements Act shall apply to the Bank in the same manner in which such section applies to the International Bank for Reconstruction and Development and the International Monetary Fund.

SEC. . FEDERAL RESERVE BANKS AS DEPOSITORIES.

Any Federal Reserve Bank which is requested to do so by the Bank may act as its depository, or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall exercise general supervision over the carrying out of these functions.

SEC. . SUBSCRIPTION OF STOCK.

(a) SUBSCRIPTION AUTHORITY.—

(1) IN GENERAL.—The Secretary of the Treasury may subscribe on behalf of the United States to not more than 7,011,270 shares of the capital stock of the Bank.

(2) EFFECTIVENESS OF SUBSCRIPTION COMMITMENT.—Any commitment to make such subscription shall be effective only to such extent or in such amounts as are provided for in advance by appropriations Acts.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For payment by the Secretary of the Treasury of the subscription of the United States for shares described in subsection (a), there are authorized to be appropriated $1,050,007,800 without fiscal year limitation.

(c) LIMITATIONS ON OBLIGATION OF APPROPRIATED AMOUNTS FOR SHARES OF CAPITAL STOCK.—

(1) PAID-IN CAPITAL STOCK.—

(A) IN GENERAL.—Not more than $105,000,000 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of paid-in capital stock.

(B) FISCAL YEAR 1997.—Not more than $52,500,000 of the amounts appropriated pursuant to subsection (b) for fiscal year 1997 may be obligated for subscription to shares of paid-in capital stock.

(2) CALLABLE CAPITAL STOCK.—Not more than $787,505,852 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of callable capital stock.

(d) DISPOSITION OF NET INCOME DISTRIBUTIONS BY THE BANK.—Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

SEC. . JURISDICTION AND VENUE OF CIVIL ACTIONS BY OR AGAINST THE BANK.

(a) JURISDICTION.—The United States district courts shall have original and exclusive jurisdiction of any civil action brought in the United States by or against the Bank.

(b) VENUE.—For purposes of section 1391(b) of title 28, United States Code, the Bank shall be deemed to be a resident of the judicial district in which the principal office of the Bank in the United States, or its agent appointed for the purpose of accepting service or notice of service, is located.

SEC. . EFFECTIVENESS OF AGREEMENT.

The Agreement shall have full force and effect in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in the Bank and the entry into force of the Agreement.

SEC. . EXEMPTION FROM SECURITIES LAWS FOR CERTAIN SECURITIES ISSUED BY THE BANK; REPORTS REQUIRED.

(a) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Bank (including any guaranty by the Bank, whether or not limited in scope) in connection with borrowing of funds, or the guarantee of securities as to both principal and interest, shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 and section 3(a)(12) of the Securities Exchange Act of 1934. The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

(b) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO THE CONGRESS.—The Securities and Exchange Commission, acting in consultation with such agency or officer as the President shall designate, may suspend the provisions of subsection (a) at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to the Congress such information as it shall deem advisable with regard to the operations and effect of this section.

SEC. . TECHNICAL AMENDMENTS.

(a) ANNUAL REPORT REQUIRED ON PARTICIPATION OF THE UNITED STATES IN THE BANK.—Section 1701(c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) is amended by inserting "Bank for Economic Cooperation and Development in the Middle East and North Africa," after "Inter-American Development Bank".

(b) EXEMPTION FROM LIMITATIONS AND RESTRICTIONS ON POWER OF NATIONAL BANKING ASSOCIATIONS TO DEAL IN AND UNDERWRITE INVESTMENT SECURITIES OF THE BANK.—The 7th sentence of paragraph 7 of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended by inserting "Bank for Economic Cooperation and Development in the Middle East and North Africa", after "the Inter-American Development Bank".

(c) BENEFITS FOR UNITED STATES CITIZEN-REPRESENTATIVES TO THE BANK.—Section 51 of Public Law 91-599 (22 U.S.C. 276c-2) is amended by inserting "the Bank for Economic Cooperation and Development in the Middle East and North Africa," after "the Inter-American Development Bank,".

Amend the title so as to read as follows: "A Bill to authorize United States contributions to the International Development Association and to a capital increase of the African Development Bank, to authorize the participation of the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa, and for other purposes."

AMENDMENT NO. 5086

On page 114, line 24 insert the following before the period at the end thereof: ": *Provided further*, That of the funds appropriated under this heading by prior appropriations Acts, $36,000,000 of unobligated and unearmarked funds shall be transferred to and consolidated with funds appropriated by this Act under the heading "International Organizations and Programs".

AMENDMENT NO. 5087

(Purpose: To express the sense of the Senate that the United States Government should encourage other governments to draft and participate in regional treaties aimed at avoiding any adverse impacts on the physical environment or environmental interests of other nations or a global commons area, through the preparation of Environmental Impact Assessments, where appropriate)

On page 198, between lines 17 and 18, insert the following:

SEC. . SENSE OF THE SENATE.

(a) FINDINGS.—Congress finds that—

(1) Environmental Impact Assessments as a national instrument are undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority;

(2) in 1978 the Senate adopted Senate Resolution 49, calling on the United States Government to seek the agreement of other governments to a proposed global treaty requiring the preparation of Environmental Impact Assessments for any major project, action, or continuing activity that may be reasonably expected to have a significant adverse effect on the physical environment or environmental interests of another nation or a global commons area;

(3) subsequent to the adoption of Senate Resolution 49 in 1978, the United Nations Environment Programme Governing Council adopted Goals and Principles on Environmental Impact Assessment calling on governments to undertake comprehensive Environmental Impact Assessments in cases in which the extent, nature, or location of a proposed activity is such that the activity is likely to significantly affect the environment; and

(4) on October 7, 1992, the Senate gave its advice and consent to the Protocol on Environmental Protection to the Antarctic Treaty, which obligates parties to the Antarctic Treaty to require Environmental Impact Assessment procedures for proposed activities in Antarctica.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the United States Government should encourage the governments of other nations to engage in analysis of activities that may cause adverse impacts on the environment of other nations or a global commons area; and

(2) such addition analysis can recommend alternatives that will permit such activities to be carried out in environmentally sound ways to avoid or minimize any adverse environmental effects, through requirements for Environmental Impact Assessments where appropriate.

Mr. PELL. Mr. President, I am very pleased that the Senate adopted my amendment on environmental impact assessment in a transboundary context. I want to thank the bill's managers, in particular, for their assistance in making Senate action possible. I also want to thank Senator MURKOWSKI for his willingness to work with me on this issue.

Mr. President, my amendment is simple. It expresses the sense of the Senate that the U.S. Government should encourage other nations to carry out environmental impact assessments for activities that will have transboundary impacts. In other words, if countries are going to carry out activities with significant cross-border environmental impacts, the country undertaking the activity should, at a bare minimum, be aware of the consequences of its activities.

The amendment is an extension of my long interest in the protection of the global commons. In 1977, I introduced a resolution which called on the U.S. Government to seek the agreement of other governments to a proposed global treaty requiring the preparation of an international environmental assessment for any major project, action, or continuing activity which may be reasonably expected to have a significant adverse effect on the physical environment or environmental interest of another nation or a global commons area. That resolution was adopted by the Senate in 1978. While my 1978 resolution initially called for a global treaty applying to activities worldwide, regional approaches may also be called for in some instances. We have seen such an approach used in the Convention on Environmental Impact Assessment in a Transboundary Context. The Convention was signed by the United States and members of the United Nations Economic Commission for Europe.

Mr. President, this amendment simply underscores the point that environmental impact assessments should be carried out when activities in one country are likely to affect adversely the environment of another country or the global commons.

What the United States and its allies have achieved, both in domestic law and in treaties, must now be duplicated by other states, so that the use of environmental impact assessment truly becomes a standard precautionary measure.

Mr. President, this amendment acknowledges the efforts that have already been made and encourages the U.S. Government to continue efforts to promote environmental impact assessments as a tool in environmental protection. I thank my colleagues for their support of this amendment.

AMENDMENT NO. 5082, AS MODIFIED

On page 120, line 21, before the period insert the following: ": *Provided further*, That of the amount appropriated under this heading, $5,000,000 shall be available only for a land and resource management institute to identify nuclear contamination at Chernobyl.

The PRESIDING OFFICER. The question is on agreeing to the amendments, en bloc.

The amendments (Nos. 5084 through 5087), en bloc, and amendment (No. 5082), as modified, were agreed to.

Mr. McCONNELL. I move to reconsider the votes.

Mr. LEVIN. I move to lay those motions on the table.

The motions to lay on the table were agreed to.

Mr. McCONNELL. Mr. President, Senator SIMPSON is on the floor and ready to proceed.

Mr. SIMPSON. I thank the manager, indeed, for his patience and courtesy.

AMENDMENT NO. 5088

(Purpose: To strike the provision which extends reduced refugee standards for certain groups)

Mr. SIMPSON. Mr. President, I send an amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. SIMPSON] proposes an amendment numbered 5088.

Mr. SIMPSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 196, strike lines 14 through 26.

Mr. SIMPSON. Mr. President, this amendment will strike a very ill-defined section of this bill on page 196, which would give no one any indication as to what it is because it leaves us simply in the section numbers and subsection numbers.

The amendment would strike that provision in this bill, one whose title is Section 576, "Extension Of Certain Adjudication Provisions." It does not accurately capture its full importance in any way.

My colleagues may be unaware of this provision's significance. And the committee report provides precious little guidance. The report says only that this provision "amends current law to extend for another year the authority to adjust the status of certain aliens."

This provision, Mr. President, has far more serious consequences than its title indicates. It is the continuation of what was known originally as the Lautenberg amendment, a very well-founded amendment in 1989. I commended my friend then, and I have always enjoyed working with Senator LAUTENBERG. It is now a provision which has distorted, in these times in 1996, has distorted our refugee system and permitted the entry of frauds and criminals into the United States.

This provision is an abuse in its present form, an abuse of the refugee act.

I hope my colleagues will join me in sweeping away this cold war provision, this relic, in restoring credibility to U.S. refugee admissions. Let me review it with you very briefly. Under the Refugee Act of 1980—I know this amendment will probably get trashed by a vote of 80–20, but it will be in the RECORD—we know that we cannot continue to make presumptive status of "refugeeness" when we should be doing it on a case-by-case basis. That is what the law provided, the 1980 law.

You have a situation today where if you are presumed to be a refugee, you are taking a precious number from someone who is a real refugee, someone fleeing persecution based upon race, religion, or national origin. Under the Refugee Act of 1980 and under the U.N. Convention and Protocol, a "refugee" is someone with a well-founded fear of persecution on account of race, religion, nationality, membership in a particular social group or political opinion. This is the international definition, and the U.S. adopted it in 1980 under the able leadership of Senator TED KENNEDY. Determination of whether an individual is a refugee is to be made on a case-by-case basis. It is the law.

Under the so-called Lautenberg amendment, with the best of intentions and the sincerest of motives, persons in the former Soviet Union qualify as a refugee just by being a member of a particular group. For Jews and Evangelical Christians in the former Soviet Union, and others, Ukrainian, Orthodox, a refugee applicant need only "assert" the fear of persecution and "assert" a credible basis for concern about the "possibility" of such persecution.

Mr. President, 50,000 Americans receive refugee status under this standard each year, and the total number of refugees as set by the United States is 92,000. In other words, admission to the United States as a refugee, and all of the protection and the financial assistance which accompanies such a status, is made on the basis of two assertions that do not in themselves involve any test of credibility at all. Every other refugee applicant is required to establish his or her identity for eligibility to establish that. Those who benefit from this special treatment need only to assert their eligibility.

About 80 percent of these special refugee admissions go to Jewish applicants, with the balance to Evangelicals. Not surprisingly, there has been a wave of dubious conversions reported in the latter group, Evangelicals especially, among Pentecostals. There are church members who say they did not know this person was a Pentecostal, but they were near enough to the church and they learned what to say at the interview. In fact, a leader of a Pentecostal group in Russia told the INS that many who claim to be so are not Pentecostals at all.

According to this church leader, most of the applicants simply have family members who are Pentecostal, and these applicants use their familiarity with the religion to pass themselves off as category members.

According to interim cables which I will have printed in the RECORD from the Immigration and Naturalization Service, less than—I hope you hear this in this debate—less than one-half of 1 percent of those who apply under the Lautenberg standards would meet the worldwide definition of refugee. Nevertheless, 91 percent of these applicants were approved under the reduced guidelines.

In the most recent human rights reports from the State Department to the Committee on Foreign Relations, the U.S. State Department found in Russia "the Constitution provides for freedom of religion, and the Government respects this right in practice." The report continues that "although Jews and Muslims continue to encounter prejudice," and indeed they do, "they have not been inhibited by the Government in the free practice of their religion."

Does anyone here doubt that there is no prejudice in the former Soviet Union? Of course not. There is tremendous prejudice in the former Soviet Union, please hear that. It is also a fact that there is prejudice in this country. I do not dispute that fact either, and no one else can, but simple prejudice does not make a person here or in the former Soviet Union a refugee. Refugees are persons fleeing official political persecution. They are not fleeing discrimination.

Now my colleagues should know that the categories under the Lautenberg amendment, which receive a special lower adjudication standard, was established in 1989 when there was a clear history of religious persecution by the Communist Soviet State apparatus. This is no longer the case. The Soviet Union is gone. Russia is an ally. This foreign aid bill we are debating tonight provides $640 million in aid to this country. How can we possibly decide that up to 50,000 of the precious numbers of 90,000-plus are refugees? This program does great violence to the Refugee Act of 1980.

The inspector general of the State Department just completed a thorough audit of the refugee admissions program. I want to share some of the findings in the January 1996 report.

INS officers told State Department investigators that the so-called Lautenberg designations have changed the U.S. refugee admissions program into a "side-door immigration program." You see, if you bring a refugee to this country, the United States of America pays the bill, pays the transportation, pays for the support system after they come here. But if you immigrate, you pay it. Hear that—if you bring a sponsored immigrant to the United States, you pay; you, personally, pay for their transportation; you, personally, say they will not become a public charge, and people obviously would prefer to come in under refugee status.

Evidence is mounting, mounting, and this has been echoed by Moscow-based groups working with the former Soviet refugees, that this is a "side-door immigration program." Undoubtedly, most of these people, the evidence is mounting, showing that most of these people are not refugees. The State Department reports that there more than 42,000 people—at least it will be in the RECORD; if nobody is paying attention, it will not make that much difference—there are more than 42,000 people who have received refugee status but who have not yet left the former Soviet Union. More than half of those individuals have remained for more than a year.

How can you be a real refugee and not get out? The inspector general reports that many of these folks are holding refugee status as an insurance policy against future upheaval in the former Soviet Union, or simply waiting for an opportunity to leave.

I want to acknowledge that many fine immigrants enter under the Lautenberg provisions. Many are well-educated and become productive members of the Nation and citizens, but these are not refugees, and individuals who are not refugees should not receive special refugee benefits. We should stop pretending these individuals are fleeing any type of State-sponsored persecution. They may be fleeing prejudice. That does not qualify you as a refugee.

Unfortunately, the program has also become rife with fraud, a direct result of the lowered standards. Let me read an internal INS cable from Moscow:

> Category fraud is relatively easy to perpetuate as the Washington Processing Center requires no written documentation to corroborate a category claim. Applicants who claim they are Jewish by nationality arrive at their interview with a passport showing Russian nationality and a birth certificate showing both parents are Russian. The claim is then made that one maternal grandmother was Jewish. Such an assertion, while not very credible, is unverifiable. Blank and fraudulent documents are readily accessible. Only blatant cases of fraud can be denied outright, otherwise parole must be offered.

The INS claim points out that not only are refugee claims of dubious quality—that is, few of the applicants have actually experienced persecution—but applicants do not even satisfy the category selected for special treatment. In other words, the applicants are not even Jewish or Evangelical Christians or Pentecostals or Orthodox Ukraine.

The program has become an international disgrace. A State Department report mentions a satirical play performed in Moscow based on an applicant deceiving the INS adjudicators.

An INS cable from 1993 says, "Many reliable sources have told us of a cottage industry which has sprung up which gives refugee applicants classes on how to successfully pass their INS interview."

This amendment has the most pernicious effect—and I know there is not a person in this Chamber that would want this to happen, but it does—this amendment denies real refugees the opportunity for a safe haven in our country. This provision has established a multiyear commitment on behalf of the special categories—in other words, the pipeline is clogged—and has guaranteed that more than half of our fiscal year 1996 refugee numbers are going to people who are not really fleeing persecution. Our flexibility to respond to other refugee crises —in Liberia, in Burundi, in Bosnia—is sorely and cruelly limited by this commitment. "Cruelly" is a word I intended to use. So the INS officials go on to say, "The irony is that there are plenty of cases from the former Soviet Union which could qualify [as a refugee] under worldwide standards, however these cases stand little chance of being scheduled [for an interview] as they do not fit into one of the Lautenberg categories."

I believe that we should keep an INS refugee team in Moscow. I will vote for that every time. Please hear that. I am not advocating that we cut back on admission of real refugees, but these adjudicators should be considering the claims of all residents on a case-by-case basis. That is the law.

These lowered standards and fraud also have another effect. This Lautenberg provision has created an attractive avenue for Russian organized crime figures to secure entry into the United States.

Let me read from the FBI's white paper on Russian organized crime. The FBI discusses the Lautenberg process and says:

> Many of these immigrants claimed that their reason for leaving the Soviet Union was predominantly to escape religious persecution. Not all of these crimes can be considered to be accurate. The ranks of these emigres included intellectuals, professionals, and others from the middle and lower classes of Soviet society, who only claimed religious persecution, but had not actually experienced it. It has been estimated by American law enforcement authorities that roughly 2,000 of these immigrants were criminals who continued their criminal occupations in the United States.

So the FBI has identified the Lautenberg program as a point of entry for some members of the "Russian Mafia" into this country. But we do not need to stop there. Try the Senate. The Permanent Subcommittee on Investigations of the Senate Government Affairs Committee has just completed a 6-month inquiry into Russian organized crime in the United States. At their hearing on May 15, the subcommittee heard testimony from a member of the Russian Mafia, who testified anonymously, behind the screen, for his own protection. He is in the clink now.

During meetings with Investigations Subcommittee staff members, that individual, a member of a Russian crime ring in the United States, said the Lautenberg refugee program was used all the time by Russian Mafia members to enter our Nation. If we don't pay attention to our own Senate investigations, Mr. President, just who are we going to listen to?

The time has come to let this program end. We must not continue to let domestic, selfish interests corrupt our refugee program, to the detriment of real refugees. We will never have more refugees maybe than we will this year. We don't have the numbers to produce, and we presume then that we will give them to a country we are giving $640 million to tonight, and jeopardize the safety of our own citizens.

Let me share the recommendations of the State Department inspector general's report:

> We recommend . . . that Congress allow the Lautenberg amendment to expire in 1996.

It cannot be stated any more clearly than that, Mr. President. The independent auditor of the Department of State believes this must be done in order to bring our refugee programs out of the cold war and into today's reality. I agree with her. I hope my colleagues will agree also. I reserve the remainder of my time.

The PRESIDING OFFICER. All time of the Senator from Wyoming has expired.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, is there a time agreement?

The PRESIDING OFFICER. There is a time agreement. The time of the Senator from Wyoming has expired, and the Senator from New Jersey has 15 minutes.

Mr. LAUTENBERG. I thank the Chair.

Mr. President, one of the things that happens around here when people decide, like the distinguished occupant of the chair or the distinguished Senator from Wyoming, to retire is that we are going to miss some of the aspects of the relationships that exist. Nothing is more awakening or stimulating than a good, solid disagreement and discussion with my friend from Wyoming.

He just happens to be wrong. The fact of the matter is that in this blanket criticism, he ignores several facts. Mr. President, I think it is important to understand my supporting a 1-year extension of the law which facilitates the granting of refugee status for certain historically persecuted groups in the former Soviet Union and Indochina. The law expires at the end of fiscal year 1996 and is extended for 1 year in this bill. It has been renewed several times. As a matter of fact, the last time was in 1994, and that vote was decided by an 85–15 outcome. So we are looking at the same situation, very frankly.

Existing law formally recognizes that historic experiences of certain persecuted religious minorities in the former Soviet Union and Indochina and a pattern of arbitrary denials of refugee status to members of these minorities entitles them to a relaxed standard of proof in determinations about whether they are refugees.

The law lowers the evidentiary standard required to qualify for refugee status for Jews and Evangelical Christians from the former Soviet Union, certain Ukrainians, and certain categories of Indochinese. Once a refugee applicant proves that he or she is a member of one of those groups, he or she has to demonstrate a "credible basis for concern" about the possibility of persecution. Refugee applicants normally must prove a "well-founded" fear of persecution.

Why is the extension necessary? my friend from Wyoming challenges. Because the popularity, as we see it now, of ultranationalists and the resurgence of the Communists in the former Soviet Union has created a climate of tension, fear, and even violence against Jews, despite the fact that anti-Semitism is no longer formally state-sponsored.

In this climate, the law has provided a useful escape valve for historically persecuted individuals in the former Soviet Union where the situation for Jews remains tenuous. Allowing the law to lapse under these conditions would be a mistake.

How pervasive is anti-Semitism? According to Sergei Sirotkin, former Deputy Chairman of the Commission on Human Rights under the President of the Russian Federation, "Xenophobia and anti-Semitism in Russia are not just a reality but a growing and spreading reality."

In testimony before the House Subcommittee on International Operations and Human Rights of the Committee on International Relations, Sirotkin claimed that approximately 150 periodicals that propagate ideas of fascism, extreme nationalism, xenophobia, and anti-Semitism exist and that between 1992 and 1995 the number of these publications tripled.

In his testimony, Sirotkin cited a newspaper with national circulation called the Day which wrote: "The Jews are not a nation but a sect of degenerates." Even worse was the response from Moscow's Deputy Public Prosecutor who, according to Sirotkin, said the statement did not contain anything insulting to Jews.

It's not only publications that espouse anti-Semitism. Political leaders in Russia contribute to the climate of fear as well.

Gennady Zyuganov, the Communist Party candidate for President, left little to the imagination about his view of Jews when he wrote in his book "Beyond the Horizon": "The Jewish diaspora holds the controlling interest in the entire economic life of Western civilization."

Jews find no comfort in the sentiment espoused by Liberal Democratic Party of Russia leader, Zhirinovsky, who has said "for anti-Semitism to disappear, all Jews must move to Israel."

Nor do they have faith that Alexander Lebed, President Yeltsin's new National Security Adviser, will play a constructive role in working to stem the tide of anti-Semitism in Russia.

As my colleagues are well aware, Mr. Lebed recently stated that Russia has only three established, traditional religions—Orthodox Christianity, Islam, and Buddhism, obviously excluding the religion of the country's large Jewish population. He denigrated the Mormon Church in the worst and the ugliest terms.

Mr. President, the fears of Russian Jews are evident in the stories refugees tell me and others after they arrive in this country.

They say the government is unwilling and unable to protect Jews from humiliation and persecution. They say they are in danger of being exposed to violence or persecution simply because they are Jews.

One Russian refugee who testified before the House International Relations Committee said:

> Even now, in Russia, Jews must have "nationality—JEW" written on their passports, job applications, birth certificates, and school documents.

This refugee went on to say:

> But worst of all is that the Government in Russia is absolutely incapable of protecting Jews from the never-ending persecution and violence. They do not possess the mechanism for enforcing the laws which they already have, the laws which formally protect human rights. The laws are not functioning.

Unfortunately, Mr. President, anti-Semitism is pervasive outside of Russia as well.

According to Paul Goble, a well-respected expert on Soviet minorities:

> The threat of anti-Semitism in the post-Soviet States is greater today than it has been at any time in the last decade. The inability of governments to enforce their own laws or follow up on their own promises, the worsening economic situation throughout the region that is leading to a search for scapegoats, and an increasing number of politicians and officials who see anti-Semitism as a useful tool to advance their causes all contribute to this threat.

Leaders in some of these States recognize that a problem exists, In fact, during a radio interview last year, Lithuania's President acknowledged that popular ant-Semitism still exists in Lithuania.

Unfortunately, however, sometimes it is the leaders who are part of the problem. Belarus' President Lukashenko recently said, "Not all of Hitler's actions were bad; one can learn from him methods of governing a country * * *"

That is a pretty friendly environment to exist in. If that does not frighten the pants off somebody, then nothing will.

If these statements are not persuasive, listen to the words of a refugee from Uzbekistan. Her pseudonym is Raisa Kagan, and she also testified before the Congress in February:

> For more than two years, me and my family were subjected to anti-Semitic harassment and persecution which escalated into violence that put our lives at risk.

Ms. Kagan tells a harrowing tale of persecution beginning with verbal attacks:

> They called me "dirty Jew" and said such things as, "It was a good time when Hitler burned Jews and hung them on the trees."

After being threatened on many occasions, Ms. Kagan reports:

> She repeatedly requested protection for myself and my family from these attacks, but no official investigation was made and no steps were taken to safeguard my family.

In the months that followed, two members of her family were attacked and beaten by Uzbeks; her barn, garage, and house were set on fire by arsonists; and she was eventually fired from her job as a department head of a company for which she had worked for 20 years, with the explanation that "only Uzbek nationals may head a department."

Her conclusion is poignant:

> Thousands of Jewish families in Uzbekistan can report the same shameless, severe and terrible violations of their civil rights. If you are unfortunate enough to be Jew you often feel that your dignity is trampled with cynicism. To be Jewish in Uzbekistan today means to be unprotected, rightless, and robbed. But the most terrible is to be humiliated until you feel like a nonentity.

Clearly, Mr. President, now is not the time to allow the law to expire. The conditions which led to the change in the law in 1989 have intensified, anti-Semitism is pervasive, and the protections the law provides to historically persecuted individuals in the former Soviet Union are needed more than ever before.

Additionally, Mr. President, the law is important to implement a new program of Resettlement Opportunities for Vietnamese Refugees. In April 1996, the administration announced a program of Resettlement Opportunities for Vietnam Refugees [ROVR] to provide INS status adjudications for qualified Vietnamese boat people returning from the camps of Southeast Asia to Vietnam.

The program will provide resettlement for those Vietnamese with close ties to the United States or who have suffered significant persecution under the Communist regime. The program is also intended to minimize violence in the camps as the Vietnamese refugee program comes to an end and to help to bring this long and successful humanitarian program to an appropriate and honorable conclusion.

INS adjudication standards for ROVR are based on the criteria found in this law and will play a critical role in the implementation of the program.

Mr. President, to respond to a couple of the assertions made by my friend from Wyoming, first of all, he uses the inspector general's reference as a determination of whether or not the policy is right. That is not the inspector general's area. The program has to be determined or reviewed by them.

Mr. President, we heard all of the criticisms about the weaknesses of the system for permitting those who were not supposed to be coming to enter the country. Then, Mr. President, the Senator from Wyoming has long been involved with immigration programs, and he ought to insist that INS do its job and make sure that those criminals do not get in here. There is no presumption here that permits criminals to come in under this refugee status. It is very clearly demarcated in the law. It says that those who may be excluded are on the basis of criminal and related grounds, and describes what they are—as refugees under the Immigration and Naturalization Act. It is very clear. They are not supposed to permit them.

If INS is doing a bad job then they ought to do a better job, and the same thing is true of the quality of the citizens who come here. Yes. We are going to make mistakes and some are going to sneak through the apparatus, and there will be some of those who are engaged in illicit activities. We do not want them here. But I know scientists and physicians and even attorneys who have come to this country who make it. I say even attorneys because it is quite a transition from Russia—I am not talking about my attorney friends—from the language there to our language here. They make important contributions to establish themselves. I have been with cab drivers. I have seen them buy their cabs, get to work, and make a contribution.

So we can point out those furors that have been made, and they have been made. We ought to tighten up the process, and not thereby denigrate the whole class of refugees who are coming here.

Negotiations with the Vietnamese on the program have been slow and many details remain unclear. Many believe that persons, otherwise well qualified, will not have been able to apply under the program by the time the law is set to expire at the end of fiscal year 1996.

It is important that the program deadline and the law be extended so that all persons eligible to apply under the program's criteria will be given equal access to this initiative and can be adjudicated uniformly.

Mr. President, this 1 year extension has the support of the administration.

In a hearing in the Commerce, Justice, State Appropriations Subcommittee, Secretary Christopher said the following in response to my question about the administration's position on the provision: "Senator we think that the law has served an important purpose, particularly permitting immigration from Russia and the other nations of the former Soviet Union, to ensure that they have an opportunity to leave. There has been some sense that perhaps that law had served its purpose or run its course, but we are supporting another year's extension of that law to ensure that it completes its purpose. So we are supportive of that and we admire you for what you did in leading the way in earlier years to a much needed provision."

Mr. President, in addition to making sure that people are treated humanely and democratically in societies with which we have close connections, it is a confirmation of the belief that in the United States we uphold the status of the individuals to practice their religions, and to be able to conduct themselves as they see fit without fear of harassment or persecution.

Once again, I think that we are going to vote on this, I understand, tomorrow.

The 1 year extension also has the support of the U.S. Catholic Conference, the Hebrew Immigrant Aid Society, the American Jewish Committee, the National Jewish Community Relations Advisory Council, the Union of Councils, the National Conference on Soviet Jewry, and the Council of Jewish Federations.

I ask unanimous consent that letters from these organizations in support of an extension be included in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LAUTENBERG. Mr. President, I will close.

Mr. President, I want to be clear that this extension will not increase the annual refugee ceiling for admissions to the United States. Those numbers are determined through a consultation process between the administration and the Congress.

My friend from Wyoming said that we absorb refugees, and he describes them as legitimate refugees. If someone has to worry about their kids being picked on and beaten up in the streets and not be allowed to conduct their education as they see fit, to me that constitutes someone who ought to have a chance to conduct their lives in another place.

I think that when all is said and done that we will see that this bill has served the United States very well, that we have gotten productive citizens—citizens who make a contribution. And if we have some errors in the way we conduct the programs, then let us fix the errors in our own house, and I hope that my colleagues will support the continuation of this law for the next year.

Mr. President, I want to be clear that this extension will not increase the annual refugee ceiling for admissions to the United States. Those numbers are determined through a consultation process between the administration and the Congress. The provision simply facilitates refugee designation.

Mr. President, this law was originally approved by the Senate by a vote of 97 to 0 in 1989 and became law as part of the fiscal year 1990 Foreign Operations Appropriations Acts. It was extended in the fiscal year 1991 and fiscal year 1992 Foreign Operations Appropriations Acts, and the fiscal year 1994–1995 Foreign Relations Authorization Act. I urge my colleagues to support this extension.

EXHIBIT 1

U.S. CATHOLIC CONFERENCE,
MIGRATION AND REFUGEE SERVICES,
Washington, DC, June 18, 1996.

Hon. FRANK LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: I am writing to express the deep appreciation of the U.S. Catholic Conference for the initiative which you took many years ago to author a provision of refugee law which recognizes that the historic experiences of certain persecuted religious minorities in the former Soviet Union and other groups in Indochina, and a pattern of arbitrary denials of refugee status to members of these groups, entitles them to a relaxed standard of proof in determinations about their refugee status. We strongly support the extension of this provision for one additional year.

While it is a fact that the former Soviet Union has collapsed and the persecution of Jews and other religious minorities is no longer official policy, the situation in Russia continues to present major problems for these minorities and, given the fact that democratic society is still only tenuously established in the countries of the former Soviet Union, it would be much too early to draw back from this important program. Indeed, recent developments which appear to make the departure of such persons from Russia more difficult is a sign of the importance of giving priority attention to this group for the time being.

This provision is also of importance in the implementation of a new program of Resettlement Opportunities for Vietnamese Refugees (ROVR). This program will provide INS status adjudication for persons returning to Vietnam from the camps of Southeast Asia, who have close ties with the United States or who can otherwise demonstrate persecution by the Vietnamese government. This program will offer both a final opportunity for some of those boat people in groups long given priority in the U.S. Refugee Program (USRP) and help to minimize violence during this final phase of the Indochinese refugee program, which has been so successful over the years, and help to bring it to an honorable end.

The INS adjudication standards for this final effort are based on the criteria in this provision of law and, thus, will be critical in an appropriate implementation of ROVR. Negotiations with the Vietnamese on ROVR have been very slow and many details remain unclear. For example, no agreement has yet been reached on how to process those boat people who return to Vietnam without having seen a caseworker in the first asylum country before departing in order to fill out their ROVR applications. Several thousand persons already have been returned without having had an opportunity to apply for ROVR and undoubtedly there will be more. Thus, it seems certain that many persons, otherwise well qualified, will not have been able to apply for ROVR by the time of the expiration of this provision of law at the end of FY 1996, and it will be extremely important that the ROVR deadline and this provision of law be extended so that all persons eligible to apply under the ROVR criteria are given equal access to this initiative and can be adjudicated uniformly.

We understand that the FY 1997 Foreign Operations appropriations bill in the Hóusé of Representatives did not contain an extension of this provision of refugee law, but that the report language in that bill did contain a reference to the possibility that such an extension might be contained in the Senate bill and instructed House conferees to recede to the Senate on this issue if that were the case. We urge that such a one-year extension be included in the Senate Foreign Operations Appropriations bill.

Thank you again for your assistance in bringing this important program to a peaceful and fitting end.

Sincerely,

JOHN SWENSON,
Executive Director.

THE HEBREW IMMIGRANT
AID SOCIETY,
New York, NY, June 14, 1996.

Senator FRANK LAUTENBERG,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LAUTENBERG: Thank you very much for your efforts to include a one-year extension of the Lautenberg Amendment in the FY1997 Foreign Operations Bill. HIAS fully supports extending the Amendment because of the threats currently faced by Jewry in the former Soviet Union (FSU).

As you know, the Lautenberg Amendment requires that the INS take into account the history of persecution of certain minorities, including Jews in the FSU and Vietnamese political refugees, when adjudicating refugee applications from such groups.

On February 27, 1996, the House Subcommittee on International Operations and Human Rights held a hearing on the persecution of Jews worldwide. This hearing illustrated that those conditions in the FSU which necessitated the passage of the Lautenberg Amendment in 1989 have intensified in recent months.

The testimony of former Parliament member Alla Gerber and expert on Soviet nationalities Paul Goble described anti-Semitism in the FSU as being "privatized" after the dissolution of the USSR. Recent emigres from the FSU testified that they fled the land of their birth because the authorities there were unwilling and unable to protect them from rising anti-Semitism. Indeed, many politicians, including leading Russian Presidential candidates Zyugonov and Zhirinovsky, and Belarus President Lukashenko, exploit such popular sentiment by blaming "the Jew" for all that ails their respective nations. The attached news accounts of recent events in the FSU re-enforce the concerns raised at the hearing.

The hearing made it clear that now is not the time to allow the Lautenberg Amendment to expire.

Once again, HIAS greatly appreciates your efforts to include a one-year extension of the Lautenberg Amendment on the FY 1997 Foreign Operations Authorization bill.

Very truly yours,

MARTIN A. WEMICK,
Executive Vice-President.

THE AMERICAN JEWISH COMMITTEE,
OFFICE OF GOVERNMENT AND
INTERNATIONAL AFFAIRS,
Washington, DC, July 11, 1996.

Hon. FRANK R. LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: The Lautenberg Amendment has provided refugee status for hundreds of thousands of Jews, Pentecostals, Catholics, and others fleeing persecution in the former Soviet Union and Indochina. The provision will expire on September 30, 1996. The American Jewish Committee urges you to support the reauthorizing language included in the FY 1997 Foreign Operations Appropriations Act.

The Lautenberg Amendment offers fair and crucial protection to the numerous groups facing continuing persecution in these countries. The law provides that the INS consider the historical context of persecution when reviewing refugee applications. No special privileges or increased admissions ceilings are created.

The fall of the Soviet Union has neither ended Russian anti-Semitism nor diminished the need for the Lautenberg Amendment. Troubling statements by prominent Russian politicians, the closing of Jewish Agency offices in Russia, and the recent disturbing remarks by General Alexander Lebed on the status of religious minorities continued to demonstrate the precarious place of Jews in the former Soviet Union. Another indication of this uncertainty was the Russian government's refusal to issue a visa to David A. Harris, Executive Director of AJC, to attend a conference cosponsored by AJC in St. Petersburg earlier this month on the future of Jews in the former Soviet Union.

The threat of violence and persecution remains a present danger for the Jews of the former Soviet Union. Currently, 100,000 Jewish men, women, and children are seeking asylum under the Lautenberg Amendment. It is imperative that these individuals remain able to receive refugee status in the United States.

On behalf of the officers and members of the American Jewish Committee, we hope that you will act to keep the doors of refuge open in America for those fleeing persecution in the former Soviet Union and Indochina. We urge your support for the reauthorization of the Lautenberg Amendment.

Sincerely,

JASON F. ISAACSON,
Director.

NATIONAL JEWISH COMMUNITY
RELATIONS ADVISORY COUNCIL,
New York, NY, June 18, 1996.

Senator FRANK LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of the National Jewish Community Relations Advisory Council (NJCRAC), I am writing to thank you for your continuing efforts to extend the Lautenberg Amendment for an additional year by including it in the Foreign Operations Appropriations bill for FY 1997. The NJCRAC is the American Jewish community's network of 13 national and 117 local public affairs organizations. Our member agencies work with government representatives, the media, and a wide array of religious, ethnic and civic organizations to address a broad range of public policy concerns.

Over the years, we have devoted significant energy to work on behalf of refugees from the former Soviet Union. We are well aware of how critical the Lautenberg Amendment has been in that rescue effort. Moreover, the Lautenberg law has not only enabled thousands of applicants from the former Soviet Union to obtain refugee status but has also played a key role in allowing refugees from Indochina to come to the United States to begin new lives free of persecution and fear.

As you know, the situation for Jews in the former Soviet Union is tenuous. The popularity of Vladimir Zhirinovsky and other ultra-nationalists, along with the Communist resurgence, has created a climate of tension, fear and, at times even violence against Jews, despite the fact that there is no longer an official government sponsored anti-Semitic campaign. These modern circumstances, combined with the historic persecution of Jews and other religious minorities in the FSU, constitute for many a "credible basis for concern" which qualifies them for refugee status under the Lautenberg law. It is critically important that we retain this law and, with it, the ability to move people out of potentially dangerous circumstances.

Further, the continuation of the Lautenberg law remains crucial for Vietnamese applicants, who are to be adjudicated under the Administration's Resettlement Opportunities for Vietnam Refugees (ROVR) program. It seems highly unlikely that all refugees who are eligible to apply for consideration under ROVR will be able to register in time to be adjudicated under Lautenberg standards if the law expires at the end of this fiscal year. An additional year's extension will be critical to carrying out the intended purpose of the ROVR program and sustaining our commitment to refugees in Vietnam.

The Administration is supporting a one year extension of the Lautenberg law. The Congress approved such an extension within the State Department Authorization bill that was vetoed. It is our hope that the Congress will again pass an extension by including in it the Foreign Operations Appropriations bill. As you know, the House Foreign Operations Committee has included in its report language indicating that they would accede to the Senate if the Lautenberg provision were to be included in the Senate Foreign Operations Appropriations bill.

Thousands of refugees, Jews and non-Jews, owe their freedom to you for your leadership on this issue and the law that bears your name. We have been pleased to work with you and your staff to support your efforts each time the amendment has come before the Senate and the House for renewal or extension. We want you to know that you have our support and assistance this time as well.

Sincerely,

MICHAEL N. NEWMARK,
Chair, NJCRAC.

UNION OF COUNCILS,
Washington, DC, June 11, 1996.

Hon. FRANK LAUTENBERG,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LAUTENBERG: The Union of Councils for Soviet Jews (UCSJ) has long valued the leadership you have provided in the struggle to protect refugees in the former Soviet Union (FSU), and to promote human rights world-wide. We write today to enthusiastically endorse a one year extension of the Lautenberg Amendment; the central piece of United States legislation dedicated to saving Jews and other refugees from the FSU and Indochina.

The UCSJ, comprised of Soviet Jewry action councils in thirty American cities, 100,000 members, and human rights bureaus in five cities in the FSU, has for more than twenty-five years been the largest independent grass-roots human rights and Soviet Jewry organization in the world. The UCSJ is a leading authority on antisemitism and the general threat to Jews on the ground inside the FSU.

Since the Lautenberg Amendment was introduced in the Foreign Operations Appropriations Act of 1990, the UCSJ has strongly supported the law as a bold statement of the United States' foreign policy commitment to human rights and democracy, and its humanitarian mission to provide safe-haven to endangered refugees. The Lautenberg Amendment declares that persecution of minorities is unacceptable as part of the transition towards democracy in the region. Additionally, the amendment has assisted tens of thousands of refugees from historically persecuted communities to find safety in the United States.

Today, conditions for Jews in the FSU are extremely precarious. A significant majority of members of the Russian Duma are from strongly antisemitic parties. The leading contender in the upcoming presidential election, Gennady Zyuganov, represents a coalition of nationalist, patriotic and communist parties. This coalition has a serious chance of winning the presidency, and poses a grave threat to the Jewish community.

Based on the UCSJ's monitoring of conditions in the FSU, we see antisemitism throughout the region, and an inability or unwillingness on the part of the authorities to protect Jews. The Jewish community faces a vibrant antisemitic publishing industry, vilification in street demonstrations, and vandalism of private and communal property. As Paul Gobel of Radio Liberty stated at a recent hearing before a House International Affairs subcommittee, "The threat of antisemitism in the post-Soviet states is greater today than it has been at any time in the last decade."

The Union of Councils for Soviet Jews firmly believes that it would not only be a human rights catastrophe if the Lautenberg Amendment was allowed to expire this year, but a serious foreign policy blunder. At a time when Russia is in danger of returning to communist or fascist rule, the United States should not signal that it believes that all is well for historically persecuted minorities.

The United States Congress has long been an ally of human rights and democracy activists and persecuted minority groups in the former Soviet Union. This noble tradition would be honored by an extension of the Lautenberg Amendment through the end of fiscal year 1997.

Sincerely,

PAMELA B. COHEN,
National President.
MICAH H. NAFTALIN,
National Director.

NATIONAL CONFERENCE ON SOVIET JEWRY,
Washington, DC, June 20, 1996.

Hon. FRANK LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of the National Conference on Soviet Jewry, thank you for your successful effort to include a one-year extension of the Lautenberg Amendment in the FY1997 Foreign Operations Appropriations Bill. Given the volatile and dangerous environment confronting the Jewish minority in the former Soviet Union, the NCSJ continues to support the extension of the Amendment.

The rise of popular ant-Semitism throughout the former Soviet Union is a serious threat to the future well-being of Jews in these countries. Government authorities are unable and/or unwilling to adequately address this threat which causes many Jews to continue to suffer.

The NCSJ, in conjunction with other members of the organized American Jewish community, stands ready to assist you to ensure passage of this vital legislation.

Once again, our sincere thanks for everything you have done on behalf of the Jews of the former Soviet Union.

Sincerely,

MARK B. LEVIN,
Executive Director.

COUNCIL OF JEWISH FEDERATIONS,
Washington, DC, June 12, 1996.

Senator FRANK LAUTENBERG,
U.S. Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of the Council of Jewish Federations and the 200 local Jewish Federations within our national system, I am writing to thank you for your ongoing efforts to extend the Lautenberg Amendment for an additional year by including it in the Foreign Operations Appropriations bill for FY97. This critical law has assisted thousands of refugee applicants from the Former Soviet Union and Indochina to obtain refugee status and come to the U.S. to start a new life free of persecution, fear and constant harassment.

As you know, the situation for Jews in the FSU is tenuous at best. The popularity of Zhirinovsky and other ultra nationalists as well as the resurgence of the Communists creates a climate of tension, fear and often violence against Jews even if there is no longer an official government sponsored anti-Semitic campaign. These modern circumstances, combined with the historic persecution of Jews and other religious minorities in the FSU, constitute for many a "credible basis for concern" which qualifies them for refugee status under the Lautenberg law. The importance of retaining this law and the ability to move people out of a dangerous environment can not be overstated.

In addition, the continuation of the Lautenberg law remains crucial for Vietnamese who are to be adjudicated under the Administration's Resettlement Opportunities for Vietnam Refugees (ROVR) program. It seems highly unlikely that all refugees who are eligible to apply for consideration under ROVR will be able to register in time to be adjudicated under Lautenberg standards if the law expires at the end of this fiscal year. An additional year's extension will be critical to carrying out the intended purpose of the ROVR program and keeping our commitment to refugees in Vietnam.

The Administration is supporting a one year extension of the Lautenberg law. The Congress already passed such an extension in the State Department Authorization bill that was vetoed. It is our hope that the Congress will again pass an extension by including it in the Foreign Operations Appropriations bill. As you know, the House Foreign Operations Appropriations Committee has included in its report language that they would accede to the Senate if the Lautenberg provision were to be included in the Senate Foreign Operations Appropriations bill.

Thousands of refugee, Jews and non-Jews, owe their freedom to you for your leadership on this issue and the law that bears your name. We have been pleased to work with you and your staff to support your efforts each time it has been before the Senate and the House. You have our support and assistance again now.

Thank you for all you have done.

Sincerely,

MAYNARD WISHNER,
President, CJF.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

AMENDMENT NO. 5078

(Purpose: To reallocate funds for the Korean Peninsula Energy Development Organization)

Mr. LIEBERMAN. I call up amendment number 5078 at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Connecticut (Mr. LIEBERMAN) for himself, Mr. LEAHY, Mr. THOMAS, Mr. HATFIELD, Mr. SIMON, Mr. NUNN, Mr. DASCHLE, Mr. LUGAR, Mr. ROTH, Mr. LAUTENBERG, Mrs. FEINSTEIN, and Mr. INOUYE, proposes an amendment numbered 5078.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 126, after line 7, insert the following: "(INCLUDING TRANSFERS OF FUNDS)".

On page 127, beginning on line 14, strike "*Provided further*," and all that follows through the colon on page 128, line 6, and insert the following: "*Provided further*, That, notwithstanding any prohibitions in this or any other Act on direct or indirect assistance to North Korea, not more than $25,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for heavy fuel oil costs and other expenses associated with the Agreed Framework, of which $13,000,000 shall be from funds appropriated under this heading and $12,000,000 may be transferred from funds appropriated by this Act under the headings 'International Organization and Programs', 'Foreign Military Financing Program', and 'Economic Support Fund':".

On page 138, line 12, strike "the Korean" and all that follows through "or" on line 13.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I ask for the yeas and nays on the Lieberman underlying amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 5089 TO AMENDMENT NO. 5078

(Purpose: To provide conditions for funding North Korea's implementation of the nuclear framework agreement)

Mr. MURKOWSKI. Mr. President, I offer a second-degree amendment, and send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. MURKOWSKI) for himself, Mr. MCCAIN, and Mr.

LIEBERMAN, proposes an amendment numbered 5089 to amendment numbered 5078.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 9, of the matter proposed to be inserted, strike "Fund" and all that follows to the end period and insert the following: "Fund: *Provided further*, That such funds may be obligated to KEDO only if, prior to such obligation of funds, the President certifies and so reports to Congress that (1)(A) the United States is taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue and (B) North Korea is complying with the other provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors and that such canning and safe storage is scheduled to be completed by the end of fiscal year 1997; and (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which such assistance was not intended: *Provided further*, That the President may waive the certification requirements of the preceding proviso if the President deems it necessary in the vital national security interests of the United States: *Provided further*, That no funds may be obligated for KEDO until 30 calendar days after the submission to Congress of the waiver permitted under the preceding proviso: *Provided further*, That before obligating any funds for KEDO, the President shall report to Congress on (1) the cooperation of North Korea in the process of returning to the United States the remains of United States military personnel who are listed as missing in action as a result of the Korean conflict (including conducting joint field activities with the United States); (2) violations of the military armistice agreement of 1953; (3) the actions which the United States is taking and plans to take to assure that North Korea is consistently taking steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula and engage in North-South dialogue; and

(4) all instances of non-compliance with the Agreed Framework between North Korea and the United States and the Confidential Minute, including diversion of heavy fuel oil:".

Mr. LIEBERMAN. Mr. President, I thank the Chair.

Mr. President, I intend to support the second-degree amendment.

I ask unanimous consent that I be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. I thank the Chair.

Mr. President, speaking about the underlying amendment and the second-degree amendment, this deals with the underlying bill, the foreign operations appropriations bill, which proposed a relatively small contribution that the United States has agreed to make which is part of a very large agreement that holds great promise of stabilizing relations between North Korea and South Korea, North Korea and its other neighbors in Asia, The so-called agreed framework which was agreed to in October of 1994 has had extraordinary effect on what was beginning to be—sometimes our memories are short—a very threatening situation in which we had conclusive evidence that the North Koreans were building reactors that were capable of being used to build atomic weapons which, together with their massive ground forces, would threaten security in that region of the world.

Mr. President, let us remember as we begin this discussion that in 1993 the Defense Department issued the Bottom-Up Review, which set a standard for the American military that we had to be strong enough to deal with two major regional conflicts in the world at the same time. One potential MRC was clearly in the gulf region, the Middle East, and the other, in most people's contemplation, was on the Korean peninsula.

When we think about the fact that we sent a half million of our soldiers to the gulf region to deal with that conflict—and carry out so brilliantly Operation Desert Shield and Desert Storm—and that the potential for conflict on the Korean peninsula is in most people's minds of an equivalent size, we are talking about a very serious exposure for the United States in terms of our military personnel and also in costs to our Treasury.

After rising international concern about the potential diversion of North Korea's nuclear power to develop atomic weapons, a series of negotiations ensued which ended in the so-called agreed framework in October of 1994. The North Koreans took on certain obligations in return for which the United States and neighbors in that region, particularly South Korea and Japan, took on other obligations, which thus far all parties have proceeded in what would have to be called good faith to the great benefit of that region and the world, resulting in a deescalation of tension and the potential for armed conflict there.

This agreement required, for instance, North Korea to freeze operation of its 5-megawatt reactor and halt construction at its 50-megawatt and 200-megawatt reactors. If the agreement were not in place, within a few short years these facilities would have been able to produce enough plutonium for the North Koreans to build dozens of weapons each year. The agreed framework also required North Korea to cease operations at its reprocessing facility and laboratory which reprocesses plutonium out of spent nuclear fuel, and to seal that facility.

I am pleased to say, Mr. President, that the International Atomic Energy Agency has confirmed that North Korea has taken all these steps to freeze their program. The IAEA is now working with North Korea to settle on specific measures needed to continue to monitor that freeze. The fact is that IAEA inspectors are maintaining a continuous presence—this is not just somebody's word and our best hopes, it is the continuing presence of international inspectors at the Yongbyon nuclear facility in North Korea. The framework was deliberately structured so the North Koreans would take the first steps, and we were able to verify compliance every step of the way.

Mr. President, over time, all of the facilities that are frozen will be dismantled. In addition, 8,000 spent fuel rods that now sit in a cooling pond at the Yongbyon nuclear facility will eventually be shipped out of North Korea. These rods alone contain enough plutonium to make five to six bombs. This is truly a remarkable agreement.

No one says that North Korea has become a Jeffersonian democracy. Far from it. It is a country which faces all sorts of instability, particularly the terrible condition of its economy, the inability actually to feed all its people. But in the midst of all that instability which could have caused literally conflagration on the Korean peninsula, this agreement has been concluded.

What is their return for this? The return for this is that we have agreed to provide a certain amount of money every year for the North Koreans to purchase heavy fuel oil to help to operate other power plants within their country, and we have agreed to assist them in building light water reactors which are much more nuclear-proliferation resistant, much less likely to be used to develop nuclear weapons than the other reactors that the North Koreans have.

The cost of the light water reactors will amount to more than $4 billion. The Republic of Korea, that is, South Korea, and Japan have accepted the lion's share of the financial burden for those light water reactors. The United States direct funding to the Korean Peninsula Energy Development Organization, known as KEDO, which was set up under the agreed framework to provide heavy fuel oil for the North Koreans and for other projects, is really a matter of us just assuming a fair share of our burden. We pledged to commit $25 million, which is less than half the total amount required for the heavy fuel oil purchases annually and which represents a very modest commitment when one considers the $4 billion cost for light water reactors that will be assumed primarily by the Republic of Korea and Japan.

Nonetheless, the foreign ops bill that is before us now cuts that amount of money down to $13 million, threatening the stability of the overall agreed framework, and leading to concern in Japan and South Korea about the steadfastness of the United States in fulfilling its obligations under this agreement—leading to some concern in those countries about whether they would fulfill their much larger responsibilities under these agreements, and holding the potential to again destabilize the Korean peninsula with great risk to those who live there and those of us who have a security interest there.

Mr. President, I want to simply quote here from a letter Secretary Perry wrote to Senator ROBERT C. BYRD on this question dated July 15, 1995. The Secretary says that without the full amount of U.S. support, $25 million—a lot of money as you look at it separately but a very small amount of money when you think of the amount of money we would have to spend if the Koreas become destabilized and a conflict ensued. Secretary Perry said:

> Without U.S. support for KEDO, the organization will face a significant funding shortfall for HFO. Should KEDO be unable to fulfill its obligation to deliver oil, the risk of the North breaking the nuclear freeze would rise significantly. Such a scenario greatly increases the risk of a direct confrontation with North Korea, with costs measured in lives and billions of dollars.

Mr. President, my underlying amendment would restore the amount of money in the bill from the $13 million up to $25 million, which is the amount the United States pledged to give annually to fund these purchases of heavy fuel oil and other expenses. It also makes clear—and Senator LEVIN, had he been here was going to ask this question—that the $25 million can be used not just for the heavy fuel oil and administrative expenses, but other expenses pursuant to the agreed framework between the parties in this matter.

The second-degree amendment which was worked on this evening by the distinguished Senator from Alaska [Mr. MURKOWSKI] and the Senator from Arizona [Mr. MCCAIN] and myself, sets some standards for the distribution of that $25 million. I will yield to the Senator from Alaska in a minute to describe that. It basically requires a certification procedure by the President and grants the President a waiver if he feels it is in the national security interest to do so before the $25 million is expended to KEDO.

I am pleased we have made such progress on this. I am honored that I have a distinguished group of cosponsors from both sides of the aisle for this amendment.

I thank the Chair, and I yield the floor.

Mr. NUNN. Mr. President, I rise in support of the Lieberman amendment of which I am an original cosponsor.

I believe it is useful to recall that in June 1994 North Korea decided to defuel its five megawatt research reactor, precipitating a crisis on the Korean Peninsula. Spent fuel contains essential fissile material for a nuclear arsenal and North Korea could have extracted enough plutonium to build five or six nuclear weapons.

As a result of the negotiation of the October 1994 Framework Agreement, North Korea agreed, among other things, to freeze and eventually dismantle its graphite moderated nuclear reactors and related facilities and to safely store and ultimately ship out of its territory the spent fuel from its five megawatt nuclear research reactor. The United States agreed to lead an international consortium to oversee the finance and construction of two 100-megawatt light water reactors and to provide 500,000 metric tons of heavy fuel oil annually until completion of the first light water reactor.

I am advised that North Korea has maintained the freeze on its nuclear facilities, that the IAEA has maintained a continuous presence in North Korea to verify and monitor the freeze, the canning of the more than 8,000 spent fuel rods is proceeding at a steady pace and North Korea has concluded a number of agreements with KEDO to facilitate the furnishing of the light water reactors, including a Protocol on Privileges and Immunities for KEDO personnel.

Mr. President, I believe it is in our national security interest to freeze and eventually dismantle North Korea's graphite-moderated reactors and related facilities. The United States has approximately 37,000 troops in and is committed by treaty to defend the Republic of Korea. As Secretary Perry has noted

> Should KEDO be unable to fulfill its obligation to deliver oil, the risk of the North breaking the nuclear freeze would rise significantly. Such a scenario greatly increases the risk of direct confrontation with North Korea, with costs measured in lives and billions of dollars.

Under the arrangements worked out with our allies, South Korea and Japan have agreed to bear the financial burden for the provision of the light water nuclear reactors for North Korea. The cost will be more than $4 billion and by some estimates will approach $6 billion. The United States has agreed to fund less than one-half of the cost of providing heavy fuel oil annually to make up for the loss of electricity.

I am also advised that a number of countries have pledged monetary contributions and the European Union is on the verge of making a multi-year financial contribution commitment but that this commitment could be endangered if the United States didn't provide the $25 million this year.

Insummary, Mr. President, I believe that a $25 million contribution to KEDO for fiscal year 1997 is in our national security interest and I encouraged my colleagues to support the Lieberman amendment.

Mr. LEVIN. Mr. President, I support the Lieberman amendment to provide full funding for the Korean Peninsula Energy Organization, or KEDO. This amendment would provide the funding requested by the Administration needed to meet our obligations under an important agreement this country has with North Korea.

This agreement, known as the "Agreed Framework" has effectively frozen the North Korean nuclear weapon program. That is why we have such a strong stake in meeting our obligations under this agreement. If we want to continue to freeze and eventually dismantle the North Korean nuclear weapons program, we must uphold our end of the agreement. That means paying our small portion of the cost of the agreement.

Mr. President, the underlying bill would reduce the funds for implementing the Agreed Framework with North Korea from $25 million to $13 million. This level of funding—half the amount requested—would not permit the United States to meet its obligation under the Agreed Framework. If that were to happen, North Korea could renege on its commitments under that agreement and resume its nuclear weapons program.

This is a remarkable fact, Mr. President. For want of $12 million, we are apparently willing to risk North Korea's return to a nuclear weapons program that we all agree would be exceedingly dangerous for our security and for the security of the Asia-Pacific region, including South Korea and Japan.

In almost every debate on defense and security issues, we hear the list of so-called "rogue" nations, always including North Korea, that post a threat because of their work on ballistic missiless, on weapons of mass destruction, or as sponsors of terrorism. Why would we willingly undo a success story—the Agreed Framework that has frozen the Korean nuclear weapons program—and risk the grave dangers of North Korean nuclear weapons?

Indeed, it was the very threat of the North Korean nuclear weapons program that required us to negotiate the Agreed Framework. And had that negotiation not worked, the alternative appeared to be the likelihood of a military confrontation with North Korea, meaning war on the Korean Peninsula that would involve massive casualties to our forces stationed there and to the Korean population.

The agreement that is now in place is a great benefit to our security. Here is how the Diretor of Central Intelligence, John Deutch, described the results of the agreement in March of this year:

> Under the terms of the 21 October 1994 Agreed Framework with the United States, North Korea agreed to freeze its plutonium production capability. Currently, P'yongyang has halted operation of the 5MW [Megawatt] reactor, ceased construction of two larger reactors, frozen activity at the

plutonium recovery plant, and agreed to dismantle these facilities.

When I asked our senior military leaders if they believe the Agreed Framework is in our security interests, they have all answered with a resounding yes. Here is the discussion I had with General Shalikashvili, the Chairman of our Joint Chiefs of Staff in February 1995:

Senator LEVIN. In your personal view, do you believe that this agreement is in our national security interest and that if implemented it would be a positive outcome for us?

General SHALIKASHVILI. I very much believe so, particularly when I consider the alternatives that we were faced with back in the June timeframe or so when we were marching toward a potential confrontation.

In March of this year, I had the following exchange with General Gary Luck, then our commander in chief of U.S. Forces in Korea, and with Admiral Joseph Prueher, our commander in chief of the U.S. Pacific Command concerning the Agreed Framework:

Senator LEVIN. [Has] the nuclear weapons program of North Korea, in your judgment, remained frozen since that agreement was reached?

General LUCK. Yes sir.

Admiral PRUEHER. Yes sir.

Senator LEVIN. And in your judgment, does that make a significant contribution to the security of that peninsula and to our security? [In other words], the fact that their nuclear program is frozen, is that important?

General LUCK. Oh, yes sir. Yes sir.

Admiral PRUEHER. Yes, sir, it is important.

Senator LEVIN. Now, if we had not reached that agreement and frozen the North Korean nuclear program, is it true that North Korea today would have enough plutonium to make several nuclear weapons, and could have several nuclear warheads already and more warheads in the pipeline?

General LUCK. [Sir, I am not an expert in that area, but certainly] that was the prediction before we entered into this agreement.

Senator LEVIN. As far as you know, is that an accurate statement?

General LUCK. As far as I know, it is, sir.

Admiral PRUEHER. And likewise, as far as I know.

Mr. President, Those are the typical comments of our senior military commanders on the importance of the Agreed Framework, and the fact that North Korea is complying with its terms.

The civilian leadership in the Defense Department also agrees with this assessment. I refer to an exchange between myself and Defense Secretary Bill Perry from March 5 of this year, and I ask that an excerpt of the transcript from a hearing of the Armed Services Committee be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. LEVIN. Mr. President, I oppose the bill's restrictions on funding for KEDO, and I urge my colleagues to support the Lieberman amendment.

EXHIBIT 1

LEVIN—PERRY ON NORTH KOREA NUCLEAR AGREED FRAMEWORK (EXCERPT)

Senator LEVIN. First I want to ask you about Korea. Last year you described the situation in North Korea with the so-called agreed framework that froze North Korea's nuclear weapons program, and explained that by freezing the program that we prevented North Korea from producing plutonium for weapons and from producing the weapons themselves. Has North Korea kept its nuclear weapons program frozen?

Secretary PERRY. Yes.

Senator LEVIN. And if we had not entered into that agreed framework, where would North Korea's nuclear program be today, and where could it be, say, in 3 years?

Secretary PERRY. Had we not entered that program, we believe that they would have, first of all, taken the material from their reactor, the spent fuel from their reactor, and reprocess it to get enough plutonium to make perhaps four or five or six bombs, and quite possibly they would have those bombs now; and that, secondly, they were constructing other reactors which, when they were completed, would give them the ability to get reactor fuel capable of making perhaps 10 to 12 bombs a year. All of those programs have been stopped. There is no such fuel being processed or generated today.

Senator LEVIN. And I take it that that clearly is in our security interest in a very major way?

Secretary PERRY. This was, to me, a fundamental issue. We were prepared to take very substantial actions that actually raised the risk of conflict in order to stop that program. We are able to do it through diplomacy, and we did not have to take those other actions, and this has been a matter of great significance.

The PRESIDING OFFICER. Who seeks recognition?

Mr. MURKOWSKI. Let me yield to the Senator from Wyoming who has a unanimous consent request.

AMENDMENT NO. 5088

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I ask for the yeas and nays on my amendment when it is processed tomorrow morning.

The PRESIDING OFFICER. Without objection it will be in order to order the yeas and nays.

Is there a sufficient second? There appears to be sufficient second. The yeas and nays are ordered.

The yeas and nays were ordered

The PRESIDING OFFICER. The Senator from Alaska is recognized.

AMENDMENT NO. 5078

Mr. MURKOWSKI. Mr. President, first let me acknowledge the statement by my friend from Connecticut, Senator LIEBERMAN, relative to his willingness to cosponsor my second-degree amendment and for the statement in support of the Lieberman amendment which specifically restores the administration's request for $25 million to support the Korea Peninsula Economic Development Organization. The significance of this is that, if the job is going to be done and done right, it is going to take a commitment. To suggest it is going to be done with half the amount of money is simply unrealistic. We might as well address reality. The administration is prepared to suggest, with the $25 million, it will be able to implement the agreed framework with North Korea.

I also want to recognize Senator MCCAIN, who joins with me, as well as Senator LIEBERMAN, in the second degree to the Lieberman amendment.

Mr. President, I believe I have asked for the yeas and nays. I will be very brief in my remarks, assuming I am correct, that we have requested the yeas and nays?

The PRESIDING OFFICER. The yeas and nays have been requested only on the Lieberman amendment.

Mr. MURKOWSKI. It would be my intention to ask for a voice vote on my second-degree amendment to the underlying amendment, to the Lieberman amendment. Perhaps it would be in order to do that now. Then I can proceed with my statement.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5089) was agreed to.

Mr. MURKOWSKI. Mr. President, I move to reconsider the vote.

Mr. LIEBERMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MURKOWSKI. Mr. President, the Appropriations Committee proposed a cut of funding to $13 million. I do not think we are involved, here, in a bean-counting debate. The question is, what does it take to do the job?

If we go back to the initiation of the framework agreement, I think many of us were under the assumption that this would be an obligation pretty much underwritten by South Korea and Japan. That has not been the case. We have been involved and we continue to be involved. But my concern, in real terms, is that what we are talking about is a major foreign policy initiative, and that is how we deal with North Korea.

I said on previous occasions I do not think the agreed framework was the best way we could have negotiated it, but I am not going to judge the administration necessarily in hindsight. My objection to the agreement was that, in negotiating, we agreed basically not to inspect the two sites, the two storage sites, until after the first nuclear plant was about to be fueled. I think that was a mistake, but I am not going to go on at great length.

I am concerned the North Koreans live up to their commitments before the money starts flowing. The Murkowski-Lieberman-McCain amendments would condition the $25 million on the following. The first is Presidential certification that progress is really being made on the North-South relations. This is a condition of the agreed framework, but one that is obeyed in the breach, if you will. There have been significant exceptions to that. North Korea has flouted, in some instances, the armistice agreement and taken several actions in the past few months to increase tensions on the DMZ, by violating borders. The question is how does this decrease tensions? It clearly does not.

Cooperating fully on safe storage of all spent fuel—this is a requirement. Again, it is a condition of the agreed framework. Thus far, I think the cooperation has been relatively reassuring on that one.

No significant diversion of financial or other assistance—Senator McCONNELL's provision deals with the important matter of the diversion of fuel oil. But I think it must go further. We have spent $8.2 million in food aid, even though there are conflicting reports about what North Korea does with the money. In fact, in the last 2 years we have spent over $50 million for North Korea in food value and other assistance.

So what we are talking about is full compliance with all the provisions of the agreed framework and the confidential part, which includes the timetable for compliance. This should be a no-brainer. If there are violations, the money should simply stop. They should understand that.

If, as the administration assures me, North Korea is fully cooperating with the agreed framework and is moving towards advancement on other issues, these should be very, very easy certifications. It should not be any problem at all. Further, before any money is spent, the administration will report on whether North Korea is cooperating fully on activities to account for the MIA's, those missing in action, including the joint field activities.

A lot of Americans forget, because the emphasis has been on Vietnam where currently we have unidentified less than 2,300 MIA's, but that is not the case in North Korea. Mr. President, 8,177 service personnel are unaccounted for in the Korean conflict and at least 5,433 were lost north of the 38th Parallel. These are the forgotten men of the Korean war.

I am pleased that the first joint operation started on July 10. Another operation is scheduled for September. That is good news. It is a start. But it is absolutely crucial to my support for the KEDO funding. It is an issue I have spoken out on time and time again, and it is an issue I am glad to see the administration and negotiators have finally brought into the discussion process. When KEDO started, when the first negotiations were taking place, there was no mention, no condition of our support and assistance and their cooperation on the MIA's. It is through the efforts of Senator McCAIN and a number of other Members of this body and Members of the House, to insert this mandate, that I think has brought an awakening to the administration.

The highest calling of Government is full accounting for those who have given so much. We can never properly repay that. We simply have to demand it. We know where those battle sites were. We know where those prison camps were, in the north. We know there are 5,433 that are unaccounted for and this is an opportunity to give that accounting to their relatives and loved ones.

Further, this would require a report on all instances of noncompliance with the agreed framework, including diversion of fuel oil. It is fair to say we have seen evidence of that in the past. So I think what we have here, thanks to my good friend and colleague, Senator LIEBERMAN, Senator McCAIN, and others, is a message to the administration that is responsible, is forthright, that meets their monetary requirement, but, if you will, puts behind the agreement the faith and credit of the Congress in an accountability that is oftentimes difficult to find in a Government process such as we have before us.

Mr. McCAIN. Mr. President, I am pleased to cosponsor this amendment with my colleague from Alaska, Senator MURKOWSKI, to impose additional conditions on U.S. funding for the implementation of the North Korean Nuclear Framework Agreement of 1994.

The bill before the Senate requires the President to certify that North Korea is using heavy fuel oil provided by the U.S. and other countries under the Framework Agreement only for purposes permitted under that agreement. I support that restriction.

The amendment offered by Senator MURKOWSKI and myself would add additional Presidential certification requirements to the existing language. These additional certifications are:

Progress is being made to establish a meaningful dialogue between North and South Korea;

North Korea is cooperating fully with the canning and safe storage of spent fuel from its nuclear reactors at Yongbyon;

North Korea is in compliance with all other provisions of the nuclear framework agreement, including maintaining a complete freeze on its nuclear program; and

None of the assistance provided to North Korea by the U.S. has been diverted to other than the intended purposes.

In addition, our amendment requires the President to provide a report to Congress on three important matters related to peace and stability on the Korean Peninsula. These are: Cooperation of North Korea with efforts to return the remains of those missing in action since the Korean conflict; violations of the military armistice agreement; and the Administration's plan for encouraging North-South dialogue.

The bill before the Senate provides $13 million to the Korean Peninsula Energy Development Organization, or KEDO, which is the organization charged with implementing the nuclear framework agreement of 1994 between the U.S. and North Korea. My colleague from Connecticut, Senator LIEBERMAN, is proposing an amendment to increase that amount to $25-million. The amendment offered by Senator MURKOWSKI and myself would ensure that this $25 million is not misused by the Communist regime in North Korea.

I continue to have serious reservations about the Nuclear Framework Agreement with North Korea. Under this deal, the North Koreans get free oil, the benefits of trade and diplomatic relations, two new nuclear reactors, and untold additional benefits, including tacit forgiveness of their blatant violation of the Nuclear Non-Proliferation Treaty. Most of these benefits accrue before North Korea incurs any real damage to its existing nuclear program. In short, the most charitable appraisal I can give this agreement is that it represents a tendered bribe to North Korea in exchange for a limit on its nuclear weapons program.

I continue to believe that the only part of the Framework Agreement that serves our national security interest is ensuring that the spent nuclear fuel rods in the cooling pond at Yongbyon are safely stored and safeguarded. We must ensure that North Korea cannot quickly and easily begin reprocessing this fuel, and we must also ensure against further degradation of their condition in the storage pond. The Department of Energy has taken the lead in this effort, and estimates that all the spent fuel will be safely canned and stored in North Korea by March of next year.

In support of this effort, the U.S. has already contributed about $25 million. Maintaining the nuclear fuel rods in safe storage will require about $2.5 to $5 million per year until it is removed from North Korea. In my view, these funds are well spent to take this dangerous material out of North Korean hands.

The U.S. has also contributed $5 million for heavy fuel oil for North Korea and another $22 million to the operations of KEDO. This bill, with the Lieberman amendment, would give another $25 million to KEDO for heavy fuel oil and administrative costs of implementing the agreement. These expenditures can be expected to continue at least at the level of $20–30 million per year for the next seven to ten years, while the provisions of the agreement are carried out. That is a cost to the U.S. taxpayer of somewhere between $200 and $300 million.

We in Congress have a responsibility to ensure that the U.S. taxpayer knows where his money is going. That is why Senator MURKOWSKI and I are proposing an amendment to restrict the use of the $25 million provided in this bill. Our amendment would ensure that the taxpayers' dollars will not be spent to prop up the failing economy and Communist regime in North Korea.

As I have often said, I believe the Framework Agreement will fail in time. I believe North Korea will renege on this agreement, just as they reneged on their freely accepted obligations under the Nuclear Non-Proliferation Treaty, and as they did 9 times during the 2 years of negotiations leading up to this deal. North Korea is currently in compliance with the framework agreement, and therefore, I do not believe the United States should kill the deal by failing to provide a minimal level of funding to implement its more positive aspects.

Mr. President, I will not oppose the Lieberman amendment to restore funding for KEDO to the requested level. However, I believe the American taxpayers should be assured that these millions will not be misused by North Korea. Therefore, I urge my colleagues to join Senator MURKOWSKI and me in ensuring these funds are expended only if certain reasonable conditions are met. I urge the adoption of the Murkowski-McCain amendment.

AMENDMENT NO. 5028

Mr. SPECTER. Mr. President, I voted against the Helms amendment because it would prohibit the United States government from making certain payments to the United Nations if the United Nations "borrows funds from any international financial institution." It may be necessary for the United Nations to borrow such funds to keep operating for a wide variety of contingencies.

The amendment also prohibits the U.S. Government from making certain payments to the United Nations if the United Nations attempts to "impose any taxation or fee on any United States persons." I would certainly support an amendment which only prohibited an attempt by the United Nations to impose a tax or fee on any United States persons because that would violate fundamental U.S. sovereignty.

Since this amendment goes beyond the tax or fee issue and prohibits borrowing, I opposed the amendment.

AMENDMENT NO. 5059

Mr. INOUYE. Mr. President, I rise today to thank the managers of the bill, Chairman McCONNELL and Senator LEAHY for accepting the Inouye-D'Amato amendment expressing the Sense of the Senate that the German Government expand the criteria by which Holocaust survivors may qualify for compensation.

Time is of the essence. Most of the survivors are in their mid-to-late seventies. Each day of delay causes the survivors of one of the most gruesome atrocities mankind has ever witnessed to move a day closer to never recovering the compensation, albeit symbolic, they certainly deserve.

The German Government and the United States Conference on Jewish Material Claims Against Germany are about to engage in the yearly process of negotiating new categories by which survivors of the Holocaust are entitled to receive compensation.

I recognize that there is absolutely no amount of financial remuneration that can adequately compensate these survivors for the unimaginable suffering they experienced. However, in many cases, pensions of approximately $300 to $500 a month will make a significant difference in the lifestyle these survivors will experience in their golden years.

I would like to take a moment to share with my colleagues the type of hardship my constituent Mr. Armin Nagel experienced while interned at the Vapniarka camp in Romania.

Mr. Nagel was interned during World War II in Transnistria, in the Vapniarka concentration camp and in the Grosulovo ghetto just inside the Romanian border.

Vapniarka was a camp used primarily for Jews. In mid-September of 1942 over 1,000 Jews, of which about 400 were from the Tirgu Jiu camp, were transferred to Vapniarka by train through Tiraspol. They joined the 630 Jews from Bessarabia and Bucovina and about 50 to 60 Ukrainian inmates already interned there. In mid-October of 1943, 700 Jewish survivors were transferred from Vapniarka to the Grosulovo Ghetto and the Vapniarka camp was closed. While in Vapniarka, the inmates were severely beaten by their guards and by fellow Ukrainian inmates.

Based on survivors' testimonies, Raul Hilberg, in his book "The Destruction of the European Jews," describes the food that the inmates received as follows:

> Vapniarka was the site of a unique Romanian nutritional policy. The inmates were regularly fed 400 grams of a kind of chick pea (tathyrus savitus) which Soviet agriculturists had been giving to hogs, cooked in water and salt and mixed with 200 grams of barley to which was added a 20-percent filler of straw. No other diet was allowed. The result of this diet manifested itself in muscular cramps, uncertain gait, arterial spasms in the legs, paralysis and incapacitation.

This is just one example of the type of terrible treatment the prisoners experienced at Vapniarka.

Mr. Nagel has been denied a pension by the German authorities because Vapniarka has been categorized as a labor camp. Today, Mr. Nagel is 76 years old and survives on a moderate income supplemented by Social Security. This enables him to meet his basic necessities of food, shelter and clothing. A pension of $300 to $500 a month will make the difference between making ends meet and being able to live a decent lifestyle during his golden years.

Through this resolution the Senate encourages the German Government to negotiate expediently and in good faith with the United States Conference on Jewish Material Claims Against Germany.

CLARIFICATION OF THE BAN ON AID TO AZERBAIJAN

Mr. COHEN. Mr. President, in 1992, war in the Caucasus led Congress to approve a ban on direct U.S. aid to the Government of Azerbaijan under what is known as "section 907." Although section 907 was not intended to deny humanitarian aid to the war-ravaged population of Azerbaijan, it has done just that.

Mr. President, I rise to support the effort today to clarify section 907, making humanitarian aid to nearly 1 million in Azerbaijan easier to deliver.

This effort represents a true humanitarian action, while at the same time aiding the stabilization of the Caucasus, one of the hotspots of the former Soviet Union.

Section 907 currently prevent nongovernmental organizations [NGOs] receiving U.S. funding from dealing with the Government of Azerbaijan in carrying out humanitarian missions in the country.

In formerly Soviet Azerbaijan, the Government controls a large portion of the economy, so this restriction makes it very difficult for aid organizations to efficiently deliver much-needed help to the 900,000 refugees from the war with Armenia.

Some examples of the problems section 907 has created for the International Rescue Committee [IRC], Rescue International [RI] and CARE, independent relief agencies, are as follows:

International Rescue Committee [IRC] initially stored medical supplies in Azerbaijan under tarps on the street, because section 907 precluded renting Azerbaijan Government-owned warehouse space. When the Government allowed IRC to use the space rent free, IRC still had to store the supplies under tarps inside the warehouse because IRC was not permitted to pay to repair a leaking roof, since that would have been contact with the Government of Azerbaijan.

Relief International [RI] was unable to cooperate with a 1994 UNICEF child immunization program in Azerbaijan, despite major need for such a program, because UNICEF was working with Azerbaijan's Ministry of Health on the project.

This year, CARE withdrew a proposal to USAID to rehabilitate buildings and railroad cars as shelters for displaced Azerbaijanis, because the structures were government owned.

RI has been unable to do equal-value exchanges of pharmaceuticals with other non-American, nongovernmental organizations [NGOs] in Azerbaijan, a common practice in areas with scarce medical resources, because these other NGO's cooperate with the government.

Two thousand IRC-built latrines to prevent water-borne diseases among the refugee population cost twice what they should have, because a middleman had to be retained for purchasing supplies so as not to conduct business with the Government.

The extreme gravity of the humanitarian situation in the country was best illustrated in a recent cable to the State Department from the current United States Ambassador to Azerbaijan, Richard Kauzlarich. In the cable, the ambassador cited the horrifying preliminary results of a medical survey conducted by the Centers for Disease Control, UNICEF and the World Health Organization in Azerbaijan earlier this year:

Seventy percent of displaced children in Azerbaijan between the ages of 12 and 23 months suffer from anemia. This can cause irreversible problems in their mental development. Anemia is also widespread in the adult population.

Thirty percent of displaced children in Azerbaijan between the ages of 6 and 11 months suffer stunted growth caused by malnutrition; 11 percent of the elderly also suffer malnutrition.

Twenty-four percent of Azerbaijani displaced children suffer from diarrhea.

Seventeen percent of the displaced population suffer from iodine deficiency disorders (goiter).

The message in the ambassador's cable is clear—The United States must act now to clarify section 907 and try to stem the growing humanitarian crisis in Azerbaijan.

I ask unanimous consent that the text of the ambassador's cable and a 1994 report by USAID on the effects of the section 907 ban on Azerbaijan be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. COHEN. Finally, Mr. President, action to clarify section 907 is in the U.S. national security interest. On a strategic level, section 907 may force Azerbaijan back under the Russian yoke. A number of other ex-Soviet republics have been coerced into compromised relationships with Moscow, because they have been unable to build strong national institutions.

Azerbaijan has so far resisted Russian and Iranian pressure and is striving to maintain its sovereignty by developing its large oil reserves.

The suffering and privation aggravated by section 907, however, make the Azerbaijan's quest for sovereignty more difficult.

Mr. President, I know that the Azeri-Armenian conflict evokes deep passion in many of my colleagues, but the easing of the suffering of displaced civilians, children and refugees is not a political statement, it is a moral imperative.

The war in the Caucasus is now winding to a close on terms favorable to Armenia and the Armenian population of Nagorno-Karabakh. While a peace treaty has not yet been signed, both sides in the war have shown a desire to negotiate and turn their embattled countries to the task of rebuilding and recovery. Clarifying section 907 is essential to speed that process.

Mr. President, this issue presents us with a simple question: Does the United States want to act now to speed the process of recovery, rebuilding, and democratization, or do we want to stand by and allow want and isolation to doom Azerbaijan and the Caucasus as a whole to a future of instability, authoritarianism, conflict and subjugation to reactionaries in Moscow?

I commend Senator BYRD for his initiative in seeking to clarify the section 907 ban.

EXHIBIT 1

SUBJECT: A GENERATION LOST: ALARMING NEWS ABOUT THE HEALTH OF IDP CHILDREN

First, summary: The 900,000 refugees and internally displaced persons [IDPS] remain the world's forgotten tradegy. The tragedy must end now. According to the preliminary results of a CDC/UN health survey on the IDPS—they have health problems that are significantly worse than CDC anticipated. That the IDPS suffer from poor nutrition, lack of access to health care and chronic diarrhea among children was predictable. However, much more shocking were the CDC's findings of stunted growth in children, a high incidence of goiter and widespread anemia. Some of this could result in mental retardation for the worst affected children in the camps. This is not 1992. The authors of FSA 907 did not intend that the U.S. Government not respond to such suffering of little kids. On humanitarian grounds, the United States must act—even if it means some contact with the government public health service—to meet this long-ignored crisis. End summary.

Second, Ibrahim Parvanta of the Centers for Disease Control [CDC] met with the Ambassador on April 19 to discuss the preliminary results of CDC's aid-funded medical survey of IDPS in Azerbaijan. From March 27 through April 19, the World Health Organization [WHO], the Centers for Disease Control and Prevention [CDC] and UNICEF, in collaboration with Relief International [RI] and Medicines Sans Frontieres/Holland [MSF/H] conducted a nation-wide health and nutrition survey in Azerbaijan. The survey covered 55 districts with an estimated population of 620,000 IDPS and the non-IDP population of the country for comparison purposes. Because of section 907 of the Freedom Support Act, CDC's part of the survey could only focus on the IDP population, using PVO support. WHO/UNICEF focused on the general population with government of Azerbiajan support. Parvanta highlighted the following preliminary findings of the survey.

FOOD INSECURITY

Forty-nine percent of all IDP families and 29 percent of resident families surveyed, skipped meals during the week before the survey.

Members of 46 percent of IDP households and of 31 percent of resident households had not eaten meat during the preceding 2 weeks.

STUNTED GROWTH IN CHILDREN

Children in Azerbaijan suffer fromn chronic health and nutrition problems that lead to stunted growth. The long term functional implications on physical work capacity, intellectual development and overall health may be significant. Recurrent clinical and sub-clinical infections, as well as nutritional deficiencies (particularly micronutrients) may be responsible for this condition. Parvanta stressed that stunted growth was higher among IDP children aged 6–11 months (30.7%) than the same age group in resident population (21.3%).

HEALTH CARE: OUT OF REACH

Poor access to health care is currently a serious problem, particularly for IDPS in Azerbaijan. Most often, ill people who want treatment cannot afford it. (Despite a public health system which supposedly provides free medical care, Azeris must pay to obtain medical treatment.) Thirty-seven percent of people surveyed said that they did not seek medical treatment the last time someone in their family was sick. The main reason, specified in 68 percent of cases, was an inability to pay.

Twenty-four percent of IDP children and 16 percent of the resident children (ages 0 to 59 months) were reported to suffer from diarrhea.

Seventeen percent of the surveyed population were discovered to have iodine deficiency disorders (goiter). The prevalence of goiter varies considerably by region.

Seventy percent of IDP children 12 to 23 months old were reported to suffer from anemia. Parvanta said that this figure is far higher than they expected to find here. If iron deficiency is the main cause of anemia in Azerbaijan, then many children risk significant and potentially irreversible consequences to their mental development. Anemia is also a wide-spread problem for adults.

Third, Parvanta cautioned that CDC would have to further analyze the data before reaching final conclusions. The Ambassador asked whether the survey work had uncovered evidence of the WHO-reported malaria among IDPS. He said that they had not although this was yet not mosquito season. Noting that he has previously worked in Armenia, Parvanta added that living conditions are considerably worse for the IDPS in Azerbaijan than refugees in Armenia.

COMMENT

Fourth, we commend CDC for this evaluation of the state of health and nutrition of IDPs in Azerbaijan. The CDC's unexpected findings that young IDP children suffer from stunted growth, anemia and goiter are alarming. As previously reported, there are reports from WHO and others that malaria is a growing problem in southern Azerbaijan at the southern camps near Sabirabad and Imishli where 46,000 IDPs live in wretched conditions. We believe that the IDPs—especially children—are more susceptible to malaria due to their high levels of anemia and general poor health.

Fifth, we will not prejudge CDC's final conclusions. Nonetheless, we believe that malnutrition and miserable living conditions in camps, rail cars and decrepit public buildings have severely damaged an entire generation of IDP children. We need to rethink the possibility of targeting medical assistance to these IDP children. It will involve some contact with the government but the assistance would be provided through PVOs.

The humanitarian need is there. The administration should go to the Congress and describe the suffering of Azerbaijan's IDPs and the importance of the United States doing something about this on humanitarian grounds. The authors of FSA 907 did not intend to prevent refugee children from receiving medical care and food supplements necessary to lead normal lives. There is a crying need for more help from western donors—including the United States—to provide basic health care for Azerbaijan's IDPs, the neediest people in the region.

THE IMPACT OF SECTION 907 OF THE FREEDOM SUPPORT ACT ON DELIVERY OF HUMANITARIAN ASSISTANCE TO AZERBAIJAN—OCTOBER 21, 1994

PURPOSE OF REPORT

The purpose of this report is to respond to language of the Senate Appropriations Committee report on the Fiscal Year 1995 foreign operations appropriations bill (Report No. 103–287, page 77) stating that:

"Within 60 days of enactment of this bill into law, the President shall report to the Congress of [sic] the impact of section 907 of the Freedom Support Act (Public Law, 102–511) on efforts by private voluntary organizations to provide humanitarian, refugee, and disaster assistance."

This report provides background on humanitarian relief needs in Azerbaijan, a description of United States Government-funded PVO humanitarian assistance operations in Azerbaijan, and an assessment of the impact of Section 907 on these activities.

BACKGROUND

As a result of the conflict over the status of the Nagorno-Karabakh region, Azerbaijan has one of the world's worst refugee/internally displaced person (IDP) situations. The current estimated numbers in these two categories are:

Refugees (mostly from Armenia)	250,000
Internally Displaced Persons (IDP)	658,000
Total	908,000

Of the IDPs, 10% are currently living in organized camps, and the rest are either living with host families, in public buildings, government-provided shelters (sanatoria), hostels, unused railway wagons, or crude earth pits.

Some key facts regarding the condition of Azerbaijan's IDPs and refugees: hepatitis cases increased by 144% since January 1993; water-borne diseases among children are up 18% and salmonellosis is up 70% in the first eight months of 1994 compared to all of 1993; the leading cause of infant mortality and main reason for hospitalization is acute respiratory infections; drugs previously supplied by the former Soviet central system have decreased from 75% of the country's needs to 5%.

A substantial portion of Azerbaijan's territory, including most of the best agricultural land, is occupied by Nagorno-Karabakh Armenian forces, and there has been substantial damage to the infrastructure.

Budgetary insolvency has severely strained the ability of the social welfare system to continue to support over one million beneficiaries. Some 200 schools country-wide are occupied by refugees and IDPs (58,500 children are unable to attend school on a regular basis).

Of the total IDP/refugee population, those most in need—i.e. those who have few or no alternative sources of income—are estimated to number 430,000. Some of the families hosting the displaced, pensioners, orphans, handicapped and disabled people bring the total vulnerable population in need of assistance to 450,000.

UNITED STATES GOVERNMENT-FUNDED PVO PROGRAMS IN AZERBAIJAN

USG-funded humanitarian assistance programs in Azerbaijan are being implemented by several US PVOs. USAID-funded PVO activities are managed by Save the Children Federation (SCF) under an umbrella grant. SCF-managed programs are principally in the areas of food, health care, and shelter for refugees and IDPs. USDA is implementing several food assistance programs for refugees and IDPs through US PVOs under the Food for Progress program. USAID provides funds and food commodities for international organizations delivering relief in Azerbaijan. These resources are delivered to beneficiaries through PVOs.

IMPACT OF SECTION 907

The principal impact of Section 907 of the FREEDOM Support Act on delivery of humanitarian assistance by private voluntary organizations (PVOs) to those in need in Azerbaijan has been to complicate or preclude activities involving unavoidable contact or interaction with government-controlled enterprises, institutions, and facilities. In many cases where relief activities can be conducted in compliance with Section 907, the restrictions of that legislation have increased costs of operations and thereby reduced the scope and impact of the activities.

As the state domination of the entire economy inherited from the Soviet era has barely changed in Azerbaijan, Section 907 has had a substantial impact on delivery of humanitarian assistance. Following are examples of the impact of Section 907 to date.

MEDICAL SERVICES

Section 907 has blocked or complicated delivery of medical assistance to those in need by USG-funded PVOs. As Azerbaijan's public health system is entirely state-controlled, it is very difficult to implement some medical assistance projects without providing assistance through government instrumentalities.

To ensure that it was not violating Section 907, one PVO developed a limited, parallel health care program for the displaced alongside the government program, which is wasteful and contrary to good public health practice. This same PVO has also refrained from utilizing locally available medical personnel in its programs because they are all government employees, an obstacle that has severely limited the PVO's ability to reach those in need. Finally, many public health activities such as child immunization are by their very nature best conducted via the state health system, but because of Section 907 PVOs have felt they are unable to assist in these basic preventative programs.

USE OF STATE-OWNED INFRASTRUCTURE/FACILITIES

As virtually all facilities and transportation equipment in Azerbaijan are state-owned, compliance with Section 907 has made use of basic infrastructure (warehouses, truck fleets, and other transportation and storage equipment) difficult.

One USG-funded PVO operating in Azerbaijan has, in an attempt to reduce contact with the state sector, invested great time and effort in trying to secure privately-owned warehouse space for storage of relief commodities. In the end there was no alternative to the state-owned facility. Once use of the state-owned facility was chosen, the issue of rent payment continued to complicate relations with the facility management, as the PVO believed Section 907 precluded compensation of any state-owned facilities for services.

Another issue has arisen in connection with one of the warehouses being used by this PVO—repairs to state-owned facilities. One of the warehouses in question has developed a leaky roof. Believing that Section 907 precluded use of PVO funds to make essential warehouse repairs to protect relief commodities in the warehouse, the PVO has covered the supplies with tarpaulins but fears that some damage to the commodities will result when seasonal rains arrive. In this case, the PVO's efforts to comply strictly with Section 907 resulted in wasted time, energy, and probably damaged relief commodities.

RELIEF-RELATED REHABILITATION OF PUBLIC BUILDINGS

The rehabilitation of public buildings being used as shelter by displaced persons in Azerbaijan was a priority need identified by one implementing USG-funded PVO. However, as the PVO believed that Section 907 precluded repairs (in this case winterization and sanitation upgrades) to state-owned buildings, the project was not implemented. As a large number of displaced persons and refugees are necessarily accommodated in public buildings not designed as residential structures, this aspect of Section 907 has had a major impact on delivery of assistance to those in need in Azerbaijan.

LOCAL PROCUREMENT OF GOODS AND SERVICES

In some cases PVOs have interpreted Section 907 in a manner that precluded local procurement of essential goods and services, or made such procurement more difficult and more costly. For example, one POV project involved improving access to safe water supplies by drilling wells. However, the only available company that could preform the work was state-owned, so the project was not implemented.

Because of the way they have interpreted Section 907, USG-funded PVOs trying to procure goods locally have made prolonged efforts to find privately owned vendors or suppliers. In many cases the privately owned suppliers are merely intermediaries who pass on state-produced goods at a higher price. In addition, exclusion of state-owned sources has made competitive bidding impractical, and probably resulted in higher costs.

AID TO TURKEY AND AZERBAIJAN

Mr. BYRD. Mr. President, I would like to engage the subcommittee leadership in a colloquy regarding our policy toward Turkey and the Caucasus in this bill. The importance of this strategic region for U.S. policy can hardly be overstated, and the bill as passed by the House has a number of very troublesome provisions.

Senator MCCONNELL, as I understand it, the House bill as it passed has several provisions that have the probability of damaging our relations with Turkey, our ally, and Azerbaijan, our friend to the east of Turkey in the Caucasus. The Turkey provision would link our aid to forced admissions by the Turkish government on historic events, admissions that are strongly repugnant to and rejected by Turkey. This is really a bilateral matter between Turkey and Armenia which should be worked out between those two states. As a result of that House provision, the ambassador from Turkey has asked us to retract our provision of economic aid. That is a sorry state of affairs. They would rather not have the aid if it is tied up in conditions that are onerous to the Turkish government and people. I do not blame the Turkish government for its reaction to this provision. I understand that the Committee has struck that House provision and I congratulate Senator McCONNELL and Senator LEAHY for that. That is the responsible thing to do.

Mr. McCONNELL. That is correct.

Mr. BYRD. On the matter of Azerbaijan, I understand that the House included a provision which would imply separate legal status to Nagorno-Karabagh, a region of Azerbaijan. The international community, through the Organization for Security and Cooperation in Europe has already recognized the current borders of Azerbaijan as constituting its territorial integrity. Thus, a separate legal status for Nagorno-Karabagh is opposed by the international community and is against the policy of the United States. I understand, again, that the subcommittee struck the provision.

Mr. McCONNELL. That is correct.

Mr. BYRD. Further, humanitarian aid to Azerbaijan has been interrupted because of a policy adopted in 1992 to cut off U.S. aid to that nation as a result of its conflict with Armenia. In 1992, a war between Armenia and Azerbaijan led Congress to ban direct U.S. aid to Azerbaijan. This was included as Section 907 of the 1992 law called the Freedom Support Act, which was intended to provide economic and other aid to former Soviet republics to assist their transition to free and independent states with solid ties to the West and open markets for American business. As currently interpreted, Section 907 prevents U.S.-funded non-governmental organizations from dealing with Azerbaijan's government in carrying out humanitarian missions. In formerly-Soviet Azerbaijan, the government still controls a large portion of the economy, making it difficult, under Section 907, for aid organizations to deliver much-needed help to Azerbaijan's population, nearly a million of whom are displaced persons and refugees.

The findings of a recently released report on the refugee health crisis in Azerbaijan, by the U.S. Center for Disease Control, UNICEF and the World Health Organization cites serious difficulties in delivering vital medical supplies and other aid because Section 907's ban on direct U.S. aid has been broadly interpreted and used to restrict the delivery of such aid. This was never the intent of Section 907. Am I correct in this statement?

Mr. McCONNELL. That is entirely correct, the section was never intended to restrict the delivery of humanitarian aid.

Mr. BYRD. The House has included a provision which would set up an artificial ratio of humanitarian aid relative to Azerbaijan and its region of Nagorno-Karabagh. Such ratios have no precedent in the delivery of humanitarian aid and are clearly unworkable. I understand the subcommittee has struck that provision.

Mr. McCONNELL. That is, again, correct. Such an artificial mechanism in directing humanitarian aid has never been used and I do not know how it could be administered.

Mr. BYRD. It is in our interest to ensure that humanitarian aid get through to all needy people who are suffering as a result of the war. The chairman, in the action of the full committee, included language suggested by the ranking member and myself which clarified our intent that humanitarian aid be effectively delivered using the facilities of the government of Azerbaijan. If the facilities of that government are not used, much of the aid would not be able to be delivered, as I understand it. Further, I have a letter from the Department of State indicating the Administration agrees entirely with this policy and stating the intent of the Administration to revise its State Department guidelines in regard to that region in order to ensure there is no further ambiguity as to the delivery of food, medicines and the like into Azerbaijan with the assistance of government personnel and facilities there such as warehouses, clinics and other logistical support.

Mr. McCONNELL. Yes I understand the guidelines will be issued promptly after the passage of this bill.

Mr. BYRD. There is still some concern on the part of the organizations that deliver the aid that a statutory provision recognizing this policy might be needed to ensure the aid can in fact be delivered as we intend. I have prepared such an amendment and it is cosponsored by Senators LEAHY, REID, JOHNSTON, JEFFORDS, INOUYE, COHEN, LUGAR, and MURKOWSKI. The language would directly reflect the report language already agreed to. However, I am willing to withhold that amendment if the chairman can assure me that he will defend the Senate position in conference and continue to resist the onerous House provisions I have referred to regarding Turkey and Azerbaijan. Lastly, I would ask that the language regarding the delivery of humanitarian aid that we included in the Senate committee report be included in the Statement of Managers of the Conference Report.

Mr. McCONNELL. I appreciate the Senator's position. I fully intend to resist the House provisions he referred to and we are in complete agreement on what should be the nature of sound U.S. policy toward this region. I will support the Senate position in conference, and I am sure that I will have the support of the ranking member and all of our conferees on this matter. I thank the Senator for his interest in this important matter and in the fate of that region and U.S. interests there, which are vital.

Mr. BYRD. I thank the Senator. I ask unanimous consent that a copy of the letter which I referred to dated July 11, 1996 to me from Ms. Barbara Larkin, Acting Assistant Secretary of State for Legislative Affairs be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC, July 11, 1996.

DEAR SENATOR BYRD: This letter is in response to your request for our views on language on assistance to Azerbaijan included in the report accompanying the FY 97 Senate Foreign Operations bill. You are aware of our long-standing position regarding aid to Azerbaijan.

As written, this language, as well as similar report language accompanying the House bill, is useful in clarifying congressional intent on interpretation of Section 907 of the FREEDOM Support Act insofar as the delivery of humanitarian assistance is concerned, and is consistent with our views in this regard. We understand this language to express the congressional view that Section 907 should not be interpreted to preclude non-governmental and international organizations from using and repairing Government of Azerbaijan facilities or services to deliver humanitarian assistance to needy civilians, and that humanitarian supplies may be transferred to Government personnel for the purpose of distribution. Further, we understand that the Committee intends that needy civilians be permitted to receive assistance in growing their own food for sustenance, and are not precluded from selling the excess in the private sector. We understand that the Committee expects, as do we, private voluntary and international organizations to maintain effective monitoring procedures to assure appropriate supervision over supplies and recipients.

Consistent with current law and the FY 97 Appropriations process, we intend to revise the State Department and USAID guidelines regarding the provision of assistance to Azerbaijan to reflect this mutual understanding of Section 907's scope.

Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

BARBARA LARKIN,
Acting Assistant Secretary,
Legislative Affairs.

AID TO AZERBAIJAN

Mr. MURKOWSKI. Mr. President, I rise today to speak in support of Senator BYRD's comments regarding aid to Azerbaijan in his colloquy with Senator McCONNELL. I understand that Senator BYRD had intended to offer an amendment, which I cosponsored, to the foreign operations appropriations bill on this issue.

Mr. President, Azerbaijan is the only one of the fifteen former Soviet Republics to be denied assistance in the Freedom Support Act. Humanitarian aid to Azerbaijan has been denied as a result of its conflict with Armenia. Section

907 of the Freedom Support Act, as currently interpreted, prevents U.S.-funded nongovernmental organizations from dealing with Azerbaijan's government in carrying out humanitarian missions. Section 907 states, "U.S. Assistance * * * may not be provided to the Government of Azerbaijan until the President determines, and so reports to Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno-Karabakh."

The need for humanitarian aid in Azerbaijan is great, and Section 907 makes it difficult for aid organizations to deliver the much-needed assistance to the people of Azerbaijan, nearly a million of whom are displaced persons and refugees. The U.S. Center for Disease Control, UNICEF and the World Health Organization have all cited serious difficulties in delivering vital medical supplies and other aid to Azerbaijan because of Section 907's ban on direct U.S. aid. However, this was never the real intent of Section 907. Report language which clarified the intent that humanitarian aid be delivered using the facilities of the government of Azerbaijan has been added to this bill. I understand that Senator BYRD agreed to withhold his amendment, which I co-sponsored, with the understanding that the chairman will defend the Senate position in conference and continue to resist the House provisions.

It is important to recognize the economic and strategic potential of Azerbaijan. The country, known as "the Kuwait of the Caspian" has proven oil reserves of three billion barrels. Experts has put the ultimate potential of the country as high as forty billion barrels of oil. Gas reserves of the country are 184 billion cubic meters on the discovered fields. In 1994, a consortium of Western oil companies signed an eight billion dollar production sharing agreement with the government of Azerbaijan. They have a thirty year contract to work on the Guneshli-Chirag-Azeri offshore fields. U.S. companies have a good opportunity now to establish a commercial relationships with Azerbaijan.

The strategic potential of Azerbaijan is also very important, and should be brought to the attention of policymakers. Russia, the United States, the European Union, Turkey and Iran all have a great interest in the geo-political and economic state of affairs in Caspian Sea Rim Region. Whether the pipeline from Baku to Novorossiisk will be able to be used, presents a stability question, since it passes through war-torn Chechnya. In addition, while U.S. oil company's have forty percent of the shares in one project and growing financial participation in other projects in the Caspian Rim, they have accepted Russia's leading role. Finally, Azerbaijan how has a secular muslim government, however, there is a Islamic fundamentalist influence that Azerbaijan has so far resisted, that is cause for concern. But Azerbaijan will not be able to develop, and reach its full potential if it is not able to receive the humanitarian assistance that it now needs from U.S. nongovernmental humanitarian organizations.

AMENDMENT NO. 5047

Mr. MCCAIN. Mr. President, Senator DOMINICI offered an amendment this evening to condition International Military Education and Training [IMET] assistance to Mexico on Mexican authorities apprehending and beginning prosecution of, or extraditing to the United States, drug traffickers.

I fully agree with the sentiment of the amendment. Stemming the flow of drugs into the United States is absolutely vital to the quality of life and future of our Nation. I believe that we should encourage Mexican authorities to do everything in their power to take action against drug traffickers. However, I also believe that denying them IMET assistance is not the proper way of going about it.

There are certainly other more beneficial ways to improve the level of cooperation between our two nations. We should not be in the business of threatening and coercing our friends.

The continuation of IMET assistance is important in its own right, unconnected to the level of cooperation we receive on the issue of drug trafficking. Exposing foreign militaries to U.S. military procedure and ethics promotes our values. It helps create among these militaries a respect for the democratic rule of law and civilian leadership. Over time, this assistance will foster a far more productive United States-Mexico relationship in the areas addressed by the amendment than will threatening sanctions

TURKEY

Mr. PRESSLER. Mr. President, I had intended today to offer a series of amendments regarding economic assistance to Turkey. These amendments would have been similar to the provisions included in the version of H.R. 3540 that was approved by the House of Representatives on May 22. Specifically, these provisions would cap economic support funds [ESF] at $25 million, and would lower that amount to $22 million if the Government of Turkey failed to acknowledge the tragic Armenian genocide that occurred from 1915 to 1923. The House also approved a provision that would restrict the President's authority to waive aid restrictions against those countries found violating the Humanitarian Aid Corridor Act.

I support all these provisions. I know a number of my colleagues in the Senate support them as well. However, the bill before us on the floor does not contain any restrictions on economic aid to Turkey. I would note that the bill would make the Humanitarian Corridor Act permanent, and I commend the distinguished chairman of the Foreign Operations Subcommittee, Senator MCCONNELL, for doing so.

As my colleagues well know, what we have before us today is a replay of last year's appropriations process. Last year, the House capped economic aid to Turkey at $21 million, and the Senate bill did not restrict economic assistance. The final bill capped economic aid to Turkey at $33.5 million. I believe that was a fair compromise.

Mr. President, the reasons why Congress felt compelled to cap aid to one of our allies are several. I will not go into detail on these reasons because the record, most recently updated in the rigorous House debate on these issues, is quite substantive. There are four key concerns: Repeated human rights violations, its refusal to comply with the Humanitarian Corridor Act and allow aid shipments to Armenia, its continued military occupation of Cyprus, and its abuse of the Kurdish minority. On the last point, I am concerned particularly with the use of American military equipment against the Kurds.

It's common practice for Congress to use foreign aid as leverage to achieve foreign policy and human rights goals. I have long advocated tougher restrictions on aid to Turkey to achieve a peaceful, free and united Cyprus. I have called on the President to suspend military sales to Turkey until it improves its human rights record. And I was a cosponsor of the Humanitarian Corridor Act.

I believe we sent a very strong signal to Turkey last year when we agreed to cap economic assistance and passed the Humanitarian Corridor Act. To retreat from that strong stand would send the wrong signal and remove a vital piece of leverage we need to make progress on the key issues I have raised.

As I said, I had intended to offer amendments to restrict economic assistance to Turkey. However, I believe that, if past is prologue, the best course of action to pursue is to work with the distinguished Senator from Kentucky, the distinguished Senator from Vermont, Senator LEAHY, and their counterparts in the House.

I see the distinguished chairman of the Foreign Operations Subcommittee on the floor. I would just urge that he take my concerns, the concerns of my colleagues and clearly, the concerns of the strong majority of our counterparts in the House into consideration as he moves to conference on this legislation.

Mr. MCCONNELL. I thank my friend from South Dakota. I appreciate his willingness to work with me to achieve an appropriate solution to the controversies surrounding economic assistance to Turkey. This is a very controversial issue. I know he has been an outspoken advocate of a free, united Cyprus for many years now. He can be assured that I will take his views into consideration as we go to conference on this bill.

Mr. PRESSLER. I thank my friend from Kentucky.

DEVELOPMENT FUND FOR AFRICA

Mr. FEINGOLD. Mr. President, as the Senate considers the foreign operations appropriations bill for fiscal 1997, I would like to share with my colleagues once again my thoughts on the importance of our foreign assistance program in Africa.

I am pleased to be an original cosponsor of the Simon-Kassebaum amendment which restores the designation of the Development Fund for Africa.

Mr. President, as the ranking Democrat of the Africa Subcommittee, I have become increasingly aware of how the 48 countries of sub-Saharan Africa represent important security concerns for the United States. As we head toward the 21st century—an era that will no doubt be marked by transnational concerns—Africa is becoming even more relevant to United States interests, our economic, political, humanitarian, and security concerns.

Long-term development assistance to African nations—whether through bilateral or multilateral channels—directly complements U.S. foreign policy goals and national security interests.

There are several examples of this complementarity.

First, we have an interest in a safe and healthy environment. The rapid spread of the Ebola virus demonstrated some of the vulnerabilities on the continent. Now, unfortunately, the rates of HIV and AIDS infections in Africa are the highest in the world, and they are continuing to rise rapidly. As we have seen, viruses do not need visas.

Second, we have an interest in expanding trade and investment ties with the African continent. U.S. exports to Africa expanded by 22.7 percent in 1995—this is nearly twice the growth rate of total U.S. exports worldwide. Already U.S. exports to Africa equal 54 percent more than our exports to the former Soviet Union. We export more to South Africa alone than to all of Eastern Europe combined.

Third, we have an interest in democracy. Well over half of African nations now can be considered democratic or have made substantial progress toward democracy. Many of these nations also are moving toward free-market economies.

Fourth, we have an interest in human resource development. Sub-Saharan Africa has the fastest growing and poorest population in the world. A substantial percentage of Africa's population is under 18 years of age. These children will soon grow to adulthood and I would hope there will be opportunities for them to engage in productive activities.

At the same time, Africa's infant and child mortality rates are 2 to 3 times higher than those in Latin America or Asia.

Finally, we have an interest in security. It is unfortunate, but Africa also is home to terrorist activity and to drug and arms trafficking.

Mr. President, a stable African continent serves American interests.

The Development Fund for Africa (DFA) was established nearly 10 years ago specifically to ensure a steady source of long-term development funds for Africa.

In the past 8 years, the DFA has contributed to substantial gains in health care, education, small business development, democracy, and stability.

The DFA is about investing in development and not in crises. The types of challenges we face in Africa today are very complex and require long-term solutions. And this requires long-term investment.

By restoring the DFA account, we give the administration the opportunity to capitalize on that investment.

I will make a budgetary argument as well. My colleagues know that since my election to the Senate, I have been a consistent deficit hawk. So, I always look for areas where we can cut wasteful Government spending.

Mr. President, the Development Fund for Africa is not one of these areas. On the contrary, it is one of the most effective programs in our foreign assistance package. In fact, the Agency for International Development has based many of its reform initiatives on lessons learned through DFA programs.

As a result of DFA assistance, African farmers are growing more food, more children are attending primary school, and more informal sector entrepreneurs have access to credit than was possible 10 years ago.

And the United States has played a key role in helping several African countries experience dramatic drops in fertility through effective family planning and health care programs.

In sum, Mr. President, restoring DFA through the Simon-Kassebaum amendment represents a sound investment in our relationship with the continent of Africa. It does not call for any new money. It does not take funds away from any other region. But it does signal our continued interest in remaining engaged with Africa.

I would also note that passage of this amendment would be a fitting tribute for the Senator from Kansas and the Senator from Illinois. These two Senators, who long ago recognized the importance of remaining engaged with Africa, were instrumental in getting the DFA established in the first place. And both have demonstrated leadership on this issue throughout the years.

In honor of their hard work on this and other issues of concern to Africa, I urge my colleagues to pass this amendment.

MILITARY SALES TO INDONESIA

Mr. FEINGOLD. Mr. President, as the Senate considers the foreign operations appropriations bill, I would like to once again raise the issue of the human rights situation in Indonesia.

As my colleagues may remember, in 1994, the Senate adopted an amendment which I cosponsored with Senator LEAHY to the fiscal year 1995 foreign operations legislation. A similar amendment was adopted by the Foreign Relations Committee in the 1995 authorization bill. These provisions restricted the sale of light arms to Indonesia in light of concerns related to East Timor.

Last year, however, the State Department sent a letter to Senator LEAHY and myself outlining the Administration's policy toward arms transfers to Indonesia. The letter said—and I quote—"our current arms sales policy . . . prohibits the sale or licensing for export of small or light arms and crowd control items until the Secretary has determined that there has been significant progress on human rights in Indonesia, including in East Timor." In light of the Administration's willingness to continue voluntarily this prohibition on the sale of such items, we withheld offering statutory language on last year's appropriations bill.

Mr. President, we are now debating our foreign assistance program for a new fiscal year, and the situation in the East Timor continues to worsen. As every member of this body knows, Indonesia has sustained a brutal military occupation of East Timor since 1975. Every human rights organization in the world has criticized Indonesia's human rights record, particularly in East Timor. The State Department has consistently reported human rights violations by Indonesia's military, including in its most recent report.

Since the Indonesians invaded East Timor 20 years ago, more than 200,000 East Timorese—about a third of the population—have died. But the Indonesian strategy of trying to control East Timor through a combination of infrastructural development and tight internal security has failed to win acceptance of Indonesian rule. Many Timorese are still marginalized and oppressed in their own homeland. Last year the United Nations Special Rapporteur reported that he saw "an atmosphere of fear and suspicion" in East Timor and that people were afraid to talk to him about the human rights abuses they and their families had suffered.

Mr. President, East Timor made international headlines in 1991 when the military massacred, by conservative estimates, at least 100 East Timorese who were attending a funeral. The National Human Rights

Commission in Jakarta now says it has evidence that the massacre was "not a spontaneous reaction to a riotous mob, but rather a planned military operation designed to deal with a public expression of political dissent."

And the tension in East Timor continues to intensify, influenced in part by the ongoing power struggles in Jakarta, the increased resentment of the presence of Indonesian military officers and vigilante groups, and the immigrant settlers brought in by Indonesia to consolidate their occupation of the island.

In sum, I want to make it clear that Indonesia did virtually nothing in 1995 to improve its human rights record. A change in United States policy regarding the sale of military equipment is therefore unwarranted.

The State Department and independent human rights organizations all report continued abuse of basic human rights in the East Timor including arbitrary arrests and detentions, curbs on freedom of expression and association, and the use of torture and summary killings of civilians.

Early last year, several riots and demonstrations in East Timor were broken up violently by the Indonesian military. On January 12, 1995, outside of Dili, the capital, six East Timorese civilians were shot and killed by Indonesian troops. In September, riots broke out in Maliana and in Dili that were motivated by intense religious and ethnic tensions.

The situation has deteriorated sharply in recent months. Just last month—on June 10, 1996—graffiti drawn on a picture of the Virgin Mary in the town of Baucau provoked riots during which Indonesian security forces opened fire and at least 150 people were arrested.

This incident reflects what Human Rights Watch/Asia describes as "an emerging pattern of provocative acts of religious desecrations or insult, followed by mass protests, followed by a crackdown by security forces." In fact, the Baucau riots represent the third such incident in East Timor in less than one year.

Mr. President, I am deeply concerned that—despite the fact that the Government of Indonesia allowed for a visit to East Timor of the U.N. High Commissioner for Human Rights, Jose Ayala Lasso, in December 1995, and despite the fact that the Government opened an office of the National Commission on Human Rights in Dili . . . despite some of these positive developments—the Government of Indonesia continues to engage in extrajudicial executions and killings and the systematic use of torture.

And the Indonesians have engaged in these activities despite the country's great economic success of the past few years. Mr. President, I would like to dispel any myths among my colleagues that Indonesia's progress on the economic front has led to any progress in its human rights record.

So, we have seen no progress in human rights in Indonesia. I had intended to propose an amendment which codifies the U.S. position on human rights and arms sales to Indonesia. In the past, I have advocated a much more comprehensive arms ban, which I wish we could pass. But a ban on small arms and crowd control weapons emphasizes a very important policy goal—that the United States is stepping away from responsibility for human rights abuses in Indonesia, and particularly in East Timor. As I have said before in this body, it is especially important that we establish this linkage between arms sales and human rights.

In the meantime, however, the administration has once again provided us with written assurances that the existing ban on light arms sales to Indonesia will remain in effect. With that understanding, I will refrain, again, from efforts to codify this provision.

Mr. President, the administration's policy sends a clear message to the leaders of Indonesia that the United States will not be associated with nor will it tolerate their campaign of repression against the people of East Timor.

We do not want to support human rights abuses in East Timor. We do not want weapons manufactured in the United States involved in massacres of peaceful protestors or in interrogations of activists that oppose the Indonesian armed forces. We do not want U.S. arms used to kill and torture the people of East Timor.

Mr. President, I am pleased that the administration is continuing this policy. I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC., July 25, 1996.

Hon. RUSSELL D. FEINGOLD,
U.S. Senate,
Washington, DC.

DEAR SEN. FEINGOLD: The Administration shares your concern about reports of human rights abuses in Indonesia. We continue to raise our concerns in meetings with Indonesian officials, and Secretary Christopher made a point of meeting with human rights activists during his visit to Jakarta this week.

We understand you may be considering an amendment to the Foreign Operations Appropriations bill that would further restrict the types of defense items that can be sold or licensed for export to Indonesia. While we support your objective, we believe this amendment is unnecessary. The Administration's policy already prohibits the sale of small arms, crowd control equipment, and armored personnel carriers, which we all agree should not be sold or transferred to Indonesia until there is significant improvement in the human rights situation there. This policy has been effective, and the Administration will continue to abide by the policy.

We hope this information is responsive to your concerns. Please do not hesitate to contact us if we can be of further assistance.

Sincerely,

BARBARA LARKIN,
Assistant Secretary,
Legislative Affairs.

RUSSIAN FAR EAST AND AMERICAN-RUSSIAN CENTER

Mr. MURKOWSKI. Mr. President, I rise today in support of language in the Senate report for the foreign operations appropriations bill underlining the importance of the work of the United States West Coast-Russian Far East Ad Hoc Working Group, and of the American-Russian Center in Anchorage, AK.

Mr. President, the Gore-Chernomyrdin Commission's United States West Coast-Russian Far East Ad Hoc Working Group, under the leadership of Jan Kalicki, the Counselor to the Department of Commerce, is doing an outstanding job of developing a bilateral framework that will lead to increased trade and investment between the Russian Far East and west coast States. The first meeting of the working group was held in Seattle, WA, in June 1995. In an example of the importance of Alaska's relationship with the Russian Far East, the second meeting of the working group was held in Anchorage, AK, in March 1996. It was a very productive and successful event. I encourage all Senators from west coast States to become involved in the work of the group and to encourage businesses in their states to do so as well. The next meeting of the working group will take place in Khabarovsk, in the Russian Far East, from September 22 to 24, 1996.

I have seen first-hand the growth in business activity between the States of the west coast and the Russian Far East. The economic reform efforts taking place in the Russian Far East, in such cities as Vladivostok and Khabarovsk are significant. For example, Vladivostok, once a closed city, now has a stock exchange. Economic reform will also progress as development of the oil and natural gas fields on the continental shelf north and northeast of Sakhalin Island. The oil development is being led by two major international oil consortiums with U.S. partners. They have already announced that they will start designing projects on Sakhalin Island worth $30 billion. Alaskans and citizens of other west coast States will be involved in that development. There are also gold, diamond, timber, and fisheries industries in the region. The Russian Far East's resources could provide the engine for growth, through its export revenues, for the economic restructuring of all of Russia.

I have promoted ties between Alaska and the Russian Far East. In 1989 I helped make possible, and traveled on the groundbreaking first flight from Nome to Providenya. From that initial step, relations between Alaska and the Russian Far East have gone very far, very fast. The working group is doing an outstanding job of setting priorities and coordinating joint efforts to move forward on projects and programs that will benefit both Russians and west coast States by building and increasing business ties between the two regions. The projects of the working group will bring about greater private sector development in the Russian Far East. The group has already proven to be an essential and integral part of the economic reform effort currently underway in Russia.

In addition to my support for the working group, I would also like to take this opportunity to express my support for the American-Russian Center in Anchorage, AK. The Senate has wisely funded it in the foreign operations appropriations bill at the amount of $2,500,000 for its operation and training programs. The center has played an important role in the growth of business and exchanges between Alaska and the Russian Far East. The purpose of the center is to provide business training and technical assistance to the Russian Far East. It has training facilities in Yakutsk, Khabarovsk, Magadan, and Sakhalin Island. They have provided these communities with communications facilities, small business training, advanced interships with American business, and technical assistance since 1993.

Continued funding of the American-Russian Center is ultimately cost-saving to the American taxpayer. The center is seeking to become self-sufficient by 1998. At present, local Russian industries and governments are supporting 70 percent of the cost for training Russian personnel in the United States, and they have pledged 100 percent support by 1997. The operation of these centers by the American-Russian Center will play an important role in the future of market development and democracy building in the Russian Far East.

MICRO CREDIT

Mr. GORTON. Mr. President, micro enterprise loans help people become self-sufficient and lift themselves out of poverty. Micro credit programs extend small loans to the poor for self-employment projects that generate income. These programs generally offer various services and resources as well as credit for self-employment. Micro credit has shown its ability to fight poverty and its importance to poor people around the world. Approximately 8 million needy people who live in developing countries are helped by Micro credit programs.

Micro credit programs have also been useful in developed countries, where many thousands of people receive targeted loan funds and specialized counseling that help them with preparing for self-employment. According to a recent Catholic Relief Service evaluation, "97% of the members from two established banks in Thailand found their income had increased by between $40 and $200 per year."

As Results, a non-governmental organization concerned with issues of world poverty, points out in a recent draft of its Micro credit Summit Deceleration: "Increasingly, Micro credit it being linked programmatically to savings plans that either require or strongly encourage savings by borrowers. Practitioners have found that the ability to save funds * * * is an important self-help tool for very poor people, allowing them to build assets essential to long-term financial security and self-sufficiency."

This is an important testament to how an individual, ultimately responsible for his own well being, can prosper with a little push, where none existed before.

We can observe the benefits of Micro credit in many countries, where individuals, with help, have become self-sufficient enough to make great economic strides. Micro enterprise lending is a worthwhile venture that I am glad to support. I also want to commend the Subcommittee on Foreign Operations for expressing its support of micro enterprise funding, specifically its intent that at a majority of all micro enterprise resources be focused on the poorest people. Perhaps the primary conduit for micro enterprise lending by this Government is AID's program with nongovernmental organizations. AID should continue its efforts in this regard, and should maintain an aggressive approach to the micro enterprise issue.

A.I.D. FUNDING OF MICROENTERPRISE PROGRAM

Mr. BINGAMAN. Mr. President, during the consideration of the foreign operations appropriations bill, I want to address the issue of microenterprise finance as a tool for sustainable development in developing countries.

I realize that Third World development efforts have received much criticism in this body, but here is an emerging theory and technique for offering financial services to the poor that is similar to those found in any financial system.

I understand that the microenterprise program is based on the concept that giving poor people access to financial services can allow them to participate in the private sector, rely on their entrepreneurial spirit, and be given a chance to rise out of poverty.

The microenterprise program has gained increasing recognition as a creative and successful way to provide foreign aid to developing countries.

Traditionally, most Western aid programs emphasize increasing credit to the poor at subsidized interest rates. But Mr. President, creating and maintaining such distortions in Third World economies does not benefit the poor; in fact, most of such subsidized credit serves those already established in the private and public sectors. Instead, if you can reach the poorest of the poor and enable them to become self-employed or create micro-business, then at least they face the possibility of emerging from poverty.

In addition, poor people and especially women, face barriers to credit that are often based on a set of constraints including a lack of collateral and being perceived as a bad credit risk.

There are many examples where these misperceptions have been proven wrong.

The Grameen Bank, for example, has become an international success story when talking about microenterprise finance. It is an organization for the poor and has accessed 2 million poor in the past 15 years. It has 1,050 offices and serves 35,000 villages, 94 percent being women. The customers, who are also part owners, obtain small loans for self-employment from which they generate income to repay the loans and support their families. Grameen extends credit without collateral but only has a 2 percent default rate, equivalent to that of any Western bank.

To qualify for a loan, a client must join a 5-member group and a 40-member center and attend weekly meetings. The client must assume responsibility for the loan of the group's members because it is the group and not the bank that evaluates loan proposals. If all five in the group repay their loan promptly, they are guaranteed credit for the rest of their lives.

But the bank also follows borrowers to save money and never forgives a loan, although they may restructure. Grameen helps their clients attain their entrepreneurial potentials and encourages a culture of self-help and self-reliance.

The Grameen model is now being followed by many established nongovernmental organizations. In fact, many are developing new and innovative approaches that are showing enormous ingenuity and success.

I strongly support this more creative and productive approach to providing foreign aid to developing countries, and am appreciative of the efforts of the committee chairman and ranking member, Senators McCONNELL and LEAHY, for the report language of the foreign operations appropriation bill that A.I.D. maintain last year's level of funding microenterprise programs.

Microenterprise loans average less than $140, but the impact this small amount of money has on the loan recipients is enormous. At least half of the microenterprise resources are identified to make loans of less than $300 to those in the poorest half of the poverty line. This guarantees that microenterprise funds are directed toward those who need it the most. The funds go to individuals, not to governments.

Microenterprise loans give people a way to transform their lives. These funds provide a way to become self-sufficient, and allows people to begin to meet their own needs in the areas of health, educating their children, and improving their living environment. Most important, the microenterprise program gives people hope for the future.

Microenterprise foreign aid money is recycled. As money is paid back it is used for new loans to others. Eventually the microenterprise programs get linked into the formal financial system, and the effect is expanded even more. The microenterprise program will help millions of families.

My colleagues in this Chamber have given strong and sustained support to the microenterprise program. I commend them for recognizing this project's utility and worth. This program effectively promotes economic health in poor countries, and should receive the highest possible commitment from A.I.D.

ZIMBABWE

Mr. McCONNELL. Mr. President, this committee was prepared to deal with a current trade dispute and nationalization of foreign assets in Zimbabwe, but has withdrawn action relying upon the good faith representations of Ambassador Midzi of the Republic of Zimbabwe that the problems involving United States companies have been mediated successfully. We congratulate the leadership of the Republic of Zimbabwe for its constructive actions and hope there will be no further need for this committee to review this matter nor contemplate action to remedy complaints by United States citizens.

THE EXPORT-IMPORT BANK

Mrs. MURRAY. Mr. President, I rise to make a few remarks about the foreign operations legislation for fiscal year 1997. Let me begin by complementing both Chairman McCONNELL and Senator LEAHY for bringing this bill to the floor today. As a member of the subcommittee, I appreciate the lengths to which both of these Senators have gone to accommodate me and the citizens of Washington State.

This is important legislation; issues including the Middle East peace process, the growth of democracy in the former Soviet Union, efforts to combat disease and starvation around the globe, international family planning and job-creating export assistance financing are all part of this bill. Few pieces of legislation address so many issues of importance to this country—economic issues, national security issues and others associated with our role as the world's lone superpower. Importantly, this is all accomplished for an investment that represents less than 1 percent of the Federal budget.

I am particularly pleased that the Appropriations Committee fully funded our assistance program to Russia to foster the growth of democracy and build important new markets for United States goods and services. My home State of Washington is actively involved in Russia, particularly the Russian Far East. Educational, cultural, health and athletic exchanges, numerous sister city relationships, the West Coast Working group of the Gore-Chernomyrdin Commission, and of course, international trade and commerce with Russia have all captivated the citizens of Washington State. Washington State has demonstrated a commitment to developing and expanding ties with the Russian Far East by locating a state office in Vladivostock.

I have already mentioned that this bill addresses many national interests of concern to the United States. Any of which could be explored in greater detail today here on the floor of the Senate. I want to take a few moments to focus on the provisions of this bill that promote exports from the United States—the job creators of this legislation—and specifically, the Export-Import Bank of the United States.

This legislation provides nearly $770 million to the Export-Import Bank of the United States for fiscal year 1997. Ex-Im is the great equalizer for U.S. firms seeking to export abroad in a competitive global marketplace. A marketplace where our international competitors are spending vastly greater sums of money in support of their exporters. For example, in 1994, Japan provided export financing to nearly 40 percent of all that nation's trade deals. In the same time period, Canada financed almost 20 percent of its exports. U.S. export financing through the Ex-Im bank equaled 3.3 percent—a figure significantly below virtually all of our trade partners.

It is estimated that the fiscal year 1997 appropriation will support between $15 and $18 billion in exports. Think about it, the Export-Import Bank will leverage its $770 million appropriation to generate $15–$18 billion in economic activity—job creating economic activity—right here in the United States in the next year. For several pennies, the American taxpayer, through Ex-Im, will support nearly 500,000 American jobs. And export-related jobs have shown to pay approximately 13-percent more than nonexport jobs. The Ex-Im Bank is sustaining and creating family wage jobs all across this country.

In my own State of Washington, the Ex-Im Bank is having a significant impact on trade promotion and job creation. Many identify the Boeing Co. with the Export-Import Bank. While the relationship between the bank and the aerospace industry is often overstated, it is important to note that approximately 2,000 small businesses in Washington State do contracting work for the Boeing Co. So when Ex-Im helps the United States commercial aircraft industry develop new markets for aircraft in Poland and Lithuania, Ex-Im supports jobs at small businesses across my State.

There are numerous examples of the Export-Import Bank aiding Washington State businesses seeking to export abroad. With Ex-Im assistance, Pacific Propeller, a propeller manufacturer and overhauler, located in Kent, WA secured $7.5 million of important work in Indonesia. Connelly Skis exported its recreational equipment including the new "Big Easy" water ski to Belgium, Columbia, South Africa, and Jamaica. And the Lamb Weston Corp. shipped Washington State french fries to Argentina, Chile, Guatemala, and Aruba. This was all done with assistance from Ex-Im—all of these export deals may not have occurred without Ex-Im assistance. Clearly, the Export-Import Bank of the United States is a major contributor to my State's efforts to compete and succeed in international trade. Few recognize the benefits of this small appropriation to the Export-Import Bank, many work and prosper due to this agencies important work.

Ex-Im is the lender of last resort; meaning the bank finances only deals that will not go through without assistance. The bank supports U.S. exporters when foreign governments offer subsidized financing to competitors, when private financing is unavailable or when small businesses are unable to locate commercial banks willing to provide financing. Importantly, the Ex-Im bank is a vital tool for small businesses seeking to export. Support for small businesses represented almost 80 percent of all Export-Import Bank transactions during fiscal year 1995.

I do have several reservations about the language in the bill which addresses an outstanding controversy regarding the Bank's provision of so-called retention bonuses. The bill restricts funding for the salary and expenses of the chairman and president of the Bank until Mr. Kamarck is confirmed by the regular process of the Senate. A full Senate hearing is, after all, the best forum to question Mr. Kamarck's actions and his nomination to lead the Bank. I urge the Senate to proceed immediately with a hearing for Mr. Kamarck.

Additionally, this legislation cuts administrative expenses for the Export-Import Bank by nearly $7 million. This punitive action is another expression of congressional frustration over the retention bonus issue. My concern is that in our zeal to protest previous Bank actions, we will actually be harming the Bank's ability to help America's exporters. I hope my colleagues in the Congress and the administration will come together to address outstanding Bank issues prior to this bill becoming law.

This legislation also provides important funding for the Overseas Private

Investment Corporation [OPIC] and the Trade and Development Agency [TDA]. Both of these entities are also important components in the U.S. Government's trade promotion arsenal.

Mr. President, in my mind, the trade and export promotion provisions of this legislation represent a partnership with states across the country. In Washington State, by virtue of our location and history, we enjoy important cultural and economic ties with virtually every corner of the world. Despite an activist statewide commitment to international trade, Washington State needs the backing of the Federal Government to counter the resources of the Japanese and German Governments and those of our other international trade partners. For a minuscule investment, agencies like the Export-Import Bank, the Overseas Private Investment Corporation and the Trade and Development Agency all provide needed support—financial and consultative—to U.S. exporters.

Ms. MIKULSKI. Mr. President, I wish to engage the distinguished ranking member of the Foreign Operations Appropriations Subcommittee, Senator LEAHY in a colloquy regarding the use of Agency for International Development funds designated for Assistance for Eastern Europe and the Baltics.

This legislation provides funds for Assistance for Eastern Europe and the Baltics. One of the more successful programs we have established in the region are the joint research programs we have with Poland, the Czech Republic, Hungary, and Slovakia. In addition to funding high-quality, competitively awarded joint research grants, these programs strengthen ties between our countries, and expose foreign researchers to the American research system. This program also enables American researchers to form partnerships with Eastern European researchers. Projects are chosen to mutually benefit both the United States and the collaborating partner. The benefits of these research programs don't flow one way, but flow in both directions.

Finally, unlike most United States collaborative research programs, or assistance programs in general, Poland, the Czech Republic, Hungary, and Slovakia, match dollar for dollar the United States contribution to the joint research funds for their countries. This shows the importance they attach to this collaboration. In fact, I have just received a joint letter from the Ambassadors of these four countries stressing their governments' support and financial commitment to the programs. I have also received letters from American researchers stating the benefits of this program. I want to stress that every dollar of funding supports research projects—there are no overhead costs associated with these joint research funds.

I believe that these cooperative research and development programs exemplify the type of programs we should support with these countries and are in line with the goals of our assistance programs in Eastern Europe and the Baltics.

I would ask the distinguished ranking member if he agrees with my assessment of these collaborative research programs and that guidance provided to the Agency for International Development should encourage AID to make a contribution to these four programs in fiscal year 1997 at the level these programs received in fiscal year 1996.

Mr. LEAHY. Mr. President, I would say to the Senator from Maryland that I will urge the conferees to include in the statement of manager's language to provide sufficient guidance to the Administrator of AID to allow funding for these important agreements.

Ms. MIKULSKI. Mr. President, I thank the Senator from Vermont for this important clarification.

Mr. DOMENICI. Mr. President, the Senate is now considering H.R. 3540, the Foreign Operations and Export Financing appropriations bill for Fiscal Year 1997.

The final bill provides $12.2 billion in budget authority and $5.2 billion in new outlays to operate the programs of the Department of State, export and military assistance, bilateral and multilateral economic assistance, and related agencies for Fiscal Year 1997.

When outlays from prior year budget authority and other completed actions are taken into account, the bill totals $12.3 billion in budget authority and $13.4 billion in outlays for Fiscal Year 1997.

Although the subcommittee is over its section 602(B) allocation for outlays, with enactment of section 579, the bill will be $76 million in budget authority and $7 million in outlays under the subcommittee's 602(B) allocation.

I commend the committee for supporting full funding for the North American Development Bank in the bill.

Mr. President, I ask unanimous consent that a table displaying the budget committee scoring of this bill be printed in the RECORD.

I urge the adoption of the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FOREIGN OPERATIONS SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal year 1997, in millions of dollars]

	Budget authority	Outlays
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed	72	8,253
H.R. 3540, as reported to the Senate	12,174	5,123
Scorekeeping adjustment		
Subtotal nondefense discretionary	12,246	13,376
Mandatory:		
Outlays from prior-year BA and other actions completed		
H.R. 3540, as reported to the Senate	44	44
Adjustment to conform mandatory programs with Budget Resolution assumptions		
Subtotal mandatory	44	44
Adjusted Bill Total	12,290	13,420
Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary	12,250	13,311
Violent crime reduction trust fund		
Mandatory	44	44
Total allocation	12,294	13,355
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary		
Nondefense discretionary	−4	65
Violent crime reduction trust fund		
Mandatory		
Total allocation	−4	65

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. MCCAIN. The foreign operations appropriations bill is generally a bill that does not have a problem with earmarks designed to benefit the States of individual members. This is the case again this year. Having said this, I do have some concerns about the bill and report in this regard and would like to briefly outline them.

There is a specific appropriation for $2.5 million in the bill for the American-Russian Center to provide business training and technical assistance to the Russian Far East. I have no reason to doubt the utility of this program. It may offer valuable assistance to the NIS, and I have long been a supporter of such assistance. However, if, as I am informed, AID would have spent roughly the same amount of funds on this program without the earmark, it is not clear to me why it required an earmark. Why cannot AID simply fund the program out of a larger account, as it apparently has in the past?

I accept AID's support of the program and I do not object to the provision. But as with any appropriations bill, a specific request for funding, which AID did not make in this case, is very helpful in evaluating the need for it when it appears in the bill as an earmark. The cause of a useful program is only helpful by AID listing such things as priorities.

There are assurances in the report that Russian industries and governments support 70 percent of the center's costs and that they have pledged 100 percent support by 1997. For purely budgetary reasons—$2.5 million in any bill is not insignificant—I hope they will follow through on their pledges. I will be following the program carefully to see that this is the case.

Unlike the bill, the committee report contains several comments on the advisability of funding particular programs that cause me some concern and would appear to have specific members' interest at heart.

First, the report "directs" AID to make at least $2 million available for the core grant of the International Fertilizer Development Center based in Alabama.

Second, it "strongly encourages" support for programs conducted by the University of Hawaii in Pacific regional development. It "strongly supports" the university's efforts to develop a United States-Russian partnership to educate young voters. and it "encourages" AID to collaborate with the university in health and human services training.

Third, it "supports" $750,000 for Florida International University's Latin American Journalism Program.

Fourth, it "urges" AID to support the research activity on pests of Montana State University.

Fifth, it "encourages" AID to support the education program of the University of Northern Iowa in Slovakia.

Last, it "urges" the International Fund for Ireland to support the work of Montana State University, Virginia Commonwealth, and Portland State.

Again, all of these matters are listed in the report, not the bill, and I would remind the agencies concerned that they are under no legal obligation to spend the funds as directed.

Mr. MURKOWSKI. Mr. President, it is my understanding the rollcall vote will be tomorrow on the Lieberman amendment.

The PRESIDING OFFICER. The Senator's understanding is correct.

Mr. MURKOWSKI. Outside of the windup, which I understand I have been entrusted with, I have no further comments.

Mr. LIEBERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, briefly, let me thank my friend and colleague from Alaska for his excellent statement and, of course, for the spirit of partnership with which we have gone forward on this.

If I read this right, the foreign operations bill that is before us would appropriate over $12,217,000,000. This amendment concerns $25 million of that—a speck. For anybody individually, $25 million is a lot of money. As part of this bill, it is a very, very small percentage.

I can tell you personally, I don't believe that there is any part of this bill that is a better investment, in terms of preserving international security, saving American soldiers from having to go into battle—which would truly cost us a lot of money—than this $25 million. I know that the administration right up to the President feels that very, very strongly.

I believe that we have achieved two very significant accomplishments with the addition of the Murkowski-McCain second-degree amendment. This is all about keeping promises. The Agreed Framework of October 1994 was a very significant agreement between the United States, South Korea, Japan, and North Korea, the Democratic Peoples' Republic of Korea.

We are saying, by overriding the committee's recommendation to cut the funding down to $13 million, that we promise $25 million a year to fund this agreement. The Congress says we are going to keep that agreement. We are going to fund up to the $25 million. But we expect the North Koreans to keep their end of the bargain as well. We are counting on the administration to effectively monitor the agreement and report to Congress if there is any indication that the North Koreans are not keeping their end of the bargain.

So far, I say, so good. I think the second-degree amendment greatly improves my underlying amendment. I am grateful, again, to my two colleagues, Senators MURKOWSKI and McCAIN, for the way in which we have gone at this.

I thank the Chair, and I yield the floor.

MORNING BUSINESS

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

GAO REPORT ON MOTOR FUELS: ISSUES RELATED TO REFORMULATED GASOLINE, OXYGENATED FUELS, AND BIOFUELS

Mr. DASCHLE. Mr. President, a report released last week by the General Accounting Office [GAO] concludes that the reformulated gasoline [RFG] program is a cost-effective means of reducing ozone pollution and easing our Nation's vulnerability to oil supply disruptions and related price shocks. Congress ought to pay close attention to the conclusions of this study as it seeks to wean the nation off imported petroleum and further improve air quality throughout the Nation.

This independent analysis confirms that the reformulated gasoline program is good for the economy and good for the environment. RFG, which reduces emissions of volatile organic compounds and toxic air pollutants by 15 percent, displaces significant amounts of petroleum, much of which is imported. Given the gasoline price shocks that this country recently experienced and the petroleum displacement goals established by Congress in the 1992 Energy Policy Act, it is time to consider nationwide use of RFG.

According to the GAO report, the potential for RFG with oxygenates to displace petroleum consumption is significant. GAO expects that by the year 2000 about 305,000 barrels per day of petroleum will be displaced by oxygenates. This amounts to about 37 percent of the 10 percent petroleum displacement goal established by Congress in the 1992 Energy Policy Act.

GAO noted in its report that if all gasoline in the country were reformulated, the Nation could displace 762,000 barrels of petroleum per day by 2000, and thus meet nearly all of the 10 percent petroleum displacement goal. Moreover, despite predictions by the oil industry that RFG would cost consumers over 13 cents per gallon more than conventional gasoline, GAO found that the actual cost to consumers has been negligible.

The environmental potential of an expanded RFG program is extraordinary. In the future, RFG will be even cleaner. In the year 2000, the Environmental Protection Agency will implement RFG Phase II, which will require further reductions in emissions of volatile organic compounds and toxic pollutants, as well as reductions of nitrous oxides.

Expanding RFG nationwide will bring these clean air benefits to new areas of the country. Moreover, since air pollution is transported over vast distances, adopting a nationwide RFG program will help further reduce pollution in areas already using RFG to lower ozone levels.

A nationwide program would achieve these air quality benefits at low cost. GAO concluded that Phase II RFG will be one of the most cost-effective measures available to control low-level ozone pollution. With the additional petroleum displacement benefits associated with nationwide use of RFG, there seems to be no reason why we should not move in that direction.

Finally, the GAO report demonstrates that continuing research into ethanol, an oxygenate used in RFG, is critical. GAO confirmed that substantial progress has been made in reducing the cost to produce ethanol. Since 1980, the cost to produce corn-based ethanol has dropped from $2.50 per gallon to about $1.34 per gallon. I hope that my colleagues in Congress will review the findings of the General Accounting Office and continue to support the research and incentives that have proven so successful in lowering the cost of ethanol production and encouraging the development of a strong domestic industry. As GAO has shown, these investments provide important dividends in terms of cleaner air and greater energy independence for the United States.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, I think so often of that November evening long ago, in 1972, when the television networks reported that I had been elected as a U.S. Senator from North Carolina. I remember well the exact time that the announcement was made and how stunned I was.

It had never really occurred to me that I would be the first Republican in history to be elected by the people of North Carolina to the U.S. Senate. When I got over my astonishment, I thought about a lot of things. And I made some commitments to myself one of which was that I would never fail to see a young person, or a group of young people, who wanted to see me.

I have kept that commitment and it has proved enormously meaningful to me because I have been inspired by the estimated 66,000 young people with whom I have visited during the 23 years I have been in the Senate.

A large percentage of them are greatly concerned about the total Federal debt which back in February exceeded $5 trillion for the first time in history. Congress created this monstrous debt which coming generations will have to pay.

Mr. President, the young people who visit with me almost always like to discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 25, 1992. I decided that it was important that a daily record be made of the precise size of the Federal debt which, at the close of business yesterday, Wednesday, July 24, stood at $5,173,226,283,802.71. On a per capita basis, the existing Federal debt amounts to $19,494.49 for every man, woman, and child in America on a per capita basis.

The increase in the national debt in the 24 hours since my report yesterday shows an increase of more than one billion dollars ($1,562,134,965.80, to be exact). That one-day Federal debt increase involves enough money to pay the college tuitions for 231,633 students for 4 years.

CHIAPAS—A TEST FOR MEXICO'S FUTURE

Mr. LEAHY. Mr. President, 3 weeks ago, a group of armed rebels in the state of Guerrero, Mexico marched down from the mountains and into the city of Coyuca de Benitez, not far from the resort town of Acapulco. Then, last week, several armed men attacked a Mexican army vehicle, killing one civilian in the crossfire. They were arrested, and the Mexican army is scouring Guerrero's countryside looking for other members of the insurgent group, known as the "Popular Revolutionary Army," in an attempt to prevent future outbreaks of violence in the region.

These are just the most recent of several demonstrations of civil unrest in Mexico since the 1994 uprising of the "Zapatista National Liberation Army" in Chiapas. In states like Tabasco, Puebla, and San Luis Potosi, indigenous people are increasingly staging protests, and resorting to violence, to expose the inequity and racism of which they have been victims for generations.

Unfortunately, while the Mexican Government has reportedly tripled its assistance to Chiapas in the 2 years since the Zapatista uprising, those efforts have produced little in the way of real economic and social change. The disparities that exist between Chiapas and the rest of Mexico are still as appalling as they were 2 years ago. While President Zedillo has recognized that poverty and the lack of access to justice among indigenous populations are matters which must be addressed, his administration has taken few effective steps to do so.

Chiapas is one of Mexico's richest states, contributing oil, electric energy, cattle, coffee, cocoa, sugar, and various fruits and vegetables to domestic and international markets. Yet the majority of the people there lack adequate food and shelter, or access to education and basic medical care.

Where the government built roads in Chiapas, the roads were often of poor quality. Health clinics lack beds and experienced doctors. Schools lack materials and trained teachers. The uneven distribution of wealth and the unjust distribution of land are at the root of the civil unrest that has captured the world's attention.

Over 50 percent of Mexico's hydroelectric power is generated in Chiapas, yet less than one-third of all houses there have electricity.

Coffee producers, with the help of over 80,000 Chiapanecos, almost all of whom are Mayan Indians, produce 35 percent of Mexico's coffee each year. While over 50 percent of the coffee is exported to markets in the United States and Europe for over three times it's value in Chiapas, indigenous laborers, paid as little as $2 per day, rarely see any of that profit.

Cattle has become an increasingly profitable industry, but while nearly 3 million head are exported each year, few of the people in indigenous communities can afford to buy meat. There are reports that half of Chiapanecos are malnourished, and in the highlands and jungle areas the percentage is even higher.

Half of the homes in Chiapas do not have potable water and two-thirds lack sewage systems. There is one doctor for every 2,000 people. Chiapas has the highest number of deaths per 100,000 people than any other state in Mexico. Infant mortality, is close to double the national average.

The illiteracy rate is five times the national average, and the percentage of students not attending school is more than three times the national average.

The situation in Chiapas stems in part from a government that has deliberately excluded the indigenous people of Mexico from the political process. While the Zapatista uprising may have given them a voice in the national and international press, they still lack a real voice in their own government.

Politics in Chiapas has been dominated by corrupt local and state officials influenced by the Civil Defense Committee. The Committee is comprised of the few families that own virtually all that is worth owning in the state. Human rights groups including Amnesty International and Americas' Watch have documented accounts of torture and political violence by Chiapas authorities since the mid-1980's.

The majority of the adult population in Chiapas is illiterate. Peasants there have reported that they don't vote, but the ruling PRI party picks up their voting cards and votes for them. In the 1988 elections which former President Salinas won by a narrow margin, no state gave the PRI a greater percentage of the vote than Chiapas.

What Chiapas needs is increased democratization of the Mexican political system, and greater representation for indigenous people. Until that occurs, political instability will discourage the investment that is necessary to provide jobs for the people there.

The United States loaned Mexico billions of dollars during the economic crisis of 1994. That decision was controversial in the United States, and had it been put to a vote in the Congress it might have been defeated. If the Mexican Government does not act aggressively to strengthen the institutions of democracy and reform its economy, political and economic instability will increase. If the peso collapses again, would the United States bail out Mexico a second time? I would not want to bet my house on it.

While the Mexican Government needs to do more to provide the people of Chiapas with basic services like potable water and roads that are passable in the rainy season, what they need most, and what will ultimately bring about the kind of fundamental changes that are needed in order to avoid further violence and instability, is economic investment and a meaningful say in the political process.

Despite widespread poverty in states like Chiapas, the Mexican elite have prospered, from Mexico's enormous oil wealth and the growth in manufacturing during the past two decades. The beneficiaries of this wealth need to recognize that the future stability and prosperity of their country depends on them. Not the United States. Not anyone else. They alone can provide the financial investment and jobs that are needed to overcome the desperation and inequities that have led to violence in places like Chiapas and Guerrero.

Mr. President, in addition to our geographical linkage, the United States and Mexico are closely linked both economically and culturally. There is a large population of Mexican-Americans living in the United States, and we are taking unprecedented measures to stem the flow of illegal immigrants from Mexico who risk arrest and even death in search of a better life in the north. There is no escaping the fact that events in Mexico, even in seemingly distant states like Chiapas, have enormous implications for our own country.

So we must encourage the Mexican Government, and representatives of Mexico's private sector, to address these problems with the utmost urgency. Benito Juarez, Emiliano Zapata, and Mexico's other great political visionaries and revolutionaries, gave their people hope for a better life. But for many, that hope has faded, and for some, who have resorted to violence, it has died. They have nothing left to lose.

With Mexico's population continuing to grow, putting increasing pressure on government services and the country's resources, the situation in places like Chiapas has reached a crisis point. But with creative thinking and the recognition that those who have prospered have a responsibility to help those who have been left out, Mexico's business elite has an opportunity to play a key role in finally turning the goals of the Mexico revolution into a reality.

TRIBUTE TO JOHN DAVIS AND HIS MANY CONTRIBUTIONS TO THE CITY OF BURLINGTON

Mr. LEAHY. Mr. President, in every community there is someone who has changed the direction of events, who has shaped the future of its residents. Burlington, VT has John Davis. This month John is saying goodbye to the City of Burlington's Community and Economic Development Office CEDO where he has spent the last 10 years making Burlington a better place to live and work. As Housing Director for most of that period John has worked to make affordable housing a reality for countless low and moderate income people living in Vermont's most expensive housing market. Since 1994 John has also been the driving force behind the effort to revitalize Burlington's Old North End through its designation as Vermont's only Enterprise Community.

When President Clinton first announced the Empowerment Zone and Enterprise Community Initiative, John was quick to see the opportunity to turn around the decline of Burlington's Old North End. There was no shortage of roadblocks on that long road to winning the designation of Enterprise Community. I think that only John's unique mix of grass-roots organizing skills, MIT professor's intelligence, and every day Vermonter common sense could have brought together all of the disparate groups involved to develop a plan for building a "New" North End where the "Old" one stood before.

There was little doubt in my mind that the project, under John's leadership, would succeed when I walked with HUD Secretary Cisneros down Archibald Street in the fall of 1994. Already there were signs of the changes to come, in particular the block long mural depicting neighborhood residents supporting the initiative, a mural John's family and many area residents worked on. One year later Secretary Cisneros walked down a very different Archibald Street in a very different neighborhood and pronounced Burlington's "New" North End the most advanced Enterprise Community he had visited.

In December of 1994 when I was honored to announce that the Old North End in Burlington had been selected as an "Enterprise Community", John Davis was quick to attribute that success to the people of the Old North End saying "The reason we won was not because of the problems. . We won because of our assets." Well, John was most definitely one of those assets, as was the community enthusiasm, cooperative spirit, and sense of hope he helped to bring out in a part of the city that many had written off. That renewed spirit has continued to grow and will sustain the renewal of the New North End when John has moved on.

I wish John the best of luck in whatever challenge he takes on next. I know his wife Bonnie Acker and his daughter Dia are looking forward to seeing more of him in the weeks ahead, but he will certainly be missed by those of us (and there are many) who have been lucky enough to work with John during his 10 years of service to the city and people of Burlington, VT.

ADDITIONAL COSPONSOR—H.R. 3603

Mr. LEAHY. Mr. President, I ask unanimous consent to be added as a cosponsor to amendment No. 4974 to H.R. 3603, the fiscal year 1997 agriculture appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE

At 10:25 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3814. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3005) to amend the Federal securities laws in order to promote efficiency and capital formation in the financial markets, and to amend the Investment Company Act of 1940 to promote more efficient management of mutual funds, protect investors, and provide more effective and less burdensome regulation, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. BLILEY, Mr. FIELDS of Texas, Mr. OXLEY, Mr. TAUZIN, Mr. SCHAEFER, Mr. DEAL of Georgia, Mr. FRISA, Mr. WHITE, Mr. DINGELL, Mr. MARKEY, Mr. BOUCHER, Mr. GORDON, Ms. FURSE, and Mr. KLINK as the managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. KASICH, Mr. ARCHER, Mr. GOODLING, Mr. ROBERTS, Mr. BLILEY, Mr. SHAW, Mr. TALENT, Mr. NUSSLE, Mr. HUTCHINSON, Mr. MCCRERY, Mr. BILIRAKIS, Mr. SMITH of Texas, Mrs. JOHNSON of Connecticut, Mr. CAMP, Mr. FRANKS of Connecticut, Mr. CUNNINGHAM, Mr. CASTLE, Mr. GOODLATTE, Mr. SABO, Mr. GIBBONS, Mr. CONYERS, Mr. DE LA GARZA, Mr. CLAY, Mr. FORD, Mr. MILLER of California, Mr. WAXMAN, Mr. STENHOLM, Mrs. KENNELLY, Mr. LEVIN, Mr. TANNER, Mr. BECERRA, Mrs. THURMAN, and Ms. WOOLSEY as the managers of the conference on the part of the House.

The message also announced that pursuant to the provisions of section 6968(a) of title 10, United States Code, the Speaker appoints Mr. MCHALE of Pennsylvania as a member of the Board of Visitors to the U.S. Naval Academy to fill the existing vacancy thereon.

ENROLLED BILL SIGNED

At 4:09 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2337. An act to amend the Internal Revenue Code of 1986 to provide for increased taxpayer protections.

At 6:05 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 1627. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, and for other purposes.

H.R. 3235. An act to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for 3 years, and for other purposes.

The message also announced that the House agree to the amendment of the Senate to the bill (H.R. 1114) to authorize minors who are under the child labor provisions of the Fair Labor Standards Act of 1938 and who are under 18 years of age to load materials into balers and compacters that meet appropriate American National Standards Institute design safety standards.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3814. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997, and for other purposes; to the Committee on Appropriations.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. STEVENS, from the Committee on Government Affairs:

Franklin D. Raines, of the District of Columbia, to be Director of the Office of Management and Budget.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BURNS (for himself and Mr. BAUCUS):

S. 1989. A bill to authorize the construction and operation of the Fort Peck Reservation Rural Water System in the State of Montana, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BROWN:

S. 1990. A bill to reauthorize appropriations for the Civil Rights Commission Act of 1983, and for other purposes; to the Committee on the Judiciary.

By Mr. BIDEN (by request):

S. 1991. A bill entitled the "Anti-Gang and Youth Violence Control Act of 1996"; to the Committee on the Judiciary.

By Mrs. FEINSTEIN:

S. 1992. A bill to recognize the significance of the AIDS Memorial Grove, located in Golden Gate Park in San Francisco, California, and to direct the Secretary of the Interior to designate the AIDS Memorial Grove as a national memorial; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BURNS (for himself and Mr. BAUCUS):

S. 1989. A bill to authorize the construction and operation of the Fort Peck Reservation rural water system in the State of Montana, and for other purposes; to the Committee on Energy and Natural Resources.

FORT PECK RESERVATION RURAL WATER SYSTEM ACT OF 1996

• Mr. BURNS. Madam President, today, I introduce a bill that will ensure the Assiniboine and Sioux people of the Fort Peck Reservation in Montana a safe and reliable water supply system. The Fort Peck Reservation is located in northeastern Montana. It is one of the largest reservations in the United States, and has a population of more than 10,000. The Fort Peck Reservation faces problems similar to all reservations in the country, that of remote rural areas. This reservation also suffers from a very high unemployment rate, 75 percent. Added to all this, the populations on the reservation suffer from high incident of heart disease, high blood pressure, and diabetes. A safe and reliable source of water is needed to both improve the health status of the residents and to encourage economic development and thereby self-sufficiency for this area.

This legislation would authorize a reservation-wide municipal, rural and industrial water system for the Fort Peck Reservation. It would provide a much needed boost to the future of the region and for economic development, and ultimately economic self-sufficiency for the entire area. My bill has the support of the residents of the reservation and the endorsement of the Tribal Council of the Assiniboine and Sioux Tribes.

The residents of the Fort Peck Reservation are now plagued with major drinking water problems. In one of the communities, the sulfate levels in the water are four times the standard for safe drinking water. In four of the communities the iron levels are five times the standard. Sadly, some families were forced to abandon their homes as a result of substandard water quality. Basically, the present water supply system is inadequate and unreliable to supply a safe water supply to those people that live on the reservation.

Several of the local water systems have had occurrences of biological contamination in recent years. As a result, the Indian Health Service has been forced to issue several health alerts for drinking water. In many cases, residents of reservation communities are forced to purchase bottled water. Not a big deal to those who can afford it, but difficult to a population that has the unemployment rate found on the reservation. All this, despite the fact that within spitting distance is one of the largest man-made reservoirs in the United States, built on the Missouri River.

Agriculture continues to maintain the No. 1 position in terms of economic impact in Montana. In a rural area like the Fort Peck Reservation agriculture plays the key role in the economy, more so than in many areas of the State. The water system authorized by the legislation will not only provide a good source of drinking water, but also a water supply necessary to protect and preserve the livestock operations on the reservation. A major constraint on the growth of the livestock industry around Fort Peck has been the lack of adequate watering sites for cattle. This water supply system would provide the necessary water taps to fill watering tanks for livestock, which in normal times would boost the local economy of the region and the State. An additional benefit of this system would be more effective use of water for both water and soil conservation and rangeland management.

The future water needs of the reservation are expanding. Data show that the reservation population is growing, as many tribal members are returning to the reservation. It is clear that the people that live on the reservation, both tribal and nontribal members, are in desperate need of a safe and reliable source of drinking water.

The solution to this need for an adequate and safe water supply is a reservation-wide water pipeline that will deliver a safe and reliable source of water to the residents. In addition this water project will be constructed in size to allow communities off the reservation the future ability to tap into the system. A similar system for water distribution is currently in use on a reservation in South Dakota.

The people of the Fort Peck Reservation the State of Montana are only asking for one basic life necessity. Good, clean, safe drinking water. This is something that the more developed regions of the Nation take for granted, but in rural America we still seek to develop.

I realize that this bill will be assigned a number and will not go much further than being referred to a committee. However, this issue needs to be placed upon the radar screens of Congress, so that in the coming years we can get this accomplished for the Fort Peck Reservation and the people of the State of Montana.•

By Mr. BIDEN (by request):

S. 1991. A bill entitled the "Anti-Gang and Youth Violence Control Act of 1996"; to the Committee on the Judiciary.

THE ANTI-GANG AND YOUTH VIOLENCE CONTROL ACT OF 1996

Mr. BIDEN. Mr. President, I rise to introduce the Anti-Gang and Youth Violence Control Act of 1996. This is the President's juvenile justice bill, and I am introducing it at his request.

Over the last several years, a consensus has been building in our Nation, and we are now in the unusual position of having the public and the experts in agreement that juvenile crime and violence is the most pressing problem facing America.

Moreover, we now have the statistics to back up the consensus: This past February, the U.S. Department of Justice released an update to its first national report on juvenile offenders and victims.

The numbers in this report, as well as those in the FBI's most recent uniform crime report, demonstrate what many have been warning of for the last several years—we are facing a devastating rise in juvenile violence and crime.

Between 1988 and 1994 the juvenile violent crime arrest rate has increased by more than 50 percent.

In 1994, there were more than 125,000 juvenile arrests for violent crime offenses and another 131,000 juvenile arrests for drug abuse violations.

A total of more than 2.2 million juveniles were arrested for crimes in 1994.

Between 1993 and 1994, while adult arrest rates remained virtually stable, the total number of juvenile arrests increased 11 percent.

Over this same period, the number of juvenile arrests for violent crime increased 6.5 percent.

Most frightening, the Justice Department study also forecast that, even if the overall crime rate stops growing, the rising number of juveniles will nonetheless produce a 22-percent rise in violent crime arrests.

And, should the violent crime rate continue to grow as it has between 1983 and 1992, the number of juveniles arrested for violent crimes will double by the year 2010 to more than 260,000 arrests.

The President's Anti-Gang and Youth Violence Control Act includes important provisions to address these increases in chronic, violent offenders, including transferring the most serious offenders to adult court for prosecution, increasing the range of sanctions available to the courts in sentencing a juvenile, increasing the length of time a juvenile can be incarcerated, and increasing the access courts have to a juvenile offender's prior record.

In my view, these provisions take an important first step toward beginning a needed dialog about a problem that is complicated and must be addressed over the long term. I hope that we can build on what the President has proposed, because we face a three-tiered challenge in reforming the juvenile justice system.

As juvenile violence grows, both in rate and intensity, it is, of course, important to reform the juvenile justice system to address the most violent young criminals. The current system was never designed to handle either the number of juveniles or the level of violence being perpetrated by a small number of juveniles. The President's bill focuses on this aspect of juvenile justice reform.

Just as critical—if not more so—if we are to effectively end the rise of juvenile crime rates is to focus on where this new breed of criminals is coming from and work to prevent future increases like the ones we have seen over the past decade.

Allow me to put some of the aforementioned statistics in context.

First, even with the increases in juvenile crime and violence, juveniles accounted for just 14 percent of all violent crimes and 25 percent of all property crimes in 1994.

Second, a small proportion of all children commit most of the violent juvenile crimes—less than one-half of 1 percent of all juveniles were arrested for a violent crime, and approximately 7 percent of youth who commit crime are violent offenders.

This last number is both heartening and frightening. On the one hand, it indicates that there is a small target population which demands our immediate attention, and that targeting this population could have significant results in lowering juvenile crime rates. As I noted, the President's bill addresses this need to crack down on this group.

On the other hand, the President's bill does not address the very real need to address the 95 percent of kids who are not yet committing serious crimes, but are on the crime path and will become part of this 5 percent if left unchecked.

In other words, we must do more to identify those offenders who will end up a part of that dangerous 5 percent and turn them around before they are too far down the road to violence.

Focusing attention only on the violent 5 percent misses the essential point that most kids in the juvenile justice system—95 percent of all juveniles arrested—are not violent. They are also often first-time offenders. These are the juveniles the system was originally designed to handle, and rightfully so, because these are the children who can still be deterred from becoming life-long criminals if we provide juvenile courts with the appropriate prevention and intervention resources at this critical stage.

Today, in most States, a juvenile can commit multiple, nonviolent offenses before they get any real attention from the juvenile justice system. This must change. We must help these 95 percent of juvenile offenders at the time of their first misbehavior and keep them from becoming repeat or serious offenders. This means giving juvenile court judges the ability to impose a range of graduated sanctions designed to prevent additional criminal behavior.

Finally, we must realize that most children are not delinquent—94 percent of children in 1994 did not come before a judge—but these children are in danger of becoming delinquent due to the risk factors many of them face.

Any truly comprehensive juvenile justice plan must address not only those children already in the system, but it must also focus on those children who may enter the system if their needs are not addressed.

This task may sound like an impossible task, but it is not. We know what works and we can implement it. For example, we know that nearly 50 percent of all youth crime occurs during the hours after-school and before dinnertime, as these are the hours that 80 percent of America's children during these hours return to homes where no adults are present to provide supervision.

By providing "safe-havens" such as boys and girls clubs and police athletic leagues where children can go after school, we can remove children from the streets and keep them out of trouble.

In addition, we know that most juvenile offenders target other juveniles as their victims. By providing safe, supervised activities for children, we also achieve the goal of "target-hardening"—that is, we can reduce juvenile crime by removing potential victims from offender's paths.

Mr. President, as I have stated, although I generally support the efforts and initiatives of the President's Anti-gang and Youth Violence Control Act, it can only be one component of an overall juvenile justice initiative if it is to be successful. The President's bill does contain some important initiatives to deal with the most violent youth offenders. Among others, these provisions—which incorporate proposals made by me and other Members of Congress, include programs to initiate drug and gun courts in the juvenile system, to increase penalties for engaging children in drug trafficking, and for increasing controls on dangerous drugs such as Rohypnol and methamphetamine which are becoming increasingly popular among youth.

I commend the President on his efforts, and I urge the President and my colleagues to continue to address the issues of juvenile justice by working with me to develop a comprehensive youth violence control and delinquency prevention plan.

By Mrs. FEINSTEIN:

S. 1992. A bill to recognize the significance of the AIDS Memorial Grove, located in Golden Gate Park in San Francisco, California, and to direct the Secretary of the Interior to designate the AIDS Memorial Grove as a national memorial; to the Committee on Energy and Natural Resources.

THE AIDS MEMORIAL GROVE ACT OF 1996

Mrs. FEINSTEIN. Mr. President, today I am introducing the AIDS Memorial Grove Act of 1966.

This bill is identical to H.R. 3193 sponsored by Congresswoman PELOSI in the House.

The legislation recognizes the significance of the 15-acre AIDS Memorial Grove in Golden Gate Park in San Francisco and directs the Secretary of Interior to designate the AIDS Memorial Grove as a national memorial.

The AIDS Memorial Grove is a place where people come together to grieve, find solace, support and hope. Since 1991, volunteers have been planting trees and maintaining this woodland area. Visitors come not only from San Francisco, but also from all across the United States.

In giving national recognition to the area, the legislation makes the AIDS Memorial Grove the Nation's first living memorial dedicated to the thousands of Americans who have died of AIDS and in support of individuals who are living with acquired immune deficiency syndrome and their families and friends.

No Federal funds would be required.

The AIDS Memorial Grove is, and will continue to be, a public/private partnership totally supported by private donations. The AIDS Memorial Grove board of directors already has signed a 99-year agreement with the City of San Francisco and the San Francisco Recreation and Park Department to maintain the grove in perpetuity.

The legislation is consistent with other bills creating areas affiliated with the National Park System. I urge my colleagues to join me in working for its enactment.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1992

SECTION 1. SHORT TITLE.

This Act may be cited as the "AIDS Memorial Grove Act of 1996".

SEC. 2. RECOGNITION AND DESIGNATION OF THE AIDS MEMORIAL GROVE AS NATIONAL MEMORIAL.

(a) RECOGNITION OF SIGNIFICANCE OF THE AIDS MEMORIAL GROVE.—The Congress hereby recognizes the significance of the AIDS Memorial Grove, located in Golden Gate Park in San Francisco, California, as a memorial—

(1) dedicated to individuals who have died as a result of acquired immune deficiency syndrome; and

(2) in support of individuals who are living with acquired immune deficiency syndrome and their loved ones and caregivers.

(b) DESIGNATION AS NATIONAL MEMORIAL.—Not later than 90 days after the date of enactment of this Act, the Secretary of the Interior shall designate the AIDS Memorial Grove as a national memorial.

ADDITIONAL COSPONSORS

S. 684

At the request of Mr. HATFIELD, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 684, a bill to amend the Public Health Service Act to provide for programs of research regarding Parkinson's disease, and for other purposes.

S. 1646

At the request of Mr. DOMENICI, the name of the Senator from Kansas [Mrs. FRAHM] was added as a cosponsor of S. 1646, a bill to authorize and facilitate a program to enhance safety, training, research and development, and safety education in the propane gas industry for the benefit of propane consumers and the public, and for other purposes.

S. 1675

At the request of Mr. GRAMM, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1675, a bill to provide for the nationwide tracking of convicted sexual predators, and for other purposes.

S. 1743

At the request of Mr. BINGAMAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1743, a bill to provide temporary emergency livestock feed assistance for certain producers, and for other purposes.

S. 1857

At the request of Mr. GREGG, his name was added as a cosponsor of S. 1857, a bill to establish a bipartisan commission on campaign practices and provide that its recommendations be given expedited consideration.

S. 1898

At the request of Mr. DOMENICI, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1898, a bill to protect the genetic privacy of individuals, and for other purposes.

S. 1954

At the request of Mr. HATCH, the names of the Senator from Arizona [Mr. KYL], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Indiana [Mr. COATS], the Senator from Tennessee [Mr. FRIST], the Senator from Texas [Mr. GRAMM], the Senator from Oregon [Mr. HATFIELD], and the Senator from Oklahoma [Mr. INHOFE] were added as cosponsors of S. 1954, a bill to establish a uniform and more efficient Federal process for protecting property owners' rights guaranteed by the fifth amendment.

S. 1957

At the request of Mr. PRESSLER, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of S. 1957, a bill to amend chapter 59 of title 49, United States Code, relating to intermodal safe container transportation.

S. 1987

At the request of Mr. FAIRCLOTH, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 1987, a bill to amend titles II and XVIII of the Social Security Act to prohibit the use of Social Security and Medicare trust funds for certain expenditures relating to union representatives at the Social Security Administration and the Department of Health and Human Services.

AMENDMENT NO. 4974

At the request of Mr. LEAHY his name was added as a cosponsor of amendment No. 4974 proposed to H.R. 3603, a bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENT NO. 5017

At the request of Mr. BREAUX, his name was added as a cosponsor of amendment No. 5017 proposed to H.R. 3540, a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

At the request of Mr. MCCAIN, the names of the Senator from Texas [Mrs. HUTCHISON] and the Senator from Maine [Mr. COHEN] were added as cosponsors of amendment No. 5017 proposed to H.R. 3540, supra.

AMENDMENT NO. 5018

At the request of Mr. COVERDELL, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Utah [Mr. HATCH], and the Senator from Texas [Mrs. HUTCHISON] were added as cosponsors of amendment No. 5018 proposed to H.R. 3540, a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENTS SUBMITTED

THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

COHEN (AND OTHERS) AMENDMENT NO. 5019

Mr. COHEN (for himself, Mrs. FEINSTEIN, Mr. MCCAIN, Mr. CHAFEE, Mr. BREAUX, Mr. JOHNSTON, and Mr. THOMAS) proposed an amendment to the bill (H.R. 3540) making appropriations for foreign operations, export financing and related programs for the fiscal year ending September 30, 1997, and for other purposes; as follows:

On page 188, strike lines 3 through 22 and insert the following:

POLICY TOWARD BURMA

SEC. 569. (a) Until such time as the President determines and certifies to Congress that Burma has made measurable and substantial progress in improving human rights practices and implementing democratic government, the following sanctions shall be imposed on Burma:

(1) BILATERAL ASSISTANCE.—There shall be no United States assistance to the Government of Burma, other than:

(A) humanitarian assistance,

(B) counter-narcotics assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, if the Secretary of State certifies to the appropriate congressional committees that:

i) the Government of Burma is fully cooperating with U.S. counter-narcotics efforts, and

ii) the programs are fully consistent with United States human rights concerns in Burma and serve the United States national interest, and

(C) assistance promoting human rights and democratic values.

(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of funds of the respective bank to or for Burma.

(3) VISAS.—Except as required by treaty obligations or to staff the Burmese mission to the United States, the United States shall not grant visas to any Burmese government official.

(b) CONDITIONAL SANCTIONS.—The President shall prohibit United States persons from new investment in Burma, if the President determines and certifies to Congress that, after the date of enactment of this act, the Government of Burma has physically harmed, rearrested for political acts, or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the democratic opposition.

(c) Multilateral Strategy.—The President shall seek to develop in coordination with members of ASEAN and other countries having major trading and investment interests in Burma, a comprehensive, multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialog between the State Law and Order Restoration Council (SLORC) and democratic opposition groups within Burma.

(d) Presidential Reports.—Every six months following the enactment of this act, the President shall report to the Chairmen of the Committee on Foreign Relations, the Committee on International Relations and the House and Senate Appropriations Committees on the following:

(1) progress toward democratization in Burma;

(2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and

(3) progress made in developing the strategy referred to in subsection (c).

(e) Waiver Authority.—The President shall have the authority to waive, temporarily or permanently, any sanction referred to in subsection (a) or subsection (b) if he determines and certifies to congress that the application of such sanction would be contrary to the national security interests of the United States.

(f) Definitions.—

(1) The term "international financial institutions" shall include the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Asian Development Bank, and the International Monetary Fund.

(2) The term "new investment" shall mean any of the following activities if such an activity is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a non-governmental entity in Burma, on or after the date of the certification under subsection (b):

(A) the entry into a contract that includes the economical development of resources located in Burma, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract;

(B) the purchase of a share of ownership, including an equity interest, in that development; and

(C) the entry into a contract providing for the participation in royalties, earnings, or profits in that development, without regard to the form of the participation;

provided that the term "new investment" does not include the entry into, performance of, or financing of a contract to sell or purchase goods, services, or technology.

BUMPERS (AND OTHERS) AMENDMENT NO. 5020

Mr. McCONNELL (for Mr. Bumpers, for himself, Mr. Hatfield, Mr. Gorton, Mr. Simon, Mr. Johnston, Mr. Burns, Mr. Reid, and Mr. Roth) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 119, strike lines 6 and 7 and insert in lieu thereof the following:

"(h)(1) Of the funds appropriated under title II of this Act, including funds appropriated under this heading, not less than $11,000,000 shall be available only for assistance for Mongolia, of which amount not less than $6,000,000 shall be available only for the Mongolian energy sector.

"(2) Funds made available for assistance for Mongolia shall be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.".

REID AMENDMENT NO. 5021

Mr. McCONNELL (for Mr. Reid) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place, insert the following:

FEMALE GENITAL MUTILATION

Sec. . (a) Limitation.—Beginning 1 year after the date of the enactment of this Act, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

(1) has, as a cultural custom, a known history of the practice of female genital mutilation;

(2) has not made the practice of female genital mutilation illegal; and

(3) has not taken steps to implement educational programs designed to prevent the practice of female genital mutilation.

(b) Definition.—For purposes of this section, the term "international financial institution" shall include the institutions identified in section 535(b) of this Act.

INOUYE (AND BENNETT) AMENDMENT NO. 5022

Mr. McCONNELL (for Mr. Inouye, for himself and Mr. Bennett) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 107, line 23, strike "should be made available" and insert "shall be available only".

LEAHY AMENDMENT NO. 5023

Mr. McCONNELL (for Mr. Leahy) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 184, line 6, delete the word "MORATORIUM" and everything that follows through the period on page 185, line 3.

LEAHY (AND INOUYE) AMENDMENT NO. 5024

Mr. McCONNELL (for Mr. Leahy, for himself and Mr. Inouye) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 177, line 24, after "Jordan," insert the following: "Tunisia,"

On page 178, line 2, after "101–179" insert the following: ": *Provided*, That not later than May 1, 1997, the Secretary of State shall submit a report to the Committees on Appropriations describing actions by the Government of Tunisia during the previous six months to improve respect for civil liberties and promote the independence of the judiciary."

LEAHY (AND OTHERS) AMENDMENT NO. 5025

Mr. McCONNELL (for Mr. Leahy, for himself, Mrs. Kassebaum, and Mr. Hatfield, Mr. Daschle, and Mr. Jeffords) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 135, line 7, delete "$626,000,000" and insert in lieu thereof "$700,000,000."

McCONNELL (AND LEAHY) AMENDMENT NO. 5026

Mr. McCONNELL (for himself and Mr. Leahy) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 148, line 10 through line 13, strike the following language, "That comparable requirements of any similar provision in any other Act shall be applicable only to the extent that funds appropriated by this Act have been authorized: *Provided further*,".

SMITH (AND OTHERS) AMENDMENT NO. 5027

Mr. SMITH (for himself, Mr. Thomas, and Mr. Helms) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 105, line 17, strike "*provided further*," and all that follows through the colon on line 21.

HELMS (AND OTHERS) AMENDMENT NO. 5028

Mr. HELMS (for himself, Mr. Lott, and Mr. Gregg) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, lines 17 and 18, insert the following:

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

Sec. . (a) Prohibition on Voluntary Contributions for the United Nations.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including the United Nations Development Program) if the United Nations attempts to implement or impose any taxation or fee on any United States persons or borrows funds from any international financial institution.

(b) Certification Required for Disbursement of Funds.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations or such agency, as the case may be, is not engaged in, and has not been engaged in during the previous fiscal year, any effort to develop, advocate, promote, or publicize any proposal concerning taxation or fees on

United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section:

(1) The term "international financial institution" includes the African Development Bank, the African Development Fund, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the International Monetary Fund, and the Multilateral Insurance Guaranty Agency; and

(2) The term "United States person" refers to—

(A) a natural person who is a citizen or national of the United States; or

(B) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

MURKOWSKI (AND OTHERS) AMENDMENT NO. 5029

Mr. MURKOWSKI (for himself, Mr. D'AMATO, Mr. THOMAS, and Mr. BOND) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, between lines 17 and 18, insert the following:

SENSE OF CONGRESS REGARDING THE UNITED STATES-JAPAN INSURANCE AGREEMENT

(a) FINDINGS.—The Congress makes the following findings:

(1) The United States and Japan share a long and important bilateral relationship which serves as an anchor of peace and stability in the Asia Pacific region, an alliance which was reaffirmed at the recent summit meeting between President Clinton and Prime Minister Hashimoto in Tokyo.

(2) The Japanese economy has experienced difficulty over the past few years, demonstrating that it is no longer possible for Japan, the world's second largest economy, to use exports as the sole engine of economic growth, but that the Government of Japan must promote deregulation of its domestic economy in order to increase economic growth.

(3) Japan is the second largest insurance market in the world and the largest life insurance market in the world.

(4) The share of foreign insurance in Japan is less than 3 percent, and large Japanese life and non-life insurers dominate the market.

(5) The Government of Japan has had as its stated policy for several years the deregulation and liberalization of the Japan insurance market, and has developed and adopted a new insurance business law as a means of achieving this publicly stated objective of liberalization and deregulation.

(6) The Governments of Japan and the United States concluded in October of 1994 the United States-Japan Insurance Agreement, following more than one and one-half years of negotiations, in which Agreement the Government of Japan reiterated its intent to deregulate and liberalize its market.

(7) The Government of Japan in June of 1995 undertook additional obligations to provide greater foreign access and liberalization to its market through its schedule of insurance obligations during the financial services negotiations of the World Trade Organization (WTO).

(8) The United States insurance industry is the most competitive in the world, operates successfully throughout the world, and thus could be expected to achieve higher levels of market access and profit-ability under a more open, deregulated and liberalized Japanese market.

(9) Despite more than one and one-half years since the conclusion of the United States-Japan Insurance Agreement, despite more than one year since Japan undertook new commitments under the WTO, despite the entry into force on April 1, 1996, of the new Insurance Business Law, the Japanese market remains closed and highly regulated and thus continues to deny fair and open treatment for foreign insurers, including competitive United States insurers.

(10) The non-implementation of the United States-Japan Insurance Agreement is a matter of grave importance to the United States Government.

(11) Dozens of meetings between the United States Trade Representative and the Ministry of Finance have taken place during the past year.

(12) President Clinton, Vice President Gore, Secretary Rubin, Secretary Christopher, Secretary Kantor, Ambassador Barshefsky have all indicated to their counterparts in the Government of Japan the importance of this matter to the United States.

(13) The United States Senate has written repeatedly to the Minister of Finance and the Ambassador of Japan.

(14) Despite all of these efforts and indications of importance, the Ministry of Finance has failed to implement the United States-Japan Insurance Agreement.

(15) Several deadlines have already passed for resolution of this issue with the latest deadline set for July 31, 1996.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Ministry of Finance of the Government of Japan should immediately and without further delay completely and fully comply with all provisions of the United States-Japan Insurance Agreement, including most especially those which require the Ministry of Finance to deregulate and liberalize the primary sectors of the Japanese market, and those which insure that the current position of foreign insurers in Japan will not be jeopardized until primary sector deregulation has been achieved, and a three-year period has elapsed; and

(2) failing satisfactory resolution of this matter on or before July 31, 1996, the United States Government should use any and all resources at its disposal to bring about full and complete compliance with the Agreement.

HELMS AMENDMENT NO. 5030

Mr. MCCONNELL (for Mr. HELMS) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, between lines 17 and 18, insert the following:

SENSE OF CONGRESS REGARDING THE CONFLICT IN CHECHNYA

SEC. . (a) CONGRESSIONAL DECLARATION.—The Congress declares that the continuation of the conflict in Chechnya, the continued killing of innocent civilians, and the ongoing violation of human rights in that region are unacceptable.

(b) SENSE OF CONGRESS.—The Congress hereby—

(1) condemns Russia's infringement of the cease-fire agreements in Chechnya;

(2) calls upon the Government of the Russian Federation to bring an immediate halt to offensive military actions in Chechnya and requests President Yeltsin to honor his decree of June 25, 1996 concerning the withdrawal of Russian armed forces from Chechnya;

(3) encourages the two warring parties to resume negotiations without delay so as to find a peaceful political solution to the Chechen problem; and

(4) supports the Organization for Security and Cooperation in Europe and its representatives in Chechnya in its efforts to mediate in Chechnya.

BROWN AMENDMENT NO. 5031

Mr. MCCONNELL (for Mr. BROWN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 125, line 2, before the period insert the following: ": *Provided*, That of the funds appropriated under this heading, $2,000,000 shall be available only for demining operations in Afghanistan".

FAIRCLOTH AMENDMENTS NOS. 5032–5033

Mr. MCCONNELL (for Mr. FAIRCLOTH) proposed two amendments to the bill, H.R. 3540, supra; as follows:

AMENDMENT NO. 5032

At the appropriate place, insert the following new section:

REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT ON SECRETARY OF STATE

SEC. . (a) FOREIGN AND REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in that fiscal year.

(b) UNITED STATES ASSISTANCE.—For purposes of this section, the term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

AMENDMENT NO. 5033

On page 198, between lines 17 and 18, insert the following new section:

REPORT ON DOMESTIC FEDERAL AGENCIES FURNISHING UNITED STATES ASSISTANCE

SEC. . (a) IN GENERAL.—Not later than June 1, 1997, the Comptroller General of the United States shall study and report to the Congress on all assistance furnished directly or indirectly to foreign countries, foreign entities, and international organizations by domestic Federal agencies and Federal agencies.

(b) DEFINITIONS.—As used in this section:

(1) DOMESTIC FEDERAL AGENCY.—The term "domestic Federal agency" means a Federal agency the primary mission of which is to carry out functions other than foreign affairs, defense, or national security functions.

(2) FEDERAL AGENCY.—The term "Federal agency" has the meaning given the term in section 551(1) of title 5, United States Code.

(3) INTERNATIONAL ORGANIZATION.—The term "international organization" has the meaning given the term in section 1 of the International Organization Immunities Act (22 U.S.C. 288).

(4) UNITED STATES ASSISTANCE.—The term "United States assistance" has the meaning

given the term in section 481(c)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

SIMON (AND OTHERS) AMENDMENT NO. 5034

Mr. McCONNELL (for Mr. SIMON for himself, Mrs. KASSEBAUM, Mr. FEINGOLD, Ms. MOSELEY-BRAUN, and Mr. JEFFORDS) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 105, beginning on line 12, strike "amount" and all that follows through "should" on line 13 and insert "amount made available to carry out chapter 10 of part I of the Foreign Assistance Act of 1961 (relating to the Development Fund for Africa) shall".

THE NUCLEAR WASTE POLICY ACT OF 1996

WELLSTONE AMENDMENTS NOS. 5035–5037

(Ordered to lie on the table.)

Mr. WELLSTONE submitted three amendments intended to be proposed by him to the bill (S. 1936) to amend the Nuclear Waste Policy Act of 1982; as follows:

AMENDMENT NO. 5035

On page 65 of the bill at the end of line 20, insert the following: "The adjusted fee proposed by the Secretary shall be effective after a period of 90 days of continuous session have elapsed following the receipt of such transmittal unless during such 90-day period a law is enacted disapproving the Secretary's proposed adjustment."

AMENDMENT NO. 5036

On page 85 of the bill, strike lines 13 through 15 and insert in lieu thereof the following:

"(a) Notwithstanding any other provision of this Act or contract as defined in section 2 of this Act, the Secretary shall not accept title to spent nuclear fuel or high-level nuclear waste generated by a commercial nuclear power reactor unless the Secretary determines that accepting title to the fuel or waste is necessary to enable the Secretary to protect adequately the public health or safety, or the environment. To the extent that the federal government is responsible for personal or property damages arising from such fuel or waste while in the federal government's possession, such liability shall be borne by the federal government."

AMENDMENT NO. 5037

On page 85 of the bill, strike line 13 through 15 and insert in lieu thereof the following:

"(a) Notwithstanding any other provision of this Act (except subsection (b) of this section) or contract as defined in section 2 of this Act, the Secretary shall not accept title to spent nuclear fuel or high-level nuclear waste generated by a commercial nuclear power reactor unless the Secretary determines that accepting title to the fuel or waste is necessary to enable the Secretary to protect adequately the public health or safety, or the environment. To the extent that the federal government is responsible for personal or property damages arising from such fuel or waste while in the federal government's possession, such liability shall be borne by the federal government."

THE SEXUAL OFFENDER TRACKING AND IDENTIFICATION ACT OF 1996

GRAMM (AND OTHERS) AMENDMENT NO. 5038

Mr. GRAMM (for himself, Mr. BIDEN, Mr. HATCH, and Mrs. HUTCHISON) proposed an amendment to the bill (S. 1675) to provide for the nationwide tracking of convicted sexual predators, and for other purposes; as follows:

Strike all after the enacting clause, and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pam Lychner Sexual Offender Tracking and Identification Act of 1996".

SEC. 2. OFFENDER REGISTRATION.

(a) ESTABLISHMENT OF FBI DATABASE.—Subtitle A of Title XVII of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) is amended by adding at the end the following new section:

"SEC. 170102. FBI DATABASE.

"(a) DEFINITIONS.—For purposes of this section—

"(1) the term 'FBI' means the Federal Bureau of Investigation;

"(2) the terms 'criminal offense against a victim who is a minor', 'sexually violent offense', 'sexually violent predator', 'mental abnormality', and 'predatory' have the same meanings as in section 170101(a)(3); and

"(3) the term 'minimally sufficient sexual offender registration program' means any State sexual offender registration program that—

"(A) requires the registration of each offender who is convicted of an offense described in subparagraph (A) or (B) or section 170101(a)(1);

"(B) requires that all information gathered under such program be transmitted to the FBI in accordance with subsection (g) of this section;

"(C) meets the requirements for verification under section 170101(b)(3); and

"(D) requires that each person who is required to register under subparagraph (A) shall do so for a period of not less than 10 years beginning on the date that such person was released from prison or placed on parole, supervised release, or probation.

"(b) ESTABLISHMENT.—The Attorney General shall establish a national database at the Federal Bureau of Investigation to track the whereabouts and movement of—

"(1) each person who has been convicted of a criminal offense against a victim who is a minor;

"(2) each person who has been convicted of a sexually violent offense; and

"(3) each person who is a sexually violent predator.

"(c) REGISTRATION REQUIREMENT.—Each person described in subsection (b) who resides in a State that has not established a minimally sufficient sexual offender registration program shall register a current address, fingerprints of that person, and a current photograph of that person with the FBI for inclusion in the database established under subsection (b) for the time period specified under subsection (d).

"(d) LENGTH OF REGISTRATION.—A person described in subsection (b) who is required to register under subsection (c) shall, except during ensuing periods of incarceration, continue to comply with this section—

"(1) until 10 years after the date on which the person was released from prison or placed on parole, supervised release, or probation; or

"(2) for the life of the person, if that person—

"(A) has 2 or more convictions for an offense described in subsection (b);

"(B) has been convicted of aggravated sexual abuse, as defined in section 2241 of title 18, United States Code, or in a comparable provision of State law; or

"(C) has been determined to be a sexually violent predator.

"(e) VERIFICATION.—

"(1) PERSONS CONVICTED OF AN OFFENSE AGAINST A MINOR OR A SEXUALLY VIOLENT OFFENSE.—In the case of a person required to register under subsection (c), the FBI shall, during the period in which the person is required to register under subsection (d), verify the person's address in accordance with guidelines that shall be promulgated by the Attorney General. Such guidelines shall ensure that address verification is accomplished with respect to these individuals and shall require the submission of fingerprints and photographs of the individual.

"(2) SEXUALLY VIOLENT PREDATORS.—Paragraph (1) shall apply to a person described in subsection (b)(3), except that such person must verify the registration once every 90 days after the date of the initial release or commencement of parole of that person.

"(f) COMMUNITY NOTIFICATION.—

"(1) IN GENERAL.—Subject to paragraph (2), the FBI may release relevant information concerning a person required to register under subsection (c) that is necessary to protect the public.

"(2) IDENTITY OF VICTIM.—In no case shall the FBI release the identity of any victim of an offense that requires registration by the offender with the FBI.

"(g) NOTIFICATION OF FBI OF CHANGES IN RESIDENCE.—

"(1) ESTABLISHMENT OF NEW RESIDENCE.—For purposes of this section, a person shall be deemed to have established a new residence during any period in which that person resides for not less than 10 days.

"(2) PERSONS REQUIRED TO REGISTER WITH THE FBI.—Each establishment of a new residence, including the initial establishment of a residence immediately following release from prison, or placement on parole, supervised release, or probation, by a person required to register under subsection (c) shall be reported to the FBI not later than 10 days after that person establishes a new residence.

"(3) INDIVIDUAL REGISTRATION REQUIREMENT.—A person required to register under subsection (c) or under a minimally sufficient offender registration program, including a program established under section 170101, who changes address to a State other than the State in which the person resided at the time of the immediately preceding registration shall, not later than 10 days after that person establishes a new residence, register a current address, fingerprints, and a photograph of that person, for inclusion in the appropriate database, with—

"(A) the FBI; and

"(B) the State in which the new residence is established.

"(4) STATE REGISTRATION REQUIREMENT.—Any time any State agency in a State with a minimally sufficient sexual offender registration program, including a program established under section 170101, is notified of a change of address by a person required to register under such program within or outside of such State, the State shall notify—

"(A) the law enforcement officials of the jurisdiction to which, and the jurisdiction from which, the person has relocated; and

"(B) the FBI.

"(5) VERIFICATION.—

"(A) NOTIFICATION OF LOCAL LAW ENFORCEMENT OFFICIALS.—The FBI shall ensure that State and local law enforcement officials of the jurisdiction to which, and the State and local law enforcement officials of the jurisdiction to which, a person required to register under subsection (c) relocates are notified of the new residence of such person.

"(B) NOTIFICATION OF FBI.—A State agency receiving notification under this subsection shall notify the FBI of the new residence of the offender.

"(C) VERIFICATION.—

"(i) STATE AGENCIES.—If a State agency cannot verify the address of or locate a person required to register with a minimally sufficient sexual offender registration program, including a program established under section 170101, the State shall immediately notify the FBI.

"(ii) FBI.—If the FBI cannot verify the address of or locate a person required to register under subsection (c) or if the FBI receives notification from a State under clause (i), the FBI shall ensure that, either the State or the FBI shall—

"(I) classify the person as being in violation of the registration requirements of the national database; and

"(II) add the name of the person to the National Crime Information Center Wanted Person File and create a wanted persons record, provided that an arrest warrant which meets the requirements for entry into the file is issued in connection with the violation.

"(h) FINGERPRINTS.—

"(1) IN GENERAL.—

"(A) FBI REGISTRATION.—For each person required to register under subsection (c), fingerprints shall be obtained and verified by the FBI or a local law enforcement official pursuant to regulations issued by the Attorney General.

"(B) STATE REGISTRATION SYSTEMS.—In a State that has a minimally sufficient sexual offender registration program, including a program established under section 170101, fingerprints required to be registered with the FBI under this section shall be obtained and verified in accordance with State requirements. The State agency responsible for registration shall ensure that the fingerprints and all other information required to be registered is registered with the FBI.

"(I) PENALTY.—A person required to register under paragraph (1), (2), or (3) of subsection (g) who knowingly fails to comply with this section shall—

"(1) in the case of a first offense—

"(A) if the person has been convicted of 1 offense described in subsection (b), be fined not more than $100,000; or

"(B) if the person has been convicted of more than 1 offense described in subsection (b), be imprisoned for up to 1 year and fined not more than $100,000; or

"(2) in the case of a second or subsequent offense, be imprisoned for up to 10 years and fined not more than $100,000.

"(j) RELEASE OF INFORMATION.—The information collected by the FBI under this section shall be disclosed by the FBI—

"(1) to Federal, State, and local criminal justice agencies for—

"(A) law enforcement purposes; and

"(B) community notification in accordance with section 170101(d)(3); and

"(2) to Federal, State, and local governmental agencies responsible for conducting employment-related background checks under section 3 of the National Child Protection Act of 1993 (42 U.S.C. 5119a).".

"(k) NOTIFICATION UPON RELEASE.—Any state not having established a program described in 170102(a)(3) must—

"(1) Upon release from prison, or placement on parole, supervised release, or probation, notify each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1) of their duty to register with the FBI; and

"(2) Notify the FBI of the release of each offender who is convicted of an offense described in subparagraph (A) or (B) of section 170101(a)(1).".

SEC. 3. DURATION OF STATE REGISTRATION REQUIREMENT.

Section 170101(b)(6) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(6)) is amended to read as follows:

"(6) LENGTH OF REGISTRATION.—A person required to register under subsection (a)(1) shall continue to comply with this section, except during ensuing periods of incarceration, until—

"(A) 10 years have elapsed since the person was released from prison or placed on parole, supervised release, or probation; or

"(B) for the life of that person if that person—

"(i) has 1 or more prior convictions for an offense described in subsection (a)(1)(A); or

"(ii) has been convicted of an aggravated offense described in subsection (a)(1)(A); or

"(iii) has been determined to be a sexually violent predator pursuant to subsection (a)(2).".

SEC. 4. STATE BOARDS.

Section 170101(a)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(a)(2)) is amended by inserting before the period at the end the following: ", victim rights advocates, and representatives from law enforcement agencies".

SEC. 5. FINGERPRINTS.

Section 170101 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071) is amended by adding at the end the following new subsection:

"(g) FINGERPRINTS.—Each requirement to register under this section shall be deemed to also require the submission of fingerprints of the person required to register, obtained in accordance with regulations prescribed by the Attorney General under section 170102(h).".

SEC. 6. VERIFICATION.

Section 170101(b)(3)(A)(iii) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(3)(A)(iii)) is amended by adding at the end the following: "The person shall include with the verification form, fingerprints and a photograph of that person.".

SEC. 7. REGISTRATION INFORMATION.

Section 170101(b)(2) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14071(b)(2)) is amended to read as follows:

"(2) TRANSFER OF INFORMATION TO STATE AND THE FBI.—The officer, or in the case of a person placed on probation, the court, shall, within 3 days after receipt of information described in paragraph (1), forward it to a designated State law enforcement agency. The State law enforcement agency shall immediately enter the information into the appropriate State Law enforcement record system and notify the appropriate law enforcement agency having jurisdiction where the person expects to reside. The State law enforcement agency shall also immediately transmit all information described in paragraph (1) to the Federal Bureau of Investigation for inclusion in the FBI database described in section 170102.

SEC. 8. IMMUNITY FOR GOOD FAITH CONDUCT.

State and federal law enforcement agencies, employees of state and federal law enforcement agencies, and state and federal officials shall be immune from liability for good faith conduct under section 170102.

SEC. 9. REGULATIONS.

Not later than 1 year after the date of enactment of this Act, the Attorney General shall issue regulations to carry out this Act and the amendments made by this Act.

SEC. 10. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall become effective 1 year after the date of enactment of this Act.

(b) COMPLIANCE BY STATES.—Each State shall implement the amendments made by sections 3, 4, 5, 6, and 7 of this Act not later than 3 years after the date of enactment of this Act, except that the Attorney General may grant an additional 2 years to a State that is making good faith efforts to implement such amendments.

(c) INELIGIBILITY FOR FUNDS.—

(1) a State that fails to implement the program as describe din sections 3, 4, 5, 6, and 7 of this Act shall not receive 10 percent of the funds that would otherwise be allocated to the State under section 506 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3765).

(2) any funds that are not allocated for failure to comply with sections 3, 4, 5, 6, or 7 of this Act shall be reallocated to States that comply with these sections.

SEC. 11. SEVERABILITY.

If any provision of this Act, an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

MOYNIHAN AMENDMENT NO. 5039

Mr. McCONNELL (for Mr. MOYNIHAN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 188, between lines 22 and 23, insert the following new section:

REPORTS ON THE SITUATION IN BURMA

SEC. ___. (a) LABOR PRACTICES.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor, in consultation with the Secretary of State, shall submit a report to the appropriate congressional committees on—

(1) Burma's compliance with international labor standards including, but not limited to, the use of forced labor, slave labor, and involuntary prison labor by the junta;

(2) the degree to which foreign investment in Burma contributes to violations of fundamental worker rights;

(3) labor practices in support of Burma's foreign tourist industry; and

(4) efforts by the United States to end violations of fundamental labor rights in Burma.

(b) DEFINITION.—As used in this section, the term "appropriate congressional committees" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(c) FUNDING.—(1) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, for expenses necessary to carry out the provisions of this section, $30,000 to the Department of Labor.

(2) The amount appropriated by this Act under the heading "DEPARTMENT OF STATE, INTERNATIONAL NARCOTICS CONTROL" shall be reduced by $30,000.

GRAHAM AMENDMENT NO. 5040

Mr. MCCONNELL (for Mr. GRAHAM) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . HAITI.

The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard, except as otherwise stated in law: Provided, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

BROWN (AND SIMON) AMENDMENT NO. 5041

Mr. MCCONNELL (for Mr. BROWN, for himself and Mr. SIMON) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . TRADE RELATIONS WITH EASTERN AND CENTRAL EUROPE.

(a) FINDINGS.—The Congress makes the following findings:

(1) The countries of Central and Eastern Europe, including Poland, Hungary, the Czech Republic, Slovakia, Romania, Slovenia, Lithuania, Latvia, Estonia, and Bulgaria, are important to the long-term stability and economic success of a future Europe freed from the shackles of communism.

(2) The Central and Eastern European countries, particularly Hungary, Poland, the Czech Republic, Romania, Slovakia, Slovenia, Latvia, Lithuania, and Estonia, are in the midst of dramatic reforms to transform their centrally planned economies into free market economies and to join the Western community.

(3) It is in the long-term interest of the United States to encourage and assist the transformation of Central and Eastern Europe into a free market economy, which is the solid foundation of democracy, and will contribute to regional stability and greatly increased opportunities for commerce with the United States.

(4) Trade with the countries of Central and Eastern Europe accounts for less than one percent of total United States trade.

(5) The presence of a market with more than 140,000,000 people, with a growing appetite for consumer goods and services and badly in need of modern technology and management, should be an important market for United States exports and investments.

(6) The United States has concluded agreements granting most-favored-nation status to most of the countries of Central and Eastern Europe.

(B) SENSE OF THE CONGRESS.—It is the sense of the Congress that the President should take steps to promote more open, fair, and free trade between the United States and the countries of Central Europe, including Poland, Hungary, the Czech Republic, Slovakia, Lithuania, Latvia, Estonia, Romania, and Slovenia, including—

(1) developing closer commercial contacts;

(2) the mutual elimination of tariff and nontariff discriminatory barriers in trade with these countries;

(3) exploring the possibility of framework agreements that would lead to a free trade agreement;

(4) negotiating bilateral investment treaties;

(5) stimulating increased United States exports and investments to the region;

(6) obtaining further liberalization of investment regulations and protection against nationalization in these foreign countries; and

(7) establishing fair and expeditious dispute settlement procedures.

SPECTER (AND OTHERS) AMENDMENT NO. 5042

Mr. MCCONNELL. (for Mr. SPECTER, for himself, Mr. MOYNIHAN, and Mr. D'AMATO) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . LIMITATION ON FOREIGN SOVEREIGN IMMUNITY.

(a) IN GENERAL.—Section 1605(a)(7) of title 28, United States Code, is amended to read as follows:

"(7) in which money damages are sought against a foreign state for personal injury or death caused by an act of torture, extrajudicial killing, aircraft sabotage, hostage taking, or the provision of material support or resources (as defined in section 2339A of title 18) for such an act, if—

"(A) such act or provision of material support was engaged in by an official, employee, or agent of such foreign state while acting within the scope of his or her office, employment, or agency;

"(B) the foreign state against whom the claim was brought—

"(i) was designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) or section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) at the time the act occurred or was later so designated as a result of such act; or

"(ii) had no treaty of extradition with the United States at the time the act occurred and no adequate and available remedies exist either in such state or in the place in which the act occurred;

"(C) the claimant has afforded the foreign state a reasonable opportunity to arbitrate the claim in accordance with accepted international rules of arbitration; and

"(D) the claimant or victim was a national of the United States (as that term is defined in section 101(a)(22) of the Immigration and Nationality Act) when the act upon which the claim is based occurred.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to actions brought in United States courts on or after the date of enactment of this Act.

BROWN AMENDMENTS NOS. 5043–5044

Mr. MCCONNELL (for Mr. BROWN and Mr. GORTON) proposed two amendments to the bill, H.R. 3540, supra; as follows:

AMENDMENT NO. 5043

At the appropriate place, add the following new section:

SEC. . SENSE OF CONGRESS REGARDING CROATIA.

(a) FINDINGS.—The Congress makes the following findings:

(1) Croatia has politically and financially contributed to the NATO peacekeeping operations in Bosnia;

(2) The economic stability and security of Croatia is important to the stability of South Central Europe; and

(3) Croatia is in the process of joining the Partnership for Peace.

(b) SENSE OF CONGRESS.—It is the Sense of Congress that:

(1) Croatia should be recognized and commended for its contributions to NATO and the various peacekeeping efforts in Bosnia;

(2) the United States should support the active participation of Croatia in activities appropriate for qualifying for NATO membership, provided Croatia continues to adhere fully to the Dayton Peace Accords and continues to make progress toward establishing democratic institutions, a free market, and the rule of law.

AMENDMENT NO. 5044

At the appropriate place, add the following new section:

SEC. . ROMANIA'S PROGRESS TOWARD NATO MEMBERSHIP.

(a) FINDINGS.—The Congress makes the following findings:

(1) Romania emerged from years of brutal Communist dictatorship in 1989 and approved a new Constitution and elected a Parliament by 1991, laying the foundation for a modern parliamentary democracy charged with guaranteeing fundamental human rights, freedom of expression, and respect for private property;

(2) Local elections, parliamentary elections, and presidential elections have been held in Romania, with 1996 marking the second nationwide presidential elections under the new Constitution;

(3) Romania was the first former Eastern bloc country to join NATO's Partnership for Peace program and has hosted Partnership for Peace military exercises on its soil;

(4) Romania is the second largest country in terms of size and population in Central Europe and as such is strategically significant;

(5) Romania formally applied for NATO membership in April of 1996 and has begun an individualized dialogue with NATO on its membership application; and

(6) Romania has contributed to the peace and reconstruction efforts in Bosnia by participating in the Implementation Force (IFOR).

(b) SENSE OF THE CONGRESS.—Therefore, it is the sense of the Congress that:

(1) Romania is making significant progress toward establishing democratic institutions, a free market economy, civilian control of the armed forces and the rule of law;

(2) Romania is making important progress toward meeting the criteria for accession into NATO;

(3) Romania deserves commendation for its clear desire to stand with the West in NATO, as evidenced by its early entry into the Partnership for Peace, its formal application for

NATO membership, and its participation in IFOR;

(4) Romania should be evaluated for membership in the NATO Participation Act's transition assistance program at the earliest opportunity; and

(5) The United States should work closely with Romania and other countries working toward NATO membership to ensure that every opportunity is provided.

DORGAN (AND OTHERS) AMENDMENT NO. 5045

Mr. DORGAN (for himself, Mr. HATFIELD, Mr. BUMPERS, Mr. JEFFORDS, Mr. LEAHY, Mr. HARKIN, Mr. PRYOR, Ms. MOSELEY-BRAUN, Mr. FEINGOLD, Mr. PELL, Mr. INOUYE, Mr. WYDEN, Mr. KENNEDY, Mr. SIMON, Mr. LAUTENBERG, and Mrs. FEINSTEIN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place in the bill, insert the following new title:

TITLE CONGRESSIONAL REVIEW OF ARMS TRANSFERS ELIGIBILITY ACT OF 1996

SEC. 01. SHORT TITLE.

This title may be cited as the "Congressional Review of Arms Transfers Eligibility Act of 1996".

SEC. 02. PURPOSE.

The purpose of this title is to provide congressional review of the eligibility of foreign governments to be considered for United States military assistance and arms transfers, and to establish clear standards for such eligibility including adherence to democratic principles, protection of human rights, nonaggression, and participation in the United Nations Register of Conventional Arms.

SEC. 03. ELIGIBILITY FOR UNITED STATES MILITARY ASSISTANCE OR ARMS TRANSFERS.

(a) PROHIBITION; WAIVER.—United States military assistance or arms transfers may not be provided to a foreign government during a fiscal year unless the President determines and certifies to the Congress for that fiscal year that—

(1) such government meets the criteria contained in section 04;

(2) it is in the national security interest of the United States to provide military assistance and arms transfers to such government, and the Congress enacts a law approving such determination; or

(3) an emergency exists under which it is vital to the interest of the United States to provide military assistance or arms transfers to such government.

(b) DETERMINATION WITH RESPECT TO EMERGENCY SITUATIONS.—The President shall submit to the Congress at the earliest possible date reports containing determinations with respect to emergencies under subsection (a)(3). Each such report shall contain a description of—

(1) the nature of the emergency;

(2) the type of military assistance and arms transfers provided to the foreign government; and

(3) the cost to the United States of such assistance and arms transfers.

SEC. 04. CRITERIA FOR CERTIFICATION.

The criteria referred to in section 03(a)(1) are as follows:

(1) PROMOTES DEMOCRACY.—Such government—

(A) was chosen by and permits free and fair elections;

(B) promotes civilian control of the military and security forces and has civilian institutions controlling the policy, operation, and spending of all law enforcement and security institutions, as well as the armed forces;

(C) promotes the rule of law, equality before the law, and respect for individual and minority rights, including freedom to speak, publish, associate, and organize; and

(D) promotes the strengthening of political, legislative, and civil institutions of democracy, as well as autonomous institutions to monitor the conduct of public officials and to combat corruption.

(2) RESPECTS HUMAN RIGHTS.—Such government—

(A) does not engage in gross violations of internationally recognized human rights, as described in section 502B(d)(1) of the Foreign Assistance Act of 1961;

(B) vigorously investigates, disciplines, and prosecutes those responsible for gross violations of internationally recognized human rights;

(C) permits access on a regular basis to political prisoners by international humanitarian organizations such as the International Committee of the Red Cross;

(D) promotes the independence of the judiciary and other official bodies that oversee the protection of human rights; and

(E) does not impede the free functioning of and access of domestic and international human rights organizations or, in situations of conflict or famine, of humanitarian organizations.

(3) NOT ENGAGED IN CERTAIN ACTS OF ARMED AGGRESSION.—Such government is not currently engaged in acts of armed aggression in violation of international law.

(4) FULL PARTICIPATION IN UNITED NATIONS REGISTER OF CONVENTIONAL ARMS.—Such government is fully participating in the United Nations Register of Conventional Arms.

SEC. 05. CERTIFICATION AND DECERTIFICATION.

(a) NOTIFICATION TO CONGRESS.—In the case of a determination by the President under section 03(a)(1) or (2) with respect to a foreign government, the President shall submit to the Congress the initial certification in conjunction with the submission of the annual request for enactment of authorizations and appropriations for foreign assistance programs for a fiscal year and shall, where appropriate, submit additional or amended certifications at any time thereafter in the fiscal year.

(b) DECERTIFICATION.—If a foreign government ceases to meet the criteria contained in section 04, the President shall submit a decertification of the government to the Congress, whereupon any prior certification under section 03(a)(1) shall cease to be effective.

SEC. 06. UNITED STATES MILITARY ASSISTANCE AND ARMS TRANSFERS DEFINED.

For purposes of this title, the terms "United States military assistance" and "arms transfers" mean—

(1) assistance under chapter 2 of part II of the Foreign Assistance Act of 1961 (relating to military assistance), including the transfer of excess defense articles under section 516 of that Act;

(2) assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 (relating to international military education and training);

(3) the transfer of defense articles, defense services, or design and construction services under the Arms Export Control Act (except any transfer or other assistance under section 23 of such Act), including defense articles and defense services licensed or approved for export under section 38 of that Act.

SEC. 07. EFFECTIVE DATE.

(a) Except as provided in subsection (b), this title shall take effect October 1, 1997.

(b) Any initial certification made under section 03 shall be transmitted to the Congress with the President's budget submission for fiscal year 1998 under section 1105 of title 31, United States Code.

KERRY AMENDMENT NO. 5046

Mr. KERRY proposed an amendment to amendment No. 5045 proposed by Mr. DORGAN to the bill, H.R. 3540, supra; as follows:

At the end of the amendment, add the following new section:

SEC. . INTERNATIONAL ARMS TRANSFERS REGIME.

(a) INTERNATIONAL EFFORTS.—The President shall continue and expand efforts through the United Nations and other international fora, such as The Wassernaar Arrangement on Export Controls for Conventional Arms and Dual Use Goods and Technologies, to curb worldwide arms transfers, particularly to nations that do not meet the criteria established in section 04, with a goal of establishing a permanent multilateral regime to govern the transfer of conventional arms.

(b) REPORT.—The President shall submit an annual report to the Congress describing efforts he has undertaken to gain international acceptance of the principles incorporated in section 04, and evaluating the progress made toward establishing a multilateral regime to control the transfer of conventional arms. This report shall be submitted in conjunction with the submission of the annual request for authorizations and appropriations for foreign assistance programs for a fiscal year.

DOMENICI (AND OTHERS) AMENDMENT NO. 5047

Mr. DOMENICI (for himself, Mr. D'AMATO, Mrs. HUTCHISON, Mrs. FEINSTEIN, Mr. MURKOWSKI, Mr. SHELBY, Mr. HELMS, Mr. GRAMM, Mr. BINGAMAN, Mr. KEMPTHORNE, Mr. BOND, Mr. HATCH, and Mr. FAIRCLOTH) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, between lines 17 and 18, insert the following new section:

PROSECUTION OF MAJOR DRUG TRAFFICKERS RESIDING IN MEXICO

SEC. . (a) REPORT.—(1) Not later than 30 days after the date of enactment of this Act, the Administrator of the Drug Enforcement Administration shall submit a report to the President—

(A) identifying the 10 individuals who are indicted in the United States for unlawful trafficking or production of controlled substances most sought by United States law enforcement officials and who there is reason to believe reside in Mexico; and

(B) identifying 25 individuals not named under paragraph (1) who have been indicted for such offenses and who there is reason to believe reside in Mexico.

(2) The President shall promptly transmit to the Government of Mexico a copy of the report submitted under paragraph (1).

(b) PROHIBITION.—

(1) IN GENERAL.—None of the funds appropriated under the heading "International Military Education and Training" may be made available for any program, project, or activity for Mexico.

(2) EXCEPTION.—Paragraph (1) shall not apply if, not later than 6 months after the date of enactment of this Act, the President certifies to Congress that—

(A) the Government of Mexico has extradited to the United States the individuals named pursuant to subsection (a)(1); or

(B) the Government of Mexico has apprehended and begun prosecution of the individuals named pursuant to subsection (a)(1).

(c) WAIVER.—Subsection (b) shall not apply if the President of Mexico certifies to the President of the United States that—

(1) the Government of Mexico made intensive, good faith efforts to apprehend the individuals named pursuant to subsection (a)(1) but did not find one or more of the individuals within Mexico; and

(2) the Government of Mexico has apprehended and extradited or apprehended and prosecuted 3 individuals named pursuant to subsection (a)(2) for each individual not found under paragraph (1).

THE NUCLEAR WASTE POLICY ACT OF 1996

MURKOWSKI AMENDMENT NOS. 5048–5057

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted 10 amendments intended to be proposed by him to the bill, S. 1936, supra; as follows:

AMENDMENT NO. 5048

Strike subsections (h) through (i) of section 201 and insert in lieu thereof the following—

"(h) BENEFITS AGREEMENT.—

"(1) IN GENERAL.—The Secretary shall offer to enter into an agreement with the City of Caliente and Lincoln County, Nevada concerning the integrated management system.

"(2) AGREEMENT CONTENT.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of the City of Caliente and Lincoln County, Nevada.

"(3) AMENDMENT.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

"(4) TERMINATION.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

"(5) LIMITATION.—Only 1 agreement may be in effect at any one time.

"(6) JUDICIAL REVIEW.—Decisions of the Secretary under this section are not subject to judicial review.

"(i) CONTENT OF AGREEMENT.—

"(1) SCHEDULE.—In addition to the benefits to which the City of Caliente and Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

Event	Payment
(A) Annual payments prior to first receipt of spent fuel	$2.5
(B) Annual payments beginning upon first spent fuel receipt	5
(C) Payment upon closure of the intermodal transfer facility ..	5

"(2) DEFINITIONS.—For purposes of this section, the term—

"(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

"(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

"(3) ANNUAL PAYMENTS.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

"(4) REDUCTION.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to $\frac{1}{12}$ of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

"(5) RESTRICTIONS.—The Secretary may not restrict the purposes for which the payments under this section may be used.

"(6) DISPUTE.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

"(7) CONSTRUCTION.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).".

AMENDMENT NO. 5049

In section 603 strike the word "solely".

AMENDMENT NO. 5050

In subsection (a) of section 604 strike "The Secretary or the Secretary's designee or designees shall not be required to appear before the Board or any element of the Board for more than twelve working days per calendar year.".

AMENDMENT NO. 5051

Strike section 501 and insert in lieu thereof the following:

"SEC. 501. COMPLIANCE WITH OTHER LAWS.

"If the requirements of any Federal, State, or local law (including a requirement imposed by regulation or by any other means under such a law) are inconsistent with or duplicative of the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) or of this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act of 1954 and of this Act in implementing the integrated management system.".

AMENDMENT NO. 5052

Strike section 501 and insert in lieu thereof the following—

"SEC. 501. COMPLIANCE WITH OTHER LAWS.

"If the requirements of any law are inconsistent with or duplicative of the requirements of the Atomic Energy Act and this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act and this Act in implementing the integrated management system. Any requirement of a State or political subdivision of a State is preempted if—

"(1) complying with such requirement and a requirement of this Act is impossible; or

"(2) such requirement, as applied or enforced, is an obstacle to accomplishing or carrying out this Act or a regulation under this Act.".

AMENDMENT NO. 5053

Strike subsection (c) of section 201 and insert in lieu thereof the following:

"(c) ACQUISTIONS.—The Secretary shall acquire lands and rights-of-way along the 'Chalk Mountain Heavy Haul Route' depicted on the map dated March 13, 1996, and on file with the Secretary, necessary to commence intermodal transfer at Caliente, Nevada.".

AMENDMENT NO. 5054

Beginning on page 1, line 3, strike "Nuclear" and all that follows, and insert in lieu thereof the following: "Nuclear Waste Policy Act of 1982 is amended to read as follows:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

"(b) TABLE OF CONTENTS.—

"Sec. 1. Short title and table of contents.
"Sec. 2. Definitions.

"TITLE I—OBLIGATIONS

"Sec. 101. Obligations of the Secretary of Energy.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

"Sec. 201. Intermodal transfer.
"Sec. 202. Transportation planning.
"Sec. 203. Transportation requirements.
"Sec. 204. Interim storage.
"Sec. 205. Permanent repository.
"Sec. 206. Land withdrawal.

"TITLE III—LOCAL RELATIONS

"Sec. 301. Financial assistance.
"Sec. 302. On-Site representative.
"Sec. 303. Acceptance of benefits.
"Sec. 304. Restrictions on use of funds.
"Sec. 305. Land of conveyances.

"TITLE IV—FUNDING AND ORGANIZATION

"Sec. 401. Program funding.
"Sec. 402. Office of Civilian Radioactive Waste Management.
"Sec. 403. Federal contribution.

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"Sec. 501. Compliance with other laws.
"Sec. 502. Judicial review of agency actions.
"Sec. 503. Licensing of facility expansions and transshipments.
"Sec. 504. Siting a second repository.
"Sec. 505. Financial arrangements for low-level radioactive waste site closure.
"Sec. 506. Nuclear Regulatory Commission training authority.
"Sec. 507. Emplacement schedule.
"Sec. 508. Transfer of title.
"Sec. 509. Decommissioning pilot program.
"Sec. 510. Water rights.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"Sec. 601. Definitions.
"Sec. 602. Nuclear Waste Technical Review Board.
"Sec. 603. Functions.

"Sec. 604. Investigatory powers.
"Sec. 605. Compensation of members.
"Sec. 606. Staff.
"Sec. 607. Support services.
"Sec. 608. Report.
"Sec. 609. Authorization of appropriations.
"Sec. 610. Termination of the board.

"TITLE VII—MANAGEMENT REFORM

"Sec. 701. Management reform initiatives.
"Sec. 702. Reporting.
"Sec. 703. Effective date.

"SECTION 2. DEFINITIONS.

"For purposes of this Act:

"(1) ACCEPT, ACCEPTANCE.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

"(2) AFFECTED INDIAN TRIBE.—The term "affected Indian tribe" means any Indian tribe—

"(A) whose reservation is surrounded by or borders an affected unit of local government, or

"(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

"(3) AFFECTED UNIT OF LOCAL GOVERNMENT.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

"(4) ATOMIC ENERGY DEFENSE ACTIVITY.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

"(A) Naval reactors development.

"(B) Weapons activities including defense inertial confinement fusion.

"(C) Verification and control technology.

"(D) Defense nuclear materials production.

"(E) Defense nuclear waste and materials byproducts management.

"(F) Defense nuclear materials security and safeguards and security investigations.

"(G) Defense research and development.

"(5) CIVILIAN NUCLEAR POWER REACTOR.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

"(6) COMMISSION.—The term 'Commission' means the Nuclear Regulatory Commission.

"(7) CONTRACTS.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act."

"(8) CONTRACT HOLDERS.—The term 'contract holders' means parties (other than the Secretary) to contracts.

"(9) DEPARTMENT.—The term 'Department' means the Department of Energy.

"(10) DISPOSAL.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

"(11) DISPOSAL SYSTEM.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

"(12) EMPLACEMENT SCHEDULE.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

"(13) ENGINEERED BARRIERS AND ENGINEERED SYSTEMS AND COMPONENTS.—The terms 'engineered barriers' and 'engineered systems and components,' mean man-made components of a disposal system. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

"(14) HIGH-LEVEL RADIOACTIVE WASTE.—The term 'high-level radioactive waste' means—

"(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly in reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

"(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

"(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

"(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

"(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

"(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

"(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within Area 25 of the Nevada Test Site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for the location of the interim storage facility.

"(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

"(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or byproduct material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014 (e)(2)); and

"(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

"(21) METRIC TONS URANIUM.—The terms 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

"(22) NUCLEAR WASTE FUND.—The terms 'Nuclear Waste Fund' and 'waste fund' mean the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302(c) of the Nuclear Waste Policy Act of 1982.

"(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

"(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

"(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

"(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

"(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

"(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

"(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

"(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

"(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

"TITLE I—OBLIGATIONS

"SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

"(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

"(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

"(c) Transportation.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a–10c), unless the Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary from such contract holders for use in the integrated management system.

"(d) Integrated Management System.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practices.

"(e) Private Sector Participation.—In administering the Integrated Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

"(f) Pre-existing Rights.—Nothing in this Act is intended to or shall be construed to modify—

"(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

"(2) obligations imposed upon the federal government by the U.S. District Court of Idaho in an order entered on October 17, 1995 in *United States* v. *Batt* (No. 91-0054-S-EJL).

"(g) Liability.—Subject to subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

SEC. 201. INTERMODAL TRANSFER.

"(a) Access.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline rail line at Caliente, Nevada, to the interim storage facility site.

"(b) Capability Date.—The Secretary shall develop the capability to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

"(c) Acquistions.—The Secretary shall acquire lands and rights-of-way necessary to commence intermodal transfer at Caliente Nevada.

"(d) Replacements.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facility replacement replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

"(3) Notice and Map.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(1) publish in the Federal Register a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

"(2) file copies of a map of such sites and rights-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council. Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

"(f) Improvements.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport of spent nuclear fuel and high-level radioactive waste.

"(g) Local Government Involvement.—The Commission shall enter into a Memorandumm of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

"(h) Benefits Agreement.—

"(1) In general.—The Secretary shall offer to enter into agreement with Lincoln County, Nevada concerning the integrated management system.

"(2) Agreement content.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln county, Nevada.

"(3) Amendment.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

"(4) Termination.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

"(5) Limitation.—Only 1 agreement may be in effect at any one time.

"(6) Judicial review.—Decisions of the Secretary under this section are not subject to judicial review.

"(i) Content of Agreement.—

"(1) Schedule.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

Event	Payment
(A) Annual payments prior to first receipt of spent fuel	$2.5
(B) Annual payments beginning upon first spent fuel receipt	5
(C) Payment upon closure of the intermodal transfer facility	5

"(2) Definitions.—For purposes of this section, the term—

"(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

"(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

"(3) Annual payments.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

"(4) Reduction.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to ½ of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

"(5) Restrictions.—The Secretary may not restrict the purposes for which the payments under this section may be used.

"(6) Dispute.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

"(7) Construction.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

"(j) Initial Land Conveyances.—

"(1) Conveyance of public lands.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(2) Special conveyances.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada:

Map 10: Lincoln County, Parcel M, Industrial Park Site

Map 11: Lincoln County, Parcel F, Mixed Use Industrial Site

Map 13: Lincoln County, Parcel J, Mixed Use, Alamo Community Expansion Area

Map 14: Lincoln County, Parcel E, Mixed Use, Pioche Community Expansion Area

Map 15: Lincoln County, Parcel B, Landfill Expansion Site.

"(3) Construction.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) Evidence of title transfer.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"SEC. 202. TRANSPORTATION PLANNING.

"(a) Transportation Readiness.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent consistent with Federal requirements governing transportation of hazardous materials, transportation of spent nuclear fuel and high-level radioactive waste through populated areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures that safe transportation of spent nuclear fuel and high-level radioactive waste from the sites designated by the contract holders to the interim storage facility site beginning not late than November 30, 1999.

"(b) Transportation Planning.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing, as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

"SEC. 203. TRANSPORTATION REQUIREMENTS.

"(a) Package Certification.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

"(b) State Notification.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

"(c) Technical Assistance.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

"(d) Public Education.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

"(e) Compliance With Transportation Regulations.—Any person that transports spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

"(f) Employee Protection.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105.

"(g) Training Standard.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that the employer possess evidence of satisfaction of the applicable training standard before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

"(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provisions—

"(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

"(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

"(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

"SEC. 204. INTERIM STORAGE.

"(a) Authorization.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

"(b) Schedule.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

"(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

"(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

"(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include

"(i) the preliminary design concept for the critical elements of the repository and waste package,

"(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act,

"(iii) a plan and cost estimate for the remaining work required to complete a license application, and "(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept

"(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19) of this Act shall be deemed to be approved by law for purposes of this section.

"(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

"(c) DESIGN.—

"(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. The design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

"(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

"(d) LICENSING.—

"(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

"(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

"(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not submit the license application for construction of a repository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application of the Secretary.

"(e) ADDITIONAL AUTHORITY.—

"(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to eliminate such risk.

"(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

"(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (1), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated March, 1995 (DOE/RW-0457), the Secretary shall accept, in an amount not less than 25 percent of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

"(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

"(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

"(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

"(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 9169.—

"(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction of a facility under paragraph (e)(1) of this section, and facility use pursuant to paragraph (e)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

"(2) ENVIRONMENTAL IMPACT STATEMENT.—

"(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)). In preparing such Environmental Impact Statement, the Commission—

"(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

"(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

"(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

"(i) the need for the interim storage facility, including any individual component thereof;

"(ii) the time of the initial availability of the interim storage facility;

"(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

"(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

"(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

"(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

"(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on review of the Commission's licensing action.

"(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.)

"(i) Storage of other Spent Nuclear Fuel and High-Level Radioactive Waste.—No later than 18 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph(e)(3)(A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3)(A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

"(j) Savings Clause.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

"SEC. 205. PERMANENT REPOSITORY.

"(a) Repository Characterization.—

"(1) Guidelines.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

"(2) Site characterization activities.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

"(3) Schedule date.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996, no later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

"(4) Maximizing capacity.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

"(b) Repository licensing.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spend nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

"(1) Construction authorization.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without reasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security:

"(2) License.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(3) Closure.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

"(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(4) Post-closure.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

"(A) breaching the repository's engineered or geologic barriers; or

"(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

"(c) Modification of Repository Licensing Procedure.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

"(d) Repository Licensing Standards.—The Administrator of the Environmental Protection Agency shall, pursuant to authority under other provisions of law, issue generally applicable standards for the protection of the public from releases of radioactive materials or radioactivity from the repository. Such standards shall be consistent with the overall system performance standard established by this subsection unless the Administrator determines by rule that the overall system performance standard would constitute an unreasonable risk to health and safety. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2), and the Administrator's radiation protection standards. The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

"(1) Establishment of overall system performance standard.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

"(2) Application of overall system performance standard.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

"(3) Factors.—For purposes of making the finding in paragraph (2)—

"(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

"(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

"(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site; in accordance with subsection (b)(4), shall be sufficient to—

"(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

"(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

"(4) Additional Analysis.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 years after the commencement of operation of the repository.

"(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

"(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to the Commission with the license application and shall supplement such environmental impact statement as appropriate.

"(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

"(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

"(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

"SEC. 206. LAND WITHDRAWAL.

"(a) WITHDRAWAL AND RESERVATION.—

"(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

"(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the Secretary of the Interior or any other Federal officer is transferred to the Secretary.

"(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

"(b) LAND DESCRIPTION.—

"(1) BOUNDARIES.—The boundaries depicted on the map entitled "Interim Storage Facility Site Withdrawal Map," dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

"(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

"(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

"(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

"(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

"(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

"(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

"(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"TITLE III—LOCAL RELATIONS

"SEC. 301. FINANCIAL ASSISTANCE.

"(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

"(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

"(2) to develop a request for impact assistance under subsection (c);

"(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

"(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

"(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

"(b) SALARY AND TRAVEL EXPENSES.—Any salary or travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

"(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

"(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

"(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

"(d) OTHER ASSISTANCE.—

"(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

"(2) TERMINATION. Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

"(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OR LOCAL GOVERNMENT.—

"(A) Period.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the operation of the integrated management system.

"(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

"SEC. 302. ON-SITE REPRESENTATIVE.

"The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

"SEC. 303. ACCEPTANCE OF BENEFITS.

"(a) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution or laws to the contrary notwithstanding.

"(b) ARGUMENTS.—Neither the United States nor any other entity may assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under subsection (a) to the County of Nye, Nevada:

Map 1: Proposed Pahrump Industrial Park Site

Map 2: Proposed Lathrop Wells (Gate 510) Industrial Park Site

Map 3: Pahrump Landfill Sites

Map 4: Amargosa Valley Regional Landfill Site

Map 5: Amargosa Valley Municipal Landfill Site

Map 6: Beatty Landfill/Transfer Station Site

Map 7: Round Mountain Landfill Site

Map 8: Tonopah Landfill Site

Map 9: Gabbs Landfill Site.

"(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (b) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"TITLE IV—FUNDING AND ORGANIZATION

"SEC. 401. PROGRAM FUNDING.

"(a) CONTRACTS.—

"(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter into contracts with any person who generates or holds title to spent nuclear fuel or high level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contracts shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

"(2) ANNUAL FEES.—

"(A) For electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatt-hour generated and sold.

"(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

"(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

"(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 1.0 mill per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spent fuel or high-level radioactive waste derived from spend nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

"(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

"(b) ADVANCE CONTRACTING REQUIREMENT.—

"(1) IN GENERAL.—

"(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

"(i) such person has entered into a contract under subsection (a) with the Secretary, or

"(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

"(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

"(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

"(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

"(c) NUCLEAR WASTE FUND.—

"(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

"(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

"(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, which shall be deposited in the Nuclear Waste Fund immediately upon their realization.

"(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsections (d) and (e), only for purposes of the integrated management system.

"(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

"(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

"(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

"(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

"(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

"(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

"(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

"(e) APPROPRIATIONS.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

"SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.

"(a) ESTABLISHMENT.—There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

"SEC. 403. FEDERAL CONTRIBUTION.

"(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

"(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

"(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

"(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

"(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and highlevel radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, requiring management in the integrated management system.

"(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spend nuclear fuel from foreign research reactors, as established under subsection (a).

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"SEC. 501. COMPLIANCE WITH OTHER LAWS.

"If the requirements of any law are inconsistent with or duplicative of the requirements of the Atomic Energy Act and this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act and this Act in implementing the integrated management system. Any requirement of a State or political subdivision of a State is preempted if—

"(1) complying with such requirements and a requirement of this Act is impossible, or

"(2) such requirement, as applied or enforced, is an obstacle to accomplishing or carrying out this Act or a regulation under this Act.

"SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.

"(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

"(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

"(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

"(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

"(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

"(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

"(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

"(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

"(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

"SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.

"(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

"(b) ADJUDICATORY HEARING.—

"(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing if it determines that—

"(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

"(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

"(2) DETERMINATION.—In making a determination under this subsection, the Commission—

"(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

"(B) shall not consider—

"(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

"(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless—

"(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

"(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

"(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.

"(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

"(c) JUDICIAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

"(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

"(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

"SEC. 504. SITING A SECOND REPOSITORY.

"(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

"(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

"SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.

"(a) FINANCIAL ARRANGEMENTS.—

"(1) STANDARDS AND INSTRUCTIONS.—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

"(2) BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

"(b) TITLE AND CUSTODY.—

"(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

"(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);

"(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

"(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

"(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

"(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

"SEC. 506. NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.

"The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

"SEC. 507. EMPLACEMENT SCHEDULE.

"(a) The emplacement schedule shall be implemented in accordance with the following:

"(1) Emplacement priority ranking shall be determined by the Department's annual 'Acceptance Priority Ranking' report.

"(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

"(b) If the Secretary is unable to begin emplacement by November 30, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

"(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

"(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

"SEC. 508. TRANSFER OF TITLE.

"(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

"(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storage and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site."

"SEC. 509. DECOMMISSIONING PILOT PROGRAM.

"(a) AUTHORIZATION.—the Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

"(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

"SEC. 510. WATER RIGHTS.

"a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

"(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

"(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"SEC. 601. DEFINITIONS.

"For purposes of this title—

"(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

"(2) BOARD.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

"SEC. 602. NUCLEAR WASTE TECHNICAL REVIEW BOARD.

"(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

"(b) MEMBERS.—

"(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

"(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

"(3) NATIONAL ACADEMY OF SCIENCES.—

"(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after December 22, 1987, nominate not less than 22 persons for appointment to the Board from among persons who meet the qualifications described in subparagraph (C).

"(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacancy on the Board from among persons who meet the qualifications described in subparagraph (C).

"(C) NOMINEES.—

"(i) Each person nominated for appointment to the Board shall be—

"(I) eminent in a field of science or engineering, including environmental sciences; and

"(II) selected solely on the basis of established records of distinguished service.

"(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

"(iii) No person shall be nominated for appointment to the Board who is an employee of—

"(I) the Department of Energy;

"(II) a national laboratory under contract with the Department of Energy; or

"(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

"(4) VACANCIES.—Any vacancy on the Board shall be filled by the nomination and appointment process described in paragraphs (1) and (3).

"(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 2 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

"SEC. 603. FUNCTIONS.

"The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

"(1) site characterization activities; and

"(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

"SEC. 604. INVESTIGATORY POWERS.

"(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

"(b) PRODUCTION OF DOCUMENTS.—

"(1) RESPONSE TO INQUIRIES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

"(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) may include drafts of products and documentation of work in progress.

"SEC. 605. COMPENSATION OF MEMBERS.

"(a) IN GENERAL.—Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

"(b) TRAVEL EXPENSE.—Each member of the Board may receive travel expenses, including per diem in lieu of subsidence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

"SEC. 606. STAFF.

"(a) CLERICAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

"(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

"(b) PROFESSIONAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

"(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

"(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-18 of the General Schedule.

"SEC. 607. SUPPORT SERVICES.

"(a) GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

"(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General and the Librarian of Congress shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

"(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

"(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-18 of the General Schedule.

"SEC. 608. REPORT.

"The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations.

"SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for expenditures such as may be necessary to carry out the provisions of this title.

"SEC. 610. TERMINATION OF THE BOARD.

"The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

"TITLE VII—MANAGEMENT REFORM

"SEC. 701. MANAGEMENT REFORM INITIATIVES.

"(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, by the maximum extent practicable, in like manner as a private business.

"(b) AUDITS.—

"(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

"(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporations engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1996.

"(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

"(4) TIME.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

"(5) PUBLIC DOCUMENTS.—All audit reports shall be public documents and available to any individual upon request.

"(d) VALUE ENGINEERING.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

"(e) SITE CHARACTERIZATION.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

"SEC. 702. REPORTING.

"(a) INITIAL REPORT.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Waste Management System. Such report shall include—

"(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the acceptance schedule;

"(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

"(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to met the planned schedule and timeline; and

"(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.

"(b) ANNUAL REPORTS.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual reports to the Congress for the purpose of updating the information contained in such report. The annual reports shall be brief and shall notify the Congress of:

"(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act;

"(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plans; and

"(3) the Secretary's analysis of its funding needs for the ensuring 5 fiscal years.

"SEC. 703. EFFECTIVE DATE.

"This Act shall become effective two days after enactment.".

AMENDMENT NO. 5055

Beginning on page 1, line 3, strike "Nuclear" and all that follows, and insert in lieu thereof the following: "the Nuclear Waste Policy Act of 1982 is amended to read as follows:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

"(b) TABLE OF CONTENTS.—

"Sec. 1. Short title and table of contents.
"Sec. 2. Definitions.

"TITLE I—OBLIGATIONS

"Sec. 101. Obligations of the Secretary of Energy.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

"Sec. 201. Intermodal transfer.
"Sec. 202. Transportation planning.
"Sec. 203. Transportation requirements.
"Sec. 204. Interim storage.
"Sec. 205. Permanent repository.
"Sec. 206. Land withdrawal.

"TITLE III—LOCAL RELATIONS

"Sec. 301. Financial assistance.
"Sec. 302. On-Site representative.
"Sec. 303. Acceptance of benefits.
"Sec. 304. Restrictions on use of funds.
"Sec. 305. Land of conveyances.

"TITLE IV—FUNDING AND ORGANIZATION

"Sec. 401. Program funding.
"Sec. 402. Office of Civilian Radioactive Waste Management.
"Sec. 403. Federal contribution.

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"Sec. 501. Compliance with other laws.
"Sec. 502. Judicial review of agency actions.
"Sec. 503. Licensing of facility expansions and transshipments.
"Sec. 504. Siting a second repository.
"Sec. 505. Financial arrangements for low-level radioactive waste site closure.
"Sec. 506. Nuclear Regulatory Commission training authority.
"Sec. 507. Emplacement schedule.
"Sec. 508. Transfer of title.
"Sec. 509. Decommissioning pilot program.
"Sec. 510. Water rights.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"Sec. 601. Definitions.
"Sec. 602. Nuclear Waste Technical Review Board.
"Sec. 603. Functions.
"Sec. 604. Investigatory powers.
"Sec. 605. Compensation of members.
"Sec. 606. Staff.
"Sec. 607. Support services.
"Sec. 608. Report.
"Sec. 609. Authorization of appropriations.
"Sec. 610. Termination of the board.

"TITLE VII—MANAGEMENT REFORM

"Sec. 701. Management reform initiatives.
"Sec. 702. Reporting.
"Sec. 703. Effective date.

"SECTION 2. DEFINITIONS.

"For purposes of this Act:

"(1) ACCEPT, ACCEPTANCE.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

"(2) AFFECTED INDIAN TRIBE.—The term "affected Indian tribe" means any Indian tribe—

"(A) whose reservation is surrounded by or borders an affected unit of local government, or

"(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

"(3) AFFECTED UNIT OF LOCAL GOVERNMENT.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

"(4) ATOMIC ENERGY DEFENSE ACTIVITY.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

"(A) Naval reactors development.

"(B) Weapons activities including defense inertial confinement fusion.

"(C) Verification and control technology.

"(D) Defense nuclear materials production.

"(E) Defense nuclear waste and materials byproducts management.

"(F) Defense nuclear materials security and safeguards and security investigations.

"(G) Defense research and development.

"(5) CIVILIAN NUCLEAR POWER REACTOR.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

"(6) COMMISSION.—The term 'Commission' means the Nuclear Regulatory Commission.

"(7) CONTRACTS.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act."

"(8) CONTRACT HOLDERS.—The term 'contract holders' means parties (other than the Secretary) to contracts.

"(9) DEPARTMENT.—The term 'Department' means the Department of Energy.

"(10) DISPOSAL.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

"(11) DISPOSAL SYSTEM.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

"(12) EMPLACEMENT SCHEDULE.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

"(13) ENGINEERED BARRIERS AND ENGINEERED SYSTEMS AND COMPONENTS.—The terms 'engineered barriers' and 'engineered systems and components,' mean man-made components of a disposal system. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

"(14) HIGH-LEVEL RADIOACTIVE WASTE.—The term 'high-level radioactive waste' means—

"(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

"(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

"(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

"(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

"(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

"(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

"(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within Area 25 of the Nevada Test Site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for the location of the interim storage facility.

"(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

"(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or byproduct material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014 (e)(2)); and

"(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

"(21) METRIC TONS URANIUM.—The terms 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

"(22) NUCLEAR WASTE FUND.—The terms 'Nuclear Waste Fund' and 'waste fund' mean the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302(c) of the Nuclear Waste Policy Act of 1982.

"(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

"(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

"(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

"(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

"(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

"(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

"(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

"(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

"(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

"TITLE I—OBLIGATIONS

"SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

"(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

"(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

"(c) TRANSPORTATION.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a–10c), unless the Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary from such contract holders for use in the integrated management system.

"(d) INTEGRATED MANAGEMENT SYSTEM.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practices.

"(e) PRIVATE SECTOR PARTICIPATION.—In administering the Integrated Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

"(f) PRE-EXISTING RIGHTS.—Nothing in this Act is intended to or shall be construed to modify—

"(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

"(2) obligations imposed upon the federal government by the U.S. District Court of Idaho in an order entered on October 17, 1995 in *United States* v. *Batt* (No. 91-0054-S-EJL).

"(g) LIABILITY.—Subject to subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

SEC. 201. INTERMODAL TRANSFER.

"(a) ACCESS.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline rail line at Caliente, Nevada, to the interim storage facility site.

"(b) CAPABILITY DATE.—The Secretary shall develop the capability to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

"(c) ACQUISTIONS.—The Secretary shall acquire lands and rights-of-way necessary to commence intermodal transfer at Caliente Nevada.

"(d) REPLACEMENTS.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facility replacement replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

"(3) NOTICE AND MAP.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(1) publish in the Federal Register a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

"(2) file copies of a map of such sites and rights-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council. Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

"(f) IMPROVEMENTS.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport of spent nuclear fuel and high-level radioactive waste.

"(g) LOCAL GOVERNMENT INVOLVEMENT.—The Commission shall enter into a Memorandumm of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

"(h) BENEFITS AGREEMENT.—

"(1) IN GENERAL.—The Secretary shall offer to enter into agreement with Lincoln County, Nevada concerning the integrated management system.

"(2) AGREEMENT CONTENT.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln county, Nevada.

"(3) AMENDMENT.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

"(4) TERMINATION.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

"(5) LIMITATION.—Only 1 agreement may be in effect at any one time.

"(6) JUDICIAL REVIEW.—Decisions of the Secretary under this section are not subject to judicial review.

"(i) CONTENT OF AGREEMENT.—

"(1) SCHEDULE.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

Event	Payment
(A) Annual payments prior to first receipt of spent fuel	$2.5
(B) Annual payments beginning upon first spent fuel receipt	5
(C) Payment upon closure of the intermodal transfer facility	5

"(2) DEFINITIONS.—For purposes of this section, the term—

"(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

"(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

"(3) ANNUAL PAYMENTS.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

"(4) REDUCTION.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to ½ of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

"(5) RESTRICTIONS.—The Secretary may not restrict the purposes for which the payments under this section may be used.

"(6) DISPUTE.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

"(7) CONSTRUCTION.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

"(j) INITIAL LAND CONVEYANCES.—

"(1) CONVEYANCE OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(2) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada:

Map 10: Lincoln County, Parcel M, Industrial Park Site

Map 11: Lincoln County, Parcel F, Mixed Use Industrial Site

Map 13: Lincoln County, Parcel J, Mixed Use, Alamo Community Expansion Area

Map 14: Lincoln County, Parcel E, Mixed Use, Pioche Community Expansion Area

Map 15: Lincoln County, Parcel B, Landfill Expansion Site.

"(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"SEC. 202. TRANSPORTATION PLANNING.

"(a) TRANSPORTATION READINESS.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent consistent with Federal requirements governing transportation of hazardous materials, transportation of spent nuclear fuel and high-level radioactive waste through populated areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures that safe transportation of spent nuclear fuel and high-level radioactive waste from the sites designated by the contract holders to the interim storage facility site beginning not late than November 30, 1999.

"(b) TRANSPORTATION PLANNING.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing, as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

"SEC. 203. TRANSPORTATION REQUIREMENTS.

"(a) PACKAGE CERTIFICATION.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

"(b) STATE NOTIFICATION.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

"(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

"(d) PUBLIC EDUCATION.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

"(e) COMPLIANCE WITH TRANSPORTATION REGULATIONS.—Any person that transports spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

"(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105.

"(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that the employer possess evidence of satisfaction of the applicable training standard before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

"(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provisions—

"(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

"(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

"(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

"SEC. 204. INTERIM STORAGE.

"(a) AUTHORIZATION.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

"(b) SCHEDULE.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

"(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

"(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

"(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include

"(i) the preliminary design concept for the critical elements of the repository and waste package,

"(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act,

"(iii) a plan and cost estimate for the remaining work required to complete a license application, and

"(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept

"(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19 of this Act shall be deemed to be approved by law for purposes of this section.

"(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

"(c) DESIGN.—

"(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. The design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

"(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

"(d) LICENSING.—

"(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

"(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

"(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not submit the license application for construction of a repository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application of the Secretary.

"(e) ADDITIONAL AUTHORITY.—

"(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to eliminate such risk.

"(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

"(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (i), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated March, 1995 (DOE/RW-0457), the Secretary shall accept, in an amount not less than 25 percent of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

"(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

"(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

"(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

"(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 9169.—

"(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction of a facility under paragraph (e)(1) of this section, and facility use pursuant to paragraph (e)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

"(2) ENVIRONMENTAL IMPACT STATEMENT.—

"(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)). In preparing such Environmental Impact Statement, the Commission—

"(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

"(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

"(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

"(i) the need for the interim storage facility, including any individual component thereof;

"(ii) the time of the initial availability of the interim storage facility;

"(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

"(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

"(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

"(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on review of the Commission's licensing action.

"(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.)

"(i) STORAGE OF OTHER SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—No later than 18 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph(e)(3)(A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3)(A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

"(j) SAVINGS CLAUSE.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

"SEC. 205. PERMANENT REPOSITORY.

"(a) REPOSITORY CHARACTERIZATION.—

"(1) GUIDELINES.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

"(2) SITE CHARACTERIZATION ACTIVITIES.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

"(3) SCHEDULE DATE.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996, no later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

"(4) MAXIMIZING CAPACITY.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

"(b) REPOSITORY LICENSING.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spend nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

"(1) CONSTRUCTION AUTHORIZATION.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without reasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security:

"(2)— LICENSE.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(3) CLOSURE.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

"(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(4) POST-CLOSURE.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

“(A) breaching the repository's engineered or geologic barriers; or

“(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

“(c) MODIFICATION OF REPOSITORY LICENSING PROCEDURE.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

“(d) REPOSITORY LICENSING STANDARDS.—The Administrator of the Environmental Protection Agency shall, pursuant to authority under other provisions of law, issue generally applicable standards for the protection of the public from releases of radioactive materials or radioactivity from the repository. Such standards shall be consistent with the overall system performance standard established by this subsection unless the Administrator determines by rule that the overall system performance standard would constitute an unreasonable risk to health and safety. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2), and the Administrator's radiation protection standards. The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

“(1) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

“(2) APPLICATION OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

“(3) FACTORS.—For purposes of making the finding in paragraph (2)—

“(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

“(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

“(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site; in accordance with subsection (b)(4), shall be sufficient to—

“(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

“(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

“(4) ADDITIONAL ANALYSIS.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 years after the commencement of operation of the repository.

“(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

“(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to the Commission with the license application and shall supplement such environmental impact statement as appropriate.

“(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

“(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

“(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

“SEC. 206. LAND WITHDRAWAL.

“(a) WITHDRAWAL AND RESERVATION.—

“(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

“(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the Secretary of the Interior or any other Federal officer is transferred to the Secretary.

“(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

“(b) LAND DESCRIPTION.—

“(1) BOUNDARIES.—The boundaries depicted on the map entitled “Interim Storage Facility Site Withdrawal Map,” dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

“(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

“(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

“(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

“(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

“(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

“(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

“(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

“(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

“TITLE III—LOCAL RELATIONS

“SEC. 301. FINANCIAL ASSISTANCE.

“(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

“(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

“(2) to develop a request for impact assistance under subsection (c);

“(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

“(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

"(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

"(b) SALARY AND TRAVEL EXPENSES.—Any salary or travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

"(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

"(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

"(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

"(d) OTHER ASSISTANCE.—

"(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

"(2) TERMINATION. Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

"(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OR LOCAL GOVERNMENT.—

"(A) Period.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the operation of the integrated management system.

"(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

"SEC. 302. ON-SITE REPRESENTATIVE.

"The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

"SEC. 303. ACCEPTANCE OF BENEFITS.

"(a) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution or laws to the contrary notwithstanding.

"(b) ARGUMENTS.—Neither the United States nor any other entity may assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in response to any decision by the State to oppose the siting in Nevada of an interim storage facility or repository premised upon or related to the acceptance or use of benefits under this title.

"(c) LIABILITY.—No liability of any nature shall accrue to be asserted against any official of any governmental unit of Nevada premised solely upon the acceptance or use of benefits under this title.

"SEC. 304. RESTRICTIONS ON USE OF FUNDS.

"None of the funding provided under this title may be used—

"(1) directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in section 1913 of title 18, United States Code;

"(2) for litigation purposes; and

"(3) to support multistate efforts or other coalition-building activities inconsistent with the purposes of this Act.

"SEC. 305. LAND CONVEYANCES.

"(a) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in subsection (b), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Nye, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Nye under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under subsection (a) to the County of Nye, Nevada:

Map 1: Proposed Pahrump Industrial Park Site

Map 2: Proposed Lathrop Wells (Gate 510) Industrial Park Site

Map 3: Pahrump Landfill Sites

Map 4: Amargosa Valley Regional Landfill Site

Map 5: Amargosa Valley Municipal Landfill Site

Map 6: Beatty Landfill/Transfer Station Site

Map 7: Round Mountain Landfill Site

Map 8: Tonopah Landfill Site

Map 9: Gabbs Landfill Site.

"(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (b) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"TITLE IV—FUNDING AND ORGANIZATION

"SEC. 401. PROGRAM FUNDING.

"(a) CONTRACTS.—

"(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter into contracts with any person who generates or holds title to spent nuclear fuel or high level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contracts shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

"(2) ANNUAL FEES.—

"(A) For electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatt-hour generated and sold.

"(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

"(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

"(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 1.0 mill per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spent fuel or high-level radioactive waste derived from spend nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

"(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

"(b) ADVANCE CONTRACTING REQUIREMENT.—

"(1) IN GENERAL.—

"(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

"(i) such person has entered into a contract under subsection (a) with the Secretary, or

"(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

"(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

"(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

"(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

"(c) NUCLEAR WASTE FUND.—

"(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

"(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

"(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, which shall be deposited in the Nuclear Waste Fund immediately upon their realization.

"(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsections (d) and (e), only for purposes of the integrated management system.

"(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

"(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

"(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

"(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

"(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

"(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

"(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

"(e) APPROPRIATIONS.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

"SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.

"(a) ESTABLISHMENT.—There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

"SEC. 403. FEDERAL CONTRIBUTION.

"(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

"(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

"(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

"(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

"(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and highlevel radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, requiring management in the integrated management system.

"(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spend nuclear fuel from foreign research reactors, as established under subsection (a).

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"SEC. 501. COMPLIANCE WITH OTHER LAWS.

"If the requirements of any law are inconsistent with or duplicative of the requirements of the Atomic Energy Act and this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act and this Act in implementing the integrated management system. Any requirement of a State or political subdivision of a State is preempted if—

"(1) complying with such requirements and a requirement of this Act is impossible, or

"(2) such requirement, as applied or enforced, is an obstacle to accomplishing or carrying out this Act or a regulation under this Act.

"SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.

"(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

"(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

"(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

"(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

"(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

"(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

"(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

"(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

"(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

"SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.

"(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

"(b) ADJUDICATORY HEARING.—

"(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing if it determines that—

"(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

"(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

"(2) DETERMINATION.—In making a determination under this subsection, the Commission—

"(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

"(B) shall not consider—

"(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

"(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless—

"(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

"(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

"(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.

"(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

"(c) JUDICIAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

"(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

"(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

"SEC. 504. SITING A SECOND REPOSITORY.

"(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

"(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

"SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.

"(a) FINANCIAL ARRANGEMENTS.—

"(1) STANDARDS AND INSTRUCTIONS.—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

"(2) BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

"(b) TITLE AND CUSTODY.—

"(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

"(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);

"(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

"(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

"(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

"(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

"SEC. 506. NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.

"The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

"SEC. 507. EMPLACEMENT SCHEDULE.

"(a) The emplacement schedule shall be implemented in accordance with the following:

"(1) Emplacement priority ranking shall be determined by the Department's annual 'Acceptance Priority Ranking' report.

"(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

"(b) If the Secretary is unable to begin emplacement by November 30, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

"(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

"(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

"SEC. 508. TRANSFER OF TITLE.

"(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

"(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storage and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site."

"SEC. 509. DECOMMISSIONING PILOT PROGRAM.

"(a) AUTHORIZATION.—the Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

"(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

"SEC. 510. WATER RIGHTS.

"a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

"(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

"(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"SEC. 601. DEFINITIONS.

"For purposes of this title—

"(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

"(2) BOARD.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

"SEC. 602. NUCLEAR WASTE TECHNICAL REVIEW BOARD.

"(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

"(b) MEMBERS.—

"(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

"(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

"(3) NATIONAL ACADEMY OF SCIENCES.—

"(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after December 22, 1987, nominate not less than 22 persons for appointment to the Board from among persons who meet the qualifications described in subparagraph (C).

"(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacancy on the Board from among persons who meet the qualifications described in subparagraph (C).

"(C) NOMINEES.—

"(i) Each person nominated for appointment to the Board shall be—

"(I) eminent in a field of science or engineering, including environmental sciences; and

"(II) selected solely on the basis of established records of distinguished service.

"(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

"(iii) No person shall be nominated for appointment to the Board who is an employee of—

"(I) the Department of Energy;

"(II) a national laboratory under contract with the Department of Energy; or

"(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

"(4) VACANCIES.—Any vacancy on the Board shall be filled by the nomination and appointment process described in paragraphs (1) and (3).

"(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 2 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

"SEC. 603. FUNCTIONS.

"The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

"(1) site characterization activities; and

"(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

"SEC. 604. INVESTIGATORY POWERS.

"(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

"(b) PRODUCTION OF DOCUMENTS.—

"(1) RESPONSE TO INQUIRIES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

"(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) may include drafts of products and documentation of work in progress.

"SEC. 605. COMPENSATION OF MEMBERS.

"(a) IN GENERAL.—Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

"(b) TRAVEL EXPENSE.—Each member of the Board may receive travel expenses, including per diem in lieu of subsidence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

"SEC. 606. STAFF.

"(a) CLERICAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

"(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

"(b) PROFESSIONAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

"(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

"(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

"SEC. 607. SUPPORT SERVICES.

"(a) GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

"(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General and the Librarian of Congress shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

"(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

"(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule.

"SEC. 608. REPORT.

"The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations.

"SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for expenditures such as may be necessary to carry out the provisions of this title.

"SEC. 610. TERMINATION OF THE BOARD.

"The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

"TITLE VII—MANAGEMENT REFORM

"SEC. 701. MANAGEMENT REFORM INITIATIVES.

"(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, by the maximum extent practicable, in like manner as a private business.

"(b) AUDITS.—

"(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

"(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporations engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1996.

"(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

"(4) TIME.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

"(5) PUBLIC DOCUMENTS.—All audit reports shall be public documents and available to any individual upon request.

"(d) VALUE ENGINEERING.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

"(e) SITE CHARACTERIZATION.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

"SEC. 702. REPORTING.

"(a) INITIAL REPORT.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Waste Management System. Such report shall include—

"(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the acceptance schedule;

"(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

"(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to met the planned schedule and timeline; and

"(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.

"(b) ANNUAL REPORTS.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual reports to the Congress for the purpose of updating the information contained in such report. The annual reports shall be brief and shall notify the Congress of:

"(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act;

"(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plans; and

"(3) the Secretary's analysis of its funding needs for the ensuring 5 fiscal years.

"SEC. 703. EFFECTIVE DATE.

"This Act shall become effective one day after enactment.".

AMENDMENT NO. 5056

Beginning on page 1, line 3, strike "Nuclear" and all that follows, and insert in lieu thereof the following: "the Nuclear Waste Policy Act of 1982 is amended to read as follows:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

"(b) TABLE OF CONTENTS.—

"Sec. 1. Short title and table of contents.
"Sec. 2. Definitions.

"TITLE I—OBLIGATIONS

"Sec. 101. Obligations of the Secretary of Energy.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

"Sec. 201. Intermodal transfer.
"Sec. 202. Transportation planning.
"Sec. 203. Transportation requirements.
"Sec. 204. Interim storage.
"Sec. 205. Permanent repository.
"Sec. 206. Land withdrawal.

"TITLE III—LOCAL RELATIONS

"Sec. 301. Financial assistance.
"Sec. 302. On-Site representative.
"Sec. 303. Acceptance of benefits.
"Sec. 304. Restrictions on use of funds.
"Sec. 305. Land of conveyances.

"TITLE IV—FUNDING AND ORGANIZATION

"Sec. 401. Program funding.
"Sec. 402. Office of Civilian Radioactive Waste Management.
"Sec. 403. Federal contribution.

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"Sec. 501. Compliance with other laws.
"Sec. 502. Judicial review of agency actions.
"Sec. 503. Licensing of facility expansions and transshipments.
"Sec. 504. Siting a second repository.
"Sec. 505. Financial arrangements for low-level radioactive waste site closure.
"Sec. 506. Nuclear Regulatory Commission training authority.
"Sec. 507. Emplacement schedule.
"Sec. 508. Transfer of title.
"Sec. 509. Decommissioning pilot program.
"Sec. 510. Water rights.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"Sec. 601. Definitions.
"Sec. 602. Nuclear Waste Technical Review Board.
"Sec. 603. Functions.
"Sec. 604. Investigatory powers.
"Sec. 605. Compensation of members.
"Sec. 606. Staff.
"Sec. 607. Support services.
"Sec. 608. Report.
"Sec. 609. Authorization of appropriations.
"Sec. 610. Termination of the board.

"TITLE VII—MANAGEMENT REFORM

"Sec. 701. Management reform initiatives.
"Sec. 702. Reporting.
"Sec. 703. Effective date.

"SECTION 2. DEFINITIONS.

"For purposes of this Act:

"(1) ACCEPT, ACCEPTANCE.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

"(2) AFFECTED INDIAN TRIBE.—The term "affected Indian tribe" means any Indian tribe—

"(A) whose reservation is surrounded by or borders an affected unit of local government, or

"(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

"(3) AFFECTED UNIT OF LOCAL GOVERNMENT.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

"(4) ATOMIC ENERGY DEFENSE ACTIVITY.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

"(A) Naval reactors development.

"(B) Weapons activities including defense inertial confinement fusion.

"(C) Verification and control technology.

"(D) Defense nuclear materials production.

"(E) Defense nuclear waste and materials byproducts management.

"(F) Defense nuclear materials security and safeguards and security investigations.

"(G) Defense research and development.

"(5) CIVILIAN NUCLEAR POWER REACTOR.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

"(6) COMMISSION.—The term 'Commission' means the Nuclear Regulatory Commission.

"(7) CONTRACTS.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act."

"(8) CONTRACT HOLDERS.—The term 'contract holders' means parties (other than the Secretary) to contracts.

"(9) DEPARTMENT.—The term 'Department' means the Department of Energy.

"(10) DISPOSAL.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

"(11) DISPOSAL SYSTEM.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

"(12) EMPLACEMENT SCHEDULE.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

"(13) ENGINEERED BARRIERS AND ENGINEERED SYSTEMS AND COMPONENTS.—The terms 'engineered barriers' and 'engineered systems and components,' mean man-made components of a disposal system. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

"(14) HIGH-LEVEL RADIOACTIVE WASTE.—The term 'high-level radioactive waste' means—

"(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

"(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

"(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

"(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

"(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

"(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

"(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within Area 25 of the Nevada Test Site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for the location of the interim storage facility.

"(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

"(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or byproduct material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014 (e)(2)); and

"(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

"(21) METRIC TONS URANIUM.—The terms 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

"(22) NUCLEAR WASTE FUND.—The terms 'Nuclear Waste Fund' and 'waste fund' mean the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302(c) of the Nuclear Waste Policy Act of 1982.

"(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

"(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

"(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

"(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

"(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

"(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

"(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

"(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

"(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

"TITLE I—OBLIGATIONS

"SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

"(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

"(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

"(c) TRANSPORTATION.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a–10c), unless the

Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary from such contract holders for use in the integrated management system.

"(d) Integrated Management System.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practices.

"(e) Private Sector Participation.—In administering the Integrated Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

"(f) Pre-existing Rights.—Nothing in this Act is intended to or shall be construed to modify—

"(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

"(2) obligations imposed upon the federal government by the U.S. District Court of Idaho in an order entered on October 17, 1995 in *United States* v. *Batt* (No. 91-0054-S-EJL).

"(g) Liability.—Subject to subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

SEC. 201. INTERMODAL TRANSFER.

"(a) Access.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline rail line at Caliente, Nevada, to the interim storage facility site.

"(b) Capability Date.—The Secretary shall develop the capability to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

"(c) Acquistions.—The Secretary shall acquire lands and rights-of-way necessary to commence intermodal transfer at Caliente Nevada.

"(d) Replacements.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facility replacement replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

"(e) Notice and Map.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(1) publish in the Federal Register a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

"(2) file copies of a map of such sites and rights-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council. Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

"(f) Improvements.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport of spent nuclear fuel and high-level radioactive waste.

"(g) Local Government Involvement.—The Commission shall enter into a Memorandumm of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

"(h) Benefits Agreement.—

"(1) In general.—The Secretary shall offer to enter into agreement with Lincoln County, Nevada concerning the integrated management system.

"(2) Agreement content.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln county, Nevada.

"(3) Amendment.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

"(4) Termination.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

"(5) Limitation.—Only 1 agreement may be in effect at any one time.

"(6) Judicial review.—Decisions of the Secretary under this section are not subject to judicial review.

"(i) Content of Agreement.—

"(1) Schedule.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

Event	Payment
(A) Annual payments prior to first receipt of spent fuel	$2.5
(B) Annual payments beginning upon first spent fuel receipt	5
(C) Payment upon closure of the intermodal transfer facility	5

"(2) Definitions.—For purposes of this section, the term—

"(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

"(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

"(3) Annual payments.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

"(4) Reduction.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to ½ of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

"(5) Restrictions.—The Secretary may not restrict the purposes for which the payments under this section may be used.

"(6) Dispute.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

"(7) Construction.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

"(j) Initial Land Conveyances.—

"(1) Conveyance of public lands.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(2) Special conveyances.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada:

Map 10: Lincoln County, Parcel M, Industrial Park Site

Map 11: Lincoln County, Parcel F, Mixed Use Industrial Site

Map 13: Lincoln County, Parcel J, Mixed Use, Alamo Community Expansion Area

Map 14: Lincoln County, Parcel E, Mixed Use, Pioche Community Expansion Area

Map 15: Lincoln County, Parcel B, Landfill Expansion Site.

"(3) Construction.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) Evidence of title transfer.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"SEC. 202. TRANSPORTATION PLANNING.

"(a) Transportation Readiness.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent consistent with Federal requirements governing transportation of hazardous materials, transportation of spent nuclear fuel and high-level radioactive waste through populated areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures that safe transportation of spent nuclear fuel and high-level radioactive waste from the sites designated by the contract holders to the interim storage facility site beginning not late than November 30, 1999.

"(b) TRANSPORTATION PLANNING.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing, as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

"SEC. 203. TRANSPORTATION REQUIREMENTS.

"(a) PACKAGE CERTIFICATION.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

"(b) STATE NOTIFICATION.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

"(c) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

"(d) PUBLIC EDUCATION.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

"(e) COMPLIANCE WITH TRANSPORTATION REGULATIONS.—Any person that transports spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

"(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105.

"(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that the employer possess evidence of satisfaction of the applicable training standard before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

"(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provisions—

"(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

"(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

"(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

"SEC. 204. INTERIM STORAGE.

"(a) AUTHORIZATION.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

"(b) SCHEDULE.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

"(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

"(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

"(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include

"(i) the preliminary design concept for the critical elements of the repository and waste package,

"(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act,

"(iii) a plan and cost estimate for the remaining work required to complete a license application, and

"(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept

"(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19 of this Act shall be deemed to be approved by law for purposes of this section.

"(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

"(c) DESIGN.—

"(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. The design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

"(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

"(d) LICENSING.—

"(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

"(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

"(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not submit the license application for construction of a repository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application of the Secretary.

"(e) ADDITIONAL AUTHORITY.—

"(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to eliminate such risk.

"(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

"(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (i), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated March, 1995 (DOE/RW-0457), the Secretary shall accept, in an amount not less than 25 percent of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

"(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

"(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

"(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

"(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 9169.—

"(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction of a facility under paragraph (e)(1) of this section, and facility use pursuant to paragraph (e)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

"(2) ENVIRONMENTAL IMPACT STATEMENT.—

"(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)). In preparing such Environmental Impact Statement, the Commission—

"(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

"(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

"(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

"(i) the need for the interim storage facility, including any individual component thereof;

"(ii) the time of the initial availability of the interim storage facility;

"(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

"(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

"(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

"(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on review of the Commission's licensing action.

"(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.)

"(i) STORAGE OF OTHER SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—No later than 18 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph(e)(3)(A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3)(A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

"(j) SAVINGS CLAUSE.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

"SEC. 205. PERMANENT REPOSITORY.

"(a) REPOSITORY CHARACTERIZATION.—

"(1) GUIDELINES.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

"(2) SITE CHARACTERIZATION ACTIVITIES.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

"(3) SCHEDULE DATE.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996, no later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

"(4) MAXIMIZING CAPACITY.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

"(b) REPOSITORY LICENSING.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spend nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

"(1) CONSTRUCTION AUTHORIZATION.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without reasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security:

"(2)— LICENSE.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(3) CLOSURE.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

"(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(4) POST-CLOSURE.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

"(A) breaching the repository's engineered or geologic barriers; or

"(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

"(c) MODIFICATION OF REPOSITORY LICENSING PROCEDURE.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

"(d) REPOSITORY LICENSING STANDARDS.—The Administrator of the Environmental Protection Agency shall, pursuant to authority under other provisions of law, issue generally applicable standards for the protection of the public from releases of radioactive materials or radioactivity from the repository. Such standards shall be consistent with the overall system performance standard established by this subsection unless the Administrator determines by rule that the overall system performance standard would constitute an unreasonable risk to health and safety. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2), and the Administrator's radiation protection standards. The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

"(1) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

"(2) APPLICATION OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

"(3) FACTORS.—For purposes of making the finding in paragraph (2)—

"(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

"(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

"(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site; in accordance with subsection (b)(4), shall be sufficient to—

"(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

"(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

"(4) ADDITIONAL ANALYSIS.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 years after the commencement of operation of the repository.

"(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

"(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to the Commission with the license application and shall supplement such environmental impact statement as appropriate.

"(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

"(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

"(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

"SEC. 206. LAND WITHDRAWAL.

"(a) WITHDRAWAL AND RESERVATION.—

"(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

"(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the Secretary of the Interior or any other Federal officer is transferred to the Secretary.

"(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

"(b) LAND DESCRIPTION.—

"(1) BOUNDARIES.—The boundaries depicted on the map entitled "Interim Storage Facility Site Withdrawal Map," dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

"(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

"(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

"(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

"(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

"(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

"(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

"(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"TITLE III—LOCAL RELATIONS

"SEC. 301. FINANCIAL ASSISTANCE.

"(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

"(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

"(2) to develop a request for impact assistance under subsection (c);

"(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

"(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

"(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

"(b) SALARY AND TRAVEL EXPENSES.—Any salary or travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

"(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

"(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

"(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

"(d) OTHER ASSISTANCE.—

"(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

"(2) TERMINATION. Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

"(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OR LOCAL GOVERNMENT.—

"(A) Period.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the operation of the integrated management system.

"(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

"SEC. 302. ON-SITE REPRESENTATIVE.

"The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

"SEC. 303. ACCEPTANCE OF BENEFITS.

"(a) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution or laws to the contrary notwithstanding.

"(b) ARGUMENTS.—Neither the United States nor any other entity may assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in response to any decision by the State to oppose the siting in Nevada of an interim storage facility or repository premised upon or related to the acceptance or use of benefits under this title.

"(c) LIABILITY.—No liability of any nature shall accrue to be asserted against any official of any governmental unit of Nevada premised solely upon the acceptance or use of benefits under this title.

"SEC. 304. RESTRICTIONS ON USE OF FUNDS.

"None of the funding provided under this title may be used—

"(1) directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in section 1913 of title 18, United States Code;

"(2) for litigation purposes; and

"(3) to support multistate efforts or other coalition-building activities inconsistent with the purposes of this Act.

"SEC. 305. LAND CONVEYANCES.

"(a) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in subsection (b), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Nye, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Nye under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under subsection (a) to the County of Nye, Nevada:

Map 1: Proposed Pahrump Industrial Park Site

Map 2: Proposed Lathrop Wells (Gate 510) Industrial Park Site

Map 3: Pahrump Landfill Sites

Map 4: Amargosa Valley Regional Landfill Site

Map 5: Amargosa Valley Municipal Landfill Site

Map 6: Beatty Landfill/Transfer Station Site

Map 7: Round Mountain Landfill Site

Map 8: Tonopah Landfill Site

Map 9: Gabbs Landfill Site.

"(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (b) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"TITLE IV—FUNDING AND ORGANIZATION

"SEC. 401. PROGRAM FUNDING.

"(a) CONTRACTS.—

"(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter into contracts with any person who generates or holds title to spent nuclear fuel or high level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contracts shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

"(2) ANNUAL FEES.—

"(A) For electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatt-hour generated and sold.

"(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

"(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

"(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 1.0 mill per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spent fuel or high-level radioactive waste derived from spend nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

"(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

"(b) ADVANCE CONTRACTING REQUIREMENT.—

"(1) IN GENERAL.—

"(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

"(i) such person has entered into a contract under subsection (a) with the Secretary, or

"(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

"(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

"(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

"(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

"(c) NUCLEAR WASTE FUND.—

"(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

"(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

"(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, which shall be deposited in the Nuclear Waste Fund immediately upon their realization.

"(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsections (d) and (e), only for purposes of the integrated management system.

"(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

"(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

"(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the

Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

"(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

"(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

"(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

"(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

"(e) APPROPRIATIONS.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

"SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.

"(a) ESTABLISHMENT.—There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

"SEC. 403. FEDERAL CONTRIBUTION.

"(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

"(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

"(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

"(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

"(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and highlevel radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, requiring management in the integrated management system.

"(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spend nuclear fuel from foreign research reactors, as established under subsection (a).

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"SEC. 501. COMPLIANCE WITH OTHER LAWS.

"If the requirements of any Federal, State, or local law (including a requirement imposed by regulation or by any other means under such a law) are inconsistent with or duplicative of the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) or of this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act of 1954 and of this Act in implementing the integrated management system

"SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.

"(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

"(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

"(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

"(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

"(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

"(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

"(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

"(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

"(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

"SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.

"(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

"(b) ADJUDICATORY HEARING.—

"(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing if it determines that—

"(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

"(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

"(2) DETERMINATION.—In making a determination under this subsection, the Commission—

"(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

"(B) shall not consider—

"(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

“(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless—

“(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

“(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

“(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.

“(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

“(c) JUDICIAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

“(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

“(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

“SEC. 504. SITING A SECOND REPOSITORY.

“(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

“(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

“SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.

“(a) FINANCIAL ARRANGEMENTS.—

“(1) STANDARDS AND INSTRUCTIONS.—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

“(2) BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

“(b) TITLE AND CUSTODY.—

“(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

“(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);

“(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

“(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

“(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

“(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

“SEC. 506. NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.

“The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

“SEC. 507. EMPLACEMENT SCHEDULE.

“(a) The emplacement schedule shall be implemented in accordance with the following:

“(1) Emplacement priority ranking shall be determined by the Department's annual ‘Acceptance Priority Ranking’ report.

“(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

“(b) If the Secretary is unable to begin emplacement by November 30, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

“(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

“(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

“SEC. 508. TRANSFER OF TITLE.

“(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

“(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storage and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site.”

“SEC. 509. DECOMMISSIONING PILOT PROGRAM.

“(a) AUTHORIZATION.—the Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

“(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

“SEC. 510. WATER RIGHTS.

“a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

“(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

“(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"SEC. 601. DEFINITIONS.

"For purposes of this title—

"(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

"(2) BOARD.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

"SEC. 602. NUCLEAR WASTE TECHNICAL REVIEW BOARD.

"(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

"(b) MEMBERS.—

"(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

"(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

"(3) NATIONAL ACADEMY OF SCIENCES.—

"(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after December 22, 1987, nominate not less than 22 persons for appointment to the Board from among persons who meet the qualifications described in subparagraph (C).

"(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacancy on the Board from among persons who meet the qualifications described in subparagraph (C).

"(C) NOMINEES.—

"(i) Each person nominated for appointment to the Board shall be—

"(I) eminent in a field of science or engineering, including environmental sciences; and

"(II) selected solely on the basis of established records of distinguished service.

"(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

"(iii) No person shall be nominated for appointment to the Board who is an employee of—

"(I) the Department of Energy;

"(II) a national laboratory under contract with the Department of Energy; or

"(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

"(4) VACANCIES.—Any vacancy on the Board shall be filled by the nomination and appointment process described in paragraphs (1) and (3).

"(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 2 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

"SEC. 603. FUNCTIONS.

"The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

"(1) site characterization activities; and

"(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

"SEC. 604. INVESTIGATORY POWERS.

"(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

"(b) PRODUCTION OF DOCUMENTS.—

"(1) RESPONSE TO INQUIRIES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

"(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) may include drafts of products and documentation of work in progress.

"SEC. 605. COMPENSATION OF MEMBERS.

"(a) IN GENERAL.—Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

"(b) TRAVEL EXPENSE.—Each member of the Board may receive travel expenses, including per diem in lieu of subsidence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

"SEC. 606. STAFF.

"(a) CLERICAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

"(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

"(b) PROFESSIONAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

"(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

"(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

"SEC. 607. SUPPORT SERVICES.

"(a) GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

"(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General and the Librarian of Congress shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

"(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

"(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule.

"SEC. 608. REPORT.

"The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations.

"SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for expenditures such as may be necessary to carry out the provisions of this title.

"SEC. 610. TERMINATION OF THE BOARD.

"The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

"TITLE VII—MANAGEMENT REFORM

"SEC. 701. MANAGEMENT REFORM INITIATIVES.

"(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, by the maximum extent practicable, in like manner as a private business.

"(b) AUDITS.—

"(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

"(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporations engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1996.

"(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

"(4) Time.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

"(5) Public Documents.—All audit reports shall be public documents and available to any individual upon request.

"(d) Value Engineering.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

"(e) Site Characterization.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

"SEC. 702. REPORTING.

"(a) Initial Report.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Waste Management System. Such report shall include—

"(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the acceptance schedule;

"(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

"(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to met the planned schedule and timeline; and

"(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.

"(b) Annual Reports.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual reports to the Congress for the purpose of updating the information contained in such report. The annual reports shall be brief and shall notify the Congress of:

"(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act;

"(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plans; and

"(3) the Secretary's analysis of its funding needs for the ensuring 5 fiscal years.

"SEC. 703. EFFECTIVE DATE.

"This Act shall become effective one day after enactment.".

Amendment No. 5057

Beginning on page 1, line 3, strike "Nuclear" and all that follows, and insert in lieu thereof the following: "the Nuclear Waste Policy Act of 1982 is amended to read as follows:

"SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) Short Title.—This Act may be cited as the 'Nuclear Waste Policy Act of 1996'.

"(b) Table of Contents.—

"Sec. 1. Short title and table of contents.
"Sec. 2. Definitions.

"TITLE I—OBLIGATIONS

"Sec. 101. Obligations of the Secretary of Energy.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

"Sec. 201. Intermodal transfer.
"Sec. 202. Transportation planning.
"Sec. 203. Transportation requirements.
"Sec. 204. Interim storage.
"Sec. 205. Permanent repository.
"Sec. 206. Land withdrawal.

"TITLE III—LOCAL RELATIONS

"Sec. 301. Financial assistance.
"Sec. 302. On-Site representative.
"Sec. 303. Acceptance of benefits.
"Sec. 304. Restrictions on use of funds.
"Sec. 305. Land of conveyances.

"TITLE IV—FUNDING AND ORGANIZATION

"Sec. 401. Program funding.
"Sec. 402. Office of Civilian Radioactive Waste Management.
"Sec. 403. Federal contribution.

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"Sec. 501. Compliance with other laws.
"Sec. 502. Judicial review of agency actions.
"Sec. 503. Licensing of facility expansions and transshipments.
"Sec. 504. Siting a second repository.
"Sec. 505. Financial arrangements for low-level radioactive waste site closure.
"Sec. 506. Nuclear Regulatory Commission training authority.
"Sec. 507. Emplacement schedule.
"Sec. 508. Transfer of title.
"Sec. 509. Decommissioning pilot program.
"Sec. 510. Water rights.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"Sec. 601. Definitions.
"Sec. 602. Nuclear Waste Technical Review Board.
"Sec. 603. Functions.
"Sec. 604. Investigatory powers.
"Sec. 605. Compensation of members.
"Sec. 606. Staff.
"Sec. 607. Support services.
"Sec. 608. Report.
"Sec. 609. Authorization of appropriations.
"Sec. 610. Termination of the board.

"TITLE VII—MANAGEMENT REFORM

"Sec. 701. Management reform initiatives.
"Sec. 702. Reporting.
"Sec. 703. Effective date.

"SECTION 2. DEFINITIONS.

"For purposes of this Act:

"(1) Accept, Acceptance.—The terms 'accept' and 'acceptance' mean the Secretary's act of taking possession of spent nuclear fuel or high-level radioactive waste.

"(2) Affected Indian Tribe.—The term "affected Indian tribe" means any Indian tribe—

"(A) whose reservation is surrounded by or borders an affected unit of local government, or

"(B) whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of an interim storage facility or a repository if the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe.

"(3) Affected Unit of Local Government.—The term 'affected unit of local government' means the unit of local government with jurisdiction over the site of a repository or interim storage facility. Such term may, at the discretion of the Secretary, include other units of local government that are contiguous with such unit.

"(4) Atomic Energy Defense Activity.—The term 'atomic energy defense activity' means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

"(A) Naval reactors development.

"(B) Weapons activities including defense inertial confinement fusion.

"(C) Verification and control technology.

"(D) Defense nuclear materials production.

"(E) Defense nuclear waste and materials byproducts management.

"(F) Defense nuclear materials security and safeguards and security investigations.

"(G) Defense research and development.

"(5) Civilian Nuclear Power Reactor.—The term 'civilian nuclear power reactor' means a civilian nuclear power plant required to be licensed under section 103 or 104 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)).

"(6) Commission.—The term 'Commission' means the Nuclear Regulatory Commission.

"(7) Contracts.—The term 'contracts' means the contracts, executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, under section 302(a) of the Nuclear Waste Policy Act of 1982, by the Secretary and any person who generates or holds title to spent nuclear fuel or high-level radioactive waste of domestic origin for acceptance of such waste or fuel by the Secretary and the payment of fees to offset the Secretary's expenditures, and any subsequent contracts executed by the Secretary pursuant to section 401(a) of this Act."

"(8) Contract Holders.—The term 'contract holders' means parties (other than the Secretary) to contracts.

"(9) Department.—The term 'Department' means the Department of Energy.

"(10) Disposal.—The term 'disposal' means the emplacement in a repository of spent nuclear fuel, high-level radioactive waste, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits recovery of such material for any future purpose.

"(11) Disposal System.—The term 'disposal system' means all natural barriers and engineered barriers, and engineered systems and components, that prevent the release of radionuclides from the repository.

"(12) Emplacement Schedule.—The term 'emplacement schedule' means the schedule established by the Secretary in accordance with section 507(a) for emplacement of spent nuclear fuel and high-level radioactive waste at the interim storage facility.

"(13) Engineered Barriers and Engineered Systems and Components.—The terms 'engineered barriers' and 'engineered systems and components,' mean man-made components of a disposal system. These terms include the spent nuclear fuel or high-level radioactive waste form, spent nuclear fuel package or high-level radioactive waste package, and other materials placed over and around such packages.

"(14) High-Level Radioactive Waste.—The term 'high-level radioactive waste' means—

"(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

"(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation, which includes any low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

"(15) FEDERAL AGENCY.—The term 'Federal agency' means any Executive agency, as defined in section 105 of title 5, United States Code.

"(16) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)).

"(17) INTEGRATED MANAGEMENT SYSTEM.—The term 'integrated management system' means the system developed by the Secretary for the acceptance, transportation, storage, and disposal of spent nuclear fuel and high-level radioactive waste under title II of this Act.

"(18) INTERIM STORAGE FACILITY.—The term 'interim storage facility' means a facility designed and constructed for the receipt, handling, possession, safeguarding, and storage of spent nuclear fuel and high-level radioactive waste in accordance with title II of this Act.

"(19) INTERIM STORAGE FACILITY SITE.—The term 'interim storage facility site' means the specific site within Area 25 of the Nevada Test Site that is designated by the Secretary and withdrawn and reserved in accordance with this Act for the location of the interim storage facility.

"(20) LOW-LEVEL RADIOACTIVE WASTE.—The term 'low-level radioactive waste' means radioactive material that—

"(A) is not spent nuclear fuel, high-level radioactive waste, transuranic waste, or byproduct material as defined in section 11 e.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2014 (e)(2)); and

"(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

"(21) METRIC TONS URANIUM.—The terms 'metric tons uranium' and 'MTU' means the amount of uranium in the original unirradiated fuel element whether or not the spent nuclear fuel has been reprocessed.

"(22) NUCLEAR WASTE FUND.—The terms 'Nuclear Waste Fund' and 'waste fund' mean the nuclear waste fund established in the United States Treasury prior to the date of enactment of this Act under section 302(c) of the Nuclear Waste Policy Act of 1982.

"(23) OFFICE.—The term 'Office' means the Office of Civilian Radioactive Waste Management established within the Department prior to the date of enactment of this Act under the provisions of the Nuclear Waste Policy Act of 1982.

"(24) PROGRAM APPROACH.—The term 'program approach' means the Civilian Radioactive Waste Management Program Plan, dated May 6, 1996, as modified by this Act, and as amended from time to time by the Secretary in accordance with this Act.

"(25) REPOSITORY.—The term 'repository' means a system designed and constructed under title II of this Act for the geologic disposal of spent nuclear fuel and high-level radioactive waste, including both surface and subsurface areas at which spent nuclear fuel and high-level radioactive waste receipt, handling, possession, safeguarding, and storage are conducted.

"(26) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

"(27) SITE CHARACTERIZATION.—The term 'site characterization' means activities, whether in a laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory facilities, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the licensability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

"(28) SPENT NUCLEAR FUEL.—The term 'spent nuclear fuel' means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

"(29) STORAGE.—The term 'storage' means retention of spent nuclear fuel or high-level radioactive waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

"(30) WITHDRAWAL.—The term 'withdrawal' has the same definition as that set forth in section 103(j) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(j)).

"(31) YUCCA MOUNTAIN SITE.—The term 'Yucca Mountain site' means the area in the State of Nevada that is withdrawn and reserved in accordance with this Act for the location of a repository.

"TITLE I—OBLIGATIONS

"SEC. 101. OBLIGATIONS OF THE SECRETARY OF ENERGY.

"(a) DISPOSAL.—The Secretary shall develop and operate an integrated management system for the storage and permanent disposal of spent nuclear fuel and high-level radioactive waste.

"(b) INTERIM STORAGE.—The Secretary shall store spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders at an interim storage facility pursuant to section 204 in accordance with the emplacement schedule, beginning not later than November 30, 1999.

"(c) TRANSPORTATION.—The Secretary shall provide for the transportation of spent nuclear fuel and high-level radioactive waste accepted by the Secretary. The Secretary shall procure all systems and components necessary to transport spent nuclear fuel and high-level radioactive waste from facilities designated by contract holders to and among facilities comprising the Integrated Management System. Consistent with the Buy American Act (41 U.S.C. 10a-10c), unless the Secretary shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, all such systems and components procured by the Secretary shall be manufactured in the United States, with the exception of any transportable storage systems purchased by contract holders prior to the effective date of the Nuclear Waste Policy Act of 1996 and procured by the Secretary from such contract holders for use in the integrated management system.

"(d) INTEGRATED MANAGEMENT SYSTEM.—The Secretary shall expeditiously pursue the development of each component of the integrated management system, and in so doing shall seek to utilize effective private sector management and contracting practices.

"(e) PRIVATE SECTOR PARTICIPATION.—In administering the Integrated Management System, the Secretary shall, to the maximum extent possible, utilize, employ, procure and contract with, the private sector to fulfill the Secretary's obligations and requirements under this Act.

"(f) PRE-EXISTING RIGHTS.—Nothing in this Act is intended to or shall be construed to modify—

"(1) any right of a contract holder under section 302(a) of the Nuclear Waste Policy Act of 1982, or under a contract executed prior to the date of enactment of this Act under that section; or

"(2) obligations imposed upon the federal government by the U.S. District Court of Idaho in an order entered on October 17, 1995 in *United States* v. *Batt* (No. 91-0054-S-EJL).

"(g) LIABILITY.—Subject to subsection (f), nothing in this Act shall be construed to subject the United States to financial liability for the Secretary's failure to meet any deadline for the acceptance or emplacement of spent nuclear fuel or high-level radioactive waste for storage or disposal under this Act.

"TITLE II—INTEGRATED MANAGEMENT SYSTEM

SEC. 201. INTERMODAL TRANSFER.

"(a) ACCESS.—The Secretary shall utilize heavy-haul truck transport to move spent nuclear fuel and high-level radioactive waste from the mainline rail line at Caliente, Nevada, to the interim storage facility site.

"(b) CAPABILITY DATE.—The Secretary shall develop the capability to commence rail to truck intermodal transfer at Caliente, Nevada, no later than November 30, 1999. Intermodal transfer and related activities are incidental to the interstate transportation of spent nuclear fuel and high-level radioactive waste.

"(c) ACQUISTIONS.—The Secretary shall acquire lands and rights-of-way necessary to commence intermodal transfer at Caliente Nevada.

"(d) REPLACEMENTS.—The Secretary shall acquire and develop on behalf of, and dedicate to, the City of Caliente, Nevada, parcels of land and right-of-way within Lincoln County, Nevada, as required to facility replacement replacement of land and city wastewater disposal facilities necessary to commence intermodal transfer pursuant to this Act. Replacement of land and city wastewater disposal activities shall occur no later than November 30, 1999.

"(3) NOTICE AND MAP.—Within 6 months of the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(1) publish in the Federal Register a notice containing a legal description of the sites and rights-of-way to be acquired under this subsection; and

"(2) file copies of a map of such sites and rights-of-way with the Congress, the Secretary of the Interior, the State of Nevada, the Archivist of the United States, the Board of Lincoln County Commissioners, the Board of Nye County Commissioners, and the Caliente City Council. Such map and legal description shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors and legal descriptions and make minor adjustments in the boundaries.

"(f) IMPROVEMENTS.—The Secretary shall make improvements to existing roadways selected for heavy-haul truck transport between Caliente, Nevada, and the interim storage facility site as necessary to facilitate year-round safe transport of spent nuclear fuel and high-level radioactive waste.

"(g) LOCAL GOVERNMENT INVOLVEMENT.—The Commission shall enter into a

Memorandumm of Understanding with the City of Caliente and Lincoln County, Nevada, to provide advice to the Commission regarding intermodal transfer and to facilitate on-site representation. Reasonable expenses of such representation shall be paid by the Secretary.

"(h) Benefits Agreement.—

"(1) In general.—The Secretary shall offer to enter into agreement with Lincoln County, Nevada concerning the integrated management system.

"(2) Agreement content.—Any agreement shall contain such terms and conditions, including such financial and institutional arrangements, as the Secretary and agreement entity determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of Lincoln county, Nevada.

"(3) Amendment.—An agreement entered into under this subsection may be amended only with the mutual consent of the parties to the amendment and terminated only in accordance with paragraph (4).

"(4) Termination.—The Secretary shall terminate the agreement under this subsection if any major element of the integrated management system may not be completed.

"(5) Limitation.—Only 1 agreement may be in effect at any one time.

"(6) Judicial review.—Decisions of the Secretary under this section are not subject to judicial review.

"(i) Content of Agreement.—

"(1) Schedule.—In addition to the benefits to which Lincoln County is entitled to under this title, the Secretary shall make payments under the benefits agreement in accordance with the following schedule:

BENEFITS SCHEDULE

[Amounts in millions]

Event	Payment
(A) Annual payments prior to first receipt of spent fuel	$2.5
(B) Annual payments beginning upon first spent fuel receipt	5
(C) Payment upon closure of the intermodal transfer facility	5

"(2) Definitions.—For purposes of this section, the term—

"(A) 'spent fuel' means high-level radioactive waste or spent nuclear fuel; and

"(B) 'first spent fuel receipt' does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

"(3) Annual payments.—Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

"(4) Reduction.—If the first spent fuel payment under paragraph (1)(B) is made within 6 months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to ½ of such annual payment under paragraph (1)(A) for each full month less than 6 that has not elapsed since the last annual payment under paragraph (1)(A).

"(5) Restrictions.—The Secretary may not restrict the purposes for which the payments under this section may be used.

"(6) Dispute.—In the event of a dispute concerning such agreement, the Secretary shall resolve such dispute, consistent with this Act and applicable State law.

"(7) Construction.—The signature of the Secretary on a valid benefits agreement under this section shall constitute a commitment by the United States to make payments in accordance with such agreement under section 401(c)(2).

"(j) Initial Land Conveyances.—

"(1) Conveyance of public lands.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in paragraph (2), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Lincoln, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Lincoln under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Lincoln County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(2) Special conveyances.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, shall be conveyed under paragraph (1) to the County of Lincoln, Nevada:

Map 10: Lincoln County, Parcel M, Industrial Park Site

Map 11: Lincoln County, Parcel F, Mixed Use Industrial Site

Map 13: Lincoln County, Parcel J, Mixed Use, Alamo Community Expansion Area

Map 14: Lincoln County, Parcel E, Mixed Use, Pioche Community Expansion Area

Map 15: Lincoln County, Parcel B, Landfill Expansion Site.

"(3) Construction.—The maps and legal descriptions of special conveyances referred to in paragraph (2) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) Evidence of title transfer.—Upon the request of the County of Lincoln, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"SEC. 202. TRANSPORTATION PLANNING.

"(a) Transportation Readiness.—The Secretary shall take those actions that are necessary and appropriate to ensure that the Secretary is able to transport safely spent nuclear fuel and high-level radioactive waste from sites designated by the contract holders to mainline transportation facilities, using routes that minimize, to the maximum practicable extent consistent with Federal requirements governing transportation of hazardous materials, transportation of spent nuclear fuel and high-level radioactive waste through populated areas, beginning not later than November 30, 1999, and, by that date, shall, in consultation with the Secretary of Transportation, develop and implement a comprehensive management plan that ensures that safe transportation of spent nuclear fuel and high-level radioactive waste from the sites designated by the contract holders to the interim storage facility site beginning not late than November 30, 1999.

"(b) Transportation Planning.—In conjunction with the development of the logistical plan in accordance with subsection (a), the Secretary shall update and modify, as necessary, the Secretary's transportation institutional plans to ensure that institutional issues are addressed and resolved on a schedule to support the commencement of transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility no later than November 30, 1999. Among other things, such planning shall provide a schedule and process for addressing and implementing, as necessary, transportation routing plans, transportation contracting plans, transportation training in accordance with section 203, and public education regarding transportation of spent nuclear fuel and high level radioactive waste; and transportation tracking programs.

"SEC. 203. TRANSPORTATION REQUIREMENTS.

"(a) Package Certification.—No spent nuclear fuel or high-level radioactive waste may be transported by or for the Secretary under this Act except in packages that have been certified for such purposes by the Commission.

"(b) State Notification.—The Secretary shall abide by regulations of the Commission regarding advance notification of State and local governments prior to transportation of spent nuclear fuel or high-level radioactive waste under this Act.

"(c) Technical Assistance.—The Secretary shall provide technical assistance and funds to States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste for training for public safety officials of appropriate units of local government. The Secretary shall also provide technical assistance and funds for training directly to national nonprofit employee organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers who are or will be directly engaged in the transportation of spent nuclear fuel and high-level radioactive waste, or emergency response or post-emergency response with respect to such transportation. Training shall cover procedures required for safe routine transportation of these materials, as well as procedures for dealing with emergency response situations, and shall be consistent with any training standards established by the Secretary of Transportation in accordance with subsection (g). The Secretary's duty to provide technical and financial assistance under this subsection shall be limited to amounts specified in annual appropriations.

"(d) Public Education.—The Secretary shall conduct a program to educate the public regarding the transportation of spent nuclear fuel and high-level radioactive waste, with an emphasis upon those States, units of local government, and Indian tribes through whose jurisdiction the Secretary plans to transport substantial amounts of spent nuclear fuel or high-level radioactive waste.

"(e) Compliance With Transportation Regulations.—Any person that transports spent nuclear fuel or high-level radioactive waste under the Nuclear Waste Policy Act of 1986, pursuant to a contract with the Secretary, shall comply with all requirements governing such transportation issued by the federal, state and local governments, and Indian tribes, in the same way and to the same extent that any person engaging in that transportation that is in or affects interstate commerce must comply with such requirements, as required by 49 U.S.C. sec. 5126.

"(f) EMPLOYEE PROTECTION.—Any person engaged in the interstate commerce of spent nuclear fuel or high-level radioactive waste under contract to the Secretary pursuant to this Act shall be subject to and comply fully with the employee protection provisions of 49 U.S.C. 20109 and 49 U.S.C. 31105.

"(g) TRAINING STANDARD.—(1) No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary of Transportation, pursuant to authority under other provisions of law, in consultation with the Secretary of Labor and the Commission, shall promulgate a regulation establishing training standards applicable to workers directly involved in the removal and transportation of spent nuclear fuel and high-level radioactive waste. The regulation shall specify minimum training standards applicable to workers, including managerial personnel. The regulation shall require that the employer possess evidence of satisfaction of the applicable training standard before any individual may be employed in the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(2) If the Secretary of Transportation determines, in promulgating the regulation required by subparagraph (1), that regulations promulgated by the Commission establish adequate training standards for workers, then the Secretary of Transportation can refrain from promulgating additional regulations with respect to worker training in such activities. The Secretary of Transportation and the Commission shall work through their Memorandum of Understanding to ensure coordination of worker training standards and to avoid duplicative regulation.

"(3) The training standards required to be promulgated under subparagraph (1) shall, among other things deemed necessary and appropriate by the Secretary of Transportation, include the following provisions—

"(A) a specified minimum number of hours of initial off site instruction and actual field experience under the direct supervision of a trained, experienced supervisor;

"(B) a requirement that onsite managerial personnel receive the same training as workers, and a minimum number of additional hours of specialized training pertinent to their managerial responsibilities; and

"(C) a training program applicable to persons responsible for responding to and cleaning up emergency situations occurring during the removal and transportation of spent nuclear fuel and high-level radioactive waste.

"(4) There is authorized to be appropriated to the Secretary of Transportation, from general revenues, such sums as may be necessary to perform his duties under this subsection.

"SEC. 204. INTERIM STORAGE.

"(a) AUTHORIZATION.—The Secretary shall design, construct, and operate a facility for the interim storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility site. The interim storage facility shall be subject to licensing pursuant to the Atomic Energy Act of 1954 in accordance with the Commission's regulations governing the licensing of independent spent fuel storage installations, which regulations shall be amended by the Commission as necessary to implement the provisions of this Act. The interim storage facility shall commence operation in phases in accordance with subsection (b).

"(b) SCHEDULE.—(1) The Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at the interim storage facility at the interim storage facility site by November 30, 1999, except that:

"(A) The Secretary shall not begin any construction activities at the interim storage facility site before December 31, 1998.

"(B) The Secretary shall cease all activities (except necessary termination activities) at the Yucca Mountain site if the President determines, in his discretion, on or before December 31, 1998, based on a preponderance of the information available at such time, that the Yucca Mountain site is unsuitable for development as a repository, including geologic and engineered barriers, because of a substantial likelihood that a repository of useful size cannot be designed, licensed, and constructed at the Yucca Mountain site.

"(C) No later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include

"(i) the preliminary design concept for the critical elements of the repository and waste package,

"(ii) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geologic setting relative to the overall system performance standard set forth in section 205(d) of this Act,

"(iii) a plan and cost estimate for the remaining work required to complete a license application, and

"(iv) an estimate of the costs to construct and operate the repository in accordance with the design concept

"(D) Within 18 months of a determination by the President that the Yucca Mountain site is unsuitable for development as a repository under paragraph (B), the President shall designate a site for the construction of an interim storage facility. If the President does not designate a site for the construction of an interim storage facility, or the construction of an interim storage facility at the designated site is not approved by law within 24 months of the President's determination that the Yucca Mountain site is not suitable for development as a repository, the Secretary shall begin construction of an interim storage facility at the interim storage facility site as defined in section 2(19) of this Act. The interim storage facility site as defined in section 2(19 of this Act shall be deemed to be approved by law for purposes of this section.

"(2) Upon the designation of an interim storage facility site by the President under paragraph (1)(D), the Secretary shall proceed forthwith and without further delay with all activities necessary to begin storing spent nuclear fuel and high-level radioactive waste at an interim storage facility at the designated site, except that the Secretary shall not begin any construction activities at the designated interim storage facility site before the designated interim storage facility site is approved by law.

"(c) DESIGN.—

"(1) The interim storage facility shall be designed in two phases in order to commence operations no later than November 30, 1999. The design of the interim storage facility shall provide for the use of storage technologies, licensed, approved, or certified by the Commission for use at the interim storage facility as necessary to ensure compatibility between the interim storage facility and contract holders' spent nuclear fuel and facilities, and to facilitate the Secretary's ability to meet the Secretary's obligations under this Act.

"(2) The Secretary shall consent to an amendment to the contracts to provide for reimbursement to contract holders for transportable storage systems purchased by contract holders if the Secretary determines that it is cost effective to use such transportable storage systems as part of the integrated management system, provided that the Secretary shall not be required to expend any funds to modify contract holders' storage or transport systems or to seek additional regulatory approvals in order to use such systems.

"(d) LICENSING.—

"(1) PHASES.—The interim storage facility shall be licensed by the Commission in two phases in order to commence operations no later than November 30, 1999.

"(2) FIRST PHASE.—No later than 12 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the first phase of the interim storage facility. The Environmental Report and Safety Analysis Report submitted in support of such license application shall be consistent with the scope of authority requested in the license application. The license issued for the first phase of the interim storage facility shall have a term of 20 years. The interim storage facility licensed in the first phase shall have a capacity of not more than 15,000 MTU. The Commission shall issue a final decision granting or denying the application for the first phase license no later than 16 months from the date of the submittal of the application for such license.

"(3) SECOND PHASE.—No later than 30 months after the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall submit to the Commission an application for a license for the second phase interim storage facility. The license for the second phase facility shall authorize a storage capacity of 40,000 MTU. If the Secretary does not submit the license application for construction of a repository by February 1, 2002, or does not begin full spent nuclear fuel receipt operations at a repository by January 17, 2010, the license shall authorize a storage capacity of 60,000 MTU. The license application shall be submitted such that the license can be issued to permit the second phase facility to begin full spent nuclear fuel receipt operations no later than December 31, 2002. The license for the second phase shall have an initial term of up to 100 years, and shall be renewable for additional terms upon application of the Secretary.

"(e) ADDITIONAL AUTHORITY.—

"(1) CONSTRUCTION.—For purposes of complying with this section, the Secretary may commence site preparation for the interim storage facility as soon as practicable after the date of enactment of the Nuclear Waste Policy Act of 1996 and shall commence construction of each phase of the interim storage facility subsequent to submittal of the license application for such phase except that the Commission shall issue an order suspending such construction at any time if the Commission determines that such construction poses an unreasonable risk to public health and safety or the environment. The Commission shall terminate all or part of such order upon a determination that the Secretary has taken appropriate action to eliminate such risk.

"(2) FACILITY USE.—Notwithstanding any otherwise applicable licensing requirement, the Secretary may utilize any facility owned by the Federal Government on the date of enactment of the Nuclear Waste Policy Act of 1996 within the boundaries of the interim storage facility site, in connection with an imminent and substantial endangerment to public health and safety at the interim storage facility prior to commencement of operations during the second phase.

"(3) EMPLACEMENT OF FUEL AND WASTE.—Subject to paragraph (1), once the Secretary has achieved the annual acceptance rate for spent nuclear fuel from civilian nuclear power reactors established pursuant to the contracts executed prior to the date of enactment of the Nuclear Waste Policy Act of 1996, as set forth in the Secretary's annual capacity report dated March, 1995 (DOE/RW-0457), the Secretary shall accept, in an amount not less than 25 percent of the difference between the contractual acceptance rate and the annual emplacement rate for spent nuclear fuel from civilian nuclear power reactors established under section 507(a), the following radioactive materials:

"(A) spent nuclear fuel or high-level radioactive waste of domestic origin from civilian nuclear power reactors that have permanently ceased operation on or before the date of enactment of the Nuclear Waste Policy Act of 1996;

"(B) spent nuclear fuel from foreign research reactors, as necessary to promote non-proliferation objectives; and

"(C) spent nuclear fuel, including spent nuclear fuel from naval reactors, and high-level radioactive waste from atomic energy defense activities.

"(f) NATIONAL ENVIRONMENTAL POLICY ACT OF 9169.—

"(1) PRELIMINARY DECISIONMAKING ACTIVITIES.—The Secretary's and President's activities under this section, including, but not limited to, the selection of a site for the interim storage facility, assessments, determinations and designations made under section 204(b), the preparation and submittal of a license application and supporting documentation, the construction of a facility under paragraph (e)(1) of this section, and facility use pursuant to paragraph (e)(2) of this section shall be considered preliminary decisionmaking activities for purposes of judicial review. The Secretary shall not prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) or any environmental review under subparagraph (E) or (F) of such Act before conducting these activities.

"(2) ENVIRONMENTAL IMPACT STATEMENT.—

"(A) FINAL DECISION.—A final decision by the Commission to grant or deny a license application for the first or second phase of the interim storage facility shall be accompanied by an Environmental Impact Statement prepared under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)). In preparing such Environmental Impact Statement, the Commission—

"(i) shall ensure that the scope of the Environmental Impact Statement is consistent with the scope of the licensing action; and

"(ii) shall analyze the impacts of the transportation of spent nuclear fuel and high-level radioactive waste to the interim storage facility in a generic manner.

"(B) CONSIDERATIONS.—Such Environmental Impact Statement shall not consider—

"(i) the need for the interim storage facility, including any individual component thereof;

"(ii) the time of the initial availability of the interim storage facility;

"(iii) any alternatives to the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility;

"(iv) any alternatives to the site of the facility as designated by the Secretary in accordance with subsection (a);

"(v) any alternatives to the design criteria for such facility or any individual component thereof, as specified by the Secretary in the license application; or

(vi) the environmental impacts of the storage of spent nuclear fuel and high-level radioactive waste at the interim storage facility beyond the initial term of the license or the term of the renewal period for which a license renewal application is made.

"(g) JUDICIAL REVIEW.—Judicial review of the Commission's environmental impact statement under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall be consolidated with judicial review of the Commission's licensing decision. No court shall have jurisdiction to enjoin the construction or operation of the interim storage facility prior to its final decision on review of the Commission's licensing action.

"(h) WASTE CONFIDENCE.—The Secretary's obligation to construct and operate the interim storage facility in accordance with this section and the Secretary's obligation to develop an integrated management system in accordance with the provisions of this Act, shall provide sufficient and independent grounds for any further findings by the Commission of reasonable assurance that spent nuclear fuel and high-level radioactive waste will be disposed of safely and on a timely basis for purposes of the Commission's decision to grant or amend any license to operate any civilian nuclear power reactor under the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.)

"(i) STORAGE OF OTHER SPENT NUCLEAR FUEL AND HIGH-LEVEL RADIOACTIVE WASTE.—No later than 18 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Commission shall, by rule, establish criteria for the storage in the interim storage facility of fuel and waste listed in paragraph(e)(3)(A) through (C), to the extent such criteria are not included in regulations issued by the Commission and existing on the date of enactment of the Nuclear Waste Policy Act of 1996. Following establishment of such criteria, the Secretary shall seek authority, as necessary, to store fuel and waste listed in paragraph (e)(3)(A) through (C) at the interim storage facility. None of the activities carried out pursuant to this paragraph shall delay, or otherwise affect, the development, construction, licensing, or operation of the interim storage facility.

"(j) SAVINGS CLAUSE.—The Commission shall, by rule, establish procedures for the licensing of any technology for the dry storage of spent nuclear fuel by rule and without, to the maximum extent possible, the need for site-specific approvals by the Commission. Nothing in this Act shall affect any such procedures, or any licenses or approvals issued pursuant to such procedures in effect on the date of enactment.

"SEC. 205. PERMANENT REPOSITORY.

"(a) REPOSITORY CHARACTERIZATION.—

"(1) GUIDELINES.—The guidelines promulgated by the Secretary and published at 10 CFR part 960 are annulled and revoked and the Secretary shall make no assumptions or conclusions about the licensability of the Yucca Mountain site as a repository by reference to such guidelines.

"(2) SITE CHARACTERIZATION ACTIVITIES.—The Secretary shall carry out appropriate site characterization activities at the Yucca Mountain site in accordance with the Secretary's program approach to site characterization. The Secretary shall modify or eliminate those site characterization activities designed only to demonstrate the suitability of the site under the guidelines referenced in paragraph (1).

"(3) SCHEDULE DATE.—Consistent with the schedule set forth in the program approach, as modified to be consistent with the Nuclear Waste Policy Act of 1996, no later than February 1, 2002, the Secretary shall apply to the Commission for authorization to construct a repository. If, at any time prior to the filing of such application, the Secretary determines that the Yucca Mountain site cannot satisfy the Commission's regulations applicable to the licensing of a geologic repository, the Secretary shall terminate site characterization activities at the site, notify Congress and the State of Nevada of the Secretary's determination and the reasons therefor, and recommend to Congress not later than 6 months after such determination further actions, including the enactment of legislation, that may be needed to manage the Nation's spent nuclear fuel and high-level radioactive waste.

"(4) MAXIMIZING CAPACITY.—In developing an application for authorization to construct the repository, the Secretary shall seek to maximize the capacity of the repository, in the most cost-effective manner, consistent with the need for disposal capacity.

"(b) REPOSITORY LICENSING.—Upon the completion of any licensing proceeding for the first phase of the interim storage facility, the Commission shall amend its regulations governing the disposal of spend nuclear fuel and high-level radioactive waste in geologic repositories to the extent necessary to comply with this Act. Subject to subsection (c), such regulations shall provide for the licensing of the repository according to the following procedures:

"(1) CONSTRUCTION AUTHORIZATION.—The Commission shall grant the Secretary a construction authorization for the repository upon determining that there is reasonable assurance that spent nuclear fuel and high-level radioactive waste can be disposed of in the repository—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without reasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security:

"(2)— LICENSE.—Following substantial completion of construction and the filing of any additional information needed to complete the license application, the Commission shall issue a license to dispose of spent nuclear fuel and high-level radioactive waste in the repository if the Commission determines that the repository has been constructed and will operate—

"(A) in conformity with the Secretary's application, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(3) CLOSURE.—After emplacing spent nuclear fuel and high-level radioactive waste in the repository and collecting sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with the Commission's regulations applicable to the licensing of a repository, as modified in accordance with this Act, the Secretary shall apply to the Commission to amend the license to permit permanent closure of the repository. The Commission shall grant such license amendment upon finding that there is reasonable assurance that the repository can be permanently closed—

"(A) in conformity with the Secretary's application to amend the license, the provisions of this Act, and the regulations of the Commission;

"(B) without unreasonable risk to the health and safety of the public; and

"(C) consistent with the common defense and security.

"(4) POST-CLOSURE.—The Secretary shall take those actions necessary and appropriate at the Yucca Mountain site to prevent any activity at the site subsequent to repository closure that poses an unreasonable risk of—

"(A) breaching the repository's engineered or geologic barriers; or

"(B) increasing the exposure of individual members of the public to radiation beyond the release standard established in subsection (d)(1).

"(c) MODIFICATION OF REPOSITORY LICENSING PROCEDURE.—The Commission's regulations shall provide for the modification of the repository licensing procedure, as appropriate, in the event that the Secretary seeks a license to permit the emplacement in the repository, on a retrievable basis, of spent nuclear fuel or high-level radioactive waste as is necessary to provide the Secretary with sufficient confirmatory data on repository performance to reasonably confirm the basis for repository closure consistent with applicable regulations.

"(d) REPOSITORY LICENSING STANDARDS.—The Administrator of the Environmental Protection Agency shall, pursuant to authority under other provisions of law, issue generally applicable standards for the protection of the public from releases of radioactive materials or radioactivity from the repository. Such standards shall be consistent with the overall system performance standard established by this subsection unless the Administrator determines by rule that the overall system performance standard would constitute an unreasonable risk to health and safety. The Commission's repository licensing determinations for the protection of the public shall be based solely on a finding whether the repository can be operated in conformance with the overall system performance standard established in paragraph (1), applied in accordance with the provisions of paragraph (2), and the Administrator's radiation protection standards. The Commission shall amend its regulations in accordance with subsection (b) to incorporate each of the following licensing standards:

"(1) ESTABLISHMENT OF OVERALL SYSTEM PERFORMANCE STANDARD.—The standard for protection of the public from release of radioactive material or radioactivity from the repository shall prohibit releases that would expose an average member of the general population in the vicinity of the Yucca Mountain site to an annual dose in excess of 100 millirems unless the Commission determines by rule that such standard would constitute an unreasonable risk to health and safety and establishes by rule another standard which will protect health and safety. Such standard shall constitute an overall system performance standard.

"(2) APPLICATION OF OVERALL SYSTEM PERFORMANCE STANDARD.—The Commission shall issue the license if it finds reasonable assurance that for the first 1,000 years following the commencement of repository operations, the overall system performance standard will be met based on a probabilistic evaluation, as appropriate, of compliance with the overall system performance standard in paragraph (1).

"(3) FACTORS.—For purposes of making the finding in paragraph (2)—

"(A) the Commission shall not consider catastrophic events where the health consequences of individual events themselves can be reasonably assumed to exceed the health consequences due to the impact of the events on repository performance;

"(B) for the purpose of this section, an average member of the general population in the vicinity of the Yucca Mountain site means a person whose physiology, age, general health, agricultural practices, eating habits, and social behavior represent the average for persons living in the vicinity of the site. Extremes in social behavior, eating habits, or other relevant practices or characteristics shall not be considered; and

"(C) the Commission shall assume that, following repository closure, the inclusion of engineered barriers and the Secretary's post-closure actions at the Yucca Mountain site; in accordance with subsection (b)(4), shall be sufficient to—

"(i) prevent any human activity at the site that poses an unreasonable risk of breaching the repository's engineered or geologic barriers; and

"(ii) prevent any increase in the exposure of individual members of the public to radiation beyond the allowable limits specified in paragraph (1).

"(4) ADDITIONAL ANALYSIS.—The Commission shall analyze the overall system performance through the use of probabilistic evaluations that use best estimate assumptions, data, and methods for the period commencing after the first 1,000 years of operation of the repository and terminating at 10,000 years after the commencement of operation of the repository.

"(e) NATIONAL ENVIRONMENTAL POLICY ACT.—

"(1) SUBMISSION OF STATEMENT.—Construction and operation of the repository shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The Secretary shall submit an environmental impact statement on the construction and operation of the repository to the Commission with the license application and shall supplement such environmental impact statement as appropriate.

"(2) CONSIDERATIONS.—For purposes of complying with the requirements of the National Environmental Policy Act of 1969 and this section, the Secretary shall not consider in the environmental impact statement the need for the repository, or alternative sites or designs for the repository.

"(3) ADOPTION BY COMMISSION.—The Secretary's environmental impact statement and any supplements thereto shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization under subsection (b)(1), a license under subsection (b)(2), or a license amendment under subsection (b)(3). To the extent such statement or supplement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969, and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954. In any such statement or supplement prepared with respect to the repository, the Commission shall not consider the need for a repository, or alternate sites or designs for the repository.

"(f) JUDICIAL REVIEW.—No court shall have jurisdiction to enjoin issuance of the Commission repository licensing regulations prior to its final decision on review of such regulations.

"SEC. 206. LAND WITHDRAWAL.

"(a) WITHDRAWAL AND RESERVATION.—

"(1) WITHDRAWAL.—Subject to valid existing rights, the interim storage facility site and the Yucca Mountain site, as described in subsection (b), are withdrawn from all forms of entry, appropriation, and disposal under the public land laws, including the mineral leasing laws, the geothermal leasing laws, the material sale laws, and the mining laws.

"(2) JURISDICTION.—Jurisdiction of any land within the interim storage facility site and the Yucca Mountain site managed by the Secretary of the Interior or any other Federal officer is transferred to the Secretary.

"(3) RESERVATION.—The interim storage facility site and the Yucca Mountain site are reserved for the use of the Secretary for the construction and operation, respectively, of the interim storage facility and the repository and activities associated with the purposes of this title.

"(b) LAND DESCRIPTION.—

"(1) BOUNDARIES.—The boundaries depicted on the map entitled "Interim Storage Facility Site Withdrawal Map," dated March 13, 1996, and on file with the Secretary, are established as the boundaries of the Interim Storage Facility site.

"(2) BOUNDARIES.—The boundaries depicted on the map entitled 'Yucca Mountain Site Withdrawal Map,' dated July 9, 1996, and on file with the Secretary, are established as the boundaries of the Yucca Mountain site.

"(3) NOTICE AND MAPS.—Within 6 months of the date of the enactment of the Nuclear Waste Policy Act of 1996, the Secretary shall—

"(A) publish in the Federal Register a notice containing a legal description of the interim storage facility site; and

"(B) file copies of the maps described in paragraph (1), and the legal description of the interim storage facility site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

"(4) NOTICE AND MAPS.—Concurrent with the Secretary's application to the Commission for authority to construct the repository, the Secretary shall—

"(A) publish in the Federal Register a notice containing a legal description of the Yucca Mountain site; and

"(B) file copies of the maps described in paragraph (2), and the legal description of the Yucca Mountain site with the Congress, the Secretary of the Interior, the Governor of Nevada, and the Archivist of the United States.

"(5) CONSTRUCTION.—The maps and legal descriptions of the interim storage facility site and the Yucca Mountain site referred to in this subsection shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"TITLE III—LOCAL RELATIONS

"SEC. 301. FINANCIAL ASSISTANCE.

"(a) GRANTS.—The Secretary is authorized to make grants to any affected Indian tribe or affected unit of local government for purposes of enabling the affected Indian tribe or affected unit of local government—

"(1) to review activities taken with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of the integrated management system on the affected Indian tribe or the affected unit of local government and its residents;

"(2) to develop a request for impact assistance under subsection (c);

"(3) to engage in any monitoring, testing, or evaluation activities with regard to such site;

"(4) to provide information to residents regarding any activities of the Secretary, or the Commission with respect to such site; and

"(5) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken with respect to such site.

"(b) SALARY AND TRAVEL EXPENSES.—Any salary or travel expense that would ordinarily be incurred by any affected Indian tribe or affected unit of local government may not be considered eligible for funding under this section.

"(c) FINANCIAL AND TECHNICAL ASSISTANCE.—

"(1) ASSISTANCE REQUESTS.—The Secretary is authorized to offer to provide financial and technical assistance to any affected Indian tribe or affected unit of local government requesting such assistance. Such assistance shall be designed to mitigate the impact on the affected Indian tribe or affected unit of local government of the development of the integrated management system.

"(2) REPORT.—Any affected Indian tribe or affected unit of local government may request assistance under this section by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from activities of the integrated management system.

"(d) OTHER ASSISTANCE.—

"(1) TAXABLE AMOUNTS.—In addition to financial assistance provided under this subsection, the Secretary is authorized to grant any affected Indian tribe or affected unit of local government an amount each fiscal year equal to the amount such affected Indian tribe or affected unit of local government, respectively, would receive if authorized to tax integrated management system activities, as such affected Indian tribe or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such affected unit of local government.

"(2) TERMINATION. Such grants shall continue until such time as all such activities, development, and operations are terminated at such site.

"(3) ASSISTANCE TO INDIAN TRIBES AND UNITS OR LOCAL GOVERNMENT.—

"(A) Period.—Any affected Indian tribe or affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following the date on which the Secretary notifies the affected Indian tribe or affected unit of local government of the termination of the operation of the integrated management system.

"(B) ACTIVITIES.—Any affected Indian tribe or affected unit of local government may not receive any further assistance under this section if the integrated management system activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

"SEC. 302. ON-SITE REPRESENTATIVE.

"The Secretary shall offer to the unit of local government within whose jurisdiction a site for an interim storage facility or repository is located under this Act an opportunity to designate a representative to conduct on-site oversight activities at such site. The Secretary is authorized to pay the reasonable expenses of such representative.

"SEC. 303. ACCEPTANCE OF BENEFITS.

"(a) CONSENT.—The acceptance or use of any of the benefits provided under this title by any affected Indian tribe or affected unit of local government shall not be deemed to be an expression of consent, express, or implied, either under the Constitution of the State or any law thereof, to the siting of an interim storage facility or repository in the State of Nevada, any provision of such Constitution or laws to the contrary notwithstanding.

"(b) ARGUMENTS.—Neither the United States nor any other entity may assert any argument based on legal or equitable estoppel, or acquiescence, or waiver, or consensual involvement, in response to any decision by the State to oppose the siting in Nevada of an interim storage facility or repository premised upon or related to the acceptance or use of benefits under this title.

"(c) LIABILITY.—No liability of any nature shall accrue to be asserted against any official of any governmental unit of Nevada premised solely upon the acceptance or use of benefits under this title.

"SEC. 304. RESTRICTIONS ON USE OF FUNDS.

"None of the funding provided under this title may be used—

"(1) directly or indirectly to influence legislative action on any matter pending before Congress or a State legislature or for any lobbying activity as provided in section 1913 of title 18, United States Code;

"(2) for litigation purposes; and

"(3) to support multistate efforts or other coalition-building activities inconsistent with the purposes of this Act.

"SEC. 305. LAND CONVEYANCES.

"(a) CONVEYANCES OF PUBLIC LANDS.—One hundred and twenty days after enactment of this Act, all right, title and interest of the United States in the property described in subsection (b), and improvements thereon, together with all necessary easements for utilities and ingress and egress to such property, including, but not limited to, the right to improve those easements, are conveyed by operation of law to the County of Nye, Nevada, unless the county notifies the Secretary of Interior or the head of such other appropriate agency in writing within 60 days of such date of enactment that it elects not to take title to all or any part of the property, except that any lands conveyed to the County of Nye under this subsection that are subject to a Federal grazing permit or lease or a similar federally granted permit or lease shall be conveyed between 60 and 120 days of the earliest time the Federal agency administering or granting the permit or lease would be able to legally terminate such right under the statutes and regulations existing at the date of enactment of this Act, unless Nye County and the affected holder of the permit or lease negotiate an agreement that allows for an earlier conveyance.

"(b) SPECIAL CONVEYANCES.—Notwithstanding any other law, the following public lands depicted on the maps and legal descriptions dated October 11, 1995, and on file with the Secretary shall be conveyed under subsection (a) to the County of Nye, Nevada:

Map 1: Proposed Pahrump Industrial Park Site

Map 2: Proposed Lathrop Wells (Gate 510) Industrial Park Site

Map 3: Pahrump Landfill Sites

Map 4: Amargosa Valley Regional Landfill Site

Map 5: Amargosa Valley Municipal Landfill Site

Map 6: Beatty Landfill/Transfer Station Site

Map 7: Round Mountain Landfill Site

Map 8: Tonopah Landfill Site

Map 9: Gabbs Landfill Site.

"(3) CONSTRUCTION.—The maps and legal descriptions of special conveyances referred to in subsection (b) shall have the same force and effect as if they were included in this Act. The Secretary may correct clerical and typographical errors in the maps and legal descriptions and make minor adjustments in the boundaries of the sites.

"(4) EVIDENCE OF TITLE TRANSFER.—Upon the request of the County of Nye, Nevada, the Secretary of the Interior shall provide evidence of title transfer.

"TITLE IV—FUNDING AND ORGANIZATION

"SEC. 401. PROGRAM FUNDING.

"(a) CONTRACTS.—

"(1) AUTHORITY OF SECRETARY.—In the performance of the Secretary's functions under this Act, the Secretary is authorized to enter into contracts with any person who generates or holds title to spent nuclear fuel or high level radioactive waste of domestic origin for the acceptance of title and possession, transportation, interim storage, and disposal of such waste or spent fuel. Such contracts shall provide for payment of annual fees to the Secretary in the amounts set by the Secretary pursuant to paragraphs (2) and (3). Except as provided in paragraph (3), fees assessed pursuant to this paragraph shall be paid to the Treasury of the United States and shall be available for use by the Secretary pursuant to this section until expended. Subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, the contracts executed under section 302(a) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act, provided that the Secretary shall consent to an amendment to such contracts as necessary to implement the provisions of this Act.

"(2) ANNUAL FEES.—

"(A) For electricity generated by civilian nuclear power reactors and sold between January 7, 1983, and September 30, 2002, the fee under paragraph (1) shall be equal to 1.0 mill per kilowatt hour generated and sold. For electricity generated by civilian nuclear power reactors and sold on or after October 1, 2002, the aggregate amount of fees collected during each fiscal year shall be no greater than the annual level of appropriations for expenditures on those activities consistent with subsection (d) for that fiscal year, minus—

"(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

"(ii) the percentage of such appropriation required to be funded by the Federal Government pursuant to section 403.

The Secretary shall determine the level of the annual fee for each civilian nuclear power reactor based on the amount of electricity generated and sold, except that the annual fee collected under this subparagraph shall not exceed 1.0 mill per kilowatt-hour generated and sold.

“(B) EXPENDITURES IF SHORTFALL.—If, during any fiscal year on or after October 1, 2002, the aggregate amount of fees assessed pursuant to subparagraph (A) is less than the annual level of appropriations for expenditures on those activities specified in subsection (d) for that fiscal year, minus—

“(i) any unobligated balance collected pursuant to this section during the previous fiscal year; and

“(ii) the percentage of such appropriations required to be funded by the Federal Government pursuant to section 403,

the Secretary may make expenditures from the Nuclear Waste Fund up to the level of the fees assessed.

“(C) RULES.—The Secretary shall, by rule, establish procedures necessary to implement this paragraph.

“(3) ONE-TIME FEE.—For spent nuclear fuel or solidified high-level radioactive waste derived from spent nuclear fuel, which fuel was used to generate electricity in a civilian nuclear power reactor prior to January 7, 1983, the fee shall be in an amount equivalent to an average charge of 1.0 mill per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom. Payment of such one-time fee prior to the date of enactment of the Nuclear Waste Policy Act of 1996 shall satisfy the obligation imposed under this paragraph. Any one-time fee paid and collected subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996 pursuant to the contracts, including any interest due pursuant to such contracts, shall be paid to the Nuclear Waste Fund no later than September 30, 2002. The Commission shall suspend the license of any licensee who fails or refuses to pay the full amount of the fee referred to in this paragraph on or before September 30, 2002, and the license shall remain suspended until the full amount of the fee referred to in this paragraph is paid. The person paying the fee under this paragraph to the Secretary shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of spent fuel or high-level radioactive waste derived from spend nuclear fuel used to generate electricity in a civilian power reactor prior to January 7, 1983.

“(4) ADJUSTMENTS TO FEE.—The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3), together with the existing balance of the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996, to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (c)(2). In the event the Secretary determines that the revenues being collected are either insufficient or excessive to recover the costs incurred by the Federal Government that are specified in subsection (c)(2), the Secretary shall propose an adjustment to the fee in subsection (c)(2) to ensure full cost recovery. The Secretary shall immediately transmit the proposal for such an adjustment to both houses of Congress.

“(b) ADVANCE CONTRACTING REQUIREMENT.—

“(1) IN GENERAL.—

“(A) LICENSE ISSUANCE AND RENEWAL.—The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) unless—

“(i) such person has entered into a contract under subsection (a) with the Secretary, or

“(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

“(B) PRECONDITION.—The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 103 or 104 of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134) that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of spent nuclear fuel and high-level radioactive waste that may result from the use of such license.

“(2) DISPOSAL IN REPOSITORY.—Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5, United States Code) may be disposed of by the Secretary in the repository unless the generator or owner of such spent fuel or waste has entered into a contract under subsection (a) with the Secretary by not later than the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste.

“(3) ASSIGNMENT.—The rights and duties of contract holders are assignable.

“(c) NUCLEAR WASTE FUND.—

“(1) IN GENERAL.—The Nuclear Waste Fund established in the Treasury of the United States under section 302(c) of the Nuclear Waste Policy Act of 1982 shall continue in effect under this Act and shall consist of—

“(A) the existing balance in the Nuclear Waste Fund on the date of enactment of the Nuclear Waste Policy Act of 1996; and

“(B) all receipts, proceeds, and recoveries realized under subsections (a), and (c)(3) subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996, which shall be deposited in the Nuclear Waste Fund immediately upon their realization.

“(2) USE.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to subsections (d) and (e), only for purposes of the integrated management system.

“(3) ADMINISTRATION OF NUCLEAR WASTE FUND.—

“(A) IN GENERAL.—The Secretary of the Treasury shall hold the Nuclear Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Nuclear Waste Fund during the preceding fiscal year.

“(B) AMOUNTS IN EXCESS OF CURRENT NEEDS.—If the Secretary determines that the Nuclear Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

“(i) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Nuclear Waste Fund; and

“(ii) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

“(C) EXEMPTION.—Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Nuclear Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31, United States Code.

“(d) BUDGET.—The Secretary shall submit the budget for implementation of the Secretary's responsibilities under this Act to the Office of Management and Budget annually along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31, United States Code. The budget shall consist of the estimates made by the Secretary of expenditures under this Act and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the budget of the United States Government.

“(e) APPROPRIATIONS.—The Secretary may make expenditures from the Nuclear Waste Fund, subject to appropriations, which shall remain available until expended.

“SEC. 402. OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.

“(a) ESTABLISHMENT.—There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

“(b) FUNCTIONS OF DIRECTOR.—The Director of the Office shall be responsible for carrying out the functions of the Secretary under this Act, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

“SEC. 403. FEDERAL CONTRIBUTION.

“(a) ALLOCATION.—No later than one year from the date of enactment of the Nuclear Waste Policy Act of 1996, acting pursuant to section 553 of title 5, United States Code, the Secretary shall issue a final rule establishing the appropriate portion of the costs of managing spent nuclear fuel and high-level radioactive waste under this Act allocable to the interim storage or permanent disposal of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors. The share of costs allocable to the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors shall include,

“(1) an appropriate portion of the costs associated with research and development activities with respect to development of an interim storage facility and repository; and

“(2) as appropriate, interest on the principal amounts due calculated by reference to the appropriate Treasury bill rate as if the payments were made at a point in time consistent with the payment dates for spent nuclear fuel and high-level radioactive waste under the contracts.

“(b) APPROPRIATION REQUEST.—In addition to any request for an appropriation from the Nuclear Waste Fund, the Secretary shall request annual appropriations from general revenues in amounts sufficient to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, as established under subsection (a).

“(c) REPORT.—In conjunction with the annual report submitted to Congress under Section 702, the Secretary shall advise the Congress annually of the amount of spent nuclear fuel and highlevel radioactive waste from atomic energy defense activities and spent nuclear fuel from foreign research reactors, requiring management in the integrated management system.

"(d) AUTHORIZATION.—There is authorized to be appropriated to the Secretary, from general revenues, for carrying out the purposes of this Act, such sums as may be necessary to pay the costs of the management of spent nuclear fuel and high-level radioactive waste from atomic energy defense activities and spend nuclear fuel from foreign research reactors, as established under subsection (a).

"TITLE V—GENERAL AND MISCELLANEOUS PROVISIONS

"SEC. 501. COMPLIANCE WITH OTHER LAWS.

"If the requirements of any Federal, State, or local law (including a requirement imposed by regulation or by any other means under such a law) are inconsistent with or duplicative of the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) or of this Act, the Secretary shall comply only with the requirements of the Atomic Energy Act of 1954 and of this Act in implementing the integrated management system.

"SEC. 502. JUDICIAL REVIEW OF AGENCY ACTIONS.

"(a) JURISDICTION OF THE UNITED STATES COURTS OF APPEALS.—

"(1) ORIGINAL AND EXCLUSIVE JURISDICTION.—Except for review in the Supreme Court of the United States, and except as otherwise provided in this Act, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

"(A) for review of any final decision or action of the Secretary, the President, or the Commission under this Act;

"(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this Act;

"(C) challenging the constitutionality of any decision made, or action taken, under any provision of this Act; or

"(D) for review of any environmental impact statement prepared or environmental assessment pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this Act or alleging a failure to prepare such statement with respect to any such action.

"(2) VENUE.—The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia Circuit.

"(b) DEADLINE FOR COMMENCING ACTION.—A civil action for judicial review described under subsection (a)(1) may be brought no later than 180 days after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action no later than 180 days after the date such party acquired actual or constructive knowledge or such decision, action, or failure to act.

"(c) APPLICATION OF OTHER LAW.—The provisions of this section relating to any matter shall apply in lieu of the provisions of any other Act relating to the same matter.

"SEC. 503. LICENSING OF FACILITY EXPANSIONS AND TRANSSHIPMENTS.

"(a) ORAL ARGUMENT.—In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

"(b) ADJUDICATORY HEARING.—

"(1) DESIGNATION.—At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing if it determines that—

"(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and

"(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.

"(2) DETERMINATION.—In making a determination under this subsection, the Commission—

"(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and

"(B) shall not consider—

"(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor to which a construction permit has been granted at such site, unless the Commission determines that any such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or

"(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless—

"(I) such issue results from any revision of siting or design criteria by the Commission following such decision; and

"(II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.

"(3) APPLICATION.—The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.

"(4) CONSTRUCTION.—The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear power plant by the Commission.

"(c) JUDICIAL REVIEW.—No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—

"(1) an objection to the procedure used was presented to the Commission in a timely fashion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

"(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.

"SEC. 504. SITING A SECOND REPOSITORY.

"(a) CONGRESSIONAL ACTION REQUIRED.—The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

"(b) REPORT.—The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

"SEC. 505. FINANCIAL ARRANGEMENTS FOR LOW-LEVEL RADIOACTIVE WASTE SITE CLOSURE.

"(a) FINANCIAL ARRANGEMENTS.—

"(1) STANDARDS AND INSTRUCTIONS.—The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 181 of the Atomic Energy Act of 1954 (42 U.S.C. 2231), such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021), by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

"(2) BONDING, SURETY, OR OTHER FINANCIAL ARRANGEMENTS.—If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

"(b) TITLE AND CUSTODY.—

"(1) AUTHORITY OF SECRETARY.—The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

"(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);

"(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and

"(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

"(2) PROTECTION.—If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

"(c) SPECIAL SITES.—If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.

"SEC. 506. NUCLEAR REGULATORY COMMISSION TRAINING AUTHORIZATION.

"The Commission is authorized and directed to promulgate regulations, or other appropriate regulatory guidance, for the training and qualifications of civilian nuclear power plant operators, supervisors, technicians, and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear power plant operator licenses and for operator requalification programs; requirements governing Commission administration of requalification examinations; requirements for operating tests at civilian nuclear power plant simulators, and instructional requirements for civilian nuclear power plant licensee personnel training programs.

"SEC. 507. EMPLACEMENT SCHEDULE.

"(a) The emplacement schedule shall be implemented in accordance with the following:

"(1) Emplacement priority ranking shall be determined by the Department's annual 'Acceptance Priority Ranking' report.

"(2) The Secretary's spent fuel emplacement rate shall be no less than the following: 1,200 MTU in fiscal year 2000 and 1,200 MTU in fiscal year 2001; 2,000 MTU in fiscal year 2002 and 2000 MTU in fiscal year 2003; 2,700 MTU in fiscal year 2004; and 3,000 MTU annually thereafter.

"(b) If the Secretary is unable to begin emplacement by November 30, 1999 at the rates specified in subsection (a), or if the cumulative amount emplaced in any year thereafter is less than that which would have been accepted under the emplacement rate specified in subsection (a), the Secretary shall, as a mitigation measure, adjust the emplacement schedule upward such that within 5 years of the start of emplacement by the Secretary,

"(1) the total quantity accepted by the Secretary is consistent with the total quantity that the Secretary would have accepted if the Secretary had began emplacement in fiscal year 2000, and

"(2) thereafter the emplacement rate is equivalent to the rate that would be in place pursuant to paragraph (a) above if the Secretary had commenced emplacement in fiscal year 2000.

"SEC. 508. TRANSFER OF TITLE.

"(a) Acceptance by the Secretary of any spent nuclear fuel or high-level radioactive waste shall constitute a transfer of title to the Secretary.

"(b) No later than 6 months following the date of enactment of the Nuclear Waste Policy Act of 1996, the Secretary is authorized to accept all spent nuclear fuel withdrawn from Dairyland Power Cooperative's La Crosse Reactor and, upon acceptance, shall provide Dairyland Power Cooperative with evidence of the title transfer. Immediately upon the Secretary's acceptance of such spent nuclear fuel, the Secretary shall assume all responsibility and liability for the interim storagė and permanent disposal thereof and is authorized to compensate Dairyland Power Cooperative for any costs related to operating and maintaining facilities necessary for such storage from the date of acceptance until the Secretary removes the spent nuclear fuel from the La Crosse Reactor site."

"SEC. 509. DECOMMISSIONING PILOT PROGRAM.

"(a) AUTHORIZATION.—the Secretary is authorized to establish a Decommissioning Pilot Program to decommission and decontaminate the sodium-cooled fast breeder experimental test-site reactor located in northwest Arkansas.

"(b) FUNDING.—No funds from the Nuclear Waste Fund may be used for the Decommissioning Pilot Program.

"SEC. 510. WATER RIGHTS.

"a) NO FEDERAL RESERVATION.—Nothing in this Act or any other Act of Congress shall constitute or be construed to constitute either an express or implied Federal reservation of water or water rights for any purpose arising under this Act.

"(b) ACQUISITION AND EXERCISE OF WATER RIGHTS UNDER NEVADA LAW.—The United States may acquire and exercise such water rights as it deems necessary to carry out its responsibilities under this Act pursuant to the substantive and procedural requirements of the State of Nevada. Nothing in this Act shall be construed to authorize the use of eminent domain by the United States to acquire water rights for such lands.

"(c) EXERCISE OF WATER RIGHTS GENERALLY UNDER NEVADA LAWS.—Nothing in this Act shall be construed to limit the exercise of water rights as provided under Nevada State laws.

"TITLE VI—NUCLEAR WASTE TECHNICAL REVIEW BOARD

"SEC. 601. DEFINITIONS.

"For purposes of this title—

"(1) CHAIRMAN.—The term 'Chairman' means the Chairman of the Nuclear Waste Technical Review Board.

"(2) BOARD.—The term 'Board' means the Nuclear Waste Technical Review Board continued under section 602.

"SEC. 602. NUCLEAR WASTE TECHNICAL REVIEW BOARD.

"(a) CONTINUATION OF THE NUCLEAR WASTE TECHNICAL REVIEW BOARD.—The Nuclear Waste Technical Review Board, established under section 502(a) of the Nuclear Waste Policy Act of 1982 as constituted prior to the date of enactment of the Nuclear Waste Policy Act of 1996, shall continue in effect subsequent to the date of enactment of the Nuclear Waste Policy Act of 1996.

"(b) MEMBERS.—

"(1) NUMBER.—The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

"(2) CHAIR.—The President shall designate a member of the Board to serve as Chairman.

"(3) NATIONAL ACADEMY OF SCIENCES.—

"(A) NOMINATIONS.—The National Academy of Sciences shall, not later than 90 days after December 22, 1987, nominate not less than 22 persons for appointment to the Board from among persons who meet the qualifications described in subparagraph (C).

"(B) VACANCIES.—The National Academy of Sciences shall nominate not less than 2 persons to fill any vacancy on the Board from among persons who meet the qualifications described in subparagraph (C).

"(C) NOMINEES.—

"(i) Each person nominated for appointment to the Board shall be—

"(I) eminent in a field of science or engineering, including environmental sciences; and

"(II) selected solely on the basis of established records of distinguished service.

"(ii) The membership of the Board shall be representatives of the broad range of scientific and engineering disciplines related to activities under this title.

"(iii) No person shall be nominated for appointment to the Board who is an employee of—

"(I) the Department of Energy;

"(II) a national laboratory under contract with the Department of Energy; or

"(III) an entity performing spent nuclear fuel or high-level radioactive waste activities under contract with the Department of Energy.

"(4) VACANCIES.—Any vacancy on the Board shall be filled by the nomination and appointment process described in paragraphs (1) and (3).

"(5) TERMS.—Members of the Board shall be appointed for terms of 4 years, each such term to commence 120 days after December 22, 1987, except that of the 11 members first appointed to the Board, 5 shall serve for 2 years and 6 shall serve for 4 years, to be designated by the President at the time of appointment, except that a member of the Board whose term has expired may continue to serve as a member of the Board until such member's successor has taken office.

"SEC. 603. FUNCTIONS.

"The Board shall limit its evaluations to the technical and scientific validity solely of the following activities undertaken directly by the Secretary after December 22, 1987—

"(1) site characterization activities; and

"(2) activities of the Secretary relating to the packaging or transportation of spent nuclear fuel or high-level radioactive waste.

"SEC. 604. INVESTIGATORY POWERS.

"(a) HEARINGS.—Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board. The Secretary or the Secretary's designee or designees shall not required to appear before the Board or any element of the Board for more than twelve working days per calendar year.

"(b) PRODUCTION OF DOCUMENTS.—

"(1) RESPONSE TO INQUIRIES.—Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information that is generally available to the public as may be necessary to respond to any inquiry of the Board under this title.

"(2) EXTENT.—Subject to existing law, information obtainable under paragraph (1) may include drafts of products and documentation of work in progress.

"SEC. 605. COMPENSATION OF MEMBERS.

"(a) IN GENERAL.—Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

"(b) TRAVEL EXPENSE.—Each member of the Board may receive travel expenses, including per diem in lieu of subsidence, in the same manner as is permitted under sections 5702 and 5703 of title 5, United States Code.

"SEC. 606. STAFF.

"(a) CLERICAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

"(2) PROVISIONS OF TITLE 5.—Clerical staff shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 3 of such title relating to classification and General Schedule pay rates.

"(b) PROFESSIONAL STAFF.—

"(1) AUTHORITY OF CHAIRMAN.—Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

"(2) NUMBER.—Not more than 10 professional staff members may be appointed under this subsection.

"(3) TITLE 5.—Professional staff members may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-18 of the General Schedule.

"SEC. 607. SUPPORT SERVICES.

"(a) GENERAL SERVICES.—To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

"(b) ACCOUNTING, RESEARCH, AND TECHNOLOGY ASSESSMENT SERVICES.—The Comptroller General and the Librarian of Congress shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

"(c) ADDITIONAL SUPPORT.—Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this title.

"(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) EXPERTS AND CONSULTANTS.—Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-18 of the General Schedule.

"SEC. 608. REPORT.

"The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations.

"SEC. 609. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for expenditures such as may be necessary to carry out the provisions of this title.

"SEC. 610. TERMINATION OF THE BOARD.

"The Board shall cease to exist not later than one year after the date on which the Secretary begins disposal of spent nuclear fuel or high-level radioactive waste in the repository.

"TITLE VII—MANAGEMENT REFORM

"SEC. 701. MANAGEMENT REFORM INITIATIVES.

"(a) IN GENERAL.—The Secretary is directed to take actions as necessary to improve the management of the civilian radioactive waste management program to ensure that the program is operated, by the maximum extent practicable, in like manner as a private business.

"(b) AUDITS.—

"(1) STANDARD.—The Office of Civilian Radioactive Waste Management, its contractors, and subcontractors at all tiers, shall conduct, or have conducted, audits and examinations of their operations in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects consistent with its role in the program.

"(2) TIME.—The management practices and performances of the Office of Civilian Radioactive Waste Management shall be audited every 5 years by an independent management consulting firm with significant experience in similar audits of private corporations engaged in large nuclear construction projects. The first such audit shall be conducted 5 years after the enactment of the Nuclear Waste Policy Act of 1996.

"(3) COMPTROLLER GENERAL.—The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.

"(4) TIME.—No audit contemplated by this subsection shall take longer than 30 days to conduct. An audit report shall be issued in final form no longer than 60 days after the audit is commenced.

"(5) PUBLIC DOCUMENTS.—All audit reports shall be public documents and available to any individual upon request.

"(d) VALUE ENGINEERING.—The Secretary shall create a value engineering function within the Office of Civilian Radioactive Waste Management that reports directly to the Director, which shall carry out value engineering functions in accordance with the usual and customary practices of private corporations engaged in large nuclear construction projects.

"(e) SITE CHARACTERIZATION.—The Secretary shall employ, on an on-going basis, integrated performance modeling to identify appropriate parameters for the remaining site characterization effort and to eliminate studies of parameters that are shown not to affect long-term repository performance.

"SEC. 702. REPORTING.

"(a) INITIAL REPORT.—Within 180 days of enactment of this section, the Secretary shall report to Congress on its planned actions for implementing the provisions of this Act, including the development of the Integrated Waste Management System. Such report shall include—

"(1) an analysis of the Secretary's progress in meeting its statutory and contractual obligation to accept title to, possession of, and delivery of spent nuclear fuel and high-level radioactive waste beginning no later than November 30, 1999, and in accordance with the acceptance schedule;

"(2) a detailed schedule and timeline showing each action that the Secretary intends to take to meet the Secretary's obligations under this Act and the contracts;

"(3) a detailed description of the Secretary's contingency plans in the event that the Secretary is unable to met the planned schedule and timeline; and

"(4) an analysis by the Secretary of its funding needs for fiscal years 1997 through 2001.

"(b) ANNUAL REPORTS.—On each anniversary of the submittal of the report required by subsection (a), the Secretary shall make annual reports to the Congress for the purpose of updating the information contained in such report. The annual reports shall be brief and shall notify the Congress of:

"(1) any modifications to the Secretary's schedule and timeline for meeting its obligations under this Act;

"(2) the reasons for such modifications, and the status of the implementation of any of the Secretary's contingency plans; and

"(3) the Secretary's analysis of its funding needs for the ensuring 5 fiscal years.

"SEC. 703. EFFECTIVE DATE.

"This Act shall become effective two days after enactment.".

THE FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

BROWN (AND OTHERS) AMENDMENT NO. 5058

Mr. BROWN (for himself), Mr. SIMON, Mr. ROTH, Mr. LIEBERMAN, Mr. HELMS, Ms. MIKULSKI, Mr. MCCAIN, Mr. SPECTER, Mr. SANTORUM, Mr. MCCONNELL, Mr. GORTON, Mr. ABRAHAM, Mr. STEVENS, and Ms. MOSELEY-BRAUN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, between lines 17 and 18, insert the following:

TITLE ___—NATO ENLARGEMENT FACILITATION ACT OF 1996

SEC. __01. SHORT TITLE.

This title may be cited as the "NATO Enlargement Facilitation Act of 1996".

SEC. __02. FINDINGS.

The Congress makes the following findings:

(1) Since 1949, the North Atlantic Treaty Organization (NATO) has played an essential role in guaranteeing the security, freedom, and prosperity of the United States and its partners in the Alliance.

(2) The NATO Alliance is, and has been since its inception, purely defensive in character, and it poses no threat to any nation.

The enlargement of the NATO Alliance to include as full and equal members emerging democracies in Central and Eastern Europe will serve to reinforce stability and security in Europe by fostering their integration into the structures which have created and sustained peace in Europe since 1945. Their admission into NATO will not threaten any nation. America's security, freedom, and prosperity remain linked to the security of the countries of Europe.

(3) The sustained commitment of the member countries of NATO to a mutual defense has made possible the democratic transformation of Central and Eastern Europe. Members of the Alliance can and should play a critical role in addressing the security challenges of the post-Cold War era and in creating the stable environment needed for those emerging democracies in Central and Eastern Europe to successfully complete political and economic transformation.

(4) The United States continues to regard the political independence and territorial integrity of all emerging democracies in Central and Eastern Europe as vital to European peace and security.

(5) The active involvement by the countries of Central and Eastern Europe has made the Partnership for Peace program an important forum to foster cooperation between NATO and those countries seeking NATO membership.

(6) NATO has enlarged its membership on 3 different occasions since 1949.

(7) Congress supports the admission of new members to NATO at an early date and has sought to facilitate the admission of new members into NATO.

(8) As new members of NATO assume the responsibilities of Alliance membership, the costs of maintaining stability in Europe will be shared more widely. Facilitation of the enlargement process will require current members of NATO, and the United States in particular, to demonstrate the political will needed to build on successful ongoing programs such as the Warsaw Initiative and the Partnership for Peace by making available the resources necessary to supplement efforts prospective new members are themselves undertaking.

(9) New members will be full members of the Alliance, enjoying all rights and assuming all the obligations under the Washington Treaty.

(10) Cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed interest in joining NATO, such as the Baltic Peacekeeping Battalion, the Polish-Lithuanian Joint Peacekeeping Force, and the Polish-Ukrainian Peacekeeping Force, can make an important contribution to European peace and security and international peacekeeping efforts, can assist those countries preparing to assume the responsibilities of possible NATO membership, and accordingly should receive appropriate support from the United States.

(11) NATO remains the only multilateral security organization capable of conducting effective military operations and preserving security and stability of the Euro-Atlantic region.

(12) NATO is an important diplomatic forum and has played a positive role in defusing tensions between members of the Alliance and, as a result, no military action has occurred between two Alliance member states since the inception of NATO in 1949.

(13) The admission to NATO of emerging democracies in Central and Eastern Europe which are found to be in a position to further the principles of the North Atlantic Treaty would contribute to international peace and enhance the security of the region. Countries which have become democracies and established market economies, which practice good neighborly relations, and which have established effective democratic civilian control over their defense establishments and attained a degree of interoperability with NATO, should be evaluated for their potential to further the principles of the North Atlantic Treaty.

(14) A number of Central and Eastern European countries have expressed interest in NATO membership, and have taken concrete steps to demonstrate this commitment, including their participation in Partnership for Peace activities.

(15) The Caucasus region remains important geographically and politically to the future security of Central Europe. As NATO proceeds with the process of enlargement, the United States and NATO should continue to examine all appropriate means to strengthen the sovereignty and enhance the security of U.N.-recognized countries in that region.

(16) In recognition that not all countries which have requested membership in NATO will necessarily qualify at the same pace, the accession date for each new member will vary.

(17) The provision of additional NATO transition assistance should include those emerging democracies most ready for closer ties with NATO and should be designed to assist other countries meeting specified criteria of eligibility to move forward toward eventual NATO membership.

(18) The Congress of the United States finds in particular that Poland, Hungary, and the Czech Republic have made significant progress toward achieving the stated criteria and should be eligible for the additional assistance described in this bill.

(19) The evaluation of future membership in NATO for emerging democracies in Central and Eastern Europe should be based on the progress of those nations in meeting criteria for NATO membership, which require enhancement of NATO's security and the approval of all NATO members.

(20) The process of NATO enlargement entails the agreement of the governments of all NATO members in accordance with Article 10 of the Washington Treaty.

SEC. ___03. UNITED STATES POLICY.

It is the policy of the United States—

(1) to join with the NATO allies of the United States to adapt the role of the NATO Alliance in the post-Cold War world;

(2) to actively assist the emerging democracies in Central and Eastern Europe in their transition so that such countries may eventually qualify for NATO membership; and

(3) to work to define a constructive and cooperative political and security relationship between an enlarged NATO and the Russian Federation.

SEC. ___04. SENSE OF THE CONGRESS REGARDING FURTHER ENLARGEMENT OF NATO.

It is the sense of the Congress that in order to promote economic stability and security in Slovakia, Estonia, Latvia, Lithuania, Romania, Slovenia, Bulgaria, Albania, Moldova, and Ukraine—

(1) the United States should continue and expand its support for the full and active participation of these countries in activities appropriate for qualifying for NATO membership;

(2) the United States Government should use all diplomatic means available to press the European Union to admit as soon as possible any country which qualifies for membership;

(3) the United States Government and the North Atlantic Treaty Organization should continue and expand their support for military exercises and peacekeeping initiatives between and among these nations, nations of the North Atlantic Treaty Organization, and Russia; and

(4) the process of enlarging NATO to include emerging democracies in Central and Eastern Europe should not stop with the admission of Poland, Hungary, and the Czech Republic as full members of the NATO Alliance.

SEC. ___05. SENSE OF THE CONGRESS REGARDING ESTONIA, LATVIA, AND LITHUANIA.

In view of the forcible incorporation of Estonia, Latvia, Lithuania into the Soviet Union in 1940 under the Molotov-Ribbentrop Pact and the refusal of the United States and other countries to recognize that incorporation for over 50 years, it is the sense of the Congress that—

(1) Estonia, Latvia, and Lithuania have valid historical security concerns that must be taken into account by the United States; and

(2) Estonia, Latvia, and Lithuania should not be disadvantaged in seeking to join NATO by virtue of their forcible incorporation into the Soviet Union.

SEC. ___06. DESIGNATION OF COUNTRIES ELIGIBLE FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—The following countries are designated as eligible to receive assistance under the program established under section 203(a) of the NATO Participation Act of 1994 and shall be deemed to have been so designated pursuant to section 203(d) of such Act: Poland, Hungary, and the Czech Republic.

(b) DESIGNATION OF OTHER COUNTRIES.—The President shall designate other emerging democracies in Central and Eastern Europe as eligible to receive assistance under the program established under section 203(a) of such Act if such countries—

(1) have expressed a clear desire to join NATO;

(2) have begun an individualized dialogue with NATO in preparation for accession;

(3) are strategically significant to an effective NATO defense; and

(4) meet the other criteria outlined in section 203(d) of the NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note).

(c) RULE OF CONSTRUCTION.—Subsection (a) does not preclude the designation by the President of Estonia, Latvia, Lithuania, Romania, Slovenia, Slovakia, Bulgaria, Albania, Moldova, Ukraine, or any other emerging democracy in Central and Eastern Europe pursuant to section 203(d) of the NATO Participation Act of 1994 as eligible to receive assistance under the program established under section 203(a) of such Act.

SEC. ___07. AUTHORIZATION OF APPROPRIATIONS FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—There are authorized to be appropriated $60,000,000 for fiscal year 1997 for the program established under section 203(a) of the NATO Participation Act of 1994.

(b) AVAILABILITY.—Of the funds authorized to be appropriated by subsection (a)—

(1) not less than $20,000,000 shall be available for the subsidy cost, as defined in section 502(5) of the Credit Reform Act of 1990, of direct loans pursuant to the authority of

section 203(c)(4) of the NATO Participation Act of 1994 (relating to the "Foreign Military Financing Program");

(2) not less than $30,000,000 shall be available for assistance on a grant basis pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the "Foreign Military Financing Program"); and

(3) not more than $10,000,000 shall be available for assistance pursuant to the authority of section 203(c)(3) of the NATO Participation Act of 1994 (relating to international military education and training).

(c) RULE OF CONSTRUCTION.—Amounts authorized to be appropriated under this section are authorized to be appropriated in addition to such amounts as otherwise may be available for such purposes.

SEC. ___08. REGIONAL AIRSPACE INITIATIVE AND PARTNERSHIP FOR PEACE INFORMATION MANAGEMENT SYSTEM.

(a) IN GENERAL.—Funds described in subsection (b) are authorized to be made available to support the implementation of the Regional Airspace Initiative and the Partnership for Peace Information Management System, including—

(1) the procurement of items in support of these programs; and

(2) the transfer of such items to countries participating in these programs, which may include Poland, Hungary, the Czech Republic, Slovakia, Estonia, Latvia, Lithuania, Romania, Bulgaria, Moldova, Ukraine, Albania, and Slovenia.

(b) FUNDS DESCRIBED.—Funds described in this subsection are funds that are available—

(1) during any fiscal year under the NATO Participation Act of 1994 with respect to countries eligible for assistance under that Act; or

(2) during fiscal year 1997 under any Act to carry out the Warsaw Initiative.

SEC. ___09. EXCESS DEFENSE ARTICLES.

(a) PRIORITY DELIVERY.—Notwithstanding any other provision of law, the provision and delivery of excess defense articles under the authority of section 203(c) (1) and (2) of the NATO Participation Act of 1994 and section 516 of the Foreign Assistance Act of 1961 shall be given priority to the maximum extent feasible over the provision and delivery of such excess defense articles to all other countries except those countries referred to in section 541 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Public Law 103-306; 108 Stat. 1640).

(b) COOPERATIVE REGIONAL PEACEKEEPING INITIATIVES.—The Congress encourages the President to provide excess defense articles and other appropriate assistance to cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed an interest in joining NATO in order to enhance their ability to contribute to European peace and security and international peacekeeping efforts.

SEC. ___10. MODERNIZATION OF DEFENSE CAPABILITY.

The Congress endorses efforts by the United States to modernize the defense capability of Poland, Hungary, the Czech Republic, and any other countries designated by the President pursuant to section 203(d) of the NATO Participation Act of 1994, by exploring with such countries options for the sale or lease to such countries of weapons systems compatible with those used by NATO members, including air defense systems, advanced fighter aircraft, and telecommunications infrastructure.

SEC. ___11. TERMINATION OF ELIGIBILITY.

Section 203(f) of the NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note) is amended to read as follows:

"(f) TERMINATION OF ELIGIBILITY.—(1) The eligibility of a country designated under subsection (d) for the program established in subsection (a) shall terminate 30 days after the President makes a certification under paragraph (2) unless, within the 30-day period, the Congress enacts a joint resolution disapproving the termination of eligibility.

"(2) Whenever the President determines that the government of a country designated under subsection (d)—

"(A) no longer meets the criteria set forth in subsection (d)(2)(A);

"(B) is hostile to the NATO Alliance; or

"(C) poses a national security threat to the United States,

then the President shall so certify to the appropriate congressional committees.

"(3) Nothing in this title affects the eligibility of countries to participate under other provisions of law in programs described in this Act.".

SEC. ___12. AMENDMENTS TO THE NATO PARTICIPATION ACT.

(a) CONFORMING AMENDMENT.—The NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note) is amended in sections 203(a), 203(d)(1), and 203(d)(2) by striking "countries emerging from communist domination" each place it appears and inserting "emerging democracies in Central and Eastern Europe".

(b) DEFINITIONS.—The NATO Participation Act of 1994 (title II of Public Law 103-446; 22 U.S.C. 1928 note) is amended by adding at the end the following new section:

"SEC. 206. DEFINITIONS.

"The term 'emerging democracies in Central and Eastern Europe' includes, but is not limited to, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.".

SEC. ___13. DEFINITIONS.

As used in this title:

(1) EMERGING DEMOCRACIES IN CENTRAL AND EASTERN EUROPE.—The term "emerging democracies in Central and Eastern Europe" includes, but is not limited to, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.

(2) NATO.—The term "NATO" means the North Atlantic Treaty Organization.

INOUYE AMENDMENT NO. 5059

Mr. McCONNELL (for Mr. INOUYE) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, between lines 17 and 18, insert the following:

SENSE OF CONGRESS REGARDING EXPANSION OF ELIGIBILITY FOR HOLOCAUST SURVIVOR COMPENSATION BY THE GOVERNMENT OF GERMANY

SEC. ___. (a) FINDINGS.—The Congress makes the following findings:

(1) After nearly half a century, tens of thousands of Holocaust survivors continue to be denied justice and compensation by the Government of Germany.

(2) These people who suffered grievously at the hands of the Nazis are now victims of unreasonable and arbitrary rules which keep them outside the framework of the various compensation programs.

(3) Compensation for these victims has been non-existent or, at best, woefully inadequate.

(4) The time has come to right this terrible wrong.

(b) SENSE OF CONGRESS.—The Congress calls upon the Government of Germany to negotiate in good faith with the Conference on Jewish Material Claims Against Germany to broaden the categories of those eligible for compensation so that the injustice of uncompensated Holocaust survivors may be corrected before it is too late.

On page 117, line 14, before the period insert the following: ": *Provided further*, That of the funds appropriated under this heading $25,000,000 shall be available for the legal restructuring necessary to support a decentralized market-oriented economic system, including enactment of necessary substantive commercial law, implementation of reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys, and law students, and education of the public designed to promote understanding of a law-based economy".

KYL AMENDMENT NO. 5060

Mr. McCONNELL (for Mr. KYL) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 117, line 14, before the period insert the following: ": *Provided further*, That of the funds appropriated under this heading $25,000,000 shall be available for the legal restructuring necessary to support a decentralized market-oriented economic system, including enactment of necessary substantive commercial law, implementation of reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys, and law students, and education of the public designed to promote understanding of a law-based economy".

LIEBERMAN (AND OTHERS) AMENDMENT NO. 5061

Mr. McCONNELL (for Mr. LIEBERMAN, for himself, Mr. LUGAR, Mr. BIDEN, Mr. SPECTER, Mrs. FEINSTEIN, Mr. MOYNIHAN, Mr. HATCH, Mr. LEVIN, and Mr. D'AMATO) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place, insert:

Findings. The United Nations, recognizing the need for justice in the former Yugoslavia, established the International Criminal Tribunal for the former Yugoslavia (hereafter in this resolution referred to as the "International Criminal Tribunal");

United Nations Security Council Resolution 827 of May 25, 1993 requires states to cooperate fully with the International Criminal Tribunal;

The parties to the General Framework Agreement for Peace in Bosnia and Herzegovina and associated Annexes (in this resolution referred to as the "Peace Agreement") negotiated in Dayton, Ohio and signed in Paris, France, on December 14, 1995, accepted, in Article IX, the obligation "to cooperate in the investigation and prosecution of war crimes and other violations of international humanitarian law";

The Constitution of Bosnia and Herzegovina, agreed to as Annex 4 of the Peace Agreement, provides, in Article IX, that "No person who is serving a sentence imposed by the International Tribunal for the former Yugoslavia, and no person who is under indictment by the Tribunal and who has failed to comply with an order to appear before the Tribunal, may stand as a candidate or hold any appointive, elective, or other public office in Bosnia and Herzegovina";

The International Criminal Tribunal has issued 57 indictments against individuals from all parties to the conflicts in the former Yugoslavia;

The International Criminal Tribunal continues to investigate gross violations of international law in the former Yugoslavia with a view to further indictments against the perpetrators;

On July 25, 1995, the International Criminal Tribunal issued an indictment for Radovan Karadzic, president of the Bosnian Serb administration of Pale, and Ratko Mladic, commander of the Bosnian Serb administration and charged them with genocide and crimes against humanity, violations of the law or customs of war, and grave breaches of the Geneva Conventions of 1949, arising from atrocities perpetrated against the civilian population throughout Bosnia-Herzegovina, for the sniping campaign against civilians in Sarajevo, and for the taking of United Nations peacekeepers as hostages and for their use as human shields;

On November 16, 1995, Karadzic and Mladic were indicted a second time by the International Criminal Tribunal, charged with genocide for the killing of up to 6,000 Muslims in Srebrenica, Bosnia, in July 1995;

The United Nations Security Council, in adopting Resolution 1022 on November 22, 1995, decided that economic sanctions on the Federal Republic of Yugoslavia (Serbia and Montenegro) and the so-called Republika Srpska would be reimposed if, at any time, the High Representative or the IFOR commander informs the Security Council that the Federal Republic of Yugoslavia or the Bosnian Serb authorities are failing significantly to meet their obligations under the Peace Agreement;

The so-called Republika Srpska and the Federal Republic of Yugoslavia (Serbia and Montenegro) have failed to arrest and turn over for prosecution indicted war criminals, including Karadzic and Mladic;

Efforts to politically isolate Karadzic and Mladic have failed thus far and would in any case be insufficient to comply with the Peace Agreement and bring peace with justice to Bosnia and Herzegovina;

The International Criminal Tribunal issued International warrants for the arrest of Karadzic and Mladic on July 11, 1996.

In the so-called Republika Srpska freedom of the press and freedom of assembly are severely limited and violence against ethnic and religious minorities and opposition figures is on the rise;

It will be difficult for national elections in Bosnia and Herzegovina to take place meaningfully so long as key was criminals, including Karadzic and Mladic, remain at large and able to influence political and military developments;

On June 6, 1996, the President of the International Criminal Tribunal, declaring that the Federal Republic of Yugoslavia's failure to extradite indicted war criminals is a blatant violation of the Peace Agreement and of United Nations Security Council Resolutions, called on the High Representative to reimpose economic sanctions on the so-called Republika Srpska and on the Federal Republic of Yugoslavia (Serbia and Montenegro); and

The apprehension and prosecution of indicted war criminals is essential for peace and reconciliation to be achieved and democracy to be established throughout Bosnia and Herzegovina.

It is the sense of the Senate finds that the International Criminal Tribunal for the former Yugoslavia merits continued and increased United States support for its efforts to investigate and bring to justice the perpetrators of gross violations of international law in the former Yugoslavia.

(b) It is the sense of the Senate that the President of the United States should support the request of the President of the International Criminal Tribunal for the former Yugoslavia for the High Representative to reimpose full economic sanctions on the Federal Republic of Yugoslavia (Serbia and Montenegro) and the so-called Republika Srpska, in accordance with United Nations Security Council Resolution 1022 (1995), until the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb authorities have complied with their obligations under the Peace Agreement and United Nations Security Council Resolutions to cooperate fully with the International Criminal Tribunal.

(c) It is further the sense of the Senate that the NATO-led Implementation Force (IFOR), in carrying out its mandate, should make it an urgent priority to detain and bring to justice persons indicted by the International Criminal Tribunal.

(d) It is further the sense of the Senate that states in the former Yugoslavia should not be admitted to international organizations and fora until and unless they have complied with their obligations under the Peace Agreement and United Nations Security Council Resolutions to cooperate fully with the International Criminal Tribunal.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

PRESSLER (AND D'AMATO) AMENDMENTS NOS. 5062–5063

Mr. MCCONNELL (for Mr. PRESSLER, for himself and Mr. D'AMATO) proposed two amendments to the bill, H.R. 3540, supra; as follows:

AMENDMENT NO. 5062

On page 198, between lines 17 and 18, insert the following:

SENSE OF SENATE ON DELIVERY BY CHINA OF CRUISE MISSILES TO IRAN

SEC. 580. (a) FINDINGS.—The Senate makes the following findings:

(1) On February 22, 1996, the Director of Central Intelligence informed the Senate that the Government of the People's Republic of China had delivered cruise missiles to Iran.

(2) On June 19, 1996, the Under Secretary of State for Arms Control and International Security Affairs informed Congress that the Department of State had evidence of Chinese-produced cruise missiles in Iran.

(3) On at least three occasions in 1996, including July 15, 1996, the Commander of the United States Fifth Fleet has pointed to the threat posed by Chinese-produced cruise missiles to the 15,000 United States sailors and marines stationed in the Persian Gulf region.

(4) Section 1605 of the Iran-Iraq Arms Non-Proliferation Act of 1992 (title XVI of Public Law 102–484; 50 U.S.C. 1701 note) both requires and authorizes the President to impose sanctions against any foreign government that delivers cruise missiles to Iran.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the Government of the People's Republic of China should immediately halt the delivery of cruise missiles and other advanced conventional weapons to Iran; and

(2) the President should enforce all appropriate United States laws with respect to the delivery by that government of cruise missiles to Iran.

AMENDMENT NO. 5063

On page 198, between lines 17 and 18, insert the following:

SENSE OF SENATE ON DELIVERY BY CHINA OF BALLISTIC MISSILE TECHNOLOGY TO SYRIA

SEC. 580. (a) FINDINGS.—The Senate makes the following findings:

(1) Credible information exists indicating that defense industrial trading companies of the People's Republic of China may have transferred ballistic missile technology to Syria.

(2) On October 4, 1994, the Government of the People's Republic of China entered into a written agreement with the United States pledging not to export missiles or related technology that would violate the Missile Technology Control Regime (MTCR).

(3) Section 73(f) of the Arms Export Control Act (22 U.S.C. 2797(f)) states that, when determining whether a foreign person may be subject to United States sanctions for transferring technology listed on the MTCR Annex, it should be a rebuttable presumption that such technology is designed for use in a missile listed on the MTCR Annex if the President determines that the final destination of the technology is a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)), has repeatedly provided support for acts of international terrorism.

(4) The Secretary of State has determined under the terms of section 6(j)(1)(A) of the Export Administration Act of 1979 that Syria has repeatedly provided support for acts of international terrorism.

(5) In 1994 Congress explicitly enacted section 73(f) of the Arms Export Control Act in order to target the transfer of ballistic missile technology to terrorist nations.

(6) The presence of ballistic missiles in Syria would pose a threat to United States armed forces and to regional peace and stability in the Middle East.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) it is in the national security interests of the United States and the State of Israel to prevent the spread of ballistic missiles and related technology to Syria;

(2) the Government of the People's Republic of China should continue to honor its agreement with the United States not to export missiles or related technology that would violate the Missile Technology Control Regime; and

(3) the President should exercise all legal authority available to the President to prevent the spread of ballistic missiles and related technology to Syria.

MCCAIN AMENDMENT NO. 5064

Mr. MCCONNELL (for Mr. MCCAIN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place, insert the following:

REFUGEE STATUS FOR ADULT CHILDREN OF FORMER VIETNAMESE REEDUCATION CAMP INTERNEES RESETTLED UNDER THE ORDERLY DEPARTURE PROGRAM

SEC. . (a) ELIGIBILITY FOR ORDERLY DEPARTURE PROGRAM.—For purposes of eligibility for the Orderly Departure Program for nationals of Vietnam, an alien described in subsection (b) shall be considered to be a refugee of special humanitarian concern to the

United States within the meaning of section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) and shall be admitted to the United States for resettlement if the alien would be admissible as an immigrant under the Immigration and Nationality Act (except as provided in section 207(c)(3) of that Act).

(b) ALIENS COVERED.—An alien described in this subsection is an alien who—

(1) is the son or daughter of a national of Vietnam who—

(A) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; and

(B) has been accepted for resettlement as a refugee under the Orderly Departure Program on or after April 1, 1995;

(2) is 21 years of age or older; and

(3) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

(c) SUPERSEDES EXISTING LAW.—This section supersedes any other provision of law.

McCONNELL AMENDMENT NO. 5065

Mr. McCONNELL proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place in the bill insert the following.

SEC. . 90 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State, in consultation with the Secretary of Defense, shall provide a report in a classified or unclassified form to the Committee on Appropriations including the following information:

(a) a best estimate on fuel used by the military forces of the Democratic People's Republic of Korea (DPRK);

(b) the deployment position and military training and activities of the DPRK forces and best estimate of the associated costs of these activities;

(c) steps taken to reduce the DPRK level of forces; and

(d) cooperation, training, or exchanges of information, technology or personnel between the DPRK and any other nation supporting the development or deployment of a ballistic missile capability.

THE NUCLEAR WASTE POLICY ACT OF 1996

BRYAN AMENDMENTS NOS. 5066–5077

Mr. BRYAN proposed 12 amendments to the bill S. 1936, supra; as follows:

AMENDMENT NO. 5066

At the appropriate place in the bill, insert the following new section:

"SEC. . COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"(a) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—Notwithstanding any other provision of this Act, the Secretary shall comply with all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in developing and implementing the integrated management system.

"(b) JUDICIAL REVIEW.—Notwithstanding any other provision of this Act, any agency action relating to the development or implementation of the integrated management system shall be subject to judicial review.

AMENDMENT NO. 5067

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal laws and regulations in developing and implementing the integrated management system.

"SEC. . COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"(a) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—Notwithstanding any other provision of this Act, the Secretary shall comply with all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in developing and implementing the integrated management system.

"(b) JUDICIAL REVIEW.—Notwithstanding any other provision of this Act, any agency action relating to the development or implementation of the integrated management system shall be subject to judicial review.

"SEC. . CONTRACT DELAYS.

"(a) UNAVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault or negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) AVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

"(c) REMEDY.—Notwithstanding any other provision of this Act, the provision of subsections (a) and (b) of this Section shall constitute the only remedy available to contract holders or the Department for failure to perform under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982.

AMENDMENT NO. 5068

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal laws and regulations in developing and implementing the integrated management system.

"SEC. . CONTRACT DELAYS.

"(a) UNAVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault of negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) AVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery, acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

'"(c) REMEDY.—Notwithstanding any other provision of this Act, the provisions of subsections (a) and (b) of this Section shall constitute the only remedy available to contract holders or the Department for failure to perform under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982.

AMENDMENT NO. 5069

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal, State, and local laws and regulations in developing and implementing the integrated management system.

"SEC. . CONTRACT DELAYS.

"(a) UNAVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault of negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) Avoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery, acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

"(c) Remedy.—Notwithstanding any other provision of this Act, the provisions of subsections (a) and (b) of this Section shall constitute the only remedy available to contract holders or the Department for failure to perform under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982.

Amendment No. 5070

At the appropriate place in the bill, insert the following new section:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal laws and regulations in developing and implementing the integrated management system.

Amendment No. 5071

At the appropriate place in the bill, insert the following new section:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal, State, and local laws and regulations in developing and implementing the integrated management system.

Amendment No. 5072

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal, State, and local laws and regulations in developing and implementing the integrated management system.

"SEC. . COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"(a) National Environmental Policy Act of 1969.—Notwithstanding any other provision of this Act, the Secretary shall comply with all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in developing and implementing the integrated management system.

"(b) Judicial Review.—Notwithstanding any other provision of this Act, any agency action relating to the development or implementation of the integrated management system shall be subject to judicial review.

Amendment No. 5073

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal laws and regulations in developing and implementing the integrated management system.

"SEC. . COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"(a) National Environmental Policy Act of 1969.—Notwithstanding any other provision of this Act, the Secretary shall comply with all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in developing and implementing the integrated management system.

"(b) Judicial Review.—Notwithstanding any other provision of this Act, any agency action relating to the development or implementation of the integrated management system shall be subject to judicial review.

Amendment No. 5074

At the appropriate place in the bill, insert the following new section:

"SEC. . CONTRACT DELAYS.

"(a) Unavoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, neither the Department nor other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault or negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) Avoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery, acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

Amendment No. 5075

At the appropriate place in the bill, insert the following new section:

"SEC. . CONTRACT DELAYS.

"(a) Unavoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, neither the Department nor other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault or negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) Avoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery, acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

"(c) Remedy.—Notwithstanding any other provision of this Act, the provisions of subsections (a) and (b) of this Section shall constitute the only remedy available to contract holders or the Department for failure to perform under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982.

Amendment No. 5076

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"(a) National Environmental Policy Act of 1969.—Notwithstanding any other provision of this Act, the Secretary shall comply with all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in developing and implementing the integrated management system.

"(b) Judicial Review.—Notwithstanding any other provision of this Act, any agency action relating to the development or implementation of the integrated management system shall be subject to judicial review.

"SEC. . CONTRACT DELAYS.

"(a) Unavoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault or negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) Avoidable Delays by Contract Holder or Department.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery, acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

"(c) REMEDY.—Notwithstanding any other provision of this Act, the provisions of subsections (a) and (b) of this Section shall constitute the only remedy available to contract holders or the Department for failure to perform under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982.

AMENDMENT NO. 5077

At the appropriate place in the bill, insert the following new provisions:

"SEC. . COMPLIANCE WITH OTHER LAWS.

"Notwithstanding any other provision of this Act, the Secretary shall comply with all Federal, State, and local laws and regulations in developing and implementing the integrated management system.

"SEC. . COMPLIANCE WITH NATIONAL ENVIRONMENTAL POLICY ACT.

"(a) NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—Notwithstanding any other provision of this Act, the Secretary shall comply with all requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) in developing and implementing the integrated management system.

"(b) JUDICIAL REVIEW.—Notwithstanding any other provision of this Act, any agency action relating to the development or implementation of the integrated management system shall be subject to judicial review.

"SEC. . CONTRACT DELAYS.

"(a) UNAVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, neither the Department nor the contract holder shall be liable under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 for damages caused by failure to perform its obligations thereunder, if such failure arises out of causes beyond the control and without the fault or negligence of the party failing to perform. In the event circumstances beyond the reasonable control of the contract holder or the Department—such as acts of God, or of the public enemy, acts of Government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather—cause delay in scheduled delivery, acceptance or transport of spent nuclear fuel and/or high-level radioactive waste, the party experiencing the delay will notify the other party as soon as possible after such delay is ascertained and the parties will readjust their schedules, as appropriate, to accommodate such delay.

"(b) AVOIDABLE DELAYS BY CONTRACT HOLDER OR DEPARTMENT.—Notwithstanding any other provision of this Act, in the event of any delay in the delivery, acceptance or transport of spent nuclear fuel and/or high-level nuclear waste to or by the Department under contracts executed under Section 302(a) of the Nuclear Waste Policy Act of 1982 caused by circumstances within the reasonable control of either the contract holder or the Department or their respective contractors or suppliers, the charges and schedules specified by this contract will be equitably adjusted to reflect any estimated additional costs incurred by the party not responsible for or contributing to the delay.

"(c) REMEDY.—Notwithstanding any other provision of this Act, the provisions of subsections (a) and (b) of this Section shall constitute the only remedy available to contract holders or the Department for failure to perform under a contract executed under Section 302(a) of the Nuclear Waste Policy Act of 1982.

LIEBERMAN (AND OTHERS) AMENDMENT NO. 5078

Mr. LIEBERMAN (for himself, Mr. LEAHY, Mr. THOMAS, Mr. HATFIELD, Mr. SIMON, Mr. NUNN, Mr. DASCHLE, Mr. LUGAR, Mr. ROTH, Mr. LAUTENBERG, Mrs. FEINSTEIN, Mr. INOUYE, and Mr. LEVIN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 126, after line 7, insert the following: "(INCLUDING TRANSFERS OF FUNDS)".

On page 127, beginning on line 14, strike "*Provided further,*" and all that follows through the colon on page 128, line 6, and insert the following: "*Provided further*, That, notwithstanding any prohibitions in this or any other Act on direct assistance to North Korea, not more than $25,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for heavy fuel oil costs and other expenses associated with the Agreed Framework, of which $13,000,000 shall be from funds appropriated under this heading and $12,000,000 may be transferred from funds appropriated by this Act under the headings 'International Organization and Programs', 'Foreign Military Financing Program', and 'Economic Support Fund':".

On page 138, line 12, strike "the Korean" and all that follows through "or" on line 13.

HELMS (AND LOTT) AMENDMENT NO. 5079

Mr. McCONNELL (for Mr. HELMS, for himself and Mr. LOTT) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198; between lines 17 and 18, insert the following:

DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC ASSISTANCE FUNDS

SEC. 580. Chapter 3 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2401 et seq.) is amended by adding at the end the following:

"SEC. 668. DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC ASSISTANCE FUNDS.

"(a) REQUIREMENT TO DEOBLIGATE.—

"(1) IN GENERAL.—Except as provided in subsection (b) of this section and in paragraphs (1) and (3) of section 617(a) of this Act, at the beginning of each fiscal year the President shall deobligate and return to the Treasury any funds described in paragraph (2) that, as of the end of the preceding fiscal year, have been obligated for a project or activity for a period of more than 2 years but have not been expended.

"(2) FUNDS.—Paragraph (1) applies to funds made available for—

"(A) assistance under chapter 1 of part I of this Act (relating to development assistance), chapter 10 of part I of this Act (relating to the Development Fund for Africa), or chapter 4 of part II of this Act (relating to the economic support fund);

"(B) assistance under the Support for East European Democracy (SEED) Act of 1989; and

"(C) economic assistance for the independent states of the former Soviet Union under chapter 11 of part I of this Act or under any other provision of law authorizing economic assistance for such independent states.

"(b) EXCEPTIONS.—The President, on a case-by-case basis, may waive the requirement of subsection (a)(1) if the President determines and reports to the Congress that it is in the national interest to do so.

"(c) APPROPRIATE CONGRESSIONAL COMMITTEES.—As used in this section, the term 'appropriate congressional committees' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.".

BINAGMAN (AND OTHERS) AMENDMENT NO. 5080

Mr. McCONNELL (for Mr. BINGAMAN for himself, Mrs. KASSEBAUM, and Mr. SIMON) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place, insert:

The Senate finds that:

The political situation in the African nation of Burundi has deteriorated and there are reports of a military coup against the elected government of Burundi, and;

The continuing ethnic conflict in Burundi has caused untold suffering among the people of Burundi and has resulted in the deaths of over 150,000 people in the past two years, and;

The attempt to overthrow the government of Burundi makes the possibility of an increase in the tension and the continued slaughter of innocent civilians more likely, and;

The United States and the International Community have an interest in ending the crisis in Burundi before it reaches the level of violence that occurred in Rwanda in 1994 when over 800,000 people died in the war between the Hutu and the Tutsi tribes, Now therefore it is the sense of the Senate that:

The United States Senate condemns any violent action intended to overthrow the government of Burundi, and;

Calls on all parties to the conflict in Burundi to exercise restraint in an effort to restore peace, and

Urges the Administration to continue diplomatic efforts at the highest level to find a peaceful resolution to the crisis in Burundi.

ABRAHAM (AND OTHERS) AMENDMENT NO. 5082

Mr. McCONNELL (for Mr. ABRAHAM, for himself, Mr. BENNETT, Mr. INOUYE, Mr. GRAHAM, Ms. MIKULSKI, Mr. MACK, and Mr. HATFIELD) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 107, line 25, before the period insert the following: "*:Provided further*, That of the amount appropriated under this heading, not less than $15,000,000 shall be available only for the American Schools and Hospitals Abroad program under section 214 of the Foreign Assistance Act of 1961".

ABRAHAM AMENDMENT NO. 5082

Mr. McCONNELL (for Mr. ABRAHAM) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 107, line 25, before the period insert the following: "*:Provided further*, That of the amount appropriated under this heading, $5,000,000 shall be available only for a land

and resource management institute to identify nuclear contamination at Chernobyl."

THE INTERSTATE STALKING PUNISHMENT AND PREVENTION ACT OF 1996

LAUTENBERG AMENDMENT NO. 5083

Mr. LOTT (for Mr. LAUTENBERG) proposed an amendment to the bill (H.R. 2980) to amend title 18, United States Code, with respect to stalking; as follows:

At the appropriate place, insert the following:

SEC. . GUN BAN FOR INDIVIDUALS COMMITTING DOMESTIC VIOLENCE.

(a) DEFINITIONS.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following new paragraph:

"(33) The term 'crime involving domestic violence' means a felony or misdemeanor crime of violence, regardless of length, term, or manner of punishment, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim under the domestic or family violence laws of the jurisdiction in which such felony or misdemeanor was committed.".

(b) UNLAWFUL ACTS.—Section 922 of title 18, United States Code, is amended—

(1) in subsection (d)—

(A) by striking "or" at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting "; or"; and

(C) by inserting after paragraph (8) the following new paragraph:

"(9) has been convicted in any court of any crime involving domestic violence where the individual has been represented by counsel or knowingly and intelligently waived the right to counsel.";

(2) in subsection (g)—

(A) by striking "or" at the end of paragraph (7);

(B) in paragraph (8), by striking the comma and inserting "; or"; and

(C) by inserting after paragraph (8) the following new paragraph:

"(9) has been convicted in any court of any crime involving domestic violence where the individual has been represented by counsel or knowingly and intelligently waived the right to counsel,"; and

(3) in subsection (s)(3)(B)(i), by inserting before the semicolon the following: "and has not been convicted in any court of any crime involving domestic violence where the individual has been represented by counsel or knowingly and intelligently waived the right to counsel".

(c) RULES AND REGULATIONS.—Section 926(a) of title 18, United States Code, is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) regulations providing for the effective receipt and secure storage of firearms relinquished by or seized from persons described in subsection (d)(9) or (g)(9) of section 922.".

COCHRAN AMENDMENT NO. 5084

Mr. MCCONNELL (for Mr. COCHRAN) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 107, line 11, strike "up to $30,000,000" and insert in lieu thereof the following: "$17,500,000".

MCCONNELL (AND OTHERS) AMENDMENT NO. 5085

Mr. MCCONNELL (for himself, Mr. LEAHY, and Mr. LAUTENBERG) proposed an amendment to the bill, H.R. 3540, supra; as follows:

At the appropriate place, insert;

MIDDLE EAST DEVELOPMENT BANK

SEC. . SHORT TITLE.

This title may be cited as the "Bank for Economic Cooperation and Development in the Middle East and North Africa Act".

SEC. . ACCEPTANCE OF MEMBERSHIP.

The President is hereby authorized to accept membership for the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa (in this title referred to as the "Bank") provided for by the agreement establishing the Bank (in this title referred to as the "Agreement"), signed on May 31, 1996.

SEC. . GOVERNOR AND ALTERNATE GOVERNOR.

(a) APPOINTMENT.—At the inaugural meeting of the Board of Governors of the Bank, the Governor and the alternate for the Governor of the International Bank for Reconstruction and Development, appointed pursuant to section 3 of the Bretton Woods Agreements Act, shall serve ex-officio as a Governor and the alternate for the Governor, respectively, of the Bank. The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor.

(b) COMPENSATION.—Any person who serves as a Governor of the Bank or as an alternate for the Governor may not receive any salary or other compensation from the United States by reason of such Service.

SEC. . APPLICABILITY OF CERTAIN PROVISIONS OF THE BRETTON WOODS AGREEMENTS ACT.

Section 4 of the Bretton Woods Agreements Act shall apply to the Bank in the same manner in which such section applies to the International Bank for Reconstruction and Development and the International Monetary fund.

SEC. . FEDERAL RESERVE BANKS AS DEPOSITORIES.

Any Federal Reserve Bank which is requested to do so by the Bank may act as its depository, or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall exercise general supervision over the carrying out of these functions.

SEC. . SUBSCRIPTION OF STOCK.

(a) SUBSCRIPTION AUTHORITY.—

(1) IN GENERAL.—The Secretary of the Treasury may subscribe on behalf of the United States to not more than 7,011,270 shares of the capital stock of the Bank.

(2) EFFECTIVENESS OF SUBSCRIPTION COMMITMENT.—Any commitment to make such subscription shall be effective only to such extent or in such amounts as are provided for in advance by appropriations Acts.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For payment by the Secretary of the Treasury of the subscription of the United States for shares described in subsection (a), there are authorized to be appropriated $1,050,007,800 without fiscal year limitation.

(c) LIMITATIONS ON OBLIGATION OF APPROPRIATED AMOUNTS FOR SHARES OF CAPITAL STOCK.—

(1) PAID-IN CAPITAL STOCK.—

(A) IN GENERAL.—Not more than $105.000,000 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of paid-in capital sock.

(B) FISCAL YEAR 1997.—Not more than $52,500,000 of the amounts appropriated pursuant to subsection (b) for fiscal year 1997 may be obligated for subscription to shares of paid-in capital stock.

(2) CALLABLE CAPITAL STOCK.—Not more than $787,505,852 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of callable capital stock.

(d) DISPOSITION OF NET INCOME DISTRIBUTIONS BY THE BANK.—Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

SEC. . JURISDICTION AND VENUE OF CIVIL ACTIONS BY OR AGAINST THE BANK.

(a) JUDISDICTION.—The United States district courts shall have original and exclusive jurisdiction of any civil action brought in the United States by or against the Bank.

(b) VENUE.—For purposes of section 1391(b) of title 28, United States Code, the Bank shall be deemed to be a resident of the judicial district in which the principal office of the Bank in the United States, or its agent appointed for the purpose of accepting service or notice of service, is located.

SEC. . EFFECTIVENESS OF AGREEMENT.

The agreement shall have full force and effect in the United States its territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in the Bank and the entry into force of the Agreement.

SEC. . EXEMPTION FROM SECURITIES LAWS FOR CERTAIN SECURITIES ISSUED BY THE BANK; REPORTS REQUIRED.

(A) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Bank (including any guaranty by the Bank, whether or not limited in scope) in connection with borrowing of funds, or the guarantee of securities as to both principal and interest, shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1993 and section 3(a)(12) of the Securities Exchange Act of 1934. The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors,

(b) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO THE CONGRESS.—The Securities and Exchange Commission, acting in consultation with such agency or officer as the president shall designate, may suspend the provisions of subsection (a at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to the Congress such information as it shall deem advisable with regard to the operations and effect of this section.

SEC. . TECHNICAL AMENDMENTS.

(a) ANNUAL REPORT REQUIRED ON PARTICIPATION OF THE UNITED STATES IN THE BANK.—Section 1701(c)(2) of the International Financial Insituttions Act (22 U.S.C. 262r(c)(2)) is amended by inserting "Bank for Economic Cooperation and Development in the Middle East and North Africa," after "Inter-American Development Bank".

(b) EXEMPTION FROM LIMITATIONS AND RESTRICTIONS ON POWER OF NATIONAL BANKING ASSOCIATIONS TO DEAL IN AND UNDERWRITE INVESTMENT SECURITIES OF THE BANK.—The 7th sentence of paragraph 7 of section 5136 of the Revised Statues of the United States (12 U.S.C. 24) is amended by inserting "Bank for Economic Cooperation and development in the Middle East and North Africa," after "the Inter-American Development Bank."

(c) BENEFITS FOR UNITED STATES CITIZEN-REPRESENTATIVES TO THE BANK.—Section 51 of Public Law 91–599 (22 U.S.C. 276c–2) is amended by inserting "the Bank for Economic Cooperation and Development in the Middle East and North Africa," after "the Inter-American Development Bank,".

Amend the title so as to read as follows: "A Bill to authorize United States contributions to the International Development Association and to a capital increase of the African Development Bank, to authorize the participation of the United States in the Bank for Economic Cooperation and development in the Middle East and North Africa, and for other purposes."

LEAHY AMENDMENT NO. 5086

Mr. McCONNELL (for Mr. LEAHY) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 114, line 24 insert the following before the period at the end thereof: ": *Provided further*, That of the funds appropriated under this heading by prior appropriation's Acts, $36,000,000 of unobligated and unearmarked funds shall be transferred to and consolidated with funds appropriated by this Act under the heading "International Organization's and Programs".

PELL AMENDMENT NO. 5087

Mr. McCONNELL (for Mr. PELL) proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 198, between lines 17 and 18, insert the following:

SEC. . SENSE OF THE SENATE.

(a) FINDINGS.—Congress finds that—

(1) Environmental Impact Assessments as a national instrument are undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority;

(2) in 1978 the Senate adopted Senate Resolution 49, calling on the United States Government to seek the agreement of other governments to a proposed global treaty requiring the preparation of Environmental Impact Assessments for any major project, action, or continuing activity that may be reasonably expected to have a significant adverse effect on the physical environment or environmental interests of another nation or a global commons area;

(3) subsequent to the adoption of Senate Resolution 49 in 1978, the United Nations Environment Programme Governing Council adopted Goals and Principles on Environmental Impact Assessment calling on governments to undertake comprehensive Environmental Impact Assessments in cases in which the extent, nature, or location of a proposed activity is such that the activity is likely to significantly affect the environment; and

(4) on October 7, 1992, the Senate gave its advice and consent to the Protocol on Environmental Protection to the Antarctic Treaty, which obligates parties to the Antarctic Treaty to require Environmental Impact Assessment procedures for proposed activities in Antarctica.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the United States Government should encourage the governments of other nations to engage in analysis of activities that may cause adverse impacts on the environment of other nations or a global commons area; and

(2) such additional analysis can recommend alternatives that will permit such activities to be carried out in environmentally sound ways to avoid or minimize any adverse environmental effects, through requirements for Environmental Impact Assessments where appropriate.

SIMPSON AMENDMENT NO. 5088

Mr. SIMPSON proposed an amendment to the bill, H.R. 3540, supra; as follows:

On page 196, strike lines 14 through 26.

MURKOWSKI AMENDMENT NO. 5089

Mr. MURKOWSKI (for himself, Mr. McCAIN, and Mr. LIEBERMAN) proposed an amendment to amendment No. 5078 proposed by Mr. LIEBERMAN to the bill, H.R. 3540, supra; as follows:

On page 2, line 9, of the matter proposed to be inserted, strike "Fund" and all that follows to the end period and insert the following: "Fund: *Provided further*, That such funds may be obligated to KEDO only if, prior to such obligation of funds, the President certifies and so reports to Congress that (1)(A) the United States is taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with the other provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors and that such canning and safe storage is scheduled to be completed by the end of fiscal year 1997; and (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which such assistance was not intended: *Provided further*, That the President may waive the certification requirements of the preceding proviso if the President deems it necessary in the vital national security interests of the United States: *Provided further*, That no funds may be obligated for KEDO until 30 calendar days after the submission to Congress of the waiver permitted under the preceding proviso: *Provided further*, That before obligating any funds for KEDO, the President shall report to Congress on (1) the cooperation of North Korea in the process of returning to the United States the remains of United States military personnel who are listed as missing in action as a result of the Korean conflict (including conducting joint field activities with the United States); (2) violations of the military armistice agreement of 1953; (3) the actions which the United States is taking and plans to take to assure that North Korea is consistently taking steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula and engage in North-South dialogue; and (4) all instances of non-compliance with the Agreed Framework between North Korea and the United States and the Confidential Minute, including diversion of heavy fuel oil:".

THE SMALL BUSINESS INVESTMENT COMPANY IMPROVEMENT ACT OF 1996

BOND (AND BUMPERS) AMENDMENT NO. 5090

Mr. MURKOWSKI (for Mr. BOND, for himself and Mr. BUMPERS) proposed an amendment to the bill (S. 1784) to amend the Small business Investment Act of 1958, and for other purposes; as follows:

SEC. 13. EXTENSION OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM.

Section 711(c) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by striking "September 30, 1996" and inserting "September 30, 1997".

THE GOVERNMENT ACCOUNTABILITY ACT OF 1996

SPECTER (AND OTHERS) AMENDMENT NO. 5091

Mr. MURKOWSKI (for Mr. SPECTER, for himself, Mr. LEVIN, Mr. ROTH, Mr. NUNN, Mr. STEVENS, Mr. INOUYE, Mr. GRASSLEY, Mr. LEAHY, Mr. COHEN, Mr. KOHL, and Mr. JEFFORDS) proposed an amendment to the bill (H.R. 3166) to amend title 18, United States Code, with respect to the crime of false statement in a Government matter; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "False Statements Penalty Restoration Act".

SEC. 2. RESTORING FALSE STATEMENTS PROHIBITION.

Section 1001 of title 18, United States Code, is amended to read as follows:

"§ 1001. Statements or entries generally

"(a) PROHIBITED CONDUCT.—

"(1) IN GENERAL.—A person shall be punished under subsection (b) if, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Federal Government, or any department, agency, committee, subcommittee, or office thereof, that person knowingly and willfully—

"(A) falsifies, conceals, or covers up, by any trick, scheme, or device, a material fact;

"(B) makes any materially false, fictitious, or fraudulent statement or representation; or

"(C) makes or uses any false writing or document, knowing that the document contains any materially false, fictitious, or fraudulent statement or entry.

"(2) APPLICABILITY.—This section shall not apply to parties to a judicial proceeding or anyone seeking to become a party to a judicial proceeding, or their counsel, for statements, representations, or documents submitted by them to a judge in connection with the performance of an adjudicative function.

"(b) PENALTIES.—A person who violates this section shall be fined under this title, imprisoned not more than 5 years, or both.".

SEC. 3. CLARIFYING PROHIBITION ON OBSTRUCTING CONGRESS.

Section 1515 of title 18, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) CORRUPTLY.—As used in section 1505, the term 'corruptly' means acting with an improper purpose, personally or by influencing another, including making a false or misleading statement, or withholding, concealing, altering, or destroying a document or other information.".

SEC. 4. ENFORCING SENATE SUBPOENA.

Section 1365(a) of title 28, United States Code, is amended in the second sentence, by striking "Federal Government acting within his official capacity" and inserting "executive branch of the Federal Government acting within his or her official capacity, except that this section shall apply if the refusal to comply is based on the assertion of a personal privilege or objection and is not based on a governmental privilege or objection the assertion of which has been authorized by the executive branch of the Federal Government".

SEC. 5. COMPELLING TRUTHFUL TESTIMONY FROM IMMUNIZED WITNESS.

Section 6005 of title 18, United States Code, is amended—

(1) in subsection (a), by inserting "or ancillary to" after "any proceeding before"; and

(2) in subsection (b)—

(A) in paragraphs (1) and (2), by inserting "or ancillary to" after "a proceeding before" each place that term appears; and

(B) in paragraph (3), by adding a period at the end.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Tuesday, July 30, 1996, beginning at 9:30 a.m. to conduct a markup on S. 1983, to amend the Native American Graves Protection and Repatriation Act to provide for native Hawaiian organizations, and for other purposes. The markup will be held in room 485 of the Russel Senate Office Building.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce that the oversight hearing regarding the conditions that have made the national forests of the Southwest susceptible to catastrophic fires and diseases scheduled for Tuesday, July 30, 1996, before the Subcommittee on Forests and Public Land Management will now begin at 10:30 a.m. instead of 9:30 a.m. as previously scheduled.

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Oversight and Investigations Subcommittee of the Energy and Natural Resources Committee on the propriety of a commercial lease issued by the Bureau of Land Management at Lake Havasu, AZ, including its consistency with the Federal Land Policy and Management Act and Department of the Interior land use policies.

The hearing will take place on Thursday, August 1 at 9:00 a.m. in Room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Kelly Johnson or Jo Meuse at (202) 224-6730.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, July 25, 1996, to conduct an oversight hearing to review the General Accounting Office [GAO] report on the Federal Reserve System.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. PRESSLER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be allowed to meet during the Thursday, July 25, 1996, session of the Senate for the purpose of conducting a hearing on S. 1726, the Promotion of Commerce On-Line in the digital Era [Pro-Code] Act of 1996.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 25, at 2:00 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MCCONNELL. Mr. President, I ask Unanimous Consent on behalf of the Governmental Affairs Committee to meet on Thursday, July 25.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday July 25, 1996, at 10:00 a.m., to hold an executive business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Committee on Labor Human Resources be authorized to meet for a hearing on Genetic Issues, during the session of the Senate on Thursday, July 25, 1996, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Subcommittee on Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 25, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider S. 1699, a bill to establish the National Cave and Karst Research Institute in the State of New Mexico; and S. 1809, the Aleutian World War II National Historic Sites Act of 1996.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CBO COST ESTIMATE—S. 901

• Mr. MURKOWSKI. Mr. President, on July 16, 1996, I filed Report 104–322 to accompany S. 901, to amend the Reclamation Projects Authorization and Adjustment Act of 1992, that had been ordered favorably reported on June 19, 1996. At the time the Report was filed, the estimates by Congressional Budget Office were not available. The estimate is now available and concludes that enactment of S. 901 would "not affect direct spending or receipts". I ask that a copy of the CBO estimate be printed in the RECORD.

The estimate follows:

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 901.

2. Bill title: A bill to amend the Reclamation Projects Authorization and Adjustment Act of 1992 to authorize the Secretary of the Interior to participate in the design, planning, and construction of certain water reclamation and reuse projects and desalination research and development projects, and for other purposes.

3. Bill status: As reported by the Senate Committee on Energy and Natural Resources on July 16, 1996.

4. Bill purpose: S. 901 would authorize the Secretary of the Interior to participate in the design, planning, and construction of eleven water reclamation and reuse projects and two desalination research and development projects. The projects would be subject to the following conditions:

No funds could be appropriated until a feasibility study is completed and the Secretary has determined that the nonfederal project sponsor is financially capable of funding the nonfederal share of the project's costs;

The federal government could not pay more than 25 percent of the total cost of constructing the water reclamation and reuse projects or more than 50 percent of the cost of the desalinization and research and development projects; and

The Secretary would not be authorized to provide funds for the operation and maintenance of any project.

5. Estimated cost to the Federal Government: Assuming the necessary appropriations, CBO estimates that enacting S. 901 would result in new discretionary spending totaling $112 million for fiscal years 1997 through 2002. Additional spending of $20 million would occur after 2002. Appropriations in fiscal year 1996 for water reclamation and reuse projects totaled $20 million. Assuming appropriations of the needed amounts, the Bureau of Reclamation anticipates spending an average of $30 million a year over the 1997–2007 period on projects that have already been authorized.

[By fiscal year, in millions of dollars]

	1996	1997	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION							
Spending Under Current Law:							
Estimated Authorization Level [a]	20	30	30	30	30	30	30
Estimated Outlays	20	28	30	30	30	30	30
Proposed Changes:							
Estimated Authorization Level	....	12	31	22	27	13	10
Estimated Outlays	....	9	25	22	27	16	13
Spending Under S. 901:							
Estimated Authorization Level [a]	20	42	61	52	57	43	40
Estimated Outlays	20	37	55	52	57	46	43

[a] The 1996 level is the amount appropriated for that year.

The costs of this bill fall within budget function 300.

6. Basis of estimate: For the purpose of this estimate, CBO assumes that funds will be appropriated for all projects authorized by this bill and that spending will occur at historical rates for similar water projects. Some of the projects authorized in this bill are still in the study or design phase and will not be ready to begin construction for a number of years. Estimates of annual budget authority needed to meet design and construction schedules were provided by the Bureau of Reclamation. In all cases, CBO adjusted the estimates to reflect the impact of inflation during the time between authorization, appropriation, and the beginning of construction.

7. Pay-as-you-go considerations: None.

8. Estimated impact of State, local, and tribal governments: S. 901 contains no intergovernmental mandates ad defined in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4). CBO estimates that state and local governments, as nonfederal project sponsors, would incur costs totaling about $370 million over fiscal years 1997 through 2006 if they choose to participate in these projects. Further, nonfederal project sponsors would probably incur some additional costs for feasibility studies and would pay for the operation and maintenance of these projects. Participation in these projects would be voluntary on the part of these nonfederal entities.

This estimate is based on information provided by the Bureau of Reclamation. We assumed that nonfederal project sponsors would contribute 75 percent of the cost of water reclamation and reuse projects and 50 percent of the cost of desalinization projects, as required by the bill.

9. Estimated impact on the private sector: This act would impose no new federal private-sector mandates as defined in Public Law 104-4.

10. Previous CBO estimate: On July 22, 1996, CBO prepared a cost estimate for H.R. 3660, a similar bill ordered reported by the House Committee on Resources. Differences in the estimated costs of the two bills reflect differences in the projects authorized and in the federal shares.

11. Estimate prepared by: Federal Cost Estimate: Gary Brown; Impact on State, Local, and Tribal Governments: Marjorie Miller; Impact on the Private Sector: Amy Downs.

12. Estimate approved by: Robert A. Sunshine (for Paul N. Van de Water, Assistant Director for Budget Analysis).

TOWARD A MORE LITERATE SOCIETY

• Mr. SIMON. Mr. President, five years ago today, the National Literacy Act of 1991 became law. In each chamber, legislation in support of literacy had received strong support from both sides of the aisle. In the Senate, our original measure passed in 1990 by a vote of 99–0. Literacy legislation was passed three times by the House. No issue is more important than basic literacy. No issue is less partisan. No issue is more compelling to our nation's ability to survive and flourish. The ability to read, write and speak in English, compute and solve problems is fundamental to functioning at home, on the job and in society. Literacy is an essential ingredient to ensure that each person realizes his or her full potential as a parent, a worker and a member of the community. A United States where every adult is literate is essential if our nation is to continue to compete in the global economy and be a responsible citizen of the world.

As important as literacy is for the nation, possessing basic literacy skills is also critical for the individual. The ability to read, do basic computations and think critically opens the door to endless possibilities and unleashes human potential. The lack of basic educational skills robs people of the opportunity to realize personal happiness and economic security. According to the National Institute for Literacy, which was established by the National Literacy Act, about half of the American workforce has reading and writing problems. This limits an individual's earnings and American productivity. Secretary of Education Richard Riley said it well: "Illiteracy is the ball and chain that ties people to poverty."

The images of illiteracy are powerful, the consequences are severe. How dangerous it is when someone cannot read instructions on a medicine bottle or a household appliance. How threatening it is when you cannot understand legal rights and responsibilities. How intimidating it must be when computing, measuring or estimating is a mystery. How sad it is when a child's bedtime story must remain unread because a parent cannot decipher the symbols on the page. We have the power to change these disturbing situations. Literacy could be a part of the solution to many of our social problems.

It was in recognition of the significance and importance of literate citizenry, that the National Literacy Act became law. This legislation was designed to assist state and local programs to provide literacy skills to adult. It was the first national step toward reaching the goal that all Americans obtain the fundamental skills necessary to function effectively in their work and daily lives, and to strengthen and coordinate adult literacy programs across the nation.

The National Institute for Literacy (NIL) has already had many achievements including the establishment of the National Literacy Hotline and the National Adult Literacy and Learning Disabilities Center. The National Institute for Literacy manages the Literacy AmeriCorps program which has assisted families to improve their basic education skills. NIL has funded innovative state and local activities nationwide. The Institute also produces and disseminates timely information on adult education and family literacy practices.

Across the country, State Literacy Resource Centers (SLRC), authorized by the Act, meet a great need by fostering collaboration among literacy agencies and increasing local capacity to deliver literacy services. SLRCs have created linkages within the literacy community, but these linkages are threatened because of a lock of federal funds.

As our world becomes more complex, the need for literacy becomes greater and the skills needed continue to expand. Thanks to the National Literacy Act, our understanding of the magnitude of illiteracy has increased, and it is clear that sadly, there is still more to be done.

An immense need still exists. The most recent statistics available indicate that 80 percent of adults cannot synthesize information from complex material. More than 53 million Americans are unable to locate a single piece of information in a short text. More than 56 million Americans cannot do simple arithmetic. Millions of Americans are unable to locate, understand or use information from written materials; millions of Americans lack quantitative skills. That means they cannot complete a job application, or use a bus schedule, or complete a bank deposit slip.

Action is needed now if we are to achieve the national education goal:

that by the year 2000, every adult American will be literate and will possess the knowledge and skills necessary to compete in global economy and exercise the rights and responsibilities of citizenship. I urge my colleagues to support literacy programs through the appropriations process and through efforts to promote the achievement of literacy in their communities. Advancing literacy initiatives is a crucial investment in our future.•

TRIBUTE TO ALEX MANOOGIAN, 1901–96

• Mr. LEVIN. Mr. President, on July 10, Michigan lost one of its greatest citizens, a very humble man of great wealth, an immigrant who embodied all that is good about America, a man of 95 years who still had plans to make life better for people.

Alex Manoogian came to this country in 1920 to escape the oppression of the Armenian people. A few years after his arrival, he founded what is today one of Michigan's most successful business firms, Masco Corporation. But it is the rest of the story that made Alex Manoogian a giant, not only in Michigan but in the United States and in the world, as well.

He touched the lives of young people with educational facilities here and abroad. Cultural and educational institutions in Detroit, Ann Arbor, Armenia and Jerusalem welcomed his generous endowments. If Armenians suffered in America, his adopted land, or in his homeland of Armenia, he was there to help. He founded the Armenian General Benevolent Union to address the catastrophes that befell his people.

The Supreme Patriarch and Catholicos of All Armenians came from Yerevan to preside at the funeral of Alex Manoogian. He described him as a Christian, an Armenian and an American. A Christian, whose deep faith kept him involved in the church for 80 of his 95 years—and he built St. John's Armenian Church in Southfield, MI, one of the most glorious edifices in our community with its golden dome that glows in the sunlight. An Armenian, who never forgot the persecution of his people and the need to continue to touch their lives. An American, who loved this country passionately and who gave back much, much more than he ever took.

I loved meeting with Alex Manoogian. He spoke simply, eloquently and with great intensity about those things that mattered to him. I will always cherish our many discussions. We will all miss him.•

BOONDOGGLE FOR THE NRA

• Mr. SIMON. Mr. President, the Senate recently approved a Defense authorization bill for fiscal year 1997 that includes an indefensible allotment of tax dollars to a slightly camouflaged version of the earlier Civilian Marksmanship Program.

I have written on this subject in a column that is sent to newspapers in Illinois, and I ask that it be reprinted here to call the attention of my colleagues to this questionable line item.

The column follows:

AN INCOMPREHENSIBLE, IRRESPONSIBLE, BAFFLING BOONDOGGLE FOR THE NRA

(By Senator Paul Simon)

Buried in the annual Defense Department authorization bill is an outrageous gift of $77 million that will benefit something called the Corporation for the Promotion Rifle Practice and Firearms Safety.

This corporation is the new "private" incarnation of the old National Rifle Association-backed Civilian Marksmanship Program. This program was intended to make sure people could shoot straight in case they entered the military. In recent years, however, it has simply funneled cash, weapons and ammunition to private gun clubs, thanks to the power of the NRA. Until a federal judge ruled it unconstitutional in 1979, gun clubs which participated in this program were required to be NRA members.

Under public pressure to eliminate this useless and wasteful program, Congress "privatized" the program last year.

In fact, the corporation is private in name only. When the corporation becomes fully operational in October of this year it will be *given* by the Army:

176,218 rifles the Army views as outmoded, but valued at $53,271,002.

Computers, vehicles, office equipment and other related items valued by the Army at $8,800,000.

146 million rounds of ammunition valued by the Army at $9,682,656.

$5,332,000 in cash.

That totals $77,085,658.

Our friends in the National Rifle Association strongly back this measure and it appears to be a boondoggle for them.

What the Army should do with outmoded weapons is to destroy them. Our government has a theoretical policy that it does not sell federally owned weapons to the public. The Civilian Marksmanship Program violates this policy, and the new corporation would continue to violate it.

Why we should be subsidizing rifle practice—which is the theory behind this—baffles me. Hardly any of those who will use the weapons will enter into the armed forces. The Defense Department did not request this.

I had never fired a rifle or handgun before entering the Army, and with minimal training I became a fair-to-good marksman.

Sen. Frank Lautenberg of New Jersey and I tried to eliminate this incomprehensible expenditure from the bill and we got only 29 votes for our amendment. The NRA still has power.

We should be reducing the numbers of weapons in our society, not increasing them.

A government policy of destroying weapons and not selling outmoded guns to the public is sound.

While rifles are not the primary weapons for crime—pistols are—some of those 176,000 weapons will get into the hands of people who should not have them. If 1 percent reach someone who is irresponsible, that is 1,760 weapons.

Let me in advance extend my sympathy to the families of the people who will be killed by these weapons. The will be needless victims of this folly.•

MEMORIALIZING MICHIGAN VICTIMS OF TWA FLIGHT 800

• Mr. ABRAHAM. Mr. President, on behalf of Michigan I would like to express my deep regret at the loss of several Michigan residents who lost their lives in the explosion of TWA Flight 800 near New York. We still do not know what happened to flight 800, and therefore do not yet know if there are culprits behind it who must be brought to justice. But we do know that the lives of fine people have been lost before their time.

Mr. President, six people with close ties to Michigan died in this crash. They were Courtney Johns, an 18-year-old Bloomfield Hills Marian High School graduate, headed for Paris on an exchange program. Dr. Ghassan and Mrs. Nina Haurani, citizens and parents in Grosse Pointe Shores, starting a brief European vacation. Celine Rio, an 11-year-old French girl returning to her home after a 3-week visit as part of a national cultural exchange program. Tracy Anne Hammer, a doctoral student in veterinary science and microbiology at Michigan State University, who was to give a speech on cardiac disease in doberman pinschers before a professional audience. And Elaine Loffredo, a Michigan native who gave up a career in nursing for the excitement of air travel.

Mr. President, these people touched the hearts of many around them, in Michigan and elsewhere. Courtney Johns was a class leader in high school who was headed to Villanova University in the fall. She leaves behind grieving friends and a family devastated by the loss of this young, promising life. Ghassan and Nina Haurani were known in their community as loving parents and good neighbors. Termed "joyous, giving people," they, too, leave behind them grieving friends and a family that will miss them terribly. Tracy Anne Hammer, traveling with her mother, was well on her way to a promising career, was, indeed to launch that career in France, when she was taken from us, her family and friends. Celine Rio, a young girl on the edge of adolescence, had learned about America and had gained a second family in the Winters, her exchange program hosts. Now the Winters and her many other friends in America must join family and friends in France in lamenting the loss of this young spirit. And Elaine Loffredo, who found such joy in air travel and in the people she met—I am told that meeting Mother Theresa was a highlight of her career—was taken from her husband and other family and friends, by this explosion.

Mr. President, these were fine people, leading fine lives until they were taken from us. I know I speak for my entire State of Michigan when I tell families and friends of those we have lost that we share their loss, and that our thoughts and prayers are with them.•

WHITEWATER INVESTIGATION WAS A COSTLY PARTISAN GAME

• Mr. SIMON. Mr. President, the Special Committee To Investigate Whitewater Development Corporation And Related Matters recently transmitted its final report.

I have written about this costly, partisan game in a column that is sent to newspapers in Illinois, and I submit it here to call the attention of my colleagues to this political exercise that contributed nothing.

The column follows:

WHITEWATER INVESTIGATION WAS A COSTLY PARTISAN GAME

(By Senator Paul Simon)

The Senate Whitewater investigation resulted in a political exercise that contributed nothing, except to add to public cynicism and confirming the already widespread belief that in Congress we are playing partisan games rather than tending to the nation's and the public's real needs.

Obviously some people broke the law in the Whitewater events, but the evidence indicated neither a violation of the law nor of ethical standards by Bill Clinton or Hillary Clinton while he served either as President or as Governor of Arkansas.

But the misuse of the FBI files is another matter. Both the White House and the FBI are at fault. The President probably is not personally involved, but it happened in his White House and administration and it should not be treated as a minor mess-up by the President or his staff. The misuse of police powers by governments is as old as governments themselves, and something that must be constantly guarded against.

The abuse of the FBI files comes at a time when there are two other abuses.

One is the Senate investigation which spent almost $2 million, received testimony from 139 witnesses, and took more time than any investigation of a sitting President in our history—longer than the Watergate or Iran-Contra hearings. "Where there is smoke there must be fire" is an old saying, but those hearing were designed to create smoke. Not only is there a product of questionable worth, we took testimony from many individuals who never in their lives thought they would testify before a Senate Committee, such as secretaries. Some were terrified by the combination of coming before a committee and being on national television.

A second abuse is the multiplying like rabbits of special counsels—really special prosecutors—with no limits on their expenses and their ability to use huge resources from the FBI and other agencies. I voted for the law creating the special counsel, but now I sense we need a better answer.

Since the FBI and the work of U.S. attorneys fall under the jurisdiction of the Attorney General, my sense is that we should review the possibility of a change in how we structure that office. It differs from other cabinet posts in its broad police and prosecutorial responsibilities, and the recent FBI debacle and the runaway habits of the special prosecutors, might provide an incentive to the next Congress and President to look at this question.

For example, we might have an Attorney General appointed for a 10-year term, with a small bipartisan group giving the President a list of five names to choose from, and also giving him the ability to request a new list of names if he found them unsatisfactory, but still requiring confirmation by the Senate. And then have no special prosecutors.

This is not a criticism of Janet Reno, who is a much-above-average Attorney General. Another example of a good appointment is President Gerald Ford's naming of Ed Levi, then president of the University of Chicago. No one felt that at any time Gerald Ford could get Ed Levi to do anything but what he believed was in the best interests of the nation. That is the way it should be.

My hope is that out of the present ministorms something constructive can happen.•

THE AGRICULTURE APPROPRIATIONS BILL

• Mr. CONRAD. Mr. President, I wish to make a few remarks regarding the fiscal year 1997 appropriations bill for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs, which the Senate passed nearly unanimously yesterday.

This appropriations bill is arguably the most important for my State of North Dakota. Agriculture is my State's No. 1 industry, accounting for over one third of our annual economic activity. This bill provides important funding for many USDA activities important to my State, including valuable research, rural development, and, of course, commodity programs. I want to express my appreciation to the chairman and ranking member of the subcommittee for the excellent work they have performed putting this bill together.

Senator COCHRAN and Senator BUMPERS have an extremely difficult task balancing the needs of many important programs funded by this bill with the very difficult budget situation we are facing as we strive to balance the budget. I know the committee received a great number of requests to provide funding for programs and activities that are important to the agricultural sector of our economy, and I realize they could not possibly fund every program or activity at the levels requested. I do want to express my appreciation for the support the committee has provided for the programs in this bill, especially in light of their overall allocation.

I also want to express my appreciation for the help of the staff of the Appropriations Committee, Becky Davies, Hunt Shipman, Galen Fountain, and Jimmie Reynolds, for their excellent work on behalf of the chairman and ranking member.

Mr. President, at this point I would like to comment briefly on two important programs, and express my desire that the House-Senate conference committee will support the programs at the funding level provided in the Senate bill.

First, I want to express my strong support for the funding provided in the Senate version of this bill for the State mediation grants program within the Department of Agriculture. The Senate Appropriations Committee has provided $2 million for this important program, and I commend subcommittee Chairman COCHRAN and Senator BUMPERS for including funding for this program. Regretfully, the House of Representatives did not provide any funding for the State mediation grants program. It is my hope that Senate and House conferees will realize the benefits of this program and fund the State mediation grants program at $2 million.

The State mediation program was created in response to the agricultural crisis of the late 1980's, and the program continues to be valuable to farmers and ranchers today. Mediation programs enable farmers and ranchers to meet with their creditors or the local Farmers Home Administration office in a confidential atmosphere which promoted civil discussion, mutual understanding, and it most cases, a fair settlement.

The scope of the State mediation grants program was expanded when the United States Department of Agriculture's [USDA] Reorganization Act of 1994 became law. Now, farmers and ranchers in States which have certified State mediation programs may choose mediation in a variety of disputes with USDA, such as conservation compliance, wetland determinations, and grazing rights.

The demand for this mediation program continues to exist. Nineteen States have certified State mediation programs, and USDA is working with more States to establish certified programs. Mediation is a proven method of sensible and economical dispute resolution. In producers' disputes with USDA, mediators provide the voice of reason and help all parties take a realistic approach to the administration of Federal programs and the requirements of compliance.

A group of my colleagues, both Republicans and Democrats, joined me in a letter to Chairman COCHRAN earlier this year, requesting full funding for the State mediation grants program. It is my hope that Senate and House conferees will realize the benefits of this program and fund the State mediation grants program at the Senate-passed level of $2 million.

Mr. President, I also want to indicate my support for the funding provided in the Senate version of this appropriations bill for the Alternative Agricultural Research and Commercialization [AARC] Corporation, and express my hope that the conferees on this legislation will be able to fund AARC at the Senate-passed level.

This level of funding is justified by the major opportunities for developing markets for alternative agricultural products, and by evidence that the AARC program is providing the necessary bridge from private sector research to commercialization for these products. AARC is a venture capital fund designed to boost farm income by commercializing new uses for agricultural products. Recipients of AARC funds repay AARC's investment, plus a risk charge. AARC's system is revolutionary because it provides actual business financing and hands-on business and technical assistance, as well as competitive research grants and links with the public and private sectors.

In my view, AARC has only begun to tap the potential for commercializing new products in the domestic market. AARC promotes new industrial uses of our farmers' commodities like fiber board from wheat straw, windshield wiper fluid from ethanol, cat litter from waste peanut hulls, and many others. Finding new uses for our commodities and promoting value-added enterprises in our rural communities are important ways AARC can help promote more jobs, higher incomes, and fresh opportunities in rural America. In AARC's first 3 years in operation, the Center invested $22.3 million in 54 projects in 28 states, matched by more than $75 million from private partners—a 3 to 1 match.

It is my hope that conferees will realize the benefits of the AARC Corporation, and provide funding at the Senate-passed level of $10 million.●

A MISSTEP BY THE UNITED STATES

● Mr. SIMON. Mr. President, the United States unfortunately has openly opposed a second term for United Nations Secretary-General Boutros Boutros-Ghali.

I have written about this hard-working, effective leader in a column that is sent to newspapers in Illinois, and I submit it here to call to the attention of my colleagues this policy that has not made us any friends.

The column follows:

A MISSTEP BY THE UNITED STATES

(By Senator Paul Simon)

Suppose a local Rotary Club had the community's most wealthy and powerful citizen, Sam Smith, as a member. Imagine that the Rotarians had a dues system that reflected the ability to pay, so that wealthy Sam Smith paid more in dues than any other Rotarian.

To complicate the story, Sam Smith is far back in the payment of his dues, so far back that the money he owes amounts to almost the total budget of the club for a year.

The president of the Rotary Club is up for reelection, and most of the members want him reelected, but Mr. Big, Sam Smith, says no.

How popular do you think Sam Smith would be with the other Rotarians? Would his influence rise or fall? And what will the other Rotarians do in their election of a president?

The story is true.

Only the "club" is called the United Nations.The wealthy deadbeat member is called Sam, Uncle Sam. Most of the UN members believe that Secretary General Boutros-Ghali is doing a good job, despite being hampered by approximately $1.4 billion that the United States owes but has not paid.

But the United States has made clear that we want to veto his reelection as Secretary-General.

The other nations, already too often unimpressed by our uncertain leadership in foreign policy, are not pleased with what we are doing, believing it is dictated by domestic political considerations.

In 1978, President Jimmy Carter designated me as one of the delegates to a two-month session of the Untied Nations, and I have followed the UN and its work with more than casual interest.

My impression is that overall the United Nations performs a vital service and a good job, not perfect, and that Boutros-Ghali has been a hard-working, effective leader—hampered in part by the United States talking to a great game, but not paying our dues.

Egypt is the home of the Secretary-General, and as an Egyptian he is also an African. Africa sometimes is called "the dark continent." It is more accurately described as the ignored continent.

One little-known fact is the gradual spread of democracy in Africa, some of them fledgling democracies that deserve more encouragement from the United States and other nations.

African countries take pride in having Boutros-Ghali as the Secretary-General.

Our opposition to him is coupled with other realities that they see: President Clinton has never visited Africa. Secretary of State Warren Christopher has not visited any sub-Saharan country since he has been Secretary, compared to 24 visits to Syria.

Our inattention, coupled with our unfortunate open opposition to the reelection of the Secretary-General, has not made us any friends.●

FOOD QUALITY PROTECTION ACT

● Mr. LUGAR. Mr. President, yesterday the Senate gave final approval to the Food Quality Protection Act (H.R. 1627). This legislation will reform the scientifically outdated Delaney clause. I ask to have printed in the RECORD letters of support from commodity groups, the Food Chain Coalition, Farm Bureau, and environmental and consumer organizations as well as a letter from Senator KASSEBAUM and a statement from the American Crop Protection Association.

The letters follow:

JULY 24, 1996.

Hon. RICHARD LUGAR,
Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to urge you to support H.R. 1627 the "Food Quality Protection Act" when it is considered by the Committee. The effort to achieve food safety reform, which assures an abundant, affordable, and safe food and fiber supply has been difficult, and we applaud all those who worked to help reach an acceptable compromise.

It is important that farmers continue to have the greatest availability of crop production products which are safe, affordable and effective to ensure that they are able to meet the nation's demand for food and fiber. While we had concerns initially with some provisions in the bill, the diligent work by the Committee and assurances from EPA and USDA that the new higher standard of protection will be interpreted with common sense and reason have reassured us that this is meaningful change.

The Delaney Clause is outdated and could possibly cause the loss of many crop protection products which pose no significant health or safety risk. This legislation represents the best opportunity in a decade to modernize the Delaney Clause and strengthen federal food safety protection. We will continue to work with you to see that the new legislation accomplishes these goals and urge prompt Senate action.

Thank you for your attention to this matter.

Sincerely,

American Soybean Association, National Association of Wheat Growers, National Cotton Council of America, National Corn Growers Association, National Barley Growers Association.

FOOD CHAIN COALITION,
July 23, 1996.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Agriculture, Nutrition, and Forestry, U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: Last week, representatives of the Administration, industry and the environmental community reached compromise agreement on H.R. 1627, "The Food Quality Protection Act," after several weeks of negotiations. This bill represents the best opportunity in a decade to modernize the Delaney Clause and strengthen our nation's food laws.

As Americans working to produce, process and market our nation's food supply, we urge the Senate to act promptly to pass this compromise agreement. We applaud the announcement by the Senate Agriculture Committee that it will markup the legislation on Wednesday, July 24.

There is virtually unanimous agreement that an overhaul of the outdated Delaney clause for pesticide residues is long overdue. With the very limited number of legislative days remaining this year, the need for action to accomplish that objective is now more urgent than ever.

EPA recently proposed disallowing the use of five pesticides on a number of crops under the Delaney Clause, even though the agency has repeatedly stated its belief that those pesticides pose no significant health risk to consumers. By April 1997, EPA is due to determine whether to disallow up to 40 additional uses; without corrective action, farmers could lose the use of a number of safe and effective crop protection tools that keep the American food supply abundant and affordable.

The compromise version of "The Food Quality Protection Act" has received bipartisan praise from both the House and Senate, including Senate Agriculture Chairman Lugar, as well as from EPA Administrator Carol Browner and Vice President Albert Gore. Key Republican and Democratic leaders have stated that it is their goal to see this legislation passed and signed into law by the President this year. We urge its prompt adoption by the Committee.

Sincerely,

Agricultural Council of California; Agri Bank; Agri-Mark, Inc.; Agway, Inc.; American Bankers Association; American Crystal Sugar Company; American Farm Bureau Federation; American Meat Institute; American Feed Industry Association; Apricot Producers of California; Atlantic Dairy Cooperative; Biscuit & Cracker Manufacturers Association; Blue Diamond Growers; California Tomato Growers Association, Inc.; Californian Pear Growers; Chemical Specialties Manufacturers Association; Chocolate Manufacturers Association; Gold Kist, Inc; Grocery Manufacturers of America; GROWMARK; Harvest States; Independent Bakers Association; International Apple Institute; International Dairy Foods Association; Kansas Grain and Feed Association; Kraft Foods, Incorporated; Land O'Lakes; Michigan Agribusiness Association; Milk Marketing Inc; National Agricultural Aviation Association; National Cattlemen's Beef Association; National Confectioners Association; National Council of Farmer Cooperatives; National Farmers Union; National Food Processors Association; National Grain and Feed Association; National Grain Trade Council; National Grange; National Grape Co-operative Association, Inc.; National Pasta Association; Nebraska Cooperative Council; North American Export Grain Association; Oklahoma Grain and Feed Association; Produce Marketing Association; Pro-Fac Cooperative; SF Services, Inc.; Snack Food Association; South Dakota Association of Cooperatives; Southern States Cooperative; Tortilla Industry Association; USA Rice Federation; United Fresh Fruit and Vegetable Association; Upstate Milk Cooperatives, Inc.; Utah Council of Farmer Cooperatives; Wisconsin Agri-Service Association.

JULY 23, 1996.

DEAR REPRESENTATIVE: Last week, the House Commerce Committee reported by a vote of 45-0 compromise language on H.R. 1627, "The Food Quality Protection Act." We congratulate Chairman Bliley, Chairman Bilirakis, Mr. Dingell, Mr. Roberts, Mr. Waxman and many other members of the House who have worked to resolve the "Delaney paradox" and the problems it presents for farmers and consumers.

Although the agreement contains provisions we do not support, it does address many issues which are of critical importance to agriculture:

Safety Standard: The bill replaces the antiquated, "zero tolerance" Delaney standard with a health-based "safe" standard for food pesticide residues. "Safe" is defined as "reasonable certainly of no harm" which is interpreted as a one in a million additional lifetime risk. This is a standard which is essentially the same as the "negligible risk" standard in the original bill. This key provision removes the threat of unjustified cancellation of more than 50 safe crop protection products which are now jeopardized by the Delaney Clause.

Benefits Consideration: Tolerances could be exceeded to avoid a significant disruption in domestic production of an adequate, wholesome and economical food supply or if the pesticide protects consumers from a greater health risk. Benefits consideration is broadened from current law in that it is extended from raw agricultural products to include processed food. However, benefits consideration is limited under the agreement to 10 times a negligible risk for one year or more than two times a negligible risk over a lifetime. Although Farm Bureau does not support this new limitation, we are pleased that the bill preserves benefits consideration and extends it to processed food.

National Uniformity: The bill establishes national uniformity for food pesticide residues. States could not adopt tolerances which are more stringent than those set by EPA, except with respect to tolerances established through benefits consideration. In those circumstances, states would be required to petition EPA and establish that there was an imminent dietary risk to the public.

Minor Use Pesticides: It is our understanding that the FIFRA provisions of H.R. 1627 which have been reported by the House Agriculture Committee will be attached to the Commerce Committee provisions. Included are new incentives and streamlined procedures for so-called "minor crop" chemicals—crop protection products whose relatively small market does not justify the high cost of registration. This provision is essential to fruit, vegetable and horticultural growers in virtually every state.

Miscellaneous Provisions: Although we support the above provisions, Farm Bureau has some concerns with certain provisions of the Committee agreement. These include provisions relating to estrogenic effects of agricultural chemicals, infants and children, civil penalties for food adulteration and a "right to know" provision for consumers.

At this time, no one can determine with certainty the long-term, cumulative impact of these changes on specific commodities and on the availability of crop protectants necessary for farmers to produce the wide variety of safe, affordable and abundant agricultural commodities that the public demands. While we support many of the reforms in this package, we also recognize that there will be unanticipated problems stemming from regulatory and business implementation of this legislation. On balance, however, we believe that this legislation represents an improvement over current law and we support moving the legislation to the Senate.

RICHARD W. NEWPHER,
Executive Director, Washington Office.

JULY 18, 1996.

Hon. THOMAS J. BLILEY, Jr.
Chairman, Committee on Commerce, Rayburn House Office Building, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The following environmental, education, public health, and consumer advocacy organizations would like to offer our support for the compromise substitute amendment for H.R. 1627, "The Food Quality Protection Act of 1995" that goes a long way towards better protecting the health of consumers from toxic pesticides on their food.

The compromise addresses the deadlock between the industry who oppose the Delaney clause and the organizations that support better protection for children and the public health, by establishing a comprehensive federal program to make pesticide levels in food and the environment safe for infants and children. The bill establishes a health-based standard and a strict timetable for pesticide tolerance setting that adheres tightly to the recommendations of the 1993 National Academy of Sciences Committee on Pesticides in the Diets of Infants and Children.

Although we are pleased with the extent to which the bill was changed to better protect public health, we have reservations with the sections that will allow benefits consideration for cancer-causing pesticides and preemption of states rights to set more protective tolerances than federal limits for pesticides. We are hopeful that these provisions will be revised upon further consideration of this legislation.

Our support for this bill is contingent upon the understanding that the bill will not be changed in any way that would allow for a weakening of public health protections.

Again we would like to extend our thanks and appreciation to the members of Congress and their staff who played a part in producing this bill.

Sincerely,

American Preventative Medical Association; Center for Science in the Public Interest; Citizen Action; Environmental Working Group; National Audubon Society; National Wildlife Federation; National Parent Teacher Association; Natural Resources Defense Council; Physicians for Social Responsibility; Public Voice; World Wildlife Fund.

AMERICAN CROP PROTECTION ASSOCIATION PRAISES COMPREHENSIVE FOOD SAFETY ACTION

WASHINGTON, DC, July 24, 1996.—The American Crop Protection Association voiced its support of the "Food Quality Protection Act of 1996," a bi-partisan bill to reform the nation's food safety laws that Tuesday was passed by the House of Representatives 417-0.

Jay J. Vroom, ACPA president, said, "The action is an overwhelming affirmation of the value and benefits of modern agricultural technology to the consumer, our children and the American farmer. With our allies and friends across food and agriculture, the crop protection industry is proud to have helped lead the way for modern, science-based food safety reform."

The Senate is expected shortly to follow the House's lead and vote to replace the 1958 Delaney clause with a single safety standard for pesticide residues on both raw and processed foods. Under the legislation, which was more than 10 years in the making, pesticides will be deemed safe when they are approved by the Environmental Protection Agency as meeting a new, health-based safety standard, defined as a "reasonable certainty of no harm."

The bill mandates implementation by the EPA of the 1993 recommendations of the National Academy of Sciences for providing additional safeguards for infants and children. "The Academy's recommendations have been at the heart of ACPA's fight for food safety reform," said Vroom. "This is particularly gratifying victory for us because it assures that modern, sound science will undergird our food safety laws and that farmers will continue to have the tools to produce the most abundant and affordable supplies of food and fiber in the world."

Regarding industry's relationship with the EPA, Vroom said, "We want to continue the productive working dialogue we have established with the Agency during the course of negotiations for this legislation. For example, one of our hopes is to successfully conclude work underway by EPA, ACPA and other registrant groups to provide additional user fee resources to the Agency for enhancing new product application decision making."•

WELFARE REFORM

• Mr. BINGAMAN. Mr. President, 2 days ago I voted against the so called welfare reform bill which passed the Senate. I wish to explain my reasons for that vote.

The time has come to change the Nation's welfare system. We should enact much-needed, workable reforms, such as requiring all able-bodied recipients to work, turning welfare offices into employment offices, providing adequate child care and requiring strong child support enforcement. While the bill just passed by the Senate achieves some of these goals, it does so in a way that I believe will ultimately end up doing more harm than good. And the damage will be done not only to innocent children but to State and local governments and to taxpayers, who may end up bearing even more of the burden than they currently do.

Last fall, I voted for welfare reform legislation in the expectation that we could develop a better bill. A good bill would encourage adults to work without threatening the well-being of children or unduly burdening the States that need welfare assistance most. It would enable flexible planning at the State and local levels, without dismantling the social safety net.

Unfortunately, the highly political environment in which we find ourselves has not permitted the development of such a bill. The forces of reaction in our country have persuaded many that the main cause of our problems is welfare cheats and the current election campaign has spawned a competition between politicians to prove their machismo by getting tough.

The conference report that emerged on HR4 last fall was a worse bill than what the Senate had previously passed. I joined over a quarter of the Senate who voted for the Senate welfare reform bill but rejected the changes made in the conference report. I said then that we should not trade in an admittedly imperfect system for one that is certainly not better, and perhaps may prove much worse. The same is true today.

I have been persuaded by the process of debate and projections on the likely impact of this bill on my State that this welfare bill will do far more harm than good. It will cause hardship to State and local governments, throw more than a million more children into poverty and hurt rather than help the Nation's efforts at true welfare reform.

The bill will clearly increase the burden on States and local governments. Poor States will, as always, be particularly hard hit. For example, the bill requires progressively more hours of work, from a greater percent of each State's case load every year, with States losing cumulatively more funding each year they fail to hit their targets. While I am a strong proponent of work requirements as an integral part of welfare reform, I am skeptical of this approach. And I am not alone. The National Governors' Association [NGA] feels it will be very hard to meet these targets, especially because the bill allows few exemptions for those who will have the hardest time finding work. And if a State fails to meet these difficult targets they lose funding for the next year's program. The irony of this penalty is that the punishment assures that the violation will occur again and again, as a State has less and less Federal money each year to try and meet their employment targets. This leaves states with two choices—use state and local funds for education, training, and child care, or throw more people off the roles so it will be easier to hit their percentage targets.

The nonpartisan Congressional Budget Office has said that, over 6 years, this bill falls $12 billion short of the funding needed to meet the work requirements of this legislation, and about $2.4 billion short in child care resources. New Mexico is particularly at risk if this bill does not live up to its promise. It is one of the few States in which the welfare caseload is currently increasing, even though the benefits paid are below the national average. Who will be forced to pick up the shortfall? State and local governments will.

Further, last year in New Mexico, 239,000 recipients in 87,000 households relied on food stamps. About $28 billion in savings realized by this bill will be in food stamps. Such cuts to funding benefits erode the integrity of the safety net. I say again that we are trading in an imperfect system for one that may prove much worse.

Legal immigrants are clearly among those who will be hurt by passage of this bill. I support the immigration bill now in Congress and its effort to make immigrants and their sponsors responsible for immigrants' welfare. But this bill goes far beyond those provisions. There are over 3,000 aged or disabled legal immigrants receiving SSI benefits in New Mexico who may abruptly be cut off if this bill becomes law, and thousands more immigrants who have no sponsor for any number of reasons who may also lose benefits under this bill.

In the course of this debate, the Senate rejected an amendment that would have permitted States to use funds from their Federal block grant to offer vouchers to maintain basic non-cash benefits such as food, clothing, and shelter for children if their parents' benefits expire after 5 years. The refusal of the Senate to allow States to provide such vouchers will hurt New Mexico, where one third of the children less than 6 years old—almost 50,000—live in families with incomes below the poverty level.

Ours is a great Nation, enjoying low unemployment and real prosperity. Our common goal is to ensure that all Americans willing to work hard have the opportunity to share that prosperity. We all want to eliminate public assistance as a way of life while preserving temporary protections for those truly in need of help. But we must figure out a way to do this without denying the basic needs of innocent children for food, clothing, and shelter, and without driving State and local governments further into debt.●

NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 440, S. 1577.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1577) to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 1998, 1999, 2000, and 2001.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent the bill be deemed read a third time, passed, and the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1577) was deemed read the third time and passed, as follows:

S. 1577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF APPROPRIATIONS FOR THE NATIONAL HISTORICAL PUBLICATIONS AND RECORDS COMMISSION.

Section 2504(f)(1) of title 44, United States Code, is amended—

(1) in subparagraph (F) by striking out "and" after the semicolon;

(2) in subparagraph (G) by striking out the period and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(H) $10,000,000 for fiscal year 1998;

"(I) $10,000,000 for fiscal year 1999;

"(J) $10,000,000 for fiscal year 2000; and

"(K) $10,000,000 for fiscal year 2001.".

EXTENDING MOST-FAVORED-NATION TREATMENT FOR CAMBODIA

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 398, H.R. 1642.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1642) to extend nondiscriminatory treatment (most-favored-nation treatment) to the products of Cambodia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress finds that—

(1) despite recent increases in acts of repression by the Cambodian Government and growing government corruption that has contributed to substantial environmental degradation, Cambodia has made some progress towards democratic rule after 20 years of undemocratic regimes and civil war, and is striving to rebuild its market economy;

(2) extension of unconditional most-favored-nation treatment would assist Cambodia in developing its economy based on free market principles and becoming competitive in the global marketplace;

(3) establishing normal commercial relations on a reciprocal basis with Cambodia will promote United States exports to the rapidly growing Southeast Asian region and expand opportunities for United States business and investment in the Cambodian economy; and

(4) expanding bilateral trade relations that includes a commercial agreement may promote further progress by Cambodia on human rights and democratic rule and assist Cambodia in adopting regional and world trading rules and principles.

SEC. 2. EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PRODUCTS OF CAMBODIA.

(a) HARMONIZED TARIFF SCHEDULE AMENDMENT.—General note 3(b) of the Harmonized Tariff Schedule of the United States is amended by striking "Kampuchea".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the effective date of a notice published in the Federal Register by the United States Trade Representative that a trade agreement obligating reciprocal most-favored-nation treatment between Cambodia and the United States has entered into force.

SEC. 3. REPORT TO CONGRESS.

The President shall submit to the Congress, not later than 18 months after the date of the enactment of this Act, a report on the trade relations between the United States and Cambodia pursuant to the trade agreement described in section 2(b).

Mr. McCAIN. Mr. President, I am very pleased that the full Senate will soon approve H.R. 1642, a bill to grant MFN to Cambodia. I would like to thank the chairman of the Finance Committee for his help in seeing it through. He promised to do so last October and has been true to his word. My hope now is that the other body will quickly approve the minor alterations in the findings and send the bill to the President for his signature.

Traditionally, we have only restricted trade with Communist countries, and since 1975, only select Communist countries which prevent the free emigration of their people. The only other countries with restricted access to the American market are proven international aggressors and terrorist nations such as Iran and Iraq. Cambodia is no longer Communist and it does not restrict the free emigration of its people. It is certainly not in the category of rogue nations. I think the committee and the Senate has acted appropriately not to impose restrictions on Cambodia more appropriate for other eras and other nations.

Although it did not change the real substance of the bill, the committee did alter the findings. I would not have done so—not because I do not share Senator ROTH's concerns or the other concerns raised in the findings already approved by the other body. I do share concerns about the development of Cambodian democracy, government corruption, an human rights abuses. I encouraged the committee not to amend the bill principally because I thought it should be sent to the President as quickly as possible.

I should point out to my friends in Cambodia that they would do very well to heed the concerns expressed in the findings of this bill and in the accompanying report. They are the same concerns which led to the adoption in the other body of H. Res. 345. Those who pay close attention to Cambodia have been concerned about the direction of Cambodian politics. It is true that the Cambodian people have a freely elected government, freedom of speech and freedom of association. It is also true, however, that each of these democratic institutions has at one time or another come under attack from the coalition government.

The Senate is today approving unconditional most-favored-nation status for Cambodia. It is only fair that it do so. But the Cambodia Government should be under no illusions. Granting MFN to Cambodia should not be interpreted as disinterest in the course of Cambodian democracy. The United States Senate is committed to helping democracy and human rights to flourish in Cambodia. Our efforts will not end with this vote.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the committee amendment be agreed to, the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (H.R. 1642), as amended, was deemed read the third time and passed.

SMALL BUSINESS INVESTMENT COMPANY IMPROVEMENT ACT OF 1996

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 455, S. 1784.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1784) to amend the Small Business Investment Act of 1958, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Small Business with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Investment Company Improvement Act of 1996".

SEC. 2. DEFINITIONS.

(a) SMALL BUSINESS CONCERN.—Section 103(5) of the Small Business Investment Act of 1958 (15 U.S.C. 662(5)) is amended by inserting before the semicolon the following: ", except that, for purposes of this Act, an investment by a venture capital firm, investment company (including a small business investment company) employee welfare benefit plan or pension plan, or trust, foundation, or endowment that is exempt from Federal income taxation—

"(A) shall not cause a business concern to be deemed not independently owned and operated;

"(B) shall be disregarded in determining whether a business concern satisfies size standards established pursuant to section 3(a)(2) of the Small Business Act; and

"(C) shall be disregarded in determining whether a small business concern is a smaller enterprise".

(b) PRIVATE CAPITAL.—Section 103(9) of the Small Business Investment Act of 1958 (15 U.S.C. 662(9)) is amended to read as follows:

"(9) the term 'private capital'—

"(A) means the sum of—

"(i) the paid-in capital and paid-in surplus of a corporate licensee, the contributed capital of the partners of a partnership licensee, or the equity investment of the members of a limited liability company licensee; and

"(ii) unfunded binding commitments, from investors that meet criteria established by the Administrator, to contribute capital to the licensee: Provided, That such unfunded commitments may be counted as private capital for purposes of approval by the Administrator of any request for leverage, but leverage shall not be funded based on such commitments; and

"(B) does not include any—

"(i) funds borrowed by a licensee from any source;

"(ii) funds obtained through the issuance of leverage; or

"(iii) funds obtained directly or indirectly from any Federal, State, or local government, or any government agency or instrumentality, except for—

"(I) funds invested by an employee welfare benefit plan or pension plan; and

"(II) any qualified nonprivate funds (if the investors of the qualified nonprivate funds do not control, directly or indirectly, the management, board of directors, general partners, or members of the licensee);".

(c) NEW DEFINITIONS.—Section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662) is amended by striking paragraph (10) and inserting the following:

"(10) the term 'leverage' includes—

"(A) debentures purchased or guaranteed by the Administration;

"(B) participating securities purchased or guaranteed by the Administration; and

"(C) preferred securities outstanding as of October 1, 1995;

"(11) the term 'third party debt' means any indebtedness for borrowed money, other than indebtedness owed to the Administration;

"(12) the term 'smaller enterprise' means any small business concern that, together with its affiliates—

"(A) has—

"(i) a net financial worth of not more than $6,000,000, as of the date on which assistance is

provided under this Act to that business concern; and

"(ii) an average net income for the 2-year period preceding the date on which assistance is provided under this Act to that business concern, of not more than $2,000,000, after Federal income taxes (excluding any carryover losses); or

"(B) satisfies the standard industrial classification size standards established by the Administration for the industry in which the small business concern is primarily engaged;

"(13) the term 'qualified nonprivate funds' means any—

"(A) funds directly or indirectly invested in any applicant or licensee on or before August 16, 1982, by any Federal agency, other than the Administration, under a provision of law explicitly mandating the inclusion of those funds in the definition of the term 'private capital';

"(B) funds directly or indirectly invested in any applicant or licensee by any Federal agency under a provision of law enacted after September 4, 1992, explicitly mandating the inclusion of those funds in the definition of the term 'private capital'; and

"(C) funds invested in any applicant or licensee by one or more State or local government entities (including any guarantee extended by those entities) in an aggregate amount that does not exceed—

"(i) 33 percent of the private capital of the applicant or licensee, if such funds were committed for investment before the date of enactment of the Small Business Investment Company Improvement Act of 1996; or

"(ii) 20 percent of the private capital of the applicant or licensee, if such funds were committed for investment on or after the date of enactment of the Small Business Investment Company Improvement Act of 1996;

"(14) the terms 'employee welfare benefit plan' and 'pension plan' have the same meanings as in section 3 of the Employee Retirement Income Security Act of 1974, and are intended to include—

"(A) public and private pension or retirement plans subject to such Act; and

"(B) similar plans not covered by such Act that have been established and that are maintained by the Federal Government or any State or political subdivision, or any agency or instrumentality thereof, for the benefit of employees;

"(15) the term 'member' means, with respect to a licensee that is a limited liability company, a holder of an ownership interest or a person otherwise admitted to membership in the limited liability company; and

"(16) the term 'limited liability company' means a business entity that is organized and operating in accordance with a State limited liability company statute approved by the Administration.".

SEC. 3. ORGANIZATION OF SMALL BUSINESS INVESTMENT COMPANIES.

(a) LIMITED LIABILITY COMPANIES.—Section 301(a) of the Small Business Investment Act of 1958 (15 U.S.C. 681(a)) is amended in the first sentence, by striking "body or" and inserting "body, a limited liability company, or".

(b) ISSUANCE OF LICENSE.—Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)) is amended to read as follows:

"(c) ISSUANCE OF LICENSE.—

"(1) SUBMISSION OF APPLICATION.—Each applicant for a license to operate as a small business investment company under this Act shall submit to the Administrator an application, in a form and including such documentation as may be prescribed by the Administrator.

"(2) PROCEDURES.—

"(A) STATUS.—Not later than 90 days after the initial receipt by the Administrator of an application under this subsection, the Administrator shall provide the applicant with a written report detailing the status of the application and any requirements remaining for completion of the application.

"(B) APPROVAL OR DISAPPROVAL.—Within a reasonable time after receiving a completed application submitted in accordance with this subsection and in accordance with such requirements as the Administrator may prescribe by regulation, the Administrator shall—

"(i) approve the application and issue a license for such operation to the applicant if the requirements of this section are satisfied; or

"(ii) disapprove the application and notify the applicant in writing of the disapproval.

"(3) MATTERS CONSIDERED.—In reviewing and processing any application under this subsection, the Administrator—

"(A) shall determine whether—

"(i) the applicant meets the requirements of subsections (a) and (c) of section 302; and

"(ii) the management of the applicant is qualified and has the knowledge, experience, and capability necessary to comply with this Act;

"(B) shall take into consideration—

"(i) the need for and availability of financing for small business concerns in the geographic area in which the applicant is to commence business;

"(ii) the general business reputation of the owners and management of the applicant; and

"(iii) the probability of successful operations of the applicant, including adequate profitability and financial soundness; and

"(C) shall not take into consideration any projected shortage or unavailability of leverage.

"(4) EXCEPTION.—

"(A) IN GENERAL.—Notwithstanding any other provision of this Act, the Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, approve an application and issue a license under this subsection with respect to any applicant that—

"(i) has private capital of not less than $3,000,000;

"(ii) would otherwise be issued a license under this subsection, except that the applicant does not satisfy the requirements of section 302(a); and

"(iii) has a viable business plan reasonably projecting profitable operations and a reasonable timetable for achieving a level of private capital that satisfies the requirements of section 302(a).

"(B) LEVERAGE.—An applicant licensed pursuant to the exception provided in this paragraph shall not be eligible to receive leverage as a licensee until the applicant satisfies the requirements of section 302(a).".

(c) SPECIALIZED SMALL BUSINESS INVESTMENT COMPANIES.—Section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)) is repealed.

SEC. 4. CAPITAL REQUIREMENTS.

(a) INCREASED MINIMUM CAPITAL REQUIREMENTS.—Section 302(a) of the Small Business Investment Act of 1958 (15 U.S.C. 682(a)) is amended by striking "(a)" and all that follows through "The Administration shall also determine the ability of the company," and inserting the following:

"(a) AMOUNT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the private capital of each licensee shall be not less than—

"(A) $5,000,000; or

"(B) $10,000,000, with respect to each licensee authorized or seeking authority to issue participating securities to be purchased or guaranteed by the Administration under this Act.

"(2) EXCEPTION.—The Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, permit the private capital of a licensee authorized or seeking authorization to issue participating securities to be purchased or guaranteed by the Administration to be less than $10,000,000, but not less than $5,000,000, if the Administrator determines that such action would not create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.

"(3) ADEQUACY.—In addition to the requirements of paragraph (1), the Administrator shall—

"(A) determine whether the private capital of each licensee is adequate to assure a reasonable prospect that the licensee will be operated soundly and profitably, and managed actively and prudently in accordance with its articles; and

"(B) determine that the licensee will be able".

(b) EXEMPTION FOR CERTAIN LICENSEES.—Section 302(a) of the Small Business Investment Act of 1958 (15 U.S.C. 682(a)) is amended by adding at the end the following new paragraph:

"(4) EXEMPTION FROM CAPITAL REQUIREMENTS.—The Administrator may, in the discretion of the Administrator, exempt from the capital requirements in paragraph (1) any licensee licensed under subsection (c) or (d) of section 301 before the date of enactment of the Small Business Investment Company Improvement Act of 1996, if—

"(A) the licensee certifies in writing that not less than 50 percent of the aggregate dollar amount of its financings after the date of enactment of the Small Business Investment Company Improvement Act of 1996 will be provided to smaller enterprises; and

"(B) the Administrator determines that—

"(i) the licensee has a record of profitable operations;

"(ii) the licensee has not committed any serious or continuing violation of any applicable provision of Federal or State law or regulation; and

"(iii) such action would not create or otherwise contribute to an unreasonable risk of default or loss to the United States Government.".

(c) DIVERSIFICATION OF OWNERSHIP.—Section 302(c) of the Small Business Investment Act of 1958 (15 U.S.C. 682(c)) is amended to read as follows:

"(c) DIVERSIFICATION OF OWNERSHIP.—The Administrator shall ensure that the management of each licensee licensed after the date of enactment of the Small Business Investment Company Improvement Act of 1996 is sufficiently diversified from and unaffiliated with the ownership of the licensee in a manner that ensures independence and objectivity in the financial management and oversight of the investments and operations of the licensee.".

SEC. 5. BORROWING.

(a) DEBENTURES.—Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended in the first sentence, by striking "(but only" and all that follows through "terms)".

(b) THIRD PARTY DEBT.—Section 303(c) of the Small Business Investment Act of 1958 (15 U.S.C. 683(c)) is amended to read as follows:

"(c) THIRD PARTY DEBT.—The Administrator—

"(1) shall not permit a licensee having outstanding leverage to incur third party debt that would create or contribute to an unreasonable risk of default or loss to the Federal Government; and

"(2) shall permit such licensees to incur third party debt only on such terms and subject to such conditions as may be established by the Administrator, by regulation or otherwise.".

(c) REQUIREMENT TO FINANCE SMALLER ENTERPRISES.—Section 303(d) of the Small Business

Investment Act of 1958 (15 U.S.C. 683(d)) is amended to read as follows:

"(d) REQUIREMENT TO FINANCE SMALLER ENTERPRISES.—The Administrator shall require each licensee, as a condition of approval of an application for leverage, to certify in writing that not less than 20 percent of the aggregate dollar amount of the financings of the licensee will be provided to smaller enterprises.".

(d) CAPITAL IMPAIRMENT REQUIREMENTS.—Section 303(e) of the Small Business Investment Act of 1958 (15 U.S.C. 683(e)) is amended to read as follows:

"(e) CAPITAL IMPAIRMENT.—Before approving any application for leverage submitted by a licensee under this Act, the Administrator—

"(1) shall determine that the private capital of the licensee meets the requirements of section 302(a); and

"(2) shall determine, taking into account the nature of the assets of the licensee, the amount and terms of any third party debt owed by such licensee, and any other factors determined to be relevant by the Administrator, that the private capital of the licensee has not been impaired to such an extent that the issuance of additional leverage would create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.".

(e) EQUITY INVESTMENT REQUIREMENT.—Section 303(g)(4) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(4)) is amended by striking "and maintain".

(f) FEES.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended—

(1) in subsection (b), in the fifth sentence, by striking "1 per centum", and all that follows before the period at the end of the sentence and inserting the following: "1 percent, plus an additional charge of .50 percent per annum which shall be paid to and retained by the Administration";

(2) in subsection (g)(2), by striking "1 per centum," and all that follows before the period at the end of the paragraph and inserting the following: "1 percent, plus an additional charge of .50 percent per annum which shall be paid to and retained by the Administration"; and

(3) by adding at the end the following new subsections:

"(i) LEVERAGE FEE.—With respect to leverage granted by the Administration to a licensee, the Administration shall collect from the licensee a nonrefundable fee in an amount equal to 3 percent of the face amount of leverage granted to the licensee, payable upon the earlier of the date of entry into any commitment for such leverage or the date on which the leverage is drawn by the licensee.

"(j) CALCULATION OF SUBSIDY RATE.—All fees, interest, and profits received and retained by the Administration under this section shall be included in the calculations made by the Director of the Office of Management and Budget to offset the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures and participating securities under this Act.".

SEC. 6. LIABILITY OF THE UNITED STATES.

Section 308(e) of the Small Business Investment Act of 1958 (15 U.S.C. 687(e)) is amended by striking "Nothing" and inserting "Except as expressly provided otherwise in this Act, nothing".

SEC. 7. EXAMINATIONS; VALUATIONS.

(a) EXAMINATIONS.—Section 310(b) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(b)) is amended in the first sentence by inserting "which may be conducted with the assistance of a private sector entity that has both the qualifications to conduct and expertise in conducting such examinations," after "Investment Division of the Administration,".

(b) VALUATIONS.—Section 310(d) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(d)) is amended to read as follows:

"(d) VALUATIONS.—

"(1) FREQUENCY OF VALUATIONS.—

"(A) IN GENERAL.—Each licensee shall submit to the Administrator a written valuation of the loans and investments of the licensee not less often than semiannually or otherwise upon the request of the Administrator, except that any licensee with no leverage outstanding shall submit such valuations annually, unless the Administrator determines otherwise.

"(B) MATERIAL ADVERSE CHANGES.—Not later than 30 days after the end of a fiscal quarter of a licensee during which a material adverse change in the aggregate valuation of the loans and investments or operations of the licensee occurs, the licensee shall notify the Administrator in writing of the nature and extent of that change.

"(C) INDEPENDENT CERTIFICATION.—

"(i) IN GENERAL.—Not less than once during each fiscal year, each licensee shall submit to the Administrator the financial statements of the licensee, audited by an independent certified public accountant approved by the Administrator.

"(ii) AUDIT REQUIREMENTS.—Each audit conducted under clause (i) shall include—

"(I) a review of the procedures and documentation used by the licensee in preparing the valuations required by this section; and

"(II) a statement by the independent certified public accountant that such valuations were prepared in conformity with the valuation criteria applicable to the licensee established in accordance with paragraph (2).

"(2) VALUATION CRITERIA.—Each valuation submitted under this subsection shall be prepared by the licensee in accordance with valuation criteria, which shall—

"(A) be established or approved by the Administrator; and

"(B) include appropriate safeguards to ensure that the noncash assets of a licensee are not overvalued.".

SEC. 8. TRUSTEE OR RECEIVERSHIP OVER LICENSEES.

(a) FINDING.—It is the finding of the Congress that increased recoveries on assets in liquidation under the Small Business Investment Act of 1958 are in the best interests of the Federal Government.

(b) DEFINITIONS.—For purposes of this section—

(1) the term "Administrator" means the Administrator of the Small Business Administration;

(2) the term "Administration" means the Small Business Administration; and

(3) the term "licensee" has the same meaning as in section 103 of the Small Business Investment Act of 1958.

(c) LIQUIDATION PLAN.—

(1) IN GENERAL.—Not later than October 15, 1996, the Administrator shall submit to the Committees on Small Business of the Senate and the House of Representatives a detailed plan to expedite the orderly liquidation of all licensee assets in liquidation, including assets of licensees in receivership or in trust held by or under the control of the Administration or its agents.

(2) CONTENTS.—The plan submitted under paragraph (1) shall include a timetable for liquidating the liquidation portfolio of small business investment company assets owned by the Administration, and shall contain the Administrator's findings and recommendations on various options providing for the fair and expeditious liquidation of such assets within a reasonable period of time, giving due consideration to the option of entering into one or more contracts with private sector entities having the capability to carry out the orderly liquidation of similar assets.

SEC. 9. BOOK ENTRY REGISTRATION.

Subsection 321(f) of the Small Business Investment Act of 1958 (15 U.S.C. 687l) is amended by adding at the end the following new paragraph:

"(5) Nothing in this subsection shall prohibit the utilization of a book entry or other electronic form of registration for trust certificates.".

SEC. 10. TECHNICAL AND CONFORMING AMENDMENTS.

(a) SMALL BUSINESS INVESTMENT ACT OF 1958.—The Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) is amended—

(1) in section 303—

(A) in subsection (a), by striking "debenture bonds," and inserting "securities,";

(B) by striking subsection (f) and inserting the following:

"(f) REDEMPTION OR REPURCHASE OF PREFERRED STOCK.—Notwithstanding any other provision of law—

"(1) the Administrator may allow the issuer of any preferred stock sold to the Administration before November 1, 1989 to redeem or repurchase such stock, upon the payment to the Administration of an amount less than the par value of such stock, for a repurchase price determined by the Administrator after consideration of all relevant factors, including—

"(A) the market value of the stock;

"(B) the value of benefits provided and anticipated to accrue to the issuer;

"(C) the amount of dividends paid, accrued, and anticipated; and

"(D) the Administrator's estimate of any anticipated redemption; and

"(2) any moneys received by the Administration from the repurchase of preferred stock shall be available solely to provide debenture leverage to licensees having 50 percent or more in aggregate dollar amount of their financings invested in smaller enterprises."; and

(C) in subsection (g)(8)—

(i) by striking "partners or shareholders" and inserting "partners, shareholders, or members";

(ii) by striking "partner's or shareholder's" and inserting "partner's, shareholder's, or member's"; and

(iii) by striking "partner or shareholder" and inserting "partner, shareholder, or member";

(2) in section 308(h), by striking "subsection (c) or (d) of section 301" each place that term appears and inserting "section 301";

(3) in section 310(c)(4), by striking "not less than four years in the case of section 301(d) licensees and in all other cases,";

(4) in section 312—

(A) by striking "shareholders or partners" and inserting "shareholders, partners, or members"; and

(B) by striking "shareholder, or partner" each place that term appears and inserting "shareholder, partner, or member";

(5) by striking sections 317 and 318, and redesignating sections 319 through 322 as sections 317 through 320, respectively;

(6) in section 319, as redesignated—

(A) in subsection (a), by striking ", including companies operating under the authority of section 301(d),"; and

(B) in subsection (f)(2), by inserting "or investments in obligations of the United States" after "accounts";

(7) in section 320, as redesignated, by striking "section 321" and inserting "section 319"; and

(8) in section 509—

(A) in subsection (a)(1), by striking the second sentence; and

(B) in subsection (e)(1)(B), by striking "subsection (c) or (d) of section 301" and inserting "section 301".

(b) AMENDMENT IN OTHER LAW.—Section 11(h) of the Federal Home Loan Bank Act (12 U.S.C.

1431(h)) is amended by striking "301(d)" and inserting "301".

SEC. 11. AMENDMENTS TO THE SMALL BUSINESS ACT.

(a) POWERS OF THE ADMINISTRATOR.—Section 5(b)(7) of the Small Business Act (15 U.S.C. 634(b)(7)) is amended by striking the colon and all that follows before the semicolon at the end of the paragraph and inserting the following: ": Provided, That with respect to deferred participation loans, the Administrator may, in the discretion of and pursuant to regulations promulgated by the Administrator, authorize participating lending institutions to take actions relating to loan servicing on behalf of the Administrator, including determining eligibility and creditworthiness and loan monitoring, collection, and liquidation".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20(p)(3) of the Small Business Act (15 U.S.C. 631 note) is amended by striking subparagraph (B) and inserting the following:

"(B) $300,000,000 in guarantees of debentures; and".

SEC. 12. EFFECTIVE DATE.

This Act and the amendments made by this Act shall become effective on the date of enactment of this Act.

Mr. BOND. Mr. President, I rise today in support of S. 1784, The Small Business Investment Company Improvement Act of 1996. This bill proposes numerous changes to the Small Business Investment Act of 1958 designed to improve, strengthen, and expand the availability of investment capital under the Small Business Administrations's Small Business Investment Company (SBIC) program.

S. 1784 builds on the improvements of the SBIC program contained in the law passed by Congress in 1992 by making the following changes to reduce the risk of SBIC defaults and losses to the Federal government:

1. Increases the level of private capital needed to obtain an SBIC license from SBA.

2. Requires experienced and qualified management for all SBICs.

3. Requires diversification between investors and the management team.

In addition, S. 1784 makes these important changes to the Small Business Investment Act to increase the availability of investment capital to small businesses:

1. Increases fees paid by SBICs which reduces the credit subsidy rate.

2. Eliminates the distinction between SBICs and SSBICs, while grandfathering" successful SSBICs into the new program.

3. Places a greater emphasis on SBIC investments in smaller enterprises or smaller small businesses.

In 1958, Congress first approved the Small Business Investment Act creating Small Business Investment Companies, which are private investment companies licensed by SBA, whose sole activity is to make investments in small businesses. An SBIC raises private capital which is matched by additional funds guaranteed by SBA. The private capital and SBA-guaranteed funds are invested by SBICs in small businesses.

SBICs fill a void that is not addressed by private venture capital firms, most of which are so large they are usually unwilling to make investments in smaller firms, which generally seek investments in the range of $500,000 to $2.5 million each. Since the beginning of the SBIC program, nearly $12 billion has been invested in approximately 77,000 small businesses. Some SBICs make equity investments in small businesses, while others make long-term loans, which are frequently coupled with rights to purchase an equity interest in the company, sometimes called warrants". The lending-type" or debenture SBICs provide long-term financing that is generally not available from banks or private venture capital firms.

Today, there are 185 active regular SBICs and 89 Specialized SBICs (SSBICs) in the SBIC program. SSBICs invest only in minority owned and controlled businesses. Together, these SBICs and SSBICs have raised nearly $4 billion in private capital and have received $1.02 billion in SBA-guaranteed funds.

Today's SBIC program has been shaped in large part by the Small Business Equity Enhancement Act of 1992. The genesis of this important legislation resulted from the hard work of SBA's Investment Capital Advisory Council, a public-private working group formed in 1991 to address the problems confronting the SBIC program. The 1992 Act produced the first major change in the SBIC program since it's formation in 1958. It created the Participating Security program, which incorporates some of the best practices of the private venture capital industry. The 1992 act came about in response to the persistence of my good friend and colleague from Arkansas, Senator BUMPERS, who as chairman of the Committee on Small Business held a series of hearings focusing attention on the problems under the program. The result of the Act was to strengthen the SBIC program and to correct serious weaknesses that had been exposed by well publicized problems of the past.

Since the 1992 Act became law, more than 30 new participating security SBICs with nearly $500 million in private capital have been licensed by SBA, and 17 new SBICs with over $200 million of private capital have been licensed as debenture SBICs.

There is a significant difference between the SBICs licensed before the 1992 Act and the SBICs licensed under the more strict guidelines set forth under the 1992 Act. While the 1992 Act increased the minimum private capital threshold for licensing to $2.5 million for each debenture SBIC and $5 million for each new participating security SBIC, SBA has imposed even more strict standards in its regulations. Under the SBA rules, debenture SBICs must have a minimum of $5 million in private capital and participating security SBICs must have $10 million in private capital.

Since the 1992 Act has created two distinct types of SBICs, it allows for investments to be tailored to meet the needs of small businesses. For example, when a small business needs a loan and can meet projected interest payments, the traditional lending-type or debenture SBICs are available to make debt investments. For small businesses that need non-interest bearing investment capital, the participating security SBICs can offer an equity-type investment which anticipates an extended period of time, such as two to three years, before the small business is expected to begin repayment of this investment. In this latter case, interest payments are deferred until the investments begin to generate a positive return. Under the Participating Security program, the Federal government's return is not limited to repayment of principal and interest—it can also share in the profits of the SBIC.

During this Congress, I have chaired three hearings investigating the success and problems associated with the SBIC program. Testimony before the Senate Committee on Small Business has been supportive and positive. Numerous small business entrepreneurs have testified about their inability to obtain investment capital from banks and other traditional investment sources, and SBICs are frequently their only source of investment capital. Last year, Jerry Johnson, the Chief Executive Officer of Williams Brothers Lumber Co. located near Atlanta, testified that not one bank in the Atlanta area would speak with him about asset-based lending. After a lengthy search, he and his partner turned to Allied Capital Corp., a Washington, D.C.-based SBIC. Within 60 days of their first contact with Allied Capital Corp., Mr. Johnson was able to conclude his financing arrangement. Being able to clear this financing hurdle with the help of an SBIC, Mr. Johnson's company has grown significantly, adding many new employees and increasing its tax base.

Often, we hear about major success stories like Federal Express and the Callaway golf club co. that received SBIC funding at critical times in their early growth stages. It is, however, far more likely that businesses like the Williams Brothers Lumber Co. will be the typical beneficiaries of the SBIC program. These are "Main Street" enterprises located across America who have looked to traditional money sources and been turned away. The SBIC program is filling this niche—a large niche to say the least—that picks up where banks fear to tread and Wall Street is not interested because the investment size is too small. There are thousands of companies like Williams Brothers Lumber Company across the country that need investment financing to support growth and new jobs and have nowhere to turn but to the SBIC program to meet their demand for capital.

During the past year, the Committee on Small Business has received a great deal of information about the need to strengthen the SBIC program. In July 1995, Patricia Cloherty, Chair of SBA's private sector SBIC Reinvention Council, testified on the Council's recommendations to strengthen and expand the program. In addition, last summer the National Association of Investment Companies forwarded to the Committee on Small Business a copy of their recommendations to improve the SSBIC program, which was also submitted to SBA's SSBIC Advisory Council.

The involvement of the private sector in analyzing the performance of the SBIC program and the insight provided by these recommendations are commendable - and very helpful to this Committee. In 1995, the SBIC Reinvention Council recommended that new fees be imposed to lower the credit subsidy rate so that the program can provide a significant increase in leverage to licensed SBICs. It also recommended certain administrative changes to improve the management and operations of the SBIC program.

The National Association of Investment Companies (NAIC), which represents SSBICs, also recommended in 1995 that all statutory and regulatory distinctions between SBICs and SSBICs be eliminated, including the deletion of all references to social or economic disadvantage" from the Small Business Investment Act. NAIC proposed creating a single, combined SBIC program that would retain an important focus on investments in small business at the smaller end of the eligible size standards. They recommended sensible improvements to make more investment capital available to more small businesses and proposed to remove the current restrictions that prohibit Specialized SBICs from investing in companies not owned by socially or economically disadvantaged persons. S. 1784 includes many of their recommendations.

NEW FEES FOR SBICS

The President's FY 1997 budget request included a recommendation that fees paid by SBICs be increased to finance a significant reduction in the credit subsidy rate. The Office of Management and Budget, recognizing the positive effect of some of the regulatory changes already implemented by SBA, now is using a lower projected default rate, thereby reducing the credit subsidy rate for debenture and participating security licensees under the SBIC program.

The Administration's recommendation to lower the credit subsidy rate by increasing fees is similar to one made last year in their amended FY 1996 budget request for the 7(a) Guaranteed Business Loan Program. Accompanying their request for a fee increase were statements by SBA about how well the 7(a) program was performing.

What happened following SBA's positive predictions for the 7(a) program has been alarming. Based in part on SBA's glowing report card on the 7(a) program, Congress passed legislation to raise fees and lower the subsidy rates of the program. The changes became law in October 1995, which is about the same time SBA and OMB were beginning to work on their most recent budget request which raises the 7(a) credit subsidy rate by 150% and the cost of the program by $180 million. This higher cost is the direct result of greater losses from loan defaults and lower recoveries from liquidations.

As Chairman of the Committee on Small Business, I believe it is prudent for Congress to take steps so that we do not allow a repeat of the 7(a) problem with the SBIC program. Based on our experience last year, Congress should not approve any decrease in the credit subsidy rate through the increase of fees without taking some corresponding steps to strengthen the safety and soundness of the SBIC program.

SBICS IN LIQUIDATION

In addition, evidence before the Committee on Small Business about the failure of SBA to maximize its recoveries from failed SBICs is alarming. SBA acknowledges there are assets with a value of approximately $500 million tied up with SBICs in liquidation. To make this situation even more alarming, many of these failed SBICs have been in liquidation for over ten years, including one that was transferred into liquidation on January 5, 1967.

S. 1784 directs SBA to submit to the Senate and House Committees on Small Business, no later than October 15, 1996, a detailed plan to expedite the orderly liquidation of all licensee assets in liquidation. This plan should include a timetable for liquidating the liquidation portfolio of assets owned by SBA.

In addition, SBA needs to take a hard look at how it manages failed SBICs that are in receivership. It is not a sufficient explanation for SBA to claim it is at the mercy of the court system in winding up the affairs of SBICs in receivership. In each case, the court acts in response to SBA's petition, has named SBA the receiver, and SBA has retained independent contractors to act as principal agents for the receivership. These principal agents are paid hourly and appear to have little or no incentive to wind up the affairs of an SBIC. In fact, the opposite is true, and the real incentive appears to be to drag out the receivership as long as possible. Based on SBA replies to requests for information from the Committee on Small Business, we have learned that these principal receivers agents bill significant hours each year. In FY 1995, one principal agent billed over 3,200 hours for one year, the equivalent of over 8 hours per day for 365 days. Other principal agents billed over 2,500 hours each for FY 1995.

At the time of the Committee's inquiry into these billing practices, SBA gave no indication that it felt they were unusual. It is clear to me that without incentives to complete action on these SBICs in receivership, the current system used by SBA will allow these abuses to continue. Although the Committee did not reach a consensus on my proposal to create an incentive based system to improve recoveries from SBICs in receivership, we will continue to monitor SBA's performance closely in this area.

For several months starting late last year, the Committee worked on draft legislation to strengthen and enhance the SBIC program. S. 1784, the Small Business Investment Company Improvement Act of 1996, is the result. It incorporates recommendations from SBA's SBIC Reinvention Council, the National Association of Investment Companies, the National Association of Small Business Investment Companies, and the President's FY 1997 budget request.

S. 1784 was approved by the Senate Committee on Small Business by a unanimous 18–0 vote. It makes substantial progress toward our goal of strengthening the SBIC program, while allowing the program to expand, providing more investment capital to small businesses as the cost and risk to the government declines. It was only after nearly 18 months of study and investigation that we were able to produce such a bill. S. 1784 is sound legislation that improves the safety and soundness of the SBIC program and makes more investment capital available to small businesses. And it accomplishes all of these goals while reducing the risk of loss to the government. It is for these reasons that I recommend to my colleagues that they vote in favor of S. 1784.

Mr. President, I ask unanimous consent that a section-by-section analysis of this bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE

This Act may be cited as the "Small Business Investment Company Improvement Act of 1996".

SECTION 2. DEFINITIONS

The definition of "small business concern" is amended to make clear that investments from venture capital firms or pension plans in small businesses do not affect the small business' size standard as set forth under the Small Business Act.

A new term, "smaller enterprise" is included in the Act. A smaller enterprise is a business with net financial worth no greater than $6 million and an average net income of no more than $2 million.

"Qualified non-private funds" are defined as funds invested by state or local governments in SSBIC's. The bill limits the amount of qualified private, non-private funds that can be included in the private capital of an SBIC. No more than 20% of private capital can be qualified non-private funds invested on or after June 30, 1996. 33% of private capital can be from these funds if invested prior to June 30, 1996.

For the first time, the Small Business Investment Act is amended to include "limited liability company" as the one of the business entities that can qualify to be an SBIC. Current statute allows corporations and partnerships to be SBICs. The "limited liability company" is a relatively new business entity that is being organized for raising venture capital.

SECTION 3. ORGANIZATION OF SMALL BUSINESS INVESTMENT COMPANIES

This bill includes provisions to speed up the processing of applications from business entities who want to be licensed by SBA as an SBIC. It requires SBA to provide the applicant with a written report detailing status of the application within 90 days of receipt of the application. In addition it states that no application can be denied because Congress has not appropriated sufficient funds to meet leverage demands.

This bill also permits SBA to approve a new license applicant which has not less than $3 million in private capital so long as the applicant meets all other licensing requirements. Once approved as a licensee, however, the SBIC would not be eligible for leverage until its private capital reaches $5 million.

Section 301(d) of the Small Business Investment Company Act of 1958 is repealed.

SECTION 4. CAPITAL REQUIREMENTS

Under this bill, the minimum capital requirements for new license applicants is increased. To be a debenture licensee, new applicants must have $5 million in private capital. To be a participating security licensee, new applicants must have $10 million in private capital; however, SBA is given the discretion to approve a participating security applicant if it has less than $10 million but more than $5 million so long as SBA determines that approval of that applicant would not create or otherwise contribute to an unreasonable risk of default or loss to the federal government.

This bill also grandfathers existing licensees in the program and includes provisions under which they will be exempt from the increased capital requirement. Licensees with a record of regulatory compliance and profitable operations will continue to be eligible for leverage, based upon the exercise of SBA discretion. Any licensee which continues to receive leverage under this exemption must certify that 50% of its aggregate dollar investments are going to smaller enterprises.

The bill directs SBA to ensure that each licensee licensed after enactment of this bill maintains diversification between the management and ownership of the licensee. This is a safety and soundness measure design to maintain independence and objectivity in the financial management and oversight of the investment and operations of the SBIC.

SECTION 5. BORROWING

This provision requires SBA to regulate SBICs closely to ensure that they do not incur excessive third party debt which would create or contribute to an unreasonable risk of default or loss to federal government. In addition, this provision requires that each SBIC, regardless of its size, invest at least 20% of its aggregate dollar investments in smaller enterprises.

This section also requires SBA to ensure that no SBIC receives leverage when it is under capital impairment. This will be a judgment call by SBA which will take in to consideration the nature of assets of the SBIC and the amount and terms of any third party debt owed by the SBIC.

This section also includes two increases in fees to be paid by SBICs to SBA. First, SBICs would pay an annual charge of 50 basis point on the value of all outstanding leverage granted after the effective date. In addition, the non-refundable up-front fee which is currently 2% would be increased to 3% of new leverage amounts.

SECTION 6. LIABILITY OF THE UNITED STATES

This section restates and clarifies the limits of liability on SBA under this program.

SECTION 7. EXAMINATIONS; VALUATIONS

This is a section designed to improve the examination and oversight function of SBA to enhance the safety and soundness of the program. It requires each SBIC to adopt valuation criteria set forth by SBA to be used for establishing the values of loans and investments of each SBIC. This section requires that an independent certified accountant approved by SBA review these valuations at least once a year to ensure that these requirements are being met.

SECTION 8. TRUSTEE OR RECEIVERSHIP OVER LICENSEES

This section states that it is the finding of the Congress that increased recoveries of assets in liquidation under the SBIC program are in the best interest of the Federal Government. Not later than October 15, 1996, SBA is directed to submit to the Senate and House Committees on Small Business a detailed plan to expedite the orderly liquidation of all licensee assets in liquidation. This plan in to include a timetable for liquidating the liquidation portfolio of assets owned by SBA.

SECTION 9. BOOK ENTRY REGISTRATION

This section permits the use of electronic means for registration of trust certificates.

SECTION 10. TECHNICAL AND CONFORMING AMENDMENTS

An SBIC preferred stock buy back program was authorized by Congress effective November 1, 1989. This bill directs that any monies received by SBA under this repurchase program shall be used solely to guarantee debenture leverage for SBICs that maintain an investment protfolio with 50% of its investments in smaller enterprises.

SECTION 11. AUTHORIZATION OF APPROPRIATIONS

This section increases the authorization for debenture leverage from $200 million to $300 million for FY 1997.

SECTION 12. EFFECTIVE DATE

This Act and any amendments will become effective on the date of enactment.

SECTION 13. EXTENSION OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM

This section provides for a one year extension of the Small Business Competitiveness Demonstration Program Act, which would otherwise expire on September 30, 1996.

AMENDMENT NO. 5090

Mr. MURKOWSKI. Mr. President, I understand there is an amendment at the desk offered by Senators BOND and BUMPERS. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI], for Mr. BOND, for himself, and Mr. BUMPERS, proposes an amendment numbered 5090.

On page 49, line 4, add the following new section:

SEC 13, EXTENSION OF SMALL BUSINESS COMPETITIVENESS DEMONSTRATION PROGRAM

Section 711(c) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by striking "September 30, 1996" and inserting "September 30, 1997".

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the amendment be agreed to.

The amendment (No. 5090) was agreed to.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the committee substitute, as amended, be agreed to, the bill be deemed read a third time, passed, and the motion to reconsider be laid upon the table, and any statement relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (S. 1784), as amended, was deemed read the third time and passed, as follows:

S. 1784

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Investment Company Improvement Act of 1996".

SEC. 2. DEFINITIONS.

(a) SMALL BUSINESS CONCERN.—Section 103(5) of the Small Business Investment Act of 1958 (15 U.S.C. 662(5)) is amended by inserting before the semicolon the following: ", except that, for purposes of this Act, an investment by a venture capital firm, investment company (including a small business investment company) employee welfare benefit plan or pension plan, or trust, foundation, or endowment that is exempt from Federal income taxation—

"(A) shall not cause a business concern to be deemed not independently owned and operated;

"(B) shall be disregarded in determining whether a business concern satisfies size standards established pursuant to section 3(a)(2) of the Small Business Act; and

"(C) shall be disregarded in determining whether a small business concern is a smaller enterprise".

(b) PRIVATE CAPITAL.—Section 103(9) of the Small Business Investment Act of 1958 (15 U.S.C. 662(9)) is amended to read as follows:

"(9) the term 'private capital'—

"(A) means the sum of—

"(i) the paid-in capital and paid-in surplus of a corporate licensee, the contributed capital of the partners of a partnership licensee, or the equity investment of the members of a limited liability company licensee; and

"(ii) unfunded binding commitments, from investors that meet criteria established by the Administrator, to contribute capital to the licensee: *Provided*, That such unfunded commitments may be counted as private capital for purposes of approval by the Administrator of any request for leverage, but leverage shall not be funded based on such commitments; and

"(B) does not include any—

"(i) funds borrowed by a licensee from any source;

"(ii) funds obtained through the issuance of leverage; or

"(iii) funds obtained directly or indirectly from any Federal, State, or local government, or any government agency or instrumentality, except for—

"(I) funds invested by an employee welfare benefit plan or pension plan; and

"(II) any qualified nonprivate funds (if the investors of the qualified nonprivate funds do not control, directly or indirectly, the management, board of directors, general partners, or members of the licensee);".

(c) New Definitions.—Section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662) is amended by striking paragraph (10) and inserting the following:

"(10) the term 'leverage' includes—

"(A) debentures purchased or guaranteed by the Administration;

"(B) participating securities purchased or guaranteed by the Administration; and

"(C) preferred securities outstanding as of October 1, 1995;

"(11) the term 'third party debt' means any indebtedness for borrowed money, other than indebtedness owed to the Administration;

"(12) the term 'smaller enterprise' means any small business concern that, together with its affiliates—

"(A) has—

"(i) a net financial worth of not more than $6,000,000, as of the date on which assistance is provided under this Act to that business concern; and

"(ii) an average net income for the 2-year period preceding the date on which assistance is provided under this Act to that business concern, of not more than $2,000,000, after Federal income taxes (excluding any carryover losses); or

"(B) satisfies the standard industrial classification size standards established by the Administration for the industry in which the small business concern is primarily engaged;

"(13) the term 'qualified nonprivate funds' means any—

"(A) funds directly or indirectly invested in any applicant or licensee on or before August 16, 1982, by any Federal agency, other than the Administration, under a provision of law explicitly mandating the inclusion of those funds in the definition of the term 'private capital';

"(B) funds directly or indirectly invested in any applicant or licensee by any Federal agency under a provision of law enacted after September 4, 1992, explicitly mandating the inclusion of those funds in the definition of the term 'private capital'; and

"(C) funds invested in any applicant or licensee by one or more State or local government entities (including any guarantee extended by those entities) in an aggregate amount that does not exceed—

"(i) 33 percent of the private capital of the applicant or licensee, if such funds were committed for investment before the date of enactment of the Small Business Investment Company Improvement Act of 1996; or

"(ii) 20 percent of the private capital of the applicant or licensee, if such funds were committed for investment on or after the date of enactment of the Small Business Investment Company Improvement Act of 1996;

"(14) the terms 'employee welfare benefit plan' and 'pension plan' have the same meanings as in section 3 of the Employee Retirement Income Security Act of 1974, and are intended to include—

"(A) public and private pension or retirement plans subject to such Act; and

"(B) similar plans not covered by such Act that have been established and that are maintained by the Federal Government or any State or political subdivision, or any agency or instrumentality thereof, for the benefit of employees;

"(15) the term 'member' means, with respect to a licensee that is a limited liability company, a holder of an ownership interest or a person otherwise admitted to membership in the limited liability company; and

"(16) the term 'limited liability company' means a business entity that is organized and operating in accordance with a State limited liability company statute approved by the Administration.".

SEC. 3. ORGANIZATION OF SMALL BUSINESS INVESTMENT COMPANIES.

(a) Limited Liability Companies.—Section 301(a) of the Small Business Investment Act of 1958 (15 U.S.C. 681(a)) is amended in the first sentence, by striking "body or" and inserting "body, a limited liability company, or".

(b) Issuance of License.—Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)) is amended to read as follows:

"(c) Issuance of License.—

"(1) Submission of application.—Each applicant for a license to operate as a small business investment company under this Act shall submit to the Administrator an application, in a form and including such documentation as may be prescribed by the Administrator.

"(2) Procedures.—

"(A) Status.—Not later than 90 days after the initial receipt by the Administrator of an application under this subsection, the Administrator shall provide the applicant with a written report detailing the status of the application and any requirements remaining for completion of the application.

"(B) Approval or disapproval.—Within a reasonable time after receiving a completed application submitted in accordance with this subsection and in accordance with such requirements as the Administrator may prescribe by regulation, the Administrator shall—

"(i) approve the application and issue a license for such operation to the applicant if the requirements of this section are satisfied; or

"(ii) disapprove the application and notify the applicant in writing of the disapproval.

"(3) Matters considered.—In reviewing and processing any application under this subsection, the Administrator—

"(A) shall determine whether—

"(i) the applicant meets the requirements of subsections (a) and (c) of section 302; and

"(ii) the management of the applicant is qualified and has the knowledge, experience, and capability necessary to comply with this Act;

"(B) shall take into consideration—

"(i) the need for and availability of financing for small business concerns in the geographic area in which the applicant is to commence business;

"(ii) the general business reputation of the owners and management of the applicant; and

"(iii) the probability of successful operations of the applicant, including adequate profitability and financial soundness; and

"(C) shall not take into consideration any projected shortage or unavailability of leverage.

"(4) Exception.—

"(A) In general.—Notwithstanding any other provision of this Act, the Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, approve an application and issue a license under this subsection with respect to any applicant that—

"(i) has private capital of not less than $3,000,000;

"(ii) would otherwise be issued a license under this subsection, except that the applicant does not satisfy the requirements of section 302(a); and

"(iii) has a viable business plan reasonably projecting profitable operations and a reasonable timetable for achieving a level of private capital that satisfies the requirements of section 302(a).

"(B) Leverage.—An applicant licensed pursuant to the exception provided in this paragraph shall not be eligible to receive leverage as a licensee until the applicant satisfies the requirements of section 302(a).".

(c) Specialized Small Business Investment Companies.—Section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)) is repealed.

SEC. 4. CAPITAL REQUIREMENTS.

(a) Increased Minimum Capital Requirements.—Section 302(a) of the Small Business Investment Act of 1958 (15 U.S.C. 682(a)) is amended by striking "(a)" and all that follows through "The Administration shall also determine the ability of the company," and inserting the following:

"(a) Amount.—

"(1) In general.—Except as provided in paragraph (2), the private capital of each licensee shall be not less than—

"(A) $5,000,000; or

"(B) $10,000,000, with respect to each licensee authorized or seeking authority to issue participating securities to be purchased or guaranteed by the Administration under this Act.

"(2) Exception.—The Administrator may, in the discretion of the Administrator and based on a showing of special circumstances and good cause, permit the private capital of a licensee authorized or seeking authorization to issue participating securities to be purchased or guaranteed by the Administration to be less than $10,000,000, but not less than $5,000,000, if the Administrator determines that such action would not create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.

"(3) Adequacy.—In addition to the requirements of paragraph (1), the Administrator shall—

"(A) determine whether the private capital of each licensee is adequate to assure a reasonable prospect that the licensee will be operated soundly and profitably, and managed actively and prudently in accordance with its articles; and

"(B) determine that the licensee will be able".

(b) Exemption for Certain Licensees.—Section 302(a) of the Small Business Investment Act of 1958 (15 U.S.C. 682(a)) is amended by adding at the end the following new paragraph:

"(4) Exemption from capital requirements.—The Administrator may, in the discretion of the Administrator, exempt from the capital requirements in paragraph (1) any licensee licensed under subsection (c) or (d) of section 301 before the date of enactment of the Small Business Investment Company Improvement Act of 1996, if—

"(A) the licensee certifies in writing that not less than 50 percent of the aggregate dollar amount of its financings after the date of enactment of the Small Business Investment Company Improvement Act of 1996 will be provided to smaller enterprises; and

"(B) the Administrator determines that—

"(i) the licensee has a record of profitable operations;

"(ii) the licensee has not committed any serious or continuing violation of any applicable provision of Federal or State law or regulation; and

"(iii) such action would not create or otherwise contribute to an unreasonable risk of default or loss to the United States Government.".

(c) Diversification of Ownership.—Section 302(c) of the Small Business Investment Act of 1958 (15 U.S.C. 682(c)) is amended to read as follows:

"(c) Diversification of Ownership.—The Administrator shall ensure that the management of each licensee licensed after the date of enactment of the Small Business Investment Company Improvement Act of 1996 is sufficiently diversified from and unaffiliated with the ownership of the licensee in a manner that ensures independence and objectivity in the financial management and oversight of the investments and operations of the licensee.".

SEC. 5. BORROWING.

(a) Debentures.—Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended in the first sentence, by striking "(but only" and all that follows through "terms)".

(b) Third Party Debt.—Section 303(c) of the Small Business Investment Act of 1958 (15 U.S.C. 683(c)) is amended to read as follows:

"(c) Third Party Debt.—The Administrator—

"(1) shall not permit a licensee having outstanding leverage to incur third party debt that would create or contribute to an unreasonable risk of default or loss to the Federal Government; and

"(2) shall permit such licensees to incur third party debt only on such terms and subject to such conditions as may be established by the Administrator, by regulation or otherwise.".

(c) Requirement To Finance Smaller Enterprises.—Section 303(d) of the Small Business Investment Act of 1958 (15 U.S.C. 683(d)) is amended to read as follows:

"(d) Requirement To Finance Smaller Enterprises.—The Administrator shall require each licensee, as a condition of approval of an application for leverage, to certify in writing that not less than 20 percent of the aggregate dollar amount of the financings of the licensee will be provided to smaller enterprises.".

(d) Capital Impairment Requirements.—Section 303(e) of the Small Business Investment Act of 1958 (15 U.S.C. 683(e)) is amended to read as follows:

"(e) Capital Impairment.—Before approving any application for leverage submitted by a licensee under this Act, the Administrator—

"(1) shall determine that the private capital of the licensee meets the requirements of section 302(a); and

"(2) shall determine, taking into account the nature of the assets of the licensee, the amount and terms of any third party debt owed by such licensee, and any other factors determined to be relevant by the Administrator, that the private capital of the licensee has not been impaired to such an extent that the issuance of additional leverage would create or otherwise contribute to an unreasonable risk of default or loss to the Federal Government.".

(e) Equity Investment Requirement.—Section 303(g)(4) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(4)) is amended by striking "and maintain".

(f) Fees.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended—

(1) in subsection (b), in the fifth sentence, by striking "1 per centum", and all that follows before the period at the end of the sentence and inserting the following: "1 percent, plus an additional charge of .50 percent per annum which shall be paid to and retained by the Administration";

(2) in subsection (g)(2), by striking "1 per centum," and all that follows before the period at the end of the paragraph and inserting the following: "1 percent, plus an additional charge of .50 percent per annum which shall be paid to and retained by the Administration"; and

(3) by adding at the end the following new subsections:

"(i) Leverage Fee.—With respect to leverage granted by the Administration to a licensee, the Administration shall collect from the licensee a nonrefundable fee in an amount equal to 3 percent of the face amount of leverage granted to the licensee, payable upon the earlier of the date of entry into any commitment for such leverage or the date on which the leverage is drawn by the licensee.

"(j) Calculation of Subsidy Rate.—All fees, interest, and profits received and retained by the Administration under this section shall be included in the calculations made by the Director of the Office of Management and Budget to offset the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures and participating securities under this Act.".

SEC. 6. LIABILITY OF THE UNITED STATES.

Section 308(e) of the Small Business Investment Act of 1958 (15 U.S.C. 687(e)) is amended by striking "Nothing" and inserting "Except as expressly provided otherwise in this Act, nothing".

SEC. 7. EXAMINATIONS; VALUATIONS.

(a) Examinations.—Section 310(b) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(b)) is amended in the first sentence by inserting "which may be conducted with the assistance of a private sector entity that has both the qualifications to conduct and expertise in conducting such examinations," after "Investment Division of the Administration,".

(b) Valuations.—Section 310(d) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(d)) is amended to read as follows:

"(d) Valuations.—

"(1) Frequency of valuations.—

"(A) In general.—Each licensee shall submit to the Administrator a written valuation of the loans and investments of the licensee not less often than semiannually or otherwise upon the request of the Administrator, except that any licensee with no leverage outstanding shall submit such valuations annually, unless the Administrator determines otherwise.

"(B) Material adverse changes.—Not later than 30 days after the end of a fiscal quarter of a licensee during which a material adverse change in the aggregate valuation of the loans and investments or operations of the licensee occurs, the licensee shall notify the Administrator in writing of the nature and extent of that change.

"(C) Independent certification.—

"(i) In general.—Not less than once during each fiscal year, each licensee shall submit to the Administrator the financial statements of the licensee, audited by an independent certified public accountant approved by the Administrator.

"(ii) Audit requirements.—Each audit conducted under clause (i) shall include—

"(I) a review of the procedures and documentation used by the licensee in preparing the valuations required by this section; and

"(II) a statement by the independent certified public accountant that such valuations were prepared in conformity with the valuation criteria applicable to the licensee established in accordance with paragraph (2).

"(2) Valuation criteria.—Each valuation submitted under this subsection shall be prepared by the licensee in accordance with valuation criteria, which shall—

"(A) be established or approved by the Administrator; and

"(B) include appropriate safeguards to ensure that the noncash assets of a licensee are not overvalued.".

SEC. 8. TRUSTEE OR RECEIVERSHIP OVER LICENSEES.

(a) Finding.—It is the finding of the Congress that increased recoveries on assets in liquidation under the Small Business Investment Act of 1958 are in the best interests of the Federal Government.

(b) Definitions.—For purposes of this section—

(1) the term "Administrator" means the Administrator of the Small Business Administration;

(2) the term "Administration" means the Small Business Administration; and

(3) the term "licensee" has the same meaning as in section 103 of the Small Business Investment Act of 1958.

(c) Liquidation Plan.—

(1) In general.—Not later than October 15, 1996, the Administrator shall submit to the Committees on Small Business of the Senate and the House of Representatives a detailed plan to expedite the orderly liquidation of all licensee assets in liquidation, including assets of licensees in receivership or in trust held by or under the control of the Administration or its agents.

(2) Contents.—The plan submitted under paragraph (1) shall include a timetable for liquidating the liquidation portfolio of small business investment company assets owned by the Administration, and shall contain the Administrator's findings and recommendations on various options providing for the fair and expeditious liquidation of such assets within a reasonable period of time, giving due consideration to the option of entering into one or more contracts with private sector entities having the capability to carry out the orderly liquidation of similar assets.

SEC. 9. BOOK ENTRY REGISTRATION.

Subsection 321(f) of the Small Business Investment Act of 1958 (15 U.S.C. 687*l*) is amended by adding at the end the following new paragraph:

"(5) Nothing in this subsection shall prohibit the utilization of a book entry or other electronic form of registration for trust certificates.".

SEC. 10. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Small Business Investment Act of 1958.—The Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) is amended—

(1) in section 303—

(A) in subsection (a), by striking "debenture bonds," and inserting "securities,";

(B) by striking subsection (f) and inserting the following:

"(f) REDEMPTION OR REPURCHASE OF PREFERRED STOCK.—Notwithstanding any other provision of law—

"(1) the Administrator may allow the issuer of any preferred stock sold to the Administration before November 1, 1989 to redeem or repurchase such stock, upon the payment to the Administration of an amount less than the par value of such stock, for a repurchase price determined by the Administrator after consideration of all relevant factors, including—

"(A) the market value of the stock;

"(B) the value of benefits provided and anticipated to accrue to the issuer;

"(C) the amount of dividends paid, accrued, and anticipated; and

"(D) the Administrator's estimate of any anticipated redemption; and

"(2) any moneys received by the Administration from the repurchase of preferred stock shall be available solely to provide debenture leverage to licensees having 50 percent or more in aggregate dollar amount of their financings invested in smaller enterprises."; and

(C) in subsection (g)(8)—

(i) by striking "partners or shareholders" and inserting "partners, shareholders, or members";

(ii) by striking "partner's or shareholder's" and inserting "partner's, shareholder's, or member's"; and

(iii) by striking "partner or shareholder" and inserting "partner, shareholder, or member";

(2) in section 308(h), by striking "subsection (c) or (d) of section 301" each place that term appears and inserting "section 301";

(3) in section 310(c)(4), by striking "not less than four years in the case of section 301(d) licensees and in all other cases,";

(4) in section 312—

(A) by striking "shareholders or partners" and inserting "shareholders, partners, or members"; and

(B) by striking "shareholder, or partner" each place that term appears and inserting "shareholder, partner, or member";

(5) by striking sections 317 and 318, and redesignating sections 319 through 322 as sections 317 through 320, respectively;

(6) in section 319, as redesignated—

(A) in subsection (a), by striking ", including companies operating under the authority of section 301(d),"; and

(B) in subsection (f)(2), by inserting "or investments in obligations of the United States" after "accounts";

(7) in section 320, as redesignated, by striking "section 321" and inserting "section 319"; and

(8) in section 509—

(A) in subsection (a)(1), by striking the second sentence; and

(B) in subsection (e)(1)(B), by striking "subsection (c) or (d) of section 301" and inserting "section 301".

(b) AMENDMENT IN OTHER LAW.—Section 11(h) of the Federal Home Loan Bank Act (12 U.S.C. 1431(h)) is amended by striking "301(d)" and inserting "301".

SEC. 11. AMENDMENTS TO THE SMALL BUSINESS ACT.

(a) POWERS OF THE ADMINISTRATOR.—Section 5(b)(7) of the Small Business Act (15 U.S.C. 634(b)(7)) is amended by striking the colon and all that follows before the semicolon at the end of the paragraph and inserting the following: ": *Provided*, That with respect to deferred participation loans, the Administrator may, in the discretion of and pursuant to regulations promulgated by the Administrator, authorize participating lending institutions to take actions relating to loan servicing on behalf of the Administrator, including determining eligibility and creditworthiness and loan monitoring, collection, and liquidation".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 20(p)(3) of the Small Business Act (15 U.S.C. 631 note) is amended by striking subparagraph (B) and inserting the following:

"(B) $300,000,000 in guarantees of debentures; and".

FALSE STATEMENTS PENALTY RESTORATION ACT

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 3166 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3166) to amend title 18, United States Code, with respect to the crime of false statement in a Government matter.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 5091

(Purpose: To propose a substitute)

Mr. MURKOWSKI. Mr. President, I understand there is a substitute amendment at the desk offered by Senator SPECTER, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] for Mr. SPECTER, for himself, Mr. LEVIN, Mr. ROTH, Mr. NUNN, Mr. STEVENS, Mr. INOUYE, Mr. GRASSLEY, Mr. LEAHY, Mr. COHEN, Mr. KOHL, and Mr. JEFFORDS, proposes an amendment numbered 5091.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "False Statements Penalty Restoration Act".

SEC. 2. RESTORING FALSE STATEMENTS PROHIBITION.

Section 1001 of title 18, United States Code, is amended to read as follows:

"§ 1001. Statements or entries generally

"(a) PROHIBITED CONDUCT.—

"(1) IN GENERAL.—A person shall be punished under subsection (b) if, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Federal Government, or any department, agency, committee, subcommittee, or office thereof, that person knowingly and willfully—

"(A) falsifies, conceals, or covers up, by any trick, scheme, or device, a material fact;

"(B) makes any materially false, fictitious, or fraudulent statement or representation; or

"(C) makes or uses any false writing or document, knowing that the document contains any materially false, fictitious, or fraudulent statement or entry.

"(2) APPLICABILITY.—This section shall not apply to parties to a judicial proceeding or anyone seeking to become a party to a judicial proceeding, or their counsel, for statements, representations, or documents submitted by them to a judge in connection with the performance of an adjudicative function.

"(b) PENALTIES.—A person who violates this section shall be fined under this title, imprisoned not more than 5 years, or both.".

SEC. 3. CLARIFYING PROHIBITION ON OBSTRUCTING CONGRESS.

Section 1515 of title 18, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection:

"(b) CORRUPTLY.—As used in section 1505, the term 'corruptly' means acting with an improper purpose, personally or by influencing another, including making a false or misleading statement, or withholding, concealing, altering, or destroying a document or other information.".

SEC. 4. ENFORCING SENATE SUBPOENA.

Section 1365(a) of title 28, United States Code, is amended in the second sentence, by striking "Federal Government acting within his official capacity" and inserting "executive branch of the Federal Government acting within his or her official capacity, except that this section shall apply if the refusal to comply is based on the assertion of a personal privilege or objection and is not based on a governmental privilege or objection the assertion of which has been authorized by the executive branch of the Federal Government".

SEC. 5. COMPELLING TRUTHFUL TESTIMONY FROM IMMUNIZED WITNESS.

Section 6005 of title 18, United States Code, is amended—

(1) in subsection (a), by inserting "or ancillary to" after "any proceeding before"; and

(2) in subsection (b)—

(A) in paragraphs (1) and (2), by inserting "or ancillary to" after "a proceeding before" each place that term appears; and

(B) in paragraph (3), by adding a period at the end.

Mr. SPECTER. Mr. President, I am pleased that the Senate is acting on the False Statements Penalty Restoration Act so quickly after the substitute was reported by the Judiciary Committee. This is important legislation to safeguard the constitutional legislative and oversight roles of the Congress.

Last year, overturning a decision it had rendered in 1955, the Supreme Court of the United States held in Hubbard versus United States that section 1001 of title 18 of the United States Code, the section of the Federal criminal code prohibiting false statements, only covered false statements made to executive branch agencies. That decision put at grave risk the ability of Congress to collect correct information, as false statements to Congress could no longer be punished. Congressional oversight and investigations would clearly be threatened if those interviewed could lie with impunity. Simple requests for information by Congress, its committees and subcommittees, or its offices, could be met with lies. Investigations by the General Accounting Office could likewise be stonewalled by witnesses providing false information.

Within days of the Hubbard decision, I had introduced S. 830 to overturn that decision. Earlier this year, I introduced revised legislation, S. 1734, joined by Senator LEVIN. Joining us in introducing this important bill were Senators STEVENS, NUNN, COHEN, LEAHY, JEFFORDS, INOUYE, and KOHL. Subsequently, both Senators ROTH and GRASSLEY became cosponsors. The broad bipartisan cosponsorship of this bill by some of the Senate's leading investigators and practitioners of oversight is testimony to the threat posed by Hubbard to our ability to conduct our constitutional responsibilities.

This bill is needed not simply for the practical reasons I have briefly outlined, but because it is important to make it clear that intentional false statements to Congress are just as pernicious as those made to an agent of the executive branch. We are of equal standing with the executive and the dignitary injury to the standing of Congress done by Hubbard must be overturned promptly.

Support for this bill comes not only from many of our colleagues. The Justice Department has been very supportive and quite helpful in crafting several of the bill's provisions. The Judiciary Committee heard from Deputy Assistant Attorney General Robert Litt in support of extending the coverage of section 1001 to Congress and the courts. I am grateful to the Criminal Division and the Office of Legal Counsel of the Justice Department for their assistance and insight in crafting the provisions of this bill, especially parts of section 2 and section 4.

The bill contains four substantive provisions, which I would like to summarize and briefly explain to my colleagues, so that they may fully understand the impact of this bill.

First is the provision to amend section 1001 of title 18 of the United States Code to prohibit false statements to executive agencies and departments, Congress, and the Federal courts. This provision is central to this bill. It is intended to restore section 1001 to its pre-Hubbard status. Any knowing and willful false statement that is material which is made to Congress, including any committee or subcommittee, staff of any member or committee or subcommittee acting in their official capacity, or any component or office of Congress shall be punishable under section 1001. For 40 years, this was the law of the land and there was no abuse. There is no evidence that between 1955 and 1995, the rights of individuals to provide information to Congress, to petition Congress, or to testify before Congress were chilled because of the application of section 1001 to false statements made to Congress. My research finds no prosecutions of any constituent, for example, furnishing false information to a Member of Congress. Thus, the bill does not contain any exceptions to the general rule that any knowing, willful, and material false statement to Congress will be punishable under section 1001.

The bill also prohibits false statements made to the Federal courts. Prior to Hubbard, the Federal courts had created a "judicial function" exception to section 1001 to carve out from the coverage of the law false statements made in the course of advocacy before a court. In order to capture the pre-Hubbard application of section 1001, this bill will codify for the first time a judicial function exception to section 1001. The language of the exception was suggested by the Justice Department, although it contains an additional limitation on which I insisted, which was to limit the application of the exception to false statements made to a judge in the performance of an adjudicative function.

The bill will exempt from the coverage of section 1001, any statement made by a party to litigation or anyone seeking to become a party, or their counsel, to a judge acting in an adjudicative capacity. In general, the only individuals making statements in court are witnesses, who are already under oath and thereby subject to prosecution for perjury, and parties and their counsel. Knowing, willful and material false statements made by parties or their counsel ought to be exempt for several reasons. First, we do not want to chill committed advocacy in court on behalf of any party. Our adversary system requires unfettered advocacy, which application of section 1001 could chill. In addition, our adversary system means that there is an opponent who can call a false statement to the court's attention, supplying a necessary antidote. That is not the case in congressional hearings, during which there may not be anyone to point out and correct false statements. Thus, a similar exemption is not warranted for congressional proceedings. Finally, courts retain adequate alternatives to punish and deter false statements, including the contempt power and lesser sanctions provided for in the Federal Rules of Civil and Criminal Procedure and in the courts' inherent power. Congress lacks these alternative sanctions, which is yet another reason for not including a similar exemption for congressional proceedings.

The judicial function exception applies only to false statements made to a judge exercising its adjudicative authority, and not when it is exercising administrative authority. For example, the submission of a false bill to a judge by a lawyer for payment under the Criminal Justice Act would be punishable under the revised section 1001, because the false statement would not be made to the court in its adjudicative function. Also punishable would be applications for membership in the bar of a particular Federal court. The reason for the distinction is that many of the safeguards derived from the adversarial system that might call the false statement to the judge's attention are not present, warranting application of section 1001.

The next three sections of the bill are derived from legislation introduced by Senators LEVIN, NUNN, and INOUYE. TWO OF THEM PASSED THE SENATE IN 1988 BUT WERE NOT ENACTED.

Section three of the bill will overturn a 1991 decision of the United States Court of Appeals for the District of Columbia Circuit in United States versus Poindexter. In that case, the D.C. Circuit held that the statute prohibiting obstruction of Congress applies only to persons who attempt to obstruct a congressional inquiry indirectly through another person, and not to witnesses themselves. The bill would overturn this decision and clarify that an individual acting alone could be liable for obstructing Congress.

The next section of the bill is intended to clarify when the Senate may enforce a subpoena against an officer or employee of the executive branch who asserts a privilege in response to a Senate subpoena. The intent is to make it clear that judicial enforcement is available when a person is asserting a privilege personal to him or her, but not when the person is asserting a governmental privilege available only to the executive branch. When a private person asserts a privilege, section 1365 of title 28 of the United States Code allows the Senate to go to court to seek to compel responses. The section does apply to any action to enforce a subpoena against an executive branch employee who declines to testify by asserting a governmental privilege. The purpose is to keep disputes between the executive and legislative branches out of the courtroom.

In order to clarify whether the privilege asserted does in fact belong to the government, thus rendering section 1365 inapplicable, or is instead a personal privilege, the bill will revise section 1365 to require that any governmental privilege asserted must be authorized by the executive branch. It is the sponsors' intention, worked out with the Justice Department, to ensure the utmost flexibility in establishing the valid assertion of a governmental privilege. No particular form is required; it simply must be clear that the executive has authorized the assertion of the privilege. In addition, the language of the provision demonstrates our intention that the person asserting the privilege will bear the burden in a judicial proceeding under section 1365 of proving that he or she was in fact authorized to assert a governmental privilege. This change will prevent rogue employees from falsely asserting a privilege and escaping efforts to compel responses.

Finally, the bill amends section 6005 of title 18 to authorize Congress to compel testimony under oath from an immunized witness in a deposition. This change will enable Members and their staff to more readily conduct preliminary investigations as part of congressional inquiries.

I want to thank the cosponsors of this bill for their assistance, particularly Senator LEVIN and Elise Bean of his staff; the chairman and ranking Member of the Judiciary Committee, Senators HATCH and BIDEN, and their staff, especially Paul Larkin and Michael Kennedy of the majority and Peter Jaffe of the minority staff; the Department of Justice; and the Senate Legal Counsel, Thomas B. Griffith, and his deputy, Morgan Frankel, for their assistance.

I look forward to resolving any differences with the House bill promptly so that this important bill can be enacted before the close of this Congress.

Mr. LEVIN. Mr. President, as a sponsor of S. 1734, the False Statements Penalty Restoration Act, I am pleased to join Senator SPECTER in urging Senate passage of H.R. 3166, the House companion legislation with a Specter-Levin substitute amendment which is the Senate text; this legislation is to restore criminal penalties for knowing, willful, material false statements made to a federal court or Congress.

Forty years ago, in 1955, the Supreme Court interpreted 18 U.S.C. 1001 to prohibit knowing, willful, material false statements not only to the executive branch, but also to the judicial and legislative branches. For 40 years, this government-wide prohibition was the law of the land, and it served this country well. But last year, in Hubbard v. United States, the Supreme Court reversed these 40 years of precedent and held that Section 1001 prohibits false statements only to the executive branch, and not to any co-equal branch.

The Supreme Court based its decision on the wording of the statute which doesn't explicitly reference either the courts or Congress. The Court noted in Hubbard that it had failed to find in the statute's legislative history "any indication that Congress even considered whether [Section 1001] might apply outside the Executive Branch." [Emphasis in original.]

The obvious result of the Hubbard decision has been to reduce parity among the three branches. And the new interbranch distinctions are difficult to justify, since there is no logical reason why the criminal status of a willful, material false statement should depend upon which branch of the Federal Government received it.

Fortunately, this problem does not involve constitutional issues or require complex legislation. It is simply a matter of inserting a clear statutory reference in Section 1001 to all three branches of government.

Senator SPECTER and I each introduced bills last year to supply that missing statutory reference. This year, we decided to join forces, along with a number of our colleagues, and introduce a single bill to restore parity among the branches. We also worked closely with the Justice Department to produce a bill that the administration would support. It is this bipartisan bill, which the Judiciary Committee has approved with unanimous support, that is before you today.

The bill contains four provisions, each of which would strengthen the ability of Congress to conduct its legislative, investigative and oversight functions, as well as to restore parity among the three branches of Government.

The first provision would amend section 1001 to make it clear that its prohibition against willful, material false statements applies government-wide to all three branches. The purpose of this provision is essentially to restore the status quo prior to Hubbard.

As part of that restorative effort, the bill includes a provision codifying a long-standing judicial branch exception, developed in case law, to exempt from Section 1001 statements made during adjudicative proceedings in a courtroom, in order to ensure vigorous advocacy. The classic example justifying this exception has been to ensure that a criminal defendant pleading "not guilty" to an indictment does not risk prosecution under Section 1001.

The wording of this exception includes suggestions from the Justice Department and Judiciary Committee to clarify its scope and provide adequate notice of the conduct covered. The exception is limited, for example, to parties to a judicial proceeding, persons seeking to become parties, and their legal counsel. It is also limited to statements made to a judge performing an adjudicative function.

The second provision of S. 1734 would strengthen the 50-year-old statute that prohibits obstruction of Congressional investigations, 18 U.S.C. 1505, which has also been weakened by a court case. In 1991, in a dramatic departure from other circuits, the D.C. Circuit Court of Appeals held in United States v. Poindexter that the statute's prohibition against "corruptly" obstructing a Congressional inquiry was unconstitutionally vague and failed to provide clear notice that it prohibited an individual's lying to Congress. The court held that, at most, the statute prohibited one person from inducing another person to lie or otherwise obstruct Congress.

The Senate bill would affirm instead the views held by the other circuits and bring the Congressional statute back into line with other Federal obstruction statutes, by making it clear that Section 1505 prohibits obstructive acts by a person acting alone as well as when inducing another to act. The bill would also make it clear that the prohibition against obstructing Congress bars a person from making false or misleading statements and from withholding, concealing, altering or destroying documents requested by Congress. The bill would, in short, restore the strength and usefulness of the Congressional obstruction statute as well as restore its parity with other obstruction statutes protecting federal investigations.

The final two sections of the bill would clarify the ability of Congress to compel testimony and documents. Both provisions are taken from a 1988 bill, S. 2350, sponsored by then Senator Rudman and cosponsored by Senator INOUYE, which passed the Senate unanimously but was never enacted into law.

The first of these two provisions would clarify when Congress may obtain judicial enforcement of a Senate subpoena under 28 U.S.C. 1365. Section 1365 generally authorizes judicial enforcement of a Senate subpoena, except when a subpoena has been issued to an executive branch official acting in his or her official capacity—an exception that seeks to keep interbranch disputes out of the courtroom. S. 1734 would not eliminate or restrict this exception, but would make it clear that the exception applies only to an executive branch official asserting a governmental privilege that he or she has been authorized to assert. The bill would make it clear that an executive branch official asserting a personal privilege or asserting a governmental privilege without being authorized to do so could not automatically escape judicial enforcement of the Senate subpoena under Section 1365.

This provision, revised from the bill as introduced, includes suggestions from the Justice Department to make it clear that an official can establish in several ways that he or she has been authorized to assert a governmental privilege including, for example, by providing a letter or affidavit from an appropriate senior government official. The provision is also intended to make it clear that the person resisting compliance with the Senate subpoena has the burden of proving that his or her action had, in fact, been authorized by the executive branch.

The fourth and final provision involves individuals given immunity from criminal prosecution by Congress. The bill would re-word the Congressional immunity statute, 18 U.S.C. 6005, to parallel the wording of the judicial immunity statute, 18 U.S.C. 6003, and make it clear that Congress can compel testimony from immunized individuals not only in committee hearings, but also in "ancillary" proceedings such as depositions conducted by committee members or committee staff. This provision, like the proceeding one, would improve the Senate's ability to compel testimony and obtain requested documents. It would also bring greater consistency across the government in how immunized witnesses may be questioned.

Provisions to bar false statements and compel testimony have been on the Federal statute books for 40 years or more. Recent court decisions and events have eroded the usefulness of some of these provisions as they apply to the courts and Congress. The bill before you is a bipartisan effort to redress some of the imbalances that have arisen among the branches in these areas. It rests on the premise that the courts and Congress ought to be treated as co-equal to the executive branch when it comes to prohibitions on false statements. I urge you to join Senator SPECTER, myself and our cosponsors in supporting swift passage of this important legislation.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the amendment be considered as read and agreed to, the bill be deemed read a third time, passed, as amended, the motion to reconsider be laid upon the table, and an amendment to the title which is at the desk be agreed to, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 5091) was agreed to.

The bill (H.R. 3166), as amended, was deemed read the third time and passed.

The title was amended so as to read: "To prohibit false statements to Congress, to clarify congressional authority to obtain truthful testimony, and for other purposes."

FEDERAL EMPLOYEE REPRESENTATION IMPROVEMENT ACT OF 1995

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar 339, H.R. 782.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 782) to amend title 18 of the United States Code to allow members of employee associations to represent their views before the U.S. Government.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employee Representation Improvement Act of 1996".

SEC. 2. REPRESENTATION BY FEDERAL OFFICERS AND EMPLOYEES.

(a) EXTENSION OF EXEMPTION TO PROHIBITION.—Subsection (d) of section 205 of title 18, United States Code, is amended to read as follows:

"(d)(1) Nothing in subsection (a) or (b) prevents an officer or employee, if not inconsistent with the faithful performance of that officer's or employee's duties, from acting without compensation as agent or attorney for, or otherwise representing—

"(A) any person who is the subject of disciplinary, loyalty, or other personnel administration proceedings in connection with those proceedings; or

"(B) except as provided in paragraph (2), any cooperative, voluntary, professional, recreational, or similar organization or group not established or operated for profit, if a majority of the organization's or group's members are current officers or employees of the United States or of the District of Columbia, or their spouses or dependent children.

"(2) Paragraph (1)(B) does not apply with respect to a covered matter that—

"(A) is a claim under subsection (a)(1) or (b)(1);

"(B) is a judicial or administrative proceeding where the organization or group is a party; or

"(C) involves a grant, contract, or other agreement (including a request for any such grant, contract, or agreement) providing for the disbursement of Federal funds to the organization or group.".

(b) APPLICATION TO LABOR-MANAGEMENT RELATIONS.—Section 205 of title 18, United States Code, is amended by adding at the end the following:

"(i) Nothing in this section prevents an employee from acting pursuant to—

"(1) chapter 71 of title 5;

"(2) section 1004 or chapter 12 of title 39;

"(3) section 3 of the Tennessee Valley Authority Act of 1933 (16 U.S.C. 831b);

"(4) chapter 10 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4104 et seq.); or

"(5) any provision of any other Federal or District of Columbia law that authorizes labor-management relations between an agency or instrumentality of the United States or the District of Columbia and any labor organization that represents its employees.".

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the committee amendment, as amended, be agreed to, the bill be deemed read a third time, passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 782), as amended, was deemed read the third time and passed.

ORDERS FOR FRIDAY, JULY 26, 1996

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 a.m., Friday, July 26, further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later on in the day, and the Senate immediately resume the foreign operations appropriations bill and the previously scheduled votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MURKOWSKI. Mr. President, for the information of all Senators, tomorrow morning, beginning at 9:30, the Senate will begin a series of rollcall votes on or in relation to the remaining amendments to the foreign operations appropriations bill, to be followed by a vote on final passage of that bill.

UNANIMOUS-CONSENT AGREEMENT—S. 1959

Mr. MURKOWSKI. Mr. President, I now ask unanimous consent that following passage of the foreign operations appropriations bill, the Senate then begin consideration of Calendar No. 496, S. 1959, the energy and water appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, amendments are expected to be offered to the energy and water appropriations bill; therefore, Members can expect additional rollcall votes on Friday following the stacked sequence beginning at 9:30 a.m.

ORDER FOR ADJOURNMENT

Mr. MURKOWSKI. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of my friend from New Jersey, Senator LAUTENBERG.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I thank the Senator from Alaska. I will take just a few minutes, with the apology to those who are committed to stay until the lights are shut off.

INTERSTATE STALKING PUNISHMENT AND PREVENTION ACT OF 1996

Mr. LAUTENBERG. Mr. President, as a result of having passed a piece of legislation, a bill tonight, that includes an antistalking measure and a domestic violence measure, I would like to take just a few minutes to comment on it.

Mr. President, my amendment, the domestic violence amendment, establishes a policy of zero tolerance when it comes to guns and domestic violence. The amendment would prohibit any person convicted of domestic violence from possessing a firearm. In simple words, the amendment says that wife beaters and child abusers should not have guns.

Mr. President, I want to explain for a moment why this amendment is needed. Under current Federal law it is illegal for persons convicted of felonies to possess firearms. Yet many people who engage in serious spousal or child abuse ultimately are not charged with or convicted with felonies. At the end of the day, due to outdated thinking, or perhaps after a plea bargain, they are—at most—convicted of a misdemeanor.

In fact, Mr. President, most of those who commit family violence are never even prosecuted. When they are, one-third of the cases that would be considered felonies if committed by strangers are, instead, filed as misdemeanors. The fact is, in many places today, domestic violence is not taken as seriously as other forms of criminal behavior. Often, acts of serious spouse abuse are not even considered felonies.

In just the past few years, some judges have demonstrated outrageous callousness and disregard for women's lives. Right up the road from here, Baltimore County, just 2 years ago, a State circuit court judge was hearing a case involving a man who shot his wife and killed her. As he handed down a sentence that was primarily served on weekends for a short period of time, the judge said that the worst part of his job is "sentencing noncriminals as criminals." Can you imagine, as if shooting one's wife in the head was not criminal behavior.

Or the case of a man who tracked down his wife and shot her five times, killing her. The judge in that case gave the man a minimal sentence, to be served on weekends. In explaining why he was being so lenient, the judge said that the victim had provoked her husband by not telling him that she was leaving their abusive marriage.

These, Mr. President, are just two examples of the way our criminal justice system often refuses to treat domestic violence as a serious crime. Yet the scope of the problem is enormous. Each year, using a very conservative estimate, 1,500 women die because of domestic abuse involving a gun. Many believe that the number is closer to several thousand. Neither of these numbers include children.

Mr. President, when women are killed in domestic disputes, the murderers are holding a gun about 65 percent of the time. It is not just beatings and other types of punishment. Put another way, two-thirds of domestic violence murders involve firearms. Many of these murders would never have happened but for the presence of a gun.

The New England Journal of Medicine reports that in households with a history of battering, a gun in the home increases the likelihood that a woman would be murdered by three times—threefold. In other words, when you combine wife beaters and guns, the result is death.

Mr. President, I focused thus far mainly on wifebeaters, but domestic violence also involves children. In at least one-half of wife-abusing families, the children are battered as well. Mr. President, 2,000 American children are killed each year from abuse inflicted by a parent or a caretaker. Yet, as I said before, many of these abusers and batterers are prosecuted only for misdemeanors, and under Federal law they are still free to possess firearms. This amendment closes this dangerous loophole and keeps guns away from violent individuals who threaten their own families, people who show they cannot control themselves and are prone to fits of violent rage, directed, unbelievably enough, against their own loved ones. The amendment says abuse your child and lose your gun. Beat your wife, and lose your gun. Assault your ex-wife, lose your gun, no ifs, ands or buts.

It is a tough policy, Mr. President. But when it comes to domestic violence, we have to get tough. There is no margin of error when it comes to domestic abuse and guns. A firearm in the hand of an abuser all too often means death.

If this bill had been law, maybe, just maybe, a person named Marilyn Garland of Barberton, OH, would be alive today. Her husband had previously been convicted of domestic violence offenses for physically abusing her. But even though he had shown himself to be violent and prone to wifebeating, no law prevented him from owning a gun. Eventually, as it often does, the cycle of violence spun out of control and Marilyn's husband used the gun to kill her. He then disposed of her body. It was a horrible, brutal act that was committed. It did not have to happen.

By their nature, acts of domestic violence are especially dangerous and require special attention. These crimes involve people who have a history together and perhaps share a home or a child. These are not violent acts between strangers, and they don't arise from a chance meeting. Even after a separation, the individuals involved, often by necessity, have a continuing relationship of some sort, either custody of children or common property ownership.

This amendment is based on legislation that I introduced earlier this year which has been endorsed by over 30 prominent national organizations, including the National Coalition Against Domestic Violence, the National Network to End Domestic Violence, the Family Violence Prevention Fund, the American Academy of Pediatrics, and the YWCA of the U.S.A., just to name a few.

The people who commit these crimes often have a history of violent or threatening behavior. Yet, frequently, they are permitted to possess firearms with no legal restrictions. The statistics and the data are clear. Domestic violence, no matter how it is labeled, leads to more domestic violence. Guns in the hands of convicted wifebeaters leads to murder.

I made a change from the introduced version to respond to a suggestion from some of my colleagues. Like my original bill, which covered persons indicted for domestic violence offenses, this amendment applies only to those who have actually been convicted of domestic violence. This amendment would save the lives of many innocent Americans, but it would also send a message about our Nation's commitment to ending domestic violence and about our determination to protect millions of women and children who suffer from this abuse.

To put it directly, Mr. President, there are over 2 million cases of household violence reported each and every year, and 150,000 of those show a gun present, a firearm present, during a violent rage or an argument. We ought not to expose those people who are abused by a spouse or a father to further violence by enabling them to have a gun, with the permission of our country.

So the amendment, which passed earlier, simply stands for the proposition that wifebeaters and child abusers should not have guns. I think the overwhelming majority of Americans would agree. I look forward to a prompt passage by the House and the signature of the President making this law.

Mr. President, the following Members were original cosponsors of the bill I introduced, S. 1632: Senators FEINSTEIN, BRADLEY, MURRAY, KENNEDY, KERRY, KOHL, AKAKA, INOUYE, and SIMON.

I thank the Chair and I thank the staff who worked so late this evening to accommodate me.

I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. In accordance with the previous order, the

Senate stands adjourned until 9:30 tomorrow.

Thereupon, the Senate, at 11:18 p.m., adjourned until Friday, July 26, 1996, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 25, 1996:

DEPARTMENT OF JUSTICE

GLENN DALE CUNNINGHAM, OF NEW JERSEY, TO BE U.S. MARSHAL FOR THE DISTRICT OF NEW JERSEY FOR THE TERM OF 4 YEARS.

THE JUDICIARY

JOAN B. GOTTSCHALL, OF ILLINOIS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS.

ROBERT L. HINKLE, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF FLORIDA.

EXTENSIONS OF REMARKS

THE SAFE DRINKING WATER ACT

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. DINGELL. Mr. Speaker, with my colleagues Mr. WAXMAN and Mr. STUPAK, I am today introducing legislation to extend an arbitrary deadline established by the House leadership that will deprive the States, cities, and towns of more than $700 million for protecting and enhancing the Nation's drinking water. Sadly it is the fumbling of the House Leadership that necessitates this action.

Mr. Speaker, when the leadership cobbled together the Omnibus Appropriations Act earlier this year, it included language which set an August 1 deadline for the $725 million that had been accumulated to fund the new safe drinking water state loan fund. Specifically, the measure provided that Congress must pass Safe Drinking Water Act amendments authorizing the revolving loan fund before the deadline. Without passage of the amendments, the funds will pass to the clean water fund and will no longer be available to help this Nation's water systems provide safe and healthy water.

All agree this loss would be catastrophic.

To avoid this problem, the House unanimously passed a strong, bipartisan reauthorization of the Safe Drinking Water Act on June 25, 1996. This measure will improve protection of our drinking water from microbiological contaminants that cause acute illnesses—even death—from single exposures. It will reduce exposures to carcinogens, endocrine disruptors and other long-term human health threats. Equally importantly, the bill gives States and water districts unprecedented flexibility to customize their safe drinking water programs to meet their individual needs and circumstances.

But with this progress and flexibility will come increased responsibilities for the States and the water districts. And this is where the State revolving fund comes in. This fund is vital to help States and localities meet the costs of complying with the Safe Drinking Water Act.

This State revolving fund is to be divided between the States by an objective formula. States can use the money for grants and loans to their water districts under rules that focus the money on projects that address the most serious health risks, ensure compliance with the Safe Drinking Water Act, and assist water districts with the greatest need on a per household basis.

Despite the strong, bipartisan support for this measure and for the establishment of the safe drinking water fund, the House leadership complicated the task of completing work by the deadline. First, while the bill passed on June 25, conferees were not selected until July 17, some 22 days after passage and after more than half of the time available before the deadline had passed. Worse, when conferees were appointed, the leadership added layers of complexity by appointing three committees as conferees on the bill.

Indeed, the leadership decided that one committee which added some pork projects to the Safe Drinking Water Act on the floor would be the exclusive conferees on those pork provisions.

I have asked the Parliamentarians for a list of the bills in this or other Congresses in which such an extraordinary and remarkable appointment had been made—naming as exclusive or even majority conferees a committee that was not the primary committee on a bill. Thus far, we have been shown no other examples. This leaves me to conclude that this is merely a political exercise. While, I trust, therefore, that it will have no precedential value, it still must be faced during this conference.

In practical terms this means that there will be no conference report, and no safe drinking water bill enacted into law, until the conferees from the Transportation Committee have secured everything they want. This is not a formula for a fast conference.

So today, only 6 days before this money is lost, we find ourselves in the following predicament. The conferees have not met. No issues have been resolved. We do have a conferees' meeting scheduled for tomorrow morning. But there is no telling at this moment whether there will be any progress before we depart this week.

I remain hopeful that our staffs can make progress without our assistance over the weekend, and that time will not run out on us. But when we get back next week we will have to have an agreement reached, a conference report drafted and signed, approval of that report voted by both Houses of Congress, and a bill sent to the President and signed—all before midnight on Wednesday.

Mr. Speaker, is this possible? Yes, I still believe it is. But I do not want our constituents to suffer an irrational forfeiture of this money for safe drinking water. If it becomes necessary on Monday, I ask the Appropriations Committee, the leadership, and the House to move the deadline and rescue this money for the safe drinking water systems of this country.

ABINGTON, PA HONORED IN NEIGHBORHOOD REVITALIZATION SUCCESS

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today to congratulate the community of Abington, PA for their success in revitalizing the small businesses in their neighborhoods.

The Pennsylvania Department of Community Affairs approved a grant request from Abington Township in which the township planned to improve six business districts.

Supervisors at the Department of Community Affairs have lauded the Abington proposal as one which truly and effectively works to preserve neighborhoods and the small town atmosphere. The grant will be applied to the Old York Road, Town Center, Roslyn, Keswick, McKinley, and North Hills sections of the township.

While business usually takes the initiative on revitalization issues, in Abington's case it was the vision of the local government which motivated the program and grant proposal. It should be noted that Abington developed this outstanding economic development program in just 2 years.

Abington's economic development committee of its board of directors, founded by the late Richard Fluge, exercised vision and wisdom in its work toward economic development.

I would like to add my congratulations and best wishes to these community leaders for their superlative public service. They are proof of the ability and professionalism of our local governments, demonstrating that members of the community are most often the sources of the best solutions to the problems American families face in their daily lives.

THE TRAIN WHISTLE RESOLUTION

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. LIPINSKI. Mr. Speaker, I rise today in order to introduce a piece of legislation that will benefit communities throughout the Nation. My legislation is a straightforward resolution regarding the implementation of the train whistle requirement of the Swift Rail Act of 1994.

An amendment added to the Swift Rail Development Act of 1994 mandated the Secretary of Transportation to issue regulations requiring trains to sound their horns at every public road-rail grade crossing in the country, 24 hours a day. According to the law, the Secretary must issue the new regulations by November 1996.

There are approximately 168,000 public highway-rail crossings in the United States and railroads regularly sound train whistles at most of these crossings. Trains sound their horn as a final warning of a train's approach; the horn is in addition to motorist warning devices such as signs, lights, bells, and gates at crossings. However, at nearly 2,100 crossings, local communities have banned train whistles to limit excessive noise in residential or other

---

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

designated areas. The rules required by the Swift Rail Development Act will now preempt the local ordinances that silence train whistles.

At a distance of a half-mile, the noise level of a standard American train whistle is 86 decibels. This is well over what the U.S. Environmental Protection Agency says is the maximum noise threshold tolerable for peace and serenity. It is no wonder that communities that have developed along rail lines would want to limit when and where trains can sound their horns.

But now, because of the Swift Rail Development Act, trains will sound their whistles at every public grade crossing in America. This may not pose a problem for rural America, but it is a real issue for communities, like those in Illinois, that are located along rail lines. The Chicago area, for example, is the historic rail hub of the United States and has some 1,500 trains moving daily through 2,000 crossings. The impact of all these trains blowing their whistles day and night would be immediate and obvious and would make the jet noise at O'Hare International Airport seem like a minor irritation. The village of Western Springs, which is located in my congressional district, has four street crossings and one pedestrian crossing and the new law would mean 75 minutes of whistle blowing a day.

In 1988, the Illinois General Assembly passed a State law which required both freight and passenger trains to sound their horns when approaching crossings, day and night. The law preempted any local ordinances that banned train whistles. As soon as railroads began implementing the law, the public outcry was so strong that a DuPage County judge stepped in and signed a temporary restraining order to keep trains from blowing their horns. Illinois residents living near rail lines could not live with the noise. They could not even sleep through the night without being interrupted by a train whistle. Shirley DeWine of Berwyn, which is also located in my congressional district, was quoted as saying that she would have to sell her house, which is located a block from the Burlington Northern Railroad if the trains kept blowing their whistles. Fortunately, the Illinois Commerce Commission took emergency action to make sure that the ban on train horns would remain in effect at most crossings.

However, the peace and quiet in Illinois is once again being threatened. This time it is a Federal law that requires trains to blow their whistles at all public grade crossings at all hours of the day and night. Therefore, I, along with a majority of my Illinois colleagues, am introducing this important resolution to express the sense of Congress that the Secretary of Transportation should take into account the interests of the affected communities before issuing the final regulations.

The Swift Rail Development Act of 1994 does allow the Secretary of Transportation to provide exemptions to the train whistle requirement at grade crossings where other safety measures are shown to provide the same level of safety as a final warning from a train whistle. This resolution directs the Secretary to also take into account other criteria, such as the past safety record at the grade crossing and the needs of the community. Also, the resolution allows communities up to 3 years to install supplemental safety measures whenever the Secretary determines that supplementary safety measures are necessary to provide an exception to the train whistle requirement. The resolution also directs the Secretary to work in partnership with affected communities to provide technical assistance and to develop a reasonable schedule for the installation of those measures. Supplemental safety measures are often costly and complicated, and local communities need both financial and technical help installing these safety measures.

The Federal Railroad Administration has been engaged in a very active outreach effort inform communities of the forthcoming rules regarding train whistles. Administrator Jolene Molitoris informed me, in a letter to my office in February, that because of the intense interest in this issue, the FRA will not be able to issue a final rule by the imposed deadline of November 2, 1996. I believe this is encouraging news. The FRA and the Secretary of Transportation can use the extra time to research and develop additional alternatives to whistle blowing. In fact, this resolution will help guide the Secretary of Transportation as he continues to work out the final details of the train whistle requirement.

I understand that the intent of the train whistle requirement is to reduce highway-rail crashes but it is a blanket, one-size-fits-all solution to the problem of rail safety. The resolution I am introducing today allows the Secretary to consider at-grade, accident-reducing safety measures other than whistle blowing that are practical for the affected communities.

I encourage my colleagues from throughout the Nation to join the members of the Illinois delegation, including Congressman RUSH, Congressman JESSIE JACKSON, Jr., Congressman YATES, Congressman PORTER, Congressman WELLER, Congressman COSTELLO, Congressman FAWELL, Congressman DENNY HASTERT, Congressman EWING, Congressman LAHOOD, Congressman DURBIN, and myself, in sponsoring this legislation. We recognize the important safety issues involved, but we also recognize that communities must be given affordable options for avoiding the whistle requirements.

RECOGNIZING JIM QUELLO'S COMMON SENSE AT THE FCC

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FIELDS of Texas. Mr. Speaker, once again, Federal Communications Commissioner Jim Quello has injected a healthy dose of common sense and sound judgment to a Federal agency badly in need of both.

In a Wall Street Journal op-ed piece yesterday, Commissioner Quello argued eloquently for flexibility as the FCC works to approve guidelines implementing the Children's Television Act.

The act—passed by Congress 6 years ago—seeks to increase both the quantity and the quality of children's television programming. Those of us who worked to pass the Children's Television Act sought to establish a simple, flexible yardstick by which broadcasters' compliance with the act could be measured.

But, as Commissioner Quello points out in his excellent op-ed piece, proposed regulations implementing the act—regulations that are circulating at the FCC—now exceeds 100 pages. Disturbingly, reports suggested that as the number of pages has increased, the guidelines have turned into regulations, and flexibility has been replaced by rigidity and inflexibility. I say reportedly, because no one on Capitol Hill has yet been provided a copy of the proposed regulations.

I wish to thank Commissioner Quello for his many years of distinguished service at the FCC, as well as commend him on an excellent op-ed piece. I also want to make clear that I share his position with regard to guidelines implementing the Children's Television Act, and I pledge to work with him to reduce the regulatory overkill that has been—and remains—the hallmark of so much of what the FCC does.

I commend Commissioner Quello's op-ed piece in yesterday's Wall Street Journal to your attention, Mr. Speaker, and to the attention of my colleagues.

[From the Wall Street Journal, July 24, 1996]

THE FCC'S REGULATORY OVERKILL

(By James H. Quello)

President Clinton has summoned broadcasters to the White House for Summit on Children's Television next Monday. I hope the president uses this highly visible event to set the stage for creating sensible, effective rules to implement the Children's Television Act.

The Federal Communications Commission, charged with developing the actual rules, has been trying to agree on "processing guidelines"—rules that would require broadcasters to air three hours of kids' educational programming per week. All four commissioners favor the concept of guidelines and a three-hour rule. But some of us believe that for the rules truly to be "guidelines" they must contain a reasonable degree of flexibility. The proposed rules the FCC is now considering are so rigid that they look more like government edicts than true guidelines. Indeed, taken in their entirety, these rules are as intrusive and overregulatory as anything I have witnessed in more than two decades at the FCC.

CONTENT CONTROL

In their present form, these "guidelines" would have a legal challenge—and probably would be held unconstitutional. They dictate in such detail that they amount to a form of content control in which the FCC cannot legally engage.

For example, the draft rules would allow only regularly scheduled, half-hour programs to be counted for purposes of satisfying most of a broadcaster's three-hour children's programming requirement. This would severely constrain stations' ability to broadcast both programs shorter than 30 minutes and specials like President Clinton's hour-long talk with American schoolchidren—not because they aren't educational but simply because they don't fit the FCC-decreed format.

Television licensees would also have virtually no incentive to finance the broadcast of educational shows on local PBS stations.

This would eliminate any realistic possibility that commercial broadcasters would contribute to the development of new noncommercial children's programs like "Sesame Street."

On top of these arbitrary rules are page after page of even more burdensome and pointless ancillary requirements. There are rules on how often the FCC-sanctioned programming must be shown each season, on how many times it can be pre-empted, and on what time of day it can be broadcast in order to qualify.

There is a new rule requiring all 1,444 television stations to file paperwork with the FCC every three months—even though the exact same paperwork must be made available on request at the TV station's local office.

On and on it goes, for over 100 pages and 200 paragraphs—an intrusive and meddlesome regulatory mess never envisioned, let alone sanctioned, under the Children's Television Act.

In fact, Congress seemed to have just the opposite in mind when it passed the act in 1990. The legislation itself does not require any prescribed number of hours or specific types of programming. Its champions in both the House and Senate explained that the criterion should be "a station's overall service to children" and that a broadcaster should have the "greatest possible flexibility in how it discharges its public service obligation to children." In so framing the Children's Television Act, its sponsors wisely sought to insulate both the act itself and the regulatory power of the FCC from legal challenges.

For as the courts have repeatedly found, public-interest requirements relating to specific program content create a high risk that such rulings would reflect the FCC's tastes, opinions and value judgments—rather than a neutral public interest. Such requirements must be closely scrutinized, lest they carry the commission too far in the direction of censorship. As the Supreme Court recently concluded, "The Commission may not impose upon licensees its private notions of what the public ought to hear."

The draft programming guideline rules ignore Congress's deliberate decision to allow stations flexibility and thereby avoid constitutional challenges. Instead, the draft rules virtually invite such a challenge.

What's going on here? A most worthy goal, children's educational and informational programming, is being cleverly manipulated to revive outdated and discarded "scarcity" theories of broadcast regulation. Scarcity justified regulation many years ago, when broadcast TV was the only show in town and a few stations were the only source of video programs.

Today, however, there is a superabundance of over-the-air broadcast outlets. Cable, with its 135 networks, reaches 98 percent of all television homes. Satellite services have grown rapidly, and VCRs are now in 83 percent of all American homes. To top it off, computers and the Internet are becoming an outlet of choice for our children's time and energy.

With this incredible menu of program choices, claims of marketplace failure are outdated and farcical. The main legislative and regulatory thrust today must be toward competition and deregulation, not program content regulation and First Amendment intrusion. Thus, it is increasingly difficult, logically and legally, to justify additional regulation of broadcasting, the only medium providing universal free service.

What to do? First, this controversial draft FCC order should be released right away in its entirety for public comment. Let's fully inform everyone of its contents.

WAKE-UP CALL

This is an unusual step, but this issue is deteriorating into an unusually misguided proceeding. If this draft order were made public, I can't imagine anyone with any sensitivity to the First Amendment supporting it, since it calls for unprecedented government micromanagement of the nation's leading news and information medium. If adopted, these rules would set a precedent that could shackle broadcasting with the prospect of even more extensive content and structural regulation in the future. Public disclosure would serve as a nationwide wake-up call to what is potentially at stake for all communications media.

Many congressmen have, in good faith, signed a letter generally supporting three hours of children's programming. I cannot believe these congressmen would support the adoption of overly rigid rules that threaten to undermine the judicial sustainability of the act itself. A three-hour-per-week guideline for children's educational programming makes sense and is universally supported. But it must be flexible enough to allow broadcasters to do their job—and flexible enough to avoided censorship.

At the risk of violence to the first Amendment, we will not be doing children or their parents any favors by rushing ahead with an overregulatory exercise in micromanagement. Both President Clinton and leaders in Congress have declared that "the era of big government is over." Is that true for everyone but the FCC?

REMEMBERING THE ISRAELI OLYMPIC ATHLETES

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. GINGRICH. Mr. Speaker, I want to take this opportunity to remember the 11 Israeli Olympic athletes and coaches who were victims of terrorism on September 6, 1972, during the Olympic games in Munich, Germany.

On Sunday, July 28, 1996, the Atlanta Jewish Federation along with the Olympic Committee of Israel will host a memorial service honoring the Olympic competitors who were killed by terrorists in 1972. During this occasion, a sculpture with an eternal flame, the Olympic rings, and the names of the victims will be unveiled as a reminder of the tragedy and loss suffered on that dreadful day 24 years ago.

We remember again today the families and friends of these athletes and coaches who suffered such a terrible loss at the hands of ruthless terrorists.

HONORING THOSE WHO BATTLE DOMESTIC VIOLENCE

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FOX of Pennsylvania. Mr. Speaker, Pennsylvania's 13th District is home to many weapons in the battle against domestic violence. On the front lines we have a Montgomery County Victims Services Center, Laurel House, the Montgomery County Womens' Center, and the Montgomery County Commission on Women and Families.

I rise today to compliment another one of these weapons, and to recognize the men and women who make it work.

In 1978, Upper Moreland, PA Police Lt. Carl Robinson conceived the idea of establishing a corps of trained mental health professionals who would accompany police to the sites of domestic violence police calls. Years later, Ms. Bonnie Dalzell, who founded the counseling center at St. Luke's in Glenside, PA, visited police stations in the Upper Moreland area to acquaint police organizations with the mental health services she could provide.

This conversation developed into the Support Police Immediate Response Intervention Team, a nonprofit organization serving the communities of Upper Moreland, Abington, and Jenkintown, PA.

Mr. Speaker, as you know, much of a policeman's work is crisis intervention. Not only has the presence of mental health volunteers freed police to do the police work in cases of domestic violence, it has gone a long way towards safely resolving domestic conflicts.

Domestic violence is one of the greatest enemies of our Nation's families. I have the utmost respect and admiration for the caring people who do their best to help our country's families through domestic crises. This is why, both as a State legislator, and again last year as a Member of the 104th Congress, I introduced legislation supporting community response teams such as the one in Upper Moreland.

I am proud to rise today in recognition and support of compassionate men and women like Ms. Judy Dwyer, who is a responder in the Upper Moreland program of which I rise in appreciation.

I cannot say it enough. Our children and families are under attack. In Pennsylvania's 13th District, local solutions are making the difference, thanks to the vision and ability of people like Lieutenant Robinson, Ms. Dalzell, and Ms. Dwyer.

PROTECTING SOCIAL SECURITY: CONGRESS CANNOT AFFORD TO WAIT

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. SMITH of Michigan. Mr. Speaker, in 1983, Congress and President Reagan formed the bipartisan Greenspan Commission which agreed on historic legislation to save Social Security. At that time, the Social Security Administration actuaries warned that the system had an unfunded liability equal to 1.82 percent of taxable payroll. The 1983 law was supposed to solve this problem through the middle of the next century. However, the actuaries now find that the unfunded liability is 2.19 percent of taxable payroll, 20 percent worse than in 1983.

Expressed in 1996 dollars, this liability equals approximately $4 trillion. Put another way, under the current system every beneficiary for the next 75 years will have to absorb a 14 percent cut from baseline benefits for the system to balance. Alternatively, payroll taxes will have to go up by 16 percent to restore long-term solvency. The actuaries say even larger benefit cuts or tax increases will be needed the longer Congress delays.

Traditionally, Congress waits until the last moment to solve such problems, using a crisis environment to convince our constituents and ourselves that sacrifices have to be made. But this approach is unconscionable when waiting until the last minute will force us to adopt a solution that will damage the economy and the lives of vulnerable workers and retirees. Under current law, there will only be two workers paying into the system for each retiree drawing benefits early in the next century. There were 42 workers for every retiree when Social Security was started. On May 15, former Social Security Commissioner Dorcas Hardy estimated Social Security could have insufficient funds as early as 2005. Without meaningful reform soon, very large benefit reductions or tax rate hikes are unavoidable. Fortunately, I believe we can legislate a happy ending.

The Social Security Administration has scored my bill, the Social Security Solvency Act, and found that if everyone participates each worker could invest between 1.81 percent and 10.11 percent of his paycheck in a personal retirement savings accounts while Social Security benefits continue to flow unimpeded.

My bill may not be perfect, but it offers a way out and I believe Members of Congress and the President can no longer avoid working on a solution to save Social Security. This proposal holds harmless low and medium income workers and also existing retirees. Part I of the bill eliminates the unfunded liability by slowing the growth in benefits in two basic ways. Initial benefits will still rise, after inflation, but they won't almost double as they do under current law. It also imposes some modest means testing of benefits. Further, it gradually raises the retirement age 2 years longer than existing law. Together, these reforms more than eliminate the unfunded liability of the system according to Social Security's actuaries. Under part II, and most importantly, my proposal creates personal retirement savings accounts for working Americans that will be funded from the surplus after all benefits are paid.

Over time, the assets in workers' accounts will grow very rapidly, producing genuine retirement security. The balances in the private accounts are the personal property of the workers. Worker/investors will still receive Social Security checks, although they will be smaller to reflect the amount personally invested. However, the benefits flowing from their personal retirement savings accounts will more than make up the difference. Furthermore, account balances will belong to workers and can be passed on to their heirs, improving the financial security of wives, husbands and their children. Personal retirement savings accounts can be "cashed-out" as early as age 60.

With some safeguards, it would be up to each worker to determine how his funds will be invested or whether to fund a personal retirement savings account at all. In fact, workers may elect to remain in the existing system if they wish and collect only Social Security benefits. It will be their option alone whether to place a portion of their paychecks in the hands of professional money managers. However, funds must be invested under the legal limits of the Individual Retirement Accounts [IRA's]. Also, under the proposal managed investment accounts will have to meet some additional investment and reporting requirements.

Another important benefit of this proposal is that it will stabilize fiscal policy. This year, Social Security will take in $64 billion more than it distributes. By 2002, the annual surplus will rise to $104 billion. But in 2025 and beyond, there will be annual cash deficits of $330 billion and rising as far as the eye can see. Under this plan, cash flow in and out of the Social Security System will always be equal. Pressure to cut other spending or to raise taxes will not be required by cash flow problems. Social Security will be depoliticized—as it should be.

Together, we can restore the solvency of America's most popular program and make it even better. H.R. 3758 does that.

CHILD SUPPORT ENHANCEMENT ACT OF 1996

HON. GREG GANSKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. GANSKE. Mr. Speaker, to day I am introducing the Child Support Enhancement Act of 1996. This legislation will help ensure that deadbeat parents take personal responsibility for their children.

It takes two people to bring a child into the world and it takes two people to raise a child in this world. Unfortunately, in too many cases, one parent believes that their responsibility ends when the baby is born.

While we cant legislate and force parents to read to their children, attend Little League baseball games or show up at birthday parties, we can help make sure there is food in children's mouths and clothes on their backs by encouraging financial responsibility. This is the personal responsibility of both parents.

Too often, the failure of parents to take this responsibility contributes to custodial parents ending up on welfare—unable to make ends meet. Or, they are forced to take on two or more jobs just to keep afloat. This keeps them away from their kids who are already one parent short.

Recent statistics are disturbing. In fiscal year 1993, while $20 billion in child support obligations had been legally established, only $13 billion was collected and paid. Additionally, in fiscal year 1994, the Child Support Enforcement Program collected child support payments for less than 20 percent of its caseload.

I do not believe that child support is merely a legal duty, it is a moral duty.

That is why I am introducing the Child Support Enforcement Act of 1996. This bill authorizes the seizure or interception of judgments or settlements to private individuals in suits brought against the Federal Government. The legislation applies to settlements or judgments in both administrative actions and claims in a court of law.

Currently, State child support enforcement officials and others working on behalf of custodial parents can seize or intercept money in suits against private individuals and State governments, but only in very narrow circumstances can they do this when Uncle Sam is involved.

If a deadbeat parent is going to receive money from the Federal Government, this legislation will help to ensure that the parents children get their slice of this money.

We must continue to close loopholes in the current system and make it easier for child support collectors to do their job. This will make life easier for our Nation's children.

For kids' sake, I urge my colleagues to support this bill.

CONGRATULATING MAJ. GEN. PAUL BERGSON, USAR

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FIELDS of Texas. Mr. Speaker, I want to take this opportunity to congratulate Maj. Gen. Paul Bergson, U.S. Army Reserve, on his recent promotion from the rank of brigadier general. I regret that pressing business back home in Texas prevented me from being with Paul at his promotion ceremony, held July 18 at the Pentagon.

I have had the pleasure of knowing and working with Paul for several years through his work with the Asia Pacific Exchange Foundation. I know of no one more dedicated to serving his country and preserving the freedoms on which the United States was founded than Paul.

Currently serving as a military assistant to the Assistant Secretary of the Army for Manpower and Reserve Affairs, Paul has been a commissioned officer in the U.S. Army for more than three decades. His service to the Army and to his country inspires everyone who knows him.

Mr. Speaker, I know you join with me in congratulating Paul on his recent promotion; in wishing him continued success in the U.S. Army Reserve and in his business. Bergson & Company; and in extending to him and to his wonderful wife. Jan, our very best wishes for the future.

THE TERMINALLY ILL'S RIGHT TO BENEFITS ACT

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. LIPINSKI. Mr. Speaker, I rise today to introduce a bill that will provide greatly needed financial relief to individuals that are inflicted with a terminal illness. Currently, terminally ill individuals must wait for the standard 5-month waiting period before the first social security disability payment can be received. However, many people with such illnesses tragically pass away before they ever receive any payments.

Sick pay, temporary disability programs, and other private disability pension programs do not often cover a period as long as 5 months, and the gap in income during the waiting period affects terminally ill individuals when they can least afford it. Besides, these people have paid money into the Social Security System through payroll taxes and have a right to receive immediate benefits that would greatly diminish the hardships that are suddenly confronted by the terminally ill.

According to the Social Security Administration, the 5-month waiting period was instituted to ensure that people are sufficiently disabled to qualify for benefits. I strongly feel that terminal patients should, in now way, be made to justify their condition. Moreover, medical science has developed to a point where the art of diagnosing terminally ill, and therefore, disabling conditions, provides a sufficiently reliable picture of the severity of the illness. This bill would define terminally ill patients as one that has an illness which is expected to result in death within the 12 months.

I urge all of my colleagues to join me as cosponsors of this very important legislation. Unfortunately, many Americans are hit with a merciless terminal illness while in the prime of their lives, and we should grant them their right to collect disability payments that they have earned so that they can worry less about financial concerns and live the rest of their lives in dignity.

EUROPEAN PARLIAMENT URGES GREATER RECOGNITION FOR TAIWAN

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. SOLOMON. Mr. Speaker, on July 18, the European Parliament adopted a resolution urging its member states to support greater representation for the Republic of China on Taiwan in international organizations.

The resolution is a proper recognition of the great strides that the people of Taiwan have made toward democracy and respect for human rights over the past several years. This progress stands in stark contrast to the continuing tyrannical and aggressive behavior of the Communist Chinese regime in Beijing.

Since Taiwan, and not Communist China, represents the best model for the future of Chinese civilization, it is my sincere hope that the world community will follow the advice of this resolution, which I would like to insert for the RECORD.

THE EUROPEAN PARLIAMENT

Having regard to Article J.7 of the Treaty on European Union,

A. Satisfied with the current state of Taiwan's democracy and Taiwan's respect for the principles of justice, human rights and fundamental freedom,

B. Welcoming the fact that the elections in Taiwan were conducted democratically and peacefully despite the overt aggression and provocation by the People's Republic of China,

C. Having regard to Taiwan's wish to participate in international aid to developing countries,

D. Having regard to the significance of developments in the political situation in Taiwan for the whole of East Asia at a geopolitical and economic level and in terms of a policy of stability, security and peace in the Western Pacific region,

E. Welcoming the attitude of reconciliation displayed by President Lee Teng-hui towards the People's Republic of China and looking forward to a dialogue spanning both sides of the Taiwan Straits,

F. Convinced that the people of Taiwan ought to be better represented in international organizations than they are at present, which would benefit both Taiwan and the whole of the international community,

G. Whereas neither the European Union nor any of its Members States have diplomatic relations with the Government of Taiwan, recognizing only the People's Republic of China,

H. Whereas Taiwan is very important to the European Union and its Members States as a trade partner,

I. Whereas it is important for the European Union and its Members States to develop their relations with the governments of both the People's Republic of China and Taiwan in an amicable and constructive spirit,

J. Urging the governments of the People's Republic of China and Taiwan to intensify their cooperation,

K. Stressing that participation by Taiwan in certain international organizations can assist with finding common ground between China and Taiwan and facilitate reconciliation between the two sides,

L. Regretting the fact that Taiwan at present is prevented from making a full contribution to the United Nations and its agencies, and stressing that, for the efficiency of the UN, Taiwan's participation would be desirable and valuable,

1. Urges:

(a) The Council and Member States to support Taiwan's attempts to secure better representation that it currently enjoys in international organizations in the field of human and labour rights, economic affairs, the environment and development cooperation following the precedent of certain cases, known to international law, of countries recognized as independent and sovereign even though the nature of their diplomatic connections and the person of then head of state did not display the full symbolic panoply of complete sovereignty (e.g., Her Britannic Majesty's Dominions, American Samoa, or, until recently, the Ukraine and Belarus);

(b) The Council and Member States to ask the United Nations to investigate the possibility of setting up a UN working group to study the scope for Taiwan to participate in the activities of bodies answerable to the UN General Assembly;

(c) The Council and Member States to encourage the governments of the People's Republic of China and Taiwan to intensify their cooperation in a constructive and peaceful spirit;

(d) The Council to Urge the Commission to adopt measures with a view to opening a European Union information office in Taipei;

2. Instructs its President to forward this resolution to the Council and to the Commission.

CALIFORNIA NEEDS A BALANCED FEDERAL BUDGET

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. PACKARD. Mr. Speaker, my Republican colleagues and I know the infinite potential for our great Nation if we balance the budget. What many do not realize is what it means at home in our own States.

The House-passed balanced budget clearly shows that we can balance the budget, provide tax relief to working families, and still provide Federal spending for programs crucial to State and local governments. However, if spending continues to grow unchecked, as it has in the past, we will heap even more debt on the backs of our children—California's children.

Californians already pay more in taxes than just about any State in the Union. California families, who today pay a higher share of their family income in taxes than at any time in our Nation's history, need a balanced budget. We have been a donor State for far too long. It's time the scales tilted.

Oddly enough, even the unions that rely on government spending agree that a balanced budget works for California—dollars for California actually go up under Congress' plan to balance the budget.

Mr. Speaker, we know that a balanced budget is good for the country. More importantly, it is good for America's hard-working families—and, it is good for California.

NEIGHORS WORKING FOR QUALITY CHILD CARE

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FOX of Pennsylvania. Mr. Speaker, I rise today to recognize 300 citizens of Montgomery County, PA., who, on Saturday, June 8, raised an estimated $10,000 during the Walk for Quality Child Care at the Montgomery County Community College campus.

As you know, Mr. Speaker, more than 4½ million children under the age of 5 are cared for during the day by someone other than their relatives. This is not an inexpensive circumstance.

The men, women, and children who gathered on June 8 recognize this. They know that without adequate funding for child care, their children's safety and well-being are jeopardized.

Many of the best child care centers cannot care for infants because of the expense. The budgets of most centers are exhausted on maintaining staff, leaving nothing in the way of activities for the children. The money raised during the Walk for Quality Child Care will be used to buy tricycles and a parachute for the children of Hatfield.

There can be no downsizing in child care. Regulations abound for child care providers; regulations which cost money to those who earn their livelihood by caring for their neighbors' children. Most spend more than 10 hours per day with children other than their own.

In a day where family budgets are squeezed by big taxes and big government, the citizens who put children first on June 8, some of whom pay in excess of $1,000 per month in child care, combined their voices to say, "We will not let our children be the victims of economic pressure." I'm sure you join me, Mr. Speaker, in applauding these caring people for their efforts to make sure their children have the same opportunities for happiness that our generations have enjoyed.

A TRIBUTE TO E.R. "BOB" MORRISSETTE, JR.

HON. SONNY CALLAHAN

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. CALLAHAN. Mr. Speaker, as you know, the Alabama delegation is rather small in number, but we are close in mind and heart on many issues, often reaching across the political divide, especially when it involves a matter of importance to our beloved State.

That is all the more reason why the death this past Sunday of E.R. "Bob" Morrissette, Jr., a longtime aide to my colleague, Senator HOWELL HEFLIN, is so difficult to accept. While the Judge has lost an important member of his office family, our State, and especially south Alabama, has lost one of the most likeable and most decent men ever to work in the public arena.

Bob was 73 at the time of his death and unfortunately, poor health had slowed him down a bit during the past few months. But throughout his career, first as a journalist, and later as a loyal and trusted confidante to Senator HEFLIN, Bob Morrissette was first and foremost a southern gentleman.

Probably one of the reasons Bob was so good at what he did was because of the genuine concern he had for his fellow man. Another reason was simply because Bob Morrissette was a man of integrity. When he gave you his word, you needed no other assurance.

Born in Monroe County into one of south Alabama's most prominent families, Bob never let the good name or success of his family stand in the way of his willingness to provide a helping hand. In fact, that is one of the hallmarks of the Morrissette family—they are always doing good things to better their community, and Bob carried on that proud tradition in countless ways.

He and Senator HEFLIN became friends when both were attending the University of Alabama in the mid-1940's. While the Judge returned to the northern part of the State to pursue a career in law, Bob returned home to his native south Alabama and entered the world of journalism. His first assignment was a stint at the Baldwin Times in Bay Minette. In 1959, he moved to Escambia County to take over the Atmore Advance. Bob was owner, editor, and publisher of the Advance for two decades, and like so many others who hold this important post in a small town, he, too, became a one-man chamber of commerce for his hometown.

During his career in journalism, Bob received countless awards and honors. In 1976, he received the Distinguished Alumnus in Journalism Award from the University of Alabama. Two years later he became president of the Alabama Press Association.

In 1979 Bob once again teamed up with his old college pal, HOWELL HEFLIN, who had just been elected to the Senate the year before. In Bob, Senator HEFLIN knew he had a steady hand at the wheel running his southwest Alabama operation. Not only did Bob know south Alabama like the back of his hand, but he loved her people and her soil.

Bob Morrissette was one in a million. Upon meeting you for the first time, he made a connection for life. When you called him with a problem or concern, you knew it would become his problem and concern. He was just that type of human being.

When he was running for President in 1912, Woodrow Wilson said, "There is no cause half so sacred as the cause of a people. There is no idea so uplifting as the idea of the service of humanity."

Though he held no elected office himself, Bob Morrissette served his community, his State, and his Nation as well as, if not better than, most men and women who ever place their names on a ballot.

We're going to miss Bob, and it will be a long, long time before we see another man like him. He was truly one of a kind.

HONORING MUSIC EDUCATORS AT PENNFIELD MIDDLE SCHOOL

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FOX of Pennsylvania. Mr. Speaker, those who enable children to experience the beauty of music are those who brighten our future. I am pleased to have some of these wonderful people in Pennsylvania's 13th district.

One of them is Mr. Alan Malachowski, the band director at Pennfield Middle School. Mr. Malachowski recently attracted a grant from the North Penn Educational Foundation which allowed his students to experience music in a way many of their peers are not afforded.

Mr. Malachowski convinced nationally known composer Jared Spears to compose a work based on the history of the Montgomery County Fair, to teach the piece to student musicians during 2 days of intense rehearsal, and to personally conduct the students' performance of the work, entitled "The Brass Ring", on May 30 at the school.

Mr. Speaker, I'm sure you join me in applauding the efforts of Mr. Malachowski, Dr. Spears, and the student musicians at Pennfield Middle School. Not all young people have the privilege of such an enriching experience. Not all young people have the opportunity to learn from impassioned educators like Mr. Malachowski.

Music helps young people to form a world view. All of humanity is moved by the beautiful compositions of men like Dr. Spears. I am proud to recognize the efforts of those who by teaching music point out to our children many of the better things in life.

THANK YOU, ROBIN BRIDGES, FOR YOUR LOYAL SERVICE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FIELDS of Texas. Mr. Speaker, it was with mixed emotions that I announced last December 11 my decision to retire from the House at the conclusion of my current term. As I explained at the time, the decision to retire was made more difficult because of the loyalty and dedication of my staff—and because of the genuine friendship I feel for them. Each one of them has served the men and women of Texas' 8th Congressional District in an extraordinary way.

Today, I want to thank one member of my staff—Robin Bridges, my office manager—for everything she's done for me and my constituents in the 11 years that she has worked in my office.

Robin has worked on Capitol Hill since 1971. From 1971 to 1976, she served as systems manager for Representatives Charles Thone. From 1980 to 1984, she held the same position in the office of Representative Larry Coughlin. And from 1984 to 1985, she served as systems manager for Representative Buddy Darden.

The first time I met Robin, I was impressed by her extensive experience and her professionalism. But the more we talked, the more I realized that she was not just someone who knew how to get a job done—although she certainly knew that. I came to appreciate her personal warmth and sincerity, and her personal warmth and sincerity, and her eagerness to pitch in to ensure that my constituents received timely responses to their letters and calls. Over time, as computer systems have proliferated and become more complex, I have been impressed with Robin's ability to adapt to new technology—just as she has adapted to a variety of personnel and other changes in my office.

Five years ago, I asked her to assume new responsibilities as my office manager—a request she readily and eagerly accepted. But more than her competence as a member of my staff, I wish to say a word about Robin as an individual, and as a mother.

To determine what kind of a person someone is, one need only look at that person's children. Robin's daughter, Emily, and her son, Andrew, are proof that the qualities she brings to their work in my office are the qualities she lives by. Both Emily and Andrew have been recognized for academic excellence in high school and college. The hard work and dedication they have demonstrated were instilled in them by their mother, who has successfully balanced the difficult roles of single mother and congressional staff member.

Robin Bridges is one of those hardworking men and women who make all of us in this institution look better than we deserve. I know she has done that for me, and I appreciate this opportunity to publicly thank her for the dedication, loyalty and professionalism she has exhibited throughout the years it has been my privilege to know and work with her.

Robin has yet to make a definite decision about what she wants to do in the years ahead. But knowing he as well as I do, I am confident that the skills and the personal qualities she has demonstrated in my office will lead to continued success in the future.

Mr. Speaker, I know you join with me in saying thank you to Robin Bridges for her years of loyal service to me, to the men and women of Texas' 8th Congressional District, and to this great institution.

SARAH CHURCHILL, A COURAGEOUS YOUNG LADY

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FOX of Pennsylvania. Mr. Speaker, I am pleased to have in Pennsylvania's 13th district an extraordinary young lady who has earned the honor of Better Hearing and Speech Month Child of the Year. Sarah Churchill, who is 6 years old, a gymnast, swimmer, and artist, is serving to increase awareness of resources available to hearing and speech impaired children.

When this American hero was just a year old, Miss Churchill was diagnosed with profound hearing loss. Soon after, she enrolled at the Helen Beebe Speech and Hearing Center in Easton, PA.

Miss Churchill was chosen this year by the Council for the Better Hearing and Speech Month to represent the needs of children with hearing and speech impairments. She has had the opportunity to meet other children's advocates, including Heather Whitestone, and has visited with the President and First Lady to fight for education reforms and public awareness.

I'm sure you will join me, Mr. Speaker, in sending best wishes to Miss Churchill in her efforts to improve the lives of children across our country.

MONTGOMERY BUS BOYCOTT: 381 DAYS; DETROIT NEWSPAPER STRIKE: 378 DAYS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. CONYERS. Mr. Speaker, 378 days ago more than 2,500 employees of the Detroit News and Detroit Free Press went on strike after management and their unions were unable to agree to new contracts.

This strike has been terribly disruptive to the social, economic, and cultural fabric of the Detroit area. Both the newspapers, the strikers and their families have paid a heavy price for this year-long strike. The Detroit News and Detroit Free Press have seen their circulations drop, advertisers flee, and profits plummet; every week that the strike continues, the newspapers lose another million dollars. But more importantly, some striking workers have had to file petitions for bankruptcy or have lost their homes; others are in bad health and cannot pay their medical bills; they have seen their jobs filled by replacements recruited from out of State, or eliminated entirely.

This strike has become more than just a dispute between a company and its employees. It is about corporate social and economic responsibility and the need for employers, regardless of size, to treat their community and employees fairly and with respect. It is critical to the future of this nation that we recognize the importance and validity of the collective bargaining movement. If unions in Detroit can be willfully broken, then the future of the collective bargaining movement in the United States may be in jeopardy.

Economic and political struggles have never been easy. The Montgomery bus boycott went on for 381 days, it took 15 years to make Martin Luther King, Jr.'s birthday a Federal holiday, Nelson Mandela was in prison for 27 years in the long battle to end apartheid, and the right to vote, even with a constitutional amendment and a variety of Federal statutes, has only recently become available to all citizens.

Now is the time for all persons on all sides of this dispute to join with me in urging the Detroit Newspapers and the striking workers to once again come to the bargaining table or alternatively submit to binding arbitration and end the stalemate that is tearing Detroit apart.

A SALUTE TO JOHN POWELL

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. ACKERMAN. Mr. Speaker, I rise on the floor of the Congress to commend a great American, John Powell, who is assisting the Jewish National Fund in their efforts to bring trees to the land of Israel. I may also note, with some trepidation, that John serves as the highly effective chairman of the Suffolk County Republican Committee. Throughout his career, he has displayed a strong commitment to his community, and has gained the utmost respect from local leaders on both sides of the partisan divide. Moreover, John's career underscores how much one person can accomplish through a disciplined work ethic.

John Powell moved to Long Island when he was 11-years-old and graduated from Patchogue-Medford High School in 1978. While attending Suffolk Community College, John held two gas station jobs to help pay for his education. He also volunteered with the Brookhaven Republican Party, stuffing envelopes and making phone calls. These early experiences helped establish his strong work ethic, and commitment to public service. John eventually was recommended for a job with the Brookhaven Town Highway Department where he was quickly promoted to being an executive assistant to Highway Superintendent Harold Malkmes. Once again, John's hard work and dedication helped him rise to meet new challenges.

In 1988, John was elected to the New York State Assembly. He brought his unique, blue collar perspective to the halls of the New York State Capitol. After a year in Albany, John felt the need to return to his community. He ran for Brookhaven town council and won handily. During his tenure on the council, John became intricately involved in Brookhaven town matters. In 1991, John became the Brookhaven town Republican leader. By 1995, he rose to the chairmanship of the Suffolk County Republican Committee, where he has served with honor and distinction. He now lives in the town of Medford with his wife Linda, and their three children, Alexandria, John, and Anthony.

John often works closely with the county executive to solve some of Long Island's most complex problems. His perseverance and dedication to the community have gained recognition across New York State. More importantly, he has used his own life experiences toward the betterment of others.

John has also championed the ideal of an inclusive community. In this spirit, he has consistently worked alongside the Jewish community in Suffolk County. It is only appropriate that John Powell be involved with the Jewish National Fund.

The Jewish National Fund is helping rebuild the land of Israel through afforestation, housing, and agricultural projects. Moreover, this organization constructs dams and reservoirs, provides employment and promotes Zionist education. The JNF is literally transforming a once arid dessert into a lush, agricultural community. This year, the JNF will help celebrate Jerusalem's 3,000th anniversary by developing new projects throughout the city. These include a new Parks and Events Center, a Children's Garden and Educational Center, and the completion of the greenbelt around Jerusalem.

John is now being honored by the JNF at their Tree of Life Award dinner dance. As an honoree, he will help the JNF raise much needed funds for environmental projects in both Israel and around the world. His actions today will be appreciated for generations to come. John's commitment to the Jewish National Fund epitomizes a lifetime of dedication to worthwhile causes. His distinguished career should serve as a model for us all.

TRIBUTE TO ZEN ART AND POTTERY OF THE VENERABLE KIM KYUNG AM

HON. JAY KIM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. KIM. Mr. Speaker, I rise to pay tribute to the Ven. Kim Kyung Am on the occasion of the 4th Zen Art and Pottery Exhibition.

For the past 15 years, Ven. Kim has devoted his time and energies to building the Borimsa Temple in Fairfax, VA and in publishing the Korean Buddhist News, USA. He has also been responsible for opening the U.S. branch of the Daewon Buddhist College in Virginia and is known for his active missionary work in the Korean-American community.

According to the teaching of Buddhist scripture, "Belief is the mother of virtues; wisdom of compassion makes no enemy." Following this teaching with much devotion, he is currently engaged in building a new temple building in the greater Washington, DC area. The fourth Zen art and pottery exhibition is part of that effort and part of the overall effort by Ven. Kim to foster peace, freedom and welfare in the world community.

Regardless of religious faith, I believe we can all agree that Ven. Kim's goals are very commendable and speak highly about his compassion and vision for the future. The 4th Zen art and pottery exhibition is a means by which we can all visualize these concepts. I encourage my colleagues to join me in honoring the work of Ven. Kim.

TRIBUTE TO CAPT. INGLIS P. MANGUM

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. SPENCE. Mr. Speaker, I rise today to recognize Capt. Inglis P. Mangum, of Walterboro, SC. Captain Mangum is an outstanding American, who has demonstrated great courage and sacrificed much for the cause of freedom. I would like to enter in the CONGRESSIONAL RECORD an article that appeared in the Press and Standard, of Walterboro, SC, describing the valiant service of Captain Mangum in World War II. He is a true patriot.

[From the Press and Standard, May 2, 1995]

MANGUM WAS HONORED WITH MEDALS

(By Dan Johnson)

I.P. Mangum was in Walter Reed Medical Center for a year and a half recovering from World War II wounds when the medals started coming. And coming. And coming.

He received: the Combat Infantry Badge for exemplary conduct in combat; the Silver Star With Oak Leaf Cluster for gallantry in combat; the Bronze Star, with V for victory with three Oak Leaf Clusters, for heroic or meritorious achievement in combat; the Army Commendation for Outstanding Achievement (given by a Major General or higher); the Good Conduct Medal; and medals and ribbons for the American Theater; the European Theater of Operations with two battle stars; the Victory Medal; the Asiatic Pacific Medal; the Army of Occupation, Japan; the Army of Occupation, Germany; and American Defense.

"In the heat of battle you didn't think too much about things like that,"Mangum recalled. "I did it because I love my country."

As an example of the emphasis Mangum puts on the medals, he commented, "After I'd been wounded three times, I gave two purple hearts back."

Two of Mangum's wounds were inflicted by German prisoners of war. "We took 77,000 prisoners from the day we crossed the Rhine until the day they ordered us not to fire more weapons." Mangum recalled.

One wound was inflicted when 13 German prisoners tried to escape. The prisoners took weapons from Americans and opened fire. "I heard a bullet hit my helmet," Mangum said, "My helmet flew off my head. Blood was gushing. I had the worst headache."

On another occasion. "I went in a German barracks. There was a Luftwaffe boy with a bayonet held up high. When he came down with it, I hit it with my arm. It took a slice out of my arm. I was given a Purple Heart but I gave it back. I wasn't really hurt.

Another wound was inflicted after he thought he was out of danger. German soldiers had focused on him because he was an officer. "They had picked me out," he remembered. "I lay down on my back and put my helmet up to draw fire. They shot 15 times."

When the firing stopped, he stood up. An artillery shell then exploded near him. "I heard it hit my lower stomach," he remembered. I got in the woods and pulled my britches down. It didn't look bad to me. I figure I'd have it looked at later. I got some mercurochrome and doctored it. It healed from the outside but not the inside."

After the war, a piece of shrapnel "no bigger than my little finger" was removed. The surgeon also "took four of five inches of my intestine."

He had to be asked about the times he was wounded, but he spontaneously said, "I helped deliver a baby. We took an airfield in Czechoslovakia in February or March of 1945. I lost 65 wounded and 19 killed taking that airport. We pounded it with artillery and air force all day, all night, all the next day and went in that night. They were hiding civilians in tunnels. They took our medical officer prisoner. We shot up the aid station and he escaped. They had done him dirt and he wouldn't deliver the baby for a woman on a bed in a room in the tunnel. I said, 'I ain't never delivered a baby but you and me are gonna deliver one.' Two or three hours after that the baby was born."

In that same battle, Mangum recalled, "My carbine got hit by a bullet while I was in a ditch. The bullet went through the front of my helmet and fell on my chest."

A native of Chesterfield County, Mangum moved to Walterboro in 1940 and joined Company C. A week after Magnum got married, the company left Walterboro for Fort Jackson. "Sidney Key and I are the only ones living of 150 who left September 15, 1940, to go to Fort Jackson," Mangum said.

Magnum rose from private to staff sergeant, and by 1942 was training new recruits. Two of his children were born while he was in the Army in the United States.

When he was stationed at Fort Benning, he became acquainted with Casper Weinberger, who decades later became Secretary of Defense. "Cap Weinberger said I was the meanest little fellow he'd ever met," said Mangum, who stood five-feet, six-inches tall and weighed 125 pounds.

He was a first lieutenant with the 97th Infantry Division when he went ashore at Normandy. An earlier wave of allies had already taken the beach, but hazards still abounded. "After we landed, I hadn't taken ten steps before my first sergeant knocked me flat on the ground," Mangum remembered. "There was a spider mine I was fixing to put my foot on."

They advanced on foot into Germany, "We thought they'd sold all the trucks," Mangum said.

After entering Germany, Mangum was promoted to Captain. He commanded a heavy weapons (machine guns and mortars) company assigned to a rifle company commanded by Captain Bob Weir.

In one engagement, Mangum recalled, "We traveled 60 miles on foot in one day and two nights. We'd go up and got fired on and go back to where we started from, get organized and go back. Every time we started to move they'd shower us with artillery, screaming meamies, they'd make you shiver all over. Shrapnel tore the blade off the shovel I was wearing on my belt; five boys of Captain Weir's were killed by that shell."

Another time, "I was running to help Colonel Weir's men, where they were pinned down. I stretched out when I heard the shell. I felt the shrapnel hit my leg. I hated to look. It was nasty. When I went to the aid station, the doctor wanted to take the metal out. I said I wanted to get some men to go get Bob Weir's men out. The leg wasn't hurting. I got a bandage off the table and put it in my pocket. More wounded came in. One's arm was about to fall off. When the doctor worked on them, I went out the door. The leg hurt when I walked on it."

He bandaged the 8-inch gash in his leg himself and kept fighting. After the war, doctors discovered that the shrapnel in the wound was forcing his leg bone to bend out of shape.

As the Americans approached Berlin, Mangum was assigned to a motorized patrol with a Russian interpreter to make contact with Russian troops also approaching Berlin. "Imagine what a feeling it was to know you might be the first person to hit Berlin," Mangum said. "If I could just get in there and kill Hitler, I'd be satisfied. Had they not put the brakes on, I could have gone in. We held up that night. My driver and the Russian interpreter was killed, I don't know how. The civilians had cut people to pieces. There were wagons full of bodies."

When victory was won in Europe, Mangum was re-deployed to the Southwest Pacific, where the war was still being waged against Japan. While Mangum was at sea for 30 days, Japan surrendered. Mangum was among the Americans who went into Japan and set up a military government. He returned by ship to the United States. Then he joined occupation forces in Germany. After a medical examination in Dusseldorf, he was set back to the United States on a hospital ship to be treated for wounds that had never healed. He had shrapnel in his intestine and in his leg, and a head injury causing pressure on his brain.

He was honorably discharged with a physical disability on Oct. 20, 1947.

Mangum and his wife, Trudy, have four children, 10 grandchildren, and five great-grandchildren. He is an active member of Bethel United Methodist Church and belongs to the American Legion and other veterans associations. After leaving the Army, he worked seven years as a Highway Patrol dispatcher and 35 years with the U.S. Postal Service.

CONGRESS AND MEDICARE

HON. MARTIN R. HOKE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. HOKE. Mr. Speaker, there's an old trick to hawking snake oil. First raise the fear. Then sell to it. That's exactly what the big-union, Washington-based labor bosses are trying to do with their latest advertising campaign of fear and blatant disinformation.

You have possibly seen some of these ads on television. The latest is a real whopper, claiming that Congress is out to kill Medicare. Of course, exactly the opposite is true.

In fact, Congress is trying to save Medicare from impending bankruptcy by increasing spending at a slower rate than before. This is also what the President has proposed. So instead of Medicare spending going up 10 percent a year, the President and Congress propose that it go up about 7.5 percent.

So how cant he Washington-based labor bosses get away with this blatantly false advertising? Well, they can't everywhere. Stations around the country, including some in Cleveland, have refused to run these Medicare ads because they are factually incorrect and misleading. In one on-air story, a TV station in Maine called this latest ad by the Washington labor bosses, "a callous and flagrant attempt to play upon the fears of senior Americans." Closer to home, a recent attack ad paid for by AFL–CIO members' dues was so bad that even Cleveland AFL–CIO general secretary Dick Acton admitted that it, "technically might be in error."

That the Washington labor bosses are flatout lying about the issues is bad enough. What makes it even more about the issues is bad enough. What makes it even more outrageous is that they are using the forced dues of their hard-working members to pay for it. Washington's labor bosses have pledged to spend $500,000 this year specifically to defeat me. That effort is being financed by a 36 percent hike in members' political dues. Yet on the vast majority of issues rank-and-file members don't agree with the positions of their out-of-touch bosses in Washington.

The union men and women I speak with overwhelmingly support time limits and work requirements for welfare recipients and tax relief for working families. They want term limits and a balanced budget. The Washington labor bosses oppose every one of those positions.

Perhaps even more telling is that 44 percent of union members consider themselves to be conservative, yet almost 100 percent of their involuntary political contributions go to Democrats. As a result you can understand why so many union members are rightly embarrassed and angry that their forced dues are being used to finance political campaigns they don't support.

It is sad that Washington's labor bosses care more about their own power than they do about the truth or the views of their members. They benefited enormously from the growing Federal Government under the old majority. And they are not about to sit idly by as the power that was once theirs is returned to its rightful owners, the people.

If we allow fear to triumph, we can just wave goodbye to a balanced budget, middle-class tax relief, and welfare reform, and say hello to higher taxes and more debt on the backs of our children.

It is up to the American people. Will it be snake oil and fear, or truth and courage?

INNOVATION IN EDUCATION AT UPPER DUBLIN HIGH SCHOOL

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FOX of Pennsylvania. Mr. Speaker, not every classroom has to have desks and a chalkboard. Not every classroom must be in a school. Students in Pennsylvania's 13th district have shown me that many lessons are better learned beyond the halls of their neighborhood school.

At upper Dublin High School, eligible students are given the opportunity to forego their final exams, instead choosing to work in a career field of their choice for 3 weeks.

The students meet weekly with faculty to discuss their activities, keep journals, and write four page papers explaining the value of their experience. To be eligible for the program, the students must keep a C average and maintain good attendance and disciplinary histories.

Almost 250 students opted for this experience this year at Upper Dublin High School. Not only have the students explored possible career choices, they have taken the opportunity to give back to their communities and neighbors.

Among the experiences the students chose this year were substance abuse presentations, pediatric physical therapy, firefighting, and outdoor science and education.

Community leaders like Fire Marshal Jesse Hayden and Robbins Park director Sara Smith heaped praise upon the students, noting their selflessness and ability. I would take this opportunity to add my accollades to those of community leaders. Both the students and their educators should be recognized for their support of this worthwhile educational opportunity.

FUNDING FOR THE LEGAL SERVICES CORPORATION

HON. ELIJAH E. CUMMINGS

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. CUMMINGS, Mr. Speaker, this week the House of Representatives approved the spending bill for the Departments of Commerce, Justice, State, Judiciary, and related agencies for fiscal year 1997. One particular program buried within the $29.5 billion bill that has evoked immeasurable controversy is funding for the Legal Services Corporation. Prior to my election to Congress, I practiced law for almost 20 years, and it is through my experiences with the American legal system that I feel confident and qualified to comment on this valuable program.

The Legal Services Corporation [LSC] is a modest but vitally important and effective program that helps millions of needy families gain access to the justice system in cases relating to domestic violence, housing evictions, consumer fraud, child support, and other critical matters. The legal services program is the only means to assure that the most vulnerable citizens in our country—poor children, battered spouses, the elderly, disabled, migrant workers, and other low-income individuals—have access to legal representation in civil cases.

The Legal Services Corporation has been under assault by conservatives for many years. They argue that the LSC has been a front to advance and lobby for progressive policies. Nothing can be further from the truth. The LSC, begun in 1974 and supported by President Nixon, is a bipartisan program. It has served millions of people, including helping nearly 5 million people in 1995, most of whom were poor children. Further, in 1995, 1 out of every 3 legal services cases concerned family law, which included 59,000 cases involving protecting clients from abusive spouses, and more than 9,300 cases involving neglected, abused, and dependent juveniles.

Restrictions have been placed on the operations of the programs of the LSC, and funding and staff levels have been severely cut. In 1994–95, the Maryland Legal Aid Bureau had a total of 143 lawyers and 80 legal assistants. As a result of the fiscal year 1996 cut, Maryland's Legal Aid Bureau lost $1.4 million and reduced its lawyers to 92 and 57 legal assistants. Under the fiscal year 1997 Republican funding bill, Maryland stood to lose $1.5 million more, which would result in further staff cuts and leave thousands of Maryland residents without adequate legal representation.

Last year's funding bill for legal services *quieted* the voices of the needy, this year's bill attempted to *silence* those voices. The $141 million recommended by the House Appropriations Committee is a cut of nearly 50 percent from the current fiscal year 1996 budget of $278 million for the Legal Services Corporation. Fortunately, an amendment offered by Representatives MOLLAHAN and FOX, which I supported, increased the funding for the Legal Services Corporation from $141 to $250 million.

As a lawyer, I was one of 130,000 volunteer lawyers registered to participate in pro bono legal services, encouraged by the LSC. The one hard fact that I witnessed throughout my years of practice is that our system of justice belongs to the wealthy and privileged. Rare is the day when indigents or poor citizens receive equitable treatment in their representation and receive equal justice under law.

I believe that ours is the best judicial system in the world. But every day across this country, citizens with meager resources have little or no voice in that process. I hope the Senate will follow our lead in the House and ensure that low-income individuals and families will be able to receive legal help.

THE WAR CRIMES DISCLOSURE ACT

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mrs. MALONEY. Mr. Speaker, it is with great pride that I announce to my colleagues the unanimous passage Of H.R. 1281, the War Crimes Disclosure Act, from the Committee on Government Reform and Oversight.

As the sponsor of H.R. 1281, I am pleased that this bill is quickly making its way through the legislative process, and I am hopeful that is will soon be passed by the House. A companion bill will be introduced by New York Senators MOYNIHAN and D'AMATO, and I am confident that this measure has a solid chance of becoming law during this session of Congress.

I introduced H.R. 1281 to close what I perceive is a tremendous loophole in the Freedom of Information Act. Under current law, the

FOIA allows Government agencies to block the release of information for a wide variety of reasons, including outdated "national security" arguments that are no longer valid in the post-cold-war era.

Because of this circumstance, researchers investigating Nazi war criminals like Kurt Waldheim are denied information that is sitting in U.S. Government files. I'm indebted to A.M. Rosenthal, the New York Times columnist, for his series of articles which brought this problem to light.

The Waldheim case is the most celebrated example. For years, the CIA was keeping its information on Waldheim a secret, even as other Government agencies, namely the Department of Justice, were placing Waldheim on the Watch List of individuals forbidden to enter our country. Waldheim was given the dubious distinction because of his direct involvement in the deportation and murder of Jews and others during World War II.

It is not difficult to imagine how history might have been changed if Waldheim's secret past had become public. Most notably, Waldheim would probably not have been elected to the post of Secretary General of the United Nations, one of the most shameful events in the history of that world body.

And Mr. Waldheim's shameful story continues. Just recently, we learned that in his brand new autobiography, "The Answer", he whitewashes his Nazi past, and blames the American Jewish community for his banishment from the United States.

Waldheim's book is a dishonest answer to the overwhelmingly credible charges that he persecuted and facilitated the murder of Jews, Italians, Serbs, and others in World War II. It is almost incomprehensible that he calls himself a victim, when it was his murderous activity that helped make victims of so many innocent people.

I drafted H.R. 1281 to ensure that the entire Waldheim file is finally disclosed. It is also my hope that the enactment of this bill would help those who research the horrors of the Holocaust ensure that cases like Waldheim do not occur in the future.

My bill is narrowly drawn. It would exclude from disclosure requirements any material that is strictly private and personal. Similarly, information pertaining to current or future intelligence, national security, and foreign relations issues could remain secret if there is clear and convincing evidence that disclosing the files could cause substantial harm to our national interests.

My bill also takes great care not to impede the important work of the Department of Justice's Nazi hunting unit, the Office of Special Investigations. I am a fervent supporter of the OSI. Just last month, for example, I called upon the Lithuanian government to extradite two Nazi war criminals living in the United States that were exposed by OSI's long and painstaking work. I was pleased to work with the OSI to craft the final version of the bill so that it can accomplish its purpose of disclosing Nazi war crimes files without hindering OSI's valuable investigations and prosecutions. The Justice Department firmly supports my bill.

The Clinton administration is moving in the right direction with respect to classifying hidden documents. The President's Executive Order of April 20, 1995, will, in 4 years, declassify many documents that are 25 years old. But I believe, when it comes to Nazi war crimes files, we can and should move more swiftly.

On June 14, Chairman STEPHEN HORN and I presided over a hearing of our subcommittee, during which we heard excellent testimony from three witnesses. We heard from Congressman TOM LANTOS, the only Holocaust survivor to be elected to Congress, and a moral mentor to me and to all of our colleagues. Elizabeth Holtzman also testified. As an outstanding Member of this body in the 1970's, Liz was a pioneer in the efforts to expose Nazi war criminals. Finally, we received valuable insights from Robert Herzstein, a distinguished scholar and professor of history at University of South Carolina. His efforts to uncover the secret files of Kurt Waldheim have played an instructive role in the formation of this legislation.

There are a number of organizations which support my bill. These groups include the Simon Wiesenthal Center, the Anti-Defamation League, the World Jewish Congress, the Jewish Community Relations Council of New York, the Orthodox Union, the American Jewish Committee, and the Agudath Israel of America.

Mr. Speaker, the Second World War ended 51 years ago. It's finally time for the entire story of this, the most horrible era in the history of man's inhumanity to man, to emerge. It is time to take a stand against those who insult humanity by denying what took place half a century ago. The great philosopher George Santayana taught us that "those who do not remember the past are condemned to repeat it." I hope that the passage of the War Crimes Disclosure Act will play a small role in helping us heed Santayana's warning.

HELP EPA; SUPPORT PERFORMANCE-BASED METHODS APPROVAL

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. BAKER of California. Mr. Speaker, today I am introducing, along with my colleague from California, ZOE LOFGREN, a bill we hope will help move the EPA along faster in reforming the way in which new environmental monitoring technologies enter the marketplace. The EPA has expressed some interest in moving in a positive direction on this issue, but we are concerned that interest does not mean movement. Our bill attempts to lay the groundwork for a comprehensive reappraisal of EPA's methods approval process, and we fully expect to work closely with both EPA and the analytical instruments industry along the way.

The House Committee on Science had an opportunity recently to hear from all interested parties on this issue. On June 20, we heard from Assistant Administrator for Policy, Planning, and Evaluation of the EPA, David Gardiner, who told our committee there is interest at the EPA in moving more toward a performance-based environmental methods approval process. This is indeed good news, as the current system of mandating specific analytical instruments through regulation language is untenable to those who invent new technologies that could do the same job better or cheaper. Certainly it is in the best interest of the Federal Government to ensure that the best and cheapest new technologies are used to monitor environmental contamination, wherever it occurs. It is our hope that this bill will serve as the basis for common ground on this reform of the EPA approval process, and that we will be able to address the issue in more detail in the coming months.

To be sure, there are many details yet to be worked out. This bill in no way represents the final word on how EPA should act. We know that further analysis may yield further ideas which will be considered through the normal committee process. But we intend, with this bill, to offer a starting point for discussion on this issue.

We encourage those who agree with our intent to make the EPA a more technology friendly agency to join as cosponsors to this legislation. The results will be good for both the U.S. economy and the health of our collective environment.

ENCOURAGING NEW ENVIRONMENTAL MONITORING TECHNOLOGIES

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Ms. LOFGREN. Mr. Speaker, I am pleased in joining my colleague from California [Mr. BAKER], in introducing legislation that will encourage the development of new and innovative environmental monitoring technology.

This legislation will help to improve the Environmental Protection Agency's current prescriptive analytical methods for the approval of new technology that will enable the Federal and State governments to better protect the public health and safety.

I believe we need to focus more closely on good results than process. I realize that this bill is a beginning discussion draft and welcome wide input from all interested parties in perfecting this important legislation.

HEALTH CONSCIOUS COMPANIES

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mrs. MORELLA. Mr. Speaker, I rise today to salute two area corporations, Fannie Mae of Washington, DC, and Marriott International of Bethesda, recently named by Working Woman magazine as 2 of the top 10 healthiest companies for women.

These companies are leading the way in the fight against rising health costs and against the debilitating effects of physical and mental illnesses. They have found that their employees' good health is good for business. Both

Fannie Mae and Marriott received high marks for the quality of their employee health plans that included provisions for family members, for reproductive health care, for mental health care, for preventive care, and for wellness programs.

According to Working Woman, "These corporate leaders believe that what's good for female employees is good for the bottom line." Marriott International was singled out for its Wellness and You! program, which offers exercise classes, massage therapy, and other stress-reducing activities and such on-site services as cholesterol checks and healthy cooking classes.

Fannie Mae has a women's health resource center where employees can check reference materials and use on-line services to get answers to their health-related questions, take evening exercise classes, and enroll in weight-management classes.

These corporations have invested wisely in their employees and in their own futures and serve as role models for our Nation's businesses. Mr. Speaker, please join me in recognizing these corporations for their commitment to women's health and to their employees.

CASTRO'S INVOLVEMENT IN DRUGS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Ms. ROS-LEHTINEN. Mr. Speaker, this morning the south Florida community woke up to new evidence, in addition to the vast amounts which now exist, of the involvement of the Castro regime in drug smuggling into the United States.

The Miami Herald reported that the Drug Enforcement Agency is investigating a link between Castro and a drug shipment of over 5,000 pounds of cocaine which was confiscated in Miami on January 9.

The Miami Herald reports that the drugs were apparently off loaded inside Cuban waters, to speedboats destined to the United States, from a freighter which originated in Colombia, which had previously docked in Havana to off-load cargo. The Herald story adds that United States law enforcement agencies have apparently also found pictures of the individual responsible for smuggling the drugs with Cuban tyrant Fidel Castro.

Mr. Speaker, no longer can the United States turn its back on Castro's aiding and abetting drug traffickers, because the mounting body of evidence connects Castro with drug trafficking. These allegations deserve to be examined and investigated thoroughly by our drug enforcement agencies.

Castro is desperate for hard currency, especially because of the chilling effect that the Helms-Burton law has had on foreign investment on the island, so it is to be expected that the tyrant will increase his involvement in illicit activities to finance his regime.

Every day it becomes increasingly clear that unless our Government addresses Castro's role in drug smuggling, we will never succeed in the war against drugs. It is time to expose the tyrant's involvement and lift the veil of silence on his complicity in drug smuggling.

President Clinton wants to continue to ignore Castro's drug ties because this United States administration wants to avoid a confrontation with the dictator in this election year, but the time for turning your cheek is over.

It is time to step up our efforts to stop the cooperation that Castro provides the drug barons of our hemisphere. Unless this is done, our borders, especially in the southeast, will continue to be invaded by these diabolical drugs which impart so much harm on our youth.

So there are many important questions that we must ask:

Where is the criminal indictment against Fidel Castro for his help in the illegal shipment of drugs?

What are our U.S. agencies doing to gather hard evidence against the dictator?

Where is the follow-up on all of the allegations, reports, and accusations we have been reading about for years?

How much more evidence is needed and what is being done to gather this evidence?

The only sounds we hear are the dragging of the feet of our agencies because the leadership at the top is not there.

Is this a case of see no evil, hear no evil, and speak no evil?

Are we willing to ignore the facts in order to avoid a confrontation with Castro?

These and many other issues must be explored by our antidrug agencies.

And they must be explored now. We are writing, Mr. President. Our community, indeed our Nation, is plagued with the deadly poison of drugs. The finger points to Fidel Castro.

Does the Department of Justice and the President not see this? Or do they choose to not see this?

TRIBUTE TO SUFFRAGAN BISHOP CHARLES L. TAYLOR

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 25, 1996

Mr. FILNER. Mr. Speaker, I rise today to recognize an outstanding religious leader in the San Diego community who is worthy of special recognition—Suffragan Bishop Charles L. Taylor.

Suffragan Bishop Taylor has been actively involved in the San Diego community since 1958. During that time, he and his wife Esther have shared their love unselfishly with 32 foster children. He was also instrumental in implementing the Free-Lunch Program for underprivileged children at a local elementary school.

In 1967, he established a church and began his pastoral work. He has been most influential in this capacity, and has left indelible trails for others to follow. He is the pastor of the Greater Apostolic Faith Temple Church in my hometown of San Diego, a church that has been a religious landmark for 70 years.

In today's society, where children from all areas and backgrounds must eventually face the scourge of violence and drugs, it is imperative to have religious leaders who can advise, instruct and lead our youth toward a brighter future. In his local assembly and throughout California, Suffragan Bishop Taylor has willingly assumed this critical role. He has worked untiringly to help people from all walks of life. He has dedicated most of his efforts toward the young, helping them to lead happy and productive lives.

Suffragan Bishop Taylor prepared himself for these challenging tasks by earning a bachelor of science degree from Virginia State College and two doctoral degrees in Divinity. He has attained honor and recognition from several leading organizations, including the Pentecostal Assemblies of the World—the oldest and largest Pentecostal organization on Earth. After 39 years as a working member of the organization, Suffragan Bishop Taylor will be elevated to the position of Bishop this August, joining the ranks of those who execute ecclesiastical decisions that affect the religious community.

A gala celebration of his elevation will be held August 17 at the Hotel Del Coronado in San Diego. I join all of those who have been touched by Suffragan Bishop Taylor's work in congratulating him on this honor and encouraging him to continue his good work.

HOUSE OF REPRESENTATIVES—*Friday, July 26, 1996*

The House met at 9 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

At the beginning of each day we give thanks to you, O God, for all the gifts and blessings and hopes that we receive. As the scriptures proclaim, "Make a joyful noise to the Lord, all the lands! Serve the Lord with gladness! Come into his presence with singing!" It is our earnest prayer, O God, that whatever our circumstance or whatever our situation, whatever our opportunity, we will respond to this day with prayer, praise, and thanksgiving. We pray that wherever we are or whatever our concern, we will continue to offer our gratitude to You, O God, for our lives, our hopes, and our dreams. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mrs. MALONEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mrs. MALONEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 229, nays 51, not voting 153, as follows:

[Roll No. 366]

YEAS—229

Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Bonilla
Bonior
Brewster
Browder
Brown (FL)
Brownback
Bryant (TN)
Bunn
Burr
Burton
Callahan
Calvert
Campbell
Cardin
Castle
Chabot
Chambliss
Christensen
Chrysler
Clayton
Clement
Clinger
Coble
Collins (GA)
Combest
Condit
Conyers
Cooley
Cox
Coyne
Cramer
Crapo
Cummings
Cunningham
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dingell
Dooley
Dreier
Duncan
Edwards
Ehrlich
Eshoo
Farr
Fattah
Flake
Flanagan
Foley
Forbes
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Furse
Gallegly
Geren
Gilchrest
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Greene (UT)
Gunderson
Hall (TX)
Hamilton
Hancock
Hansen
Hastert
Hayworth
Hefner
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hoyer
Hyde
Inglis
Jackson-Lee (TX)
Johnson (CT)
Johnston
Jones
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Kolbe
LaHood
Lantos
Latham
Levin
Lewis (CA)
Lightfoot
LoBiondo
Lucas
Luther
Maloney
Manton
Martini
Mascara
Matsui
McCarthy
McHale
McHugh
McInnis
McKeon
McNulty
Meehan
Meek
Mica
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Morella
Murtha
Myers
Myrick
Neal
Nethercutt
Neumann
Ney
Olver
Orton
Packard
Parker
Pastor
Payne (VA)
Pelosi
Petri
Porter
Portman
Pryce
Quinn
Rahall
Reed
Regula
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanford
Sawyer
Saxton
Schaefer
Schiff
Schumer
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Solomon
Stark
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Thornberry
Thurman
Traficant
Upton
Walker
Walsh
Wamp
Ward
Wicker
Williams
Woolsey

NAYS—51

Abercrombie
Borski
Clay
Clyburn
Deal
DeFazio
Durbin
Everett
Fazio
Foglietta
Fox
Funderburk
Ganske
Gephardt
Green (TX)
Gutierrez
Gutknecht
Hefley
Heineman
Hilleary
Jackson (IL)
Jacobs
Jefferson
Johnson, E. B.
Kanjorski
Lewis (GA)
Lewis (KY)
Lipinski
Longley
Lowey
McDermott
McKinney
Nussle
Obey
Pallone
Payne (NJ)
Pickett
Pomeroy
Poshard
Ramstad
Sabo
Schroeder
Stupak
Taylor (MS)
Thompson
Torkildsen
Vento
Volkmer
Watt (NC)
Waxman
Wynn

NOT VOTING—153

Baker (CA)
Baker (LA)
Barton
Becerra
Beilenson
Bereuter
Berman
Bevill
Blumenauer
Boehner
Bono
Boucher
Brown (CA)
Brown (OH)
Bryant (TX)
Bunning
Buyer
Camp
Canady
Chapman
Chenoweth
Coburn
Coleman
Collins (IL)
Collins (MI)
Costello
Crane
Cremeans
Cubin
Danner
Davis
de la Garza
Dickey
Dicks
Dixon
Doggett
Doolittle
Dornan
Doyle
Dunn
Ehlers
Engel
English
Ensign
Evans
Ewing
Fawell
Fields (LA)
Fields (TX)
Filner
Ford
Fowler
Frank (MA)
Gejdenson
Gekas
Gibbons
Gillmor
Greenwood
Hall (OH)
Harman
Hastings (FL)
Hastings (WA)
Hayes
Herger
Hilliard
Hinchey
Hoke
Holden
Hunter
Hutchinson
Istook
Johnson (SD)
Johnson, Sam
Kennedy (MA)
Klug
Knollenberg
LaFalce
Largent
LaTourette
Laughlin
Lazio
Leach
Lincoln
Linder
Livingston
Lofgren
Manzullo
Markey
Martinez
McCollum
McCrery
McDade
McIntosh
Menendez
Metcalf
Meyers
Millender-McDonald
Moorhead
Moran
Nadler
Norwood
Oberstar
Ortiz
Owens
Oxley
Paxon
Peterson (FL)
Peterson (MN)
Pombo
Quillen
Radanovich
Rangel
Richardson
Riggs
Rose
Sanders
Scarborough
Seastrand
Skelton
Slaughter
Smith (NJ)
Souder
Spence
Spratt
Stockman
Stokes
Studds
Taylor (NC)
Tejeda
Thomas
Thornton
Tiahrt
Torres
Torricelli
Towns
Velazquez
Visclosky
Vucanovich
Waters
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wilson
Wise
Wolf
Yates
Young (AK)
Young (FL)
Zeliff
Zimmer

☐ 0925

Mr. VOLKMER changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. EHLERS. Mr. Speaker, on rollcall No. 366, I missed the vote because I was detained in a doctor's office. Had I been present, I would have voted "yes."

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. KINGSTON). Will the gentlewoman from New York [Mrs. MALONEY] come forward and lead the House in the Pledge of Allegiance.

Mrs. MALONEY led the Pledge of Allegiance as follows:

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

The message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1051. An act to provide for the extension of certain hydroelectric projects located in the State of West Virginia.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 782. An act to amend title 18 of the United States Code to allow members of employee associations to represent their views before the United States Government;

H.R. 1642. An act to extend nondiscriminatory treatment (most-favored-nation treatment) to the products of Cambodia, and for other purposes;

H.R. 2980. An act to amend title 18, United States Code, with respect to stalking;

H.R. 3166. An act to amend title 18, United States Code, with respect to the crime of false statement in a Government matter;

H.R. 3448. An act to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act; and

H.R. 3603. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3603) "An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. COCHRAN, Mr. SPECTER, Mr. BOND, Mr. GORTON, Mr. MCCONNELL, Mr. BURNS, Mr. HATFIELD, Mr. BUMPERS, Mr. HARKIN, Mr. KERREY, Mr. JOHNSTON, Mr. KOHL, and Mr. BYRD to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3448) "An act to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that Act," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints from the Committee on Labor and Human Resources: Mrs. KASSEBAUM, Mr. JEFFORDS, and Mr. KENNEDY; and from the Committee on Finance: Mr. ROTH, Mr. CHAFEE, Mr. GRASSLEY, Mr. HATCH, Mr. SIMPSON, Mr. PRESSLER, Mr. MOYNIHAN, Mr. BAUCUS, Mr. BRADLEY, Mr. PRYOR, and Mr. ROCKEFELLER to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3103) "An act to amend the Internal Revenue Code of 1986 to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes," disagreed to by the House, and agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ROTH, Mrs. KASSEBAUM, Mr. LOTT, Mr. KENNEDY, and Mr. MOYNIHAN to be the conferees on the part of the Senate.

The message also announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 1577. An act to authorize appropriations for the National Historical Publications and Records Commission for fiscal years 1998, 1999, 2000, and 2001;

S. 1675. An act to provide for the nationwide tracking of convicted sexual predators, and for other purposes; and

S. 1784. An act to amend the Small Business Investment Act of 1958, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain five 1-minutes on each side.

EVIDENCE OF CASTRO'S ROLE IN DRUG TRAFFICKING

(Mr. DIAZ-BALART asked and was given permission to address the House for 1 minute.)

Mr. DIAZ-BALART. Mr. Speaker, yesterday's Miami Herald revealed vast new evidence of Cuban dictator Castro's personal involvement in cocaine trafficking into the United States. Drug dealers busted with thousands of pounds of cocaine from Cuba not only say the cocaine was brought into the United States with Castro's coordination, there are photos of Castro with the traffickers and video of Castro-assisted drug operations.

Mr. Speaker, our DEA and Customs people on the front line are doing an admirable job, but until when is the Clinton administration going to cover up the fact that Castro is today a major cocaine trafficker?

□ 0930

Where are the indictments against Castro's henchmen for trafficking that the U.S. Attorney in south Florida has had ready for issuance for 3 years? I know this administration would like the drug problem to just go away, but the cover-up on Castro's role in drug trafficking will not hold any longer.

President Clinton must face up to this issue of grave consequences to the American people.

COMMISSION NEEDED ON CAMPAIGN FINANCE REFORM

(Mrs. MALONEY asked and was given permission to address the House for 1 minute.)

Mrs. MALONEY. Mr. Speaker, we have another session of Congress and another failed effort at campaign finance reform.

The more things change, the more they stay the same. We could shrug our shoulders and give up or we could put our shoulders to the wheel and work on the only viable option left for this Congress, a comprehensive commission on campaign finance reform.

I have introduced a bipartisan bill to do just that. It is modeled after Congressman ARMEY'S Military Base Closing Commission. The Commission would consider all relevant aspects of campaign finance reform and present a comprehensive bill for an up-or-down vote on the floor.

President Clinton, Speaker GINGRICH and Senator Dole all have publicly endorsed the concept. Let us take advantage of this rare consensus. Mr. Speaker, it is either an independent commission or more of the same.

INVESTIGATE THE ROLE OF CUBA IN DRUG SMUGGLING

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, it comes as no surprise to those of us from south Florida that, as reported by the Miami Herald yesterday, the DEA is investigating a connection between Cuban tyrant Castro and the shipment of over 5,000 pounds of cocaine which was confiscated in Miami early January.

The Herald reported that United States drug enforcement agencies suspect the drugs were offloaded inside Cuban territory from a Colombian freighter and the agency is investigating a photo which documents a meeting between Castro and one of the drug smugglers arrested.

But will the mounting documentation on this and other cases result in an indictment of Castro?

As long as the administration refuses to confront, for political reasons, the role that the Cuban Communist regime plays in drug smuggling, our Nation will never win the war on drugs and stop the devastating effects that narcotics have on our children and society.

Unfortunately, the administration continues to drag its feet because the leadership at the top is not there and it ignores the facts in order to avoid a confrontation with Castro.

Once again, President Clinton fails the drug test.

It is time for the rhetoric to stop and action to be taken.

The finger points to Fidel Castro. Will President Clinton investigate?

ILL-ADVISED CHANGES IN LABOR LAW

(Mr. GENE GREEN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Speaker, I am here from the Government and I am going to help you. I am a Republican and I am here to help the working people of America.

Both these statements are kind of hard to believe. We have a bill today on the calendar that will change 60 years of 40-hour week laws. The Republican majority this year alone opposed the minimum wage increase, cut occupational health and safety funding for safe workplaces, cut funding for fair labor standards enforcement, and now today they want to lower the wages by eliminating overtime wages.

This Congress is not the friend of the working people; they want to eliminate the working people.

AMERICAN PEOPLE NEED TO KNOW TRUTH ABOUT FILEGATE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, one of the most interesting questions surrounding the Filegate matter was "Who hired Craig Livingstone?" In testimony before the House Government Reform and Oversight Committee, Bernard Nussbaum said he did not know who hired Mr. Livingstone.

That was the story last month, on June 26.

Yesterday, a very different picture emerged. Chairman Bill Clinger has now reported that based on his committee's investigation, Bernie Nussbaum was indeed very knowledgeable about Mr. Livingstone's employment at the White House.

The FBI has supplied evidence that completely contradicts his testimony.

Mr. Speaker, I think the American people deserve to hear the truth about Filegate. Instead of all the excuses and coverups; instead of all this bobbing and weaving; would it not be easier for the White House to come clean?

Think about it, Mr. Speaker, if they are truly innocent of any wrong doing, why do they not just tell the truth?

WORKING FAMILIES FLEXIBILITY ACT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, America's working families are under tremendous stress. The average working family feels like a hamster in a wheel, where they run faster and faster every year and their tongues are hanging out and they cannot make ends meet. And so the Republicans who were against flex time, were against family medical leave, were against everything else, have come up with this new warm fuzzy. It sounds wonderful.

They are talking about the Working Families Flexibility Act. Well, it is so flexible that a working woman who works 47.5 hours a week at $5 an hour takes a 22-percent pay cut. This is not what we need. It is wrong to try and trick America's families, who are under such stress, that you are trying to be so sympathetic toward them, when all you are really doing is giving their employers even more money and even more authority over the time and the hours that they work. This is wrong. It should be defeated.

Mr. Speaker, I hope everybody listens to it, and I hope we stop putting the kind of nice warm fuzzy names out over something that is really going to harm America's families. They are too precious to do that.

WELFARE REFORM LEGISLATION

(Mr. MILLER of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Florida. Mr. Speaker, I rise today to ask President Clinton a simple question. Will you sign the welfare reform legislation? Everyone in this Chamber wants to save our children. Every one in America agrees the current welfare system has failed our children. We have worked on a bipartisan basis in both Chambers to deliver reforms that free the most vulnerable children in America from a life of dependency on a faceless, uncaring bureaucracy.

We are one step away. All we need is President Clinton's signature. Here's what he must decide. Is it fair to leave our most vulnerable children trapped in unsafe schools and unsafe homes? Is it fair to leave kids in a system where the only successful entrepreneurs in the neighborhoods are drug dealers?

President Clinton must decide who is more capable of delivering true compassion to these kids. Can a Washington bureaucracy that is saddled with outdated rules and regulations created to appease some special interest group really deliver compassion? I believe neighbors helping neighbors can dramatically change the lives of individual Americans. I hope the President makes the right decision for America's kids.

MINIMUM WAGE AND WELFARE

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, Members of the House, apparently the Republicans have gotten the message. America's families are working harder than ever, longer than ever, and earning less than at any time in the last 20 years. The reason for that is simply that wages have not kept up.

But what we now see is the Republicans fighting an effort to bring a minimum wage to a livable wage. We see it is Republicans now allowing employers to take away people's overtime, overtime that has become, unfortunately, more and more important to maintaining family wages in this country.

So, what we have is, we have a dual attack on working families, and now we see also that they are going to bring us a welfare bill that will plunge a million more children into poverty that are not in poverty today. Half of those children are in working families, but because their families cannot earn a better minimum wage, because they will not be allowed to earn more overtime, those families are now going to be put into poverty because they are also going to lose what little benefits they get under the current welfare system. No; working families, working poor families, working middle class families continue to be under assault by this Republican Congress because they have not got the message these families need help.

AIRPORT SECURITY NEEDED NOW

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker in 1990, we passed the Aviation Security Improvement Act, which was supposed to protect people in airports getting on their airplanes. It was supposed to deal with the possibility of detecting plastic explosives, which could kill a lot of people like that which happened in New York just a few short days ago. The problem is it did not work. It has not worked and since 1990, nothing really has been done.

They said by 1993 we would have devices at every airport, especially the international airports, to detect these plastic explosives. It has not happened, and now we have lost 230 some people over the Atlantic.

We need to put dogs at the airports that have the ability to sniff out plastic explosives. We use them in this Chamber, in the Capitol of the United States, and it will work at the airports.

The cost is very small compared to the machines we are talking about. Those machines could cost up to $2.2 billion. To put dogs at 50 airports costs about $4 million a year, and we could do it right away. We do not need to mess around. If we are going to protect the flying public in this country, we need to do it now.

Mr. Speaker, I have introduced a bill to this effect, and I hope all of my colleagues will cosponsor it.

THE COMP TIME BILL

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, this comp time bill is not about compensation, and it is not about flexibility, and it certainly is not about helping working families. It is about ending the 40-hour workweek. It is about cutting people's pay. It is about changing the laws so employers no longer have to pay overtime wages for overtime work.

This bill takes away the only real raise that most people have gotten over the last 20 years, and they have earned that through their own hard work, through their sweat.

Mr. Speaker, if this bill becomes law, as this chart points out, a single mom who puts in 47 hours at 5 bucks an hour can lose $50 a week. The factory worker who gets $10 an hour can lose $110 a week. This is a 22-percent cut.

Mr. Speaker, if this bill becomes law, workers are going to need comp time just to find a second job to make up for the money they lose in overtime pay.

PROVIDING FOR CONSIDERATION OF H.R. 2391, WORKING FAMILIES FLEXIBILITY ACT OF 1996

Ms. GREENE of Utah. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 488 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 488

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Economic and Educational Opportunities. After general debate the bill shall be considered for amendment under the five-minute rule for a period not to exceed two hours. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Economic and Educational Opportunities now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Points of order against the committee amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI are waived. Before consideration of any other amendment it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Goodling of Pennsylvania or his designee. That amendment shall be considered as read, may amend portions of the bill not yet read, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. If that amendment is adopted, the committee amendment in the nature of a substitute, as amended, shall be considered as the original bill for the purpose of further amendment. No further amendment to the committee amendment in the nature of a substitute, as amended, shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be fifteen minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 0945

The SPEAKER pro tempore (Mr. KINGSTON). The gentlewoman from Utah [Ms. GREENE] is recognized for 1 hour.

Ms. GREENE of Utah. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 488 is a modified open rule providing for the consideration of H.R. 2391, the Working Families Flexibility Act. The rule provides for 1 hour of general debate, equally divided between the chairman and the ranking member of the Committee on Economic and Educational Opportunities.

Mr. Speaker, the rule makes in order the Committee on Economic and Educational Opportunities amendment in the nature of a substitute as an original bill for purpose of amendment, with each section considered as read. The rule waives clause 7 of rule XVI, which requires amendments to be germane, against this committee amendment in the nature of substitute. This waiver is necessary because the committee amendment includes a remedy provision to further enhance existing worker protections, and this provision is technically beyond the scope of the bill.

Mr. Speaker, the rule provides for the consideration of the manager's amendment printed in the Rules Committee report, which amendment shall be considered as read. This amendment shall not be subject to amendment or to a division of the question, may amend portions of the bill not yet read, and is debatable for 10 minutes equally divided between the proponent and an opponent. If adopted, this manager's amendment shall be considered as part of the base text for further amendment purposes.

In order to better accommodate members' schedules, the rule allows the Chairman of the Committee of the Whole to postpone votes and reduce voting time to 5 minutes.

Mr. Speaker, there are only 26 legislative days left in this Congress, and there remain a large number of priority items that must be considered by the House, including the remainder of the reconciliation process and all 13 appropriations conference reports. Accordingly, the rule provides for a 2-hour limit on the amendment process. Given that no amendments were offered during the full committee markup of this legislation, and only one amendment has been filed, 2 hours should be more than adequate time for amendment of this straightforward legislation.

The rule provides for consideration only of those amendments that have been preprinted in the CONGRESSIONAL RECORD. Members have been given ample time and notice to get amendments printed in the RECORD. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 2391 is important, commonsense legislation to give working families a much-needed option in balancing their work and family schedules. The Working Families Flexibility Act will permit private sector employees to have the option of choosing paid compensatory time in lieu of cash wages when they work overtime hours. Employees of the Federal Government, and of State and local governments, have already had this opportunity for years.

As part of the House's new crop of working mothers, I am proud to be a cosponsor of this legislation. It's tough to be a good worker and a good mother, father, daughter or son. Millions and millions of us struggle with these competing demands every single day. This bill will bring relief to working families, especially working mothers and fathers who are bearing the brunt of balancing work and family obligations. This legislation will amend overtime rules for private sector employees that were established in 1938, as part of the Fair Labor Standards Act. It is important to note that the United States was a much different place in 1938—at that time, most women worked at home. Today, most women work both in their homes and outside of the home, and struggle to balance the time demands of work and family—particularly those of children.

We are trying to make the private sector provide workers the same options that public employees have today.

Many men are recognizing their duty to be more than just a financial provider and want to be able to spend important family time with their children.

The Working Families Flexibility Act seeks only to amend this one anachronistic aspect of the Fair Labor Standards Act that is hampering America's new generation of working families.

Indeed, contrary to what this bill's alarmist critics will say, the Working Families Flexibility Act is humble in its ambition. It seeks only to give working families an additional tool in balancing work and family time. This bill seeks only to equalize how public and private sector employees are treated with respect to comp time.

Mr. Speaker, I reserve the balance of my time.

This legislation does not change the fundamental worker protections of the Fair Labor Standards Act.

This legislation does not change the 40-hour work week for purposes of calculating overtime.

This legislation does not relieve employers from the obligation of paying overtime.

This legislation does not give employers the means to coerce workers into taking compensatory time instead of overtime pay.

What this bill does, is give workers the option of choosing more cash wages or paid time off for overtime work.

Mr. Speaker, we all know that working families are suffering from a time crunch. Things have changed since 1938—we have more working parents, more single parents, more divorces—we didn't plan it that way, but it's a reality. We also have more seniors living longer, needing the care and love of their children and grandchildren. The Working Families Flexibility Act will permit working parents to bank comp time, so that they can have time available to tend to a sick child, to go to a special event for that child, like a baseball game or dance recital, or to care for a fragile parent. If some of those workers prefer extra cash wages for overtime, they can still choose that. The point is that, under this legislation, the choice will be theirs, not Washington's.

Mr. Speaker, this is a chance to help working families get a little more control over their lives by giving them greater choices and more flexibility. Let's let them choose.

Mr. Speaker, I would like to once again emphasize that this is a modified open rule, providing for fair consideration of the important issues contained in this bill. I urge my colleagues to support this open rule and the important underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I thank my colleague from Utah, Ms. GREENE, for yielding me the customary half hour and I yield myself such time as I may consume.

Mr. Speaker, the concept behind this bill is a good one. But the execution is terrible.

What is good for public employees should be good for private employees. If public employees can take comp time, private employees should be able to also.

But this bill basically means that employees can be forced to take paid time off rather than overtime pay, and that is a significant problem.

Because there is a big difference, Mr. Speaker, between private employers and the U.S. Government.

For one thing, the Government is a nonprofit, it does not need to impress its stock holders with a good bottom line, although it probably should, and it is not likely to go bankrupt anytime soon.

Furthermore, many Government employees work in white collar jobs and earn above average salaries, their salaries are probably adequate without overtime pay.

So what is good for the goose is not necessarily good for the gander.

And, once again, it is hard working, lower paid Americans who are getting hurt by this Republican Congress.

Like many other bills we have seen this session, this bill takes care of the big guys but does not do much for the workers.

In fact, I would say, Mr. Speaker, that it seriously endangers workers, particularly workers who rely on overtime pay to support their families.

This bill allows an employer to stop paying overtime, and say to employees, "Sorry, I can't pay you overtime, but in return for your long hours, you can take a vacation when it's convenient for me, if I'm still in business."

Mr. Speaker, two-thirds of workers who earned overtime pay in 1994 had family incomes of less than $40,000 per year. They averaged wages of $10 or less per hour and they relied on this overtime pay to feed their children and support their families. For those workers in particular, this bill could mean serious trouble.

It not only enables the employers to decide whether or not to offer comp time but also provides no protections for when and how a worker can use their comp time.

In spite of proponents' claims to the contrary, under this bill, workers have very little choice.

Because Mr. Speaker, when your employer says "we're doing things this way now" you either go along or you get replaced. That is just the way it is and anyone who says an employee can significantly change the work environment is fooling themselves.

This bill does nothing to prevent an employer from giving all or most overtime work to an employee who is willing to accept comp time and does not need the overtime pay.

If an employee does take the comp time this bill does not give them the right to use that time when they want it. In fact, an employer could force an employee to use comp time whenever the employer wants.

And, to make matters even worse, if a company goes out of business or goes bankrupt, employees left holding unused comp time have no protections at all. They worked overtime, they were promised comp time, but under this bill, they could be left holding worthless vouchers for comp time.

By lowering the costs of scheduling overtime, this bill will actually encourage employers to hire fewer employees and work them longer hours.

I for one have not been deluged with letters and calls or telegrams from employees clamoring for comp time, Mr. Speaker. In fact, the Employment Policy Foundation—an employer-based think-tank—estimates that 10 percent of employees who are already entitled to overtime pay do not receive it. That comes to $19 billion of overtime pay each year that American employees should be getting already but are not.

Mr. Speaker, let us take care of American workers instead of taking away what few rights they have.

I urge my colleagues to oppose this rule.

Mr. Speaker, I reserve the balance of my time.

Ms. GREENE of Utah. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Economic and Educational Opportunities.

Mr. GOODLING. Mr. Speaker, it is very difficult for me to understand how Members can stand in the well, face the American people and totally distort the facts. I cannot understand that. It does a disservice to them, it does a disservice to those of us who are serving our constituents. My committee has responded to what the American people said they wanted, once again. We have done that.

The President took a poll, others took a poll and found out that 75 percent of the working families want to have a choice between comp time or overtime. That is what we have given them. They are protected from the word go. Only the employee makes that choice; no one can make them make that choice.

We have stagnation in wages and benefits now, not because of something of this nature but because there is an economy that is not growing. The Federal, State and local governments now have comp time, have had it for years. We here on this floor want to say, well, it is fine for our employees but we do not want the private sector to have the same opportunities that our employees have.

We have crafted it in such a manner, realizing that there is a difference between the private sector and the public sector, to make very sure that it is the employee who makes that choice. It is the employee who may change their mind, and they have the opportunity to change their mind and take the money rather than take the comp time. It is the employee who makes every determination in relationship to whether or not they take comp time.

First of all, it is totally incorrect to say that it has any effect whatsoever on a 40-hour work week. It does not in relationship to the calculation for overtime. This is what the legislation does.

If the employee chooses comp time over cash wages, there must be an express mutual agreement in writing or some verifiable statement between the employer and the employee. Employees would not be able to pressure or force employees to choose comp time.

Someone said, what if they go bankrupt the same as any other company now goes bankrupt? But in this case, they are first in line if a company goes bankrupt to claim anything from the assets of that company.

Employees would only be able to accrue a maximum of 240 hours of comp time within a 12-month period; but employers and employees could agree to a limit accrual to less than that if they decide to do that. Employers would have to pay employees in cash wages for any unused accrued comp time at the end of each year.

Nothing in the legislation precludes employees from changing their mind to choose cash wages instead of comp time or vice versa.

□ 1000

Comp time can only be provided at the request of the employee. So I think it is time to stop the nonsense of trying to confuse the American people. This is what the private sector wants because this is what the public sector has had and has enjoyed, and we should give them that opportunity to make that choice.

Mr. MOAKLEY. Mr. Speaker, I yield myself such time as I may consume.

My dear friend who just took a seat I think would have to realize that the employer has to agree with the employee when it comes to the comp time and when that time could be taken.

Mr. HEFNER. Mr. Speaker, will the gentleman yield for just a question?

Mr. MOAKLEY. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, as someone who is not a businessman, and I have not been inundated with requests on this, but if I am working 30 or 40 people in my plant, and they were trying to make a living on, in a lot of cases, very low wages and the employer says, "Hey, we've got a deal here for you. You can either get overtime or you can get comp time, and I would suggest that comp time might be better for you," and if the guy does not really understand what is happening to him, he is going to pretty much have a tendency to go along with the employer.

Would that be a logical conclusion?

Mr. MOAKLEY. I would say also the employer would tend to give the extra time to the fellow who takes comp time rather than the overtime, so if you say, "I want overtime," they probably will not be designated as the fellow who is going to work.

Mr. HEFNER. If the gentleman will continue to yield, I remember back the first job I ever had I was a young guy just out of school and I got a job for $18 a week, and I had some senior guys that were working in the place who were married and had families, and I went to the employer and I said "Hey, I do the same work as these people do except I do delivery work, I cut glass, I throw pipe, I need to get a little bit more money, why can't I get a little bit more money?" "Because you're not married and you don't need the money," and the employer, do my colleagues know what, he was right, and I did not get any more money.

But if I were working 20 or 30 employees and the employer comes in and say, "OK, folks, here's the deal. You can get, if you're going to work 48 hours this week, we'll give you some overtime, but the best deal for you is comp time and I'll decide when you can take the comp time." Is that the way this bill works?

The chairman said that people were demagoging here and absolutely misrepresenting it, and I think it can be misrepresented from both sides the way I read this legislation. I want to do what is right for my small business people.

Mr. MOAKLEY. Just stated the case as it is.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I just wanted to follow up on my friend from North Carolina and look at this from another dimension, the person who is applying for a job. He or she goes to an employer and tries to get a job, and the employer is interviewing that person and suggests to them, or at least ask them:

"What would you prefer in your work life here with us at this company: comp time or overtime wages?"

Of course, the employer is going to make their case that they would prefer them to have comp time. They are going to be persuaded by that, or they are not going to get the job.

They hold all the leverage, they hold all the power in that situation, and that is why this bill is bad.

The idea of flextime is a good idea, but this is not flextime, this is comp time, and comp time means they lose overtime wages and pay, and that is what is wrong with this bill.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, I think what we have just heard in this colloquy is why we ought to vote against this rule and get this bill out of here.

We hear about cruel and unusual punishment, but this is going to be cruel and outrageous legislation because it is made to sound so wonderful and soft, but let me tell my colleagues, every employer in America will be really stupid if, when someone came to get a job, they did not say, "And by the way, when we have overtime, wouldn't you like to sign this little form saying that you really don't want to be paid for it, you'll just take comp time?"

And then, of course, the whole thing is that they only get the comp time when the employer says they can have the comp time.

Well, now, let us assume that things are so tough that the employer has to hire a few people who will not sign that. Well, what is he going to do when it comes time to hand out overtime? If they did not sign it, they are never going to get it.

So this is really terribly disruptive. We keep pretending like employees have exactly the same leverage that Michael Jordan does when he is out negotiating with his employer, and anyone who has been in an employee situation knows that is not true. And so what we are really doing is tilting the scale 100 percent in favor of the employer, and we are really going to end up cutting the pay, because so many families depend on this extra money that they get, and if they do end up having the comp time, they are not going to get the comp time when they need it to go to the child's school or anything else. They get the comp time whenever the employer says they can take it, and that is no deal at all.

So I really hope that we should strip off the name "family friendly."

I hope many Members in this body who have small companies that, as employers, will benefit by this legislation will not vote on this legislation. I think it is a conflict of interest, and I think we ought to be talking about whether people who have companies that might be able to do this should be even able to vote on this legislation.

Do not call it "family friendly." Vote "no." Get it out of here. This is ridiculous, and this is the "employer reward" bill.

Ms. GREENE of Utah. Mr. Speaker, I yield 30 seconds to the gentleman from Pennsylvania [Mr. GOODLING] to correct some misperceptions about the legislation.

Mr. GOODLING. Again, Mr. Speaker, another total distortion of the facts. If an employee is coerced in our legislation, they can collect double overtime and attorney fees, and the Secretary of Labor can do it for them, they do not even have to do it themselves, and they can always cash out their comp time if they want, and this does not happen to be some outrageous Republican proposal. The President of the United States, who is not a Republican, has indicated that he supports this kind of legislation.

Ms. GREENE of Utah. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, as my colleagues know, while our Olympic athletes may start their day with a bowl of Wheaties, our Democrat colleagues started the day by trying to serve up a bowl full of balderdash sprinkled with horse feathers. That is what we are trying to spoon out during their speeches on comp time: Distortions, prevarications, and untruths.

This is really a simple bill designed to give hourly employees the opportunity to have more flexibility in their work schedule so that, for example, they can better meet the needs of their working family.

The bill allows an employee, when the employer agrees, they have to agree together, to take overtime pay in the form of comp time rather than cash wages.

The bill does not, I repeat, does not affect the change in the 40-hour workweek. Some of the unions are sending letters, phone calls, saying that it does affect the workweek. Under this bill, a worker would still earn overtime in the very same way he or she does by now, by working 40 hours in a 7-day week. In that, this bill would simply allow workers to choose, by agreement with the employer, to receive time-and-a-half comp time instead of wages. Workers in the public sector, State, local, Federal employees, have had the option of taking comp time for many years, and many union members do, too.

The bill extends this option to private sector, un-unionized private sector as well. Surveys have shown that there is strong support among hourly employees for having this option. Obviously not every employer will use it, but it will fill in a need for many workers. By allowing the employees to take comp time, they can bank extra hours at the time-and-a-half rate and use that time for extra vacation time, personal leave or whatever they want.

As I mentioned, the public sector and many unions have the option of using comp time now. We would extend that to the rest of the private sector.

I started out with simply using the same language that is in the law for the public sector and applying it to the private sector. Then Democrats started raising issues that frankly have not been problems in the public sector, and I doubt it would be in the private sector. But in order to help sell the bill, we made several changes that give private sector employees more protections against coercion and taking comp time or taking advantage of it if they do take comp time. We specified that the employee must choose comp time voluntarily, and it indicates so in writing. We have said that the employee that takes comp time but then changes his or her mind for whatever reason and wants cash, the employer has to cash out the employee's accrued comp time within 30 days of the request. We put in protections against coercion and special, specific penalties for employers who coerce employees into taking comp time. We specify that the employee may take comp time whenever he or she wishes as long as he or she gives reasonable notice to the employer and takes the leave that does not disrupt the employer's operation.

We have said to the employer that he has to cash out all the unused comp time at the end of the year and show it. I think we have accommodated every reasonable concern and some that were not so reasonable.

Mr. MOAKLEY. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR], the minority whip.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, I just want to ask my colleague from North Carolina. They made the point that if they are coerced or they have a problem, that they have remedies for this, and all I wanted to ask was where would they go to make their complaint and who would decide if it was coercion or whatever?

Mr. BONIOR. Mr. Speaker, I yield to the gentleman from North Carolina [Mr. BALLENGER] to respond to the gentleman.

Mr. BALLENGER. They can go to court on their own or they could go to the Secretary of Labor, who is not a friend of business, and he will do it for them to enforce that law.

Mr. HEFNER. I am just curious how many people would have on their own the resources to go to court and how many people on their own would know where to go to go to the Secretary of Labor.

Mr. BALLENGER. That is the reason the Department of Labor is involved; to give them the authority does not cost anything. The gentleman's labor leader Mr. Reich, I am sure, would be happy to do it.

Mr. HEFNER. I have an idea that 90 percent of the people in our district in North Carolina do not have any idea who Mr. Reich is. I just think this is not a very good deal for the average working folks in the country.

Mr. BONIOR. Mr. Speaker, I do not know who my friends on the other side of the aisle think they are fooling today with this bill.

As my colleagues know, over the past 20 months the Republicans in this House have voted to cut Medicare, cut Medicaid, cut student loans, close nursing homes, raid pension funds, block health care reform, weaken health and safety laws, but labor laws, weaken the right to organize, block an increase in the minimum wage and eliminate the minimum wage altogether for literally millions of Americans. Yet today they come to the floor and they try to convince us that they are the champions of working men and women.

Now, I swear, if shamelessness were an Olympic event, the Gingrich Republicans would take the gold.

We all know that this bill is not about compensation, it is not about flexibility, and it is certainly not about helping working families. It is about cutting people's pay. It is about changing the law so the employers no longer have to pay overtime wages for overtime work.

This bill takes away the only real raise most people have seen for the past 20 years and have earned with their own sweat and hard work.

We live in a country today where 80 percent of our families have not seen a raise since 1979, and, according to the Wall Street Journal, we also live in a country where violations of overtime laws are so common that one study found that workers are getting cheated on $19 billion each year. Yet this bill takes away the overtime cops off the beat; it completely wipes out the law that says they have to pay time-and-a half for overtime work.

We are all for flextime because flextime allows us to arrange our schedules to spend more time with our families. But that is not what comp time is. Comp time is a pay cut, pure and simple. If this bill becomes law, a single mom who puts in 47 hours a week earns five bucks an hour, will lose 50 bucks a week. Someone who works in a factory, works the same amount of time, $10 an hour, he or she will lose $110 a week. That is about a 22-percent cut in their pay.

No wonder this is called the comp time bill: because if this becomes law, workers are going to need comp time to find a second job to make up for the money they lost in overtime pay.

Why do you think that so many people are working overtime today? Because they like working long hours? No; it is because they need the money and it is because wages have been stagnant and they need the work, and they work hard for that.

So do not come to the floor and tell us that this bill is meant to help families spend more time with their families. Because if Republicans are really concerned about helping people spend time with their families, they would not have opposed the medical and family leave law. It supporters of this bill really wanted to help families, why do they give employers instead of the employees power to decide when and if comp time can be taken?

No wonder that 66 percent of working men and women say they fear that employers will use this law to avoid overtime pay. No wonder nearly 7 in 10 working people prefer overtime pay to forced comp time.

□ 1015

This bill does not give employees more control over their lives, it gives employers control over the lives of the people who work for them. Working people all over this country today are working hard, they are working longer hours just to make ends meet, and we should not take away the one sure path they have toward earning a better living for their families. Vote "no" on this rule. Vote "no" on the bill.

Ms. GREENE of Utah. Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. Pryce], my colleague on the Rules Committee.

Ms. PRYCE. Mr. Speaker, I thank my friend from Utah for yielding me this time. I rise to express my strong support for this rule and for the Working Families Flexibility Act.

First, this is a fair rule. The modest conditions outlined in the rule will ensure that Members have the opportunity to review all germane amendments prior to their consideration.

Second, as a cosponsor of the bill, I support restoring some flexibility to the American workplace. Today more than ever before in the history of America, both parents of a family find themselves in the workplace. As this percentage steadily grows, employers find that current law hampers their ability to provide workers the flexibility that they want and need to balance family and work interests.

H.R. 2391 would restore flexibility by simply allowing overtime compensation to be given in the form of comp time off, and only if the employee wants this form of compensation.

Mr. Speaker, this is 1996. We are near the start of a new century. It is time for American labor law to catch up from the conditions and perspectives of the 1930's that helped shape landmark laws like the Fair Labor Standards Act. No matter how well-intentioned their creation, labor laws today simply must be reformed to reflect the changing nature of the modern workplace.

Over the past 25 years, the American economy has rapidly expanded. Competition has increased, and more women are working today than ever before. As a result, employees are looking for support and fairness as they struggle to balance family needs and job responsibilities. by freeing workers and their employers from the arcane 1930's standards, H.R. 2391 recognizes that a productive workplace can be achieved while also giving employees the flexibility to care for their families, creating a more family-friendly work environment and making it easier for the households where both parents work.

Allowing comp time is a good step toward revamping Depression-era labor laws. This bill is a winner for employers, employees, and families alike. The big union bosses and my colleagues on the other side should put the American worker first and stop playing paternalistic big brother. American workers are perfectly capable of deciding whether they want to be paid for their overtime service in dollars or in comp time. In this day and age, to many families, time is more valuable than dollars. I urge support for this important pro-family legislation and a vote for this very fair rule.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, Mr. Gene Green.

Mr. GENE GREEN of Texas. Mr. Speaker, I thank my colleague from Massachusetts for yielding me this time.

Mr. Speaker, I serve on the Committee on Economic and Educational Opportunities where this bill originated. I have expressed it during the committee that I like the idea of workers choosing between earning overtime and comp time as long as it is the total choice of the employee with teeth to prevent the coercion. This bill does not protect that employee choice. National polls show that an overwhelming number of workers expect to be forced by their employer to accept comp time instead of overtime. But the central issue here is clear, it is either employee choice or employer mandate. That is the concern about the bill. That is why the bill is flawed. H.R. 2391 does not contain a strong provision to prevent the employer from forcing workers to accept time off in lieu of overtime pay. In my district many people have to have overtime pay just to make ends meet. In H.R. 2391, employers maintain the control when to grant that comp time regardless of the amount of notice that the employee gives. What good is it to earn comp time if your employer makes you use that instead of your vacation you may earn? This needs to be addressed. Comp time should be treated just like any other wages in bankruptcy. This bill does not touch that. It should be at the same level in bankruptcy filings, so comp time is the same as lost wages in bankruptcy. This proposal does not ensure that the full remedies available to employees for violation of the overtime law are available where the employer violates the law. Strong civil fines should be established where employers who operate comp time programs violate the law and coerce employees. Instead of this flawed Republican proposal, we should work on a bipartisan proposal giving employees real flex time. I urge defeat of the rule, Mr. Speaker.

Ms. GREENE of Utah. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Weldon].

Mr. WELDON of Pennsylvania. Mr. Speaker, I had not intended on speaking on this particular issue today but sitting back in my office listening to some of my colleagues speak, I had to come over here and I had to say a few words. As a Republican who supports labor a good deal of the time, as a Republican who voted against NAFTA, who voted for the antistrikebreaker bill, who cosponsored the family medical leave bill, I have got to respond to some of the assertions made by my colleagues on this side about what Republicans have done to working people in America.

It was Bill Clinton who jammed NAFTA down the throats of this country. It was Bill Clinton who told us the side agreements were going to raise up the working conditions and the environmental laws in Mexico.

Where are those side agreements, Mr. Speaker? And to all those rank-and-file workers out there, you ask your union leaders, what has this President done to enforce those side agreements? Zero, zilch, nada. The jobs are going south.

It was Bill Clinton, Mr. Speaker, who said he was for the antistrikebreaker bill which I voted for. But, Mr. Speaker, tell the workers of this country that it was Bill Clinton who would not lobby one of his two Senators from Arkansas to vote for cloture when it only needed one vote, because the votes were there to pass it, but he would not use his ability to get one of the Senators from Arkansas to vote to invoke cloture so that bill could become law, and I voted for it. Where is the outrage there?

And, Mr. Speaker, where is the outrage on the other side at those 1 million UAW workers, those 1 million machinists, those 1 million electrical workers who have lost their jobs in defense plants all across this country because of Bill Clinton's cuts?

Where is the outrage from the union leaders and from this side of the aisle on those losses? There has been total silence on those issues. And they have the gall to come to this floor and say that somehow a bill that allows workers the ability to decide whether they want some time off when they voluntarily have agreed to it is hurting labor. I am outraged and disgusted by what I hear on this side as someone who supports labor and supports working people.

Mr. Speaker, I say get real. I say this is solid legislation that we should all get behind. And as a prolabor Republican I am going to vote for it, and I am going to challenge my colleagues on that side to match their actions to their rhetoric. They have not stood by labor on NAFTA, they have not stood by labor on antistrikebreaker, they have not stood by labor on the millions of jobs that have been lost in defense contract cutbacks by this President and this administration. We have a fair and an ideal dialog that benefits working people in this country, instead of the Beltway labor leaders that are totally in bed with the Democratic Congressional Campaign Committee, who have placed $35 million running ads on every TV station in America, with none of those ads against right-to-work Democrats. We have right-to-work Democrats with zero voting records and there is not one dime of that money going against any of them. Why? Not because the rank-and-file labor workers disagree but because the leadership in Washington has targeted all of that money against Republicans. That is the outrage I feel and I am going to lead the effort to have this bill become law.

Mr. MOAKLEY. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, my colleague can be outraged but the fact of the matter is that with this piece of legislation, this is a repeal of the 40-hour workweek. Make no mistake about it. It is a reward to the rich special interests. That is what this piece of legislation is about.

Wages for working Americans in this country have been stagnant for too long, and what this bill will do is to cut workers' incomes by billions of dollars. That is right, billions of dollars. This bill makes radical changes in our Nation's laws.

Under the bill, the employer can deny an employee overtime pay and can coerce the worker into taking time off. The burden of proof is on the worker to find that memo, which will be nonexistent, that says they intended to cut their wages. They are never going to find that memo. It will be a silent action.

It can deprive working families of the change to earn overtime. Today that is one of the very few tools that working Americans have in their struggle to keep their families together in our current economy. The Bureau of Labor Statistics says that average hourly pay has fallen by 11 percent over the past 17 years, and despite working longer and longer hours and throwing every member of their family into the work force, Americans, working families, are falling further and further behind.

What was the response of this Republican-led Congress? Stall the minimum wage. Eighty percent of the American public wants to see an increase in the minimum wage. They say that 90 cents is too much, because they make over $133,000 a year, but we cannot have the minimum wage increase.

Now what they want to do is to cut people's overtime and to cut their pay at the same time as holding up a minimum wage increase. Let me say in that delaying tactic on the minimum wage, in my State of Connecticut $4.8 million has been lost to workers in wages. Understand what this legislation is about: an assault on working families.

Mr. Speaker, today Republicans will continue their assault on working families. I am a Member of this body who voted against the NAFTA agreement. Middle-income families, understand that, will be hit the hardest because overtime pay is a much larger percentage of their income. In 1994, two-thirds of the workers who earned overtime pay had a total family income of $40,000.

This is a repeal of the 40-hour wage week. I urge my colleagues, vote against this bill.

Ms. GREENE of Utah. Mr. Speaker, I yield 3 minutes to the gentlewoman from Kansas [Mrs. MEYERS], the chairman of the Committee on Small Business.

Mrs. MEYERS of Kansas. I thank the gentlewoman for yielding me the time.

Mr. Speaker, I rise in support of the rule on this important legislation. I hope all of my colleagues will support the rule and vote for the bill.

I have here some responses to the concerns that have been expressed this morning, and I will enter them into the RECORD at the conclusion of my remarks.

Mr. Speaker, this is a good piece of legislation. It is a commonsense solution to a problem which faces today's workers, and that is how to balance the time that must be spent working and the amount of time available for family matters, personal responsibilities, recreation and leisure.

But, unfortunately, once again the opponents of change are misrepresenting the intentions as well as the effects of this legislation. I continue to be amazed by some who believe that all employers are bad people who are always looking for ways to cheat their employees.

As chairman of the Committee on Small Business, and the impact of this is going to be great on small business, I have worked with many small and some large businesses. I know firsthand that most employers have a deep and genuine concern about the people who work for them, and they want to do everything they can to satisfy their employees' needs.

Why? Because they have learned that this concern is reciprocal. Employers who treat their employees with kindness and respect are paid back with loyalty and a commitment to do the very best job possible.

Under current law, private sector employees are prohibited from allowing employees to take compensatory time off for overtime. The Fair Labor Standards Act, originally enacted in the 1930's when most women did not work outside the home, requires that employees be paid at the rate of 1½ times the regular rate for any time worked over 40 hours per week.

This bill permits employers to offer their employees a choice: They can continue to be paid for overtime, or they can elect to take compensatory time off at the rate of 1½ hours for each hour of overtime.

□ 1030

Mr. Speaker, it is important to emphasize that the choice is exclusively that of the employee, not the employer, and there are many protections in the bill for employees in the event they do work for an unscrupulous employer. I believe we all can agree that the demands of family and work today are difficult to balance. We have Members of this body continually calling for more family friendly hours. Why should our constituents not be able to choose to take a Wednesday afternoon off rather than getting an extra hour's pay if they want to? We all know that spending a few hours with our children can sometimes be worth more than money.

Let us give American workers, our constituents, just a choice. That is what we are asking, is a choice. Support this rule and this much needed change in the Fair Labor Standards Act.

RESPONSES TO ARGUMENTS AGAINST THE WORKING FAMILIES FLEXIBILITY ACT

(Page references refer to substitute to be offered by Representative Ballenger)

Opposition: Employers will pressure or force employees to be compensated for overtime in comp time instead of cash wages.

Response: The choice to take overtime pay in the form of comp time must be requested by the employee in a written or otherwise verifiable statement (Page 2, lines 11–17).

H.R. 2391 specifically prohibits employers from "directly or indirectly" threatening, intimidating, or coercing an employee into choosing comp time in lieu of cash wages (Page 3, lines 10–18). Employers violating this would be liable to the employee for double time in cash wages for the unused comp time hours accrued by the employee (Page 7, lines 8–16).

Opposition: Employees do not have control of when to use their comp time. Employers will force employees to use their accrued comp time when it's convenient for the employer.

Response: H.R. 2391 prohibits an employer from coercing, threatening, or intimidating an employee to use any accrued comp time (Page 3, line 19–20).

The employee may use accrued comp time at any time he or she requests, if the use is within a reasonable period of time after the request and the use does not unduly disrupt the operations of the employer (Page 6, lines 15–23). The "unduly disrupt" standard has been part of the law for the public sector for many years. It has been defined in regulations by the Department of Labor as more than "inconvenience" to the employer.

Under the regulations for the public sector, the employer has to be able to show that the leave would cause an "unreasonable burden on the agency's ability to provide services of acceptable quality and quantity to the public."

The courts have also made clear that the "unduly disrupt" standard does not permit an employer to unilaterally schedule use of comp time by employees. Heaton versus Missouri Dept. of Corrections 43 F 3d 1176 (8th Cir, 1994).

In addition, the same standard—unduly disrupt the operations of the employer—is used in the Family Medical Leave with regard to the scheduling of leave to attend to foreseeable medical treatment.

An employer who threatens, intimidates, or coerces an employee into using accrued comp time would be liable to the employees for cash wages for the comp time which the employee was forced to take (Page 7, line 8–16).

Opposition: Employees won't be able to change their mind and choose wages once they've chosen comp time.

Response: Nothing in the bill precludes employees from changing their mind to choosing cash wages instead of comp time or vice versa. Comp time can only be provided at the request of the employee.

Employees can make a request in writing, at any time, to be paid cash wages for their accrued comp time. Employers must comply within 30 days (Page 4, lines 13–18).

Comp time must be cashed out at the highest rate paid to the employee during the time period in which the comp time was accrued or at the employee's current rate, whichever is higher. Thus, there is no financial benefit to an employer to delay payment for accrued comp time.

Opposition: Comp time should only be available to employers who provide a certain number of sick leave and annual leave to their employees. Otherwise, employers will eliminate or reduce paid sick and/or annual leave and offer comp time instead.

Response: Employees must request comp time. Allowing employees to receive comp time has not had the effect of eliminating other leave for public employees. Employers are not now required to provide employees a certain number of days as paid sick leave and/or annual leave; the fact that employees may receive comp time for overtime worked does not change the situation.

Opposition: Employees who work at seasonal industries or short-term employment will not be able to use comp time before their term of employment is over.

Response: The bill gives all employees the option to choose comp time, if their employer offers it. There is no reason to deny the option to comp time for part-time, seasonal, or "low wage workers." Low wage workers are often in families where both parents work, and thus may particularly desire the flexibility of comp time. Similarly, seasonal workers may want to use comp time in order to "even out" fluctuations in income.

Opposition: Enforcement of the law will be difficult if employers who offer comp time don't have a written policy available to employees.

Response: An agreement by an employee to receive comp time must be in writing or some other form of verifiable statement by the employee as defined by the Department of Labor (Page 2, lines 11–17). The reason for allowing agreements in other than written instruments is that many companies maintain payroll records or computer or other electronic means. However, the Secretary of Labor can prescribe what kinds of records of employee agreement must be maintained.

Opposition: Employees will be able to accrue too many hours of comp time which they may not be able to take.

Response: Employees can only accrue 240 hours of comp time in a 12 month period (Page 3, lines 21–21). Employees may at any time make a written request to receive cash for their accrued comp time and the employer must pay the employee within 30 days (Page 4, lines 13–18).

Employers would be required to annually cash out employees' accrued comp time (Page 3, lines 24 through page 4, line 8).

Opposition: Comp time should be counted as "hours worked" for the purposes of calculating overtime. For example, an employee could take Monday as a comp day and the employer could require the employee to work 40 hours Tuesday through Saturday, without having to pay overtime. Thus, the employee didn't really get a "day off."

Response: The standard for calculating "hours worked" has been in place under the Fair Labor Standards Act since the 1930s. The only house which may be counted in the calculation of overtime pay are hours which the employee has actually worked. Comp time would fall under the same category as annual leave, sick leave and leave under the Family and Medical Leave Act and more of which are considered "hours worked" under the FLSA. Comp time in the public sector has not been considered "hours worked."

Opposition: Employees will accumulate comp time and then an employer will go out of business, thus never having to pay the employees for their overtime.

Response: Unused comp time would be considered "wages owed to an employee" for the purposes of enforcement (Page 6, line 11–14). Wages are protected under bankruptcy code as a priority for payment, thus comp time would be in the same category.

Opposition: Employers should be required to pay employees cash for overtime hours worked past a certain number of hours (e.g. 50) in a work week, no matter what the employee wishes.

Response: If employees have to work excessive overtime, they can always choose cash wages over comp time if they do not think they will be able to use their accrued comp time. Likewise, employees have the right to request in writing payment for accrued comp time.

Opposition: H.R. 2391 does not protect employee's claim to unemployment benefits if they cash out accrued comp time.

Response: H.R. 2391 requires the employer to "cash out" all accrued comp time upon termination of employment (page 5, lines 12–23). Depending upon state laws, such payments might reduce the initial week or weeks' unemployment benefits but those benefits are deferred not lost for the employee. In other words, the employee would be eligible for the same amount of unemployment benefits whether or not he or she receives "cashed out" comp time.

Opposition: Comp time is cheaper for employers than paying cash wages for overtime, and therefore employers will (1) force employees to take comp time, and (2) increase overtime and hire fewer employees.

Response: First of all, the employee chooses whether or not to take comp time over cash overtime, and the bill protects the employee's right to make that choice free of coercion from the employer. The bill also protects the employee's right to choose when to use comp time, subject only to the safeguard that doing so does not "unduly disrupt" the employer's operations.

Comp time is not generally cheaper for the employer than cash overtime. Besides the administrative costs of keeping the "comp time bank" records, the bill provides that when accrued comp time is used or cashed out, it is used or cashed out at the employee's current rate of pay, or the average pay during the period of time the comp time was accrued, whichever is higher. Thus the comp time will cost the employer at least as much or more when it used or cashed out than when it was earned.

Opposition: H.R. 2391 weakens the overtime protections for employees, which are already too weak. (citing Wall Street Journal article, Monday, June 24, 1996, quoting the "employer funded" Employment Policy Foundation estimates that "fully 10% of the workers entitled to overtime are cheated out of it").

Response: H.R. 2391 does not in any way weaken the overtime obligation of employers. It simply allows employees and employers to agree that overtime compensation will be taken in the form of compensatory time. The bill includes provisions to insure that employee's rights are protected (employee protections):

Requires that comp time may only be given mutual agreement of the employer and employee.

Requires that employee's agreement to take comp time be "knowing and voluntary."

Prohibits employer from making acceptance of comp time a condition of employment.

Requires agreement, affirmed in writing or otherwise verifiable form, by employee to take comp time.

Prohibits employer from directly or indirectly coercing or threatening, or attempting to coerce, and employee into taking comp time or using accrued comp time.

Requires annual cash out of accrued comp time.

Requires cash out of accrued comp time be at employee's current rate of pay or average rate during time it was accrued, whichever is higher.

Allows employee to cash out accrued comp time at any time with 30 days notice to employer.

Requires cash out of accrued comp time upon termination of employment.

Specifies that unused comp time is treated as unpaid wages for purposes of enforcement and collection.

Allows employee to use comp time whenever he or she pleases, unless use "unduly disrupts" operations of the employer.

Provides penalty for illegal coercion of employee with regard to choosing or using comp time.

The estimates of unpaid overtime in the Wall Street Journal article of June 22 included, as the article itself said, those employees not paid overtime because the employer believes they are exempt or the employer can't figure out the complicated federal rules and so 'takes a chance' by ignoring them. The confusing and ambiguous rules about who is exempt and who is non-exempt is an issue which Republicans have sought to address and will continue to seek to address in other legislation. But, H.R. 2391 does not affect that issue, nor does it change or weaken the overtime obligation. It establishes the option for employers and employees where overtime is paid.

Opposition: Despite Democratic efforts to work out an acceptable comp time bill, the Republicans have refused to make changes.

Response: It is true that supporters of comp time met and attempted to negotiate the details of a comp time bill with Mr. Clay, the Ranking Member of the Committee. Those discussions were broken off by Mr. Clay's staff in late May (after the bill was temporarily considered as the vehicle to allow a vote on the minimum wage). We have in fact made many, many changes to the bill since it was introduced, mostly to address concerns which the Democrats have raised, and many of some of which were taken directly from suggestions made by Democratic witnesses during Subcommittee hearings on the bill.

Following some of the changes which have been made to H.R. 2391 to address opponents concerns:

1. Clarify that the provisions providing for individual agreements apply only where employees are not represented by a collective bargaining agent.

2. Require that employee's agreement on comp time be affirmed in a written or otherwise verifiable statement.

3. Provide that agreement to take comp time in the private sector may not be a condition of employment.

4. Prohibit employer coercion of employees for purposes of (1) interfering with employee right to request or not the request, or (2) requiring any employee to use comp time.

5. Require annual "cash outs" of accrued comp time.

6. Allow employee to "cash out" accrued comp time at any time.

7. Establish a new remedy under the Fair Labor Standards Act for employers who coerce, or attempt to coerce, an employee into taking or using comp time.

The following additional changes are included in a Manager's amendment to be offered to be the bill.

Require employers to provide 30 days notice before terminating policy of allowing comp time.

Require employers to provide 30 days notice before cashing out accrued comp time, and allowing such cash out only for time in excess of 80 hours.

Provide that employer coercion of an employee may be actionable even if not willful.

Clarify that an employee may withdraw from an agreement in which he or she has requested comp time at any time.

Opposition: The bill limits the remedies available for unpaid comp time by only allowing private lawsuits for redress, as compared to unpaid overtime under current law, which allows both private suits and enforcement actions by DOL, as well as criminal charges.

Response: As the Committee report makes clear, the intent of the legislation is that all current remedies for violating the FLSA apply, and in addition, a new remedy for "coercion" in connection with choosing or using comp time is created. This intent will be further clarified in the manager's amendment.

Opposition: Comp time does not truly belong to the employer because under the bill an employer may deny an employee's use of comp time by paying off the accrued comp time hours.

Response: First of all, this is certainly an ironic objection to the bill: Democrats who oppose comp time and want to keep the status quo that only allows cash overtime payments object to a provision that allows employees comp time in favor of the cash overtime payment.

Second, the bill is premised on flexibility for employers and employees—thus either the employer or the employee may decide to cash out accrued overtime. Third, under the manager's amendment, a provision will be added that says that the employer must give 30 days notice to employees before cashing out any accrued comp time (in the absence of an employee request to do so), and provides that the employer option to cash out accrued comp time applies only to time accrued in excess of 80 hours.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me the time.

Mr. Speaker, I oppose the bill and I frankly oppose the rule because there are some unanswered questions about this legislation that we are rushing to judgment and ignoring.

The first question is, How do we assure that it is truly voluntary for the man or woman who chooses comp time over cash? This bill, I do not think, provides for that. It says to an employee who feels that he or she has been coerced into this choice that they must meet an unmeetable burden of proof. They must prove that the employer intended to deny them that choice. I would submit to you that there will be very few employees anywhere who will be able to meet that burden of proof it is not truly voluntary.

Second, Mr. Speaker, what happens to buy-back provisions? What happens if the employer owes you hours and hours of comp time and then goes out of business and does not have the cash to pay you back the cash value of the comp time? Unanswered question. We hear from our friends on the other side that well, this works in the public sector so it will work here in the private sector. There is a difference. The first difference is that most public sector employees are protected by civil service protections. If you believe that the employer in the public sector is coercing you, you have a hearing, you have the ability to process a grievance. Most private sector employees do not have such a right, and except for this one, most governments are not on the verge of going out of business because of bankruptcy. So I would suggest to you there is a very important difference there.

Finally, this is really, with all due respect, citizen Dole's rush to close the gender gap. That is what this is really all about. I would suggest to you if the majority wants to speak to working women in America, let us talk about expanding the family medical leave that most Members opposed. Let us talk about getting health insurance for all working women, which most of the Members had very few ideas about.

Ms. GREENE of Utah. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to say it is astonishing to me that we are having attempts to mire this in gender war language.

Mr. Speaker, it is long past time that men and women assumed equal responsibility for raising children. This bill is addressed not only to working mothers who have had a difficult time balancing work and family, it is also geared to working fathers who are having that same difficulty while they are trying to assume more responsibility not just for the economic well-being of their children but for the emotional well-being of their children.

In addition, Mr. Speaker, this is not just about time off to help children. That is critical and it is important. But it is also about time to care for aging parents. It is about time to go back to school to get some additional skills. And most important, it is about letting workers choose whether they want additional time off or additional pay.

Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I am sorry to see the gentleman from New Jersey has left because he raised the question of willful being one of the proving points for the employee. We recognize that problem and we changed it. We removed the word "willful" in our bill.

For those people that are not sure what changes we have made in the description of the bill here on the report, we have in there the changes that we made at the request of the Democrats on the committee.

Also, again I would like to say as far as bankruptcies are concerned, the first claim that will be applied against any assets of any bankrupt company are wages and these are classified; that is, in the same manner as wages and will have first choice on any money that is left in that bankrupt company.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Mr. Speaker, let us be straight about this, ladies and gentlemen. Comp time is not flex time. If employers want to give employees all these benefits and all these opportunities to care for children and loved ones, they can do it now. It is called flex time. Come in early, leave early, come in late, leave late. That is possible.

This is comp time and this denies people basic income. I do not want to hear that oh, well, they can go to court and we lowered the legal standard. The fact of the matter is minimum wage workers are not going into anybody's court. They are not going down the street to see Robert Reich to talk about a labor violation. Those remedies are not practicable.

Let us talk about the real world. In the real world, wages have stagnated over the last 20 years. People need overtime to make ends meet. In 1995, the average full-time worker in manufacturing worked about 4.4 hours of overtime to make an additional $3,800 a year. They need that money. Now, they are going to tell employees well, this is optional, it is up to the employee if they want to take it.

Let us talk about this so-called option. The reality of the workplace is that most employees want to keep their jobs and therefore go along with their employer. That means that when the employer suggests comp time, they are going to take it.

This so-called option does not really work. The employee does not have a choice because the employer has to approve the comp time. He has to approve when they can take it. They can spend their overtime anytime they want to. They cannot spend their comp time anytime they want to, only when the employer allows it. Preferential allocation of overtime already occurs. There are complaints about that now.

My colleagues better believe that if we have this comp time option, those who will take comp time will get comp time. Those who want overtime will be out of luck. That is what is wrong with this bill.

There is a lot of rhetoric here about how we want to help people, but the fact of the matter is in the private sector, there is a fundamental profit motive, and that is to reduce the amount of overtime pay. That being the case, there is a strong incentive to discourage overtime and encourage comp time at the expense of the American worker. That is what we want to discourage. We believe the current system provides true flexibility but not the false rhetoric of the Republican proposal.

Ms. GREENE of Utah. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is critical that we address this issue of enforcement. My colleagues on the other side of the aisle think it is necessary to track down personally the Secretary of Labor to bring a claim where an employee feels that they have been coerced. Nothing could be further from the truth. In fact, Mr. Speaker, the enforcement mechanisms of this legislation are identical to the enforcement mechanisms that we use to battle age discrimination, race discrimination, and gender discrimination in the workplace.

I do not hear my colleagues from the other side of the aisle saying that we should not have laws prohibiting age and race and gender discrimination because the enforcement mechanism is not going to work. Instead, we defend those laws. We enforce those laws through a mechanism that has been established under Federal law, and that same mechanism would be used to enforce this law.

Mr. Speaker, I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I think it is time for a time check to see where we are.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Massachusetts [Mr. MOAKLEY] has 6½ minutes remaining, and the gentlewoman from Utah [Ms. GREENE] has 5½ minutes remaining.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank my friend for yielding me the time.

My colleagues, let us call it the way it is. The Republican majority in this Congress has spent the better part of a year and a half assaulting the rights of workers in this country. I have served on the committee, I know what is happening. They steadfastly refused the minimum wage. We had to practically pry it out of them. OSHA, safety for workers in the workplace, they want to gut OSHA laws. Davis-Bacon to pay workers prevailing wage, they want to eliminate that, too.

Mr. Speaker, they have slashed funding for the National Labor Relations Board which guarantees and safeguards workers' rights and protections. They want to bring back company unions so that the employers will control the unions, not the employees. The first thing they did when they received the majority, the Republicans removed the name "labor" from the Committee on Education and Labor to punish supposedly punish the labor unions. It is now the Committee on Economic and Educational Opportunities and the word "labor" has been purged from both the committee and subcommittee names.

The campaign finance bill which went down yesterday had an antilabor provision in it. So make no mistake about it, this is just another assault on working men and women in America by the Republican majority.

Now, Mr. Speaker, everybody understands that employers and employees are not equal and there will be coercion. Employees will be coerced into accepting these kinds of things. We do not believe that American workers ought to continue to be assaulted by this Republican majority, but again it is consistent.

They tried to gut Medicare to give huge tax breaks for the wealthy. They want to give us the biggest education cuts in American history. They want to gut environmental laws. This is a direct assault on the middle class in this country and on working people by the Republican majority. This is just an extension.

The Democrats, in filing the dissenting views accompanying this bill said, and I quote: "This legislation encourages employers to hire fewer employees and to work them longer hours by freeing them from having to pay cash for overtime, potentially reducing both workers' incomes and employer labor costs by billions of dollars."

Let us reject this and not continue to assault American workers. The Republicans' platform is exposed by this bill.

Ms. GREENE of Utah. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I would just like to quote a claim by the AFL–CIO where it says the penalties for coercion are too weak. The response for that, the penalties in the bill for coercing are the same as those for unpaid overtime; that is, the amount of pay owed us, plus an equal amount of liquidated damages, plus attorneys' fees and costs. If the employee has already used and been paid for comp time, then the amount is deducted from the award since they have already received the overtime pay, but he or she may still receive the liquidated damages.

In addition, Mr. Speaker, the other remedies such as civil and criminal penalties and injunctive relief under the Fair Labor Standards Act may apply. Either the Department of Labor or the employee can file suit, and I wish somebody on the other side would read the actual bill itself so they can understand what they are really talking about.

Mr. MOAKLEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY. Mr. Speaker, last week the new majority was talking about encouraging work. Now with this bill they seem to be encouraging taking time off.

Mr. Speaker, despite strong economic indicators, millions of Americans, many of them single mothers, are working harder and longer for less money. This bill strips them of even that right. The majority of low-wage workers are women. They count on their overtime pay to feed their children and to make ends meet.

The underlying bill allows employers to offer comp time to workers instead of overtime pay. It requires a voluntary agreement with the employee, but we all know that in the real world employers may bully employees into accepting whatever the employer wants.

The practical effect of this bill will be to allow employers to force an employee to take comp time instead of paying overtime. While that person is using comp time, the employer can pay another employee regular wages instead of time and a half. The bottom line is, employees could get paid less.

Mr. Speaker, this is not progress, it is a step in the wrong direction. I urge a "no" vote on the rule.

□ 1045

Mr. MOAKLEY. Mr. Speaker, I yield the balance of my time to the gentleman from New York [Mr. OWENS].

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from New York [Mr. OWENS] is recognized for 3½ minutes.

Mr. OWENS. Mr. Speaker, the message of this bill this morning is to the workers of America, "The Republicans want your overtime pay," from the same people who brought us streamlining, downsizing, the tremendous gap in income. The same people who have attacked the National Labor Relations Board, who have attacked OSHA, who refused to pass a minimum wage bill, they now want your overtime.

As the ranking member of the committee responsible for this legislation, I have listened to the hearings. We have debated at markups, and the bill is flawed at its center, and that is the assumption that you can have mutual consent between the employer and the employee as to whether they want overtime in terms of dollars or whether they want it in terms of comp time.

In my State, we recently passed a law which said that any female who is assaulted in a prison is automatically considered to be a rape victim. Anytime there is a sexual relationship between a female inmate and a prison guard, the prison guard is automatically charged with rape because in a relationship where all the power is on one side and the other person is powerless, automatically there is no mutual consent possibility.

There is no mutual consent possible when the employer has an incentive to keep the money. You can invest the money that you do not pay in overtime. Overtime wages that are not paid can be invested. So the great incentive will be to keep the money and to force all workers to take comp time. Ninety percent of the employers will want workers to take comp time. Any worker who does not take comp time when the employer obviously wants him to take comp time will be labeled as a bad team player. You are not a team player and sooner or later they of course will find themselves without a job. In a job market and in a situation where people are under tremendous pressure, who will choose to exercise their right to take overtime had they known the employer wants comp time?

At the heart of the bill, the assumption is wrong. This will not work. It is another attempt to make war on American workers. We have had enough of it in this Congress. We have tried to stop them from raiding the National Labor Relations Board's authority. We have stopped them from taking away the safety provisions of OSHA. Now we have to stop them where it matters most; that is, taking money out of the pockets of American workers in terms of overtime pay.

The Republicans want your overtime pay, and the Democrats are here to guarantee that we do not have more assaults on working people and working families. You need your overtime pay. The overtime pay buys shoes, it buys clothes, it buys refrigerators. It buys what workers need.

Workers, on the other hand, cannot afford to provide an investment pool for the employers. There will be no escrow accounts where you have to put all the overtime pay into an escrow account and know that it is there. No; the employers can invest that and they will. And you will have billions of dollars already that is unpaid for overtime under the present rules and regulations, where it is pretty clear that employers have to pay overtime in dollars. How are we ever going to police a situation where it is comp time, taken at the pleasure of the employer?

There can be no mutual consent. There is no mutual consent between a slave and a master or an inmate and a prison guard. There will be no mutual consent between an employer and an employee. The employee is at the mercy of the employer, and we do not need to do any more harm than we have already done to the workers in this area. This is a year where war has been declared on workers by the Republican majority. No, Mr. Speaker, it is now time to stop the war on workers.

Ms. GREENE of Utah. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, everyone agrees that the working families of this country are experiencing time crunch the likes of which we have never seen before. When President Clinton spoke in Nashville several weeks ago, he endorsed the concept of having flexibility so that workers can choose the time off they need to be able to be with their families for important events, but while President Clinton managed to grab a few headlines several weeks ago with an alternative and much more restrictive proposal, the administration never sent his proposal to Congress in legislative form, nor has any Member, to my knowledge, attempted to introduce the administration's proposal.

Now, my colleagues on the other side of the aisle have been complaining vociferously about the provisions of this bill. We are even now hearing employers and employees likened to prison guards and prisoners, even to slaves and masters.

But in fact, Mr. Speaker, my colleagues on the other side of the aisle, the Democrats, were given the opportunity in the Committee on Rules to offer any amendment to this legislation they wanted to. We gave them the opportunity to offer an amendment in the nature of a substitute so that they could bring forward their own version of how this concept should work. And the fact is, Mr. Speaker, that the Democrats chose not to introduce any legislation, any amendment to this bill.

Mr. Speaker, the truth is this legislation does not change those fundamental worker protections of the Fair Labors Standards Act. This legislation does not change the 40-hour workweek for workers. It does not relieve employers from their obligations of paying overtime. It does not give employers the means to coerce workers. This bill does preserve the concept of time and a half for overtime. The workers choose whether to get time and a half in cash or time and a half in comp time.

This bill does provide the same kinds of enforcement mechanisms that we use today to enforce worker protections on race, age, and gender. This bill provides those same types of protections to make certain that workers are not taken advantage of.

This bill does protect employees if their company goes bankrupt by giving them first priority against any remaining assets of that business to get their overtime, their comp time cashed out.

This bill, Mr. Speaker, gives workers the flexibility that they need to be able to balance those competing considerations of work and family.

Members of Congress may not need comp time, Mr. Speaker. We make over $130,000 a year and we control our own schedules. This is just one more example where people who are opposing this bill are out of touch, because most of the people in this country struggle to get control over their own time. They struggle to be at home when they need to take a sick child to the doctor or be with an aged parent. They struggle because they do not have the ability to get the time off that they need at the time that they need it.

This bill, Mr. Speaker, gives them that opportunity. They are allowed more control over their lives. They are given the opportunity to be able to choose for themselves, in the circumstances for each of their families, whether more money or more time off makes sense for their family.

Let us give workers that choice, Mr. Speaker. Let us respect their ability to choose for themselves what is best and not dictate it from Washington as we have for the past 60 years.

Mr. Speaker, I urge my colleagues to support the rule, and this legislation.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in opposition to this bill that is designed to take away the rights of workers guaranteed to them under the Fair Labor Standards Act. These rights were not easily won. The Dole-Gingrich Republicans and their cohorts are always a well-funded, business oriented lobbying force—as is demonstrated by this bill. Let's be clear about one very basic false assumption about H.R. 2391: it does not provide a worker with the right to compensatory time or overtime wages on a voluntary, worker controlled basis. An employer and employee are not in level bargaining positions.

The overtime protection in the Fair Labor Standards Act both protect workers from excessive demands for overtime work and, by requiring premium pay for overtime, time and a half, provide an incentive for businesses to create additional jobs. Nowadays, millions of workers depend on overtime pay just to maintain a decent standard of living for their families. Two-thirds of the workers who earned overtime in 1994 had a total annual family income—including spousal income—of less than $40,000. A recent poll by Peter Hart found that American workers prefer pay over compensatory time for overtime by a whopping margin of 64 to 22 percent.

The idea that there can be a truly voluntary agreement, as is heralded by the Republicans in this bill, is a cruel hoax. Any employer who wants to pay for overtime in terms of compensatory time instead of cash, will find a dubious way to encourage workers to accept compensatory time. Workers know this. Half of those in the Hart poll said they believed employers would be able to force them to take compensatory time instead of overtime pay.

Further, this bill does not in any way guarantee workers the right to use their compensatory time whenever they want it. An employer may deny the request on the grounds that it would unduly disrupt business operations, or could refuse the request for any given, specific day and instead offer a different day that is more convenient for the employer, but less so for the worker.

I oppose this bill because it would permit a severe disservice to a worker's right to choose compensatory time voluntarily instead of cash compensation for overtime work that was accomplished for the business owner. It clearly attempts to gut the protection of the Fair Labor Standards Act and undermines living standards to the detriment of workers, the economy, and the Nation.

I urge my colleagues to defeat this ill-conceived legislation.

Ms. MCKINNEY. I rise today in opposition to this rule, and in opposition to this anti-family legislation. Let's face it, the Republican record on workers' rights is hideous and this bill is the ugliest of them all.

In my 3 years in Congress, I have never seen a bill more insidious than this attempt to lengthen the work week with no corresponding increase in pay.

Contrary to what Republicans say, this bill abolishes overtime pay. Period.

The so-called Working Families Flexibility act allows employers to coerce workers into taking comp time instead of overtime pay. Employers will use this legislation to hire workers who agree to accept comp time instead of overtime pay. This bill allows employers to promote workers who acquiesce to comp time in lieu of overtime pay.

And unlike overtime pay, workers can only use their comp time when it is convenient for their employers, not their families. So much for family friendly legislation.

Moreover, Mr. Speaker, workers can be forced to work 75 hours a week and not see any comp time for 13 months. And if the company goes bankrupt in that 13 months—too bad, the worker gets no comp time and no overtime pay.

In effect, workers will be giving their employers interest-free loans until the boss feels like letting them us their comp time.

And for families who rely on overtime pay to supplement their low salaries, they will be comforted in knowing that they might get some time off in the next 13 months.

In short, Mr. Speaker, this bill legalizes the extraction of unpaid labor from workers at a time when people are working longer and harder for less money.

Finally, Mr. Speaker, employers can already give workers comp time as long as it is used in the same week in which the overtime is worked.

This bill should not be called the comp time bill, it should be called the chump time bill. I urge my colleagues to reject this rule and reject this Republican attempt to lengthen the work week with no increase in pay.

Mrs. MEEK of Florida. Mr. Speaker, I rise in strong opposition to the rule and to this bill.

There has been talk on this floor of the so-called protections for workers who may be owed compensatory time by companies that go out of business. Employees of bankrupt companies are protected, they say, because they can get what is owed them by going against the assets of these bankrupt companies.

I say these so-called protections amount to a handful of dust. We know companies that have gone out of business, leaving no assets whatsoever. What happens to these employees and their families then? They are cheated out of their wages, that's what.

This has happened time and time again in the area of retirement benefits, when companies go bankrupt and leave their retirees with no pensions. Congress would be foolish to allow this to happen to overtime pay.

Overtime pay is more than a luxury for working people—it is income that their families depend on, especially lower income working people.

Proponents of this bill say that workers are protected because the agreements must be voluntary. Who will determine if they are voluntary? The clogged Federal courts? We know that justice delayed is justice denied.

Who will pay the workers' legal fees if they lose their case? Certainly not the employers.

The idea of a truly voluntary agreement will be a cruel hoax for many workers. Many employers will find a way to force employees to accept compensatory time instead of cash because they know the employees don't have the resources to fight this coercion.

I say, protect working families—vote down this bill.

Ms. GREENE of Utah. Mt. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the resolution.

There was no objection.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOAKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 175, not voting 30, as follows:

[Roll No. 367]

YEAS—228

Allard
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Fawell
Fields (TX)
Flanagan

Foley
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini

McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Neumann
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Schaefer
Schiff
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stenholm
Stockman
Stump
Talent
Tate
Tauzin

Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Zeliff
Zimmer

NAYS—175

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bishop
Bonior
Borski
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Forbes
Frank (MA)
Frisa
Frost
Furse
Gephardt
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pelosi
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stark
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates

NOT VOTING—30

Archer
Baker (LA)
Berman
Bevill
Blumenauer
Boucher
Chapman
Coleman
Collins (IL)
Doggett
Ewing
Ford
Gejdenson
Hastings (FL)
Hayes
Holden
Hutchinson
Laughlin
Lincoln
Martinez
McDade
Murtha
Nethercutt
Peterson (FL)
Quillen
Scarborough
Seastrand
Studds
Torricelli
Young (FL)

☐ 1113

Mr. FARR of California changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

A FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3845. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3845) "An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1997, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JEFFORDS, Mr. CAMPBELL, Mr. HATFIELD, Mr. KOHL, and Mr. INOUYE to be the conferees on the part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 3517, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1997

Mrs. VUCANOVICH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore (Mr. TORKILDSEN). Is there objection to the request of the gentlewoman from Nevada?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. HEFNER

Mr. HEFNER. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

Mr. HEFNER moves that in resolving the differences between the House and Senate, the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 3517, be instructed not to provide funding for projects which have not been authorized.

The SPEAKER pro tempore. Under rule XXVIII, the gentleman from North Carolina [Mr. HEFNER] and the gentlewoman from Nevada [Mrs. VUCANOVICH] each will control 30 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I offer this motion to instruct to ensure that the conferees on the military construction bill adhere to the customary practice of agreeing to provide funding only for projects which are authorized.

Current assumptions on this bill will result in over $800 million in projects begin added to the amount requested by the President. For years we on the Military Construction Subcommittee have emphasized funding for barracks, family housing projects, and other structures which improve the quality of life in the military. Unfortunately our colleagues in the other body have not always shared our priorities.

The Armed Services Committees are now in conference, and will, I believe end up funding a number of projects that will speed up the building of new barracks and family housing projects. Their agreement will authorize and the appropriations bill will fund these projects as well provide for projects to support operational and readiness requirements, and to meet our base closure commitments.

This total level of authorization and funding has been carefully arrived at and is the result of cooperation between the authorizing and Appropriations Committee. It has been a bipartisan exercise with a bipartisan result. Members on both sides have been treated fairly. There is no reason why the conferees on the appropriations bill should deviate from this agreement.

While I support adding funds to accelerate funding quality of life projects, I feel that adding over $800 million to the President's request is enough in these difficult budget times given other domestic priorities.

Mr. Speaker, I urge the support of my motion to instruct.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this motion to instruct conferees. We have worked in a bipartisan manner with the authorization committee to provide the many quality of life items contained in this bill. No individual project recommended in this bill may go forward without specific authorization. We are following the progress of the authorization conference closely and it is my understanding they are nearing completion. I urge my colleagues to support the gentleman's motion.

Mr. Speaker, I yield back the balance of my time.

Mr. HEFNER. Mr. Speaker, I thank the gentlewoman from Nevada for her support.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from North Carolina [Mr. HEFNER].

The motion was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mrs. VUCANOVICH and Messrs. CALLAHAN, MCDADE, MYERS of Indiana, PORTER, HOBSON, WICKER, LIVINGSTON, HEFNER, FOGLIETTA, TORRES, DICKS, and OBEY.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3845, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1997

Mr. WALSH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3845) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York? The Chair hears none and, without objection, appoints the following conferees: Messrs. WALSH, BONILLA, KINGSTON, FRELINGHUYSEN, NEUMANN, PARKER, LIVINGSTON, DIXON, SERRANO, Ms. KAPTUR, and Mr. OBEY.

ADJOURNMENT OF THE HOUSE FROM ANY DAY BETWEEN THURSDAY, AUGUST 1, 1996, AND SATURDAY, AUGUST 3, 1996, TO WEDNESDAY, SEPTEMBER 1, 1996 AND ADJOURNMENT OR RECESS OF THE SENATE FROM ANY DAY BETWEEN THURSDAY, AUGUST 1, 1996, AND SUNDAY, AUGUST 4, 1996, TO TUESDAY, SEPTEMBER 3, 1996

Mr. ARMEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 203) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. CON. RES. 203

Resolved by the House of Representatives (the Senate concurring), That, in consonance with section 132(a) of the Legislative Reorganization Act of 1946, when the House adjourns on the legislative day of Thursday, August 1, 1996, Friday, August 2, 1996, or Saturday, August 3, 1996, pursuant to a motion made by the majority leader or his designee, it stand adjourned until noon on Wednesday, September 4, 1996, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the Senate recesses or adjourns at the close of business on Thursday, August 1, 1996, Friday, August 2, 1996, Saturday, August 3, 1996, or Sunday, August 4, 1996, pursuant to a motion made by the majority leader or his designee in accordance with this resolution, it stand recessed or adjourned until noon on Tuesday, September 3, 1996, or until such time on that day as may be specified by the majority leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Speaker of the House and the majority leader of the Senate, acting jointly after consultation with the minority leader of the House and the minority leader of the Senate, shall notify the Members of the House and Senate, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. Does the gentleman from Massachusetts [Mr. FRANK] seek recognition?

Mr. FRANK of Massachusetts. I would Mr. Speaker, if the resolution were debatable.

The SPEAKER pro tempore. The gentleman is correct, the resolution is not debatable.

The question is on the concurrent resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 232, nays 167, not voting 34, as follows:

[Roll No. 368]

YEAS—232

Allard
Archer
Armey
Bachus
Baker (CA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehlert
Boehner
Bonilla
Bono
Brewster
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Collins (GA)
Combest
Condit
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
de la Garza
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Fawell
Fields (TX)
Flanagan
Foley
Forbes
Fowler
Fox
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Funderburk
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gutknecht
Hancock
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Horn
Hostettler
Houghton
Hunter
Hyde
Inglis
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
Martini
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Meyers
Mica
Miller (FL)
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Neumann
Ney
Norwood
Oxley
Packard
Parker
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quinn
Radanovich
Ramstad
Rangel
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Schaefer
Schiff
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Stearns
Stockman
Stump
Talent
Tate
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Traficant
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Zeliff
Zimmer

NAYS—167

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Bishop
Bonior
Borski
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Clay
Clayton
Clement
Clyburn
Coburn
Collins (MI)
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Dooley
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Foglietta
Frank (MA)
Frost
Furse
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Mascara
Matsui
McCarthy
McDermott
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Minge
Mink
Moakley
Mollohan
Moran
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Pallone
Pastor
Payne (NJ)
Pomeroy
Poshard
Rahall
Reed
Richardson
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Spratt
Stark
Stenholm
Stokes
Stupak
Tanner
Taylor (MS)
Tejeda
Thompson
Thornton
Thurman
Torres
Towns
Velazquez
Vento

Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Wise
Woolsey
Wynn
Yates

NOT VOTING—34

Baker (LA)
Berman
Bevill
Blumenauer
Boucher
Chapman
Coleman
Collins (IL)
Doggett
Ewing
Ford
Gejdenson
Gunderson
Hastings (FL)
Hayes
Holden
Hutchinson
Laughlin
Lincoln
Martinez
McDade
Miller (CA)
Murtha
Nethercutt
Nussle
Pelosi
Peterson (FL)
Quillen
Scarborough
Seastrand
Studds
Torricelli
Williams
Young (FL)

□ 1148

Mr. YATES and Mr. HALL of Ohio changed their vote from "yea" to "nay."

So the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 3448, SMALL BUSINESS JOB PROTECTION ACT 1996

Mr. ARCHER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3448) to provide tax relief for small businesses, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that act, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. TORKILDSEN). Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. CLAY

Mr. CLAY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. CLAY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendments to the bill H.R. 3448 be instructed to report as soon as possible their resolution of the differences between the Houses, because the minimum wage is at its lowest real value in 40 years and because working families deserve a raise.

The SPEAKER pro tempore. Under rule XXVIII, the gentleman from Missouri [Mr. CLAY] and the gentleman from Pennsylvania [Mr. GOODLING] each will control 30 minutes.

The Chair recognizes the gentleman from Missouri [Mr. CLAY].

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to offer a motion to instruct conferees. We have spent this morning debating a bill that will jeopardize overtime pay for working Americans. More and more workers rely on overtime pay just to make ends meet, yet Republicans insist on passing legislation that will weaken a worker's right to time and a half pay for overtime.

The House's action today makes it even more necessary that we act quickly to enact an increase in the minimum wage. An increase to the minimum wage will provide simple justice for working men and women.

We offer talk about the importance of getting people off welfare. If we are serious about that, if we really want to get people off welfare as opposed to just talking about it, there is one simple way to do that—make work pay.

Almost two-thirds of the minimum wage workers are adults, while 4 in 10 are the sole breadwinner of their family.

Recent studies suggest that 300,000 would be lifted out of poverty if the minimum wage were raised to $5.15 per hour. This includes 100,000 children now living in poverty.

Mr. Speaker, this is a matter of simple justice. This is a matter of promoting family values.

It is time to do something positive for the working poor. Polls show that 75 percent of Americans support raising the minimum wage.

Mr. Speaker, the time to raise the minimum wage is long overdue.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, obviously we want to work with the minority to resolve the differences as quickly as possible.

Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, I thank the gentleman for yielding me the time, and I am glad to hear my friend from Pennsylvania say that he is interested in working with the minority to resolve this issue as quickly as possible.

Back in 1948, Harry Truman gave a speech about a do-nothing Congress, and in that speech he said that the Republicans had not created jobs, they had not raised wages, they had not protected pensions, they had not dealt with the health care issue, they had not done a single thing to help working families in America. At the end of the speech Truman looked at the audience and he said, "How many times do you have to get hit over the head before you realize what is hitting you over the head?"

Mr. Speaker, I want to believe my friend from Pennsylvania. He is a noble, decent, hard-working Member of this body, Mr. GOODLING, but let me tell my colleagues something, I have some difficulty here because we have seen a strategy of delaying, of burying, of ducking on this issue.

Five separate times Republicans blocked an increase in the minimum wage. NEWT GINGRICH said the minimum wage should be based on the wages of workers from Mexico. DICK ARMEY said that he would fight it with every fiber of his being. TOM DELAY said that the minimum wage families do not really exist. And the chairman of the Republican conference said he would commit suicide before he would vote for raising the minimum wage.

So, after all this published pressure in the country forced them to act, the House raised the minimum wage, but only after our friends on this side of the aisle tried to repeal the minimum wage for 10 million workers in this country. So people can understand our trepidation and our fear that this is not going to get done.

Workers in this country are losing these wages on a daily basis, costing literally hundreds and hundreds of millions of dollars to these low-income workers in this country today. Twelve million Americans are working hard, they are working long hours.

These are people who are choosing work over welfare, and they cannot raise a family on $8,800 a year. When they are in that situation, they end up working two jobs and three jobs and overtime.

When a mother is working an extra job, she is not there for her kids in the evening, she is not there to teach them right from wrong, she is not there to read them bedtime stories. When the father has to work two or three jobs or overtime, he is not there for Little League of soccer games. He is not there for dinner conversations. And the whole fabric of civil society starts to come unraveled.

This needs to be done now. It needs to be done before Labor Day. It needs to be done so we can get on with the object of giving America a raise. So I encourage my colleagues to vote for this resolution so we can do this, as the resolution says, as the instructions say, as soon as possible. We do not need to wait another month or two or three before this issue is resolved.

Mr. GOODLING. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I do that to make sure that everybody understands that nobody was trying to exempt millions of American workers from minimum wage. What we were trying to do is what the other side of the aisle thought they had done in 1989 and thought they had done later, which was to say that there is no difference between interstate and intrastate, because all those workers were already exempt less than 500,000 of them.

What we were trying to do, as I indicated, is make sure that there is no difference between interstate and intrastate, exactly what the minority thought they had done in 1989. According to the Congressional Research Service, that affected 230,000 people, not 10 million, not 16 million, 230,000, of which I grandfathered all of those so none of them was affected.

Therefore, we cannot say that somehow or other somebody was trying to take away an exemption, because the exemption was already there. All we were trying to do was make sure that we got it the way they wanted it, but it did not work out that way.

□ 1200

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, the gentleman that spoke in the aisle a minute ago said to increase the minimum wage. If my colleagues remember the last time the minimum wage was raised before this, it was raised by Ronald Reagan and the Republicans.

Why, when the Democrats had both the House and the Senate and the White House, if the minimum wage is so important now, did they do nothing? They had control of all three of the areas in which they could have raised the minimum wage and they chose to do nothing. The President even said the minimum wage is not the way to empower people. But now it is important because it is a political year.

No, Mr. Speaker, they do not raise the minimum wage and they talk about a do-nothing Congress. Well, Democrats did a lot of things in the 103d Congress. They increased taxes the highest level ever. They promised a middle-class tax cut and they increased the marginal rate on the middle class.

Mr. Speaker, we tried to live up to that bargain and give money back to the middle class with a $500 tax deduction to working families for every child, and my Democrat colleagues fought that. Why? Because they want the power and the ability to spend money out of Washington, DC, so they can rain it down to their liberal interest groups, so they can get reelected. That is what is cruel.

Mr. Speaker, if my colleagues want to help the American people, balance the budget and cut out the extra spending.

Let me give another classic example. In education, the liberals have cut education year after year after year. How? The President's direct lending program cost over a billion dollars more just to administer. One year in operation they have lost $100 million and they cannot account for it. That is cutting education because those dollars are not going to the classroom.

We took the savings from that and increased Pell grants and increased students loans 50 percent and Democrats said Republicans are cutting education. What we did is we cut their power in River City and we capped the administrative fees on direct lending.

AmeriCorps where it is $29,000 per volunteer, and in Baltimore it was $50,000 per volunteer; the wasteful spending that we have in Washington, DC. If my colleagues want to help American families and get them a minimum wage, then balance the budget and take off interest rates. They will have more money for schools and car loans and home loans and they will have a good life. But no, Democrats want to make it political rhetoric in an election year, when they absolutely refused to do it when they had the total House, the total Senate and they had the White House.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I remind all speakers that we are talking about the minimum wage and not some of these other issues that have been brought before us.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK of Hawaii. Mr. Speaker, I thank our ranking member for yielding me time.

Mr. Speaker, this matter of raising minimum wage is a matter of simple justice. We have heard throughout the last year and a half about how important it is for people to work. In fact, we have passed a welfare reform bill, so-called, which will require work because work is an important ethic that ought to be encouraged.

And while we talk about work, we always say work should be rewarded. So we have come now to this legislation which is an attempt to pay fair wages, to make it profitable for people to work at the lowest income in our country.

People who work at minimum wage, $4.25 now, all they are going to receive after a year is $5.15 an hour; not much more than what they get, but a substantial amount for those people who are in the lowest income in our society. And I have met many tens of thousands of workers who are earning minimum wage in my district.

Mr. Speaker, I was appalled when once the Labor Department issued the unemployment statistics, everywhere we had been told that the economy was down and that the tax collections were down. And yet at the same time our unemployment figures remained stable. They remained stable because in my community, people have to work three or two jobs just to keep their families together. So when they lose the third job and retain two, they are not unemployed, so it was not reflected in the unemployment statistics, but it certainly was reflected in the amount of money that they had to sustain their families.

Mr. Speaker, if we are going to consider the family and the importance of the family, the importance of rewarding work and making people self-sufficient and encouraging this idea of family responsibility, we have to have an increase in the minimum wage.

Mr. GOODLING. Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, the minimum wage is finally going to be a bipartisan bill, but with Republicans and Democrats alike, to my friends on the other side of the aisle who want to troop down here and talk about how Democrats did not do anything the first 2 years of the Clinton administration, I would hasten to remind them of the earned income tax credit which was part of the deficit reduction bill.

Democrats passed that and it gave every American earning under $26,000 a year a tax cut. It gave 100,000 working West Virginians a tax cut. That was in lieu of the minimum wage and I might add not one Republican Member voted for it. Not one Republican Member voted for that middle-income and lower middle-income working person's tax cut, which, in effect, was a minimum wage increase.

But let us talk about this minimum wage, because it is time for it to go up. The minimum wage has not been raised since 1991, effectively. In West Virginia, what it has meant, failure to raise the minimum wage during the year that it has been talked about has meant $41 million of lost wages to working West Virginians. It has meant, since July 4, the loss of about $2 million a week to working West Virginians. That is money not only in their pockets but money that could be circulating in the economy.

Mr. Speaker, it also means that for working West Virginians it means that there are 112,000 payroll jobs that will see an increase because of this minimum wage increase over the next 2 years going from $4.25 to $5.15 over a 2-year period.

We talk about welfare reform; this is welfare reform, because what it says is there is value to work. I think that if workers have not had a pay increase since 1991, if they are at minimum wage, their buying power is at an all-time buying low for the last 40 years. If they are now making one-third the average nonsupervisory wage, and the minimum wage used to be one-half of that, yes, it is time for a raise.

So, Mr. Speaker, let us get this to the floor quickly. I am delighted to see there seems to be agreement among Republicans and Democrats. It is time for West Virginians to stop losing $2 million a week and get that pay raise.

Mr. GOODLING. Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, do we have the right to close on this side?

The SPEAKER pro tempore (Mr. TORKILDSEN). Yes, the gentleman is correct.

Mr. CLAY. Mr. Speaker, may I inquire of the gentleman if he intends to call additional speakers.

Mr. GOODLING. Mr. Speaker, if the gentleman will yield, whenever the gentleman from Missouri tells me he is down to his last speaker, I will get up and endorse his motion and then yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me 2 minutes. That is all it should take Members of this House to pass this bill. Two minutes. Not 2 months and certainly not 40 years. But for 40 years we have seen the minimum wage constantly have the value eroded down to the point now where we are now talking to folks who are working for minimum wage who cannot afford to exist.

Mr. Speaker, this is not a liveable wage. And it has been more than a month since this House, by a vast majority of its Members, decided to tell the American people, America you deserve a raise. But for more than a month this bill has been held in limbo because of politics. The Senate passed a raise on the wage more than a month ago and we cannot get this out so Americans can finally get their raise.

Mr. Speaker, there is not a need to wait any longer. We need not have an instruction to tell Members of Congress to finally do their work. Let us get to the business of this Congress. Let us increase the wage of American workers who earn the least amount in this country and do some of the hardest work. They have waited a long time. They have had to suffer through this. And quite honestly, it is time for us to tell them we appreciate what they do. And rather than the politics day after day, denying them the opportunity to have a 50 cent increase in their hourly pay, let us get past this political bickering and say it is time to increase the wage of America.

I urge Members to vote for this instruction and let us tell the leadership of the Congress: Fight if you wish, but do not do it on American workers' time. Let us pass this and get it over with and give America what it deserves.

Mr. Speaker, I yield back the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, as soon as we cut the rhetoric, we will get this minimum wage conference over.

Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, I rise in support of raising the minimum wage and I call on the Republican leadership to quit the stalling tactics on this much-needed legislation.

Mr. Speaker, 80 percent of the American public wants to see an increase in the minimum wage. Americans need a raise and the Gingrich Congress has gone to unbelievable lengths to stiff working people, including this morning voting to cut overtime pay for working people. The Republican leadership has employed every parliamentary trick in the book to deny the minimum wage to, deny workers a 90-cent increase. We are talking, friends, about 90 cents.

Under Federal law, Speaker GINGRICH takes home $171,500 a year in taxpayers' money for his salary. In contrast, the minimum wage worker who puts in 40 hours a week for 52 weeks a year makes a grand total of $8,840.

On April 17, Speaker GINGRICH promised to, "look at raising the minimum wage." It has been exactly 100 days since Speaker GINGRICH made that promise and the American taxpayers have paid him $46,989 in that time. And in Connecticut, minimum wage workers lost a total of $4.8 million in this time in terms of their wages.

Speaker GINGRICH and the Republican revolutionaries passed their Contract With America in the first 100 days of this Congress, but when it comes to working people, the Republican leadership cannot get its act together enough to enact a paltry 90-cent raise. America needs a raise now. Let us do it.

Mr. GOODLING. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I rise just to indicate that I voted for the bill when it left the House. I got some provisions in to protect the most vulnerable who normally are affected. Therefore, as soon as we stop the rhetoric, we will go on to conference and get the job done.

Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I rise today to urge my Republican colleagues to stop blocking action on the minimum wage. I have said it before and I will say it again here today: Raising the minimum wage is not just an economic issue, it is a moral issue. It is the right thing to do. The time is always right to do right.

The Republicans in Congress will do anything to deny hard-working people a small raise. Mr. Speaker, Mr. Majority Leader, I know you vowed to fight an increase in the minimum wage with every fiber in your being but you cannot fight the will of the American people forever. Now is the time to act. Now is the time, not tomorrow, not next week, but today. One thing is for sure. Come November, working people will remember.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Speaker, America needs a raise; most of America needs a raise. Really, the CEO's are doing very well in America. The stockholders are doing very well. This is a time of prosperity and a great deal of growth. it is time to share the wealth, however.

American workers are stagnated and some are faced with decline in incomes. Here is a small step that we can take. I wish that we could have both Republicans and Democrats resolve between now and the end of this session, at least we will do no more harm to workers than has been done already this year.

☐ 1215

The tiny steps that we can take is to move from $4.25 an hour to the first step in this two-step raise which will be 45 cents a year over a 2-year period, just 90 cents, to move from $4.25 to $5.15. What all the economist say, if you factor in inflation and you look at the way that the cost of living has been raised over the last 20 years, we are way behind.

To really stay level with the cost of living, this minimum wage increase should go to something like $6.30 an hour. So even after we give the two-step increase over a 2-year period, 90 cents to bring it up to $5.15 an hour, we will still be way behind what we really had 20 years ago with the minimum wage.

This is the least we can do. The war that has been declared on workers this year, starting with the November victory in 1994 of the Republican majority, is an unprecedented war. At least we can call a halt between now and November, try to stake some small steps to communicate to the American people that we do care about working families, that when we talk about moving from welfare to work, we want to make work rewarding. We have taken the rewards out of work by having people who earn the minimum wage earning less than you get if you are on welfare, and in many cases you are better off if you are on welfare and have Medicaid because at least you have a health care plan. Let us end the war on workers and raise the minimum wage without further ado.

Mr. GOODLING. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, if we wanted to delay the process, we would not have come to the floor to ask to appoint conferees. I might remind my colleagues that it was the senior Senator from Massachusetts that held all of this up over on the Senate side, the appointing of the conferees, not because it had anything to do with the minimum wage but because he did not like something in relationship to health care. That is where the delay has been. We are trying to expedite it.

Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, just to correct the record, I yield myself such time as I may consume.

Why do they keep adding these nongermane issues to important issues like the minimum wage? It should not have been there in the first place. That is the problem with what is happening in this 104th Congress under the leadership of the Republicans.

Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, the gentleman from Pennsylvania says that they are not the cause of the delay. I can remember back early on in this year, way back, when we on this side attempted many times to bring up a minimum wage bill and to be thwarted by the votes of the majority, because why? Speaker GINGRICH did not want us to have a minimum wage bill.

Finally, because of some of their Members and some of the Members from people from the media and the public said we have to have a minimum wage, everybody knows that the minimum wage has the lowest buying power that it has had in the last 40 years, so that got to them. So then they finally came up with they want an amendment, though that would have obfuscated most of it, even denied any minimum wage to over 10 million workers. We defeated that. They tried the same thing in the Senate.

This has been a long arduous process, and all because Speaker GINGRICH and DICK ARMEY, they do not want us to have the public, the people out there that work, they do not want them to have a little increase in the minimum wage, 90 cents over a period of 2 years, a 90-cent increase.

Most of my colleagues on the majority side, that would be a hill of beans, does not amount to anything. They would throw that away in 15 minutes without any problem. To people in my district who work for a minimum wage, that 90 cents means a heck of a lot, folks. That means more bread on the table. That means maybe an extra pair of socks for the kids, maybe even a pair of shoes in due time. That is what it means. It does not mean that to the majority, to the wealthy, but it does to those who work for it.

As for me, I worked for a minimum wage at one time. I know what it is like. I do not like it. I do not think anybody on the minimum wage really likes working for the minimum wage. But to have to work for $4.25 when you should be working for $5 or $5.15 makes a big difference.

Mr. GOODLING. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Mr. Speaker, I had not planned to speak today. I have no prepared text. But I get tired of bashing. It is easy for Democrats to bash Republicans, easy for Republicans to bash Democrats. We seem to be in the bashing game.

I was back on the rail, listening to the bashing exercise. I may be wrong, Mr. Speaker, but I think if memory serves correctly, and it does, during the 103d Congress, when my Democrat friends controlled the House, controlled the Senate, controlled the White House at the other end of Pennsylvania Avenue, not one word was mentioned about minimum wage. They were in the wheelhouse of that ship. My colleagues had control of the ship. But minimum wage was not on their radar screen, my friends. Now all of a sudden it is a hot item and it is the Republicans' fault.

I tire of it, Mr. Speaker, and I believe the American public tires of it and can see through it.

I thank the gentleman from Pennsylvania for yielding me the time.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. Mr. Speaker, I am a little confused as to what we are debating because we mostly seem to be having a bash Republican session here as opposed to debating the substance. In other words, the House appointed conferees. I think the chairman in the House and the majority in the House are willing to move ahead.

I have differences with what the House did. I actually agree with much of what the Senate is trying to do because I believe, and I get tired of having my motives attacked, I believe that in actuality that the increase in the minimum wage will hurt those who least can afford to be hurt.

I know in inner-city Fort Wayne we have been trying to get a grocery store to relocate back there. We lost all the major downtown grocery stores. This will increase their wage rates basically 20 percent. They already made a market decision that they could not put it there and we are making the market decision more difficult.

In the small town that I grew up and other small towns, the increases in the minimum wage are helping to take very marginal businesses under. We are seeing the Wal-Martization of America because suburbs can afford, through economic growth, to afford a lot of this. We need to look at creative ways, particularly for small businesses to deal with it.

Basically I believe that what we are debating here is not the substance of the minimum wage. We voted and I lost. What we are debating is how to resolve this procedure, how to move the conferees through, how to do it. We are not really resisting the point of trying to get the conference done. The Senators have been holding up the conference.

We want to see it move. As a freshman who has voted on this issue, who is willing to argue this issue, who unlike others have stood up and talked and tried to explain why I voted my vote, I do not retreat from my vote. I realize we have had this argument before.

I just wish that some of rhetoric would be toned down, that the motives attacks would be toned down, and we could move ahead with this process rather than continue what I believe has become malicious bashing of our side.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. Mr. Speaker, one of my many small businessmen in my rural district, he has been in business for 30 years, he has approximately 25 employees. Does the gentleman know what he said? He said, the minimum wage should be increased.

He does not pay the minimum wage. He starts people out at the minimum wage, but he says, people even starting out now at $4.25 cannot make it.

If the gentleman wants his name, I will be glad to give it to him. His name is Pete Leukenhaus. He has a small business in Wentzville, MO. He believes that it should be increased had, not decreased, not held the same but increased.

Mr. SOUDER. Mr. Speaker, will the gentleman yield?

Mr. VOLKMER. I yield to the gentleman from Indiana.

Mr. SOUDER. Mr. Speaker, I believe every business that can pay more should absolutely pay more. There are many small businesses that are closed that used to pay less, and they cannot make it. That is really what I am talking about.

I would have liked to have seen some sort of adjustments to code to help low-income people who are just starting out, particularly young mothers who are often divorced or single and trying to make it. I would like to look at it. This is not the way.

Mr. CLAY. Mr. Speaker, since the first week of this month, when the Senate passed the minimum wage bill, Republican delay has cost the gentleman from Indiana's workers, workers in his State, $5 million a week. I wish he would consider that when he talks about how dangerous the minimum wage is.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentleman from Missouri for yielding me the time.

I have been interested in this debate because Members come in and say, I do not like the bashing, and then they proceed to bash the President, the Democrats or whatever.

Let us stop the bashing. Let us reach that challenge. Let us talk about what is at the core of this debate.

When I went to college, I went to an out of State public university, which meant I was paying out-of-State tuition. I had a job with the minimum wage and, with that job, I made enough money to pay that tuition. Show me where you can do that today.

Let me tell my colleagues, what the real issue is is the minimum wage is lower in value than it has ever been. You are talking about a 40-year low. The minimum wage was supposed to be the floor.

Everybody wants to do welfare reform. Everybody wants to do these kinds of things. But if we cannot have a job where people can sustain themselves, we are really showing how totally coldhearted we are.

I think it is difficult for people who make $130,000 a year to stand up here and scream about, we do not want to raise the minimum wage. Yet the leadership on the other side of the aisle has said they were going to fight it with every fiber in their body. They were not going to let it go through.

Nevertheless, when we point that out, they say, there you go, bashing. It is not bashing. This is reciting what they have said publicly.

I think it is time we lift the minimum wage. It is way overdue. That will be the biggest incentive to welfare reform.

I think we need to get on with dealing with the real people who keep this country moving. It is particularly necessary for women. A very high percentage of people on the minimum wage are young moms trying to make it for their kids. They are trying to make it for their kids because we have not given them the tough child support enforcement help that they need. Now we are trying to cut off any other kind of support.

Raise the minimum wage. Let us do this together.

Mr. GOODLING. Mr. Speaker, I yield myself 15 seconds, just to remind everyone that the core of this debate, as a matter of fact, is do we expedite or do we not expedite the conference. That is the only core of this debate. If we stop talking, we will expedite it.

I would just mention that, to the best of my knowledge, to my friend from Missouri, the senior Senator from Massachusetts, I think, is still a Democrat.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I want to point out to my Democratic colleagues, as the person who actually offered the minimum wage amendment on this floor, that I was joined by 92 other Republicans in voting for that legislation on final passage. The difference is that us 93 Republicans also support meaningful welfare reform. So while on the one hand we do believe that the Federal minimum wage ought to be increased, if not to keep pace with inflation to at least restore some of the purchasing power to the minimum wage that has been lost or eroded due to inflation and to try to reverse this sort of perverse incentive in American society where welfare benefits in the aggregate pay more than the minimum wage job, that is to say, trying to make work more attractive than welfare, trying to make work pay more than welfare, the difference again is that we support raising the minimum wage and reforming welfare.

□ 1230

And I do not believe a single Democratic speaker who has come down to the floor and has been talking on this particular subject, this relatively innocuous motion to instruct conferees, supported welfare reform when they had the opportunity in this Chamber.

Now, the history is quite clear, colleagues. In 1992, candidate Clinton promised to end welfare as we know it. In 1995 and again in 1996 President Clinton vetoed welfare reform. Empty rhetoric spoken with the greatest of sincerity, followed by another broken promise. This cycle repeats itself all too often with President Clinton.

So even though his party, the Democratic Party, controlled the White House and the Congress for the first 2 years of his Presidency, President Clinton did nothing about welfare. He even admitted that when he finally got around to introducing welfare reform legislation, or suggesting welfare reform legislation to this body, it was quite watered down, and as previous speakers have already pointed out, when one controls the House and the Senate, they fail to offer legislation to increase the minimum wage, which seems to sort of undermine their credibility on this particular issue, it has taken a Republican-led Congress to pass legislation to reform welfare as President Clinton promised to do and to increase the minimum wage.

Now, last Thursday we made it possible for President Clinton to again sign on to a serious commonsense welfare reform package. He can either keep his word to end welfare as we know it, and my colleagues can help him do that, or he can do as usual break his word and prove yet again he means little or nothing of what he says. In order, though, for him to keep his word, he is going to have to stand up against the opposition of his party in the House of Representatives and most of the people who have spoken here on this floor today in the last few minutes to the idea of genuine welfare reform. The choice is his.

I ask all of my colleagues on the Democratic side of the aisle to join us in raising the minimum wage and reforming welfare.

Mr. CLAY. Mr. Speaker, I yield myself such time as I may consume.

The diversion is becoming an art in this House. The subject today is minimum wage; it is not welfare reform, or capital gains, or a host of other nongermane issues. The gentleman from California who just spoke, workers in his district have lost $25 million a week since the beginning of this month because of the delay in this bill becoming law.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Speaker, I thank my friend for yielding this time to me. As my colleagues know, this is not Republican bashing or any other kind of bashing. This is simply setting the record straight.

The American people are not fools. They understand that the Democrats in Congress all Congress long have been pushing for an increase in the minimum wage. We could not even get a procedural vote to bring the minimum wage to the floor for months upon months upon months.

The Republican leadership did not want this bill. They finally are here kicking and screaming every inch of the way because they know that 80 percent of the American people support the minimum wage increase and they were on the wrong side of the issue. So they are cutting their losses, and they are reluctantly coming to the table.

But the American people, again, are not fools. They know that the Democratic Party has been pushing it in this Congress.

I do not need history about what happened in previous Congresses. Let us talk about this Congress. This is the Congress that the Republicans have the majority, and this has been to do-nothing Republican Congress because it took us so long to finally get the minimum wage to the floor, and we are finally about to pass the minimum wage, but again with 90 Republicans or 92 Republicans, still a majority of Republicans in this Chamber, voted against raising the minimum wage, and a majority of Democrats overwhelmingly supported and voted for the minimum wage. So the American people should understand that. That is what has happened.

We talk about welfare reform. Well, no one is going to get off the minimum wage, get off a minimum wage job or get into a minimum wage job and get off welfare if the minimum wage is not worthwhile, if there is no child care, if there is inadequate health care, and that is the problem with the welfare bill. But we are discussing minimum wage, and it is very clear, very simple. The American people know the Democrats in this Congress have been for increasing the minimum wage time and time again, and Republicans have dragged their feet every step of the way, and again it is consistent with the Republicans attacking working people in this country, being against the minimum wage, being for gutting OSHA and gutting all kinds of rights for workers.

So let us get on and let us pass the minimum wage. This is a victory for the American people.

Mr. GOODLING. Mr. Speaker, I yield myself 15 seconds just to remind the gentleman from New York again he had 2 years, complete majority in the House, complete majority in the Senate, had the White House, never even mentioned in my committee for 2 years when they had total majority anything about the minimum wage.

But again I say, the senior Senator from Massachusetts delayed appointing in conferees over there, we delayed now about 45 minutes appointing them here. We could get on with the job. All we have to do is name the conferees.

Mr. CLAY. Mr. Speaker, I yield 1½ minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the gentleman for yielding this time to me.

Perhaps the most interesting element in this debate is how one-sided it is. As my colleagues here and I, similar viewers, know, the reason our good friend from Pennsylvania has to stand up and keep granting himself 15 seconds and half a minute is because he cannot get any Republicans to come over here and support him on this, or very, very few, and some who have come over and supported him on it are actually against the minimum wage and have said so.

Look, the American people understand this. This is a very partisan issue. It has been for almost 60 years. Republicans have been against the minimum wage since it was first created in the late 1930's, and they have been against it each time it has come up since. Oh, if we bring the bill publicly out on the floor, as we have done this afternoon, the Republicans are back in the cloakroom, and if they finally have to vote on it, usually enough of them will join Democrats that we can get it passed.

But Americans are not fooled on this issue. They know that Republicans are against the minimum wage and Democrats are for it. There is another way to put that:

My colleagues remember the economics of the 1980's called trickle-down economics, the new Republican-designed economics called trickle-down. Of course what that was, it is if we can deny income to lower-middle-income and middle-income folks and we can increase the income to the rich and the well-to-do, eventually it will trickle down and help the low-income workers. Democrats are not for that. We are for an economics which we like to call percolate-up. This bill is part of percolate-up: increase the minimum wage so that at the end of the month the workers in this country have a little jingle in their pocket, they go out and spend it, and that is what helps the American economy. It is called percolate-up. It is far different than trickle-down, and there is an enormous difference between Republicans and Democrats on this issue.

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, this has been an amazing experience because this is a time in the history of Congress where two-thirds of Congress believes we should move forward in a certain direction where two-thirds of the majority party for very valid reasons disagrees, and this was a test of this Republican Party on whether a minority within the party could have some opportunity to pursue with the minority party on the other side.

I am absolutely convinced that we have been dealing in good faith on this issue. There were other issues in the Senate, like some Member holding up the health care bill, and it seemed logical that that was a bill we wanted because we wanted to deal with the issue of transportability and preexisting condition and the health care fraud positions there and the medical savings accounts and so on, and that bill was being held up by the minority party there, and there were some on our side who said, "Well, if that's the case, then the minimum wage, we're just going to wait on the conference report." But both have been resolved, and we are having a debate now that is somewhat academic because I understand as soon as the debate is over we will have individuals appointed to the conference committee.

But I just want to, one, thank my leadership for their willingness in my conference and particularly the Members who strongly disagreed because they thought it would and still believe that jobs would be at risk and that profits will be at risk and that prices would be at risk. We disagree, those of us who support raising the minimum wage.

We have a very good debate on the floor of the House. I believe people on both sides of the aisle were dealing in good faith. Two-thirds of this conference wants to move forward on the minimum wage. I think that will happen, and to the credit of this majority party we just did not vote out a minimum-wage package, we voted out a package of economic stimulus tax credits for those individuals who are hiring the least employable. So I think we got a better bill through the synergies that exist.

I recognize that the Democrat Party has been pushing the minimum wage, that they cut a clear majority on their side, they had a role to play in this process. But this side of the aisle, and I do make the point, as has been illustrated, but they did have 2 years when they were in power they could have brought this bill up. And we do understand that there is a lot of politics involved in this process, as well.

But to the credit, we are moving forward, we will see Members appointed to the conference committee, and I urge adoption of this conference effort.

Mr. GOODLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I merely say again we are here to appoint conferees, which that means we want to move ahead, we do not want to delay, but we have lost 50 minutes now. We probably could have solved it all in 50 minutes if we could have just named the conferees and sat down and got in conference, and it may be all over by this time.

But again I know it is a political year. And I yield back the balance of my time.

Mr. CLAY. Mr. Speaker, I yield 3 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank my good friend for yielding this time to me. And I might say to the gentleman from Pennsylvania in fact this is an important debate. It is 50 minutes, but I would say to the American people it has been a long time since the Senate passed the minimum wage. I would ask my Republican colleagues, why so long? Why not then, on July 1, and certainly before July 4? Why not recognize that since the Senate passed the minimum-wage increase, American workers, some 5 million of them who earn less than $4.70, would have already gotten a raise?

According to the Labor Department, if we had gone ahead on July 1, we would have provided the American people 3½ months of groceries, or 4½ months of utility bills or 2 months of rent. My own State of Texas, the workers there have lost $19 million a week because we did not increase the minimum wage when this House voted for it and the Senate voted for it. Workers have lost nearly $4 billion because of the Republican delay.

That is why we are debating this on the floor of the House.

And might I take on my colleagues on the issue of welfare reform? I do not mind discussing it, because we are so eager to talk about welfare reform, which I agree with, but at the same time we do not want to give the American workers a decent working wage. I support welfare reform with job training, with child care, with health care and jobs. But I recognize that the fact that we have had a minimum wage that was less than a minimum wage in 1962 in terms of buying power, we are not doing anything to suggest to people get off welfare but yet do not have the jobs or the income to be able to survive, for when one gets off welfare they do still need health care.

This is an important step. I am just so sorry that we did not move more sooner so that the billions of dollars that have been lost already by the American worker could have been corrected, so that more families could buy groceries, so more could pay utility bills, and, yes, those who maybe were without homes could be in apartments now paying rent.

That is really the cause of the ire of those of us on this side of the aisle. We did not need to be voting on this today. We could have been voting for the American worker on July 4, really celebrating this holiday of independence and celebration.

And so, Mr. Speaker, I think it is extremely important that we do move forward. I hope the conferees will spend more time in discussing how we can help the American worker. I hope it will spend time listening to economists who will say that increasing the minimum wage a mere 95 cents does not hurt small businesses, it does help the economy , it does help circulate dollars into the economy so that consumers will have more money. And we recognize that those individuals with the least amount of money are our greater consumers. Give them the opportunity to get a fair day's wage for a fair day's work. Vote for this minimum-wage conference so that we can stand with the Americans. I am sorry it is so late.

Mr. PAYNE of New Jersey. Mr. Speaker, today I rise in support of American workers and in support of an increase in the national minimum wage. Every day, we hear how the living standards of Americans are steadily eroding. And finally, we are looking at a bipartisan effort to increase the living standards for millions of Americans who are looking to take personal responsibility and keep them and their families off welfare.

Consider that since the early 1970's, the benefits of economic growth have unevenly distributed among workers. Raising the minimum wage would help ameliorate this trend.

The positive effects of the minimum wage are not felt solely by low-income households, but minimum wage workers are overrepresented in poor and moderate-income households.

Consequently, the minimum wage is an important component of a broad-based policy to help low-wage workers, particularly in households that are working hard to keep themselves and their families in self-sufficiency.

With wages stagnant, people are spending less money. As a result, companies profits are way up and inflation adjusted wages and benefits are climbing at less than half the pace of previous economic expansions.

And with growth in consumer spending down, that means that per capita GDP growth is way below projected trend.

So what does all this mean for you? As many of my colleagues on the other side are seriously considering reductions in the earned income tax credit, workers who are impacted by a stagnant minimum wage are in large part the same people who would be hurt by cuts in the tax credit.

And in this age of personal responsibility, here's the incentive to move out of poverty.

I know that my colleagues vote in favor of this small effort to help hard-working Americans struggle to keep themselves and their families out of poverty. I urge my colleagues to support this bill.

□ 1245

Mr. CLAY. Mr. Speaker, I yield back the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield back the balance of my time.

The Speaker pro tempore (Mr. TORKILDSEN). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Pennsylvania [Mr. GOODLING].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CLAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 365, nays 26, not voting 42, as follows:

[Roll No. 369]

YEAS—365

Abercrombie
Allard
Andrews
Archer
Bachus
Baesler
Baker (CA)
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Brownback
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cardin
Castle
Chabot
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Collins (GA)
Collins (MI)
Condit
Conyers
Cooley
Costello
Cox
Coyne
Crapo
Cubin
Cummings
Cunningham
Danner
Davis
de la Garza
Deal
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foglietta
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoke
Horn
Hostettler
Houghton
Hoyer
Hunter
Hyde
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kleczka
Klink
Klug
Knollenberg
LaFalce
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Meyers
Millender-McDonald
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (VA)
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Richardson
Riggs
Rivers
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Rush
Sabo
Salmon
Sanders
Sawyer
Saxton
Schaefer
Schiff
Schroeder
Schumer
Scott
Sensenbrenner
Serrano
Shaw
Shays
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornton
Thurman
Torkildsen
Torres
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walsh
Wamp
Ward
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zeliff
Zimmer

NAYS—26

Armey
Barr
Barton
Campbell
Chambliss
Chenoweth
Combest
Crane
DeLay
Doolittle
Ehrlich
Goss
Hoekstra
Inglis
Kingston
Kolbe
McIntosh
Royce
Sanford
Shadegg
Souder
Stump
Thornberry
Tiahrt
Walker
Wicker

NOT VOTING—42

Ackerman
Baker (LA)
Berman
Bevill
Blumenauer
Boucher
Chapman
Coleman
Collins (IL)
Cramer
Cremeans
Doggett
Ford
Gejdenson
Geren
Hancock
Hastings (FL)
Hayes
Holden
Hutchinson
LaHood
Laughlin
Lewis (CA)
Lincoln
Martinez
McDade
Meehan
Mica
Miller (CA)
Miller (FL)
Nethercutt
Payne (NJ)
Pelosi
Peterson (FL)
Quillen
Roberts
Scarborough
Seastrand
Studds
Torricelli
Waters
Young (FL)

□ 1304

Messrs. TIAHRT, STUMP ARMEY, DELAY, COMBEST, EHRLICH, INGLIS of South Carolina, DOOLITTLE, WALKER, SANFORD, and GOSS, Mrs. CHENOWETH, and Messrs. ROYCE, WICKER, CHAMBLISS, BARTON of Texas, and KOLBE changed their vote from "yea" to "nay."

So the motion to instruct was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. SEASTRAND. Mr. Speaker, on rollcall Nos. 366, 367, 368, and 369, I was unavoidably detained. Had I been present I would have voted "yea" on all four votes.

The SPEAKER pro tempore (Mr. TORKILDSEN). Without objection, the Chair appoints the following conferees:

From the Committee on Ways and Means, for consideration of the House bill, except for title II, and the Senate amendment numbered 1, and modifications committed to conference: Messrs. ARCHER, CRANE, THOMAS, GIBBONS, and RANGEL.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of sections 1704(h)(1)(B) and 1704(l) of the House bill and sections 1421(d), 1442(b), 1442(c), 1451, 1457, 1460(b), 1460(c), 1461, 1465, and 1704(h)(1)(B) of the Senate amendment numbered 1, and modifications committed to conference: Messrs. GOODLING, FAWELL, BALLENGER, CLAY, and OWENS.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of title II of the House bill and the Senate amendments numbered 2–6, and modifications committed to conference: Messrs. GOODLING, FAWELL, BALLENGER, RIGGS, CLAY, OWENS, and HINCHEY.

There was no objection.

LEGISLATIVE PROGRAM

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute.)

Mrs. KENNELLY. Mr. Speaker, I yield to the gentleman from Texas [Mr. DELAY], the distinguished majority whip, for the purpose of asking the schedule for the remainder of this week and for next week.

Mr. DELAY. I thank the distinguished vice chairman of the Democratic Caucus for yielding.

Mr. Speaker, I am pleased to announce that the House has concluded its legislative business for the week.

We will next meet on Monday, July 29, at 12:30 p.m. for morning hour and at 2 p.m. to consider a slew of suspensions. Members should be advised that any recorded votes ordered will be postponed until Tuesday, July 30, at 2 p.m. Please note that there is a possibility that votes could occur later than 2 p.m., although we cannot guarantee it.

On Tuesday, July 30, the House will meet at 9 a.m. for morning hour and at 10 a.m. for legislative business. The House will continue consideration of suspensions before turning to H.R. 2391, the Working Families Flexibility Act.

For Wednesday, July 31 and the balance of the week, the House will debate the following measures, both of which will be subject to rules: H.R. 2823, the International Dolphin Conservation Program Act; and H.R. 123, English as the Common Language of Government Act.

Mr. Speaker, it is my belief that a number of conference reports may be ready next week. Among the possibilities the House may consider are welfare reform, health care reform, safe drinking water and, of course, any appropriations bills that are ready.

Mr. Speaker, the House should finish its business and commence the August district work period by 2 p.m. on Friday, August 2.

Mrs. KENNELLY. I thank the gentleman.

Mr. Speaker, I would like to further ask, does the gentleman expect the minimum wage conference report to be considered next week?

Mr. DELAY. If the gentlewoman will yield further, as the gentlewoman knows, the minimum wage portion of the bill is the same in both Houses. We hope after vigorous consultations and negotiations with the Senate through the conference committee that the tax provisions will be worked out and we have every intention of bringing that conference report back to this House for a vote, hopefully in the next week. But the gentlewoman knows as well as I do, conference committees can slow down.

Mrs. KENNELLY. I thank the gentleman.

Mr. Speaker, I would just like to ask a few further questions. Does the gentleman think we will complete the comp time bill next week?

Mr. DELAY. That is certainly our hope and our intention.

Mrs. KENNELLY. Mr. Speaker, I have noticed we do have a great deal on the plate obviously because we are going to finish and go on August break next week.

We have heard that the DOD, the Agriculture, the foreign operations, the legislatve branch and the immigration conferences might also come up. Could the gentleman address the possibility of those conference reports?

Mr. DELAY. If the gentlewoman will yield further, certainly the Committee on Appropriations of the House is working as hard as they can to see that that happens. We are trying to get as many appropriations bills to the President as quickly as possible in anticipation of adjourning on October 4.

Mrs. KENNELLY. So the above mentioned will be going to conference, or the gentleman is going to try to see if they will go to conference?

Mr. DELAY. If the gentlewoman will continue to yield, we certainly want to go to conference on those bills any way that we can next week so that we can stay on our schedule.

Mrs. KENNELLY. I thank the distinguished majority whip.

ADJOURNMENT TO MONDAY, JULY 29, 1996

Mr. DELAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AGRICULTURAL MARKET TRANSITION ACT AMENDMENTS

Mr. COMBEST. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture be discharged from further consideration of the bill (H.R. 3900) to amend the Agricultural Market Transition Act to provide greater planting flexibility, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. DE LA GARZA. Mr Speaker, reserving the right to object, I yield to the gentleman from Texas [Mr. COMBEST] for an explanation of the bill.

Mr. COMBEST. I appreciate the gentleman yielding.

Mr. Speaker, H.R. 3900 is a short and simple bill to address two problems related to the implementation of the 1996 farm bill, or the Federal Agriculture Improvement and Reform Act. This bill has been the subject of many staff discussions between Republicans and Democrats on the House Agriculture Committee and with staff of the Department of Agriculture. I have personally visited with my good friend, Secretary Dan Glickman, about the first part of this bill and he supports making this change.

The first part of the bill simply allows farmers to plant a secondary crop of fruits or vegetables on their farm program acreage following a crop which has failed earlier in the year. This practice, referred to as ghost acres, has been allowed for several years but is being disallowed this year due to the interpretation of the new farm bill by USDA. Allowing this practice clarifies the intent of Congress and does not violate the spirit of any agreements made on the issue of planting flexibility under the new farm bill.

It is unfortunate that the passage of this legislation has become necessary and many of us believe that this problem could have been more easily resolved by a more appropriate interpretation of this provision by USDA. Language very similar to this was recently inserted into the Agriculture appropriations bill on the Senator floor. However, enactment of this change is needed now to allow farmers to get their crops into the field immediately.

The second provision of H.R. 3900 requires the issuance of new regulations by the Department of Agriculture for the Conservation Reserve Program by September 15. This requirement is needed because rural Americans have already waited too long to hear what the details of the new CRP program will be and need to make decisions as to the future use of their land.

Mr. Speaker, this bill has bipartisan support in both Houses of Congress and I urge its immediate adoption.

Mr. DE LA GARZA. I thank the gentleman.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. I thank the gentleman for yielding.

Mr. Speaker, I strongly support this unanimous-consent request.

Mr. Speaker, as you know, the Federal Agricultural Improvement and Reform Act of 1996 contains a provision under section 118 which prohibits the planting of most fruit and vegetable crops on contract acreage, with three narrow exceptions. The primary intent of this provision is to prevent the subsidization of fruit and vegetable production in competition with traditionally nonsubsidized producers of these crops, yet allow for the same flexibility to plant fruits, vegetables, or other commodities as was allowed in the last farm bill, the Food, Agriculture, Conservation, and Trade Act of 1990. Rather than leave the issue open for interpretation, this bill more clearly defines the parameters under which farmers can plant a second crop without incurring an acre-for-acre reduction in their market transition payment.

In Texas, blackeyed peas are historically grown on failed cotton acreage. They make for an excellent followup crop to cotton compared to other crops, because they more readily adapt to the herbicides used in cotton planting. More importantly, blackeyed peas allow producers an opportunity to grow a crop that: First, requires considerably less water during times of drought; second, serves as an excellent ground cover, even if they only get a few weeks growth; third, assists with fertilization for next year's crop by contributing nitrogen to the soil, and fourth, provides lenders additional incentive to work with difficult credit situations like many farmers are experiencing now. Most States have similar cropping substitutes. Maybe it goes without saying, but every true Texan knows that any good luck throughout the year can easily be traced back to those traditional servings of blackeyed peas on New Year's Day. If this year's farm bill is really about flexibility, it is important that producers who operate outside those counties currently designated as double cropping regions, but who have traditionally been able to plant a commodity in lieu of a failed program crop, continue to have that opportunity. I am confident that it was not the plan by the authors of this farm bill to prohibit or restrict planting options relative to the past, and I feel certain that their aim was, at a bare minimum, to maintain the producer's freedom to farm his land at 1990 levels.

With the passing of this bill, we also encourage the Secretary of Agriculture to provide specific guidance to those producers who are considering bringing their land back into production from the Conservation Reserve Program. I understand the excessive workload that the Department is facing in issuing all the rules and regulations associated with this farm bill's implementation and the staffs of all those agencies involved should be commended for the long hours and headaches they have endured this summer—but it is very important that the eligibility requirements be determined and announced as soon as is reasonably possible so that CRP contract holders can know what to expect.

I support this bill and urge my colleagues to do the same.

Mr. DE LA GARZA. Mr. Speaker, I rise in support of H.R. 3900.

This bill will give the U.S. Department of Agriculture much needed direction in the interpretation of the Federal Agriculture Improvement and Reform Act of 1996—FAIR Act—which we passed earlier this year.

H.R. 3900 is very simple. First, it reaffirms the Department's ability to continue the practice of ghost acres. Under prior farm bills, producers who suffered a natural disaster could plant a second crop of their choosing without having any impact on their participation in commodity programs. This practice allowed producers the ability to try to recoup some of their losses when Mother Nature was in an unkind mood.

The second provision in H.R. 3900 will require the Department to issue regulations by September 15, 1996 to implement the Conservation Reserve Program which was amended by the FAIR Act. Producers and landowners in many parts of the country are wondering what the parameters of the new program will be and this provision will spur the Department on to work out the new regulations in a timely fashion.

Mr. ROBERTS. Mr. Speaker, I rise in support of H.R. 3900 which requires the USDA to publish its regulations governing the Conservation Reserve Program by September 1, 1996. Since its inception in 1985, the CRP has been a valuable tool for America's farmers. The CRP allows producers to protect fragile, highly erodible land from further deterioration by signing contracts to remove the land from production and place it under a managed conservation practice in exchange for fixed annual payments. While the CRP has achieved considerable reductions in wind erosion, it also provides excellent wildlife habitat for pheasants, quail, and other animals that inhabit the American plains.

Mr. Speaker, I am concerned that the regulations governing the future of the CRP have been repeatedly delayed by the USDA. Farmers need to know all of the details of the Federal agricultural policies that affect their ability to make commonsense farm management and production decisions. For weeks I have been hopeful that the USDA would issue its policy guidelines regarding the future of the CRP so that farmers could have full knowledge of the rules that will govern their program participation before they signed up for the 7-year farm program.

Unfortunately, in the more than 3 months that have passed since the new farm bill was enacted, USDA has provided only the barest of details. While the USDA has allowed CRP contract holders to extend their contracts for an additional year, farmers have no certainty regarding the long-term future of the CRP. With the world currently experiencing a grain supply shortage, many farmers worry that the CRP will be abandoned completely. At the same time, others worry that continuing to extend the CRP on a year-to-year basis discourages farmers from doing what they do best—feed a hungry and troubled world.

Mr. Speaker, farmers need long-term guidance from the USDA so they can make crucial production decisions. The new farm bill required that the USDA publish its CRP regulations within 90 days of passage—they are already 2 weeks pass that deadline. With farmers already preparing to plant next year's wheat crop this fall, it is important that they know what the CRP rules will be both for next year and for the years to come.

The CRP debate has dragged on for long enough. America's farmers deserved an answer long before now. They should not have to wait any longer.

Mr. DE LA GARZA. Mr. Speaker, I withdraw my reservation of objection.

□ 1315

The SPEAKER pro tempore (Mr. TORKILDSEN). Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 3900

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Sec. 1 Increased Planting Flexibility.—Section 118 of the Agricultural Market Transition Act (7 U.S.C. 7218) is amended by adding the following new paragraph to subsection (b)(2):

"(D) by a producer on contract acreage following a crop that fails due to conditions beyond the producer's control.".

Sec. 2. Conforming Amendment.—Subsection 118(b)(2) is amended:

(a) in paragraph (B), by striking "or"; and
(b) in clause (ii) of paragraph (C), by striking "vegetable." and inserting "vegetable; or".

Sec. 3. Conservation Reserve Program Regulations.—Not later than September 15, 1996, the Secretary shall issue regulations to implement the Conservation Reserve Program (16 U.S.C. 3831 et seq.), as amended by section 332 of the Federal Agriculture Improvement and Reform Act of 1996 (Pub. L. 104–127, April 4, 1996).

AMENDMENT OFFERED BY MR. COMBEST

Mr. COMBEST. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore (Mr. TORKILDSEN). The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. COMBEST:

On page 2 Line 7 strike "in" and insert "at the end of".

Mr. COMBEST. Mr. Speaker, I would just mention this is strictly technical. It is to further clarify in the amendment a misinterpretation that had been earlier made, and it is purely technical and clarifying in nature.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Texas [Mr. COMBEST].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. COMBEST. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3900.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. WHITE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H. Res. 488.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

STATUS REPORT ON THE CURRENT LEVELS OF ON-BUDGET SPENDING AND REVENUES FOR FISCAL YEAR 1997 AND FOR THE 5-YEAR PERIOD FISCAL YEAR 1997 THRU FISCAL YEAR 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, to facilitate application of sections 302 and 311 of the Congressional Budget Act, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 1997 and for the 5-year period fiscal year 1997 through fiscal year 2001.

The term "current level" refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature as of July 22, 1996.

The first table in the report compares the current level of total budget authority, outlays, and revenues with the aggregate levels set by House Concurrent Resolution 178, the concurrent resolution on the budget for fiscal year 1997. These levels are consistent with the recent revisions made pursuant to section 606(e) of the Congressional Budget Act of 1974 as amended by the Contract with America Advancement Act—Public Law 204–121—which provides additional new budget authority and outlays to pay for continuing disability reviews. This comparison is needed to implement section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for years after fiscal year 1997 because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority, outlays, and new entitlement authority of each direct spending committee with the section 602(a) allocations for discretionary action made under House Concurrent Resolution 178 for fiscal year 1997 and for fiscal years 1997 through 2001. Discretionary action refers to legislation enacted after adoption of the budget resolution. This comparison is needed to implement section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 602(a) discretionary action allocation of new budget authority or entitlement authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 1996 with the revised section 602(b) suballocations of discretionary budget authority and outlays among appropriations subcommittees. This comparison is also needed to implement section 302(f) of the Budget Act, because the point of order under that section also applies to measures that would breach the applicable section 602(b) suballocation. The revised section 602(b) suballocations were filed by the Appropriations Committee on July 12, 1996.

REPORT TO THE SPEAKER FROM THE COMMITTEE ON THE BUDGET

STATUS OF THE FISCAL YEAR 1997 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 178

REFLECTING ACTION COMPLETED AS OF JULY 22, 1996

[On-budget amounts, in millions of dollars]

	Fiscal year 1997	Fiscal year 1997–2001
Appropriate level (as set by H. Con. Res. 178):		
Budget authority	1,314,785	6,956,507
Outlays	1,311,171	6,898,627
Revenues	1,083,728	5,913,303
Current level:		
Budget authority	833,332	NA
Outlays	1,024,830	NA
Revenues	1,100,340	5,970,883
Current level over (+)/ under (−) appropriate level:		
Budget Authority	−481,453	NA
Outlays	−286,341	NA
Revenues	16,612	57,580

NA=Not applicable because annual appropriations act for fiscal years 1998 through 2001 will not be considered until future sessions of Congress.

BUDGET AUTHORITY

Enactment of measures providing any new budget authority for FY 1997 in excess of $481,453,000,000 (if not already included in the current level estimate) would cause FY 1997 budget authority to exceed the appropriate level set by H. Con. Res. 178.

OUTLAYS

Enactment of measures providing any new budget or entitlement authority that would increase FY 1997 outlays in excess of $286,341,000,000 (if not already included in the current level estimate) would cause FY 1997 outlays to exceed the appropriate level set by H. Con. Res. 178.

REVENUES

Enactment of any measure that would result in a revenue loss in excess of $16,612,000,000 in FY 1997 (if not already included in the current level estimate) or in excess of $57,580,000,000 for FY 1997 through 2001 (if not already included in the current level estimate) would cause revenues to be less than the recommended levels of revenue set by H. Con. Res. 178.

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 1997—COMPARISON OF CURRENT LEVEL WITH SUBALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(b)

[In millions of dollars]

	Revised 602(b) suballocations (July 12, 1996)				Current level reflecting action completed (July 22, 1996)				Difference			
	General purpose		Violent crime		General purpose		Violent crime		General purpose		Violent crime	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Agriculture, Rural Development	12,802	13,349	0	0	0	3,853	0	0	12,802	9,496	0	0
Commerce, Justice, State	24,493	24,939	4,525	2,951	0	6,451	0	1,477	24,493	18,488	4,525	1,474
Defense	245,065	243,372	0	0	0	80,745	0	0	245,065	162,627	0	0
District of Columbia	718	718	0	0	0	0	0	0	718	718	0	0
Energy & Water Development	19,418	19,652	0	0	0	6,833	0	0	19,418	12,819	0	0

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 1997—COMPARISON OF CURRENT LEVEL WITH SUBALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(b)—Continued

[In millions of dollars]

	Revised 602(b) suballocations (July 12, 1996)				Current level reflecting action completed (July 22, 1996)				Difference			
	General purpose		Violent crime		General purpose		Violent crime		General purpose		Violent crime	
	BA	O	BA	O	BA	O	BA	O	BA	O	BA	O
Foreign Operations	11,950	13,311	0	0	72	8,253	0	0	11,878	5,058	0	0
Interior	12,118	12,920	0	0	138	4,855	0	0	11,980	8,065	0	0
Labor, HHS & Education	65,625	69,602	61	38	1,858	40,615	0	20	63,767	28,987	61	18
Legislative Branch	2,188	2,179	0	0	0	214	0	0	2,188	1,965	0	0
Military Construction	10,033	10,430	0	0	0	7,204	0	0	10,033	3,226	0	0
Transportation	12,190	35,453	0	0	0	23,785	0	0	12,190	11,668	0	0
Treasury-Postal Service	11,016	10,971	97	84	0	2,381	0	9	11,016	8,590	97	75
VA-HUD-Independent Agencies	64,354	78,803	0	0	365	47,492	0	0	63,989	31,311	0	0
Reserve	722	0	0	0	0	0	0	0	722	0	0	0
Grand total	492,692	535,699	4,683	3,073	2,433	232,681	0	1,506	490,259	303,018	4,683	1,567

DIRECT SPENDING LEGISLATON—COMPARISON OF CURRENT LEVEL WITH COMMITTEE ALLOCATIONS PURSUANT TO BUDGET ACT SECTION 602(a) REFLECTING ACTION COMPLETED AS OF JULY 22, 1996

[Fiscal years, in millions of dollars]

House committee	1997			1997–2001		
	BA	Outlays	NEA	BA	Outlays	NEA
Agriculture:						
Allocaton	0	0	0	0	0	4,996
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	−4,996
National Security:						
Allocation	−1,579	−1,579	0	−664	−664	0
Current Level	0	0	0	0	0	0
Difference	1,579	1,579	0	664	664	0
Banking, Finance and Urban Affairs:						
Allocation	−128	−3,700	0	−711	−4,004	0
Current Level	0	0	0	0	0	0
Difference	128	3,700	0	711	4,004	0
Economic and Educational Opportunities:						
Allocation	−912	−800	−152	−3,465	−3,153	7,669
Current Level	0	0	0	0	0	0
Difference	912	800	152	3,465	3,153	−7,669
Commerce:						
Allocation	0	0	370	−14,540	−14,540	−41,710
Current Level	0	0	0	0	0	0
Difference	0	0	−370	14,540	14,540	41,710
International Relations:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Government Reform and Oversight:						
Allocation	−1,078	−1,078	−289	−4,605	−4,605	−1,668
Current Level	0	0	0	0	0	0
Difference	1,078	1,078	289	4,605	4,605	1,668
House Oversight:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Resources:						
Allocation	−91	−90	−12	−1,401	−1,460	−59
Current Level	0	0	0	0	0	0
Difference	91	90	12	1,401	1,460	59
Judiciary:						
Allocation	0	0	0	−357	−357	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	357	357	0
Transportation and Infrastructure:						
Allocation	2,280	0	0	125,989	521	2
Current Level	0	0	0	0	0	0
Difference	−2,280	0	0	−125,989	−521	−2
Science:						
Allocation	0	0	0	−13	−13	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	13	13	0
Small Business:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Veterans' Affairs:						
Allocation	−90	−90	224	−919	−919	3,475
Current Level	0	0	0	0	0	0
Difference	90	90	−224	919	919	−3,475
Ways and Means:						
Allocation	−8,973	−9,132	−2,057	−134,211	−134,618	−10,743
Current Level	0	0	0	0	0	0
Difference	8,973	9,132	2,057	134,211	134,618	10,743
Unassigned:						
Allocation	0	0	0	0	0	0
Current Level	0	0	0	0	0	0
Difference	0	0	0	0	0	0
Total authorized:						
Allocation	−10,571	−16,469	−1,916	−34,897	−168,812	−38,038
Current Level	0	0	0	0	0	0
Difference	10,571	16,469	1,916	34,897	163,812	38,038

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 22, 1996.

Hon. JOHN KASICH,
Chairman, Committee on the Budget,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended, this letter and supporting detail provide an up-to-date tabulation of the on-budget current levels of new budget authority, estimated outlays, and estimated revenues for fiscal year 1997. These estimates are compared to the appropriate levels for those items contained in the 1997 Concurrent Resolution on the Budget (H. Con. Res. 178), and are current through July 18, 1996. A summary of this tabulation, my first for fiscal year 1997, follows:

[In millions of dollars]

	House current level	Budget resolution (H. Con. Res. 178)	Current level +/− resolution
Budget authority	833,322	1,314,785	−481,453
Outlays	1,024,830	1,311,171	−286,341
Revenues:			
1997	1,110,340	1,083,728	+16,612
1997–2001	5,970,883	5,913,303	+57,580

Sincerely,

JUNE E. O'NEILL,
Director.

PARLIAMENTARIAN STATUS REPORT, 104TH CONGRESS, 2D SESSION, HOUSE ON-BUDGET SUPPORTING DETAIL FOR FISCAL YEAR 1997—AS OF CLOSE OF BUSINESS JULY 18, 1996

[In millions of dollars]

	Budget authority	outlays	revenues
Previously enacted			
Revenues			1,100,355
Permanents and other spending legislation	843,212	804,226	
Appropriation legislation		238,523	
Offsetting receipts	−199,772	−199,772	
Total previously enacted	643,440	842,977	1,100,355
Enacted this session			
Taxpayer Bill of Rights 2 (H.R. 2337)			−15
Appropriated entitlements and mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	189,892	181,853	
Total current level [1]	833,332	1,024,830	1,100,340
Total budget resolution	1,314,785	1,311,171	1,083,728
Amount remaining:			
Under budget resolution	481,453	286,341	
Over budget resolution			−16,612

[1] In accordance with the Budget Enforcement Act, the total does not include $34 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

CAMPAIGN REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I rise to speak today in the more dispassionate time of special orders, and one day following the vote on campaign finance reform, to talk about campaign finance reform and what the future is. I am not particularly interested in getting into a partisan dispute today.

I think that it was worthwhile defeating the bill yesterday which put more money into politics, it did not take money out, but that was yesterday. Let us talk about some of the very real factors that are affecting campaign finance reform, and some of the difficulties in crafting a bill that deals not only with candidates but the overall issue of campaign finance reform.

First of all we had the Buckley versus Vallejo decision by the U.S. Supreme Court in the 1970's, which began a trail of decisions or started a line of decisions which effectively says that expenditure of money is the equivalent of speech; that as someone has the ability to say anything they want, if money enhances or permits them to say that, they can then expend that money.

So free speech and expenditure of money begin to be equated as the same. That is, I think, a disturbing trend, but that is a judicial decision.

So first of all we have that case, and what that then did effectively say, that we could not limit how much an individual could spend in their own campaign. If we have a billionaire, that billionaire can spend a billion dollars, if they want, of their own money for their own campaign. We can limit how much somebody can contribute to that person. We cannot limit how much that person can spend themselves.

The second major decision occurred only a couple of weeks ago, in which the U.S. Supreme Court ruled that political parties cannot be limited in how much they can spend for independent expenditures on behalf of their candidates. Let me give my colleagues an example:

John Jones, hypothetical candidate, is running, and his political party decides they want to make an independent expenditure, that is, without communication with John Jones, in his behalf. They were previously limited in how much they could spend. Now they can spend hundreds of thousands of dollars running a negative ad campaign against John Jones' opponent, leaving John Jones then free to run positive ads and not have his fingerprints attached to negative campaigning.

Incidentally, four of the Justices suggested at that time that that doctrine ought to be able to carry over to making direct expenditures on behalf of the candidate, so that firewall may be following shortly.

So now we have a situation with the Supreme Court where we cannot limit how much a candidate can spend on behalf of himself or herself out of their own individual funds, and we cannot limit how much a political party, Democrat or Republican, can spend on behalf of a candidate as long as it is independent.

The third factor we have in today's elections are independent expenditures, whether it is the Chamber of Commerce, the National Association of Manufacturers, the AFL–CIO, the Christian Coalition, or whomever, that they can spend in behalf of a candidate as long as it is an independent expenditure. Once again, an outside group can come in, run hundreds of thousands of dollars of political advertising, as long as theoretically it is not done in coordination with the candidate. Once again, we can pass all the legislation we want affecting a candidate, but if we have independent expenditures it really does not make any point.

The fourth is one that both parties abuse, I feel, and that is soft money, the ability to funnel lots of money, unlimited amounts, in effect, to political party committees in States, effectively for organization. Soft money is becoming a bigger and bigger loophole.

A fifth element of great concern, both Presidential candidates in both parties are circumventing or getting around as much as they possibly can the present limitation on campaign financing. The only area, incidentally, where there is some public financing of campaigns is in Presidential campaigns. It is supposed to be limited, but both parties are getting around that as aggressively as possible.

Finally, the watchdog of campaigns, the Federal Elections Commission, is not adequately funded, and so in effect we have got a watchdog that has been defanged or the watchdog is not being given much of a leash to go do its job.

What we may ultimately have to consider in this country and I just suggest this for discussion purposes, is if there is ever going to be a serious limitation of money, if we are going to be able effectively to control how much individuals or individual groups put into campaigns, we may have to talk about a constitutional amendment that overcomes the Supreme Court decisions. But until that happens, then I think the public is going to have to be prepared to take control of this process and demand that the Congress do the same thing.

I use the retail, parking lot test. A lot of people are concerned that political campaigns are turning into retail contests. Then use the retail principles to combat it. The parking lot test for me is when I am standing in a parking lot campaigning and somebody comes up and says, "BOB WISE, I don't think that this should be happening" or "Are you involved in this?" So that way political candidates, whether incumbents or challengers, soon get an idea of what the public will accept.

It may be that the public is going to have to say what it would not accept in campaigns. The public or perhaps outside groups are going to have to devise a voluntary code, and thus get some campaign reform and force Congress to act.

THE FACTS ABOUT THE CAMPAIGN FINANCE REFORM BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. HOKE] is recognized for 5 minutes.

Mr. HOKE. Mr. Speaker, I also want to speak about the campaign finance reform bill that we defeated yesterday, as well as just campaign finance reform generally, because the one thing that has been said repeatedly is that it was a good thing that this bill was defeated because it would do nothing to limit campaign spending. That is simply factually untrue, and I am going to explain why that is untrue.

I will preface that by saying that I did not think it was a perfect bill. There were a lot of things about the bill I was not particularly happy with but at least it moved in the right direction, and I did vote for it.

As we could see, though, from yesterday's vote, Mr. Speaker, unfortunately it was soundly defeated in this House because apparently when it comes to campaign finance reform, people hide behind perfection being the utter enemy of the good, instead of making the incremental reforms that apparently are the only way that we can get anything accomplished with respect to reforming the institution itself or the way that candidates are supported and their campaigns are financed.

Let me tell my colleagues specifically why yesterday's bill, from bottom-up as opposed to top-down philosophy, would have limited spending. It did two things that would have limited spending. It did two things that would have had an immediate impact on reducing the number of dollars in congressional campaigns.

No. 1, it reduced the amount of money that could be contributed by a political action committee, that is, a special interest PAC. Most of them, as we know, Mr. Speaker, are located here in Washington and represent Washington's values, lobbyists' values, special interests' values, as opposed to America's values.

It would have reduced the amount that those PACs could have spent from $5,000 to $2,500 or reduced the amount of money from PACs by 50 percent, reduced them in half. At least that is what it purported to do. Unfortunately, the devil is always in the details and who knows that it might have only spawned twice as many PACs with different hats.

But let us forget that for a second. Let us assume in fact it would have done what it was intended to do, and that was to reduce the amount of money that a PAC could give by 50 percent. That would have reduced by 50 percent all of the money that PACs contributed to congressional campaigns in the last cycle or in the next cycle. If the average amount that a candidate is receiving from a PAC is $300,000 or $400,000, it would have reduced it by half. Clearly, that has an immediate impact on reducing the amount of money that is being spent in political campaigns.

Second, the bill also provided that 51 percent of all contributions must come from individuals who live in the district that the candidate wants to have the honor of representing in the United States House of Representatives; 51 percent. That immediately would have also had the impact of reducing the total number of dollars spent on a political campaign.

Why? Because if 51 percent has to come from in-district, that means that in all of those districts where candidates are in fact raising more than 51 percent from out-of-district, which is in fact for those people who accept political action committee contributions, the majority of candidates, it would have also had the immediate impact of reducing the amount of money being spent in those campaigns, as well.

So as my colleagues can see, this bogey that is being thrown up that this did nothing to reduce the amount of money in political campaigns is absolutely false and it is false because, No. 1, the amount of money spent by PACs would have been reduced. No. 2, there would have been an overall reduction because of the 51 percent in-district requirement.

Now that is a consequence of otherwise good policies. I would go a step further and say this: If we are going to in fact make this body more representative of the districts of America, not of Washington's values but of America's values, then we have to completely eliminate the political action committee contributions.

□ 1330

The reason tha we need to do that is that something very, very insidious happens when a person makes a contribution to a PAC. In other words, if you are a member of a labor union or if you work for a bank and you make a contribution to a bank PAC, or let us say that you are an individual who makes a contribution to a particular other PAC, what happens is that the character of that contribution changes from being complex and subtle and intelligent to being stupid and narrow and ugly, with only one or two specific political agendas for that term of Congress.

ADMINISTRATION SHOULD ADVISE CONGRESS REGARDING CURRENT HAITI SITUATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. GOSS] is recognized for 5 minutes.

Mr. GOSS. Mr. Speaker, I will not use the 5 minutes. Mr. Speaker, I took the well last evening because we had received a surprise from Haiti. We were getting ground reports that the 82d Airborne had arrived in that country, at least in company strength, and was very visible on Humvee vehicles with machine guns and battle gear going around the capital city and elsewhere in the country.

The people were puzzled about what was going on, so we asked for an explanation from the administration. Today is another day and today is another day we have had more silence from the administration on exactly what are our increased American troops doing in Haiti and what, in fact, is going on in Haiti.

Many people who do not follow what goes on in that friendly neighboring country just to the south of Florida, which is my district, are not aware that they have just had the equivalent of their O.J. Simpson trial there over the death of a respected man named Guy Mallory who was assassinated a few years ago, among many assassinations that have regrettably taken place in that country. That trial came out that they acquitted two suspects that they felt they had pretty good evidence. And now the President of the country has come along and said there was something, quote, suspicious about the verdict.

The judicial system does not work very well in Haiti. It is a country where passions tend to run very quickly and very intensely. We have now got people in the streets saying that this jury contained people who were enemies of the people. "Enemies of the people" in Haiti is code word and it usually precurses trouble.

We have got now a situation where we have got obviously a bad situation in the country and a lot of agitation and feeling going on. And apparently we have now sent the 82d Airborne, at least part of it. We do not know exactly what they are doing. We do not send the 82d Airborne just anywhere. They are a crack American outfit. We reserve them for our most difficult problems and hot spots. I would suggest that Bujumbura, Burundi, today is a place where the human rights violations and the black-on-black genocide is so atrocious that if there were a need to put our troops some place to make peace and stability and protect human rights, it might rise to a larger order of things to be looking at Bujumbura than Haiti.

But some have suggested that the reason that we have sent the 82d to Haiti is to perhaps try to keep the lid on things there because we know that the Clinton administration has claimed Haiti as a foreign policy success story, and I know that they are anxious to try and keep proving that right up to the election, at least in this country.

I think that the time has come for the Clinton administration to try and reduce the candor gap with the American people on so many issues. But when it comes to foreign policy and when it comes to committing our troops who are actually in harm's way in a situation as explosive as the one in Port-au-Prince and Haiti today, it seems that they ought to be discussing it with Members of Congress who have legitimate oversight and legitimate concerns about how our taxpayers' dollars are spent, and legitimate concerns about how our foreign policy is executed and when it is executed.

So I am still hopeful that the administration will take advantage of this and the White House will share with the American people and the news networks what exactly is going on in Haiti and why we have more soldiers there.

WHO REALLY SPEAKS FOR THE CHILDREN?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. WHITE] is recognized for 5 minutes.

Mr. WHITE. Thank you very much, Mr. Speaker. Today I want to spend just a few minutes on a subject that is very important to me that is the subject of children.

I have four children and, as luck would have it, I have one of them here on the floor with me today. My 10-year-old daughter Emily is visiting Washington, DC, with me this week, and she has a 12-year-old sister, a 7-year-old sister and a 4-year-old brother, in our household children are very important. I hope they are very important to every Member of this body because just about everything we do here will have an impact on our country's children.

Mr. Speaker, I am new to this body. I have been here only a year and a half, but I have noticed there is a significant difference between our two parties when we talk about children.

The Democrats tend to talk about Government programs, Government spending, and Government bureaucrats, and I recognize that is an approach that they have taken. They think that is what it takes to raise a child, and I have to tell you, Mr. Speaker, I disagree.

We have spent billions and billions and billions of dollars over the last 30 years on Government run welfare, and our problems have only gotten worse. I think it is time for Republicans and Democrats to call for a new approach or, Mr. Speaker, maybe it is a very old approach. This approach is called responsible parents. That is what it takes to raise a child in America today, responsible parents.

We should not be asking ourselves what should the Government do for children. What we should be asking is how can we help parents do more for their children? What children need is not more Government spending, it is compassion. It is help from their parents. That is something the Government cannot provide.

When we talk about children, Republicans begin with three principles: First, that the moral health of our Nation is at least as important as the economic health or the military health of our country. The fact is you cannot raise children in the proper environment when 12-year-olds are having babies, 15-year-olds are killing each other, 17-year-olds are dying of AIDS and 18-year-olds are graduating with diplomas that they cannot read. If we are going to take care of our children, we have to restore the moral health of our country.

Second, it is results, not rhetoric, that count. Anyone can sound compassionate. Anyone can say what people want to hear. But we have got to go out there and do things that will actually help our children.

Third, we really have to look ourselves in the mirror and admit to ourselves and to the American people that the system we have in place right now is a failure. We have spent billions and billions of dollars over the past 30 years on a system that has not worked, and it is time to try something new.

Mr. Speaker, 30 years ago the Government started out with the best intentions but instead of solving the problem the Government created a welfare trap in this country. We have trapped a generation of Americans on Government assistance. We have deprived them of hope, of opportunity, and in many cases we have destroyed the lives of many precious children.

Take a look at what is happening in our cities. You will see a generation that is fed on food stamps, but starved on nurturing and hope and parental care. You will see second graders who do not know their ABC's, fourth graders who cannot add or subtract. You will see sixth graders who do not know the number of inches in a foot because they have never seen a ruler.

Yet every year, as we have done for the past 30 years, the Government spends more money on programs because it thinks that is the compassionate way to help people. Instead of helping people, Government in expanding the welfare trap from one community to another, from one child to another, from one generation to another. The welfare trap and Government spending makes us think we have done something, makes us feel good about ourselves, when really we have not even begun to solve the problem.

As I say, the Government bureaucracy is well-intentioned, but what Government has failed to understand is that raising more taxes to hire more bureaucrats to expand a welfare system that does not work is only going to make matters worse. We have got to try a different approach.

The fact is welfare is not the only problem that is affecting our children. We recently passed a welfare reform bill in this House that takes a new approach and maybe that will have some positive affects. We need a new approach because at the start of this decade we had the most murders, the worst schools, the most abortions, the highest infant mortality rate, the most illegitimacy, the most one-parent families, the most children in jail, and the most children on Government aid in the world.

We are first only in the numbers of lawyers and lawsuits. That is the situation that has to change. The fact is a government-based policy to help children just does not work. It tends to destroy them, as we have seen over the past 30 years. It does not keep families together. It tends to drive them apart and instead of turning our cities into shining cities on the hill, it has made them into war zones where no one dares to go out at night and sometimes they do not dare to go out in the daytime as well.

So let me describe two competing visions of how we take care of our children in this country. There is the Government-based vision that we have talked about, but there is also a family based vision where parents like me, and like all of us who have children, are empowered to make decisions, where communities can decide for themselves how to fight crime and drugs and educate their children and where local school officials are given the ability to develop a curriculum that fits the needs of their students. That is the sort of approach we need to take.

Too often politicians use children as props. We should use them instead as a reminder that we have got a responsibility to the next generation. We need to help them with compassion and nurturing, not with Government handouts.

Too often politicians simply talk the talk because that is the easy way. It is easy to sound compassionate. But we need to work to reform the system that currently has failed our children, and I think that work begins with reforming welfare.

Let me state this clearly so there is no confusion. We have spent $5 trillion since the midsixties on Government run welfare programs and yet we have more poverty, more crime, more drug addiction, more broken families, and more immoral behavior today than we had at that time. The Government system is broken. It does not work. It needs to be shut down, period.

But we have some alternatives. We have some things that might actually work, and let me give a couple of examples. Why does Habitat for Humanity work? It works because it requires recipients to do their own work, to learn the lessons themselves. Why does Earning for Learning work? It works because it pays young children to read. It educates many more than the Department of Education can ever do.

Let me say, Mr. Speaker, in closing, our children are the future of our country. They are something we have to take very, very seriously. It is not enough to say that we care and not do the work to fix the system so it really does take care of our children.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gallery will maintain order. Under the rules of the House, expressions of approbation or disapprobation are not in order.

EFFECT OF WELFARE SYSTEM ON OUR CHILDREN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota [Mr. GUTKNECHT] is recognized for 5 minutes.

Mr. GUTKNECHT. I thank you, Mr. Speaker, and I would like to pursue the discussion that my freshman colleague from Washington [Mr. WHITE] has been talking about. His daughter Emily reminds me a lot of my daughter Emily, who is now 16 years old, and we are having driving lessons. But I want to talk about children in America as well, and I want to talk about the welfare system and what we are doing to children.

Is there anything more cruel to children than consigning them to a lifetime of poverty and dependency? Cannot we do better than the welfare system we have in place now?

Almost everyone agrees that the welfare system has failed. It needs to be replaced. That is why I am encouraged that the House and the Senate have passed welfare reform legislation in the last couple of weeks on a bipartisan basis. This legislation will soon go to the President for his signature.

The war on poverty was begun in the mid-1960's with good intentions. President Lyndon Johnson and others argued that America needed to provide a nationwide safety net to catch those who had fallen on hard time. Some have said that the safety net has become a hammock, but that is not quite fair. In some respects it is more like a gill net, trapping and inflicting damage upon generations of Americans, and one does not have to look far to see its victims.

Out inner cities have become war zones. Out-of-wedlock births have quadrupled in the last 30 years, spawning a generation of fatherless young men and women perpetuating a cycle of illegitimacy, violence, dependency, and despair.

□ 1345

Most Americans now see that the basic flaw with our war on poverty is that it has created a culture of entitlement to benefits through a Washington-dictated, one-size-fits-all system. It set up the wrong kinds of incentives, paying people not to work and penalizing them if they do. It hurts the very people it was designed to help. We are literally killing people with kindness.

Almost no one disagrees that we need fundamental change in our welfare policy. The administration boasts that it has approved a record number of waivers of Federal regulations to allow States to experiment with welfare reform. But that just shows how excessively bureaucratic and tangled the current system is.

For example, the President went out to Wisconsin and he praised the Wisconsin Works welfare reform plan, but the United States Department of Health and Human Services has not yet approved the waivers that would let the plan go forward.

Any reform plan must emphasize work and personal responsibility. The House-passed welfare reform plan will greatly increase States' abilities to design their own solutions aimed at moving people from dependency to work. It combines four Federal poverty programs, including Aid to Families with Dependent Children, the WIC nutrition program and child care, into block grants that give States flexibility to use scarce resources more efficiently. The House bill limits able-bodied adults to 2 years of assistance without work. With a lifetime maximum of 5 years of benefits, States could still grant hardship exceptions to 20 percent of their case load.

It requires people that bring immigrants into our country to live up to their sponsorship support commitments instead of passing them off to the taxpayers. And speaking of living up to their responsibilities, it also creates a nationwide tracking system for enforcing child support payments from deadbeat dads. It only makes common sense to require people to develop habits for working to support themselves. Work is more than the way you earn a living. It helps to define your very life. The great majority of Americans do it every day.

This is common sense. It is a consensus about both the need and the direction we should take in terms of welfare reform and has moved us to a truly historic opportunity to replace the faulty foundation of the welfare state.

The Senate bill, which passed on a bipartisan basis of 74 to 24, had almost all of the Republicans supporting it and over half of the Democrats. The House and Senate are resolving differences between the two bills, and we are hopeful that we can have a bill on the President's desk for his signature early in August. The President promised to end welfare as we know it but has vetoes two previous welfare reform bills.

We have accommodated his objections by separating Medicaid reform from the welfare reform. Now it is time to seize the opportunity to replace the welfare system with work, to replace dependency with responsibility. We are not simply trying to save money here, we are trying to save people, especially kids, from a lifetime of poverty.

Carpe diem, Mr. President. Seize the day.

BOOKS ON BILL CLINTON

The SPEAKER pro tempore (Mr. PETRI). Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes as the designee of the majority leader.

Mr. DORNAN. Mr. Speaker, good afternoon. This is not my bag to go to the airport. This is a show and tell special order.

It is 10 minutes to 1 in Chicago. It is 10 minutes to noon in Denver. It is only 10 minutes to 11 in Orange County, in Los Angeles and Seattle. Still the shank of the morning in Hawaii. And in Guam it is tomorrow. I have people that write to me from Guam where America's day begins. I just spoke to a whole bunch of students outside. They said: Why does the news media still persist in saying that those of us on both sides of the aisle who do special orders, 5 minutes or 1 hour or 1 minute, why do they persist in saying that we are speaking to an empty Chamber? I see 10 people, I see 10, 20, 30, 40 in the gallery. A few more over here. I see some more staffers and chief staffers back there. There are 1,300,000 people watching.

Is that not right, Mr. GUTKNECHT, who is going to be elected by a landslide in his great district. And may I do radio spots for you, as many as you want. May you put them all on Rush Limbaugh's show. A million people are listening to me right now.

Let me get serious. This case is what I am taking on the road as head of a Bob Dole peace task force. I am not going to read the titles until I get them in chronological order here. This is turning into a cottage industry of books on Bill Clinton.

And respecting rule XVIII of the House, which I intend to change after the election, if we are in the majority, and I will explain rule XVIII. It keeps us from going for one another's throats around here. It implores us to say, will the distinguished and honorable and wonderful Member yield. And if you just cannot get that out of your throat, you at least have to say, will the Member from Massachusetts yield. That is as mean as we can get.

We get our words taken down if it gets too rough and if we start to talk about something they are doing in the Chamber that likes to call itself the upper Chamber, which I sometimes love to call the House of Lords, but it certainly is coequal with us. Superior in foreign affairs and ratifying treaties, but we are superior, and it was by design, on issues like money, taxation, raising taxes. And all spending bills originate in the House.

So that rule XVIII is to protect the camaraderie, what we call comity. I do not use that word very much because, no matter how hard you hit the T, it sounds like you are saying comedy to the average American. But comity means goodwill and camaraderie and it keeps us sane with one another in the two Chambers when we have to come together in conference, which we will be doing for the next 2 or 3 months on the major 13 major appropriations bills.

We are way ahead of the Senate, as usual, because the money bills start here. But we cranked into this protective rule XVIII the Vice President, AL GORE, and whoever is sitting in the White House. I watched my friend of fifty-eight, combat Navy hero, and a grandfather of 14 children and a wonderful, trustworthy friend, George Bush. I watched that President of the United States, as he was sitting President, trashed in the well regularly from the Democratic lectern.

I watched Ronald Reagan hit sometimes over the edge with words taken down and withdrawn. But we have a tripartite system of Government here, checks and balances. As I said on this floor a few days ago, I can just tear into any one of the Supreme Court Justice. I can shred Hazel O'Leary's terrible stewardship and horrible squandering of taxpayers' dollars renting a Madonna luxury jet that Madonna had used to party around the world to take hundreds of staffers around the world in expensive hotel suites and all running up credit cards.

I can do anything I want to show that I do not think she or Bruce Babbitt or anybody should have a Cabinet seat. I thought Janet Reno, and this would have definitely happened in Great Britain, I thought Janet Reno, a very nice lady, should have resigned after 20 children and several pregnant mothers were suffocated to death. Hopefully they were not burned to death. But as far as I know, they were all suffocated to death, little faces could not have a gas mask, in the Waco government tragedy.

I would never, ever have had them come out of my mouth, and I resented it, to call any good law enforcement person who is poorly led any kind of a thug, let alone use military terms that would harken up the image of the Gestapo, but that was a disaster and heads rolled. People were fired, then rehired. A lot of agents quit in disgust. A lot of those guys tried to join the FBI first, and the FBI did not do much better at Ruby Ridge. Besides, the DEA mess, my favorite agency of all law enforcement agencies, firearms, Alcohol, Tobacco and Firearms, ATF. DEA, fantastic since its inception, which was since I have been a Congressman. The ATF, a lot of those people wanted to join the FBI first. So when the FBI came in, I had ATF agents call me on the quiet and they said, we thought the FBI was going to come in and rescue us, and they made it even worse. By that time we did not want a fire in the compound or to press religious zealots to the breaking point where a few men destroy their women and children on their ego.

She should have resigned over that. I still believe that. I still believe her presence cripples the agencies under her, including the FBI. I think what is so tragic here is that she was not in command of the agency at that time. We all know that she had to answer, even though she did not know it, to Webster Hubbell. He, the man who is? Jail now, No. 2 at Justice. He created a title for himself. That is in some of these books I am about to show you.

Pressing rule XVIII to the outer limits.

I will try to put these in order. And the newest one, Unlimited Access, by an FBI agent, has a bibliography in the back with books I never even heard of. I hope I did not forget some. My wife is reading Blood Sport, by James T. Stewart.

So, let us see, what is the first book I read on Bill Clinton? On the Make. That title alone might push rule XVIII. Before the Parliamentarian thinks about it, it means seducing the voters with a smooth line. All politicians like to think about that. It is by a lady journalist without peer in the great State of Arkansas. A great State, 23 Medal of Honor winners. I campaigned in seven towns last year for one of our great Congressmen down there, one of our two, soon to be three, Republicans. And this book, On the Make, by Meredith Oakley, the Rise of Bill Clinton, is the subtitle, takes you back to one of the only two Federal races Mr. Clinton has been in, and he lost it.

He tried to take on a combat veteran who flew the gooney bird over the hump in the China-Burma-India theater, a great Congressman. I served with him over a decade, J. P. Hammerschmidt, in 1974. He did not wipe out that World War II great veteran. But it put him on the map. And 2 years later in 1976—I cannot go to surgery; pardon me, I had my beeper on—2 years later, he was the Attorney General at 30 years of age. And 2 years after that, he was the Governor of the great State of Arkansas, at 32 years of age. And 2 years after that, he was defeated Governor at 34 years of age.

Then the other books pick up the story. But this takes him from his first race and before his involvement in the McGovern campaign with Betsy Wright, chief cook and bottle washer and suppressor of scandals and hirer of Jack Palladino, who had thousands of dollars of campaign money, intimidated and shut up people on the campaign trail to grease the path for Clinton to the White House.

On the Make by Meredith Oakley.

The next one that came out that I came across was the incomparable Pulitzer Price-winning Bob Woodward's book, The Agenda. In this book he talks about Clinton having volcanic eruptions where lava flows out of the top of his head and that he treated George Stephanopoulos like an abused spouse. Number 2.

I find out that there are books in between here that I did not know about.

Then I come across, and in this book it has Mr. Clinton in an argument with a friend of mine who is a Democratic Senator, BOB KERREY, Medal of Honor recipient, chastised me in the hall the other day and told me to lose 10 pounds. These ex-Navy Seals are tough, Mr. Speaker. And started pulling on my coat. BOB KERREY is yelled at by the President with the ultimate, by Mr. Clinton with the ultimate Anglo-Saxon obscenity on page 267, I think. And I turned the page, expecting a Navy Seal to fire back at him. Instead, he keeps his cool and says that his responsibility is to the voters of Nebraska before anything else.

Blank you, Clinton yelled. Senator KERREY always tried to be respectful of the Commander in Chief, but he also wanted to defend himself. And he continued shouting back. Clinton pressed on two themes. He just had to have KERREY's vote.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will suspend.

The Chair thinks the gentleman referred to the rules of the House several times and knows that it is not in order to refer to the President's personal character even if one is reading material.

The Chair thinks the gentleman is getting pretty close to, if not over, the line as far as being personally offensive to the Chief Executive of the country.

Mr. DORNAN. We have 103 days to change American history, Mr. Speaker. I will ask the Chair to refer to the Parliamentarians.

These are books out there on the marketplace. I know there are probably some favorable books out there. I have never heard of them.

□ 1400

These books are either objective, and that is certainly what the Woodward book is, or very critical. But it is important to our country's future, and I am going to press on and have you and the Parliamentarians listen closely. I will speed it up and go through titles. I am already past the roughest title, "On the Make." "The Agenda" is the simple title, and I will lay out the titles.

Not selling books; these are books that I own and I have read.

The next one has a positive title that I read. It is called "First in his Class." But that does not mean he graduated first in his class, ever. It is by David Maraniss, also the winner of a Pulitzer Prize, a top Washington Post reporter, one of America's three prominent liberal papers of record, and there are no conservative national papers, just our great Washington Times inside the Beltway, which is in the top eight, but the New York Times, the Washington Post, and the L.A. Times, arguably in that order; I put the L.A. Times first, they have more foreign correspondents, and it is an easier to read paper with better print; it does not come off on your hands like the Post.

But this book was serialized on the front page of the Washington Post: "First in his Class," by David Maraniss. And I read this and could not believe some of the stories in there. I will not discuss them until I think more about pushing the envelope here.

The next book I read was "Inside the White House." Now, this did not include just Mr. Clinton. This included several Presidents. It is by the best-selling author of "The FBI;" that is on my bookshelves, and I skip read it, and "Inside the CIA," which I slowly read. Those are Ronald Kessler's two other books, "FBI," "Inside the CIA." It says has a subtitle, this is "Inside the White House: The Hidden Lives of the Modern Presidents and the Secrets of the Worlds Most Powerful Institution." He interviewed cooks in the White House. I think we should call them chefs. He interviewed valets, a term that Presidents do not like to hear, but Roosevelt, President Franklin Roosevelt, needed a valet. The man was in a wheelchair, was overcoming, as he said at the lectern just below you, Mr. Speaker:

"I'm sorry I'm late to a State of the Union Message. But you will recall I have 10 pounds of iron on my legs," the only reference he ever made publicly to his polio wounds that kept him in a wheelchair all of his life.

So when you talk to the valets, the housekeepers, the cooks and get the inside story, I cannot quote anything from this book about both the Clintons in the White House, although I could do it to Hillary, and as I said, and the Parliamentarians know this, I choose not to attack Mrs. Hillary on this House floor. Her power all comes from her husband. She was elected to nothing, and he warned us, he said you will get two for one if you elect me. She will have power. There must have been deals cut because after the "60 Minutes" show on January 26, 1992, everybody knew that his entire future career to ever get elected dog catcher and Govenor again was in the palm of her hand. Whatever she did on that show or from that moment forward would determine if he would ever hold elective office again, because he had already broken his promise he would not run again as Governor.

So I could quote Mrs. Clinton in this book, but I will not, because if I quoted her in the context of being his wife, I cannot quote anything on him because it absolutely would go over the line on rule XVIII.

But the title, and since there are other Presidents in here, "Inside The White House," from another award-winning author.

Then there was a slight gap, and I got hold of "Clinton Confidential" by a terrific writer, George Carpozi, Jr., bigger than the prior three, equal in size to Meredith Oakley's "On the Make." I told him after the fact I did not like his title, "Clinton Confidential: The Climb to Power." I said "confidential" is a tabloid-type name. I said why did you not just name it, George, "Clinton: The Climb to Power"? but in here he broke the code on the trip to Moscow that I, as an U.S. Congressman under a Republican President, George Bush, talking to FBI and Foreign Service people, no one had the information that he found in this book on why Clinton went to Copenhagen, to Stockholm, Sweden, to Helsinki, to Leningrad, to Moscow, and stayed with the founding member's family of the Communist Party in Prague, Czechoslovakia. George Carpozi does it. He has written fantastic books on Senators, and on past Presidents, on the Kennedys. I think he lives on Long Island. And his may be coming out in pocket book. That one my wife grabbed for me and finished before I was able to read it.

Then there is a long gap, and I was not aware of some other books coming out until I got hold of "Unlimited Access" until "Blood Sport" comes out. "Blood Sport" is by James B. Stewart. He was brought into the White House. The subtitle is "The President and his Adversaries." He was brought into the White House; let me give his credentials. Author of "Den of Thieves" and winner of the Pulitzer Prize.

Now, if I am pushing the rule here, Mr. Speaker, I have got three out of six are Pulitzer Prize winners, and Meredith's is the winner of other awards. All of them have been bestsellers.

James T. Stewart comes into the White House, by Hillary Clinton staffers, to clear up the Whitewater confusion and to write a good book, as a Pulitzer Prize winner, establishing their innocence. He starts doing research, and when he starts getting close to the truth, the door starts slamming in his face, and finally he did the same thing that the author of the book on the Green Beret; his name will come to me, Joe McGuinness; the Green Beret doctor who had murdered his wife and children and is still in prison for it, he started to write a book declaring the innocence of that Army doctor. I am not going to use that Army doctor's name because he is in prison and his family has changed their name, and they have a life, and it has been a movie, been a TV movie. Same guy, Gary something, that played Custer, played him very effectively.

In the middle of researching the book, Joe McGuinness breaks off with the doctor who already has been found guilty and is in prison, and writes the definitive book that this guy did it trying to blame it on imaginary hippies, and he is still in jail, and that was so much for hiring Joe McGuinness, another, I think, Joseph Pulitzer Prize winner to try and clear you.

I would suggest to guilty people in prison, if you ever want to get out after 30 or 40 years, do not hire honest reporters like James B. Stewart and expect them not to find the truth and to write lies and cover you up.

So James T. Stewart writes the definitive book on Whitewater, called "Blood Sport," and I am going to make, not a confession, but an admission that I am only that far because my wife took it away from me, and Whitewater is complex, like the early days of Watergate. It is not a fast read. It is not exciting stuff. It does not have much to read in the airport in here, it does not have much of the Thomases or the other Thomasson or the guy who was running cocaine to everybody in the structure, cut it off right under Clinton. Everybody below Clinton and all of his best friends were into some kind of cocaine scam here, and the guy that was doing it was pardoned by Clinton and put in a halfway house, and he paid off—I cannot remove this one—or I am allowed to tariff Roger Clinton—he paid off Roger Clinton's drug debt, and I underlined that once in the L.A. Times and passed it to my wife to read, and she said you should have pointed this out to me. Why? She said, Roger Clinton's cocaine debt. And I said, why? It says this friend of Clinton that he pardoned paid off his drug debt, and she says—Lassiter is his name—and she says, well, to whom was that debt owed? To the FBI? Was he paying off his court trial costs? No, we taxpayers pay that, or in this case, State case, the good taxpayers and the families of those 23 Medal of Honor winners in the State of Arkansas and my friend, Carl Eugene Holmes and his wife, Irene, their tax dollars. That is the colonel that was deceived and trampled upon his honor, the Bataan death march survivor and was nominated for the Congressional Medal of Honor, not enough witnesses, so he gets the most guy getting it, the Distinguished Service Cross. It was Colonel Holmes and Irene Holmes who had to pay the tax bill for Roger Clinton's cocaine trial. So to whom was the debt owed? And my wife said was it owed to drug dealers?

That is worthy of a big long pause: Sally Dornan says to me, did David

Lassiter pay off Roger Clinton, the President's only brother? He has no sisters. Well, he has got half brothers around, and he called them on the phone and then would not even invite him to the White House. He denies them in this essence: his only brother, and that is a half brother. And I said, Sally, I am going to check this out.

Guess what? David Lassiter and Patsy Thomasson, who is head of personnel at the White House or something, or head of the administration at the White House, testified on the Senate several times, faulty memory like everybody who has testified here or at the Senate from the White House, she ran the office while he went to prison for a few minutes until Clinton pardoned him for cocaine. It appears David Lassiter paid off the President's half brother's cocaine debts to organized crime.

If someone has a different take on that, call me here at the capital.

Blood Sport, James B. Stewart, best seller, has not come out in paper back yet.

And then I get, well, these two books came out the same week: Unlimited Access by an FBI agent, subtitle: "A FBI Agent Inside The Clinton White House," Gary Aldrich. I read the reviews on that. A few days later "The Choice," Bob Woodward; so of these eight books Woodward has two, Woodward's book, "The Choice," comes out. I send for them both, and they arrive the same day. I am just starting "The Choice." Cannot give you a review on that one, but I hear it is very fair to Bob Dole and not all that subjective on Clinton, that it is objective on both, and somebody told me if the whole Nation read this book and disregarded polemical skills, disregarded crying in public—I have cried in public; so has Bob Dole; but we do not make a habit of it like somebody else I am looking at.

If they disregarded all of the surface television imagery the way Democrats used to beg us to look aside from Ronald Reagan's just commanding demeanor; they did not know about his heart, that it matched his intellect. His heart and his communication skill were a match. They synched up; what you saw was what you got, an anti-Communist, ex-Democrat who believed in smaller government and paying your debts, and when somebody kills two American sergeants, Goines and Ford, two Specialist Fifth Class, in the LaBelle disco April 5, 1986. The planes were in the air to Libya 9 days later.

Ronald Reagan said you cannot hide. There was a man of his word who, although he had not seen combat because he was the father of three kids and was over 30 years of age, had turned 30 a month, a year before Pearl Harbor, turned 31 on February 6 of 1942. So people, Democrats say, well, Reagan did not serve. No, Reagan was not at Oxford in his early twenties getting the third request from Uncle Sam: I want you. Reagan volunteered and did wear the uniform. How many times did I hear in that well or on television? At least Jeff Greenfield corrected himself, that Reagan never wore the uniform. He served in the Army Air Corps and was a National Guard cavalry officer before that. If we had gone to war in 1934, 1935 or 1936, Ronald Reagan could have been killed in combat. He was a loyal son of Dixon, Illinois.

Now, "The Choice," to come back to my first thought on this, if everybody in America read this book, people tell me Bob Dole would win in a landslide. So there is much material in here on Hillary and Elizabeth that would confirm the victory for the Doles, and Bob Dole nor Elizabeth have been running around saying you get two for one.

There are seven of them. Here comes "Unlimited Access: An FBI agent inside the Clinton White House." Mr. Speaker, if I knew Gary Aldrich, and I will meet him one of these days, I would say, FBI Agent Aldrich, did you succumb to your publisher's request to put in a unsubstantiated wild rumor about a certain U.S. President hiding in automobiles under blankets when there was nothing to substantiate it or to involve the newest and maybe the biggest hotel in the core of Washington, DC., the flagship of the great father and son—father now gone to heaven—Marriott line of hotels, the J.W. Marriott Hotel, named after the founder?

□ 1415

He apparently started putting sandwiches on airplanes out here from a little restaurant next to National Airport, and turned it into a worldwide Marriott classy hotel operation. Why involve the J.W. Marriott in a lot of rumors when it was not substantiated?

Because that mistake, and I will bet he knows it was a mistake, and I will bet the publishers know it was a mistake, that mistake caused a lot of liberal journalists who I like and a lot of conservative journalists who were fair, like George Will, they had to trash the book, because everybody focused in on the excitement of a U.S. President evading the Secret Service and slipping out.

I had read that there are people who—the Secret Service has an expression, hogs in the tunnel. It does not mean anything mean about people's eating habits, it means Razorbacks, Arkansas Razorbacks in the tunnel, the tunnel between the White House and the Treasury Department built in World War II. It means cover them, protect them. Do not let them get away.

The people who told me this firsthand did not necessarily mean, they just smiled, that there was anybody near the top, at the very top. They just said hogs in the tunnel means the tunnel is being used between the White House and the Treasury Department.

If Mr. Gary Aldrich, an honorable FBI agent, and I will tell you somebody else who succumbed to this; a friend of mine, Lt. Col. Ollie North. His publishers told him, your book will boom over the top if you say that Ronald Reagan knew all about the Contra arms deal with Iran.

Ollie's book came out. It was a bestseller. It was very exciting. But Nancy Reagan, my friend, knew that her husband did not know the details of the Contra arms deal. She knew he called the Contras freedom fighters and he was trying to break the code in Iran, and end the deadly growth of religious, notice I am not saying Islamic, I have a lot of Islamic friends, religious fanaticism; it happens in every faith. It happened in my faith in Spain, at one period.

He was trying to deal, at the Commander-in-Chief level, with some very tough problems, including the aforementioned bombing of terrorist camps outside of Benghazi, Tripoli. But when my pal Ollie succumbed, in the nonmilitary, he had never done this in uniform, Ronald Reagan probably knew, he said, about the Contra arms deal, to sell books, it enraged, properly, Nancy Reagan; all wives are protective. Nancy set the standard for that kind of loyalty.

And when Ollie went to run for the Senate, at the worst possible time, about 10 days out, in a hot primary between Ollie North and the incumbent, Chuck Robb, two Marines duking it out, Nancy Reagan, and she did not initiate it, she was in a hotel lobby, I remember, or a hotel ballroom that was empty, being interviewed by somebody for PBS or one of the networks, and she said, used tough words, I believe she said "That's a lie." Bingo, it just brought Ollie's campaign to a screeching halt.

All writers must stay on the truth, confirm their facts, like all of these seven books here. Gary Aldrich may be able to recover in paperback. This is growing slowly. It is published by a very honorable house. I have even talked to them about putting down some thoughts with hard covers, Regnery. This, it is my favorite publishing house in the world.

The rest of the book, this is my point, is filled with such deadly information about, talking now from the top down, not covered by rule XVIII, talking about all the people going to jail and coming up here with total memory losses, this is a corrupt administration. They are wrecking the youth of our country on drugs.

When I leave here, I have to call my pal, a great hero, Barry McCaffrey, two distinguished service crosses, two silver stars, three purple hearts, and he carries his wounds proudly on his arms, when he is in a short-sleeved shirt; the point of the spear in Desert Storm, the ave in the Hail Mary left hook around Kuwait into the center of Iraq to liberate Kuwait and win a 4-day land war; in other words, the Commander of the 24th Infantry Division, Mechanized; hero from Vietnam, a two-star general, Barry McCaffrey, who retired as a four-star SYNC, Commander-in-Chief of southern command in Panama, and who learned down there the enormity of the drug war. It is not a war; it will be a war under him, maybe. But in today's paper, because he is a friend and a solid American patriot, I have to give him the benefit of the doubt that it is out of context, he said "Prior drug use should not stop anybody from serving in government."

I know some reporter clipped that one, because you cannot serve in the FBI, you cannot serve as an officer and NCO in the military if you have touched cocaine once, as far as I know. You cannot be an LAPD street cop. I cannot speak for New York, where I was born, but you cannot touch cocaine and serve in the DEA, the FBI, the CIA, or the aforementioned Alcohol, Tobacco, and Firearms, but you can serve in the White House and be in a drug rehab program.

Now guess who is involved in this drug use and in the rehab program? Scott Livingstone. And I am hearing today that he lobbied to control the nuclear weapons systems code briefcase, affectionately called "the football," or in Hollywood parlance, the red button, which does not make much sense.

The White House drug scandal is a nightmare. It is all in here. And how do liberal talk shows hosts dismiss the 95 percent of this book that is dynamite and valuable, and most of it confirmable? They first deflect you with the silliness of putting in this rumor about the President's sneaking out under blankets in cars and Bruce Lindsey at the wheel, they dismiss it with that, "unsubstantiated rumor"; a wild rumor, I guess.

Then they say that all the rest is that Gary Aldrich was an older man and did not like ex-hippies and baby boomers running around the White House in jeans using foul language and having the domestic help report people having sex in some of the showers. And when the person said, well, it has happened before; no, sir, no, sir, these are both of the same sex. When all of that was reported in here, they said, he just does not like hippies, and then Gary Aldrich gives his birthday. Lo and behold, it turns out he is a baby boomer, and younger than the Clintons. So it is not a generational thing. His honor was offended because he served 2 years under the Bushes and 2 years under the Clintons, and never the twain would meet.

I would recommend, skip over the part about the automobiles and the midnight sojourns, and read this first. And maybe, because there are only 103 days left, 100 days in the campaign, and when we wake up Monday morning, I just found out we have no votes on Monday. So when we are next voting, Mr. Speaker, we are inside the 99-yard line. The count is on.

I had Ronald Reagan tell me that is the most important 100 days in your life, but particularly in your first race. He was endorsing me, helping me in 1976. I was his congressman. I had helped him try to overtake another great naval officer, Jerry Ford, because I was a Californian. Ronald Reagan, as I say, endorsed me.

I drove up to his house once. There he was watering, in a red bathing suit. He told me he liked red because he was a life guard. I said, gee, why can't I look good in a bathing suit? He was tan, he was healthy, he was vigorous, and he was 65 years old, and he was 4 years away from winning the Presidency.

I said, I have the John Birch Society on my case, and all these people, parties trying to force Rockefeller on me. He said, BOB, Rockefeller and I worked together on this committee, me as Governor, and he was a Governor in New York; two Governors, the biggest States, I overtook him with the biggest State during that period. He said, we worked together on this committee to analyze the CIA. He was terrific on the intelligence issues, and he helped save the honor of the CIA.

I said, what does that do to my core base? I am not a country club Republican. He said, that is your call, and that is the end of the good things I can say about my pal Rocky. The next thing I know, the Republican party says, if you are not enthusiastic about having him, then we will not send him. He did not come to campaign for me.

My staff did not revolt. They are not extremists, just good solid fiscal Republicans that were looking at the fiscal mess in New York, so he never came out for me. But Ronald Reagan was as astute, and I will bet he still is, on most days, a political analyst and a good loyal guy.

Maybe he would say, since we are inside the 100-day mark on Monday and time is of the essence, then read these books backward. If anybody lays any pretension to being a scholar, read Unlimited Access first, by Gary Aldrich. Then, The Choice, to get a fair profile of the two competitors that will be inside the 100-day mark on Monday. Then read Blood Sport, and realize why I am allowed to stand here on this floor and say this is a corrupt administration.

Then read why Clinton raped the truth on his road to the White House in 1992. Then read Inside the White House, and hear it from the hired help.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PETRI). The gentleman is out of order with his comment about the truth.

Mr. DORNAN. Yes, over the line, Mr. Speaker, When I first said it, he was only the Governor of Arkansas.

Mr. Speaker, I remove my verb "rape" and replace it with "had trouble with the truth." No, let me go back.

Clinton Confidential. Decline to Power, the incredible problem that the news media had getting candidate to answer direct questions, like the New York Times on Whitewater, who wrote that story on March 8, 1992; 60 Minutes on January 27; Ted Koppel, on General Holmes and all the draft problems, on Lincoln's birthday, February 12, 1992; and on and on and on. It is in Clinton Confidential.

Then read Inside the White House, and here what the hired help has to say about the foul speech ricocheting off the walls. Then First in his Class, which takes you back through the whole life. You should now be into October, and you will get to The Agenda, with Bob Woodward, and the volcanic eruptions and the wife abuse of George Stephanopolous. By then you ought to be ready to be a scholar and read On the Make, and go back to the early days. By then you ought to be ready to write your own book.

I talked about the bibliography in the back of "Unlimited Access." Mr. Speaker, guess what I left out? I thought I had it. Somebody swiped my book. That is not it, that is "POW," the definitive book on the torturing to death of Americans by people who are now giving, fighting for the torture masters to get most-favored-nation status.

I left out "Primary Colors," anonymous, by anonymous; no long anonymous. Random House, Joe Klein. Maybe it is good that that is not in here, because that is fiction, or Joe Klein will tell you, fiction based on fact.

I understand that some news organization has told Joe Klein to go on what we Catholics call a retreat, a spiritual, prayerful, reflective retreat, and think about his period of direct denying to his friends that he was not anonymous.

Since he has now made $6 million on "Primary Colors," and I just remember where it is, my wife has it upstairs and she is reading it. She is staying busy, getting ready to write her own book on Clinton. Joe Klein's book, "Primary Colors." It will say anonymous on the cover, but believe me, it is Joe Klein. He and I had some long talks in 1992 and in the 1988 convention. I withheld my judgment whether a reporter has a right, for public relations reasons, to advance a back without laying claim to it when it is fiction.

I guess it is tough when you are writing tough columns in one of America's three major news magazines, dailies. I cannot find a time to read them because I am reading three others: National Review, the Weekly Standard, and Crisis, and First Things. Those are the four I read, so I am not reading much Time, Newsweek, and U.S. News anymore, because there are too many good conservative, factual, truthful magazines out that take a more global, I mean, a more theological and broader, metaphysical view of the world than the news magazines that when I was a young man in college, or when I was a child and first started to read them, at my mother and father's encouragement, and heroes were on the cover, like Roosevelt, Churchill, and fake heroes who were despots, like Stalin and, evil personified, like Adolph Hitler; those magazines, with not as many ads, and thoughtful essays. But of course Henry Luce was around, the guy name that named that and Fortune and other things.

□ 1430

Now, he gives books that are not necessarily just related to the Clintons. I see he has got this "Unlimited Access," FBI agent Gary Aldrich. He has Saul Alinsky's book here, "Rules for Radicals." He has Bill Clinton: "Comeback Kid." That is not here. I always thought that was a book that was just a puff piece because of that title.

He has John Barron's book that I have read, "Operation Solo," inspiring story of an enormously successful FBI operation involving two heroic brothers, Jewish brothers who had escaped Stalin's wrath and went back under harrowing circumstances to operate openly as member of the U.S. Communist Party. And all this time, seconds away from death sometimes in the Kremlin itself, pretending to be loyal Communists when they both dumped out of the Communist Party because of the antisemitism, murder of millions of farmers and the purges of military officers by Stalin, the only man in history bloodier than Adolf Hitler except for possibly Mao. So he has got all sorts of books.

He has got Lee Brown's book, "National Drug Control Strategy." And of course Lee's office was gutted by Clinton.

He has Califano's book, "The Triumph and Tragedy of Lyndon Johnson." So he goes way far afield there, but has got "Clinton Confidential." He has got Hillary's "It Takes A village."

He goes way back to one of my school heroes, Alexis de Tocqueville. Remember that quote.

New chairman in the chair, once a marine, always a marine.

Remember Alexis de Tocqueville's most famous quote: "As long as America is good, she will be great. When America has ceased being good, she will cease being great."

Then he has DeLoach's book on Hoover. Elizabeth Drew's book is not here. I have got to get it. She is excellent, a fair liberal, hard to find. Not sounding so liberal lately. Her book is called "On The Edge." Clinton always on the razor's edge. Simon & Schuster. It has been out 2 years. How did I miss that? I am busy, Elizabeth. I am a double chairman, intelligence, military personnel, conference committee.

He says, the FBI agent, one of the better books on Clinton—my gosh, I am running out of time.

Tip O'Neill's book here, "Man Of The House," great book. He has got "The Ruling Class," Regnery, favorite publishing house, 1993. "The Dysfunctional President." Now there is a title that is pushing rule XVIII. One of the possible explanations for Bill Clinton's aberrant behavior, by Paul Flick. I never heard of it.

He has got a book I do not recommend because it is semipornography, "Passion and Betrayal." Gennifer Flowers.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PETRI). Remarks in debate may include criticisms of the President's official actions or policies, they may not include criticism on a personal level.

The gentleman may proceed.

Mr. DORNAN. Mr. Speaker, I understand.

The title of the book was "The Dysfunctional President." I never heard of it. That could mean politically dysfunctional. I read the subtitle. I accept that because it discussed behavior. Gennifer Flowers.

I had a discussion with the Parliamentarians here whether I could ever say her name on the floor. I disagree with him so let us try this. Emery Dalton books, do not read it, it is stupid. It comes under the heading—I cannot read the subtitle because it involves cocaine. But Gennifer Flowers wrote a book called "Passion and Betrayal." Tough, she deserved to be betrayed.

Now, here is one, "The Sixties: Years of Hope, Days of Rage." That is a book from the 1980's, Bantam, captures the essence of the new left. That is a fabulous book that I have read. "The Sixties: Years of Hope, Days of Rage." But it is about 80 percent puffery; 20 percent lets you know the modus operandi of people who were stoned most of the time.

The Glazers, husband and wife, Myron and Penina, "Whistleblowers: Exposing Corruption In Government and Industry." Well, that is bipartisan. That takes place everywhere.

"Reporting the Counterculture," Richard Goldstein. Sounds good.

I know the next one is good, Mr. Speaker, "The Federalist Papers," by Alexander Hamilton. James Madison. We finally passed his 27th amendment that we cannot give ourselves pay raises while we are sitting here. I do not think we deserve pay raises for a long time to come, sitting or even in the next Congress. John Jay, great Justice, "In Defense of Elitism." That does not sound like a good title. A good pocketbook on American society from a liberal perspective. "In Defense of Elitism."

Elitism stinks. In the Republican Party it is called country clubism. In that party it is called limousine liberalism. Pass on it.

AL GORE, "His Life and Career." A puff piece written by a former FBI agent. It might be good.

Alice had a great career, we are classmates, 1976.

"Hill Rats," this was by one of our staffers. Great depiction of shenanigans at the other end of Pennsylvania Avenue. Fair enough. "Hill Rats." I am not calling it the Hill anymore.

I have got a bumper sticker on the back of my window, my Bronco sitting out there, I own a Bronco. I have owned three of them 10 years before double-throat-slashing O.J. Simpson. I got a big sticker, Mr. Speaker, on the back window. It says "cutthroat island." That is what I am calling this place until further notice, not the Hill. This is an island up here, old Jenkins Hill, cutthroat island. That is what we got going here until further notice. That sticker's great on the back of by Bronc.

Here is one, "Hill Rat, Inside the FBI"; I already mentioned that by Kessler. Kessler wrote the book "Inside The White House." He mentions, remember this is an FBI agent, so he likes all these FBI books.

Then "The Secret World of American Communism." I got to start going fast here. "The Adult Children of Alcoholic Syndrome." Whoa, that ought to be interesting given some backgrounds we know about.

"Whistleblowers In The Soviet Union," complaints and abuses under state socialism.

"Doing Time." Well, that applies to a lot of people that Mr. Clinton put on the job. Gordon Libby's book, "Will."

I see Bob the actor, what is his name, strapped to the front of something in a prison where Gordon Liddy was inside reforming prisons. He is quite a guy. No fear, that is his middle name, the G-man.

Rush Limbaugh, "See, I Told You So." Boy, do they hate it when Rush keeps bragging about all the things he predicted.

"The Way Things Ought To Be." Well, Rush went positive there and was not quite as painful as, "See, I Told You So," because he was right on most things.

Here is David Maraniss, "First In His Class," recommended by—see, if you get "Unlimited Access" and buy it first, it is an easy read. Forget the stuff that is rumor. And then you get this bibliography in the back. "Healing For Adult Children of Alcoholics" by Sara Hines Martin. That book has been out 7 months, probably good.

Mary Matalin and James Carville, I have got that at home. Mary is my buddy. Cannot say much about the other Catholic for abortion, but "All's Fair," Simon and Schuster. That was a big hit and they are great on a show. But to get the Cajun off message, you have to, I guess, dunk him in ice water or something because he is like a broken record. He just keeps saying, cocaine, so what? Scandals, so what? Whitewater, so what? Webster Hubbell, so what? Vince Foster, so what? So what, so what, so what? Have a shrimp, have a catfish. Mary, keep an eye on that guy. I guess he is cute.

"Unraveling of America: History of Liberalism in the 1960's." This one I know of, excellent description of new left infiltration of academia, the media. And they are still all around us here in Government. I will read that one again, Allen Matusow, M-A-T-U-S-O-W, "Unraveling of America: History of Liberalism in the 1960's."

Peggy Noonan, I got that one at home, "What I Saw at the Revolution." But that only brings you up to 1989. Ollie North and William Novak, "Under Fire"; good book. "On the Make," thank you, agent Gary Aldrich. You have got all my books here, "On the Make."

Regnery again, 1994, Tip O'Neill, I already said that is a great book, "Man of the House." Tom Pauken, "The Thirty Years War," best book on this page. Tom Pauken, terrific Vietnam vet, decorated, wounded, President Republican State chairman of Texas State, "The Thirty Years War." He sent me the book. This is a confession, I have never read it. Why? Is there a pocket book? Thomas, send it to me, I hope, Mr. Speaker.

Personal experience of the new left with which agent Aldrich says he could readily identify. John Podhoretz, fast read, great book, "A Hell of a Ride," it is called. John Podhoretz, great family, intellectual family, "Hell of a Ride," Simon and Schuster, 1993. Is it a pocket book?

Gail Sheehy, oh, I want to stay on her good side. She writes for Vanity Fair occasionally, and, boy, it is a rough ride. Her book is called "Character." This is 1990. A good book from a liberal perspective, useful on AL GORE. I bet she is fair to him because AL GORE is a man of character. Gail Sheey, "Character."

James Stewart, "Blood Sport." I got it covered, Aldrich.

Michael John Sullivan, "Presidential Passions," up through 1990, so it is probably talking about overall White House years. "See How They Run," November publishing, that is also 1990. Pane Taylor, P-A-N-E.

Cal Thomas, my buddy. This one is like going to church, "The Things That Matter Most," HarperCollins, 1994. Great man, great book. Cal Thomas, "The Things That Matter Most."

Gregory Walden, "On Best Behavior." Who does that apply to?

"The Hudson Institute." Great institute. Al Haig was last up there running that, great four-star general, my pal. Good Secretary of State. Should have hung around a whole term, the whole 8 years of Reagan. A good book but written mainly for lawyers about ethical lapses in the Clinton administration. I say administration, it is OK.

"Whitewater," the Wall Street Journal, highly recommended. Wait a minute, better than "Blood Sport"? Better than Robert James B. Stewart's "Blood Sport"? The Wall Street Journal's book "Whitewater," and it has been out 2 years? I will accept the FBI's analysis. Get "Whitewater" and read it before "Blood Sport," but read "Blood Sport," too.

"The Agenda," got it covered, agent Aldrich. "The Agenda," Simon and Schuster, now 2 years old, a book with its own agenda. It is inaccurate, uh-oh, and this misses most of the salient characteristics of this Clinton administration. Well, then read it last, read "The Choice" first. Read Woodward's book "The Agenda" last. I just like those temper tantrums in it, that is all.

Here is the last one, oh, my gosh, agent Aldrich, let us have lunch. Mr. Speaker, let us, you and I, have lunch with agent Aldrich. Listen to his last recommendation. George Washington, the most prolific writing President in American history. They still have handwritten journals of the Father of our Country, first in war, first in peace, first in the hearts of his countrymen. Ninety journals have not yet been updated, ended and published. The most prolific writer. Everybody thinks Jefferson is the scholar and he is the warrior Statesman. This is an intellect, George Washington.

Listen to what he says: His book, "George Washington's Rules of Civility and Decent Behavior in Company and Conversation," Applewood Books, 1988. I want that book, Mr. Speaker. You know why? George Washington, when he was 16 years of age, wrote down and published "Rules of Civility and Behavior for Children" at 16, 35 points of behavior.

When I was an aviation cadet, I was asked not so politely, ordered to memorize the following on words like hell and damn and filthy speech, not in front of women but in front of combat veterans like yourself in combat in Vietnam. George Washington wrote to his men at Valley Forge under a general order; that is where we get the name for these special orders. There are special orders in the military and general orders. The general orders come from the general, and General George Washington, Commander in Chief, rotten record-breaking winter at Valley Forge, a third of his men dying from the inclement weather and the snow, half of them without shoes, griping at the weather, looking up to God for assistance, far enough outside Philadelphia so as not to be attacked by the British but close enough to keep the pressure on.

And he says to them, general order:

The general, Washington, is sorry to be informed that the foolish and wicked practice of profane cursing and swearing is growing into fashion. He hopes the officers will endeavor to check it. And he meant NCO's, too. He hopes the officer will endeavor to check it and that both they and the men will reflect that they can have little hope of the blessing of heaven upon our arms if we insult heaven by our impiety and folly. Added to this, it is a vice so mean and so low without any temptation that every man of sense and character detests and despises it.

They ought to clean up their mouths at the White House, get George Washington's book and read it.

□ 1445

Now, Michael McCurry, who is not protected by Rule 18, I assume. He is Irish. He may be Catholic with that name. That was a disgraceful performance of his to stand before this Nation and say: When I was a kid, I used marijuana. A New York Times reporter told me he swore the next line our of his mouth was going to be, And I snorted coke a little bit. Thank heavens he did not say that. But he was cavalier about that.

What did I do? I checked his birthday. October 27 of a year that made him, in the 1970's, 15 to 25. Now, is a 15-year-old kid on September 2, the fiftieth anniversary of World War II, I was with five people who were in combat at 12 and 13 and 14 and 15 years of age.

But, yes, when people are slaughtered like a school in Israel, they were seniors in high school, a bomb was thrown in, we called them children. Okay. They are adults to have sex and get condoms and be lectured to about homosexuality when they are 10, 11, and 12. But I have got a 15-year-old grandchild and, yes, he is a kid sometimes and other times he is a top A scholar and a student.

But if he is talking about his high school years, what a disgrace. But what I meant, let me jump to the other end. Does McCurry mean he smoked pot at 25? I had been out of the Air Force 2 years at 25 and I was an F-100 element leader at 23 years of age, a supersonic fighter. And if I had smoked pot, I would have been betraying my officer's oath and military oath and if I had been an enlisted man I would have been kicked out of the Air Force. You cannot be an FBI agent like Gary Aldrich if you are cavalier about drug use. You still cannot touch it at West Point.

Who does Michael McCurry think he is to say: I smoked pot in the 1970's and here I am now. If you do not inhale, you get to be President? If you smoke it and you are cavalier, you get to be press secretary? It is unbelievable.

Why did not he say and it was wrong and I broke the law? Smoking marijuana is 40 times worse for your lungs in carcinogenic effect than a cigarette. This is unbelievable. I will do an hour next week on drug use in the White House, as I did an hour press conference out there today with my classmate, BOB WALKER.

Mr. Speaker, we are in a war for the soul of our country. Read these books, and vote for Bob Dole.

NEED TO END PARTIAL-BIRTH ABORTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. STOCKMAN] is recognized for 5 minutes.

Mr. STOCKMAN. Mr. Speaker, I want to say to the gentleman from California, it is always a joy to hear my good friend from California speak as he speaks from the heart and he speaks the truth. And if there is one thing that the gentleman has taught me, is that speaking the truth does not make you popular, but it is for the record and for the people to hear, and I want to thank my good friend from California.

Mr. DORNAN. Mr. Speaker, will the gentleman yield?

Mr. STOCKMAN. I yield to the gentleman from California.

Mr. DORNAN. Mr. Speaker, I think I scare some liberals when I get passionate. Have you ever seen me carry that passion or any ill will in the Speaker's lobby or in the Cloakroom or anywhere in the Halls of this place?

Mr. STOCKMAN. No, absolutely not. I think you are respected for your passion toward both sides of the aisle.

Mr. DORNAN. You are a freshman. When I was a freshman, I hit the ground running like you, like your whole wonderful nonextremist mainline class. And I loved Tip O'Neill, the Speaker of the House. He sat with me alone in his office for 1 hour with my uncle, Jack Haley, the Tin Man in the Wizard of Oz, and that Irish actor and that Irish politician were dealing in first names about friends and people they had not seen in 40 and 50 years.

But Tip O'Neill indicated to me, for speaking out in the well on the Panama Canal and the B-1 bomber, and on three issues he told me he disliked, this is Tip O'Neill, "Man of the House," I just mentioned his book, abortion, busing, and Koreagate. Koreagate, if you recall, way before your time, was a scandal with people going around here with bags of money corrupting Congressmen and, of course, it wás uncomfortable to him. But to not talk about it would have been blindsiding the American people. Busing was a cultural issue that was tearing communities apart.

Mr. STOCKMAN. Which now we realized we spent more money on busing and we should have been spending it on schools.

Mr. DORNAN. Right, and how could a good Irish Catholic politician tell me not to talk about abortion, the chief moral issue? And now we are debating homosexual sodomy marriage and killing a baby by puncturing his head and taking its brains out when his arms and legs are out in the world moving and it is four-fifths born. That, as the Pope says and Billy Graham says, is infanticide.

Mr. STOCKMAN. That is exactly why I came to the well to day to talk about. BOB, are you getting these little green cards from your constituents? They are put out by the Catholic Church and Mr. Speaker they are putting them in——

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILCHREST). The gentleman from Texas [Mr. STOCKMAN] will suspend for a moment. The gentleman will address his remarks to the Chair.

Mr. DORNAN. Mr. Speaker, would the gentleman yield?

Mr. STOCKMAN. Let me do this real quick.

Mr. DORNAN. Ask for unanimous consent to engage in a colloquy.

The SPEAKER pro tempore. The gentleman has 5 minutes and cannot have additional time. This is a 5-minute special order. The gentleman has 2½ minutes remaining.

Mr. STOCKMAN. I just want to say to the Sepaker, we got thousands of these little cards talking about a baby that was born halfway and coming out of the mother's birth canal. And what they do is they go in the back with the forceps and puncture the back of the head and suck it out. And I am in a district in which I was written by the Catholic diocese.

Mr. DORNAN. Would the gentleman yield? It is not forceps. They do not even have an instrument of death for this. They use Mendelson's scissors and they shove them in and open them up to tear the back of the skull to take the brains out. They had to adapt a tool to do that.

Mr. STOCKMAN. And I want to point out to the Speaker that we have received, and I am holding in my hand a letter which I will submit for the RECORD, we have in my district a good Catholic diocese, and the staff from there have signed this petition asking that the Congress override the President's veto.

We had even PATRICK KENNEDY voting with us on this issue. It was a bipartisan vote, and I cannot believe that we have to override the President on it. They are going to be holding candlelight vigils all across America in September and I think once people find out about this issue and get educated on this issue, like my good friend from California has so articulately explained to the American people, they will unanimously support the Congress' effort to stop this sad tragedy in America today.

Mr. Speaker, I yield 1 minute to my good friend from California.

Mr. DORNAN. Get this on Michael McCurry. I ask unanimous consent to put in the information my staff has gotten me. I did not give the year he was born. October 27, 1954. I first flew in a jet 6 days before that. He attended Princton from 1972 to 1976. Was he a kid, for God's sake? He graduated magna cum laude smoking pot. Do you know what that does? It tells kids you can use drugs and graduate cum laude.

Mr. STOCKMAN. Mr. Speaker, the fact that Congress is still debating the legality of partial-birth abortion shows the decline of our Nation's moral and spiritual health. The truth is that this cruel and morbid procedure should end. My hope is that our Nation will soon legally recognize that the unborn must be protected from this immoral procedure.

There is widespread consensus on this issue from Members of both parties. Our opposition to partial-birth abortion is rooted as much from our spiritual beliefs as from common sense. This procedure could hardly be more brutal in its execution and deserves to be outlawed.

My constituents have overwhelmingly condemned this so-called medical procedure. For example, 24 staff members from the Catholic Diocese of Beaumont, TX, signed a letter urging me to vote in favor of overriding President Clinton's veto of H.R. 1833, the Partial Birth Abortion Ban Act.

I insert this letter into the RECORD at this time.

DIOCESAN PASTORAL OFFICE,
DIOCESE OF BEAUMONT,
Beaumont, TX, May 24, 1996.

Rep. STEVE STOCKMAN,
9th District, Cannon House Office Building, Washington, DC.

DEAR REP. STOCKMAN: Our staff here at the Catholic Diocese of Beaumont write to urge you to vote to override President Clinton's veto of HR 1833, the Partial-Birth Abortion Ban Act.

Signed:

Father Michael Jamail, Colleen Vice, Gail Hernandez, Anne Steinman, Nancy Fontenot, Gertrude Morrison, Sandra Borel, Deede Covington, Father Richard de Stefano, Rita Frederick, Carolyn Koch, Rosalind Sanchez, Father James Vanderbilt, Joyce Borque, Mary Cooke, Marilyn Vollmer, Evelyn E. Kummer, Marilyn Price, Karen Gilmer, Father Stephen T. Smithers, Beverly Escamilla, Addie Weems, S. Janice Matthews, Carol M. Duhon.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HOLDEN (at the request of Mr. GEPHARDT), for today, on account of medical reasons.

Mr. DOGGETT (at the request of Mr. GEPHARDT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MONTGOMERY) to revise and extend their remarks and include extraneous material:)

Ms. DELAURO, for 5 minutes, today.

Mrs. SCHROEDER, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. WISE, for 5 minutes, today.

(The following Members (at the request of Mr. WHITE) to revise and extend their remarks and include extraneous material:)

Mr. JONES, for 5 minutes, on July 29.

Mr. STOCKMAN, for 5 minutes, today.

Mr. GOSS, for 5 minutes, today.

Mr. REGULA, for 5 minutes, on July 30.

Mr. HANSEN, for 5 minutes, on July 30.

Mr. WHITE, for 5 minutes, today.

Mr. KASICH, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. SAXTON, for 5 minutes each day, on July 30 and 31 and August 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Ms. DELAURO.

Mr. MILLER of California.

(The following Members (at the request of Mr. WHITE) and to include extraneous matter:)

Mr. EHLERS.

Mr. CANADY of Florida.

Mr. DUNCAN.

Mr. WAMP.

Mr. BURTON of Indiana.

Mr. MANZULLO.

(The following Members (at the request of Mr. STOCKMAN) and to include extraneous matter:)

Mrs. FOWLER in two instances.

Mr. STENHOLM in two instances.

Mr. LEVIN.

Mr. COYNE.

Ms. MCCARTHY.

Mr. FORBES.

Mr. MANZULLO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1675. An act to provide for the nationwide tracking of convicted sexual predators, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

S. 1784. An act to amend the Small Business Investment Act of 1958, and for other purposes; to the Committee on Small Business.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly an enrolled bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 1114. An act to authorize minors who are under the child labor provisions of the Fair Labor Standards Act of 1938 and who are under 18 years of age to load materials into bailers and compactors that meet appropriate American National Standards Institute design safety standards.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1627. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act and the Federal Food, Drug, and Cosmetic Act, and for other purposes; and

H.R. 3235. An act to amend the Ethics in Government Act of 1978, to extend the authorization of appropriations for the Office of Government Ethics for 3 years, and for other purposes.

ADJOURNMENT

Mr. STOCKMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until Monday, July 29, 1996, at 12:30 p.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4383. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Sweet Onions Grown in the Walla Walla Valley of Southeast Washington and Northeast Oregon; Assessment Rate [Docket No. FV96–956–2 FIR] received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4384. A letter from the Acting Under Secretary for Food Safety, Food and Safety Inspection Service Agency, transmitting the Service's final rule—Use of Trisodium Phosphate on Raw, Chilled Poultry Carcasses [Docket No. 92–026F] (RIN: 0583–AB65) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4385. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—International Banking Operations [Regulation K; Docket No. R–0916] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4386. A letter from the Administrator of National Banks, Comptroller of the Currency, transmitting the Office's final rule—Management Official Interlocks [Docket No. 96–15](RIN: 1557–AB39) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4387. A letter from the General Counsel, Department of Housing and Urban Development, transmitting the Department's final rule—Single Family Mortgage Insurance—Loss Mitigation Procedures [Docket No. FR–4032–I–01] (RIN: 2502–AG72) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

4388. A letter from the Acting Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 2853, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

4389. A letter from the Acting Director, Office of Management and Budget, transmitting OMB's estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 2002 resulting from passage of H.R. 1508 and H.R. 3121, pursuant to Public Law 101–508, section 13101(a) (104 Stat. 1388–582); to the Committee on the Budget.

4390. A letter from the Secretary of Energy, transmitting the Department's report entitled, "Summary of Expenditures of Rebates from the Low-Level Radioactive Waste Surcharge Escrow Account for Calendar Year 1995," pursuant to 42 U.S.C. 2120e(d)(2)(E)(ii)(II); to the Committee on Commerce.

4391. A letter from the Director, Office of Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Fenpropathrin; Pesticide Tolerance [PP 4F427/R2253; FRL–5385–1] (RIN: 2070–AB78) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4392. A letter from the Director, Office of Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Diethyl Phthalate; Toxic Chemical Release Reporting; Community Right-to-Know [OPPTS–400096A; FRL–5372–6] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4393. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Revocation of Pesticide Food Additive Regulations [OPP–300360B; FRL–5388–2] (RIN: 2070–AB78) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4394. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cyfluthrin; Pesticide Tolerance [PP 2F4137/R2259; FRL–5387–2] (RIN: 2070–AF78) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4395. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Norflurazon;

Pesticide Tolerance [PP 9F3766/R2254; FRL–5385–3] (RIN: 2070–AB78) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4396. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—1,1-Difluoroethane; Tolerance Exemption [PP5E04443/R2258; FRL–5386–8] (RIN: 2070–AB78) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4397. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—I/M Program Requirement—On Board Diagnostic Checks [FRL–5543–7] (RIN: 2060–AE19) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4398. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Tennessee: Approval of Revisions to the Tennessee State Implementation Plan Regarding Prevention of Significant Deterioration [TN 119–1–6379a; TN 172–1–9639a; FRL–5539–9] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4399. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Reclassification; Arizona-Phoenix Area; Carbon Monoxide [AZR91–003; FRL–5543–6] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4400. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Final Full Approval of Operating Permits Program; Final Approval of Operating Permit and Plan Approval Programs Under Section 112(1); Final Approval of State Implementation Plan Revision for the Issuance of Federally Enforceable State Plan Approvals and Operating Permits Under Section 110; Commonwealth of Pennsylvania [PA065–4025; AD FRL–5535–3] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4401. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; General Operating Permit and Plan Approval Program [PA065–4026; FRL–5535–2] received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4402. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Policies and Rules Governing Interstate Pay-Per-Call and Other Information Services Pursuant to the Telecommunications Act of 1996 [CC Docket No. 96–146; FCC 96–289] received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4403. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Fredericksburg, Helotes and Castroville, Texas) [MM Docket No. 94–125] received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4404. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Revocation of Certain Device Regulations [Docket No. 95N–310R] (RIN: 0910–AA54) received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4405. A letter from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting the Administration's final rule—Current Good Manufacturing Practice in Manufacturing, Processing, Packing, or Holding of Drugs; Revisions of Certain Labeling Controls; Partial Extension of Compliance Date [Docket No. 88N–0320] received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4406. A letter from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting the Commission's final rule—Decommissioning of Nuclear Power Reactors (RIN: 3150–AE96) received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4407. A letter from the Executive Director, Committee for Purchase from People Who Are Blind or Severely Disabled, transmitting the Committee's final rule—Additions to the Procurement List (41 U.S.C. Sec. 47(a)(2) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee Reform and Oversight.

4408. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney Wasp Series and R–1340 Series (Military) Reciprocating Engines (Federal Aviation Administration) [Docket No. 95–ANE–26; Amendment 39–9693; AD 96–15–02] (RIN: 2120–AA64) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4409. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—CFR Chapter Name Change (Federal Aviation Administration) [Docket No. 28636] (RIN: 2120–ZZ02) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4410. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fairchild Aircraft SA226 and SA227 Series Airplanes (Federal Aviation Administration) [Docket No. 93–CE–35–AD; Amendment 39–9689; AD 93–15–02 R2] (RIN: 2120–AA64) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4411. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Part-Time Career Employment Program (RIN: 2900–AH75) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4412. A letter from the Chief, Foreign Trade Division, Bureau of the Census, transmitting the Bureau's final rule—Collection of Canadian Province of Manufacture Information for Softwood Lumber on Customs Entry Records (15 CFR Part 30) received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4413. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Rulings and Determination Letters (Revenue Procedure 96–39) received July 25, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2636. A bill to transfer jurisdiction over certain parcels of Federal real property located in the District of Columbia, and for other purposes; with amendment (Rept. 104–368, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3006. A bill to provide for disposal of public lands in support of the Manzanar Historic Site in the State of California, and for other purposes; with amendments (Rept. 104–709). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMAS: Committee on House Oversight. H.R. 3491. A bill to repeal the American Folklife Preservation Act; with an amendment (Rept. 104–710). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3579. A bill to direct the Secretary of the Interior to convey certain property containing a fish and wildlife facility to the State of Wyoming, and for other purposes; with an amendment (Rept. 104–711). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLILEY: Committee on Commerce. H.R. 3868. A bill to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996 (Rept. 104–712). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3024. A bill to provide a process leading to full self-government for Puerto Rico; with an amendment (Rept. 104–713, Pt. 1). Ordered to be printed.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 3539. A bill to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes; with an amendment (Rept. 104–714, Pt. 1). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Government Reform and Oversight discharged from further consideration. H.R. 2636 referred to the Committee of the Whole House on the State of the Union.

Pursuant to clause 5 of rule X the Committee on Rules discharged from further consideration of H.R. 3539.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

H.R. 3024. Referral to the Committee on Rules extended for a period ending not later than September 18, 1996.

H.R. 3539. Referral to the Committee on Ways and Means extended for a period ending not later than July 29, 1996.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HANSEN (for himself and Mr. MARTINI):

H.R. 3907. A bill to facilitate the 2002 Winter Olympic Games in the State of Utah at the Snowbasin Ski Area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes; to the Committee on Resources.

By Mr. FAZIO of California:

H.R. 3908. A bill to prevent the illegal manufacturing and use of methamphetamine; to the Committee on the Judiciary, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NADLER:

H.R. 3909. A bill to improve aviation security by requiring the installation of certain explosive detection equipment at certain airports, by requiring the installation of explosive resistant cargo containers on aircraft, to provide assistance for the acquisition of such equipment, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. ORTIZ (for himself and Mr. THORNBERRY):

H.R. 3910. A bill to provide emergency drought relief to the city of Corpus Christi, TX, and the Canadian River Municipal Water Authority, TX, and for other purposes; to the Committee on Resources.

By Mr. PALLONE:

H.R. 3911. A bill to establish the Great Falls Historic District in the State of New Jersey, and for other purposes; to the Committee on Resources.

By Mr. PORTER:

H.R. 3912. A bill to amend the Federal Election Campaign Act of 1971 to encourage compliance with spending limits on elections for the House of Representatives and enhance the importance of individual contributions and contributions originating within congressional districts; to the Committee on House Oversight.

By Mr. ARMEY:

H. Con. Res. 203. Concurrent resolution providing for an adjournment of both Houses; considered and agreed to.

By Mr. FORBES (for himself, Mr. MCDADE, Mr. CRAMER, Mr. LAZIO of New York, Mr. FRISA, Mr. KING, and Mr. ACKERMAN):

H. Con. Res. 204. Concurrent resolution expressing the sense of Congress concerning the tragic crash of Trans World Airlines flight 800; to the Committee on Transportation and Infrastructure.

By Mr. COX (for himself, Mr. BONO, Mr. BROWN of Ohio, Mr. FUNDERBURK, Mr. LANTOS, Ms. PELOSI, Mr. ROYCE, Mr. SCARBOROUGH, Mr. SMITH of New Jersey, Mr. SOLOMON, Mr. TORRICELLI, and Mr. DORNAN):

H. Res. 490. Resolution expressing the sense of the House of Representatives that Taiwan should be admitted to the World Trade Organization without making such admission conditional on the previous or simultaneous admission of the People's Republic of China to the WTO; to the Committee on Ways and Means.

By Mr. PAYNE of New Jersey (for himself, Mr. PORTER, Mr. LANTOS, Mr. BEREUTER, Ms. PELOSI, Mr. HASTINGS of Florida, Mr. ACKERMAN, Mr. WOLF, Mr. FATTAH, Mr. TORRICELLI, Mrs. CLAYTON, Mr. OLVER, Mr. EVANS, Ms. WATERS, Mr. CONYERS, and Mr. CUMMINGS):

H. Res. 491. Resolution expressing the sense of the House of Representatives that criminals from the genocide in Rwanda should be brought to justice by the International Criminal Tribunal for Rwanda; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1127: Mr. HOLDEN.

H.R. 1281: Mrs. MORELLA.

H.R. 1920: Mr. FRANKS of New Jersey.

H.R. 2167: Mr. VOLKMER.

H.R. 2400: Mr. TORRICELLI and Mr. WALSH.

H.R. 2434: Mr. EDWARDS.

H.R. 2480: Mr. BUYER.

H.R. 2807: Mr. WICKER.

H.R. 2892: Mr. GUTIERREZ, Ms. SLAUGHTER, and Ms. FURSE.

H.R. 2976: Mr. GILLMOR, Mr. TORRICELLI, and Mr. WATT of North Carolina.

H.R. 3123: Mr. WELDON of Florida.

H.R. 3195: Mr. SALMON.

H.R. 3244: Ms. DUNN of Washington, Mr. JEFFERSON, Mr. JACOBS, Mr. LEWIS of California, Mr. FOX, and Mr. HAYES.

H.R. 3283: Mr. HOYER.

H.R. 3294: Mrs. THURMAN.

H.R. 3427: Mr. DOOLITTLE and Mr. NEY.

H.R. 3515: Ms. KAPTUR, Mr. BRYANT of Texas, Mr. EVANS, and Mr. LEVIN.

H.R. 3556: Ms. FURSE and Mr. SAWYER.

H.R. 3590: Mr. FRAZER, Mr. MCDERMOTT, and Mr. ACKERMAN.

H.R. 3609: Mr. HOUGHTON, Mr. OLVER, Mr. MCDERMOTT, Mr. DELLUMS, Ms. MCKINNEY, Mr. BEILENSON, and Mrs. MORELLA.

H.R. 3618: Ms. WOOLSEY, Mr. OWENS, and Mr. HYDE.

H.R. 3687: Mr. INGLIS of South Carolina.

H.R. 3710: Ms. ROYBAL-ALLARD, Mr. MASCARA, and Mrs. FOWLER.

H.R. 3724: Mr. CLINGER and Mr. GALLEGLY.

H.R. 3753: Mr. HAYWORTH and Mr. LAHOOD.

H.R. 3766: Mr. STARK, Mr. OWENS, Mrs. LOWEY, and Mr. WOLF.

H.R. 3775: Ms. GREENE of Utah and Mr. SENSENBRENNER.

H.R. 3783: Mr. HOLDEN, Mr. CAMP, Mr. NEY, Mr. SENSENBRENNER, Mr. FOX, and Mr. SHUSTER.

H.R. 3807: Mr. KENNEDY of Massachusetts, Mr. SPRATT, and Mr. BENTSEN.

H.R. 3821: Mr. KENNEDY of Massachusetts, Mr. MEEHAN, Mr. DURBIN, Mr. EHLERS, and Mr. GREEN of Texas.

H.R. 3830: Mr. WATT of North Carolina and Mr. CUMMINGS.

H.R. 3839: Mr. COSTELLO.

H.R. 3863: Mr. KNOLLENBERG, Mr. FOX, Mr. ENGLISH of Pennsylvania, Mr. MCHUGH, Mr. WELDON of Pennsylvania, Mr. BORSKI, and Mr. ZIMMER.

H.R. 3879: Mr. ABERCROMBIE, Mr. FRAZER, Mr. RAHALL, Mr. ROMERO-BARCELO, AND MR. HAMILTON.

H.J. Res. 114: Mr. DINGELL.

H.J. Res. 176: Mr. HEFLEY.

H. Con. Res. 151: Miss COLLINS of Michigan, Ms. FURSE, Ms. KAPTUR, and Mr. MATSUI.

H. Con. Res. 202: Mr. TRAFICANT.

H. Res. 423: Mr. ENGLISH of Pennsylvania.

H. Res. 470: Mr. RAMSTAD and Ms. MOLINARI.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 13 by Mr. CONDIT on House Resolution 443: David M. McIntosh.

Petition 15 by Mr. BONILLA on House Resolution 466: Steve Stockman, David M. McIntosh, Sonny Bono, John J. Duncan, Jr., Charles H. Taylor, Walter B. Jones, Jr., J.D. Hayworth, Solomon P. Ortiz, J.C. Watts, Jr., Pete Geren, Chet Edwards, and Helen Chenoweth.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 123

OFFERED BY: MR. CUNNINGHAM

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "English Language Empowerment Act of 1996".

TITLE I—ENGLISH LANGUAGE EMPOWERMENT

SEC. 101. FINDINGS.

The Congress finds and declares the following:

(1) The United States is comprised of individuals and groups from diverse ethnic, cultural, and linguistic backgrounds.

(2) The United States has benefited and continues to benefit from this rich diversity.

(3) Throughout the history of the United States, the common thread binding individuals of differing backgrounds has been a common language.

(4) In order to preserve unity in diversity, and to prevent division along linguistic lines, the Federal Government should maintain a language common to all people.

(5) English has historically been the common language and the language of opportunity in the United States.

(6) The purpose of this title is to help immigrants better assimilate and take full advantage of economic and occupational opportunities in the United States.

(7) By learning the English language, immigrants will be empowered with the language skills and literacy necessary to become responsible citizens and productive workers in the United States.

(8) The use of a single common language in conducting official business of the Federal Government will promote efficiency and fairness to all people.

(9) English should be recognized in law as the language of official business of the Federal Government.

(10) Any monetary savings derived from the enactment of this title should be used for the teaching of the English language to non-English speaking immigrants.

SEC. 102. ENGLISH AS THE OFFICIAL LANGUAGE OF FEDERAL GOVERNMENT.

(a) IN GENERAL.—Title 4, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 6—LANGUAGE OF THE FEDERAL GOVERNMENT

"Sec.

"161. Declaration of official language of Federal Government

"162. Preserving and enhancing the role of the official language

"163. Official Federal Government activities in English
"164. Standing
"165. Reform of naturalization requirements
"166. Application
"167. Rule of construction
"168. Affirmation of constitutional protections
"169. Definitions

"§ 161. Declaration of official language of Federal Government

"The official language of the Federal Government is English.

"§ 162. Preserving and enhancing the role of the official language

"Representatives of the Federal Government shall have an affirmative obligation to preserve and enhance the role of English as the official language of the Federal Government. Such obligation shall include encouraging greater opportunities for individuals to learn the English language.

"§ 163. Official Federal Government activities in English

"(a) CONDUCT OF BUSINESS.—Representatives of the Federal Government shall conduct its official business in English.

"(b) DENIAL OF SERVICES.—No person shall be denied services, assistance, or facilities, directly or indirectly provided by the Federal Government solely because the person communicates in English.

"(c) ENTITLEMENT.—Every person in the United States is entitled—

"(1) to communicate with representatives of the Federal Government in English;

"(2) to receive information from or contribute information to the Federal Government in English; and

"(3) to be informed of or be subject to official orders in English.

"§ 164. Standing

"A person injured by a violation of this chapter may in a civil action (including an action under chapter 151 of title 28) obtain appropriate relief.

"§ 165. Reform of naturalization requirements

"(a) FLUENCY.—It has been the longstanding national belief that full citizenship in the United States requires fluency in English. English is the language of opportunity for all immigrants to take their rightful place in society in the United States.

"(b) CEREMONIES.—All authorized officials shall conduct all naturalization ceremonies entirely in English.

"§ 166. Application

"Except as otherwise provided in this chapter, the provisions of this chapter shall supersede any existing Federal law that contravenes such provisions (such as by requiring the use of a language other than English for official business of the Federal Government).

"§ 167. Rule of construction

"Nothing in this chapter shall be construed—

"(1) to prohibit a Member of Congress or an employee or official of the Federal Government, while performing official business, from communicating orally with another person in a language other than English;

"(2) to discriminate against or restrict the rights of any individual in the country; and

"(3) to discourage or prevent the use of languages other than English in any nonofficial capacity.

"§ 168. Affirmation of constitutional protections

"Nothing in this chapter shall be construed to be inconsistent with the Constitution of the United States.

"§ 169. Definitions

"For purposes of this chapter:

"(1) FEDERAL GOVERNMENT.—The term 'Federal Government' means all branches of the national Government and all employees and officials of the national Government while performing official business.

"(2) OFFICIAL BUSINESS.—The term 'official business' means governmental actions, documents, or policies which are enforceable with the full weight and authority of the Federal Government, and includes publications, income tax forms, and informational materials, but does not include—

"(A) teaching of languages;

"(B) actions, documents, or policies necessary for—

"(i) national security issues; or

"(ii) international relations, trade, or commerce;

"(C) actions or documents that protect the public health and safety;

"(D) actions or documents that facilitate the activities of the Bureau of the Census in compiling any census of population;

"(E) actions, documents, or policies that are not enforceable in the United States;

"(F) actions that protect the rights of victims of crimes or criminal defendants;

"(G) actions in which the United States has initiated a civil lawsuit; or

"(H) documents that utilize terms of art or phrases from languages other than English.

"(3) UNITED STATES.—The term 'United States' means the several States and the District of Columbia.".

(b) CONFORMING AMENDMENT.—The table of chapters for title 4, United States Code, is amended by adding at the end the following new item:

"6. Language of the Federal Government .... 161".

SEC. 103. PREEMPTION.

This title (and the amendments made by this title) shall not preempt any law of any State.

SEC. 104. EFFECTIVE DATE.

The amendments made by section 102 shall take effect on the date that is 180 days after the date of enactment of this Act.

TITLE II—REPEAL OF BILINGUAL VOTING REQUIREMENTS

SEC. 201. REPEAL OF BILINGUAL VOTING REQUIREMENTS.

(a) BILINGUAL ELECTION REQUIREMENTS.—Section 203 of the Voting Rights Act of 1965 (42 U.S.C. 1973aa-1a) is repealed.

(b) VOTING RIGHTS.—Section 4 of the Voting Rights Act of 1965 (42 U.S.C. 1973b) is amended by striking subsection (f).

SEC. 202. CONFORMING AMENDMENTS.

(a) REFERENCES TO SECTION 203.—The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.) is amended—

(1) in section 204, by striking "or 203,"; and

(2) in section 205, by striking ", 202, or 203" and inserting "or 202".

(b) REFERENCES TO SECTION 4.— The Voting Rights Act of 1965 (42 U.S.C. 1973 et seq.) is amended—

(1) in sections 2(a), 3(a), 3(b), 3(c), 4(d), 5, 6, and 13, by striking ", or in contravention of the guarantees set forth in section 4(f)(2)";

(2) in paragraphs (1)(A) and (3) of section 4(a), by striking "or (in the case of a State or subdivision seeking a declaratory judgment under the second sentence of this subsection) in contravention of the guarantees of subsection (f)(2)";

(3) in paragraph (1)(B) of section 4(a), by striking "or (in the case of a State or subdivision seeking a declaratory judgment under the second sentence of this subsection) that denials or abridgements of the right to vote in contravention of the guarantees of subsection (f)(2) have occurred anywhere in the territory of such State or subdivision"; and

(4) in paragraph (5) of section 4(a), by striking "or (in the case of a State or subdivision which sought a declaratory judgment under the second sentence of this subsection) that denials or abridgements of the right to vote in contravention of the guarantees of subsection (f)(2) have occurred anywhere in the territory of such State or subdivision".

H.R. 2391

OFFERED BY: MS. MCKINNEY

AMENDMENT NO. 2: Page 2, insert after the period in line 15 the following: "An employer which provides compensatory time shall provide that an employee may use the compensatory time within 7 days of the date on which the employee earned overtime compensation.".

H.R. 2391

OFFERED BY: MS. MCKINNEY

AMENDMENT NO. 3: Page 4, line 22, strike "240" and insert "222".

Page 5, line 23, strike "480" and insert "444".

Page 6, line 1, strike "240" and insert "222".

Page 6, line 3, strike "480 or 240" and insert "444 or 222".

Page 8, insert after line 15 the following:

SEC. 4. OVERTIME.

(a) AMENDMENT.—Section 7(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(a)(1)) is amended by striking "forty" and inserting "thirty-seven".

(b) REVISIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall report to the Committee on Economic and Educational Opportunities of the House of Representatives the revisions required to be made in the employment hours specified in section 7 of the Fair Labor Standards Act of 1938 to conform to the amendment made by subsection (a).

H.R. 2391

OFFERED BY: MS. MCKINNEY

AMENDMENT NO. 4: Page 8, insert after line 15 the following:

SEC. 4. VOLUNTARY OVERTIME.

Section 7(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(a)(1)) is amended by striking the period at the end and inserting the following: "and such employee has agreed to be employed in excess of such hours. No other provision of this subsection may be construed to authorize the employment of employees for a workweek longer than 40 hours unless such employees have agreed to such employment.".

SENATE—*Friday, July 26, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Blessed are the pure in heart, for they shall see God.—Matthew 5:8.

Holy God, just as the fluid in our physical eyes keeps our eyes cleansed, so may Your Holy spirit cleanse, dilate, and focus the vision of the spiritual eyes of our hearts. As we begin this day, we open our hearts to be filled with Your Holy spirit. We desire to be pure in heart so that we may see You more clearly and love You more dearly. We know that mixed motives prevent us from seeing You. We long for our hearts to be free of the admixtures of pride, selfishness, manipulation, lust for power, jealousy, envy, negative criticism, and resentment. We reaffirm our desire to be single minded for You, God—to put You first in our life and and make an unreserved commitment that enables us to rivet our attention upon You.

Today, we accept the gifts of Your Holy spirit and live supernaturally. We will gratefully be a channel for the flow of the fruit of Your spirit—love, joy, peace, patience, kindness, goodness, faithfulness, gentleness, and self-control. We pray that we will see more clearly Your presence in the world, in circumstances, in people, and in the new person You are creating in us. We want to start this day with pure hearts so that we may behold more of the wonder of Your grace and goodness. Through Jesus Christ, our Lord. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of H.R. 3540, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Simpson amendment No. 5088, to strike the provision which extends reduced refugee standards for certain groups.

Lieberman amendment No. 5078, to reallocate funds for the Korean Peninsula Energy Development Organization.

AMENDMENT NO. 5088

The PRESIDING OFFICER (Mrs. FRAHM). There will now be 2 minutes of debate, equally divided, on the amendment of the Senator from Wyoming.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Madam President, what is the status of matters in order? Is the first amendment the Simpson amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. SIMPSON. Is that 2 minutes or 1 minute?

The PRESIDING OFFICER. Two minutes equally divided.

Mr. SIMPSON. Madam President, the purpose of this amendment is to go back to the 1980 Refugee Act. The 1980 Refugee Act provided for case-by-case determination of all refugees.

In 1989, we had the Lautenberg amendment, which was very appropriate at that time. It simply said we would presume that people who were Jewish or Angelical Christians or Pentacostals would be refugees. That was appropriate when the Soviet Union was our enemy.

In this bill, we give them $640 million. They are a G–7 partner. They are our ally.

Now we are still using 48,000 precious numbers out of an entire number of 78,000 to give to people who are presumed to be refugees—we give them the status. Some of them wait a year before they even come. Then we find it being misused by fraud and abuse with the Russian mafia coming through the system with regard to this presumption of refugee status.

We ought to go back to case by case, and no one will be left out.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Madam President, I hope that my colleagues will vote against the amendment by Senator SIMPSON. He wants to strike out extension of current law, which frankly I think is essential. When we look at the new Russia, the former Soviet Union, we see, though they apparently are democratized in many areas, the fact of the matter is that an integral part of the political platform in the last election was to rail against Jews and other religions not satisfactory to them.

Zhirinovsky, the head of the Nationalist Party, said that the way the country has to resolve its problems is to get rid of its Jews.

Lebed, the now National Security Adviser to President Yeltsin, made derogatory remarks about Jews and about Mormons, calling them a "scum" religion.

So, if that tells you where we are going, I hope that my colleagues will vote against this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 22, nays 78, as follows:

[Rollcall Vote No. 246 Leg.]

YEAS—22

Bond
Brown
Campbell
Chafee
Cochran
Domenici
Faircloth
Gorton
Grams
Gregg
Hatch
Helms
Jeffords
Kassebaum
Lugar
McCain
Murkowski
Roth
Shelby
Simpson
Thomas
Thurmond

NAYS—78

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Coats
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Dorgan
Exon
Feingold
Feinstein
Ford
Frahm
Frist
Glenn
Graham
Gramm
Grassley
Harkin
Hatfield
Heflin
Hollings
Hutchison
Inhofe
Inouye
Johnston
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Mack
McConnell
Mikulski
Moseley-Braun
Moynihan
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Santorum
Sarbanes
Simon
Smith
Snowe
Specter
Stevens
Thompson
Warner
Wellstone
Wyden

The amendment (No. 5088) was rejected.

Mr. SIMPSON. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5078, AS AMENDED

The PRESIDING OFFICER (Mr. COVERDELL). The question occurs on amendment No. 5078, as amended. There are 2 minutes evenly divided on the amendment.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

The Senate will come to order. Please remove all conversations to the Cloakroom.

Will the Senators please remove audible conversations to the Cloakroom? The Chair requests that audible conversations be removed to the Cloakroom.

The Senate will come to order. Please remove audible conversations to the Cloakroom.

The Chair requests that audible conversations be removed to the Cloakroom so the Senate may come to order.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, it is amazing to me that the Presiding Officer of the U.S. Senate requests silence of the Senate and is ignored by so many people who blatantly continue to talk while the Presiding Officer has now for 3 minutes requested silence.

I hope the Presiding Officer takes whatever measures are necessary to get quiet in this body. It is unbelievable we would not pay attention to the Presiding Officer.

The PRESIDING OFFICER. The Chair appreciates the cooperation of the Senator from West Virginia.

The Chair is asking that audible conversations be removed to the Cloakroom so the Senate can proceed with its business.

The Chair recognizes the Senator from Kentucky.

Mr. McCONNELL. Mr. President, the Lieberman amendment, upon which we are about to vote, doubles aid to North Korea from last year's level from $13 million to $25 million. I expect a lot of Senators did not even know we were providing aid to North Korea. To provide this aid, President Clinton will have to say the fact that North Korea is a terrorist state doesn't matter.

In addition, we know under the current agreement that the North has diverted oil, and nothing in this amendment will prevent that from continuing to happen.

Finally, let me say, Mr. President, the House is strongly opposed to an increase from $13 to $25 million, which is encompassed in this amendment, and this is going to be an extraordinarily difficult position to sustain in conference, even if this amendment is approved.

I hope that my colleagues will not approve this amendment.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, this amendment, now amended in the second degree by Senators MURKOWSKI and McCAIN, would enable the President to fulfill the promise made as part of the agreed framework signed in October 1994 to avoid the escalating probability of the North Koreans attaining nuclear capability and perhaps entering into a conflict with South Korea.

A conflict, a major regional conflict on the Korean Peninsula, as Secretary Perry would say, would put countless lives in jeopardy and would cost billions of dollars.

For $25 million, we have the opportunity to continue an agreement which, thus far, the North Koreans, at least as to the nuclear component, have kept.

I yield 15 seconds to Senator MURKOWSKI, and then the remainder of the time to Senator LEVIN.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. Mr. President, I thank the Senator. I assure my colleagues, if we don't have adequate funding, there is no point in pursuing this. That is the problem with the proposal that has been offered by the Senator from Kentucky. This requires full compliance with all provisions of the agreed framework, no significant diversion of U.S. assistance of food or oil, and full cooperation on storage of spent fuel.

If we are going to do this right, we have to give them the tools to do it. We can't cut it in half and expect it to be done right. That is what we are up against here.

It is a significant foreign policy question. I am very pleased Senator McCAIN, Senator LIEBERMAN and others feel there is a job to be done over there and we can't take it lightly and we can't just cut funding in half.

I might add, there is a full accounting of MIA's in this thing. There are more MIA's in North Korea, about 8,400, in fact.

The PRESIDING OFFICER. The time of the Senator has expired. The Chair recognizes the Senator from Michigan.

Mr. LEVIN. Mr. President, I ask unanimous consent for an additional 10 seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, we are trying very hard to put the nuclear genie back into the bottle in North Korea. General Shalikashvili and the uniformed military strongly support the framework agreement that will allow us to do that. If we cut the funds to implement that agreement, instead of putting the nuclear genie back in the bottle, we will be breaking that bottle.

I hope the Lieberman amendment is adopted with an overwhelming vote.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to amendment No. 5078, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 73, nays 27, as follows:

[Rollcall Vote No. 247 Leg.]

YEAS—73

Abraham
Akaka
Baucus
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Daschle
Dodd
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Graham
Grams
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
McCain
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NAYS—27

Ashcroft
Bennett
Brown
Burns
Craig
D'Amato
DeWine
Domenici
Dorgan
Faircloth
Frahm
Gorton
Gramm
Grassley
Gregg
Hatch
Helms
Hutchison
Inhofe
Kempthorne
Kyl
Lott
Mack
McConnell
Nickles
Shelby
Smith

So the amendment (No. 5078) as amended, was agreed to.

Mr. LEAHY. I move to reconsider the vote.

Mr. LIEBERMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL MILITARY EDUCATION AND TRAINING [IMET]—INDONESIA

Mr. COCHRAN. Mr. President, I congratulate the chairman of the Foreign Operations Subcommittee, Senator McCONNELL, and the ranking Democrat, Senator LEAHY, for the fine job they've done putting together the fiscal year 1997 foreign operations appropriations bill. This legislation is very important in helping the United States to influence events and protect American interests around the world, and I know that the bill takes a great deal of hard work on the part of Senators McCONNELL and LEAHY, and their staffs, to move it to the floor.

One of the important functions funded by this legislation is the International Military Education and Training, or IMET, Program. Title III of this bill provides $40 million for IMET for fiscal year 1997. According to the Defense Department, IMET has three principal objectives:

First, to encourage mutually beneficial relations and increased understanding between the United States and foreign countries in furtherance of the goals of international peace and security.

Second, to improve the ability of participating foreign countries to utilize their resources, including defense articles and services obtained from the United States, with maximum effectiveness, thereby contributing to greater self-reliance by such countries; and,

Third, to increase the awareness of nationals of foreign countries participating in such activities of basic issues involving internationally recognized human rights.

In fiscal year 1995, 109 countries participated in IMET.

The pending legislation includes a few restrictions on use of IMET funds: None of the funds appropriated are available for either Zaire or Guatemala, and Indonesia is eligible for what is described as an expanded IMET Program. With regard to Indonesia specifically, on page 129 the bill says,

> * * * funds appropriated under this heading for grant financed military education and training for Indonesia may only be available for expanded military education and training.

I'm not quite sure why the phrase "expanded" is used, though, because the expanded IMET Program is in fact highly restrictive, allowing IMET funds for Indonesia only to be used for human rights-related training.

I am opposed to this provision of the bill. I know that those who support restrictions on IMET for Indonesia do so out of concern for the human rights situation in Indonesia. And there is reason for concern, though we should take note of the fact that the Indonesians have undertaken to improve their policies and actions with regard to human rights. Is their room for continued improvement? Of course there is, but excluding Indonesia from the benefits of full IMET participation is not the best way to help Indonesians make progress on human rights. I also wonder, though, why it is that of all the countries participating in IMET, only Indonesia is singled out for restrictions. Think about the other 108 fiscal year 1995 unrestricted IMET participants, Burundi, Ethiopia, Cambodia, Russia, and Algeria. Are we saying they don't have any human rights problems?

IMET is of vital importance in helping military officers from other countries to learn from the example of the United States, to help sensitize these officers to the proper role of the military and the rule of law in a civil society. Bringing military officers from Indonesia for human rights training, under the expanded IMET, can be helpful. But it would be more helpful to bring Indonesian officers to the United States for full IMET training, thereby exposing these officers to daily exchanges with their American counterparts. If we want to help correct human rights abuse, it makes more sense to take officers, both junior and field grade officers, and involve them in our military training, side by side, with our own officers.

As an example, every year we send hundreds of our own lieutenants through the infantry officers basic course at Fort Benning, GA. Included in these classes, as full members, are officers sent from other countries as part of the IMET Program. These foreign officers get human rights training along with the American officers in the infantry officers basic course, and they're also taught respect for the rule of law and the proper relations between military and civil authorities in a free society. The most important part of this experience for foreign military officers is not what they're taught in a classroom, though that is valuable. More important is the involvement in our military culture, being treated as equals of the American lieutenants in the course and learning by the example their American friends. They learn the role of the military in a free society, and also the responsibilities of each and every officer to that society.

Indonesia is important to the United States. We shouldn't ignore the fact that it is the world's fourth most populous country, and we can't ignore the fact that our Navy must transit its sea lanes in seeking to move rapidly between the Pacific and the Indian Oceans. But this is more than simply a question of what is strictly in the national interest of the United States, though that alone should be sufficient. Indonesia is also becoming an important force for peace and stability in Asia, something that is also very important to the United States. The growing friendship between the United States and Indonesia is not something that should be taken lightly or for granted.

During my recent visit to Indonesia our Ambassador, Stapleton Roy, was clear in expressing his desire for full access to IMET for Indonesia. I learned from my visit that when human rights problems occur, invariably it is not American-trained officers involved, but the officers not trained in the United States.

If we are serious about helping our friends in Indonesia preaching to them about human rights is not the most productive use of our resources or their time. By including Indonesia in the normal IMET program, they learn about human rights by word and deed; we create lasting friendship that aren't based upon lecturing, and build support for and orientation toward United States policies; and, in so doing, we advance United States bilateral and regional interests.

Let's be consistent. Either all nations with human rights problems should be excluded from full IMET participation, or none should. Singling out Indonesia for this treatment is not only wrong; it creates suspicion and misunderstanding of our reliability as a leader.

I understand that this has been a contentious conference issue for this bill in the past and will not offer an amendment this year to strike the restrictive bill language on Indonesian IMET participation. I hope, though, that during the year the issue of how nations are permitted to participate in IMET will receive close scrutiny, and that consideration be given to supporting a bill that eliminates this unfair and ill-conceived restriction.

Mrs. BOXER. Mr. President, I wish to express my support for the fiscal year 1997 Foreign Operations Appropriations Act.

I am very pleased that this bill continues to fund United States commitments to our Camp David Accord partners, Israel and Egypt. Foreign assistance to our Middle East allies is a critical tool needed to keep the peace process moving ahead. Even as our overall foreign assistance budget declines, I believe it is imperative to maintain our aid programs to our Camp David partners at current levels.

I strongly supported the Dorgan-Hatfield code of conduct amendment and was very disappointed that the Senate voted to table it. The United States is now the world's leading arms exporter. Too often, arms exported by the United States have been used for internal repression by dictators. On many occasions, arms exports have been resold to hostile third parties and used directly against U.S. interests. The Dorgan-Hatfield proposal would have imposed reasonable restrictions on exports. I will continue to work with the amendment's sponsors to move the code of conduct forward.

I also supported the McConnell-Leahy sanctions on Burma that were included in the committee reported version of the bill. Unfortunately, these sanctions were eliminated by the Cohen amendment. It is universally agreed that the current regime in Burma is illegitimate, undemocratic, and abusive of even the most basic human rights standards. It is a virtual certainty that every dollar finding its way to the ruling party in Burma will be used to oppress the legitimately elected government. The United States must not participate in this kind of unconscionable oppression in any way.

I also wish to explain my vote against the Helms amendment on U.N. taxation. Of course, I do not believe that the United Nations has the authority to tax U.S. citizens, nor should it. I opposed the amendment because I view it as totally unnecessary and as a gratuitous attack on valuable U.N. programs, such as development assistance and UNICEF.

I would like to call attention to committee report language urging the U.S. Agency for International Development to fund microenterprise programs at their current levels. I supported earmarking funds for this purpose, but understand the managers reluctance to earmark. Microenterprise has been a remarkable success in the developing world. The small local banks created through microenterprise programs truly have the ability to wipe out poverty in their regions. I want to add my voice to that of the committee and urge AID, in the strongest possible terms, to allocate the maximum possible level of funding to microenterprise programs.

Finally, I wish to note my opposition to the Coverdell amendment, which would increase funding for counterdrug programs at the expense of development assistance and U.N.-sponsored international organizations, such as UNICEF and UNFPA. I support the counterdrug program, but would note that its budget had been increased dramatically in the committee reported bill. Development assistance, on the other hand, has been slashed. The Coverdell amendment would exacerbate the existing shortfall in development assistance, and thus reduce our influence and leadership position in the world.

Mr. McCONNELL. I yield back my 2 minutes.

Mr. LEAHY. I yield back my 2 minutes.

The PRESIDING OFFICER. Without objection, the committee substitute, as amended, is agreed to.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The Chair advises the Senator from Kentucky that the yeas and nays have not been ordered.

Mr. McCONNELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient is second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, and all time having been yielded back, the question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

The result was announced—yeas 93, nays 7, as follows:

[Rollcall Vote No. 248 Leg.]

YEAS—93

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Brown
Bryan
Bumpers
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frahm
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NAYS—7

Byrd
Craig
Faircloth
Helms
Hollings
Kempthorne
Smith

The bill (H.R. 3540), as amended, was agreed to, as follows:

Resolved, That the bill from the House of Representatives (H.R. 3540) entitled "An Act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, and for other purposes, namely:

TITLE I—EXPORT AND INVESTMENT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

The Export-Import Bank of the United States is authorized to make such expenditures within the limits of funds and borrowing authority available to such corporation, and in accordance with law, and to make such contracts and commitments without regard to fiscal year limitations, as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program for the current fiscal year for such corporation: Provided, That none of the funds available during the current fiscal year may be used to make expenditures, contracts, or commitments for the export of nuclear equipment, fuel, or technology to any country other than a nuclear-weapon State as defined in Article IX of the Treaty on the Non-Proliferation of Nuclear Weapons eligible to receive economic or military assistance under this Act that has detonated a nuclear explosive after the date of enactment of this Act.

SUBSIDY APPROPRIATION

For the cost of direct loans, loan guarantees, insurance, and tied-aid grants as authorized by section 10 of the Export-Import Bank Act of 1945, as amended, $730,000,000 to remain available until September 30, 1998: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall remain available until 2012 for the disbursement of direct loans, loan guarantees, insurance and tied-aid grants obligated in fiscal years 1997 and 1998: Provided further, That up to $50,000,000 of funds appropriated by this paragraph shall remain available until expended and may be used for tied-aid grant purposes: Provided further, That none of the funds appropriated by this paragraph may be used for tied-aid credits or grants except through the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated by this paragraph are made available notwithstanding section 2(b)(2) of the Export-Import Bank Act of 1945, in connection with the purchase or lease of any product by any East European country, any Baltic State, or any agency or national thereof.

ADMINISTRATIVE EXPENSES

For administrative expenses to carry out the direct and guaranteed loan and insurance programs (to be computed on an accrual basis), including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $20,000 for official reception and representation expenses for members of the Board of Directors, $40,000,000: Provided, That necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the collection of moneys owed the Export-Import Bank, repossession or sale of pledged collateral or other assets acquired by the Export-Import Bank in satisfaction of moneys owed the Export-Import Bank, or the investigation or appraisal of any property, or the evaluation of the legal or technical aspects of any transaction for which an application for a loan, guarantee or insurance commitment has been made, shall be considered nonadministrative expenses for the purposes of this heading: Provided further, That, none of the funds made available by this or any other Act may be made available to pay the salary and any other expenses of the incumbent Chairman and President of the Export-Import Bank unless and until he has been confirmed by the United States Senate: Provided further, That, notwithstanding subsection (b) of section 117 of the Export Enhancement Act of 1992, subsection (a) thereof shall remain in effect until October 1, 1997.

OVERSEAS PRIVATE INVESTMENT CORPORATION

NONCREDIT ACCOUNT

The Overseas Private Investment Corporation is authorized to make, without regard to fiscal year limitations, as provided by 31 U.S.C. 9104, such expenditures and commitments within the limits of funds available to it and in accordance with law as may be necessary: Provided, That the amount available for administrative expenses to carry out the credit and insurance programs (including an amount for official reception and representation expenses which shall not exceed $35,000) shall not exceed $32,000,000: Provided further, That project-specific transaction costs, including direct and indirect costs incurred in claims settlements, and other direct costs associated with services provided to specific investors or potential investors pursuant to section 234 of the Foreign Assistance Act of 1961, shall not be considered administrative expenses for the purposes of this heading.

PROGRAM ACCOUNT

For the cost of direct and guaranteed loans, $72,000,000, as authorized by section 234 of the Foreign Assistance Act of 1961, to be derived by transfer from the Overseas Private Investment Corporation Noncredit Account: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That such sums shall be available for direct loan obligations and loan guaranty commitments incurred or made during fiscal years 1997 and 1998: Provided further, That such sums shall remain available through fiscal year 2005 for the disbursement of direct and guaranteed loans obligated in fiscal year 1997, and through fiscal year 2006 for the disbursement of direct and guaranteed loans obligated in fiscal year 1998. In addition, such sums as may be necessary for administrative expenses to carry out the credit program may be derived from amounts available for administrative expenses to carry out the credit and insurance programs in the Overseas Private Investment Corporation Noncredit Account and merged with said account.

FUNDS APPROPRIATED TO THE PRESIDENT

TRADE AND DEVELOPMENT AGENCY

For necessary expenses to carry out the provisions of section 661 of the Foreign Assistance Act of 1961, $40,000,000: Provided, That the Trade and Development Agency may receive reimbursements from corporations and other entities for the costs of grants for feasibility studies and other project planning services, to be deposited as an offsetting collection to this account and to be available for obligation until September 30, 1997, for necessary expenses under this paragraph: Provided further, That such reimbursements shall not cover, or be allocated against, direct or indirect administrative costs of the agency.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

For expenses necessary to enable the President to carry out the provisions of the Foreign Assistance Act of 1961, and for other purposes, to remain available until September 30, 1997, unless otherwise specified herein, as follows:

AGENCY FOR INTERNATIONAL DEVELOPMENT

DEVELOPMENT ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the provisions of sections 103 through 106 and chapter 10 of part I of the Foreign Assistance Act of 1961, title V of the International Security and Development Cooperation Act of 1980 (Public Law 96–533) and the provisions of section 401 of the Foreign Assistance Act of 1969, $1,262,000,000, to remain available until September 30, 1998: Provided, That of the amount appropriated under this heading, up to $18,000,000 may be made available for the Inter-American Foundation and shall be apportioned directly to that agency: Provided further, That of the amount appropriated under this heading, up to $10,500,000 may be made available for the African Development Foundation and shall be apportioned directly to that agency: Provided further, That of the funds appropriated under title II of this Act that are administered by the Agency for International Development and made available for family planning assistance, not less than 65 percent shall be made available directly to the agency's central Office of Population and shall be programmed by that office for family planning activities: Provided further, That of the funds appropriated under this heading and under the heading "Population, Development Assistance" that are made available by the Agency for International Development for development assistance activities, the amount made available to carry out chapter 10 of part I of the Foreign Assistance Act of 1961 (relating to the Development Fund for Africa) shall be in at least the same proportion as the amount identified in the fiscal year 1997 draft congressional presentation document for development assistance for sub-Saharan Africa is to the total amount requested for development assistance for such fiscal year: Provided further, That funds appropriated under this heading shall be made available, notwithstanding any other provision of law, to assist Vietnam to refom its trade regime through, among other things, reform of its commercial and investment legal codes: Provided further, That up to $5,000,000 of the funds appropriated under this heading may be made available for necessary expenses to carry out the provisions of section 667 of the Foreign Assistance Act of 1961: Provided further, That none of the funds made available in this Act nor any unobligated balances from prior appropriations may be made available to any organization or program which, as determined by the President of the United States, supports or participates in the management of a program of coercive abortion or involuntary sterilization: Provided further, That none of the funds made available under this heading or under the heading "Population, Development Assistance", may be used to pay for the performance of abortion as a method of family planning or to motivate or coerce any person to practice abortions; and that in order to reduce reliance on abortion in developing nations, funds shall be available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services: Provided further, That in awarding grants for natural family planning under section 104 of the Foreign Assistance Act of 1961 no applicant shall be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning; and, additionally, all such applicants shall comply with the requirements of the previous proviso: Provided further, That for purposes of this or any other Act authorizing or appropriating funds for foreign operations, export financing, and related programs, the term "motivate", as it relates to family planning assistance, shall not be construed to prohibit the provision, consistent with local law, of information or counseling about all pregnancy options: Provided further, That nothing in this paragraph shall be construed to alter any existing statutory prohibitions against abortion under section 104 of the Foreign Assistance Act of 1961: Provided further, That, notwithstanding section 109 of the Foreign Assistance Act of 1961, of the funds appropriated under this heading in this Act, and of the unobligated balances of funds previously appropriated under this heading, $17,500,000 shall be transferred to "International Organizations and Programs" for a contribution to the International Fund for Agricultural Development (IFAD), and that any such transfer of funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That of the funds appropriated under this heading that are made available for assistance programs for displaced and orphaned children and victims of war, not to exceed $25,000, in addition to funds otherwise available for such purposes, may be used to monitor and provide oversight of such programs: Provided further, That not less than $650,000 of the funds made available under this heading shall be available only for support of the United States Telecommunications Training Institute: Provided further, That of the amount appropriated under this heading, not less than $15,000,000 shall be available only for the American Schools and Hospitals Abroad program under section 214 of the Foreign Assistance Act of 1961.

POPULATION, DEVELOPMENT ASSISTANCE

For necessary expenses to carry out the provisions of section 104(b) of the Foreign Assistance Act of 1961, $410,000,000, to remain available until September 30, 1998.

CYPRUS

Of the funds appropriated under the headings "Development Assistance" and "Economic Support Fund", not less than $15,000,000 shall be made available for Cyprus to be used only for scholarships, administrative support of the scholarship program, bicommunal projects, and measures aimed at reunification of the island and designed to reduce tensions and promote peace and cooperation between the two communities on Cyprus.

BURMA

Of the funds appropriated by this Act to carry out the provisions of chapter 8 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than $2,500,000 shall be made available to support activities in Burma, along the Burma-Thailand border, and for activities of Burmese student groups and other organizations located outside Burma, for the purposes of fostering democracy in Burma, supporting the provision of medical supplies and other humanitarian assistance to Burmese located in Burma or displaced Burmese along the borders, and for other purposes: Provided, That of this amount, not less than $200,000 shall be made available to support newspapers, publications, and other media activities promoting democracy inside Burma: Provided further, That funds made available under this heading may be made available notwithstanding any other provision of law: Provided further, That provision of such funds shall be made available subject to the regular notification procedures of the Committees on Appropriations.

PRIVATE AND VOLUNTARY ORGANIZATIONS

None of the funds appropriated or otherwise made available by this Act for development assistance may be made available to any United States private and voluntary organization, except any cooperative development organization, which obtains less than 20 per centum of its total annual funding for international activities from sources other than the United States Government: Provided, That the requirements of the provisions of section 123(g) of the Foreign Assistance Act of 1961 and the provisions on private and voluntary organizations in title II of the "Foreign Assistance and Related Programs Appropriations Act, 1985" (as enacted in Public Law 98–473) shall be superseded by the provisions of this section, except that the authority contained in the last sentence of section 123(g) may be exercised by the Administrator with regard to the requirements of this paragraph.

Funds appropriated or otherwise made available under title II of this Act should be made available to private and voluntary organizations at a level which is equivalent to the level provided in fiscal year 1995. Such private and voluntary organizations shall include those which operate on a not-for-profit basis, receive contributions from private sources, receive voluntary support from the public and are deemed to be among the most cost-effective and successful providers of development assistance.

INTERNATIONAL DISASTER ASSISTANCE

For necessary expenses for international disaster relief, rehabilitation, and reconstruction assistance pursuant to section 491 of the Foreign Assistance Act of 1961, as amended, $190,000,000, to remain available until expended.

DEBT RESTRUCTURING

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of modifying direct loans and loan guarantees, as the President may determine, for which funds have been appropriated or otherwise made available for programs within the International Affairs Budget Function 150, including the cost of selling, reducing, or canceling amounts, through debt buybacks and swaps, owed to the United States as a result of concessional loans made to eligible Latin American and Caribbean countries, pursuant to part IV of the Foreign Assistance Act of 1961; of modifying direct loans extended to least developed countries, as authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended; and of modifying concessional loans authorized under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, as authorized under subsection (a) under the heading "Debt Reduction for Jordan" in title VI of Public Law 103–306, $27,000,000, to remain available until expended: Provided, That none of the funds appropriated under this heading shall be obligated except through the regular notification procedures of the Committee on Appropriations.

MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM ACCOUNT

For the subsidy cost of direct loans and loan guarantees, $1,500,000, as authorized by section 108 of the Foreign Assistance Act of 1961, as amended: Provided, That such costs shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That guarantees of loans made under this heading in support of microenterprise activities may guarantee up to 70 percent of the principal amount of any such loans notwithstanding section 108 of the Foreign Assistance Act of 1961. In addition, for administrative expenses to carry out programs under this heading, $500,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That funds made available under this heading shall remain available until September 30, 1998.

HOUSING GUARANTY PROGRAM ACCOUNT

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of guaranteed loans authorized by sections 221 and 222 of the Foreign Assistance Act of 1961, $4,000,000, to remain available until September 30, 1998: Provided, That these funds are available to subsidize loan principal, 100 percent of which shall be guaranteed, pursuant to the authority of such sections. In addition, for administrative expenses to carry out guaranteed loan programs, $6,000,000, all of which may be transferred to and merged with the appropriation for Operating Expenses of the Agency for International Development: Provided further, That commitments to guarantee loans under this heading may be entered into notwithstanding the second and third sentences of section 222(a) and, with regard to programs for central and Eastern Europe and programs for the benefit of South Africans disadvantaged by apartheid, section 223(j) of the Foreign Assistance Act of 1961.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the "Foreign Service Retirement and Disability Fund", as authorized by the Foreign Service Act of 1980, $43,826,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For necessary expenses to carry out the provisions of section 667, $495,000,000: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be made available for expenses necessary to relocate the Agency for International Development, or any part of that agency, to the building at the Federal Triangle in Washington, District of Columbia.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

For necessary expenses to carry out the provisions of section 667, $28,000,000, to remain available until expended, which sum shall be available for the Office of the Inspector General of the Agency for International Development.

OTHER BILATERAL ECONOMIC ASSISTANCE

ECONOMIC SUPPORT FUND

For necessary expenses to carry out the provisions of chapter 4 of part II, $2,340,000,000, to remain available until September 30, 1998: Provided, That of the funds appropriated under this heading, not less than $1,200,000,000 shall be available only for Israel, which sum shall be available on a grant basis as a cash transfer and shall be disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: Provided further, That not less than $815,000,000 shall be available only for Egypt, which sum shall be provided on a grant basis, and of which sum cash transfer assistance may be provided, with the understanding that Egypt will undertake significant economic reforms which are additional to those which were undertaken in previous fiscal years, and of which not less than $200,000,000 shall be provided as Commodity Import Program assistance: Provided further, That in exercising the authority to provide cash transfer assistance for Israel and Egypt, the President shall ensure that the level of such assistance does not cause an adverse impact on the total level of non-military exports from the United States to each such country: Provided further, That it is the sense of the Congress that the recommended levels of assistance for Egypt and Israel are based in great measure upon their continued participation in the Camp David Accords and upon the Egyptian-Israeli peace treaty: Provided further, That of the funds appropriated under this heading, $3,000,000 shall be made available to establish an independent radio broadcasting service to Iran: Provided further, That none of the funds appropriated under this heading shall be made available for Zaire: Provided further, That of the funds appropriated under this heading by prior appropriations Acts, $36,000,000 of unobligated and unearmarked funds shall be transferred to and consolidated with funds appropriated by this Act under the heading "International Organizations and Programs".

ASSISTANCE FOR EASTERN EUROPE AND THE BALTIC STATES

(a) For necessary expenses to carry out the provisions of the Foreign Assistance Act of 1961 and the Support for East European Democracy (SEED) Act of 1989, $475,000,000, to remain available until September 30, 1998, which shall be available, notwithstanding any other provision of law, for economic assistance and for related programs for Central and Eastern Europe and the Baltic States.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(c) Funds appropriated under this heading shall be considered to be economic assistance under the Foreign Assistance Act of 1961 for purposes of making available the administrative authorities contained in that Act for the use of economic assistance.

(d) With regard to funds appropriated or otherwise made available under this heading for the economic revitalization program in Bosnia and Herzegovina, and local currencies generated by such funds (including the conversion of funds appropriated under this heading into currency used by Bosnia and Herzegovina as local currency and local currency returned or repaid under such program)—

(1) the Administrator of the Agency for International Development shall provide written approval for grants and loans prior to the obligation and expenditure of funds for such purposes, and prior to the use of funds that have been returned or repaid to any lending facility or grantee; and

(2) the provisions of section 534 of this Act shall apply.

(e) With regard to funds appropriated under this heading that are made available for economic revitalization programs in Bosnia and Hercegovina, 50 percent of such funds shall not be available for obligation unless the President determines and certifies to the Committees on Appropriations that the Federation of Bosnia and Hercegovina has complied with article III of annex 1–A of the General Framework Agreement for Peace in Bosnia and Hercegovina concerning the withdrawal of foreign forces, and that intelligence cooperation on training, investigations, and related activities between Iranian officials and Bosnian officials has been terminated.

ASSISTANCE FOR THE NEW INDEPENDENT STATES OF THE FORMER SOVIET UNION

(a) For necessary expenses to carry out the provisions of chapter 11 of part I of the Foreign Assistance Act of 1961 and the FREEDOM Support Act, for assistance for the new independent states of the former Soviet Union and for related programs, $640,000,000, to remain available until September 30, 1998: Provided, That the provisions of such chapter shall apply to funds appropriated by this paragraph: Provided further, That of the funds appropriated under this heading $25,000,000 shall be available for the legal restructuring necessary to support a decentralized market-oriented economic system, including enactment of necessary substantive commercial law, implementation of reforms necessary to establish an independent judiciary and bar, legal education for judges, attorneys, and law students, and education of the public designed to promote understanding of a law-based economy.

(b) None of the funds appropriated under this heading shall be transferred to the Government of Russia—

(1) unless that Government is making progress in implementing comprehensive economic reforms based on market principles, private ownership, negotiating repayment of commercial debt, respect for commercial contracts, and equitable treatment of foreign private investment; and

(2) if that Government applies or transfers United States assistance to any entity for the purpose of expropriating or seizing ownership or control of assets, investments, or ventures.

(c) Funds may be furnished without regard to subsection (b) if the President determines that to do so is in the national interest.

(d) None of the funds appropriated under this heading shall be made available to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the territorial integrity or national sovereignty of any other new independent state, such as those violations included in the Helsinki Final Act: Provided, That such funds may be made available without regard to the restriction in this subsection if the President determines that to do so is in the national security interest of the United States: Provided further, That the restriction of this subsection shall not apply to the use of such funds for the provision of assistance for purposes of humanitarian, disaster and refugee relief.

(e) None of the funds appropriated under this heading for the new independent states of the former Soviet Union shall be made available for any state to enhance its military capability: Provided, That this restriction does not apply to demilitarization or nonproliferation programs.

(f) Funds appropriated under this heading shall be subject to the regular notification procedures of the Committees on Appropriations.

(g) Funds made available in this Act for assistance to the new independent states of the former Soviet Union shall be subject to the provisions of section 117 (relating to environment and natural resources) of the Foreign Assistance Act of 1961.

(h)(1) Of the funds appropriated under title II of this Act, including funds appropriated under this heading, not less than $11,000,000 shall be available only for assistance for Mongolia, of which amount not less than $6,000,000 shall be available only for the Mongolian energy sector.

(2) Funds made available for assistance for Mongolia shall be made available in accordance with the purposes and utilizing the authorities provided in chapter 11 of part I of the Foreign Assistance Act of 1961.

(i) Funds made available in this Act for assistance to the New Independent States of the former Soviet Union shall be provided to the maximum extent feasible through the private sector, including small- and medium-size businesses, entrepreneurs, and others with indigenous private enterprises in the region, intermediary development organizations committed to private enterprise, and private voluntary organizations: Provided, That grantees and contractors should, to the maximum extent possible, place in key staff positions specialists with prior on the ground expertise in the region of activity and fluency in one of the local languages.

(j) In issuing new task orders, entering into contracts, or making grants, with funds appropriated under this heading or in prior appropriations Acts, for projects or activities that have as one of their primary purposes the fostering of private sector development, the Coordinator for United States Assistance to the New Independent States and the implementing agency shall encourage the participation of and give significant weight to contractors and grantees who propose investing a significant amount of their own resources (including volunteer services and in-kind contributions) in such projects and activities.

(k) Of the funds made available under this heading, not less than $225,000,000 shall be made available for Ukraine, of which funds not less than $25,000,000 shall be made available to carry out United States decommissioning obligations regarding the Chornobyl plant made in the Memorandum of Understanding between the Government of Ukraine and the G–7 Group: Provided, That not less than $35,000,000 shall be made available for agricultural projects, including those undertaken through the Food Systems Restructuring Program, which leverage private sector resources with United States Government assistance: Provided further, That $5,000,000 shall be available for a small business incubator project: Provided further, That $5,000,000 shall be made available for screening and treatment of childhood mental and physical illnesses related to Chornobyl radiation: Provided further, That of the amount appropriated under this heading, $5,000,000 shall be available only for a land and resource management institute to identify nuclear contamination at Chornobyl..

(l) Of the funds made available for Ukraine, under this Act or any other Act, not less than $50,000,000 shall be made available to improve safety at nuclear reactors: Provided, That of this amount $20,000,000 shall be provided for the purchase and installation of, and training for, safety parameter display or control systems at all operational nuclear reactors: Provided further, That of this amount, $20,000,000 shall be made available for the purchase, construction, installation and training for Full Scope and Analytical/Engineering simulators: Provided further, That of this amount such funds as may be necessary shall be made available to conduct Safety Analysis Reports at all operational nuclear reactors.

(m) Of the funds made available by this Act, not less than $95,000,000 shall be made available for Armenia.

(n) Of the funds made available by this or any other Act, $25,000,000 shall be made available for Georgia.

(o) None of the funds appropriated under this heading may be made available for Russia unless the President determines and certifies in writing to the Committees on Appropriations that the Government of Russia has terminated implementation of arrangements to provide Iran with technical expertise, training, technology, or equipment necessary to develop a nuclear reactor or related nuclear research facilities or programs.

(p) Of the funds appropriated under this heading, $15,000,000 shall be provided for hospital partnership programs, medical assistance to directly reduce the incidence of infectious diseases such as diphtheria or tuberculosis, and a program to reduce the adverse impact of contaminated drinking water.

(q) Of the funds appropriated under this heading and under the heading "Assistance for Eastern Europe and the Baltic States", not less than $12,000,000 shall be made available for law enforcement training and exchanges, and investigative and technical assistance activities related to international criminal activities: Provided, That of this amount, not less than $1,000,000 shall be made available for training and exchanges in Russia to combat violence against women.

(r) Of the funds appropriated under this heading, not less than $50,000,000 should be provided to the Western NIS and Central Asian Enterprise Funds: Provided, That obligation of these funds shall be consistent with sound business practices.

(s) Of the funds made available under this heading, not less than $10,000,000 shall be made available for a United States contribution to the Trans-Caucasus Enterprise Fund.

(t) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the disbursement of such funds by the Fund for program purposes. The Fund may retain for such program proposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

(u) Funds appropriated under this heading may not be made available for the Government of Ukraine if the President determines and reports to the Committees on Appropriations that the Government of Ukraine is engaged in military cooperation with the Government of Libya.

(v) Of the funds appropriated under this heading, not less than $15,000,000 shall be available only for a family planning program for the New Independent States of the former Soviet Union comparable to the family planning program currently administered by the Agency for International Development in the Central Asian Republics and focusing on population assistance which provides an alternative to abortion.

(w) Funds made available under this Act or any other Act (other than assistance under title V of the FREEDOM Support Act) may not be provided to the Government of Azerbaijan until the President determines, and so reports to the Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno-Karabakh.

(x) Of the funds appropriated under this heading, not less than $2,500,000 shall be made available for the American-Russian Center.

INDEPENDENT AGENCY

PEACE CORPS

For expenses necessary to carry out the provisions of the Peace Corps Act (75 Stat. 612), $205,000,000, including the purchase of not to exceed five passenger motor vehicles for administrative purposes for use outside of the United States: Provided, That none of the funds appropriated under this heading shall be used to pay for abortions: Provided further, That funds appropriated under this heading shall remain available until September 30, 1998.

DEPARTMENT OF STATE

INTERNATIONAL NARCOTICS CONTROL

For necessary expenses to carry out the provisions of section 481 of the Foreign Assistance Act of 1961, $213,000,000: Provided, That during fiscal year 1997, the Department of State may also use the authority of section 608 of the Foreign Assistance Act of 1961, without regard to its restrictions, to receive non-lethal excess property from an agency of the United States Government for the purpose of providing it to a foreign country under chapter 8 of part I of that Act subject to the regular notification procedures of the Committees on Appropriations: Provided, That, of the funds appropriated under this heading, $2,000,000 shall be available only for demining operations in Afghanistan.

MIGRATION AND REFUGEE ASSISTANCE

For expenses, not otherwise provided for, necessary to enable the Secretary of State to provide, as authorized by law, a contribution to the International Committee of the Red Cross, assistance to refugees, including contributions to the International Organization for Migration and the United Nations High Commissioner for Refugees, and other activities to meet refugee and migration needs; salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980; allowances as authorized by sections 5921 through 5925 of title 5, United States Code; purchase and hire of passenger motor vehicles; and services as authorized by section 3109 of title 5, United States Code, $650,000,000: Provided, That not more than $12,000,000 shall be available for administrative expenses: Provided further, That not less than $80,000,000 shall be made available for refugees from the former Soviet Union and Eastern Europe and other refugees resettling in Israel.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

For necessary expenses to carry out the provisions of section 2(c) of the Migration and Refugee Assistance Act of 1962, as amended (22 U.S.C. 260(c)), $50,000,000, to remain available until expended: Provided, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose.

NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND RELATED PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for nonproliferation, anti-terrorism and related programs and activities, $140,000,000 to carry out the provisions of chapter 8 of part II of the Foreign Assistance Act of 1961 for anti-terrorism assistance, section 504 of the FREEDOM Support Act for the Nonproliferation and Disarmament Fund, section 23 of the Arms Export Control Act for demining activities, notwithstanding any other provision of law, including activities implemented through nongovernmental and international organizations, section 301 of the Foreign Assistance Act of 1961 for a voluntary contribution to the International Atomic Energy Agency (IAEA) and a voluntary contribution to the Korean Peninsula Energy Development Organization (KEDO), and for the acquisition and provision of goods and services, or for grants to Israel necessary to support the eradication of terrorism in and around Israel: Provided, That of this amount not to exceed $15,000,000, to remain available until expended, may be made available for the Nonproliferation and Disarmament Fund, notwithstanding any other provision of law, to promote bilateral and multilateral activities relating to nonproliferation and disarmament: Provided further, That such funds may also be used for such countries other than the new independent *states of the former Soviet Union and international organizations when it is in the national security interest of the United States to do so: Provided further, That such funds shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That funds appropriated under this heading may be made available for the International Atomic Energy Agency only if the Secretary of State determines (and so reports to the Congress) that Israel is not being denied its right to participate in the activities of that Agency: Provided further, That, notwithstanding any prohibitions in this or any other Act on direct or indirect assistance to North Korea, not more than $25,000,000 may be made available to the Korean Peninsula Energy Development Organization (KEDO) only for heavy fuel oil costs and other expenses associated with the Agreed Framework, of which $13,000,000 shall be from funds appropriated under this heading and $12,000,000 may be transferred from funds appropriated by this Act under the headings "International Organization and Programs", "Foreign Military Financing Program", and "Economic Support Fund": Provided further, That such funds may be obligated to KEDO only if, prior to such obligation of funds, the President certifies and so reports to Congress that (1)(A) the United States is taking steps to assure that progress is made on the implementation of the January 1, 1992, Joint Declaration on the Denuclearization of the Korean Peninsula and the implementation of the North-South dialogue, and (B) North Korea is complying with the other provisions of the Agreed Framework between North Korea and the United States and with the Confidential Minute; (2) North Korea is cooperating fully in the canning and safe storage of all spent fuel from its graphite-moderated nuclear reactors and that such canning and safe storage is scheduled to be completed by the end of fiscal year 1997; and (3) North Korea has not significantly diverted assistance provided by the United States for purposes for which such assistance was not intended: Provided further, That the President may waive the certification requirements of the preceding proviso if the President deems it necessary in the vital national security interests of the United States: Provided further, That no funds may be obligated for KEDO until 30 calendar days after the submission to Congress of the waiver permitted under the preceding proviso: Provided further, That before obligating any funds for KEDO, the President shall report to Congress on (1) the cooperation of North Korea in the process of returning to the United States the remains of United States military personnel who are listed as missing in action as a result of the Korean conflict (including conducting joint field activities with the United States); (2) violations of the military armistice agreement of 1953; (3) the actions which the United States is taking and plans to take to assure that North Korea is consistently taking steps to implement the Joint Declaration on Denuclearization of the Korean Peninsula and engage in North-South dialogue; and (4) all instances of non-compliance with the agreed framework between North Korea and the United States and the Confidential Minute, including diversion of heating fuel oil: Provided further, That the obligation of such funds shall be subject to the regular notification procedures of the Committees on Appropriations.*

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL MILITARY EDUCATION AND TRAINING

For necessary expenses to carry out the provisions of section 541 of the Foreign Assistance Act of 1961, $40,000,000: Provided, That up to $100,000 of the funds appropriated under this heading may be made available for grant financed military education and training for any high income country on the condition that that country agrees to fund from its own resources the transportation cost and living allowances of its students: Provided further, That the civilian personnel for whom military education and training may be provided under this heading may also include members of national legislatures who are responsible for the oversight and management of the military, and may also include individuals who are not members of a government: Provided further, That none of the funds appropriated under this heading shall be available for Zaire and Guatemala: Provided further, That funds appropriated under this heading for grant financed military education and training for Indonesia may only be available for expanded military education and training.

FOREIGN MILITARY FINANCING PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,224,000,000: Provided, That of the funds appropriated by this paragraph not less than $1,800,000,000 shall be available for grants only for Israel, and not less than $1,300,000,000 shall be available for grants only for Egypt: Provided further, That the funds appropriated by this paragraph for Israel shall be disbursed within thirty days of enactment of this Act or by October 31, 1996, whichever is later: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced weapons systems, of which not less than $475,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That Poland, Hungary, and the Czech Republic shall be designated as eligible for the program established under section 203(a) of the NATO Participation Act of 1994: Provided further, That of the funds made available under this paragraph, $30,000,000 shall be available for assistance on a grant basis for Poland, Hungary, and the Czech Republic to carry out title II of Public Law 103–477 and section 585 of Public Law 104–107: Provided further, That funds made available under this paragraph shall be nonrepayable notwithstanding any requirement in section 23 of the Arms Export Control Act: Provided further, That, for the purpose only of providing support for NATO expansion and the Warsaw Initiative Program, of the funds appropriated by this Act under the headings "Assistance for Eastern Europe and the Baltic States" and "Assistance for the New Independent States of the Former Soviet Union", up to a total of $20,000,000 may be transferred, notwithstanding any other provision of law, to the funds appropriated under this paragraph: Provided further, That none of the funds made available under this heading shall be available for any non-NATO country participating in the Partnership for Peace Program except through the regular notification procedures of the Committees on Appropriations.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans authorized by section 23 of the Arms Export Control Act as follows: cost of direct loans, $60,000,000: Provided, That these funds are available to subsidize gross obligations for the principal amount of direct loans of not to exceed $540,000,000: Provided further, That the rate of interest charged on such loans shall be not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturities: Provided further, That of the funds appropriated under this paragraph $20,000,000 shall be made available to Poland, Hungary, and the Czech Republic: Provided further, That funds appropriated under this heading shall be made available for Greece and Turkey only on a loan basis, and the principal amount of direct loans for each country shall not exceed the following: $122,500,000 only for Greece and $175,000,000 only for Turkey.

None of the funds made available under this heading shall be available to finance the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act unless the foreign country proposing to make such procurements has first signed an agreement with the United States Government specifying the conditions under which such procurements may be financed with such funds: Provided, That all country and funding level increases in allocations shall be submitted through the regular notification procedures of section 515 of this Act: Provided further, That funds made available under this heading shall be obligated upon apportionment in accordance with paragraph (5)(C) of title 31, United States Code, section 1501(a): Provided further, That none of the funds appropriated under this heading shall be available for Zaire, Sudan, Peru, Liberia, and Guatemala: Provided further, That none of the funds appropriated or otherwise made available for use under this heading may be made available for Colombia or Bolivia until the Secretary of State certifies that such funds will be used by such country primarily for counternarcotics activities: Provided further, That funds made available under this heading may be used, notwithstanding any other provision of law, for activities related to the clearance of landmines and unexploded ordnance, and may include activities implemented through nongovernmental and international organizations: Provided further, That not more than $100,000,000 of the funds made available under this heading shall be available for use in financing the procurement of defense articles, defense services, or design and construction services that are not sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: Provided further, That only those countries for which assistance was justified for the "Foreign Military Sales Financing Program" in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds made available under this heading for procurement of defense articles, defense services or design and construction services that are not sold by the United States Government under the Arms Export Control Act: Provided further, That, subject to the regular notification procedures of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may also be used to supplement the funds available under this heading for grants, and funds made available under this heading for grants may also be used to supplement the funds available under this heading for the cost of direct loans: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: Provided further, That not more than $23,250,000 of the funds appropriated under this heading may be obligated for necessary expenses, including the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general costs of administering military assistance and sales: Provided further, That not more than $355,000,000 of funds realized pursuant to section 21(e)(1)(A) of the Arms Export Control Act may be obligated for expenses incurred by the Department of Defense during fiscal year 1997 pursuant to section 43(b) of the Arms Export Control Act, except that this limitation may be exceeded only through the regular notification procedures of the Committees on Appropriations.

PEACEKEEPING OPERATIONS

For necessary expenses to carry out the provisions of section 551 of the Foreign Assistance Act of 1961, $65,000,000: Provided, That none of the funds appropriated under this paragraph shall be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

TITLE IV—MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE GLOBAL ENVIRONMENT FACILITY

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States contribution to the Global Environment Facility (GEF), $35,000,000, to remain available until September 30, 1998.

CONTRIBUTION TO THE INTERIM TRUST FUND AT THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the Interim Trust Fund administered by the International Development Association by the Secretary of the Treasury, $700,000,000, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $6,656,000, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT BANK

For payment to the Inter-American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increase in capital stock, $25,610,667, and for the United States share of the increase in the resources of the Fund for Special Operations, $10,000,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Inter-American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $1,503,718,910.

CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS MULTILATERAL INVESTMENT FUND

For payment to the Enterprise for the Americas Multilateral Investment Fund by the Secretary of the Treasury, for the United States contribution to the Fund to be administered by the Inter-American Development Bank, $27,500,000 to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

For payment to the Asian Development Bank by the Secretary of the Treasury for the United States share of the paid-in portion of the increase in capital stock, $13,221,596, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the Asian Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $647,858,204.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89–369), $100,000,000, to remain available until expended.

CONTRIBUTION TO THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the European Bank for Reconstruction and Development by the Secretary of the Treasury, $11,916,447, for the United States share of the paid-in share portion of the initial capital subscription, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the European Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $27,805,043.

NORTH AMERICAN DEVELOPMENT BANK

For payment to the North American Development Bank by the Secretary of the Treasury, for the United States share of the paid-in portion of the capital stock, $56,250,000, to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the North American Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of the capital stock of the North American Development Bank in an amount not to exceed $318,750,000.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

For necessary expenses to carry out the provisions of section 301 of the Foreign Assistance Act of 1961, and of section 2 of the United Nations Environment Program Participation Act of 1973, $270,000,000: Provided, That none of the funds appropriated under this heading shall be made available for the United Nations Fund for Science and Technology: Provided further, That not less than $3,000,000 of the funds appropriated under this heading shall be made available for the World Food Program: Provided further, That none of the funds appropriated under this heading may be made available to the International Atomic Energy Agency (IAEA): Provided further, That none of the funds appropriated under this heading that are made available to the United Nations Population Fund (UNFPA) shall be made available for activities in the People's Republic of China: Provided further, That not more than $35,000,000 of the funds appropriated under this heading may be made available to the UNFPA: Provided further, That not more than one-half of this amount may be provided to UNFPA before March 1, 1997, and that no later than February 15, 1997, the Secretary of State shall submit a report to the Committees on Appropriations indicating the amount UNFPA is budgeting for the People's Republic of China in 1997: Provided further, That any amount UNFPA plans to spend in the People's Republic of China in 1997 shall be deducted from the amount of funds provided to UNFPA after March 1, 1997 pursuant to the previous provisos: Provided further, That with respect to any funds appropriated under this heading that are made available to UNFPA, UNFPA shall be required to maintain such funds in a separate account and not commingle them with any other funds.

TITLE V—GENERAL PROVISIONS

OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

SEC. 501. Except for the appropriations entitled "International Disaster Assistance", and "United States Emergency Refugee and Migration Assistance Fund", not more than 15 per centum of any appropriation item made available by this Act shall be obligated during the last month of availability.

PROHIBITION OF BILATERAL FUNDING FOR INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 502. None of the funds contained in title II of this Act may be used to carry out the provisions of section 209(d) of the Foreign Assistance Act of 1961.

LIMITATION ON RESIDENCE EXPENSES

SEC. 503. Of the funds appropriated or made available pursuant to this Act, not to exceed $126,500 shall be for official residence expenses of the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars.

LIMITATION ON EXPENSES

SEC. 504. Of the funds appropriated or made available pursuant to this Act, not to exceed $5,000 shall be for entertainment expenses of the Agency for International Development during the current fiscal year.

LIMITATION ON REPRESENTATIONAL ALLOWANCES

SEC. 505. Of the funds appropriated or made available pursuant to this Act, not to exceed $95,000 shall be available for representation allowances for the Agency for International Development during the current fiscal year: Provided, That appropriate steps shall be taken to assure that, to the maximum extent possible, United States-owned foreign currencies are utilized in lieu of dollars: Provided further, That of the funds made available by this Act for general costs of administering military assistance and sales under the heading "Foreign Military Financing Program", not to exceed $2,000 shall be available for entertainment expenses and not to exceed $50,000 shall be available for representation allowances: Provided further, That of the funds made available by this Act under the heading "International Military Education and Training", not to exceed $50,000 shall be available for entertainment allowances: Provided further, That of the funds made available by this Act for the Inter-American Foundation, not to exceed $2,000 shall be available for entertainment and representation allowances: Provided further, That of the funds made available by this Act for the Peace Corps, not to exceed a total of $4,000 shall be available for entertainment expenses: Provided further, That of the funds made available by this Act under the heading "Trade and Development Agency", not to exceed $2,000 shall be available for representation and entertainment allowances.

PROHIBITION ON FINANCING NUCLEAR GOODS

SEC. 506. None of the funds appropriated or made available (other than funds for "Nonproliferation, Anti-terrorism, Demining and Related Programs") pursuant to this Act, for carrying out the Foreign Assistance Act of 1961, may be used, except for purposes of nuclear safety, to finance the export of nuclear equipment, fuel, or technology.

PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN COUNTRIES

SEC. 507. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance directly any assistance or reparations to Cuba, Iraq, Libya, North Korea, Iran, Serbia, Sudan, or Syria: Provided, That for purposes of this section, the prohibition on obligations or expenditures shall include direct loans, credits, insurance and guarantees of the Export-Import Bank or its agents.

MILITARY COUPS

SEC. 508. None of the funds appropriated or otherwise made available pursuant to this Act *shall be obligated or expended to finance directly any assistance to any country whose duly elected Head of Government is deposed by military coup or decree: Provided, That assistance may be resumed to such country if the President determines and reports to the Committees on Appropriations that subsequent to the termination of assistance a democratically elected government has taken office.*

TRANSFERS BETWEEN ACCOUNTS

SEC. 509. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated, except for transfers specifically provided for in this Act, unless the President, prior to the exercise of any authority contained in the Foreign Assistance Act of 1961 to transfer funds, consults with and provides a written policy justification to the Committees on Appropriations of the House of Representatives and the Senate: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations, except for transfers specifically referred to in this Act.

DEOBLIGATION/REOBLIGATION AUTHORITY

SEC. 510. (a) Amounts certified pursuant to section 1311 of the Supplemental Appropriations Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961 for the same general purpose as any of the headings under title II of this Act are, if deobligated, hereby continued available for the same period as the respective appropriations under such headings or until September 30, 1997, whichever is later, and for the same general purpose, and for countries within the same region as originally obligated: Provided, That the Appropriations Committees of both Houses of the Congress are notified fifteen days in advance of the deobligation and reobligation of such funds in accordance with regular notification procedures of the Committees on Appropriations.

(b) Obligated balances of funds appropriated to carry out section 23 of the Arms Export Control Act as of the end of the fiscal year immediately preceding the current fiscal year are, if deobligated, hereby continued available during the current fiscal year for the same purpose under any authority applicable to such appropriations under this Act: Provided, That the authority of this subsection may not be used in fiscal year 1997.

AVAILABILITY OF FUNDS

SEC. 511. No part of any appropriation contained in this Act shall remain available for obligation after the expiration of the current fiscal year unless expressly so provided in this Act: Provided, That funds appropriated for the purposes of chapters 1, 8 and 11 of part I, section 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading "Assistance for Eastern Europe and the Baltic States", shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: Provided further, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: Provided further, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: Provided, That this section and section 620(q) of the Foreign Assistance Act of 1961 shall not apply to funds made available in this Act or during the current fiscal year for Nicaragua, and for any narcotics-related assistance for Colombia, Bolivia, and Peru authorized by the Foreign Assistance Act of 1961 or the Arms Export Control Act.

COMMERCE AND TRADE

SEC. 513. (a) None of the funds appropriated or made available pursuant to this Act for direct assistance and none of the funds otherwise made available pursuant to this Act to the Export-Import Bank and the Overseas Private Investment Corporation shall be obligated or expended to finance any loan, any assistance or any other financial commitments for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

(b) None of the funds appropriated by this or any other Act to carry out chapter 1 of part I of the Foreign Assistance Act of 1961 shall be available for any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training in connection with the growth or production in a foreign country of an agricultural commodity for export which would compete with a similar commodity grown or produced in the United States: Provided, That this subsection shall not prohibit—

(1) activities designed to increase food security in developing countries where such activities will not have a significant impact in the export of agricultural commodities of the United States; or

(2) research activities intended primarily to benefit American producers.

SURPLUS COMMODITIES

SEC. 514. The Secretary of the Treasury shall instruct the United States Executive Directors of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Inter-American Development Bank, the International Monetary Fund, the Asian Development Bank, the Inter-American Investment Corporation, the North American Development Bank, the European Bank for Reconstruction and Development, the African Development Bank, and the African Development Fund to use the voice and vote of the United States to oppose any assistance by these institutions, using funds appropriated or made available pursuant to this Act, for the production or extraction of any commodity or mineral for export, if it is in surplus on world markets and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

NOTIFICATION REQUIREMENTS

SEC. 515. For the purposes of providing the Executive Branch with the necessary administrative flexibility, none of the funds made available under this Act for "Development Assistance", "Population, Development Assistance", "International organizations and programs", "Trade and Development Agency", "International narcotics control", "Assistance for Eastern Europe and the Baltic States", "Assistance for the New Independent States of the Former Soviet Union", "Economic Support Fund", "Peacekeeping operations", "Operating expenses of the Agency for International Development", "Operating expenses of the Agency for International Development Office of Inspector General", "Nonproliferation, Anti-terrorism, Demining and Related Programs", "Export-Import Bank of the United States", "Foreign Military Financing Program", "International military education and training", "Peace Corps", "Migration and refugee assistance", and for the "Inter-American Foundation" and the "African Development Foundation", shall be available for obligation for activities, programs, projects, type of materiel assistance, countries, or other operations not justified or in excess of the amount justified to the Appropriations Committees for obligation under any of these specific headings unless the Appropriations Committees of both Houses of Congress are previously notified fifteen days in advance: Provided, That the President shall not enter into any commitment of funds appropriated for the purposes of section 23 of the Arms Export Control Act for the provision of major defense equipment, other than conventional ammunition, or other major defense items defined to be aircraft, ships, missiles, or combat vehicles, not previously justified to Congress or 20 per centum in excess of the quantities justified to Congress unless the Committees on Appropriations are notified fifteen days in advance of such commitment: Provided further, That this section shall not apply to any reprogramming for an activity, program, or project under chapter 1 of part I of the Foreign Assistance Act of 1961 of less than 10 per centum of the amount previously justified to the Congress for obligation for such activity, program, or project for the current fiscal year: Provided further, That the requirements of this section or any similar provision of this Act or any other Act, including any prior Act requiring notification in accordance with the regular notification procedures of the Committees on Appropriations, may be waived if failure to do so would pose a substantial risk to human health or welfare: Provided further, That in case of any such waiver, notification to the Congress, or the appropriate congressional committees, shall be provided as early as practicable, but in no event later than three days after taking the action to which such notification requirement was applicable, in the context of the circumstances necessitating such waiver: Provided further, That any notification provided pursuant to such a waiver shall contain an explanation of the emergency circumstances.

Drawdowns made pursuant to section 506(a)(2) of the Foreign Assistance Act of 1961 shall be subject to the regular notification procedures of the Committees on Appropriations.

LIMITATION ON AVAILABILITY OF FUNDS FOR INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 516. Notwithstanding any other provision of law or of this Act, none of the funds provided for "International Organizations and Programs" shall be available for the United States proportionate share, in accordance with section 307(c) of the Foreign Assistance Act of 1961, for any programs identified in section 307, or for Libya, Iran, or, at the discretion of the President, Communist countries listed in section 620(f) of the Foreign Assistance Act of 1961, as amended: Provided, That, subject to the regular notification procedures of the Committees on Appropriations, funds appropriated under this Act or any previously enacted Act making appropriations for foreign operations, export financing, and related programs, which are returned or not made available for organizations and programs because of the implementation of this section or any similar provision of law, *shall remain available for obligation through September 30, 1997.*

ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

SEC. 517. The Congress finds that progress on the peace process in the Middle East is vitally important to United States security interests in the region. The Congress recognizes that, in fulfilling its obligations under the Treaty of Peace Between the Arab Republic of Egypt and the State of Israel, done at Washington on March 26, 1979, Israel incurred severe economic burdens. Furthermore, the Congress recognizes that an economically and militarily secure Israel serves the security interests of the United States, for a secure Israel is an Israel which has the incentive and confidence to continue pursuing the peace process. Therefore, the Congress declares that, subject to the availability of appropriations, it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment (interest and principal) from Israel to the United States Government in recognition that such a principle serves United States interests in the region.

PROHIBITION ON FUNDING FOR ABORTIONS AND INVOLUNTARY STERILIZATION

SEC. 518. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be used to pay for any biomedical research which relates in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning. None of the funds made available to carry out part I of the Foreign Assistance Act of 1961, as amended, may be obligated or expended for any country or organization if the President certifies that the use of these funds by any such country or organization would violate any of the above provisions related to abortions and involuntary sterilizations: Provided, That none of the funds made available under this Act may be used to lobby for or against abortion.

POPULATION PLANNING ASSISTANCE LIMITATIONS

SEC. 519. (a) PROHIBITION ON ABORTION FUNDING.—None of the funds made available under this Act may be used to pay for the performance of abortion as a method of family planning, or to coerce or motivate any person to practice abortions.

(b) PROHIBITION ON ABORTION LOBBYING.—None of the funds made available under this Act may be used to lobby for or against abortion.

(c) ELIGIBILITY.—In determining eligibility for assistance from funds appropriated to carry out section 104 of the Foreign Assistance Act of 1961, nongovernmental and multilateral organizations shall not be subjected to requirements more restrictive than the requirements applicable to foreign governments for such assistance.

REPORTING REQUIREMENT

SEC. 520. The President shall submit to the Committees on Appropriations the reports required by section 25(a)(1) of the Arms Export Control Act.

SPECIAL NOTIFICATION REQUIREMENTS

SEC. 521. None of the funds appropriated in this Act shall be obligated or expended for Colombia, Guatemala, Haiti, Liberia, Pakistan, Sudan, or Zaire except as provided through the regular notification procedures of the Committees on Appropriations.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

SEC. 522. For the purpose of this Act, "program, project, and activity" shall be defined at the Appropriations Act account level and shall include all Appropriations and Authorizations Acts earmarks, ceilings, and limitations with the exception that for the following accounts: Economic Support Fund and Foreign Military Financing Program, "program, project, and activity" shall also be considered to include country, regional, and central program level funding within each such account; for the development assistance accounts of the Agency for International Development "program, project, and activity" shall also be considered to include central program level funding, either as (1) justified to the Congress, or (2) allocated by the executive branch in accordance with a report, to be provided to the Committees on Appropriations within thirty days of enactment of this Act, as required by section 653(a) of the Foreign Assistance Act of 1961.

CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 523. Up to $8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome in developing countries: Provided, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: Provided further, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN COUNTRIES

SEC. 524. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated to finance indirectly any assistance or reparations to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the People's Republic of China, unless the President of the United States certifies that the withholding of these funds is contrary to the national interest of the United States.

RECIPROCAL LEASING

SEC. 525. Section 61(a) of the Arms Export Control Act is amended by striking out "1996" and inserting in lieu thereof "1997".

NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

SEC. 526. Prior to providing excess Department of Defense articles in accordance with section 516(a) of the Foreign Assistance Act of 1961, the Department of Defense shall notify the Committees on Appropriations to the same extent and under the same conditions as are other committees pursuant to subsection (c) of that section: Provided, That before issuing a letter of offer to sell excess defense articles under the Arms Export Control Act, the Department of Defense shall notify the Committees on Appropriations in accordance with the regular notification procedures of such Committees: Provided further, That such Committees shall also be informed of the original acquisition cost of such defense articles.

AUTHORIZATION REQUIREMENT

SEC. 527. Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956.

PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST COUNTRIES

SEC. 528. (a) Notwithstanding any other provision of law, funds appropriated for bilateral assistance under any heading of this Act and funds appropriated under any such heading in a provision of law enacted prior to enactment of this Act, shall not be made available to any country which the President determines—

(1) grants sanctuary from prosecution to any individual or group which has committed an act of international terrorism, or

(2) otherwise supports international terrorism.

(b) The President may waive the application of subsection (a) to a country if the President determines that national security or humanitarian reasons justify such waiver. The President shall publish each waiver in the Federal Register and, at least fifteen days before the waiver takes effect, shall notify the Committees on Appropriations of the waiver (including the justification for the waiver) in accordance with the regular notification procedures of the Committees on Appropriations.

COMMERCIAL LEASING OF DEFENSE ARTICLES

SEC. 529. Notwithstanding any other provision of law, and subject to the regular notification procedures of the Committees on Appropriations, the authority of section 23(a) of the Arms Export Control Act may be used to provide financing to Israel, Egypt and NATO and major non-NATO allies for the procurement by leasing (including leasing with an option to purchase) of defense articles from United States commercial suppliers, not including Major Defense Equipment (other than helicopters and other types of aircraft having possible civilian application), if the President determines that there are compelling foreign policy or national security reasons for those defense articles being provided by commercial lease rather than by government-to-government sale under such Act.

COMPETITIVE INSURANCE

SEC. 530. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States insurance companies have a fair opportunity to bid for insurance when such insurance is necessary or appropriate.

STINGERS IN THE PERSIAN GULF REGION

SEC. 531. Except as provided in section 581 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990, the United States may not sell or otherwise make available any Stingers to any country bordering the Persian Gulf under the Arms Export Control Act or chapter 2 of part II of the Foreign Assistance Act of 1961.

DEBT-FOR-DEVELOPMENT

SEC. 532. In order to enhance the continued participation of nongovernmental organizations in economic assistance activities under the Foreign Assistance Act of 1961, including endowments, debt-for-development and debt-for-nature exchanges, a nongovernmental organization which is a grantee or contractor of the Agency for International Development may place in interest bearing accounts funds made available under this Act or prior Acts or local currencies which accrue to that organization as a result of economic assistance provided under title II of this Act and any interest earned on such investment may be used for the purpose for which the assistance was provided to that organization.

COMPETITIVE PRICING FOR SALES OF DEFENSE ARTICLES

SEC. 533. Direct costs associated with meeting a foreign customer's additional or unique requirements will continue to be allowable under contracts under section 22(d) of the Arms Export Control Act. Loadings applicable to such direct costs shall be permitted at the same rates applicable to procurement of like items purchased by the Department of Defense for its own use.

SEPARATE ACCOUNTS

SEC. 534. (a) SEPARATE ACCOUNTS FOR LOCAL CURRENCIES.—(1) If assistance is furnished to the government of a foreign country under chapters 1 and 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961 under agreements which result in the generation of local currencies of that country, the Administrator of the Agency for International Development shall—

(A) require that local currencies be deposited in a separate account established by that government;

(B) enter into an agreement with that government which sets forth—

(i) the amount of the local currencies to be generated, and

(ii) the terms and conditions under which the currencies so deposited may be utilized, consistent with this section; and

(C) establish by agreement with that government the responsibilities of the Agency for International Development and that government to monitor and account for deposits into and disbursements from the separate account.

(2) USES OF LOCAL CURRENCIES.—As may be agreed upon with the foreign government, local currencies deposited in a separate account pursuant to subsection (a), or an equivalent amount of local currencies, shall be used only—

(A) to carry out chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), for such purposes as—

(i) project and sector assistance activities, or

(ii) debt and deficit financing; or

(B) for the administrative requirements of the United States Government.

(3) PROGRAMMING ACCOUNTABILITY.—The Agency for International Development shall take all appropriate steps to ensure that the equivalent of the local currencies disbursed pursuant to subsection (a)(2)(A) from the separate account established pursuant to subsection (a)(1) are used for the purposes agreed upon pursuant to subsection (a)(2).

(4) TERMINATION OF ASSISTANCE PROGRAMS.—Upon termination of assistance to a country under chapters 1 or 10 of part I or chapter 4 of part II (as the case may be), any unencumbered balances of funds which remain in a separate account established pursuant to subsection (a) shall be disposed of for such purposes as may be agreed to by the government of that country and the United States Government.

(5) CONFORMING AMENDMENTS.—The provisions of this subsection shall supersede the tenth and eleventh provisos contained under the heading "Sub-Saharan Africa, Development Assistance" as included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989 and sections 531(d) and 609 of the Foreign Assistance Act of 1961.

(b) SEPARATE ACCOUNTS FOR CASH TRANSFERS.—(1) If assistance is made available to the government of a foreign country, under chapters 1 or 10 of part I or chapter 4 of part II of the Foreign Assistance Act of 1961, as cash transfer assistance or as nonproject sector assistance, that country shall be required to maintain such funds in a separate account and not commingle them with any other funds.

(2) APPLICABILITY OF OTHER PROVISIONS OF LAW.—Such funds may be obligated and expended notwithstanding provisions of law which are inconsistent with the nature of this assistance including provisions which are referenced in the Joint Explanatory Statement of the Committee of Conference accompanying House Joint Resolution 648 (H. Report No. 98-1159).

(3) NOTIFICATION.—At least fifteen days prior to obligating any such cash transfer or nonproject sector assistance, the President shall submit a notification through the regular notification procedures of the Committees on Appropriations, which shall include a detailed description of how the funds proposed to be made available will be used, with a discussion of the United States interests that will be served by the assistance (including, as appropriate, a description of the economic policy reforms that will be promoted by such assistance).

(4) EXEMPTION.—Nonproject sector assistance funds may be exempt from the requirements of subsection (b)(1) only through the notification procedures of the Committees on Appropriations.

COMPENSATION FOR UNITED STATES EXECUTIVE DIRECTORS TO INTERNATIONAL FINANCIAL INSTITUTIONS

SEC. 535. (a) No funds appropriated by this Act may be made as payment to any international financial institution while the United States Executive Director to such institution is compensated by the institution at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to such institution is compensated by the institution at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) For purposes of this section, "international financial institutions" are: the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the Asian Development Fund, the African Development Bank, the African Development Fund, the International Monetary Fund, the North American Development Bank, and the European Bank for Reconstruction and Development.

COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST IRAQ

SEC. 536. (a) DENIAL OF ASSISTANCE.—None of the funds appropriated or otherwise made available pursuant to this Act to carry out the Foreign Assistance Act of 1961 (including title IV of chapter 2 of part I, relating to the Overseas Private Investment Corporation) or the Arms Export Control Act may be used to provide assistance to any country that is not in compliance with the United Nations Security Council sanctions against Iraq, Serbia or Montenegro unless the President determines and so certifies to the Congress that—

(1) such assistance is in the national interest of the United States;

(2) such assistance will directly benefit the needy people in that country; or

(3) the assistance to be provided will be humanitarian assistance for foreign nationals who have fled Iraq and Kuwait.

(b) IMPORT SANCTIONS.—If the President considers that the taking of such action would promote the effectiveness of the economic sanctions of the United Nations and the United States imposed with respect to Iraq, Serbia, or Montenegro, as the case may be, and is consistent with the national interest, the President may prohibit, for such a period of time as he considers appropriate, the importation into the United States of any or all products of any foreign country that has not prohibited—

(1) the importation of products of Iraq, Serbia, or Montenegro into its customs territory, and

(2) the export of its products to Iraq, Serbia, or Montenegro, as the case may be.

POW/MIA MILITARY DRAWDOWN

SEC. 537. (a) Notwithstanding any other provision of law, the President may direct the drawdown, without reimbursement by the recipient, of defense articles from the stocks of the Department of Defense, defense services of the Department of Defense, and military education and training, of an aggregate value not to exceed $15,000,000 in fiscal year 1997, as may be necessary to carry out subsection (b).

(b) Such defense articles, services and training may be provided to Vietnam, Cambodia and Laos, under subsection (a) as the President determines are necessary to support efforts to locate and repatriate members of the United States Armed Forces and civilians employed directly or indirectly by the United States Government who remain unaccounted for from the Vietnam War, and to ensure the safety of United States Government personnel engaged in such cooperative efforts and to support United States Department of Defense-sponsored humanitarian projects associated with the POW/MIA efforts. Any aircraft shall be provided under this section only to Laos and only on a lease or loan basis, but may be provided at no cost notwithstanding section 61 of the Arms Export Control Act and may be maintained with defense articles, services and training provided under this section.

(c) The President shall, within sixty days of the end of any fiscal year in which the authority of subsection (a) is exercised, submit a report to the Congress which identifies the articles, services, and training drawn down under this section.

MEDITERRANEAN EXCESS DEFENSE ARTICLES

SEC. 538. For the four year period beginning on October 1, 1996, the President shall ensure that excess defense articles will be made available under section 516 and 519 of the Foreign Assistance Act of 1961 consistent with the manner in which the President made available excess defense articles under those sections during the four year period that began on October 1, 1992, pursuant to section 573(e) of the Foreign Operations, Export Financing, Related Programs Appropriations Act, 1990.

CASH FLOW FINANCING

SEC. 539. For each country that has been approved for cash flow financing (as defined in section 25(d) of the Arms Export Control Act, as added by section 112(b) of Public Law 99-83) under the Foreign Military Financing Program, any Letter of Offer and Acceptance or other purchase agreement, or any amendment thereto, for a procurement in excess of $100,000,000 that is to be financed in whole or in part with funds made available under this Act shall be submitted through the regular notification procedures to the Committees on Appropriations.

AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMERICAN FOUNDATION AND THE AFRICAN DEVELOPMENT FOUNDATION

SEC. 540. Unless expressly provided to the contrary, provisions of this or any other Act, including provisions contained in prior Acts authorizing or making appropriations for foreign operations, export financing, and related programs, shall not be construed to prohibit activities authorized by or conducted under the Peace Corps Act, the Inter-American Foundation Act, or the African Development Foundation Act. The appropriate agency shall promptly report to the Committees on Appropriations whenever it is conducting activities or is proposing to conduct activities in a country for which assistance is prohibited.

IMPACT ON JOBS IN THE UNITED STATES

SEC. 541. None of the funds appropriated by this Act may be obligated or expended to provide—

(a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States;

(b) assistance for the purpose of establishing or developing in a foreign country any export processing zone or designated area in which the tax, tariff, labor, environment, and safety laws of that country do not apply, in part or in whole, to activities carried out within that zone or area, unless the President determines and certifies that such assistance is not likely to cause a loss of jobs within the United States; or

(c) assistance for any project or activity that contributes to the violation of internationally recognized workers rights, as defined in section 502(a)(4) of the Trade Act of 1974, of workers in the recipient country, including any designated zone or area in that country: Provided, That in recognition that the application of this subsection should be commensurate with the level of development of the recipient country and sector, the provisions of this subsection shall not preclude assistance for the informal sector in such country, micro and small-scale enterprise, and smallholder agriculture.

AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

SEC. 542. (a) The President is authorized to direct the transfer, subject to prior notification of the Committees on Appropriations, to the government of Bosnia and Herzegovina, without reimbursement, of defense articles from the stocks of the Department of Defense and defense services of the Department of Defense of an aggregate value of not to exceed $100,000,000 in fiscal years 1996 and 1997: Provided, That the President certifies in a timely fashion to the Congress that the transfer of such articles would assist that nation in self-defense and thereby promote the security and stability of the region.

(b) Within 60 days of any transfer under the authority provided in subsection (a), and every 60 days thereafter, the President shall report in writing to the Speaker of the House of Representatives and the President pro tempore of the Senate concerning the articles transferred and the disposition thereof.

(c) There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for defense articles provided under this section.

RESTRICTIONS ON THE TERMINATION OF SANCTIONS AGAINST SERBIA AND MONTENEGRO

SEC. 543. (a) RESTRICTIONS.—Notwithstanding any other provision of law, no sanction, prohibition, or requirement described in section 1511 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160), with respect to Serbia or Montenegro, may cease to be effective, unless—

(1) the President first submits to the Congress a certification described in subsection (b); and

(2) the requirements of section 1511 of that Act are met.

(b) CERTIFICATION.—A certification described in this subsection is a certification that—

(1) there is substantial progress toward—

(A) the realization of a separate identity for Kosova and the right of the people of Kosova to govern themselves; or

(B) the creation of an international protectorate for Kosova;

(2) there is substantial improvement in the human rights situation in Kosova;

(3) international human rights observers are allowed to return to Kosova; and

(4) the elected government of Kosova is permitted to meet and carry out its legitimate mandate as elected representatives of the people of Kosova.

(c) WAIVER AUTHORITY.—The President may waive the application in whole or in part, of subsection (a) if the President certifies to the Congress that the President has determined that the waiver is necessary to meet emergency humanitarian needs or to achieve a negotiated settlement of the conflict in Bosnia-Herzegovina that is acceptable to the parties.

SPECIAL AUTHORITIES

SEC. 544. (a) Funds appropriated in title II of this Act that are made available for Afghanistan, Lebanon, and Cambodia, and for victims of war, displaced children, displaced Burmese, humanitarian assistance for Romania, and humanitarian assistance for the peoples of Bosnia and Herzegovina, Croatia, and Kosova, may be made available notwithstanding any other provision of law: Provided, That any such funds that are made available for Cambodia shall be subject to the provisions of section 531(e) of the Foreign Assistance Act of 1961 and section 906 of the International Security and Development Cooperation Act of 1985: Provided further, That none of the funds appropriated by this Act may be made available, and funds previously obligated may not be expended, for assistance for any country or organization that the Secretary of State determines is cooperating, tactically or strategically, with the Khmer Rouge in their military operations, or to the military of any country that is not acting vigorously to prevent its members from facilitating the export of timber from Cambodia by the Khmer Rouge: Provided further, That the Secretary of State shall submit reports to the Committees on Appropriations on February 15, 1997 and September 15, 1997, on whether there are any countries, organizations, or militaries for which assistance is prohibited under the previous proviso, the basis for such conclusions and, if appropriate, the steps being taken to terminate assistance.

(b) Funds appropriated by this Act to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961 may be used, notwithstanding any other provision of law, for the purpose of supporting tropical forestry and energy programs aimed at reducing emissions of greenhouse gases, and for the purpose of supporting biodiversity conservation activities: Provided, That such assistance shall be subject to sections 116, 502B, and 620A of the Foreign Assistance Act of 1961.

(c) During fiscal year 1997, the President may use up to $40,000,000 under the authority of section 451 of the Foreign Assistance Act of 1961, notwithstanding the funding ceiling contained in subsection (a) of that section.

(d) The Agency for International Development may employ personal services contractors, notwithstanding any other provision of law, for the purpose of administering programs for the West Bank and Gaza.

POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT OF ISRAEL

SEC. 545. It is the sense of the Congress that—

(1) the Arab League countries should immediately and publicly renounce the primary boycott of Israel and the secondary and tertiary boycott of American firms that have commercial ties with Israel; and

(2) the President should—

(A) take more concrete steps to encourage vigorously Arab League countries to renounce publicly the primary boycotts of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel as a confidence-building measure;

(B) take into consideration the participation of any recipient country in the primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel when determining whether to sell weapons to said country;

(C) report to Congress on the specific steps being taken by the President to bring about a public renunciation of the Arab primary boycott of Israel and the secondary and tertiary boycotts of American firms that have commercial relations with Israel; and

(D) encourage the allies and trading partners of the United States to enact laws prohibiting businesses from complying with the boycott and penalizing businesses that do comply.

ANTI-NARCOTICS ACTIVITIES

SEC. 546. (a) Of the funds appropriated or otherwise made available by this Act for "Economic Support Fund", assistance may be provided to strengthen the administration of justice in countries in Latin America and the Caribbean in accordance with the provisions of section 534 of the Foreign Assistance Act of 1961, except that programs to enhance protection of participants in judicial cases may be conducted notwithstanding section 660 of that Act.

(b) Funds made available pursuant to this section may be made available notwithstanding the third sentence of section 534(e) of the Foreign Assistance Act of 1961. Funds made available pursuant to subsection (a) for Bolivia, Colombia and Peru may be made available notwithstanding section 534(c) and the second sentence of section 534(e) of the Foreign Assistance Act of 1961.

ELIGIBILITY FOR ASSISTANCE

SEC. 547. (a) ASSISTANCE THROUGH NONGOVERNMENTAL ORGANIZATIONS.—Restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance in support of programs of nongovernmental organizations from funds appropriated by this Act to carry out the provisions of chapters 1 and 10 of part I of the Foreign Assistance Act of 1961: Provided, That the President shall take into consideration, in any case in which a restriction on assistance would be applicable but for this subsection, whether assistance in support of programs of nongovernmental organizations is in the national interest of the United States: Provided further, That before using the authority of this subsection to furnish assistance in support of programs of nongovernmental organizations, the President shall notify the Committees on Appropriations under the regular notification procedures of those committees, including a description of the program to be assisted, the assistance to be provided, and the reasons for furnishing such assistance: Provided further, That nothing in this subsection shall be construed to alter any existing statutory prohibitions against abortion or involuntary sterilizations contained in this or any other Act.

(b) PUBLIC LAW 480.—During fiscal year 1997, restrictions contained in this or any other Act with respect to assistance for a country shall not be construed to restrict assistance under the Agricultural Trade Development and Assistance Act of 1954: Provided, That none of the funds appropriated to carry out title I of such Act and made available pursuant to this subsection may be obligated or expended except as provided through the regular notification procedures of the Committees on Appropriations.

(c) EXCEPTION.—This section shall not apply—

(1) with respect to section 620A of the Foreign Assistance Act or any comparable provision of law prohibiting assistance to countries that support international terrorism; or

(2) with respect to section 116 of the Foreign Assistance Act of 1961 or any comparable provision of law prohibiting assistance to countries that violate internationally recognized human rights.

EARMARKS

SEC. 548. (a) Funds appropriated by this Act which are earmarked may be reprogrammed for *other programs within the same account notwithstanding the earmark if compliance with the earmark is made impossible by operation of any provision of this or any other Act or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991; however, before exercising the authority of this subsection with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations: Provided, That any such reprogramming shall be subject to the regular notification procedures of the Committees on Appropriations: Provided further, That assistance that is reprogrammed pursuant to this subsection shall be made available under the same terms and conditions as originally provided.*

(b) In addition to the authority contained in subsection (a), the original period of availability of funds appropriated by this Act and administered by the Agency for International Development that are earmarked for particular programs or activities by this or any other Act shall be extended for an additional fiscal year if the Administrator of such agency determines and reports promptly to the Committees on Appropriations that the termination of assistance to a country or a significant change in circumstances makes it unlikely that such earmarked funds can be obligated during the original period of availability: Provided, That such earmarked funds that are continued available for an additional fiscal year shall be obligated only for the purpose of such earmark.

CEILINGS AND EARMARKS

SEC. 549. Ceilings and earmarks contained in this Act shall not be applicable to funds or authorities appropriated or otherwise made available by any subsequent Act unless such Act specifically so directs.

EXCESS DEFENSE ARTICLES

SEC. 550. (a) During fiscal year 1997, the authority of section 519 of the Foreign Assistance Act of 1961, as amended, may be used to provide nonlethal excess defense articles to countries for which United States foreign assistance has been requested and for which receipt of such articles was separately justified for the fiscal year, without regard to the restrictions in subsection (a) of section 519.

(b) During fiscal year 1997, the authority of section 516 of the Foreign Assistance Act of 1961, as amended, may be used to provide defense articles to Jordan, Tunisia, Estonia, Latvia, Lithuania, and to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101–179: Provided, That not later than May 1, 1997, the Secretary of State shall submit a report to the Committees on Appropriations describing actions by the Government of Tunisia during the previous six months to improve respect for civil liberties and promote the independence of the judiciary.

(c) Section 516(f) of the Foreign Assistance Act of 1961, as amended, is repealed.

(d) Section 31(d) of the Arms Export Control Act is amended by deleting the words "or pursuant to sales under this Act".

PROHIBITION ON PUBLICITY OR PROPAGANDA

SEC. 551. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not authorized before the date of enactment of this Act by the Congress: Provided, That not to exceed $750,000 may be made available to carry out the provisions of section 316 of Public Law 96–533.

USE OF AMERICAN RESOURCES

SEC. 552. To the maximum extent possible, assistance provided under this Act should make full use of American resources, including commodities, products, and services.

PROHIBITION OF PAYMENTS TO UNITED NATIONS MEMBERS

SEC. 553. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

CONSULTING SERVICES

SEC. 554. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order pursuant to existing law.

PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

SEC. 555. None of the funds appropriated or made available pursuant to this Act shall be available to a private voluntary organization which fails to provide upon timely request any document, file, or record necessary to the auditing requirements of the Agency for International Development.

PROHIBITION ON ASSISTANCE TO FOREIGN GOVERNMENTS THAT EXPORT LETHAL MILITARY EQUIPMENT TO COUNTRIES SUPPORTING INTERNATIONAL TERRORISM

SEC. 556. (a) None of the funds appropriated or otherwise made available by this Act may be available to any foreign government which provides lethal military equipment to a country the government of which the Secretary of State has determined is a terrorist government for purposes of section 40(d) of the Arms Export Control Act. The prohibition under this section with respect to a foreign government shall terminate 12 months after that government ceases to provide such military equipment. This section applies with respect to lethal military equipment provided under a contract entered into after the date of enactment of this Act.

(b) Assistance restricted by subsection (a) or any other similar provision of law, may be furnished if the President determines that furnishing such assistance is important to the national interests of the United States.

(c) Whenever the waiver of subsection (b) is exercised, the President shall submit to the appropriate congressional committees a report with respect to the furnishing of such assistance. Any such report shall include a detailed explanation of the assistance to be provided, including the estimated dollar amount of such assistance, and an explanation of how the assistance furthers United States national interests.

WITHHOLDING OF ASSISTANCE FOR PARKING FINES OWED BY FOREIGN COUNTRIES

SEC. 557. (a) IN GENERAL.—Of the funds made available for a foreign country under part I of the Foreign Assistance Act of 1961, an amount equivalent to 110 percent of the total unpaid fully adjudicated parking fines and penalties owed to the District of Columbia by such country as of the date of enactment of this Act shall be withheld from obligation for such country until the Secretary of State certifies and reports in writing to the appropriate congressional committees that such fines and penalties are fully paid to the government of the District of Columbia.

(b) DEFINITION.—For purposes of this section, the term "appropriate congressional committees" means the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on International Relations and the Committee on Appropriations of the House of Representatives.

LIMITATION ON ASSISTANCE FOR THE PLO FOR THE WEST BANK AND GAZA

SEC. 558. None of the funds appropriated by this Act may be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza unless the President has exercised the authority under section 604(a) of the Middle East Peace Facilitation Act of 1995 (title VI of Public Law 104–107) or any other legislation to suspend or make inapplicable section 307 of the Foreign Assistance Act of 1961 and that suspension is still in effect: Provided, That if the President fails to make the certification under section 604(b)(2) of the Middle East Peace Facilitation Act of 1995 or to suspend the prohibition under other legislation, funds appropriated by this Act may not be obligated for assistance for the Palestine Liberation Organization for the West Bank and Gaza.

EXPORT FINANCING TRANSFER AUTHORITIES

SEC. 559. Not to exceed 5 percent of any appropriation other than for administrative expenses made available for fiscal year 1997 for programs under title I of this Act may be transferred between such appropriations for use for any of the purposes, programs and activities for which the funds in such receiving account may be used, but no such appropriation, except as otherwise specifically provided, shall be increased by more than 25 percent by any such transfer: Provided, That the exercise of such authority shall be subject to the regular notification procedures of the Committees on Appropriations.

WAR CRIMES TRIBUNALS

SEC. 560. If the President determines that doing so will contribute to a just resolution of charges regarding genocide or other violations of international humanitarian law, the authority of section 552(c) of the Foreign Assistance Act of 1961, as amended, may be used to provide up to $25,000,000 of commodities and services for the United Nations War Crimes Tribunal established with regard to the former Yugoslavia by the United Nations Security Council or such other tribunals or commissions as the Council may establish to deal with such violations, without regard to the ceiling limitation contained in paragraph (2) thereof: Provided, That the determination required under this section shall be in lieu of any determinations otherwise required under section 552(c): Provided further, That 60 days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit a report to the Committees on Appropriations describing the steps the United States Government is taking to collect information and intelligence regarding allegations of genocide or other violations of international law in the former Yugoslavia and to furnish that information to the United Nations War Crimes Tribunal for the former Yugoslavia.

TRANSPORTATION OF EXCESS DEFENSE ARTICLES

SEC. 561. Notwithstanding section 519(f) of the Foreign Assistance Act of 1961, during fiscal year 1997, funds available to the Department of Defense may be expended for crating, packing, handling and transportation of excess defense articles transferred under the authority of sections 516 and 519 to countries eligible to participate in the Partnership for Peace and to receive assistance under Public Law 101–179.

LANDMINES

SEC. 562. Notwithstanding any other provision of law, demining equipment available to any department or agency and used in support of the clearing of landmines and unexploded ordnance for humanitarian purposes may be disposed of *on a grant basis in foreign countries, subject to such terms and conditions as the President may prescribe: Provided, That section 1365(c) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 22 U.S.C., 2778 note) is amended by striking out "During the five-year period beginning on October 23, 1992" and inserting in lieu thereof "During the eight-year period beginning on October 23, 1992".*

RESTRICTIONS CONCERNING THE PALESTINIAN AUTHORITY

SEC. 563. None of the funds appropriated by this Act may be obligated or expended to create in any part of Jerusalem a new office of any department or agency of the United States Government for the purpose of conducting official United States Government business with the Palestinian Authority over Gaza and Jericho or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles: Provided, That this restriction shall not apply to the acquisition of additional space for the existing Consulate General in Jerusalem: Provided further, That meetings between officers and employees of the United States and officials of the Palestinian Authority, or any successor Palestinian governing entity provided for in the Israel-PLO Declaration of Principles, for the purpose of conducting official United States Government business with such authority should continue to take place in locations other than Jerusalem. As has been true in the past, officers and employees of the United States Government may continue to meet in Jerusalem on other subjects with Palestinians (including those who now occupy positions in the Palestinian Authority), have social contacts, and have incidental discussions.

PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

SEC. 564. None of the funds appropriated or otherwise made available by this Act under the heading "INTERNATIONAL MILITARY EDUCATION AND TRAINING" or "FOREIGN MILITARY FINANCING PROGRAM" for Informational Program activities may be obligated or expended to pay for—

(1) alcoholic beverages;

(2) food (other than food provided at a military installation) not provided in conjunction with Informational Program trips where students do not stay at a military installation; or

(3) entertainment expenses for activities that are substantially of a recreational character, including entrance fees at sporting events and amusement parks.

HUMANITARIAN ASSISTANCE

SEC. 565. The Foreign Assistance Act of 1961 is amended by adding immediately after section 620H the following new section:

"SEC. 620I. PROHIBITION ON ASSISTANCE TO COUNTRIES THAT RESTRICT UNITED STATES HUMANITARIAN ASSISTANCE.—

"(a) IN GENERAL.—No assistance shall be furnished under this Act or the Arms Export Control Act to any country when it is made known to the President that the government of such country prohibits or otherwise restricts, directly or indirectly, the transport or delivery of United States humanitarian assistance.

"(b) EXCEPTION.—Assistance may be furnished without regard to the restriction in subsection (a) if the President determines that to do so is in the national security interest of the United States.".

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

SEC. 566. (a) SENSE OF CONGRESS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

LIMITATION OF FUNDS FOR NORTH AMERICAN DEVELOPMENT BANK

SEC. 567. None of the funds appropriated in this Act under the heading "North American Development Bank" and made available for the Community Adjustment and Investment Program shall be used for purposes other than those set out in the binational agreement establishing the Bank.

POLICY TOWARD BURMA

SEC. 568. (a) Until such time as the President determines and certifies to Congress that Burma has made measurable and substantial progress in improving human rights practices and implementing democratic government, the following sanctions shall be imposed on Burma:

(1) BILATERAL ASSISTANCE.—There shall be no United States assistance to the Government of Burma, other than:

(A) humanitarian assistance,

(B) counter-narcotics assistance under chapter 8 of part I of the Foreign Assistance Act of 1961, or crop substitution assistance, if the Secretary of State certifies to the appropriate congressional committees that—

(i) the Government of Burma is fully cooperating with United States counter-narcotics efforts, and

(ii) the programs are fully consistent with United States human rights concerns in Burma and serve the United States national interest, and

(C) assistance promoting human rights and democratic values.

(2) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive director of each international financial institution to vote against any loan or other utilization of funds of the respective bank to or for Burma.

(3) VISAS.—Except as required by treaty obligations or to staff the Burmese mission to the United States, the United States shall not grant entry visas to any Burmese government official.

(b) CONDITIONAL SANCTIONS.—The President shall prohibit United States persons from new investment in Burma, if the President determines and certifies to Congress that, after the date of enactment of this Act, the Government of Burma has physically harmed, rearrested for political acts, or exiled Daw Aung San Suu Kyi or has committed large-scale repression of or violence against the Democratic opposition.

(c) MULTILATERAL STRATEGY.—The President shall seek to develop, in coordination with members of ASEAN and other countries having major trading and investment interests in Burma, a comprehensive, multilateral strategy to bring democracy to and improve human rights practices and the quality of life in Burma, including the development of a dialogue between the State Law and Order Restoration Council (SLORC) and democratic opposition groups within Burma.

(d) PRESIDENTIAL REPORTS.—Every six months following the enactment of this Act, the President shall report to the Chairmen of the Committee on Foreign Relations, the Committee on International Relations and the House and Senate Appropriations Committees on the following:

(1) progress toward democratization in Burma;

(2) progress on improving the quality of life of the Burmese people, including progress on market reforms, living standards, labor standards, use of forced labor in the tourism industry, and environmental quality; and

(3) progress made in developing the strategy referred to in subsection (c).

(e) WAIVER AUTHORITY.—The President shall have the authority to waive, temporarily or permanently, any sanction referred to in subsection (a) or subsection (b) if he determines and certifies to Congress that the application of such sanction would be contrary to the national security interests of the United States.

(f) DEFINITIONS.—

(1) The term "international financial institutions" shall include the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the Asian Development Bank, and the International Monetary Fund.

(2) The term "new investment" shall mean any of the following activities if such an activity is undertaken pursuant to an agreement, or pursuant to the exercise of rights under such an agreement, that is entered into with the Government of Burma or a nongovernmental entity in Burma, on or after the date of the certification under subsection (b):

(A) the entry into a contract that includes the economical development of resources located in Burma, or the entry into a contract providing for the general supervision and guarantee of another person's performance of such a contract;

(B) the purchase of a share of ownership, including an equity interest, in that development;

(C) the entry into a contract providing for the participation in royalties, earnings, or profits in that development, without regard to the form of the participation:

Provided, That the term "new investment" does not include the entry into, performance of, or financing of a contract to sell or purchase goods, services, or technology.

REPORTS ON THE SITUATION IN BURMA

SEC. 569. (a) LABOR PRACTICES.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor, in consultation with the Secretary of State, shall submit a report to the appropriate congressional committees on—

(1) Burma's compliance with international labor standards including, but not limited to, the use of forced labor, slave labor, and involuntary prison labor by the junta;

(2) the degree to which foreign investment in Burma contributes to violations of fundamental worker rights;

(3) labor practices in support of Burma's foreign tourist industry; and

(4) efforts by the United States to end violations of fundamental labor rights in Burma.

(b) DEFINITION.—As used in this section, the term "appropriate congressional committees" means the Committee on Appropriations and the Committee on Foreign Relations of the Senate and the Committee on Appropriations and the Committee on International Relations of the House of Representatives.

(c) FUNDING.—(1) There are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, for expenses necessary to carry out the provisions of this section, $30,000 to the Department of Labor.

(2) The amount appropriated by this Act under the heading "DEPARTMENT OF STATE, INTERNATIONAL NARCOTICS CONTROL" shall be reduced by $30,000.

SPECIAL DEBT RELIEF FOR THE POOREST

SEC. 570. (a) AUTHORITY TO REDUCE DEBT.—The President may reduce amounts owed to the United States (or any agency of the United States) by an eligible country as a result of—

(1) guarantees issued under sections 221 and 222 of the Foreign Assistance Act of 1961; or

(2) credits extended or guarantees issued under the Arms Export Control Act.

(b) LIMITATIONS.—

(1) The authority provided by subsection (a) may be exercised only to implement multilateral

official debt relief and referendum agreements, commonly referred to as "Paris Club Agreed Minutes".

(2) The authority provided by subsection (a) may be exercised only in such amounts or to such extent as is provided in advance by appropriations Acts.

(3) The authority provided by subsection (a) may be exercised only with respect to countries with heavy debt burdens that are eligible to borrow from the International Development Association, but not from the International Bank for Reconstruction and Development, commonly referred to as "IDA-only" countries.

(c) CONDITIONS.—The authority provided by subsection (a) may be exercised only with respect to a country whose government—

(1) does not have an excessive level of military expenditures;

(2) has not repeatedly provided support for acts of international terrorism;

(3) is not failing to cooperate on international narcotics control matters;

(4) (including its military or other security forces) does not engage in a consistent pattern of gross violations of internationally recognized human rights; and

(5) is not ineligible for assistance because of the application of section 527 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

(d) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt restructuring".

(e) CERTAIN PROHIBITIONS INAPPLICABLE.—A reduction of debt pursuant to subsection (a) shall not be considered assistance for purposes of any provision of law limiting assistance to a country. The authority provided by subsection (a) may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961.

AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

SEC. 571. (a) LOANS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.—

(1) AUTHORITY TO SELL, REDUCE, OR CANCEL CERTAIN LOANS.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to any eligible purchaser any concessional loan or portion thereof made before January 1, 1995, pursuant to the Foreign Assistance Act of 1961, to the government of any eligible country as defined in section 702(6) of that Act or on receipt of payment from an eligible purchaser, reduce or cancel such loan or portion thereof, only for the purpose of facilitating—

(A) debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps; or

(B) a debt buyback by an eligible country of its own qualified debt, only if the eligible country uses an additional amount of the local currency of the eligible country, equal to not less than 40 percent of the price paid for such debt by such eligible country, or the difference between the price paid for such debt and the face value of such debt, to support activities that link conservation and sustainable use of natural resources with local community development, and child survival and other child development, in a manner consistent with sections 707 through 710 of the Foreign Assistance Act of 1961, if the sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan.

(2) TERMS AND CONDITIONS.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans may be sold, reduced, or canceled pursuant to this section.

(3) ADMINISTRATION.—The Facility, as defined in section 702(8) of the Foreign Assistance Act of 1961, shall notify the administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of purchasers that the President has determined to be eligible, and shall direct such agency to carry out the sale, reduction, or cancellation of a loan pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(4) LIMITATION.—The authorities of this subsection shall be available only to the extent that appropriations for the cost of the modification, as defined in section 502 of the Congressional Budget Act of 1974, are made in advance.

(b) DEPOSIT OF PROCEEDS.—The proceeds from the sale, reduction, or cancellation of any loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

(c) ELIGIBLE PURCHASERS.—A loan may be sold pursuant to subsection (a)(1)(A) only to a purchaser who presents plans satisfactory to the President for using the loan for the purpose of engaging in debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(d) DEBTOR CONSULTATIONS.—Before the sale to any eligible purchaser, or any reduction or cancellation pursuant to this section, of any loan made to an eligible country, the President shall consult with the country concerning the amount of loans to be sold, reduced, or canceled and their uses for debt-for-equity swaps, debt-for-development swaps, or debt-for-nature swaps.

(e) AVAILABILITY OF FUNDS.—The authority provided by subsection (a) may be used only with regard to funds appropriated by this Act under the heading "Debt Restructuring".

SANCTIONS AGAINST COUNTRIES HARBORING WAR CRIMINALS

SEC. 572. (a) BILATERAL ASSISTANCE.—Funds appropriated by this Act under the Foreign Assistance Act of 1961 or the Arms Export Control Act may not be provided for any country described in subsection (c).

(b) MULTILATERAL ASSISTANCE.—The Secretary of the Treasury shall instruct the United States executive directors of the international financial institutions to work in opposition to, and vote against, any extension by such institutions of financing or financial or technical assistance to any country described in subsection (c).

(c) SANCTIONED COUNTRIES.—A country described in this subsection is a country the government of which knowingly grants sanctuary to persons in its territory for the purpose of evading prosecution, where such persons—

(1) have been indicted by the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda, or any other international tribunal with similar standing under international law, or

(2) have been indicted for war crimes or crimes against humanity committed during the period beginning March 23, 1933 and ending on May 8, 1945 under the direction of, or in association with—

(A) the Nazi government of Germany;

(B) any government in any area occupied by the military forces of the Nazi government of Germany;

(C) any government which was established with the assistance or cooperation of the Nazi government; or

(D) any government which was an ally of the Nazi government of Germany.

LIMITATION ON ASSISTANCE FOR HAITI

SEC. 573. (a) None of the funds appropriated or otherwise made available by this Act, may be provided to the Government of Haiti until the President reports to Congress that—

(1) the Government is conducting thorough investigations of extrajudicial and political killings; and

(2) the Government is cooperating with United States authorities in the investigations of political and extrajudicial killings.

(b) Nothing in this section shall be construed to restrict the provision of humanitarian, development or electoral assistance.

(c) The President may waive the requirements of this section if he determines and certifies to the appropriate committees of Congress that it is in the national interest of the United States or necessary to assure the safe and timely withdrawal of American forces from Haiti.

LIMITATION ON FUNDS TO THE TERRITORY OF THE BOSNIAC-CROAT FEDERATION

SEC. 574. Funds appropriated by this Act for activities in the internationally-recognized borders of Bosnia and Herzegovina (other than refugee and disaster assistance and assistance for restoration of infrastructure, to include power grids, water supplies and natural gas) may only be made available for activities in the territory of the Bosniac-Croat Federation.

UNITED STATES GOVERNMENT PUBLICATIONS

SEC. 575. Beginning in fiscal year 1997, all United States Government publications shall refer to the capital of Israel as Jerusalem.

EXTENSION OF CERTAIN ADJUDICATION PROVISIONS

SEC. 576. The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by striking "and 1996" and inserting "1996, and 1997"; and

(B) in subsection (e), by striking out "October 1, 1996" each place it appears and inserting "October 1, 1997"; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking out "September 30, 1996" and inserting "September 30, 1997".

TRANSPARENCY OF BUDGETS

SEC. 577. (a) LIMITATION.—Beginning three years after the date of the enactment of this Act, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

(1) does not have in place a functioning system for a civilian audit of all receipts and expenditures in the portions of its budget that fund activities of the armed forces and security forces;

(2) has not provided a summary of a current audit to the institution; and

(3) has not provided to the institution an accounting of the ownership and financial interest in revenue-generating enterprises of the armed forces and security forces.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" shall include the institutions identified in section 535(b) of this Act.

PROMOTION OF HUMAN RIGHTS

SEC. 578. A senior official, or former senior official, of a government that receives funds appropriated by this Act, who applies for a visa to travel to the United States, shall be denied such visa if the Secretary of State has credible evidence that such official has committed, ordered or attempted to thwart the investigation of a gross violation of an internationally recognized human right: Provided, That for purposes of this section "senior official" includes an officer of the armed forces or security forces: Provided further, That the Secretary of State may waive the restrictions of this section on a case-by-case basis if he determines and reports to the Committees on Appropriations that to do so is important to the national interest of the United States.

GUARANTEES

SEC. 579. Section 251(b)(2)(G) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "fiscal year 1994 and 1995" and inserting in lieu thereof "fiscal years 1994, 1995, and 1997" in both places that this appears.

INFORMATION ON COOPERATION WITH UNITED STATES ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY REPORTS ON TERRORISM

SEC. 580. Section 140 of the Foreign Relations Authorization Act, fiscal years 1988 and 1989 (22 U.S.C. 2656f) is amended—

(1) in subsection (a)—

(A) by striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon; and

(C) by adding at the end the following:

"(3) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the investigation or prosecution of an act of international terrorism against United States citizens or interests, information on—

"(A) the extent to which the government of the foreign country is cooperating with the United States Government in apprehending, convicting, and punishing the individual or individuals responsible for the act; and

"(B) the extent to which the government of the foreign country is cooperating in preventing further acts of terrorism against United States citizens in the foreign country; and

"(4) with respect to each foreign country from which the United States Government has sought cooperation during the previous five years in the prevention of an act of international terrorism against such citizens or interests, the information described in paragraph (3)(B)."; and

(2) in subsection (c)—

(A) by striking "The report" and inserting "(1) Except as provided in paragraph (2), the report";

(B) by indenting the margin of paragraph (1) as so designated, 2 ems; and

(C) by adding at the end the following:

"(2) If the Secretary of State determines that the transmittal of the information with respect to a foreign country under paragraph (3) or (4) of subsection (a) in classified form would make more likely the cooperation of the government of the foreign country as specified in such paragraph, the Secretary may transmit the information under such paragraph in classified form.".

FEMALE GENITAL MUTILATION

SEC. 581. (a) LIMITATION.—Beginning 1 year after the date of the enactment of this Act, the Secretary of the Treasury shall instruct the United States Executive Director of each international financial institution to use the voice and vote of the United States to oppose any loan or other utilization of the funds of their respective institution, other than to address basic human needs, for the government of any country which the Secretary of the Treasury determines—

(1) has, as a cultural custom, a known history of the practice of female genital mutilation;

(2) has not made the practice of female genital mutilation illegal; and

(3) has not taken steps to implement educational programs designed to prevent the practice of female genital mutilation.

(b) DEFINITION.—For purposes of this section, the term "international financial institution" shall include the institutions identified in section 535(b) of this Act.

SENSE OF CONGRESS REGARDING THE UNITED STATES-JAPAN INSURANCE AGREEMENT

SEC. 582. (a) FINDINGS.—The Congress makes the following findings:

(1) The United States and Japan share a long and important bilateral relationship which serves as an anchor of peace and stability in the Asia Pacific region, an alliance which was reaffirmed at the recent summit meeting between President Clinton and Prime Minister Hashimoto in Tokyo.

(2) The Japanese economy has experienced difficulty over the past few years, demonstrating that it is no longer possible for Japan, the world's second largest economy, to use exports as the sole engine of economic growth, but that the Government of Japan must promote deregulation of its domestic economy in order to increase economic growth.

(3) Japan is the second largest insurance market in the world and the largest life insurance market in the world.

(4) The share of foreign insurance in Japan is less than 3 percent, and large Japanese life and non-life insurers dominate the market.

(5) The Government of Japan has had as its stated policy for several years the deregulation and liberalization of the Japan insurance market, and has developed and adopted a new insurance business law as a means of achieving this publicly stated objective of liberalization and deregulation.

(6) The Governments of Japan and the United States concluded in October of 1994 the United States-Japan Insurance Agreement, following more than one and one-half years of negotiations, in which Agreement the Government of Japan reiterated its intent to deregulate and liberalize its market.

(7) The Government of Japan in June of 1995 undertook additional obligations to provide greater foreign access and liberalization to its market through its schedule of insurance obligations during the financial services negotiations of the World Trade Organization (WTO).

(8) The United States insurance industry is the most competitive in the world, operates successfully throughout the world, and thus could be expected to achieve higher levels of market access and profitability under a more open, deregulated and liberalized Japanese market.

(9) Despite more than one and one-half years since the conclusion of the United States-Japan Insurance Agreement, despite more than one year since Japan undertook new commitments under the WTO, despite the entry into force on April 1, 1996, of the new Insurance Business Law, the Japanese market remains closed and highly regulated and thus continues to deny fair and open treatment for foreign insurers, including competitive United States insurers.

(10) The non-implementation of the United States-Japan Insurance Agreement is a matter of grave importance to the United States Government.

(11) Dozens of meetings between the United States Trade Representative and the Ministry of Finance have taken place during the past year.

(12) President Clinton, Vice President Gore, Secretary Rubin, Secretary Christopher, Secretary Kantor, Ambassador Barshefsky have all indicated to their counterparts in the Government of Japan the importance of this matter to the United States.

(13) The United States Senate has written repeatedly to the Minister of Finance and the Ambassador of Japan.

(14) Despite all of these efforts and indications of importance, the Ministry of Finance has failed to implement the United States-Japan Insurance Agreement.

(15) Several deadlines have already passed for resolution of this issue with the latest deadline set for July 31, 1996.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) the Ministry of Finance of the Government of Japan should immediately and without further delay completely and fully comply with all provisions of the United States-Japan Insurance Agreement, including most especially those which require the Ministry of Finance to deregulate and liberalize the primary sectors of the Japanese market, and those which insure that the current position of foreign insurers in Japan will not be jeopardized until primary sector deregulation has been achieved, and a three-year period has elapsed; and

(2) failing satisfactory resolution of this matter on or before July 31, 1996, the United States Government should use any and all resources at its disposal to bring about full and complete compliance with the Agreement.

SENSE OF CONGRESS REGARDING THE CONFLICT IN CHECHNYA

SEC. 583. (a) CONGRESSIONAL DECLARATION.—The Congress declares that the continuation of the conflict in Chechnya, the continued killing of innocent civilians, and the ongoing violation of human rights in that region are unacceptable.

(b) SENSE OF CONGRESS.—The Congress hereby—

(1) condemns Russia's infringement of the cease-fire agreements in Chechnya;

(2) calls upon the Government of the Russian Federation to bring an immediate halt to offensive military actions in Chechnya and requests President Yeltsin to honor his decree of June 25, 1996 concerning the withdrawal of Russian armed forces from Chechnya;

(3) encourages the two warring parties to resume negotiations without delay so as to find a peaceful political solution to the Chechen problem; and

(4) supports the Organization for Security and Cooperation in Europe and its representatives in Chechnya in its efforts to mediate in Chechnya.

REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN REPORT OF SECRETARY OF STATE

SEC. 584. (a) FOREIGN AID REPORTING REQUIREMENT.—In addition to the voting practices of a foreign country, the report required to be submitted to Congress under section 406(a) of the Foreign Relations Authorization Act, fiscal years 1990 and 1991 (22 U.S.C. 2414a), shall include a side-by-side comparison of individual countries' overall support for the United States at the United Nations and the amount of United States assistance provided to such country in that fiscal year.

(b) UNITED STATES ASSISTANCE.—For purposes of this section, the term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

REPORT ON DOMESTIC FEDERAL AGENCIES FURNISHING UNITED STATES ASSISTANCE

SEC. 585. (a) IN GENERAL.—Not later than June 1, 1997, the Comptroller General of the United States shall study and report to the Congress on all assistance furnished directly or indirectly to foreign countries, foreign entities, and international organizations by domestic Federal agencies and Federal agencies.

(b) DEFINITIONS.—As used in this section:

(1) DOMESTIC FEDERAL AGENCY.—The term "domestic Federal agency" means a Federal agency the primary mission of which is to carry out functions other than foreign affairs, defense, or national security functions.

(2) FEDERAL AGENCY.—The term "Federal agency" has the meaning given the term in section 551(1) of title 5, United States Code.

(3) INTERNATIONAL ORGANIZATION.—The term "international organization" has the meaning given the term in section 1 of the International Organization Immunities Act (22 U.S.C. 288).

(4) UNITED STATES ASSISTANCE.—The term "United States assistance" has the meaning given the term in section 481(e)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO UNITED NATIONS AGENCIES

SEC. 586. (a) PROHIBITION ON VOLUNTARY CONTRIBUTIONS FOR THE UNITED NATIONS.—None of the funds appropriated or otherwise made available by this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including the United Nations Development Program) if the United Nations attempts to implement or impose any taxation or fee on any United States persons or borrows funds from any international financial institution.

(b) CERTIFICATION REQUIRED FOR DISBURSEMENT OF FUNDS.—None of the funds appropriated or otherwise made available under this Act may be made available to pay any voluntary contribution of the United States to the United Nations or any of its specialized agencies (including the United Nations Development Program) unless the President certifies to the Congress 15 days in advance of such payment that the United Nations or such agency, as the case may be, is not engaged in, and has not been engaged in during the previous fiscal year, any effort to develop, advocate, promote, or publicize any proposal concerning taxation or fees on United States persons in order to raise revenue for the United Nations or any of its specialized agencies.

(c) DEFINITIONS.—As used in this section:

(1) The term "international financial institution" includes the African Development Bank, the African Development Fund, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the International Monetary Fund, and the Multilateral Insurance Guaranty Agency; and

(2) The term "United States person" refers to—

(A) a natural person who is a citizen or national of the United States; or

(B) a corporation, partnership, or other legal entity organized under the United States or any State, territory, possession, or district of the United States.

HAITI

SEC. 587. The Government of Haiti shall be eligible to purchase defense articles and services under the Arms Export Control Act (22 U.S.C. 2751 et seq.), for the civilian-led Haitian National Police and Coast Guard, except as otherwise stated in law: Provided, That the authority provided by this section shall be subject to the regular notification procedures of the Committees on Appropriations.

TRADE RELATIONS WITH EASTERN AND CENTRAL EUROPE.

SEC. 588. (a) FINDINGS.—The Congress makes the following findings:

(1) The countries of Central and Eastern Europe, including Poland, Hungary, the Czech Republic, Slovakia, Romania, Slovenia, Lithuania, Latvia, Estonia, and Bulgaria, are important to the long-term stability and economic success of a future Europe freed from the shackles of communism.

(2) The Central and Eastern European countries, particularly Hungary, Poland, the Czech Republic, Romania, Slovakia, Slovenia, Latvia, Lithuania, and Estonia, are in the midst of dramatic reforms to transform their centrally planned economies into free market economies and to join the Western community.

(3) It is in the long-term interest of the United States to encourage and assist the transformation of Central and Eastern Europe into a free market economy, which is the solid foundation of democracy, and will contribute to regional stability and greatly increased opportunities for commerce with the United States.

(4) Trade with the countries of Central and Eastern Europe accounts for less than one percent of total United States trade.

(5) The presence of a market with more than 140,000,000 people, with a growing appetite for consumer goods and services and badly in need of modern technology and management, should be an important market for United States exports and investments.

(6) The United States has concluded agreements granting most-favored-nation status to most of the countries of Central and Eastern Europe.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the President should take steps to promote more open, fair, and free trade between the United States and the countries of Central Europe, including Poland, Hungary, the Czech Republic, Slovakia, Lithuania, Latvia, Estonia, Romania, and Slovenia, including—

(1) developing closer commercial contacts;

(2) the mutual elimination of tariff and nontariff discriminatory barriers in trade with these countries;

(3) exploring the possibility of framework agreements that would lead to a free trade agreement;

(4) negotiating bilateral investment treaties;

(5) stimulating increased United States exports and investments to the region;

(6) obtaining further liberalization of investment regulations and protection against nationalization in these foreign countries; and

(7) establishing fair and expeditious dispute settlement procedures.

LIMITATION ON FOREIGN SOVEREIGN IMMUNITY

SEC. 589. (a) IN GENERAL.—Section 1605(a)(7) of title 28, United States Code, is amended to read as follows:

"(7) in which money damages are sought against a foreign state for personal injury or death caused by an act of torture, extrajudicial killing, aircraft sabotage, hostage taking, or the provision of material support or resources (as defined in section 2339A of title 18) for such an act, if—

"(A) such act or provision of material support was engaged in by an official, employee, or agent of such foreign state while acting within the scope of his or her office, employment, or agency;

"(B) the foreign state against whom the claim was brought—

"(i) was designated as a state sponsor of terrorism under section 6(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)) or section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) at the time the act occurred or was later so designated as a result of such act; or

"(ii) had no treaty of extradition with the United States at the time the act occurred and no adequate and available remedies exist either in such state or in the place in which the act occurred;

"(C) the claimant has afforded the foreign state a reasonable opportunity to arbitrate the claim in accordance with accepted international rules of arbitration; and

"(D) the claimant or victim was a national of the United States (as that term is defined in section 101(a)(22) of the Immigration and Nationality Act) when the act upon which the claim is based occurred.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to actions brought in United States courts on or after the date of enactment of this Act.

SENSE OF CONGRESS REGARDING CROATIA

SEC. 590. (a) FINDINGS.—The Congress makes the following findings:

(1) Croatia has politically and financially contributed to the NATO peacekeeping operations in Bosnia;

(2) The economic stability and security of Croatia is important to the stability of South Central Europe; and

(3) Croatia is in the process of joining the Partnership for Peace.

(b) SENSE OF CONGRESS.—It is the Sense of Congress that:

(1) Croatia should be recognized and commended for its contributions to NATO and the various peacekeeping efforts in Bosnia;

(2) The United States should support the active participation of Croatia in activities appropriate for qualifying for NATO membership, provided Croatia continues to adhere fully to the Dayton Peace Accords and continues to make progress toward establishing democratic institutions, a free market, and the rule of law.

ROMANIA'S PROGRESS TOWARD NATO MEMBERSHIP

SEC. 591. (a) FINDINGS.—The Congress makes the following findings:

(1) Romania emerged from years of brutal Communist dictatorship in 1989 and approved a new Constitution and elected a Parliament by 1991, laying the foundation for a modern parliamentary democracy charged with guaranteeing fundamental human rights, freedom of expression, and respect for private property;

(2) Local elections, parliamentary elections, and presidential elections have been held in Romania, with 1996 marking the second nationwide presidential elections under the new Constitution;

(3) Romania was the first former Eastern bloc country to join NATO's Partnership for Peace program and has hosted Partnership for Peace military exercises on its soil;

(4) Romania is the second largest country in terms of size and population in Central Europe and as such is strategically significant;

(5) Romania formally applied for NATO membership in April of 1996 and has begun an individualized dialogue with NATO on its membership application; and

(6) Romania has contributed to the peace and reconstruction efforts in Bosnia by participating in the Implementation Force (IFOR).

(b) SENSE OF THE CONGRESS.—Therefore, it is the sense of the Congress that:

(1) Romania is making significant progress toward establishing democratic institutions, a free market economy, civilian control of the armed forces and the rule of law;

(2) Romania is making important progress toward meeting the criteria for accession into NATO;

(3) Romania deserves commendation for its clear desire to stand with the West in NATO, as evidenced by its early entry into the Partnership for Peace, its formal application for NATO membership, and its participation in IFOR;

(4) Romania should be evaluated for membership in the NATO Participation Act's transition assistance program at the earliest opportunity; and

(5) The United States should work closely with Romania and other countries working toward NATO membership to ensure that every opportunity is provided.

SENSE OF CONGRESS REGARDING EXPANSION OF ELIGIBILITY FOR HOLOCAUST SURVIVOR COMPENSATION BY THE GOVERNMENT OF GERMANY

SEC. 592. (a) FINDINGS.—The Congress makes the following findings:

(1) After nearly half a century, tens of thousands of Holocaust survivors continue to be denied justice and compensation by the Government of Germany.

(2) These people who suffered grievously at the hands of the Nazis are now victims of unreasonable and arbitrary rules which keep them outside the framework of the various compensation programs.

(3) Compensation for these victims has been non-existent or, at best, woefully inadequate.

(4) The time has come to right this terrible wrong.

(b) SENSE OF CONGRESS.—The Congress calls upon the Government of Germany to negotiate in good faith with the Conference on Jewish Material Claims Against Germany to broaden the categories of those eligible for compensation so that the injustice of uncompensated Holocaust survivors may be corrected before it is too late.

SENSE OF SENATE ON DELIVERY BY CHINA OF CRUISE MISSILES TO IRAN

SEC. 593. (a) FINDINGS.—The Senate makes the following findings:

(1) On February 22, 1996, the Director of Central Intelligence informed the Senate that the Government of the People's Republic of China had delivered cruise missiles to Iran.

(2) On June 19, 1996, the Under Secretary of State for Arms Control and International Security Affairs informed Congress that the Department of State had evidence of Chinese-produced cruise missiles in Iran.

(3) On at least three occasions in 1996, including July 15, 1996, the Commander of the United States Fifth Fleet has pointed to the threat posed by Chinese-produced cruise missiles to the 15,000 United States sailors and marines stationed in the Persian Gulf region.

(4) Section 1605 of the Iran-Iraq Arms Non-Proliferation Act of 1992 (title XVI of Public Law 102-484; 50 U.S.C. 1701 note) both requires and authorizes the President to impose sanctions against any foreign government that delivers cruise missiles to Iran.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the Government of the People's Republic of China should immediately halt the delivery of cruise missiles and other advanced conventional weapons to Iran; and

(2) the President should enforce all appropriate United States laws with respect to the delivery by that government of cruise missiles to Iran.

SENSE OF SENATE ON DELIVERY BY CHINA OF BALLISTIC MISSILE TECHNOLOGY TO SYRIA

SEC. 594. (a) FINDINGS.—The Senate makes the following findings:

(1) Credible information exists indicating that defense industrial trading companies of the People's Republic of China may have transferred ballistic missile technology to Syria.

(2) On October 4, 1994, the Government of the People's Republic of China entered into a written agreement with the United States pledging not to export missiles or related technology that would violate the Missile Technology Control Regime (MTCR).

(3) Section 73(f) of the Arms Export Control Act (22 U.S.C. 2797b(f)) states that, when determining whether a foreign person may be subject to United States sanctions for transferring technology listed on the MTCR Annex, it should be a rebuttable presumption that such technology is designed for use in a missile listed on the MTCR Annex if the President determines that the final destination of the technology is a country the government of which the Secretary of State has determined, for purposes of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)), has repeatedly provided support for acts of international terrorism.

(4) The Secretary of State has determined under the terms of section 6(j)(1)(A) of the Export Administration Act of 1979 that Syria has repeatedly provided support for acts of international terrorism.

(5) In 1994 Congress explicitly enacted section 73(f) of the Arms Export Control Act in order to target the transfer of ballistic missile technology to terrorist nations.

(6) The presence of ballistic missiles in Syria would pose a threat to United States Armed Forces and to regional peace and stability in the Middle East.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) it is in the national security interests of the United States and the State of Israel to prevent the spread of ballistic missiles and related technology to Syria;

(2) the Government of the People's Republic of China should continue to honor its agreement with the United States not to export missiles or related technology that would violate the Missile Technology Control Regime; and

(3) the President should exercise all legal authority available to the President to prevent the spread of ballistic missiles and related technology to Syria.

REFUGEE STATUS FOR ADULT CHILDREN OF FORMER VIETNAMESE REEDUCATION CAMP INTERNEES RESETTLED UNDER THE ORDERLY DEPARTURE PROGRAM

SEC. 595. (a) ELIGIBILITY FOR ORDERLY DEPARTURE PROGRAM.—For purposes of eligibility for the Orderly Departure Program for nationals of Vietnam, an alien described in subsection (b) shall be considered to be a refugee of special humanitarian concern to the United States within the meaning of section 207 of the Immigration and Nationality Act (8 U.S.C. 1157) and shall be admitted to the United States for resettlement if the alien would be admissible as an immigrant under the Immigration and Nationality Act (except as provided in section 207(c)(3) of that Act).

(b) ALIENS COVERED.—An alien described in this subsection is an alien who—

(1) is the son or daughter of a national of Vietnam who—

(A) was formerly interned in a reeducation camp in Vietnam by the Government of the Socialist Republic of Vietnam; and

(B) has been accepted for resettlement as a refugee under the Orderly Departure Program on or after April 1, 1995;

(2) is 21 years of age or older; and

(3) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

(c) SUPERSEDES EXISTING LAW.—This section supersedes any other provision of law.

DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA

SEC. 596. Ninety days after the date of enactment of this Act, and every 180 days thereafter, the Secretary of State, in consultation with the Secretary of Defense, shall provide a report in a classified or unclassified form to the Committee on Appropriations including the following information:

(a) a best estimate on fuel used by the military forces of the Democratic People's Republic of Korea (DPRK);

(b) the deployment position and military training and activities of the DPRK forces and best estimate of the associated costs of these activities;

(c) steps taken to reduce the DPRK level of forces; and

(d) cooperation, training, or exchanges of information, technology or personnel between the DPRK and any other nation supporting the development or deployment of a ballistic missile capability.

PROSECUTION OF MAJOR DRUG TRAFFICKERS RESIDING IN MEXICO

SEC. 597. (a) REPORT.—(1) Not later than 30 days after the date of enactment of this Act, the Administrator of the Drug Enforcement Administration shall submit a report to the President—

(A) identifying the 10 individuals who are indicted in the United States for unlawful trafficking or production of controlled substances most sought by United States law enforcement officials and who there is reason to believe reside in Mexico; and

(B) identifying 25 individuals not named under paragraph (1) who have been indicted for such offenses and who there is reason to believe reside in Mexico.

(2) The President shall promptly transmit to the Government of Mexico a copy of the report submitted under paragraph (1).

(b) PROHIBITION.—

(1) IN GENERAL.—None of the funds appropriated under the heading "International Military Education and Training" may be made available for any program, project, or activity for Mexico.

(2) EXCEPTION.—Paragraph (1) shall not apply if, not later than 6 months after the date of enactment of this Act, the President certifies to Congress that—

(A) the Government of Mexico has extradited to the United States the individuals named pursuant to subsection (a)(1); or

(B) the Government of Mexico has apprehended and begun prosecution of the individuals named pursuant to subsection (a)(1).

(c) WAIVER.—Subsection (b) shall not apply if the President of Mexico certifies to the President of the United States that—

(1) the Government of Mexico made intensive, good faith efforts to apprehend the individuals named pursuant to subsection (a)(1) but did not find one or more of the individuals within Mexico; and

(2) the Government of Mexico has apprehended and extradited or apprehended and prosecuted 3 individuals named pursuant to subsection (a)(2) for each individual not found under paragraph (1).

DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC ASSISTANCE FUNDS

SEC. 598. Chapter 3 of part III of the Foreign Assistance Act of 1961 (22 U.S.C. 2401 et seq.) is amended by adding at the end the following:

"SEC. 668. DEOBLIGATION OF CERTAIN UNEXPENDED ECONOMIC ASSISTANCE FUNDS.

"(a) REQUIREMENT TO DEOBLIGATE.—

"(1) IN GENERAL.—Except as provided in subsection (b) of this section and in paragraphs (1) and (3) of section 617(a) of this Act, at the beginning of each fiscal year the President shall deobligate and return to the Treasury any funds described in paragraph (2) that, as of the end of the preceding fiscal year, have been obligated for a project or activity for a period of more than 4 years but have not been expended.

"(2) FUNDS.—Paragraph (1) applies to funds made available for—

"(A) assistance under chapter 1 of part I of this Act (relating to development assistance), chapter 10 of part I of this Act (relating to the Development Fund for Africa), or chapter 4 of part II of this Act (relating to the economic support fund);

"(B) assistance under the Support for East European Democracy (SEED) Act of 1989; and

"(C) economic assistance for the independent states of the former Soviet Union under chapter 11 of part I of this Act or under any other provision of law authorizing economic assistance for such independent states.

"(b) EXCEPTIONS.—The President, on a case-by-case basis, may waive the requirement of subsection (a)(1) if the President determines and reports to the Congress that it is in the national interest to do so.

"(c) APPROPRIATE CONGRESSIONAL COMMITTEES.—As used in this section, the term 'appropriate congressional committees' means the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.".

SENSE OF SENATE REGARDING THE GOVERNMENT OF BURUNDI

SEC. 599. (a) The Senate finds that:

(1) The political situation in the African nation of Burundi has deteriorated and there are reports of a military coup against the elected Government of Burundi.

(2) The continuing ethnic conflict in Burundi has caused untold suffering among the people of Burundi and has resulted in the deaths of over 150,000 people in the past two years.

(3) The attempt to overthrow the Government of Burundi makes the possibility of an increase in the tension and the continued slaughter of innocent civilians more likely.

(4) The United States and the International Community have an interest in ending the crisis in Burundi before it reaches the level of violence that occurred in Rwanda in 1994 when over 800,000 people died in the war between the Hutu and the Tutsi tribes.

(b) Now, therefore it is the sense of the Senate that:

(1) The United States Senate condemns any violent action intended to overthrow the Government of Burundi.

(2) Calls on all parties to the conflict in Burundi to exercise restraint in an effort to restore peace.

(3) Urges the Administration to continue diplomatic efforts at the highest level to find a peaceful resolution to the crisis in Burundi.

SENSE OF THE SENATE REGARDING ENVIRONMENTAL IMPACT ASSESSMENTS

SEC. 599A. (a) FINDINGS.—Congress finds that—

(1) Environmental Impact Assessments as a national instrument are undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority;

(2) in 1978 the Senate adopted Senate Resolution 49, calling on the United States Government to seek the agreement of other governments to a proposed global treaty requiring the preparation of Environmental Impact Assessments for any major project, action, or continuing activity that may be reasonably expected to have a significant adverse effect on the physical environment or environmental interests of another nation or a global commons area;

(3) subsequent to the adoption of Senate Resolution 49 in 1978, the United Nations Environment Programme Governing Council adopted Goals and Principles on Environmental Impact Assessment calling on governments to undertake comprehensive Environmental Impact Assessments in cases in which the extent, nature, or location of a proposed activity is such that the activity is likely to significantly affect the environment; and

(4) on October 7, 1992, the Senate gave its advice and consent to the Protocol on Environmental Protection to the Antarctic Treaty, which obligates parties to the Antarctic Treaty to require Environmental Impact Assessment procedures for proposed activities in Antarctica.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the United States Government should encourage the governments of other nations to engage in additional regional treaties regarding specific transboundary activities that have adverse impacts on the environment of other nations or a global commons area; and

(2) such additional regional treaties should ensure that specific transboundary activities are undertaken in environmentally sound ways and under careful controls designed to avoid or minimize any adverse environmental effects, through requirements for Environmental Impact Assessments where appropriate.

INTERNATIONAL CRIMINAL TRIBUNAL

SEC. 599B. FINDINGS.—

(1) The United Nations, recognizing the need for justice in the former Yugoslavia, established the International Criminal Tribunal for the former Yugoslavia (hereafter in this resolution referred to as the "International Criminal Tribunal");

(2) United Nations Security Council Resolution 827 of May 25, 1993, requires states to cooperate fully with the International Criminal Tribunal;

(3) The parties to the General Framework Agreement for Peace in Bosnia and Herzegovina and associated Annexes (in this resolution referred to as the "Peace Agreement") negotiated in Dayton, Ohio and signed in Paris, France, on December 14, 1995, accepted, in Article IX, the obligation "to cooperate in the investigation and prosecution of war crimes and other violations of international humanitarian law";

(4) The Constitution of Bosnia and Herzegovina, agreed to as Annex 4 of the Peace Agreement, provides, in Article IX, that "No person who is serving a sentence imposed by the International Tribunal for the former Yugoslavia, and no person who is under indictment by the Tribunal and who has failed to comply with an order to appear before the Tribunal, may stand as a candidate or hold any appointive, elective, or other public office in Bosnia and Herzegovina";

(5) The International Criminal Tribunal has issued 57 indictments against individuals from all parties to the conflicts in the former Yugoslavia;

(6) The International Criminal Tribunal continues to investigate gross violations of international law in the former Yugoslavia with a view to further indictments against the perpetrators;

(7) On July 25, 1995, the International Criminal Tribunal issued an indictment for Radovan Karadzic, president of the Bosnian Serb administration of Pale, and Ratko Mladic, commander of the Bosnian Serb administration and charged them with genocide and crimes against humanity, violations of the law or customs of war, and grave breaches of the Geneva Conventions of 1949, arising from atrocities perpetrated against the civilian population throughout Bosnia-Herzegovina, for the sniping campaign against civilians in Sarajevo, and for the taking of United Nations peacekeepers as hostages and for their use as human shields;

(8) On November 16, 1995, Karadzic and Mladic were indicted a second time by the International Criminal Tribunal, charged with genocide for the killing of up to 6,000 Muslims in Srebrenica, Bosnia, in July 1995;

(9) The United Nations Security Council, in adopting Resolution 1022 on November 22, 1995, decided that economic sanctions on the Federal Republic of Yugoslavia (Serbia and Montenegro) and the so-called Republika Srpska would be reimposed if, at any time, the High Representative or the IFOR commander informs the Security Council that the Federal Republic of Yugoslavia or the Bosnian Serb authorities are failing significantly to meet their obligations under the Peace Agreement;

(10) The so-called Republika Srpska and the Federal Republic of Yugoslavia (Serbia and Montenegro) have failed to arrest and turn over for prosecution indicted war criminals, including Karadzic and Mladic;

(11) Efforts to politically isolate Karadzic and Mladic have failed thus far and would in any case be insufficient to comply with the Peace Agreement and bring peace with justice to Bosnia and Herzegovina;

(12) The International Criminal Tribunal issued international warrants for the arrest of Karadzic and Mladic on July 11, 1996.

(13) In the so-called Republika Srpska freedom of the press and freedom of assembly are severely limited and violence against ethnic and religious minorities and opposition figures is on the rise;

(14) It will be difficult for national elections in Bosnia and Herzegovina to take place meaningfully so long as key war criminals, including Karadzic and Mladic, remain at large and able to influence political and military developments;

(15) On June 6, 1996, the President of the International Criminal Tribunal, declaring that the Federal Republic of Yugoslavia's failure to extradite indicted war criminals is a blatant violation of the Peace Agreement and of United Nations Security Council Resolutions, called on the High Representative to reimpose economic sanctions on the so-called Republika Srpska and on the Federal Republic of Yugoslavia (Serbia and Montenegro); and

(16) The apprehension and prosecution of indicted war criminals is essential for peace and reconciliation to be achieved and democracy to be established throughout Bosnia and Herzegovina.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the Senate finds that the International Criminal Tribunal for the former Yugoslavia merits continued and increased United States support for its efforts to investigate and bring to justice the perpetrators of gross violations of international law in the former Yugoslavia;

(2) the President of the United States should support the request of the President of the International Criminal Tribunal for the former Yugoslavia for the High Representative to reimpose full economic sanctions on the Federal Republic of Yugoslavia (Serbia and Montenegro) and the so-called Republika Srpska, in accordance with United Nations Security Council Resolution 1022 (1995), until the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb authorities have complied with their obligations under the Peace Agreement and United Nations Security Council Resolutions to cooperate fully with the International Criminal Tribunal;

(3) the NATO-led Implementation Force (IFOR), in carrying out its mandate, should make it an urgent priority to detain and bring to justice persons indicted by the International Criminal Tribunal; and

(4) states in the former Yugoslavia should not be admitted to international organizations and fora until and unless they have complied with their obligations under the Peace Agreement and United Nations Security Council Resolutions to cooperate fully with the International Criminal Tribunal.

TITLE VI—NATO ENLARGEMENT FACILITATION ACT OF 1996

SEC. 601. SHORT TITLE.

This title may be cited as the "NATO Enlargement Facilitation Act of 1996".

SEC. 602. FINDINGS.

The Congress makes the following findings:

(1) Since 1949, the North Atlantic Treaty Organization (NATO) has played an essential role in guaranteeing the security, freedom, and prosperity of the United States and its partners in the Alliance.

(2) The NATO Alliance is, and has been since its inception, purely defensive in character, and it poses no threat to any nation. The enlargement of the NATO Alliance to include as full and equal members emerging democracies in Central and Eastern Europe will serve to reinforce stability and security in Europe by fostering their integration into the structures which have created and sustained peace in Europe since 1945. Their admission into NATO will not threaten any nation. America's security, freedom, and prosperity remain linked to the security of the countries of Europe.

(3) The sustained commitment of the member countries of NATO to a mutual defense has made possible the democratic transformation of Central and Eastern Europe. Members of the Alliance can and should play a critical role in addressing the security challenges of the post-Cold

War era and in creating the stable environment needed for those emerging democracies in Central and Eastern Europe to successfully complete political and economic transformation.

(4) The United States continues to regard the political independence and territorial integrity of all emerging democracies in Central and Eastern Europe as vital to European peace and security.

(5) The active involvement by the countries of Central and Eastern Europe has made the Partnership for Peace program an important forum to foster cooperation between NATO and those countries seeking NATO membership.

(6) NATO has enlarged its membership on 3 different occasions since 1949.

(7) Congress supports the admission of qualified new members to NATO and the European Union at an early date and has sought to facilitate the admission of qualified new members into NATO.

(8) As new members of NATO assume the responsibilities of Alliance membership, the costs of maintaining stability in Europe should be shared more widely. Facilitation of the enlargement process will require current members of NATO, and the United States in particular, to demonstrate the political will needed to build on successful ongoing programs such as the Warsaw Initiative and the Partnership for Peace by making available the resources necessary to supplement efforts prospective new members are themselves undertaking.

(9) New members will be full members of the Alliance, enjoying all rights and assuming all the obligations under the Washington Treaty.

(10) Cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed interest in joining NATO, such as the Baltic Peacekeeping Battalion, the Polish-Lithuanian Joint Peacekeeping Force, and the Polish-Ukrainian Peacekeeping Force, can make an important contribution to European peace and security and international peacekeeping efforts, can assist those countries preparing to assume the responsibilities of possible NATO membership, and accordingly should receive appropriate support from the United States.

(11) NATO remains the only multilateral security organization capable of conducting effective military operations and preserving security and stability of the Euro-Atlantic region.

(12) NATO is an important diplomatic forum and has played a positive role in defusing tensions between members of the Alliance and, as a result, no military action has occurred between two Alliance member states since the inception of NATO in 1949.

(13) The admission to NATO of emerging democracies in Central and Eastern Europe which are found to be in a position to further the principles of the North Atlantic Treaty would contribute to international peace and enhance the security of the region. Countries which have become democracies and established market economies, which practice good neighborly relations, and which have established effective democratic civilian control over their defense establishments and attained a degree of interoperability with NATO, should be evaluated for their potential to further the principles of the North Atlantic Treaty.

(14) A number of Central and Eastern European countries have expressed interest in NATO membership, and have taken concrete steps to demonstrate this commitment, including their participation in Partnership for Peace activities.

(15) The Caucasus region remains important geographically and politically to the future security of Central Europe. As NATO proceeds with the process of enlargement, the United States and NATO should continue to examine means to strengthen the sovereignty and enhance the security of United Nations recognized countries in that region.

(16) In recognition that not all countries which have requested membership in NATO will necessarily qualify at the same pace, the accession date for each new member will vary.

(17) The provision of additional NATO transition assistance should include those emerging democracies most ready for closer ties with NATO and should be designed to assist other countries meeting specified criteria of eligibility to move forward toward eventual NATO membership.

(18) The Congress of the United States finds in particular that Poland, Hungary, the Czech Republic, and Slovenia have made significant progress toward achieving the stated criteria and should be eligible for the additional assistance described in this Act.

(19) The evaluation of future membership in NATO for emerging democracies in Central and Eastern Europe should be based on the progress of those nations in meeting criteria for NATO membership, which require enhancement of NATO's security and the approval of all NATO members.

(20) The process of NATO enlargement entails the agreement of the governments of all NATO members in accordance with Article 10 of the Washington Treaty.

(21) Some NATO members, such as Spain and Norway, do not allow the deployment of nuclear weapons on their territory although they are accorded the full collective security guarantees provided by article V of the Washington treaty. There is no prior requirement for the stationing of nuclear weapons on the territory of new NATO members, particularly in the current security climate, however NATO retains the right to alter its security posture at any time as circumstances warrant.

SEC. 603. UNITED STATES POLICY.

It is the policy of the United States—

(1) to join with the NATO allies of the United States to adapt the role of the NATO Alliance in the post-Cold War world;

(2) to actively assist the emerging democracies in Central and Eastern Europe in their transition so that such countries may eventually qualify for NATO membership; and

(3) to work to define a constructive and cooperative political and security relationship between an enlarged NATO and the Russian Federation.

SEC. 604. SENSE OF THE CONGRESS REGARDING FURTHER ENLARGEMENT OF NATO.

It is the sense of the Congress that in order to promote economic stability and security in Slovakia, Estonia, Latvia, Lithuania, Romania, Bulgaria, Albania, Moldova, and Ukraine—

(1) the United States should continue and expand its support for the full and active participation of these countries in activities appropriate for qualifying for NATO membership;

(2) the United States Government should use all diplomatic means available to press the European Union to admit as soon as possible any country which qualifies for membership;

(3) the United States Government and the North Atlantic Treaty Organization should continue and expand their support for military exercises and peacekeeping initiatives between and among these nations, nations of the North Atlantic Treaty Organization, and Russia; and

(4) the process of enlarging NATO to include emerging democracies in Central and Eastern Europe should not be limited to consideration of admitting Poland, Hungary, the Czech Republic, and Slovenia as full members to the NATO Alliance.

SEC. 605. SENSE OF THE CONGRESS REGARDING ESTONIA, LATVIA, AND LITHUANIA.

In view of the forcible incorporation of Estonia, Latvia, Lithuania into the Soviet Union in 1940 under the Molotov-Ribbentrop Pact and the refusal of the United States and other countries to recognize that incorporation for over 50 years, it is the sense of the Congress that—

(1) Estonia, Latvia, and Lithuania have valid historical security concerns that must be taken into account by the United States; and

(2) Estonia, Latvia, and Lithuania should not be disadvantaged in seeking to join NATO by virtue of their forcible incorporation into the Soviet Union.

SEC. 606. DESIGNATION OF COUNTRIES ELIGIBLE FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—The following countries are designated as eligible to receive assistance under the program established under section 203(a) of the NATO Participation Act of 1994 and shall be deemed to have been so designated pursuant to section 203(d) of such Act: Poland, Hungary, the Czech Republic, and Slovenia.

(b) DESIGNATION OF OTHER COUNTRIES.—The President shall designate other emerging democracies in Central and Eastern Europe as eligible to receive assistance under the program established under section 203(a) of such Act if such countries—

(1) have expressed a clear desire to join NATO;

(2) have begun an individualized dialogue with NATO in preparation for accession;

(3) are strategically significant to an effective NATO defense; and

(4) meet the other criteria outlined in section 203(d) of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note).

(c) RULE OF CONSTRUCTION.—Subsection (a) does not preclude the designation by the President of Estonia, Latvia, Lithuania, Romania, Slovakia, Bulgaria, Albania, Moldova, Ukraine, or any other emerging democracy in Central and Eastern Europe pursuant to section 203(d) of the NATO Participation Act of 1994 as eligible to receive assistance under the program established under section 203(a) of such Act.

SEC. 607. AUTHORIZATION OF APPROPRIATIONS FOR NATO ENLARGEMENT ASSISTANCE.

(a) IN GENERAL.—There are authorized to be appropriated $60,000,000 for fiscal year 1997 for the program established under section 203(a) of the NATO Participation Act of 1994.

(b) AVAILABILITY.—Of the funds authorized to be appropriated by subsection (a)—

(1) not less than $20,000,000 shall be available for the subsidy cost, as defined in section 502(5) of the Credit Reform Act of 1990, of direct loans pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the "Foreign Military Financing Program");

(2) not less than $30,000,000 shall be available for assistance on a grant basis pursuant to the authority of section 203(c)(4) of the NATO Participation Act of 1994 (relating to the "Foreign Military Financing Program"); and

(3) not more than $10,000,000 shall be available for assistance pursuant to the authority of section 203(c)(3) of the NATO Participation Act of 1994 (relating to international military education and training).

(c) RULE OF CONSTRUCTION.—Amounts authorized to be appropriated under this section are authorized to be appropriated in addition to such amounts as otherwise may be available for such purposes.

SEC. 608. REGIONAL AIRSPACE INITIATIVE AND PARTNERSHIP FOR PEACE INFORMATION MANAGEMENT SYSTEM.

(a) IN GENERAL.—Funds described in subsection (b) are authorized to be made available to support the implementation of the Regional Airspace Initiative and the Partnership for Peace Information Management System, including—

(1) the procurement of items in support of these programs; and

(2) the transfer of such items to countries participating in these programs, which may include Poland, Hungary, the Czech Republic, Slovenia, Slovakia, Estonia, Latvia, Lithuania, Romania, Bulgaria, Moldova, Ukraine, and Albania.

(b) FUNDS DESCRIBED.—Funds described in this subsection are funds that are available—

(1) during any fiscal year under the NATO Participation Act of 1994 with respect to countries eligible for assistance under that Act; or

(2) during fiscal year 1997 under any Act to carry out the Warsaw Initiative.

SEC. 609. EXCESS DEFENSE ARTICLES.

(a) PRIORITY DELIVERY.—Notwithstanding any other provision of law, the provision and delivery of excess defense articles under the authority of section 203(c) (1) and (2) of the NATO Participation Act of 1994 and section 516 of the Foreign Assistance Act of 1961 shall be given priority to the maximum extent feasible over the provision and delivery of such excess defense articles to all other countries except those countries referred to in section 541 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995 (Public Law 103–306; 108 Stat. 1640).

(b) COOPERATIVE REGIONAL PEACEKEEPING INITIATIVES.—The Congress encourages the President to provide excess defense articles and other appropriate assistance to cooperative regional peacekeeping initiatives involving emerging democracies in Central and Eastern Europe that have expressed an interest in joining NATO in order to enhance their ability to contribute to European peace and security and international peacekeeping efforts.

SEC. 610. MODERNIZATION OF DEFENSE CAPABILITY.

The Congress endorses efforts by the United States to modernize the defense capability of Poland, Hungary, the Czech Republic, Slovenia, and any other countries designated by the President pursuant to section 203(d) of the NATO Participation Act of 1994, by exploring with such countries options for the sale or lease to such countries of weapons systems compatible with those used by NATO members, including air defense systems, advanced fighter aircraft, and telecommunications infrastructure.

SEC. 611. TERMINATION OF ELIGIBILITY.

Section 203(f) of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended to read as follows:

"(f) TERMINATION OF ELIGIBILITY.—(1) The eligibility of a country designated under subsection (d) for the program established in subsection (a) shall terminate 30 days after the President makes a certification under paragraph (2) unless, within the 30-day period, the Congress enacts a joint resolution disapproving the termination of eligibility.

"(2) Whenever the President determines that the government of a country designated under subsection (d)—

"(A) no longer meets the criteria set forth in subsection (d)(2)(A);

"(B) is hostile to the NATO Alliance; or

"(C) poses a national security threat to the United States,

then the President shall so certify to the appropriate congressional committees.

"(3) Nothing in this title affects the eligibility of countries to participate under other provisions of law in programs described in this Act.".

SEC. 612. AMENDMENTS TO THE NATO PARTICIPATION ACT.

(a) CONFORMING AMENDMENT.—The NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note) is amended in sections 203(a), 203(d)(1), and 203(d)(2) by striking "countries emerging from communist domination" each place it appears and inserting "emerging democracies in Central and Eastern Europe".

(b) DEFINITIONS.—The NATO Participation Act of 1994 (title II of Public Law 103–446; 22 U.S.C. 1928 note) is amended by adding at the end the following new section:

"SEC. 206. DEFINITIONS.

"The term 'emerging democracies in Central and Eastern Europe' includes, but is not limited to, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.".

SEC. 613. DEFINITIONS.

As used in this title:

(1) EMERGING DEMOCRACIES IN CENTRAL AND EASTERN EUROPE.—The term "emerging democracies in Central and Eastern Europe" includes, but is not limited to, Albania, Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Slovakia, Slovenia, and Ukraine.

(2) NATO.—The term "NATO" means the North Atlantic Treaty Organization.

TITLE VII—MIDDLE EAST DEVELOPMENT BANK

SEC. 701. SHORT TITLE.

This title may be cited as the "Bank for Economic Cooperation and Development in the Middle East and North Africa Act".

SEC. 702. ACCEPTANCE OF MEMBERSHIP.

The President is hereby authorized to accept membership for the United States in the Bank for Economic Cooperation and Development in the Middle East and North Africa (in this title referred to as the "Bank") provided for by the agreement establishing the Bank (in this title referred to as the "Agreement"), signed on May 31, 1996.

SEC. 703. GOVERNOR AND ALTERNATE GOVERNOR.

(a) APPOINTMENT.—At the inaugural meeting of the Board of Governors of the Bank, the Governor and the alternate for the Governor of the International Bank for Reconstruction and Development, appointed pursuant to section 3 of the Bretton Woods Agreements Act, shall serve ex-officio as a Governor and the alternate for the Governor, respectively, of the Bank. The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor.

(b) COMPENSATION.—Any person who serves as a governor of the Bank or as an alternate for the Governor may not receive any salary or other compensation from the United States by reason of such service.

SEC. 704. APPLICABILITY OF CERTAIN PROVISIONS OF THE BRETTON WOODS AGREEMENTS ACT.

Section 4 of the Bretton Woods Agreements Act shall apply to the Bank in the same manner in which such section applies to the International Bank for Reconstruction and Development and the International Monetary Fund.

SEC. 705. FEDERAL RESERVE BANKS AS DEPOSITORIES.

Any Federal Reserve Bank which is requested to do so by the Bank may act as its depository, or as its fiscal agent, and the Board of Governors of the Federal Reserve System shall exercise general supervision over the carrying out of these functions.

SEC. 706. SUBSCRIPTION OF STOCK.

(a) SUBSCRIPTION AUTHORITY.—

(1) IN GENERAL.—The Secretary of the Treasury may subscribe on behalf of the United States to not more than 7,011,270 shares of the capital stock of the Bank.

(2) EFFECTIVENESS OF SUBSCRIPTION COMMITMENT.—Any commitment to make such subscription shall be effective only to such extent or in such amounts as are provided for in advance by appropriations Acts.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For payment by the Secretary of the Treasury of the subscription of the United States for shares described in subsection (a), there are authorized to be appropriated $1,050,007,800 without fiscal year limitation.

(c) LIMITATIONS ON OBLIGATION OF APPROPRIATED AMOUNTS FOR SHARES OF CAPITAL STOCK.—

(1) PAID-IN CAPITAL STOCK.—

(A) IN GENERAL.—Not more than $105,000,000 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of paid-in capital stock.

(B) FISCAL YEAR 1997.—Not more than $52,500,000 of the amounts appropriated pursuant to subsection (b) for fiscal year 1997 may be obligated for subscription to shares of paid-in capital stock.

(2) CALLABLE CAPITAL STOCK.—Not more than $787,505,852 of the amounts appropriated pursuant to subsection (b) may be obligated for subscription to shares of callable capital stock.

(d) DISPOSITION OF NET INCOME DISTRIBUTIONS BY THE BANK.—Any payment made to the United States by the Bank as a distribution of net income shall be covered into the Treasury as a miscellaneous receipt.

SEC. 707. JURISDICTION AND VENUE OF CIVIL ACTIONS BY OR AGAINST THE BANK.

(a) JURISDICTION.—The United States district courts shall have original and exclusive jurisdiction of any civil action brought in the United States by or against the Bank.

(b) VENUE.—For purposes of section 1391(b) of title 28, United States Code, the Bank shall be deemed to be a resident of the judicial district in which the principal office of the Bank in the United States, or its agent appointed for the purpose of accepting service or notice of service, is located.

SEC. 708. EFFECTIVENESS OF AGREEMENT.

The Agreement shall have full force and effect in the United States, its territories and possessions, and the Commonwealth of Puerto Rico, upon acceptance of membership by the United States in the Bank and the entry into force of the Agreement.

SEC. 709. EXEMPTION FROM SECURITIES LAWS FOR CERTAIN SECURITIES ISSUED BY THE BANK; REPORTS REQUIRED.

(a) EXEMPTION FROM SECURITIES LAWS; REPORTS TO SECURITIES AND EXCHANGE COMMISSION.—Any securities issued by the Bank (including any guaranty by the Bank, whether or not limited in scope) in connection with borrowing of funds, or the guarantee of securities as to both principal and interest, shall be deemed to be exempted securities within the meaning of section 3(a)(2) of the Securities Act of 1933 and section 3(a)(12) of the Securities Exchange Act of 1934. The Bank shall file with the Securities and Exchange Commission such annual and other reports with regard to such securities as the Commission shall determine to be appropriate in view of the special character of the Bank and its operations and necessary in the public interest or for the protection of investors.

(b) AUTHORITY OF SECURITIES AND EXCHANGE COMMISSION TO SUSPEND EXEMPTION; REPORTS TO THE CONGRESS.—The Securities and Exchange Commission, acting in consultation with such agency or officer as the President shall designate, may suspend the provisions of subsection (a) at any time as to any or all securities issued or guaranteed by the Bank during the period of such suspension. The Commission shall include in its annual reports to the Congress such information as it shall deem advisable with regard to the operations and effect of this section.

SEC. 710. TECHNICAL AMENDMENTS.

(a) ANNUAL REPORT REQUIRED ON PARTICIPATION OF THE UNITED STATES IN THE BANK.—Section 1701 (c)(2) of the International Financial Institutions Act (22 U.S.C. 262r(c)(2)) is amended by inserting "Bank for Economic Cooperation and Development in the Middle East and North Africa," after "Inter-American Development Bank".

(b) EXEMPTION FROM LIMITATIONS AND RESTRICTIONS ON POWER OF NATIONAL, BANKING ASSOCIATIONS TO DEAL IN AND UNDERWRITE INVESTMENT SECURITIES OF THE BANK.—The seventh sentence of paragraph 7 of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended by inserting "Bank for Economic Cooperation and Development in the Middle East and North Africa," after "the Inter-American Development Bank".

(c) BENEFITS FOR UNITED STATES CITIZEN-REPRESENTATIVES TO THE BANK.—Section 51 of Public Law 91–599 (22 U.S.C. 276c–2) is amended by inserting "the Bank for Economic Cooperation and Development in the Middle East and North Africa," after "the Inter-American Development Bank,".

This Act may be cited as the "Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997".

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McCONNELL. Mr. President, I move that the Senate insist on its amendment, request a conference with the House on the disagreeing votes, and the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. COVERDELL) appointed Mr. McCONNELL, Mr. SPECTER, Mr. MACK, Mr. JEFFORDS, Mr. GREGG, Mr. SHELBY, Mr. BENNETT, Mr. HATFIELD, Mr. LEAHY, Mr. INOUYE, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. MURRAY, and Mr. BYRD conferees on the part of the Senate.

Mr. McCONNELL. Mr. President, let me take a couple of minutes. I will take my 2 minutes now.

Mr. President, I think the bill we just passed by an overwhelming vote serves U.S. vital interests. The Camp David Accord commitments are in the bill. There is full funding for the NIS. The New Independent States of the former Soviet Union are earmarked for Ukraine, Armenia, and Georgia, and there is a significant commitment to nuclear safety improvements in Ukraine. As a result of the amendment of the occupant of the Chair, there is full funding for our narcotics effort. NATO expansion—we are taking further steps down the road to NATO expansion not only with the provisions in the underlying bill but also with the amendment of Senator BROWN last night which designated Poland, Hungary, and the Czech Republic eligible for $50 million, the transition fund which is part of the underlying original bill. So I think it is an important step in the right direction.

I thank in particular my long-time assistant Robin Cleveland for her outstanding work on this piece of legislation, and Jim BOND from the Appropriations Committee who always does an excellent job, and also Tim Rieser of the minority staff, who we always enjoy working with, and certainly my friend and colleague Pat LEAHY who it is a pleasure to work with. I have enjoyed our association on this kind of legislation over the last few years, and I look forward to working with him in the future on it.

Mr. President, I yield the floor.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Vermont.

Mr. LEAHY. Mr. President, I congratulate the distinguished chairman in getting the foreign operations bill through in record-setting time. For the last few years, even though we have had to work without an authorizing bill, we have moved this bill through each year in record time. I appreciate the fact that he has had a strong commitment to our responsibilities worldwide.

I worry that at a time—as I said earlier, when it is so easy to get the quick applause lines back home for Members of Congress—when they say, "Well, by gosh. I will never send money to foreign countries," or, "We are only going to spend it here at home," that really what they are saying is that we are not going to develop our export markets worldwide; we are not going to help establish democracy so we do not have to send our men and women into harm's way to protect American interests when democracy fails; and that we as the most wealthy nation history has never known we are not going to carry out our moral responsibility to help those who are less fortunate.

I think next year the President, whoever that may be, and the leaders of this committee and the House committee, the leaders of the Senate and the House, whoever they may be, ought to sit down and honestly face the whole question of what our foreign assistance programs should consist of as we enter the next century.

Senator McCONNELL has taken a very progressive attitude as he always has on this. Many others want to make it a political kickball. I hope after the elections that enough people in both parties would sit down to form a bipartisan consensus, which is always the best way to develop foreign policy, and determine how we should spend our money.

It should not escape the notice of Members that over a dozen countries spend a larger percentage of their budget on foreign aid and foreign policy than we do. Many of these countries face difficult budgetary problems as we do. Some actually spend more dollars; Japan, for example. Some of these countries do it out of altruism but most do not. Most of them do it out of hard-eyed realism. They know that the money they spend is helping to create jobs and, frankly, Mr. President, I would expect that there are those in a country like Japan which relies heavily on exports who are delighted to see the United States withdrawing from the world stage because they know what is going to happen. But the reality is that it is in everyone's interest, both ours and our allies, for the United States, the world's oldest democracy, the world's strongest military power, and the world's largest economy, to remain actively engaged.

It is the American workers who will be laid off because exports decline. It will be Americans who will be a greater burden on their Government because the jobs leave our shores. Our competitors will increase their foreign markets because they have taken an interest in foreign aid and they have created jobs in the developing countries—in Asia, Latin America, and we are seeing the beginnings of a potentially huge market in Africa. Our markets in Europe and the First World are very saturated. If we are going to expand out exports, it is going to be in the Third World, where 95 percent of new births are occurring.

So that is the nonaltruistic argument. If we want to look at just dollars and cents, I hope that those who go home and make the great speeches and get the applause for cutting foreign aid will also at the same time say, oh, and by the way, that plant that once exported tractors that just closed and those 500 workers who are without jobs, I helped that, too. I helped close that plant. I helped shut off our access to markets worldwide, because that is really what they do.

Then ultimately we should ask ourselves the moral question. We in this country spend a few pennies per capita in some of the poorest parts of the world such as sub-Saharan Africa, a few pennies per capita even though we are the wealthiest nation on Earth. We are less than 5 percent of the world's population, but we use a quarter of the world's resources. We have a moral responsibility. In this bill, when we cut everything from UNICEF to assistance for refugees, we should ask ourselves: what do we stand for? Are we really living up to our responsibility to help ease the suffering of the billion or more people who go hungry every day?

As appropriators we have done the very best we could with the resources and the allocation we had. We have really tried to be responsible in all of these areas. But sooner or later, we are going to have to sit down and ask, can we year after year continue to cut these programs? Not if we expect to preserve or influence in the world as a protector of democracy and human rights, not if we expect to see our economy grow, not if we expect to alleviate some of the misery in the world.

With that, Mr. President, I will yield, but I do thank not only my distinguished colleague from Kentucky but also Robin Cleveland, who he mentioned and whose willingness to work in a bipartisan way with my staff was very appreciated, and Jim Bond, the clerk of the Foreign Operations Subcommittee, who I have worked with now for 22 years in the Senate and for whom I have great respect and appreciation. I also want to mention Juanita Rilling of the Committee staff, who has been an especially strong voice for protecting programs that benefit needy women and children; Anne Bordonaro, a Vermont intern from South Burlington who has been assisting the Foreign Operations Subcommittee this summer, and Emelie East, who is a member of the Appropriations Committee staff and manages the affairs of four different subcommittees; and the man who does the work of 20, Tim Rieser, who has worked on everything from the landmine ban to trying to make sure that we are responsible in what we do. Tim, who does the work on our side of the authorizing and appropriating committees, and does it on 20-hour days, deserves credit and our thanks. He is typical of many on our Senate staffs on both sides who are the unsung heroes who make this place work. I also want to thank several other staff members on our side who helped along the way, including Dick D'AMATO of the Appropriations Committee staff whose expertise in trade issues was very helpful, and who worked hard to ensure that humanitarian assistance can get to needly people in Azerbaijan. Diana Olbaum of the Foreign Relations Committee staff was as always a great help, as was Janice O'Connell, and Sheila Murphy of the majority leader's office.

I see the distinguished majority leader on the floor, and I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. LOTT. Mr. President, I extend my appreciation to the distinguished Senator from Kentucky [Mr. McCONNELL], for the outstanding work he did in managing this bill, and also to the Senator from Vermont, who is always ready to go to work and do the job. They indicated they could do it in a reasonable period of time, and while I like for the subcommittee chairmen to get their bills through in 3 hours or less on the appropriations committees, I think they did an excellent job. They did take 16 hours and 15 minutes, which is pretty good considering the long history on foreign operations appropriations bills. There were 11 rollcall votes.

So the Senate is certainly working and producing results, and I thank these two Senators and all Senators for their cooperation and their work in completing the foreign operations appropriations bill.

I might say the Senate now, I believe, has completed action on five appropriations bills. We are ready to begin on the sixth one. I see the Senator from New Mexico is ready to go. I understand that the order of last night provided that the Senate is now to begin consideration of the energy and water appropriations bill. The managers have indicated that they would anticipate amendments to be offered to that bill today. Therefore, I will announce that additional rollcall votes can be expected today unless an agreement can be reached to limit the amendments to the energy and water appropriations bill.

Also, it is my intent and hope that a similar agreement can be reached with respect to the legislative appropriations bill for Monday, thereby allowing all votes to be set at 10 a.m. on Tuesday. So all Senators are urged to cooperate in formulating that agreement. If we can do that, we could work today on energy and water, Monday on the legislative appropriations bill, and then have them both completed with the votes at 10 a.m. on Tuesday.

I hope all Senators who intend to offer amendments to the energy and water appropriations bill will do so as early as possible today so that we can complete action, advise the Members what they can expect on the bill, and then move on to the remaining appropriations bills.

Mr. President, I yield the floor to the chairman of the energy and water appropriations bill.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1959, which the clerk will report.

The bill clerk read as follows:

> A bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum for just a moment until Senator JOHNSTON arrives.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SMITH). Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I first wish to thank the distinguished majority leader for scheduling our bill this morning. It is obvious that we are trying on our side to get as many appropriations bills through as possible. This will be another of those bills, and it is important that we get this one done.

As I understand it, for those Senators or staffers informing Senators who are listening, it is the intention of the leader that we proceed and that there be votes today. However, there is an alternative being circulated, and that is if you would give us the amendments, at least by name, we could agree on what all the amendments are shortly. Then we would urge consent that there not be votes today and that the amendments will be offered the remainder of the day and part of Monday, which I think is a very good approach. But we would like to know what the amendments are today, and that is what we are circulating in the Cloakrooms and on the hot lines.

Mr. President, first, I note the presence of Senator BENNETT JOHNSTON, who for 22 years either chaired or served on this subcommittee, and, frankly, I take over the chairmanship with full understanding that I have a great deal to learn about the intricacies of the Department of Energy, its accounts and all of its various functions, and certainly the Corps of Engineers and the Bureau of Reclamation, which are two very major institutions out there in America that do a lot of good and are frequently criticized, but I believe both are doing a very excellent job in terms of projects and programs they are undertaking. But, essentially, Senator JOHNSTON has taken the lead in many important aspects of building science and research through the Department of Energy, and he has been an advocate of keeping our nuclear arsenal safe, sound and responsive, and much of that occurs by virtue of the policies in this bill and the money appropriated. Since this is his last undertaking on the floor for this bill, I would like to yield to him for his opening remarks, and then I will follow with some.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, I very much appreciate the very warm and generous remarks of my colleague from New Mexico. While he is new in the chairmanship on this committee, he is not new to the committee. We have worked side by side for all of these 22 years, because New Mexico, of course, has a very vital interest in the work of this committee.

The State of New Mexico can thank Senator PETE DOMENICI for the presence and the health and viability of much of that State's Federal presence. The Federal presence in the State of New Mexico is rather overwhelming and would not have been such an overwhelming presence but for Senator PETE DOMENICI. We have worked together to make that so, and it is in the Nation's interest. The national labs, particularly, are an American resource that needs to be nurtured and used and developed and continued for the benefit of this country. So we are very pleased for that.

Also, since this is my last time to manage this bill for the minority, I would like to mention the longstanding relationship I have with the chairman of the full committee, Senator HATFIELD, who was the chairman of this subcommittee and the ranking member. We would trade off on those roles every time the Congress would change. That was a very productive and most pleasant relationship as well. So this committee and its staff and its work are some of the most pleasant and most productive times I have had in this Congress. I thank all for giving me that chance.

Mr. President, I am pleased to join with the senior Senator from New Mexico [Mr. DOMENICI] in presenting to the Senate the Energy and Water Development appropriation bill for the fiscal year 1997 beginning October 1, 1996. This bill, S. 1959, an original bill reported by the committee on July 16, 1996, was approved by a unanimous vote. Yesterday, the House of Representatives passed H.R. 3816. The markups in the House and Senate subcommittees and committees occurred simultaneously, rather than our normal process or House acting first and our waiting receipt of the House bill.

At the outset, I want to commend the chairman of the subcommittee, Senator DOMENICI. He has done an excellent job in putting this bill together, under very difficult budgetary constraints and circumstances. He is an outstanding Member of the Senate and I am pleased to work with him in connection with this bill and on other matters.

I also want to thank the distinguished Senator from Oregon, Senator HATFIELD, the chairman of the full Committee on Appropriations. Senator HATFIELD and I had probably one of the longest running twosomes in the Appropriation Committee on the Energy and Water Subcommittee, I having chaired on and off for a number of years, and Senator HATFIELD having chaired on and off for a number of years, and having rotated as ranking minority member. We. always shared a productive, pleasant, bipartisan, and always, I think, the kind of relationship that Senators seek and glory in when it is present. I treasure his friendship and appreciate the cooperation and assistance given to me.

Mr. President, the Senator from New Mexico has presented the committee recommendations and explained the major appropriations items, as well as the amounts recommended, so I will not undertake to repeat and elaborate on the numerous recommendations. Instead I will just have a few brief remarks summarizing the bill.

PURPOSE OF THE BILL

The bill supplies funds for water resources development programs and related activities, of the Department of the Army, civil functions—U.S. Army Corps of Engineers' Civil Works Program in title I; for the Department of the Interior's Bureau of Reclamation in title II; for the Department of Energy's energy research activties—except for fossil fuel programs and certain conservation and regulatory functions—including atomic energy defense activities in title III; and for related independent agencies and commissions, including the Appalachian Regional Commission and Appalachian regional development programs, the Nuclear Regulatory Commission, and the Tennessee Valley Authority in title V.

602(B) ALLOCATION FOR THE BILL

The Energy and Water Development Subcommittee allocation under section 602(b)(1) of the budget act total $20,308,000,000 in budget authority and $20,202,000,000 in outlays for fiscal year 1997. Of these amounts the Defense discretionary allocation is $11,600,000,000 in budget authority and $11,233,000,000 in outlays. For domestic discretionary the budget authority allocation is $8,708,000,000 and the allocation for outlays is $8,969,000,000. The committee recommendation uses all of the budget authority allocation in both categories, so there is no room for add-ons to the bill. Therefore, any amendments to add will have to be offset by reductions from within the bill.

SUMMARY OF RECOMMENDATIONS

Mr. President, the fiscal year 1997 budget estimates for the bill total $20,648,952,000 in new budget obligational authority. The recommendation of the committee provides $20,735,645,000. This amount is $86,693,000 over the President's budget estimates and about $800 million over the appropriations amounts for the current fiscal year 1996. The large increases in the bill over last year are principally associated with the Defense activities and related Defense programs—what we refer to at 050 national defense accounts. Domestic discretionary spending continues to decline especially in the Department of Energy domestic discretionary functions.

Mr. President, I will briefly summarize the major recommendations provided in the bill. All the details and figures are, of course, included in the Committee Report No. 104-320, accompanying the bill, which has been available since July 17.

TITLE I, ARMY CORPS OF ENGINEERS

First, under title I of the bill which provides appropriations for the Department of the Army Civil Works Program, U.S. Army Corps of Engineers, the recommendation is for a total of new budget authority of $3,455,623,000, which is $89 million over fiscal year 1996 and $163 million more than the budget estimate.

The committee received a large number of requests for various water development projects including many requests for new construction starts. However, as the chairman has stated, due to the limited budgetary resources, the committee could not provide funding for each and every project requested. The committee recommendation does include a small number of new studies and planning starts but no new construction starts. The committee has deferred without prejudice new construction starts and hopes to fashion a small package of new projects before this bill is completed. Because of the importance of some of these projects to the economic well-being of the Nation, the committee will continued to monitor each projects progress to ensure that it is ready to proceed to construction when resources become available. As the committee report points out, the committee recommendation does not agree with the policies proposed by the administration in its budget.

TITLE II, DEPARTMENT OF THE INTERIOR

For title II, Department of the Interior Bureau of Reclamation, the recommendation provides new budget authority of $852,788,000, which is $9 million more than the budget estimate and about the same amount as for fiscal year 1996.

TITLE III, DEPARTMENT OF ENERGY

Under title III, Department of Energy, the committee provides a total of $16.1 billion. This amount includes $2.750 billion for energy supply, research and development activities, an appropriation of $42.2 million for uranium supply and enrichment activities, offset fully by gross revenues; $220.2 million for the uranium enrichment decontamination and decommissioning fund, $1 billion for general science and research activities, $200 million from the nuclear waste disposal fund for a total of $400 million for civilian nuclear waste activities when the $200 million appropriated under the defense activities is included, and $6.4 billion for environmental restoration and waste management—defense and nondefense.

For the atomic energy defense activities, there is a total of $11.583 billion comprised of $3.979 billion for weapons activities; almost $6.0 billion for defense environmental restoration and waste management; $1.607 billion for other defense programs and $200 million for defense nuclear waste disposal.

For departmental administration $218 million is recommended offset with anticipated miscellaneous revenues of $125 million for a net appropriation of $93 million. A total of $245.6

million is recommended in the bill for the Power Marketing Administrations and $146.3 million is for the Federal Energy Regulatory Commission [FERC] offset 100 percent by revenues.

A net appropriation of $159.8 million is provided for solar programs, including photovoltaics, wind, and biomass and for all solar and renewable energy, $246.6 million, a decrease of about $20 million less than fiscal year 1996.

For nuclear energy programs, $229.7 million is recommended, of which about $100 million is for termination costs and activities associated with previous decisions ending support for several activities and projects. The recommendation includes $22 million in funds to continue the advanced light water reactor cost-shared program and the committee has provided funds under termination costs to wind up the first-of-a-kind engineering program.

For the magnetic fusion program, the committee is recommending $240 million, which is $15 million less than the budget. An amount of $389 million is included for biological and environmental research and $649.6 million for basic energy sciences.

TITLE IV, REGULATORY AND OTHER INDEPENDENT AGENCIES

A total of $313 million for various regulatory and independent agencies of the Federal Government is included in the bill. Major programs include the Appalachian Regional Commission, $165 million; Nuclear Regulatory Commission, $471.8 million offset by revenues of $457.3 million; and for the Tennessee Valley Authority, $113 million.

Mr. President, this is a good bill. I wish there were additional amounts for domestic discretionary programs in our allocation but that is not the case. A large number of good programs, projects and activities have been either eliminated or reduced severely, because of the allocation, but such action is required under the budget constraints we are facing. I hope the Senate will act favorably and expeditiously in passing this bill so we can get to conference with the House and thereafter send the bill to the White House as soon as possible.

Mr. President, the big disappointment with this bill, as with other bills, is the paucity of resources given to these most important functions of Government. I think it is a real mistake to starve these functions, which are infrastructure, water projects, ports, harbors, flood protection, and water resources, which are the basis of the economy in much of our country. They have been deferred and deferred and deferred, as well as the national labs and science endeavors, which are funded at, I believe, much too low a level. I hope in the next Congress we will find additional funds to do this.

In the meantime, I think we have done a good job under the leadership of Senator DOMENICI in allocating these scarce resources well.

With thanks to my chairman, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to repeat—Senator JOHNSTON has completed his opening statement; mine will not take but a few moments—the distinguished majority leader has indicated we will have votes. We know of a couple of amendments. We can call Senator JEFFORDS, and there are a couple of others around. What we are trying to do now, and it is being worked through the offices and I urge Senators' offices to help us, if we want to get a unanimous consent that we are not going to have any votes today, then we need to know what amendments are going to be proposed to this bill. That is what we are waiting for. I once again urge that, and we will be here and will be ready to vote on an amendment that might be offered here shortly.

Mr. President, I am pleased to bring to the floor S. 1959, the energy and water development appropriation bill for fiscal year 1996 for consideration by the full Senate. The Energy and Water Development Appropriations Act is normally one of the first appropriations bills considered by the Senate. However, this year the House experienced some early delays because the Energy and Water Development Subcommittee was provided with an allocation that would appear on its face to be insufficient to take care of the mandates of this bill. As a result, the Senate Appropriations Committee took the unusual step of reporting an original bill in order to speed consideration of this act.

I am pleased to report the House completed consideration of its Energy and Water Development Act earlier yesterday and, indeed, additional resources were given to the committee from the first allocation that caused the delay. The Energy and Water Subcommittee marked up the bill on July 11, and the full committee reported it by unanimous vote last Tuesday, July 16. The bill and report have been available to Senators and their staffs since last Wednesday.

I, first, thank the former chairman of the committee, as I already have, Senator JOHNSTON. I thank Senator HATFIELD for his extraordinary work with reference to this subcommittee and its activities over all the years.

I feel confident we have done a good job this year with the resources that were made available. Indeed, with reference to the Department of Energy and, in particular, the Department of Energy's efforts to continue the cleanup in this country from the atomic years and nuclear bomb development era, that has significant increases to continue that cleanup, but under a regime that is causing more work to be done and the work to be done more efficiently.

In addition, some new projects and some additional money have been provided for the whole new concept that is now being used by the Department to maintain the safety of our nuclear weapons. That new stewardship, the science-based stockpile stewardship program, was a few years in development. It is now about 2½ years old, but it is receiving the full attention of the three major laboratories that dealt with nuclear weapons and the nuclear deterrent threat.

It is also having its impact on other facilities that we have in this country to maintain our nuclear bombs in a safe and trustworthy manner.

Some do not recognize, and perhaps they choose not even to think about it, but the Department of Energy, whether one likes the Department or not, is, in a sense, doing very major defense work for America. They are the custodians of the nuclear weapons. We all know we are building down from a very high number to a much smaller number of nuclear warheads. Since we have decided as a matter of national policy that there will be no more underground testing, we have decided that this new science-based stockpile stewardship program will be the scientific source of evaluation of our residual nuclear weapons, the ones we are going to keep, to make sure that they are safe and trustworthy.

You know, the American military men from the Navy all the way through—it is those people out there that we are worried about. It is for them that we want to make sure we keep weapons in the highest quality of maintenance. For they are the front line and we want the weapons in their hands to be the very best, in terms of safety and trustworthiness and reliability. That is a big mission.

So, in this bill, as in the defense authorization bill, a significant new asset was added this year, a resource so that the three major laboratories can continue to develop the technologies and techniques and equipment that will be necessary to maintain these weapons without the benefit of the science and technology that would come from underground testing, which is a very big undertaking.

Will it work? We hope so. The greatest scientists in America working at the laboratories are bound and determined to make it work. In fact, they have committed to the Joint Chiefs of Staff that it will work. The Joint Chiefs of Staff have, thus, approved this approach, but they have made it very, very clear that they do not want to abandon the test site in Nevada.

It must be maintained in a readied posture, because if this new approach fails, we will have to verify and secure our weapons performance and trustworthiness through other means.

So at the same time we are moving ahead in a new approach, we have to maintain some of the old. That costs a little bit of extra money, but not an amount that this Senator believes our taxpayers would not willingly pay if the issue is, since we must maintain a nuclear arsenal, let's make sure we maintain it in the best possible way in terms of reliability, trustworthiness, safety, and security. I am sure that as the Department of Energy moves through the next few years with this new approach, there will be plenty of opportunity for this subcommittee, the Armed Services Committee, the Joint Chiefs of Staff and other groups within the executive branch, to make sure that it is being done right.

The Energy and Water Development Subcommittee funds are used not only for the Department of Energy's defense activities, but, obviously, there are three other major activities. The Department of Energy does some nondefense work, and we have to pay for that in this bill. Then we have the Bureau of Reclamation and the Corps of Engineers.

Let me suggest that we are operating on the nondefense side. We are operating at a freeze level for the corps and the Bureau. The Corps of Engineers, nonetheless, in an overall macrosense, will increase $89 million. Energy supply and research, $22 million and high-energy physics, $20 million. These are programs and activities that are nondefense oriented.

Also, uranium supply enrichment, a minus $29 million; uranium enrichment decontamination and dismantling, a minus $59 million; departmental administration, we have reduced that by $149 million, $37 million more than the Department proposed when they suggested $122 million should be saved at the administrative level of the Department.

We have made some difficult decisions in the nondefense activities. While we have reduced popular programs such as solar and renewables, we have held the line on fusion, high-energy physics, nuclear physics, and biological and environmental research, all very, very important functions for our Nation's future.

There are many who are not even aware that these are taking place within the Department of Energy, but they are, and they are programs that contribute mightily to America's basic science and to the future of our Nation. I am very hopeful that we can fund them adequately as we come out of conference with the House, although I must say that the allocation of resources to the House subcommittee, both for nondefense and for defense activities, is substantially lower than the Senate's. In fact the sum total by which it is lower than ours is almost $1 billion—$900 million. A little over $200 million of that is nondefense work and about $700 million is DOE defense work.

Since we have a firewall, we cannot move the money back and forth in this bill between the defense allocation and the nondefense allocation. So some might want to offer an amendment to take something out of defense and put it in domestic. They should know that is subject to a point of order and will require 60 votes because it violates what the U.S. Senate has agreed for this year as a firewall between defense spending and domestic.

I could go on with a few more discussions of what we are doing here, but let me just talk a minute further about the water resources projects.

Frankly, the U.S. Senate should know that for all that is being said by some in America that we should not be engaged in so many projects of flood protection and Bureau of Reclamation-type activities, the Senators and the States they represent seem to indicate with a very loud voice that they need these projects. We received hundreds of requests either to start projects or to put more money in projects that we have for these two online agencies of the U.S. Government.

The Corps of Engineers, in its civil works program, has a budget authority in this bill of $3,455,623,000, as I indicated, an increase of $89 million.

Title II of the bill funds activities associated with the Department of the Interior's Bureau of Reclamation and the central Utah completion project. Total funding recommended for these activities is $852,788,000. This is a reduction of a little over a half a million dollars from the enacted level and about $8,900,000 above the budget request.

We still have a number of requests in both title I and title 2 with which we have been unable to comply. I must say to Senators, consistent with a starting rule, that we will have no new starts. We have done our very best to be fair and equitable and I believe satisfied many of the requests.

I do not say that Senators request and we grant them their requests. These are projects that go through the professionals in the Department and actually are confirmed to us by them as being worthwhile and the kind of things we ought to be doing.

Obviously, there is much more I could speak about of an exciting nature that is going on in the science and research part of the Department of Energy. I have just touched the surface of it, but if there are amendments that address any of these projects or programs, we will spend additional time with the Senate explaining why we think the levels of funding in this bill are appropriate and the activities that we have recommended be funded are in the best interest of the United States.

As my ranking member and former chairman said, a lot of this bill is investment, either investment in the water ports of this Nation or the infrastructure of water projects, reclamation projects, flood protection projects and a lot of it is an investment in the Department of Energy, for when you invest in nuclear physics, when you invest in the highest science around to determine what the atom is all about and what the physics of that is, you are investing in the future of mankind and certainly in America's future.

These kinds of funds do not stay in the Department, nor do they go exclusively to laboratories. Much of it goes to the great universities and science activities going on in this country.

So I am very proud of the bill. Let me repeat, many Senators have stopped me on the floor and wanted to know if we are going to vote today. The answer is, there is a way that we will not have any votes, and that is if Senators will cooperate, as they have been, and tell us whether they have amendments. If they have amendments, we want to list them, and then we will be here part of today to accept any of them that Senators want to offer. Then we will ask in a consent request that on Monday, there also be an opportunity for further offering of those amendments that we have agreed to, with votes on Tuesday, is what I understand on this bill. There may be other votes on Monday, but on this bill, I assume that is going to be the scenario.

I yield the floor at this point, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, I came to the Senate in January 1989. I was not here very long before I realized our State was facing a very difficult problem with the sudden surge of the importation of out-of-State waste. Our capacity to dispose of our own waste was quickly being filled to overflowing, and action needed to be taken.

The State of Indiana Legislature has taken a number of steps to attempt to limit this flow of unwanted waste coming from other States. Yet, each one of their attempts was met by a court challenge, and a challenge that was successful in that it said we were violative of the interstate commerce clause of the Constitution.

In reviewing the court opinions on that subject, we discovered the court said if the Congress specifically and affirmatively grants States the authority to regulate its flow of out-of-State waste, then it would meet constitutional muster. So, I then proceeded to offer legislation on that subject to find a solution to not only our problem but a number of importing States' problems throughout the country.

That was a contentious issue at the time, and it was tied up in filibuster and a whole number of procedural delays. We persisted, and in September of 1990, a modified version of my original amendment passed the Senate by a vote of 67 to 31, as an amendment to the District of Columbia appropriations bill. It was not a partisan issue. It was a bipartisan issue—Democrats and Republicans joined together to pass this legislation.

Unfortunately, in the conference on the appropriations bill in 1990 in October, just before we adjourned for the elections, that provision was stripped. That was the 101st Congress.

In the 102d Congress, early on in that Congress, March of 1992, I introduced new legislation which, after some considerable debate and maneuvering, we managed to pass by an even more overwhelming vote. I was joined by the Senator from Montana in that effort. He was very helpful in allowing us to move forward on that legislation. It passed the Senate in July of 1992 by a vote of 89 to 2. We had addressed a number of the objections that were raised in the original legislation, States that had particular and peculiar problems, and we even worked with the exporting States that were putting the waste into play on an international basis, and satisfied a number of their demands.

In other words, we achieved a balance, a balance between the legitimate needs of those States that found State waste overwhelming their own environmental plans to adequately dispose of their own waste to protect their environment, and we addressed the needs of the exporting States who needed some time to ratchet down their exports, out-of-State exports, and deal with their waste on an intrastate basis. That accommodation resulted, as I said, in that vote in 1992. The support from the Senator from Montana was critical to that success.

Unfortunately, the House failed to act on that legislation, which brought us to the 103d Congress. In February 1993, I again introduced the interstate waste bill, and after considerable negotiations and work, we passed that bill in the Senate, the Coats-Baucus bill, in September 1994. In October, it passed the House and came to the waning days of the 103d Congress, and because of procedural reasons we needed unanimous consent to proceed with that. We moved the legislation through the House, through some very difficult negotiations, got 435 Members of the House to agree to that, and we got 99 Members of the U.S. Senate to agree. Unfortunately, we could not get that last vote. Because we needed all 100 and needed unanimous consent to proceed to the legislation, it failed.

Then the 104th Congress came, and in March 1995 I reintroduced the legislation. In May, on May 16, 1995, on my birthday—I do not think it was a birthday present from the Senate to me, but it happened to fall on that particular date—the Senate passed that new legislation by a vote of 94 to 6. The House subsequently has done nothing.

Now, I am hoping that Members will detect there is a pattern here, that there is a pattern that this issue is not going to go away, and that I will keep introducing that as long as I have voice to speak and the good people of Indiana choose to send me back to the U.S. Senate. This is an issue that is not only important to my State, the people who I represent, but it is important to the Nation.

Given the votes that we have had here in the Senate, a lot of people are wondering, why can't we finalize this? We cannot finalize it now because the House refused to act on it for a number of reasons.

We are not going to give up. The pattern is we will just keep coming back and back and back and back and back until this issue is resolved and we strike the necessary legislation and put it into law, giving States control over their own borders.

The legislation before the Senate is a bipartisan effort. I am being joined this morning by Senator LEVIN from Michigan, another importing State. I know a number of other Senators here have a vested interest in this issue, and whether they need to come to the floor to discuss this or not, I am not sure. I am confident we can move forward. But, again, we want to make the point that this legislation is not going to go away. My effort is not going to go away. We are going to persist with this until we finalize this.

This is an amendment, with due respect to the chairman and the ranking member of the Energy and Water Appropriations Subcommittee, this is an effort to try to attach it to somewhat relevant legislation so that we can get it into conference and hopefully convince the conferees that this strongly bipartisan, strongly supported effort, after literally years of intense negotiations—with importing States, exporting States, all involved; waste haulers, all involved—we have reached a reasonable agreement that ought to be enacted into law.

I am offering it this morning along with my colleague from Michigan, Senator LEVIN. We do strike an appropriate balance. What we are offering today is exactly the same legislation that the Senate has voted on in this Congress and passed by a vote of 94 to 6. In the interests of time and in the interests of Senators who I know are trying to make plans to travel back to their States for this weekend, and to move this appropriations bill forward, I am going to limit my remarks to this, unless I need to respond to questions or opposition raised on this particular legislation.

I thank the chairman for his tolerance and willingness and his support in this effort to, once again, move this legislation. I yield the floor.

Mr. DOMENICI. Mr. President, I know Senator LEVIN wants to speak to this very important legislation.

Mr. COATS. Will the Senator yield?

Mr. DOMENICI. I am happy to yield to the Senator.

AMENDMENT NO. 5092

(Purpose: To provide authority for States to limit the interstate transportation of municipal solid waste)

Mr. COATS. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. COATS], for himself and Mr. LEVIN, proposes an amendment numbered 5092.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. COATS. Mr. President, I ask for the yeas and nays.

Mr. JOHNSTON. Mr. President, I think we are willing to accept it.

Mr. DOMENICI. I believe we are willing to accept it. That is what I told the Senator.

Mr. COATS. Mr. President, I will withhold that request at this time.

Mr. DOMENICI. We will have to talk about it. We are working on the premise that if we get all the Senators to agree to the amendments on a list, there would be no votes today. We would like very much to see if we can get that worked out.

That would not preclude the Senator from having a yea and nay vote on Tuesday, although I recommend that he not do that. We are not taking anything away.

The PRESIDING OFFICER. Does the Senator withdraw the request for the yeas and nays?

Mr. COATS. I temporarily withdraw that request.

Mr. DOMENICI. Mr. President, once again, I want to say publicly what I told the distinguished Senator from Indiana. We are willing to accept this amendment and take it to conference. It is obvious that, at one time or another, legislation like this has received almost the unanimous support of Congress. Because of that, we will take it.

I want to say to Senators one more time—not those here, but Senators and staff in their offices—who are concerned about what is going to happen for the rest of today, Monday, and Tuesday. We are asking each office to tell us if they have amendments to this bill. We are making some real headway. There are a few offices we have not been able to work this out with. But it is important to get that done. That will define the schedule for the remainder of the day.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I am pleased to cosponsor the amendment of the Senator from Indiana. He has worked on it so long and hard, and so many other Members of this body, particularly Senator BAUCUS of Montana, the Senators from Louisiana, and so many others, to finally give States and local government some control over the flow of waste both into their jurisdictions and out of their jurisdictions.

The Senate has expressed its will on this issue over and over again—most recently, in May of last year by an overwhelming vote of 94 to 6. The Senator from Indiana has gone through the number of times that the Senate has expressed its will. He has gone through the number of ways in which the vast majority of House Members have expressed their will on this matter in support of this legislation, made necessary by a Supreme Court decision which said it is up to Congress to decide whether or not it wants to give these powers to the State and local governments.

Now, Michigan, my State, my counties, and my townships have plans for waste disposal. They have invested in it. They spent a lot of time with these investments and a lot of money on these investments to dispose of their waste locally. Those plans and those investments are totally disrupted when contracts are entered into without consideration by State, county, or local government of the impact of those contracts for importing waste into those areas, because when you import waste in that way, without consideration of plans, and without consideration of the efforts that local governments have made to dispose of their own waste, it totally disrupts those efforts and those expenditures. It is not right.

States and local governments have a right to do that planning and to make those investments in order to dispose of their own waste and not see their own plans displaced by the import of waste from other places, based on contracts between haulers and those other places.

Our local people should not be dumped on any longer. They should have some control over their own jurisdictions, and over their own land. That is what this issue is really all about. And so I want to commend all the Senators who have been involved in this effort for so many years. It has been truly a bipartisan effort all along. It will continue to be that. It will continue to be made until we finally not just get a bill passed in the Senate, which we have done over and over again, but get the same bill passed by the Senate and the House. And this effort to adopt this amendment on this particular appropriations bill is another statement to the House that we expect action this year.

Here we are with, perhaps, 30 legislative days left in this session. Last year the Senate expressed itself. I, on at least one occasion, have stood up saying I was going to offer this kind of amendment, and have been dissuaded from doing so based on the assurance that there would be efforts made to get the House to act. The House has not acted. There are a few people there who oppose it, who have been able to displace the will of what appears to be a clear majority of House Members.

It is simply time that we again express ourselves as a Senate on this issue, not just speaking into the ether, but speaking directly to the House and saying we are very serious that we want this bill—at least we want consideration of both parts of this bill by the House this year, on both the questions of interstate waste coming into a State and the question of flow control of waste from a State. Both of those subjects are covered in this bill in a balanced way, as the Senator from Indiana has said, in consideration of both importing and exporting States.

Before I yield the floor, I simply again want to thank my good friend from Indiana, and particularly single out the Senator from Montana, who, for so many years, has fought this battle. It will be essential not just to his State, my State, Indiana, Louisiana, and other States, but to all of our States that we finally have some control over our own land, over our own plans, over our own investment for waste disposal. The Senators from Indiana and Montana have been leaders in that effort.

Mr. JOHNSTON. If the Senator will yield. Mr. President, I cosponsored a bill on this subject matter filed by my colleague, Senator BREAUX, a few years ago. Does this differ in any way from that?

Mr. LEVIN. I wonder if I could ask my friend from Indiana, I understand this bill is precisely the same as S. 534, which passed in May 1995 by a vote of 94 to 6, and that that bill is this amendment. That is my understanding.

Mr. COATS. Mr. President, the Senator is correct. The amendment we are offering today is identical, word-for-word, to the legislation that passed this body earlier in this session of Congress.

Mr. JOHNSTON. That was this session?

Mr. COATS. Yes, it was. I can give you the exact date.

Mr. JOHNSTON. Is it the same as we had a few years ago?

Mr. COATS. It has been modified from the original legislation. We have addressed some of the concerns of the exporting States and struck a balance between the timetables, in terms of their ratcheting down the exports, and we made some adjustments on the importing State side. We allow, for instance, local jurisdictions to enter into what are called host agreements. We do not upset those agreements. We don't want to breach any contractual obligations already entered into. We have added flow control language to address that particular issue, also. This is identical to what we passed in 1995 in this Congress.

Mr. JOHNSTON. Well, Mr. President, I commend the Senators for proposing this legislation. Being one of these recipient States of this waste, who has never been able to control this situation, I commend them for coming up with a solution that I believe will work. Of course, the minority will enthusiastically accept the amendment.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I don't want the sponsors to have any concern about whether the Senator from New Mexico favors this when we go to conference. I favor it 100 percent.

We were a State that was at least threatened with all kinds of external dumping of garbage in our State. We talk about solid waste, but this is not nuclear waste. This is essentially garbage with maybe a little frill on the edges.

So I will take the bill. I want the Senator to know I will take it. I will take it and try to keep it. I think we ought to pass it. Whether our bill gets to the President and gets signed, we may have that confronting us. We are going to do our share of trying to keep it in conference.

Mr. COATS. If the Senator will yield, I am fully aware of the perils and pitfalls of moving appropriations bills to the executive branch and having the President sign them. I know that is not directly related, although I think it is indirectly related to energy and water.

I appreciate the commitment from the Senator from New Mexico in doing his very best to see if we can add this in an appropriations bill and get it accepted in conference.

As I said, this is not a partisan issue. The President has already indicated that he would sign this particular provision. So this will not be a deal breaker.

If I can get the commitment from the Senator from New Mexico and the Senator from Louisiana that they will fight for this effort in conference and do their best to reflect the Senate position on this, in deference to my colleagues, who I know are seeking to catch planes and wrap up the session, if there are no other votes ordered on this legislation, I will not be the one to scuttle the picnic here. So I will make that commitment to the Senator.

Mr. DOMENICI. I want to make one additional point. I have just received word that Senator CHAFEE wants to come down and speak on the measure. I think it is quite appropriate. He is chairman of the subcommittee of original jurisdiction. We did not intend to vote or accept this in the next few minutes anyway. So if Senator CHAFEE wants to speak, we urge that he come down as soon as he can.

Mr. BAUCUS. Mr. President, I am happy the Senator from Indiana offered this amendment. He has been committed, including the Presiding Officer, for many years to trying to get this passed.

There has been a development which makes this legislation more imminent. Recently, the city of New York announced that it is going to close its Fresh Kills landfill. Fresh Kills landfill is probably the biggest landfill in this country. They receive 13,000 tons of garbage a day at Fresh Kills landfill in New York. That amounts to 1,200 trucks a day of garbage dumped at the Fresh Kills landfill. That is going to be closed. It will be closed in 2 years. I think it will be phased out ultimately by the year 2001.

That is a problem. It is a problem for a lot of so-called importing States, States that receive other States' garbage. It is a problem because States are having a very difficult time enacting laws providing for incinerators. People do not want incinerators to burn garbage.

This is a major proposal in the State of New York for the State of New York to build a major incinerator in Brooklyn. It has been turned down. It is the old not-in-my-backyard syndrome. Nobody wants an incinerator in their backyard.

So incinerators are not getting anywhere, which means that New York has a problem. New York City has a big problem with Fresh Kills closed. Where is all that garbage going to be, 13,000 tons, 1,200 trucks a day?

That is just an example of the problem that we face.

I might say that my State is typical; that is, Montana has wide open spaces. A lot of folks from the East think that is a good place to dump garbage. "Let's dump it out in the West. They have wide open space out there."

Regrettably, a major entrepreneur in an Eastern State decided that he wanted to open up a big landfill in Miles City, MT. We in Montana do not want this big landfill in Miles City. He was able to cut a deal with a couple of folks in Miles City to build this landfill, whereas the vast majority do not want this landfill in Montana. The State of Montana could not pass legislation prohibiting this, could not pass legislation limiting the dumping of out-of-State garbage in our own State. Why? Because the Supreme Court says the States cannot do that. It is in violation of the commerce clause of the Constitution.

Very simply, this is a very basic proposal. Basically, we are saying that by the passage of this legislation, with some modifications, the States have the right to say no. They have a right to say no to the shipment of out-of-State garbage being dumped in their State.

We talk a lot around here about local control. We talk a lot around here, "Gee, let States decide their own destiny, and let local communities decide their own destiny." This legislation will allow States to do that. They will be able to say no to the dumping of out-of-State garbage in their own States.

I hope that the House conferees take this provision. It is going to be difficult.

I very much appreciate the statement of the manager of the bill, the chairman of the Budget Committee, Senator DOMENICI, as well as its ranking member of the subcommittee, Senator JOHNSTON, that they will push for this amendment in conference. The trouble is that the House has not looked very favorably on this legislation recently. It is basically because of who is on what committee over in the House and what States are exporting States. It is a problem.

But I urge our Senate conferees to be very vigorous in pushing this amendment in conference, because then, finally, we are going to get this thing enacted.

I can tell you that there are a lot of people in our country who very much want to control their own destiny in a lot of ways, and one way is to be able to say no to the shipment of out-of-State garbage. I have been working with Senator COATS on this for years.

When the Democrats were in the majority, I had the subcommittee that got this legislation passed a couple of years ago. This is very similar to that legislation, this proposal before us.

I very strongly commend the Senator from Indiana for his very, very deep dedication to this issue. I hope we can finally get it passed.

I yield the floor.

Mr. COATS. Mr. President, I would like to add as original cosponsors to the bill Senator SPECTER, Senator BAUCUS, and Senator MCCONNELL.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I am pleased to be an original cosponsor of this amendment that will get a grip on the serious problem of interstate waste. I am also pleased to be working again with Senator COATS on an issue that affects both our States—the unchecked flow of interstate waste.

As you and many of my colleagues are aware, out-of-State waste creates problems for States that are unable to control the amount of trash that is sent across the border for disposal. This imported waste takes up landfill space, which complicates State and local waste planning and requires States to devote valuable resources to the problem other States have neglected. Scarce landfill space in Kentucky should be allocated for Kentuckians, not trash from hundreds of miles away.

During my tenure in this Senate, I have committed myself to resolving this issue and ensuring that Kentucky doesn't become a dumping ground to out-of-State waste. In 1990, and every year since, I have introduced legislation or worked with Senator COATS in crafting language that has ultimately led to the compromise legislation that came so close to passing last year.

In 1990, I introduced S. 2691, a bill to give States the ability to fight long-haul dumping by charging higher fees for disposal of waste coming from other States. This bill passed the Senate with 68 votes.

During the 102d Congress, I introduced S. 197 to once again provide States the authority to impose a fee differential for out-of-State waste. In 1992, Senator COATS and I joined forces and produced comprehensive legislation to provide States the authority to regulate waste. That same year, the Senate passed an interstate waste bill by an overwhelming vote of 88 to 2. Unfortunately, the bill died in the House.

During the 103d Congress, I joined with Senators COATS and BOREN in introducing S. 439. Although the Senate didn't act until late in the session, Congress came extremely close to passing an interstate waste bill. Again, the House stalled long enough to effectively kill the bill on the last day of the session.

Last year, the Senate passed a waste bill, S. 543 which passed 94 to 6. This legislation is a fair proposal that gives communities control of not only their own waste streams, but the flow of trash from other States, it will protect importing States like Kentucky and Indiana from becoming garbage colonies for States who aren't willing to deal with their own waste problems.

Mr. President, this issue has recently come to the forefront of national news with the announcement of the closure of Fresh Kills landfill in New York. This 3,000-acre monstrosity located on Staten Island receives 26 million pounds of garbage daily. The 48-year-old landfill, known as the world's largest garbage dump, is so enormous that it can actually be seen by orbiting astronauts.

Closure of this facility will necessitate an astounding outflow of garbage from New York City that will be absorbed by States as far away as Kentucky. I, for one, refuse to stand by and allow Kentucky to become a garbage colony.

Unfortunately, the House has absolutely stalled on this issue. Hopefully, with the inclusion of the Coats amendment, interstate waste problems will finally be addressed during a conference with the House of Representatives.

Mr. ROBB. Mr. President, I rise today in support of the interstate waste amendment offered by the Senator from Indiana.

Last Congress, I introduced legislation to give localities the opportunity to restrict the flow of interstate waste into landfills in their communities. In my view, it is essential that local governments be given the authority they need to determine for themselves whether to accept out-of-State waste. I am pleased that S. 534, the legislation which passed the Senate overwhelmingly last year, contained provisions that will help protect communities from being inundated with unwanted garbage generated out-of-State and provide localities with some leverage to deal with landfill developers who seek to dispose of out-of-State trash.

The pending amendment—identical to the one we passed last year—deserves the support of all Members. In my view, it strikes the appropriate balance between importing States and exporting States, and solves a problem which has persisted for too many years. Because this issue deals with interstate commerce, only Congress has the authority to resolve the problem of unwanted out-of-State garbage, as the Senators from Indiana, Michigan, and Montana have discussed. Therefore, I urge my colleagues to reaffirm our support for this legislation, and make passage of this bill a priority during the remainder of this session.

With that, Mr. President, I thank my colleagues and yield the floor.

Mr. COATS. I yield the floor, Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I see the chairman of the committee and the ranking member on the floor. I mentioned earlier that I very much appreciate the statements by them, if they will urge the House to adopt this amendment.

Might I ask the chairman of the committee, along with the ranking Member, if they will, in pushing this, consult with the chairman of our committee, Senator CHAFEE, as well as the ranking member as you work with the House in attempting to persuade them to adopt the amendment. As we all know, there might be give and take and some modifications. I very much hope that the managers would consult the managers of the authorizing committee.

Mr. DOMENICI. Let me respond. This is not just a Republican bill. So I would say for the Record that we will consult not only with the chairman, but we will consult with the ranking member of the committee of jurisdiction as it moves its way through.

Mr. BAUCUS. I appreciate that. I thank the Senator.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEMALE GENITAL MUTILATION

Mr. REID. Mr. President, I would like to take this opportunity to commend the managers of the bill we passed this morning, the foreign operations appropriations bill. In that measure, one of the amendments accepted by the managers deals with a subject that I have spent many months of my legislative career on. It is an issue that has become easier to talk about, by this Senator, but not easy to talk about. I have spoken a number of times about the issue of female genital mutilation.

I was of course struck last week, Mr. President, when again I read in the Washington Post, and the same article appeared in newspapers around the country, that another young girl died as a result of this barbaric practice. This death occurred in Egypt, an 11-year-old girl.

Mr. President, these brutal, vicious practices take place all over the world. These practices leading to death are not reported often, even though deaths occur frequently. In this instance, the one in the Washington Post last week, the Associated Press:

> An 11-year-old girl bled to death after a botched circumcision performed by a village barber, police officials said today.
>
> The officials said the child, whose name was given only as Sara, died Friday in a Cairo hospital after doctors were unable to stem bleeding.
>
> The girl's clitoris was removed, in line with custom, by a barber in a village in the Nile Delta the day before, when several girls were circumcised during a village celebration. . . .
>
> The government has sought to end female circumcision . . . a ritual aimed at keeping women clean and chaste. It has banned the practice from state medical facilities.

Mr. President, what is this practice that is sweeping the country? It is something that has been in existence for a long time. FGM is the cutting away of female genitals and then sewing up the opening, leaving, many times, only a small hole for urine and menstrual flow. It is performed on children, but it is also performed on girls, and it is also performed on young women, up to age 22 or 23 years old. The initial operation, as indicated in this news article, leads to many health complications, complications that plague these young women most of their lives, if they are fortunate enough to survive the initial cut.

The immediate health risks are not over after a couple of months or even a couple of years after the operation. During childbirth, additional cutting and stitching takes place with each birth, and all this recutting and stitching creates scar tissue and emotional scars that are not seen.

There is no medical reason for this procedure. It is used as a method to keep girls chaste and to ensure their virginity until marriage, and to ensure that after marriage they do not engage in extramarital sex.

In September 1994, I introduced a sense-of-the-Senate resolution condemning this cruel practice and committed at that time to inform my colleagues and the country about this practice. This sense-of-the-Senate resolution was passed. A month later, I introduced a bill to make this procedure illegal in the United States, and called upon the Secretary of Health and Human Services to identify and compile data on immigrant communities that have brought this practice to the United States. I have been joined in this effort by the junior Senator from Illinois, CAROL MOSELEY-BRAUN, and the senior Senator from Minnesota, Senator WELLSTONE. I am happy to report my legislation directing the Secretary of Health and Human Services was passed this year in the omnibus appropriations bill. Another amendment which criminalized FGM in the United States is still pending in the immigration bill.

Mr. President, this barbaric practice is now being conducted in the United States because of the inflow of people from around the world. We have had a report in one California community where there were seven of these practices committed on young women. I hope the conferees working on the immigration bill are allowed to proceed and get this very important bill ironed out, and this provision I direct the Senate's attention to.

FGM is a practice that has been around for thousands of years. In fact, some say it was there during the time of Cleopatra. We need to continue to talk about it, insist upon aggressive education of communities, especially African communities that practice it, as well as implementation of laws prohibiting it.

Mr. President, 6,000 young women and baby girls are mutilated each day—6,000. Two million girls are mutilated a year, at least.

I have three little granddaughters and a daughter. To even think about a procedure like this, on these people that I love—it is hard to consider. Six thousand people, just like my little granddaughters and my daughter, are having this done to them each day. It is estimated we have had about 130 million girls and women genitally mutilated. The practice is predominantly practiced in Africa; 75 percent of all cases occur in Egypt, Ethiopia, Kenya, Nigeria, Somalia, and the Sudan. In Somalia, 98 percent of the girls are mutilated; 2 percent escape.

Today many African countries are sifting through their cultures and revising some traditions while holding on to others. The time is right for the international community to take a stand against this practice, without destroying the cultural integrity of the Africa countries where it is entrenched.

Mr. President, if the international community and some organizations are so concerned about human rights violations, why they do not talk about this—some do—and why there is not an outrage in the international community to stop this, is beyond my comprehension. There are certain practices that take place in some countries. We do not like the way they conduct their prisons. We do not like the way they handle their arrests, their interrogations. For Heaven's sake, why do we not care what they are doing to 6,000 girls each day?

Mutilation is not required by any religion. It is an ancient tradition designed to protect virginity. That is what it is for. In communities where education initiatives have taken place, we are starting to see the death rates are down and the health risks certainly outweigh the dated notion that this procedure will keep girls chaste. In the past, FGM was mishandled on the international level. It was sensationalized and spoken about in a condescending manner. This approach created a defensive reaction, forcing the practice to go underground.

As African immigrants move throughout world, taking this barbaric practice with them, many women are working to halt the practice in their new communities. Few are willing to speak up in their traditional communities. But this is occurring in countries where they immigrate. They are immigrating to the United States, Canada, Australia, France, and the United Kingdom, to name only a few.

The United States, I believe, is a world leader and needs to realize its influence in the world. I do not believe it is our place to go into other countries and dictate their traditions. But, at the same time, we need to show African governments that we take this issue seriously. We need help from others in the international community. We expect those countries to work not only to pass laws stopping this, but to work to educate people about the harms of this ritual and, in the process, take steps to eradicate the practice.

Most often we refer to FGM and women, but we need to look at this, Mr. President, from the eyes of those who talk about child abuse. This is not spanking, this is not correcting children; this is mutilating children, and we certainly have to speak out against this.

Children do not deserve having this done to them. Young ladies do not deserve having this done to them.

We know a lot about the psychological effects of child abuse. We know that because we have had significant studies recently in the United States. Imagine the psychological effect this must have on children from the initial operation throughout adulthood.

Mr. President, I first learned about this from a friend of mine. A mother of six children sent to me a videotape of a program that was on one of the TV stations about this happening in Egypt.

A beautiful little 6-year-old girl comes to a party. She has on a white dress. She is dressed for a celebration—cake, drinks, party. Suddenly, they grab this little girl, spread her legs and cut her genitals out. The little girl, when it is finished, screams, "Daddy, why did you do this to me?"

Mr. President, 6,000 young children each day are screaming, "Why did you do this to me?" The health complications are a constant reminder of the mutilation they underwent.

I had the opportunity and the pleasure to meet a courageous young woman by the name of Stephanie Welsh. Stephanie is a young lady who graduated from Syracuse University and wanted to see the world. She went to work for an international news organization in Kenya.

While there, she became interested in this barbaric practice of female genital mutilation. She tried for a long time to get someone within the community to allow her to view one of these procedures. They do 6,000 of them a day in the world, so they go on all the time in Kenya. She could not get anybody in the city to allow her. They did not trust this non-African from the United States.

So Stephanie went out into the country. She befriended some people, and they allowed her to take photographs of this ritual. A courageous woman. In fact, the day she completed this, they had no water in the village. She couldn't drink the water because of typhoid, and she walked 15 miles without water in the very hot desert Sun in Africa carrying her film.

She had to go to a small community in the bush because communities closer to the cities know the Western view of FGM is torture rather than ceremony and would not allow her to observe.

This is the young girl. Her name is Seita. This beautiful child of 16 was told that if she was going to continue her education, she had to have her genitals cut out, in effect. So she came home and went through this process. This is the girl.

This picture, which I hope you can see, shows five people over Seita. It took five people to hold this strong 16-year-old down while they proceeded to circumcise her, is the gentle word.

This, Mr. President, is the picture that Stephanie Welsh—who, by the way, won a Pulitzer Prize for her courageous photography—this is Seita in the bush looking at herself to see what they have done to her.

Of course, Stephanie describes the scream of this 16-year-old girl. She is checking herself here to see what has been cut away, if enough has been cut away so they do not have to do it again.

The next one is the picture of the instrument of torture: a double-edged razor which you buy in a drugstore. I do not know how many times it has been used or what it has been used for. This is what they used to cut out Seita's genitals. You see the white on her hand. That is what they use to stop the bleeding. It is the fat from a sheep, sheep fat, goat fat, that they use. This is the hand that did the torture, did the brutality.

Here, Mr. President, is something—I am used to the picture now, but I was not in the beginning—this is Seita's foot. This is the blood that is flowing from her body after this torture. The red here is not something on the ground, it is not a blanket, it is not a scarf, it is Seita's blood, the blood on her foot, going up between her toes, on her other foot from her.

The final picture of the Pulitzer Prize-winning series is this girl being comforted by one of the village elders.

The pain will last for a lifetime and complications will last for a lifetime. So I very much appreciate the committee accepting this amendment last night. This amendment will give the U.S. executive director of each international financial institution the power to oppose loans for the government of any country that does not enact laws that make it illegal and enact policies to educate and eliminate this brutality.

I know the custom is deeply embedded in African culture, but that does not mean we should stand by and pretend it is not happening. Simply making it illegal will not be effective. Many of these communities are located in remote areas, and there would be no logical means to enforce the law. Therefore, more than making it illegal, we need to insist upon governments educating people to the health risks and dispelling the myth that FGM keeps women chaste.

Mr. President, I very much appreciate the managers of this bill allowing me to speak on this issue which I feel very strongly about, and I hope the international community will join with us in educating and stopping this brutality of 6,000 girls each day.

The PRESIDING OFFICER (Mr. GORTON). The Senator from New Mexico.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

Mr. DOMENICI. Mr. President, Senator GRASSLEY wants to speak as in morning business. But before we do that, we would like to adopt the Coats amendment to this bill at this time.

AMENDMENT NO. 5092

Mr. DOMENICI. Mr. President, we have no objection on our side to adopting the Coats amendment, and there is no objection on the Democratic side.

The PRESIDING OFFICER. Is there objection to the amendment by the Senator from Indiana?

Mr. COATS. Mr. President, I ask unanimous consent that Senator ROBB be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5092) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. COATS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. DOMENICI. I ask unanimous consent that Senator GRASSLEY be permitted to speak up to 10 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I do not think I will use all that time.

MARINE CORPS GENERALS

Mr. GRASSLEY. Mr. President, I want to speak about something that is in conference now between the House and Senate on the fiscal year 1997 defense authorization bill, something I spoke about several times on the floor of this body before. I think I have some new information. In fact, I do have some new information that I was not able to use in the last debate.

This information has a direct bearing on the Marine Corps request for 12 more generals that is a bone of contention in the conference between the House and the Senate—the Senate supporting it, the House, thus far, in their deliberations on the other side being opposed to increasing the number of Marine Corps generals.

I did not have this particular piece of information when I addressed this matter on the floor on June 26 and again on July 17. I spoke on the extra Marine Corps generals during consideration of both the fiscal year 1997 defense authorization bill and the defense appropriations bill. In fact, I offered an amendment to block the Marine Corps request for more generals, but I failed.

These missing documents would have greatly strengthened my case. I want to thank Washington Post writer Mr. Walter Pincus for his alerting me to the fact that these documents existed. I am not talking about some purloined Pentagon documents either.

I am referring to the legislative history behind the current ceiling on general officer strength levels. First, there is section 811 of Public Law 95–79 enacted in July 1977. That established a ceiling of 1,073 general officers after October 1, 1980.

Second, there is section 526 of title X of the United States Code, and this happens to be current law. Section 526 placed a ceiling on the number of general and flag officers serving on active duty at 865 after October 1, 1995.

Mr. President, I ask unanimous consent to have these two sections of the law printed in the RECORD, along with other relevant materials.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUBLIC LAW 95–79 [H.R. 5970]; JULY 30, 1977—DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1978

* * * * *

SEC. 811. (a)(1) The total number of commissioned officers on active duty in the Army, Marine Corps, and Air Force above the grade of colonel, and on active duty in the Navy above the grade of captain, may not exceed 1,073 after October 1, 1980, and the total number of civilian employees of the Department of Defense in grades GS–13 through GS–18, including positions authorized under section 1581 of title 10, United States Code, shall be reduced during the fiscal year beginning October 1, 1977, by the same percentage as the number of officers on active duty in the Army, Marine Corps, and Air Force above the grade of colonel and on active duty in the Navy above the grade of captain is reduced below 1,141 during such fiscal year, and during the fiscal years beginning October 1, 1978, and October 1, 1979, by a percentage equal to the percentage by which the number of commissioned officers on active duty in the Army, Marine Corps, and Air Force above the grade of colonel and on active duty in the Navy above the grade of captain is reduced during such fiscal year below the total number of such officers on active duty on October 1, 1978, and October 1, 1979, respectively.

(2) On and after October 1, 1980, the total number of civilian employees of the Department of Defense in the grades and positions described in paragraph (1) may not exceed the number employed in such grades and positions on the date of enactment of this subsection reduced as provided in paragraph (1).

(3) In time of war, or of national emergency declared by Congress, the President may suspend the operation of paragraphs (1) and (2).

(b)(1) Subsection (b) of section 5231 of title 10, United States Code, is amended to read as follows:

"(b) The number of officers serving in the grades of admiral and vice admiral under subsection (a) of this section and section 5081 of this title may not be more than 15 percent of the number of officers on the active list of the Navy above the grade of captain. Of the number of officers that may serve in the grades of admiral and vice admiral, as determined under this subsection, not more than 25 percent may serve in the grade of admiral.".

(2) Such section 5231 is further amended—

(A) by striking out subsection (c):

(B) by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively; and

(C) by striking out "numbers authorized under subsections (b) and (c)" in subsections (c) and (d) (as redesignated by subparagraph (B) and inserting in lieu thereof "number authorized for that grade under subsection (b)".

(3) Subsection (b) of section 5232 of title 10, United States Code, is amended to read as follows:

"(b) The number of officers serving in the grades of general and lieutenant general may not be more than 15 percent of the number of officers on the active list of the Marine Corps above the grade of colonel.".

(4) The second sentence of subsection (c) of such section is amended by striking out the period and inserting in lieu thereof a comma and the following: "and while in that grade he is in addition to the number authorized for that grade under subsection (b) of this section.".

DEPARTMENT OF DEFENSE APPROPRIATION AUTHORIZATION ACT, 1978—CONFERENCE REPORT

* * * * *

Reductions in Certain Military and Civilian Positions in the Department of Defense

The Senate amendment to the House bill (sec. 302) provided for a reduction in the number of general officers and admirals by 23 below planned levels in fiscal year 1978 and an additional reduction of 47 in fiscal year 1979 to an authorized level of 1,071 and also provided for an alteration of the statutory provisions governing admirals in the Navy and generals in the Marine Corps to place them in a similar position to the Army and the Air Force when the national emergency provisions lapse. The Senate amendment (sec. 502) also provided for a reduction in the number of civilians in General Schedule grades GS–12 through 18, or equivalent, by 2 percent in fiscal year 1978 and by the same proportionate reduction as applied to generals and admirals for fiscal year 1979.

The House bill contained no such provisions.

The conferees agreed to reduce the authorized levels of generals and admirals to 1,073 over a 3-year period beginning with fiscal year 1978 and to apply a reduction to Defense civilian employees in General Schedule grades GS–13 through 18, or equivalent, by the same proportionate amount over the same period. The conferees feel strongly that the reductions in the numbers of top-ranking military personnel should be coupled with a concurrent reduction in the numbers in the top six Defense civilian grade levels. For this reason, Sections 302 and 502 of the Senate amendment have been combined and set out as a separate provision (sec. 811) in the general provisions of the conference report. The conferees also agree that all civilian reductions shall be accomplished through attrition. The conferees concluded that a technical correction of the Senate provision was required to achieve consistency between statutory provisions affecting admirals and Marine Corps generals and the general officers of the other services.

The conferees agree on the need for a process to enable Congress and the Department of Defense to develop criteria for an ongoing review of the number of general officers and directs the Secretary of Defense to submit a report with the fiscal year 1979 military authorization request on the required numbers of general officers as well as any justification for deferring the proposed military and civilian reductions in whole or part.

The House recedes with an amendment.

AUTHORIZING APPROPRIATIONS FOR FISCAL YEAR 1978 FOR MILITARY PROCUREMENT, RESEARCH AND DEVELOPMENT, ACTIVE DUTY, SELECTED RESERVE, AND CIVILIAN PERSONNEL STRENGTHS, CIVIL DEFENSE, AND FOR OTHER PURPOSES—SENATE REPORT 95–129

* * * * *

Sec. 302: Committee Amendment Reducing the Number of Generals and Admirals

For fiscal year 1977, the Department of Defense plans to have 1,165 generals or admirals—one flag officer for every 1,800 active military members. This number is in sharp contrast to 1968 when during the Vietnam war, there was one general officer for every 2,600 military members and to the peacetime 1964 level when there was one general for every 2,100 military members. The Department of Defense proposed to reduce the number of flag officers by 24 in fiscal year 1978. The committee adopted an amendment to reduce this number by an additional 23 in fiscal year 1978 and by 47 in fiscal year 1979. Since the services have undertaken different levels of effort to reduce flag officers, the amendment gives the President the authority to apportion the total number of flag officers rather than applying a uniform reduction for each service.

The purpose of this amendment is to begin a process to enable Congress and the Department of Defense to develop criteria for an ongoing review of the number of officers at this level. The committee requests the Secretary of Defense to submit a report with the fiscal year 1979 military authorization request on the required numbers of general officers including any justification for deferring the proposed reductions in whole or part.

Within the total number of general officers authorized, the Army and Air Force are restricted to having no more than 15 percent of the total number of generals at the grades of lieutenant general and general and no more than 25 percent of the general officers at these two grades can be at the grade of general. However, except in time of war or emergency, certain specific numbers are included in law for the Navy and Marine Corps: 26 vice admirals and four admirals for the Navy, and two generals for the Marine Corps. In addition, the Marines are restricted to a number of lieutenant generals and generals total number of officers at the grades of lieutenant general and no more than 10 percent of the number of general officers. These provisions for the Navy and Marine Corps have been suspended by the President under national emergency authority which is expiring. The committee feels the distribution of general officer authorizations by grade should be consistent and has included provisions in the amendment to make the restrictions for the Navy and Marine Corps consistent with those for the Army and Air Force.

UNITED STATES CODE, TITLE X

* * * * *

§526. Authorized strength: general and flag officers on active duty

(a) LIMITATIONS.—The number of general officers on active duty in the Army, Air Force, and Marine Corps, and the number of flag officers on active duty in the Navy, may not exceed the number specified for the armed force concerned as follows:

(1) For the Army, 386 before October 1, 1995, and 302 on and after that date.

(2) For the Navy, 250 before October 1, 1995, and 216 on and after that date.

(3) For the Air Force, 326 before October 1, 1995, and 279 on and after that date.

(4) For the Marine Corps, 68.

(b) TRANSFER BETWEEN SERVICES.—During the period before October 1, 1995, the Secretary of Defense may increase the number of general officers on active duty in the Army, Air Force, or Marine Corps, or the number of flag officers on active duty in the Navy, above the applicable number specified in subsection (a) by a total of not more than five. Whenever any such increase is made, the Secretary shall make a corresponding reduction in the number of such officers that may serve on active duty in general or flag officer grades in one of the other armed forces.

(c) LIMITED EXCLUSION FOR JOINT DUTY REQUIREMENTS.—(1) The Chairman of the Joint Chiefs of Staff may designate up to 12 general officer and flag officer positions that are joint duty assignments for purposes of chapter 38 of this title for exclusion from the limitations in subsection (a) that are applicable on and after October 1, 1995. Officers in positions so designated shall not be counted for the purposes of those limitations.

(2) this subsection shall cease to be effective on October 1, 1998.

(d) NOTICE TO CONGRESS UPON CHANGE IN GRADE FOR CERTAIN POSITIONS.—(1) Not later than 60 days before an action specified in paragraph (2) may become effective, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report providing notice of the intended action and an analytically based justification for the intended action.

(2) Paragraph (1) applies in the case of the following actions:

(A) A change in the grade authorized as of July 1, 1994, for a general officer position in the National Guard Bureau, a general or flag officer position in the Office of a Chief of a reserve component, or a general or flag officer position in the headquarters of a reserve component command.

(B) Assignment of a reserve component officer to a general officer position in the National Guard Bureau, to a general or flag officer position in the Office of a Chief of a reserve component, or a general or flag officer position in the headquarters of a reserve component command in a grade other than the grade authorized for that position as of July 1, 1994.

(C) Assignment of an officer other than a general or flag officer as the military executive to the Reserve Forces Policy Board.

(e) EXCLUSION OF CERTAIN OFFICERS.—The limitations of this section do not apply to a reserve component general or flag officer who is on active duty for training or who is on active duty under a call or order specifying a period of less than 180 days.

(Added Pub. L. 100–370, §1(b)(1)(B), July 19, 1988, 102 Stat. 840, and amended Pub. L. 101–510, Div. A, Title IV, §403(a), Nov. 5, 1990, 104 Stat. 1545; Pub. L. 102–484, Div. A, Title IV, §403, Oct. 23, 1992, 106 Stat. 2398; Pub. L. 103–337, Div. A, Title IV, §404, Title V, §512, Oct. 5, 1994, 108 Stat. 2744, 2752.)

HISTORICAL AND STATUTORY NOTES

Prior Provisions

A prior section 526 was renumbered section 527 of this title by Pub. L. 100–370.

1994 Amendments

Subsec. (a)(4). Pub. L. 103–337, §404, struck out "before October 1, 1995 and 61 on and after that date" after "Corps, 68".

Subsecs. (d), (e). Pub. L. 103–337, §512, added subsecs. (d) and (e).

1992 Amendments

Subsec. (b). Pub. L. 102–484, §403(b), inserted a subsec. (b) heading: "Transfer between services".

Subsec. (c). Pub. L. 102–484, §403(a), added subsec. (c).

1990 Amendment

Pub. L. 101–510, §403(a), designated existing text as subsec. (a) and as so designated, inserted subsection heading and substituted provisions setting forth limitations in authorized strength for the Army, Navy, Air Force and Marine Corps. beginning in Oct. 1995, set out in pars (1)–(4) for provisions limiting authorized strength to 1,073 officers, made minor changes in text and added subsec. (b).

Change of Name

Any reference in any provision of law enacted before Jan. 4, 1995, to the Committee on Armed Services of the House of Representatives treated as referring to the Committee on National Security of the House of Representatives, see section 1(a)(1) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.

Effective Date of 1990 Amendment

Section 403(a) of Pub. L. 101–510 provided that the amendment made by this section is effective Sept. 30, 1991.

Savings Provisions

Reference to law replaced by Pub. L. 100–370 to refer to corresponding provision enacted by such public law; regulation, rule, or order in effect under law so replaced to continue in effect under provision enacted until repealed, amended, or superseded; and action taken or offense committed under law replaced treated as taken or committed under provision enacted, see section 4 of Pub. L. 100–370, set out as a note under section 101 of this title.

Legislative History

For legislative history and purpose of Pub. L. 100–370, see 1988 U.S. Code Cong. and Adm. News, p. 1077. See, also, Pub. L. 101–510, 1990 U.S. Code Cong. and Adm. News, p. 2931; Pub. L. 102–484, 1992, U.S. Code Cong. and Adm. News, p. 1636; Pub. L. 103–337, 1994 U.S. Code Cong. and Adm. News, p. 2091.

CROSS REFERENCES

Reserve general and flag officers in an active status strength and grade exclusively from counts under this section, see 10 USCA §12004.

Mr. GRASSLEY. In 1990, the Armed Services Committee decided there were too many generals. The number needed to be reduced. The committee cut the number of generals from 1,073 in 1990 down to 858 by 1995. That is a reduction of 20 percent or, more specifically, 215 generals in total over a 5-year period of time.

Mr. President, how did this come about? What is the reasoning behind the reduction? By answering these questions, I hope to help my colleagues understand why the Armed Services Committee reduced the number of generals 6 years ago. If we understand why they did what they did 6 years ago, perhaps we can understand why they are ready to move in the opposite direction today.

The legislative history does contain important clues. It should help us solve this riddle. Back in 1990, the Armed Services Committee could see the handwriting on the wall. They saw the cold war coming to an end. The Soviet military threat was evaporating, and the Defense Department was downsizing and doing it in earnest. In 1990, the committee predicted that there would be an overall force reduction of at least 25 percent between the years 1990 and 1995. Well, the committee's prediction was right on the money.

Mr. President, I ask unanimous consent to have printed in the RECORD a table that shows how military end strengths have gradually declined since February 1987.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Fiscal year	Total	Army	Navy	Air Force	Marine
1987	2,174,217	780,815	586,842	607,035	199,525
1988	2,138,213	771,847	592,570	576,446	197,350
1989	2,130,229	769,741	592,652	570,880	196,956
1990	2,043,705	732,403	579,417	535,233	196,652
1991	1,985,555	710,821	570,262	510,432	194,040
1992	1,807,177	610,450	541,883	470,315	184,529
1993	1,705,103	572,423	509,950	444,351	178,379
1994	1,610,490	541,343	468,662	426,327	174,158
1995	1,518,224	508,559	434,617	400,409	174,639
1996	1,493,391	499,145	428,412	393,400	172,434

Mr. GRASSLEY. Mr. President, what the committee said would happen in fact did happen, and it is continuing to happen this very day.

Mr. President, I ask unanimous consent to also have printed in the RECORD a table from page 254 of Secretary Perry's March 1996 annual report to the Congress.

There being no objection, the table was ordered to be printed in the RECORD, as follos:

TABLE V–4—DEPARTMENT OF DEFENSE PERSONNEL

[End of fiscal year strength in thousands]

	Fiscal year—			Goal	Percent change FY 1987–97
	1987	1996	1997		
Active Military	2,174	1,482	1,457	1,418	−33
Army	781	495	495	475	−37
Navy	587	424	407	394	−31
Marine Corps	199	174	174	174	−13
Air Force	607	388	381	375	−37
Selected Reserves	1,151	931	901	893	−19
DoD Civilians	1,133	841	807	728	−27

Mr. GRASSLEY. This table shows the process of downsizing, that this process is ongoing and not over yet. It is expected to continue in the future.

Mr. President, the committee concluded that the number of generals and admirals should be reduced consistent with the predicted reductions in the force structure. I want to repeat, the reduction in the number of general officers should be consistent with the reduction in force structure. That was the logic. As the force structure shrinks, the numbers of generals and admirals should come down at a comparable rate. That was the Armed Services Committee's thinking as expressed in its report in the fiscal year 1991 defense authorization bill. That thinking is outlined on page 159 of that Report 101–384.

Mr. President, I ask unanimous consent that that section of the report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GENERAL AND FLAG OFFICER ACTIVE DUTY STRENGTH CEILINGS

The committee recommends (sec. 403) a provision that would establish ceilings on the number of general and flag officers authorized to be on active duty for each of the military Services as shown below:

	Current ceiling	Fiscal year, committee recommendation	
		1991	1995
Army	407	386	302
Navy	258	250	216
Marine Corps	70	68	61
Air Force	338	326	279
Total	1,073	1,030	858

The ceilings established for fiscal year 1995 are consistent with the committee's expectation that force structure and organizational realignments over the next 5 years should result in an overall force reduction of at least 25 percent. The fiscal year 1995 ceilings reflect this expectation, and the fiscal year 1991 ceilings set the military Services on a responsible course to achieve the fiscal year 1995 ceilings.

The committee also believes that these ceilings should assist the military Services in making critical decisions regarding the reduction, consolidation, and elimination of duplicative headquarters. The ceilings should also assist the military Services in eliminating unnecessary layering in the staff patterns of general and flag officer positions.

Mr. GRASSLEY. Based on the shrinking force structure, the committee reduced the number of generals and admirals by that 20 percent as follows: the Army, from 407 down to 302, a reduction of 105; the Navy, a reduction of 42, down from 258 to 216; the Marine Corps, from 70 down to 61, a reduction of 9; the Air Force, from 338 down to 279, a reduction of 59.

Mr. President, with one exception, those figures remain the law today. The Marine Corps got special relief legislation 2 years ago that raised its ceiling from 61 to 68, or by 7. But back in late 1990, there was no disagreement about what had to be done, reducing the number of generals as force structure gets smaller.

The House Armed Services Committee report contained almost identical language. I quote from page 268 of House Report 101–665.

The committee believes that the general and flag officers authorized strength should be reduced to a level consistent with the extra force structure reductions expected by fiscal year 1995.

Mr. President, I ask unanimous consent that that section of the House report be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION 441—FLAG AND GENERAL OFFICERS

Section 526 of title 10, United States Code provides that the total number of general and flag officers authorized to be on active duty may not exceed 1,073. The committee believes that the general and flag officer authorized strengths should be reduced to a level consistent with the active force structure reductions expected by fiscal year 1995. Section 441 would amend section 526 of title 10, United States Code to limit to 845 the total number of general and flag officers authorized within the military services on September 30, 1995.

Mr. GRASSLEY. Mr. President, as the force structure shrinks, the number of generals and admirals should be reduced. That was the logic used by the House in 1990. That was the logic used by the Senate in 1990. That logic is embodied in current law. That has always been the logic since time began.

Let us apply that logic to the Marine Corps' request for 12 more generals. If the Marine Corps needs more generals, then it must mean that the Marine Corps is getting bigger, that it is expanding. But all the data point in the opposite direction. All the data indicate that the military services, including the Marine Corps, are continuing to downsize.

Why doesn't the 1990 logic apply anymore? Have Marine generals been inoculated to be immune from cuts? Why is the Marine Corps trying to top size while it is downsizing? As the force structure shrinks, we need fewer generals. That was the guiding principle used by the Armed Services Committee in 1990 when they put general officers on the down ramp.

They put the generals on the down ramp even when the dark storm clouds were rising over the Persian Gulf. There was no talk about vacant warfighting positions at that time. There was no talk, as we were given an excuse for this increase, about the joint bill requirements mandated in Goldwater-Nichols. There was just one driver. The force structure was shrinking so we needed fewer generals. In other words, it seems to me that they were expressing at that decisionmaking time in 1990 common sense.

That logic was valid then. It is just as valid today. Nothing has changed. There is no reasonable explanation for what is going down. It is bad public policy.

The Navy, for example, is already on record as saying it needs 25 to 30 more admirals. We know that the Marine Corps request is just a spearhead. It is a test case. The Army and Air Force are getting their wish list ready. If the Marine Corps request goes through, then these other services will follow, meaning their request for more generals and admirals. Pretty soon we have a national disgrace on our hands.

This is a bad move that will prove to be an embarrassment to the Senate sometime down the road.

I yield the floor and thank my colleagues for the consideration of this point of view. I have expressed this in a letter to the conferees as well. I yield the floor.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER (Mr. COATS). The Senator from Washington.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

AMENDMENT NO. 5093

Mr. GORTON. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 5093.

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 36, line 4, strike all of section 504, and insert the following:

SEC. 504. Following section 4(g)(3) of the Northwest Power Planning and Conservation Act, insert the following new section:

(4)(g)(4) INDEPENDENT SCIENTIFIC REVIEW PANEL.—(i) The Northwest Power Planning Council (Council) shall appoint an Independent Scientific Review Panel (Panel), which shall be comprised of eleven members, to review projects proposed to be funded through that portion of the Bonneville Power Administration's (BPA) annual fish and wildlife budget that implements the Council's annual fish and wildlife program. Members shall be appointed from a list submitted by the National Academy of Sciences, provided that Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Panel.

(ii) SCIENTIFIC PEER REVIEW GROUPS.—The Council shall establish Scientific Peer Review Groups (Peer Review Groups), which shall be comprised of the appropriate number of scientists, from a list submitted by the National Academy of Sciences to assist the Panel in making its recommendations to the Council for projects to be funded through BPA's annual fish and wildlife budget, provided that Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Peer Review Groups.

(iii) CONFLICT OF INTEREST AND COMPENSATION.—Panel and Peer Review Group members may be compensated and shall be considered as special government employees subject to 45 CFR 684.10 through 684.22.

(iv) PROJECT CRITERIA AND REVIEW.—The Peer Review Groups, in conjunction with the Panel, shall review projects proposed to be funded through BPA's annual fish and wildlife budget and make recommendations on matters related to such projects, to the Council. Project recommendations shall be based on a determination that projects: are based on sound science principles; benefit fish and wildlife; and have a clearly defined objective and outcome with provisions for monitoring and evaluation of results. The Panel, with assistance from the Peer Review Groups, shall review, on an annual basis, the results of prior year expenditures based upon these criteria and submit ifs finding to the Council for its review.

(v) PUBLIC REVIEW.—Upon completion of the review of projects to be funded through BPA's annual fish and wildlife budget, the Peer Review Groups shall submit their findings to the Panel. The Panel shall analyze the information submitted by the Peer Review Groups and submit recommendations on project priorities to the Council. The Council shall make the Panel's findings available to the public and subject to public comment.

(vi) RESPONSIBILITIES OF THE COUNCIL.—The Council shall fully consider the recommendations of the Panel when making its final recommendations of projects to be funded through BPA's annual fish and wildlife budget, and if the Council does not incorporate a recommendation of the Panel, the Council shall explain in writing its reasons for not accepting Panel recommendations. In making its recommendations to BPA, the Council shall: consider the impact of ocean conditions on fish and wildlife populations; and shall determine whether the projects employ cost effective measures to achieve project objectives. The Council, after consideration of the recommendations of the Panel and other appropriate entities shall be responsible for making the final recommendations of projects to be funded through BPA's annual fish and wildlife budget.

(vii) COST LIMITATION.—The cost of this provision shall not exceed $2 million in 1997 dollars.

(viii) EXPIRATION.—This paragraph shall expire on September 30, 2000.

Mr. GORTON. Mr. President, I thank both the chairman and the ranking member of the Energy and Water Subcommittee for their understanding in accepting this modification to a provision already included at my request in this fiscal year 1997 energy and water bill.

Section 504 of that bill, and this modification, amend the Northwest Power Act to address a conflict-of-interest issue that was recently brought to my attention by people in Washington and Oregon concerned and knowledgeable about salmon conservation.

The Bonneville Power Administration's annual fish and wildlife budget, in real dollars spent on projects, totals well over $100 million. This $100 million comes out of the pockets of Northwest ratepayers each year to protect and enhance fish and wildlife in the Columbia and Snake River basins. The Northwest Power Planning Council prepares and adopts a regional plan to protect fish and wildlife and each year allocates this $100 million to support that plan.

At the present time, the Columbia Basin Fish and Wildlife Authority is responsible for making recommendations to the council on projects being funded through BPA's annual fish and wildlife budget.

The membership of the authority includes representatives of affected Indian tribes from the region, the Washington, Oregon, Idaho, and Montana State fish and wildlife directors, and representatives of the Fish and Wildlife Service in the National Marine Fisheries Service.

I am convinced that the authority plays an important and necessary role in providing recommendations to the council on what fish and wildlife projects should be funded each year. I was disturbed to discover recently, however, that authority members were recommending to the council that about $75 million of the $100 million spent in project money go to projects to be performed by the members of the authority itself. Mr. President, it is like the Department of Defense asking one of my other constituents, the Boeing Co., to decide what brand of aircraft the military will use.

My amendment and this modification to the Northwest Power Act would ensure that the authority and its members retain a voice in the process, but that sound objective and disinterested science also is heard. Each year, about 400 proposals are submitted for review by the authority all applying to receive funding from the Bonneville funding administration's annual budget. I am sure independent scientific review would remove any suggestion of conflict of interest in connection with these grants and add an important element of review to the council's decisionmaking process. I am convinced it would also assure that the moneys spent will result in the greatest possible salmon enhancement.

My amendment directs the council to establish an 11-member independent scientific review panel from a list of names provided by the National Academy of Sciences. The panel would be responsible for reviewing projects to be funded under BPA's annual fish and wildlife program. I understand the council, together with the National Marine Fisheries Service, has already established an independent scientific advisory board in order to provide scientific advice to the council and the National Marine Fisheries Service.

I want to note in the RECORD at this time that nothing in this amendment precludes the National Academy of Sciences from recommending that some or all of the scientists who serve on the ISAB serve on the newly created independent scientific review panel, provided that those members meet the conflict-of-interest standards spelled out in the amendment. If ISAB scientists are selected to serve on the newly created panel of ours, they should not be compensated twice for the same services.

After careful consultation with the National Academy of Sciences, I have included a provision in my amendment that requires the council to establish, from a list submitted by the National Academy, scientific peer review groups to assist the panel in making its recommendations to the council. It is these peer review groups that will be doing the actual review of the 400-plus project applications submitted to the council each year for consideration.

The panel will coordinate the work of the peer review groups and ensure that each project is reviewed based upon the following commonsense criteria: Does the project benefit fish and wildlife in the region? Does the project have a clearly defined objective and outcome? And is the project based on sound scientific principles?

The amendment directs the panel to prioritize recommendations for the council from the analysis provided by the peer review groups and that the council make panel recommendations available for public review. The amendment places a cost limitation on the scientific review process of $2 million.

My amendment directs the council to review recommendations of the panel, the Columbia Basin Fish and Wildlife Authority and others, in making its final recommendations to BPA for projects to be funded through BPA's annual fish and wildlife budget. If the council does not follow the advice of the panel, it is to explain in writing the basis for the decision. The council is directed to consider ocean conditions, among others, in its decision-making process, and to determine whether project recommendations employ cost-effective measures to achieve project objectives.

Lastly, my amendment expressly states that the council, after review of panel and other recommendations, has the authority to make final recommendations to BPA on projects to be funded through BPA's annual fish and wildlife budget.

This amendment is intended to be effective on the date of enactment and to be first implemented during the planning process for the expenditure of BPA's fiscal year 1998 fish and wildlife budget. The amendment will expire on September 30, in the year 2000, in order that its success can be measured by the people of the Pacific Northwest and this Congress.

Mr. President, my amendment seeks to do just one thing: to make sure that Northwest ratepayer dollars are being spent in a cost-effective and objective manner. I have consulted extensively with interested groups in the region on this amendment and have listened to the constructive suggestions of my colleague, Senator MURRAY, and that is why I am proposing that these changes to the amendment be included in the committee bill.

My amendment will ensure that sound science principles are considered by the council before spending ratepayer dollars to protect and enhance fish and wildlife on the Columbia and Snake River System.

Mrs. MURRAY. Mr. President, will the senior Senator from Washington yield for a question?

Mr. GORTON. I yield to the junior Senator from Washington for a question.

Mrs. MURRAY. I thank the Senator. As you know, the Northwest Power Act requires the Power Planning Council and Bonneville Power Administration to mitigate the effects of the hydroelectric system on fish and wildlife generally, and anadromous fisheries specifically. The amendment proposed by the senior Senator would require the council to consider ocean conditions prior to making its science-based recommendations for mitigation priorities to Bonneville. Does the Senator agree that his amendment does not expand the scope of Northwest Power Act with respect to hydro system mitigation, nor does it make hydro system mitigation efforts contingent on known ocean conditions?

Mr. GORTON. I thank the junior Senator for raising this important question, and agree with her characterization of the amendment. My amendment does not expand the scope of either the council's or Bonneville's mitigation requirements under the Northwest Power Act. It simply suggests that it is valid for the council to consider known ocean conditions when making its recommendations for hydro system mitigation to Bonneville.

Mrs. MURRAY. I thank the Senator.

UNANIMOUS-CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that during the session of the Senate on Friday and Monday, July 29, the Senate consider Calendar No. 496, S. 1959, the energy and water appropriations bill, and the following amendments be the only first-degree amendments in order, and must be offered during the session on Friday or Monday.

The amendments are as follows: Domenici, relevant; Lott, relevant; Jeffords-Roth, renewable energy; Kyl, central Arizona project; Grams, Appalachian Regional Commission; managers' package; McCain, regarding the light-water reactor; McCain, relevant; McCain, relevant; Specter, Sawmill Run; Pressler, relevant; Pressler, relevant; McConnell, USEC; Lott, regarding environmental management; D'Amato, FUSRAP; Burns, one on environmental management; Kempthorne-Craig, environmental management; Gorton, independent scientific review; and Hutchison, DOE.

From the Democratic side: Senator BIDEN, relevant; Senator BOXER, three relevant; Senator BUMPERS, DOE weapons, a water project, and a separate water project; Senator BYRD, relevant in two instances; Senator CONRAD, water quality and bank stabilization; Senator DASCHLE, two relevant amendments; Senator DORGAN, two relevant amendments; Senator FEINGOLD, one relevant; FORD, one relevant; MIKULSKI, one relevant, along with Senator SARBANES; Senator JOHNSTON, relevant; Senator KERRY, electrometallugical treatment research; Senator REID, two relevant; Senator SIMON, two relevant; Senator WELLSTONE, regarding alfalfa; and Senator ROCKEFELLER, regarding Japan semiconductors.

Now, it will be my intent to have these votes stacked at 10 o'clock on Tuesday on a case-by-case basis.

Mr. DORGAN. Reserving the right to object, I shall not object, this has been cleared with the minority side?

Mr. LOTT. It has been cleared on the minority side.

I must say I am totally unimpressed with either side. A list of amendments like this is totally ridiculous. I know a number of these will be worked out, and the managers and the chairman will solve a number of these problems in the managers' amendment, but we ought to have maybe two amendments total on this bill.

Maybe next week will be like this week—a miraculous cooperation will evolve and we will get it done quickly. I do not know why we have to go through this exercise of listing this stuff.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the majority leader?

Without objection, it is so ordered.

Mr. LOTT. I further ask that with respect to any amendment on the Colorado water project there be up to 10 minutes under the control of Senator CAMPBELL.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I further ask that all amendments be subject to second-degree relevant amendments and may be offered on or after Monday, and following the votes with respect to the amendments, the bill be read for a third time and there be 10 minutes under the control of Senator MCCAIN, and the Senate then proceed to the House companion bill, H.R. 3816, all after the enacting clause be stricken, the text of 1959 be inserted, the bill be advanced to third reading, and final passage all occur without further action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 3754

Mr. LOTT. Mr. President, with regard to the legislative appropriations bill, we intend to bring that up, I believe, at 5 o'clock on Monday, and we have a consent agreement we would like to ask for on that.

I ask unanimous consent that during the session of the Senate on Monday, July 29, the Senate consider the legislative appropriations bill, the committee amendments be deemed agreed to and considered original text for the purpose of further amendments, and the following amendments be the only first-degree amendments in order and must be offered during the session of the Senate on Monday.

The amendments are as follows: Senator CHAFEE, a relevant amendment; Senator HATFIELD, relevant amendment; Senator SPECTER, regarding mailings of town meetings; Senator MCCAIN, revolving-door amendment; Senator COVERDELL, relevant; Senator LOTT, relevant; Senator MACK, the managers' amendment.

In addition, two relevant amendments by Senator BYRD; two relevant amendments by Senator DASCHLE; one by Senator DORGAN regarding overseas jobs; one relevant amendment for Senator FORD; and two relevant amendments for Senator MURRAY.

I further ask that all amendments be subject to relevant second-degree amendments which may be offered on or after Monday, and following the votes with respect to the amendments, the bill be advanced to third reading and final passage occur, all without further action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I am sure under the magnificent leadership of the Senator from Florida, Senator MACK, we will have this done within 2 hours Monday night, and we will either pass it on a voice vote or vote at 10 o'clock on Tuesday. That is certainly my hope.

Reluctantly, Mr. President, I announce there will be no further recorded votes today or on Monday. The next votes will occur at 10 o'clock on Tuesday.

Mr. DOMENICI. For those who want to offer amendments on Monday, what time would you intend to convene?

Mr. LOTT. Mr. President, if I could respond to the chairman of the energy and water appropriations Subcommittee. We will come in, I believe, at 12 o'clock. We have some morning business that would take at least 2 hours. So we should be ready to go by 2 o'clock on the Energy and Water Appropriations bill.

Again, I urge Senators, if they want to offer their amendments—and I assume most of them don't—they will need to be here to offer amendments at 2 o'clock on Monday and today.

Mr. DOMENICI. I thank the majority leader.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I ask unanimous consent to proceed as in morning business for 8 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

AIRLINE DEREGULATION IS NOT HELPING EVERYONE

Mr. DORGAN. Mr. President, about 2 years ago, Frontier Airlines began jet airplane service in North Dakota. It was actually a carrier that had previously quit service, and some years later a new group of people using the same name, Frontier, reorganized and started a new airline.

Two years ago, when Frontier started service to parts of North Dakota, we were fairly excited about that, because in a small, sparsely-populated State like North Dakota, we need more competition in airline services. North Dakota is served by one major carrier. The fact is that when you have one-carrier service—although I admire that carrier—you generally pay higher prices, and you have the kind of service they decide they want to give to you. So we were fairly excited that we would get that jet airline service to North Dakota.

This morning, Frontier Airlines announced that it will withdraw its service to North Dakota. I spoke with the president of the company this morning. I also spoke with the Secretary of Transportation this morning about this issue, and I want to comment for a moment about this matter because it deals with the larger issue of airline deregulation.

We have people in this Chamber, in the other Chamber, and out in the country who do handstands and all kinds of gymnastic feats when they describe the wonders of airline deregulation for America. They say the deregulation of the airlines has been remarkable. You get lower prices, and you get more service. Well, that certainly is true if you happen to live in Chicago, New York, Los Angeles, or perhaps a dozen other cities. If you are traveling from Chicago to Los Angeles, guess what? Look at an airline guide and you have all kinds of carriers to choose from, and they are vigorously competing with price and so on and so forth. Those are the benefits and virtues of airline deregulation. But the fact is, if you do not live in one of the large cities, airline deregulation has not been a success for you. It means less service and higher prices.

Now, what happened when we had airline deregulation was—and we have seen merger after merger in the combination of smaller airlines bought up or merged into the larger airlines and a subsequent concentration of economic power—the airlines sliced up parts of the country into hubs, and they control the hubs and decide how they want to serve the public with price and service. Then a new carrier starts up. How does a new carrier compete when you have an airline industry that is now highly concentrated with a few giant economic powers? The fact is, it does not compete, and it cannot compete very well.

Two years ago, when this airline started, I went to the Secretary of Transportation and had a meeting with him in his office. I said, the fact is, a new jet carrier cannot start up and be successful under the current circumstances unless the discriminatory practices that exist with the big carriers against these new carriers are ended. The Department of Transportation has a responsibility to end it. That was 2 years ago. Now, a jet carrier trying to serve a State like North Dakota and going into a hub like Denver, in order to be successful, is going to have the other major carriers provide code-sharing arrangements. But, guess what? A very large airline carrier, one of the largest in the country, would say to a carrier like this, I am sorry, we do not intend to cooperate with you under any circumstances—on ticketing, on baggage—and we use our own computer reservation system, and you will not even show up on the first couple of screens that travel agents pull up.

So what happens? The fact is that the new carriers that start up do not make it because there are fundamentally discriminatory practices, and we have a Department of Transportation that drags its feet and does nothing about it. In the last couple of months, the Department of Transportation has started to do some things, but not nearly enough. For 1½ years they did nothing. That result is evident not only in North Dakota, but also around the country where we see regional startups trying to promote more competition in the airline industry. The regional startups are squashed like bugs by the big carriers because of what, I think, are fundamentally anticompetitive practices.

Now, you can make a case, I suppose, that a big carrier does not have to cooperate with anybody under any conditions. I think it is a silly case to make, but I know people will make that case. What that will lead to is the circumstance that now exists, only more concentrated, and with fewer carriers. We have only five or six major carriers in this country. They have gotten bigger, with more economic power. They have the capability of deciding anyplace, at any time, that a startup carrier is not going to make it because they are not going to allow it.

I have a fistful of information here from travel agents and others, who describe what they consider to be anticompetitive practices by other carriers against this startup carrier in North Dakota. I do not have stock in this company. I do not know much about this company. I do not care about one company versus another. All I care about is that we have a circumstance where we have competitive airline service and an opportunity to get more and better service in a State like North Dakota.

The current system, under deregulation, is an abysmal failure. Those who twirl around like cheerleaders, believing this represents something good for this country, ought to understand that it represents something good for only part of the country; for those people lucky enough to live in the major cities who are going to get more service at lower prices. For the people in the parts of the country where there is less opportunity and where we have a need for the startup of new regional jet carrier services, the cheerleaders for deregulation ought to understand that these startups are squashed like bugs by the major carriers of this country, and the major carriers do this under the watchful eye of the people who are supposed to be concerned about competition.

I hope the Secretary of Transportation and the Department of Transportation are able, at some point, to take the kind of action that we expect them to take to deal with these issues.

We have a DOT bill coming to the floor next week. I intend to be here, if necessary, with a whole range of amendments talking about the airline issues and what DOT has or has not been doing on these issues. I might not get more than one vote for them. It would not matter much to me.

I am not going to sit by and see this happen. This notice today of the withdrawal of service of another carrier in North Dakota means North Dakotans will have less service and pay higher prices once again. The fact is, this is not brain surgery, and this is not a problem for which we do not know a cure or a solution. We understand the problem and we know the solution. The solution is not to preach about deregulation and then decide you could care less about whether there is anticompetitive behavior. If this Government, this Congress, this Department of Transportation, or this Secretary of Transportation, do not do something about the anticompetitive practices and anticompetitive behavior, we will never see this problem resolved.

If I sound a little upset this morning, I am. I hope that perhaps some discussions in the coming days might convince some of these carriers, that are out there trying to make it in an anticompetitive environment, that somebody is going to do something to make it competitive and fair once again.

Mr. President, as I said, from what I hear about the Senate schedule next week we will have the Department of Transportation appropriations bill on the floor. I intend to be over here actively and aggressively working on some of these issues then. It may be the only appropriate and opportunistic way for me to make the point that I think needs to be made.

So I appreciate the indulgence.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

Mr. PRESSLER. Mr. President, I would like to speak on the bill, if I may, for 3 minutes.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. PRESSLER. Mr. President, I want to commend the managers of this bill and the staff for the energy and water development appropriations bill which I have in my hand which has a provision for the Mid-Dakota Rural Water System for $7.5 million.

I hope in conference, or possibly in future developments, that the funding level for mid-Dakota can be raised to $11.5 million, which is the House level. I was disappointed with the administration only recommended $2.5 million. While we need to change that, we can actually save money on a contractual basis by accelerating this project and going to the $11.5 million level.

Let me say a word or two about the mid-Dakota project. It will bring water into eastern South Dakota to 24 communities, and it will run from Pierre to Huron, SD, along Highway 14 and surrounding areas.

In the State of South Dakota in eastern South Dakota we have a problem with water. On my farm we have a rural water system hooked up where water is brought from a central source as opposed to farms in this area that depend on wells. In this case, it takes the mid-Dakota project. This project will bring water from the Missouri River eastward. We have the great resource of the Missouri River in our State. It is almost unused. But this is using Missouri River water for our people.

I have had a number of meetings on this project over the past several years. I met with Kurt Pfeifle yesterday, the general manager of mid-Dakota project to discuss ways to get a higher funding level. I have met with him and other South Dakotans who traveled here to propose this important project for 30,000 people in eastern South Dakota—Tom Edgar from Orient, Susan Hargens from Miller, Johnny Gross from Onida, Eugene Warner from Blundt, Mory Simon from Gettysburg, to name a few.

So, Mr. President, let me say in conclusion that I thank the managers of the bill for the $7.5 million that has been included for mid-Dakota. It is a very important water project in our State. I hope that the level can be increased to $11.5 million.

I note that the administration included only $2.5 million in their recommendations. So it has been a struggle. But it is very, very important to the people of South Dakota. To have clean drinking water for livestock and people is very, very important to the farmers and the people of eastern South Dakota.

Mr. President, I yield the floor.

AMENDMENT NO. 5093

Mr. DOMENICI. Mr. President, the pending business is the Gorton amendment.

The PRESIDING OFFICER (Mr. SHELBY). That is correct.

Mr. DOMENICI. We have no objection to the Gorton amendment, and the other side has no objection to the Gorton amendment.

The PRESIDING OFFICER. If there is no further debate on the amendment, the question is on agreeing to the amendment of the Senator from Washington.

The amendment (No. 5093) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 5094

(Purpose: To clarify that report language does not have the force of law)

Mr. MCCAIN. Mr. President, I have two amendments. The first one is at the desk. I ask for the immediate consideration of the first of the two amendments.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

> The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 5094. On page 36, line 1, strike all after the word "this" through line 3 and insert in lieu thereof the following: "Act."

Mr. MCCAIN. Mr. President, I and my staff spend some time perusing the appropriations bills as they come up. I will have comments on some aspects of the bill before the bill is voted on.

But I was quite disturbed to see on page 36 of the bill beginning on page 35 where it says:

> Notwithstanding the provisions of 31 U.S.C. funds made available by this act to the Department of Energy shall be available only for the purposes for which they have been made available by this act, and only in accordance with the recommendations contained in this report.

My understanding of that language in the bill is that it means that the report language has the force of law.

Mr. President, that is just not something that is correct. It is not appropriate. It is not in keeping with the proper procedures used by the Congress.

I hope that my colleague from New Mexico will accept the amendment to strike that language. If not, obviously, I would want to ask for the yeas and nays.

Mr. President, I have no more discussion of that amendment. I am ready to move on to the other amendment at the appropriate time.

Mr. DOMENICI. Mr. President, I am not prepared to accept the amendment at this time. My counterpart is not here at this time. Obviously, we both want to look at it in light of our reasons for putting it in. Our reasons for putting it in are different than the Senator's reasons for taking it out. We would like to discuss that. So we will debate that at another time.

If the Senator is agreeable to proceed to another amendment, if he would like, if he would set his aside, it will be properly sequenced.

Mr. McCAIN. Mr. President, I would be glad to do that. Prior to doing so, I guess I would ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. McCAIN. Mr. President, again I would be more than happy to engage in a discussion with both distinguished managers on this amendment. I have only been here 10 years, but I have not seen such language in an appropriations bill. I would be very disturbed to see that became custom here in the Senate although, if the Senator from New Mexico States has other reasons for it being in there, I would be more than happy to discuss that. And perhaps we could change that language so that the effect of the language is not as I see it.

So, Mr. President, I ask unanimous consent that my amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5095

(Purpose: To prohibit the use of funds to carry out the advanced light water reactor program)

Mr. McCAIN. Mr. President, I have another amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. MCCAIN], for himself, Mr. FEINGOLD, Mr. GREGG, and Mr. KERRY, proposes an amendment numbered 5095.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

SEC. . ADVANCED LIGHT WATER REACTOR PROGRAM.

None of the funds appropriated or otherwise made available by this Act may be used to carry out the advanced light water reactor program established under subtitle C of title XXI of the Energy Policy Act of 1992 (42 U.S.C. 13491 et seq.) or to pay any costs incurred in terminating the program.

Mr. McCAIN. Mr. President, this amendment terminates funding for the Advanced Light Water Reactor Program, which provides taxpayer-funded subsidies for corporations for the design, engineering, testing, and commercialization of nuclear reactor designs.

I am pleased that Senators FEINGOLD, GREGG, and KERRY of Massachusetts have joined me as cosponsors on this important amendment. I urge my colleagues to support us in ending this wasteful Government spending and corporate welfare.

Organizations such as Public Citizen, Citizens Against Government Waste, Competitive Enterprise Institute, Taxpayers for Common Cause, and the Heritage Foundation have lent their strong support to eliminating the funding for the advanced light water reactor, and last year a bipartisan Senate coalition, with the help of the Progressive Policy Institute and the Cato Institute, included the Advanced Light Water Reactor Program as one of a dozen high-priority corporate pork items to be eliminated.

Many Americans would be surprised to know that this program has already received more than $230 million in Federal support over the last 5 years. The Department of Energy has requested an additional $40 million for the program for fiscal year 1997. This program was created under the Energy Policy Act of 1992. That act makes clear that design certification support should only be provided for advanced light water reactor designs that can be certified by the Nuclear Regulatory Commission by no later than the end of fiscal year 1996.

The Department of Energy has acknowledged that no advanced light water reactor designs that would be funded under this bill will be certified by the end of fiscal year 1996. Thus, under the legislation no funds should be appropriated to support this program's designs.

Mr. President, this act specifies that "no entity shall receive assistance for commercialization of an advanced light water reactor for more than 4 years." The Department of Energy's 1997 funding request would allow for a fifth year of Federal financial assistance to the program's chief beneficiaries, which are well-to-do corporations which can afford to bear commercialization costs on their own.

General Electric, Westinghouse, and Asea Brown Boveri/Combustion Engineering have already received 4 years' of assistance under this program since 1993, and, significantly, these three companies had combined 1994 revenues of over $70 billion, and last year their combined revenues exceeded $100 billion. I believe these corporations can afford to bring new products to the market without taxpayers' subsidies.

One of the primary recipients of this program funding, General Electric, recently announced that it is canceling its simplified boiling water reactor after receiving $50 million from the Department of Energy because extensive evaluations of the market competitiveness of a 600 megawatt-sized advanced light water reactor have not established the commercial viability of these designs.

The program exemplifies the problems of unfairness, in my view, that corporate welfare engenders. If this program's designs are commercially feasible, large wealthy corporations like Westinghouse do not need taxpayers to subsidize them because the market will reward them for their efforts and investment in this research. If they are not commercially viable, then the American taxpayer is being forced to pay for a product in complete defiance of market forces that a company would not pay to produce itself.

As a practical matter, such unnecessary and wasteful Government spending must be eliminated if we are to restore fiscal sanity. More importantly, though, as a matter of fundamental fairness, we cannot ask Americans to tighten their belts across the board in order that we might balance the budget while we provide taxpayer-funded subsidies to large corporations. Corporate welfare of this kind is unfair to the American taxpayer. It increases the deficit, and we cannot allow it to continue.

Finally, there are no termination costs to worry about because the Department of Energy contract with Westinghouse specifically provides that "reimbursements shall be subject to availability of appropriated funds."

Enough is enough. After 5 years and $230 million, it is time we bring the program to an end.

I ask unanimous consent that copies of letters from Citizens Against Government Waste, Public Citizen, and the Competitive Enterprise Institute be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CITIZENS AGAINST GOVERNMENT WASTE,
Washington, DC, June 18, 1996.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the 600,000 members of the Council for Citizens Against Government Waste (CCAGW), I am writing to urge you to introduce legislation to eliminate the Advanced Light Water Reactor (ALWR) program. This program has already surpassed its authorized funding level, and extending its funding will exceed the goals of the Energy Policy Act of 1992 (EPACT).

In 1992, EPACT authorized $100 million for first-of-a-kind engineering of new reactors. In addition, EPACT specified that the Department of Energy should only support advanced light water reactor designs that could be certified by the Nuclear Regulatory Commission no later than the end of FY 1996.

In a surprise announcement on February 28, 1996, General Electric (GE) terminated one of its taxpayer-subsidized R&D light water reactor programs (the simplified boiling water reactor), stating that the company's recent internal marketing analyses showed that the technology lacked "commercial viability." Westinghouse, which is slated to receive ALWR support between FYs 1997–99 for its similar AP-600 program, is not expected to receive design certification until FY 1998 or FY 1999. Taxpayers should not be expected to throw money at projects with little or no domestic commercial value.

EPACT also stipulates that recipients of any ALWR money must certify to the Secretary of Energy that they intend to construct and operate a reactor in the United States. In 1995, the Nuclear Energy Institute's newsletter, *Nuclear Energy Insight*, reported that, "all three [ALWR] designers see their most immediate opportunities for selling their designs in Pacific Rim countries." In Fact, GE has sold two reactors developed under this program to Japan, and still the government has not recovered any money.

As you may recall, CCAGW endorsed your corporate welfare amendment, including the elimination of the ALWR program, to the FY 1996 budget Reconciliation bill. We are again looking to your leadership to introduce legislation to now eliminate this program. I also testified before the House Energy and Environment Subcommittee on Science on May 1, 1996 calling for the elimination of the ALWR. The mission has been fulfilled, now the program should end.

Sincerely,

THOMAS A. SCHATZ,
President.

PUBLIC CITIZEN,
Washington, DC, June 25, 1996.

Senator JOHN MCCAIN,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR: We are pleased to support your efforts to terminate further government support for the Advanced Light Water Reactor (ALWR) program at the U.S. Department of Energy. The ALWR program, having received five years of support and more than $230 million of taxpayer money, is a prime candidate for elimination in the coming budget cycle. It represents a textbook example of corporate welfare, provides little value to taxpayers and fails to account for the fact that domestic interest in new nuclear technologies is at an all-time low.

As of today, not one utility or company participating in the ALWR program has committed to building a new reactor in this country nor are there any signs that domestic orders will be forthcoming in the foreseeable future. Instead of providing reactors for American utilities, the ALWR program has become an export promotion subsidy for General Electric, Westinghouse and Asea Brown Boveri in direct violation of the intent of the Energy Policy Act. These companies, with combined annual revenues of over $70 billion, are hardly in need of such generous financial support.

Continuing to fund the ALWR program would send a strong message that subsidies to large, profitable corporations are exempt from scrutiny while other programs in the federal budget are cut to reach overall spending targets. The industry receiving this support is mature, developed and profitable and should be fully able to invest its own money in bringing new products to market.

This legislation is consistent with your long-standing campaign to eliminate wasteful and unnecessary spending in the federal budget. We salute your effort and offer our help in pruning this subsidy from the fiscal year 1997 budget.

Sincerely,

BILL MAGAVERN,
Director,
Critical Mass Energy Project.

COMPETITIVE ENTERPRISE INSTITUTE,
Washington, DC, June 14, 1996.

Hon. JOHN MCCAIN,
U.S. Senate, Senate Russell Building, Washington, DC.

DEAR CONGRESSMAN MCCAIN: I wish to commend you for your efforts to eliminate funding for Advanced Light Water Reactor (ALWR) research. As a longtime opponent of federal subsidies for energy research of this kind, I am glad to see members of Congress representing the interests of the taxpayer on this issue.

Since 1992, the Department of Energy has spent over $200 million on ALWR research, with little to show for it. If such reactors are commercially viable, as supporters claim, then there is no need to waste taxpayer dollars on what amounts to corporate welfare. If the ALWR is not commercially viable, then throwing taxpayer dollars at it is even more wasteful. The fact that no utility plans to build such a reactor in this country any time soon suggests that the latter is more likely. Either way, federal funding for this program should end.

I fully support your efforts to eliminate the ALWR research subsidy and hope that this effort is the first step in the eventual elimination of the Department of Energy as a whole.

Sincerely,

FRED L. SMITH, Jr.,
President.

Mr. MCCAIN. Mr. President, last May, at the end May, there was an interesting article in the Washington Post by Mr. Guy Gugliotta. I would like to quote parts of his article.

Five or six years ago, depending on whom you asked, Congress voted to fund research on a new kind of nuclear energy plant called the Advanced Light Water Reactor. You remember nuclear energy, right?

The money—more than $200 million so far—has gone to three struggling firms—General Electric, Westinghouse, and Asea Brown Boveri Inc./Combustion Engineering. The idea is to develop a new generation of nuclear powered generators.

Except nobody in the United States wants one. No utility has bought a nuclear plant since 1973, and 89 percent of utility executives polled this year by the Washington International Energy Group said they never would.

Even General Electric decided in February to abandon research on one of its two reactor projects concluding that "extensive evaluations . . . have not established the commercial viability of these designs."

Mr. President, I would point out that I am a supporter of nuclear power. I believe that it is a viable option and someday will be a viable option, but I do not believe that justifies this kind of expenditure.

Mr. President, the San Francisco Chronicle said, "If there's a lucrative export market, let them finance their own development programs."

The Oregonian says, "Asking taxpayers to subsidize nuclear power research is like asking them to build barns to store up horsepower."

The Richmond Times Dispatch editorial lead says, "Zap It."

The Louisville Courier-Journal calls it "A needless subsidy."

The Kennebec Journal says, "Reactor research funding deserves to be terminated."

The Charleston Gazette says, "Nuclear subsidy Corporate welfare?"

The Morning Sentinel of Maine says, "Congress should switch off Energy's nuke-pork project."

The Bangor Daily News says: "Members of the House and Senate have yet to justify the need for what amounts to a large corporate subsidy. It is likely they cannot. Instead, they should end the program before it costs taxpayers any more money."

The Houston Chronicle says, "Time to stop federal subsidies for nuclear generators."

And the Des Moines Register calls it "Nuclear Nonsense."

Mr. President, I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Post, May 28, 1996]

RESEARCH FOR REACTOR NOBODY WANTS

(By Guy Gugliotta)

Five or six years ago, depending on whom you ask, Congress voted to fund research on a new kind of nuclear energy plant called the Advanced Light Water Reactor. You remember nuclear energy, right?

The money—more than $200 million so far—has gone to three struggling firms—General Electric, Westinghouse and Asea Brown Boveri Inc./Combustion Engineering. The idea is to develop a new generation of nuclear power generators.

Except nobody in the United States wants one. No utility has bought a nuclear plant since 1937, and 89 percent of utility executives polled this year by the Washington International Energy Group said they never would.

Even GE decided in February to abandon research on one of its two reactor projects, concluding that "extensive evaluations . . . have not established the commercial viability of these designs."

In the next couple of months Rep. Mark Foley (R-Fla.), a young conservative, will try to kill the Advanced Light Water Reactor. It is a waste of money, he said, and, even if it weren't, "large corporations don't need the help of the federal government."

He has 65 signatures on an amendment to erase the reactor from the 1997 Energy Department appropriations bill, and is brimming with confidence since he successfully defunded a gas-cooled reactor last year.

"I understand the nuances of appropriations better," Foley said, which is fortunate for him, because, as everyone knows, starting federal programs is hard, but getting rid of them is much harder.

And the nuclear industry is not going to roll over. "In the next decade, the balance of power demand will shift . . . because of aging and environmental concerns," said Nuclear Energy Institute spokesman Steve Unglesbee. "We think nuclear will be a contender."

That would be a change. Nuclear power, once deemed the magic bullet for energy consumption, has fallen on hard times in the past two decades. Catastrophes like Three Mile Island and Chernobyl haven't helped, but the main reason for the current lack of interest is probably more mundane.

According to the Safe Energy Communication Council, which doesn't like the reactor, nuclear energy today costs 5 to 10 cents per kilowatt hour while coal-generated energy costs 1.5 to 3.5 cents, natural gas, 3 to 4 cents, and windmills, 5 cents. Utility executives can add.

The United States has 110 nuclear plants, supplying 20 percent of the nation's electrical power needs. All use a controlled fission reaction to generate heat, which in turn makes the steam that drives turbine generators.

The Advanced Light Water Reactor seeks dramatic improvements in the old design through new computer technology and simplified safety features that rely more on gravity and other natural forces and less on complex valve systems.

Almost everything else about the reactor is in dispute. The Energy Policy Act, signed into law in November 1992, authorized five years of development funding. Because the fiscal year had already begun the reactor's proponents say the clock started in 1993, and this year's request—$30.3 million—simply fulfills the five-year authorization.

Foley argues that because the act was signed in 1992, the fifth year was 1996 and the current request is extra. Besides, Westinghouse wants funding through 1998, he adds, which is icing on the icing.

Unglesbee counters that the 1998 funding involves no extra money. Instead, Westinghouse simply wants to pick up $17 million owed from past years, and has signed a deal with the Energy Department to get it.

Further, Unglesbee contends, the corporations will repay the investment once the orders start rolling in—when old reactors wear out or oil prices go up, or both, sometime in the not-too-distant future.

The technology is good, Unglesbee adds, noting that GE is using it in a joint venture in Japan. The Safe Energy Council, however, says this is a violation of the law, because the projects are supposed to be built in the United States, which doesn't want then.

GE hasn't paid back a dime on the Japanese reactors, but Unglesbee says that's because the Nuclear Regulatory Commission hasn't yet certified the design. Once that happens, the corporations have to kick back to the feds no matter where reactors are built.

Until then, one supposes, taxpayers should simply regard their investment as an export subsidy.

[From the Courier-Journal, Louisville, KY, June 4, 1996]

A Needless Subsidy

Congressman John Myers, a moderate Hoosier Republican in the last of his 30 years in the House, has an unbeatable opportunity to make sure he's remembered for opposing flagrant government waste.

Rep. Myers, a banker and farmer from the 7th District in west central Indiana, chairs the Energy and Water Appropriations Subcommittee. His panel is expected to decide this week whether to approve more taxpayer money for private development of advanced, and purportedly safer, nuclear reactors.

This is an easy one and shouldn't require more than a few moments of thought by Rep. Myers and his colleagues.

The committee should join forces on this issue with environmentalists and taxpayer protection groups, consumer advocates and conservative think tanks. All agree that what amounts to subsidies for several multi-billion-dollar companies is a poor investment and money down the drain.

Since World War II, Washington has lavished tens of billions of dollars on civilian atomic research. The dream, never realized, was that electricity generated by nuclear plants would be abundant, safe and cheap. Although those expenditures have been scaled back, the public has continued to support programs at companies like General Electric and Westinghouse.

It could happen that a new generation of safer, more efficient reactors will prove handy many years hence. If that time comes, rich corporations can surely be counted on to invest their own resources to complete work on a commercially successful design. Taxpayers have done more than their share.

But there'll be no market for nukes of any kind in this country so long as such basic problems as safe long-term disposal of radioactive waste remain unsolved.

Given the new competitive pressures in the utility industry, no manager with any concern for his company's financial stability would even think of going nuclear. Demand is as dead as the villages and fields near the burned-out reactor in Chernobyl.

The only potential customers for the fruits of America's tax-supported research are Asian countries, but exports would give rise to new concerns about proliferation of nuclear materials.

That should clinch the case for Rep. Myers and others on the committee to do the taxpayers a very large favor. Just vote no.

[From the Kennebec Journal, June 3, 1996]

Reactor Research Funding Deserves to Be Terminated

While it is always hard to start up a federal program, it's even harder to stop one. Such is the case with many pork-barrel schemes Congress creates and then keeps on funding for no apparent reason that it lacks the will to turn off the flow of money.

Congress is currently considering continuation of funding for something called the U.S. Department of Energy's Advanced Light Water Reactor, which over its five-year life span has cost taxpayers $230 million.

This despite the fact that no utility has built a new nuclear plant in the past 23 years and that according to a poll conducted by the Washington International Energy Group, 89 percent of utility executives claim they will never order another nuclear plant.

Yet the research and development lives on. The Advanced Light Water Reactor program was created under the Energy Policy Act of 1992 and was supposed to be funded for only five years. When the fifth year actually ends is in some dispute since fiscal years and calendar years overlap, but the 1997 DOE appropriations bill includes a $30.3 million request to fulfill the original obligation.

The money—which critics such as the Safe Energy Communication Council contends is little more than corporate welfare—goes to multi-national corporations, including General Electric and Westinghouse to develop the advanced nuclear reactors.

Such governmental largesse has caught the eyes of government-watch-dog groups as diverse as Citizens against Governmental Waste, Friends of the Earth and the U.S. Public Interest Research Group, which have petitioned Energy Secretary Hazel O'Leary to eliminate the program.

Already 65 members of Congress have signed onto a request to scrap what they term wasteful spending that amounts to little more than an export promotion subsidy since the reactors would be sold overseas.

Maine's two congressmen, James B. Longley in the 1st District and John E. Baldacci in the 2nd, may soon get a crack at this issue. Baldacci voted in favor of eliminating the program last year; Longley did not vote.

We would urge them to scrap this wasteful spending, especially when the purpose is no longer of any use.

REACTOR WASTE

The issue: The Department of Energy's Advanced Light Water Reactor program is coming under attack for having spent $270 million over five years for a nuclear reactor no one wants.

How we stand: The project is a classic governmental boondoggie, all the more egregious since it squanders taxpayers' money on wealthy multi-national companies.

[From the Charleston Gazette, May 28, 1996]

Nuclear Subsidy

CORPORATE WELFARE?

General Electric had $60 billion in revenues in 1994. Yet the company took millions of dollars in tax money to fund research on advanced light-water nuclear reactors.

Then this February, GE announced that it was terminating one reactor program subsidized by taxpayers because it wasn't "commercially viable."

Why on earth is Congress giving taxpayers' money to billion-dollar companies to fund research that isn't commercially viable?

GE isn't the only company taking handouts from the Department of Energy's Advanced Light Water Reactor Program. Westinghouse and other companies are also tapped into the program, which has poured $275 million into their pockets since 1992.

Sadly, this subsidized research probably will never benefit one single American consumer. There has not been a new nuclear reactor ordered in the United States since 1973. Instead of cheap, plentiful energy promised by proponents, nuclear plants turned out to be more expensive than coal-fired generating plants. On top of that, the nation has yet to figure out what to do with all of the nuclear waste generated by the 110 nuclear plants in operation.

Congress should end this subsidy, and let these huge corporations risk their own money designing new reactors that nobody wants.

[From the Oregonian, May 28, 1996]

A Taste of Corporate Welfare

No American utility has completed a nuclear power plant in the past 23 years. In fact, U.S. utilities have canceled every nuclear reactor they've ordered since 1973.

Let's face it, nuclear power in the United States, no matter how you might feel about it, is a dead issue. It's simply too expensive to compete with alternative energy sources.

So why then are the Clinton administration and Congress continuing to provide taxpayer dollars to subsidize research and development of the U.S. Department of Energy's Advanced Light Water Reactor?

The House Energy and Water Appropriations Subcommittee should be prepared to answer that question next week when it considers the Energy Department's proposal to give additional funding to the light-water reactor research program.

The facts clearly do not support further public subsidies for conventional nuclear fission development.

Consider this:

A recent poll conducted by the Washington International Energy Group shows that 89 percent of utility executives surveyed say their companies would never consider ordering a nuclear power plant.

Only 8 percent of those surveyed believe that there will be a nuclear power resurgence in the next century.

A 1996 survey of registered voters, conducted by Republican pollster Vince Breglio, found that more than 71 percent of the voters opposed government funding for developing a new generation of nuclear reactors.

The advanced light water reactor research program was created in 1992 to assist major multinational corporations—General Electric, Westinghouse and Asea Brown Boveri/Combustion Engineering—in developing advanced reactors. Never mind that there was no U.S. market for a finished product. This is a pork-barrel of the worst kind. It defines what is meant by the phrase "corporate welfare."

Besides all of that, the Energy Policy Act of 1992, which created this corporate welfare, expires in September, so why is the Energy Department requesting additional funding through fiscal 1997 and perhaps beyond?

It's not as if the three major nuclear vendors are going broke and need extra bucks to finish the job. They showed combined revenues of $73 billion last year.

Moreover, General Electric announced in February it was abandoning development of its boiling-water reactor, which to date has received more than $50 million in taxpayer subsidies under this program.

The Energy Policy Act of 1992 clearly stipulates that recipients of the Advanced Light Water Reactor money must certify that they intend to construct and operate a reactor in the United States. Yet these nuclear reactor manufacturers are selling their U.S. taxpayer-supported reactor designs to Japan, South Korea and other countries—a clear violation of the intent of the law.

Not only has the $275 million the government has paid out since 1992 been spent under false pretenses, but some of the taxpayer dollars for this program also have been wrongly used to reimburse General Electric, Westinghouse and Combustion Engineering for fees charged them by the U.S. Nuclear Regulatory Commission.

This means taxpayers, not the corporations, are paying fees meant to cover the costs of government services.

The conservative Citizens Against Government Waste, Cato Institute and Taxpayers for Common $ense organizations, as well as a variety of environmental groups, are united in their opposition to continued funding for this boondoggle.

Even leaving the valid taxpayer-subsidy arguments aside, continuing this program clearly is in conflict with congressional efforts to cut the federal budget deficit, reduce federal spending and kill corporate welfare programs.

Rep. Jim Bunn, R-Ore., who has used these themes in his campaign for re-election, serves on the House Appropriations subcommittee that will decide the fate of advanced light water reactor funding next week.

Oregonians should be relying on him to be fiscally responsible and take these reactor vendors off welfare.

[From the Richmond Times-Dispatch, June 23, 1996]

ZAP IT

Wouldn't it be nice if Congress could eliminate all examples of dubious federal spending with a single stroke of a mighty pen or Bowie knife? Government doesn't work that way, of course, which is one reason the feds spend more of the taxpayers' money than they should. Cuts generally occur the slow way: one at a time. And that brings us to the Advanced Light Water Reactor (ALWR).

Fermat's Last Theorem is easier to prove than—for liberal arts majors, at least—the ALWR is to explain. Let's just say the ALWR is a nuclear reactor, and leave it at that. Despite generous (profligate?) government subsidies, research into the ALWR has produced few dividends. In a letter opposing continued funding for the reactor, the Heritage Foundation argues:

As a recipient of this research funding has indicated, these reactors have not established their commercial viability. There have been no nuclear reactors ordered or built in America since 1973, and there is no domestic market for nuclear power in the foreseeable future. . .If the reactors truly would be profitable, then corporations would willingly invest their own capital to receive the expected returns. This is the nature of the free market. If an investment has a low probability of being profitable, however, the federal government should not force taxpayers to fund corporate ventures which unnecessarily drain our nation's wealth.

Nuclear power remains a prudent way to generate juice, probably the most prudent way ever devised. Many of the obstacles placed in its path are lamentable. Nevertheless, R&D relating to nukes is not an obligation of government but of industry. Government's role in power is to avoid impeding progress. Except perhaps in times of national crisis, the responsibility for producing energy rests with the private sector. The last time we checked, the U.S. was not fighting a world war. Morever, the companies involved in nuclear research are hardly poor.

Welfare reform ranks among the year's hot issues. Republicans and Democrats, liberals and conservatives, gadflys and cranks are debating how best to promote self-sufficiency. Corporate welfare also deserves some shaking up. The subsidies for the ALWR stand as one example of what government ought not to be doing. Congress should give the ALWR—and similar projects—the zap.

[From the San Francisco Chronicle, May 20, 1996]

END CORPORATE WELFARE FOR NUCLEAR REACTORS

No American electric utility has successfully ordered a nuclear power reactor for the last 23 years. And a recent survey of utility executives concluded that there is "little hope that new nuclear generation" will remain an option "in a time frame that has any practical significance."

So why are U.S. taxpayers still being asked to fork over hundreds of millions of dollars to mature, highly profitable private companies to develop new nuclear power reactors?

The House Energy and Water Appropriations Subcommittee is scheduled to take up that question later this week as it looks for fiscal 1997 budget savings among existing energy programs. A prime candidate should be the Department of Energy's five-year-old Advanced Light Water Reactor program, a shining example of corporate welfare that has never delivered—and probably never will—a single kilowatt of electricity to American consumers.

The idea of subsidizing industry research on a generic, pre-licensed and safer type of reactor for the American market may have made sense five years ago. But except for the reactor's export potential, it's hard to see how a continuation of the program, which is scheduled to expire this year, can be justified.

Just four months ago, General Electric, which has received $50 million from the program to develop a prototype, announced that it was abandoning the effort because its own market research had "not established the commercial viability of these designs."

Indeed, the only markets where new U.S. designed nuclear plants are viable are in Southeast Asia. Westinghouse, one of the program's major benefactors, has identified China and Indonesia as the most likely markets for its reactor—despite a U.S. ban on exports of nuclear technology to China.

But the Energy Policy Act of 1992, which created the subsidy, specifically stipulated that the funds were for development of reactors to be constructed and operated in the United States—not reactors for export. And if, in fact, there is a lucrative export market, there's no reason why companies like Westinghouse and General Electric, with combined revenues of close to $70 billion a year, can't finance their own development programs without help from taxpayers.

This piece of nuclear pork was nearly killed last year by an unlikely coalition of environmental liberals and budget-slashing fiscal conservatives. With electric utility deregulation now adding to an already large surplus of electric generating capacity in the United States, the reasons for letting the subsidy fade into the sunset in September, as scheduled, are better than ever.

[From the Des Moines Register, May 23, 1996]

NUCLEAR NONSENSE

A trio of events has brought the lurid legacy of nuclear energy to the fore in recent days. The first was the anniversary of a nuclear disaster, the second, the need to divert some hot fuel from the weapons market; the third, the need to shut of the federal money spigot feeding a dying industry.

The 10th anniversary of the Chernobyl disaster late last month was a reminder of how wrong things can go, and how one country's energy source can be another's poison. The reactor explosion at the Chernobyl plant in the former Soviet Union spread a cloud of radiation over Europe, releasing 200 times as much radiation as Hiroshima and Nagasaki combined. Thirty-two died, but thousands more may have radiation-related illnesses.

Nothing even close to Chernobyl has happened in the 111 nuclear-power plants in the United States. Civilian reactors have admirably clean records. But there have been some harrowing near-misses.

Meanwhile, the U.S. Department of Energy has announced plans to import some 20 tons of nuclear waste from 41 nations to keep it out of the hands of potential terrorists. Most of it will come from Europe, and some from Asia, South America and Australia. The United States sent the stuff overseas as fuel over a 40-year period. Some of it is weapons-grade uranium.

Finally, Congress will soon vote on whether to continue the taxpayer subsidy of the Advanced Light Water Reactor, a project that has gobbled up $275 million.

The 1992 ALWR project was intended to improve the design of nuclear-power plants in the United States, where no new nukes have been built in a generation. Nobody was enticed by ALWR, either, so the tax money went for reactor designs destined for overseas markets, enriching Westinghouse and General Electric (which hardly need federal subsidies).

Everybody from the conservative CATO Institute to the liberal U.S. Public Interest Research Group wants the program junked. Said Jerry Taylor, CATO's natural resources director, "If ALWR is such a promising technology let the nuclear industry fund it themselves."

The project expires this year. But the U.S. Department of Energy wants another $40 million to keep it going.

Since 1948, when atomic power was being hyped as the energy source of the future, "too cheap to meter," nuclear fission has received $47 billion in federal money for research and development. A bunch of that was spent after utilities gave up on it in the early 1970s.

Today the nation is faced with the apparently impossible task of finding a way to safely dispose of nuclear waste that will remain dangerous for thousands of years. Reactor after reactor was built on the assumption that "someday" science would learn how to handle the waste.

Science hasn't. "Temporary" storage pools are close to overflowing. Nevada is fighting plans to bury it there; everyone else is fighting plans to ship it through their states to Nevada.

Exhibit A: Chernobyl, the ultimate accident. Exhibit B: weapons-grade uranium, the ultimate terrorist tool. Exhibit C: hot waste, the ultimate white elephant.

Despite that sorry scenario, the U.S. Department of Energy wants more money to make the program even worse.

Baloney.

[From the Morning Sentinel, June 3, 1996]

CONGRESS SHOULD SWITCH OFF ENERGY'S NUKE-PORK PROJECT

While it is always hard to start up a federal program, it's even harder to stop one. Such is the case with many pork-barrel schemes Congress creates and then keeps on funding for no apparent reason that it lacks the will to turn off the flow of money.

Congress is currently considering continuation of funding for something called the U.S. Department of Energy's Advanced Light Water Reactor, which over its five-year life span has cost taxpayers $230 million.

This despite the fact that no utility has built a new nuclear plant in the past 23 years, and that, according to a poll, conducted by the Washington International Energy Group, 89 percent of utility executives claim they will never order another nuclear plant.

Yet the research and development lives on. The Advanced Light Water Reactor program was created under the Energy Policy Act of 1992 and was supposed to be funded for only five years. When the fifth year actually ends is in some dispute since fiscal years and calendar years overlap, but the 1997 DOE appropriations bill includes a $30.3 million request to fulfill the original obligation.

The money which critics such as the Safe Energy Communication Council contends is little more than corporate welfare goes to multi-national corporations, including General Electric and Westinghouse to develop the advanced nuclear reactors.

Such government largesse has caught the eyes of government-watchdog groups as diverse as Citizens against Governmental Waste, Friends of the Earth and the U.S. Public Interest Research Group, which have petitioned Energy Secretary Hazel O'Leary to eliminate the program.

Already 65 members of Congress have signed onto a request to scrap what they term wasteful spending that amounts to little more than an export promotion subsidy since the reactors would be sold overseas.

Maine's two congressmen, James B. Longley in the 1st District and John E. Baldacci in the 2nd, may soon get a crack at this issue. Baldacci voted in favor of eliminating the program last year; Longley did not vote.

We would urge them to scrap this wasteful spending, especially when the purpose is no longer of any use.

WASTED MILLIONS

The issue: Congress is currently considering continuation of funding for something called the U.S. Department of Energy's Advanced Light Water Reactor, which over its five-year life span has cost taxpayers $230 million, despite the fact that no utility has built a new nuclear plant in the past 23 years.

How we stand: Already 65 members of Congress have signed onto a request to scrap what they term wasteful spending. Maine's two congressmen, James B. Longley in the 1st District and John E. Baldacci in the 2nd, should join them.

[From the Bangor Daily News, June 21, 1996]

SPENDING PRIORITY

No U.S. utility has purchased a nuclear plant for more than a quarter century and, according to a recent survey, almost no utility executive plans to ever order another one. This, unfortunately, has not stopped the federal government from spending $235 million in the last five years on nuclear research for a new style of nuclear power plant, nor has it slowed members of Congress from asking for more money—$30 million this year—for the project.

This is not a knock on government-sponsored research but a questioning of priorities. The tax money used for developing the Advanced Light Water Reactor has gone largely to three firms: Westinghouse, General Electric and Asea Brown Boveri Inc./Combustion Engineering. All of them are well able to support their own work and would, if it ever had a chance of turning a profit. A 1995 study by Washington International Energy Group showed that 89 percent of utility executives believed their utility would never order another nuclear power plant, suggesting a dismal future market.

The Advanced Light Water Reactor program has been trying to develop a simpler, safer nuclear plant—a potentially wonderful thing—but supporting this research should not be a priority with a government that is trying to balance its budget and has trouble covering the cost of health care and education for its citizens. If Congress is determined to spend money on nuclear programs, it might consider investing further funds in finding a suitable place to store the high-level radioactive waste from the country's 110 active nuclear power plants.

A wide range of organizations oppose the new proposed funding for the reactor, including U.S. Public Interest Research Group, the Heritage Foundation, the Council for Citizens Against Government Waste and Taxpayers for Common Sense. Sixty-nine members of Congress have signed a letter expressing their opposition to it. The Department of Energy and advocates of the nuclear power industry favor continued funding.

Members of the House and Senate have yet to justify the need for what amounts to a large corporate subsidy. It is likely they cannot. Instead, they should end the program before it costs taxpayers any more money.

[From the Houston Chronicle, June 20, 1996]

DIM FUTURE—TIME TO STOP FEDERAL SUBSIDIES FOR NUCLEAR GENERATORS

Nuclear power plants to produce cheap electricity were once the dream of the future. But the bright future of nuclear plants has dimmed as higher than expected construction costs, environmental considerations and safety concerns have taken their toll over the past two decades.

No new nuclear power plant has been ordered in the United States since 1973, and most utility company executives surveyed this year said they would never consider ordering a nuclear power plant.

Yet, Congress has authorized more than $230 million in federal support to companies since 1992 to develop advanced nuclear reactor designs when no one in the United States apparently wants to buy them.

Now the Department of Energy is asking Congress for a three-year extension in funding for the Advanced Light Water Reactor program, which was supposed to be completed by the end of this fiscal year. Local U.S. Reps. Sheila Jackson Lee, Gene Green and Ken Bentsen have a record of having voted for this program. Congress now should say no to this "corporate welfare."

The fact that few, if any, American utilities appear interested in buying new nuclear plants would make the taxpayers' investment questionable even without today's severe restraints on the federal budget.

Recipients of ALWR funds, including such giants as General Electric and Westinghouse, have the resources to finance the development of these new reactors, if they so choose. If the market is there and ALWR technology works, let them develop these new nuclear plants on their own.

Meanwhile, the bloom is off nuclear power plants for most Americans. Taxpayers' funds should be spent more wisely, particularly with the critical need to balance the budget.

Mr. McCAIN. Mr. President, I know that there will be some opposition to this amendment because we have debated and discussed this program before in this Chamber. I would obviously be interested in engaging in that debate, which I think may not take place until Monday or Tuesday. But I hope to be here at that time.

In the meantime, Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. McCAIN. Mr. President, I yield the floor.

The PRESIDING OFFICER. Is there a sufficient second?

Not at this time.

Mr. DOMENICI. We will have plenty of time to make sure the Senator gets the yeas and nays.

Mr. McCAIN. I thank the Senator from New Mexico.

Mr. President, I yield the floor.

Mr. KERRY. Mr. President, every day, the working families of Massachusetts have to make tough choices about what they can afford, how to pay the rent, or whether they can send their kids to college.

The Federal budget deficit, while reduced considerably due to President Clinton s leadership and the courage of the Democratic-controlled Congress in 1993, is still over $100 billion a year. We absolutely must get a grip and bring the Federal Government's expenditures within its means.

Like families in Massachusetts, I have been working in the U.S. Senate to make the tough choices concerning our Federal budget.

In 1994, I successfully led the fight to eliminate funding for the dangerous advanced liquid metal reactor.

Last year, I stood with Senators McCAIN, FEINGOLD, and THOMPSON in an effort to cut $60 billion in corporate welfare programs to get rid of wasteful Federal spending and reduce the deficit.

Today, I am proud to continue that fight as a cosponsor of Senator McCAIN's legislation to cut one of the biggest examples of corporate pork, the Advanced Light Water Reactor Program.

This program has already spent over $200 million of taxpayer money to improve the designs of nuclear power plants that nobody in this country wants. There is no demand for more nuclear power plants in the United States. No utility has bought a nuclear power plant since Richard Nixon was President.

This program is the definition of corporate pork. The three companies which received the majority of funding for this program had a combined profit of $80 billion last year. It is unconscionable for the Federal Government to subsidize the research and development budgets of these companies when we cannot sufficiently fund our schools or put enough cops on the beat to make our communities safe.

In 1992, the Congress funded research for this project for 5 years ending in 1996. Now proponents of the advanced light water reactor say that they need 3 more years of funding to finish the designs that no one wants. This is just corporate pork and it has to be stopped now.

Proponents of this program cite China as a prime market for the design despite the fact that it is illegal to sell China this technology.

Proponents also argue that corporations are going to repay the Federal Government for its investment in the Advanced Light Water Reactor Program once they receive orders for these new plants. However, General Electric has already canceled part of this project because it is not commercially viable.

For all these reasons the advanced light water reactor must be stopped.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, Senator JOHNSTON has the best grasp of this program and will argue in opposition to it in due course. He is not here today for the rest of this afternoon, but I want to say to the Senator from Arizona how much I appreciate the way he has handled these amendments and the manner in which he has presented them. He has made in a very few moments as good an argument as there is going to be against this program, and he did not fill the air with all kinds of technical things but went right to the heart of it. Surely this has been before us before, but obviously it will be taken up briefly in opposition, and then it will take its place among the votes to occur on Tuesday.

I understand the Senator may have a bit of difficulty being here on Monday. I understand that. He can rest assured we will try to get the yeas and nays at the earliest moment, so he can be assured of that.

Mr. McCAIN. Mr. President, as always, I thank the very wonderful courtesy of my colleague from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I would like to clarify one point in the committee report. Reference is made in the report to the commitment of the State of New Mexico to the Animas-La Plata project. Specifically, this commitment includes the 1986 cost-sharing agreement for the project, allocation of consumptive use required for the project from New Mexico's apportionment under the Upper Colorado River Basin compact, participation in the San Juan River Recovery Implementation Program, and support of the Colorado Ute Indian water rights settlement.

I ask unanimous consent to have two letters in their regard printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NEW MEXICO INTERSTATE
STREAM COMMISSION,
Santa Fe, NM, October 5, 1995.

Hon. PETE V. DOMENICI,
U.S. Senator, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR DOMENICI: Recent news articles and other reports reaching this office indicate continuing controversy concerning efforts to proceed with development of the Animas-La Plata Project.

This agency continues its full support for the project which includes the commitments made by New Mexico under the several interstate stream compacts, congressional authorization of the project, the 1986 cost-sharing agreement for the project, allocation of consumptive use required for the project from New Mexico's apportionment under the Upper Colorado River Basin Compact, participation in the San Juan River Recovery Implementation Program and support of the Colorado Ute Indian Water Rights Settlement. The water committed to the project by New Mexico from the public waters of the state must be made available for use as soon as possible to meet current demands for water in the San Juan River Basin.

I urge that the Congress take such action as is reasonably necessary to ensure the expeditious development of the Animas-La Plata Project to provide needed water supply for use in Colorado and New Mexico.

Please let me know if I may provide additional information.

Sincerely,

THOMAS C. TURNEY,
Secretary.

ATTORNEY GENERAL OF
NEW MEXICO,
Santa Fe, NM, July 17, 1996.

Hon. PETE V. DOMENICI,
U.S. Senator,
Washington, DC.

DEAR SENATOR DOMENICI: I write to you concerning language in draft Senate and House Appropriations Subcommittee reports addressing the proposed Animas-La Plata Project. Because some of the statements in the reports are false and because other statements appear to encourage bypassing of federal laws, I urge you to contact members of the Appropriations Committees to urge that the problematic language be stricken from those reports. Alternatively, I ask that you seek clarification from Committee members on the intent underlying the reports. Although this report language does not carry the force of law, it has great potential to mislead agencies, courts, and the public at large, to the detriment of all.

NEW MEXICO "COMMITMENTS"

The Subcommittee reports state the following: "For purposes of initiating construction of Stage A, the existing repayment obligations of the parties contracting for water, along with the commitments of the States of Colorado and New Mexico, provide adequate assurances that the United States will be repaid in connection with construction of those facilities." (Emphasis added.) This language indicates erroneously that the State of New Mexico has made a financial commitment toward the construction of the Animas-La Plata (ALP) Project. I know of no such financial commitment. Although the State Legislature in 1991 authorized $2 million in severance tax bonds to assist San Juan County with ALP start-up costs, in 1993 the Legislature took the money back and authorized it for other purposes. Because the State of New Mexico has no outstanding financial commitment toward repayment of ALP construction costs, this report statement is erroneous and should be stricken.

EVASION OF FEDERAL AND STATE ENVIRONMENTAL LAWS

Addressing environmental impacts of the ALP Project, the reports state:

"The present documentation is fully informative of these issues and construction of the first stage of the project may proceed without adversely affecting any of the other water users on the San Juan system.

* * * * *

"The Committee is aware that the San Juan River and its tributaries do not consistently meet New Mexico's newly adopted water quality standards for selenium and that there is concern over the potential effect of the operation of the Animas-La Plata facilities in Colorado on this existing problem. The Secretary of the Interior should take reasonable steps to assist Colorado and New Mexico in improving the quality of surface flows by addressing the problems caused by non-point sources."

This language is problematic because it implies a congressional finding of the adequacy of the environmental documentation for the project and a concomitant exemption from full compliance with the National Environmental Policy Act. Yet the adequacy of the ALP EIS and its supplement is in gave doubt. Just recently, EPA stated that it "ha[d] identified significant shortcomings in the level and scope of [environmental] analysis," and that "this EIS process [for ALP] has not adequately considered the impacts to Navajo water rights and existing water projects, water quality, mitigation, and the impacts associated with municipal and industrial use."

Neither the New Mexico Environment Department nor this office has completed a review of the new documentation, but preliminary analyses indicate that it is sorely lacking, particularly in relation to the Project's water quality impacts in New Mexico and the absence of analysis of alternatives that would meet the terms of the 1988 Colorado Ute Indian Water Rights Settlement Act. There is simply no basis for a congressional pronouncement that the environmental documentation for the Project "is fully informative of these issues."

Moreover, the reports' implications that New Mexico's only water quality concern relates to its recent adoption of a new selenium standard are false. The ALP Project threatens to violate or exacerbate existing violations of multiple state water quality standards, including selenium, mercury, and possibly others. The 1994 state selenium standard was adopted unanimously by the state Water Quality Control Commission on the basis of extensive and convincing scientific evidence that a higher standard would not be protective of aquatic life.

In addition, a direction to the Secretary of Interior to take steps to address nonpoint source pollution in New Mexico issued simultaneously with a mandate to proceed with construction of a project that, if its agricultural irrigation components are included (Stage B of Phase I and Phase II), will lead to large new nonpoint source pollution problems in the State is both ironic and nonsensical. If the reports' intent is to require the Secretary to mitigate the adverse water quality impacts of the Project, then such mitigation should be identified, described, and committed to in the environmental documentation for the Project, rather than being relegated to a vague allusion in a congressional report.

Contrary to the reports' implications, Stage A cannot be viewed in isolation from the remainder of the Project, especially the remainder of Phase I. Construction of Stage A would not satisfy the requirements of the 1988 Colorado Ute Indian Water Rights Settlement Act. Stage B, which involves a great deal of irrigation and related impacts on New Mexico water quality, must also be constructed in order to meet the terms of the Settlement Act. Since, as the Reports note, New Mexico already had a severe water quality problem in the river stretches affected by the Project, any further deterioration of water quality in that area is not acceptable. Thus, this language, which implicitly endorses evasion of the Clean Water Act and State water quality standards, should be excised.

Please urge the Committees to strike the erroneous language concerning ALP from their reports and to remove from the reports all implications that compliance with federal and state laws may be short-circuited in order to commence Project construction as hastily as possible.

Sincerely,

TOM UDALL,
Attorney General.

GARRISON DIVERSION PROJECT

Mr. DORGAN. Mr. President, the appropriations process provides once again a payment for something called the Garrison Diversion Project, which is a very important project, fulfilling a promise made by the Federal Government to the State of North Dakota 40 years ago.

I appreciate very much the help of the Senator from New Mexico, the Senator from Louisiana, and others on those issues.

I wanted to thank them today for that assistance. It is part of a promise—keeping a promise to a State for water delivery from a series of dams that were built in North Dakota that flooded a half a million acres. That flood came and stayed. We were told that, if you will accept the permanent flood, we will give you some benefits over the next 50 or 60 years.

That is what this process has been about—benefits that will in the long run allow jobs and opportunity and economic growth in a rural State that needs it, but also benefits that are the second portion of a promise that was made if we kept our portion.

We now have a permanent flood of a half a million acres. This payment once again is another installment in the Federal Government keeping its promise to the people of North Dakota.

HANFORD NUCLEAR RESERVATION

Mr. GORTON. Mr. President, this afternoon I want to discuss the Hanford Nuclear Reservation, a place important to me, to the people of the State of Washington, and to the Nation.

Hanford, as my colleagues on both sides of this aisle continually point out, has had its share of problems and challenges for the Nation. That goes without saying when you are the caretaker to 80 percent of the Nation's spent plutonium and 177 tanks filled with millions of gallons of nuclear byproducts. Nuclear weapons production and its associated hangover—cleanup—are tasks that no one wants any more, not Oregon, California, New York, or Alaska. You name it, people in other States of this Nation have gladly accepted the benefits of the efforts conducted at Hanford, freedom provided by a strong nuclear deterrent, but they are relatively uninterested in the mess that is left behind.

Instead, Hanford's critics collectively plug their noses, complain about the lack of results they have received from the money invested in cleanup so far. Not only is that disdainful of Hanford's contribution to this Nation's security and freedom, but it is also plain wrong. Over the past 2 years, the Department of Energy, the Hanford community, and this Congress have made real progress toward getting on with real cleanup.

Mr. President, I would focus this afternoon on three things. I will tell you what has been achieved and actually cleaned up over the last 2 years; I will tell you what more can be expected; and I will make the case for why we need a continued investment in the site.

Cleanup successes at Hanford are beginning to pay off in a big way. The management strategy developed by the Department of Energy is increasing productivity for less money; its making the site a safer place to work; and it has tackled, albeit clumsily, the disturbing but necessary task of trimming the workforce.

With a focused management strategy, DOE allowed Hanford to perform the full projected $225 million environmental restoration work over the past 2 years with only $175 million. This is a $50 million dollar savings. More importantly, DOE canceled its cost-plus contracting, and entered into one of the most aggressive performance-based contracts in its entire complex. The work force has been cut by 4,774 jobs, and costs associated with equipment, inventory, training, and travel have all been slashed. Despite these cuts, important cleanup milestones are consistently met.

Workers at Hanford are in the field, pushing dirt rather than paper. Two years ago, 72 percent of Hanford's employees did paperwork, while only 28 percent actually did cleanup. Today, that field versus non-field ratio has flipped completely.

Here are some other accomplishments worth nothing:

2,300 metric tons of corroding spent nuclear fuel will be stabilized and moved away from the Columbia River three years ahead of schedule and $350 million under budget;

The cost of solid waste disposal has been reduced by 75 percent over the last 5 years, making the price of cleanup lower than commercial equivalents;

Decontamination of PUREX, the Plutonium Uranium Extraction Plant, is 16 months ahead of schedule, $47 million under budget and upon completion in 1997 will cut its annual mortgage cost from $34 million to less than $2 million;

450 unnecessary DOE regulations and orders have been eliminated;

The 50-year practice of discharging contaminated water to the ground soil has been terminated;

7.5 million gallons of water have been evaporated from the tank farms, slowing the leaks and avoiding $385 million in costs for new tanks;

Hanford workers have reduced the generation of new mixed radioactive waste by almost 200,000 gallons a year;

Safety performance at the site has jumped from the bottom 25 percent among DOE sites to the top 25 percent in the fiscal year 1994–95 timeframe;

Worker compensation costs have fallen as safety performance increased: $700,000 was saved on Hanford 6-month insurance and workers compensation bill alone;

17.1 million gallons of ground water were treated;

Over 20,000 cubic yards of contaminated soil were excavated, while 141,000 pounds of tetrachloride were removed from the ground water;

44,000 highly radioactive fuel spacers were removed from the Columbia River; and

The baseline costs for DOE's Remedial Action Project were reduced by $800 million and its scheduled improved by 9 years.

I could go on, but I am afraid I would lose the point of this discussion within the nuances of technical achievements. That is just a part of what has been accomplished in the past 24 months. You can expect more.

WHERE WE ARE GOING AT HANFORD

This year, the House and Senate passed comprehensive legislation in the 1997 Defense Authorization Act to help lock in greater efficiencies at DOE sites. The legislation, sponsored by myself and Doc HASTINGS in the House, grants expanded authority to site managers to take quick action on cleanup projects; it places strict limits on costly paperwork studies; lays down a 60-day time limit on DOE headquarters review of budget transfers; and it establishes systems to demonstrate and deploy new technologies. Again, many thanks to my colleagues on the Armed Services Committee for their help in seeing this legislation passed.

Within the next few weeks, a new 5-year performance based contract, which will include incentives to ensure tax dollars are spent efficiently, will be awarded at the site. A new management and integrator system will be implemented where the lead contractor—much like on the space station project—will hire subcontractors at the most economical price to complete work at Hanford.

Finally, DOE is expected to award two private contracts to dispose of the 54 million gallons of radioactive waste upon completion of its removal from the 177 underground tanks situated at the site. And although I have generic questions over the scope and nature of DOE's tank waste remediation system project, I think privatization is the only way it will be able to meet its requirements to clean that portion of the site. The Department's pursuit of a two step cleanup process allows for new technologies and developments to be incorporated into the second phase of the project. It has been projected that by using private expertise, DOE is likely to reduce the costs of tank cleanup by as much as $13 billion. That is billion with a B.

We are going to take these three events and push the Hanford management system even harder. Greater productivity can be squeezed out of Hanford, and these initial first steps are a good start.

IT'S OUR STATE, OUR RIVER, THESE ARE OUR PEOPLE—WE ARE NOT GOING TO RETREAT

Last year in the conference on the energy and water appropriations bill, the House and Senate were locked in an intense struggle regarding increased funding for defense environmental restoration and waste management within the DOE complex. I told my entrenched colleagues from the House that this DOE is doing a better job than its predecessor. For Senator MURRAY, Senator HATFIELD, and myself, this is life or death. It's our State, our river, these are our people. We are not going to retreat. I have not changed my position from that conference one bit.

The people of the Tri-Cities and the Columbia River are critical to Washington's economic health. Granted, Hanford has been a nagging cough for some time. But we are beating the systemic problems at the site; we are driving costs down in terms of management, overhead, and superfluous expenses; we are getting on with cleanup.

President Clinton came to Congress with a budget proposal for nuclear waste cleanup which was woefully inadequate. The Senate rightly restored over $200 million to the defense environmental restoration and waste management account. It did not abandon Hanford, as this administration clearly did. We will not let up pressure to get this site clean, because to do so would be a tragic waste of the investment we have already made. An investment, which most of my colleagues know, totals in the billions.

So, Mr. President, I have outlined the progress we have made at Hanford, and I have pointed out where we intend to go. I hope my colleagues will acknowledge that Hanford cleanup is working. My colleagues need to recognize that, and push aside the stereotypes that for too long have been associated with Hanford. We can't forget what Hanford has contributed to the defense of this Nation, and we certainly should not back away from the commitment we have to get this site clean.

Mr. DOMENICI. Mr. President, I ask if there are any other Senators who would like to present their amendments? We can be here for a while if there are. Soon we are going to get wrap-up from the leader, a unanimous-consent here. I will try to get that quickly so we do not keep the Presiding Officer here.

We will have a quorum call so I will see if we can get that done expeditiously.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. DOMENICI. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 75th ANNIVERSARY OF THE REHOBOTH BEACH PATROL

Mr. ROTH. Mr. President, I rise today to commemorate the 75th anniversary of the Rehoboth Beach Patrol [RBP] and the patrol's 75-year perfect safety record. Every summer, Rehoboth Beach, DE, is inundated with tens of thousands of vacationers from Delaware, Maryland, D.C., Virginia, and Pennsylvania. And every summer, the lifeguards of RBP reunite over 400 lost children with their parents, treat hundreds of injuries, and save scores of swimmers.

All too often, with people too busy at work, or in this case, too busy at play, years of work, dedication, and perfection go overlooked. It is only fitting and proper that RBP be recognized after so many perfect years of service.

With the leadership of Capt. Paul "Doc" Burnham in the 1940's, through the firm discipline of Capt. Frank "Coach" Coveleski in the 1950's through the 1970's, to current Capt. Jate Walsh, the swimmers of Rehoboth beach have been, and continue to be, guarded by the best Delaware has to offer. As for the future, Lieutenants Tom Coveleski and Derek Shockro strive to continue our great Delaware tradition into the next century.

On behalf of my fellow Delawareans, and the literally hundreds of thousands of vacationers that have enjoyed the safe beaches of Rehoboth for so many years, I say thank you. And best of luck to Rehoboth Beach Patrol, as it works on another 75 years of perfect service.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, July 25, the Federal debt stood at $5,181,309,194,639.37.

On a per capita basis, every man, woman, and child in America owes $19,525.39 as his or her share of that debt.

MESSAGES FROM THE HOUSE

At 12:10 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3816. An act making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 203. Concurrent resolution providing for an adjournment of the two Houses.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

H.R. 1114. An act to authorize minors who are under the child labor provisions of the Fair Labor Standards Act of 1938 and who are under 18 years of age to load materials into balers and compactors that meet appropriate American National Standards Institute design safety standards.

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 4, 1995, the Secretary of the Senate, on July 2, 1996, during the adjournment of the Senate, received a message from the House of Representatives announcing that the House disagrees to the amendments of the Senate to the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mrs. VUCANOVICH, Mr. CALLAHAN, Mr. DADE, Mr. MYERS of Indiana, Mr. PORTER, Mr. HOBSON, Mr. WICKER, Mr. LIVINGSTON, Mr. HEFNER, Mr. FOGLIETTA, Mr. TORRES, Mr. DICKS, and Mr. OBEY as the managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3448) to provide tax relief for small business, to protect jobs, to create opportunities, to increase the take home pay of workers, to amend the Portal-to-Portal Act of 1947 relating to the payment of wages to employees who use employer-owned vehicles, and to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate and to prevent job loss by providing flexibility to employers in complying with minimum wage and overtime requirements under that act, and asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on Ways and Means, for consideration of the House bill (except for title II) and the Senate amendment numbered 1, and modifications committed to conference: Mr. ARCHER, Mr. CRANE, Mr. THOMAS, Mr. GIBBONS, and Mr. RANGEL.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of sections 1704(h)(1)(B) and 1704(l) of the House bill and sections 1421(d), 1442(b), 1442(c), 1451, 1457, 1460(b), 1460(c), 1461, 1465, and 1704(h)(1)(B) of the Senate amendment numbered 1, and modifications committed to conference: Mr. GOODLING, Mr. FAWELL, Mr. BALLENGER, Mr. CLAY, and Mr. OWENS.

As additional conferees from the Committee on Economic and Educational Opportunities, for consideration of title II of the House bill and the Senate amendments numbered 2–6, and modifications committed to conference: Mr. GOODLING, Mr. FAWELL, Mr. BALLENGER, Mr. RIGGS, Mr. CLAY, Mr. OWENS, and Mr. HINCHEY.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3845) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. WALSH, Mr. BONILLA, Mr. KINGSTON, Mr. FRELINGHUYSEN, Mr. NEUMANN, Mr. PARKER, Mr. LIVINGSTON, Mr. DIXON, Mr. SERRANO, Ms. KAPTUR, and Mr. OBEY as the managers of the conference on the part of the House.

MEASURE PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 3816. An act making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3535. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on the China Joint Defense Conversion Commission; to the Committee on Armed Services.

EC–3536. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the report of a rule entitled "Book-entry Procedures for Federal Agricultural Mortgage Corporation Securities," (RIN3052–AB70) received on July 23, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3537. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Mexican Fruit Fly Regulations," received on July 24, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3538. A communication from the Administrator, Agricultural Marketing Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida," received on July 24, 1996; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3539. A communication from the Assistant to the Board, Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Regulation K," received on July 25, 1996; to the Committee on Banking, Housing, and Urban Affairs.

EC–3540. A communication from the Assistant Chief Counsel, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Management Official Interlocks," received on July 24 1996; to the Committee on Banking, Housing, and Urban Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DORGAN (for himself and Mr. REID):

S. 1993. A bill to require certain expenditures by the Federal Reserve System to be made subject to congressional appropriations, to prohibit the maintenance of surplus accounts by Federal reserve banks, to provide for annual independent audits of Federal reserve banks, to apply Federal procurement regulations to the Federal Reserve System, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER:

S. 1994. An original bill to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes; from the Committee on Commerce, Science, and Transportation; placed on the calendar.

By Mr. WARNER (for himself, Mr. FORD, Mr. ROBB, Mr. MOYNIHAN, Mr. SIMPSON, Mr. COCHRAN, and Mr. GLENN):

S. 1995. A bill to authorize construction of the Smithsonian Institution National Air and Space Museum Dulles Center at Washington Dulles International Airport, and for other purposes; to the Committee on Rules and Administration.

By Mr. BIDEN:

S. 1996. A bill to amend the Violent Crime Control and Law Enforcement Act of 1994 to allow certain grant funds to be used to provide parent education; to the Committee on the Judiciary.

By Mr. SIMON:

S. 1997. A bill to clarify certain matters relating to Presidential succession; to the Committee on Rules and Administration.

By Mr. ASHCROFT:

S.J. Res. 57. A joint resolution requiring the Congressional Budget Office and the Joint Committee on Taxation to use dynamic economic modeling in addition to static economic modeling in the preparation of budgetary estimates of proposed changes in Federal revenue law; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SPECTER (for himself, Mr. HELMS, Mr. BENNETT, and Mr. FAIRCLOTH):

S. Res. 283. A resolution to express the sense of the Senate concerning creation of a new position in the White House as Senior Advisor on Religious Persecution; to the Committee on Foreign Relations.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 284. A resolution to authorize the production of records by the Permanent Subcommittee on Investigations; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN (for himself and Mr. REID):

S. 1993. A bill to require certain expenditures by the Federal Reserve System to be made subject to congressional appropriations, to prohibit the maintenance of surplus accounts by Federal Reserve banks, to provide for annual independent audits of Federal Reserve banks, to apply Federal procurement regulations to the Federal Reserve System, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE FEDERAL RESERVE FISCAL RESPONSIBILITY ACT OF 1996

Mr. DORGAN. Mr. President, today Senator REID and I are introducing legislation to eliminate the kinds of budgetary excesses and accountability lapses at the Federal Reserve Board that were recently uncovered by the General Accounting Office [GAO]. At a time when many Federal agencies are downsizing and making tough choices about their spending priorities, the Federal Reserve ought to be tightening its belt too. Regrettably, however, the opposite appears to be the case at the Federal Reserve.

During the past several years, Congress has embarked on a historic and painful path toward deficit reduction. Since 1993, the Federal deficit has been slashed by more than one half.

The Federal Reserve Board's Chairman, Alan Greenspan, has been one of the loudest cheerleaders for deficit reduction. But a one-of-a-kind GAO report about Federal Reserve expenditures between 1988 and 1994 shows us that Chairman Greenspan apparently hasn't been practicing what he preaches.

A few weeks ago, the GAO released the final version of its comprehensive report about the management of the Federal Reserve System. This report, which took the GAO over 2 years to assemble, uncovers disturbing financial practices and management failures within the Federal Reserve System. The report is packed with examples where the Fed could substantially trim costs, and makes specific recommendations for changes in Fed operations. Unfortunately, the Federal Reserve has already dismissed most of the GAO's recommendations as irrelevant or unnecessary.

The GAO report shows that during the late 1980's and early 1990's that Federal Reserve expenditures jumped by twice the rate of inflation. While Fed employee benefits and travel costs are out-pacing inflation, the rest of the Federal Government has been downsizing. For example, between 1988 and 1994, Federal Reserve employee benefit costs skyrocketed by nearly 100 percent—as compared to about 60 percent for the Federal Government—according to the GAO report.

The report also reveals that over 120 Federal Reserve employees actually make more than Chairman Greenspan. In fact, overall personnel cost increases at the Federal Reserve represented over 70 percent of the total growth in the Fed's operating expenses during the years examined by the GAO. This runaway spending is remarkable given Chairman Greenspan's rhetoric about the need for belt-tightening in the rest of the government.

Inexplicably the Federal Reserve also keeps a $3.7 billion cash surplus account of taxpayer's money to protect against losses, despite the fact that the Fed hasn't suffered a loss for 79 consecutive years.

Senator REID and I are introducing legislation today to address these problems. Our bill, the Federal Reserve Fiscal Responsibility Act of 1996, includes many of the changes recommended by the GAO. It would do the following:

First, the GAO, in consultation with the Federal Reserve, will identify and report to Congress a list of the Federal Reserve System activities that are not related to the making of monetary policy. After the report is completed, all nonmonetary policy expenditures, as identified by the GAO, would be subject to the congressional appropriation process. We do not intend to inject politics into monetary policy with this provision. However, over 90 percent of the Fed's operations have nothing to do with interest rate policy according to the GAO. And there is simply no good reason why the Fed's nonmonetary expenditures are immune from the same kind of oversight and review required of other Federal agencies.

Second, the Federal Reserve is required to immediately return more than $3.7 billion of taxpayer's money that has unnecessarily accumulated in its surplus account to the Treasury. In addition, the bill asks the GAO to determine the extent to which any of the Fed's future net earnings should be transferred to the general fund of the Treasury each year.

Third, the regional Federal Reserve banks will be subjected to annual independent audits. This provision merely codifies what the Federal Reserve has been doing for the most part in recent practice.

Finally, the Federal Reserve will be required to follow the same procurement and contracting rules that apply to other Federal agencies. These rules should help to prevent the kinds of favoritism highlighted in the GAO report and increase competition among contract bidders with the Fed. This requirement ought to substantially reduce procurement costs on a systemwide basis.

I invite my colleagues to join us as cosponsors of this much-needed legislation.

Mr. REID. Mr. President, I rise today with the Senator from North Dakota to introduce legislation which we believe will improve fiscal management within the Federal Reserve System.

In September 1993, Senator BYRON DORGAN and I requested a General Accounting Office [GAO] investigation of the operations and management of the Federal Reserve System [Fed]. We were concerned because no close examination of the Fed's operations had ever been conducted before. As Congress scrutinizes each Federal expenditure in an attempt to balance the budget, it is imperative that we be well informed on all activities that affect the Government's finances. Surprisingly, this GAO study was the very first look into the internal operations of the Fed and, to date, there has never been an annual, independent audit of the Nation's central banking system. Further, because of its self-financing nature, the Fed's operating costs have largely escaped public investigation. It was high-time we opened the door and examined the workings of this large and influential public entity.

The landmark GAO report, issued in June 1996, raises serious questions about management within the Fed. One of the most astonishing findings of this comprehensive, 2-year study was that the Fed had squirreled-away $3.7 billion in taxpayer money in a surplus fund, which it claims is needed to cover system losses. In its entire 79 year history, however, the Fed has never operated at a loss. The GAO report indicates that this fund could be safely reduced or eliminated and returned to the Treasury Department, as is standard practice with surplus revenues. It is nonsensical for this cash to be sitting idle at the Fed instead of being used to reduce the deficit.

While the rest of the Federal Government has tightened its belt and downsized, the GAO report revealed that the Fed has enjoyed enormous growth in its operating costs and highly questionable growth in its staffing. The GAO study found that operating costs at the Fed have grown 50 percent between 1988 and 1994, a rate twice that of inflation and much greater than overall Federal discretionary spending. The study also uncovered salary growth at a rate of 44 percent between 1988 and 1994. During the same time period, personnel benefits skyrocketed nearly 90 percent. Further, the GAO report revealed nonuniform travel policies and an excessive 66 percent increase in travel expenses.

The picture the GAO report paints of the internal management of the Fed is one of conflicting policies, questionable spending, erratic personnel treatment, and favoritism in their procurement and contracting policies. The report makes it clear that the Fed could do much more to increase its fiscal responsibility, particularly as it urges parsimonious practices by all other Federal agencies.

The compelling evidence offered by the GAO report indicates that many of the practices of our Nation's central bank should change, especially when their budgetary excesses represent a direct cost to taxpayers. The surplus fund, along with increasing bloat, perks, and benefits begs greater accountability. For these reasons, I rise today with my colleague from North Dakota, Senator DORGAN, to introduce the Federal Reserve Fiscal Responsibility Act of 1996. This measure follows some of the recommendations of the GAO report and seeks to improve the Fed's fiscal management.

The Federal Reserve Fiscal Responsibility Act of 1996, requires the Comptroller General of United States, in cooperation with the Fed Board, to identify the functions and activities of the Board and of each Fed bank which relate to U.S. monetary policy. After September 30, 1997, all nonmonetary policy expenses of the Federal Reserve System will be subject to the congressional appropriations process. Surprisingly, the monetary policy expenses represent less than 7 percent of the Fed's annual expenses. Our bill would subject the Fed to the cost reduction pressures that affect other public agencies, and ensure congressional oversight over the Fed's questionable spending of taxpayer money.

Further, the Federal Reserve Fiscal Responsibility Act addresses the disturbing matter of the surplus fund. It requires the transfer of all Fed surplus funds to the Secretary of the Treasury for deposit in the general fund of the Treasury. This would occur 30 days after enactment of the legislation. Annually thereafter, the Comptroller General of the United States will determine what percentage of the net earnings of the Federal Reserve banks should be deposited back in the Treasury. This provision would free-up this money for use in deficit reduction.

Our bill also will apply regular Federal procurement procedures to the Fed Board and to each Federal Reserve bank. This will eliminate the possibility of favoritism and conflict of interest in procurement and contracting policies.

Finally, and perhaps most significantly, our measure would require an annual, independent audit of the Fed. An annual audit is fiscally sound policy which would instill greater public confidence in our banking system.

I want to make it very clear that I am not attempting to interfere with, or impugn, the monetary policy of the Fed. I am merely seeking greater accountability in the operating expenses and internal management of one of our most influential institutions.

I look forward to greater discussion of this issue by Congress, and encourage the committee to give favorable consideration to our legislation.

By Mr. WARNER (for himself, Mr. FORD, Mr. ROBB, Mr. MOYNIHAN, Mr. SIMPSON, Mr. COCHRAN, and Mr. GLENN):

S. 1995. A bill to authorize construction of the Smithsonian Institution National Air and Space Museum Dulles Center at Washington Dulles International Airport, and for other purposes; to the Committee on Rules and Administration.

THE SMITHSONIAN INSTITUTION NATIONAL AIR AND SPACE MUSEUM DULLES CENTER AT WASHINGTON DULLES INTERNATIONAL AIRPORT AUTHORIZATION ACT OF 1996

Mr. WARNER. Mr. President, I am pleased to introduce legislation on behalf of myself, and Senators FORD, ROBB, MOYNIHAN, SIMPSON, COCHRAN, and GLENN. This legislation would authorize the Board of Regents of the Smithsonian Institution to construct the Smithsonian Institution National Air and Space Museum Dulles Center at Washington Dulles International Airport. The legislation clearly states that no appropriated funds may be used to pay any expense of the construction of the center. Funds for the construction will be privately raised and in fact this legislation permits the Smithsonian to move forward with a fundraising drive.

In 1983, the Smithsonian Board of Regents first approved the National Air and Space Museum plan to expand at Washington Dulles International Airport. In 1993, after 10 years of hard work by the Smithsonian Institution, the Virginia congressional delegation, five Virginia Governors, and many local officials, Congress passed and the President signed legislation authorizing the Smithsonian Institution to plan and design the National Air and Space Museum Extension at Washington Dulles International Airport.

This legislation would serve to further the objectives of the National Museum Amendments Act of 1965 which directs the National Air and Space Museum to "collect, preserve, and display aeronautical and space flight equipment of historical interest and significance."

I believe that it is accurate to state that the National Air and Space Museum now holds the most impressive and significant collection of air and spacecraft in the world. However, due to the limited exhibition space in The Mall building coupled with the size and weight of many of the artifacts, only 20 percent of the museum's collection is on display. Therefore, such significant air and spacecraft as the Boeing 367–80, the Saturn V launch vehicle, the Boeing Flying Fortress, the B-29 *Enola Gay* and the space orbiter *Enterprise* cannot be displayed and enjoyed by the nearly 10 million visitors the museum receives each year. In addition, the museum's space limitations inhibit the interpretation of aerospace technology's significant contribution to America and the possibilities which it holds for the future.

The Air and Space Museum Dulles Center will allow approximately 65 percent of the Smithsonian's air and spacecraft collection to be on display. The center will also allow visitors to view the restoration operations and see first-hand how historic air and spacecraft are preserved.

Mr. President, I call on every Member of the Senate to support this legislation which will make the expansion of the National Air and Space Museum at Washington Dulles International Airport a reality. Air and space technology has and will continue to greatly impact every facet of our lives. The creation of this extension will enable visitors from all over the world to experience first-hand the magnitude and significance of America's technological achievements.

By Mr. BIDEN:

S. 1996. A bill to amend the Violent Crime Control and Law Enforcement Act of 1994 to allow certain grant funds to be used to provide parent education; to the Committee on the Judiciary.

THE HEALTHY FAMILIES ACT OF 1996

Mr. BIDEN. Mr. President, I rise to offer a bill that I believe represents an important step forward in the fight against child abuse and crime.

This legislation will make healthy families programs eligible for funding under the local crime prevention block grant, in the 1994 crime law. Essentially, this bill would add the healthy families program to the list of prevention programs eligible for funding under the block grant.

The link between child abuse and later involvement in violence and crime is becoming ever more clear. According to a 1992 Justice Department report, 68 percent of youths arrested had a prior history of abuse and neglect, and abused girls were 77 percent more likely than nonabused girls to be arrested as juveniles.

The healthy families initiative has proven to be very successful in combating this cycle of violence. The program was pioneered in Hawaii in the 1980's. According to the Hawaii Department of Health, 2,254 at-risk families received healthy families services over a 5-year period. Out of that total, abuse was reported in only 16 families. This success shows that the program was able to prevent abuse in 99.3 percent of at-risk families in Hawaii.

The success of this program is based on the voluntary, comprehensive, and culturally appropriate home visitor systems. These systems provide parenting education that focuses on parenting skills, child development, child health, and support services for new parents, in order to prevent or decrease the risk of child abuse.

As a result of this success, the program has now spread to other communities throughout the United States. The money which would be provided under the block grant, would help other communities create these greatly needed healthy families programs.

Spending money on child-abuse prevention is a sound investment. Not only will it create future savings in the judiciary system and other social services, but even more importantly it's an investment in the lives of our children.

Mr. President, I ask unanimous consent that the text of the legislation I am introducing today appear in the RECORD.

The being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1996

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PARENT EDUCATION SYSTEM.

Section 30201(a)(2) of the Violent Crime Control and Law Enforcement Act of 1994 is amended by adding at the end the following:

"(O) Voluntary, comprehensive, and culturally-appropriate home visitor systems that provide parenting education that focuses on parenting skills, child development, child health, and support services for new parents to prevent or decrease the risk of child abuse. To avoid duplication of services, a system developed pursuant to this paragraph shall be coordinated with other organizations that provide services to children, particularly infants.".

By Mr. SIMON:

S. 1997. A bill to clarify certain matters relating to Presidential succession; to the Committee on Rules and Administration.

THE PRESIDENTIAL SUCCESSION CLARIFICATION ACT

Mr. SIMON. Mr. President, today I introduce the Presidential Succession Clarification Act.

Much has been said and written about the laws of succession following the death of a sitting President. In general, these laws clearly and precisely provide for the transfer of Presidential power.

The laws of succession, however, do not adequately address the possibility that a Presidential candidate might die during the voting period itself—by that I mean during the period beginning roughly with the popular election in mid-November and ending with the formal naming of the President-elect in early January.

A candidate's death during this 2-month period could seriously disrupt the voting process and raise doubts about the election results. The seriousness of these problems would depend on the precise point in time at which the death occurred. A hearing that was held in the 103d Congress on this subject highlighted the various scenarios in which legal ambiguities could lead to electoral crises.

Broadly speaking, the act, which I introduced in the last Congress, addresses three distinct situations:

First, let us suppose that a Presidential candidate dies after the electoral delegates have cast their votes but before those votes are counted. If the deceased would have won the election, who is now President elect? Scholars disagree on the answer.

Second, suppose that a major party candidate dies immediately before the popular election, or immediately prior to the time that the electoral college delegates vote. Would it not make sense to give the voters a couple of weeks to adjust to this unsettled situation?

Third, suppose that no candidate wins a majority of the electoral votes, and that the election is thrown into the House of Representatives as a result. If one of the candidates should die at this point, is the House permitted to consider an alternative candidate?

The act provides answers for each of these, admittedly complex, questions. None of these scenarios, of course, is likely to occur during any election cycle. But any one of them could lead to confusion and uncertainty at a time when clarity and stability would be vital. Prudence dictates that we should act now, while we have the time for calm reflection, rather than wait for a possible crisis to catch us unprepared.

By Mr. ASHCROFT:

S.J. Res. 57. A joint resolution requiring the Congressional Budget Office and the Joint Committee on Taxation to use dynamic economic modeling in addition to static economic modeling in the preparation of budgetary estimates of proposed changes in Federal revenue law.

GROWTH ECONOMIC AGENDA JOINT RESOLUTION

Mr. ASHCROFT. Mr. President, the joint resolution I am introducing lays the groundwork for the progrowth economic agenda of the next millennium. Senator ABRAHAM, Senator CRAIG, Senator GRAMS, and Senator KYL have joined with me in offering this proposal.

The method of analysis we now use to determine how much a tax cut costs the Government, or a tax hike costs the taxpayers, is hopelessly inaccurate. For example, the 1990 luxury tax increase took in $14 million less than the $31 million the Joint Tax Committee [JCT] predicted it would in fiscal year 1991. The 1986 Tax Reform Act lowered income tax rates while hiking capital gains taxes. The Congressional Budget Office at the time underestimated income tax revenues over the following 3 years by $56 billion and overestimated the 5-year take from capital gains tax revenues by $115 billion. It has also been established that the CBO grossly overestimated capital gains tax revenues by over 100 percent in most years between 1989 and 1995. Finally, the fiscal year 1991 budget, issued before the 1990 budget summit at Andrews Air Force Base, contained a 5-year forecasting error of $1 trillion.

Every Member of Congress relies on CBO's and the Joint Tax Committee's [JCT] projections in deciding how to vote on legislation. Quite simply, we cannot make good decisions if we do not have good data.

These flawed calculations were made using a static economic model that assumes generally that Americans do not change their behavior, such as their spending habits and investment levels when Congress saddles them with higher taxes. The consistent level of inaccuracy in static economic analysis threatens our ability to both reduce the deficit and reduce the current unprecedented tax burden on the American public.

The problem with static economic analysis is its failure to account for the impact that changes in the level of taxes, or the amount of Government spending, will have on the average citizen's behavior. Static estimates assume that the economy's overall performance is generally unaffected for the most part by changes in policy, regardless of how much individuals or businesses must pay in taxes. When we assume that Americans will not change their spending and investment patterns to avoid paying new taxes, we ignore human nature. People generally seek to maximize the value of their dollars and their paychecks.

One well-known apostle of the static economic model; the current Chairman of the Council of Economic Advisors, Laura Tyson, recently went so far to as to state that "* * * there is no relationship between the levels of taxes a nation pays and its economic performance." Such an attitude is the equivalent of an ostrich hiding its head in the sand. Dynamic economic analysis is the principal tool used in private firms and most universities which make estimates and construct models for economic analysis for the private sector.

One of the most successful economic models is the dynamic model used by Lawrence H. Meyers & Associates, an economic forecasting firm in St. Louis. Not only has this model received the Annual Blue Chip Economic Forecasting Award in 1993 and 1995, but Lawrence Meyers himself was recently appointed by President Clinton as a Governor to the Federal Reserve.

By relying on static analyses, Congress is limited to a dangerously myopic and usually inaccurate view of how our laws and our actions affect the Nation. There is a formidable argument that static analysis has played an integral role in exploding our deficits.

That is because static analysis often overestimates the Government's revenue from a tax increase and then relies on such overestimates as the basis for projecting decreases in the Federal deficits and the Nation's debt. As a result the projected revenues never materialize and annual deficits increase.

This problem is compounded by the fact that static analysis also generally underestimates the actual cost to the Government of spending increases and thus contributes to even larger than expected budget deficits. Such inaccurate predictions of what programs will cost lead legislators to make bad decisions. This phenomenon helps explain why every dollar raised in higher taxes has traditionally resulted in $1.58 in new Government spending since 1947.

By adding a more accurate method of analyzing fiscal proposals, Congress will have better information as it evaluates legislation. Adding dynamic scoring analysis will help us eliminate Congress' institutional bias toward higher taxes, increased spending, bigger deficits, and a ballooning national debt.

Mr. President, I emphasize that this resolution does not seek to replace the current static analysis model. It merely states that dynamic estimating techniques should also be used, in addition to current techniques, in determining the fiscal impact of proposed changes in Federal revenue law. Under this resolution, the Joint Committee on Taxation [JCT] and the Congressional Budget Office [CBO] would prepare an estimate of each proposed change in Federal revenue law on the basis of assumptions that estimate the probable behavioral responses of individual and business taxpayers, and the macro-economic feedback effects of any proposed change. This requirement will only apply to changes in the law which would have an effect of $100 million or more.

I want to note that this proposal is a companion measure to House Resolution 170, introduced by Representative TOM CAMPBELL of California and to a similar proposal included in the 1997 legislative appropriations bill passed by the House. TOM CAMPBELL has worked tirelessly to promote a pro-growth agenda. He has refused to sacrifice the standard of living of hard-working Americans on the altar of static economic analysis.

Dynamic economic analyses of tax cut proposals would take into account the acknowledged growth effects of tax cuts on the American economy. In fact, these growth effects could be used in calculating the amount of spending cuts needed to offset a tax cut so that we accurately measure any reduction in revenue and do not increase the deficit. For example, using dynamic scoring for the payroll tax deduction I proposed—The Working Americans Wage Restoration Act S. 1741—the tax deduction would be budget neutral in the first year. In other words, the relief offered by the payroll tax deduction would generate enough new revenue by growing the economy, that the proposal would pay for itself.

Here is how. Based on a preliminary analysis, the payroll tax deduction is projected to increase the Gross Domestic Product [GDP] by 0.5 percent annually. According to the Office of Management and Budget, a 0.5 percent rise in GDP would expand the tax base and increase Federal receipts by $30 billion per year—more than enough to pay for the payroll tax deduction in the first year. However, the Budget Act requirement that tax cuts be paid for by spending cuts would still apply. Dynamic analysis would simply allow lawmakers and the public to understand the growth effects and judge this proposal's—and other proposals'—worthiness accordingly.

In calculating a tax cut's dynamic economic effects, the government would be more realistic in its view of how government economic policies affect the economy. Under the current system of static analysis, our budget forecasters produce skewed numbers causing Congress to make flawed decisions that drain the wallets of working Americans.

This proposed resolution also opens up the congressional economic analysis process to much needed sunshine. Presently, we draft changes to the Federal Tax Code, submit these changes to the Joint Committee on Taxation for a revenue estimate and wait for the magic numbers to appear. It is time to bring sunshine into the black box of Federal forecasting. This resolution would do just that. Any report made by the JCT or the CBO that contains an estimate of revenue effects must be accompanied by a written statement fully disclosing the economic, technical, and behavioral assumptions that were made in producing both the static and the dynamic estimate.

Last, under this joint resolution the JCT and the CBO may enter into contracts with universities or other private or public organizations to perform dynamic analysis or to develop protocols and models for making such estimates.

By reforming the way we calculate the economic effects of congressional proposals, we pave the way for an overall lowering of the average American's tax burden by reducing the current forecasting method's prejudice against pro-growth policies. This resolution will simply provide more information to Members of Congress and the public so that Congress can better determine the benefits of proposed legislation. It will open up the budget forecasting process and permit more tools of measurement, so that over time we will have a clearer and more accurate understanding of the effects of the laws we pass.

ADDITIONAL COSPONSORS

S. 773

At the request of Mrs. KASSEBAUM, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 773, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for improvements in the process of approving and using animal drugs, and for other purposes.

S. 1355

At the request of Mr. DORGAN, the name of the Senator from Wisconsin [Mr. KOHL] was added as a cosponsor of S. 1355, a bill to amend the Internal Revenue Code of 1986 to end deferral for U.S. shareholders on income of controlled foreign corporations attributable to property imported into the United States.

S. 1386

At the request of Mr. BURNS, the name of the Senator from Minnesota [Mr. GRAMS] was added as a cosponsor of S. 1386, a bill to provide for soft-metric conversion, and for other purposes.

S. 1505

At the request of Mr. LOTT, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1505, a bill to reduce risk to public safety and the environment associated with pipeline transportation of natural gas and hazardous liquids, and for other purposes.

S. 1726

At the request of Mr. THOMAS, his name was added as a cosponsor of S. 1726, a bill to promote electronic commerce by facilitating the use of strong encryption, and for other purposes.

S. 1908

At the request of Mrs. FEINSTEIN, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1908, a bill to amend title 18, United States Code, to prohibit the sale of personal information about children without their parents' consent, and for other purposes.

S. 1964

At the request of Mr. BINGAMAN, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1964, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the Medicare Program of medical nutrition therapy services of registered dietitians and nutrition professionals.

AMENDMENT NO. 5059

At the request of Mr. D'AMATO his name was added as a cosponsor of amendment No. 5059 proposed to H.R. 3540, a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

SENATE RESOLUTION 283—RELATIVE TO THE CREATION OF A NEW POSITION IN THE WHITE HOUSE

Mr. SPECTER (for himself, Mr. HELMS, Mr. BENNETT, and Mr. FAIRCLOTH) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 283

(a) FINDINGS.—The Senate finds that—

(1) Americans are increasingly concerned about anti-Christian persecution overseas, including rape, torture, enslavement, imprisonment, killings, mutilations, discrimination and mistreatment of Christians, and the fact that far too many foreign governments systematically deny their Christian citizens religious liberty;

(2) reports indicate that the Government of Sudan is currently involved in the enslavement of the Christian populations of southern Sudan. Today in Sudan, a human being can be bought for as little as fifteen dollars. It has been estimated that in the last six years, more than 30,000 children have been taken from their homes, forcibly interned in "cultural cleansing camps," forced to accept Islam and then moved to the front lines of Sudan's civil war;

(3) in China, there are reports of the imprisonment and detention of many Chinese Christians under a 1994 law which restricts religious freedom. It has been reported that in 1992, Protestant leader Zheng Yunsu was arrested and sentenced to twelve years in jail simply for practicing his religion. Additionally, between October 1994 and June 1995, more than 200 Christians were apparently detained in the Henan province. One of those arrested, Ren Ping, was sentenced, without trial, to three years of reeducation through labor. According to Amnesty International, more than thirty Chinese Catholics in Jiangzi province were arrested and severely beaten while celebrating Easter Mass earlier this year;

(4) in the Muslim-controlled Oromo region of Ethiopia, reports indicate that in 1994, officials raided the area's largest Christian Church and arrested most of its congregants. Many of those arrested died while in prison. The leader of the congregation was tortured and his eyes were plucked out;

(5) in several Islamic countries conversion to Christianity from Islam is a crime punishable by death;

(6) it has been reported that Christians have been effectively excluded from the political process in many countries. In Pakistan, for example, Christian can vote only for token representatives to the National Assembly;

(7) there is no Senior Advisor on religious persecution in the White House to ensure that anti-Christian persecution overseas is given top priority by White House and to coordinate efforts to combat such persecution; and

(8) the President had committed, in January 1996, to appoint a White House Senior Advisor on religious persecution, but has yet to do so.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should proceed forward as expeditiously as possible by appointing a White House Senior Advisor on religious persecution.

Mr. SPECTER. Mr. President, on behalf of Senators HELMS, BENNETT, and FAIRCLOTH, I am submitting a sense-of-the-Senate resolution to highlight the top priority that must be given to combating religious persecution in foreign countries. This resolution calls on President Clinton to live up to his commitment, made in January 1996, to appoint a White House senior advisor on religious persecution.

The persecution of Christians and other religious minorities is a growing problem. In countries such as Saudi Arabia, Sudan, China, and Ethiopia, among other countries, Christians are systematically denied their religious liberties. Christians have been the victims of rape, torture, enslavement, imprisonment, killings, mutilations, and discrimination simply because of their religious beliefs. The governments of these countries all too often tacitly, or even openly, endorse this sectarian violence.

According to human rights organizations, the Sudanese Government is essentially waging a war against its Christian population. The government's campaign against the Christian and non-Muslim populations of southern Sudan has resulted in more than 1.3 million deaths and the displacement of over 3 million people. Equally shocking are reports that the Sudanese Government is involved in the enslavement and forced internment and conversion of the Christian populations from the southern regions of Sudan. In the last 6 years more than 30,000 non-Muslim children have reportedly been abducted by agents of the Sudanese Government, taken from their homes and families, forcibly interned in high-security "cultural cleansing" camps, forced to convert to Islam and then sent to the front lines of Sudan's civil war.

Of course anti-Christian persecution and sectarian violence extends far beyond Sudan. In the Muslim-controlled Oromo region of Ethiopia, reports indicate that government officials raided the area's largest Christian church and arrested most of its congregants. Many of those arrested in this 1994 raid died while in prison. The leader of the congregation was tortured and his eyes were torn from their sockets.

In Egypt, a country generally noted for its religious tolerance, Christians are increasingly the targets of militant Islamist terrorist attacks on the streets as well as more subtle persecution in the courts and businesses. Christians are also often denied participation in the Egyptian political process.

Persecution of Christians is by no means limited to the Islamic world. It is reported that the Chinese Government has harassed and imprisoned many Chinese Christians simply for practicing their religion. In 1992, Protestant leader Zheng Yunsu was arrested and sentenced to 12 years in prison because of his faith. Other reports indicate that between October 1994 and June 1995, more than 200 Christians were detained in the Hunan Province in a crackdown on unregistered Protestant house churches. One of those arrested, Ren Ping, was sentenced, without trial, to 3 years of "reeducation" through labor. According to Amnesty International, more than 30 Chinese Catholics were arrested and severely beaten by the police while celebrating Easter Mass earlier this year.

Examples of such religious persecution abound. The time has come for the United States to stand up for the right of all people to enjoy the fundamental freedom of religious faith. Without further delay, the White House should fulfill its commitment to appoint a senior advisor to the President dedicated to combating religious persecution overseas.

SENATE RESOLUTION 284—TO AUTHORIZE THE PRODUCTION OF RECORDS BY THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 284

Whereas, the court-appointed monitor of the Hotel Employees and Restaurant Employees International Union (HEREIU) has requested that the Permanent Subcommittee on Investigations provide him with copies of subcommittee records relevant to the monitor's oversight of a consent decree enjoining members of the HEREIU from violating the Racketeer Influenced and Corrupt Organizations Act (RICO) or knowingly associating with organized crime figures;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the court-appointed monitor of HEREIU copies of memoranda and transcripts of interviews conducted by Subcommittee staff that the monitor has requested for use in connection with the monitor's oversight of the consent decree.

AMENDMENTS SUBMITTED

THE ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

COATS (AND OTHERS) AMENDMENT NO. 5092

Mr. COATS (for himself, Mr. LEVIN, Mr. SPECTER, Mr. BAUCUS, Mr. MCCONNELL, and Mr. ROBB) proposed an amendment to the bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes; as follows:

At the end of the bill, add the following:

SEC. ___. INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.

(a) Interstate Waste.—

(1) Interstate transportation of municipal solid waste.—

(A) Amendment.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new section:

"SEC. 4011. INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.

"(a) Authority To Restrict Out-of-State Municipal Solid Waste.—(1) Except as provided in paragraph (4), immediately upon the date of enactment of this section if requested in writing by an affected local government, a Governor may prohibit the disposal of out-of-State municipal solid waste in any landfill or incinerator that is not covered by the exceptions provided in subsection (b) and that is subject to the jurisdiction of the Governor and the affected local government.

"(2) Except as provided in paragraph (4), immediately upon the date of publication of the list required in paragraph (6)(C) and notwithstanding the absence of a request in writing by the affected local government, a Governor, in accordance with paragraph (5), may limit the quantity of out-of-State municipal solid waste received for disposal at each landfill or incinerator covered by the exceptions provided in subsection (b) that is subject to the jurisdiction of the Governor, to an annual amount equal to or greater than the quantity of out-of-State municipal solid waste received for disposal at such landfill or incinerator during calendar year 1993.

"(3)(A) Except as provided in paragraph (4), any State that imported more than 750,000 tons of out-of-State municipal solid waste in 1993 may establish a limit under this paragraph on the amount of out-of-State municipal solid waste received for disposal at landfills and incinerators in the importing State as follows:

"(i) In calendar year 1996, 95 percent of the amount exported to the State in calendar year 1993.

"(ii) In calendar years 1997 through 2002, 95 percent of the amount exported to the State in the previous year.

"(iii) In calendar year 2003, and each succeeding year, the limit shall be 65 percent of the amount exported in 1993.

"(iv) No exporting State shall be required under this subparagraph to reduce its exports to any importing State below the proportionate amount established herein.

"(B)(i) No State may export to landfills or incinerators in any 1 State that are not covered by host community agreements or permits authorizing receipt of out-of-State municipal solid waste more than the following amounts of municipal solid waste:

"(I) In calendar year 1996, the greater of 1,400,000 tons or 90 percent of the amount exported to the State in calendar year 1993.

"(II) In calendar year 1997, the greater of 1,300,000 tons or 90 percent of the amount exported to the State in calendar year 1996.

"(III) In calendar year 1998, the greater of 1,200,000 tons or 90 percent of the amount exported to the State in calendar year 1997.

"(IV) In calendar year 1999, the greater of 1,100,000 tons or 90 percent of the amount exported to the State in calendar year 1998.

"(V) In calendar year 2000, 1,000,000 tons.

"(VI) In calendar year 2001, 750,000 tons.

"(VII) In calendar year 2002 or any calendar year thereafter, 550,000 tons.

"(ii) The Governor of an importing State may take action to restrict levels of imports to reflect the appropriate level of out-of-State municipal solid waste imports if—

"(I) the Governor of the importing State has notified the Governor of the exporting State and the Administrator, 12 months prior to taking any such action, of the importing State's intention to impose the requirements of this section;

"(II) the Governor of the importing State has notified the Governor of the exporting State and the Administrator of the violation by the exporting State of this section at least 90 days prior to taking any such action; and

"(III) the restrictions imposed by the Governor of the importing State are uniform at all facilities and the Governor of the importing State may only apply subparagraph (A) or (B) but not both.

"(C) The authority provided by subparagraphs (A) and (B) shall apply for as long as a State exceeds the permissible levels as determined by the Administrator under paragraph (6)(C).

"(4)(A) A Governor may not exercise the authority granted under this section if such action would result in the violation of, or would otherwise be inconsistent with, the terms of a host community agreement or a permit issued from the State to receive out-of-State municipal solid waste.

"(B) Except as provided in paragraph (3), a Governor may not exercise the authority granted under this section in a manner that would require any owner or operator of a landfill or incinerator covered by the exceptions provided in subsection (b) to reduce the amount of out-of-State municipal solid waste received from any State for disposal at such landfill or incinerator to an annual quantity less than the amount received from such State for disposal at such landfill or incinerator during calendar year 1993.

"(5) Any limitation imposed by a Governor under paragraph (2) or (3)—

"(A) shall be applicable throughout the State;

"(B) shall not directly or indirectly discriminate against any particular landfill or incinerator within the State; and

"(C) shall not directly or indirectly discriminate against any shipments of out-of-State municipal solid waste on the basis of place of origin and all such limitations shall be applied to all States in violation of paragraph (3).

"(6) Annual state report.—

"(A) In general.—Within 90 days after enactment of this section and on April 1 of each year thereafter the owner or operator of each landfill or incinerator receiving out-of-State municipal solid waste shall submit to the affected local government and to the Governor of the State in which the landfill or incinerator is located, information specifying the amount and State of origin of out-of-State municipal solid waste received for disposal during the preceding calendar year, and the amount of waste that was received pursuant to host community agreements or permits authorizing receipt of out-of-State municipal solid waste. Within 120 days after enactment of this section and on May 1 of each year thereafter each State shall publish and make available to the Administrator, the Governor of the State of origin and the public, a report containing information on the amount of out-of-State municipal solid waste received for disposal in the State during the preceding calendar year.

"(B) Contents.—Each submission referred to in this section shall be such as would result in criminal penalties in case of false or misleading information. Such information shall include the amount of waste received, the State of origin, the identity of the generator, the date of the shipment, and the type of out-of-State municipal solid waste. States making submissions referred to in this section to the Administrator shall notice these submissions for public review and comment at the State level before submitting them to the Administrator.

"(C) List.—The Administrator shall publish a list of importing States and the out-of-State municipal solid waste received from each State at landfills or incinerators not covered by host community agreements or permits authorizing receipt of out-of-State municipal solid waste. The list for any calendar year shall be published by June 1 of the following calendar year.

For purposes of developing the list required in this section, the Administrator shall be responsible for collating and publishing only that information provided to the Administrator by States pursuant to this section. The Administrator shall not be required to gather additional data over and above that provided by the States pursuant to this section, nor to verify data provided by the States pursuant to this section, nor to arbitrate or otherwise entertain or resolve disputes between States or other parties concerning interstate movements of municipal solid waste. Any actions by the Administrator under this section shall be final and not subject to judicial review.

"(D) Savings provision.—Nothing in this subsection shall be construed to preempt any State requirement that requires more frequent reporting of information.

"(7) Any affected local government that intends to submit a request under paragraph (1) or take formal action to enter into a host community agreement after the date of enactment of this subsection shall, prior to taking such action—

"(A) notify the Governor, contiguous local governments, and any contiguous Indian tribes;

"(B) publish notice of the action in a newspaper of general circulation at least 30 days before taking such action;

"(C) provide an opportunity for public comment; and

"(D) following notice and comment, take formal action on any proposed request or action at a public meeting.

"(8) Any owner or operator seeking a host community agreement after the date of enactment of this subsection shall provide to the affected local government the following information, which shall be made available to the public from the affected local government:

"(A) A brief description of the planned facility, including a description of the facility size, ultimate waste capacity, and anticipated monthly and yearly waste quantities to be handled.

"(B) A map of the facility site that indicates the location of the facility in relation to the local road system and topographical and hydrological features and any buffer zones and facility units to be acquired by the owner or operator of the facility.

"(C) A description of the existing environmental conditions at the site, and any violations of applicable laws or regulations.

"(D) A description of environmental controls to be utilized at the facility.

"(E) A description of the site access controls to be employed, and roadway improvements to be made, by the owner or operator, and an estimate of the timing and extent of increased local truck traffic.

"(F) A list of all required Federal, State, and local permits.

"(G) Any information that is required by State or Federal law to be provided with respect to any violations of environmental laws (including regulations) by the owner and operator, the disposition of enforcement proceedings taken with respect to the violations, and corrective measures taken as a result of the proceedings.

"(H) Any information that is required by State or Federal law to be provided with respect to compliance by the owner or operator with the State solid waste management plan.

"(b) EXCEPTIONS TO AUTHORITY TO PROHIBIT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) The authority to prohibit the disposal of out-of-State municipal solid waste provided under subsection (a)(1) shall not apply to landfills and incinerators in operation on the date of enactment of this section that—

"(A) received during calendar year 1993 documented shipments of out-of-State municipal solid waste; and

"(B)(i) in the case of landfills, are in compliance with all applicable Federal and State laws and regulations relating to operation, design and location standards, leachate collection, ground water monitoring, and financial assurance for closure and post-closure and corrective action; or

"(ii) in the case of incinerators, are in compliance with the applicable requirements of section 129 of the Clean Air Act (42 U.S.C. 7429) and applicable State laws and regulations relating to facility design and operations.

"(2) A Governor may not prohibit the disposal of out-of-State municipal solid waste pursuant to subsection (a)(1) at facilities described in this subsection that are not in compliance with applicable Federal and State laws and regulations unless disposal of municipal solid waste generated within the State at such facilities is also prohibited.

"(c) ADDITIONAL AUTHORITY TO LIMIT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) In any case in which an affected local government is considering entering into, or has entered into, a host community agreement and the disposal or incineration of out-of-State municipal solid waste under such agreement would preclude the use of municipal solid waste management capacity described in paragraph (2), the Governor of the State in which the affected local government is located may prohibit the execution of such host community agreement with respect to that capacity.

"(2) The municipal solid waste management capacity referred to in paragraph (1) is that capacity—

"(A) that is permitted under Federal or State law;

"(B) that is identified under the State plan; and

"(C) for which a legally binding commitment between the owner or operator and another party has been made for its use for disposal or incineration of municipal solid waste generated within the region (identified under section 4006(a)) in which the local government is located.

"(d) COST RECOVERY SURCHARGE.—

"(1) AUTHORITY.—A State described in paragraph (2) may adopt a law and impose and collect a cost recovery charge on the processing or disposal of out-of-State municipal solid waste in the State in accordance with this subsection.

"(2) APPLICABILITY.—The authority to impose a cost recovery surcharge under this subsection applies to any State that on or before April 3, 1994, imposed and collected a special fee on the processing or disposal of out-of-State municipal solid waste pursuant to a State law.

"(3) LIMITATION.—No such State may impose or collect a cost recovery surcharge from a facility on any out-of-State municipal solid waste that is being received at the facility under 1 or more contracts entered into after April 3, 1994, and before the date of enactment of this section.

"(4) AMOUNT OF SURCHARGE.—The amount of the cost recovery surcharge may be no greater than the amount necessary to recover those costs determined in conformance with paragraph (6) and in no event may exceed $1.00 per ton of waste.

"(5) USE OF SURCHARGE COLLECTED.—All cost recovery surcharges collected by a State covered by this subsection shall be used to fund those solid waste management programs administered by the State or its political subdivision that incur costs for which the surcharge is collected.

"(6) CONDITIONS.—(A) Subject to subparagraphs (B) and (C), a State covered by this subsection may impose and collect a cost recovery surcharge on the processing or disposal within the State of out-of-State municipal solid waste if—

"(i) the State demonstrates a cost to the State arising from the processing or disposal within the State of a volume of municipal solid waste from a source outside the State;

"(ii) the surcharge is based on those costs to the State demonstrated under clause (i) that, if not paid for through the surcharge, would otherwise have to be paid or subsidized by the State; and

"(iii) the surcharge is compensatory and is not discriminatory.

"(B) In no event shall a cost recovery surcharge be imposed by a State to the extent that the cost for which recovery is sought is otherwise paid, recovered, or offset by any other fee or tax paid to the State or its political subdivision or to the extent that the amount of the surcharge is offset by voluntarily agreed payments to a State or its political subdivision in connection with the generation, transportation, treatment, processing, or disposal of solid waste.

"(C) The grant of a subsidy by a State with respect to entities disposing of waste generated within the State does not constitute discrimination for purposes of subparagraph (A)(iii).

"(7) DEFINITIONS.—As used in this subsection:

"(A) The term 'costs' means the costs incurred by the State for the implementation of its laws governing the processing or disposal of municipal solid waste, limited to the issuance of new permits and renewal of or modification of permits, inspection and compliance monitoring, enforcement, and costs associated with technical assistance, data management, and collection of fees.

"(B) The term 'processing' means any activity to reduce the volume of solid waste or alter its chemical, biological or physical state, through processes such as thermal treatment, bailing, composting, crushing, shredding, separation, or compaction.

"(e) SAVINGS CLAUSE.—Nothing in this section shall be interpreted or construed—

"(1) to have any effect on State law relating to contracts; or

"(2) to affect the authority of any State or local government to protect public health and the environment through laws, regulations, and permits, including the authority to limit the total amount of municipal solid waste that landfill or incinerator owners or operators within the jurisdiction of a State may accept during a prescribed period: *Provided* That such limitations do not discriminate between in-State and out-of-State municipal solid waste, except to the extent authorized by this section.

"(f) DEFINITIONS.—As used in this section:

"(1)(A) The term 'affected local government', used with respect to a landfill or incinerator, means—

"(i) the public body created by State law with responsibility to plan for municipal solid waste management, a majority of the members of which are elected officials, for the area in which the facility is located or proposed to be located; or

"(ii) the elected officials of the city, town, township, borough, county, or parish exercising primary responsibility over municipal solid waste management or the use of land in the jurisdiction in which the facility is located or is proposed to be located.

"(B)(i) Within 90 days after the date of enactment of this section, a Governor may designate and publish notice of which entity listed in clause (i) or (ii) of subparagraph (A) shall serve as the affected local government for actions taken under this section and after publication of such notice.

"(ii) If a Governor fails to make and publish notice of such a designation, the affected local government shall be the elected officials of the city, town, township, borough, county, parish, or other public body created pursuant to State law with primary jurisdiction over the land or the use of land on which the facility is located or is proposed to be located.

"(C) For purposes of host community agreements entered into before the date of publication of the notice, the term means either a public body described in subparagraph (A)(i) or the elected officials of any of the public bodies described in subparagraph (A)(ii).

"(2) HOST COMMUNITY AGREEMENT.—The term 'host community agreement' means a written, legally binding document or documents executed by duly authorized officials of the affected local government that specifically authorizes a landfill or incinerator to receive municipal solid waste generated out of State, but does not include any agreement to pay host community fees for receipt of waste unless additional express authorization to receive out-of-State waste is also included.

"(3) The term 'out-of-State municipal solid waste' means, with respect to any State, municipal solid waste generated outside of the State. Unless the President determines it is inconsistent with the North American Free Trade Agreement and the General Agreement on Tariffs and Trade, the term shall include municipal solid waste generated outside of the United States. Notwithstanding any other provision of law, generators of municipal solid waste outside the United States shall possess no greater right of access to disposal facilities in a State than United States generators of municipal solid waste outside of that State.

"(4) The term 'municipal solid waste' means refuse (and refuse-derived fuel) generated by the general public or from a residential, commercial, institutional, or industrial source (or any combination thereof), consisting of paper, wood, yard wastes, plastics, leather, rubber, or other combustible or noncombustible materials such as metal or glass (or any combination thereof). The term 'municipal solid waste' does not include—

"(A) any solid waste identified or listed as a hazardous waste under section 3001;

"(B) any solid waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604 or 9606) or a corrective action taken under this Act;

"(C) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or diverted from municipal solid waste (as otherwise defined in this paragraph) and has been transported into a State for the purpose of recycling or reclamation;

"(D) any solid waste that is—

"(i) generated by an industrial facility; and

"(ii) transported for the purpose of treatment, storage, or disposal to a facility that is owned or operated by the generator of the waste, or is located on property owned by the generator of the waste, or is located on property owned by a company in which the generator of the waste has an ownership interest;

"(E) any solid waste generated incident to the provision of service in interstate, intrastate, foreign, or overseas air transportation;

"(F) any industrial waste that is not identical to municipal solid waste (as otherwise defined in this paragraph) with respect to the physical and chemical state of the industrial waste, and composition, including construction and demolition debris;

"(G) any medical waste that is segregated from or not mixed with municipal solid waste (as otherwise defined in this paragraph); or

"(H) any material or product returned from a dispenser or distributor to the manufacturer for credit, evaluation, or possible reuse.

"(5) The term 'compliance' means a pattern or practice of adhering to and satisfying standards and requirements promulgated by the Federal or a State government for the purpose of preventing significant harm to human health and the environment. Actions undertaken in accordance with compliance schedules for remediation established by Federal or State enforcement authorities shall be considered compliance for purposes of this section.

"(6) The terms 'specifically authorized' and 'specifically authorizes' refer to an explicit authorization, contained in a host community agreement or permit, to import waste from outside the State. Such authorization may include a reference to a fixed radius surrounding the landfill or incinerator that includes an area outside the State or a reference to any place of origin, reference to specific places outside the State, or use of such phrases as 'regardless of origin' or 'outside the State'. The language for such authorization may vary as long as it clearly and affirmatively states the approval or consent of the affected local government or State for receipt of municipal solid waste from sources outside the State.

"(g) IMPLEMENTATION AND ENFORCEMENT.—Any State may adopt such laws and regulations, not inconsistent with this section, as are necessary to implement and enforce this section, including provisions for penalties.".

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901) is amended by adding at the end of the items relating to subtitle D the following new item:

"Sec. 4011. Interstate transportation of municipal solid waste.".

(2) NEEDS DETERMINATION.—The Governor of a State may accept, deny or modify an application for a municipal solid waste management facility permit if—

(A) it is done in a manner that is not inconsistent with the provisions of this section;

(B) a State law enacted in 1990 and a regulation adopted by the governor in 1991 specifically requires the permit applicant to demonstrate that there is a local or regional need within the State for the facility; and

(C) the permit applicant fails to demonstrate that there is a local or regional need within the State for the facility.

(b) FLOW CONTROL.—

(1) STATE AND LOCAL GOVERNMENT CONTROL OF MOVEMENT OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIAL.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.), as amended by subsection (a)(1)(A), is amended by adding after section 4011 the following new section:

"SEC. 4012. STATE AND LOCAL GOVERNMENT CONTROL OF MOVEMENT OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIAL.

"(a) DEFINITIONS.—In this section:

"(1) DESIGNATE; DESIGNATION.—The terms 'designate' and 'designation' refer to an authorization by a State, political subdivision, or public service authority, and the act of a State, political subdivision, or public service authority in requiring or contractually committing, that all or any portion of the municipal solid waste or recyclable material that is generated within the boundaries of the State, political subdivision, or public service authority be delivered to waste management facilities or facilities for recyclable material or a public service authority identified by the State, political subdivision, or public service authority.

"(2) FLOW CONTROL AUTHORITY.—The term 'flow control authority' means the authority to control the movement of municipal solid waste or voluntarily relinquished recyclable material and direct such solid waste or voluntarily relinquished recyclable material to a designated waste management facility or facility for recyclable material.

"(3) MUNICIPAL SOLID WASTE.—The term 'municipal solid waste' means—

"(A) solid waste generated by the general public or from a residential, commercial, institutional, or industrial source, consisting of paper, wood, yard waste, plastics, leather, rubber, and other combustible material and noncombustible material such as metal and glass, including residue remaining after recyclable material has been separated from waste destined for disposal, and including waste material removed from a septic tank, septage pit, or cesspool (other than from portable toilets); but

"(B) does not include—

"(i) waste identified or listed as a hazardous waste under section 3001 of this Act or waste regulated under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.);

"(ii) waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604, 9606) or any corrective action taken under this Act;

"(iii) medical waste listed in section 11002;

"(iv) industrial waste generated by manufacturing or industrial processes, including waste generated during scrap processing and scrap recycling;

"(v) recyclable material; or

"(vi) sludge.

"(4) PUBLIC SERVICE AUTHORITY.—The term 'public service authority' means—

"(A) an authority or authorities created pursuant to State legislation to provide individually or in combination solid waste management services to political subdivisions;

"(B) other body created pursuant to State law; or

"(C) an authority that was issued a certificate of incorporation by a State corporation commission established by a State constitution.

"(5) PUT OR PAY AGREEMENT.—(A) The term 'put or pay agreement' means an agreement that obligates or otherwise requires a State or political subdivision to—

"(i) deliver a minimum quantity of municipal solid waste to a waste management facility; and

"(ii) pay for that minimum quantity of municipal solid waste even if the stated minimum quantity of municipal solid waste is not delivered within a required period of time.

"(B) For purposes of the authority conferred by subsections (b) and (c), the term 'legally binding provision of the State or political subdivision' includes a put or pay agreement that designates waste to a waste management facility that was in operation on or before December 31, 1988 and that requires an aggregate tonnage to be delivered to the facility during each operating year by the political subdivisions which have entered put or pay agreements designating that waste management facility.

"(C) The entering into of a put or pay agreement shall be considered to be a designation (as defined in subsection (a)(1)) for all purposes of this title.

"(6) RECYCLABLE MATERIAL.—The term 'recyclable material' means material that has been separated from waste otherwise destined for disposal (at the source of the waste or at a processing facility) or has been managed separately from waste destined for disposal, for the purpose of recycling, reclamation, composting of organic material such as food and yard waste, or reuse (other than for the purpose of incineration).

"(7) WASTE MANAGEMENT FACILITY.—The term 'waste management facility' means a facility that collects, separates, stores, transports, transfers, treats, processes, combusts, or disposes of municipal solid waste.

"(b) AUTHORITY.—

"(1) IN GENERAL.—Each State, political subdivision of a State, and public service authority may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction by directing the municipal solid waste or recyclable material to a waste management facility or facility for recyclable material, if such flow control authority—

"(A)(i) had been exercised prior to May 15, 1994, and was being implemented on May 15, 1994, pursuant to a law, ordinance, regulation, or other legally binding provision of the State or political subdivision; or

"(ii) had been exercised prior to May 15, 1994, but implementation of such law, ordinance, regulation, or other legally binding provision of the State or political subdivision was prevented by an injunction, temporary restraining order, or other court action, or was suspended by the voluntary decision of the State or political subdivision because of the existence of such court action;

"(B) has been implemented by designating before May 15, 1994, the particular waste management facilities or public service authority to which the municipal solid waste or recyclable material is to be delivered, which facilities were in operation as of May 15, 1994, or were in operation prior to May 15, 1994 and were temporarily inoperative on May 15, 1994.

"(2) LIMITATION.—The authority of this section extends only to the specific classes or categories of municipal solid waste to which flow control authority requiring a movement to a waste management facility was actually applied on or before May 15, 1994 (or, in the case of a State, political subdivision, or public service authority that qualifies under subsection (c), to the specific classes or categories of municipal solid waste for which the State, political subdivision, or public service authority prior to May 15, 1994, had committed to the designation of a waste management facility).

"(3) LACK OF CLEAR IDENTIFICATION.—With regard to facilities granted flow control authority under subsection (c), if the specific classes or categories of municipal solid waste are not clearly identified, the authority of this section shall apply only to municipal solid waste generated by households.

"(4) DURATION OF AUTHORITY.—With respect to each designated waste management facility, the authority of this section shall be effective until the later of—

"(A) the end of the remaining life of a contract between the State, political subdivision, or public service authority and any other person regarding the movement or delivery of municipal solid waste or voluntarily relinquished recyclable material to a designated facility (as in effect May 15, 1994);

"(B) completion of the schedule for payment of the capital costs of the facility concerned (as in effect May 15, 1994); or

"(C) the end of the remaining useful life of the facility (as in existence on the date of enactment of this section), as that remaining life may be extended by—

"(i) retrofitting of equipment or the making of other significant modifications to meet applicable environmental requirements or safety requirements;

"(ii) routine repair or scheduled replacement of equipment or components that does not add to the capacity of a waste management facility; or

"(iii) expansion of the facility on land that is—

"(I) legally or equitably owned, or under option to purchase or lease, by the owner or operator of the facility; and

"(II) covered by the permit for the facility (as in effect May 15, 1994).

"(5) ADDITIONAL AUTHORITY.—

"(A) APPLICATION OF PARAGRAPH.—This paragraph applies to a State or political subdivision of a State that, on or before January 1, 1984—

"(i) adopted regulations under State law that required the transportation to, and management or disposal at, waste management facilities in the State, of—

"(I) all solid waste from residential, commercial, institutional, or industrial sources (as defined under State law); and

"(II) recyclable material voluntarily relinquished by the owner or generator of the recyclable material; and

"(ii) as of January 1, 1984, had implemented those regulations in the case of every political subdivision of the State.

"(B) AUTHORITY.—Notwithstanding anything to the contrary in this section (including subsection (m)), a State or political subdivision of a State described in subparagraph (A) may continue to exercise flow control authority (including designation of waste management facilities in the State that meet the requirements of subsection (c)) for all classes and categories of solid waste that were subject to flow control on January 1, 1984.

"(6) FLOW CONTROL ORDINANCE.—Notwithstanding anything to the contrary in this section, but subject to subsection (m), any political subdivision which adopted a flow control ordinance in November 1991, and designated facilities to receive municipal solid waste prior to April 1, 1992, may exercise flow control authority until the end of the remaining life of all contracts between the political subdivision and any other persons regarding the movement or delivery of municipal solid waste or voluntarily relinquished recyclable material to a designated facility (as in effect May 15, 1994). Such authority shall extend only to the specific classes or categories of municipal solid waste to which flow control authority was actually applied on or before May 15, 1994. The authority under this subsection shall be exercised in accordance with section 4012(b)(4).

"(c) COMMITMENT TO CONSTRUCTION.—

"(1) IN GENERAL.—Notwithstanding subsection (b)(1) (A) and (B), any political subdivision of a State may exercise flow control authority under subsection (b), if—

"(A)(i) the law, ordinance, regulation, or other legally binding provision specifically provides for flow control authority for municipal solid waste generated within its boundaries; and

"(ii) such authority was exercised prior to May 15, 1995, and was being implemented on May 15, 1994.

"(B) prior to May 15, 1994, the political subdivision committed to the designation of the particular waste management facilities or public service authority to which municipal solid waste is to be transported or at which municipal solid waste is to be disposed of under that law, ordinance, regulation, plan, or legally binding provision.

"(2) FACTORS DEMONSTRATING COMMITMENT.—A commitment to the designation of waste management facilities or public service authority is demonstrated by 1 or more of the following factors:

"(A) CONSTRUCTION PERMITS.—All permits required for the substantial construction of the facility were obtained prior to May 15, 1994.

"(B) CONTRACTS.—All contracts for the substantial construction of the facility were in effect prior to May 15, 1994.

"(C) REVENUE BONDS.—Prior to May 15, 1994, revenue bonds were presented for sale to specifically provide revenue for the construction of the facility.

"(D) CONSTRUCTION AND OPERATING PERMITS.—The State or political subdivision submitted to the appropriate regulatory agency or agencies, on or before May 15, 1994, substantially complete permit applications for the construction and operation of the facility.

"(d) FORMATION OF SOLID WASTE MANAGEMENT DISTRICT TO PURCHASE AND OPERATE EXISTING FACILITY.—Notwithstanding subsection (b)(1) (A) and (B), a solid waste management district that was formed by a number of political subdivisions for the purpose of purchasing and operating a facility owned by 1 of the political subdivisions may exercise flow control authority under subsection (b) if—

"(1) the facility was fully licensed and in operation prior to May 15, 1994;

"(2) prior to April 1, 1994, substantial negotiations and preparation of documents for the formation of the district and purchase of the facility were completed;

"(3) prior to May 15, 1994, at least 80 percent of the political subdivisions that were to participate in the solid waste management district had adopted ordinances committing the political subdivisions to participation and the remaining political subdivisions adopted such ordinances within 2 months after that date; and

"(4) the financing was completed, the acquisition was made, and the facility was placed under operation by the solid waste management district by September 21, 1994.

"(e) CONSTRUCTED AND OPERATED.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if—

"(1) prior to May 15, 1994, the political subdivision—

"(A) contracted with a public service authority or with its operator to deliver or cause to be delivered to the public service authority substantially all of the disposable municipal solid waste that is generated or collected by or is within or under the control of the political subdivision, in order to support revenue bonds issued by and in the name of the public service authority or on its behalf by a State entity for waste management facilities; or

"(B) entered into contracts with a public service authority or its operator to deliver or cause to be delivered to the public service authority substantially all of the disposable municipal solid waste that is generated or collected by or within the control of the political subdivision, which imposed flow control pursuant to a law, ordinance, regulation, or other legally binding provision and where outstanding revenue bonds were issued in the name of public service authorities for waste management facilities; and

"(2) prior to May 15, 1994, the public service authority—

"(A) issued the revenue bonds or had issued on its behalf by a State entity for the construction of municipal solid waste facilities to which the political subdivision's municipal solid waste is transferred or disposed; and

"(B) commenced operation of the facilities. The authority under this subsection shall be exercised in accordance with section 4012(b)(4).

"(f) STATE-MANDATED DISPOSAL SERVICES.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if, prior to May 15, 1994, the political subdivision—

"(1) was responsible under State law for providing for the operation of solid waste facilities to serve the disposal needs of all incorporated and unincorporated areas of the county;

"(2) is required to initiate a recyclable materials recycling program in order to meet a municipal solid waste reduction goal of at least 30 percent;

"(3) has been authorized by State statute to exercise flow control authority and had implemented the authority through the adoption or execution of a law, ordinance, regulation, contract, or other legally binding provision;

"(4) had incurred, or caused a public service authority to incur, significant financial expenditures to comply with State law and to repay outstanding bonds that were issued specifically for the construction of solid waste management facilities to which the political subdivision's waste is to be delivered; and

"(5) the authority under this subsection shall be exercised in accordance with section 4012(b)(4).

"(g) STATE SOLID WASTE DISTRICT AUTHORITY.—A solid waste district or a political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if—

"(1) the solid waste district, political subdivision or municipality within said district is currently required to initiate a recyclable materials recycling program in order to meet a municipal solid waste reduction goal of at least 30 percent by the year 2005, and uses revenues generated by the exercise of flow control authority strictly to implement programs to manage municipal solid waste, other than development of incineration; and

"(2) prior to May 15, 1994, the solid waste district, political subdivision or municipality within said district—

"(A) was responsible under State law for the management and regulation of the storage, collection, processing, and disposal of solid wastes within its jurisdiction;

"(B) was authorized by State statute (enacted prior to January 1, 1992) to exercise flow control authority, and subsequently adopted or sought to exercise the authority through a law, ordinance, regulation, regulatory proceeding, contract, franchise, or other legally binding provision; and

"(C) was required by State statute (enacted prior to January 1, 1992) to develop and implement a solid waste management plan consistent with the State solid waste management plan, and the district solid waste management plan was approved by the appropriate State agency prior to September 15, 1994.

"(h) STATE-AUTHORIZED SERVICES AND LOCAL PLAN ADOPTION.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if, prior to May 15, 1994, the political subdivision—

"(1) had been authorized by State statute which specifically named the political subdivision to exercise flow control authority and had implemented the authority through a law, ordinance, regulation, contract, or other legally binding provision; and

"(2) had adopted a local solid waste management plan pursuant to State statute and was required by State statute to adopt such plan in order to submit a complete permit application to construct a new solid waste management facility proposed in such plan; and

"(3) had presented for sale a revenue or general obligation bond to provide for the site selection, permitting, or acquisition for construction of new facilities identified and proposed in its local solid waste management plan; and

"(4) includes a municipality or municipalities required by State law to adopt a local law or ordinance to require that solid waste which has been left for collection shall be separated into recyclable, reusable or other components for which economic markets exist; and

"(5) is in a State that has aggressively pursued closure of substandard municipal landfills, both by regulatory action and under statute designed to protect deep flow recharge areas in counties where potable water supplies are derived from sole source aquifers.

"(i) RETAINED AUTHORITY.—

"(1) REQUEST.—On the request of a generator of municipal solid waste affected by this section, a State or political subdivision may authorize the diversion of all or a portion of the solid waste generated by the generator making the request to an alternative solid waste treatment or disposal facility, if the purpose of the request is to provide a higher level of protection for human health and the environment or reduce potential future liability of the generator under Federal or State law for the management of such waste, unless the State or political subdivision determines that the facility to which the municipal solid waste is proposed to be diverted does not provide a higher level of protection for human health and the environment or does not reduce the potential future liability of the generator under Federal or State law for the management of such waste.

"(2) CONTENTS.—A request under paragraph (1) shall include information on the environmental suitability of the proposed alternative treatment or disposal facility and method, compared to that of the designated facility and method.

"(j) LIMITATIONS ON REVENUE.—A State or political subdivision may exercise flow control authority under subsection (b), (c), (d), or (e) only if the State or political subdivision certifies that the use of any of its revenues derived from the exercise of that authority will be used for solid waste management services or related landfill reclamation.

"(k) REASONABLE REGULATION OF COMMERCE.—A law, ordinance, regulation, or other legally binding provision or official act of a State or political subdivision, as described in subsection (b), (c), (d), or (e), that implements flow control authority in compliance with this section shall be considered to be a reasonable regulation of commerce retroactive to its date of enactment or effective date and shall not be considered to be an undue burden on or otherwise considered as impairing, restraining, or discriminating against interstate commerce.

"(l) EFFECT ON EXISTING LAWS AND CONTRACTS.—

"(1) ENVIRONMENTAL LAWS.—Nothing in this section shall be construed to have any effect on any other law relating to the protection of human health and the environment or the management of municipal solid waste or recyclable material.

"(2) STATE LAW.—Nothing in this section shall be construed to authorize a political subdivision of a State to exercise the flow control authority granted by this section in a manner that is inconsistent with State law.

"(3) OWNERSHIP OF RECYCLABLE MATERIAL.—Nothing in this section—

"(A) authorizes a State or political subdivision of a State to require a generator or owner of recyclable material to transfer recyclable material to the State or political subdivision; or

"(B) prohibits a generator or owner of recyclable material from selling, purchasing, accepting, conveying, or transporting recyclable material for the purpose of transformation or remanufacture into usable or marketable material, unless the generator or owner voluntarily made the recyclable material available to the State or political subdivision and relinquished any right to, or ownership of, the recyclable material.

"(m) REPEAL.—(1) Notwithstanding any provision of this title, authority to flow control by directing municipal solid waste or recyclable materials to a waste management facility shall terminate on the date that is 30 years after the date of enactment of this Act.

"(2) This section and the item relating to this section in the table of contents for subtitle D of the Solid Waste Disposal Act are repealed effective as of the date that is 30 years after the date of enactment of this Act.

"(n) TITLE NOT APPLICABLE TO LISTED FACILITIES.—Notwithstanding any other provision of this title, the authority to exercise flow control shall not apply to any facility that—

"(1) on the date of enactment of this Act, is listed on the National Priorities List under the Comprehensive Environmental, Response, Compensation and Liability Act (42 U.S.C. 9601 et seq.); or

"(2) as of May 15, 1994, was the subject of a pending proposal by the Administrator of the Environmental Protection Agency to be listed on the National Priorities List.".

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents for subtitle D in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901), as amended by subsection (a)(1)(B), is amended by adding after the item relating to section 4011 the following new item:

"Sec. 4012. State and local government control of movement of municipal solid waste and recyclable material.".

(c) GROUND WATER MONITORING.—

(1) AMENDMENT OF SOLID WASTE DISPOSAL ACT.—Section 4010(c) of the Solid Waste Disposal Act (42 U.S.C. 6949a(c)) is amended—

(A) by striking "CRITERIA.—Not later" and inserting the following: "CRITERIA.—

"(1) IN GENERAL.—Not later"; and

(B) by adding at the end the following new paragraph:

"(2) ADDITIONAL REVISIONS.—Subject to paragraph (2), the requirements of the criteria described in paragraph (1) relating to ground water monitoring shall not apply to an owner or operator of a new municipal solid waste landfill unit, an existing municipal solid waste landfill unit, or a lateral expansion of a municipal solid waste landfill unit, that disposes of less than 20 tons of municipal solid waste daily, based on an annual average, if—

"(A) there is no evidence of ground water contamination from the municipal solid waste landfill unit or expansion; and

"(B) the municipal solid waste landfill unit or expansion serves—

"(i) a community that experiences an annual interruption of at least 3 consecutive months of surface transportation that prevents access to a regional waste management facility; or

"(ii) a community that has no practicable waste management alternative and the landfill unit is located in an area that annually receives less than or equal to 25 inches of precipitation.

"(3) PROTECTION OF GROUND WATER RESOURCES.—

"(A) MONITORING REQUIREMENT.—A State may require ground water monitoring of a solid waste landfill unit that would otherwise be exempt under paragraph (2) if necessary to protect ground water resources and ensure compliance with a State ground water protection plan, where applicable.

"(B) METHODS.—If a State requires ground water monitoring of a solid waste landfill unit under subparagraph (A), the State may allow the use of a method other than the use of ground water monitoring wells to detect a release of contamination from the unit.

"(C) CORRECTIVE ACTION.—If a State finds a release from a solid waste landfill unit, the State shall require corrective action as appropriate.

"(4) ALASKA NATIVE VILLAGES.—Upon certification by the Governor of the State of Alaska that application of the requirements of the criteria described in paragraph (1) to a solid waste landfill unit of a Native village (as defined in section 3 of the Alaska Native Claims Settlement Act (16 U.S.C. 1602)) or unit that is located in or near a small, remote Alaska village would be infeasible, or would not be cost-effective, or is otherwise inappropriate because of the remote location of the unit, the State may exempt the unit from some or all of those requirements. This subsection shall apply only to solid waste landfill units that dispose of less than 20 tons of municipal solid waste daily, based on an annual average.

"(5) NO-MIGRATION EXEMPTION.—

"(A) IN GENERAL.—Ground water monitoring requirements may be suspended by the Director of an approved State for a landfill operator if the operator demonstrates that there is no potential for migration of hazardous constituents from the unit to the uppermost aquifer during the active life of the unit and the post-closure care period.

"(B) CERTIFICATION.—A demonstration under subparagraph (A) shall—

"(i) be certified by a qualified groundwater scientist and approved by the Director of an approved State.

"(C) GUIDANCE.—Not later than 6 months after the date of enactment of this paragraph, the Administrator shall issue a guidance document to facilitate small community use of the no migration exemption under this paragraph.

"(6) FURTHER REVISIONS OF GUIDELINES AND CRITERIA.—Not later than April 9, 1997, the Administrator shall promulgate revisions to the guidelines and criteria promulgated under this subchapter to allow States to promulgate alternate design, operating, landfill gas monitoring, financial assurance, and closure requirements for landfills which receive 20 tons or less of municipal solid waste per day based on an annual average: *Provided* That such alternate requirements are sufficient to protect human health and the environment.".

(2) REINSTATEMENT OF REGULATORY EXEMPTION.—It is the intent of section 4010(c)(2) of the Solid Waste Disposal Act, as added by paragraph (1), to immediately reinstate subpart E of part 258 of title 40, Code of Federal Regulations, as added by the final rule published at 56 Federal Register 50798 on October 9, 1991.

(d) STATE OR REGIONAL SOLID WASTE PLANS.—

(1) FINDING.—Section 1002(a) of the Solid Waste Disposal Act (42 U.S.C. 6901(a)) is amended—

(A) by striking the period at the end of paragraph (4) and inserting "; and"; and

(B) by adding at the end the following:

"(5) that the Nation's improved standard of living has resulted in an increase in the amount of solid waste generated per capita, and the Nation has not given adequate consideration to solid waste reduction strategies.".

(2) OBJECTIVE OF SOLID WASTE DISPOSAL ACT.—Section 1003(a) of the Solid Waste Disposal Act (42 U.S.C. 6902(a)) is amended—

(A) by striking "and" at the end of paragraph (10);

(B) by striking the period at the end of paragraph (11) and inserting "; and"; and

(C) by adding at the end the following:

"(12) promoting local and regional planning for—

"(A) effective solid waste collection and disposal; and

"(B) reducing the amount of solid waste generated per capita through the use of solid waste reduction strategies.".

(3) NATIONAL POLICY.—Section 1003(b) of the Solid Waste Disposal Act (42 U.S.C. 6902(b)) is amended by inserting "solid waste and" after "generation of".

(4) OBJECTIVE OF SUBTITLE D OF SOLID WASTE DISPOSAL ACT.—Section 4001 of the Solid Waste Disposal Act (42 U.S.C. 6941) is amended by inserting "promote local and regional planning for effective solid waste collection and disposal and for reducing the amount of solid waste generated per capita through the use of solid waste reduction strategies, and" after "objectives of this subtitle are to".

(5) DISCRETIONARY STATE PLAN PROVISIONS.—Section 4003 of the Solid Waste Disposal Act (42 U.S.C. 6943) is amended by adding at the end the following:

"(e) DISCRETIONARY PLAN PROVISIONS RELATING TO SOLID WASTE REDUCTION GOALS, LOCAL AND REGIONAL PLANS, AND ISSUANCE OF SOLID WASTE MANAGEMENT PERMITS.—Except as provided in section 4011(a)(4), a State plan submitted under this subtitle may include, at the option of the State, provisions for—

"(1) establishment of a State per capita solid waste reduction goal, consistent with the goals and objectives of this subtitle; and

"(2) establishment of a program that ensures that local and regional plans are consistent with State plans and are developed in accordance with sections 4004, 4005, and 4006.".

(6) PROCEDURE FOR DEVELOPMENT AND IMPLEMENTATION OF STATE PLANS.—Section 4006(b) of the Solid Waste Disposal Act (42 U.S.C. 6946(b)) is amended by inserting "and discretionary plan provisions" after "minimum requirements".

(e) GENERAL PROVISIONS.—

(1) BORDER STUDIES.—

(A) DEFINITIONS.—In this paragraph:

(i) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(ii) MAQUILADORA.—The term "maquiladora" means an industry located in Mexico along the border between the United States and Mexico.

(iii) SOLID WASTE.—The term "solid waste" has the meaning provided the term under section 1004(27) of the Solid Waste Disposal Act (42 U.S.C. 6903(27)).

(B) IN GENERAL.—

(i) STUDY OF SOLID WASTE MANAGEMENT ISSUES ASSOCIATED WITH NORTH AMERICAN FREE TRADE AGREEMENT.—As soon as practicable after the date of enactment of this Act, the Administrator is authorized to conduct a study of solid waste management issues associated with increased border use resulting from the implementation of the North American Free Trade Agreement.

(ii) STUDY OF SOLID WASTE MANAGEMENT ISSUES ASSOCIATED WITH UNITED STATES-CANADA FREE-TRADE AGREEMENT.—As soon as practicable after the date of enactment of this Act, the Administrator may conduct a similar study focused on border traffic of solid waste resulting from the implementation of the United States-Canada Free-Trade Agreement, with respect to the border region between the United States and Canada.

(C) CONTENTS OF STUDY.—A study conducted under this paragraph shall provide for the following:

(i) A study of planning for solid waste treatment, storage, and disposal capacity (including additional landfill capacity) that would be necessary to accommodate the generation of additional household, commercial, and industrial wastes by an increased population along the border involved.

(ii) A study of the relative impact on border communities of a regional siting of solid waste storage and disposal facilities.

(iii) In the case of the study described in subparagraph (B)(i), research concerning methods of tracking of the transportation of—

(I) materials from the United States to maquiladoras; and

(II) waste from maquiladoras to a final destination.

(iv) In the case of the study described in subparagraph (B)(i), a determination of the need for solid waste materials safety training for workers in Mexico and the United States within the 100-mile zone specified in the First Stage Implementation Plan Report for 1992–1994 of the Integrated Environmental Plan for the Mexico-United States Border, issued by the Administrator in February 1992.

(v) A review of the adequacy of existing emergency response networks in the border region involved, including the adequacy of training, equipment, and personnel.

(vi) An analysis of solid waste management practices in the border region involved, including an examination of methods for promoting source reduction, recycling, and other alternatives to landfills.

(D) SOURCES OF INFORMATION.—In conducting a study under this paragraph, the Administrator shall, to the extent allowable by law, solicit, collect, and use the following information:

(i) A demographic profile of border lands based on census data prepared by the Bureau of the Census of the Department of Commerce and, in the case of the study described in subparagraph (B)(i), census data prepared by the Government of Mexico.

(ii) In the case of the study described in subparagraph (B)(i), information from the United States Customs Service of the Department of the Treasury concerning solid waste transported across the border between the United States and Mexico, and the method of transportation of the waste.

(iii) In the case of the study described in subparagraph (B)(i), information concerning the type and volume of materials used in maquiladoras.

(iv)(I) Immigration data prepared by the Immigration and Naturalization Service of the Department of Justice.

(II) In the case of the study described in subparagraph (B)(i), immigration data prepared by the Government of Mexico.

(v) Information relating to the infrastructure of border land, including an accounting of the number of landfills, wastewater treatment systems, and solid waste treatment, storage, and disposal facilities.

(vi) A listing of each site in the border region involved where solid waste is treated, stored, or disposed of.

(vii) In the case of the study described in subparagraph (B)(i), a profile of the industries in the region of the border between the United States and Mexico.

(E) CONSULTATION AND COOPERATION.—In carrying out this paragraph, the Administrator shall consult with the following entities in reviewing study activities:

(i) With respect to reviewing the study described in subparagraph (B)(i), States and political subdivisions of States (including municipalities and counties) in the region of the border between the United States and Mexico.

(ii) The heads of other Federal agencies (including the Secretary of the Interior, the Secretary of Housing, the Secretary of Health and Human Services, the Secretary of Transportation, and the Secretary of Commerce) and with respect to reviewing the study described in subparagraph (B)(i), equivalent officials of the Government of Mexico.

(F) REPORTS TO CONGRESS.—On completion of the studies under this paragraph, the Administrator shall, not later than 2 years after the date of enactment of this Act, submit to the appropriate committees of Congress reports that summarize the findings of the studies and propose methods by which solid waste border traffic may be tracked, from source to destination, on an annual basis.

(G) BORDER STUDY DELAY.—The conduct of the study described in subparagraph (B)(ii) shall not delay or otherwise affect completion of the study described in subparagraph (B)(i).

(H) FUNDING.—If any funding needed to conduct the studies required by this paragraph is not otherwise available, the president may transfer to the administrator, for use in conducting the studies, any funds that have been appropriated to the president under section 533 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3473) that are in excess of the amount needed to carry out that section. States that wish to participate in study will be asked to contribute to the costs of the study. The terms of the cost share shall be negotiated between the Environmental Protection Agency and the State.".

(2) STUDY OF INTERSTATE HAZARDOUS WASTE TRANSPORT.—

(A) DEFINITION OF HAZARDOUS WASTE.—In this paragraph, the term "hazardous waste" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(B) STUDY.—not later than 3 years after the date of enactment of this act, the administrator of the environmental protection agency shall conduct a study, and report to congress on the results of the study, to determine—

(i) the quantity of hazardous waste that is being transported across state lines; and

(ii) the ultimate disposition of the transported waste.

(3) STUDY OF INTERSTATE SLUDGE TRANSPORT.—

(A) DEFINITIONS.—In this paragraph:

(i) SEWAGE SLUDGE.—The term "sewage sludge"—

(I) means solid, semisolid, or liquid residue generated during the treatment of domestic sewage in a treatment works; and

(II) includes—

(i) domestic septage;

(ii) scum or a solid removed in a primary, secondary, or advanced wastewater treatment process; and

(iii) material derived from sewage sludge (as otherwise defined in this clause); but

(III) does not include—

(i) ash generated during the firing of sewage sludge (as otherwise defined in this clause) in a sewage sludge incinerator; or

(ii) grit or screenings generated during preliminary treatment of domestic sewage in a treatment works.

(ii) SLUDGE.—The term "sludge" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(B) STUDY.—Not later than 3 years after the date of enactment of this act, the administrator of the environmental protection agency shall conduct a study, and report to congress on the results of the study, to determine—

(i) the quantity of sludge (including sewage sludge) that is being transported across state lines; and

(ii) the ultimate disposition of the transported sludge.

GORTON AMENDMENT NO. 5093

Mr. GORTON proposed an amendment to the bill, S. 1959, supra; as follows:

On page 36, line 4, strike all of section 504, and insert the following:

SEC. 504. Following section 4(g)(3) of the Northwest Power Planning and Conservation Act, insert the following new section:

(4)(g)(4) INDEPENDENT SCIENTIFIC REVIEW PANEL.—(i) The Northwest Power Planning Council (Council) shall appoint an Independent Scientific Review Panel (Panel), which shall be comprised of eleven members, to review projects proposed to be funded through that portion of the Bonneville Power Administration's (BPA) annual fish and wildlife budget that implements the Council's annual fish and wildlife program. Members shall be appointed from a list submitted by the National Academy of Sciences, provided that Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Panel.

(ii) SCIENTIFIC PEER REVIEW GROUPS.—The Council shall establish Scientific Peer Review Groups (Peer Review Groups), which shall be comprised of the appropriate number of scientists, from a list submitted by the National Academy of Sciences to assist the Panel in making its recommendations to the Council for projects to be funded through BPA's annual fish and wildlife budget, provided that Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Peer Review Groups.

(iii) CONFLICT OF INTEREST AND COMPENSATION.—Panel and Peer Review Group members may be compensated and shall be considered as special government employees subject to 45 CFR 684.10 through 684.22.

(iv) PROJECT CRITERIA AND REVIEW.—The Peer Review Groups, in conjunction with the Panel, shall review projects proposed to be funded through BPA's annual fish and wildlife budget and make recommendations on matters related to such projects to the Council. Project recommendations shall be based on a determination that projects: are based on sound science principles; benefit fish and wildlife; and have a clearly defined objective and outcome with provisions for monitoring and evaluation of results. The Panel, with assistance from the Peer Review Groups, shall review, on an annual basis, the results of prior year expenditures based upon these criteria and submit its findings to the Council for its review.

(v) PUBLIC REVIEW.—Upon completion of the review of projects to be funded through BPA's annual fish and wildlife budget, the Peer Review Groups shall submit their findings to the Panel. The Panel shall analyze the information submitted by the Peer Review Groups and submit recommendations on project priorities to the Council. The Council shall make the Panel's findings available to the public and subject to public comment.

(vi) RESPONSIBILITIES OF THE COUNCIL.—The Council shall fully consider the recommendations of the Panel when making final recommendations of projects to be funded through BPA's annual fish and wildlife budget, and if the Council does not incorporate a recommendation of the Panel, the Council shall explain in writing its reasons for not accepting Panel recommendations. In making its recommendations to BPA, the Council shall: consider the impact of ocean conditions on fish and wildlife populations; and shall determine whether the projects employ cost effective measures to achieve project objectives. The Council, after consideration of the recommendations of the Panel and other appropriate entities shall be responsible for making the final recommendations of projects to be funded through BPA's annual fish and wildlife budget.

(vii) COST LIMITATION.—The cost of this provision shall not exceed $2 million in 1997 dollars.

(viii) EXPIRATION.—This paragraph shall expire on September 30, 2000.

McCAIN AMENDMENT NO. 5094

Mr. McCAIN proposed an amendment to the bill, S. 1959, supra; as follows:

On page 36, line 1, strike all after the word "this" through line 3 and insert in lieu thereof the following: "Act."

McCAIN (AND OTHERS) AMENDMENT NO. 5095

Mr. McCAIN (for himself, Mr. FEINGOLD, Mr. GREGG, Mr. KERRY, and Mr. BUMPERS) proposed an amendment to the bill, S. 1959, supra; as follows:

At the end of the bill, add the following:

SEC. . ADVANCED LIGHT WATER REACTOR PROGRAM.

None of the funds appropriated or otherwise made available by this Act may be used to carry out the advanced light water reactor program established under subtitle C of title XXI of the Energy Policy Act of 1992 (42 U.S.C. 13491 et seq.) or to pay any costs incurred in terminating the program.

NOTICE OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that the hearing scheduled before the full Energy and Natural Resources Committee to receive testimony regarding S. 1678, the Department of Energy Abolishment Act, has been rescheduled. The hearing will take place on Wednesday, September 4, 1996, at 9:30 a.m., in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call Karen Hunsicker, counsel (202) 224–3543 or Betty Nevitt, staff assistant at (202) 224–0765.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, July 26, 1996, to conduct an oversight hearing to review the General Accounting Office [GAO] report on the Federal Reserve System.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CELEBRATION OF MIAMI'S 100TH BIRTHDAY

• Mr. GRAHAM, Mr. President, it is a very special pleasure for me to join with my Senate colleagues and the State of Florida in wishing the city of Miami a very happy birthday. On Sunday, July 28, 1996, Miami will turn 100 years old.

I am often staggered when I ponder how much the Greater Miami area has changed in the last century.

One hundred years ago, when Julia Tuttle, the mother of Miami, was badgering Henry Flagler to extend his railroad line south of Palm Beach, Miami had one city street, several uncompleted stores, a hotel under construction, and approximately 300 residents.

Flagler was unconvinced. But after scores of Mrs. Tuttle's letters, an offering of half of her land, and a cold snap that brought freezing temperatures to Florida but left Dade County untouched, he was persuaded to extend his railroad, construct the Royal Palm Hotel, lay out the city streets, and build Miami's water, power, and medical facilities.

In many ways, Miami today barely resembles the community that it was in 1896. A tiny city has been replaced by an exploding metropolis. 300 residents have become over 2 million.

A place that almost didn't receive the private investment needed to build a railroad or town stores, is now one of the nation's most important transportation and commercial centers.

Each year, over 13 million visitors come to the Greater Miami area to visit South Beach, Coconut Grove, Key Biscayne, Joe Robbie Stadium, Gulfstream Park, and the many other attractions that give Miami its youthful vibrance.

But in some fundamental ways, Miami has not changed. Its pioneering spirit has thrived for the last 100 years.

Just as Miami was a pioneer in diversity a century ago, when its founder was a woman and one-third of the citizens who met to incorporate the city were African-American, today it stands poised to lead a multicultural America into the next century.

And as the Gateway to Latin America and an important center of trade, Miami will help the United States play an increasingly vital role in the new global economy. Miamians will lead us as we move to extend ties of trade, culture, and friendship around the world.

Miami is a community that has profoundly shaped my life. I was born here almost 60 years ago, attended Hialeah Elementary and Junior High, and graduated from Miami Senior High School. This will always be my home.

Again, I am delighted to be part of the centennial celebration for my hometown. I join my Senate colleagues and all Floridians in wishing Miami a very happy 100th birthday.•

ORDER FOR RECORD TO REMAIN OPEN UNTIL 3 P.M.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the RECORD remain open until 3 p.m. today in order that Senators may introduce bills, submit statements and committees to file reported legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL CHARACTER COUNTS WEEK

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 435, Senate Resolution 226.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 226) to proclaim the week of October 13 through October 19, 1996, as "National Character Counts Week."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The preamble was agreed to.

The resolution (S. Res. 226) was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 226

Whereas young people will be the stewards of our communities, Nation, and world in critical times, and the present and future well-being of our society requires an involved, caring citizenry with good character;

Whereas concerns about the character training of children have taken on a new sense of urgency as violence by and against youth threatens the physical and psychological well-being of the Nation;

Whereas, more than ever, children need strong and constructive guidance from their families and their communities, including schools, youth organizations, religious institutions, and civil groups;

Whereas the character of a nation is only as strong as the character of its individual citizens;

Whereas the public good is advanced when young people are taught the importance of good character, and that character counts in personal relationships, in school, and in the workplace;

Whereas scholars and educators agree that people do not automatically develop good character and, therefore, conscientious efforts must be made by youth-influencing institutions and individuals to help young people develop the essential traits and characteristics that comprise good character;

Whereas character development is, first and foremost, an obligation of families, efforts by faith communities, schools, and youth, civic, and human service organizations also play a very important role in supporting family efforts by fostering and promoting good character;

Whereas the Senate encourages students, teachers, parents, youth, and community leaders to recognize leaders to recognize the valuable role our youth play in the present and future of our Nation, and to recognized that character is an important part of that future;

Whereas, in July 1992, the Aspen Declaration was written by an eminent group of educators, youth leaders, and ethics scholars for the purpose of articulating a coherent framework for character education appropriate to a diverse and pluralistic society;

Whereas the Aspen Declaration states that "Effective character education is based on core ethical values which form the foundation of democracy society";

Whereas the core ethical values identified by the Aspen Declaration constitute the six core elements of character;

Whereas the six core elements of character are trustworthiness, respect, responsibility, justice and fairness, caring, civic virtue, and citizenship;

Whereas the six core elements of character transcend cultural, religious, and socioeconomic differences;

Whereas the Aspen Declaration states that "The character and conduct of our youth reflect the character and conduct of society; therefore, every adult has the responsibility to reach and model the core ethical values and every social institution has the responsibility to promote the development of good character.";

Whereas the Senate encourages individuals and organizations, especially those who have an interest in the education and training of our youth, to adopt the six core elements of character as intrinsic to the well-being of individuals, communities, and society as a whole; and

Whereas the Senate encourages communities, especially schools and youth organizations, to integrate the six core elements of character into programs serving students and children: Now, therefore, be it

Resolved, That the Senate proclaims the week of October 13 through October 19, 1996, as National Character Counts Week, and requests the President to issue a proclamation calling upon the people of the United States and interested groups to embrace the six core elements of character and to observe the week with appropriate ceremonies and activities.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations on the Executive Calendar: Nos. 560, 682, 683, 684, 685, and all nominations on the Secretary's desk in the Foreign Service.

Mr. President, might I inquire, are any of those numbered nominations the OMB Director?

I have just found out who they are. The OMB Director is not here.

I further ask unanimous consent that the nominations be confirmed en bloc, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed, en bloc, as follows:

THE JUDICIARY

Robert E. Morin, of the District of Columbia, to be an Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years, vice Curtis E. von Kann, retired.

DEPARTMENT OF STATE

Rod Grams, of Minnesota, to be a Representative of the United States of America to the 51st Session of the General Assembly of the United Nations.

Claiborne deB. Pell, of Rhode Island, to be a Representative of the United States of America to the 51st Session of the General Assembly of the United Nations.

Alan Philip Larson, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State.

Jeffrey Davidow, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be an Assistant Secretary of State.

IN THE FOREIGN SERVICE

Foreign Service nominations beginning Paul P. Blackburn, and ending Veda B. Wilson, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 26, 1996.

Mr. MOYNIHAN. Mr. President, today the Senate will confirm the nomination of our dear colleague, CLAIBORNE PELL, as the U.S. representative to the 51st session of the U.N. General Assembly. Senator PELL's career and accomplishments were what the Framers of the Constitution probably had in mind when they created the position of U.S. Senator.

For 36 years CLAIBORNE PELL has graced the United States Senate, providing thoughtful leadership on an exceptional range of issues.

Millions of Americans have been able to attend college because of his historic role in creating the program which the Congress, in an unprecedented honor for a sitting Senator, named Pell grants in 1980.

Thousands of American communities have been immeasurably enriched by the National Endowment for the Arts and the National Endowment for the Humanities, which he helped create in 1965.

Champion of international environmental concerns and nuclear disarmament treaties, crusader for human rights, primary sponsor of legislation to assist the handicapped, originator of the High-Speed Ground Transportation Act; his vision has helped transform this country he loves in so many tangible ways. But in light of his pending nomination, it is appropriate to speak of CLAIBORNE PELL's first real job.

In the spring and summer of 1945, millions of us left military service. Most of us went back, as I did, to the schooling or jobs we had left to fight for our country. CLAIBORNE PELL did something a little different. He helped change the world.

In June 1945, he went to San Francisco as a member of the International Secretariat of the U.N. Conference on International Organization, the conference that drafted the U.N. Charter.

In all, 282 delegates representing 50 countries took part in drafting the U.N. Charter, though the bulk of the work was accomplished by the 1,058 persons working for the International Secretariat. He may be the only government official of those participating in the organizational conference who is still in public office anywhere on this planet—young CLAIBORNE PELL on assignment from his beloved Coast Guard.

As Assistant Secretary of Conference III, the Enforcement Arrangements Committee, he helped draft articles 43, 44, and 45 of the United Nations Charter that gave the Security Council the right to take military action to prevent aggression.

He collected the ballots at the vote to confirm the Charter. And to this day he is never caught without a copy of the Charter in his pocket. We in the Senate are honored to have the beloved former chairman of the Senate Foreign Relations Committee, CLAIBORNE PELL, counted among those who were present at the creation of the Charter.

He has lived the promise of the United Nations Charter for 51 years—on State Department assignment in Eastern Europe during the harshest early days of the cold war; and as a private citizen organizing the rescue of over 100,000 Hungarian refugees after the betrayal of the 1956 revolution against Soviet rule. In his efforts to enhance environmental protection, he is one of the few persons—the only United States Senator—who attended both the 1992 United Nations Conference on Environment and Development [UNCED] in Rio, and its predecessor, the 1972 Conference on the Human Environment in Stockholm.

He has championed the adoption of an international legal regime for the peaceful use of the seas. As such he has participated in the creation of the Law of the Sea Convention. Beginning on September 29, 1967 he introduced three Senate resolutions urging the President to negotiate such a measure. Those resolutions and a draft treaty that Senator PELL proposed in 1969 led first to the Seabed Arms Control Treaty, prohibiting nuclear weapons and other weapons of mass destruction from the ocean floor, ratified by the Senate in 1972.

The Law of the Sea Convention would not be opened for signatures for 10 more years until 1982. Senator PELL's long efforts in this regard are reflected in the achievements contained in the Convention which codifies, among other things, freedom of navigation rights, and the exclusive use of marine resources by countries within 200 miles of their shores.

CLAIBORNE PELL is a Senator for the ages. We in the Senate shall miss him. He will no doubt serve with distinction as the United States Representative to the 51st session of the United Nations General Assembly. I congratulate Senator PELL for his numerous achievements and wish him well in his future endeavors.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

AUTHORIZING PRODUCTION OF RECORDS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of a Senate resolution submitted earlier today by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 284) to authorize the production of records by the Permanent Subcommittee on Investigations.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, the Permanent Subcommittee on Investigations has received a request from the court-appointed monitor of the Hotel Employees and Restaurant Employees International Union [HEREIU] for copies of subcommittee records relevant to the monitor's oversight of a consent decree between the union and the U.S. Government. The consent decree enjoins members of the HEREIU from violating the Racketeer Influenced and Corrupt Organizations Act [RICO] or associating with organized crime figures.

Mr. President, the chairman and vice chairman of the Permanent Subcommittee on Investigations believe that granting the monitor's request would serve the ends of justice. This resolution would authorize them, acting jointly, to provide subcommittee records in response to this request.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statement relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The preamble was agreed to.

The resolution (S. Res. 284) was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 284

Whereas, the court-appointed monitor of the Hotel Employees and Restaurant Employees International Union (HEREIU) has requested that the Permanent Subcommittee on Investigations provide him with copies of subcommittee records relevant to the monitor's oversight of a consent decree enjoining members of the HEREIU for violating the Racketeer Influenced and Corrupt Organizations Act (RICO) or knowingly associating with organized crime figures;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the court-appointed monitor of HEREIU copies of memoranda and transcripts of interviews conducted by Subcommittee staff that the monitor has requested for use in connection with the monitor's oversight of the consent decree.

ORDERS FOR MONDAY, JULY 29, 1996

Mr. DOMENICI. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Monday, July 29; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate immediately resume consideration of the energy and water appropriations bill under a previous consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I will comment here for those Senators who want to offer amendments that are contained on the list heretofore agreed to, we will start that process at 9:30 in the morning. As I understand, we will proceed with that process until 12 o'clock. From 12 to 2, there will be other business before the Senate. At 2 o'clock, we will return to the matter of the energy and water appropriations bill and remain on it for amendments until the hour of 5 o'clock.

Mr. President, I further ask unanimous consent that at the hour of 12 noon on Monday, the Senate conduct a period for morning business, with the time between 12 noon and 1 p.m. under the control of the Democratic leader; from 1 p.m. to 2 p.m. under the control of Senator COVERDELL from the State of Georgia.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DOMENICI. Mr. President, for the information of all Senators, on Monday at 9:30, the Senate will resume the energy and water appropriations bill. An agreement was reached limiting the first-degree amendments in order and provides all first-degree amendments must be offered during the session of the Senate on Monday.

At 12 noon, the Senate will conduct 2 hours of morning business, and at the hour of 2 p.m. will resume the energy and water appropriations bill. At approximately 5 p.m., the Senate will return to the consideration of the legislative branch appropriations bill under a similar consent, in that all first-degree amendments would have to be offered during the session of the Senate on Monday.

Any votes ordered with respect to the two appropriations bills will be stacked to begin at 10 a.m. on Tuesday on a case-by-case basis. Therefore, votes will not occur during Monday's session of the Senate, and the next votes will begin at 10 a.m. on Tuesday. The Senate can be expected to be in session late into the evening each day next week in order to consider available appropriations bills and conference reports as they become available.

ORDER FOR ADJOURNMENT

Mr. DOMENICI. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of Senator LIEBERMAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. I thank my friend from New Mexico. I appreciate his kindness and courtesy and wish him a good weekend.

WAR CRIMES IN THE FORMER YUGOSLAVIA

Mr. LIEBERMAN. Mr. President, I rise as in morning business, and thank the Chair very much, to say just a few words about an amendment to the foreign operations appropriations bill that was adopted earlier today, an amendment which I was privileged to offer with a distinguished list of colleagues. It was accepted by agreement last night without debate, although I did put a statement in the RECORD at that time. It is, I think, an important amendment and statement, a sense-of-the-Senate resolution, because it deals with the necessity to bring to justice those who have been indicted by the International Criminal Tribunal from the former Yugoslavia, which is meeting now in The Hague, to bring them to justice because they, as the tribunal has said, are perpetrators of gross violations of international law.

Mr. President, I was stimulated in my desire to say just a few words to my colleagues here before we leave for the weekend about this by an interview that was in the New York Times this morning with Antonio Cassese, an Italian law professor who is the president of the International Criminal Tribunal.

The article begins:

> The Italian law professor who is president of the War Crimes Tribunal here is known for his cheerful nature, his expertise in international law and his even temper. So his public outburst in a quiet hall here the other day was all the more shocking.
>
> "Go ahead! Kill, torture, maim! Commit acts of genocide!" said Antonio Cassese, president of the tribunal, his voice rising, "You may enjoy impunity!"
>
> This, he said, was the message that would go "to military leaders and all dictators" if the Bosnian Serb leaders indicted for atrocities in the Bosnian war were not brought before the tribunal.

Mr. President, thanks to my colleagues, the Senate has now spoken clearly on this issue. I was honored to be joined by Senators LUGAR, BIDEN, SPECTER, FEINSTEIN, MOYNIHAN, HATCH, LEVIN, and D'AMATO, a wonderfully bipartisan group, as cosponsors of this amendment.

The point is this, as we state in the findings of this resolution: The United Nations did create this International Tribunal. A Security Council resolution was adopted on May 25, 1993, early in this horrific episode, which requires states to cooperate fully with the tribunal. The signatories to the Dayton peace accord, signed December 14, 1995, have accepted, in article IX of that accord, the obligation "to cooperate in the investigation and prosecution of war crimes and other violations of internationally humanitarian law." This means all the signatories of the accord, including Serbia, Bosnia, Croatia, and the Republika Srpska.

In fact, the Constitution of Bosnia and Herzegovina, which was accepted as annex 4 to the Dayton peace accord, provides in article IX that—

> No person who is serving a sentence imposed by the International Tribunal for the former Yugoslavia, and no person who is under indictment by the tribunal and who has failed to comply with an order to appear before the tribunal, may stand as a candidate or hold any appointive, elective, or other public office in Bosnia and Herzegovina.

The tribunal has now issued 57 indictments against individuals. It continues to investigate gross violations of international laws. Specifically, on July 25, 1995, almost 1 year ago to the day, the tribunal issued an indictment of Radovan Karadzic, President of the Bosnian Serb administration of Pale and Ratko Mladic, commander of the Bosnian Serb administration, and charged them with genocide, with crimes against humanity.

This was no opposition politician standing up and making a charge. This was an international tribunal which, having heard evidence, charged them with genocide, crimes against humanity, violations of the law or customs of war and grave breaches of the Geneva Conventions. All of these charges arise from atrocities perpetrated, not against soldiers, but against the civilian population throughout Bosnia and Herzegovina, as we remember from those painful, frustrating and infuriating pictures, and including the taking of U.N. peacekeepers as hostages for their use as human shields.

On November 16, 1995, Karadzic and Mladic were indicted a second time by the International Tribunal, this time charged with genocide for the killing of up to 6,000 Moslems in Srebrenica, Bosnia, in July 1995.

The U.N. Security Council, in adopting its own resolution 1022 in November of last year, decided that economic sanctions on Yugoslavia and Srpska would be reimposed if at any time the High Representative, Carl Bildt, or the IFOR commander, soon to be, perhaps already, Admiral Lopez, informs the Security Council that either of these two Governments, Serbia or the Bosnian Serb Republika Srpska, have failed to meet their obligations under the peace agreement.

The fact is that these two entities have failed to arrest and turn over for prosecution indicted war criminals, including Karadzic and Mladic. We know where they are, particularly Karadzic. A while ago one of these two went to Belgrade for a funeral. Authorities in Serbia knew that he was there. Nothing was done to apprehend this indicted war criminal.

Last week, again, in an extraordinary act of public service and diplomatic skill, Ambassador Richard Holbrooke convinced Slobodan Milosevic, the President of Serbia—for fear of having the reimposition of economic sanctions against his country—to use his power to take Karadzic out of power, to take him out of the leadership of the Serbian Democratic Party, and to remove any chance that he would be a candidate for office in the elections.

It is startling, when you think about it. It is as if at the end of the Second World War some leaders of the countries that we fought in the Second World War remained in their countries and ran in the first postwar elections. It would have so infuriated the public here, understandably, that we probably would have done what we are asking here, which is to arrest them and bring them to justice.

But Ambassador Holbrooke did take a step forward. Unfortunately, though, these two war criminals remain at large. Just a few weeks ago, on July 11, 1996, the International Criminal Tribunal actually issued international arrest warrants for Karadzic and Mladic.

The fact is—and we have heard this from all parties there in Bosnia; and it is just common sense as we move forward to the elections there on September 14 of this year, which we hope will be the next step in rebuilding this country in going back to some form of cooperation among the various peoples there—these elections could not go on with any credibility were these war criminals at large and, in Karadzic's case, actually running a political party, perhaps even at one point thinking about running for office himself.

So now, thanks to Ambassador Holbrooke, we have Karadzic out of political office and out of political leadership. But the truth is, he should be out of that country. He should be taken to The Hague for trial, to be brought to justice.

That is exactly the intention of the resolution that the Senate has now adopted, accepting the principle that the human, but also the practical, principle of the apprehension and prosecution of indicted war criminals—these two and all others—is essential for peace and reconciliation to be achieved and for democracy to be established throughout Bosnia and Herzegovina.

Mr. President, we have sent 20,000 American soldiers to be part of the implementation force, the IFOR, that has performed magnificently in separating the warring parties and creating a sense of stability. We have spent a lot of money in doing that and put some of our finest men and women in uniform on the line as part of that process.

But unless we remove these indicted war criminals, the prospects of redeeming the investment of courage and bounty that we have made in avoiding broader conflict and ethnic partition in Bosnia will be for naught, because the end result, when our troops pull out, will be that we will have divided camps again, with no trust, not even the minimal elements of trust. So long as these indicted criminals are walking around flaunting their freedom, that trust will not be possible, that trust that is necessary to rebuild a civil society within Bosnia.

So this resolution said very clearly, and I am very grateful to my colleagues for supporting it, that it is the sense of the Senate that the International Criminal Tribunal merits the continued and increased U.S. support for its efforts to investigate and bring to justice the perpetrators of these gross violations of international law.

Second, it is the sense of the Senate that the signatories of the peace agreement and those nations and organizations participating in the Dayton peace agreement and the relevant mandates of the United Nations and Security Council must continue to make it an urgent priority to bring to justice persons indicted by the International Criminal Tribunal.

Third, it is the sense of the Senate that the President of the United States should support the request of the President of the International Criminal Tribunal for the former Yugoslavia to reimpose full economic sanctions on Serbia and Montenegro and the Republika Srpska in accordance with the relevant U.N. Security Council resolution, if Serbia and Montenegro and the Bosnian Serb authorities have not complied with their obligations under the relevant agreements and resolutions to cooperate fully with the International Criminal Tribunal.

Finally, it is the sense of the Senate that all the States in the former Yugoslavia should not be admitted to international organizations until and unless they have complied with their obligations under the Dayton peace agreement and the relevant U.N. Security Council resolutions.

The Senate has said clearly in this resolution now adopted as part of the foreign operations appropriations bill that while we take some comfort and we have some appreciation for Ambassador Holbrooke for the statement that Karadzic has made that he is removing himself from politics, this is a small step toward what should be done. We are not leaving the field here. We have stated here quite clearly that we will not redeem our investment in the end of this war and the reconstruction of Bosnia until we settle the moral accounts here, and bring those who have been indicted by this very legitimate International Criminal Tribunal to justice. Until that happens, we cannot rest. Until that happens, there will not be a genuine hope of reconnecting and rebuilding this war-torn country.

Mr. GORTON. Will the Senator yield?

Mr. LIEBERMAN. I am happy to yield to the Senator.

Mr. GORTON. Mr. President, I had the privilege of listening to most of the remarks of the Senator from Connecticut, and I simply wanted to express my agreement with his views and say on this occasion how much I admire his dedication to the administration of justice, both here at home but, particularly in this connection.

I can remember even in previous Congresses his frustration, our frustration, over the way in which we conducted our relationships with Bosnia and the tragedy that has continued there for so many years. His position on this resolution, coming through this morning's foreign operations appropriations bill I think greatly strengthens it and I believe the other Members of the Senate and the people of the country owe him a debt of thanks for his dedication to this cause.

Mr. LIEBERMAN. Mr. President, I thank my friend from Washington very much for the very gracious words that mean all the more to me because they come from him who I first met in our shared service as attorneys general of our respective States.

The rule of law is the rule of law. It is what separates civilized from uncivilized people. It is true not just here for us but in countries around the world, and insofar as we fail to bring to justice indicted criminals in an international situation like this, it is no better than if we failed to bring to justice murderers and rapists here in our own communities in the United States. But I mostly just thank my friend from Washington for his kind words and also for his consistent and very important support of this effort to make sure that there is both peace and justice in Bosnia, since without justice there will ultimately never be peace.

I thank the Chair. I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. MONDAY, JULY 29, 1996

The PRESIDING OFFICER. Under the previous order, the Senate will stand in adjournment until 9:30 Monday morning.

Thereupon, the Senate, at 2:04 p.m., adjourned until Monday, July 29, 1996, at 9:30 a.m.

CONFIRMATION

Executive Nominations Confirmed by the Senate July 26, 1996:

THE JUDICIARY

ROBERT E. MORIN, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF 15 YEARS.

DEPARTMENT OF STATE

ROD GRAMS, OF MINNESOTA TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 51ST SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

CLAIBORNE DEB. PELL, OF RHODE ISLAND, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE 51ST SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS.

ALAN PHILIP LARSON, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE.

JEFFREY DAVIDOW, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AN ASSISTANT SECRETARY OF STATE.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING PAUL P. BLACKBURN, AND ENDING VEDA B. WILSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON JUNE 26, 1996.

EXTENSIONS OF REMARKS

AMERICAN INTERESTS, USE OF FORCE IN THE POST-COLD WAR WORLD

HON. TILLIE K. FOWLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mrs. FOWLER. Mr. Speaker, in the post-cold war world, one of the most pressing issues that faces this Nation is determining where our Nation's true security interests lie. There has been a dearth of real debate on this topic, and U.S. defense policy and foreign policy sometimes seem to be on auto-pilot, in spite of the fact that the current administration is deploying our defense forces around the globe with some regularity to address various concerns.

I strongly believe that we can no longer afford this kind of a policy vacuum, and that we must undertake a comprehensive review of our national security status in order to fill it. I recently read an article by my National Security Committee chairman, Mr. SPENSE, in the Brown Journal of World Affairs, which echoed my concerns and contained some excellent commonsense suggestions. I would like to ask for unanimous consent to include it in the RECORD following my remarks.

WHAT TO FIGHT FOR? AMERICAN INTERESTS AND THE USE OF FORCE IN THE POST-COLD WAR WORLD

(By Floyd D. Spence)

Last fall, the House National Security Committee held a series of hearings exploring the issue of American troops being deployed to Bosnia. Yet, even while the committee immersed itself in the particulars of the Balkan crisis, there was a more profound, overarching issue that remained unaddressed: in the post-Cold War World, what U.S. interests justify the use of American military force?

In this context, the debate over Bosnia was joined too late and ended too quickly. Indeed, Americans have studiously avoided confronting the issue of the relationship between national interests and the use of military force, and for good reason. It is a complex and difficult issue, and one that five decades of Cold War containment policy obscured. This nation simply has not comprehensively addressed the most basic question about what interests are worth fighting and dying for since the early 1950s.

Much of this inertia is a natural result of almost fifty years of preoccupation with the Cold War. The timing of the Soviet empire's collapse was so sudden that is has left American policymakers somewhat stunned. While we were successfully waging the Cold War, policymakers never planned for victory, especially one so complete.

Still, it has been more than six years since the Berlin Wall came down. One has only to reflect on the number and variety of major operations conducted by the U.S. military since 1989—Panama, the Gulf War, Somalia, Haiti, the enforcement of the no-fly zones over northern and southern Iraq and Bosnia, and now the commitment of 25,000 U.S. ground troops to Bosnia—to recognize that more serious thinking about our security interests is overdue.

In and of itself, the dramatic reduction that the U.S. military has undergone in the last decade ought to be sufficient reason to compel us to do a better job of establishing priorities. "Doing more with less" is an accurate description of the U.S. military over the past several years, but it is a slogan, not a plan, and a recipe for eventual failure. One certain constant of a post-Cold War world is that American might and global presence will remain central to the promotion and protection of our interests and will, similarly, play an instrumental role in shaping and sustaining an international order that is consistent with these interests.

In the immediate chaotic aftermath of the Cold War's end, the implosion of the Soviet empire, the reunification of Germany, and the conduct of the Gulf War were the central security preoccupations of the Bush administration. While the Bush administration's "New World Order" represented a rhetorical embrace of the impending international uncertainty, in practice, the administration's employment of American military power nonetheless reflected a cautious, measured approach toward the use of force.

"Cautious" and "measured" do not characterize the Clinton administration's evolving approach to the use of American military force. The current national security strategy of engagement and enlargement seems more a prescription for solving the world's problems, without discriminating between those problems that affect the United States and those that do not. President Clinton sees virtually limitless opportunities to use the smaller U.S. military in an untraditional and quixotic manner "to construct global institutions." Where previous administrations have used force to advance American national security interests, the current administration seeks to secure "the ideals and habits of democracy" with little regard for where, how, or at what cost. The deployment of more than 23,000 soldiers and Marines to Haiti, costing more than $1 billion in unbudgeted funds, is a perfect example.

The result, as Michael Mandelbaum concluded in a recent article in Foreign Affairs, has been "foreign policy as social work." Mandelbaum, who served as one of President Clinton's early policy advisors, observed that where previous administrations had been concerned with the "the powerful and potentially dangerous members of the international community, which constitute its core," the Clinton administration has paid more attention to "the international periphery."

In fact, by repeatedly deploying U.S. armed forces to "the international periphery," the Clinton administration has strayed further even than Madelbaum suggests. It is one thing to divert national attention to matters of peripheral strategic importance; it is quite another to employ American military might repeatedly and put national prestige at risk where true security interests are not involved. In a world where the United States remains the only superpower, conducting national security policy as social work is a grave mistake. Security policy must always remain focused on the powerful "core" of the international community.

The administration's national security policy seems premised upon the idea that the end of the Cold War has "radically transformed the security environment." While it is true that Red Army divisions no longer face NATO across a West German border that no longer exists, what is perhaps most noteworthy about the post-Cold War world is the remarkable continuity of American security interests.

Treating the Cold War conflict as a radical aberration in the history of international politics quickly leads to dangerous assumptions about the desired ends and means of U.S. national security policy in the post-Cold War world. Why did we consider the Soviet Union a threat? For three fundamental reasons: their massive nuclear arsenal could destroy the American homeland in a matter of minutes; their large conventional forces endangered the broader balances of power in Europe, East Asia, and the energy-producing regions of the Middle East; and their sponsorship of destabilizing political movements in the Third World threatened to undermine the foundations of the international state system.

Today, American security interests and strategic objections have changed very little, except that rather than facing the same adversary in every theater, we now confront multiple antagonists driven less often by ideology than by deeply felt national, ethnic, and religious hatreds. And our tasks remain constant. As essayist Charles Krauthammer recently testified to the National Security Committee, "The role of the United States is to be the ultimate balancer of power in the world, and to intervene when a regional balance has been catastrophically overthrown and global stability threatened."

Protection and promotion of U.S. security interests in the post-Cold War world will require as much effort, and arguably more, as before the Berlin Wall crumbled. There is no single, overwhelming threat, as was the case with the former Soviet Union, that will serve as the central planning factor in addressing questions of national interest, the use of force, and the linkage between the two. But even if the monolithic global threat of Soviet military aggression and communist ideology has dissipated, global questions endure. If American policymakers hope to find answers relevant to today's environment, they need to begin by taking at least three steps.

First, policymakers must realize that the United States cannot afford to take its strategic alliances for granted. Indeed, the lack of a clear and present Soviet threat has already revealed the fragility of the alliances that this nation relies upon, in large part to protect its regional interests and promote regional stability. One of the more serious lessons of the Bosnia conflict is that NATO will not go where America does not lead it, and that an alliance constructed to contain the Soviet Union cannot be reworked overnight to do things it was never designed to

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

do. But alliance leadership, while necessary, is not sufficient; wise leadership is essential. In Bosnia, the Clinton administration is leading NATO in pursuit of what a majority of Americans see as a peripheral national interest.

Second, we must be measured in the application of military force. This does not mean employing the minimal force necessary to accomplish a mission. Such false economies lose wars and kill soldiers. Rather, it means maintaining a parsimonious attitude—grounded in a realist's appreciation of national interests—about how and where the U.S. military should be employed. America's shrinking armed forces must remain the preeminent tool of U.S. international diplomacy in times of peace and the ultimate arbiter in times of war. Thus, their capabilities and resources should not be expended on the international periphery.

And finally, here at home, we must preserve properly sized and shaped military forces in anticipation of continued challenges to our security interests. A shrinking military establishment, devoted to a growing number of peacekeeping and humanitarian operations, will not be able to respond to more ominous challenges to U.S. interests or threats to regional and international stability. If history is any guide, it is only a matter of time before such broad challenges emerge. As Donald Kagan concludes in his epic survey, On the Origins of War and the Preservation of Peace, "The current condition of the world * * * where war among the major powers is hard to conceive because one of them has overwhelming military superiority and no wish to expand, will not last." We stand a far better chance of helping to stabilize the post-Cold War world if we prove ourselves wise stewards of our superpowers status, continue to devote the resources necessary to prepare our soldiers, sailors, airmen, and Marines who preserve it, and judiciously employ armed force where the strategic stakes justify the risks.

The optimistic supposition of Western democracies that peace is the normal human condition is prevalent in the Clinton administration's approach to national security issues. But change (often accompanied by turmoil and conflict), not peace, is the natural human condition. The United States must preserve and reserve its military to deter and, if necessary, to resist those violent changes that threaten the peace or our global security. Conversely, we must be willing to accept change, even violent change, that we do not like but that occurs at the international periphery. Thus, while the nation recoiled in horror from the brutalities of ethnic cleansing in Bosnia, fundamental questions of national security interest were not adequately confronted and certainly never answered prior to the commitment of a large force of American ground troops.

One of the notions now in fashion among defense intellectuals is the idea of "strategic uncertainty." In sum, it reflects the belief that because the United States does not know who will challenge its vital interest or exactly where or when such challenges will occur, we are unable to adequately size or shape our military forces. However, if we approach the coming century by focusing on our consistent and central security interests—defense of the homeland; preventing a hegemonic power from dominating Europe, East Asia, and the world's energy supplies; and preserving a degree of international stability—the heralded uncertainty of the post-Cold War era will prove less perplexing. Defining what interests should be protected, while still challenging, will be a more straightforward exercise, and as a nation we will be in a far stronger position to know when we should ask our sons and daughters to fight, shed blood, and sacrifice their lives.

HONORING TINA HANONU

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. EHLERS. Mr. Speaker, I rise today to recognize and honor Tina Hanonu, a 12-year employee of the U.S. House of Representatives, who recently served as a staffer with Representative SHERWOOD BOEHLERT of the 23d District of New York and as the volunteer president of the House System Administrators Association.

Tina began her career on the Hill in 1984. She served as an advisor and consultant to Representative CONNIE MORELLA and went on to become a senior systems administrator for Representative BOEHLERT. She recently advanced her career in the House of Representatives, from that of a systems administrator, to become a senior technical representative for House Information Resources.

Tina has a real knack for organizing and problem solving. She has always taken the lead in mobilizing systems administrators and other computer user groups on the Hill. She has worked tirelessly to help solve problems and find solutions for others in performing their daily jobs. With her busy schedule she also found time to be a cofounder of the House Systems Administrators Association in 1990. She served as president of the group from 1993 until leaving to work with House Information Resources.

Under her leadership the House System Administrators Association has become a key organization in the House's efforts to use technology to better serve the country. Tina has been a great help not only to her employing office, but to the entire House of Representatives.

Over the years Tina has worked to forge better relationships between Member offices and House resource organizations. She can be credited with aiding in the growth and development of her peers and colleagues throughout her career in the House of Representatives.

As chairman of the Computer and Information Resources Working Group of the House Oversight Committee, I am determined to have our new computer system as user-oriented as possible. Individuals like Tina are invaluable in helping us develop such a system.

I, as well as the entire U.S. House of Representatives, recognize and congratulate Tina Hanonu for all of her hard work and dedication to this institution.

FATHER ROBERT CRONIN HONORED

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Ms. DELAURO. Mr. Speaker, Father Robert W. Cronin's service in the priesthood has spanned 44 years, and during this time he has faithfully served people throughout the State of Connecticut. On July 28, 1996 Father Cronin will retire from active parish ministry and his post at the Roman Catholic Parish of St. Coleman in Middlefield, where he has served since 1991. I would like to join his parishioners in congratulating this extraordinary priest on his retirement.

Father Cronin was ordained into the priesthood on May 22, 1952, at St. Thomas Seminary in Bloomfield, CT by the Most Reverend Henry J. O'Brien, who was then the bishop of Hartford. Following his ordination, Father Cronin served as assistant pastor at three churches in the New London area, a time he recalls as being marked by personal growth. While living in New London, he directed the Office of Catholic Charities, which provides social work services as parishes in Connecticut and Rhode Island. Father Cronin played a significant role in building a strong advisory board at the Catholic charities.

Father Cronin's first pastorate was St. Maurice Church in Bolton, where he began serving in 1965. After the Second Vatican Council he was called upon to implement the liturgical changes in this parish. Father Cronin recalls that it was "wonderful to inaugurate those changes." He was particularly excited about the opportunity to get the members of the congregation more involved in the mass. Before moving to St. Agnes Church in Niantic in 1980, Father Cronin presided over the construction of Bolton's parish center. He has said that these parishes shared a great spirit and sense of community and liturgy.

He was appointed to his current post at St. Coleman Church in Middlefield in 1991. Father Cronin's time at St. Coleman Church has been marked by his tremendous involvement in the lives of his parishioners. Parishioners have noted Father Cronin's generosity, kindness, and genuine interest in people. In particular, he has always enjoyed working with the parish's children. He oversaw the religious education program and is known for frequently stopping by classes to talk with the children.

Father Cronin has a unique talent for drawing a congregation together. During his tenure in Middlefield, the members of St. Coleman worked together to build a storage barn on the church property. Father Cronin has said of his years of work in the priesthood, "It was wonderful to be able to be of help to people, to make a difference positively in people's lives. Every parish has good people, and they are one's blessings."

I am delighted to join Father Cronin's parish in congratulating him on his retirement. I know your retirement will be a productive time and will give you the chance to pursue your interests with renewed energy and enthusiasm. I commend you for a lifetime of service to both the Catholic Church and the many parishioners whose lives you have touched in very special ways.

TRIBUTE TO BROOKE BENNETT

HON. CHARLES T. CANADY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. CANADY of Florida. Mr. Speaker, I rise today to congratulate Brooke Bennett of Plant City, FL. As America watched, this 16-year-old swam her way to Olympic gold in the 800-meter freestyle competition last night. Brooke took the lead early and never looked back, and in just under 8½ minutes, she claimed victory for the United States.

The Olympic spirit has warmed the hearts of Americans everywhere, as we have cheered for Brooke and her fellow athletes in the centennial games. We are so proud of each of them—as they have demonstrated strength, commitment, and determination in their events. They have represented our country in stellar fashion, unifying us as a nation and inspiring each one of us to go for the gold every day.

As we look ahead, we look forward to watching Brooke Bennett continue to develop her swimming talent and expect to see many more shining medals in her bright future. Congratulations, Brooke. We're very proud of you.

A TRIBUTE TO PROFESSOR STEPHEN SMALE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. MILLER of California. Mr. Speaker, I rise today to pay tribute to Mr. Stephen Smale, a constituent and professor emeritus of mathematics at the University of California at Berkeley, who received the National Medal of Science today from President Clinton and Vice President GORE.

Proof is abundant that Professor Smale is one of the great minds in mathematics of that last few decades: The Veblen Prize for geometry in 1965, the Chauvenet Prize in 1988 by the Mathematical Association of America, the von Neumann Award in 1989 by the Society for Industrial and Applied Mathematics, the Alfred Sloan Research Fellowship from 1960 to 1962, and the Fields Medal, considered the Nobel Prize of mathematics.

Professor Smale's accomplishments span a broad range of topics. He has made major discoveries in the fields of topology, mathematical economics, and the mathematics of computer computation. He also has made significant contributions in the fields of dynamical systems, geometry, and operations research.

Mr. Speaker, I ask that my colleagues join me in congratulating Professor Stephen Smale on his receiving the National Medal of Science and on his lifetime of achievements.

SNOW BASIN LAND EXCHANGE

HON. WILLIAM J. MARTINI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. MARTINI. Mr. Speaker, I am pleased today to introduce, along with my colleague, Resources Subcommittee on Parks, Forests and Lands Chairman JAMES HANSEN, legislation to authorize both the acquisition of Sterling Forest and the Snow Basin land exchange.

The dense woodlands, undisturbed meadows, majestic ridgetops, and clear water of Sterling Forest comprise a resource area of incomparable value to the public. Located just 35 miles from New York City and within 1 hour's drive for 1 in 10 Americans, these lands host a broad array of unusual biological communities and are home to scores of sensitive wildlife species including the American bald eagle. Sterling Forest also contains a major portion of the Appalachian Trail, which traverses the property's northern reaches offering remarkable scenic vistas and recreation opportunities.

Most importantly, this undisturbed, undeveloped acreage is a major portion of the watershed for the reservoirs that provide the household water to 25 percent of all residents in my State. To maintain the high quality of these waters and to safeguard this diversity of resources, public acquisition of Sterling Forest has been a widely recognized priority for many years; and, in fact, some portions of the property have already been acquired.

My interest in protecting the forest goes back to my days as a Passaic County Freeholder, where in 1993 I supported the Passaic County acquisition of 2,076 acres of Sterling Forest in West Milford and Ringwood, NJ. The purchase followed a 5-year condemnation battle for the property.

The owners of the remainder of Sterling Forest recently agreed to sell to the public the vast majority of the property—including all of the most critical watershed, natural, and recreation lands. This agreement truly presents a once-in-a-lifetime opportunity, but this opportunity will not last. Unless the more than 15,000 acres being offered can be purchased within 2 years, the owners will proceed with plans to build many thousands of homes and millions of square feet of office and commercial space on Sterling Forest, forever impairing Sterling Forest's natural resources and character, and putting at risk the quality of water consumed by millions of New Jersey residents. And the price tag for the purchase—$55 million—is formidable.

Fortunately, an innovative partnership strategy has been developed to bring preservation of Sterling Forest within reach. The States of New Jersey and New York each have set aside $10 million as their contributions toward the purchase. Private philanthropy has provided another $7.5 million, and efforts are underway to attract significantly more charitable support for the acquisition. The linchpin in this funding partnership, though, is the proposed $17.5 million Federal share. Without this help from the Federal Government, the acquisition of Sterling Forest will not be possible.

The House Appropriations Committee has recently responded to this need by affirming the high national priority of Sterling Forest protection, and by recommending first-year funding in the amount of $9 million, or roughly half of the total Federal contribution to this 2-year project. it is important to note that Federal funds will be matched more than 2 to 1 by State and private dollars to complete the purchase. There will be no long-term Federal expense once the purchase is completed, since all management burdens will be assumed by the Palisades Interstate Park Commission, a State agency.

Furthermore, this legislation offers a unique approach to the land protection opportunity for Sterling Forest. In addition to the direct authorization of $17.5 million for the most environmentally sensitive portion of the forest—approximately 90 percent of the tract—the bill also includes a land swap option for the purchase of the remaining 10 percent of the property. I proposed such a land swap concept last Fall in my attempt to break the logjam that surrounded Sterling Forest legislation for several years. The new bill would direct the Secretary of the Interior top designate excess Federal lands to be sold in order to raise money beyond the $17.5 million to fund the purchase of the additional 10 percent of the land, if that purchase were to be undertaken.

I want to emphasize that we only have a limited time to accomplish the task of protecting this critical and environmentally sensitive watershed. We are at a crucial juncture in our efforts on behalf of the millions of people who depend on Sterling Forest for clean and safe drinking water and for the solitude that it provides to one of this Nation's most densely populated areas.

Let us also not forget that the efforts to preserve Sterling Forest have been going on for several years to no avail. Even when Washington had a Democratic Congress, as well as a Democrat in the White House, the goal of acquiring Sterling Forest was never achieved. We now have a wonderful opportunity to meet this goal and I invite and encourage each and every Member of Congress to join us in this cause.

Sterling Forest is clearly an invaluable property, that will provide far-reaching public benefits that greatly exceed its costs. I ask my colleagues to join me, other members of the New Jersey and New York delegations, the Speaker, and the administration in supporting this effort.

THE CAMPAIGN FINANCE DEFORM ACT OF 1996

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. LEVIN. Mr. Speaker, one of the glaring shortcomings of this Congress is the utter lack of serious interest from the majority leadership in reforming the broken campaign finance system.

Unfortunately, from the very beginning, the authors of this bill have clung to a series of concepts denounced by Common Cause as "phony," by Public Citizen as "fundamentally wrong," by business as "pandering," by labor as "a sellout" and which are, by any sensible standard, perversely bizarre.

The bill before us today is campaign finance deformed, not reformed.

It offers reelection protection to those with the richest friends.

It expands the ability of political elites to dominate elections with soft money.

And it drives a stake into the heart of grassroots activism by turning elections over to those who would, under this bill, control assets far beyond what they currently do.

That's what we're doing here today—voting on a bill carefully and skillfully constructed by those whose guiding principle is a desire to pump more money in politics.

We should instead be imposing a tough new cap on contributions from political action committees and wealthy contributors.

We should instead be eliminating the soft money loopholes and making it less costly for the airwaves to be used for political discourse.

We should instead be promoting greater balance among candidates through a spending limit, especially in the absence of other methods.

Should, and could—but we aren't.

Instead, we're engaged in a determined exercise to block legitimate campaign finance reform. If you believe it's time to control spending, to reform soft money, and to reduce the influence special interests exert over elections, the best steps today along that path are to support the Farr substitute, and to defeat the campaign finance deformed bill offered by the majority leadership.

TRIBUTE TO THE KANSAS CITY METROPOLITAN LUTHERAN MINISTRY

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Ms. McCARTHY. Mr. Speaker, I rise today to salute Kansas City Metropolitan Lutheran Ministry [MLM] as it celebrates its 25th anniversary aiding the low-income and disadvantaged citizens of Greater Kansas City.

Metropolitan Lutheran Ministry plays a critical role in Greater Kansas City. MLM annually serves over 50,000 people in need, including 10,000 homeless people. These services instill dignity and self-respect in individuals. MLM brings strength to the community, helping citizens find jobs, transportation, and places for them to live. These selfless acts serve as a beacon of compassion and a glimmer of hope not only to those who benefit directly from them, but to all who live and work in the metropolitan area.

Annually the volunteers and staff bring holiday cheer to over 1,400 destitute families by providing them with gifts and the food for a holiday meal. In all, MLM will provide nearly 42,000 hours of volunteer service to those in difficult circumstances in the coming year. The Metropolitan Lutheran Ministry provides all of these services with a dedicated staff of 31 highly trained individuals and over 1,500 volunteers from the Greater Kansas City area.

MLM has set the standard for social service in Kansas City. Metropolitan Lutheran Ministry has helped to implement programs such as Harvesters Food Bank, the Community Gardens project, Project Warmth, as well as low to moderate-income housing programs such as Parvin Estates and Sheffield Place, which provides housing to homeless women with small children. These initiatives are at the core of the social service backbone of Kansas City.

MLM continues to produce new and important endeavors for the community. Most recently, they embarked on a child abuse prevention program to train and educate teachers, counselors, and the clergy about how to recognize abuse, how to intervene, and where to go for help. Last year this program reached out to 7,400 people and trained 500 people in 33 workshops.

Mr. Speaker, I congratulate the Metropolitan Lutheran Ministry on this, their 25th anniversary and for their valiant efforts in the war on poverty.

NATIONAL KOREAN WAR VETERANS ARMISTICE DAY

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. COYNE. Mr. Speaker, I rise today to remember the 43d anniversary of the end of the Korean war.

This war, often referred to as the forgotten war, played an important role in modern world history. Its impact on the course of the cold war cannot be understated. The United States response to the North Korean invasion of South Korea demonstrated that the United States would not idly stand by and allow Communist countries to invade their neighbors. Our response indicated that even after the carnage of World War II, Americans were still willing to make heavy sacrifices to defend freedom and fight Communist dictatorships around the globe.

Following its liberation from the Japanese in 1945 at the end of World War II, Korea was divided into two temporary zones of occupation, controlled by the United States and the Soviet Union, pending the establishment of a legitimate Korean national government. Subsequently, the Soviets refused to relinquish political control over North Korea. U.N.-sanctioned elections were held in the south on May 10, 1948, but the Soviet Union established a puppet regime in the north which boycotted the elections. The following year, the United States forces completed their withdrawal from South Korea. The United Nations attempted to mediate the disagreement between the North Korean regime—the People's Democratic Republic of Korea—and the Republic of Korea [ROK] in the south, but tensions remained high as both governments insisted on reunification under their exclusive control.

On June 25, 1950, North Korean forces equipped with Soviet-made weapons invaded South Korea with the intent of reunifying the country by force. The United States and the free world responded to this aggression rapidly. On June 27, the U.N. Security Council passed a resolution calling upon its member states to help the Republic of Korea repel the North Korean invasion. The same day, President Truman ordered U.S. forces into action on the side of the South Koreans.

The North Korean Army met with initial success. They shattered the South Korean Army, captured the South Korean capital, Seoul, and swept south to occupy almost the entire Korean peninsula. The first United States ground troops to go into combat were badly outnumbered and inadequately supported—and they suffered heavy losses—but the United States and ROK forces eventually established a stable perimeter around the South Korean port of Pusan.

The U.N. counterattack led by the United States in September 1950 rolled back the North Korean invaders, forcing the North Korean Army up the Korean peninsula nearly to the Chinese border. The amphibious landing at Inchon was a brilliant strategic move that in one bold stroke transformed defeat into victory and destroyed the bulk of the North Korean Army. The Chinese entrance on the side of the North Koreans changed the nature and the dynamic of the war. For the next 6 months, the battle lines surged back and forth along the Korean peninsula as U.N. and Communist offensives met with varying degrees of success before the front stabilized just north of the 38th parallel. For the next 2 years, a bitter but more limited war was fought as truce negotiations dragged on. Chinese tactics often neutralized the U.N. forces' superior firepower, and the war became a brutal battle of attrition. An armistice agreement was signed in Panmunjom on July 26, 1953, and hostilities finally came to an end.

The valor of U.S. troops in Korea is legendary. The U.S. forces that served in Korea conducted themselves bravely in difficult circumstances, fighting at times against overwhelming odds and often in brutal, life-threatening weather. Names like Task Force Smith, Dean's delay, the Pusan perimeter, Inchon, Chosan, the Iron Triangle, and the Punch Bowl all call to mind the heroism, sacrifice, and resilience that American troops displayed in the course of this war.

One and a half million Americans served in the Korean Theater during this conflict. 5.7 million Americans served in the military during the conflict. 54,246 Americans died in Korea—2,300 of them from Pennsylvania. 8,000 Americans remain missing in action.

Last year the Congress passed and the President signed legislation designating July 27 of each year through the year 2003 as National Korean War Veterans Armistice Day. Under this law the President is directed to call upon the American people to observe the day with the appropriation ceremonies and activities in honor of the Americans who died as a result of their service in Korea.

It is only appropriate that we take such actions to remember these heroes of America's forgotten war, and to honor the supreme sacrifice that they made. We must also use this occasion to remember, praise, and thank the veterans of the Korean war who put themselves in harm's way but survived that terrible conflict. These men and women served their country faithfully and well in a distant and often inhospitable part of the world.

Several years ago a group of concerned citizens in western Pennsylvania decided to build a memorial in Pittsburgh to honor the men and women who served our country in the Korean war. The Korean War Veterans Association of Western Pennsylvania Memorial Fund, Inc., was established in 1993 to design and build this memorial. The city of Pittsburgh donated a site for the memorial in 1994. A national design competition was held in the spring of 1995 and a winner was selected. An armistice day memorial ceremony will be held this weekend on July 27 at the future site of the memorial to remember and honor all of the brave Americans who served in the Korean war. I am proud to note that I have been asked to participate in this important ceremony.

I urge my colleagues and my fellow Americans, each in their own fashion, to honor the veterans of the Korean war on this anniversary of the armistice.

A TRIBUTE TO COACH PAT HEAD SUMMITT

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. DUNCAN. Mr. Speaker, I recently had the privilege of hosting a luncheon in honor of the Tennessee Lady Vols basketball team, the 1996 national champions. The team was later honored along with the Kentucky men's team in a special ceremony and reception at the White House.

Coach Pat Head Summitt, who has coached the Lady Vols for more than 20 years now, is unquestionably one of the finest coaches in this Nation. She has achieved her great success through much hard work, determination, and perseverance.

The Knoxville News Sentinel recently ran a very fine article about Coach Summitt which I would like to call to the attention of my colleagues and other readers of the RECORD. I was particularly impressed by the great influence that this article shows that Coach Summitt's family had in helping her become the great leader she has become.

TENNESSEE'S PAT SUMMITT CREDITS FAMILY FOR HER ZEAL FOR HARD WORK

(By Amy McRary)

Minutes after winning her fourth national basketball crown, Tennessee Lady Vols Coach Pat Summitt went looking for the people who taught her about the game.

Tennessee had just trounced Georgia 83–65 in the March 31 NCAA finals at the Charlotte Coliseum in North Carolina. When Summitt got to the seats where her parents, Richard and Hazel Head, sat, the 43-year-old coach got a reward she'd waited for all her life. Tall, stern Richard Head wrapped his daughter in a bear hug and gave her a kiss.

"I'm glad you finally got to see one," Summitt said to the quiet Middle Tennessee farmer with a gruff voice and sometimes gruffer manner.

It was only the second hug and first kiss the 73-year-old Head had ever given this child he raised as a hardworking fourth son, the young woman he cheered for to play harder, the demanding coach he'd once worried would be fired.

Patricia Sue "Trish" Head's first basketball court was one end of a 100-foot hayloft. Her daddy hung a goal at one end and strung some lights. Her first teammate was her oldest brother, Tommy, seven years older than his little sister and now a state legislator. Her first opponents were older brothers Kenneth and Charles.

Trish gave as good as she got when they played two-on-two after raking hay, milking cows, working tobacco. Summitt praises her parents, saying they protected her from her brothers. Her only sister, Linda, is six years younger than Summitt.

To hear the family tell it, Trish didn't need any protecting.

"I reckon she was just one of the boys," says Charles Head, a farmer and greenhouse operator. "In that hayloft, she was right in the middle of us. That's what made her tough."

As tough and as good as she was, she had no team to play for in 1966. The high school in Clarksville didn't have a girls' team.

So Richard Head moved his family of seven some six miles down the road, to tiny unincorporated Henrietta in neighboring Cheatham County. Then, Trish could play ball over at Cheatham County High School in Ashland City. Her first year, she caught a Trailways bus home every day.

"Everybody thought I had lost my mind," Hazel Head says. The family moved from a new home to an old, drafty house near their community grocery. "That old house was cold as kraut."

Richard Head says simply: "I just knew she wanted to play ball."

Pat Summitt coaches basketball the way she played basketball—intensely.

"The amount of work it takes to be successful does not detour Pat," says former UCLA coach Billie Moore, who coached Summitt on the 1976 silver medal U.S. Olympic team. "In the coaching game, she is not going to leave anything for granted. She was that way when I first met her."

Growing up on the family's Middle Tennessee dairy farm meant working—and working hard. "Daddy said he wanted Mama to have a girl, but he treated me like one of the guys," Summitt says.

Summitt wasn't any older than 10 or 11 when she was driving a tractor. She set and harvested tobacco, raked and baled hay, plowed fields and raised 4-H calves.

When the doors were open at Mount Carmel United Methodist Church near Ashland City, the Heads were there. Summitt couldn't date until she was 16. Living 15 miles from town, she didn't go out for pizza until her senior year in high school. "We worked, and we played basketball in the hayloft," she says.

Richard Head ran the farm and the store, built houses, served as water commissioner and on the county court. "Miss Hazel" worked as hard as her husband, mowing the yard and cooking huge, country meals. The first to bring food to families after the death of a loved one, Hazel Head is "the hardest working person I know," Summitt says.

"I've often said I wish I had more of my mom in me. I think I learned a lot from my mom about being a good mother. You can always count on Miss Hazel."

Today, the Heads are likely the hardest-working retired people in Tennessee. Richard Head still works the family farmlands and does some work in Springfield, over at the tobacco warehouse. Hazel Head helps over at the family laundry in Ashland City almost every afternoon. The friendly and down-to-earth 70-year-old still fills three freezers of her own and keeps friends and family supplied with vegetables from the Heads' 10-acre garden. They still live in Henrietta, but in a newer and warmer house Richard Head built. Except for Summitt, all their now-grown and married children live within a five-mile radius.

In the Head family, good work was expected and didn't need praising. Excuses weren't accepted; laziness wasn't tolerated. Not that the Head kids questioned.

"Rebel? Are you kidding?" laughs Summitt. "A lot of discipline came as a result of fear. We had to get our own switch out of the yard. And if you got a little one, Mama would get her own. I hated that."

Trish's 16th birthday was spent on a tractor. Friends were feting her and a friend at a country club. But rain was coming and bales of hay were still in the field. Richard Head refused to let his daughter leave. She had work to finish.

"I think I wound up getting in trouble with my dad that day," Summitt remembers. "I was so mad I wasn't paying attention (to her work). I think I got a switch that day and it wasn't birthday licks."

"Richard was far more the patriarch than Hazel was the matriarch," says R.B. Summitt, Summitt's husband of nearly 16 years. "Pat didn't hear anything if things were OK. If something went wrong, boom. Pat responds to that. Most women, I think, do not."

Affectionate expressions simply weren't Richard Head's way. "I never did like that stuff," Head says matter-of-factly.

"Some families hug and kiss all the time, but we just never really did," defends Hazel Head. "It's just the difference in people. But that didn't mean you didn't love them. He'd work his toenails off for either of our five kids."

Attempting to win her father's approval helped drive Summitt early in her career as she took a program only slightly above intramurals and made it the best in women's basketball. Her teams have won four championships in 13 trips to the Final Four. For 20 consecutive years, the Lady vols have won at least 20 games. For eight seasons, including the last three, Summitt's teams have won 30 or more games. Summitt played on the 1976 Olympic team and coached the 1984 women's team to a gold medal. She has repeatedly been named Coach of the Year by athletic organizations.

"It was obvious when he (Head) was in the stands, Pat played at a different level," Billie Moore says. "I like to kid him and say it's all a front, that he's really a softie on the inside. They are a very close, supportive family and having that is part of (having) your confidence."

The Heads and Moore tell of Richard Head yelling "Trish, Trish" at his player-daughter through one pre-Olympic game. Teammate Trish Roberts thought that man in the stands was yelling at her. Summitt knew exactly who her daddy was hollering at. "The coach said afterward she'd never seen two girls play so hard," Richard Head says.

You'd likely zip right through Henrietta up Highway 12 from Ashland City to Clarksville except for that big green-and-white highway sign proclaiming. "Home of Pat Head Summitt."

Under the green sign is a smaller, handmade one shaped something like the state of Tennessee. Fashioned and fastened by the Heads' mail carrier, that sign reads "Lady Vols #1 and Always #1 Here" in bright orange letters.

Two satellite dishes stand in the Heads' back yard, gifts from Summitt so her parents won't miss a game. She phones after contests.

"If they lose, she doesn't call right straight; she's too down," Hazel Head says. "But she likes to know what we think."

Today, her assistant coaches and husband insist Summit is self-motivated. "I think she is pretty well content with her folks, her family, her career, her life. I think it took a while," says R.B. Summitt, who's executive vice president of Sevier County Bank. "I think she always worried what her dad would say or think."

The first hug Summitt got from her daddy was last year, a conciliatory hug after a bitter loss to Connecticut in the NCAA championship game. The second came with a kiss after this year's championship.

"To hug me and give me a big old kiss, that was a first," Summitt says. And she says, her father has now told her he is proud—in his own matter-of-fact, understated manner.

The Heads spent a day at the Summitts' Blount County home after this year's NCAA tournament. As Richard Head was leaving, he told his daughter: 'Now I don't want to hear any more about how I've never hugged you or kissed you or told you I was proud of you."

"That was Daddy's way of telling me he was proud," Summitt grins.

Consider how far she has come. Pat Head began coaching the year Title IX, which required equal athletic opportunities for women, became law.

She was a 22-year-old graduate assistant who also taught four courses. Four of her players were 21; 50 people came to see them lose their first game by one point to Mercer University. Between coaching, Summitt worked on her master's in physical education and rehabilitated an injured knee so she could try out for the '76 Olympics.

She was her own assistant, own trainer and sometimes team driver. R.B. Summitt remembers hauling team equipment to games in his Ford van after he met his future wife in 1977.

Twenty years later, it's still a family event, but the coach doesn't drive the team bus and her husband doesn't have to load equipment. Richard and Hazel Head drive 3½ hours to some contests. R.B. Summitt has seats near the court where he can yell—loudly—at officials and opposing coaches.

The Summitts' only son, 5-year-old Tyler, has been Summit's traveling companion since he was just months old. This spring, he stood on a ladder to help his mother cut the nets in Charlotte.

During this season's 18-point thrashing by Stanford, Summitt walked to the end of the bench near her son. "Mama," he said solemnly, "I'm doing all I can."

"Son, she replied, "I don't think that will be enough."

Today, Pat Summitt has coached half her life, compiling a 22-season record of 596–133. some 8,000 fans regularly cheer the Lady Vols during home games. After working 20 years without a contract, Summitt now earns an annual $135,000. That's the highest base pay of any UT coach, male or female.

But for those first couple of years, the Lady Vols won only 16 games a season. The third season, they hit 28 wins and never looked back.

And over in Henrietta, Richard Head was trying to get his daughter to quit the coaching game.

"I felt like she might have a bad season, and they'd get rid of her. They won't now for awhile, but at one time I figured they might."

A sometimes blind, always demanding passion drives the woman who is arguably the best coach in women's basketball.

"I've always said, 'Teams may beat us, but they better not outwork us. Coaches may beat me, but they better not outwork me,'" Summitt says. "I guess you have to be a little crazy to be this driven, but I enjoy working."

Says Mickie DeMoss, Summitt's assistant coach for 11 years: "She coaches with a lot of passion; she does everything with a lot of passion.

"If she owned Weigel's up the road, it'd be the best Weigel's in the city of Knoxville. Because she'd work from sun-up to sundown.

"Holly (Warwick, also an assistant coach for 11 years) and I often say we do things the hard way around here," DeMoss laughs. "If the competition is doing it one way, we're going to find a way to do it a little better."

Says Shelley Sexton, point guard on Summitt's first 1987 championship team and now women's basketball coach at Karns High School, "Nobody questions themselves harder, nobody puts themselves through more, than Pat Head Summitt. She is a perfectionist."

The slender 5-foot, 11-inch Summitt walks faster, drives much, much faster. "If Pat's not driving, putting on her makeup and talking all at the same time, she's wasting her time," DeMoss says. Warwick and DeMoss half-joke Summitt only slows down when Tyler is riding.

When she jogs, Summitt has to run two steps ahead of everyone else and has to finish at least a step ahead. "And the whole time she's running—she's talking basketball," says Warwick, a three-time All-American when she played for Summitt from 1976 to 1980.

Summitt readily admits she's not the world's most observant woman. Her narrow focus tapers to tunnel vision during basketball season. Her assistants swear Summitt comes to work not knowing if she's walked in through rain or 20-degree cold. Last spring, she jogged the same route for three weeks before realizing a building she passed daily had burned.

Current events don't get any more attention. Summitt was once to go to Las Vegas to pick up an award. "Today" show host Bryant Gumbel and Dallas Cowboys running back Emmitt Smith were to attend. Summitt didn't want to go—she didn't recall who those other people were.

"I have asked her before, if she will just read one story on the front page of the paper before turning to the sports section," DeMoss says. "And it's not necessarily sports—it's basketball. It's women's basketball. It's Lady Vols basketball."

One of the best stories about Summitt's single-minded determination can be told in a true story that sounds more like a tale.

Consider the birth of sandy-haired, blue-eyed Ross Tyler Summitt.

Tyler, who can't talk defense and rebounding with the best of them, was nearly born while his mother was recruiting UT point guard Michelle Marciniak.

The story goes like this:

Summitt was about two weeks away from her due date when she and DeMoss flew to Pennsylvania in September 1990 to recruit Maricinak. While there, Summitt went into labor.

But she wasn't going to have her son anywhere but in Knoxville. And it didn't matter she was states away. 'You know, Pat can be pretty stubborn," DeMoss says.

DeMoss raced her boss to the UT plane. On the way, Summitt's pains increased. The pilot offered to land in Virginia.

That sounded like a great idea to DeMoss. Forget that archrival Virginia had defeated Tennessee in overtime in the NCAA East Regional that March.

"Pat told me, 'Mickie, you let them land in Virginia, you're going to have a mad woman on your hands.' That was all I needed to know," DeMoss recalls.

The plane landed at McGhee Tyson Airport in a fast two hours, black exhaust fumes streaking its sides. Tyler was born a few hours later at St. Mary's Medical Center. The doctors said if the baby's head had been turned differently, DeMoss would have had an assist in his birth. "It was the longest two hours of my life," DeMoss says.

Down the sidelines she strides, pointing, yelling, snarling. Her blue eyes glare "the look" that makes an All-American cower.

In the comfort of your den, in the safety of your Thompson-Boling seat, you're very, very glad you're not wearing Tennessee orange. Even Richard Head thinks Trish is sometimes too hard on those girls.

"I think Daddy's gotten more relaxed since his children have married . . . since he's got nine grandkids and two great-grandkids," Summitt says.

Watching Summitt, it's hard to imagine this woman was once so reserved she dreaded taking college speech classes. The nickname "Pat" stuck when she was too shy to tell college classmates everybody called her "Trish."

Gracious one-on-one, Summitt keeps in touch with and often advises former players. Involved in community causes, she's chairing the 1996 local United Way campaign with men's basketball coach Kevin O'Neill.

So maybe, just maybe, those flashes of sideline temper aren't as bad as they seem. Or maybe the end justifies the means. Summitt makes no excuses.

"I'm not really concerned about what people say about the way I coach or my style," Summitt says. "Because unless you are really on the inside, I don't think you can totally understand and appreciate communication.

"My volume can be on 10, but my message can be very positive. My volume may be a two and it can be one of constructive criticism. I can't spend my career trying to please everybody. When I concern myself with people, it's the people right here."

Through the years, 13 players have transferred out. "I'm sure my personality, my expectations for us, had something to do with it," she says.

Those around her say Summitt today yells more selectively, having adapted to changes in players and differences in teams' chemistries. She's still tough.

"Now she still gets in their faces and she expects a lot out of them, but I think she has really made an effort to compliment them when they do well, tell them how proud she is of them," DeMoss says. "There's never been a question that she cares about her players."

Says former Lady Vol center and current University of Richmond assistant coach Sheila Frost: "Pat will drive you to the brink, but she won't break you. I was just a little farm girl when I got to Tennessee. She took me under her wing and she kicked me in the rear too."

The idea of playing for a demanding basketball icon with a temper can be intimidating not just to 18-year-olds. DeMoss works to "humanize" Summitt to recruits and parents. "I tell them up front, 'Yes, she's tough, she's demanding. . . . She expects nothing but your best. And if you come here, basketball needs to be important to you because it's very important to Pat.'"

Call it maturity. Call it security. Don't call it mellow.

"Pat hates it when people use that word," DeMoss says.

Summitt agrees she's more apt to ask for input from DeMoss, Warwick and assistant Al Brown and from her players. "I'm more flexible today than I was at 27, more tolerant. Starting out I guess I was kind of a dictator type. I thought I had all the answers."

There's no question who's in charge, but Summitt is more comfortable letting players make some decisions. "I've heard her ask the players during a time-out, 'You want to play zone or man-to-man?'" DeMoss says. "I think she knows now you can laugh and have fund and still win. Used to, she didn't think the two ever could go together."

She gets help laughing from practical jokers DeMoss and Warwick. Once, Summitt was ragging the players about her playing days. The coach swore she always rebounded and never tossed fancy passes. DeMoss and Warwick showed the team a grainy, black-and-white video of Summitt's playing days.

"She threw hook passes; she didn't rebound. The whole team had to wait for her to get down the court," Warwick laughs. "But she took it very well."

Summitt can slip in a joke herself. Tennessee was to play Louisiana Tech in April in the 1988 Final Four semifinal. Summitt called Warwick and DeMoss with the worst of news—UT star Bridgette Gordon had severe food poisoning.

"She really had us going. And then she said, 'April Fool.' Ninety percent of the time she is so serious, she can really get you," DeMoss says.

Mellow or mature, Summitt remains one very poor loser.

"She's more like her daddy. I want them to win, but he really is disappointed if they don't," Hazel Head says. "I try to tell her, 'When you go out there, you know one's going to lose, and one can't do it all. You can't always be on top.'"

Says R.B. Summitt, "If we should have lost, Pat's not a good loser and it's not any fun. But if we should not have lost, if the team didn't give effort, if we sort of gave the game away with mistakes, then it's worse."

"I get really sick inside," Summitt says, putting one hand to her chest. "I just have a terrible feeling. I cannot get it off my mind. I replay every play. I always feel there's something I could have said or done to make the difference."

She is hard on herself and on her players. Game mistakes are replayed in hard practices. "I'm sure the players get sick of hearing it. But that's OK. Then they'll remember how they felt when they lost," she says.

If you really want to feel the Summitt wrath, be lazy or dishonest.

Team policy is sacred. Going to class and being on time are not mere suggestions. You don't go to class, you don't step on the court. All players who remained at Tennessee four years have graduated, a fact that coaches are as proud of as those national championships.

Players who break team rules get suspended. Most recently, Lady Vols center Tiffani Johnson was not allowed to make last Monday's team trip to the White House because of an undisclosed rules violation.

Word is that Summitt knows everything. "She just looks at you and says, 'I know what you've been doing and you just confess," Warwick says.

Summitt suspended point guard Tiffany Woosley for three games her senior year after Woosley made comments reportedly criticizing some teammates. "It doesn't matter who you are, if you do one thing wrong, you get punished. It's Pat's way or no way," says Woosley, now coach at Fayetteville's Lincoln County High School. "That's the way it should be. She's tough. But I learned from it, the good and the bad."

Says Sexton: "There's a price to be paid to be a part of that program. You have got to be above reproach. It's a responsibility, a commitment on and off the floor.

Recruits ask DeMoss "Can I play for Pat? Can I handle Pat?" I tell them, "Two things will keep you out of the doghouse. Work hard and be honest," DeMoss says.

Says Summitt, "I think I have very little patience with people that are not motivated to work hard. It's hard for me to understand."

THE DEATH OF DR. HECTOR GARCIA

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. ORTIZ. Mr. Speaker, I rise today to advise my colleagues of the passing of Dr. Hector Garcia of Corpus Christi, who was my personal hero and one of the most important Americans of our time.

Dr. Garcia was a different breed of patriot and citizen. Long before the issue of civil rights was on anyone else's agenda, Dr. Hector Garcia recognized the need for equal rights for the citizens of the United States, particularly in our little corner of the world in south Texas. Rather than make the larger elements of society uncomfortable with a direct public assault on the status quo, Dr. Garcia began making quiet inroads into the system.

Dr. Garcia encouraged all of us to become involved. He articulated clearly, then, why it was necessary for Hispanics to show an interest in the workings of our city, our community, and our country. He underscored the basic workings of democracy, preaching his message about the strength of numbers, the necessity of registering to vote, and the power of voting.

Today, Dr. Garcia's message is the political gospel to which we all adhere. While others fought the system, often unsuccessfully, Dr. Garcia worked within the system to open it up for everyone to participate. He amazed us all with his wisdom, foresight, and longevity.

Dr. Garcia began fighting for the cause of civil rights in 1948—long before others joined that cause. He fought for basic, fundamental civil, human, and individual rights. The seeds he planted all those years ago have grown into ideas whose roots are firmly planted in south Texas. Those seeds have produced today's leaders, and laid the foundation for tomorrow's leaders.

As a veteran, I am particularly grateful to Dr. Garcia for his very special service—both during conflict with the enemy, and within the bureaucracy. The American GI forum, which he founded, was originally intended to guide WWI and WWII veterans through the maze of bureaucracy to obtain their educational and medical benefits, and it grew into the highly acclaimed Hispanic civil rights organization.

The seeds of Dr. Garcia's inspiration and leadership have sprouted, and they will continue to grow and succeed—just as he planned. Dr. Garcia was a tremendously decent man, and his legacy to us is to treat each other decently as human beings. He embodied the Golden Rule—"Do unto others as you would have them do unto you." There are a host of people in south Texas who received free medical care from him because they simply couldn't afford to pay him.

I will miss him, and I will miss his decency—I believe all Americans will. I believe the best way for us to remember him is to follow his example.

HOUSE OF REPRESENTATIVES—*Monday, July 29, 1996*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore [Mr. COBLE].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 29, 1996.

I hereby designate the Honorable HOWARD COBLE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING BUSINESS

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority and minority leader limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS] for 5 minutes.

NO MORE GOVERNMENT SHUTDOWNS

Mr. GEKAS. Mr. Speaker, no more Government shutdowns. That seems like a silly warning in the middle of the summer, when the end of the fiscal year still is 2 months ahead of us. The fiscal year, as everyone knows, for the Congress of the United States, for the Government of the United States, ends on September 30. If indeed there be no budget enacted by that date, then the next day the Government has to shut down, unless one of two things could occur: One, a full budget would be passed in the last hours so that a new budget would be in place on the first day of the new fiscal year, October 1; or the Congress, in its wisdom, along with an agreement from the White House to issue a temporary funding stream to allow the negotiators more time to bring about a full budget, would enter into a continuing resolution, a temporary funding mechanism, from October 1, to, let us say, November 1, giving another month to the negotiators to bring about what we all hope would be the case, a full budget for the next fiscal year.

But what has happened quite often, especially in the last year, and dating way back to 1985, in my own experience in the Congress, the Congress has failed to bring about a budget by September 30, and has had to indulge in these temporary funding measures. At the end of each one of those, when there is a breakdown in negotiations, then there occurs the threat of a Government shutdown or an actual shutdown.

Let me give you the most egregious example of what occurred when, in one previous session, the Congress failed to bring about a budget by September 30.

Our youngsters, the members of the Armed Forces in that era, 1991, were gathering in the deserts of the Middle East under Desert Shield, the deployment of our troops in preparation for Desert Storm.

In December 1990, they were all gathered, 300,000 or 400,000 strong, our young men and women, our fellow citizens, our Armed Forces, and in the middle of their preparation to do battle with the forces of Saddam Hussein, there was a Government shutdown.

Now, is that not a sad thing to contemplate, to have the Armed Forces ready to do battle, and their Government, our country, shuts down its Government?

This did not deter them, this event back home, from continuing to gear up for the eventual battle. But the point is, how can we as a people and Congress continue to sustain the threat of a Government shutdown, for any purpose? Not only does it look awful, and it is awful, but then there are payless paydays for people who work for the Federal Government, there is the threat of Social Security checks and veterans benefits and other matters on which fellow citizens rely which would come to a sleekening halt, or special measures would have to take place to do them.

Anyway, we have to end Government shutdowns. Now, I have proposed, since 1988 I believe, almost every year, and I have gone before the relevant committees to discuss this issue, and I came up with a proposal. My fear is that it will not pass because it makes common sense, but I am going to keep trying.

Here is the way this works: If on September 30, the end of the fiscal year, there is no new budget in place, then on October 1, the next day, automatically under my proposal there would be reenacted and will come into play last year's budget automatically, until a new budget can be enacted.

That means that there will never be a Government shutdown as long as we operate in the Congress of the United States. Because even if they enter into a continuing resolution, the temporary funding mechanism, at the end of that period, if they still have not produced a budget, where today we would have the threat of a Government shutdown, we would have an instant replay of the then current temporary funding measure, thus Government would go on until the budget is put into its final face.

That is what I have proposed. Now, there are some questions. Does this rob the appropriators, the people whose job it is to produce the appropriations bills, to have them signed by the President? We think not.

Mr. Speaker, it is time to end Government shutdowns.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3540. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3540) "An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes," requests a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCONNELL, Mr. SPECTER, Mr. MACK, Mr. JEFFORDS, Mr. GREGG, Mr. SHELBY, Mr. BENNETT, Mr. HATFIELD, Mr. LEAHY, Mr. INOUYE, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. MURRAY, and Mr. BYRD to be the conferees on the part of the Senate.

TAX LEGISLATION FOR THE DISTRICT OF COLUMBIA

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized during morning business for 5 minutes.

Ms. NORTON. Mr. Speaker, I have put in a unique remedy for a catastrophic financial crisis in the District of Columbia. Questions have been raised about it. I think I and the people I represent are due the courtesy of a moratorium on off-the-cuff conclusions about the bill until they are fully briefed.

The reasons, of course, for my bill, for a tax cut for the District, lie in the unique disadvantages of the city and the unique remedy it will take to solve them.

We lost more residents in the first half of the 1990's than we did in the entire 1980's. Perhaps we share that in common with other cities, but virtually nothing else. Uniquely, we have no way to recoup revenue when we lose people.

Leon Panetta, a personal friend and a friend of the District, spoke on television yesterday about my bill. In virtually every respect he was way off the mark. For example, Leon said congresspeople would be able to get this tax cut. They do not pay D.C. income taxes. The law requires them to be citizens of their own States.

Imagine the pain in my District when they heard opposition to a tax cut to the District because it would be unfair to other cities. I never would have put the tax cut bill in in the first place if we had a State like other cities. We are the only city in the United States which has State responsibilities and State costs, and no State. Seventy-five percent of the money that big cities get, they get from external sources, such as State aid.

I do not oppose Mr. Panetta's notion that we ought to have some tax-based remedy for other cities. I welcome it. I would be thrilled. But do not hang a bunch of unique responsibilities around our necks and then say when it comes to relief, the same relief must go to those who do not have those unique responsibilities.

There are four reasons, briefly, why I have put this bill in. We are the only city required to pay for State, county, and municipal functions. That means that we pay for Medicaid. Thirty-seven States get a greater Federal contribution for Medicaid than the District of Columbia.

We are the only city with no State to recycle income from wealthier areas. Detroit has Michigan, Mr. Panetta. New York City has New York State. We have nobody.

We are the only city barred by Congress from a commuter tax, and commuters take two-thirds of the revenue out, use our services, and leave nothing, not one thin dime in tax revenue.

Finally, my constituents were particularly pained because apparently no notice has been taken of the fact that we are second per capita in Federal income taxes, with no full voting representation in the House or the Senate. Four territories, which have the same delegate to Congress as the District has, have paid no, I repeat, no Federal income taxes.

Yes, I have asked for a unique remedy, because there are unique responsibilities. If you want to enlarge that to include the other great cities of the United States, be my guest. It would be magnificent.

Finally we would get an urban policy. The Control Board that Congress has set up is not reviving the economy of the District. It is in fact reviving the government of the District. But taxpayers are leaving at such a rate that your Capital of the United States is dissolving as I speak, and nobody, not the administration, and not soon enough the Congress, is stepping up to save it in time.

It will be too late 3 years from now. If there is to be a tax cut, let it be now, so there be time for it to kick in. If not a tax cut, then I challenge Mr. Panetta and every Member of this body to come up with a remedy during this session.

It is your Capital City. It may be my home as a fourth generation Washingtonian, but 200 years ago, you set up the Capital of the United States and you gave it special and peculiar disabilities. Are you going to let if go out of existence? Are you going to treat Washington, DC, less than England would treat London? Are you going to treat Washington, DC, less than France would treat Paris?

Do not compare the District of Columbia to Detroit, New York, Atlanta, or San Francisco, unless you give the people I represent the same citizenship rights and the same aid that those cities get. This is your Capital. Treat it as your Capital. Do not leave us stranded, swinging in the breeze, by the neck.

COMMENTS ON WELFARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Mr. Speaker, I want to thank the gentlewoman from the District of Columbia. I think she is absolutely right, and I think that it is time that we try a different approach with the District. We have seen a failed policy of liberalism that has brought this District to what it is, and I think it is absolutely appropriate that at this time in the District's history, we should take advantage of the situation that we have here, and we should do something that is opportunity-oriented, that is incentive-oriented, using a different approach, and see what the results will be. I am absolutely confident that the results that the gentlewoman is looking for will in fact come about, and I am going to support her in her efforts. I appreciate the courage that the gentlewoman has taken to undertake this.

Mr. Speaker, I want to speak about the welfare bill that we dealt with last week. I want to start out, I came across a number of I think fascinating quotations from the State of the Union address in 1935 by Franklin D. Roosevelt. I want to read some of those to you.

Mr. Roosevelt said:

> The lessons of history confirmed by the evidence immediately before me show conclusively that continued dependence upon relief induces a spiritual and moral disintegration, fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit. It is inimical to the dictates of sound policy. It is in violation of the traditions of America. The Federal Government must and shall quit this business of relief.

This is Franklin Roosevelt in 1935. He goes on to say, "In the days before the Great Depression, people were cared for by local efforts."

Listen to this carefully. It sounds as though it was written for a speech for the new majority's welfare plan of 1996. Specifically the idea of sending power out of this city and back to States, communities, localities, churches, synagogues, et cetera.

He says:

> In the days before the Great Depression, people were cared for by local efforts, by states, by counties, by towns, cities, by churches, and by private welfare agencies. It is my thought that in the future they must be cared for as they were before. I stand ready through my personal efforts and through the public influence of the office that I hold, to help these local agencies to get the means necessary to assume this burden.

Are you listening, President Clinton?

> Local responsibility can and will be resumed for, after all, common sense tells us that the wealth necessary for this task existed and still exists in the local community, and the dictates of sound administration require that this responsibility be in the first instance a local one.

John F. Kennedy echoed these fundamental insights into human nature in 1962 when he said, "No lasting solution to the problem of poverty can be bought with a welfare check."

Finally, in 1931, President Roosevelt said, "The quicker that a man or woman is taken off the dole, the better it is for them during the rest of their lives."

Over four decades ago we launched a war on poverty with the best of intentions. But $5.5 trillion later we have nothing to show put poverty, despair, hopelessness, broken families, and a damaged work ethic. We have ignored the basic law of nature, that when someone is given handout after handout after handout, without having something demanded in return, he or she is condemned to a lifestyle of dependency and the loss of personal dignity and self-worth.

Not surprisingly, this is also the root of a similar problem at the opposite end of the economic spectrum, children spoiled by affluent parents who shower them with material goods, but require nothing in return. This is literally the essence of what it means to spoil a child. Yet there are also millions of middle class parents everywhere in America who require their children to clean their rooms, make their beds, complete their homework, and do daily chores in exchange for a modest allowance. This teaches responsibility, an understanding that money is given in exchange for work, and it bonds a child to his or her family in a relationship of mutual commitment and responsibility.

Congress has just passed a plan that tries to apply the kind of tough love, common sense approach to welfare reform that Americans know is morally right and have said that they want. The plan is based on the simple proposition that welfare recipients should work for their benefits, just like you work to support your family and to pay your taxes.

It also recognizes that there will be no real welfare reform without tackling the appalling problem of illegitimacy. Fully one in every three American babies is born out of wedlock today.

So I ask the Speaker to commend to the attention of the President this bill. I hope that he signs it. I hope it becomes law. It will clearly bode well for the future of our country going into the 21st century.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess until 2 p.m.

Accordingly (at 12 o'clock and 49 minutes p.m.), the House stood in recess until 2 p.m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CALVERT) at 2 p.m.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Protect us, O gracious God, all the day long until the shadows lengthen and the light is gone and we are alone. Remind us that we never walk the path of life alone or go through the valley by ourselves, but Your spirit leads and guides, Your strong arm is our strength, and Your grace is abundant for our every need. We place our prayers before You, O God, asking that You would bless us this day and direct us in the way of truth and peace and grace. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from California [Mr. MOORHEAD] come forward and lead the House in the Pledge of Allegiance.

Mr. MOORHEAD led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, July 30, 1996.

REPEALING OF PROVISION OF UNITED STATES CODE RELATING TO FEDERAL EMPLOYEES CONTRACTING OR TRADING WITH INDIANS

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3215) to amend title 18, United States Code, to repeal the provision relating to Federal employees contracting or trading with Indians.

The Clerk read as follows:

> H.R. 3215
>
> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*
>
> **SECTION 1. FEDERAL EMPLOYEES CONTRACTING OR TRADING WITH INDIANS**
>
> (a) REPEAL.—Section 437 of title 18, United States Code, is repealed.
>
> (b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 23 of title 18, United States Code, is amended by striking the item relating to section 437.
>
> (c) EFFECTIVE DATE.—The repeal made by subsection (a) shall—
>
> (1) take effect on the date of enactment of this Act; and
>
> (2) apply with respect to any contract obtained, and any purchase or sale occurring, on or after the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3215.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3215 which repeals a provision of the Criminal Code, 18 U.S.C. 437, that prohibits certain Federal employees from contracting or trading with American Indians. The gentleman from Arizona, Mr. J.D. HAYWORTH, introduced H.R. 3215 on March 29, 1996.

Section 437 prohibits employees of the Bureau of Indian Affairs and the Indian Health Service from entering into contracts with American Indians for the purchase, transportation, or delivery of goods or supplies for any American Indian. It further prohibits these employees from engaging in any purchase or sale of services or property from or to any American Indian. Because these provisions prohibit any of these transactions in any case in which the Federal employee appears to benefit, they effectively bar any such transaction with a family member of the Federal employee. A violation of this section is punishable by a fine or imprisonment of up to 6 months.

Section 437, first passed in the 1800's, was enacted to prevent Federal employees who are involved in administering programs to assist American Indians from taking advantage of those they are supposed to be helping. While it was well-intentioned when passed, today it is outdated and no longer necessary. In addition, the section has the perverse effect of making it harder for the Indian Health Service to recruit and retain good medical employees for remote reservations because those employees' spouses are prohibited from trading with the local Indians.

In 1980, Congress amended this statute to allow the executive branch to provide, by regulation, for exceptions to the general prohibition on trading. Because H.R. 3215 will repeal the authority under which these regulations were promulgated, they should be repealed if this bill is enacted. As a practical matter, these regulations providing for exceptions will no longer be necessary nor effective because the general prohibition will no longer exist. However, I want to make it clear that this repeal should not be construed to prejudice any person who has lawfully acted in reliance on those regulations. I also want to make it clear that even though we are repealing section 437, and thereby rendering the regulations providing for exceptions unnecessary, all other applicable general standards of ethical conduct for these Federal employees remain in effect.

Similar legislation passed the other body on October 31, 1995, as part of a broader package of technical amendments to laws relating to Indians—S.

325. The package passed by unanimous consent. Last week, the Committee on Indian Affairs in the other body by voice vote ordered favorably reported S. 199, a separate bill that addresses only the repeal of section 437. The Department of the Interior, of which the Bureau of Indian Affairs is a part, testified in favor of the repeal of section 437 at hearings on S. 325. I am informed that the Department of Health and Human Services, which includes the Indian Health Service, is in favor of repeal of section 437. I am also informed that the Navajo Nation and the Hopi Tribe are in favor of this legislation. I do not have any reason to believe that any other American Indian groups oppose this bill. I urge all Members to support this worthy legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of the bill.

Mr. Speaker, this bill enjoys bipartisan support. The current law prohibits employees from the Bureau of Indian Affairs and the Indian Health Service from entering into contracts with Indians or their families for the purchase, transportation or delivery of goods or services. It also prohibits these employees from engaging in any purchase or sale of services with the property of any Indian.

When first passed in the 1980's, the legislation was designed to prevent Federal employees who were involved in administering programs to help Indians from taking advantage of the Indians they were supposed to be helping.

While it was well-intentioned when passed, today the law appears to be outdated and has the negative effect of making it harder for Indian Health Services to recruit and retain good medical employees for remote reservations because those employees' spouses are prohibited from trading with local Indians.

Mr. Speaker, passing this bill will not diminish in any way the ethnical standards because the people involved will still be covered by all of the ethics in Government regulations. The counterpart legislation passed the Senate by unanimous consent last year, and I urge Members to support the measure.

Mr. HAYWORTH. Mr. Speaker, I would like to take this opportunity to thank the distinguished chairman and ranking member of the House Judiciary Committee for their assistance in moving H.R. 3215 through the legislative process.

As my colleagues may know, the Trading with Indians Act was originally enacted in 1834, and at that time it served an important purpose: to ensure that Federal employees did not improperly influence native Americans. However, today this law is unnecessary and unproductive. It establishes a prohibition against commercial trading with native Americans by employees of the Indian Health Service [IHS] and Bureau of Indian Affairs [BIA]. In many cases, this prohibition also extends to transactions undertaken by the spouse of a Federal employee.

The penalties for violations include a fine of not more than $5,000, or imprisonment for not more than 6 months, or both. The act further provides that any employee who is found to be in violation should be terminated from Federal employment.

Enforcement of this outdated law has caused great difficulties for many native American families. It has also made it more difficult for IHS and BIA to retain quality Federal employees in certain facilities located on remote parts of reservations.

Both Health and Human Services Secretary Donna Shalala and Interior Assistant Secretary Ada Deer have expressed support for repealing the Trading with Indians Act. The Senate has already approved legislation which includes language identical to H.R. 3215. Both the Navajo Nation and the Hopi Tribe support passage of the bill. In fact, I am not aware of any opposition to H.R. 3215.

Repeal of the Trading with Indians Act is long overdue. Passage of H.R. 3215 would benefit numerous native American families, and I hope that my colleagues will join me in supporting this commonsense legislation.

Mr. SCOTT. Mr. Speaker, I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MOORHEAD] that the House suspend the rules and pass the bill, H.R. 3215.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

CODIFYING WITHOUT SUBSTANTIVE CHANGE LAWS RELATED TO TRANSPORTATION

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2297) to codify without substantive change laws related to transportation and to improve the United States Code, as amended.

The Clerk read as follows:

H.R. 2297

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE 18, UNITED STATES CODE.

Section 2721(b) of title 18, United States Code, is amended as follows:

(1) In the matter before clause (1), strike "the Automobile Information Disclosure Act, the Motor Vehicle Information and Cost Saving Act, the National Traffic and Motor Vehicle Safety Act of 1966, the Anti-Car Theft Act of 1992, and the Clean Air Act" and substitute "titles I and IV of the Anti Car Theft Act of 1992, the Automobile Information Disclosure Act (15 U.S.C. 1231 et seq.), the Clean Air Act (42 U.S.C. 7401 et seq.), and chapters 301, 305, and 321–331 of title 49".

(2) In clause (9), strike "the Commercial Motor Vehicle Safety Act of 1986 (49 U.S.C. App. 2710 et seq.)" and substitute "chapter 313 of title 49".

SECTION 2. TITLE 23, UNITED STATES CODE

In the catchline for section 103(e)(4)(L) of title 23, United States Code, strike "FTA" and substitute "CHAPTER 53 OF TITLE 49".

SECTION 3. TITLE 28, UNITED STATES CODE.

In section 1445(a) of title 28, United States Code, strike "sections 51–60 of Title 45" and substitute "section 1–4 and 5–10 of the Act of April 22, 1908 (45 U.S.C. 51–54, 55–60)".

SECTION 4. TITLE 31 UNITED STATES CODE.

Title 31, United States Code, is amended as follows:

(1) In section 1105(a), redesignate clauses (27) through the end as clauses (26) through the end.

(2) Section 9101 is amended as follows:

(A) Clause (2)(J) is repealed.

(B) Redesignate clauses (2)(K) through the end as clauses (2)(J) through the end.

(C) In clause (3)(B), strike "Fund;" and substitute "Fund.".

(D) Clause (3)(N), as added by section 902(b) of the Energy Policy Act of 1992 (Public Law 102–486, 106 Stat. 2944), is redesignated as clause (3)(O).

SECTION 5. TITLE 49, UNITED STATES CODE.

Title 49, United States Code, is amended as follows:

(1) In section 106(b), strike "the date of the enactment of this sentence" and substitute "August 23, 1994,".

(2) In section 111(b)(4) and (g), strike "the date of the enactment of this section" and substitute "December 18, 1991".

(3) Section 329 is amended as follows:

(A) In subsection (b)(1), strike "(as those terms are used in such Act)" and substitute "(as that term is used in part A of subtitle VII of this title)".

(B) In subsection (d), strike "that Act" and substitute "that part".

(4) In section 521(b)(1)(B), strike "the date of enactment of this subparagraph" and substitute "November 3, 1990".

(5) Section 701(b)4) is amended as follows:

(A) Strike "the effective date of this section" and substitute "January 1, 1996".

(B) Strike "the date of the enactment of the ICC Termination Act of 1995" and substitute "December 29, 1995,".

(6) In section 702, strike "the effective date of such Act" and substitute "Janaury 1, 1996".

(7) In section 726(a), strike "the date of enactment of the ICC Termination Act of 1995" and substitute "December 29, 1995".

(8) In section 5116(j)(4)(A), strike "subsection (g)" and substitute "section 5115 of this title".

(9) In section 5119(b)(2), 5309(g)(1)(B) and (m)(3), 5328(b)(3), 5334(b)(1), 5335(b)–(d), 3113(c)(1)(B) and (C) and (2), 40112(e)(2), 41105(b), 41310(f), 41714(e)(2), 42104(b), 44506(d), 44913(a)(2), 47107(k), 48102(d)(2), and 48109, strike "Public Works and Transportation" and substitute "Transportation and Infrastructure".

(10) Section 5303 is amended as follows:

(A) In subsection (f)(2), strike "subsection (e)" and substitute "subsection (b)".

(B) In subsection (h)(4), strike "section 5338(g)(1)" and substitute "section 5338(g)".

(11) Section 5307 is amended as follows:

(A) In subsection (a)(2)(A), strike "title;" and substitute "title; or".

(B) In subsection (a)(2)(B), strike "transportation; or" and substitute "transportation.".

(C) Strike subsection (a)(2)(C).

(12) Section 5309 is amended as follows:

(A) In subsection (a)—

(i) insert "(1)" before "The Secretary";

(ii) redesignate clauses (1)—(7) as clauses (A)—(G), respectively;

(iii) redesigate subclauses (A) and (B) as subclauses (i) and (ii), respectively; and

(iv) insert at the end the following:

"(2) The Secretary of Transportation shall require that all grants and loans under this subsection be subject to all terms, conditions, requirements, and provisions the Secretary decides are necessary or appropriate for the purposes of this section, including requirements for the disposition of net increases in value of real property resulting from the project assisted under this section.".

(B) In subsection (e)(4)(B), strike "paragraph (1)(B)" and substitute "paragraph (2)".

(C) In subsection (m)(1)(A), insert "rail" before "fixed guideway modernization".

(13) Section 5315(d) is amended by striking "5304 and 5306" and substituting "5307 and 5309".

(14) Section 5317(b)(5) is amended as follows:

(A) In subparagraph (C), strike "under this paragraph" and substitute "under subparagraph (B) of this paragraph".

(B) In subparagraph (D), strike "(except this paragraph)".

(15) Section 5323(b)(1), (c), and (e) is amended by striking "(except section 5307)" wherever it appears.

(16) The catchline for section 5325(d) is amended by striking "MANAGEMENT, ARCHITECTURAL, AND ENGINEERING CONTRACTS." and substituting "ARCHITECTURAL, ENGINEERING, AND DESIGN CONTRACTS.".

(17) Section 5327(c) is amended by striking "to carry out a major project under section 5307" and substituting "to carry out a major project under section 5309".

(18) In section 5335(d)(2)(B), strike "With" and substitute "with".

(19) Section 5336(b)(2) is amended as follows:

(A) In subparagraphs (A) and (B), add at the end the following: "An urbanized area with a population of at least 750,000 in which commuter rail transportation is provided shall receive at least .75 percent of the total amount apportioned under this subparagraph.".

(B) Strike subparagraph (C).

(C) Redesignate subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

(20) Section 5338(g)(2) is amended by striking "section 5308(b)(2)" and substituting "section 5311(b)(2)".

(21) In section 10501(c)(3)(B), strike "the effective date of the ICC Termination Act of 1995" and substitute "January 1, 1996".

(22) In section 10701(d)(3), strike "the effective date of this paragraph" and substitute "January 1, 1996".

(23) In section 10704(d), srike "the effective date of the ICC termination Act of 1995" and substitute "January 1, 1996".

(24) In sections 10706(a)(5)(C) and 10709(e), strike "the effective date of the Staggers Rail Act of 1980" and substitute "October 1, 1980,".

(25) In sections 11101(f) and 11301(f), strike "the effective date of the ICC Termination Act of 1995" and substitute "January 1, 1996".

(26)(A) The heading for part B of subtitle IV is amended to read as follows:

"PART B—MOTOR CARRIERS, WATER CARRIERS, BROKERS, AND FREIGHT FORWARDERS".

(B) The heading for chapter 131 as amended to read as follows:

"CHAPTER 131—GENERAL PROVISIONS".

(27) Section 13102 is amended as follows:

(A) In clause (4)(A), strike—

(i) "The effective date of this section" and substitute "January 1, 1996"; and

(ii) "the day before the effective date of this section" and substitute "December 31, 1995".

(B) In clause (4)(B), strike "on or after such date" and substitute "after December 31, 1995".

(28) Section 13703 is amended as follows:

(A) In subsection (e), strike—

(i) "the day before the effective date of this section" and substitute "December 31, 1995,"; and

(ii) "such effective date" and substitute "January 1, 1996".

(B) In subsection (f)(2), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(29) Section 13709 is amended as follows:

(A) In subsection (a)(1) and (3), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(B) In subsection (e), strike—

(i) "the effective date of this section" and substitute "January 1, 1996"; and

(ii) "the day before such effective date" and substitute "December 31, 1995".

(30) Section 13710 is amended as follows:

(A) In subsection (a)(4), strike "the effective date of this section" and substitute "January 1, 1996,".

(B) In subsection (b), strike—

(i) "the day before the effective date of this section" and substitute "December 31, 1995"; and

(ii) "the effective date of this section" and substitute "January 1, 1996,".

(31) Section 13711 is amended as follows:

(A) In subsection (a), strike—

(i) "or, before the effective date of this section" and substitute "or, before January 1, 1996";

(ii) "the day before the effective date of this section" and substitute "December 31, 1995"; and

(iii) "provided before the effective date of this section" and substitute "provided before January 1, 1996".

(B) In subsection (d), strike—

(i) "the effective date of this section" and substitute "January 1, 1996"; and

(ii) "the day before such effective date" and substitute "December 31, 1995".

(C) In subsection (g), strike "the effective date of this section" and substitute "January 1, 1996".

(32) Section 13902 is amended as follows:

(A) In subsection (b)(8)(A)—

(i) insert "and" after "(iv) any Indian tribe,";

(ii) strike "and" after "clause (i), (ii), (iii), or (iv),"; and

(iii) strike "the effective date of this subsection" and substitute "January 1, 1996,".

(B) In subsection (b)(8)(B), strike "the effective date of this paragraph" and substitute "January 1, 1996,".

(C) In subsections (c)(4)(A) and (d)(1)(A) and (2), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(33) In section 13905(a), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(34) In section 13906(d), strike "the effective date of this section" and substitute "January 1, 1996,".

(35) Section 13907(e) is amended as follows:

(A) In clause (1), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(B) In clause (2), strike "the day before such effective date" and substitute "December 31, 1995".

(36) Section 13908 is amended as follows:

(A) In subsection (d)(1), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(B) In subsection (e), strike "the effective date of this section" and substitute "January 1, 1996".

(37) Section 14302 is amended as follows:

(A) In subsection (c)(4), strike "the effective date of this section" and substitute "January 1, 1996".

(B) In subsection (g), strike "the effective date of this section" and substitute "January 1, 1996,".

(C) In subsection (h)(1), strike "the day before the effective date of this section" and substitute "December 31, 1995".

(D) In subsection (h)(2), strike "the day before such effective date" and substitute "December 31, 1995".

(38) In sections 14706(g)(3) and 14708(g), strike "the effective date of this section" and substitute "January 1, 1996".

(39) In section 14709, strike—

(A) "the effective date of this section" and substitute "January 1, 1996"; and

(B) "the day before the effective date of this section" and substitute "December 31, 1995".

(40) The heading for part C of subtitle IV is amended to read as follows:

"PART C—PIPELINE CARRIERS".

(41) In the analysis of chapter 151, strike—

"CHAPTER 151—GENERAL PROVISIONS".

(42) In the analysis of chapter 153, strike—

"CHAPTER 153—JURISDICTION".

(43) The analysis and subchapter headings of chapter 157 are amended as follows:

(A) The analysis of chapter 157 is amended as follows:

(i) Strike—

"CHAPTER 157—OPERATIONS OF CARRIERS".

(ii) Strike—

"SUBCHAPTER A–GENERAL REQUIREMENTS

and substitute—

"SUBCHAPTER A—GENERAL REQUIREMENTS".

(iii) Strike—

"SUBCHAPTER B—OPERATIONS OF CARRIERS"

and substitute—

"SUBCHAPTER B—OPERATIONS OF CARRIERS".

(B)(i) The heading for subchapter A is amended to read as follows:

"SUBCHAPTER A—GENERAL REQUIREMENTS".

(ii) The heading for subchapter B is amended to read as follows:

"SUBCHAPTER B—OPERATIONS OF CARRIERS".

(44) Section 15701(e) is amended by striking "the effective date of this section" and substituting "January 1, 1996".

(45) The analysis of chapter 159 is amended as follows:

(A) Strike—

"CHAPTER 159—ENFORCEMENT; INVESTIGATIONS, RIGHTS, AND REMEDIES".

(B) Strike the item related to section 15907.

(46) In the analysis of chapter 161, strike—

"CHAPTER 161—CIVIL AND CRIMINAL PENALTIES"

(47) Section 20133(b) is amended as follows:

(A) In paragraph (1), strike "the date of enactment of the Federal Railroad Safety Authorization Act of 1994" and substitute "November 2, 1994".

(B) In paragraph (2), strike "such date of enactment" and substitute "November 2, 1994".

(48) In sections 20134(c)(2), 20145, 22108(b), 24314(b), 24702(c), and 24903(a), strike "Committee on Energy and Commerce" and substitute "Committee on Transportation and Infrastructure".

(49) In sections 20145, 20146, and 20151(a) and (c), strike "the date of enactment of the Federal Railroad Safety Authorization Act of 1994" and substitute "November 2, 1994".

(50) In section 20152(b), strike "the date of enactment of this section" and "that date" and substitute "November 2, 1994" and "November 2, 1994,", respectively.

(51) In section 20153(g), strike "the date of enactment of this section" wherever it appears and substitute "November 2, 1994".

(52) Add at the end of section 20301(b) the following:

"(4) a car, locomotive, or train used on a street railway.".

(53) In section 21301(a)(1)—

(A) insert "A person may not fail to comply with a regulation prescribed or order issued by the Secretary of Transportation under chapter 201 of this title." before "Subject to"; and

(B) strike "Secretary of Transportation under chapter 201 of this title is liable" and substitute "Secretary under chapter 201 is liable".

(54) In section 21303(a)(1), strike "chapter 211 of this title" and substitute "chapter 211 of this title,".

(55) In section 22106(b), insert "in the same manner and under the same conditions as if they were originally granted to the State by the Secretary of Transportation" after "under this chapter".

(56)(A) Insert after chapter 281 the following:

"CHAPTER 283—STANDARD WORK DAY

"Sec.

"28301. General.

"28302. Penalties.(b) is amended as follows:

"§ 28301. General

"(a) EIGHT HOUR DAY.—In contracts for labor and services, 8 hours shall be a day's work and the standards day's work for determining the compensation for services of an employee employed by a common carrier by railroad subject to subtitle IV of this title and actually engaged in any capacity in operating trains used for transporting passengers or property on railroads from—

"(1) a State of the United States or the District of Columbia to any other State or the District of Columbia;

"(2) one place in a territory or possession of the United States to another place in the same territory or possession;

"(3) a place in the United States to an adjacent foreign country; or

"(4) a place in the United States through a foreign country to any other place in the United States.

"(b) APPLICATION.—Subsection (a) of this section—

"(1) does not apply to—

"(A) an independently owned and operated railroad not exceeding one hundred miles in length;

"(B) an electric street railroad; and

"(C) an electric interurban railroad; but

"(2) does apply to an independently owned and operated railroad less than one hundred miles in length—

"(A) whose principal business is leasing or providing terminal or transfer facilities to other railroad; or

"(B) engaged in transfers of freight between railroads or between railroads and industrial plants.

"§ 28302. Penalties

"A person violating section 28301 of this title shall be fined under title 18, imprisoned not more one year, or both.".

(B) In the analysis for subtitle V, insert after item 281 the following:

"283. STANDARD WORK DAY .... 28301".

(57) In section 30144(a)(1)(A), strike "Organization" and substitute "Organizations".

(58) In section 30168(c), strike "Committees on Energy and Commerce and Public Works and Transportation" and substitute "Committees on Commerce and Transportation and Infrastructure".

(59) In section 30308, insert a comma after "1994".

(60) In section 31136(e)(2)(A) and (J)(i) and (ii) and (3), strike "the date of the enactment of this paragraph" and substitute "November 28, 1995".

(61) In section 32702(8), insert "any" after "or".

(62) Section 32705 is amended as follows:

(A) Subsection (a) is amended to read as follows:

"(a)(1) DISCLOSURE REQUIREMENTS.—Under regulations prescribed by the Secretary of Transportation that include the way in which information is disclosed and retained under this section, a person transferring ownership of a motor vehicle shall give the transferee the following written disclosure:

"(A) Disclosure of the cumulative mileage registered on the odometer.

"(B) Disclosure that the actual mileage is unknown, if the transferor knows that the odometer reading is different from the number of miles the vehicle has actually traveled.

"(2) A person transferring ownership of a motor vehicle may not violate a regulation prescribed under this section or give a false statement to the transferee in making the disclosure required by such a regulation.

"(3) A person acquiring a motor vehicle for resale may not accept a written disclosure under this section unless it is complete.".

(B) In subsection (b)(3)(A), strike "may" and "only if" and substitute "may not" and "unless", respectively.

(63) In sections 32904(b)(6)(C) and 32905(g), strike "Committee on Energy and Commerce" and substitute "Committee on Commerce".

(64) In the analysis of subtitle VII, strike the item related to part D and item 491 and substitute—

"PART D—RESERVED

"PART E—MISCELLANEOUS

"501 BUY-AMERICAN PREFERENCES .... 50101".

(65) In section 40109(c)—

(A) strike "sections 41301–41306, 41308–41310(a), 41501, 41503, 41504, 41506, 41510, 41511, 41701, 41702, 41705–41709, 41711, 41712, and 41731–41742," and substitute "chapter 413 (except sections 41307 and 41310 (b)–(f)), chapter 415 (except sections 41502, 41505, and 41507–41509), chapter 417 (except sections 41703, 41704, 41710, 41713, and 41714),"; and

(B) strike "section 46301(b)" and substitute "sections 44909 and 46301(b)".

(66) In section 40116(d)(2)(A)(iv), strike "Levy" and "the date of enactment of this clause" and substitute "levy" and "August 23, 1994", respectively.

(67) Section 40117(e)(2) is amended as follows:

(a) In clause (B), insert "and" after the semicolon.

(B) Strike clause (C).

(C) Redesignate clause (D) as clause (C).

(68) Section 40118 is amended as follows:

(A) In the catchline for subsection (d), strike "TRANSPORTATION BY FOREIGN AIR CARRIERS" and substitute "CERTAIN TRANSPORTATION BY AIR OUTSIDE THE UNITED STATES".

(B) In subsection (f)(1), strike "(f)(1) No" and substitute "(f) PROHIBITION OF CERTIFICATION OR CONTRACT CLAUSE.—(1) No".

(69)(A) Add at the end of chapter 401 the following:

"§ 40121. Interstate agreements for airport facilities

"Congress consents to a State making an agreement, not in conflict with a law of the United States, with another State to develop or operate an airport facility.".

(B) In the analysis for chapter 401, insert after item 40120 the following:

"40121. Interstate agreements for airport facilities.".

(70) Add at the end of section 41109(a) the following:

"(5) As prescribed by regulation by the Secretary, an air carrier other than a charter air carrier may provide charter trips or other special services without regard to the places named or type of transportation specified in its certificate.".

(71) In section 41309(b)(2)(B), strike "common".

(72) In section 41312(a)(1), insert "of Transportation" after "Secretary".

(73) In section 41715(a), strike "Secretary's" and substitute "Secretary of Transportation's".

(74) In sections 44501(c)(1), 44511(e), 48102(c)(2)(A) and (d)(2), and 70112(d)(1), strike "Science, Space, and Technology" and substitute "Science".

(75) Section 44502 is amended as follows:

(A) In subsection (c)(1), strike "To ensure that" and substitute "To ensure".

(B) Strike subsection (e), and redesignate subsection (f) as subsection (e).

(76) In section 45301(c)(5), strike "the date of the enactment of this subsection" and substitute "August 23, 1994,".

(77) Section 46301 is amended as follows:

(A) In subsection (a)(1)(A)—

(i) strike "any of sections 41301–41306, 41308–41310(a), 41501, 41503, 41504, 41506, 41510, 41511, 41701,41702, 41705–41709, 41711, 41712, or 41731–41742," and substitute "chapter 413 (except sections 41307 and 41310(b)–(f)), chapter 415 (except sections 41502, 41505, and 41507–41509), chapter 417 (except sections 41703, 41704, 41710, 41713, and 41714),";

(ii) strike "or any of sections 44701(a) or (b), 44702–44716, 44901, 44903(b) or (c), 44905, 44906, 44907(d)(1)(B), 44909(a), 44912–44915, 44932–44938," and substitute "section 44502(b) or (c), chapter 447 (except sections 44717 and 44719–44723), chapter 449 (except sections 44902, 44903(d), 44904, 44907(a)–(d)(1)(A) and (d)(1)(C)–(f), and 44908), or section";

(iii) insert "or" after "46303,"; and

(iv) strike ", or 41715".

(B) In subsection (a)(2)(A), strike "or any of sections 44701(a) or (b), 44702–44716, 44901, 44903(b) or (c), 44905, 44906, 44912–44915, or 44932–44938" and substitute ", section 44502(b) or (c), chapter 447 (except sections 44717–44723), or chapter 449 (except sections 44902, 44903(d), 44904, and 44907–44909)".

(C) Adjust the margins of clauses (A) and (B) of subsection (a)(3) to be the same as clauses (A) and (B) of subsection (a)(2).

(D) In subsection (c)(1)(A)—

(i) strike "any of sections 41301–41306, 41308–41310(a), 41501, 41503, 41504, 41506, 41510, 41511, 41701, 41702, 41705–41709, 41711, 41712, or 41731–41742," and substitute "chapter 413 (except sections 41307 and 41310(b)–(f)), chapter

415 (except sections 41502, 41505, and 41507–41509), chapter 417 (except sections 41703, 41704, 41710, 41713, and 41714),";

(ii) strike "or" before "subchapter II"; and

(iii) insert ", or section 44909" before "of this title".

(E) In subsection (d)(2), strike "or any of sections 44701(a) or (b), 44702–44716, 44901, 44903 (b) or (c), 44905, 44906, 44907(d)(1)(B), 44912–44915, 44932–44938," and substitute "section 44502(b) or (c), chapter 447 (except sections 44717 and 44719–44723), chapter 449 (except sections 44902, 44903(d), 44904, 44907(a)–(d)(1)(A), and (d)(1)(C)–(f), 44908, and 44909), or section".

(F) In subsection (f)(1)(A)(i), strike "or any of sections 44701(a) or (b), 44702–44716, 44901, 44903 (b) or (c), 44905, 44906, 44907(d)(1)(B), 44912–44915, or 44932–44938" and substitute "section 44502 (b) or (c), chapter 447 (except sections 44717 and 44719–44723), or chapter 449 (except sections 44902, 44903(d), 44904, 44907(a)–(d)(1)(A) and (d)(1)(C)–(f), 44908, and 44909)".

(78) In section 46306(c)(2)(B), insert "that is" before "provided".

(79) In section 46316(b), strike "and sections 44701(a) and (b), 44702–44716, 44901, 44903(b) and (c), 44905, 44906, 44912–44915, and 44932–44938" and substitute "chapter 447 (except sections 44717–44723), and chapter 449 (except sections 44902, 44903(d), 44904, and 44907–44909)".

(80) In section 47107(l)(1), strike "the date of the enactment of this subsection" and substitute "August 23, 1994".

(81) Section 47115 is amended as follows:

(A) Subsection (f)(2) as enacted by section 112(d) of the Federal Aviation Administration Authorization Act of 1994 (Public Law 103–305, 108 Stat. 1576) is amended by striking "the date of the enactment of this subsection" and substituting "August 23, 1994".

(B) Subsection (f) as enacted by section 6(67) of the Act of October 31, 1994 (Public Law 103–429, 108 Stat. 4386), is redesignated subsection (g).

(82) Section 47117 is amended as follows:

(A) In subsection (e)(1)(B), strike "47504(c)(1)" and substitute "47504(c)".

(B) In subsection (g)(1), strike "47105(e)" and substitute "47105(f)".

(83) Section 47118 is amended as follows:

(A) In subsection (a), strike "on or before the date of the enactment of this sentence" and substitute "before August 24, 1994".

(B) In subsection (e), strike "Notwithstanding section 47109(c) of this title, not" and substitute "Not".

(84) In the catchline for section 47128(d), strike "AND REPORT".

(85) Section 47129 is amended as follows:

(A) In subsection (a)(1), strike "of this subtitle" and substitute "of this title".

(B) In subsections (b), (e)(2), and (f)(2), strike "the date of the enactment of this section" and substitute "August 23, 1994".

(C) In subsection (e)(3), strike "such date of enactment" and substitute "August 23, 1994".

(86) In section 47509(d), strike "the date of the enactment of this section" and substitute "August 23, 1994".

(87) In the catchline for section 48104(b), strike "YEARS" and substitute "YEAR".

(88)(A) Part D of subtitle VII is redesignated as part E.

(B) Chapter 491 is redesignated as chapter 501.

(C) Items 49101–49105 in the analysis of chapter 501, as redesignated by subparagraph (B) of this paragraph, are redesignated as items 50101–50105.

(D) Sections 49101–49105 are redesignated as sections 50101–50105.

(89) In sections 50101(a) and (b)(3), 50102, 50104(b)(1), and 50105, as redesignated by clause (88)(D) of this section, strike "sections 47106(d) and" and substitute "section".

(90) In section 60101, strike "(a)" and substitute "(a) GENERAL.—".

(91) In section 60114(a)(9), strike "60120, 60122, and 60123" and substitute "60120 and 60122".

(92) In section 70102(6), strike "facilities" and substitute "facilities at that location".

(93) In section 70112(a)(3)(B), insert "(i) or (ii)" after "(A)".

(94) In section 70113(e)(6)(D), insert "a" before "resolution".

(95) In section 70117(b)(2), strike "Land Remote—Sensing Commercialization Act of 1984 (15 U.S.C. 4201 et seq.)" and substitute "Land Remote Sensing Policy Act of 1992 (15 U.S.C. 5601 et seq.)".

SEC. 6. TECHNICAL CHANGES TO OTHER LAWS.

(a) Effective July 5, 1994—

(1) Section 4(f)(1)(S) of the Act of July 5, 1994 (Public Law 103–272, 108 Stat. 1362), is amended to read as follows:

"(S) In section 6101(4)(B), strike 'agency' the 2d time it appears and substitute 'agency.'.".

(2) Section 5(e)(11) of the Act of July 5, 1994 (Public Law 103–272, 108 Stat. 1374), as amended by section 7(a)(4)(A) of the Act of October 31, 1994 (Public Law 103–429, 108 Stat. 4389), is amended to read as follows:

"(11) In section 2516(1)(j), strike 'section' the first place it appears and all that follows and substitute 'section 60123(b) (relating to destruction of a natural gas pipeline) or section 46502 (relating to aircraft piracy) of title 49;'.".

(b) Effective August 26, 1994, section 105(b)(2) of the Hazardous Materials Transportation Act of 1994 (title I of Public Law 103–311, 108 Stat. 1674) is amended to read as follows:

"(2) by striking 'the State' the first place it appears;".

(c) Effective September 30, 1994, section 335A of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331, 108 Stat. 2495) is amended to read as follows:

"SEC. 335A. Section 5302(a)(1) of title 49, United States Code, is amended by inserting 'payments for the capital portions of rail trackage rights agreements,' after 'rights of way),'.".

(d) Effective October 31, 1994—

(1) Section 6 of the Act of October 31, 1994 (Public Law 103–429, 108 Stat. 4378), is amended to read as follows:

(A) Clause (41) is amended to read as follows:

"(41) Section 32913(b) is amended as follows:

"(A) In the catchline, strike 'PENALTY REDUCTION' and substitute 'CERTIFICATION'.

"(B) In paragraph (1), strike 'the penalty should be reduced' and substitute 'a reduction in the penalty is necessary'.".

(B) Clause (44)(B) is amended to read as follows:

"(B) Add before the period at the end 'of this title'.".

(2) Section 8(1) of the Act of October 31, 1994 (Public Law 103–429, 108 Stat. 4390), is amended by striking "1st paragraph" and substituting "1st paragraph related to transfer of aircraft".

(e) Effective November 2, 1994, section 10(c)(2)(A) of the Act of November 2, 1994 (Public Law 103–437, 108 Stat. 4589), is repealed and section 107(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450k(b)), as amended by section 105(1) of the Indian Self-Determination Act (Public Law 103–413, 108 Stat. 4269), is revived and shall read as if section 10(c)(2)(A) of the Act of November 2, 1994 (Public Law 103–437, 108 Stat. 4589), had not been enacted.

(f) Effective December 29, 1995, the ICC Termination Act of 1995 (Public Law 104–88, 109 Stat. 809) is amended as follows:

(1) In section 102(b), strike "**Commerce**" and "**Transportation**" and substitute "Commerce" and "Transportation", respectively

(2) In section 305(d)(6), strike "part B or (C)" and substitute "part B or C".

(3) In section 308(j) strike "30106(d)" substitute "30166(d)".

(4) Section 327 is amended as follows:

(A) in clause (3)(B), strike "'Interstate Commerce Act" and substitute "'the Interstate Commerce Act' in subsection (b)(3)".

(B) in clause (5), insert "(A)" after "(5)" and add at the end of the clause the following:

"(B) by inserting after item 712 in the table of contents the following:

'Sec. 713. Class II railroads receiving Federal assistance.'.".

(g) Section 401 of the Federal Election Campaign Act of 1971 (2) U.S.C. 451) is amended by striking "such Secretary" and substituting "the Secretary".

(h) Section 917(a)(4) of the Consumer Credit Protection Act (15 U.S.C. 1693o(a)(4)) is amended by striking "Civil Aeronautics Board" and substituting "Secretary of Transportation".

(i) In section 17(d) of the Noise Control Act of 1972 (Public Law 92–574, 86 Stat. 1249), strike "such terms have under the first section of the Act of February 17, 1911 (45 U.S.C. 22)" and substitute "the term 'railroad carrier' has in section 20102 of title 49, United States Code".

(j) The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended as follows:

(1) In section 101(26), strike "the Pipeline Safety Act" and substitute "section 60101(a) of title 49, United States Code".

(2) In section 107(c)(1)(C), strike "the Hazardous Liquid Pipeline Safety Act of 1979" and substitute "section 60101(a) of title 49, United States Code".

(k) Section 241(2) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12161(2)) is amended by striking "commuter service" and substituting "commuter rail passenger transportation".

SEC. 7 REPEAL OF OTHER LAWS.

The following are repealed:

(1) Section 119 "Sec. 404(f)" of the Amtrak Reorganization Act of 1979 (Public Law 96–73, 93 Stat. 547).

(2) Sections 1 (a)(3) and (b), 2, and 4–6 of the Reorganization Plan No. 2 of 1968 (effective June 30, 1968, 82 Stat. 1369, 1370).

(3) Sections 5005 and 6020 of the Intermodal Surface Transportation Efficiency Act (49 U.S.C. 301(notes)).

(4) Section 317 of the Department of Transportation and Related Agencies Appropriations Act, 1995 (49 U.S.C. 44502(note)).

(5) The Department of Transportation Act (Public Law 89–670, 80 Stat. 931).

(6) Sections 129 and 135 of the Airport and Airway Safety, Capacity, Noise Improvement, and Intermodal Transportation Act of 1992 (Public Law 102–581, 106 Stat. 4886, 4888).

(7) Section 27 of the Bus Regulatory Reform Act of 1982 (Public Law 97–261, 96 Stat. 1126).

(8) Section 4007 (a), (c), (d), and (e) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240, 105 Stat. 2151, 2152).

SEC. 8. EFFECTIVE DATE.

(1) The amendments made by sections 3 and 5(10)–(17), (19), (20), (52), (53), (55), (61), (62), (65), (70), (77), (78), and (91)–(93) of this Act shall tale effect on July 5, 1994.

(2) The amendment made by section 5(82)(A) of this Act shall take effect on October 31, 1994.

SEC. 9. LEGISLATIVE PURPOSE AND CONSTRUCTION.

(a) NO SUBSTANTIVE CHANCE.—This Act restates, without substantive change, laws enacted before March 1, 1996, that were replaced by this Act. This Act may not be construed as making a substantive change in the laws replaced. Laws enacted after February 29, 1996, that are inconsistent with this Act supersede this Act to the extent of the inconsistency.

(b) REFERENCES.—A reference to a law replaced by this Act, including a reference in a regulation, order, or other law, is deemed to refer to the corresponding provision enacted by this Act.

(c) CONTINUING EFFECT.—An order, rule, or regulation in effect under a law replaced by this Act continues in effect under the corresponding provision enacted by this Act until repealed, amended, or superseded.

(d) ACTIONS AND OFFENSES UNDER PRIOR LAW.—An Action taken or an offense committed under a law replaced by this Act is deemed to have been taken or committed under the corresponding provision enacted by this Act.

(e) INFERENCES.—An inference of a legislative construction is not to be drawn by reason of the location in the United States Code of a provision enacted by this Act or by reason of a caption or catchline of the provision.

(f) SEVERABILITY.—If a provision enacted by this Act is held invalid, all valid provisions that are severable from the invalid provisions remain in effect. If a provision enacted by this Act is held invalid in any of its applications, the provision remains valid for all valid applications that are severable from any of the invalid applications.

SEC. 10. REPEALS.

(a) INFERENCES OF REPEAL.—The repeal of a law by this Act may not be construed as a legislative inference that the provision was or was not in effect before its repeal.

(b) REPEALER SCHEDULE—The law specified in the following schedule is repealed, except for rights and duties that matured, penalties that were incurred, and proceedings that were begun before the date of enactment of this Act:

SCHEDULE OF LAWS REPEALED

Statutes at Large

Date	Chapter or Public Law	Section	Statutes at Large		U.S. Code	
			Volume	Page	Title	Section
1916 Sept. 3, 5.	436	....	39	721, 722	45	65, 66

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2297, which restates without substantive change, laws related to transportation and makes other technical improvements in the United States Code. The bill was prepared for the House Judiciary Committee by the Office of the Law Revision Counsel under its authority under section 285(b) of title 2, United States Code, to prepare and submit periodically revisions of positive law titles of the Code to keep those titles current.

The Office of the Law Revision Counsel is engaged in an ongoing project of preparing various titles of the United States Code for enactment into positive law. Such codifications are important because they facilitate access to the law on a particular subject by putting it in one place—obviating the necessity of examining disparate statutes. Amending positive law involves fewer technical complexities—and thus presents fewer opportunities for errors—because the United States Code itself is amended rather than having to enact changes in various acts. Finally, positive law facilitates proof in judicial proceedings, because the text of United States Code titles enacted into positive law is legal evidence in Federal and State courts of the laws contained therein.

Congress codified title 49 into positive law in segments—initially completing the task with the July 5, 1994 enactment of Public Law 103–272. Later that year, Congress enacted Public Law 103–429 to make technical improvements and incorporate title 49 transportation related laws enacted after the June 30, 1993 cutoff date for Public Law 103–272 or not otherwise included in title 49.

Today, we again update title 49—this time to incorporate an additional law not already included in the codification and make further technical corrections. Some of these technical changes are necessitated by events after the September 25, 1994 cutoff date for the last transportation related codification—including the enactment of Public Law 103–88, the ICC Termination Act of 1995, on December 29, 1995.

As the result of comments received from various departments and agencies concerned with transportation, and interested private parties, the Office of Law Revision Counsel prepared an amendment in the nature of a substitute to incorporate changes resulting from the comments. After reviewing the legislation as reported by the Committee on the Judiciary, the chairman of the Committee on Commerce, Mr. BLILEY, and the chairman of the Committee on Science, Mr. WALKER, advised me of their support. To reflect comments from the Committee on Transportation and Infrastructure, the Office of Law Revision Counsel proposed some additional changes—which are incorporated in the manager's amendment.

The Law Revision Counsel assures me that H.R. 2297, as amended, makes no change in the substance of existing law. Therefore, no additional cost to the Government would be incurred as a result of enactment. Pay-as-you-go procedures would not apply, because enactment would not affect direct spending or receipts.

By updating and improving the codification of title 49, this legislation will provide to be beneficial to Congress, the courts, and the public. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, these changes in the bill are technical. There are no substantive changes in the law. It merely codifies and clarifies present law, and I urge the Members to support the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MOORHEAD] that the House suspend the rules and pass the bill, H.R. 2297, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AUTHORIZING CIRCUIT JUDGE WHO HAS TAKEN PART IN EN BANC HEARING TO CONTINUE TO PARTICIPATE AFTER TAKING SENIOR STATUS

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 531) to authorize a circuit judge who has taken part in an en banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes.

The Clerk read as follows:

S. 531

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT.

The last sentence of section 46(c) of title 28, United States Code, is amended by inserting "(1)" after "eligible" and by inserting the period at the end of the sentence ", or (2) to continue to participate in the decision of a case or controversy that was heard or reheard by the court en banc at a time when such judge was in regular active service".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 531. This act amends section 46(c) of title 28, to authorize a circuit judge who has taken part in an en banc hearing of a case to continue to participate in that case after taking senior status. There is an inadvertent problem in the law as it exist today. While section 46(c) allows a senior circuit judge who was a member of a panel whose decision is being reviewed en banc to sit on the en banc court, it has been interpreted to require a circuit judge in regular active service who has heard argument in an en banc case to case participating in that case upon taking senior status. This problem leads to uncertainty in deciding who will be eligible to vote on the final disposition of an appeal and may create the perception that a judge is delaying the release of an en banc opinion until a member of the en banc court takes senior status.

This is an unintended result and a basic drafting problem in the statute. The judicial council of the seventh circuit, the most recent court to construe the statute, recommends the change contained in S. 531, and I urge a favorable vote.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from California has indicated, many cases that come before the circuit court involved a 3-judge pane. Those decisions will frequently include a senior or retired judge as a member of the panel. If the case goes to the full circuit court, the senior judge that took part in that decision can continue considering that case in the full court.

□ 1415

The circuits have split as to what happened when a judge changes from regular status to senior status during the trial and the circuits are split. This bill just merely says that, if he takes senior status while the case is still pending, he can continue to consider the case. This bill has unanimous support from the Committee on the Judiciary, and I urge support of the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentleman from California [Mr. MOORHEAD] that the House suspend the rules and pass the Senate bill, S. 531.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 531, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL FILM PRESERVATION ACT OF 1996

Mr. MOORHEAD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1734) to reauthorize the National Film Preservation Board, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1734

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—REAUTHORIZATION OF THE NATIONAL FILM PRESERVATION BOARD

SEC. 101. SHORT TITLE.

This title may be cited as the "National Film Preservation Act of 1996".

SEC. 102. NATIONAL FILM REGISTRY OF THE LIBRARY OF CONGRESS.

The Librarian of Congress (hereafter in this Act referred to as the "Librarian") shall continue the National Film Registry established and maintained under the National Film Preservation Act of 1988 (Public Law 100–446), and the National Film Preservation Act of 1992 (Public Law 102–307) pursuant to the provisions of this title, for the purpose of maintaining and preserving films that are culturally, historically, or aesthetically significant.

SEC. 103. DUTIES OF THE LIBRARIAN OF CONGRESS.

(a) POWERS.—

(1) IN GENERAL.—The Librarian shall, after consultation with the Board established pursuant to section 104—

(A) continue the implementation of the comprehensive national film preservation program for motion pictures established under the National Film Preservation Act of 1992, in conjunction with other film archivists, educators and historians, copyright owners, film industry representatives, and others involved in activities related to film preservation, taking into account the objectives of the national film preservation study and the comprehensive national plan conducted under the National Film Preservation Act of 1992. This program shall—

(i) coordinate activities to assure that efforts of archivists and copyright owners, and others in the public and private sector, are effective and complementary;

(ii) generate public awareness of and support for these activities;

(iii) increase accessibility of films for educational purposes; and

(iv) undertake studies and investigations of film preservation activities as needed, including the efficacy of new technologies, and recommend solutions to improve these practices;

(B) establish criteria and procedures under which films may be included in the National Film Registry, except that no film shall be eligible for inclusion in the National Film Registry until 10 years after such film's first publication;

(C) establish procedures under which the general public may make recommendations to the Board regarding the inclusion of films in the National Film Registry; and

(D) determine which films satisfy the criteria established under subparagraph (B) and qualify for inclusion in the National Film Registry, except that the Librarian shall not select more than 25 films each year for inclusion in the Registry.

(2) PUBLICATION OF FILMS IN REGISTRY.—The Librarian shall publish in the Federal Register the name of each film that is selected for inclusion in the National Film Registry.

(3) SEAL.—The Librarian shall provide a seal to indicate that a film has been included in the National Film Registry and is the Registry version of that film. The Librarian shall establish guidelines for approval of the use of the seal in accordance with subsection (b).

(b) USE OF SEAL.—The seal provided under subsection (a)(3) may only be used on film copies of the Registry version of a film. Such seal may be used only after the Librarian has given approval to those persons seeking to apply the seal in accordance with the guidelines under subsection (a)(3). In the case of copyrighted works, only the copyright owner or an authorized licensee of the copyright owner may place or authorize the placement of the seal on any film copy of a Registry version of a film selected for inclusion in the National Film Registry, and the Librarian may place the seal on any film copy of the Registry version of any film that is maintained in the National Film Registry Collection in the Library of Congress. Anyone authorized to place the seal on any film copy of any Registry version of a film may accompany such seal with the following language: "This film was selected for inclusion in the National Film Registry by the National Film Preservation Board of the Library of Congress because of its cultural, historical, or aesthetic significance.".

SEC. 104. NATIONAL FILM PRESERVATION BOARD.

(a) NUMBER AND APPOINTMENT.—

(1) MEMBERS.—The Librarian shall establish in the Library of Congress a National Film Preservation Board to be comprised of 20 members, who shall be selected by the Librarian in accordance with this section. Subject to subparagraphs (C) and (N), the Librarian shall request each organization listed in subparagraphs (A) through (Q) to submit a list of 3 candidates qualified to serve as a member of the Board. Except for the members-at-large appointed under subparagraph (2), the Librarian shall appoint one member from each such list submitted by such organizations, and shall designate from that list an alternate who may attend at Board expense those meetings to which the individual appointed to the Board cannot attend. The organizations are the following:

(A) The Academy of Motion Picture Arts and Sciences.

(B) The Directors Guild of America.

(C) The Writers Guild of America. The Writers Guild of America East and the Writers Guild of America West shall each nominate three candidates, and a representative from one organization shall be selected as the member and a representative from the other organization as the alternate.

(D) The National Society of Film Critics.

(E) The Society for Cinema Studies.

(F) The American Film Institute.

(G) The Department of Film and Television of the School of Theater, Film and Television at the University of California, Los Angeles.

(H) The Department of Film and Television of the Tisch School of the Arts at New York University.

(I) The University Film and Video Association.

(J) The Motion Picture Association of America.

(K) The Alliance of Motion Picture and Television Producers.

(L) The Screen Actors Guild of America.

(M) The National Association of Theater Owners.

(N) The American Society of Cinematographers and the International Photographers Guild, which shall jointly submit one list of 3 candidates from which a member and alternate will be selected.

(O) The United States Members of the International Federation of Film Archives.

(P) The Association of Moving Image Archivists.

(Q) The Society of Composers and Lyricists.

(2) MEMBERS-AT-LARGE.—In addition to the Members appointed under paragraph (1), the Librarian shall appoint up to 3 members-at-large. The Librarian shall also select an alternate for each member at-large, who may attend at Board expense those meetings which the member at-large cannot attend.

(b) CHAIR.—The Librarian shall appoint one member of the Board to serve as Chair.

(c) TERM OF OFFICE.—

(1) TERMS.—The term of each member of the Board shall be 4 years, except that there shall be no limit to the number of terms that any individual member may serve.

(2) REMOVAL OF MEMBER OR ORGANIZATION.—The Librarian shall have the authority to remove any member of the Board, or the organization listed in subsection (a) such member represents, if the member, or organization, over any consecutive 2-year period, fails to attend at least one regularly scheduled Board meeting.

(3) VACANCIES.—A vacancy in the Board shall be filled in the manner in which the original appointment was made under subsection (a), except that the Librarian may fill the vacancy from a list of candidates previously submitted by the organization or organizations involved. Any member appointed to fill a vacancy before the expiration of the term for which his or her predecessor was appointed shall be appointed for the remainder of such term.

(d) QUORUM.—11 members of the Board shall constitute a quorum but a lesser number may hold hearings.

(e) REIMBURSEMENT OF EXPENSES.—Members of the Board shall serve without pay, but may be reimbursed for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Board.

(f) MEETINGS.—The Board shall meet at least once each fiscal year. Meetings shall be at the call of the Librarian.

(g) CONFLICT OF INTEREST.—The Librarian shall establish rules and procedures to address any potential conflict of interest between a member of the Board and responsibilities of the Board.

SEC. 105. RESPONSIBILITIES AND POWERS OF BOARD.

(a) IN GENERAL.—The Board shall review nominations of films submitted to it for inclusion in the National Film Registry and consult with the Librarian, as provided in section 103, with respect to the inclusion of such films in the Registry and the preservation of these and other films that are culturally, historically, or aesthetically significant.

(b) NOMINATION OF FILMS.—The Board shall consider, for inclusion in the National Film Registry, nominations submitted by the general public as well as representatives of the film industry, such as the guilds and societies representing actors, directors, screenwriters, cinematographers, and other creative artists, producers, and film critics, archives and other film preservation organizations, and representatives of academic institutions with film study programs. The Board shall nominate not more than 25 films each year for inclusion in the Registry.

(c) POWERS.—

(1) IN GENERAL.—The Board may, for the purpose of carrying out its duties, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Librarian and the Board consider appropriate.

(2) SERVICE ON FOUNDATION.—Two sitting members of the Board shall be appointed by the Librarian, and shall serve, as Board members of the National Film Preservation Foundation, in accordance with section 203.

SEC. 106. NATIONAL FILM REGISTRY COLLECTION OF THE LIBRARY OF CONGRESS.

(a) ACQUISITION OF ARCHIVAL QUALITY COPIES.—The Librarian shall endeavor to obtain, by gift from the owner, an archival quality copy of the Registry version of each film included in the National Film Registry. Whenever possible, the Librarian shall endeavor to obtain the best surviving materials, including preprint materials. Copyright owners and others possessing copies of such materials are strongly encouraged, to further the preservation purposes of this Act, to provide preprint and other archival elements to the Library of Congress.

(b) ADDITIONAL MATERIALS.—The Librarian shall endeavor to obtain, for educational and research purposes, additional materials related to each film included in the National Film Registry, such as background materials, production reports, shooting scripts (including continuity scripts) and other similar materials.

(c) PROPERTY OF UNITED STATES.—All copies of films on the National Film Registry that are received as gifts or bequests by the Librarian and other materials received by the Librarian under subsection (b), shall become the property of the United States Government, subject to the provisions of title 17, United States Code.

(d) NATIONAL FILM REGISTRY COLLECTION.—All copies of films on the National Film Registry that are received by the Librarian under subsection (a), and other materials received by the Librarian under subsection (b), shall be maintained in the Library of Congress and be known as the "National Film Registry Collection of the Library of Congress". The Librarian shall, by regulation, and in accordance with title 17, United States Code, provide for reasonable access to the films and other materials in such collection for scholarly and research purposes.

SEC. 107. SEAL OF THE NATIONAL FILM REGISTRY.

(a) USE OF THE SEAL.—

(1) PROHIBITION ON DISTRIBUTION AND EXHIBITION.—No person shall knowingly distribute or exhibit to the public a version of a film or any copy of a film which bears the seal described in section 103(a)(3) if such film—

(A) is not included in the National Film Registry; or

(B) is included in the National Film Registry, but such film or film copy has not been approved for use of the seal by the Librarian pursuant to section 103(a)(1)(D).

(2) PROHIBITION ON PROMOTION.—No person shall knowingly use the seal described in section 103(a)(3) to promote any version of a film or film copy other than a Registry version.

(b) EFFECTIVE DATE OF THE SEAL.—The use of the seal described in section 103(a)(3) shall be effective for each film after the Librarian publishes in the Federal Register, in accordance with section 103(a)(2), the name of that film as selected for inclusion in the National Film Registry.

SEC. 108. REMEDIES.

(a) JURISDICTION.—The several district courts of the United States shall have jurisdiction, for cause shown, to prevent and restrain violations of section 107(a).

(b) RELIEF.—

(1) REMOVAL OF SEAL.—Except as provided in paragraph (2), relief for violation of section 107(a) shall be limited to the removal of the seal of the National Film Registry from the film involved in the violation.

(2) FINE AND INJUNCTIVE RELIEF.—In the case of a pattern or practice of the willful violation of section 107(a), the United States district courts may order a civil fine of not more than $10,000 and appropriate injunctive relief.

SEC. 109. LIMITATIONS OF REMEDIES.

The remedies provided in section 108 shall be the exclusive remedies under this title, or any other Federal or State law, regarding the use of the seal described in section 103(a)(3).

SEC. 110. STAFF OF BOARD; EXPERTS AND CONSULTANTS.

(a) STAFF.—The Librarian may appoint and fix the pay of such personnel as the Librarian considers appropriate to carry out this title.

(b) EXPERTS AND CONSULTANTS.—The Librarian may, in carrying out this title, procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum rate of basic pay payable for GS–15 of the General Schedule. In no case may a member of the Board or an alternate be paid as an expert or consultant under this section.

SEC. 111. DEFINITIONS.

As used in this title—

(1) the term "Librarian" means the Librarian of Congress;

(2) the term "Board" means the National Film Preservation Board;

(3) the term "film" means a "motion picture" as defined in section 101 of title 17, United States Code, except that such term does not include any work not originally fixed on film stock, such as a work fixed on videotape or laser disk;

(4) the term "publication" means "publication" as defined in section 101 of title 17 United States Code; and

(5) the term "Registry version" means, with respect to a film, the version of a film first published, or as complete a version as bona fide preservation and restoration activities by the Librarian, an archivist other than the Librarian, or the copyright owner can compile in those cases where the original material has been irretrievably lost.

SEC. 112. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Librarian such sums as may be necessary to carry out the purposes of this title, but in no fiscal year shall such sum exceed $250,000.

SEC. 113. EFFECTIVE DATE.

The provisions of this title shall be effective for 7 years beginning on the date of the enactment of this Act. The provisions of this title shall apply to any copy of any film, including those copies of films selected for inclusion in the National Film Registry under the National Film Preservation Act of 1988 and the National Film Preservation Act of 1992, except that any film so selected under either Act shall be deemed to have been selected for the National Film Registry under this title.

SEC. 114. REPEAL.

The National Film Preservation Act of 1992 (2 U.S.C. 179 and following) is repealed.

TITLE II—THE NATIONAL FILM PRESERVATION FOUNDATION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the "National Film Preservation Foundation Act".

SEC. 202. ESTABLISHMENT AND PURPOSE OF FOUNDATION.

(a) ESTABLISHMENT.—There is established the National Film Preservation Foundation (hereafter in this title referred to as the "Foundation"). The Foundation is a charitable and nonprofit corporation and is not an agency or establishment of the United States.

(b) PURPOSES.—The purposes of the Foundation are—

(1) to encourage, accept, and administer private gifts to promote and ensure the preservation and public accessibility of the nation's film heritage held at the Library of Congress and other public and nonprofit archives throughout the United States;

(2) to further the goals of the Library of Congress and the National Film Preservation Board in connection with their activities under the National Film Preservation Act of 1996; and

(3) to undertake and conduct other activities, alone or in cooperation with other film related institutions and organizations, as will further the preservation and public accessibility of films made in the United States, particularly those not protected by private interests, for the benefit of present and future generations of Americans.

SEC. 203. BOARD OF DIRECTORS OF THE FOUNDATION.

(a) ESTABLISHMENT AND MEMBERSHIP.—The Foundation shall have a governing Board of Directors (hereafter in this title referred to as the "Board"), which shall consist of 9 Directors, each of whom shall be a United States citizen and at least 6 of whom must be knowledgeable or experienced in film production, distribution, preservation, or restoration, including 2 who shall be sitting members of the National Film Preservation Board. These 6 members of the Board shall, to the extent practicable, represent diverse points of views from the film community, including motion picture producers, creative artists, nonprofit and public archivists, historians, film critics, theater owners, and laboratory and university personnel. The Librarian of Congress (hereafter in this title referred to as the "Librarian") shall be an ex officio nonvoting member of the Board. Appointment to the Board shall not constitute employment by, or the holding of an office of, the United States for the purpose of any Federal law.

(b) APPOINTMENT AND TERMS.—Within 90 days after the date of the enactment of this Act, the Librarian shall appoint the Directors of the Board. Each Director shall be appointed for a term of 4 years. A vacancy on the Board shall be filled, within 60 days after the vacancy occurs, in the manner in which the original appointment was made. No individual may serve more than 2 consecutive terms as a Director.

(c) CHAIR.—The initial Chair shall be appointed by the Librarian from the membership of the Board for a 2-year term, and thereafter shall be appointed and removed in accordance with the Foundation's bylaws.

(d) QUORUM.—A majority of the current membership of the Board shall constitute a quorum for the transaction of business.

(e) MEETINGS.—The Board shall meet at the call of the Librarian or the Chair at least once a year. If a Director misses 3 consecutive regularly scheduled meetings, that individual may be removed from the Board by the Librarian, and that vacancy shall be filled in accordance with subsection (b).

(f) REIMBURSEMENT OF EXPENSES.—Members of the Board shall serve without pay, but may be reimbursed for the actual and necessary traveling and subsistence expenses incurred by them in the performance of the duties of the Foundation.

(g) GENERAL POWERS.—

(1) ORGANIZATION OF FOUNDATION.—The Board may complete the organization of the Foundation by—

(A) appointing, removing, and replacing officers, except as provided for in paragraph (2)(B);

(B) adopting a constitution and bylaws consistent with the purposes of the Foundation and the provisions of this title; and

(C) undertaking such other acts as may be necessary to carry out the provisions of this title.

(2) LIMITATION ON APPOINTMENT OF EMPLOYEES.—The following limitations apply with respect to the appointment of employees of the Foundation:

(A) Except as provided in subparagraph (B), employees of the Foundation shall be appointed, removed, and replaced by the Secretary of the Board. All employees (including the Secretary of the Board) shall be appointed and removed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay in effect for grade GS-15 of the General Schedule. Neither the Board, nor any of the employees of the Foundation, including the Secretary of the Board, shall be construed to be employees of the Library of Congress.

(B) The first employee appointed shall be the Secretary of the Board. The Secretary shall be appointed, and may be removed by, the Librarian.

(C) The Secretary of the Board shall—

(i) serve as its executive director, and

(ii) be knowledgeable and experienced in matters relating to film preservation and restoration activities, financial management, and fund-raising.

SEC. 204. RIGHTS AND OBLIGATIONS OF THE FOUNDATION

(a) GENERAL.—The Foundation—

(1) shall have perpetual succession;

(2) may conduct business in the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States;

(3) shall have its principal offices in the District of Columbia; and

(4) shall at all times maintain a designated agent authorized to accept service of process for the Foundation.

The serving of notice to, or service of process upon, the agent required under paragraph (4), or mailed to the business address of such agent, shall be deemed as service upon or notice to the Foundation.

(b) SEAL.—The Foundation shall have an official seal selected by the Board which shall be judicially noticed.

(c) POWERS.—To carry out its purposes under section 202, the Foundation shall have, in addition to the powers otherwise given it under this title, the usual powers of a corporation acting as a trustee in the District of Columbia, including the power—

(1) to accept, receive, solicit, hold, administer, and use any gift, devise, or bequest, either absolutely or in trust, of real or personal property or any income therefrom or other interest therein;

(2) to acquire by purchase or exchange any real or personal property or interest therein;

(3) unless otherwise required by the instrument of transfer, to sell, donate, lease, invest, reinvest, retain, or otherwise dispose of any property or income therefrom;

(4) to borrow money and issue bonds, debentures, or other debt instruments;

(5) to sue and be sued, and complain and defend itself in any court of competent jurisdiction, except that the Directors of the Board shall not be personally liable, except for gross negligence;

(6) to enter into contracts or other arrangements with public agencies and private organizations and persons and to make such payments as may be necessary to carry out its functions; and

(7) to do any and all acts necessary and proper to carry out the purposes of the Foundation.

A gift, devise, or bequest may be accepted by the Foundation even though it is encumbered, restricted, or subject to beneficial interests of private persons, if any current or future interest therein is for the benefit of the Foundation.

SEC. 205. ADMINISTRATIVE SERVICES AND SUPPORT.

The Librarian may provide personnel, facilities, and other administrative services to the Foundation, including reimbursement of expenses under section 203, not to exceed the current per diem rates for the Federal Government, and the Foundation shall reimburse the Librarian therefor. Amounts so reimbursed shall be deposited in the Treasury to the credit of the appropriations then current and chargeable for the cost of providing such services.

SEC. 206. VOLUNTEER STATUS.

The Librarian may accept, without regard to the civil service classification laws, rules, or regulations, the services of the Foundation, the Board, and other officers and employees of the Board, without compensation from the Library of Congress, as volunteers in the performance of the functions authorized in this title.

SEC. 207. AUDITS, REPORT REQUIREMENTS, AND PETITION OF ATTORNEY GENERAL, FOR EQUITABLE RELIEF.

(a) AUDITS.—The Foundation shall be treated as a private corporation established under Federal law for purposes of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law.", approved August 30, 1964 (36 U.S.C. 1101–1103).

(b) REPORT.—The Foundation shall, as soon as practicable after the end of each fiscal year, transmit to the Congress a report of its proceedings and activities during such year, including a full and complete statement of its receipts, expenditures, and investments.

(c) RELIEF WITH RESPECT TO CERTAIN FOUNDATION ACTS OR FAILURE TO ACT.—If the Foundation—

(1) engages in, or threatens to engage in, any act, practice, or policy that is inconsistent with its purposes set forth in section 202(b), or

(2) refuses, fails, or neglects to discharge its obligations under this title, or threatens to do so,

the Attorney General of the United States may file a petition in the United States District Court for the District of Columbia for such equitable relief as may be necessary or appropriate.

SEC. 208. UNITED STATES RELEASE FROM LIABILITY.

The United States shall not be liable for any debts, defaults, acts, or omissions of the Foundation, nor shall the full faith and credit of the United States extend to any obligation of the Foundation.

SEC. 209. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—There are authorized to be appropriated to the Library of Congress such sums as may be necessary to carry out the purposes of this title, not to exceed $250,000 for each of the fiscal years 2000 through 2003, to be made available to the Foundation to match private contributions (whether in currency, services, or property) made to the Foundation by private persons and State and local governments.

(b) ADMINISTRATIVE EXPENSES.—No Federal funds authorized under this section may be used by the Foundation for administrative expenses of the Foundation, including for salaries, travel, and transportation expenses, and other overhead expenses.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. MOORHEAD] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. MOORHEAD].

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1734, the National Film Preservation Act of 1996, as amended.

This bill authorizes an existing program first established in 1988, that developed a national strategy to deal with the problem of preserving film for educational and historical purposes. The purpose of H.R. 1734 is to reauthorize a program that is saving firms which, but for preservation efforts, will be lost forever. Film is currently celebrating its bittersweet 100th anniversary. The seminal study on the film preservation problem which we authorized in the 1992 act documented that for films produced before 1950, over 50 percent no longer survive; and, of films made before 1920, fewer than 10 percent still exist. More recent films face no less danger—from color fading, vinegar syndrome, and a host of other colorfully named but equally destructive maladies. The 1992 authorization ended last month. Without the reauthorization provided by H.R. 1734 and the support and intervention of the Federal Government, many of the remaining materials will be irretrievably lost.

In 1988, Congress created the National Film Preservation Board within the Library of Congress which recognized the importance and fragile nature of our film heritage. In the 1992 reauthorization, the program was redefined with a mission to identify the technical and policy problems related to preserving film in this country, and to coordinate the development of a public and private sector plan to address the problems so identified.

The 1992 legislation created a methodical two-step program, coordinated by the Librarian of Congress and the Film Board. The first step was the completion in 1993 of a comprehensive study conducted under the auspices of the Library of Congress to take a snap shot of the film preservation problem in the United States. Public hearings and public witnesses from Government and private entities including film studios, independent film producers, creative artists, educators and other users of film materials described the technical and policy problems that must be addressed to save film from disintegration and to make them more readily available to the public. Following the study was the development in 1994 of a second document known as "the national plan" to fix the problem via a public/private partnership with very realistic and specific implementation steps.

Both pubic documents were very well received and in fact, other countries are modeling their film preservation efforts on our methodology. Implementation of the plan is now underway. H.R. 1734 will authorize the continued implementation of the national plan by the Librarian of Congress, since that authorization expired in June.

The materials that are the focus of H.R. 1734 are not the Hollywood films but films which are vital for educational, rather than commercial reasons, and which will not survive without public intervention. Examples of such films include documentaries and newsreels, independent films, animation and short subjects, silent films, films by and/or documenting minority or ethnic groups, films of historical, educational or regional importance, and films that are no longer under copyright protection. These films are held and maintained by public and nonprofit archives, State and local historical societies, university and public libraries and similar institutions in all 50 States.

Our bill, crafted with bipartisan support, will help save our film heritage, with a very minimal amount of Federal spending, that is, $250,000 per year, which is the current authorized rate, increasing moderately after fiscal year 1999. Title I will continue the work of the coordinating body within the Library of Congress, the National Film Preservation Board, to enable the continued implementation of the national plan developed by the 1992 act. H.R. 1734 picks up the work already completed by the Library of Congress and the National Film Preservation Board and takes it to the next logical step by partnering the private sector with the public sector, creating a 501(c) organization known as the National Film Preservation Foundation. The Foundation (title II) is modeled on similar entities created by Congress and will give grants to archives and libraries that are preserving films.

The libraries and archives with film collections must spend $10,000 to $100,000 or more per film to preserve, restore, catalog and/or store the materials properly. The Foundation needs to raise a considerable sum of private money from within and outside the film community. Examples of the diversity of institutions with such films holdings that will be eligible for Foundation grants include: the George Eastman House, the Library of Congress, the Museum of Modern Art, UCLA Film and Television Archive, the National Center for Jewish Film, Anthology Film Archives, Pacific Film Archives, Northeast Historic Film, the Oregon Historical Society, the Japanese American National Museum, the Black Film Center at Indiana University, and many similar institutions large and small, including for example, those supporting and promoting film preservation, such as the American Film Institute. All of these entities are in full support of H.R. 1734.

H.R. 1734 fulfills the Government's role in film preservation of facilitator or coordinator of the work already being done in hundreds of archives, libraries, laboratories, and film studios nationwide and to add some public funds where needed. Via the Foundation the Government will provide the seed money to raise private funds to save the so-called orphan films. It will enable information about technology to be more readily shared, and to coordinate lab efforts and solve storage problems. The Government will not spend its money on Hollywood feature films but will encourage the studios to continue to share information and coordinate efforts with the archives and independent filmmakers and others.

I wish to thank the ranking member of the Subcommittee on Courts and Intellectual Property, Mrs. SCHROEDER, for her work on H.R. 1734. I also wish to thank my colleagues who cosponsored this legislation, Mr. COBLE, Mr. BONO, and Mr. CONYERS, and my colleague on the Committee on House Oversight, Mr. THOMAS, for working with Judiciary to craft a responsible bill in these lean financial times that will allow this important work to continue. I would also like to commend the Librarian and his staff, especially Steve Leggett, and the Film Board for the work they have done to date.

Mr. Speaker, I urge the passage of H.R. 1734.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1734. This bill takes two critical steps toward preserving America's very rich but threatened heritage of culturally, historically, and aesthetically significant films.

The first is the reauthorization of the National Film Preservation Board. Congress established this board in 1988 tasking it with the annual selection of

25, "culturally, historically or aesthetically significant," films to the National Film Registry and the development of labeling guidelines for films that have been "materially altered."

In 1992, when Congress reauthorized the board, our focus was on film preservation. The labeling guideline provision was dropped in the 1992 reauthorization because it had proved to be too contentious and problematic with little likelihood of consensus among the interested stakeholders.

Two significant accomplishments result from this 1992 reauthorization act. First, the 1-year study completed in 1993 persuasively demonstrated that the American film heritage was at risk. It found that fewer than 20 percent of the feature films from the 1920's survive in complete form. For features from the 1910's, the survival rate falls to about 10 percent. Only about half of the films made before 1950 survive. The study found that many lost American films can only be found in foreign archives. This study accomplished the important step of assessing the nature and scope of the threat to our film heritage.

The second major achievement was the development of a national consensus plan for film preservation, representing 6 months of negotiations and consensus building among archivists, educators, film makers, and film industry executives.

Today, by reauthorizing the Film Preservation Board for 7 years, we can ensure that these efforts to preserve our historical and cultural film heritage will continue. By creating a new federally chartered nonprofit foundation, the National Film Preservation Foundation, this bill creates an important new mechanism to further these efforts.

These two provisions will increase film availability for educational and public exhibition. They will spur the development of public-private partnerships to restore key films, share preservation information and repatriate lost American films that are now found only in foreign archives. The foundation will be able to raise money for the preservation of newsreels, documentaries, independent and avant garde films, socially significant amateur footage, regional historical films and other features of cultural and historical importance that otherwise could not survive.

All of this is done with an extremely modest authorization level. The film board is kept at $250,000, and the foundation authorized for no funds until the fiscal year 2000 when an annual ceiling of $250,000 takes effect. While Hollywood films have the commercial value which will ensure their preservation, the same cannot be said for much of our film heritage, which nonetheless has enormous cultural and historical significance.

It is for these latter works, the public domain or educational films, historical footage, documentaries, and other films that this bill is so vitally important.

Let me mention one example of a film now available to the American public because of the efforts of the Film Preservation Board. A film entitled "Within Our Gates," the oldest film directed by an African-American, was selected and preserved by the film board. It was a film that very few people had seen because so few copies were available.

A copy of this important but essential lost work, a 1920 film directed by Oscar Micheau, was found in the Spanish film archives as a result of the preservation board efforts. The Library of Congress has been able to release this film on video and make it widely available to the public. But for the existence of the film board, this important bit of African-American cultural heritage would be languishing, unseen in the Spanish film archives.

H.R. 1734 uses creative and collaborative approaches to ensure that America's rich film heritage is preserved for future generations. I urge my colleagues to support it.

Mr. Speaker, I yield back the balance of my time.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. MOORHEAD] that the House suspend the rules and pass the bill, H.R. 1734, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MOORHEAD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1734, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LOBBYING DISCLOSURE TECHNICAL AMENDMENTS ACT OF 1996

Mr. HOKE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3435), to make technical amendments to the Lobbying Disclosure Act of 1995, as amended.

The Clerk read as follows:

H.R. 3435

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the "Lobbying Disclosure Technical Amendments Act of 1996".

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Lobbying Disclosure Act of 1995".

SEC. 2. DEFINITION OF COVERED EXECUTIVE BRANCH OFFICICAL.

Section 3(3)(F) (2 U.S.C. 1602(3)(F)) is amended by striking "7511(b)(2)" and inserting "7511(b)(2)(B)".

SEC. 3. CLARIFICATION OF EXCEPTION TO LOBBYING CONTACT.

(a) CERTAIN COMMUNICATIONS.—Section 3(8)(B)(ix) (2 U.S.C. 1602(8)(B)(ix)) is amended by inserting before the semicolon the following: ", including any communication compelled by a Federal contract, grant, loan, permit, or license".

(b) DEFINITION OF "PUBLIC OFFICIAL".—Section 3(15)(F) (2 U.S.C. 1602(15)(F)) is amended by inserting ", or a group of governments acting together as an international organization" before the period.

SEC. 4. INTERESTS.

(a) SECTION 4.—Section 4(b)(4)(C) (2 U.S.C. 1603(b)(4)(C)) is amended by striking "direct interest" and inserting "significant direct interest".

(b) SECTION 5.—Section 5(b)(2)(D) (2 U.S.C. 1604(b)(2)(D)) is amended by striking "of the interest, if any," and inserting "of any significant direct interest".

(c) SECTION 14.—Section 14 (2 U.S.C. 1609) is amended—

(1) in subsection (a)(2), by striking "a direct interest" and inserting "a significant direct interest"; and

(2) in subsection (b)(2), by striking "a direct interest" and inserting "a significant direct interest".

SEC. 5. ESTIMATES BASED ON TAX REPORTING SYSTEM.

(a) SECTION 15(a).—Section 15(a) (2 U.S.C. 1601 (a)) is amended—

(1) by striking "A registrant" and inserting "A person, other than a lobbying firm,"; and

(2) by amending paragraph (2) to read as follows:

"(2) for all other purposes consider as lobbying contacts and lobbying activities only—

"(A) lobbying contacts with covered legislative branch officials (as defined in section 3(4)) and lobbying activities in support of such contacts; and

"(B) lobbying of Federal executive branch officials to the extent that such activities are influencing legislation as defined in section 4911(d) of the Internal Revenue Code of 1986.".

(b) SECTION 15(b).—Section 15(b) (2 U.S.C. 1610(b)) is amended—

(1) by striking "A registrant that is subject to" and inserting "A person, other than a lobbying firm, who is required to account and does account for lobbying expenditures pursuant to"; and

(2) by amending paragraph (2) to read as follows:

(2) for all other purposes consider as lobbying contacts and lobbying activities only—

"(A) lobbying contacts with covered legislative branch officials (as defined in section 3(4)) and lobbying activities in support of such contacts; and

"(B) lobbying of Federal executive branch officials to the extent that amounts paid or costs incurred in connection with such activities are not deductible pursuant to section 162(e) of the Internal Revenue Code of 1986.".

(c) SECTION 5(C).—Section 5(c) (2 U.S.C. 1604(c)) is amended by striking paragraph (3).

SEC. 6. DISCLOSURE OF INDIVIDUAL REGISTERED LOBBYISTS.

Section 5(b) (2 U.S.C. 1604(b))—

(1) in paragraph (2), by inserting "and" at the end of subparagraph (B), by striking subparagraph (C), and by redesignating subparagraph (D) as subparagraph (C), and

(2) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively, and by adding after paragraph (1) the following:

"(2) a list of employees of the registrant who acted as lobbyists on behalf of the client during the semi-annual reporting period;".

SEC. 7. EXEMPTION BASED ON REGISTRATION UNDER LOBBYING ACT.

Section 3(h) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 613(h)) is amended by striking "is required to register and does register" and inserting "has engaged in lobbying activities and has registered".

SEC. 8. FURNISHING INFORMATION.

(a) INFORMATION TO AGENCY OR OFFICIAL OF GOVERNMENT.—Section 4(e) of the Foreign Agents Registration Act of 1938 (22 U.S.C. 614(e)) is amended—

(1) by striking "political propaganda" and inserting" informational materials"; and

(2) by striking "the propaganda" and inserting "the informational materials".

(b) REPORTS.—Section 11 of the Foreign Agents Registration Act of 1938 (22 U.S.C. 621) is amended by striking "political propaganda" and inserting "informational materials".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio [Mr. HOKE] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. HOKE].

GENERAL LEAVE

Mr. HOKE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 3435, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HOKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3435, the Lobbying Disclosure Technical Amendments Act of 1996 addresses several technical issues which have been raised during the initial months of implementation of the Lobbying Disclosure Act of 1995. The amendments made by the bill will strengthen what is already widely viewed as a significant and successful law.

The Lobbying Disclosure Act of 1995 was the first substantive reform in the laws governing lobbying disclosure since the Federal Regulation of Lobbying Act of 1946. This reform was necessary due to the Supreme Court's narrow construction of the 1946 Regulation of Lobbying Act in United States versus Harriss which effectively eviscerated that act. Last fall, this House passed this landmark legislation in identical form to the Senate-passed language. This action enabled the 104th Congress to send the bill directly to the President, thus passing the first meaningful lobbying disclosure legislation in over 40 years.

Section 2 of the bill would clarify the definition of a covered executive branch official under the act. Section 3 of the bill would add a clarification of the exception to a lobbying contact so that any communication compelled by a Federal contract, grant, loan, permit or license would not be considered a lobbying contact. Section 3 also would make plain that groups of governments acting together as international organizations would not be required to register under the Lobbying Disclosure Act. Section 4 of the bill would clarify what a "direct interest" is when a registrant has an affiliation with a foreign interest.

In addition, section 5 of the bill would clarify how estimates based on the tax reporting system can an should be used in relation to reporting lobbying expenses. This section also would provide that registrants engaging in executive branch lobbying and who make a section 15 election must use the Tax Code uniformly for all of their executive branch lobbying registration and reporting under the act.

Section 6 of the bill would make the reporting requirement of the act consistent with the registration requirement by eliminating the duplicative reporting requirement of maintaining a list of lobbyists for each general issue area under the act. This section would make uniform the registration requirement that the name of each employee of the registrant who acts as a lobbyist on behalf of a client be disclosed in a similar fashion in the registration's semiannual reports.

Moreover, section 7 of H.R. 3435 would clarify the original intent of the act by providing that anyone engaged in even a de minimis level of lobbying activities on behalf of a foreign commercial entity can register under the Lobbying Disclosure Act rather than the Foreign Agents Registration Act of 1938. This change would reaffirm the Congressional intent of requiring disclosure of foreign non-government representations under the Lobbying Disclosure Act and disclosure of foreign governmental representations under the Foreign Agents Registration Act.

Finally Mr. Speaker, section 8 of the bill would make a purely technical change to the Foreign Agents Registration Act by striking the term "political propaganda" and inserting in its place "informational materials." The changes made by section 8 would complete the changes made to the terminology that were first made in the Lobbying Disclosure Act.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3435. Last session, with strong bipartisan support, this Congress passed a major overhaul of the lobbying disclosure rules which require the reporting of meaningful and important information from registered lobbyists.

Since the passage of that measure, the Secretary of the Senate and the Clerk of the House have worked hard to provide the specific rules to implement this legislation. During the course of the promulgation of the rules, suggestions have been made to improve and in some cases strengthen the reporting requirements of the Lobbying Disclosure Act of 1995.

Further suggestions have been made to simplify what in this case may have been duplicative and burdensome requirements on some not-for-profit institutions.

Mr. Speaker, the technical amendments in today's bill reflect those improvements.

□ 1430

We have corrected unnecessary requirements, we have provided fairness for those whose lobbying efforts are negligible, and we have streamlined the duplicative reporting requirements.

The measure was passed out of the Committee on the Judiciary unanimously, and I urge its passage today under the suspension of the rules.

Mr. Speaker, I yield back the balance of my time.

Mr. HOKE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentleman from Ohio [Mr. HOKE] that the House suspend the rules and pass the bill, H.R. 3435, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GRANTING CONSENT OF CONGRESS TO JENNINGS RANDOLPH LAKE PROJECT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 113) granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake project lying in Garrett County, MD, and Mineral County, WV, entered into between the States of West Virginia and Maryland.

The Clerk read as follows:

H.J. RES. 113

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress hereby consents to the Jennings Randolph Lake Project Compact entered into between the States of West Virginia and Maryland which compact is substantially as follows:

“COMPACT

“Whereas the State of Maryland and the State of West Virginia, with the concurrence of the United States Department of the Army, Corps of Engineers, have approved and desire to enter into a compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, for which they seek the approval of Congress, and which compact is as follows:

“Whereas the signatory parties hereto desire to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, for which they have a joint responsibility; and they declare as follows:

“1. The Congress, under Public Law 87–874, authorized the development of the Jennings Randolph Lake Project for the North Branch of the Potomac River substantially in accordance with House Document Number 469, 87th Congress, 2nd Session for flood control, water supply, water quality, and recreation; and

“2. Section 4 of the Flood Control Act of 1944 (Ch 665, 58 Stat. 534) provides that the Chief of Engineers, under the supervision of the Secretary of War (now Secretary of the Army), is authorized to construct, maintain, and operate public park and recreational facilities in reservoir areas under control of such Secretary for the purpose of boating, swimming, bathing, fishing, and other recreational purposes, so long as the same is not inconsistent with the laws for the protection of fish and wildlife of the State(s) in which such area is situated; and

“3. Pursuant to the authorities cited above, the U.S. Army Engineer District (Baltimore), hereinafter ‘District’, did construct and now maintains and operates the Jennings Randolph Lake Project; and

“4. The National Environmental Policy Act of 1969 (P.L. 91–190) encourages productive and enjoyable harmony between man and his environment, promotes efforts which will stimulate the health and welfare of man, and encourages cooperation with State and local governments to achieve these ends; and

“5. The Fish and Wildlife Coordination Act (16 U.S.C. 661–666c) provides for the consideration and coordination with other features of water-resource development programs through the effectual and harmonious planning, development, maintenance, and coordination of wildlife conservation and rehabilitation; and

“6. The District has Fisheries and Wildlife Plans as part of the District's project Operational Management Plan; and

“7. In the respective States, the Maryland Department of Natural Resources (hereinafter referred to as ‘Maryland DNR’) and the West Virginia Division of Natural Resources (hereinafter referred to as ‘West Virginia DNR’) are responsible for providing a system of control, propagation, management, protection, and regulation of natural resources and boating in Maryland and West Virginia and the enforcement of laws and regulations pertaining to those resources as provided in Annotated Code of Maryland Natural Resources Article and West Virginia Chapter 20, respectively, and the successors thereof; and

“8. The District, the Maryland DNR, and the West Virginia DNR are desirous of conserving, perpetuating and improving fish and wildlife resources and recreational benefits of the Jennings Randolph Lake Project; and

“9. The District and the States of Maryland and West Virginia wish to implement the aforesaid acts and responsibilities through this Compact and they each recognize that consistent enforcement of the natural resources and boating laws and regulations can best be achieved by entering this Compact:

“Now, therefore, be it *Resolved*, That the States of Maryland and West Virginia, with the concurrence of the United States Department of the Army, Corps of Engineers, hereby solemnly covenant and agree with each other, upon enactment of concurrent legislation by The Congress of the United States and by the respective state legislatures, to the Jennings Randolph Lake Project Compact, which consists of this preamble and the articles that follow:

“Article I—Name, Findings, and Purpose

“1.1 This compact shall be known and may be cited as the Jennings Randolph Lake Project Compact.

“1.2 The legislative bodies of the respective signatory parties, with the concurrence of the U.S. Army Corps of Engineers, hereby find and declare:

“1. The water resources and project lands of the Jennings Randolph Lake Project are affected with local, state, regional, and national interest, and the planning, conservation, utilization, protection and management of these resources, under appropriate arrangements for inter-governmental cooperation, are public purposes of the respective signatory parties.

“2. The lands and waters of the Jennings Randolph Lake Project are subject to the sovereign rights and responsibilities of the signatory parties, and it is the purpose of this compact that, notwithstanding any boundary between Maryland and West Virginia that preexisted the creation of Jennings Randolph Lake, the parties will have and exercise concurrent jurisdiction over any lands and waters of the Jennings Randolph Lake Project concerning natural resources and boating laws and regulations in the common interest of the people of the region.

“Article II—District Responsibilities

“The District, within the Jennings Randolph Lake Project,

“2.1 Acknowledges that the Maryland DNR and West Virginia DNR have authorities and responsibilities in the establishment, administration and enforcement of the natural resources and boating laws and regulations applicable to this project, provided that the laws and regulations promulgated by the States support and implement, where applicable, the intent of the Rules and Regulations Governing Public Use of Water Resources Development Projects administered by the Chief of Engineers in Title 36, Chapter RI, Part 327, Code of Federal Regulations,

“2.2 Agrees to practice those forms of resource management as determined jointly by the District, Maryland DNR and West Virginia DNR to be beneficial to natural resources and which will enhance public recreational opportunities compatible with other authorized purposes of the project,

“2.3 Agrees to consult with the Maryland DNR and West Virginia DNR prior to the issuance of any permits for activities or special events which would include, but not necessarily be limited to: fishing tournaments, training exercises, regattas, marine parades, placement of ski ramps, slalom water ski courses and the establishment of private markers and/or lighting. All such permits issued by the District will require the permittee to comply with all State laws and regulations,

“2.4 Agrees to consult with the Maryland DNR and West Virginia DNR regarding any recommendations for regulations affecting natural resources, including, but not limited to, hunting, trapping, fishing or boating at the Jennings Randolph Lake Project which the District believes might be desirable for reasons of public safety, administration of public use and enjoyment,

“2.5 Agrees to consult with the Maryland DNR and West Virginia DNR relative to the marking of the lake with buoys, aids to navigation, regulatory markers and establishing and posting of speed limits, no wake zones, restricted or other control areas and to provide, install and maintain such buoys, aids to navigation and regulatory markers as are necessary for the implementation of the District's Operational Management Plan. All buoys, aids to navigation and regulatory markers to be used shall be marked in conformance with the Uniform State Waterway Marking System,

“2.6 Agrees to allow hunting, trapping, boating and fishing by the public in accordance with the laws and regulations relating to the Jennings Randolph Lake Project,

“2.7 Agrees to provide, install and maintain public ramps, parking areas, courtesy docks, etc., as provided for by the approved Corps of Engineers Master Plan, and

“2.8 Agrees to notify the Maryland DNR and the West Virginia DNR of each reservoir drawdown prior thereto excepting drawdown for the reestablishment of normal lake levels following flood control operations and drawdown resulting from routine water control management operations described in the reservoir regulation manual including releases requested by water supply owners and normal water quality releases. In case of emergency releases or emergency flow curtailments, telephone or oral notification will be provided. The District reserves the right, following issuance of the above notice, to make operational and other tests which may be necessary to insure the safe and efficient operation of the dam, for inspection and maintenance purposes, and for the gathering of water quality data both within the impoundment and in the Potomac River downstream from the dam.

“Article III—State Responsibilities

“The State of Maryland and the State of West Virginia agree:

“3.1 That each State will have and exercise concurrent jurisdiction with the District and the other State for the purpose of enforcing the civil and criminal laws of the respective States pertaining to natural resources and boating laws and regulations over any lands and waters of the Jennings Randolph Lake Project;

“3.2 That existing natural resources and boating laws and regulations already in effect in each State shall remain in force on the Jennings Randolph Lake Project until either State amends, modifies or rescinds its laws and regulations;

“3.3 That the Agreement for Fishing Privileges dated June 24, 1985 between the State of Maryland and the State of West Virginia, as amended, remains in full force and effect;

“3.4 To enforce the natural resources and boating laws and regulations applicable to the Jennings Randolph Lake Project;

"3.5 To supply the District with the name, address and telephone number of the person(s) to be contacted when any drawdown except those resulting from normal regulation procedures occurs;

"3.6 To inform the Reservoir Manager of all emergencies or unusual activities occurring on the Jennings Randolph Lake Project;

"3.7 To provide training to District employees in order to familiarize them with natural resources and boating laws and regulations as they apply to the Jennings Randolph Lake Project; and

"3.8 To recognize that the District and other Federal Agencies have the right and responsibility to enforce, within the boundaries of the Jennings Randolph Lake Project, all applicable Federal laws, rules and regulations so as to provide the public with safe and healthful recreational opportunities and to provide protection to all federal property within the project.

"Article IV—Mutual Cooperation

"4.1 Pursuant to the aims and purposes of this Compact, the State of Maryland, the State of West Virginia and the District mutually agree that representatives of their natural resource management and enforcement agencies will cooperate to further the purposes of this Compact. This cooperation includes, but is not limited to, the following:

"4.2 Meeting jointly at least once annually, and providing for other meetings as deemed necessary for discussion of matters relating to the management of natural resources and visitor use on lands and waters within the Jennings Randolph Lake Project;

"4.3 Evaluating natural resources and boating, to develop natural resources and boating management plans and to initiate and carry out management programs;

"4.4 Encouraging the dissemination of joint publications, press releases or other public information and the interchange between parties of all pertinent agency policies and objectives for the use and perpetuation of natural resources of the Jennings Randolph Lake Project; and

"4.5 Entering into working arrangements as occasion demands for the use of lands, waters, construction and use of buildings and other facilities at the project.

"Article V—General Provisions

"5.1 Each and every provision of this Compact is subject to the laws of the States of Maryland and West Virginia and the laws of the United States, and the delegated authority in each instance.

"5.2 The enforcement and applicability of natural resources and boating laws and regulations referenced in this Compact shall be limited to the lands and waters of the Jennings Randolph Lake Project, including but not limited to the prevailing reciprocal fishing laws and regulations between the States of Maryland and West Virginia.

"5.3 Nothing in this Compact shall be construed as obligating any party hereto to the expenditure of funds or the future payment of money in excess of appropriations authorized by law.

"5.4 The provisions of this Compact shall be severable, and if any phrase, clause, sentence or provision of the Jennings Randolph Lake Project Compact is declared to be unconstitutional or inapplicable to any signatory party or agency of any party, the constitutionality and applicability of the Compact shall not be otherwise affected as to any provision, party, or agency. It is the legislative intent that the provisions of the Compact be reasonably and liberally construed to effectuate the stated purposes of the Compact.

"5.5 No member of or delegate to Congress, or signatory shall be admitted to any share or part of this Compact, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this agreement if made with a corporation for its general benefit.

"5.6 When this Compact has been ratified by the legislature of each respective State, when the Governor of West Virginia and the Governor of Maryland have executed this Compact on behalf of their respective States and have caused a verified copy thereof to be filed with the Secretary of State of each respective State, when the Baltimore District of the U.S. Army Corps of Engineers has executed its concurrence with this Compact, and when this Compact has been consented to by the Congress of the United States, then this Compact shall become operative and effective.

"5.7 Either State may, by legislative act, after one year's written notice to the other, withdraw from this Compact. The U.S. Army Corps of Engineers may withdraw its concurrence with this Compact upon one year's written notice from the Baltimore District Engineer to the Governor of each State.

"5.8 This Compact may be amended from time to time. Each proposed amendment shall be presented in resolution form to the Governor of each State and the Baltimore District Engineer of the U.S. Army Corps of Engineers. An amendment to this Compact shall become effective only after it has been ratified by the legislatures of both signatory States and concurred in by the U.S. Army Corps of Engineers, Baltimore District. Amendments shall become effective thirty days after the date of the last concurrence or ratification.".

SEC. 2. The right to alter, amend or repeal this joint resolution is hereby expressly reserved. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the compact.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this resolution, which passed the Committee on the Judiciary by a vote of 25 to 0.

This is a compact, Mr. Speaker, and we have learned rather continuously during our service in Congress that many times when one State wants to enter into an agreement with another or with more than one other, that that immediately engages the Constitution of the United States because any agreement that is reached between two or more States has to be, in effect, ratified by the Congress of the United States.

This particular compact which we discuss here today is one entered into between West Virginia and Maryland, and it has to do with the lake project, the Jennings Randolph Lake project, which lies in Garrett County, MD, and Mineral County, WV.

Mr. Speaker, the lake that is extant in this region between the two States at one time contained, and still does, the unseen invisible border line between the two States. So one can see that if any one of the States want to do anything with the lake or the other, then a question arises which side of the border in the middle of the lake, where does West Virginia begin and Maryland end, et cetera?

Well, they worked out a wonderful agreement in order to correct mine drainage problems and improve waste treatment and municipal and industrial point sources, and the border line in the middle of the lake has become moot because of a contract, and now we here in the Congress are ready to concur in their agreement.

So all these civil and criminal laws of the respective States concerning natural resources and boating, consideration of other factors, all of that will be wrapped up in the agreement which we ratify here today.

I urge adoption of this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr Speaker, House Joint Resolution 113, introduced by the gentleman from West Virginia [Mr. MOLLOHAN] and the gentleman from Maryland [Mr. BARTLETT] would grant the consent of Congress to a compact between the States of Maryland and West Virginia providing for joint natural resource management and law enforcement at Jennings Randolph Lake. The lake was created out of a branch of the Potomac River on the border of the two States by a U.S. Army Corps of Engineers project, and, according to testimony received by the Committee on the Judiciary, the lack of a clear boundary has hampered policing and resource management efforts, and the need for this type of cooperation between the States is particularly acute during the peak summer months.

The other body, Mr. Speaker, approved a companion measure by unanimous consent.

I know of no opposition to this measure and urge its adoption by the House.

Mr. Speaker, I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, House Joint Resolution 113.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

Mr. GEKAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution

(S.J. Res. 20) granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The text of the Senate joint resolution is as follows:

S.J. RES. 20

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress hereby consents to the Jennings Randolph Lake Project Compact entered into between the States of West Virginia and Maryland which compact is substantially as follows:

"COMPACT

"Whereas the State of Maryland and the State of West Virginia, with the concurrence of the United States Department of the Army, Corps of Engineers, have approved and desire to enter into a compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, for which they seek the approval of Congress, and which compact is as follows:

"Whereas the signatory parties hereto desire to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, for which they have a joint responsibility; and they declare as follows:

"1. The Congress, under Public Law 87–874, authorized the development of the Jennings Randolph Lake Project for the North Branch of the Potomac River substantially in accordance with House Document Number 469, 87th Congress, 2nd Session for flood control, water supply, water quality, and recreation; and

"2. Section 4 of the Flood Control Act of 1944 (Ch 665, 58 Stat. 534) provides that the Chief of Engineers, under the supervision of the Secretary of War (now Secretary of the Army), is authorized to construct, maintain and operate public park and recreational facilities in reservoir areas under control of such Secretary for the purpose of boating, swimming, bathing, fishing, and other recreational purposes, so long as the same is not inconsistent with the laws for the protection of fish and wildlife of the State(s) in which such area is situated; and

"3. Pursuant to the authorities cited above, the U.S. Army Engineer District (Baltimore), hereinafter 'District', did construct and now maintains and operates the Jennings Randolph Lake Project; and

"4. The National Environmental Policy Act of 1969 (P.L. 91–190) encourages productive and enjoyable harmony between man and his environment, promotes efforts which will stimulate the health and welfare of man, and encourages cooperation with State and local governments to achieve these ends; and

"5. The Fish and Wildlife Coordination Act (16 U.S.C. 661–666c) provides for the consideration and coordination with other features of water-resource development programs through the effectual and harmonious planning, development, maintenance, and coordination of wildlife conservation and rehabilitation; and

"6. The District has Fisheries and Wildlife Plans as part of the District's project Operational Management Plan; and

"7. In the respective States, the Maryland Department of Natural Resources (hereinafter referred to as 'Maryland DNR') and the West Virginia Division of Natural Resources (hereinafter referred to as 'West Virginia DNR') are responsible for providing a system of control, propagation, management, protection, and regulation of natural resources and boating in Maryland and West Virginia and the enforcement of laws and regulations pertaining to those resources as provided in Annotated Code of Maryland Natural Resources Article and West Virginia Chapter 20, respectively, and the successors thereof; and

"8. The District, the Maryland DNR, and the West Virginia DNR are desirous of conserving, perpetuating and improving fish and wildlife resources and recreational benefits of the Jennings Randolph Lake Project; and

"9. The District and the States of Maryland and West Virginia wish to implement the aforesaid acts and responsibilities through this Compact and they each recognize that consistent enforcement of the natural resources and boating laws and regulations can best be achieved by entering this Compact:

"Now, therefore, be it *Resolved*, That the States of Maryland and West Virginia, with the concurrence of the United States Department of the Army, Corps of Engineers, hereby solemnly covenant and agree with each other, upon enactment of concurrent legislation by The Congress of the United States and by the respective state legislatures, to the Jennings Randolph Lake Project Compact, which consists of this preamble and the articles that follow:

"Article I—Name, Findings, and Purpose

"1.1 This compact shall be known and may be cited as the Jennings Randolph Lake Project Compact.

"1.2 The legislative bodies of the respective signatory parties, with the concurrence of the U.S. Army Corps of Engineers, hereby find and declare:

"1. The water resources and project lands of the Jennings Randolph Lake Project are affected with local, state, regional, and national interest, and the planning, conservation, utilization, protection and management of these resources, under appropriate arrangements for inter-governmental cooperation, are public purposes of the respective signatory parties.

"2. The lands and waters of the Jennings Randolph Lake Project are subject to the sovereign rights and responsibilities of the signatory parties, and it is the purpose of this compact that, notwithstanding any boundary between Maryland and West Virginia that preexisted the creation of Jennings Randolph Lake, the parties will have and exercise concurrent jurisdiction over any lands and waters of the Jennings Randolph Lake Project concerning natural resources and boating laws and regulations in the common interest of the people of the region.

"Article II—District Responsibilities

"The District, within the Jennings Randolph Lake Project,

"2.1 Acknowledges that the Maryland DNR and West Virginia DNR have authorities and responsibilities in the establishment, administration and enforcement of the natural resources and boating laws and regulations applicable to this project, provided that the laws and regulations promulgated by the States support and implement, where applicable, the intent of the Rules and Regulations Governing Public Use of Water Resources Development Projects administered by the Chief of Engineers in Title 36, Chapter RI, Part 327, Code of Federal Regulations,

"2.2 Agrees to practice those forms of resource management as determined jointly by the District, Maryland DNR and West Virginia DNR to be beneficial to natural resources and which will enhance public recreational opportunities compatible with other authorized purposes of the project,

"2.3 Agrees to consult with the Maryland DNR and West Virginia DNR prior to the issuance of any permits for activities or special events which would include, but not necessarily be limited to: fishing tournaments, training exercises, regattas, marine parades, placement of ski ramps, slalom water ski courses and the establishment of private markers and/or lighting. All such permits issued by the District will require the permittee to comply with all State laws and regulations,

"2.4 Agrees to consult with the Maryland DNR and West Virginia DNR regarding any recommendations for regulations affecting natural resources, including, but not limited to, hunting, trapping, fishing or boating at the Jennings Randolph Lake Project which the District believes might be desirable for reasons of public safety, administration of public use and enjoyment,

"2.5 Agrees to consult with the Maryland DNR and West Virginia DNR relative to the marking of the lake with buoys, aids to navigation, regulatory markers and establishing and posting of speed limits, no wake zones, restricted or other control areas and to provide, install and maintain such buoys, aids to navigation and regulatory markers as are necessary for the implementation of the District's Operational Management Plan. All buoys, aids to navigation and regulatory markers to be used shall be marked in conformance with the Uniform State Waterway Marking System,

"2.6 Agrees to allow hunting, trapping, boating and fishing by the public in accordance with the laws and regulations relating to the Jennings Randolph Lake Project,

"2.7 Agrees to provide, install and maintain public ramps, parking areas, courtesy docks, etc., as provided for by the approved Corps of Engineers Master Plan, and

"2.8 Agrees to notify the Maryland DNR and the West Virginia DNR of each reservoir drawdown prior thereto excepting drawdown for the reestablishment of normal lake levels following flood control operations and drawdown resulting from routine water control management operations described in the reservoir regulation manual including releases requested by water supply owners and normal water quality releases. In case of emergency releases or emergency flow curtailments, telephone or oral notification will be provided. The District reserves the right, following issuance of the above notice, to make operational and other tests which may be necessary to insure the safe and efficient operation of the dam, for inspection and maintenance purposes, and for the gathering of water quality data both within the impoundment and in the Potomac River downstream from the dam.

"Article III—State Responsibilities

"The State of Maryland and the State of West Virginia agree:

"3.1 That each State will have and exercise concurrent jurisdiction with the District and the other State for the purpose of enforcing the civil and criminal laws of the respective States pertaining to natural resources and boating laws and regulations over any lands and waters of the Jennings Randolph Lake Project;

"3.2 That existing natural resources and boating laws and regulations already in effect in each State shall remain in force on the Jennings Randolph Lake Project until either State amends, modifies or rescinds its laws and regulations;

"3.3 That the Agreement for Fishing Privileges dated June 24, 1985 between the State of Maryland and the State of West Virginia, as amended, remains in full force and effect;

"3.4 To enforce the natural resources and boating laws and regulations applicable to the Jennings Randolph Lake Project;

"3.5 To supply the District with the name, address and telephone number of the person(s) to be contacted when any drawdown except those resulting from normal regulation procedures occurs;

"3.6 To inform the Reservoir Manager of all emergencies or unusual activities occurring on the Jennings Randolph Lake Project;

"3.7 To provide training to District employees in order to familiarize them with natural resources and boating laws and regulations as they apply to the Jennings Randolph Lake Project; and

"3.8 To recognize that the District and other Federal Agencies have the right and responsibility to enforce, within the boundaries of the Jennings Randolph Lake Project, all applicable Federal laws, rules and regulations so as to provide the public with safe and healthful recreational opportunities and to provide protection to all federal property within the project.

"Article IV—Mutual Cooperation

"4.1 Pursuant to the aims and purposes of this Compact, the State of Maryland, the State of West Virginia and the District mutually agree that representatives of their natural resource management and enforcement agencies will cooperate to further the purposes of this Compact. This cooperation includes, but is not limited to, the following:

"4.2 Meeting jointly at least once annually, and providing for other meetings as deemed necessary for discussion of matters relating to the management of natural resources and visitor use on lands and waters within the Jennings Randolph Lake Project;

"4.3 Evaluating natural resources and boating, to develop natural resources and boating management plans and to initiate and carry out management programs;

"4.4 Encouraging the dissemination of joint publications, press releases or other public information and the interchange between parties of all pertinent agency policies and objectives for the use and perpetuation of natural resources of the Jennings Randolph Lake Project; and

"4.5 Entering into working arrangements as occasion demands for the use of lands, waters, construction and use of buildings and other facilities at the project.

"Article V—General Provisions

"5.1 Each and every provision of this Compact is subject to the laws of the States of Maryland and West Virginia and the laws of the United States, and the delegated authority in each instance.

"5.2 The enforcement and applicability of natural resources and boating laws and regulations referenced in this Compact shall be limited to the lands and waters of the Jennings Randolph Lake Project, including but not limited to the prevailing reciprocal fishing laws and regulations between the States of Maryland and West Virginia.

"5.3 Nothing in this Compact shall be construed as obligating any party hereto to the expenditure of funds or the future payment of money in excess of appropriations authorized by law.

"5.4 The provisions of this Compact shall be severable, and if any phrase, clause, sentence or provision of the Jennings Randolph Lake Project Compact is declared to be unconstitutional or inapplicable to any signatory party or agency of any party, the constitutionality and applicability of the Compact shall not be otherwise affected as to any provision, party, or agency. It is the legislative intent that the provisions of the Compact be reasonably and liberally construed to effectuate the stated purposes of the Compact.

"5.5 No member of or delegate to Congress, or signatory shall be admitted to any share or part of this Compact, or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this agreement if made with a corporation for its general benefit.

"5.6 When this Compact has been ratified by the legislature of each respective State, when the Governor of West Virginia and the Governor of Maryland have executed this Compact on behalf of their respective States and have caused a verified copy thereof to be filed with the Secretary of State of each respective State, when the Baltimore District of the U.S. Army Corps of Engineers has executed its concurrence with this Compact, and when this Compact has been consented to by the Congress of the United States, then this Compact shall become operative and effective.

"5.7 Either State may, by legislative act, after one year's written notice to the other, withdraw from this Compact. The U.S. Army Corps of Engineers may withdraw its concurrence with this Compact upon one year's written notice from the Baltimore District Engineer to the Governor of each State.

"5.8 This Compact may be amended from time to time. Each proposed amendment shall be presented in resolution form to the Governor of each State and the Baltimore District Engineer of the U.S. Army Corps of Engineers. An amendment to this Compact shall become effective only after it has been ratified by the legislatures of both signatory States and concurred in by the U.S. Army Corps of Engineers, Baltimore District. Amendments shall become effective thirty days after the date of the last concurrence or ratification.".

SEC. 2. The right to alter, amend or repeal this joint resolution is hereby expressly reserved. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the compact.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 113) was laid on the table.

GRANTING CONSENT OF CONGRESS TO MUTUAL AID AGREEMENT BETWEEN BRISTOL, VA, AND BRISTOL, TN

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 166) granting the consent of Congress to the mutual aid agreement between the city of Bristol, VA, and the city of Bristol, TN.

The Clerk read as follows:

H.J. RES. 166

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress consents to the Mutual Aid Agreement entered into between the city of Bristol, Virginia, and the city of Bristol, Tennessee. The agreement reads as follows:

"THIS MUTUAL AID AGREEMENT, made and entered into by and between the CITY OF BRISTOL VIRGINIA, a municipality incorporated under the laws of the Commonwealth of Virginia (hereinafter 'Bristol Virginia'); and the CITY OF BRISTOL TENNESSEE, a municipality incorporated under the laws of the State of Tennessee (hereinafter 'Bristol Tennessee').

"WITNESSETH:

"WHEREAS, Section 15.1–131 of the Code of Virginia and Sections 6–54–307 and 12–9–101 et seq. of the Tennessee Code Annotated authorize Bristol Virginia and Bristol Tennessee to enter into an agreement providing for mutual law enforcement assistance;

"WHEREAS, the two cities desire to avail themselves of the authority conferred by these respective laws;

"WHEREAS, it is the intention of the two cities to enter into mutual assistance commitments with a pre-determined plan by which each city might render aid to the other in case of need, or in case of an emergency which demands law enforcement services to a degree beyond the existing capabilities of either city; and,

"WHEREAS, it is in the public interest of each city to enter into an agreement for mutual assistance in law enforcement to assure adequate protection for each city.

"NOW, THEREFORE, for and in consideration of the mutual promises and the benefits to be derived therefrom, the City of Bristol Virginia and the City of Bristol Tennessee agree as follows:

"1. Each city will respond to calls for law enforcement assistance by the other city only upon request for such assistance made by the senior law enforcement officer on duty for the requesting city, or his designee, in accordance with the terms of this Agreement. All requests for law enforcement assistance shall be directed to the senior law enforcement officer on duty for the city from which aid is requested.

"2. Upon request for law enforcement assistance as provided in Paragraph 1, the senior law enforcement officer on duty in the responding city will authorize a response as follows:

"a. The responding city will attempt to provide at least the following personnel and equipment in response to the request:

"(1) A minimum response of one vehicle and one person.

"(2) A maximum response of fifty percent (50%) of available personnel and resources.

"b. The response will be determined by the severity of the circumstances in the requesting city which prompted such request as determined by the senior law enforcement officer on duty in the responding city after discussion with the senior law enforcement officer on duty in the requesting city. Any decision reached by such senior officer of the responding city as to such response shall be final.

"c. If an emergency exists in the responding city at the time the request is made, or if such an emergency occurs during the course of responding to a request under this Agreement, and if the senior law enforcement officer on duty in the responding city reasonably determines, after a consideration of the severity of the emergency in his jurisdiction, that the responding city cannot comply with the minimal requirements under this Agreement without endangering life or incurring significant property damage in his city, or both, he may choose to use all equipment and personnel in his own jurisdiction. In such event, such officer of the responding city shall immediately attempt to inform the senior law enforcement officer on duty in the requesting city of his decision.

"3. The city which requests mutual aid under this Agreement shall not be deemed liable or responsible for the equipment and other personal property of personnel of the responding city which might be lost, stolen or damaged during the course of responding under the terms of this Agreement.

"4. The city responding to a request for mutual aid under this Agreement assumes all liabilities and responsibility as between the two cities for damage to its own equipment and other personal property. The responding city also assumes all liability and responsibility, as between the two cities, for any damage caused by its own equipment and/or the negligence of its personnel occurring outside the jurisdiction of the requesting city while en route thereto pursuant to a request for assistance under this Agreement, or while returning therefrom.

"5. The city responding under this Agreement assumes no responsibility or liability for damage to property or injury to any person that may occur due to actions taken in responding under this Agreement; all such liability and responsibility shall rest solely with the city requesting such aid and within which boundaries the property exists or the incident occurs, and the requesting party hereby assumes all of such liability and responsibility.

"6. Each city hereby waives any and all claims against the other city which may arise out of their activities in the other city's jurisdiction under this Agreement. To the extent permitted by law, the city requesting assistance under this Agreement shall indemnify and hold harmless the responding city (and its officers, agents and employees) from any and all claims by third parties for property damage or personal injury which may arise out of the activities of the responding city within the jurisdiction of the requesting city under this Agreement.

"7. The city responding to a request for assistance under this Agreement assumes no responsibility or liability for damage to property or injury to any person that may occur within the jurisdiction of the requesting city due to actions taken in responding under this Agreement. In accordance with Section 15.1-131 of the Code of Virginia and Section 29-20-107(f) of the Tennessee Code Annotated, all personnel of the responding city shall, during such time as they providing assistance in the requesting city under this Agreement, be deemed to be employees of the requesting city for tort liability purposes.

"8. No compensation will be due or paid by either city for mutual aid law enforcement assistance rendered under this Agreement.

"9. Except as provided in Paragraph 7 of this Agreement, neither city will make any claim for compensation against the other city for any loss, damage or personal injury which may occur as a result of law enforcement assistance rendered under this Agreement, and all such rights or claims are hereby expressly waived.

"10. When law enforcement assistance is rendered under this Agreement, the senior law enforcement officer on duty in the requesting city shall in all instances be in commend as to strategy, tactics and overall direction of the operations. All orders or directions regarding the operations of the responding party shall be relayed to the senior law enforcement officer in command of the responding city.

"11. Either city may terminate this Agreement upon sixty (60) days' written notice to the other city.

"12. This Agreement shall take effect upon its execution by the Mayor and Chief of Police for each city after approval of the City Council of each city, and upon its approval by the Congress of the United States as provided in Section 15.1-131 of the Code of Virginia. Each city will promptly submit this Agreement to its respective Congressman and Senators for submission to the Congress.".

SEC. 2. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this joint resolution is hereby expressly reserved by the Congress. The consent granted by this joint resolution shall not be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the region which forms the subject of the agreement.

SEC. 3. CONSTRUCTION AND SEVERABILITY.

It is intended that the provisions of this agreement shall be reasonably and liberally construed to effectuate the purposes thereof. If any part or application of this agreement, or legislation enabling the agreement, is held invalid, the remainder of the agreement or its application to other situations or persons shall not be affected.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the joint resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, of course I rise in support of House Joint Resolution 166 and urge its adoption by the House. Just as the previous resolution, the Committee on the Judiciary has reported the bill to the House by a unanimous verdict of 25 to nothing. This one has to do with the contract between the cities of Bristol, VA, and Bristol, TN. As my colleagues can imagine, they abut, and the only thing that stands between them is the borderline.

When Tennessee and Virginia saw the need to enter into agreements to provide for mutual law enforcement assistance, they turned to their own bodies, their own legislative bodies, to approve this joint venture, and they did so, and so it comes to us now, as the Constitution, as I have said previously, demands, that the Congress approve the contract and compact between these two States.

The Bristols sit astride the Tennessee-Virginia border, with a total population of approximately 43,000. This mutual aid agreement is one that you might expect would be of considerable benefit for a community in which a State boundary runs along its main street.

The subcommittee was pleased to receive testimony and support of this legislation from our colleagues, the gentleman from Virginia [Mr. BOUCHER], sponsor of the resolution, and the gentleman from Tennessee [Mr. QUILLEN], each of whom presented a portion of the greater Bristol community agreement and who represent their respective portions of Bristol, on both sides of the border.

Mr. Speaker, I urge adoption of this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 166.

Mr. Speaker, House Joint Resolution 166 was introduced by the gentleman from Virginia [Mr. BOUCHER] and the gentleman from Tennessee [Mr. QUILLEN]. It would grant the consent of Congress to a mutual aid agreement between the cities of Bristol, VA, and Bristol, TN, to allow law enforcement officers to respond to calls made by the other city. The State line cuts across Bristol's main thoroughfare, but police officers from Bristol, VA, do not have the legal authority to make arrests or perform other law enforcement activities on the other side of the street in Bristol, TN, and vice versa. This bill allows the cites to remedy that situation, and I commend Mr. BOUCHER and Mr. QUILLEN for their fine work on behalf of their constituents.

The bill was reported, as the gentleman from Pennsylvania [Mr. GEKAS] has indicated, from the Committee on the Joint without opposition, and I urge the support of the bill at this time.

Mr. QUILLEN. Mr. Speaker, I want to commend the Judiciary Committee for expeditiously moving this bill through the legislative process and bringing it to the floor today. I'd also like to thank my good friend from Virginia, [Mr. BOUCHER] for his leadership and hard work on this bill, and I'm proud to be an original cosponsor of the resolution.

Because our districts border each other, we frequently work together on matters that affect our border cities and constituents. House Joint Resolution 166 grants congressional approval to the mutual aid agreement between the city of Bristol, VA and the city of Bristol, TN.

The Virginia/Tennessee State line cuts right across State Street in Bristol, which is the city's main thoroughfare. Needless to say, there's a great deal of activity along this street, and unfortunately, some of it is criminal activity. There is often jurisdictional confusion and restrictions on law enforcement personnel caused by the location of the State line.

This legislation will allow each city to respond to requests for law enforcement assistance made by the other city. The citizens of Bristol deserve the best police protection available, and this mutual aid agreement will accomplish that goal.

Mr. Speaker, this agreement is authorized under Tennessee and Virginia law, and I hope we can get this resolution approved by both Houses without delay.

Mr. SCOTT. Mr. Speaker, I yield back the balance of my time.

Mr. GEKAS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, House Joint Resolution 166.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

CONFERRING JURISDICTION WITH RESPECT TO LAND CLAIMS OF ISLETA PUEBLO

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 740) to confer jurisdiction on the U.S. Court of Federal Claims with respect to land claims of Pueblo of Isleta Indian Tribe.

The Clerk read as follows:

H.R. 740

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. JURISDICTION.

Nothwithstanding sections 2401 and 2501 of title 28, United States Code, and section 12 of the Act of August 13, 1946 (60 Stat. 1052), or any other law which would interpose or support a defense of untimeliness, jurisdiction is hereby conferred upon the United States Court of Federal Claims to hear, determine, and render judgment on any claim by Pueblo of Isleta Indian Tribe of New Mexico against the United States with respect to any lands or interests therein the State of New Mexico or any adjoining State held by aboriginal title or otherwise which were acquired from the tribe without payment of adequate compensation by the United States. As a matter of adequate compensation, the United States Claims Court may award interest at a rate of five percent per year to accrue from the date on which such lands or interests therein were acquired from the tribe by the United States. Such jurisdiction is conferred only with respect to claims accruing on or before August 13, 1946, and all such claims must be filed within three years after the date of enactment of this Act. Such jurisdiction is conferred notwithstanding any failure of the tribe to exhaust any available administrative remedy.

SEC. 2. CERTAIN DEFENSES NOT APPLICABLE.

Any award made to any Indian tribe other than the Pueblo of Isleta Indian Tribe of New Mexico before, on, or after the date of the enactment of this Act under any judgment of the Indian Claims Commission or any other authority with respect to any lands that are the subject of a claim submitted by the tribe under section 1 shall not be considered a defense, estopped, or set-off to such claim, and shall not otherwise affect the entitlement to, or amount of, any relief with respect to such claim.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. SMITH] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. SMITH].

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 740, introduced by the gentleman from New Mexico [Mr. SCHIFF] and the gentleman from New Mexico [Mr. SKEEN] would permit the Pueblo of Isleta Indian Tribe to file a claim in the U.S. Court of Federal Claims for certain aboriginal lands acquired from the tribe by the United States. The tribe was erroneously advised by the Bureau of Indian Affairs in regard to this claim, and as a result never filed a claim for aboriginal lands before the expiration of the statute of limitations.

The court's jurisdiction would apply only to claims accruing on or before August 13, 1946, as provided in the Indian Claims Commission Act.

The Pueblo of Isleta Tribe seeks the opportunity to present the merits of its aboriginal land claims, which otherwise would be barred as untimely. The tribe cites numerous precedents for conferring jurisdiction under similar circumstances, such as the case of the Zuni Indian Tribe in 1978.

An identical bill passed the Senate in the 103d Congress, but was not considered by the House. In the 102d Congress, H.R. 1206, amended to the current language, passed the House, but was not considered by the Senate before adjournment. On June 11, 1996, the Judiciary Committee favorably reported this bill by unanimous voice vote.

Mr. Speaker, I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the bill has been explained that was introduced by the gentleman from New Mexico [Mr. SKEEN] and the gentleman from New Mexico [Mr. SCHIFF]. It is a fair bill, and I would just urge colleagues to support it at this time.

Mr. Speaker, I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I wish to extend my strong support for H.R. 740 which deals with the Pueblo of Isleta Indian land claims. H.R. 740 comes before Congress for a vote which will correct a 45-year-old injustice. In 1951, the Pueblo of Isleta was given erroneous advice by employees of the Bureau of Indian Affairs regarding the nature of the claim the Pueblo could mount under the Indian Claims Commission Act of 1946. This is documented and supported by testimony. The Pueblo was not made aware of the fact that a land claim could be made based upon aboriginal use and occupancy. As a result, it lost the opportunity to make such a claim.

The Pueblo of Isleta was a victim of circumstances beyond its control, and this bill is an opportunity for us to correct this wrong. No expenditure or appropriations of funds are provided for in this bill: only the opportunity for the Pueblo to make a claim for aboriginal lands which the Isletas believe to be rightfully theirs. This bill may be the last chance for the United States to correct an injustice which occurred many years ago because of misinformation from the BIA.

Therefore, I urge my colleagues to support H.R. 740.

Mr. SKEEN. Mr. Speaker, I appreciate the opportunity today to offer my thoughts and comments on H.R. 740, the Pueblo of Isleta Indian Land Claims Act, which would permit the Pueblo of Isleta to file claims for the taking of aboriginal lands under the Indian Claims Commission Act of 1951.

Identical legislation unanimously passed the House in the 102d Congress but was not acted on in the Senate. Interestingly then, in the 103d Congress, the Senate unanimously passed identical legislation but it was never acted on by the House. I am hopeful that we will finally see this legislation passed by both Chambers in the same session of Congress.

In 1978, another New Mexican Indian tribe sought passage of similar legislation. That year, the Congress granted the Zuni tribe an extension of the statute of limitations under the Indian Claims Commission Act so that they could file their claim in court. This is all I seek for the Pueblo of Isleta.

There is further substantial precedent for this legislation beyond the Zuni case mentioned. Also in 1978, legislation was passed into law that authorized the Wichita Indian tribe of Oklahoma to file with the Indian claims commission. In more recent times, Congress passed special legislation allowing the Cow

Creek band in Oregon, the Cherokee Nation of Oklahoma, the Sioux tribes, and the Blackfeet tribes to file claims with the Indian Claims Commission.

In the Zuni and Isleta cases, the pueblos failed to act under the Indian Claims Commission Act because of erroneous advice received from the Bureau of Indian Affairs. Pueblo officials were not informed that a claim under the act could be made based on aboriginal use and occupancy.

The Isleta Pueblo has previously filed a very limited claim under this act. However, their claim was not based on aboriginal use and occupancy. It has been the aboriginal use and occupancy issue which has been the basis for a majority of the Indian tribal claims under the Indian Claims Commission Act. None has been based on a claim founded on specific documentary evidence.

In addition, this legislation contains a provision for the payment of interest, consistent with previously passed legislation. However, it is not automatic; it provides that interest may be awarded at the court's discretion. It seems to me that the payment of interest is an equitable way to compensate the pueblo in lieu of the beneficial use of the land by the pueblo since the land was taken by the Government. If the United States acts as a supreme sovereign and confiscates land, it necessarily violates its fiduciary duty.

I would like to state that this bill does not support the merits of the pueblo's claim which it would lodge in the claims court; it merely grants the opportunity for the pueblo to present the merits of its case in the appropriate judicial forum.

Again, I urge your support of this legislation as we finally try to correct this longstanding injustice.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 740.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

WAR CRIMES ACT OF 1996

Mr. SMITH of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3680) to amend title 18, United States Code, to carry out the international obligations of the United States under the Geneva Conventions to provide criminal penalties for certain war crimes.

The Clerk read as follows:

H.R. 3680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "War Crimes Act of 1996".

SEC. 2. CRIMINAL PENALTIES FOR CERTAIN WAR CRIMES.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 117 the following:

"CHAPTER 118—WAR CRIMES

"Sec.

"2401. War crimes.

"§ 2401. War crimes

"(a) OFFENSE.—Whoever, whether inside or outside the United States, commits a grave breach of the Geneva Conventions, in any of the circumstances described in subsection (b), shall be fined under this title or imprisoned for life or any term of years, or both, and if death results to the victim, shall also be subject to the penalty of death.

"(b) CIRCUMSTANCES.—The circumstances referred to in subsection (a) are that the person committing such breach or the victim of such breach is a member of the armed forces of the United States or a national of the United States (as defined in section 101 of the Immigration and Nationality Act).

"(c) DEFINITIONS.—As used in this section, the term 'grave breach of the Geneva Conventions' means conduct defined as a grave breach in any of the international conventions relating to the laws of warfare signed at Geneva 12 August 1949 or any protocol to any such convention, to which the United States is a party."

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 117 the following new item:

"118. War crimes .... 2401".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. SMITH] and the gentleman from Virginia [Mr. SCOTT] each will control 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. SMITH].

GENERAL LEAVE

Mr. SMITH of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SMITH of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3680 is designed to implement the Geneva conventions for the protection of victims of war. Our colleague, the gentleman from North Carolina, WALTER JONES, should be commended for introducing this bill and for his dedication to such a worthy goal.

□ 1445

Mr. Speaker, the Geneva Conventions of 1949 codified rules of conduct for military forces to which we have long adhered. In 1955 Deputy Under Secretary of State Robert Murphy testified to the Senate that—

> The Geneva Conventions are another long step forward towards mitigating the severity of war on its helpless victims. They reflect enlightened practices as carried out by the United States and other civilized countries, and they represent largely what the United States would do, whether or not a party to the Conventions. Our own conduct has served to establish higher standards and we can only benefit by having them incorporated in a stronger body of wartime law.

Mr. Speaker, the United States ratified the Conventions in 1955. However, Congress has never passed implementing legislation.

The Conventions state that signatory countries are to enact penal legislation punishing what are called grave breaches, actions such as the deliberate killing of prisoners of war, the subjecting of prisoners to biological experiments, the willful infliction of great suffering or serious injury on civilians in occupied territory.

While offenses covering grave breaches can in certain instances be prosecutable under present Federal law, even if they occur overseas, there are a great number of instances in which no prosecution is possible. Such nonprosecutable crimes might include situations where American prisoners of war are killed, or forced to serve in the Army of their captors, or American doctors on missions of mercy in foreign war zones are kidnapped or murdered. War crimes are not a thing of the past, and Americans can all too easily fall victim to them.

H.R. 3680 was introduced in order to implement the Geneva Conventions. It prescribes severe criminal penalties for anyone convicted of committing, whether inside or outside the United States, a grave breach of the Geneva Conventions, where the victim or the perpetrator is a member of our Armed Forces. In future conflicts H.R. 3680 may very well deter acts against Americans that violate the laws of war.

Mr. Speaker, I urge my colleagues to support this legislation, and I reserve the balance of my time.

Mr. SCOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Texas has fully explained, H.R. 3680 implements this country's international obligation under the Geneva Convention which were ratified by the United States in 1955 to protect the victims of war by providing criminal penalties for certain war crimes. Mr. Speaker, this has never been formally enacted by statute, and the bill accomplishes this oversight.

Mr. Speaker, I will not be supporting the legislation because it contains a new provision for the death penalty, but I can say that the bill enjoys broad-based support on this side of the aisle.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I thank my colleague, the gentleman from Virginia, for his comments, and I yield such time as he may consume to the gentleman from North Carolina, Mr. WALTER JONES, my colleague and friend, and the author of the legislation we are discussing right now.

Mr. JONES. Mr. Speaker, I thank the gentleman from Texas for yielding time to me.

Before I begin, I want to take a moment to thank Chairman SMITH and his subcommittee counsel, George Fishman, for their hard work and efforts to bring this important legislation to the floor today for consideration.

Mr. Speaker, now more than ever, we are sending our men and women to serve in hostile lands, and the specter of war crimes, looms over almost every U.S. military action abroad. As a member of the House National Security Committee, we have the responsibility of providing these service men and women with the best training and equipment available.

But this Congress should not stop there. We must ensure that we also protect the rights of all Americans who are defending the interests of our country abroad.

While it is difficult to believe, in the absence of a military commission or an international criminal tribunal, the United States currently has no means, by which we can try and prosecute perpetrators of war crimes in our courts. The Geneva Convention of 1949 granted the authority to prosecute individuals for committing "grave breaches" of the Geneva Convention, however, the authority was not self-enacting. The Geneva Convention directed each of the participating countries to enact implementing legislation. The United States never did.

Today, it would be possible, to find a known war criminal vacationing in our country, unconcerned with being punished for his crime. A modern-day Adolf Hitler, could move to the United States without worry, as he could not be found guilty in our courts of committing a war crime. We could extradite him or deport him, but we could not try him in America as a war criminal.

It is for these reasons that I have introduced H.R. 3680, the War Crimes Act of 1996. H.R. 3680 will give the United States the legal authority to try and prosecute the perpetrators of war crimes against American citizens. Additionally, those Americans prosecuted will have available all the procedural protections of the American justice system.

I drafted this bill late last year, shortly after I met a gentleman by the name of Capt. Mike Cronin who spent time as an uninvited guest of the "Hanoi Hilton." While serving in Vietnam as an A-6 pilot, Mr. Cronin was shot down and taken prisoner of war. For 6 years he lived in a cage. When he returned, he realized that while he and many others had witnessed war crimes being committed, no justice could be found within the U.S. court system because we had not yet enacted implementing legislation of the Geneva Convention.

It is for Mike Cronin, and the many others like him who were persecuted, that I have fought to bring this legislation to the floor today. While the bill is not retroactive, it can ensure that any future victims of war crimes will be given the protection of the U.S. courts. This is a strong bipartisan bill, which will rectify the existing discrepancy between our Nation's intolerance for war crimes and our inability to prosecute war criminals.

Once again, I would like to thank this body, Chairman SMITH, Chairman HYDE, and Ranking Member CONYERS for their support. Passage of the War Crimes Act of 1996 is a long overdue step in the right direction.

Mr. SCOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentleman from Texas [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 3680.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

REGARDING HUMAN RIGHTS IN MAURITANIA

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 142) regarding the human rights situation in Mauritania, including the continued practice of chattel slavery, as amended.

The Clerk read as follows:

H. CON. RES. 142

Whereas the Government of Mauritania has perpetrated a prolonged campaign of human rights abuses and discrimination against its indigenous black population;

Whereas the Department of State and numerous human rights organizations have documented such abuses;

Whereas chattel slavery, with an estimated tens of thousands of black Mauritanians considered property of their masters and performing unpaid labor, persists despite its legal abolition in 1980;

Whereas individuals attempting to escape from their owners in Mauritania may be subjected to severe punishment and torture;

Whereas the right to a fair trial in Mauritania continues to be restricted due to executive branch pressure on the judiciary;

Whereas policies designed to favor a particular culture and language have marginalized black Mauritanians in the areas of education and employment particularly;

Whereas Mauritanians are deprived of their constitutional right to a democratically elected government;

Whereas Mauritanian authorities have still refused to investigate or punish individuals responsible for the massacre of over 500 military and civilian black Mauritanians in 1990 and 1991; and

Whereas significant numbers of black Mauritanians remain refugees stripped of their citizenship and property, including tens of thousands of black Mauritanians who were expelled or fled Mauritania during 1989 and 1990: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) calls upon the Government of Mauritania to honor its obligations under the Universal Declaration of Human Rights and the Convention on the Abolition of Slavery, to prosecute slave owners to the fullest extent of the country's anti-slavery law, and to educate individuals being held as slaves on their legal rights;

(2) strongly urges the Government of Mauritania to abolish discriminatory practices and foster an environment that will integrate black Mauritanians into the economic and social mainstream;

(3) urges in the strongest terms that the Government of Mauritania fully investigate and prosecute those officials responsible for the extrajudicial killings and mass expulsions of black Mauritanians during the late 1980s and early 1990s;

(4) calls upon the Government of Mauritania to continue to allow all refugees to return to Mauritania and to restore their full rights;

(5) welcomes Mauritania's recent invitation to international human rights organizations to visit Mauritania; and

(6) further welcomes the growth of an independent press in Mauritania.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from Guam [Mr. UNDERWOOD] each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation was introduced by this Member. It is hard to believe that in 1996, chattel slavery continues to exist in Mauritania. This gross injustice infringes on the most fundamental of human rights of perhaps thousands of that country's underclass. Members of that group are considered property of masters and expected to perform unpaid labor. This body should applaud the independent investigators, such as American journalist Sam Cotton, who have labored hard to break the conspiracy of silence surrounding this shameful practice.

It would be bad enough if slavery were the only abuse perpetrated against a certain class of Mauritania's people. Unfortunately, it is only one element of that country's tragic human rights situation. The government has yet to investigate or punish those responsible for the massacre in 1990 and 1991 of over 500 military and civilian Mauritanians, almost entirely from one ethnic group.

Mauritania's refugee population continues to suffer. Only a small number of the 70,000 Mauritanians who were expelled or fled the country from 1989 to 1990 have been resettled. Most of this group continues to eke out a bleak existence in squalid refugee camps on Senegal's border, stripped of their citizenship and their property in their homeland.

Finally, although Mauritania's citizens are constitutionally guaranteed the right to elect their government, the multiparty elections held in 1992 that ended 14 years of military rule were considered fraudulent by the U.S. State Department and other international observers.

Mr. Speaker, it is the hope of this Member that House Concurrent Resolution 142 will help convince the government of Mauritania to once and for all abolish slavery and vigorously prosecute violators of existing antislavery laws. It is time that all classes of Mauritanians finally be integrated into the full social and economic mainstream of their country, a basic right to which they are fully entitled.

This Member further hopes that the attention generated by this resolution will induce Mauritania to schedule free elections and rectify other injustices.

Mr. Speaker, this Member would now like to express his deep appreciation to the gentleman from New York, [Mr. GILMAN], chairman of the Committee on International Relations, whose efforts were instrumental in moving House Concurrent Resolution 142 to the floor. In addition, this Member would recognize the extraordinary efforts of the gentlewoman from Florida [Ms. ROS-LEHTINEN], the chairman of the Subcommittee on Africa, who has been a leader in bringing this issue to the attention of the world. The gentlewoman has held the important hearings on the matter and has done much to expose the continuing practice of slavery.

Lastly, this gentleman would recognize the efforts of the distinguished gentleman from New Jersey [Mr. PAYNE] who has worked in a bipartisan manner to help craft a common expression of concern and outrage. Finally, this Member would like to parenthetically say he owes a great debt of assistance and help from Ms. Angela Clark, a member of my staff, in effect, who has been serving as a fellow in that capacity. Her work on this issue has been fundamentally important to the Member, and I appreciate it.

Mr. Speaker, I urge my colleagues to support House Concurrent Resolution 142, and I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I fully support the resolution introduced by Mr. BEREUTER, House Concurrent Resolution 142, concerning the human rights situation in Mauritania, including the continued practice of chattel slavery.

According to the 1995 State Department Human Rights report, tens of thousands of Mauritanians continue to live in servitude or near-servitude. While the Government of Mauritania has prohibited the practice of slavery and adopted related measures, much needs to be done to eliminate the vestiges of this appalling practice.

Mr. BEREUTER's resolution will put the Congress firmly on the side of those Mauritanians who continue to suffer in servitude. In addition, the resolution calls upon the Government of Mauritania to take the steps necessary to eliminate the vestiges of slavery and bring all Mauritanians into the economic and social mainstream of society.

Mr. Speaker, this is a strong resolution. Mr. BEREUTER and Mr. PAYNE of New Jersey, a member of our Subcommittee on Africa, have worked closely on this measure. It was supported on a bipartisan basis by the entire International Relations Committee. I urge its adoption.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to support this resolution, House Concurrent Resolution 142. I commend the gentleman from Nebraska [Mr. BEREUTER] for sponsoring this resolution. I also, as well, would like to recognize the gentleman from New Jersey [Mr. PAYNE] for his important contribution to this issue.

The effects of slavery in Mauritania remain. Refugee repatriation, education of former slaves, and investigations of past atrocities are all issues which need attention. I hope this resolution will send a message about the importance of helping to improve conditions in Mauritania. I urge its adoption.

Ms. ROS-LEHTINEN. Mr. Speaker, as chair of the Subcommittee on Africa I urge all our colleagues to give strong support to this resolution addressing the appalling situation in Mauritania.

The resolution was reported out of the Africa Subcommittee by a unanimous vote, and reported by the Committee on International Relations again by unanimous vote.

It seems incredible that in the year 1996, we are still faced with the need to address reports that chattel slavery exists in any country. Reports that slavery continues to exist in practice, if not in law, in Mauritania are persuasive.

We continue to maintain unrelenting pressure on the Government of Mauritania to force them to take effective action to eliminate the practice of chattel slavery. Their actions to date have been ineffective.

We must focus on the plight of the victims of this practice. What could be worse than being held in slavery and to know that your children and grandchildren will be condemned to be slaves all their lives?

That human beings are held in bondage, bought and sold like animals, is simply not going to be tolerated in this day and age.

What is needed is for the Government of Mauritania to start to enforce the laws against slavery with vigor, and to prosecute those who violate those laws.

The Africa Subcommittee, in conjunction with the Subcommittee on International Operations and Human Rights, held a joint hearing on this subject, and it was clear that action was needed to bring about a positive change and an end to this horrid situation of slavery in Mauritania.

I support this resolution without reservation and urge the House to report this resolution by unanimous vote.

Mr. ACKERMAN. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 142, regarding human rights in Mauritania. This resolution highlights an issue that should sadden and anger all Americans. Indeed, the entire world should be outraged.

One would have thought that at the close of the 20th century, slavery would have been consigned to the history books, a painful reminder of our own ignorance and inhumanity. Instead, we are confronted with the appalling institution of slavery alive and well.

The evidence seems clear that slavery exists in both Mauritania and Sudan, which is why I find the public comments of our Ambassador to Mauritania, as well as the relatively weak reference to slavery in Mauritania in the recent Human Rights Country Report to be especially troubling. The United States should not be down-playing slavery. We should be raising our opposition to slavery at every possible opportunity.

Mauritania is violating international law by tolerating the existence of slavery and is violating its own domestic laws. There seems to have been little effort by the government of Mauritania to stop this abhorrent practice, since the government makes no effort to inform people of their rights and does not prosecute those who continue to hold slaves.

Mr. Speaker, by adopting this resolution today, the House will send a strong signal to the Government of Mauritania that more must be done to wipe out the scourge of slavery as well as its vestiges.

I urge all my colleagues to support House Concurrent Resolution 142.

Mr. UNDERWOOD. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 142, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the legislation just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

REAUTHORIZING DEVELOPMENT FUND FOR AFRICA

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3735) to amend the Foreign Assistance Act of 1961 to reauthorize the Development Fund for Africa under chapter 10 of part I of that act, as amended.

The Clerk read as follows:

H.R. 3735

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REAUTHORIZATION OF DEVELOPMENT FUND FOR AFRICA.

Section 497 of the Foreign Assistance Act of 1961 (22 U.S.C. 2294) is amended—

(1) by inserting after the section heading the following:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this chapter, in addition to amounts otherwise available for such purposes, $704,000,000 for each of the fiscal years 1997, 1998, and 1999."; and

(2) by striking "Funds appropriated" and inserting the following:

"(b) AVAILABILITY.—Funds appropriated".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] will each control 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this too is legislation introduced by this Member. Accordingly, I want to thank the distinguished chairman of the Committee on International Relations, the gentleman from New York [Mr. GILMAN], who is a cosponsor of this legislation and has been extremely helpful in moving this legislation forward.

In addition, the gentlewoman from Florida [Ms. ROS-LEHTINEN], distinguished chairman of the Subcommittee on Africa, was instrumental in ensuring timely consideration of the reauthorization of the DFA. This Member would also note the efforts of the distinguished gentleman from New York [Mr. HOUGHTON] who has labored long and hard on a wide variety of initiatives in response to the suffering in Africa, and has been very active in assisting in the movement of this act to the House floor.

This Member would also note the assistance of the distinguished gentleman from New Jersey [Mr. PAYNE] and the distinguished gentleman from Florida [Mr. HASTINGS], both of whom feel very deeply about continuing United States efforts in Africa. With their assistance, the committee has reported out a truly bipartisan bill which all Members can support.

This Member would further assure his colleagues, particularly those from the other side of the aisle, that he has had an opportunity to discuss this matter personally with the Secretary of State, Mr. Christopher, and Secretary Christopher has expressed his support for the DFA reauthorization.

☐ 1500

The Development Fund for Africa [DFA], was established in the mid-1980's, under the leadership of the gentleman from Michigan, Mr. Wolpe, a former Member, in order to ensure a relatively predictable level of assistance for this troubled corner of the world. That legislation had bipartisan support from the committee. I remember being a cosponsor of it. It was created in a bipartisan manner and has always received bipartisan support. Unfortunately, the authorization for DFA has lapsed and it is in need of reauthorization. H.R. 3735 does just that.

It is important for the Members of this body to understand that despite being the source of much of the world's most horrific suffering, sub-Saharan Africa has never been a high priority for the United States foreign assistance programs. Between 1962 and 1989, Africa accounted for just 6.7 percent of all United States foreign assistance, including the United States share of aid channeled through the multilateral organizations.

Even in recent years, despite the higher profile accorded to Africa under the DFA, assistance levels rarely have topped 10 percent of U.S. foreign assistance. Of this sum, approximately 30 percent is provided in the form of Public Law 480 food security assistance, and the remainder is allocated largely to development assistance. Thus, reauthorization of the Development Fund for Africa is essential if we are to ensure that Africa continues to receive an appropriate level of assistance.

However, H.R. 3735 does not micromanage. The DFA reauthorization does not dictate how those funds will be spent, just that the funds will be spent on programs in Africa. We are not seeking new money in addition to that which has been authorized within the overall foreign assistance authorization. I want to repeat that. We are not seeking new money in addition to that which has been authorized within the overall foreign assistance authorization. We are simply ensuring that a certain portion of the normally authorized foreign aid development assistance go to African programs.

As introduced, H.R. 3735 authorizes $539 million a year for 3 years. That would mean that 41 percent of the total DA account would be spent on Africa. However, the legislation was amended in committee, appropriately, I believe, in order to incorporate the projected Africa portion of the Child Survival Fund, which this Member supports and urges his colleagues to support.

This was done in order to avoid confusion because, while the House has come out strongly in favor of the Child Survival Fund, the Senate does not include a Child Survival Fund. This legislation simply makes it clear that a portion of the funds that should go to the Child Survival Fund will also support programs in Africa.

As amended, the authorization figure reflects the administration's fiscal year 1997 request level. This request level, $704 million, is straight-lined for 3 years, fiscal year 1997 through 1999. Again this Member would remind his colleagues that this authorization level includes some $140 million of the Child Survival Fund.

It is also important to remember that even at this level, support for the African programs has been reduced dramatically from a few short years ago when we were considering a $1 billion DFA. Thus, this legislation keeps faith with the ongoing effort to reduce Federal spending, but it is consistent with the administration's request. H.R. 3735 falls within the parameters of the much reduced overall foreign assistance authorization levels that this body voted and approved earlier this year.

Mr. Speaker, finally, this Member would take a moment to recognize the efforts of the committee staff who have been instrumental in moving this legislation forward. In particular, this Member would express his personal thanks to Mr. Walker Roberts, Mr. Mark Kirk, and Mr. Michael Ennis, who have done all that was requested of them and more. They are key members of a truly exceptional staff that Chairman GILMAN has assembled.

This Member would also note the assistance of Maricio Tamarago of Chairman ROS-LEHTINEN's staff, as well as the bipartisan assistance from the staff on the other side of the aisle, and I am sure my colleague will want to mention them directly. Their help is sincerely appreciated.

Mr. Speaker, this Member would urge his colleagues to support H.R. 3735.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of the bill, and I want to commend my friend from Nebraska for his diligence and hard work in bringing this bill to fruition.

There are compelling reasons to keep the Development Fund for Africa separate from other development assistance and funded at as high a level as possible. Africa has special development needs. We all know that. The continent has a unique combination of war-related humanitarian requirements and traditional sustainable development needs. Many observers feel that Africa remains the world's greatest development challenge.

The DFA has proven to be an effective mechanism in providing foreign assistance to Africa. Its flexibility and orientation toward establishing measurable results distinguish the DFA.

The Development Fund for Africa was cut from $781 million in 1995 to $675 million in 1996, a cut of 13.6 percent, which was very regrettable because we know that this is where the humanitarian funds are needed.

I had occasion to visit West Africa along with other members of the Committee on Foreign Affairs, and we saw firsthand how these countries are crying out to us for assistance. I have long said on this floor that despite the pleas for assistance, we have indeed been falling short in recent years.

I think again it is very shortsighted because the world looks to America for leadership, the world looks to America for assistance, and if we want to see democracy flourish in these countries, we want to see people not suffer, we need this kind of humanitarian assistance. So restoring a line item at $704 million is an appropriate policy response to the challenge facing United States policy in Africa, sort of a midway point between restoring most of the money that has been cut. There are many of us that believe it should be more, but I think that this is a very, very important step in the right direction.

I urge adoption of this bill.

Mr. ACKERMAN. Mr. Speaker, I am pleased to rise in support of H.R. 3735, legislation reauthorizing the Development Fund for Africa [DFA].

By supporting the DFA, the House is sending an important message that Africa does matter and that the United States must remain engaged through the flexible and effective mechanism the DFA provides.

Africa continues to present significant development challenges to the United States and to the world. According to the 1995 World Development Report, 22 of the world's 30 poorest countries are in Africa. When compared to Asia or Latin America, life expectancy in Africa is shorter; infant and child mortality is greater; adult literacy in lower; fewer children are enrolled in primary and secondary schools; and population growth is higher. Obviously there is a tremendous amount of work to be done.

Reauthorizing the DFA will protect funding levels for Africa that might otherwise be diverted to short-term foreign policy crises elsewhere; it will continue to provide flexibility in designing and developing effective strategies for the region; and it will sustain the performance-based, results-oriented system for sub-Saharan Africa where aid resources are concentrated in countries that show the most commitment to developing their economic and political systems, and to addressing serious social problems.

Mr. Speaker, I commend Mr. BEREUTER for introducing the bill and Mr. GILMAN for bringing it before the House today, and I urge all my colleagues to vote to support the DFA.

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the leadership of the House for scheduling floor action so quickly on this bill to reauthorize the Development Fund for Africa.

In this era of declining real foreign aid appropriations, it is important that Congress help set our foreign aid priorities by legislation and through negotiations with the executive branch.

Foreign aid needs in Africa are one of our highest priorities and deserve some legislative protection from the other demands upon the foreign affairs budget.

The money we invest today in promoting economic development, private enterprise development, and democratization in Africa is a wise investment.

As we have been in recent years, the lack of economic development and economic opportunities and the lack of democratic political systems has led to some extremely expensive humanitarian crisis and costly U.N. peacekeeping operations—such as those we have faced in recent years in Somalia, Rwanda, Angola, and Liberia, to name only a few countries on the continent.

While other regions of the world have shown economic progress, sub-Saharan Africa continues as a region with the least economic prosperity.

Given the lack of economic development, we should continue our efforts in Africa while phasing out our programs in the countries where they have now achieved their objectives.

I therefore strongly support the reauthorization of the DFA and an authorized level of $704 million—which is the administration's requested level for the next fiscal year—with the hope that the Appropriations Committees will be able to find the resources to meet the needs of Africa.

This is a bipartisan effort, and I urge all Members of the House to support this bill.

Mr. GILMAN. Mr. Speaker, I want to commend Mr. BEREUTER and his bill, H.R. 3735, to reauthorize the Development Fund for Africa for fiscal years 1997–99. As our chairman of our Africa Subcommittee, Ms. ROS-LEHTINEN, will attest, while other regions of the world have improved their economic growth, sub-Saharan Africa remains far behind the rest of the world in per capita GNP. Given the lack of progress, there is a strong case for continued aid to Africa while other aid programs may be phased out. To reflect this strong sentiment behind continued aid to Africa, the committee will mark up this bill to reauthorize the main United States development aid program for that region.

I will note that from 1962 to 1989, Africa only received 6.7 percent of United States foreign aid. This increased to 10 percent in the early 1990's. This bill reflects the consensus that percentage should increase. While other regions have managed to attract private capital, Africa's share of the world trade has declined to just 1.6 percent, including South Africa. Infant mortality on the continent remains at twice the rate of other developing regions. Many countries need to graduate from aid, including South Africa, as AID plans. Others, many others in Africa, have a long way to go and this bill recognizes that fact.

Originally, the bill was drafted to reflect funding for Africa included in the House-passed version of the fiscal year 1997 Foreign Operations Appropriations bill (H.R. 3540). Under that measure's bill and report language, Africa was set to receive $539 million in development assistance, reflecting 41 percent of the worldwide development assistance account (the same percentage used in the President's request). In addition, the appropriations bill contained a child survival account that CRS projected would contribute $140 million to Africa. Therefore, under the fiscal year 1997 House appropriations bill, a total of $679 million in development assistance would go to Africa.

In negotiations, representatives of the administration urged our committee to put aside the House appropriations figures because the Senate did not duplicate them and could provide a higher total number for Africa, especially since the Senate also did not have a child survival fund. Therefore, I offered a compromise amendment to the bill, authorizing the DFA at the administration's fiscal year 1997 request level of $704 million for 3 fiscal years, fiscal years 1997–99. We hope to provide a steady base of funding to slowly improve Africa's lot.

This bill has the support of the administration and major outside foreign assistance groups such as InterAction and Bread for the World. I want to specifically thank Carolyn Reynolds of InterAction and Cathy Selvaggio of Bread for the World for their support. I also want to wish the Acting AID Administrator for Africa, Gary Bombardier, well in his new position. While I have been critical of some actions taken by AID in South Africa, much of our sub-Saharan African aid program enjoys strong support. Gary was instrumental in starting the DFA during his service in Congress and our action today underlines that continuing support for the continent.

With that, I commend the bill to the House and urge all Members to support its passage.

Mr. ENGEL. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and pass the bill, H.R. 3735, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3735, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

MICROENTERPRISE ACT

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3846) to amend the Foreign Assistance Act of 1961 to authorize the provision of assistance for microenterprises, and for other purposes.

The Clerk read as follows:

H.R. 3846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Microenterprise Act".

SEC. 2. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

Section 108 of the Foreign Assistance Act of 1961 (22 U.S.C. 2151f) is amended to read as follows:

"SEC. 108. MICRO- AND SMALL ENTERPRISE DEVELOPMENT CREDITS.

"(a) FINDINGS AND POLICY.—The Congress finds and declares that—

"(1) the development of micro- and small enterprise, including cooperatives, is a vital factor in the stable growth of developing countries and in the development and stability of a free, open, and equitable international economic system;

"(2) it is, therefore, in the best interests of the United States to assist the development of the private sector in developing countries and to engage the United States private sector in that process;

"(3) the support of private enterprise can be served by programs providing credit, training, and technical assistance for the benefit of micro- and small enterprises; and

"(4) programs that provide credit, training, and technical assistance to private institutions can serve as a valuable complement to grant assistance provided for the purpose of benefiting micro- and small private enterprise.

"(b) PROGRAM.—To carry out the policy set forth in subsection (a), the President is authorized to provide assistance to increase the availability of credit to micro- and small enterprises lacking full access to credit, including through—

"(1) loans and guarantees to credit institutions for the purpose of expanding the availability of credit to micro- and small enterprises;

"(2) training programs for lenders in order to enable them to better meet the credit needs of micro- and small entrepreneurs; and

"(3) training programs for micro- and small entrepreneurs in order to enable them to make better use of credit and to better manage their enterprises.".

SEC. 3. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new section:

"SEC. 129. MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE.

"(a) AUTHORIZATION.—(1) In carrying out this part, the Administrator of the United States Agency for International Development is authorized to provide grant assistance for programs of credit and other assistance for microenterprises in developing countries.

"(2) Assistance authorized under paragraph (1) shall be provided through organizations that have a capacity to develop and implement microenterprise programs, including particularly—

"(A) United States and indigenous private and voluntary organizations;

"(B) United States and indigenous credit unions and cooperative organizations; or

"(C) other indigenous governmental and nongovernmental organizations.

"(3) Approximately one-half of the credit assistance authorized under paragraph (1) shall be used for poverty lending programs, including the poverty lending portion of mixed programs. Such programs—

"(A) shall meet the needs of the very poor members of society, particularly poor women; and

"(B) should provide loans of $300 or less in 1995 United States dollars to such poor members of society.

"(4) The Administrator should continue support for mechanisms that—

"(A) provide technical support for field missions;

"(B) strengthen the institutional development of the intermediary organizations described in paragraph (2); and

"(C) share information relating to the provision of assistance authorized under paragraph (1) between such field missions and intermediary organizations.

"(b) MONITORING SYSTEM.—In order to maximize the sustainable development impact of the assistance authorized under subsection (a)(1), the Administrator should establish a monitoring system that—

"(1) establishes performance goals for such assistance and expresses such goals in an objective and quantifiable form, to the extent feasible;

"(2) establishes performance indicators to be used in measuring or assessing the achievement of the goals and objectives of such assistance; and

"(3) provides a basis for recommendations for adjustments to such assistance to enhance the sustainable development impact of such assistance, particularly the impact of such assistance on the very poor, particularly poor women.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have long recognized the value of the microenterprise loans. As chairman of the Subcommittee on Asia and the Pacific, I noted the success of the Grameen Bank in Bangladesh. Grameen has loaned over $1 billion to over 2 million people with a repayment rate of 98 percent. These clearly fit the model of the microenterprise loan. I have seen it work very effectively in places like Peru, as well.

This bill provides two new authorities in the Foreign Assistance Act to provide microgrants and microloans. I am assured that the bill has the support of the minority and the administration. I urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of this bill. I want to commend the work that Chairman GILMAN and Mr. GEJDENSON have done in putting together a bill that helps microenterprise development and a bill which we can all support.

Microenterprise development has proven to be an effective way to help the world's poor work their way to a better standard of living for themselves and for their country.

This bill establishes special authorities under the Foreign Assistance Act for microenterprise grants and loans. It signals the importance of focusing on loans to the poorest of the poor and providing such assistance through private voluntary and nongovernmental organizations. Again, it is the perfect example of the private sector working together with government in a partnership that works and helps people.

This bill should strengthen one part of the U.S. foreign assistance program. Again, I commend Chairman GILMAN and Mr. GEJDENSON for their efforts. This bill adopts a balanced and thoughtful approach. I strongly urge its adoption.

Mr. GILMAN. Mr. Speaker, this is a proud day for me. I began my work in support of microenterprise development almost 20 years ago as a member of the President's Commission on Hunger. I introduced the first microenterprise bill in 1986 and supported these programs as strongly as possible during my service here in Congress.

The Microenterprise Act, H.R. 3846, represents a historic alliance between the administration, microenterprise groups, and the Congress behind the cause of microenterprise development to help the poorest of the poor work their way out of poverty.

We have all heard of Prof. Muhammad Yunus and his successful Grameen Bank in Bangladesh. Today, the Grameen Bank is one of the largest banks in Bangladesh. It has served over 2 million borrowers and lent over $1 billion. Most of the loans are small—under $300—and 94 percent of the borrowers are women. The bank represents one of he most successful foreign assistance programs yet designed to eliminate poverty among the poorest of the poor.

Most importantly, Grameen's borrowers have repaid their loans at a 98 percent repayment rate.

The microenterprise movement is not just about Grameen. In Bolivia, BancoSol grew from nothing to serve over 40 percent of all banking clients in Bolivia. BancoSol and its microenterprise lending program is so big and successful that it has graduated part of this program from assistance and now borrows funds directly from the New York market to continue its service to Bolivia's poor. Other microenterprise institutions dot the planet, including hundreds here in the United States and especially in my home State of New York.

This bill breaks new ground. It provides two new tailor-made authorities under the Foreign Assistance Act for microenterprise grants and microenterprise loans. The bill recommends the administration to focus on loans to the poorest of the poor, mainly through private, voluntary organizations, nongovernmental organizations and other worthy institutions.

The administration supports this bill along with Mr. HAMILTON, Mr. GEJDENSON, Mr. HOUGHTON, and 24 other cosponsors. I am grateful to them and I want to give special thanks to key members of the Microenterprise Coalition, Sam Harris of RESULTS, Maria Otero of ACCION International, and Lawrence Yanovitch of FINCA along with Brian Atwood and Robert Boyer of AID who helped bridge the gap, allowing us in the Congress to come together in support of microenterprise.

I am informed that this bill has the support of Senator HELMS and Senator SARBANES. I think this bill is too important to delay in the other body. As the debate on the bill and the report that accompany the bill shows: One, that we want AID to make at least half of its micro credit in amounts below $300, and two, that we want AID to make most initial loans at the $150 level to reach the poorest of the poor. Following the hoped for enactment of this bill, we can reexamine the situation next year to assess how successfully AID is reaching the poor with micro credits.

I commend this bill to the House and urge its adoption.

Mr. ENGEL. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and pass the bill, H.R. 3846.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3846, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

AUTHORIZING VOLUNTARY SEPARATION INCENTIVE PAYMENTS TO EMPLOYEES OF AID

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3870) to authorize the Agency for International Development to offer voluntary separation incentive payments to employees of that agency, as amended.

The Clerk read as follows:

H.R. 3870

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

(a) DEFINITIONS.—For the purposes of this Act—

(1) the term "agency" means the Agency for International Development;

(2) the term "Administrator" means the Administrator, Agency for International Development; and

(3) the term "employee" means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency, is serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 12 months, but does not include—

(A) any employee who, upon separation and application, would then be eligible for an immediate annuity under subchapter III of chapter 83 (except for section 8336(d)(2)) or chapter 84 (except for section 8414(b)(1)(B)) of title 5, United States Code, or corresponding provisions of another retirement system for employees of the agency;

(B) a reemployed annuitant under subchapter III of chapter 83 of chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(C) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(D) an employee who is to be separated involuntarily for misconduct or unacceptable performance, and to whom specific notice has been given with respect to that separation;

(E) an employee who, upon completing an additional period of service, as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(F) an employee who has previously received any voluntary separation incentive payment by the Government of the United States under this Act or any other authority and has not repaid such payment;

(G) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(H) any employee who, during the 24-month period preceding the date of separation, received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the 12-month period preceding the date of separation, received a retention allowance under section 5754 of such title 5.

(b) IN GENERAL.—The Administrator, before obligating any resources for voluntary separation incentive payments under this Act, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level; and

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this Act may be paid by the agency to not more than 100 employees of such agency and only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment under this Act—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code, if the employee were entitled to payment under such section; or

(ii) an amount determined by the agency head not to exceed $25,000;

(D) may not be made except in the case of any employee who voluntarily separates (whether by retirement or resignation) before February 1, 1997;

(E) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(F) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this Act.

(2) DEFINITION.—For the purpose of paragraph (1), the term "final basic pay", with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(c) EFFECT ON SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this Act and accepts any employment for compensation with the Government of the United States, or who works for any agency of the Government of the United States through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in the agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this Act. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] each will control 20 minutes.

The Chairman recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Agency for International Development requested this legislation to help them downsize. The Agency for International Development, AID, has already trimmed 3,000 positions, from 11,000 to 8,000. Unfortunately, AID must reduce its staff at a faster pace and institutes a layoff, or reduction in force, of 200 people to meet its personnel targets. Rather than lay off all 200 employees, AID would like to offer up to 100 employees severance payments, up to $25,000 each, that they would have been able to receive if laid off. It gives AID the flexibility to find volunteers rather than lay off all 200 people.

□ 1515

This bill has the support of our Subcommittee on Civil Service chairman, the gentleman from Florida, Mr. MICA and his counterpart in the other body, Mr. STEVENS of Alaska. I urge adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such a time as I may consume.

Mr. Speaker, I support this bill. As has been explained by the gentleman from Nebraska [Mr. BEREUTER], this bill represents an effort to help the Agency for International Development to minimize the reductions in force required by budgetary constraints.

I must say that I regret the budgetary constraints which require the reductions in force. I have had occasion, of course, to see the good work that AID has done in many countries around the world. I can tell you that it is well worth the money and the effort that we put into it. But we have to be realists and we understand the budgetary problems and constraints. This simply helps AID minimize these reductions. It is something that we understand needs to be done. It has bipartisan support. Therefore, I urge adoption of this bill.

Mr. GILMAN. Mr. Speaker, I joined with the chairman of the Government Reform Committee's Civil Service Subcommittee, Chairman MICA, to support H.R. 3870, a bill written at the request of the administration to allow AID to offer up to 100 employees, who voluntarily resign, severance payments up to a cap of $25,000. As you know, in the Foreign Service employees are entitled 1 month severance per year of service. Civil Service employees are entitled to 1 week severance per year of service.

Over the past few years, AID's personnel reduced in size from approximately 11,000 to 8,000 employees, mainly using hiring freezes that cause AID to lose approximately 120 employees per year. While the Appropriations Committee provided AID with an operating expense appropriation level they were assured would prevent layoffs, further cuts in the President's own fiscal year 1997 budget request caused AID to accelerate personnel reductions. AID is currently in the process of laying off 200 employees by conducting a formal reduction in force [RIF] of 97 Foreign Service and 103 Civil Service employees.

Rather than lay off all 200 employees, AID would like to offer up to 100 employees who voluntarily resign, and are not already eligible to retire, the opportunity to receive the severance payment they would have received if they had been laid off, up to a cap of $25,000. In this way, AID hopes to have 100 volunteers take the place of at least half of those people scheduled to be laid off. CBO has stated that this bill would cause the Government to collect an additional $1 million in mandatory receipts due to payments to Government retirement accounts required under the bill—thereby making it a net positive debt reduction measure for the purposes of the "pay-go" rules. In an advisory note, CBO also estimated the bill would cost $3 million in discretionary spending, all within the already appropriated level of the AID operating expense account.

This bill is supported by the administration, the American Foreign Service Association, Mr. HAMILTON, Chairman MICA, and his counterpart, the chairman of the Government Affairs Committee, the senior Senator from Alaska, Mr. STEVENS. Other versions of this language have been attached to appropriations bills. We now expect that this free standing measure may be enacted as early as possible to allow AID to make the best of a bad situation.

We all support AID becoming a smaller, more efficient operation. This bill will help AID achieve that goal, using volunteers instead of draftees. I commend the bill to the House and urge its adoption.

Mr. ENGEL. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and pass the bill, H.R. 3870, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3870.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

RECOGNIZING AND HONORING THE FILIPINO WORLD WAR II VETERANS

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 191) to recognize and honor the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

The Clerk read as follows:

H. CON. RES. 191

Whereas the Commonwealth of the Philippines was strategically located and thus vital to the defense of the United States during World War II;

Whereas the military forces of the Commonwealth of the Philippines were called into the United States Armed Forces during World War II by Executive order and were put under the command of General Douglas MacArthur;

Whereas the participation of the military forces of the Commonwealth of the Philippines in the battles of Bataan and Corregidor and in other smaller skirmishes delayed and disrupted the initial Japanese effort to conquer the Western Pacific;

Whereas that delay and disruption allowed the United States the vital time to prepare the forces which were needed to drive the Japanese from the Western Pacific and to defeat Japan;

Whereas after the recovery of the Philippine Islands from Japan, the United States was able to use the strategically located Commonwealth of the Philippines as a base from which to launch the final efforts to defeat Japan;

Whereas every American deserves to know the important contribution that the military forces of the Commonwealth of the Philippines made to the outcome of World War II; and

Whereas the Filipino World War II veterans deserve recognition and honor for their important contribution to the outcome of World War II: Now, therefore, be it

Resolved by the House of Representative (the Senate concurring), That the Congress recognizes and honors the Filipino World War II veterans for their defense of democratic ideals and their important contribution to the outcome of World War II.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution provides long-delayed recognition to persons considered to be members of the Philippine Commonwealth Army veterans and members of the Special Philippine Scouts—by reason of service with the allied Armed Forces during World War II.

On July 26, 1941, President Roosevelt issued a military order, pursuant to the Philippines Independence Act of 1934, calling members of the Philippine

Commonwealth Army into the service of the United States forces of the Far East, under the command of Lt. Gen. Douglas MacArthur.

For almost 4 years, over 100,000 Filipinos, of the Philippine Commonwealth Army fought alongside the allies to reclaim the Philippine Islands from Japan. Unfortunately, Congress rewarded this service by enacting the Rescission Act of 1946. This measure denied the members of the Philippine Commonwealth Army the honor of being recognized as veterans of the United States Armed Forces.

A second group, the Special Philippine Scouts called "New scouts" who enlisted in the United States Armed Forces after October 6, 1945, primarily to perform occupation duty in the Pacific, have also never received official recognition.

It is time to correct this injustice and to provide the official recognition long overdue for members of the Philippine Commonwealth Army and the Special Philippine Scouts that they valiantly earned for their service to the United States and the allied cause during World War II.

This Member strongly urges his colleagues to vote for this resolution to correct this grave injustice and provides recognition to members of the Philippine Commonwealth Army and the members of the Special Philippine Scouts.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support this. The Philippines and the United States have a long history of friendship and cooperation. Just recently President Clinton praised the contribution of Filipino veterans, and he did it so recently. He did so during his trip in 1994, when he visited the Philippines.

The role of the Filipino veterans is very, very important in the victory over Japan in World War II. It is very appropriate, I believe, for Congress to recognize and honor the service provided by these veterans.

As the resolution notes, Filipino veterans were important players in the effort to defeat Japan in World War II. The Philippine Islands played a critical role as a strategic base for launching the final effort to defeat Japan.

This resolution seeks to convey the appreciation of the Congress for these contributions. I believe it is very fitting that we do so.

Mr. Speaker, I urge adoption of this resolution.

Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman from Nebraska for moving this legislation very quickly through the subcommittee, and I wish the chairman, Mr. GILMAN, was here. He has worked long and hard to make sure that this resolution gets to the floor. Our colleagues over in the Senate, Senators INOUYE and AKAKA, will move this legislation very rapidly through their body, and I thank them profusely for that.

Mr. Speaker, today is an historic day in this Chamber. We are taking the first step in the long overdue recognition of a group of brave soldiers who played a significant role in the outcome of World War II; that is, the Filipino veterans.

Too few Americans are familiar with this chapter in our Nation's history. During World War II, the military forces of the Commonwealth of the Philippines were drafted to serve in our armed forces by an Executive order of the President of the United States. Under the command of General Douglas MacArthur, they fought side-by-side with forces from the United States mainland against our common enemy. Filipino soldiers defended the American flag in the now famous battles of Bataan and Corridor. Thousands of Filipino prisoners of war died during the 65-mile Bataan death march. Those who survived were imprisoned under inhumane conditions, where they suffered casualties at the rate of up to 200 prisoners each day. They endured 4 long years of enemy occupation. Those soldiers fortunate to escape capture, together with Filipino civilians, fought against the occupation forces. Their guerrilla attacks foiled the plans of the Japanese for a quick takeover of the region and allowed the United States the time needed to prepare forces to defeat Japan. After the liberation of the Philippine Islands, the United States was able to use the strategically located Commonwealth of the Philippines as a base from which to launch the final efforts to win the war.

With their vital participation so evident, one would assume the United States would be grateful to their Filipino comrades. So it is hard to believe that soon after the war ended, the 79th Congress voted in a way that only can be considered to be blatant discrimination, taking away the recognition and benefits that the Filipino World War II veterans were promised, the recognition and benefits so richly deserved.

The Washington Post wrote in 1947 that "While the Philippine Islands were still under United States sovereignty, the President issued an order making the Filipino Army a part of the American Army. This made the Filipino soldiers who constituted that army a part of our fighting forces as much as were soldiers drafted from the States, and they remained in this status until the eve of the Philippine independence. Last year, however, Congress passed the First Rescission Act denying to Filipino veterans most of the benefits that go automatically to other veterans who were exposed to similar risks and hardships. "We cannot help thinking," wrote the Post, "that if Congress reviews the situation with full realization these men were members of our own army and subject to its orders, it will see that a great injustice has been done."

That was 50 years ago, Mr. Speaker.

Even President Truman, who signed the Rescission Act, said it did not release the United States from its obligation to provide for the heroic Filipino veterans who scarified so much during the war. He believed it was a moral obligation of the United States to look after the welfare of Filipino veterans. So do I, and so do my colleagues who join me in cosponsoring this resolution today.

It has taken Congress 50 years to act, but finally we are going to correct this situation. The Senate earlier this month passed Senate Concurrent Resolution 64 and honored the Filipino World War II veterans. Today, the House of Representatives will join the Senate in this important statement.

I want to thank all the Filipino veterans and all their sons and daughters who have called and written to educate Members of this Congress. This momentous vote would not have occurred without their efforts and persistence.

Today, Mr. Speaker, I am proud to be a Member of this body. We are acting in a manner to correct the wrongs inflicted on these brave veterans. This is a first step. In the next Congress I will reintroduce the Filipino Veterans Equity Act, which follows the recognition we bestow today with benefits the Filipino veterans were promised.

Mr. Speaker, many of my constituents are veterans affected by this resolution. Not a day goes by when they do not pray for a restoration of their honor and dignity. I urge my colleagues to correct a monumental injustice by recognizing and honoring the brave Filipino World War II veterans for their defense of democratic ideas and their important service and contribution to our victory in World War II.

Again I thank the gentleman from New York [Mr. ENGEL], the gentleman from Nebraska [Mr. BEREUTER], the gentleman from New York [Mr. GILMAN], the chairman, and the gentleman from Indiana [Mr. HAMILTON], the ranking member, for allowing us to vote on this today.

Mr. ENGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Guam [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Speaker, I would also like to commend the Members of the other body for processing this resolution, particularly Senators INOUYE and AKAKA, and also congratulate and thank the gentleman from New York, Mr. GILMAN, and the gentleman from Nebraska, Mr. BEREUTER, for moving this legislation to the floor in a timely manner.

I represent Guam, which is the closest American jurisdiction to the Philippines, and we on Guam are fully aware of the situation confronted by the Filipino veterans, having endured the Japanese occupation ourselves.

Mr. Speaker, I rise today in support of House Concurrent Resolution 191, a concurrent resolution to recognize and honor the Filipino World War II veterans. Although mainly symbolic and long overdue, this resolution is a step toward this body's full recognition of the loyalty and sacrifices of the over 30,000 Filipino soldiers who fought and died alongside our soldiers in World War II.

Gen. Douglas MacArthur, referring to the defenders of Bataan and Corregidor, claimed that "no army has ever done so much with so little." Many of us take this as words of commendation meant for American forces defending the Philippines. However, we must not overlook the fact that a substantial portion of this defense force was composed of Filipino volunteers.

Although they fought and died alongside American comrades, these veterans were never afforded equal status. Prior to mass discharges and disbanding of their unit in 1949, these veterans were paid only a third of what regular service members received at the time. Underpaid, having been denied benefits and lacking proper recognition, General MacArthur's words truly depict the plight of the remaining Filipino veterans today as they did half a century ago.

I urge my colleagues to support House Concurrent Resolution 191 and consider this resolution as a commitment toward future legislation to fully recognizing the contributions and recognize status of Filipino World War II veterans.

To the many fine residents of Guam are members of the Philipine Scouts: I salute you. Your service should not be forgotten and will not be forgotten.

Mr. ENGEL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to not only recognize the leadership of the gentleman from New York [Mr. GILMAN] and thank the gentleman from New York [Mr. ENGEL], but to recognize that a lead cosponsor was the gentleman from California [Mr. FILNER], whose remarks you heard, and thank the gentleman from Guam [Mr. UNDERWOOD] for his very salient remarks.

Additionally, I wanted to mention that the chairman and ranking minority member of the Committee on Veterans' Affairs, the gentleman from Arizona [Mr. STUMP], and the gentleman from Mississippi [Mr. MONTGOMERY], original cosponsors, along with the gentleman from New York [Mr. SOLOMON], the gentleman from California [Mr. DORNAN], the gentleman from California [Mr. CAMPBELL], the gentleman from California [Mr. BILBRAY], the gentleman from Illinois [Mr. FLANAGAN], the gentleman from Missouri [Mr. TALENT], the gentlewoman from California [Ms. PELOSI], the gentleman from Hawaii [Mr. ABERCROMBIE], the gentlewoman from Hawaii [Mrs. MINK], the gentleman from Illinois [Mr. EVANS], the gentleman from California [Mr. MILLER], and the gentleman from Illinois [Mr. GUTIERREZ].

Mr. GILMAN. Mr. Speaker, I rise in strong support of this resolution to provide long-delayed recognition to persons considered to be members of the Philippine Commonwealth Army veterans and members of the Special Philippine Scouts—by reason of service with the Allied Armed Forces during World War II.

We must correct the grave injustice that has befallen this brave group of veterans, since their valiant service, on behalf of the United States, during the Second World War.

On July 26, 1941, President Roosevelt issued a military order, pursuant to the Philippines Independence Act of 1934, calling members of the Philippine Commonwealth Army into the service of the United States Forces of the Far East, under the command of Lt. Gen. Douglas MacArthur.

For almost 4 years, over 100,000 Filipinos, of the Philippine Commonwealth Army fought alongside the Allies to reclaim the Philippine Islands from Japan. Regrettably, in return, Congress enacted the Rescission Act of 1946. This measure denied the members of the Philippine Commonwealth Army the honor of being recognized as veterans of the United States Armed Forces.

A second group, the Special Philippine Scouts called New Scouts who enlisted in the U.S. Armed Forces after October 6, 1945, primarily to perform occupation duty in the Pacific, have also never received official recognition.

I believe it is time to correct this injustice and to provide the official recognition long overdue for members of the Philippine Commonwealth Army and the Special Philippine Scouts that they valiantly earned for their service to the United States and the Allied cause during World War II.

These members of the Philippine Commonwealth Army and the Special Philippine Scouts served just as courageously and made the same sacrifices as their American counterparts during the Pacific war. Their contribution helped disrupt the initial Japanese offensive timetable in 1942, at a point when the Japanese were expanding almost unchecked throughout the Western Pacific.

This delay in the Japanese plans bought valuable time for scattered Allied Forces to regroup, reorganize, and prepare for checking the Japanese in the Battles of the Coral Sea and Midway.

It also earned those who were unfortunate enough to be captured the wrath of their Japanese captors. As a result, these Filipino prisoners joined their American counterparts in the Bataan Death March, along with suffering inhumane treatment which redefined the limits of human depravity.

During the next 2 years, Filipino Scout units, operating from rural bases, tied down precious Japanese resources and manpower through guerilla warfare tactics.

In 1944, Filipino forces provided valuable assistance in the liberation of the Philippine Islands which in turn became an important base for taking the war to the Japanese homeland. Without the assistance of Filipino units and guerrilla forces, the liberation of the Philippine Islands would have taken much longer and been far costlier than it actually was.

In a letter to Congress dated May 16, 1946, President Harry S. Truman wrote:

> The Philippine Army veterans are nationals of the United States and will continue in that status after July 4, 1946. They fought under the American flag and under the direction of our military leaders. They fought with gallantry and courage under the most difficult conditions during the recent conflict. They were commissioned by us, their official organization, the Army of its Philippine Commonwealth was taken into the Armed Forces of the United States on July 26, 1941. That order has never been revoked and amended. I consider it a moral obligation of the United States to look after the welfare of the Filipino veterans.

Accordingly, I urge my colleagues to support this resolution that corrects this grave injustice and provides recognition to members of the Philippine Commonwealth Army and the members of the Special Philippine Scouts, which they fully deserve.

Mr. SCOTT. Mr. Speaker, I rise to add my support to the recognition of the Philippine Commonwealth Army veterans who stood beside the United States servicemembers during the Second World War. The efforts of these members of the Philippine Army were essential in operations that helped free the nation of the Philippines from Japanese aggression and resulted in the defeat of Japan's expansion efforts. Nearly 100,000 Filipino soldiers endured more than 4 years of battle that left over 1 million Philippine civilians, soldiers, and guerrilla fighters dead.

In 1946, Congress passed a Rescission Act that declared that the service provided by these brave people did not qualify them for veteran's benefits. These veterans were called to duty under the command of Gen. Douglas MacArthur and they were U.S. soldiers. The Philippine Scouts, who served after October 6, 1945, were also United States soldiers. House Concurrent Resolution 191 restores the recognition these brave soldiers deserve.

This recognition is long overdue. We long ago promised these veterans the benefits they earned and we turned our backs on them. After ignoring the injustice of this country's bias so long, I am pleased that we can now provide a first step toward correcting this longstanding oversight. These veterans deserve the same rights and benefits as members of the U.S. services. It is only right that we fulfill our promises and recognize these deserving servicemembers.

Mr. FARR of California. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 191, honoring the Filipino veterans of World War II, which the House approved yesterday. A number of my Filipino constituents are veterans from the Second World War, and served bravely in defense of our Nation.

I can personally attest to their courage, strength of character, and love of country.

However, I cannot help but express my concern that the House has yet to act on an important bill to help Filipino veterans: the Filipino Veterans Equity Act, which would provide all Filipino veterans full and equal benefits available to other veterans of the Second World War.

Few people realize that thousands of Filipinos who served in World War II are not considered to have been in "active service", and are thus ineligible for full veterans benefits. Many of these same veterans served during the battle of Bataan, and were later subject to the horrors of the Bataan Death March. They also fought against the Japanese during their occupation of the Philippines.

The Filipino Veterans Equity Act would end this unfair discrimination and allow Filipino veterans the same benefits as others who served during World War II. I and 70 of my colleagues in the House have cosponsored this important legislation; yet, after nearly eighteen months of consideration, the bill has yet to be enacted.

Thousands of Filipinos risked their lives during World War II for freedom and democracy. We owe them the same benefits and privileges as other veterans who did the same. Let's enact real rights and recognition for Filipino veterans.

Mrs. MALONEY. Mr. Speaker, I rise today in support of several measures that will benefit veterans in my district and around the Nation. Today, the House considers veterans health care eligibility reform, the Veterans Employment Opportunities Act, and the honoring of Filipino veterans who served during World War II.

The Veterans Employment Opportunities Act will strengthen veterans' preference and increase employment opportunities for veterans with the Federal Government. I am pleased to have supported this bill when it came through the committee on which I sit, the Government Reform and Oversight Committee.

I believe in the importance of preventing Federal agencies from unfairly stripping veterans of their preference rights during a reduction in force. By ensuring that veterans have the right to take their cases to Federal court when their other legal avenues have been exhausted, this bill is a step forward for America's veterans.

Another bill that I am happy to see come to the House floor is a bill to reform veteran's health care eligibility. After veterans have put their lives on the line for America, we need to do everything we can to provide the health care veterans need.

The eligibility reform measure will change the way veterans health care is provided in the future. The new system will include a clinically appropriate "need for care" test to ensure that medical judgment is the fundamental criteria in determining the level and amount of care to be provided. However, although I agree that the eligibility rules must change to accommodate our veterans, we also need to provide the necessary funding to achieve these goals.

Finally, the House also considers a bill to honor the military contribution of the Commonwealth of the Philippines during World War II. These Filipino forces were instrumental in helping the United States defend our democratic ideals during the war. We should be proud of all the contributions made by our Filipino neighbors on the Pacific front.

The contributions made by veterans during times of war, is what allows us to enjoy these times of peace. We must continue to support and honor our veterans. America will always be grateful to its veterans for the sacrifices made for this great Nation.

Mrs. MINK of Hawaii. Mr. Speaker, I rise in strong support of House Concurrent Resolution 191 which recognizes Philippine war veterans and the contributions and sacrifices they made to and for United States efforts during World War II.

The Philippines and the United States enjoyed a close relationship for nearly a century. This relationship was most clearly evident during the battle in the Pacific in World War II. The Philippine Independence Act of 1934 set a 10-year timetable for the eventual independence of the Philippines, but was delayed another 2 years because of the Japanese occupation. Under the act, effective in 1946, the United States President retained the right to call into the service of the United States Armed Forces all military forces organized by the Commonwealth of the Philippines. Due to its vital importance to the defense of the United States, President Roosevelt invoked an Executive order on July 26, 1941, bringing Philippine soldiers into the service of the United States Armed forces under the command of General Douglas MacArthur. Under this Executive order, Philippine soldiers who served in regular components of the United States Armed Forces and the Old Scouts were considered members of the United States forces.

In 1946 Congress passed the Rescissions Act which limited benefits these Philippine soldiers could receive, reneging on commitments to these servicemen. Despite their sacrifices and exemplary service, these Philippine soldiers were subjected to lesser status previously assured them by the United States. Although these veterans faced the same hardships and risks as their American counterparts, the passage of the 1946 Recessions Act stripped these veterans for recognition they rightfully deserved.

When President Roosevelt called on the Philippine military to join forces with the United States, they did so with honor and resilience. Without hesitation they courageously mounted a remarkable defense of the islands, particularly a Bataan and Corregidor. Their perseverance effectively resisted the enemy and ultimately led to the retaking of the Philippines. This heroic service prevented the enemy from conquering the Pacific and allowed United States troops, under the command of General Douglas MacArthur, to return to the Philippines. Their valor was instrumental in United States preparations for the final assault on Japan.

Today we have the opportunity to acknowledge the contributions and sacrifices of these Philippine veterans who bravely fought along side American forces in the battle in the Pacific Theater. House Concurrent Resolution 191 recognizes and honors these men who gave their lives for Freedom. We need to go further to grant full equity to these Philippine veterans by providing them all the benefits due United States veterans. Congress took the first step in 1990 to address this inequity by permitting Philippine veterans of World War II to apply for naturalization and to receive full benefits after May 1, 1991. I urge my colleagues to join in recognizing the contributions of these Philippine soldiers and vote yes on this resolution.

Mr. BEREUTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 191.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 191.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

☐ 1530

SUPPORTING A RESOLUTION OF THE CRISIS IN KOSOVA

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 155) concerning human and political rights and in support of a resolution of the crisis in Kosova, as amended.

The Clerk read as follows:

H. CON. RES. 155

Whereas the Constitution of the Socialist Federal Republic of Yugoslavia, adopted in 1946 and the amended Yugoslav Constitution adopted in 1974, described the status of Kosova as one of the 8 constituent territorial units of the Yugoslav Federation;

Whereas the political rights of the Albanian majority in Kosova were curtailed when the Government of Yugoslavia illegally amended the Yugoslav federal constitution without the consent of the people of Kosova on March 23, 1989, revoking Kosova's autonomous status;

Whereas in 1990, the Parliament and Government of Kosova were abolished by further unlawful amendments to the Constitution of Yugoslavia;

Whereas in September 1990, a referendum on the question of independence for Kosova was held in which 87 percent of those eligible to participate voted and 99 percent of those voting supported independence for Kosova;

Whereas in May 1992, a Kosovar national parliament and President, Dr. Ibrahim

Rugova, were freely and fairly elected, but were not permitted to assemble in Kosova;

Whereas according to the State Department Country Reports on Human Rights for 1995, "police repression continued at a high level against the ethnic Albanians of Kosova . . . and reflected a general campaign to keep [those] who are not ethnic Serbs intimidated and unable to exercise basic human and civil rights";

Whereas over 100,000 ethnic Albanians employed in the public sector have been removed from their jobs and replaced by Serbs since 1989;

Whereas the government in Belgrade has severely restricted the access of ethnic Albanians in Kosova to all levels of education, especially in the Albanian language;

Whereas the Organization on Security and Cooperation in Europe observers dispatched to Kosova in 1991 were expelled by the government in Belgrade in July 1993, and have not been reinstated as called for in United Nations Security Council Resolution 855 of August 1993;

Whereas following the departure of such observers, international human rights organizations have documented an increase in abuses;

Whereas the United Nations announced on February 27, 1995, that Serbia had granted it permission to open a Belgrade office to monitor human rights in Serbia and Kosova;

Whereas Congress directed the State Department to establish a United States Information Agency (U.S.I.A.) cultural center in Prishtina, Kosova, in section 223 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993;

Whereas Secretary of State Warren Christopher announced on February 27, 1996, that Serbian leader Slobodan Milosevic has agreed to the establishment of such center and that preparations for the establishment of the center are proceeding;

Whereas, with the signing of the Dayton agreement on Bosnia, future peace in the Balkans hinges largely on a settlement of the status of Kosova; and

Whereas the President has explicitly warned the Government of Serbia that the United States is prepared to respond in the event of escalated conflict in Kosova caused by Serbia: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the situation in Kosova must be resolved before the outer wall of sanctions against Serbia is lifted and Serbia is able to return to the international community;

(2) the human rights of the people of Kosova must be restored to levels guaranteed by international law;

(3) the United States should support the legitimate claims of the people of Kosova to determine their own political future;

(4) international observers should be returned to Kosova as soon as possible;

(5) the elected government of Kosova should be permitted to meet and exercise its legitimate mandate as elected representatives of the people of Kosova;

(6) all individuals whose employment was terminated on the basis of their ethnicity should be reinstated to their previous positions;

(7) the education system in Kosova should be reopened to all residents of Kosova regardless of ethnicity and the majority ethnic Albanian population should be allowed to educate its youth in its native tongue;

(8) the establishment of a United States Information Agency cultural center in Prishtina, Kosova, is to be commended; and

(9) the President should appoint a special envoy to aid in negotiating a resolution to the crisis in Kosova.

The SPEAKER pro tempore (Mr. CALVERT). Pursuant to the rule, the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from New York [Mr. ENGEL] each will control 20 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Concurrent Resolution 155 notes our continuing concern about the situation in Kosova and its Albanian majority. As we have focused most of our attention on Bosnia, the people of Kosova have suffered under unlawful amendments to their Yugoslav constitution, police repression, employment discrimination, restricted education, expulsion of international observers and more.

Indeed, many believe the seeds of the conflict that erupted in the former Yugoslavia were sown in Kosova.

I hope all Members will join in sending a message to the Kosovan people that we have not forgotten them and that the United States Congress will continue to press for restoration of their civil and political rights. Let us adopt this resolution today.

Mr. Speaker, I reserve the balance of my time.

Mr. ENGEL. Mr. Speaker, I yield myself such time as I may consume.

It is my honor and pleasure to speak in favor of House Concurrent Resolution 155, which is a resolution which I have authored. I have spent many, many years in this Congress bringing forth the case of the Albanian people in Kosova before this Congress, and I am delighted to see this resolution on the floor.

I want to thank my good friend, the gentleman from Nebraska, MR. BEREUTER, as well as the gentleman from New York, Chairman GILMAN, and also the gentleman from New Jersey, Chairman CHRIS SMITH, who has played a major role, a very, very helpful role, in bringing forward the terrible human rights violations so that this Congress understands that.

I also want to thank the cosponsors of the bill, the people who have agreed to sponsor the bill with me, the gentlewoman from New York [Ms. MOLINARI], the gentleman from California [Mr. LANTOS], the gentleman from Illinois [Mr. PORTER], the gentleman from Michigan [Mr. LEVIN], the gentleman from New York [Mr. KING], the gentleman from New Jersey [Mr. TORRICELLI], the gentleman from Virginia [Mr. MORAN], the gentlewoman from New York [Mrs. KELLY], the gentleman from Michigan [Mr. BONIOR], the gentleman from California [Mr. MILLER], and the gentleman from California [Mr. ROHRABACHER]. I want to thank them all for their support as well.

Mr. Speaker, I have recently, just last week, come back from a trip to Kosova where I had the honor of cutting the ribbon and hoisting the American flag at the opening of the new USIA office in Prishtina, which is the capital of Kosova. I can tell my colleagues that, as we hoisted the American flag in our new office, there were throngs of people across the street chanting USA, USA, and free Kosova, free Kosova.

Indeed, the human rights violations in that region of the world are nonexistent. Let me say a little about Kosova. Kosova is an area contained in what is now Serbia, former Yugoslavia, which contains at least 90 percent ethnic Albanians. These ethnic Albanians have no political or civil rights whatsoever. The situation there is very bleak and grim and seems to be getting worse, not better.

I have often said that, if we allow the incidents in Kosova to remain unchecked, Bosnia would be a tea party compared with what might happen to the people in Kosova, because the nationalism there is just as terrible as it was in Bosnia. With the repression of the Albanian majority, I shudder to think what might happen if the United States might turn the other way.

House Concurrent Resolution 155 simply says that the outer wall of sanctions shall remain in place against Serbia until there are improvements in the human rights situation in Kosova. The outer wall of sanctions prevents Serbia from joining certain international organizations, including monetary organizations, which they are eager to join.

I must say that in visiting Kosova I also visited Belgrade, the capital of Serbia, and met with Serbian President Milosevic and made it clear to him as well that the United States was not prepared to lift the outer wall of sanctions until we saw substantial improvement in the human rights situations in Kosova. I relayed this to the Serbian authorities in Kosova as well.

The resolution also demands the restoration of all human and political rights in Kosova. I must say that the Albanian Parliament there was elected more than 4 years ago and was never allowed to meet, under threat of jail and repression. None of its leaders were allowed to meet. The 4 years have come and gone, and, as a result, they have never met and have no political rights.

It also commends the opening of the United States Information Agency office. This is a small step but a step in the right direction. I have often said that we need to have an American presence on the ground in Kosova with the American flag flying. It sends very important messages to two parties, one to the ethnic Albanians there, again comprising over 90 percent of the population. It tells them this United States has not abandoned them, that the

United States stands by them, that the United States will continue to monitor the situation and that we will not tolerate lack of human rights for all peoples in Kosova.

It also sends a very important message to the Serb Government, particularly Serb President Milosevic. It says to him again that the United States is engaged; the United States is watching; that the United States will not tolerate the abuses, human rights abuses of the majority in Kosova.

So I believe it sends a very, very important message. It is also significant, the fact that, since we are closing consulates and closing offices around the world due to budgetary constraints, here is the one place where we are opening an office. So it further emphasizes the United States concern with the lack of human rights in Kosova.

As my friend from Nebraska said, there was an expulsion of international observers again by the Serbs, so we do not have international observers observing the human rights situation in Kosova. So the United States Information Agency office is all the more important, and we must have international observers back as soon as possible.

The resolution also and very importantly says that the President ought to send a presidential envoy to help mediate the situation there between the Albanians and the Serbs. We have seen in other parts of the world, notably Northern Ireland, where a United states envoy was appointed. We have seen in Bosnia, for instance, where, with United States envoys, the United States is involved, and the United States grabbed the bull by the horns so to speak to prevent further atrocities from happening.

I believe very strongly, and this resolution says very strongly, that the United States envoy there would be very, very important. On the appointment of a presidential envoy, I raised this with Mr. Milosevic the other week in Belgrade. While he rejected it and said it would be meddling in Serbian internal affairs, I believe that it is something that we should continue to pursue and something that we should do.

Now, let us talk about the lack of freedoms that the Albanians have in Kosova. They are constantly harassed by Serbian police and the Serbian presence. There is 80 percent and higher unemployment amongst the Albanian population because there has been wholesale firings and expulsion of Albanian workers in hospitals, in universities, in schools.

So the Albanian population has no hope of getting jobs or being employed. I have said to the Serbian authorities when they talked about wanton actions of terror, I said I was absolutely opposed to terror; but I thought despair breeds terror, and right now the Albanian population is in despair. They are in despair because there is no hope for the future with the situation just the way it is.

With our European allies recognizing Serbia, many of the Kosovars feel even more abandoned. So the United States is the one country in the world that holds the promise of opportunity to them so that they know that the United States has not abandoned them. That is why when they were yelling USA, USA, those American flags were being flown. They were waving American flags and handing me and other members of our delegation flowers. It was really something to behold.

The Albanian language is repressed. Albanian schools are repressed. Albanian health facilities are repressed, so basic health care cannot be gotten by the average Albanian. And again this Congress has provided, other Congresses have provided $6 million of humanitarian assistance to Kosova. I saw firsthand on the ground what our American dollars are doing so that mothers who have never had any kind of health care whatsoever can go to these clinics, helped in large part by American funds and governmental funds and private donations so that these women can have their babies in clean surroundings for the first time attended to by medical doctors.

Again, these Albanian doctors who have been fired from their jobs are all volunteering and have a tremendous spirit of all for one and one for all.

So this resolution, I believe, goes a long way in sending a very, very important message in that area of the world, both to the Albanians, who are repressed by the Serbian authorities, and to the Serbs and Mr. Milosevic that the United States again is engaged and the United States says the sanctions will not end until there are human rights improvements and we demand the restoration of all human and political rights.

Mr. Speaker, I think that this Congress ought to be commended. In some of our other legislation we passed similar legislation involving the points of House Concurrent Resolution 155, but this is the first time that we are actually having a freestanding resolution. For that, I think that the Committee on International Relations, the gentleman from New York, Chairman GILMAN, the gentleman from Indiana [Mr. HAMILTON], and others are to be commended.

I think that this Congress is about to be commended because the United States again is looked upon as a champion of freedom by so many people in the world, but certainly by the ethnic Albanians in Kosova. They know that the United States is the champion of freedom. This little small effort says to them we have not abandoned you, we will not forget you, we will be there until all human and political rights are restored in Kosova.

Mr. Speaker, I include for the RECORD documents relating to this topic.

U.S. DEPARTMENT OF STATE,
Washington, DC, July 19, 1996.

Hon. ELIOT ENGEL,
House of Representatives,
Washington, DC.

DEAR MR. ENGEL: Thank you for your June 11 letter to President Clinton regarding the situation in Kosovo. The State Department has been asked to respond on his behalf.

We appreciate and are gratified by your comments concerning the Administration's deep engagement in the search for a peaceful, equitable solution in Kosovo. Like you, the Administration is fully committed to ensuring that all the people of Kosovo have the ability to participate fully in the life of the region.

Early in his term, President Clinton reaffirmed President Bush's "Christmas Warning" of a military response to Serb-instigated violence in Kosovo. Likewise, a key requirement for lifting the "Outer Wall" of sanctions is progress towards resolving the situation in Kosovo. These sanctions apply to membership in the United Nations and other international organizations; normalization of our bilateral relations; and membership in the World Bank, International Monetary Fund and other International Financial Institutions. Milosevic is very eager to overcome these sanctions and we have left him with no doubts how to do so.

While we share your concern regarding the situation in Kosovo, we do not believe that there is a need for a special envoy to deal solely with this issue. Assistant Secretary John Kornblum, who leads our efforts in the former Yugoslavia, has made Kosovo a priority. He meets frequently with President Milosevic and always makes clear that there must be progress on Kosovo if the "FRY" is to emerge from the shadow of the Outer Wall. In fact, every high Administration official who has met with Milosevic has insisted on the need to act on Kosovo.

In addition to continuing pressure on the Belgrade authorities, Secretary Christopher and Ambassador Kornblum have met with Dr. Rugova and other LDK leaders on several occasions. It is our hope that these contacts will lead to serious talks between the parties on the future of Kosovo. We are hopeful that both sides will soon be prepared to sit down and discuss a peaceful solution to the situation in Kosovo.

Sincerely,

BARBARA LARKIN,
Acting Assistant Secretary,
Legislative Affairs.

HOUSE OF REPRESENTATIVES
Washington, DC, June 11, 1996.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: We would like to express our appreciation for the steps your administration has taken to encourage an equitable resolution to the crisis in Kosova, including high level diplomatic meetings with President Ibrahim Rugova and progress toward the establishment of a USIA office in Prishtina.

Unfortunately, in recent weeks the situation in Kosova has deteriorated, with tensions rising significantly following the deaths of two young Albanians. Moreover, Kosovars feel increasingly slighted because the United States and the international community did not place their very legitimate claims on the agenda during the talks in

Dayton and have not yet appeared to make Kosova a priority.

We believe that the time has come to afford the situation in Kosova the attention it deserves. This means that the United States must give the highest level of attention to Kosova right now to prevent the situation there from worsening even more.

We, therefore, strongly urge you to appoint a special envoy to help negotiate a settlement of the Kosova crisis.

Thank you for your immediate attention to this matter.

Sincerely,

Members of Congress Eliot L. Engel, Tom Lantos, Susan Molinari, John E. Porter, Sander M. Levin, Eva M. Clayton, Sue Kelly, James P. Moran, David E. Bonior, Peter T. King, Martin R. Hoke, Nita M. Lowey, Donald M. Payne, George Miller, Edolphus Towns, Jose E. Serrano, Robert G. Torricelli, Dana Rohrabacher, John W. Olver, Charles E. Schumer.

[From the Washington Post, July 21, 1996]

KOSOVA'S ALBANIANS LOOK TO U.S. FOR HELP

AMERICAN OFFICE OPENED IN SERB-RULED REGION

(By Michael Dobbs)

PRISHTINA, YUGOSLAVIA.—Ibrahim Rugova, an ethnic Albanian, says he is the duly elected president of Kosova—even though it is a Serbian province whose official leaders are appointed by authorities in Belgrade. Nonsense, insists Aleksa Jokic, a Serb, who recently was appointed governor of Kosova—even though its population is overwhelmingly Albanian.

Today, the two men stood on either side of a U.S. congressman from the Bronx, as the Stars and Stripes rose over the new U.S. information center here in Kosova's capital. Rugova was smiling. Jokic grimaced as a crowd of a hundred or so Albanians changed "Free Kosova," "Rugova" and "USA, USA." The two rivals shook hands gingerly but did not exchange a word.

"This is diplomacy at its best," murmured Larry Butler, charge d'affairs of the U.S. Embassy in Belgrade, after declaring the first representative office of a foreign power in Prishtina open for business. "You can't imagine how awkward this occasion is for some people here."

The scene outside the U.S. information center in this sprawling, dirt-poor town illustrated the complexities of politics in this part of the world and the influence the United States is capable of wielding, when it chooses to do so. Along with Bosnia and Macedonia, Kosovo is one of those proverbial Balkan tinderboxes that only attract the world's attention when there is an almighty explosion. Ninety percent of Kosovo's 2 million people are Albanian. Historically and culturally, however, the region is the cradle of Serbdom.

It was here, in the year 1389, that Serbia's most potent historical image was born, when the Serb Prince Lazar was slain by his Turkish enemies on the Field of Blackbirds, just outside Pristina. For the next 600 years, including more than four centuries of Ottoman rule, Serb children were brought up to avenge Lazar's defeat.

Accordingly, it was here too that Serbian President Slobodan Milosevic began his ascent to power in 1986, when he unleashed the demons of nationalism by promising to defend the rights of the beleaguered Serb minority in Kosovo. In fact, human rights monitors say it is the minority that is oppressing the majority. Over the past five years, more than 125,000 ethnic Albanians have been dismissed from their jobs and deprived of access to state-run health services. Many factories have closed, and there is virtually no investment. Western aid workers in Pristina say Albanians are frightened to open businesses of any significant size, because they fear expropriation by the Serbian authorities.

Kosovo's predominantly Muslim Albanians dream of the day when they will shake off Serbian rule and unite with Albania. In the meantime, their leaders have embarked on a policy of total noncooperation with Belgrade. They boycott Serb-run elections, organize their own schools, universities and medical services, and publish their own newspapers. Rugova heads a shadow government that boasts its own parliament and taxation service.

Key to Rugova's strategy of nonviolent civil disobedience is the support of the outside world. When West European governments extended full diplomatic recognition earlier this year to Yugoslavia—of which Serbia is the dominant republic—many Kosovo Albanians felt abandoned. The United States is the only major country that still refuses to send an ambassador to Belgrade, as long as human rights abuses continue in Kosovo.

The Kosovo cause has been kept alive in Washington by a small group of congressmen led by Rep. Eliot L. Engel (D-N.Y.), whose constituents include 20,000 ethnic Albanians living in the Bronx. Engel, who was on hand for today's ceremonies in Pristina, will sponsor a resolution in the House of Representatives next week urging the Clinton administration to appoint a special envoy to Kosovo to negotiate a settlement between the rival sides.

"Human rights violations here are getting worse, not better," said Engel, citing a series of recent arbitrary police beatings and continuing dismissals of Albanian workers. He said that the opening of the U.S. information office, for which he lobbied hard, would send a message both to Milosevic and to the Albanians that the United States had "not forgotten Kosovo." The two-story center contains reference materials and computer terminals that visitors can use to view CD-ROMs.

Despite a generally tense atmosphere in Pristina and other Albanian towns, the Serb police presence on the streets is significantly less onerous than it was several years ago. The Clinton administration, like the Bush administration before it, has privately warned Milosevic that it will react forcefully to any attempt by Yugoslavia to resolve the Kosovo problem through "ethnic cleansing," the forced expulsion of non-Serbs. The result is a political standoff, in which Serbs and Albanians are having little to do with each other.

At a meeting with Engel, Jokic brushed aside allegations of human rights abuses and complained of a series of "terrorist acts" by Albanians against the Serb police. He said that over the last few months five Serb policemen have been killed and two injured in Albanian attacks. He also criticized the Albanians for refusing to take part in Serbian elections, saying that they were depriving themselves of the ability to influence the result.

The United States, along with several European countries, has linked relaxation of sanctions still being imposed against Yugoslavia to a "significant improvement" in the human rights situation in Kosovo. This "outer wall" of sanctions includes membership of international financial institutions and access to international credits. But there is disagreement over precisely what is required of Yugoslavia. Engel argues that the Serbs would have to offer the Kosovo Albanians the right of self-determination. The State Department has suggested that it would be satisfied with some kind of autonomy for Kosovo.

In their isolation, many Albanians have come to look upon the United States as a mythic great power that will come to their aid. Rugovo described the U.S. information center as "a direct link with the United States"—U.S. diplomats point out that it is actually only an adjunct of the embassy in Belgrade—and said that today was "a historic day for Kosovo." Albanian-language newspapers rarely mention that Washington does not recognize Rugovo as president of Kosovo and is opposed to the region's secession from Yugoslavia.

"The Albanians think that America is their only hope for getting a republic, for getting independence," said Lisa Adams, an American physician who has spent the past two years in Kosovo running a medical assistance program. "People want to see this information center as a mini-embassy."

Jokic, the Serb provincial governor, sees things very differently. He blames the West for Kosovo's economic plight, arguing that sanctions have deprived the region of investment. As for the chants of "Free Kosovo," he shrugged his shoulders. "Kosovo is already free," he said. "They are saying what already exists."

Mr. ENGEL. Mr. Speaker, I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank and congratulate my colleague, the gentleman from New York [Mr. ENGEL], for the leadership that he has shown on this issue. It has been extraordinarily important. He approaches these issues related to Albania, the former Yugoslavia Republic of Macedonia, and Kosova in a very responsible and enlightened fashion.

I regret the fact he has left the Committee on International Relations for other responsibilities in the Congress, but we will continue to seek and receive, with gratitude, his outstanding efforts in advising us on this troubled part of the world.

I think that the relationships between the country of Albania, the former Yugoslavia Republic of Macedonia and Kosova are very much related in the southern Balkan region. The relationships between Albania and the United States are improving rather dramatically. I think we now have that opportunity with the former Yugoslavia Republic of Macedonia.

Now we have to focus once more and indeed with additional emphasis, I think, on the abuses that exist toward the Albanian majority in Kosova. Former Members of Congress and Members of Congress have to approach this issue in a very responsible fashion. We have unfortunately, the opportunity also not to do just good and to do what is important in our national interest, but to do things which are provocative and unfortunate.

The gentleman from New York leads the way in an enlightened responsible approach toward our relationship to Serbia with respect to Kosova and the Albanian majority that exists there. What we do in this Congress and what we do outside of this Congress is very important in restoring stability in that part of the world, and that is very crucial, or we may find that we have a deep problem within the NATO alliance.

So I commend once more my colleague for his leadership and look forward to additional examples of it in this and other areas.

Mr. GILMAN. This concurrent resolution of the House concerns the deplorable human rights situation in Kosova, a formerly autonomous republic of the former Yugoslavia. Its autonomous status under the consideration of the former Yugoslavia was revoked by Serbian President Milosevic in 1989, and many cite this action by Serbia as the beginning of the conflict which was to consume most of the former Yugoslavia in the years 1991–95. I commend the gentleman from New York [Mr. ENGEL] for introducing this resolution, and I am proud to be listed as a cosponsor.

Many in the Congress, myself included, feel that it was a mistake to lift the sanctions against Serbia without linking this action with the situation in Kosova. The prospect for peace in Bosnia has raised hopes all over the region.

However, the people in Kosova do not feel that hope. For them the lesson of Bosnia is that violence is a way to win concessions from the international community. They see the Serbs in Bosnia rewarded for their aggression by the creation of the so-called Republic of Srbska. What is the international community to say to the long-suffering people of Kosova who have seen their autonomy trampled upon by the Serbian authorities, the loss of their civic institutions and the denial of their most basic rights?

Earlier this month the United States Information Agency opened an office in Pristina, Kosova. This will allow for a permanent American presence in the Republic to monitor human rights and the overall situation. As with USIA offices in other parts of the world that have been deprived of fundamental freedoms, this office will also provide a window to a better and fairer system.

The Congress included authorization to open this office in the State Department's fiscal year 1994 and 1996–97 authorization bills adopted by this House. While I commend the administration for finally acting on this expression of congressional intent, it should note the Congress' strong opposition to a further easing of sanctions on Serbia until the situation in Kosova is addressed and resolved.

This resolution will send a message of hope to the people of Kosova, and a message to Serbia that the Congress is keeping the issue of Kosova under review. I also hope that it will serve to strengthen the administration's commitment to improving the human rights situation in Kosova. I urge all of my colleagues to join in adopting House Concurrent Resolution 155.

Mr. LEVIN. Mr. Speaker, I rise today as one of the original sponsors of this resolution to voice my strong support for House Concurrent Resolution 155 which expresses the sense of Congress on the situation in Kosova.

In 1989, Belgrade unilaterally revoked the autonomous status of Kosova. Albanians in Kosova, who make up over 90 percent of the population, subsequently voted for Kosavar independence in 1991. Since that time, Serb security officials have waged a campaign of repression that has included widespread torture, beatings, killings, and harassment of Albanians throughout Kosova. Over half of the more than 250,000 Albanians in the work force have been fired from their jobs and even more have fled the region rather than face certain persecution.

While the administration has taken an active role, including opening of USIA office in Prishtina, more needs to be done. The administration needs to appoint a special envoy to Kosova to help resolve the crisis. Furthermore, the United States along with our European allies must condition the lifting of sanctions against Serbia with clear and concrete progress on the matter of Kosova.

By appointing a full time envoy and linking the lifting of sanctions on Serbia with the restoration of the full spectrum of human and political rights to the people of Kosova, the United States can help to broker a peaceful and lasting resolution to the matter. To not to do so, would be to invite the situation to escalate into a new, even wider conflict in the Balkans. Thereby ending our best chance for peace in the Balkan region.

The resolution presents an effective policy for accomplishing these goals. I urge my colleagues to vote "yes" on the resolution and send a clear statement in support of the rights of the people of Kosova.

Mr. PORTER. Mr. Speaker, as an original cosponsor of House Concurrent Resolution 155, I rise today to strongly urge its immediate passage.

Kosovo, known as Kosova to ethnic Albanians, is the region in southern Serbia which has been the focal point of bitter struggles between Serbs and Albanians for centuries. Albanians make up over 90 percent of the current population of the area. In 1989 and 1990, the Serbian parliament passed amendments to the Serbian Constitution that eliminated the wide-ranging autonomy Kosova had enjoyed under the 1974 Constitution. As a result, turmoil erupted in the country and dozens of innocent lives were lost in violent protests and riots. Over 100,000 ethnic Albanians have been fired from their employment and replaced by Serbs. Hundreds of ethnic Albanians have been arrested and beaten by Serbian police for allegedly engaging in nationalist activities. According to the State Department Country Reports on Human Rights for 1995, "police repression continued at a high level against the ethnic Albanians of Kosova * * * and reflected a general campaign to keep [those] who are not ethnic Serbs intimidated and unable to exercise basic human and civil rights."

Mr. Speaker, we are still trying to cope with the unconscionable acts that occurred in Bosnia. I doubt that the men, women, and children, who were forced to live their lives for over 3 years under the constant stress of this violent conflict will ever fully recover from the terrifying experience. Many experts warn that Kosova could become the next major battleground in the former Yugoslavia, possibly drawing neighboring countries into a regional war, presenting a very real danger to regional stability. Mr. Speaker, we must do everything possible to prevent this tragedy from occurring.

This resolution aims to bring peace and stability to Kosova by insisting that the situation in Kosova must be resolved before the outer wall of sanctions against Serbia is lifted and that country is able to return to the international community. Furthermore, this resolution insists that the human rights of the people of Kosova must be restored to levels guaranteed by international law.

Just this past month, we witnessed what I believe is a positive sign that peace and prosperity lie ahead for the people of Kosova. After much urging, the United States Information Agency finally opened an office in Kosova. This is a very encouraging step, and I hope that the State Department continues to make Kosova a priority by appointing a special envoy to aid in negotiating a resolution to the crisis in Kosova.

I thank my colleague Mr. ENGEL for bringing the situation in Kosova to the attention of Congress, and I strongly urge my colleagues to support the passage of this resolution which will help to bring resolution of the crisis in Kosova.

Mr. BONIOR. Mr. Speaker, I am proud to rise in support of this resolution recognizing the rights of the people of Kosova.

We all heard about the ethnic cleansing, the human rights abuses, and the violence in Bosnia over the past 5 years. The images on television and the horrific stories written in our papers led many of us to say, "Stop the killing!"

Now there is a peace agreement in place, and we are working with others in the international community to restore the faith and trust of the Bosnian people in each other, in their leaders, and in their communities. But what many people may still not know is that there is another troubled region in the former Yugoslavia. It is a place called Kosova. And until the situation in Kosova improves, we will never have a lasting peace in the Balkans.

Mr. Speaker, America can't turn its back on the people of Kosova any longer. The people of Kosova have witnessed human rights abuses by Serbian authorities. They have been the victims of a systematic attempt to shut down their culture and their economy. But the people of Kosova are standing strong today—and we must stand with them. We should not lift the remaining sanctions against Serbia until the situation in Kosova improves.

Mr. Speaker, that is what this resolution calls for. It also calls on Serbia to restore human rights in Kosova, to allow the elected Government of Kosova to meet, to allow people who lost their jobs to be reinstated and to reopen the education system. Above all, it states that the free will of the people of Kosova must be respected.

Mr. Speaker, passing this resolution will put Congress on record as supporting the rights of the people of Kosova.

America is the strongest democracy in the world.

We have an obligation to stand up for human rights. We can do that by passing this resolution in support of the rights of the people of Kosova.

Mr. BEREUTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 155, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 155.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

□ 1545

ANNUAL REPORT OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, 1994—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore (Mr. CALVERT) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking and Financial Services:

To the Congress of the United States:

Pursuant to the requirements of 42 U.S.C. 3536, I transmit herewith the 30th Annual Report of the Department of Housing and Urban Development, which covers calendar year 1994.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 29, 1996*.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

CAMPAIGN COMMERCIALS DECEIVE SENIOR CITIZENS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mr. JONES] is recognized for 5 minutes.

Mr. JONES. Mr. Speaker, a few years ago I served in the North Carolina General Assembly and as a member of the assembly I had a very deep concern about political ads, and in particular those ads that were intentionally developed to mislead and to distort factual information.

My concern was that for a democracy to remain strong, we have to have informed voters and the people have to know the facts, and the facts from the fictions, from the distortions.

Mr. Speaker, I have really been upset in the last few months and concerned that the labor unions throughout our country have been running ads about Medicare cuts and in my opinion outright distortions intentionally done to fool and to scare the voters. I think that is a tragedy for any democracy, because the strength of a democracy is informed voters and people that participate in the system.

Mr. Speaker, as it has happened over the past few months, many of my freshmen Republican colleagues have been the target of those half-truths and distortions. In the State of North Carolina, my home State, two of my very good friends, Congressman FRED HEINEMAN and Congressman DAVID FUNDERBURK have been targets, just like other members of the freshman class, of these distortions and half-truths.

Mr. Speaker, I thought it would be good today if I could read an editorial from my district, I thought, to even make better points than I could make here on the floor today about how these distortions and outright lies have fooled so many of our senior citizens.

I do not think there is any group in America that I feel more concerned about that would be misled intentionally than the senior citizens. And when I know that an organization like the labor unions have done this intentionally to scare them from voting for my colleagues it is something that we all should be concerned about, no matter what side of the aisle we may be on.

With that, Mr. Speaker, I am going to read for you the editorial that I made reference to. It was Thursday, July 25, 1996. The Goldsboro News-Argus, and the title of the editorial is, "Don't Be Fooled: Campaign Commercials on GOP Medicare Cuts are a Lie."

Mr. Speaker, now I will read the editorial:

> People in public office should be accountable for their conduct. At campaign time, it is appropriate for opponents to focus on incumbents' voting records they feel might be contrary to the public interest.
>
> Hence, the AFL–CIO sponsored TV commercials calling attention to the voting records of Republican Congressmen Fred Heineman and David Funderburk on Medicare would seem fair enough.
>
> But they aren't fair at all. They are predicated on an outright lie—and the campaign to re-elect Bill Clinton is using the same twist of the facts.
>
> The presidential campaign ads claim Bob Dole and Newt Gingrich are trying to end Medicare.
>
> The AFL–CIO ads targeting Heineman and Funderburk pointedly accuse the two of voting "to cut Medicare by $270 billion" a year.
>
> The truth of the matter is that Heineman and Funderburk, like their fellow Republicans, voted to increase Medicare appropriations by 7 percent.
>
> How was the AFL–CIO able to twist that into a Medicare cut of $270 billion?
>
> It's done the same way the Democratic Party has been trying to scare the daylights out of the elderly and the poor all along.
>
> While Republicans in Congress have been working—in response to a mandate from their electorate—to get control of runaway federal spending, Democrats, typically, have been loathe do so. Democrats, and President Clinton, wanted a 10 percent increase in allocations for Medicare—more than double the annual overall rate of inflation.
>
> Republicans insisted on limiting the increase to 7 percent—not cutting the appropriation.
>
> While it can be argued that medical costs are outstripping the overall inflation rate—as they have done consistently—one possible way of bringing this in check might be to put some sort of restraints on growth of Medicare costs.
>
> I won't be done by having the government continue to fuel runaway escalation of medical costs.
>
> All members of Congress should be answerable to the electorate for their voting records. But the people of this country should resent and reject political advertisements based on lies.

Let me repeat that again. That "the people of this country should resent and reject political advertisements based on lies."

Mr. Speaker, that is my purpose of coming to the floor today. I think the strength of a democracy, again as I said earlier, depends on the information that is provided the voters and I hope that both sides of the fence will try to deal with the facts and not fiction and lies.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. ENGEL) to revise and extend her remarks and include extraneous material:)

Mrs. COLLINS of Illinois, for 5 minutes, today.

(The following Members (at the request of Mr. BEREUTER) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes each day on July 30 and 31 and August 1 and 2.

Mr. STEARNS, for 5 minutes on July 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. ENGEL and to include extraneous material:)

Mrs. KENNELLY.

(The following Members (at the request of Mr. BEREUTER) and to include extraneous matter:)

Mr. BURTON of Indiana in two instances.

Mr. CRANE.

Mr. MILLER of Florida.

Mr. BAKER of California.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On July 25, 1996:

H.R. 2337. An act to amend the Internal Revenue Code of 1986 to provide for increased taxpayer protections.

On July 26, 1996:

H.R. 1114. An act to authorize minors who are under the child labor provisions of the Fair Labor Standards Act of 1938 and who are under 18 years of age to load materials into balers and compactors that meet appropriate American National Standards Institute design safety standards.

ADJOURNMENT

Mr. JONES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 54 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, July 30, 1996, at 9 a.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4414. A letter from the Director, Defense Procurement, Department of Defense, transmitting the Department's final rule—Defense Federal Acquisition Regulation Supplement; Petroleum Products from Caribbean Basin Countries [DFARS Case 96-D312] received July 17, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on National Security.

4415. A letter from the Secretary of Energy, transmitting Uranium Enrichment Decontamination and Decommissioning Fund Triennial Report, pursuant to Public Law 102–486, section 1101 (106 Stat. 2955); to the Committee on Commerce.

4416. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Final Interim Approval of Operating Permits Program: The U.S. Virgin Islands [VI001; FRL–5544–8] received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4417. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Di-(2-ethylhexyl) Adipate; Toxic Chemical Release Reporting; Community Right-to-Know [OPPTS–400095A; FRL–5389–6] received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4418. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Cypermethrin; Pesticide Tolerance [PP 4F4291/R2265; FRL–5387–5] (RIN: 2070–AB78) received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4419. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Egypt for defense articles and services (Transmittal No. 96–46), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4420. A letter from the Director, Defense Security Assistance Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to Thailand for defense articles and services (Transmittal No. 96–65), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

4421. A letter from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting the Administration's final rule—Federal Travel Regulation; Maximum Per Diem Rates for Kansas City, KS and Kansas City, MO [FTR Amendment 49] (RIN: 3090–AG07) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

4422. A letter from the Mayor of the District of Columbia, transmitting a request to waive the 30-day congressional review period for the District of Columbia legislation entitled "Tax Lien Assignment and Sale Amendment Act of 1996," pursuant to Public Law 93–198 section 602(c)(1); to the Committee on Government Reform and Oversight.

4423. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Administration's final rule—Atlantic Tuna Fisheries; Fishery Closure and Reallocation (50 CFR Part 285) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4424. A letter from the Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Atlantic Tuna Fisheries; Atlantic Bluefin Tuna Angling Category [Docket No. 960416112–6164–02; ID 071996B] (RIN: 0648–AI29) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4425. A letter from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco and Firearms, transmitting the Bureau's final rule—Commerce in Explosives; Implementation of Provisions of Public Law 104–132, the Antiterrorism and Effective Death Penalty Act of 1996, Relating to Plastic Explosives [T.D. ATF–382; 95R–0360] (RIN: 1512–AB61) received July 26, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4426. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to provide benefits for certain children of Vietnam veterans who are born with spina bifida; to the Committee on Veterans' Affairs.

4427. A letter from the Secretary of Energy, transmitting a draft of proposed legislation to amend section 2118 of the Energy Policy Act of 1992 to extend the Electric and Magnetic Fields Research and Public Information Dissemination Program; jointly, to the Committees on Commerce and Science.

4428. A letter from the Comptroller General of the United States, transmitting a report entitled, "Financial Audit: Resolution Trust Corporation's 1995 and 1994 Financial Statements" (GAO/AIMD–96–123), July 1996, pursuant to 31 U.S.C. 9106(a); jointly, to the Committees on Government Reform and Oversight and Banking and Financial Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GILMAN: Committee on International Relations. H.R. 3846. A bill to amend the Foreign Assistance Act of 1961 to authorize the provision of assistance for microenterprises, and for other purposes (Rept. 104–715). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2292. A bill to preserve and protect the Hanford Reach of the Columbia River, and for other purposes; with an amendment (Rept. 104–716). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3487. A bill to reauthorize the National Marine Sanctuaries Act, and for other purposes; with an amendment (Rept. 104–717). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARCHER: Committee on Ways and Means. H.R. 3815. A bill to make technical corrections and miscellaneous amendments to trade laws; with an amendment (Rept. 104–718). Referred to the Committee of the Whole House on the State of the Union.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X, the following action was taken by the Speaker:

H.R. 3539. Referral to the Committee on Ways and Means extended for a period ending not later than July 30, 1996.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of Indiana:

H.R. 3913. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Western Atlantic;* to the Committee on Transportation and Infrastructure.

H.R. 3914. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Beacon;* to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 294: Mr. MORAN.

H.R. 863: Mr. MASCARA.

H.R. 1100: Mrs. SCHROEDER.

H.R. 2011: Mr. DAVIS, Mr. TIAHRT, Mr. MINGE, Mr. MOAKLEY, Mr. BROWDER, Mr. FARR, and Mr. SCOTT.

H.R. 2247: Mr. COSTELLO and Mr. KLINK.

H.R. 2654: Mr. BLUMENAUER.

H.R. 2748: Mr. PORTER.

H.R. 2777: Mrs. LOWEY.

H.R. 3119: Mr. ACKERMAN.

H.R. 3199: Mr. CRANE, Mr. BONILLA, and Mr. LONGLEY.

H.R. 3224: Mr. STEARNS.

H.R. 3303: Mrs. LOWEY.

H.R. 3401: Mr. BROWN of California, Ms. PELOSI, Mr. STARK, and Mrs. MINK of Hawaii.

H.R. 3456: Mr. FROST.

H.R. 3462: Mr. VENTO.

H.R. 3565: Mr. KING.

H.R. 3714: Mr. NEY and Mr. BUNNING of Kentucky.

H.R. 3735: Mr. FATTAH.

H.R. 3818: Mr. BUNNING of Kentucky.

H.R. 3867: Mr. CRAPO.

H. Con. Res. 63: Mr. QUILLEN.

H.Con. Res. 179: Mr. BARTON of Texas.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3592

OFFERED BY: MR. SHUSTER

(Amendment in the nature of a substitute)

AMENDMENT NO. 1: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Water Resources Development Act of 1996".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Definition.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Small flood control projects.
Sec. 103. Small bank stabilization projects.
Sec. 104. Small navigation projects.
Sec. 105. Small shoreline protection projects.
Sec. 106. Small snagging and sediment removal project, Mississippi River, Little Falls, Minnesota.
Sec. 107. Small projects for improvement of the environment.
Sec. 108. Project to mitigate shore damage.

TITLE II—GENERALLY APPLICABLE PROVISIONS

Sec. 201. Cost sharing for dredged material disposal areas.
Sec. 202. Flood control policy.
Sec. 203. Feasibility study cost-sharing.
Sec. 204. Restoration of environmental quality.
Sec. 205. Environmental dredging.
Sec. 206. Aquatic ecosystem restoration.
Sec. 207. Beneficial uses of dredged material.
Sec. 208. Recreation policy and user fees.
Sec. 209. Recovery of costs.
Sec. 210. Cost sharing of environmental projects.
Sec. 211. Construction of flood control projects by non-Federal interests.
Sec. 212. Engineering and environmental innovations of national significance.
Sec. 213. Lease authority.
Sec. 214. Collaborative research and development.
Sec. 215. Dam safety program.
Sec. 216. Maintenance, rehabilitation, and modernization of facilities.
Sec. 217. Long-term sediment management strategies.
Sec. 218. Dredged material disposal facility partnerships.
Sec. 219. Obstruction removal requirement.
Sec. 220. Small project authorizations.
Sec. 221. Uneconomical cost-sharing requirements.
Sec. 222. Planning assistance to States.
Sec. 223. Corps of Engineers expenses.
Sec. 224. State and Federal agency review period.
Sec. 225. Limitation on reimbursement of non-Federal costs per project.
Sec. 226. Aquatic plant control.
Sec. 227. Sediments decontamination technology.
Sec. 228. Shore protection.
Sec. 229. Project deauthorizations.
Sec. 230. Support of Army Civil Works Program.
Sec. 231. Benefits to navigation.
Sec. 232. Loss of life prevention.
Sec. 233. Scenic and aesthetic considerations.
Sec. 234. Removal of study prohibitions.
Sec. 235. Sense of Congress; requirement regarding notice.
Sec. 236. Reservoir Management Technical Advisory Committee.
Sec. 237. Technical corrections.

TITLE III—PROJECT MODIFICATIONS

Sec. 301. Mobile Harbor, Alabama.
Sec. 302. Alamo Dam, Arizona.
Sec. 303. Nogales Wash and Tributaries, Arizona.
Sec. 304. Phoenix, Arizona.
Sec. 305. San Francisco River at Clifton, Arizona.
Sec. 306. Channel Islands Harbor, California
Sec. 307. Glenn-Colusa, California.
Sec. 308. Los Angeles and Long Beach Harbors, San Pedro Bay, California.
Sec. 309. Oakland Harbor, California.
Sec. 310. Queensway Bay, California.
Sec. 311. San Luis Rey, California.
Sec. 312. Thames River, Connecticut.
Sec. 313. Potomac River, Washington, District Of Columbia.
Sec. 314. Canaveral Harbor, Florida.
Sec. 315. Captiva Island, Florida.
Sec. 316. Central and southern Florida, Canal 51.
Sec. 317. Central and southern Florida, Canal 111 (C-111).
Sec. 318. Jacksonville Harbor (Mill Cove), Florida.
Sec. 319. Panama City Beaches, Florida.
Sec. 320. Tybee Island, Georgia.
Sec. 321. White River, Indiana.
Sec. 322. Chicago, Illinois.
Sec. 323. Chicago Lock and Thomas J. O'Brien Lock, Illinois.
Sec. 324. Kaskaskia River, Illinois.
Sec. 325. Locks and Dam 26, Alton, Illinois and Missouri.
Sec. 326. North Branch of Chicago River, Illinois.
Sec. 327. Illinois and Michigan Canal.
Sec. 328. Halstead, Kansas.
Sec. 329. Levisa and Tug Forks of the Big Sandy River and Cumberland River, Kentucky, West Virginia, and Virginia.
Sec. 330. Prestonburg, Kentucky.
Sec. 331. Comite River, Louisiana.
Sec. 332. Grand Isle and vicinity, Louisiana.
Sec. 333. Lake Pontchartrain, Louisiana.
Sec. 334. Mississippi Delta Region, Louisiana.
Sec. 335. Mississippi River Outlets, Venice, Louisiana.
Sec. 336. Red River Waterway, Louisiana.
Sec. 337. Westwego to Harvey Canal, Louisiana.
Sec. 338. Tolchester Channel, Maryland.
Sec. 339. Saginaw River, Michigan.
Sec. 340. Sault Sainte Marie, Chippewa County, Michigan.
Sec. 341. Stillwater, Minnesota.
Sec. 342. Cape Girardeau, Missouri.
Sec. 343. New Madrid Harbor, Missouri.
Sec. 344. St. John's Bayou—New Madrid Floodway, Missouri.
Sec. 345. Joseph G. Minish Passaic River Park, New Jersey.
Sec. 346. Molly Ann's Brook, New Jersey.
Sec. 347. Passaic River, New Jersey.
Sec. 348. Ramapo River at Oakland, New Jersey and New York.
Sec. 349. Raritan Bay and Sandy Hook Bay, New Jersey.
Sec. 350. Arthur Kill, New York and New Jersey.
Sec. 351. Jones Inlet, New York.
Sec. 352. Kill Van Kull, New York and New Jersey.
Sec. 353. Wilmington Harbor-Northeast Cape Fear River, North Carolina.
Sec. 354. Garrison Dam, North Dakota.
Sec. 355. Reno Beach-Howards Farm, Ohio.
Sec. 356. Wister Lake, Oklahoma.
Sec. 357. Bonneville Lock and Dam, Columbia River, Oregon and Washington.
Sec. 358. Columbia River dredging, Oregon and Washington.
Sec. 359. Grays Landing Lock and Dam, Monongahela River, Pennsylvania.
Sec. 360. Lackawanna River at Scranton, Pennsylvania.
Sec. 361. Mussers Dam, Middle Creek, Snyder County, Pennsylvania.
Sec. 362. Saw Mill Run, Pennsylvania.
Sec. 363. Schuylkill River, Pennsylvania.
Sec. 364. South Central Pennsylvania.
Sec. 365. Wyoming Valley, Pennsylvania.
Sec. 366. San Juan Harbor, Puerto Rico.
Sec. 367. Narragansett, Rhode Island.
Sec. 368. Charleston Harbor, South Carolina.
Sec. 369. Dallas Floodway Extension, Dallas, Texas.
Sec. 370. Upper Jordan River, Utah.
Sec. 371. Haysi Lake, Virginia.
Sec. 372. Rudee Inlet, Virginia Beach, Virginia.
Sec. 373. Virginia Beach, Virginia.
Sec. 374. East Waterway, Washington.
Sec. 375. Bluestone Lake, West Virginia.
Sec. 376. Moorefield, West Virginia.
Sec. 377. Southern West Virginia.
Sec. 378. West Virginia trail head facilities.
Sec. 379. Kickapoo River, Wisconsin.
Sec. 380. Teton County, Wyoming.

TITLE IV—STUDIES

Sec. 401. Corps capability study, Alaska.
Sec. 402. McDowell Mountain, Arizona.
Sec. 403. Nogales Wash and Tributaries, Arizona.
Sec. 404. Garden Grove, California.
Sec. 405. Mugu Lagoon, California.
Sec. 406. Santa Ynez, California.
Sec. 407. Southern California infrastructure.
Sec. 408. Yolo Bypass, Sacramento-San Joaquin Delta, California.
Sec. 409. Chain of Rocks Canal, Illinois.
Sec. 410. Quincy, Illinois.

Sec. 411. Springfield, Illinois.
Sec. 412. Beauty Creek Watershed, Valparaiso City, Porter County, Indiana.
Sec. 413. Grand Calumet River, Hammond, Indiana.
Sec. 414. Indiana Harbor Canal, East Chicago, Lake County, Indiana.
Sec. 415. Koontz Lake, Indiana.
Sec. 416. Little Calumet River, Indiana.
Sec. 417. Tippecanoe River Watershed, Indiana.
Sec. 418. Calcasieu Ship Channel, Hackberry, Louisiana.
Sec. 419. Huron River, Michigan.
Sec. 420. Saco River, New Hampshire.
Sec. 421. Buffalo River Greenway, New York.
Sec. 422. Port of Newburgh, New York.
Sec. 423. Port of New York-New Jersey sediment study.
Sec. 424. Port of New York-New Jersey navigation study.
Sec. 425. Chagrin River, Ohio.
Sec. 426. Cuyahoga River, Ohio.
Sec. 427. Charleston, South Carolina, estuary.
Sec. 428. Mustang Island, Corpus Christi, Texas.
Sec. 429. Prince William County, Virginia.
Sec. 430. Pacific region.
Sec. 431. Financing of infrastructure needs of small and medium ports.
TITLE V—MISCELLANEOUS PROVISIONS
Sec. 501. Project deauthorizations.
Sec. 502. Project reauthorizations.
Sec. 503. Continuation of authorization of certain projects.
Sec. 504. Land conveyances.
Sec. 505. Namings.
Sec. 506. Watershed management, restoration, and development.
Sec. 507. Lakes program.
Sec. 508. Maintenance of navigation channels.
Sec. 509. Great Lakes remedial action plans and sediment remediation.
Sec. 510. Great Lakes dredged material testing and evaluation manual.
Sec. 511. Great Lakes sediment reduction.
Sec. 512. Great Lakes confined disposal facilities.
Sec. 513. Chesapeake Bay restoration and protection program.
Sec. 514. Extension of jurisdiction of Mississippi River Commission.
Sec. 515. Alternative to annual passes.
Sec. 516. Recreation partnership initiative.
Sec. 517. Environmental infrastructure.
Sec. 518. Corps capability to conserve fish and wildlife.
Sec. 519. Periodic beach nourishment.
Sec. 520. Control of aquatic plants.
Sec. 521. Hopper dredges.
Sec. 522. Design and construction assistance.
Sec. 523. Field office headquarters facilities.
Sec. 524. Corps of Engineers restructuring plan.
Sec. 525. Lake Superior Center.
Sec. 526. Jackson County, Alabama.
Sec. 527. Earthquake Preparedness Center of Expertise Extension.
Sec. 528. Quarantine facility.
Sec. 529. Benton and Washington Counties, Arkansas.
Sec. 530. Calaveras County, California.
Sec. 531. Farmington Dam, California.
Sec. 532. Prado Dam safety improvements, California.
Sec. 533. Los Angeles County Drainage Area, California.
Sec. 534. Seven Oaks Dam, California.
Sec. 535. Manatee County, Florida.
Sec. 536. Tampa, Florida.
Sec. 537. Watershed management plan for Deep River Basin, Indiana.
Sec. 538. Southern and eastern Kentucky.
Sec. 539. Louisiana coastal wetlands restoration projects.
Sec. 540. Southeast Louisiana.
Sec. 541. Restoration projects for Maryland, Pennsylvania, and West Virginia.
Sec. 542. Cumberland, Maryland.
Sec. 543. Beneficial use of dredged material, Poplar Island, Maryland.
Sec. 544. Erosion control measures, Smith Island, Maryland.
Sec. 545. Duluth, Minnesota, alternative technology project.
Sec. 546. Redwood River Basin, Minnesota.
Sec. 547. Natchez Bluffs, Mississippi.
Sec. 548. Sardis Lake, Mississippi.
Sec. 549. Missouri River management.
Sec. 550. St. Charles County, Missouri, flood protection.
Sec. 551. Durham, New Hampshire.
Sec. 552. Hackensack Meadowlands area, New Jersey.
Sec. 553. Authorization of dredge material containment facility for Port of New York/New Jersey.
Sec. 554. Hudson River habitat restoration, New York.
Sec. 555. Queens County, New York.
Sec. 556. New York Bight and Harbor study.
Sec. 557. New York State Canal System.
Sec. 558. New York City Watershed.
Sec. 559. Ohio River Greenway.
Sec. 560. Northeastern Ohio.
Sec. 561. Grand Lake, Oklahoma.
Sec. 562. Broad Top region of Pennsylvania.
Sec. 563. Curwensville Lake, Pennsylvania.
Sec. 564. Hopper Dredge McFarland.
Sec. 565. Philadelphia, Pennsylvania.
Sec. 566. Upper Susquehanna River Basin, Pennsylvania and New York.
Sec. 567. Seven Points Visitors Center, Raystown Lake, Pennsylvania.
Sec. 568. Southeastern Pennsylvania.
Sec. 569. Wills Creek, Hyndman, Pennsylvania.
Sec. 570. Blackstone River Valley, Rhode Island and Massachusetts.
Sec. 571. East Ridge, Tennessee.
Sec. 572. Murfreesboro, Tennessee.
Sec. 573. Buffalo Bayou, Texas.
Sec. 574. Harris County, Texas.
Sec. 575. San Antonio River, Texas.
Sec. 576. Neabsco Creek, Virginia.
Sec. 577. Tangier Island, Virginia.
Sec. 578. Pierce County, Washington.
Sec. 579. Washington Aqueduct.
Sec. 580. Greenbrier River Basin, West Virginia, flood protection.
Sec. 581. Huntington, West Virginia.
Sec. 582. Lower Mud River, Milton, West Virginia.
Sec. 583. West Virginia and Pennsylvania flood control.
Sec. 584. Evaluation of beach material.
Sec. 585. National Center for Nanofabrication and Molecular Self-Assembly.
Sec. 586. Sense of Congress regarding St. Lawrence Seaway tolls.
Sec. 587. Prado Dam, California.
TITLE VI—EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND

SEC. 2. DEFINITION.

For purposes of this Act, the term "Secretary" means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH CHIEF'S REPORTS.—Except as provided in this section, the following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, described in the respective reports designated in this section:

(1) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction, American and Sacramento Rivers, California: Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $57,300,000, with an estimated Federal cost of $42,975,000 and an estimated non-Federal cost of $14,325,000, consisting of the following:

(i) Approximately 24 miles of slurry wall in the existing levees along the lower American River.

(ii) Approximately 12 miles of levee modifications along the east bank of the Sacramento River downstream from the Natomas Cross Canal.

(iii) 3 telemeter streamflow gages upstream from the Folsom Reservoir.

(iv) Modifications to the existing flood warning system along the lower American River.

(B) CREDIT TOWARD NON-FEDERAL SHARE.—The non-Federal sponsor shall receive credit toward the non-Federal share of the cost of the project for expenses that the sponsor has incurred for design and construction of any of the features authorized pursuant to this paragraph prior to the date on which Federal funds are appropriated for construction of the project. The amount of the credit shall be determined by the Secretary.

(C) OPERATION OF FOLSOM DAM.—The Secretary of the Interior shall continue to operate the Folsom Dam and Reservoir to the variable 400,000/670,000 acre-feet of flood control storage capacity as an interim measure and extend the agreement between the Bureau of Reclamation and the Sacramento Area Flood Control Agency until such date as a comprehensive flood control plan for the American River Watershed has been implemented.

(D) RESPONSIBILITY OF NON-FEDERAL SPONSOR.—The non-Federal sponsor shall be responsible for all operation, maintenance, repair, replacement, and rehabilitation costs associated with the improvements undertaken pursuant to this paragraph, as well as for 25 percent of the costs for the variable flood control operation of the Folsom Dam and Reservoir (including any incremental power and water purchase costs incurred by the Western Area Power Administration or the Bureau of Reclamation and any direction, capital, and operation and maintenance costs borne by either of such agencies). Notwithstanding any contract or other agreement, the remaining 75 percent of the costs for the variable flood control operation of the Folsom Dam and Reservoir shall be the responsibility of the United States and shall be nonreimbursable.

(2) SAN LORENZO RIVER, SANTA CRUZ, CALIFORNIA.—The project for flood control, San Lorenzo River, Santa Cruz, California: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $21,800,000, with an estimated Federal cost of $10,900,000 and an estimated non-Federal cost of $10,900,000.

(3) SANTA BARBARA HARBOR, CALIFORNIA.—The project for navigation, Santa Barbara Harbor, California: Report of the Chief of Engineers, dated April 26, 1994, at a total cost of $5,840,000, with an estimated Federal cost of $4,670,000 and an estimated non-Federal cost of $1,170,000.

(4) SANTA MONICA BREAKWATER, CALIFORNIA.—The project for navigation and storm

damage reduction, Santa Monica Breakwater, Santa Monica, California: Report of the Chief of Engineers, dated June 7, 1996, at a total cost of $6,440,000, with an estimated Federal cost of $4,220,000 and an estimated non-Federal cost of $2,220,000.

(5) MARIN COUNTY SHORELINE, SAN RAFAEL, CALIFORNIA.—The project for storm damage reduction, Marin County shoreline, San Rafael, California: Report of the Chief of Engineers, dated January 28, 1994, at a total cost of $28,300,000, with an estimated Federal cost of $18,400,000 and an estimated non-Federal cost of $9,900,000.

(6) HUMBOLDT HARBOR AND BAY, CALIFORNIA.—The project for navigation, Humboldt Harbor and Bay, California: Report of the Chief of Engineers, dated October 30, 1995, at a total cost of $15,180,000, with an estimated Federal cost of $10,000,000 and an estimated non-Federal cost of $5,180,000.

(7) ANACOSTIA RIVER AND TRIBUTARIES, DISTRICT OF COLUMBIA AND MARYLAND.—The project for environmental restoration, Anacostia River and Tributaries, District of Columbia and Maryland: Report of the Chief of Engineers, dated November 15, 1994, at a total cost of $17,144,000, with an estimated Federal cost of $12,858,000 and an estimated non-Federal cost of $4,286,000.

(8) ATLANTIC INTRACOASTAL WATERWAY, ST. JOHNS COUNTY, FLORIDA.—The project for navigation, Atlantic Intracoastal Waterway, St. Johns County, Florida: Report of the Chief of Engineers, dated June 24, 1994, at a total Federal cost of $15,881,000. Operation, maintenance, repair, replacement, and rehabilitation shall be a non-Federal responsibility and the non-Federal interest must assume ownership of the bridge.

(9) LAKE MICHIGAN, ILLINOIS.—The project for storm damage reduction and shoreline erosion protection, Lake Michigan, Illinois, from Wilmette, Illinois, to the Illinois-Indiana State line: Report of the Chief of Engineers, dated April 14, 1994, at a total cost of $204,000,000, with an estimated Federal cost of $110,000,000 and an estimated non-Federal cost of $94,000,000. The project shall include the breakwater near the South Water Filtration Plant described in the report as a separate element of the project, at a total cost of $11,470,000, with an estimated Federal cost of $7,460,000 and an estimated non-Federal cost of $4,010,000. The Secretary shall reimburse the non-Federal interest for the Federal share of any costs incurred by the non-Federal interest—

(A) in reconstructing the revetment structures protecting Solidarity Drive in Chicago, Illinois, if such work is determined by the Secretary to be a component of the project; and

(B) in constructing the breakwater near the South Water Filtration Plant in Chicago, Illinois.

(10) KENTUCKY LOCK AND DAM, TENNESSEE RIVER, KENTUCKY.—The project for navigation, Kentucky Lock and Dam, Tennessee River, Kentucky: Report of the Chief of Engineers, dated June 1, 1992, at a total cost of $393,200,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund.

(11) POND CREEK, JEFFERSON COUNTY, KENTUCKY.—The project for flood control, Pond Creek, Jefferson County, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $16,080,000, with an estimated Federal cost of $10,993,000 and an estimated non-Federal cost of $5,087,000.

(12) WOLF CREEK DAM AND LAKE CUMBERLAND, KENTUCKY.—The project for hydropower, Wolf Creek Dam and Lake Cumberland, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $53,763,000, with an estimated non-Federal cost of $53,763,000. Funds derived by the Tennessee Valley Authority from its power program and funds derived from any private or public entity designated by the Southeastern Power Administration may be used to pay all or part of the costs of the project.

(13) PORT FOURCHON, LAFOURCHE PARISH, LOUISIANA.—A project for navigation, Belle Pass and Bayou Lafourche, Louisiana: Report of the Chief of Engineers, dated April 7, 1995, at a total cost of $4,440,000, with an estimated Federal cost of $2,300,000 and an estimated non-Federal cost of $2,140,000.

(14) WEST BANK OF THE MISSISSIPPI RIVER, NEW ORLEANS (EAST OF HARVEY CANAL), LOUISIANA.—The project for hurricane damage reduction, West Bank of the Mississippi River in the vicinity of New Orleans (East of Harvey Canal), Louisiana: Report of the Chief of Engineers, dated May 1, 1995, at a total cost of $126,000,000, with an estimated Federal cost of $82,200,000 and an estimated non-Federal cost of $43,800,000.

(15) WOOD RIVER, GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River, Grand Island, Nebraska: Report of the Chief of Engineers, dated May 3, 1994, at a total cost of $11,800,000, with an estimated Federal cost of $6,040,000 and an estimated non-Federal cost of $5,760,000.

(16) LAS CRUCES, NEW MEXICO.—The project for flood control, Las Cruces, New Mexico: Report of the Chief of Engineers, dated June 24, 1996, at a total cost of $8,278,000, with an estimated Federal cost of $5,494,000 and an estimated non-Federal cost of $2,784,000.

(17) LONG BEACH ISLAND, NEW YORK.—The project for storm damage reduction, Long Beach Island, New York: Report of the Chief of Engineers, dated April 5, 1996, at a total cost of $72,090,000, with an estimated Federal cost of $46,858,000 and an estimated non-Federal cost of $25,232,000.

(18) WILMINGTON HARBOR, CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Wilmington Harbor, Cape Fear and Northeast Cape Fear Rivers, North Carolina: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $23,953,000, with an estimated Federal cost of $15,032,000 and an estimated non-Federal cost of $8,921,000.

(19) DUCK CREEK, CINCINNATI, OHIO.—The project for flood control, Duck Creek, Cincinnati, Ohio: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $15,947,000, with an estimated Federal cost of $11,960,000 and an estimated non-Federal cost of $3,987,000.

(20) WILLAMETTE RIVER TEMPERATURE CONTROL, MCKENZIE SUBBASIN, OREGON.—The project for environmental restoration, Willamette River Temperature Control, McKenzie Subbasin, Oregon: Report of the Chief of Engineers, dated February 1, 1996, at a total cost of $38,000,000, with an estimated Federal cost of $38,000,000.

(21) RIO GRANDE DE ARECIBO, PUERTO RICO.—The project for flood control, Rio Grande de Arecibo, Puerto Rico: Report of the Chief of Engineers, dated April 5, 1994, at a total cost of $19,951,000, with an estimated Federal cost of $10,557,000 and an estimated non-Federal cost of $9,394,000.

(22) CHARLESTON HARBOR, SOUTH CAROLINA.—The project for navigation, Charleston Harbor Deepening and Widening, South Carolina: Report of the Chief of Engineers, dated July 18, 1996, at a total cost of $116,639,000, with an estimated Federal cost of $72,798,000 and an estimated non-Federal cost of $43,841,000.

(23) BIG SIOUX RIVER AND SKUNK CREEK, SIOUX FALLS, SOUTH DAKOTA.—The project for flood control, Big Sioux River and Skunk Creek, Sioux Falls, South Dakota: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $34,600,000, with an estimated Federal cost of $25,900,000 and an estimated non-Federal cost of $8,700,000.

(24) WATERTOWN, SOUTH DAKOTA.—The project for flood control, Watertown and Vicinity, South Dakota: Report of the Chief of Engineers, dated August 31, 1994, at a total cost of $18,000,000, with an estimated Federal cost of $13,200,000 and an estimated non-Federal cost of $4,800,000.

(25) GULF INTRACOASTAL WATERWAY, ARANSAS NATIONAL WILDLIFE REFUGE, TEXAS.—The project for navigation and environmental preservation, Gulf Intracoastal Waterway, Aransas National Wildlife Refuge, Texas: Report of the Chief of Engineers, dated May 28, 1996, at a total cost of $18,283,000, with an estimated Federal cost of $18,283,000.

(26) HOUSTON-GALVESTON NAVIGATION CHANNELS, TEXAS.—The project for navigation and environmental restoration, Houston-Galveston Navigation Channels, Texas: Report of the Chief of Engineers, dated May 9, 1996, at a total initial construction cost of $292,797,000, with an estimated Federal cost of $210,891,000 and an estimated non-Federal cost of $81,906,000. The project shall include deferred construction of additional environmental restoration features over the life of the project, at a total average annual cost of $786,000, with an estimated Federal cost of $590,000 and an estimated non-Federal cost of $196,000. The construction of berthing areas and the removal of pipelines and other obstructions that are necessary for the project shall be accomplished at non-Federal expense. Non-Federal interests shall receive credit toward cash contributions required during construction and subsequent to construction for design and construction management work that is performed by non-Federal interests and that the Secretary determines is necessary to implement the project.

(27) MARMET LOCK, KANAWHA RIVER, WEST VIRGINIA.—The project for navigation, Marmet Lock, Kanawha River, West Virginia: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $229,581,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund. In conducting any real estate acquisition activities with respect to the project, the Secretary shall give priority consideration to those individuals who would be directly affected by any physical displacement due to project design and shall consider the financial circumstances of such individuals. The Secretary shall proceed with real estate acquisition in connection with the project expeditiously.

(b) PROJECTS WITH PENDING CHIEF'S REPORTS.—The following projects are authorized to be carried out by the Secretary substantially in accordance with a final report of the Chief of Engineers if such report is completed not later than December 31, 1996:

(1) CHIGNIK, ALASKA.—The project for navigation, Chignik, Alaska, at a total cost of $10,365,000, with an estimated Federal cost of $4,344,000 and an estimated non-Federal cost of $6,021,000.

(2) COOK INLET, ALASKA.—The project for navigation, Cook Inlet, Alaska, at a total cost of $5,342,000, with an estimated Federal cost of $4,006,000 and an estimated non-Federal cost of $1,336,000.

(3) ST. PAUL ISLAND HARBOR, ST. PAUL, ALASKA.—The project for navigation, St.

Paul Harbor, St. Paul, Alaska, with an estimated total cost of $18,981,000, with an estimated Federal cost of $12,188,000 and an estimated non-Federal cost of $6,793,000.

(4) NORCO BLUFFS, RIVERSIDE COUNTY, CALIFORNIA.—A project for bluff stabilization, Norco Bluffs, Riverside County, California, with an estimated total cost of $8,600,000, with an estimated Federal cost of $6,450,000 and an estimated non-Federal cost of $2,150,000.

(5) PORT OF LONG BEACH (DEEPENING), CALIFORNIA.—The project for navigation, Port of Long Beach (Deepening), California, at a total cost of $37,288,000, with an estimated Federal cost of $14,318,000 and an estimated non-Federal cost of $22,970,000.

(6) TERMINUS DAM, KAWEAH RIVER, CALIFORNIA.—The project for flood damage reduction and water supply, Terminus Dam, Kaweah River, California, at a total estimated cost of $34,500,000, with an estimated Federal cost of $20,200,000 and an estimated non-Federal cost of $14,300,000.

(7) REHOBOTH BEACH AND DEWEY BEACH, DELAWARE.—A project for storm damage reduction and shoreline protection, Rehoboth Beach and Dewey Beach, Delaware, at a total cost of $9,423,000, with an estimated first Federal cost of $6,125,000, and an estimated first non-Federal cost of $3,298,000, and an average annual cost of $282,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $183,000 and an estimated annual non-Federal cost of $99,000.

(8) BREVARD COUNTY, FLORIDA.—The project for shoreline protection, Brevard County, Florida, at a total first cost of $76,620,000, with an estimated first Federal cost of $36,006,000, and an estimated first non-Federal cost of $40,614,000, and an average annual cost of $2,341,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $1,109,000 and an estimated annual non-Federal cost of $1,232,000.

(9) MIAMI HARBOR CHANNEL, FLORIDA.—The project for navigation, Miami Harbor Channel, Miami, Florida, with an estimated total cost of $3,221,000, with an estimated Federal cost of $1,800,000 and an estimated non-Federal cost of $1,421,000.

(10) NORTH WORTH INLET, FLORIDA.—The project for navigation and shoreline protection, Lake Worth Inlet, Palm Beach Harbor, Florida, at a total cost of $3,915,000, with an estimated Federal cost of $1,762,000 and an estimated non-Federal cost of $2,153,000.

(11) LOWER SAVANNAH RIVER BASIN, SAVANNAH RIVER, GEORGIA AND SOUTH CAROLINA.—The project for navigation and related purposes, Lower Savannah River Basin, Savannah River, Georgia and South Carolina, at a total cost of $3,419,000, with an estimated Federal cost of $2,551,000, and an estimated non-Federal cost of $868,000.

(12) ABSECON ISLAND, NEW JERSEY.—The project for storm damage reduction and shoreline protection, Brigantine Inlet to Great Egg Harbor Inlet, Absecon Island, New Jersey, at a total cost of $52,000,000, with an estimated Federal cost of $34,000,000 and an estimated non-Federal cost of $18,000,000.

(13) CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Cape Fear River deepening, North Carolina, at a total cost of $210,264,000, with an estimated Federal cost of $130,159,000, and an estimated non-Federal cost of $80,105,000.

SEC. 102. SMALL FLOOD CONTROL PROJECTS.

(a) PROJECT DESCRIPTIONS.—The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s):

(1) SOUTH UPLAND, SAN BERNADINO COUNTY, CALIFORNIA.—Project for flood control, South Upland, San Bernadino County, California.

(2) BIRDS, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Birds, Lawrence County, Illinois.

(3) BRIDGEPORT, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Bridgeport, Lawrence County, Illinois.

(4) EMBARRAS RIVER, VILLA GROVE, ILLINOIS.—Project for flood control, Embarras River, Villa Grove, Illinois.

(5) FRANKFORT, WILL COUNTY, ILLINOIS.—Project for flood control, Frankfort, Will County, Illinois.

(6) SUMNER, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Sumner, Lawrence County, Illinois.

(7) VERMILLION RIVER, DEMANADE PARK, LAFAYETTE, LOUISIANA.—Project for nonstructural flood control, Vermillion River, Demanade Park, Lafayette, Louisiana. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the Lafayette Parish feasibility study and expedite completion of the study under this paragraph.

(8) VERMILLION RIVER, QUAIL HOLLOW SUBDIVISION, LAFAYETTE, LOUISIANA.—Project for nonstructural flood control, Vermillion River, Quail Hollow Subdivision, Lafayette, Louisiana. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the Lafayette Parish feasibility study and expedite completion of the study under this paragraph.

(9) KAWKAWLIN RIVER, BAY COUNTY, MICHIGAN.—Project for flood control, Kawkawlin River, Bay County, Michigan.

(10) WHITNEY DRAIN, ARENAC COUNTY, MICHIGAN.—Project for flood control, Whitney Drain, Arenac County, Michigan.

(11) FESTUS AND CRYSTAL CITY, MISSOURI.—Project for flood control, Festus and Crystal City, Missouri. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the existing reconnaissance study and shall expedite completion of the study under this paragraph.

(12) KIMMSWICK, MISSOURI.—Project for flood control, Kimmswick, Missouri. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the existing reconnaissance study and shall expedite completion of the study under this paragraph.

(13) RIVER DES PERES, ST. LOUIS COUNTY, MISSOURI.—Project for flood control, River Des Peres, St. Louis County, Missouri. In carrying out the study and the project (if any), the Secretary shall determine the feasibility of potential flood control measures, consider potential storm water runoff and related improvements, and cooperate with the Metropolitan St. Louis Sewer District.

(14) BUFFALO CREEK, ERIE COUNTY, NEW YORK.—Project for flood control, Buffalo Creek, Erie County, New York.

(15) CAZENOVIA CREEK, ERIE COUNTY, NEW YORK.—Project for flood control, Cazenovia Creek, Erie County, New York.

(16) CHEEKTOWAGA, ERIE COUNTY, NEW YORK.—Project for flood control, Cheektowaga, Erie County, New York.

(17) FULMER CREEK, VILLAGE OF MOHAWK, NEW YORK.—Project for flood control, Fulmer Creek, Village of Mohawk, New York.

(18) MOYER CREEK, VILLAGE OF FRANKFORT, NEW YORK.—Project for flood control, Moyer Creek, Village of Frankfort, New York.

(19) SAUQUOIT CREEK, WHITESBORO, NEW YORK.—Project for flood control, Sauquoit Creek, Whitesboro, New York.

(20) STEELE CREEK, VILLAGE OF ILION, NEW YORK.—Project for flood control, Steele Creek, Village of Ilion, New York.

(21) WILLAMETTE RIVER, OREGON.—Project for nonstructural flood control, Willamette River, Oregon, including floodplain and ecosystem restoration.

(22) GREENBRIER RIVER BASIN, WEST VIRGINIA.—Project for flood control, consisting of an early flood warning system, Greenbrier River Basin, West Virginia.

(b) COST ALLOCATIONS.—

(1) LAKE ELSINORE, CALIFORNIA.—The maximum amount of Federal funds that may be allotted under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) for the project for flood control, Lake Elsinore, Riverside County, California, shall be $7,500,000.

(2) LOST CREEK, COLUMBUS, NEBRASKA.—The maximum amount of Federal funds that may be allotted under such section 205 for the project for flood control, Lost Creek, Columbus, Nebraska, shall be $5,500,000.

(3) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the projects referred to in paragraphs (1) and (2) in order to take into account the change in the Federal participation in such projects pursuant to such paragraphs.

(4) COST SHARING.—Nothing in this subsection shall be construed to affect any cost-sharing requirement applicable to the project referred to in paragraph (1) under the Water Resources Development Act of 1986.

SEC. 103. SMALL BANK STABILIZATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r):

(1) ST. JOSEPH RIVER, INDIANA.—Project for bank stabilization, St. Joseph River, South Bend, Indiana, including recreation and pedestrian access features.

(2) ALLEGHENY RIVER AT OIL CITY, PENNSYLVANIA.—Project for bank stabilization to address erosion problems affecting the pipeline crossing the Allegheny River at Oil City, Pennsylvania, including measures to address erosion affecting the pipeline in the bed of the Allegheny River and its adjacent banks.

(3) CUMBERLAND RIVER, NASHVILLE, TENNESSEE.—Project for bank stabilization, Cumberland River, Nashville, Tennessee.

(4) TENNESSEE RIVER, HAMILTON COUNTY, TENNESSEE.—Project for bank stabilization, Tennessee River, Hamilton County, Tennessee; except that the maximum amount of Federal funds that may be allotted for the project shall be $7,500,000.

SEC. 104. SMALL NAVIGATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(1) AKUTAN, ALASKA.—Project for navigation, Akutan, Alaska, consisting of a bulkhead and a wave barrier, including application of innovative technology involving use of a permeable breakwater.

(2) GRAND MARAIS HARBOR BREAKWATER, MICHIGAN.—Project for navigation, Grand Marais Harbor breakwater, Michigan.

(3) DULUTH, MINNESOTA.—Project for navigation, Duluth, Minnesota.

(4) TACONITE, MINNESOTA.—Project for navigation, Taconite, Minnesota.

(5) TWO HARBORS, MINNESOTA.—Project for navigation, Two Harbors, Minnesota.

(6) CARUTHERSVILLE HARBOR, PEMISCOT COUNTY, MISSOURI.—Project for navigation, Caruthersville Harbor, Pemiscot County, Missouri, including enlargement of the existing harbor and bank stabilization measures.

(7) NEW MADRID COUNTY HARBOR, MISSOURI.—Project for navigation, New Madrid County Harbor, Missouri, including enlargement of the existing harbor and bank stabilization measures.

(8) BROOKLYN, NEW YORK.—Project for navigation, Brooklyn, New York, including restoration of the pier and related navigation support structures, at the Sixty-Ninth Street Pier.

(9) BUFFALO INNER HARBOR, BUFFALO, NEW YORK.—Project for navigation, Buffalo Inner Harbor, Buffalo, New York.

(10) GLENN COVE CREEK, NEW YORK.—Project for navigation, Glenn Cove Creek, New York, including bulkheading.

(11) UNION SHIP CANAL, BUFFALO AND LACKAWANNA, NEW YORK.—Project for navigation, Union Ship Canal, Buffalo and Lackawanna, New York.

SEC. 105. SMALL SHORELINE PROTECTION PROJECTS.

(a) PROJECT AUTHORIZATIONS.—The Secretary shall conduct a study for each of the following projects, and if the Secretary determines that the project is feasible, shall carry out the project under section 3 of the Shoreline Protection Act of August 13, 1946 (33 U.S.C. 426g):

(1) FAULKNER'S ISLAND, CONNECTICUT.—Project for shoreline protection, Faulkner's Island, Connecticut; except that the maximum amount of Federal funds that may be allotted for the project shall be $4,500,000.

(2) FORT PIERCE, FLORIDA.—Project for 1 mile of additional shoreline protection, Fort Pierce, Florida.

(3) ORCHARD BEACH, BRONX, NEW YORK.—Project for shoreline protection, Orchard Beach, Bronx, New York, New York; except that the maximum amount of Federal funds that may be allotted for the project shall be $5,200,000.

(4) SYLVAN BEACH BREAKWATER, VERONA, ONEIDA COUNTY, NEW YORK.—Project for shoreline protection, Sylvan Beach breakwater, Verona, Oneida County, New York.

(b) COST SHARING AGREEMENT.—In carrying out the project authorized by subsection (a)(1), the Secretary shall enter into an agreement with the property owner to determine the allocation of the project costs.

SEC. 106. SMALL SNAGGING AND SEDIMENT REMOVAL PROJECT, MISSISSIPPI RIVER, LITTLE FALLS, MINNESOTA.

The Secretary shall conduct a study for a project for clearing, snagging, and sediment removal, East Bank of the Mississippi River, Little Falls, Minnesota, including removal of sediment from culverts. The study shall include a determination of the adequacy of culverts to maintain flows through the channel. If the Secretary determines that the project is feasible, the Secretary shall carry out the project under section 3 of the River and Harbor Act of March 2, 1945 (33 U.S.C. 603a; 59 Stat. 23).

SEC. 107. SMALL PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is appropriate, shall carry out the project under section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309(a)):

(1) UPPER TRUCKEE RIVER, EL DORADO COUNTY, CALIFORNIA.—Project for environmental restoration, Upper Truckee River, El Dorado County, California, including measures for restoration of degraded wetlands and wildlife enhancement.

(2) SAN LORENZO RIVER, CALIFORNIA.—Project for habitat restoration, San Lorenzo River, California.

(3) WHITTIER NARROWS DAM, CALIFORNIA.—Project for environmental restoration and remediation of contaminated water sources, Whittier Narrows Dam, California.

(4) UPPER JORDAN RIVER, SALT LAKE COUNTY, UTAH.—Project for channel restoration and environmental improvement, Upper Jordan River, Salt Lake County, Utah.

SEC. 108. PROJECT TO MITIGATE SHORE DAMAGE.

The Secretary shall expedite the Assateague Island restoration feature of the Ocean City, Maryland, and vicinity study and, if the Secretary determines that the Federal navigation project has contributed to degradation of the shoreline, the Secretary shall carry out the project for shoreline restoration under section 111 of the River and Harbor Act of 1968 (82 Stat. 735); except that the maximum amount of Federal funds that may be allotted by the Secretary for the project shall be $35,000,000. In carrying out the project, the Secretary shall coordinate with affected Federal and State agencies and shall enter into an agreement with the Federal property owner to determine the allocation of the project costs.

TITLE II—GENERALLY APPLICABLE PROVISIONS

SEC. 201. COST SHARING FOR DREDGED MATERIAL DISPOSAL AREAS.

(a) CONSTRUCTION.—Section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a); 100 Stat. 4082–4083) is amended—

(1) by striking the last sentence of paragraph (2) and inserting the following: "The value of lands, easements, rights-of-way, and relocations provided under paragraph (3) and the costs of relocations borne by the non-Federal interests under paragraph (4) shall be credited toward the payment required under this paragraph.";

(2) in paragraph (3)—

(A) by inserting "and" after "rights-of-way,";

(B) by striking ", and dredged material disposal areas"; and

(C) by inserting ", including any lands, easements, rights-of-way, and relocations (other than utility relocations accomplished under paragraph (4)) that are necessary for dredged material disposal facilities" before the period at the end of such paragraph; and

(3) by adding at the end the following:

"(5) DREDGED MATERIAL DISPOSAL FACILITIES FOR PROJECT CONSTRUCTION.—For purposes of this subsection, the term 'general navigation features' includes constructed land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for project construction and for which a contract for construction has not been awarded on or before the date of the enactment of this paragraph.".

(b) OPERATION AND MAINTENANCE.—Section 101(b) of such Act (33 U.S.C. 2211(b); 100 Stat. 4083) is amended—

(1) by inserting "(1) IN GENERAL.—" before "The Federal";

(2) by indenting and moving paragraph (1), as designated by paragraph (1) of this subsection, 2 ems to the right;

(3) by striking "pursuant to this Act" and inserting "by the Secretary pursuant to this Act or any other law approved after the date of the enactment of this Act"; and

(4) by adding at the end thereof the following:

"(2) DREDGED MATERIAL DISPOSAL FACILITIES.—The Federal share of the cost of constructing land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for the operation and maintenance of a project and for which a contract for construction has not been awarded on or before the date of the enactment of this paragraph shall be determined in accordance with subsection (a). The Federal share of operating and maintaining such facilities shall be determined in accordance with paragraph (1).".

(c) AGREEMENT.—Section 101(e)(1) of such Act (33 U.S.C. 2211(e)(1); 100 Stat. 4083) is amended by striking "and to provide dredged material disposal areas and perform" and inserting "including those necessary for dredged material disposal facilities, and to perform".

(d) CONSIDERATION OF FUNDING REQUIREMENTS AND EQUITABLE APPORTIONMENT.—Section 101 of such Act (33 U.S.C. 2211; 100 Stat. 4082–4084) is further amended by adding at the end the following:

"(f) CONSIDERATION OF FUNDING REQUIREMENTS AND EQUITABLE APPORTIONMENT.—The Secretary shall ensure, to the extent practicable, that—

"(1) funding necessary for operation and maintenance dredging of commercial navigation harbors is provided before Federal funds are obligated for payment of the Federal share of costs associated with construction of dredged material disposal facilities in accordance with subsections (a) and (b);

"(2) funds expended for such construction are equitably apportioned in accordance with regional needs; and

"(3) the Secretary's participation in the construction of dredged material disposal facilities does not result in unfair competition with potential private sector providers of such facilities.".

(e) ELIGIBLE OPERATIONS AND MAINTENANCE DEFINED.—Section 214(2) of such Act (33 U.S.C. 2241; 100 Stat. 4108) is amended—

(1) in subparagraph (A)—

(A) by inserting "Federal" after "means all";

(B) by inserting "(i)" after "including"; and

(C) by inserting before the period at the end the following: "; (ii) the construction of dredged material disposal facilities that are necessary for the operation and maintenance of any harbor or inland harbor; (iii) dredging and disposing of contaminated sediments which are in or which affect the maintenance of Federal navigation channels; (iv) mitigating for impacts resulting from Federal navigation operation and maintenance activities; and (v) operating and maintaining dredged material disposal facilities"; and

(2) in subparagraph (C) by striking "rights-of-way, or dredged material disposal areas," and inserting "or rights-of-way,".

(f) AMENDMENT OF COOPERATION AGREEMENT.—If requested by the non-Federal interest, the Secretary shall amend a project cooperation agreement executed on or before the date of the enactment of this Act to reflect the application of the amendments made by this section to any project for which a contract for construction has not been awarded on or before such date of enactment.

(g) SAVINGS CLAUSE.—Nothing in this section (including the amendments made by this section) shall increase, or result in the increase of, the non-Federal share of the costs of—

(1) any dredged material disposal facility authorized before the date of the enactment of this Act, including any facility authorized by section 123 of the River and Harbor Act of 1970 (84 Stat. 1823); or

(2) any dredged material disposal facility that is necessary for the construction or maintenance of a project authorized before the date of the enactment of this Act.

SEC. 202. FLOOD CONTROL POLICY.

(a) FLOOD CONTROL COST SHARING.—

(1) INCREASED NON-FEDERAL CONTRIBUTIONS.—Subsections (a) and (b) of section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a) and (b)) are each amended by striking "25 percent" each place it appears and inserting "35 percent".

(2) APPLICABILITY.—The amendments made by paragraph (1) shall apply to any project authorized after the date of the enactment of this Act and to any flood control project which is not specifically authorized by Congress for which a Detailed Project Report is approved after such date of enactment or, in the case of a project for which no Detailed Project Report is prepared, construction is initiated after such date of enactment.

(b) ABILITY TO PAY.—

(1) IN GENERAL.—Section 103(m) of such Act (33 U.S.C. 2213(m)) is amended to read as follows:

"(m) ABILITY TO PAY.—

"(1) IN GENERAL.—Any cost-sharing agreement under this section for flood control or agricultural water supply shall be subject to the ability of a non-Federal interest to pay.

"(2) CRITERIA AND PROCEDURES.—The ability of any non-Federal interest to pay shall be determined by the Secretary in accordance with criteria and procedures in effect on the day before the date of the enactment of the Water Resources Development Act of 1996; except that such criteria and procedures shall be revised within 6 months after the date of such enactment to reflect the requirements of paragraph (3).

"(3) REVISION OF PROCEDURES.—In revising procedures pursuant to paragraph (1), the Secretary—

"(A) shall consider—

"(i) per capita income data for the county or counties in which the project is to be located; and

"(ii) the per capita non-Federal cost of construction of the project for the county or counties in which the project is to be located;

"(B) shall not consider criteria (other than criteria described in subparagraph (A)) in effect on the day before the date of the enactment of the Water Resources Development Act of 1996; and

"(C) may consider additional criteria relating to the non-Federal interest's financial ability to carry out its cost-sharing responsibilities, to the extent that the application of such criteria does not eliminate areas from eligibility for a reduction in the non-Federal share as determined under subparagraph (A).

"(4) NON-FEDERAL SHARE.—Notwithstanding subsection (a), the Secretary shall reduce or eliminate the requirement that a non-Federal interest make a cash contribution for any project that is determined to be eligible for a reduction in the non-Federal share under procedures in effect under paragraphs (1), (2), and (3).".

(2) APPLICABILITY.—

(A) GENERALLY.—Subject to subparagraph (C), the amendment made by paragraph (1) shall apply to any project, or separable element thereof, with respect to which the Secretary and the non-Federal interest have not entered into a project cooperation agreement on or before the date of the enactment of this Act.

(B) AMENDMENT OF COOPERATION AGREEMENT.—If requested by the non-Federal interest, the Secretary shall amend a project cooperation agreement executed on or before the date of the enactment of this Act to reflect the application of the amendment made by paragraph (1) to any project for which a contract for construction has not been awarded on or before such date of enactment.

(C) NON-FEDERAL OPTION.—If requested by the non-Federal interest, the Secretary shall apply the criteria and procedures established pursuant to section 103(m) of the Water Resources Development Act of 1986 as in effect on the day before the date of the enactment of this Act for projects that are authorized before the date of the enactment of this Act.

(c) FLOOD PLAIN MANAGEMENT PLANS.—

(1) IN GENERAL.—Section 402 of such Act (33 U.S.C. 701b–12; 100 Stat. 4133) is amended to read as follows:

"SEC. 402. FLOOD PLAIN MANAGEMENT REQUIREMENTS.

"(a) COMPLIANCE WITH FLOOD PLAIN MANAGEMENT AND INSURANCE PROGRAMS.—Before construction of any project for local flood protection or any project for hurricane or storm damage reduction and involving Federal assistance from the Secretary, the non-Federal interest shall agree to participate in and comply with applicable Federal flood plain management and flood insurance programs.

"(b) FLOOD PLAIN MANAGEMENT PLANS.—Within 1 year after the date of signing a project cooperation agreement for construction of a project to which subsection (a) applies, the non-Federal interest shall prepare a flood plain management plan designed to reduce the impacts of future flood events in the project area. Such plan shall be implemented by the non-Federal interest not later than 1 year after completion of construction of the project.

"(c) GUIDELINES.—

"(1) IN GENERAL.—Within 6 months after the date of the enactment of this subsection, the Secretary shall develop guidelines for preparation of flood plain management plans by non-Federal interests under subsection (b). Such guidelines shall address potential measures, practices and policies to reduce loss of life, injuries, damages to property and facilities, public expenditures, and other adverse impacts associated with flooding and to preserve and enhance natural flood plain values.

"(2) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed to confer any regulatory authority upon the Secretary.

"(d) TECHNICAL SUPPORT.—The Secretary is authorized to provide technical support to a non-Federal interest for a project to which subsection (a) applies for the development and implementation of plans prepared under subsection (b).".

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply to any project or separable element thereof with respect to which the Secretary and the non-Federal interest have not entered into a project cooperation agreement on or before the date of the enactment of this Act.

(d) NON-STRUCTURAL FLOOD CONTROL POLICY.—

(1) REVIEW.—The Secretary shall conduct a review of policies, procedures, and techniques relating to the evaluation and development of flood control measures with a view toward identifying impediments that may exist to justifying non-structural flood control measures as alternatives to structural measures.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the findings on the review conducted under this subsection, together with any recommendations for modifying existing law to remove any impediments identified under such review.

(e) EMERGENCY RESPONSE.—Section 5(a)(1) of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n(a)(1)), is amended by inserting before the first semicolon the following: ", or in implementation of nonstructural alternatives to the repair or restoration of such flood control work if requested by the non-Federal sponsor".

(f) NONSTRUCTURAL ALTERNATIVES.—Section 73 of the Water Resources Development Act of 1974 (33 U.S.C. 701b–11; 88 Stat. 32) is amended by striking subsection (a) and inserting the following:

"(a) In the survey, planning, or design by any Federal agency of any project involving flood protection, such agency, with a view toward formulating the most economically, socially, and environmentally acceptable means of reducing or preventing flood damages, shall consider and address in adequate detail nonstructural alternatives, including measures that may be implemented by others, to prevent or reduce flood damages. Such alternatives may include watershed management, wetlands restoration, elevation or flood proofing of structures, floodplain regulation, relocation, and acquisition of floodplain lands for recreational, fish and wildlife, and other public purposes.".

SEC. 203. FEASIBILITY STUDY COST-SHARING.

(a) NON-FEDERAL SHARE.—Section 105(a)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2215(a)(1)) is amended—

(1) in the first sentence, by striking "during the period of such study";

(2) by inserting after the first sentence the following: "During the period of the study, the non-Federal share of the cost of the study shall be not more than 50 percent of the estimate of the cost of the study as contained in the feasibility cost-sharing agreement. The cost estimate may be amended only by mutual agreement of the Secretary and the non-Federal interests. The non-Federal share of any costs in excess of the cost estimate shall, except as otherwise mutually agreed by the Secretary and the non-Federal interests, be payable after the project has been authorized for construction and on the date on which the Secretary and non-Federal interests enter into an agreement pursuant to section 101(e) or 103(j). In the event the project which is the subject of the study is not authorized within the earlier of 5 years of the date of the final report of the Chief of Engineers concerning such study or 2 years of the date of termination of the study, the non-Federal share of any such excess costs shall be paid to the United States on the last day of such period."; and

(3) in the second sentence, by striking "such non-Federal contribution" and inserting "the non-Federal share required under this paragraph".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply notwithstanding any feasibility cost-sharing agreement entered into by the Secretary and non-Federal interests. Upon request of the non-Federal interest, the Secretary shall amend any feasibility cost-sharing agreements in effect on the date of enactment of this Act so as to conform the agreements with the amendments.

(c) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section or any amendment made by this section shall require the Secretary to reimburse the non-Federal interests for funds previously contributed for a study.

SEC. 204. RESTORATION OF ENVIRONMENTAL QUALITY.

(a) REVIEW OF PROJECTS.—Section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(a)) is amended—

(1) by striking "the operation of"; and

(2) by inserting before the period at the end the following: "and to determine if the operation of such projects has contributed to the degradation of the quality of the environment".

(b) PROGRAM OF PROJECTS.—Section 1135(b) of such Act is amended by striking the last 2 sentences of subsection (b).

(c) RESTORATION OF ENVIRONMENTAL QUALITY.—Section 1135 of such Act is further amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively;

(2) by inserting after subsection (b) the following new subsections:

"(c) RESTORATION OF ENVIRONMENTAL QUALITY.—If the Secretary determines that construction of a water resource project by the Secretary or operation of a water resources project constructed by the Secretary has contributed to the degradation of the quality of the environment, the Secretary may undertake measures for restoration of environmental quality and measures for enhancement of environmental quality that are associated with the restoration, either through modifications at the project site or at other locations that have been affected by the construction or operation of the project, if such measures do not conflict with the authorized project purposes.

"(d) NON-FEDERAL SHARE; LIMITATION ON MAXIMUM FEDERAL EXPENDITURE.—The non-Federal share of the cost of any modifications or measures carried out or undertaken pursuant to subsection (b) or (c) of this section shall be 25 percent. Not more than 80 percent of the non-Federal share may be in kind, including a facility, supply, or service that is necessary to carry out the modification. No more than $5,000,000 in Federal funds may be expended on any single modification or measure carried out or undertaken pursuant to this section."; and

(3) in subsection (f), as so redesignated, by striking "program conducted under subsection (b)" and inserting "programs conducted under subsections (b) and (c)".

(d) DEFINITION.—Section 1135 of such Act is further amended by adding at the end the following:

"(h) DEFINITION.—In this section the term 'water resources project constructed by the Secretary' includes a water resources project constructed or funded jointly by the Secretary and the head of any other Federal agency (including the Natural Resources Conservation Service).".

SEC. 205. ENVIRONMENTAL DREDGING.

Section 312 of the Water Resources Development Act of 1990 (104 Stat. 4639–4640) is amended—

(1) in each of subsections (a), (b), and (c) by inserting "and remediate" after "remove" each place it appears;

(2) in subsection (b)(1) by inserting "and remediation" after "removal" each place it appears;

(3) in subsection (b)(2) by striking "$10,000,000" and inserting "$30,000,000"; and

(4) by striking subsection (f) and inserting the following:

"(f) In carrying out this section, the Secretary shall give priority to work in the following areas:

"(1) Brooklyn Waterfront, New York.

"(2) Buffalo Harbor and River, New York.

"(3) Ashtabula River, Ohio.

"(4) Mahoning River, Ohio.

"(5) Lower Fox River, Wisconsin.".

SEC. 206. AQUATIC ECOSYSTEM RESTORATION.

(a) GENERAL AUTHORITY.—The Secretary is authorized to carry out aquatic ecosystem restoration and protection projects when the Secretary determines that such projects will improve the quality of the environment and are in the public interest and that the environmental and economic benefits, both monetary and nonmonetary, of the project to be undertaken pursuant to this section justify the cost.

(b) COST SHARING.—Non-Federal interests shall provide 50 percent of the cost of construction of any project carried out under this section, including provision of all lands, easements, rights-of-way, and necessary relocations.

(c) AGREEMENTS.—Construction of a project under this section shall be initiated only after a non-Federal interest has entered into a binding agreement with the Secretary to pay the non-Federal share of the costs of construction required by this section and to pay 100 percent of any operation, maintenance, and replacement and rehabilitation costs with respect to the project in accordance with regulations prescribed by the Secretary.

(d) COST LIMITATION.—Not more than $5,000,000 in Federal funds may be allotted under this section for a project at any single locality.

(e) FUNDING.—There is authorized to be appropriated not to exceed $25,000,000 annually to carry out this section.

SEC. 207. BENEFICIAL USES OF DREDGED MATERIAL.

Section 204 of the Water Resources Development Act of 1992 (106 Stat. 4826) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

"(e) SELECTION OF DREDGED MATERIAL DISPOSAL METHOD.—In developing and carrying out a project for navigation involving the disposal of dredged material, the Secretary may select, with the consent of the non-Federal interest, a disposal method that is not the least-cost option if the Secretary determines that the incremental costs of such disposal method are minimal and that the benefits to the aquatic environment to be derived from such disposal method, including the creation of wetlands and control of shoreline erosion, justify its selection. The Federal share of such incremental costs shall be determined in accordance with subsection (c).".

SEC. 208. RECREATION POLICY AND USER FEES.

(a) RECREATION POLICIES.—

(1) IN GENERAL.—The Secretary shall provide increased emphasis on and opportunities for recreation at water resources projects operated, maintained, or constructed by the Corps of Engineers.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on specific measures taken to implement this subsection.

(b) RECREATION USER FEES.—Section 210(b) of the Flood Control Act of 1968 (16 U.S.C. 460d–3(b)) is amended by adding at the end the following:

"(5) USE OF FEES COLLECTED AT FACILITY.—Subject to advance appropriations, the Secretary of the Army shall ensure that at least an amount equal to the total amount of fees collected at any project under this subsection in a fiscal year beginning after September 30, 1996, are expended in the succeeding fiscal year at such project for operation and maintenance of recreational facilities at such project.".

SEC. 209. RECOVERY OF COSTS.

Amounts recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the Army Civil Works program and any other amounts recovered by the Secretary from a contractor, insurer, surety, or other person to reimburse the Army for any expenditure for environmental response activities in support of the Army civil works program shall be credited to the appropriate trust fund account from which the cost of such response action has been paid or will be charged.

SEC. 210. COST SHARING OF ENVIRONMENTAL PROJECTS.

(a) IN GENERAL.—Section 103(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)) is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting "; and"; and

(3) by inserting after paragraph (6) the following new paragraph:

"(7) subject to section 906 of this Act, environmental protection and restoration: 50 percent.".

(b) APPLICABILITY.—The amendments made by subsection (a) apply only to projects authorized after the date of the enactment of this Act.

SEC. 211. CONSTRUCTION OF FLOOD CONTROL PROJECTS BY NON-FEDERAL INTERESTS.

(a) AUTHORITY.—Non-Federal interests are authorized to undertake flood control projects in the United States, subject to obtaining any permits required pursuant to Federal and State laws in advance of actual construction.

(b) STUDIES AND DESIGN ACTIVITIES.—

(1) BY NON-FEDERAL INTERESTS.—A non-Federal interest may prepare, for review and approval by the Secretary, the necessary studies and design documents for any construction to be undertaken pursuant to subsection (a).

(2) BY SECRETARY.—Upon request of an appropriate non-Federal interest, the Secretary may undertake all necessary studies and design activities for any construction to be undertaken pursuant to subsection (a) and provide technical assistance in obtaining all necessary permits for such construction if the non-Federal interest contracts with the Secretary to furnish the United States funds for the studies and design activities during the period that the studies and design activities will be conducted.

(c) COMPLETION OF STUDIES AND DESIGN ACTIVITIES.—In the case of any study or design documents for a flood control project that were initiated before the date of the enactment of this Act, the Secretary is authorized to complete and transmit to the appropriate non-Federal interests the study or design documents or, upon the request of such non-Federal interests, to terminate the study or design activities and transmit the partially completed study or design documents to such non-Federal interests for completion. Studies and design documents subject to this subsection shall be completed without regard to the requirements of subsection (b).

(d) AUTHORITY TO CARRY OUT IMPROVEMENT.—

(1) IN GENERAL.—Any non-Federal interest which has received from the Secretary pursuant to subsection (b) or (c) a favorable recommendation to carry out a flood control project or separable element thereof based on the results of completed studies and design documents for the project or element, may carry out the project or element if a final environmental impact statement has been filed for the project or element.

(2) PERMITS.—Any plan of improvement proposed to be implemented in accordance with this subsection shall be deemed to satisfy the requirements for obtaining the appropriate permits required under the Secretary's authority and such permits shall be granted subject to the non-Federal interest's acceptance of the terms and conditions of such permits if the Secretary determines that the applicable regulatory criteria and procedures have been satisfied.

(3) MONITORING.—The Secretary shall monitor any project for which a permit is granted under this subsection in order to ensure that such project is constructed, operated, and maintained in accordance with the terms and conditions of such permit.

(e) REIMBURSEMENT.—

(1) GENERAL RULE.—Subject to appropriation Acts, the Secretary is authorized to reimburse any non-Federal interest an amount equal to the estimate of the Federal share, without interest, of the cost of any authorized flood control project, or separable element thereof, constructed pursuant to this section—

(A) if, after authorization and before initiation of construction of the project or separable element, the Secretary approves the plans for construction of such project by the non-Federal interest; and

(B) if the Secretary finds, after a review of studies and design documents prepared pursuant to this section, that construction of the project or separable element is economically justified and environmentally acceptable.

(2) SPECIAL RULES.—

(A) REIMBURSEMENT.—For work (including work associated with studies, planning, design, and construction) carried out by a non-Federal interest with respect to a project described in subsection (f), the Secretary shall, subject to amounts being made available in advance in appropriations Acts, reimburse, without interest, the non-Federal interest an amount equal to the estimated Federal share of the cost of such work if such work is later recommended by the Chief of Engineers and approved by the Secretary.

(B) CREDIT.—If the non-Federal interest for a project described in subsection (f) carries out work before completion of a reconnaissance study by the Secretary and if such work is determined by the Secretary to be compatible with the project later recommended by the Secretary, the Secretary shall credit the non-Federal interest for its share of the cost of the project for such work.

(3) MATTERS TO BE CONSIDERED IN REVIEWING PLANS.—In reviewing plans under this subsection, the Secretary shall consider budgetary and programmatic priorities and other factors that the Secretary deems appropriate.

(4) MONITORING.—The Secretary shall regularly monitor and audit any project for flood control approved for construction under this section by a non-Federal interest in order to ensure that such construction is in compliance with the plans approved by the Secretary and that the costs are reasonable.

(5) LIMITATION ON REIMBURSEMENTS.—No reimbursement shall be made under this section unless and until the Secretary has certified that the work for which reimbursement is requested has been performed in accordance with applicable permits and approved plans.

(f) SPECIFIC PROJECTS.—For the purpose of demonstrating the potential advantages and effectiveness of non-Federal implementation of flood control projects, the Secretary shall enter into agreements pursuant to this section with non-Federal interests for development of the following flood control projects by such interests:

(1) BERRYESSA CREEK, CALIFORNIA.—The Berryessa Creek element of the project for flood control, Coyote and Berryessa Creeks, California, authorized by section 101(a)(5) of the Water Resources Development Act of 1990 (104 Stat. 4606); except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to such element.

(2) LOS ANGELES COUNTY DRAINAGE AREA, CALIFORNIA.—The project for flood control, Los Angeles County Drainage Area, California, authorized by section 101(b) of the Water Resources Development Act of 1990 (104 Stat. 4611).

(3) STOCKTON METROPOLITAN AREA, CALIFORNIA.—The project for flood control, Stockton Metropolitan Area, California.

(4) UPPER GUADALUPE RIVER, CALIFORNIA.—The project for flood control, Upper Guadalupe River, California.

(5) BRAYS BAYOU, TEXAS.—Flood control components comprising the Brays Bayou element of the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by section 101(a)(21) of the Water Resources Development Act of 1990 (104 Stat. 4610); except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to the diversion component of such element.

(6) HUNTING BAYOU, TEXAS.—The Hunting Bayou element of the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by such section; except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to such element.

(7) WHITE OAK BAYOU, TEXAS.—The project for flood control, White Oak Bayou watershed, Texas.

(g) TREATMENT OF FLOOD DAMAGE PREVENTION MEASURES.—For the purposes of this section, flood damage prevention measures at or in the vicinity of Morgan City and Berwick, Louisiana, shall be treated as an authorized element of the Atchafalaya Basin feature of the project for flood control, Mississippi River and Tributaries.

SEC. 212. ENGINEERING AND ENVIRONMENTAL INNOVATIONS OF NATIONAL SIGNIFICANCE.

(a) SURVEYS, PLANS, AND STUDIES.—To encourage innovative and environmentally sound engineering solutions and innovative environmental solutions to problems of national significance, the Secretary may undertake surveys, plans, and studies and prepare reports which may lead to work under existing civil works authorities or to recommendations for authorizations.

(b) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $3,000,000 for each fiscal year beginning after September 30, 1996.

(2) FUNDING FROM OTHER SOURCES.—The Secretary may accept and expend additional funds from other Federal agencies, States, or non-Federal entities for purposes of carrying out this section.

SEC. 213. LEASE AUTHORITY.

Notwithstanding any other provision of law, the Secretary may lease space available in buildings for which funding for construction or purchase was provided from the revolving fund established by the 1st section of the Civil Functions Appropriations Act, 1954 (33 U.S.C. 576; 67 Stat. 199) under such terms and conditions as are acceptable to the Secretary. The proceeds from such leases shall be credited to the revolving fund for the purposes set forth in such Act.

SEC. 214. COLLABORATIVE RESEARCH AND DEVELOPMENT.

(a) FUNDING FROM OTHER FEDERAL SOURCES.—Section 7 of the Water Resources Development Act of 1988 (102 Stat. 4022-4023) is amended—

(1) in subsection (a) by inserting "civil works" before "mission"; and

(2) by striking subsection (e) and inserting the following:

"(e) FUNDING FROM OTHER FEDERAL SOURCES.—The Secretary may accept and expend additional funds from other Federal programs, including other Department of Defense programs, to carry out the purposes of this section.".

(b) PRE-AGREEMENT TEMPORARY PROTECTION OF TECHNOLOGY.—Such section 7 is further amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(2) by inserting after subsection (a) the following new subsection:

"(b) PRE-AGREEMENT TEMPORARY PROTECTION OF TECHNOLOGY.—

"(1) IN GENERAL.—If the Secretary determines that information developed as a result of research and development activities conducted by the Corps of Engineers is likely to be subject to a cooperative research and development agreement within 2 years of its development and that such information would be a trade secret or commercial or financial information that would be privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative research and development agreement under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980, the Secretary may provide appropriate protection against the dissemination of such information, including exemption from subchapter II of chapter 5 of title 5, United States Code, until the earlier of the date the Secretary enters into such an agreement with respect to such technology or the last day of the 2-year period beginning on the date of such determination.

"(2) TREATMENT.—Any technology covered by this section which becomes the subject of a cooperative research and development agreement shall be accorded the protection provided under section 12(c)(7)(B) of such Act (15 U.S.C. 3710a(c)(7)(B)) as if such technology had been developed under a cooperative research and development agreement."; and

(3) in subsection (d), as so redesignated, by striking "(b)" and inserting "(c)".

SEC. 215. DAM SAFETY PROGRAM.

(a) SHORT TITLE.—This section may be cited as the "National Dam Safety Program Act of 1996".

(b) FINDINGS.—Congress finds the following:

(1) Dams are an essential part of the national infrastructure. Dams fail from time to time with catastrophic results; thus, dam safety is a vital public concern.

(2) Dam failures have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption.

(3) Some dams are at or near the end of their structural, useful, or operational life. With respect to future dam failures, the loss, destruction, and disruption can be substantially reduced through the development and implementation of dam safety hazard reduction measures, including—

(A) improved design and construction standards and practices supported by a national dam performance resource bank;

(B) safe operations and maintenance procedures;

(C) early warning systems;

(D) coordinated emergency preparedness plans; and

(E) public awareness and involvement programs.

(4) Dam safety problems persist nationwide. The diversity in Federal and State dam safety programs calls for national leadership in a cooperative effort involving Federal and State governments and the private sector. An expertly staffed and adequately financed dam safety hazard reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions, would reduce the risk of such loss, destruction, and disruption from dam failure by an amount far greater than the cost of such program.

(5) There is a fundamental need for a national dam safety program and the need will continue. An effective national program in dam safety hazards reduction will require input from and review by Federal and non-Federal experts in dams design, construction, operation, and maintenance and in the practical application of dam failure hazards reduction measures. At the present time, there is no national dam safety program.

(6) The coordinating authority for national leadership is provided through the Federal Emergency Management Agency's (hereinafter in this section referred to as "FEMA") dam safety program through Executive Order 12148 in coordination with appropriate Federal agencies and the States.

(7) While FEMA's dam safety program shall continue as a proper Federal undertaking and shall provide the foundation for a National Dam Safety Program, statutory authority to meet increasing needs and to discharge Federal responsibilities in national dam safety is needed.

(8) Statutory authority will strengthen FEMA's leadership role, will codify the national dam safety program, and will authorize the Director of FEMA (hereinafter in this section referred to as the "Director") to communicate directly with Congress on authorizations and appropriations and to build upon the hazard reduction aspects of national dam safety.

(c) PURPOSE.—It is the purpose of this section to reduce the risks to life and property from dam failure in the United States through the establishment and maintenance of an effective national dam safety program which will bring together the Federal and non-Federal communities' expertise and resources to achieve national dam safety hazard reduction. It is not the intent of this section to preempt any other Federal or State authorities nor is the intent of this section to mandate State participation in the grant assistance program to be established under this section.

(d) DEFINITIONS.—In this section, the following definitions apply:

(1) FEDERAL AGENCY.—The term "Federal agency" means any Federal agency that designs, finances, constructs, owns, operates, maintains, or regulates the construction, operation, or maintenance of any dam.

(2) NON-FEDERAL AGENCY.—The term "non-Federal agency" means any State agency that has regulatory authority over the safety of non-Federal dams.

(3) FEDERAL GUIDELINES FOR DAM SAFETY.—The term "Federal Guidelines for Dam Safety" refers to a FEMA publication number 93, dated June 1979, which defines management practices for dam safety at all Federal agencies.

(4) PROGRAM.—The term "program" means the national dam safety program established under subsection (e).

(5) DAM.—The term "dam" means any artificial barrier with the ability to impound water, wastewater, or liquid-borne materials for the purpose of storage or control of water which is—

(A) 25 feet or more in height from (i) the natural bed of the stream or watercourse measured at the downstream toe of the barrier, or (ii) from the lowest elevation of the outside limit of the barrier if the barrier is not across a stream channel or watercourse, to the maximum water storage elevation; or

(B) has an impounding capacity for maximum storage elevation of 50 acre-feet or more.

Such term does not include any such barrier which is not greater than 6 feet in height regardless of storage capacity or which has a storage capacity at maximum water storage elevation not greater than 15 acre-feet regardless of height, unless such barrier, due to its location or other physical characteristics, is likely to pose a significant threat to human life or property in the event of its failure. Such term does not include a levee.

(6) HAZARD REDUCTION.—The term "hazard reduction" means those efforts utilized to reduce the potential consequences of dam failure to life and property.

(7) STATE.—The term "State" means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

(8) PARTICIPATING STATE.—The term "participating State" means any State that elects to participate in the grant assistance program established under this Act.

(9) UNITED STATES.—The term "United States" means, when used in a geographical sense, all of the States.

(10) MODEL STATE DAM SAFETY PROGRAM.—The term "Model State Dam Safety Program" refers to a document, published by FEMA (No. 123, dated April 1987) and its amendments, developed by State dam safety officials, which acts as a guideline to State dam safety agencies for establishing a dam safety regulatory program or improving an already-established program.

(e) NATIONAL DAM SAFETY PROGRAM.—

(1) AUTHORITY.—The Director, in consultation with appropriate Federal agencies, State dam safety agencies, and the National Dam Safety Review Board established by paragraph (5)(C), shall establish and maintain, in accordance with the provisions and policies of this Act, a coordinated national dam safety program. This program shall—

(A) be administered by FEMA to achieve the objectives set forth in paragraph (3);

(B) involve, where appropriate, the Departments of Agriculture, Defense, Energy, Interior, and Labor, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission, the International Boundaries Commission (United States section), the Tennessee Valley Authority, and FEMA; and

(C) include each of the components described in paragraph (4), the implementation plan described in paragraph (5), and the assistance for State dam safety programs to be provided under this section.

(2) DUTIES.—The Director—

(A) within 270 days after the date of the enactment of this Act, shall develop the implementation plan described in paragraph (5);

(B) within 300 days after such date of enactment, shall submit to the appropriate authorizing committees of Congress the implementation plan described in paragraph (5); and

(C) by rule within 360 days after such date of enactment—

(i) shall develop and implement the national dam safety program under this section;

(ii) shall establish goals, priorities, and target dates for implementation of the program; and

(iii) shall provide a method for cooperation and coordination with, and assistance to (as feasible), interested governmental entities in all States.

(3) OBJECTIVES.—The objectives of the national dam safety program are as follows:

(A) To ensure that new and existing dams are safe through the development of technologically and economically feasible programs and procedures for national dam safety hazard reduction.

(B) To encourage acceptable engineering policies and procedures used for dam site investigation, design, construction, operation and maintenance, and emergency preparedness.

(C) To encourage establishment and implementation of effective dam safety programs in each participating State based on State standards.

(D) To develop and encourage public awareness projects to increase public acceptance and support of State dam safety programs.

(E) To develop technical assistance materials for Federal and non-Federal dam safety programs.

(F) To develop mechanisms with which to provide Federal technical assistance for dam safety to the non-Federal sector.

(4) COMPONENTS.—

(A) IN GENERAL.—The national dam safety program shall consist of a Federal element and a non-Federal element and 3 functional activities: leadership, technical assistance, and public awareness.

(B) ELEMENTS.—

(i) FEDERAL ELEMENT.—The Federal element of the program incorporates all the activities and practices undertaken by Federal agencies to implement the Federal Guidelines for Dam Safety.

(ii) NON-FEDERAL ELEMENT.—The non-Federal element of the program involves the activities and practices undertaken by participating States, local governments, and the private sector to safely build, regulate, operate, and maintain dams and Federal activities which foster State efforts to develop and implement effective programs for the safety of dams.

(C) ACTIVITIES.—

(i) LEADERSHIP ACTIVITY.—The leadership activity of the program shall be the responsibility of FEMA. FEMA shall coordinate Federal efforts in cooperation with appropriate Federal agencies and State dam safety agencies.

(ii) TECHNICAL ASSISTANCE ACTIVITY.—The technical assistance activity of the program involves the transfer of knowledge and technical information among the Federal and non-Federal elements.

(iii) PUBLIC AWARENESS ACTIVITY.—The public awareness activity provides for the education of the public, including State and local officials, to the hazards of dam failure and ways to reduce the adverse consequences of dam failure and related matters.

(5) GRANT ASSISTANCE PROGRAM.—The Director shall develop an implementation plan which shall demonstrate dam safety improvements through fiscal year 2001 and shall recommend appropriate roles for Federal agencies and for State and local units of government, individuals, and private organizations. The implementation plan shall provide, at a minimum, for the following:

(A) ASSISTANCE PROGRAM.—In order to encourage the establishment and maintenance of effective programs intended to ensure dam safety to protect human life and property and to improve such existing programs, the Director shall provide, from amounts made available under subsection (g) of this section, assistance to participating States to establish and maintain dam safety programs, first, according to the basic provisions for a dam safety program listed below and, second, according to more advanced requirements and standards authorized by the review board under subparagraph (C) and the Director with the assistance of established criteria such as the Model State Dam Safety Program. Participating State dam safety programs must be working toward meeting the following primary criteria to be eligible for primary assistance or must meet the following primary criteria prior to working toward advanced assistance:

(i) STATE LEGISLATION.—A dam safety program must be authorized by State legislation to include, at a minimum, the following:

(I) PLAN REVIEW AND APPROVAL.—Authority to review and approve plans and specifications to construct, enlarge, modify, remove, or abandon dams.

(II) PERIODIC INSPECTIONS DURING CONSTRUCTION.—Authority to perform periodic inspections during construction for the purpose of ensuring compliance with approved plans and specifications.

(III) STATE APPROVAL.—Upon completion of construction, a requirement that, before operation of the structure, State approval is received.

(IV) SAFETY INSPECTIONS.—Authority to require or perform the inspection of all dams and reservoirs that pose a significant threat to human life and property in the event of failure at least every 5 years to determine their continued safety and a procedure for more detailed and frequent safety inspections.

(V) PROFESSIONAL ENGINEER.—A requirement that all inspections be performed under the supervision of a registered professional engineer with related experience in dam design and construction.

(VI) ORDERS.—Authority to issue orders, when appropriate, to require owners of dams to perform necessary maintenance or remedial work, revise operating procedures, or take other actions, including breaching dams when deemed necessary.

(VII) REGULATIONS.—Rules and regulations for carrying out the provisions of the State's legislative authority.

(VIII) EMERGENCY FUNDS.—Necessary emergency funds to assure timely repairs or other changes to, or removal of, a dam in order to protect human life and property and, if the owner does not take action, to take appropriate action as expeditiously as possible.

(IX) EMERGENCY PROCEDURES.—A system of emergency procedures that would be utilized in the event a dam fails or in the event a dam's failure is imminent, together with an identification of those dams where failure could be reasonably expected to endanger human life and of the maximum area that could be inundated in the event of a failure of the dam, as well as identification of those necessary public facilities that would be affected by such inundation.

(ii) STATE APPROPRIATIONS.—State appropriations must be budgeted to carry out the provisions of the State legislation.

(B) WORK PLAN CONTRACTS.—The Director shall enter into contracts with each participating State to determine a work plan necessary for a particular State dam safety program to reach a level of program performance previously agreed upon in the contract. Federal assistance under this section shall be provided to aid the State dam safety program in achieving its goal.

(C) NATIONAL DAM SAFETY REVIEW BOARD.—

(i) IN GENERAL.—There is authorized to be established a National Dam Safety Review Board (hereinafter in this section referred to as the "Board"), which shall be responsible for monitoring participating State implementation of the requirements of the assistance program. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements of this section. The Board shall consist of 11 members selected for their expertise in dam safety as follows:

(I) 5 to represent FEMA, the Federal Energy Regulatory Commission, and the Departments of Agriculture, Defense, and Interior.

(II) 5 members selected by the Director who are dam safety officials of States.

(III) 1 member selected by the Director to represent the United States Committee on Large Dams.

(ii) NO COMPENSATION OF MEMBERS.—Each member of the Board who is an officer or employee of the United States shall serve without compensation in addition to compensation received for the services of the member as an officer or employee of the United States. Each member of the Board who is not an officer or employee of the United States shall serve without compensation.

(iii) TRAVEL EXPENSES.—Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from home or regular place of business of the member in the performance of services for the Board.

(iv) NONAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

(D) MAINTENANCE OF EFFORT.—No grant may be made to a participating State under this subsection in any fiscal year unless the State enters into such agreement with the Director as the Director may require to ensure that the participating State will maintain its aggregate expenditures from all other sources for programs to assure dam safety for the protection of human life and property at or above the average level of such expenditures in its 2 fiscal years preceding the date of the enactment of this Act.

(E) PROCEDURE FOR APPROVAL OF STATE PARTICIPATION.—Any program which is submitted to the Director for participation in the assistance program under this subsection shall be deemed approved 120 days following its receipt by the Director unless the Director determines within such 120-day period that the submitted program fails to reasonably meet the requirements of subparagraphs (A) and (B). If the Director determines the submitted program cannot be approved for participation, the Director shall immediately notify the State in writing, together with his or her reasons and those changes needed to enable the submitted program to be approved.

(F) REVIEW OF STATE PROGRAMS.—Utilizing the expertise of the Board, the Director shall periodically review the approved State dam safety programs. In the event the Board finds that a program of a participating State has proven inadequate to reasonably protect human life and property and the Director agrees, the Director shall revoke approval of the State's participation in the assistance program and withhold assistance under this section, until the State program has been reapproved.

(G) COOPERATION OF FEDERAL AGENCIES.—The head of any Federal agency, when requested by any State dam safety agency, shall provide information on the construction, operation, or maintenance of any dam or allow officials of the State agency to participate in any Federal inspection of any dam.

(H) DAM INSURANCE REPORT.—Within 180 days after the date of the enactment of this Act, the Director shall report to the Congress on the availability of dam insurance and make recommendations.

(f) BIENNIAL REPORT.—Within 90 days after the last day of each odd-numbered fiscal year, the Director shall submit a biennial report to Congress describing the status of the program being implemented under this section and describing the progress achieved by the Federal agencies during the 2 previous years in implementing the Federal Guidelines for Dam Safety. Each such report shall include any recommendations for legislative and other action deemed necessary and appropriate. The report shall also include a summary of the progress being made in improving dam safety by participating States.

(g) AUTHORIZING OF APPROPRIATIONS.—

(1) GENERAL PROGRAM.—

(A) FUNDING.—There are authorized to be appropriated to the Director to carry out the provisions of subsections (e) and (f) (in addition to any authorizations for similar purposes included in other Acts and the authorizations set forth in paragraphs (2) through (5) of this subsection)—

(i) $1,000,000 for fiscal year 1997;

(ii) $2,000,000 for fiscal year 1998;

(iii) $4,000,000 for fiscal year 1999;

(iv) $4,000,000 for fiscal year 2000; and

(v) $4,000,000 for fiscal year 2001.

(B) APPORTIONMENT FORMULA.—

(i) IN GENERAL.—Subject to clause (ii), sums appropriated under this paragraph shall be distributed annually among participating States on the following basis: One-third among those States determined in subsection (e) as qualifying for funding, and two-thirds in proportion to the number of dams and appearing as State-regulated dams on the National Dam Inventory in each participating State that has been determined in subsection (e)(5)(A) as qualifying for funding, to the number of dams in all participating States.

(ii) LIMITATION TO 50 PERCENT OF COST.—In no event shall funds distributed to any State under this paragraph exceed 50 percent of the reasonable cost of implementing an approved dam safety program in such State.

(iii) ALLOCATION BETWEEN PRIMARY AND ADVANCED ASSISTANCE PROGRAMS.— The Director and Review Board shall determine how much of funds appropriated under this paragraph is allotted to participating States needing primary funding and those needing advanced funding.

(2) TRAINING.—

(A) IN GENERAL.—The Director shall, at the request of any State that has or intends to develop a dam safety program under subsection (e)(5)(A), provide training for State dam safety staff and inspectors.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $500,000 for each of fiscal years 1997 through 2001.

(3) RESEARCH.—

(A) IN GENERAL.—The Director shall undertake a program of technical and archival research in order to develop improved techniques, historical experience, and equipment for rapid and effective dam construction, rehabilitation, and inspection, together with devices for the continued monitoring, of dams for safety purposes.

(B) STATE PARTICIPATION; REPORTS.—The Director shall provide for State participation in the research under this paragraph and periodically advise all States and Congress of the results of such research.

(C) FUNDING.—There is authorized to be appropriated to carry out this paragraph $1,000,000 for each of fiscal years 1997 through 2001.

(4) DAM INVENTORY.—

(A) MAINTENANCE AND PUBLICATION.—The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $500,000 for each of fiscal years 1997 through 2001.

(5) PERSONNEL.—

(A) EMPLOYMENT.—The Director is authorized to employ additional staff personnel in numbers sufficient to carry out the provisions of this section.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $400,000 for each of fiscal years 1997 through 2001.

(6) LIMITATION.—No funds authorized by this section shall be used to construct or repair any Federal or non-Federal dams.

(h) CONFORMING AMENDMENTS.—The Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams", approved August 8, 1972 (33 U.S.C 467–467m; Public Law 92-367), is amended—

(1) in the first section by striking "means any artificial barrier" and all that follows through the period at the end and inserting "has the meaning such term has under subsection (d) of the National Dam Safety Program Act of 1996.";

(2) by striking the 2d sentence of section 3;

(3) by striking section 5 and sections 7 through 14; and

(4) by redesignating section 6 as section 5.

SEC. 216. MAINTENANCE, REHABILITATION, AND MODERNIZATION OF FACILITIES.

In accomplishing the maintenance, rehabilitation, and modernization of hydroelectric power generating facilities at water resources projects under the jurisdiction of the Department of the Army, the Secretary is authorized to increase the efficiency of energy production and the capacity of these facilities if, after consulting with other appropriate Federal and State agencies, the Secretary determines that such uprating—

(1) is economically justified and financially feasible;

(2) will not result in significant adverse effects on the other purposes for which the project is authorized;

(3) will not result in significant adverse environmental impacts; and

(4) will not involve major structural or operation changes in the project.

SEC. 217. LONG-TERM SEDIMENT MANAGEMENT STRATEGIES.

(a) DEVELOPMENT.—The Secretary shall enter into cooperative agreements with non-Federal sponsors of navigation projects for development of long-term management strategies for controlling sediments in such projects.

(b) CONTENTS OF STRATEGIES.—Each strategy developed under this section for a navigation project—

(1) shall include assessments of the following with respect to the project: sediment rates and composition, sediment reduction options, dredging practices, long-term management of any dredged material disposal facilities, remediation of such facilities, and alternative disposal and reuse options;

(2) shall include a timetable for implementation of the strategy; and

(3) shall incorporate, as much as possible, relevant ongoing planning efforts, including remedial action planning, dredged material management planning, harbor and waterfront development planning, and watershed management planning.

(c) CONSULTATION.—In developing strategies under this section, the Secretary shall consult with interested Federal agencies, States, and Indian tribes and provide an opportunity for public comment.

SEC. 218. DREDGED MATERIAL DISPOSAL FACILITY PARTNERSHIPS.

(a) ADDITIONAL CAPACITY.—

(1) PROVIDED BY SECRETARY.—At the request of a non-Federal project sponsor, the Secretary may provide additional capacity at a dredged material disposal facility constructed by the Secretary beyond that which would be required for project purposes if the non-Federal project sponsor agrees to pay, during the period of construction, all costs associated with the construction of the additional capacity.

(2) COST RECOVERY AUTHORITY.—The non-Federal project sponsor may recover the costs assigned to the additional capacity through fees assessed on 3rd parties whose dredged material is deposited in the facility and who enter into agreements with the non-Federal sponsor for the use of such facility. The amount of such fees may be determined by the non-Federal sponsor.

(b) NON-FEDERAL USE OF DISPOSAL FACILITIES.—

(1) IN GENERAL.—The Secretary—

(A) may permit the use of any dredged material disposal facility under the jurisdiction of, or managed by, the Secretary by a non-Federal interest if the Secretary determines that such use will not reduce the availability of the facility for project purposes; and

(B) may impose fees to recover capital, operation, and maintenance costs associated with such use.

(2) USE OF FEES.—Notwithstanding section 401(c) of the Federal Water Pollution Control Act but subject to advance appropriations, any monies received through collection of fees under this subsection shall be available to the Secretary, and shall be used by the Secretary, for the operation and maintenance of the disposal facility from which they were collected.

(c) PUBLIC-PRIVATE PARTNERSHIPS.—

(1) IN GENERAL.—The Secretary may carry out a program to evaluate and implement opportunities for public-private partnerships in the design, construction, management, or operation of dredged material disposal facilties in connection with construction or maintenance of Federal navigation projects.

(2) PRIVATE FINANCING.—

(A) AGREEMENTS.—In carrying out this subsection, the Secretary may enter into an agreement with a project sponsor, a private entity, or both for the acquisition, design, construction, management, or operation of a dredged material disposal facility (including any facility used to demonstrate potential beneficial uses of dredged material) using funds provided in whole or in part by the private entity.

(B) REIMBURSEMENT.—If any funds provided by a private entity are used to carry out a project under this subsection, the Secretary may reimburse the private entity over a period of time agreed to by the parties to the agreement through the payment of subsequent user fees. Such fees may include the payment of a disposal or tipping fee for placement of suitable dredged material at the facility.

(C) AMOUNT OF FEES.—User fees paid pursuant to subparagraph (B) shall be sufficient to repay funds contributed by the private entity plus a reasonable return on investment approved by the Secretary in cooperation with the project sponsor and the private entity.

(D) FEDERAL SHARE.—The Federal share of such fee shall be equal to the percentage of the total cost which would otherwise be borne by the Federal Government as required pursuant to existing cost sharing requirements, including section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213) and section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2325).

(E) BUDGET ACT COMPLIANCE.—Any spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 651(c)(2)) authorized by this section shall be effective only to such extent and in such amounts as are provided in appropriation Acts.

SEC. 219. OBSTRUCTION REMOVAL REQUIREMENT.

(a) PENALTY.—Section 16 of the Act of March 3, 1899 (33 U.S.C. 411; 30 Stat. 1153), is amended—

(1) by striking "thirteen, fourteen, and fifteen" each place it appears and inserting "13, 14, 15, 19, and 20"; and

(2) by striking "not exceeding twenty-five hundred dollars nor less than five hundred dollars" and inserting "of up to $25,000 per day".

(b) GENERAL AUTHORITY.—Section 20 of the Act of March 3, 1899 (33 U.S.C. 415; 30 Stat. 1154), is amended—

(1) by striking "expense" the first place it appears in subsection (a) and inserting "actual expense, including administrative expenses,";

(2) in subsection (b) by striking "cost" and inserting "actual cost, including administrative costs,";

(3) by redesignating subsection (b) as subsection (c); and

(4) by inserting after subsection (a) the following new subsection:

"(b) REMOVAL REQUIREMENT.—Within 24 hours after the Secretary of the Department in which the Coast Guard is operating issues an order to stop or delay navigation in any navigable waters of the United States because of conditions related to the sinking or grounding of a vessel, the owner or operator of the vessel, with the approval of the Secretary of the Army, shall begin removal of the vessel using the most expeditious removal method available or, if appropriate, secure the vessel pending removal to allow navigation to resume. If the owner or operator fails to begin removal or to secure the vessel pending removal or fails to complete removal as soon as possible, the Secretary of the Army shall remove or destroy the vessel using the summary removal procedures under subsection (a) of this section.".

SEC. 220. SMALL PROJECT AUTHORIZATIONS.

Section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r) is amended—

(1) by striking "$12,500,000" and inserting "$15,000,000"; and

(2) by striking "$500,000" and inserting "$1,500,000".

SEC. 221. UNECONOMICAL COST-SHARING REQUIREMENTS.

Section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b) is amended by striking the period at the end of the first sentence and inserting the following: "; except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agreement would exceed the amount of the contribution required from the non-Federal interest and are less than $25,000.".

SEC. 222. PLANNING ASSISTANCE TO STATES.

Section 22 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d-16) is amended—

(1) in subsection (a) by inserting ", watersheds, or ecosystems" after "basins";

(2) in subsection (b)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) in subsection (c)—

(A) by striking "$6,000,000" and inserting "$10,000,000"; and

(B) by striking "$300,000" and inserting "$500,000".

SEC. 223. CORPS OF ENGINEERS EXPENSES.

Section 211 of the Flood Control Act of 1950 (33 U.S.C. 701u; 64 Stat. 183) is amended—

(1) by striking "continental limits of the"; and

(2) by striking the 2d colon and all that follows through "for this purpose".

SEC. 224. STATE AND FEDERAL AGENCY REVIEW PERIOD.

The 1st section of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes", approved December 22, 1944 (33 U.S.C. 701-1(a); 58 Stat. 888), is amended—

(1) by striking "Within ninety" and inserting "Within 30"; and

(2) by striking "ninety-day period." and inserting "30-day period.".

SEC. 225. LIMITATION ON REIMBURSEMENT OF NON-FEDERAL COSTS PER PROJECT.

Section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d-5a(a)) is amended—

(1) by striking "$3,000,000" and inserting "$5,000,000"; and

(2) by striking the final period.

SEC. 226. AQUATIC PLANT CONTROL.

(a) ADDITIONAL CONTROLLED PLANTS.—Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended by inserting after "alligatorweed," the following: "melaleuca,".

(b) AUTHORIZATION.—Section 104(b) of such Act (33 U.S.C. 610(b)) is amended by striking "$12,000,000" and inserting "$15,000,000".

SEC. 227. SEDIMENTS DECONTAMINATION TECHNOLOGY.

(a) PROJECT PURPOSE.—Section 405(a) of the Water Resources Development Act of 1992 (33 U.S.C. 2239 note; 106 Stat. 4863) is amended by adding at the end the following:

"(3) PROJECT PURPOSE.—The purpose of the project to be carried out under this section is to provide for the development of 1 or more sediment decontamination technologies on a pilot scale demonstrating a capacity of at least 500,000 cubic yards per year.".

(b) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 405(c) of such Act is amended to read as follows: "There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1996.".

(c) REPORTS.—Section 405 of such Act is amended by adding at the end the following:

"(d) REPORTS.—Not later than September 30, 1998, and periodically thereafter, the Administrator and the Secretary shall transmit to Congress a report on the results of the project to be carried out under this section, including an assessment of the progress made in achieving the intent of the program set forth in subsection (a)(3).".

SEC. 228. SHORE PROTECTION.

(a) DECLARATION OF POLICY.—Subsection (a) of the first section of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426e; 60 Stat. 1056), is amended—

(1) by striking "damage to the shores" and inserting "damage to the shores and beaches"; and

(2) by striking "the following provisions" and all that follows through the period at the end of subsection (a) and inserting the following: "this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.".

(b) NONPUBLIC SHORES.—Subsection (d) of such section is amended by striking "or from the protection of nearby public property or" and inserting ", if there are sufficient benefits, including benefits to local and regional economic development and to the local and regional ecology (as determined under subsection (e)(2)(B)), or"; and

(c) AUTHORIZATION OF PROJECTS.—Subsection (e) of such section is amended—

(1) by striking "(e) No" and inserting the following:

"(e) AUTHORIZATION OF PROJECTS.—

"(1) IN GENERAL.—No";

(2) by moving the remainder of the text of paragraph (1) (as designated by paragraph (1) of this subsection) 2 ems to the right; and

(3) by adding at the end the following:

"(2) STUDIES.—

"(A) IN GENERAL.—The Secretary shall—

"(i) recommend to Congress studies concerning shore protection projects that meet the criteria established under this Act (including subparagraph (B)(iii)) and other applicable law;

"(ii) conduct such studies as Congress requires under applicable laws; and

"(iii) report the results of the studies to the appropriate committees of Congress.

"(B) RECOMMENDATIONS FOR SHORE PROTECTION PROJECTS.—

"(i) IN GENERAL.—The Secretary shall recommend to Congress the authorization or reauthorization of shore protection projects based on the studies conducted under subparagraph (A).

"(ii) CONSIDERATIONS.—In making recommendations, the Secretary shall consider the economic and ecological benefits of a shore protection project and the ability of the non-Federal interest to participate in the project.

"(iii) CONSIDERATION OF LOCAL AND REGIONAL BENEFITS.—In analyzing the economic and ecological benefits of a shore protection project, or a flood control or other water resource project the purpose of which includes shore protection, the Secretary shall consider benefits to local and regional economic development, and to the local and regional ecology, in calculating the full economic and ecological justifications for the project.

"(C) COORDINATION OF PROJECTS.—In conducting studies and making recommendations for a shore protection project under this paragraph, the Secretary shall—

"(i) determine whether there is any other project being carried out by the Secretary or the head of another Federal agency that may be complementary to the shore protection project; and

"(ii) if there is such a complementary project, describe the efforts that will be made to coordinate the projects.

"(3) SHORE PROTECTION PROJECTS.—

"(A) IN GENERAL.—The Secretary shall construct, or cause to be constructed, any shore protection project authorized by Congress, or separable element of such a project, for which funds have been appropriated by Congress.

"(B) AGREEMENTS.—

"(i) REQUIREMENT.—After authorization by Congress, and before commencement of construction, of a shore protection project or separable element, the Secretary shall enter into a written agreement with a non-Federal interest with respect to the project or separable element.

"(ii) TERMS.—The agreement shall—

"(I) specify the life of the project; and

"(II) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.

"(C) COORDINATION OF PROJECTS.—In constructing a shore protection project or separable element under this paragraph, the Secretary shall, to the extent practicable, coordinate the project or element with any complementary project identified under paragraph (2)(C).

"(4) REPORT TO CONGRESS.—The Secretary shall report biennially to the appropriate committees of Congress on the status of all ongoing shore protection studies and shore protection projects carried out under the jurisdiction of the Secretary.".

(d) REQUIREMENT OF AGREEMENTS PRIOR TO REIMBURSEMENTS.—

(1) SMALL SHORE PROTECTION PROJECTS.—Section 2 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426f; 60 Stat. 1056), is amended—

(A) by striking "SEC. 2. The Secretary of the Army" and inserting the following:

"SEC. 2. REIMBURSEMENTS.

"(a) IN GENERAL.—The Secretary";

(B) in subsection (a) (as so designated)—

(i) by striking "local interests" and inserting "non-Federal interests";

(ii) by inserting "or separable element of the project" after "project"; and

(iii) by inserting "or separable elements" after "projects" each place it appears; and

(C) by adding at the end the following:

"(b) AGREEMENTS.—

"(1) REQUIREMENT.—After authorization of reimbursement by the Secretary under this section, and before commencement of construction, of a shore protection project, the Secretary shall enter into a written agreement with the non-Federal interest with respect to the project or separable element.

"(2) TERMS.—The agreement shall—

"(A) specify the life of the project; and

"(B) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.".

(2) OTHER SHORELINE PROTECTION PROJECTS.—Section 206(e)(1)(A) of the Water Resources Development Act of 1992 (33 U.S.C. 426i–1(e)(1)(A); 106 Stat. 4829) is amended by inserting before the semicolon the following: "and enters into a written agreement with the non-Federal interest with respect to the project or separable element (including the terms of cooperation)".

(e) STATE AND REGIONAL PLANS.—The Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946, is further amended—

(1) by redesignating section 4 (33 U.S.C. 426h) as section 5; and

(2) by inserting after section 3 (33 U.S.C. 426g) the following:

"SEC. 4. STATE AND REGIONAL PLANS.

"The Secretary may—

"(1) cooperate with any State in the preparation of a comprehensive State or regional plan for the conservation of coastal resources located within the boundaries of the State;

"(2) encourage State participation in the implementation of the plan; and

"(3) submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out the plan.".

(f) DEFINITIONS.—

(1) IN GENERAL.—Section 5 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426h), (as redesignated by subsection (e)(1)) is amended to read as follows:

"SEC. 5. DEFINITIONS.

"In this Act, the following definitions apply:

"(1) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers.

"(2) SEPARABLE ELEMENT.—The term 'separable element' has the meaning provided by section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)).

"(3) SHORE.—The term 'shore' includes each shoreline of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and lakes, estuaries, and bays directly connected therewith.

"(4) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.".

(2) CONFORMING AMENDMENTS.—The Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946, is amended—

(A) in subsection (b)(3) of the first section (33 U.S.C. 426e(b)(3)) by striking "of the Army, acting through the Chief of Engineers," and by striking the final period; and

(B) in section 3 (33 U.S.C. 426g) by striking "Secretary of the Army" and inserting "Secretary".

(g) OBJECTIVES OF PROJECTS.—Section 209 of the Flood Control Act of 1970 (42 U.S.C. 1962–2; 84 Stat. 1829) is amended by inserting "(including shore protection projects such as projects for beach nourishment, including the replacement of sand)" after "water resource projects".

SEC. 229. PROJECT DEAUTHORIZATIONS.

(a) IN GENERAL.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended—

(1) by striking "Before" at the beginning of the second sentence and inserting "Upon"; and

(2) by inserting "planning, designing, or" before "construction" in the last sentence.

(b) TECHNICAL AMENDMENT.—Section 52 of the Water Resources Development Act of 1988 (33 U.S.C. 579a note; 102 Stat. 4044) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (a), (b), (c), and (d), respectively.

SEC. 230. SUPPORT OF ARMY CIVIL WORKS PROGRAM.

(a) GENERAL AUTHORITY.—In carrying out research and development in support of the civil works program of the Department of the Army, the Secretary may utilize contracts, cooperative research and development agreements, cooperative agreements, and grants with non-Federal entities, including State and local governments, colleges and universities, consortia, professional and technical societies, public and private scientific and technical foundations, research institutions, educational organizations, and nonprofit organizations.

(b) SPECIAL RULES.—With respect to contracts for research and development, the Secretary may include requirements that have potential commercial application and may also use such potential application as an evaluation factor where appropriate.

SEC. 231. BENEFITS TO NAVIGATION.

In evaluating potential improvements to navigation and the maintenance of navigation projects, the Secretary shall consider, and include for purposes of project justification, economic benefits generated by cruise ships as commercial navigation benefits.

SEC. 232. LOSS OF LIFE PREVENTION.

Section 904 of the Water Resources Development Act of 1986 (33 U.S.C. 2281) is amended by inserting "including the loss of life which may be associated with flooding and coastal storm events," after "costs,".

SEC. 233. SCENIC AND AESTHETIC CONSIDERATIONS.

In conducting studies of potential water resources projects, the Secretary shall consider measures to preserve and enhance scenic and aesthetic qualities in the vicinity of such projects.

SEC. 234. REMOVAL OF STUDY PROHIBITIONS.

Nothing in section 208 of the Urgent Supplemental Appropriations Act, 1986 (100 Stat. 749), section 505 of the Energy and Water Development Appropriations Act, 1993 (106 Stat. 1343), or any other provision of law shall be deemed to limit the authority of the Secretary to undertake studies for the purpose of investigating alternative modes of financing hydroelectric power facilities under the jurisdiction of the Department of the Army with funds appropriated after the date of the enactment of this Act.

SEC. 235. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary, to the greatest extent practicable, shall provide to each recipient of the assistance a notice describing the statement made in subsection (a).

SEC. 236. RESERVOIR MANAGEMENT TECHNICAL ADVISORY COMMITTEE.

Section 310 of the Water Resources Development Act of 1990 (33 U.S.C. 2319; 104 Stat. 4639) is amended—

(1) by striking subsection (a); and

(2) by striking "(b) PUBLIC PARTICIPATION.—".

SEC. 237. TECHNICAL CORRECTIONS.

(a) SECTION 203 OF 1992 ACT.—Section 203(b) of the Water Resources Development Act of 1992 (106 Stat. 4826) is amended by striking "(8662)" and inserting "(8862)".

(b) SECTION 225 OF 1992 ACT.—Section 225(c) of the Water Resources Development Act of 1992 (106 Stat. 4838) is amended by striking "(8662)" in the second sentence and inserting "(8862)".

TITLE III—PROJECT MODIFICATIONS

SEC. 301. MOBILE HARBOR, ALABAMA.

The undesignated paragraph under the heading "MOBILE HARBOR, ALABAMA" in section 201(a) of the Water Resources Development Act of 1986 (100 Stat. 4090) is amended by striking the first semicolon and all that follows and inserting a period and the following: "In disposing of dredged material from such project, the Secretary, after compliance with applicable laws and after opportunity for public review and comment, may consider alternatives to disposal of such material in the Gulf of Mexico, including environmentally acceptable alternatives for beneficial uses of dredged material and environmental restoration.".

SEC. 302. ALAMO DAM, ARIZONA.

The project for flood control and other purposes, Alamo Dam and Lake, Arizona, authorized by section 10 of the River and Harbor Act of December 22, 1944, (58 Stat. 900), is modified to authorize the Secretary to operate the Alamo Dam to provide fish and wildlife benefits both upstream and downstream of the Dam. Such operation shall not reduce flood control and recreation benefits provided by the project.

SEC. 303. NOGALES WASH AND TRIBUTARIES, ARIZONA.

The project for flood control, Nogales Wash and tributaries, Arizona, authorized by section 101(a)(4) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to direct the Secretary to permit the non-Federal contribution for the project to be determined in accordance with sections 103(k) and 103(m) of the Water Resources Development Act of 1986 and to direct the Secretary to enter into negotiations with non-

Federal interests pursuant to section 103(l) of such Act concerning the timing of the initial payment of the non-Federal contribution.

SEC. 304. PHOENIX, ARIZONA.

Section 321 of the Water Resources Development Act of 1992 (106 Stat. 4848) is amended—

(1) by striking "control" and inserting "control, ecosystem restoration,"; and

(2) by striking "$6,500,000." and inserting "$17,500,000.".

SEC. 305. SAN FRANCISCO RIVER AT CLIFTON, ARIZONA.

The project for flood control, San Francisco River, Clifton, Arizona, authorized by section 101(a)(3) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to authorize the Secretary to construct the project at a total cost of $21,100,000, with an estimated Federal cost of $13,800,000 and an estimated non-Federal cost of $7,300,000.

SEC. 306. CHANNEL ISLANDS HARBOR, CALIFORNIA.

The project for navigation, Channel Islands Harbor, Port of Hueneme, California, authorized by section 101 of the River and Harbor Act of 1954 (68 Stat. 1252) is modified to direct the Secretary to pay 100 percent of the costs of dredging the Channel Islands Harbor sand trap.

SEC. 307. GLENN-COLUSA, CALIFORNIA.

The project for flood control, Sacramento River, California, authorized by section 2 of the Act entitled "An Act to provide for the control of the floods of the Mississippi River and the Sacramento River, California, and for other purposes", approved March 1, 1917 (39 Stat. 948), and as modified by section 102 of the Energy and Water Development Appropriations Act, 1990 (103 Stat. 649), is further modified to authorize the Secretary to carry out the portion of the project at Glenn-Colusa, California, at a total cost of $14,200,000.

SEC. 308. LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA.

The navigation project for Los Angeles and Long Beach Harbors, San Pedro Bay, California, authorized by section 201(b) of the Water Resources Development Act of 1986 (100 Stat. 4091), is modified to provide that, notwithstanding section 101(a)(4) of such Act, the cost of the relocation of the sewer outfall by the Port of Los Angeles shall be credited toward the payment required from the non-Federal interest by section 101(a)(2) of such Act.

SEC. 309. OAKLAND HARBOR, CALIFORNIA.

The projects for navigation, Oakland Outer Harbor, California, and Oakland Inner Harbor, California, authorized by section 202 of the Water Resources Development Act of 1986 (100 Stat. 4092), are modified by combining the 2 projects into 1 project, to be designated as the Oakland Harbor, California, project. The Oakland Harbor, California, project shall be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the reports designated in such section 202, at a total cost of $90,850,000, with an estimated Federal cost of $59,150,000 and an estimated non-Federal cost of $31,700,000. The non-Federal share of project costs and any available credits toward the non-Federal share shall be calculated on the basis of the total cost of the combined project.

SEC. 310. QUEENSWAY BAY, CALIFORNIA.

Section 4(e) of the Water Resources Development Act of 1988 (102 Stat. 4016) is amended by adding at the end the following sentence: "In addition, the Secretary shall perform advance maintenance dredging in the Queensway Bay Channel, California, at a total cost of $5,000,000.".

SEC. 311. SAN LUIS REY, CALIFORNIA.

The project for flood control of the San Luis Rey River, California, authorized pursuant to section 201 of the Flood Control Act of 1965 (42 U.S.C. 1962d-5; 79 Stat. 1073–1074), is modified to authorize the Secretary to construct the project at a total cost not to exceed $81,600,000 with an estimated Federal cost of $61,100,000 and an estimated non-Federal cost of $20,500,000.

SEC. 312. THAMES RIVER, CONNECTICUT.

(a) RECONFIGURATION OF TURNING BASIN.—The project for navigation, Thames River, Connecticut, authorized by the first section of the Act entitled "An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 30, 1935 (49 Stat. 1029), is modified to make the turning basin have the following alignment: Starting at a point on the eastern limit of the existing project, N251052.93, E783934.59, thence running north 5 degrees 25 minutes 21.3 seconds east 341.06 feet to a point, N251392.46, E783966.82, thence running north 47 degrees 24 minutes 14.0 seconds west 268.72 feet to a point, N251574.34, E783769.00, thence running north 88 degrees 41 minutes 52.2 seconds west 249.06 feet to a point, N251580.00, E783520.00, thence running south 46 degrees 16 minutes 22.9 seconds west 318.28 feet to a point, N251360.00, E783290.00, thence running south 19 degrees 01 minute 32.2 seconds east 306.76 feet to a point, N251070.00, E783390.00, thence running south 45 degrees 00 minutes 00 seconds east 155.56 feet to a point, N250960.00, E783500.00 on the existing western limit.

(b) NON-FEDERAL RESPONSIBILITY FOR INITIAL DREDGING.—Any required initial dredging of the widened portions of the turning basin identified in subsection (a) shall be accomplished at non-Federal expense.

(c) CONFORMING DEAUTHORIZATION.—Those portions of the existing turning basin which are not included in the reconfigured turning basin as described in subsection (a) shall no longer be authorized after the date of the enactment of this Act.

SEC. 313. POTOMAC RIVER, WASHINGTON, DISTRICT OF COLUMBIA.

The project for flood protection, Potomac River, Washington, District of Columbia, authorized by section 5 of the Flood Control Act of June 22, 1936 (74 Stat. 1574), is modified to authorize the Secretary to construct the project substantially in accordance with the General Design Memorandum dated May 1992 at a Federal cost of $1,800,000; except that a temporary closure may be used instead of a permanent structure at 17th Street. Operation and maintenance of the project shall be a Federal responsibility.

SEC. 314. CANAVERAL HARBOR, FLORIDA.

The project for navigation, Canaveral Harbor, Florida, authorized by section 101(7) of the Water Resources Development Act of 1992 (106 Stat. 4802), is modified to authorize the Secretary to reclassify the removal and replacement of stone protection on both sides of the channel as general navigation features. The Secretary shall reimburse any costs that are incurred by the non-Federal sponsor in connection with the reclassified work and that the Secretary determines to be in excess of the non-Federal share of costs for general navigation features. The Federal and non-Federal shares of the cost of the reclassified work shall be determined in accordance with section 101 of the Water Resources Development Act of 1986.

SEC. 315. CAPTIVA ISLAND, FLORIDA.

The project for shoreline protection, Captiva Island, Lee County, Florida, authorized pursuant to section 201 of the Flood Control Act of 1965 (79 Stat. 1073), is modified to direct the Secretary to reimburse the non-Federal interest for beach renourishment work accomplished by such interest as if such work occurred after execution of the agreement entered into pursuant to section 215 of the Flood Control Act of 1968 (42 U.S.C. 1962d-5) with respect to such project.

SEC. 316. CENTRAL AND SOUTHERN FLORIDA, CANAL 51.

The project for flood protection of West Palm Beach, Florida (C-51), authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1183), is modified to provide for the construction of an enlarged stormwater detention area, Storm Water Treatment Area 1 East, generally in accordance with the plan of improvements described in the February 15, 1994, report entitled "Everglades Protection Project, Palm Beach County, Florida, Conceptual Design", with such modifications as are approved by the Secretary. The additional work authorized by this subsection shall be accomplished at Federal expense. Operation and maintenance of the stormwater detention area shall be consistent with regulations prescribed by the Secretary for the Central and Southern Florida project, and all costs of such operation and maintenance shall be provided by non-Federal interests.

SEC. 317. CENTRAL AND SOUTHERN FLORIDA, CANAL 111 (C-111).

(a) IN GENERAL.—The project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1948 (62 Stat. 1176) and modified by section 203 of the Flood Control Act of 1968 (82 Stat. 740–741), is modified to authorize the Secretary to implement the recommended plan of improvement contained in a report entitled "Central and Southern Florida Project, Final Integrated General Reevaluation Report and Environmental Impact Statement, Canal 111 (C-111), South Dade County, Florida", dated May 1994, including acquisition by non-Federal interests of such portions of the Frog Pond and Rocky Glades areas as are needed for the project.

(b) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the cost of implementing the plan of improvement shall be 50 percent.

(2) DEPARTMENT OF INTERIOR RESPONSIBILITY.—The Department of the Interior shall pay 25 percent of the cost of acquiring such portions of the Frog Pond and Rocky Glades areas as are needed for the project. The amount paid by the Department of the Interior shall be included as part of the Federal share of the cost of implementing the plan.

(3) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs of the improvements undertaken pursuant to this subsection shall be 100 percent; except that the Federal Government shall reimburse the non-Federal project sponsor 60 percent of the costs of operating and maintaining pump stations that pump water into Taylor Slough in the Everglades National Park.

SEC. 318. JACKSONVILLE HARBOR (MILL COVE), FLORIDA.

The project for navigation, Jacksonville Harbor (Mill Cove), Florida, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4139–4140), is modified to direct the Secretary to carry out a project for flow and circulation improvement within Mill Cove, at a total cost of

$2,000,000, with an estimated Federal cost of $2,000,000.

SEC. 319. PANAMA CITY BEACHES, FLORIDA.

(a) IN GENERAL.—The project for shoreline protection, Panama City Beaches, Florida, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4133), is modified to direct the Secretary to enter into an agreement with the non-Federal interest for carrying out such project in accordance with section 206 of the Water Resources Development Act of 1992 (106 Stat. 4828).

(b) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the progress made in carrying out this section.

SEC. 320. TYBEE ISLAND, GEORGIA.

The project for beach erosion control, Tybee Island, Georgia, authorized pursuant to section 201 of the Flood Control Act of 1968 (42 U.S.C. 1962d–5), is modified to include as an integral part of the project the portion of the ocean shore of Tybee Island located south of the existing south terminal groin between 18th and 19th Streets.

SEC. 321. WHITE RIVER, INDIANA.

The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Flood Control Act of June 22, 1936 (49 Stat. 1586), is modified to authorize the Secretary to undertake riverfront alterations as described in the Central Indianapolis Waterfront Concept Master Plan, dated February 1994, at a total cost of $85,975,000, with an estimated first Federal cost of $39,975,000 and an estimated first non-Federal cost of $46,000,000. The cost of work, including relocations undertaken by the non-Federal interest after February 15, 1994, on features identified in the Master Plan shall be credited toward the non-Federal share of project costs.

SEC. 322. CHICAGO, ILLINOIS.

The project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to limit the capacity of the reservoir project not to exceed 11,000,000,000 gallons or 32,000 acre-feet, to provide that the reservoir project may not be located north of 55th Street or west of East Avenue in the vicinity of McCook, Illinois, and to provide that the reservoir project may only be constructed on the basis of a specific plan that has been evaluated by the Secretary under the provisions of the National Environmental Policy Act of 1969.

SEC. 323. CHICAGO LOCK AND THOMAS J. O'BRIEN LOCK, ILLINOIS.

The project for navigation, Chicago Harbor, Lake Michigan, Illinois, for which operation and maintenance responsibility was transferred to the Secretary under chapter IV of title I of the Supplemental Appropriations Act, 1983 (97 Stat. 311) and section 107 of the Energy and Water Development Appropriation Act, 1982 (95 Stat. 1137) is modified to direct the Secretary to conduct a study to determine the feasibility of making such structural repairs as are necessary to prevent leakage through the Chicago Lock and the Thomas J. O'Brien Lock, Illinois, and to determine the need for installing permanent flow measurement equipment at such locks to measure any leakage. The Secretary is authorized to carry out such repairs and installations as are necessary following completion of the study.

SEC. 324. KASKASKIA RIVER, ILLINOIS.

The project for navigation, Kaskaskia River, Illinois, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1175), is modified to add fish and wildlife and habitat restoration as project purposes.

SEC. 325. LOCKS AND DAM 26, ALTON, ILLINOIS AND MISSOURI.

Section 102(l) of the Water Resources Development Act of 1990 (104 Stat. 4613) is amended—

(1) by striking ", that requires no separable project lands and" and inserting "on project lands and other contiguous nonproject lands, including those lands referred to as the Alton Commons. The recreational development";

(2) by inserting "shall be" before "at a Federal construction"; and

(3) by striking ". The recreational development" and inserting ", and".

SEC. 326. NORTH BRANCH OF CHICAGO RIVER, ILLINOIS.

The project for flood protection, North Branch of the Chicago River, Illinois, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated March 1994, at a total cost of $34,228,000, with an estimated Federal cost of $20,905,000 and an estimated non-Federal cost of $13,323,000.

SEC. 327. ILLINOIS AND MICHIGAN CANAL.

Section 314(a) of the Water Resources Development Act of 1992 (106 Stat. 4847) is amended by adding at the end the following: "Such improvements shall include marina development at Lock 14, to be carried out in consultation with the Illinois Department of Natural Resources, at a total cost of $6,374,000.".

SEC. 328. HALSTEAD, KANSAS.

The project for flood control, Halstead, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4116), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated March 19, 1993, at a total cost of $11,100,000, with an estimated Federal cost of $8,325,000 and an estimated non-Federal cost of $2,775,000.

SEC. 329. LEVISA AND TUG FORKS OF THE BIG SANDY RIVER AND CUMBERLAND RIVER, KENTUCKY, WEST VIRGINIA, AND VIRGINIA.

The project for flood control, Levisa and Tug Forks of the Big Sandy River and Cumberland River, Kentucky, West Virginia, and Virginia, authorized by section 202(a) of the Energy and Water Development Appropriation Act, 1981 (94 Stat. 1339), is modified to provide that the minimum level of flood protection to be afforded by the project shall be the level required to provide protection from a 100-year flood or from the flood of April 1977, whichever level of protection is greater.

SEC. 330. PRESTONBURG, KENTUCKY.

Section 109(a) of Public Law 104–46 (109 Stat. 408) is amended by striking "Modification No. 2" and inserting "Modification No. 3".

SEC. 331. COMITE RIVER, LOUISIANA.

The Comite River Diversion project for flood control, authorized as part of the project for flood control, Amite River and Tributaries, Louisiana, by section 101(11) of the Water Resource Development Act of 1992 (106 Stat. 4802–4803), is modified to authorize the Secretary to construct the project at a total cost of $121,600,000, with an estimated Federal cost of $70,577,000 and an estimated non-Federal cost of $51,023,000.

SEC. 332. GRAND ISLE AND VICINITY, LOUISIANA.

The project for hurricane damage prevention, flood control, and beach erosion along Grand Isle and Vicinity, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to authorize the Secretary to construct a permanent breakwater and levee system at a total cost of $17,000,000.

SEC. 333. LAKE PONTCHARTRAIN, LOUISIANA.

The project for hurricane damage prevention and flood control, Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to provide that St. Bernard Parish, Louisiana, and the Lake Borgne Basin Levee District, Louisiana, shall not be required to pay the unpaid balance, including interest, of the non-Federal cost-share of the project.

SEC. 334. MISSISSIPPI DELTA REGION, LOUISIANA.

The Mississippi Delta Region project, Louisiana, authorized as part of the project for hurricane-flood protection project on Lake Pontchartrain, Louisiana, by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to direct the Secretary to provide a credit to the State of Louisiana toward its non-Federal share of the cost of the project. The credit shall be for the cost incurred by the State in developing and relocating oyster beds to offset the adverse impacts on active and productive oyster beds in the Davis Pond project area but shall not exceed $7,500,000.

SEC. 335. MISSISSIPPI RIVER OUTLETS, VENICE, LOUISIANA.

The project for navigation, Mississippi River Outlets, Venice, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (82 Stat. 731), is modified to provide for the extension of the 16-foot deep by 250-foot wide Baptiste Collette Bayou entrance channel to approximately Mile 8 of the Mississippi River-Gulf Outlet navigation channel, at a total estimated Federal cost of $80,000.

SEC. 336. RED RIVER WATERWAY, LOUISIANA.

The project for mitigation of fish and wildlife losses, Red River Waterway, Louisiana, authorized by section 601(a) of the Water Resources and Development Act of 1986 (100 Stat. 4142) and modified by section 102(p) of the Water Resources and Development Act of 1990 (104 Stat. 4613), is further modified—

(1) to authorize the Secretary to carry out the project at a total cost of $10,500,000; and

(2) to provide that lands that are purchased adjacent to the Loggy Bayou Wildlife Management Area may be located in Caddo Parish or Red River Parish.

SEC. 337. WESTWEGO TO HARVEY CANAL, LOUISIANA.

The project West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana, authorized by section 401(f) of the Water Resources Development Act of 1986 (100 Stat. 4128), is modified to include the Lake Cataouatche Area Levee as part of the authorized project, at a total cost of $14,375,000, with an estimated Federal cost of $9,344,000 and an estimated non-Federal cost of $5,031,000.

SEC. 338. TOLCHESTER CHANNEL, MARYLAND.

The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297) is modified to direct the Secretary—

(1) to expedite review of potential straightening of the channel at the Tolchester Channel S-Turn; and

(2) if determined to be feasible and necessary for safe and efficient navigation, to implement such straightening as part of project maintenance.

SEC. 339. SAGINAW RIVER, MICHIGAN.

The project for flood protection, Saginaw River, Michigan, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 311) is modified to include as part of the project the design and construction of an inflatable dam on the Flint River, Michigan, at a total cost of $500,000.

SEC. 340. SAULT SAINTE MARIE, CHIPPEWA COUNTY, MICHIGAN.

(a) IN GENERAL.—The project for navigation, Sault Sainte Marie, Chippewa County, Michigan, authorized by section 1149 of the Water Resources Development Act of 1986 (100 Stat. 4254–4255), is modified as provided by this subsection.

(b) PAYMENT OF NON-FEDERAL SHARE.—The non-Federal share of the cost of the project referred to in subsection (a) shall be paid as follows:

(1) That portion of the non-Federal share which the Secretary determines is attributable to use of the lock by vessels calling at Canadian ports shall be paid by the United States.

(2) The remaining portion of the non-Federal share shall be paid by the Great Lakes States pursuant to an agreement entered into by such States.

(c) PAYMENT TERM OF ADDITIONAL PERCENTAGE.—The amount to be paid by non-Federal interests pursuant to section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a)) and this subsection with respect to the project referred to in subsection (a) may be paid over a period of 50 years or the expected life of the project, whichever is shorter.

(d) GREAT LAKES STATES DEFINED.—For the purposes of this section, the term "Great Lakes States" means the States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin.

SEC. 341. STILLWATER, MINNESOTA.

Section 363 of the Water Resources Development Act of 1992 (106 Stat. 4861–4862) is amended—

(1) by inserting after "riverfront," the following: "and expansion of such system if the Secretary determines that the expansion is feasible,";

(2) by striking "$3,200,000" and inserting "$11,600,000";

(3) by striking "$2,400,000" and inserting "$8,700,000"; and

(4) by striking "$800,000" and inserting "$2,900,000".

SEC. 342. CAPE GIRARDEAU, MISSOURI.

The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4118–4119), is modified to authorize the Secretary to construct the project, including implementation of nonstructural measures, at a total cost of $45,414,000, with an estimated Federal cost of $33,030,000 and an estimated non-Federal cost of $12,384,000.

SEC. 343. NEW MADRID HARBOR, MISSOURI.

The project for navigation, New Madrid Harbor, Missouri, authorized pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) and modified by section 102(n) of the Water Resources Development Act of 1992 (106 Stat. 4807), is further modified to direct the Secretary to assume responsibility for maintenance of the existing Federal channel referred to in such section 102(n) in addition to maintaining New Madrid County Harbor.

SEC. 344. ST. JOHN'S BAYOU—NEW MADRID FLOODWAY, MISSOURI.

Notwithstanding any other provision of law, Federal assistance made available under the rural enterprise zone program of the Department of Agriculture may be used toward payment of the non-Federal share of the costs of the project for flood control, St. John's Bayou and New Madrid Floodway, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4118).

SEC. 345. JOSEPH G. MINISH PASSAIC RIVER PARK, NEW JERSEY.

Section 101(a)(18)(B) of the Water Resources Development Act of 1990 (104 Stat. 4608) is amended by striking "$25,000,000" and inserting "$75,000,000".

SEC. 346. MOLLY ANN'S BROOK, NEW JERSEY.

The project for flood control, Molly Ann's Brook, New Jersey, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4119), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated April 3, 1996, at a total cost of $40,100,000, with an estimated Federal cost of $22,600,000 and an estimated non-Federal cost of $17,500,000.

SEC. 347. PASSAIC RIVER, NEW JERSEY.

Section 1148 of the Water Resources Development Act of 1986 (100 Stat. 4254) is amended to read as follows:

"SEC. 1148. PASSAIC RIVER BASIN.

"(a) ACQUISITION OF LANDS.—The Secretary is authorized to acquire from willing sellers lands on which residential structures are located and which are subject to frequent and recurring flood damage, as identified in the supplemental floodway report of the Corps of Engineers, Passaic River Buyout Study, September 1995, at an estimated total cost of $194,000,000.

"(b) RETENTION OF LANDS FOR FLOOD PROTECTION.—Lands acquired by the Secretary under this section shall be retained by the Secretary for future use in conjunction with flood protection and flood management in the Passaic River Basin.

"(c) COST SHARING.—The non-Federal share of the cost of carrying out this section shall be 25 percent plus any amount that might result from application of the requirements of subsection (d).

"(d) APPLICABILITY OF BENEFIT-COST RATIO WAIVER AUTHORITY.—In evaluating and implementing the project under this section, the Secretary shall allow the non-Federal interest to participate in the financing of the project in accordance with section 903(c) of this Act, to the extent that the Secretary's evaluation indicates that applying such section is necessary to implement the project.".

SEC. 348. RAMAPO RIVER AT OAKLAND, NEW JERSEY AND NEW YORK.

The project for flood control, Ramapo River at Oakland, New Jersey and New York, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4120), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated May 1994, at a total cost of $11,300,000, with an estimated Federal cost of $8,500,000 and an estimated non-Federal cost of $2,800,000.

SEC. 349. RARITAN BAY AND SANDY HOOK BAY, NEW JERSEY.

Section 102(q) of the Water Resources Development Act of 1992 (106 Stat. 4808) is amended by striking "for Cliffwood Beach".

SEC. 350. ARTHUR KILL, NEW YORK AND NEW JERSEY.

The project for navigation, Arthur Kill, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098), is modified to authorize the Secretary to carry out the project to a depth of not to exceed 45 feet if determined to be feasible by the Secretary at a total cost of $83,000,000.

SEC. 351. JONES INLET, NEW YORK.

The project for navigation, Jones Inlet, New York, authorized by section 2 of the Act entitled "An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 13), is modified to direct the Secretary to place uncontaminated dredged material on beach areas downdrift from the federally maintained channel for the purpose of mitigating the interruption of littoral system natural processes caused by the jetty and continued dredging of the federally maintained channel.

SEC. 352. KILL VAN KULL, NEW YORK AND NEW JERSEY.

The project for navigation, Kill Van Kull, New York and New Jersey, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4095), is modified to authorize the Secretary to carry out the project at a total cost of $750,000,000.

SEC. 353. WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA.

The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4095), is modified to authorize the Secretary to construct the project substantially in accordance with the General Design Memorandum dated April 1990 and the General Design Memorandum Supplement dated February 1994, at a total cost of $52,041,000, with an estimated Federal cost of $25,729,000 and an estimated non-Federal cost of $26,312,000.

SEC. 354. GARRISON DAM, NORTH DAKOTA.

The project for flood control, Garrison Dam, North Dakota, authorized by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 891), is modified to authorize the Secretary to acquire permanent flowage and saturation easements over the lands in Williams County, North Dakota, extending from the riverward margin of the Buford-Trenton Irrigation District main canal to the north bank of the Missouri River, beginning at the Buford-Trenton Irrigation District pumping station located in the northeast quarter of section 17, township 152 north, range 104 west, and continuing northeasterly downstream to the land referred to as the East Bottom, and any other lands outside of the boundaries of the Buford-Trenton Irrigation District which have been adversely affected by rising ground water and surface flooding. Any easement acquired by the Secretary pursuant to this subsection shall include the right, power, and privilege of the Government to submerge, overflow, percolate, and saturate the surface and subsurface of the land. The cost of acquiring such easements shall not exceed 90 percent, or be less than 75 percent, of the unaffected fee value of the lands. The project is further modified to authorize the Secretary to provide a lump sum payment of $60,000 to the Buford-Trenton Irrigation District for power requirements associated with operation of the drainage pumps and to relinquish all right, title, and interest of the United States to the drainage pumps located within the boundaries of the Irrigation District.

SEC. 355. RENO BEACH-HOWARDS FARM, OHIO.

The project for flood protection, Reno Beach-Howards Farm, Ohio, authorized by section 203 of the Flood Control Act, 1948 (62 Stat. 1178), is modified to provide that the value of lands, easements, rights-of-way, and disposal areas that are necessary to carry out the project and are provided by the non-Federal interest shall be determined on the basis of the appraisal performed by the Corps of Engineers and dated April 4, 1985.

SEC. 356. WISTER LAKE, OKLAHOMA.

The flood control project for Wister Lake, LeFlore County, Oklahoma, authorized by section 4 of the Flood Control Act of June 28, 1938 (52 Stat. 1218), is modified to increase the elevation of the conservation pool to 478 feet and to adjust the seasonal pool operation to accommodate the change in the conservation pool elevation.

SEC. 357. BONNEVILLE LOCK AND DAM, COLUMBIA RIVER, OREGON AND WASHINGTON.

(a) IN GENERAL.—The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 20, 1937 (50 Stat. 731), and modified by section 83 of the Water Resources Development Act of 1974 (88 Stat. 35), is further modified to authorize the Secretary to convey to the city of North Bonneville, Washington, at no further cost to the city, all right, title and interest of the United States in and to the following:

(1) Any municipal facilities, utilities fixtures, and equipment for the relocated city, and any remaining lands designated as open spaces or municipal lots not previously conveyed to the city, specifically, Lots M1 through M15, M16 (the "community center lot"), M18, M19, M22, M24, S42 through S45, and S52 through S60.

(2) The "school lot" described as Lot 2, block 5, on the plat of relocated North Bonneville.

(3) Parcels 2 and C, but only upon the completion of any environmental response actions required under applicable law.

(4) That portion of Parcel B lying south of the existing city boundary, west of the sewage treatment plant, and north of the drainage ditch that is located adjacent to the northerly limit of the Hamilton Island landfill, provided the Secretary determines, at the time of the proposed conveyance, that the Army has taken all action necessary to protect human health and the environment.

(5) Such portions of Parcel H which can be conveyed without a requirement for further investigation, inventory or other action by the Department of the Army under the provisions of the National Historic Preservation Act.

(6) Such easements as the Secretary deems necessary for—

(A) sewer and water line crossings of relocated Washington State Highway 14; and

(B) reasonable public access to the Columbia River across those portions of Hamilton Island that remain under the ownership of the United States.

(b) TIME PERIOD FOR CONVEYANCES.—The conveyances referred to in subsections (a)(1), (a)(2), (a)(5), and (a)(6)(A) shall be completed within 180 days after the United States receives the release referred to in subsection (d). All other conveyances shall be completed expeditiously, subject to any conditions specified in the applicable subsection.

(c) PURPOSE.—The purpose of the conveyances authorized by subsection (a) is to resolve all outstanding issues between the United States and the city of North Bonneville.

(d) ACKNOWLEDGEMENT OF PAYMENT; RELEASE OF CLAIMS RELATING TO RELOCATION OF CITY.—As a prerequisite to the conveyances authorized by subsection (a), the city of North Bonneville shall execute an acknowledgement of payment of just compensation and shall execute a release of any and all claims for relief of any kind against the United States growing out of the relocation of the city of North Bonneville, or any prior Federal legislation relating thereto, and shall dismiss, with prejudice, any pending litigation, if any, involving such matters.

(e) RELEASE BY ATTORNEY GENERAL.—Upon receipt of the city's acknowledgment and release referred to in subsection (d), the Attorney General of the United States shall dismiss any pending litigation, if any, arising out of the relocation of the city of North Bonneville, and execute a release of any and all rights to damages of any kind under the February 20, 1987, judgment of the United States Claims Court, including any interest thereon.

(f) ACKNOWLEDGMENT OF ENTITLEMENTS; RELEASE BY CITY OF CLAIMS.—Within 60 days after the conveyances authorized by subsection (a) (other than paragraph (6)(B)) have been completed, the city shall execute an acknowledgement that all entitlements under such paragraph have been completed and shall execute a release of any and all claims for relief of any kind against the United States arising out of this subsection.

(g) EFFECTS ON CITY.—Beginning on the date of the enactment of this Act, the city of North Bonneville, or any successor in interest thereto, shall—

(1) be precluded from exercising any jurisdiction over any lands owned in whole or in part by the United States and administered by the United States Army Corps of Engineers in connection with the Bonneville project; and

(2) be authorized to change the zoning designations of, sell, or resell Parcels S35 and S56, which are presently designated as open spaces.

SEC. 358. COLUMBIA RIVER DREDGING, OREGON AND WASHINGTON.

The project for navigation, Lower Willamette and Columbia Rivers below Vancouver, Washington and Portland, Oregon, authorized by the first section of the River and Harbor Appropriations Act of June 18, 1878 (20 Stat. 152), is modified to direct the Secretary—

(1) to conduct channel simulation and to carry out improvements to the existing deep draft channel between the mouth of the river and river mile 34 at a cost not to exceed $2,400,000; and

(2) to conduct overdepth and advance maintenance dredging that is necessary to maintain authorized channel dimensions.

SEC. 359. GRAYS LANDING LOCK AND DAM, MONONGAHELA RIVER, PENNSYLVANIA.

The project for navigation Grays Landing Lock and Dam, Monongahela River, Pennsylvania, authorized by section 301(a) of the Water Resources Development Act of 1986 (100 Stat. 4110), is modified to authorize the Secretary to construct the project at a total cost of $181,000,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund.

SEC. 360. LACKAWANNA RIVER AT SCRANTON, PENNSYLVANIA.

The project for flood control, Lackawanna River at Scranton, Pennsylvania, authorized by section 101(16) of the Water Resources Development Act of 1992 (106 Stat. 4803), is modified to direct the Secretary to carry out the project for flood control for the Plot and Green Ridge sections of the project.

SEC. 361. MUSSERS DAM, MIDDLE CREEK, SNYDER COUNTY, PENNSYLVANIA.

Section 209(e)(5) of the Water Resources Development Act of 1992 (106 Stat. 4830) is amended by striking "$3,000,000" and inserting "$5,000,000".

SEC. 362. SAW MILL RUN, PENNSYLVANIA.

The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4124), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated April 8, 1994, at a total cost of $12,780,000, with an estimated Federal cost of $9,585,000 and an estimated non-Federal cost of $3,195,000.

SEC. 363. SCHUYLKILL RIVER, PENNSYLVANIA.

The navigation project for the Schuylkill River, Pennsylvania, authorized by the first section of the River and Harbor Appropriations Act of August 8, 1917 (40 Stat. 252), is modified to provide for the periodic removal and disposal of sediment to a depth of 6 feet detained within portions of the Fairmount pool between the Fairmount Dam and the Columbia Bridge, generally within the limits of the channel alignments referred to as the Schuylkill River Racecourse and return lane, and the Belmont Water Works intakes and Boathouse Row.

SEC. 364. SOUTH CENTRAL PENNSYLVANIA.

(a) COST SHARING.—Section 313(d)(3)(A) of the Water Resources Development Act of 1992 (106 Stat. 4846; 109 Stat. 407) is amended to read as follows:

"(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for design and construction services and other in-kind work, whether occurring subsequent to, or within 6 years prior to, entering into an agreement with the Secretary. The Federal share may be provided in the form of grants or reimbursements of project costs. Non-Federal interests shall also receive credit for grants and the value of work performed on behalf of such interests by State and local agencies.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 313(g)(1) of such Act (106 Stat. 4846; 109 Stat. 407) is amended by striking "$50,000,000" and inserting "$90,000,000".

SEC. 365. WYOMING VALLEY, PENNSYLVANIA.

The project for flood control, Wyoming Valley, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4124), is modified to authorize the Secretary to undertake as part of the construction of the project mechanical and electrical upgrades to existing stormwater pumping stations in the Wyoming Valley and to undertake mitigation measures.

SEC. 366. SAN JUAN HARBOR, PUERTO RICO.

The project for navigation, San Juan Harbor, Puerto Rico, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4097), is modified to authorize the Secretary to deepen the bar channel to depths varying from 49 feet to 56 feet below mean low water with other modifications to authorized interior channels as generally described in the General Reevaluation Report and Environmental Assessment, dated March 1994, at a total cost of $43,993,000, with an estimated Federal cost of $27,341,000 and an estimated non-Federal cost of $16,652,000.

SEC. 367. NARRAGANSETT, RHODE ISLAND.

Section 361(a) of the Water Resources Development Act of 1992 (106 Stat. 4861) is amended—

(1) by striking "$200,000" and inserting "$1,900,000";

(2) by striking "$150,000" and inserting "$1,425,000"; and

(3) by striking "$50,000" and inserting "$475,000".

SEC. 368. CHARLESTON HARBOR, SOUTH CAROLINA.

The project for navigation, Charleston Harbor, South Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4096), is modified to direct the Secretary to undertake ditching, clearing, spillway replacement, and dike reconstruction of the Clouter Creek Disposal Area, as a part of the operation and maintenance of the Charleston Harbor project.

SEC. 369. DALLAS FLOODWAY EXTENSION, DALLAS, TEXAS.

(a) IN GENERAL.—The project for flood control, Dallas Floodway Extension, Dallas, Texas, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), is modified to provide that flood protection works constructed by the non-Federal interests along the Trinity River in Dallas, Texas, for Rochester Park and the Central Wastewater Treatment Plant shall be included as a part of the project and the cost of such works shall be credited against the non-Federal share of project costs but shall not be included in calculating benefits of the project.

(b) DETERMINATION OF AMOUNT.—The amount to be credited under subsection (a) shall be determined by the Secretary. In determining such amount, the Secretary may permit crediting only for that portion of the work performed by the non-Federal interests which is compatible with the project referred to in subsection (a), including any modification thereof, and which is required for construction of such project.

(c) CASH CONTRIBUTION.—Nothing in this section shall be construed to limit the applicability of the requirement contained in section 103(a)(1)(A) of the Water Resources Development Act of 1986 to the project referred to in subsection (a).

SEC. 370. UPPER JORDAN RIVER, UTAH.

The project for flood control, Upper Jordan River, Utah, authorized by section 101(a)(23) of the Water Resources Development Act of 1990 (104 Stat. 4610), is modified to authorize the Secretary to construct the project at a total cost of $12,870,000, with an estimated Federal cost of $8,580,000 and an estimated non-Federal cost of $4,290,000.

SEC. 371. HAYSI LAKE, VIRGINIA.

The Haysi Lake, Virginia, feature of the project for flood control, Tug Fork of the Big Sandy River, Kentucky, West Virginia, and Virginia, authorized by section 202(a) of the Energy and Water Development Appropriation Act, 1981 (94 Stat. 1339), is modified—

(1) to add recreation and fish and wildlife enhancement as project purposes;

(2) to direct the Secretary to construct the Haysi Dam feature of the project substantially in accordance with Plan A as set forth in the Draft General Plan Supplement Report for the Levisa Fork Basin, Virginia and Kentucky, dated May 1995;

(3) to direct the Secretary to apply section 103(m) of the Water Resources Development Act of 1986 (100 Stat. 4087) to the construction of such feature in the same manner as that section is applied to other projects or project features construed pursuant to such section 202(a); and

(4) to provide for operation and maintenance of recreational facilities on a reimbursable basis.

SEC. 372. RUDEE INLET, VIRGINIA BEACH, VIRGINIA.

The project for navigation and shoreline protection, Rudee Inlet, Virginia Beach, Virginia, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4148), is modified to authorize the Secretary to continue maintenance of the project for 50 years beginning on the date of initial construction of the project. The Federal share of the cost of such maintenance shall be determined in accordance with title I of the Water Resources Development Act of 1986.

SEC. 373. VIRGINIA BEACH, VIRGINIA.

The non-Federal share of the costs of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4136), shall be reduced by $3,120,803, or by such amount as is determined by an audit carried out by the Secretary to be due to the city of Virginia Beach as reimbursement for the Federal share of beach nourishment activities carried out by the city between October 1, 1986, and September 30, 1993, if the Federal Government has not reimbursed the city for the activities prior to the date on which a project cooperative agreement is executed for the project.

SEC. 374. EAST WATERWAY, WASHINGTON.

The project for navigation, East and West waterways, Seattle Harbor, Washington, authorized by the first section of the River and Harbor Appropriations Act of March 2, 1919 (40 Stat. 1275), is modified to direct the Secretary—

(1) to expedite review of potential deepening of the channel in the East waterway from Elliott Bay to Terminal 25 to a depth of up to 51 feet; and

(2) if determined to be feasible, to implement such deepening as part of project maintenance.

In carrying out work authorized by this section, the Secretary shall coordinate with the Port of Seattle regarding use of Slip 27 as a dredged material disposal area.

SEC. 375. BLUESTONE LAKE, WEST VIRGINIA.

Section 102(ff) of the Water Resources Development Act of 1992 (106 Stat. 4810) is amended by inserting "except for that organic matter necessary to maintain and enhance the biological resources of such waters and such nonobtrusive items of debris as may not be economically feasible to prevent being released through such project," after "project," the first place it appears.

SEC. 376. MOOREFIELD, WEST VIRGINIA.

The project for flood control, Moorefield, West Virginia, authorized by section 101(a)(25) of the Water Resources Development Act of 1990 (104 Stat. 4610–4611), is modified to authorize the Secretary to construct the project at a total cost of $22,000,000, with an estimated Federal cost of $17,100,000 and an estimated non-Federal cost of $4,900,000.

SEC. 377. SOUTHERN WEST VIRGINIA.

(a) COST SHARING.—Section 340(c)(3) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended to read as follows:

"(3) COST SHARING.—

"(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for such design work shall not exceed 6 percent of the total construction costs of the project. The Federal share may be in the form of grants or reimbursements of project costs.

"(B) INTEREST.—In the event of delays in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

"(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations toward its share of project costs, including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

"(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.".

(b) FUNDING.—Section 340(g) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended by striking "$5,000,000" and inserting "$25,000,000".

SEC. 378. WEST VIRGINIA TRAIL HEAD FACILITIES.

Section 306 of the Water Resources Development Act of 1992 (106 Stat. 4840–4841) is amended by adding at the end the following: "The Secretary shall enter into an interagency agreement with the Federal entity which provided assistance in the preparation of the study for the purposes of providing ongoing technical assistance and oversight for the trail facilities envisioned by the master plan developed under this section. The Federal entity shall provide such assistance and oversight.".

SEC. 379. KICKAPOO RIVER, WISCONSIN.

(a) IN GENERAL.—The project for flood control and allied purposes, Kickapoo River, Wisconsin, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1190) and modified by section 814 of the Water Resources Development Act of 1986 (100 Stat. 4169), is further modified as provided by this section.

(b) TRANSFER OF PROPERTY.—

(1) IN GENERAL.—Subject to the requirements of this subsection, the Secretary shall transfer to the State of Wisconsin, without consideration, all right, title, and interest of the United States to the lands described in paragraph (3), including all works, structures, and other improvements to such lands.

(2) TRANSFER TO SECRETARY OF THE INTERIOR.—Subject to the requirements of this subsection, on the date of the transfer under paragraph (1), the Secretary shall transfer to the Secretary of the Interior, without consideration, all right, title, and interest of the United States in and to lands that are culturally and religiously significant sites of the Ho-Chunk Nation (a federally recognized Indian tribe) and are located within the lands described in paragraph (3). Such lands shall be specified in accordance with paragraph (4)(C) and may not exceed a total of 1,200 acres.

(3) LAND DESCRIPTION.—The lands to be transferred pursuant to paragraphs (1) and (2) are the approximately 8,569 acres of land associated with the LaFarge Dam and Lake portion of the project referred to in subsection (a) in Vernon County, Wisconsin, in the following sections:

(A) Section 31, Township 14 North, Range 1 West of the 4th Principal Meridian.

(B) Sections 2 through 11, and 16, 17, 20, and 21, Township 13 North, Range 2 West of the 4th Principal Meridian.

(C) Sections 15, 16, 21 through 24, 26, 27, 31, and 33 through 36, Township 14 North, Range 2 West of the 4th Principal Meridian.

(4) TERMS AND CONDITIONS.—

(A) HOLD HARMLESS; REIMBURSEMENT OF UNITED STATES.—The transfer under paragraph (1) shall be made on the condition that the State of Wisconsin enters into a written agreement with the Secretary to hold the United States harmless from all claims arising from or through the operation of the lands and improvements subject to the transfer. If title to the lands described in paragraph (3) is sold or transferred by the State, then the State shall reimburse the United States for the price originally paid by the United States for purchasing such lands.

(B) IN GENERAL.—The Secretary shall make the transfers under paragraphs (1) and (2) only if on or before October 31, 1997, the State of Wisconsin enters into and submits to the Secretary a memorandum of understanding, as specified in subparagraph (C), with the tribal organization (as defined by section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l))) of the Ho-Chunk Nation.

(C) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding referred to in subparagraph (B) shall contain, at a minimum, the following:

(i) A description of sites and associated lands to be transferred to the Secretary of the Interior under paragraph (2).

(ii) An agreement specifying that the lands transferred under paragraphs (1) and (2) shall be preserved in a natural state and developed only to the extent necessary to enhance outdoor recreational and educational opportunities.

(iii) An agreement specifying the terms and conditions of a plan for the management of the lands to be transferred under paragraphs (1) and (2).

(iv) A provision requiring a review of the plan referred to in clause (iii) to be conducted every 10 years under which the State of Wisconsin, acting through the Kickapoo Valley Governing Board, and the Ho-Chunk Nation may agree to revisions of the plan in order to address changed circumstances on the lands transferred under paragraph (2). Such provision may include a plan for the transfer by the State to the Secretary of the Interior of any additional site discovered to be culturally and religiously significant to the Ho-Chunk Nation.

(5) ADMINISTRATION OF LANDS.—The lands transferred to the Secretary of the Interior under paragraph (2), and any lands transferred to the Secretary of the Interior pursuant to the memorandum of understanding entered into under paragraph (3), shall be held in trust for, and added to and administered as part of the reservation of, the Ho-Chunk Nation.

(6) TRANSFER OF FLOWAGE EASEMENTS.—The Secretary shall transfer to the owner of the servient estate, without consideration, all right, title, and interest of the United States in and to each flowage easement acquired as part of the project referred to in subsection (a) within Township 14 North, Range 2 West of the 4th Principal Meridian, Vernon County, Wisconsin.

(7) DEAUTHORIZATION.—Except as provided in subsection (c), the LaFarge Dam and Lake portion of the project referred to in subsection (a) is not authorized after the date of the transfer under this subsection.

(8) INTERIM MANAGEMENT AND MAINTENANCE.—The Secretary shall continue to manage and maintain the LaFarge Dam and Lake portion of the project referred to in subsection (a) until the date of the transfer under this section.

(c) COMPLETION OF PROJECT FEATURES.—

(1) REQUIREMENT.—The Secretary shall undertake the completion of the following features of the project referred to in subsection (a):

(A) The continued relocation of State highway route 131 and county highway routes P and F substantially in accordance with plans contained in Design Memorandum No. 6, Relocation-LaFarge Reservoir, dated June 1970; except that the relocation shall generally follow the existing road rights-of-way through the Kickapoo Valley.

(B) Environmental cleanup and site restoration of abandoned wells, farm sites, and safety modifications to the water control structures.

(C) Cultural resource activities to meet the requirements of Federal law.

(2) PARTICIPATION BY STATE OF WISCONSIN.—In undertaking the completion of the features described in paragraph (1), the Secretary shall determine the requirements of the State of Wisconsin on the location and design of each such feature.

(d) FUNDING.—There is authorized to be appropriated to carry out this section for fiscal years beginning after September 30, 1996, $17,000,000.

SEC. 380. TETON COUNTY, WYOMING.

Section 840 of the Water Resources Development Act of 1986 (100 Stat. 4176) is amended—

(1) by striking ": Provided, That" and inserting "; except that";

(2) by striking "in cash or materials" and inserting ", through providing in-kind services or cash or materials,"; and

(3) by adding at the end the following: "In carrying out this section, the Secretary may enter into agreements with the non-Federal sponsor permitting the non-Federal sponsor to perform operation and maintenance for the project on a cost-reimbursable basis.".

TITLE IV—STUDIES

SEC. 401. CORPS CAPABILITY STUDY, ALASKA.

The Secretary shall review the capability of the Corps of Engineers to plan, design, construct, operate, and maintain rural sanitation projects for rural and Native villages in Alaska. Not later than 18 months after the date of the enactment of this Act, the Secretary shall transmit findings and recommendations on the agency's capability, together with recommendations on the advisability of assuming such a mission.

SEC. 402. MCDOWELL MOUNTAIN, ARIZONA.

The Secretary shall credit the non-Federal share of the cost of the feasibility study on the McDowell Mountain project an amount equivalent to the cost of work performed by the city of Scottsdale, Arizona, and accomplished prior to the city's entering into an agreement with the Secretary if the Secretary determines that the work is necessary for the study.

SEC. 403. NOGALES WASH AND TRIBUTARIES, ARIZONA.

(a) STUDY.—The Secretary shall conduct a study of the relationship of flooding in Nogales, Arizona, and floodflows emanating from Mexico.

(b) REPORT.—The Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), together with recommendations concerning the appropriate level of non-Federal participation in the project for flood control, Nogales Wash and tributaries, Arizona, authorized by section 101(a)(4) of the Water Resources Development Act of 1990 (104 Stat. 4606).

SEC. 404. GARDEN GROVE, CALIFORNIA.

The Secretary shall conduct a study to assess the feasibility of implementing improvements in the regional flood control system within Garden Grove, California.

SEC. 405. MUGU LAGOON, CALIFORNIA.

(a) STUDY.—The Secretary shall conduct a study of the environmental impacts associated with sediment transport, flood flows, and upstream watershed land use practices on Mugu Lagoon, California. The study shall include an evaluation of alternatives for the restoration of the estuarine ecosystem functions and values associated with Mugu Lagoon and the endangered and threatened species inhabiting the area.

(b) CONSULTATION AND COORDINATION.—In conducting the study, the Secretary shall consult with the Secretary of the Navy and shall coordinate with State and local resource agencies to assure that the study is compatible with restoration efforts for the Calleguas Creek watershed.

(c) REPORT.—Not later than 24 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study.

SEC. 406. SANTA YNEZ, CALIFORNIA.

(a) PLANNING.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall prepare a comprehensive river basin management plan addressing the long term ecological, economic, and flood control needs of the Santa Ynez River basin, California. In preparing such plan, the Secretary shall consult the Santa Barbara Flood Control District and other affected local governmental entities.

(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to the Santa Barbara Flood Control District with respect to implementation of the plan to be prepared under subsection (a).

SEC. 407. SOUTHERN CALIFORNIA INFRASTRUCTURE.

(a) ASSISTANCE.—Section 116(d)(1) of the Water Resources Development Act of 1990 (104 Stat. 4624) is amended—

(1) in the heading of paragraph (1) by inserting "AND ASSISTANCE" after "STUDY"; and

(2) by adding at the end the following: "In addition, the Secretary shall provide technical, design, and planning assistance to non-Federal interests in developing potential infrastructure projects.".

(b) FUNDING.—Section 116(d)(3) of such Act is amended by striking "$1,500,000" and inserting "$7,500,000".

SEC. 408. YOLO BYPASS, SACRAMENTO-SAN JOAQUIN DELTA, CALIFORNIA.

The Secretary shall study the advisability of acquiring land in the vicinity of the Yolo Bypass in the Sacramento-San Joaquin Delta, California, for the purpose of environmental mitigation for the flood control project for Sacramento, California, and other water resources projects in the area.

SEC. 409. CHAIN OF ROCKS CANAL, ILLINOIS.

The Secretary shall complete a limited reevaluation of the authorized St. Louis Harbor Project in the vicinity of the Chain of Rocks Canal, Illinois, and consistent with the authorized purposes of that project, to include evacuation of waters interior to the Chain of Rocks Canal East Levee.

SEC. 410. QUINCY, ILLINOIS.

(a) STUDY.—The Secretary shall study and evaluate the critical infrastructure of the Fabius River Drainage District, the South

Quincy Drainage and Levee District, the Sny Island Levee Drainage District, and the city of Quincy, Illinois—

(1) to determine if additional flood protection needs of such infrastructure should be identified or implemented;

(2) to produce a definition of critical infrastructure;

(3) to develop evaluation criteria; and

(4) to enhance existing geographic information system databases to encompass relevant data that identify critical infrastructure for use in emergencies and in routine operation and maintenance activities.

(b) CONSIDERATION OF OTHER STUDIES.—In conducting the study under this section, the Secretary shall consider the recommendations of the Interagency Floodplain Management Committee Report, the findings of the Floodplain Management Assessment of the Upper Mississippi River and Lower Missouri Rivers and Tributaries, and other relevant studies and findings.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study, together with recommendations regarding each of the purposes of the study described in paragraphs (1) through (4) of subsection (a).

SEC. 411. SPRINGFIELD, ILLINOIS.

The Secretary shall provide technical, planning, and design assistance to the city of Springfield, Illinois, in developing—

(1) an environmental impact statement for the proposed development of a water supply reservoir, including the preparation of necessary documentation in support of the environmental impact statement; and

(2) an evaluation of technical, economic, and environmental impacts of such development.

SEC. 412. BEAUTY CREEK WATERSHED, VALPARAISO CITY, PORTER COUNTY, INDIANA.

The Secretary shall conduct a study to assess the feasibility of implementing streambank erosion control measures and flood control measures within the Beauty Creek watershed, Valparaiso City, Porter County, Indiana.

SEC. 413. GRAND CALUMET RIVER, HAMMOND, INDIANA.

(a) STUDY.—The Secretary shall conduct a study to establish a methodology and schedule to restore the wetlands at Wolf Lake and George Lake in Hammond, Indiana.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

SEC. 414. INDIANA HARBOR CANAL, EAST CHICAGO, LAKE COUNTY, INDIANA.

The Secretary shall conduct a study of the feasibility of including environmental and recreational features, including a vegetation buffer, as part of the project for navigation, Indiana Harbor Canal, East Chicago, Lake County, Indiana, authorized by the first section of the Rivers and Harbors Appropriations Act of June 25, 1910 (36 Stat. 657).

SEC. 415. KOONTZ LAKE, INDIANA.

The Secretary shall conduct a study of the feasibility of implementing measures to restore Koontz Lake, Indiana, including measures to remove silt, sediment, nutrients, aquatic growth, and other noxious materials from Koontz Lake, measures to improve public access facilities to Koontz Lake, and measures to prevent or abate the deposit of sediments and nutrients in Koontz Lake.

SEC. 416. LITTLE CALUMET RIVER, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of the impact of the project for flood control, Little Calumet River, Indiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), on flooding and water quality in the vicinity of the Black Oak area of Gary, Indiana.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), together with recommendations for cost-effective remediation of impacts described in subsection (a).

(c) FEDERAL SHARE.—The Federal share of the cost of the study to be conducted under subsection (a) shall be 100 percent.

SEC. 417. TIPPECANOE RIVER WATERSHED, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of water quality and environmental restoration needs in the Tippecanoe River watershed, Indiana, including measures necessary to reduce siltation in Lake Shafer and Lake Freeman.

(b) ASSISTANCE.—The Secretary shall provide technical, planning, and design assistance to the Shafer Freeman Lakes Environmental Conservation Corporation in addressing potential environmental restoration activities determined as a result of the study conducted under subsection (a).

SEC. 418. CALCASIEU SHIP CHANNEL, HACKBERRY, LOUISIANA.

The Secretary shall conduct a study to determine the need for improved navigation and related support service structures in the vicinity of the Calcasieu Ship Channel, Hackberry, Louisiana.

SEC. 419. HURON RIVER, MICHIGAN.

The Secretary shall conduct a study to determine the need for channel improvements and associated modifications for the purpose of providing a harbor of refuge at Huron River, Michigan.

SEC. 420. SACO RIVER, NEW HAMPSHIRE.

The Secretary shall conduct a study of flood control problems along the Saco River in Hart's Location, New Hampshire, for the purpose of evaluating retaining walls, berms, and other structures with a view to potential solutions involving repair or replacement of existing structures and shall consider other alternatives for flood damage reduction.

SEC. 421. BUFFALO RIVER GREENWAY, NEW YORK.

The Secretary shall conduct a study of a potential greenway trail project along the Buffalo River between the park system of the city of Buffalo, New York, and Lake Erie. Such study shall include preparation of an integrated plan of development that takes into consideration the adjacent parks, nature preserves, bikeways, and related recreational facilities.

SEC. 422. PORT OF NEWBURGH, NEW YORK.

The Secretary shall conduct a study of the feasibility of carrying out improvements for navigation at the port of Newburgh, New York.

SEC. 423. PORT OF NEW YORK-NEW JERSEY SEDIMENT STUDY.

(a) STUDY OF MEASURES TO REDUCE SEDIMENT DEPOSITION.—The Secretary shall conduct a study of measures that could reduce sediment deposition in the vicinity of the Port of New York-New Jersey for the purpose of reducing the volumes to be dredged for navigation projects in the Port.

(b) DREDGED MATERIAL DISPOSAL STUDY.—The Secretary shall conduct a study to determine the feasibility of constructing and operating an underwater confined dredged material disposal site in the Port of New York-New Jersey which could accommodate as much as 250,000 cubic yards of dredged materials for the purpose of demonstrating the feasibility of an underwater confined disposal pit as an environmentally suitable method of containing certain sediments.

(c) REPORT.—The Secretary shall transmit to Congress a report on the results of the studies conducted under this section, together with any recommendations of the Secretary concerning reduction of sediment deposition referred to in subsection (a).

SEC. 424. PORT OF NEW YORK-NEW JERSEY NAVIGATION STUDY.

The Secretary shall conduct a comprehensive study of navigation needs at the Port of New York-New Jersey (including the South Brooklyn Marine and Red Hook Container Terminals, Staten Island, and adjacent areas) to address improvements, including deepening of existing channels to depths of 50 feet or greater, that are required to provide economically efficient and environmentally sound navigation to meet current and future requirements.

SEC. 425. CHAGRIN RIVER, OHIO.

The Secretary shall conduct a study of flooding problems along the Chagrin River in Eastlake, Ohio. In conducting such study, the Secretary shall evaluate potential solutions to flooding from all sources, including that resulting from ice jams, and shall evaluate the feasibility of a sedimentation collection pit and other potential measures to reduce flooding.

SEC. 426. CUYAHOGA RIVER, OHIO.

The Secretary shall conduct a study to evaluate the integrity of the bulkhead system located on the Federal channel along the Cuyahoga River in the vicinity of Cleveland, Ohio, and shall provide to the non-Federal interest an analysis of costs and repairs of the bulkhead system.

SEC. 427. CHARLESTON, SOUTH CAROLINA, ESTUARY.

The Secretary is authorized to conduct a study of the Charleston estuary area located in Charleston, Berkeley, and Dorchester Counties, South Carolina, for the purpose of evaluating environmental conditions in the tidal reaches of the Ashley, Cooper, Stono, and Wando Rivers and the lower portions of Charleston Harbor.

SEC. 428. MUSTANG ISLAND, CORPUS CHRISTI, TEXAS.

The Secretary shall conduct a study of navigation along the south-central coast of Texas near Corpus Christi for the purpose of determining the feasibility of constructing and maintaining the Packery Channel on the southern portion of Mustang Island.

SEC. 429. PRINCE WILLIAM COUNTY, VIRGINIA.

The Secretary shall conduct a study of flooding, erosion, and other water resources problems in Prince William County, Virginia, including an assessment of wetlands protection, erosion control, and flood damage reduction needs of the County.

SEC. 430. PACIFIC REGION.

(a) STUDY.—The Secretary is authorized to conduct studies in the interest of navigation in that part of the Pacific region that includes American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

(b) COST SHARING.—The cost sharing provisions of section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215; 100 Stat. 4088–4089) shall apply to studies under this section.

SEC. 431. FINANCING OF INFRASTRUCTURE NEEDS OF SMALL AND MEDIUM PORTS.

(a) STUDY.—The Secretary shall conduct a study of alternative financing mechanisms for ensuring adequate funding for the infrastructure needs of small and medium ports.

(b) MECHANISMS TO BE STUDIED.—Mechanisms to be studied under subsection (a) shall include the establishment of revolving loan funds.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall transmit to Congress a report containing the results of the study conducted under subsection (a).

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. PROJECT DEAUTHORIZATIONS.

The following projects are not authorized after the date of the enactment of this Act:

(1) BRANFORD HARBOR, CONNECTICUT.—The following portion of the project for navigation, Branford River, Connecticut, authorized by the first section of the Rivers and Harbors Appropriations Act of June 13, 1902 (32 Stat. 333): Starting at a point on the Federal channel line whose coordinates are N156181.32, E581572.38, running south 70 degrees 11 minutes 8 seconds west a distance of 171.58 feet to another point on the Federal channel line whose coordinates are N156123.18, E581410.96.

(2) BRIDGEPORT HARBOR, CONNECTICUT.—The following portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297): A 2.4-acre anchorage area, 9 feet deep, and an adjacent 0.6-acre anchorage, 6 feet deep, located on the west side of Johnsons River.

(3) GUILFORD HARBOR, CONNECTICUT.—The following portion of the project for navigation, Guilford Harbor, Connecticut, authorized by section 2 of the Act entitled "An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (50 Stat. 13): Starting at a point where the Sluice Creek Channel intersects with the main entrance channel, N159194.63, E623201.07, thence running north 24 degrees 58 minutes 15.2 seconds west 478.40 feet to a point N159628.31, E622999.11, thence running north 20 degrees 18 minutes 31.7 seconds west 351.53 feet to a point N159957.99, E622877.10, thence running north 69 degrees 41 minutes 37.9 seconds east 55.000 feet to a point N159977.08, E622928.69, thence turning and running south 20 degrees 18 minutes 31.0 seconds east 349.35 feet to a point N159649.45, E623049.94, thence turning and running south 24 degrees 58 minutes 11.1 seconds east 341.36 feet to a point N159340.00, E623194.04, thence turning and running south 90 degrees 0 minutes 0 seconds east 78.86 feet to a point N159340.00, E623272.90.

(4) JOHNSONS RIVER CHANNEL, BRIDGEPORT HARBOR, CONNECTICUT.—The following portion of the project for navigation, Johnsons River Channel, Bridgeport Harbor, Connecticut, authorized by the first section of the Rivers and Harbors Act of July 24, 1946 (60 Stat. 634): Northerly of a line across the Federal channel. The coordinates of such line are N 123318.35, E 486301.68 and N 123257.15, E 486380.77.

(5) MYSTIC RIVER, CONNECTICUT.—The following portion of the project for improving the Mystic River, Connecticut, authorized by the River and Harbor Act approved March 4, 1913 (37 Stat. 802):

Beginning in the 15-foot deep channel at coordinates north 190860.82, east 814416.20, thence running southeast about 52.01 feet to the coordinates north 190809.47, east 814424.49, thence running southwest about 34.02 feet to coordinates north 190780.46, east 814406.70, thence running north about 80.91 feet to the point of beginning.

(6) NORWALK HARBOR, CONNECTICUT.—

(A) DEAUTHORIZATION.—The portion of the project for navigation, Norwalk Harbor, Connecticut, authorized by the River and Harbor Act of March 2, 1919 (40 Stat. 1276), that lies northerly of a line across the Federal channel having coordinates N104199.72, E417774.12 and N104155.59, E417628.96, and those portions of the 6-foot deep East Norwalk Channel and Anchorage, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 13), not included in the description of the realignment of the project contained in subparagraph (B).

(B) REALIGNMENT DESCRIPTION.—The realigned 6-foot deep East Norwalk Channel and Anchorage is described as follows: starting at a point on the East Norwalk Channel, N95743.02, E419581.37, thence running northwesterly about 463.96 feet to a point N96197.93, E419490.18, thence running northwesterly about 549.32 feet to a point N96608.49, E419125.23, thence running northwesterly about 384.06 feet to a point N96965.94, E418984.75, thence running northwesterly about 407.26 feet to a point N97353.87, E418860.78, thence running westerly about 58.26 feet to a point N97336.26, E418805.24, thence running northwesterly about 70.99 feet to a point N97390.30, E418759.21, thence running westerly about 71.78 feet to a point on the anchorage limit N97405.26, E418689.01, thence running southerly along the western limits of the existing Federal anchorage until reaching a point N95893.74, E419449.17, thence running in a southwesterly direction about 78.74 feet to a point on the East Norwalk Channel N95815.62, E419439.33.

(C) REDESIGNATION.—All of the realigned channel shall be redesignated as anchorage, with the exception of that portion of the channel which narrows to a width of 100 feet and terminates at a line whose coordinates are N96456.81, E419260.06, and N96390.37, E419185.32, which shall remain as a channel.

(7) SOUTHPORT HARBOR, CONNECTICUT.—

(A) DEAUTHORIZATION PORTION OF PROJECT.—The following portions of the project for navigation, Southport Harbor, Connecticut, authorized by the first section of the Rivers and Harbors Act of August 30, 1935 (49 Stat. 1029):

(i) The 6-foot deep anchorage located at the head of the project.

(ii) The portion of the 9-foot deep channel beginning at a bend in the channel whose coordinates are north 109131.16, east 452653.32 running thence in a northeasterly direction about 943.01 feet to a point whose coordinates are north 109635.22, east 453450.31 running thence in a southeasterly direction about 22.66 feet to a point whose coordinates are north 109617.15, east 453463.98 running thence in a southwesterly direction about 945.18 feet to the point of beginning.

(B) REMAINDER.—The remaining portion of the project referred to in subparagraph (A) northerly of a line whose coordinates are north 108699.15, east 452768.36 and north 108655.66, east 452858.73 shall be redesignated as an anchorage.

(8) STONY CREEK, BRANFORD, CONNECTICUT.—The following portion of the project for navigation, Stony Creek, Connecticut, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577): The 6-foot maneuvering basin starting at a point N157031.91, E599030.79, thence running northeasterly about 221.16 feet to a point N157191.06, E599184.37, thence running northerly about 162.60 feet to a point N157353.56, E599189.99, thence running southwesterly about 358.90 feet to the point of origin.

(9) KENNEBUNK RIVER, MAINE.—That portion of the project for navigation, Kennebunk River, Maine, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173) and consisting of a 6-foot deep channel that lies northerly of a line whose coordinates are N191412.53, E417265.28 and N191445.83, E417332.48.

(10) YORK HARBOR, MAINE.—That portion of the project for navigation, York Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), located in the 8-foot deep anchorage area beginning at coordinates N 109340.19, E 372066.93, thence running north 65 degrees 12 minutes 10.5 seconds E 423.27 feet to a point N 109517.71, E372451.17, thence running north 28 degrees 42 minutes 58.3 seconds west 11.68 feet to a point N 109527.95, E 372445.56, thence running south 63 degrees 37 minutes 24.6 seconds west 422.63 feet returning to the point of beginning and that portion in the 8-foot deep anchorage area beginning at coordinates N 108557.24, E 371645.88, thence running south 60 degrees 41 minutes 17.2 seconds east 484.51 feet to a point N 108320.04, E 372068.36, thence running north 29 degrees 12 minutes 53.3 seconds east 15.28 feet to a point N 108333.38, E 372075.82, thence running north 62 degrees 29 minutes 42.1 seconds west 484.73 feet returning to the point of beginning.

(11) CHELSEA RIVER, BOSTON HARBOR, MASSACHUSETTS.—The following portion of the project for navigation, Boston Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), consisting of a 35-foot deep channel in the Chelsea River: Beginning at a point on the northern limit of the existing project N505357.84, E724519.19, thence running northeasterly about 384.19 feet along the northern limit of the existing project to a bend on the northern limit of the existing project N505526.87, E724864.20, thence running southeasterly about 368.00 feet along the northern limit of the existing project to another point N505404.77, E725211.35, thence running westerly about 594.53 feet to a point N505376.12, E724617.51, thence running southwesterly about 100.00 feet to the point of origin.

(12) COHASSET HARBOR, COHASSET, MASSACHUSETTS.—The following portions of the project for navigation, Cohasset Harbor, Massachusetts, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(A) The portion starting at a point N453510.15, E792664.63, thence running south 53 degrees 07 minutes 05.4 seconds west 307.00 feet to a point N453325.90, E792419.07, thence running north 57 degrees 56 minutes 36.8 seconds west 201.00 feet to a point N453432.58, E792248.72, thence running south 88 degrees 57 minutes 25.6 seconds west 50.00 feet to a point N453431.67, E792198.73, thence running north 01 degree 02 minutes 52.3 seconds west 66.71 feet to a point N453498.37, E792197.51, thence running north 69 degrees 12 minutes 52.3 seconds east 332.32 feet to a point N453616.30, E792508.20, thence running south 55 degrees 50 minutes 24.1 seconds east 189.05 feet to the point of origin.

(B) The portion starting at a point N452886.64, E791287.83, thence running south 00 degrees 00 minutes 00.0 seconds west 56.04 feet to a point N452830.60, E791287.83, thence running north 90 degrees 00 minutes 00.0 seconds west 101.92 feet to a point, N452830.60, E791185.91, thence running north 52 degrees 12 minutes 49.7 seconds east 89.42 feet to a point, N452885.39, E791256.58, thence running north 87 degrees 42 minutes 33.8 seconds east 31.28 feet to the point of origin.

(C) The portion starting at a point, N452261.08, E792040.24, thence running north 89 degrees 07 minutes 19.5 seconds east 118.78 feet to a point, N452262.90, E792159.01, thence running south 43 degrees 39 minutes 06.8 seconds west 40.27 feet to a point, N452233.76, E792131.21, thence running north 74 degrees 33 minutes 29.1 seconds west 94.42 feet to a point, N452258.90, E792040.20, thence running north 01 degree 03 minutes 04.3 seconds east 2.18 feet to the point of origin.

(13) FALMOUTH, MASSACHUSETTS.—

(A) DEAUTHORIZATIONS.—The following portions of the project for navigation, Falmouth Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1948 (62 Stat. 1172):

(i) The portion commencing at a point north 199286.37 east 844394.81 a line running north 73 degrees 09 minutes 29 seconds east 440.34 feet to a point north 199413.99 east 844816.36, thence turning and running north 43 degrees 09 minutes 34.5 seconds east 119.99 feet to a point north 199501.52 east 844898.44, thence turning and running south 66 degrees 52 minutes 03.5 seconds east 547.66 feet returning to a point north 199286.41 east 844394.91.

(ii) The portion commencing at a point north 199647.41 east 845035.25 a line running north 43 degrees 09 minutes 33.1 seconds east 767.15 feet to a point north 200207.01 east 845560.00, thence turning and running north 11 degrees 04 minutes 24.3 seconds west 380.08 feet to a point north 200580.01 east 845487.00, thence turning and running north 22 degrees 05 minutes 50.8 seconds east 1332.36 feet to a point north 201814.50 east 845988.21, thence turning and running north 02 degrees 54 minutes 15.7 seconds east 15.0 feet to a point north 201829.48 east 845988.97, thence turning and running south 24 degrees 56 minutes 42.3 seconds west 1410.29 feet returning to the point north 200550.75 east 845394.18.

(B) REDESIGNATION.—The portion of the project for navigation Falmouth, Massachusetts, referred to in subparagraph (A) upstream of a line designated by the 2 points north 199463.18 east 844496.40 and north 199350.36 east 844544.60 is redesignated as an anchorage area.

(14) MYSTIC RIVER, MASSACHUSETTS.—The following portion of the project for navigation, Mystic River, Massachusetts, authorized by section 101 of the River and Harbor Act of 1950 (64 Stat. 164): The 35-foot deep channel beginning at a point on the northern limit of the existing project, N506243.78, E717600.27, thence running easterly about 1000.00 feet along the northern limit of the existing project to a point, N506083.42, E718587.33, thence running southerly about 40.00 feet to a point, N506043.94, E718580.91, thence running westerly about 1000.00 feet to a point, N506204.29, E717593.85, thence running northerly about 40.00 feet to the point of origin.

(15) RESERVED CHANNEL, BOSTON, MASSACHUSETTS.—That portion of the project for navigation, Reserved Channel, Boston, Massachusetts, authorized by section 101(a)(12) of the Water Resources Development Act of 1990 (104 Stat. 4607), that consists of a 40-foot deep channel beginning at a point along the southern limit of the authorized project, N489391.22, E728246.54, thence running northerly about 54 feet to a point, N489445.53, E728244.97, thence running easterly about 2,926 feet to a point, N489527.38, E731170.41, thence running southeasterly about 81 feet to a point, N489474.87, E731232.55, thence running westerly about 2,987 feet to the point of origin.

(16) WEYMOUTH-FORE AND TOWN RIVERS, MASSACHUSETTS.—The following portions of the project for navigation, Weymouth-Fore and Town Rivers, Boston Harbor, Massachusetts, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1089):

(A) The 35-foot deep channel beginning at a bend on the southern limit of the existing project, N457394.01, E741109.74, thence running westerly about 405.25 feet to a point, N457334.64, E740708.86, thence running southwesterly about 462.60 feet to another bend in the southern limit of the existing project, N457132.00, E740293.00, thence running northeasterly about 857.74 feet along the southern limit of the existing project to the point of origin.

(B) The 15 and 35-foot deep channels beginning at a point on the southern limit of the existing project, N457163.41, E739903.49, thence running northerly about 111.99 feet to a point, N457275.37, E739900.76, thence running westerly about 692.37 feet to a point N457303.40, E739208.96, thence running southwesterly about 190.01 feet to another point on the southern limit of the existing project, N457233.17, E739032.41, thence running easterly about 873.87 feet along the southern limit of the existing project to the point of origin.

(17) COCHECO RIVER, NEW HAMPSHIRE.—The portion of the project for navigation, Cocheco River, New Hampshire, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 19, 1890 (26 Stat. 436), that consists of a 7-foot deep channel that lies northerly of a line the coordinates of which are N255292.31, E713095.36, and N255334.51, E713138.01.

(18) MORRISTOWN HARBOR, NEW YORK.—The following portion of the project for navigation, Morristown Harbor, New York, authorized by the first section of the Rivers and Harbors Act of January 21, 1927 (44 Stat. 1011): The portion that lies north of the north boundary of Morris Street extended.

(19) OSWEGATCHIE RIVER, OGDENSBURG NEW YORK.—The portion of the Federal channel of the project for navigation, Ogdensburg Harbor, New York, authorized by the first section of the Rivers and Harbors Appropriations Act of June 25, 1910 (36 Stat. 635), as modified by the first section of the Rivers and Harbors Act of August 30, 1935 (49 Stat. 1037), that is in the Oswegatchie River in Ogdensburg, New York, from the southernmost alignment of the Route 68 bridge upstream to the northernmost alignment of the Lake Street bridge.

(20) CONNEAUT HARBOR, OHIO.—The most southerly 300 feet of the 1,670-foot long Shore Arm of the project for navigation, Conneaut Harbor, Ohio, authorized by the first section of the Rivers and Harbors Appropriation Act of June 25, 1910 (36 Stat. 653).

(21) LORAIN SMALL BOAT BASIN, LAKE ERIE, OHIO.—The portion of the Federal navigation channel, Lorain Small Boat Basin, Lake Erie, Ohio, authorized pursuant to section 107 of the River and Harbor Act of 1960 (74 Stat. 486) that is situated in the State of Ohio, County of Lorain, Township of Black River and is a part of Original Black River Township Lot Number 1, Tract Number 1, further known as being submerged lands of Lake Erie owned by the State of Ohio and that is more definitely described as follows:

Commencing at a drill hole found on the centerline of Lakeside Avenue (60 feet in width) at the intersection of the centerline of the East Shorearm of Lorain Harbor, said point is known as United States Army Corps of Engineers Monument No. 203 (N658012.20, E208953.88).

Thence, in a line north 75 degrees 26 minutes 12 seconds west, a distance of 387.87 feet to a point (N658109.73, E2089163.47). This point is hereinafter in this paragraph referred to as the "principal point of beginning".

Thence, north 58 degrees 14 minutes 11 seconds west, a distance of 50.00 feet to a point (N658136.05, E2089120.96).

Thence, south 67 degrees 49 minutes 32 seconds west, a distance of 665.16 feet to a point (N657885.00, E2088505.00).

Thence, north 88 degrees 13 minutes 52 seconds west, a distance of 551.38 feet to a point (N657902.02, E2087953.88).

Thence, north 29 degrees 17 minutes 42 seconds east, a distance of 114.18 feet to point (N658001.60, E2088009.75).

Thence, south 88 degrees 11 minutes 40 seconds east, a distance of 477.00 feet to a point (N657986.57, E2088486.51).

Thence, north 68 degrees 11 minutes 06 seconds east, a distance of 601.95 feet to a point (N658210.26, E2089045.35).

Thence, north 35 degrees 11 minutes 34 seconds east, a distance of 89.58 feet to a point (N658283.47, E2089096.98).

Thence, south 20 degrees 56 minutes 30 seconds east, a distance of 186.03 feet to the principal point of beginning (N658109.73, E2089163.47) and containing within such bounds 2.81 acres, more or less, of submerged land.

(22) APPONAUG COVE, WARWICK, RHODE ISLAND.—The following portion of the project for navigation, Apponaug Cove, Rhode Island, authorized under section 101 of the River and Harbor Act of 1960 (74 Stat. 480): The 6-foot channel bounded by coordinates N223269.93, E513089.12; N223348.31, E512799.54; N223251.78, E512773.41; and N223178.0, E513046.0.

(23) PORT WASHINGTON HARBOR, WISCONSIN.—The following portion of the navigation project for Port Washington Harbor, Wisconsin, authorized by the Rivers and Harbors Appropriations Act of July 11, 1870 (16 Stat. 223): Beginning at the northwest corner of project at Channel Pt. No. 36, of the Federal Navigation Project, Port Washington Harbor, Ozaukee County, Wisconsin, at coordinates N513529.68, E2535215.64, thence 188 degrees 31 minutes 59 seconds, a distance of 178.32 feet, thence 196 degrees 47 minutes 17 seconds, a distance of 574.80 feet, thence 270 degrees 58 minutes 25 seconds, a distance of 465.50 feet, thence 178 degrees 56 minutes 17 seconds, a distance of 130.05 feet, thence 87 degrees 17 minutes 05 seconds, a distance of 510.22 feet, thence 104 degrees 58 minutes 31 seconds, a distance of 178.33 feet, thence 115 degrees 47 minutes 55 seconds, a distance of 244.15 feet, thence 25 degrees 12 minutes 08 seconds, a distance of 310.00 feet, thence 294 degrees 46 minutes 50 seconds, a distance of 390.20 feet, thence 16 degrees 56 minutes 16 seconds, a distance of 570.90 feet, thence 266 degrees 01 minutes 25 seconds, a distance of 190.78 feet to Channel Pt. No. 36, point of beginning.

SEC. 502. PROJECT REAUTHORIZATIONS.

(a) GRAND PRAIRIE REGION AND BAYOU METO BASIN, ARKANSAS.—The project for flood control, Grand Prairie Region and Bayou Meto Basin, Arkansas, authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 174) and deauthorized pursuant to section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary; except that the scope of the project includes ground water protection and conservation, agricultural water supply, and waterfowl management.

(b) White River, Arkansas.—The project for navigation, White River Navigation to Batesville, Arkansas, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4139) and deauthorized by section 52(b) of the Water Resources Development Act of 1988 (102 Stat. 4045), is authorized to be carried out by the Secretary.

(c) Des Plaines River, Illinois.—The project for wetlands research, Des Plaines River, Illinois, authorized by section 45 of the Water Resources Development Act of 1988 (102 Stat. 4041) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(d) Alpena Harbor, Michigan.—The project for navigation, Alpena Harbor, Michigan, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(e) Ontonagon Harbor, Ontonagon County, Michigan.—The project for navigation, Ontonagon Harbor, Ontonagon County, Michigan, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1176) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(f) Knife River Harbor, Minnesota.—The project for navigation, Knife River Harbor, Minnesota, authorized by section 100 of the Water Resources Development Act of 1974 (88 Stat. 41) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(g) Cliffwood Beach, New Jersey.—The project for hurricane-flood protection and beach erosion control on Raritan Bay and Sandy Hook Bay, New Jersey, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 118) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

SEC. 503. CONTINUATION OF AUTHORIZATION OF CERTAIN PROJECTS.

(a) General Rule.—Notwithstanding section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a), the following projects shall remain authorized to be carried out by the Secretary:

(1) Cedar River Harbor, Michigan.—The project for navigation, Cedar River Harbor, Michigan, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090).

(2) Cross Village Harbor, Michigan.—The project for navigation, Cross Village Harbor, Michigan, authorized by section 101 of the River and Harbor Act of 1966 (80 Stat. 1405).

(b) Limitation.—A project described in subsection (a) shall not be authorized for construction after the last day of the 5-year period that begins on the date of the enactment of this Act unless, during such period, funds have been obligated for the construction (including planning and design) of the project.

SEC. 504. LAND CONVEYANCES.

(a) Oakland Inner Harbor Tidal Canal Property, California.—Section 205 of the Water Resources Development Act of 1990 (104 Stat. 4633) is amended—

(1) by inserting after paragraph (2) the following new paragraph:

"(3) To adjacent land owners, the United States title to all or portions of that part of the Oakland Inner Harbor Tidal Canal which are located within the boundaries of the city in which such land rests. Such conveyance shall be at fair market value.";

(2) by inserting after "right-of-way" the following: "or other rights deemed necessary by the Secretary"; and

(3) by adding at the end the following: "The conveyances and processes involved will be at no cost to the United States.".

(b) Mariemont, Ohio.—

(1) In general.—The Secretary shall convey to the village of Mariemont, Ohio, for a sum of $85,000 all right, title, and interest of the United States in and to a parcel of land (including improvements thereto) under the jurisdiction of the Corps of Engineers and known as the "Ohio River Division Laboratory", as such parcel is described in paragraph (4).

(2) Terms and conditions.—The conveyance under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(3) Proceeds.—All proceeds from the conveyance under paragraph (1) shall be deposited in the general fund of the Treasury of the United States and credited as miscellaneous receipts.

(4) Property description.—The parcel of land referred to in paragraph (1) is the parcel situated in the State of Ohio, County of Hamilton, Township 4, Fractional Range 2, Miami Purchase, Columbia Township, Section 15, being parts of Lots 5 and 6 of the subdivision of the dower tract of the estate of Joseph Ferris as recorded in Plat Book 4, Page 112, of the Plat Records of Hamilton County, Ohio, Recorder's Office, and more particularly described as follows:

Beginning at an iron pin set to mark the intersection of the easterly line of Lot 5 of said subdivision of said dower tract with the northerly line of the right-of-way of the Norfolk and Western Railway Company as shown in Plat Book 27, Page 182, Hamilton County, Ohio, Surveyor's Office, thence with said northerly right-of-way line;

South 70 degrees 10 minutes 13 seconds west 258.52 feet to a point; thence leaving the northerly right-of-way of the Norfolk and Western Railway Company;

North 18 degrees 22 minutes 02 seconds west 302.31 feet to a point in the south line of Mariemont Avenue; thence along said south line;

North 72 degrees 34 minutes 35 seconds east 167.50 feet to a point; thence leaving the south line of Mariemont Avenue;

North 17 degrees 25 minutes 25 seconds west 49.00 feet to a point; thence

North 72 degrees 34 minutes 35 seconds east 100.00 feet to a point; thence

South 17 degrees 25 minutes 25 seconds east 49.00 feet to a point; thence

North 72 degrees 34 minutes 35 seconds east 238.90 feet to a point; thence

South 00 degrees 52 minutes 07 seconds east 297.02 feet to a point in the northerly line of the Norfolk and Western Railway Company; thence with said northerly right-of-way;

South 70 degrees 10 minutes 13 seconds west 159.63 feet to a point of beginning, containing 3.22 acres, more or less.

(c) Eufaula Lake, Oklahoma.—

(1) In general.—The Secretary shall convey to the city of Eufaula, Oklahoma, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 12.5 acres located at the Eufaula Lake project.

(2) Consideration.—Consideration for the conveyance under paragraph (1) shall be the fair market value of the parcel (as determined by the Secretary) and payment of all costs of the United States in making the conveyance, including the costs of—

(A) the survey required under paragraph (4);

(B) any other necessary survey or survey monumentation;

(C) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(D) any coordination necessary with respect to requirements relating to endangered species, cultural resources, and clean air (including the costs of agency consultation and public hearings).

(3) Land surveys.—The exact acreage and description of the parcel to be conveyed under paragraph (1) shall be determined by such surveys as the Secretary considers necessary, which shall be carried out to the satisfaction of the Secretary.

(4) Environmental baseline survey.—Prior to making the conveyance under paragraph (1), the Secretary shall conduct an environmental baseline survey to determine the levels of any contamination (as of the date of the survey) for which the United States would be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and any other applicable law.

(5) Conditions concerning rights and easement.—The conveyance under paragraph (1) shall be subject to existing rights and to retention by the United States of a flowage easement over all portions of the parcel that lie at or below the flowage easement contour for the Eufaula Lake project.

(6) Other terms and conditions.—The conveyance under paragraph (1) shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(d) Boardman, Oregon.—

(1) In general.—The Secretary shall convey to the city of Boardman, Oregon, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 141 acres acquired as part of the John Day Lock and Dam project in the vicinity of such city currently under lease to the Boardman Park and Recreation District.

(2) Consideration.—

(A) Park and recreation properties.—Properties to be conveyed under this subsection that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, then title to such property shall revert to the Secretary.

(B) Other properties.—Properties to be conveyed under this subsection and not described in subparagraph (A) shall be conveyed at fair market value.

(3) Conditions concerning rights and easement.—The conveyance of properties under this subsection shall be subject to existing first rights of refusal regarding acquisition of such properties and to retention of a flowage easement over portions of the properties that the Secretary determines to be necessary for operation of the project.

(4) Other terms and conditions.—The conveyance of properties under this subsection shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(e) TRI-CITIES AREA, WASHINGTON.—

(1) GENERAL AUTHORITY.—As soon as practicable after the date of the enactment of this Act, the Secretary shall make the conveyances to the local governments referred to in paragraph (2) of all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) PROPERTY DESCRIPTIONS.—

(A) BENTON COUNTY.—The property to be conveyed pursuant to paragraph (1) to Benton County, Washington, is the property in such county which is designated "Area D" on Exhibit A to Army Lease No. DACW-68-1-81-43.

(B) FRANKLIN COUNTY, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to Franklin County, Washington, is—

(i) the 105.01 acres of property leased pursuant to Army Lease No. DACW-68-1-77-20 as executed by Franklin County, Washington, on April 7, 1977;

(ii) the 35 acres of property leased pursuant to Supplemental Agreement No. 1 to Army Lease No. DACW-68-1-77-20;

(iii) the 20 acres of property commonly known as "Richland Bend" which is designated by the shaded portion of Lot 1, Section 11, and the shaded portion of Lot 1, Section 12, Township 9 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW-68-1-77-20;

(iv) the 7.05 acres of property commonly known as "Taylor Flat" which is designated by the shaded portion of Lot 1, Section 13, Township 11 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW-68-1-77-20;

(v) the 14.69 acres of property commonly known as "Byers Landing" which is designated by the shaded portion of Lots 2 and 3, Section 2, Township 10 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW-68-1-77-20; and

(vi) all levees within Franklin County, Washington, as of the date of the enactment of this Act, and the property upon which the levees are situated.

(C) CITY OF KENNEWICK, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to the city of Kennewick, Washington, is the property within the city which is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(D) CITY OF RICHLAND, WASHINGTON.—The property to be conveyed pursuant to paragraph (1), to the city of Richland, Washington, is the property within the city which is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the Cities of Kennewick and Richland, Washington.

(E) CITY OF PASCO, WASHINGTON.—The property to be conveyed pursuant to paragraph (1), to the city of Pasco, Washington, is—

(i) the property within the city of Pasco, Washington, which is leased pursuant to Army Lease No. DACW-68-1-77-10; and

(ii) all levees within such city, as of the date of the enactment of this Act, and the property upon which the levees are situated.

(F) PORT OF PASCO, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to the Port of Pasco, Washington, is—

(i) the property owned by the United States which is south of the Burlington Northern Railroad tracks in Lots 1 and 2, Section 20, Township 9 North, Range 31 East, W.M.; and

(ii) the property owned by the United States which is south of the Burlington Northern Railroad tracks in Lots 1, 2, 3, and 4, in each of Sections 21, 22, and 23, Township 9 North, Range 31 East, W.M.

(G) ADDITIONAL PROPERTIES.—In addition to properties described in subparagraphs (A) through (F), the Secretary may convey to a local government referred to in subparagraphs (A) through (F) such properties under the jurisdiction of the Secretary in the Tri-Cities area as the Secretary and the local government agree are appropriate for conveyance.

(3) TERMS AND CONDITIONS.—

(A) IN GENERAL.—The conveyances under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(B) SPECIAL RULES FOR FRANKLIN COUNTY.—The property described in paragraph (2)(B)(vi) shall be conveyed only after Franklin County, Washington, has entered into a written agreement with the Secretary which provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out that agreement.

(C) SPECIAL RULE FOR CITY OF PASCO.—The property described in paragraph (2)(E)(ii) shall be conveyed only after the city of Pasco, Washington, has entered into a written agreement with the Secretary which provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out that agreement.

(D) CONSIDERATION.—

(i) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this subsection that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, then title to such property shall revert to the Secretary.

(ii) OTHER PROPERTIES.—Properties to be conveyed under this subsection and not described in clause (i) shall be conveyed at fair market value.

(4) LAKE WALLULA LEVEES.—

(A) DETERMINATION OF MINIMUM SAFE HEIGHT.—

(i) CONTRACT.—Within 30 days after the date of the enactment of this Act, the Secretary shall contract with a private entity agreed to under clause (ii) to determine, within 6 months after such date of enactment, the minimum safe height for the levees of the project for flood control, Lake Wallula, Washington. The Secretary shall have final approval of the minimum safe height.

(ii) AGREEMENT OF LOCAL OFFICIALS.—A contract shall be entered into under clause (i) only with a private entity agreed to by the Secretary, appropriate representatives of Franklin County, Washington, and appropriate representatives of the city of Pasco, Washington.

(B) AUTHORITY.—A local government may reduce, at its cost, the height of any levee of the project for flood control, Lake Wallula, Washington, within the boundaries of such local government to a height not lower than the minimum safe height determined pursuant to subparagraph (A).

(f) APPLICABILITY OF OTHER LAWS.—Any contract for sale, deed, or other transfer of real property under this section shall be carried out in compliance with all applicable provisions of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act and other environmental laws.

SEC. 505. NAMINGS.

(a) MILT BRANDT VISITORS CENTER, CALIFORNIA.—

(1) DESIGNATION.—The visitors center at Warm Springs Dam, California, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1192), shall be known and designated as the "Milt Brandt Visitors Center".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the visitors center referred to in paragraph (1) shall be deemed to be a reference to the "Milt Brandt Visitors Center".

(b) CARR CREEK LAKE, KENTUCKY.—

(1) DESIGNATION.—Carr Fork Lake in Knott County, Kentucky, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1188), shall be known and designated as the "Carr Creek Lake".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lake referred to in paragraph (1) shall be deemed to be a reference to the "Carr Creek Lake".

(c) WILLIAM H. NATCHER BRIDGE, MACEO, KENTUCKY, AND ROCKPORT, INDIANA.—

(1) DESIGNATION.—The bridge on United States Route 231 which crosses the Ohio River between Maceo, Kentucky, and Rockport, Indiana, shall be known and designated as the "William H. Natcher Bridge".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the bridge referred to in paragraph (1) shall be deemed to be a reference to the "William H. Natcher Bridge".

(d) JOHN T. MYERS LOCK AND DAM, INDIANA AND KENTUCKY.—

(1) DESIGNATION.—Uniontown Lock and Dam, on the Ohio River, Indiana and Kentucky, shall be known and designated as the "John T. Myers Lock and Dam".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) shall be deemed to be a reference to the "John T. Myers Lock and Dam".

(e) J. EDWARD ROUSH LAKE, INDIANA.—

(1) REDESIGNATION.—The lake on the Wabash River in Huntington and Wells Counties, Indiana, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 312), and known as Huntington Lake, shall be known and designated as the "J. Edward Roush Lake".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lake referred to in paragraph (1) shall be deemed to be a reference to the "J. Edward Roush Lake".

(f) RUSSELL B. LONG LOCK AND DAM, RED RIVER WATERWAY, LOUISIANA.—

(1) DESIGNATION.—Lock and Dam 4 of the Red River Waterway, Louisiana, shall be known and designated as the "Russell B. Long Lock and Dam".

(2) LEGAL REFERENCES.—A reference in any law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) shall be deemed to be a reference to the "Russell B. Long Lock and Dam".

(g) WILLIAM L. JESS DAM AND INTAKE STRUCTURE, OREGON.—

(1) DESIGNATION.—The dam located at mile 153.6 on the Rogue River in Jackson County, Oregon, and commonly known as the Lost Creek Dam Lake Project, shall be known and designated as the "William L. Jess Dam and Intake Structure".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the dam referred to in section 1 shall be deemed to be a reference to the "William L. Jess Dam and Intake Structure".

(h) ABERDEEN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—The lock and dam at Mile 358 of the Tennessee-Tombigbee Waterway is designated as the "Aberdeen Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "Aberdeen Lock and Dam".

(i) AMORY LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock A at Mile 371 of the Tennessee-Tombigbee Waterway is designated as the "Amory Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "Amory Lock".

(j) FULTON LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock C at Mile 391 of the Tennessee-Tombigbee Waterway is designated as the "Fulton Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "Fulton Lock".

(k) HOWELL HEFLIN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 266 of the Tennessee-Tombigbee Waterway, known as the Gainesville Lock and Dam, is redesignated as the "Howell Heflin Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "Howell Heflin Lock and Dam".

(l) G.V. "SONNY" MONTGOMERY LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock E at Mile 407 of the Tennessee-Tombigbee Waterway is designated as the "G.V. 'Sonny' Montgomery Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "G.V. 'Sonny' Montgomery Lock".

(m) JOHN RANKIN LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock D at Mile 398 of the Tennessee-Tombigbee Waterway is designated as the "John Rankin Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "John Rankin Lock".

(n) JOHN C. STENNIS LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 335 of the Tennessee-Tombigbee Waterway, known as the Columbus Lock and Dam, is redesignated as the "John C. Stennis Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "John C. Stennis Lock and Dam".

(o) JAMIE WHITTEN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 412 of the Tennessee-Tombigbee Waterway, known as the Bay Springs Lock and Dam, is redesignated as the "Jamie Whitten Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "Jamie Whitten Lock and Dam".

(p) GLOVER WILKINS LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock B at Mile 376 of the Tennessee-Tombigbee Waterway is designated as the "Glover Wilkins Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record to the lock referred to in paragraph (1) is deemed to be a reference to the "Glover Wilkins Lock".

SEC. 506. WATERSHED MANAGEMENT, RESTORATION, AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary is authorized to provide technical, planning, and design assistance to non-Federal interests for carrying out watershed management, restoration, and development projects at the locations described in subsection (d).

(b) SPECIFIC MEASURES.—Assistance provided pursuant to subsection (a) may be in support of non-Federal projects for the following purposes:

(1) Management and restoration of water quality.

(2) Control and remediation of toxic sediments.

(3) Restoration of degraded streams, rivers, wetlands, and other waterbodies to their natural condition as a means to control flooding, excessive erosion, and sedimentation.

(4) Protection and restoration of watersheds, including urban watersheds.

(5) Demonstration of technologies for nonstructural measures to reduce destructive impact of flooding.

(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of assistance provided under this section shall be 50 percent.

(d) PROJECT LOCATIONS.—The Secretary may provide assistance under subsection (a) for projects at the following locations:

(1) Gila River and Tributaries, Santa Cruz River, Arizona.

(2) Rio Salado, Salt River, Phoenix and Tempe, Arizona.

(3) Colusa basin, California.

(4) Los Angeles River watershed, California.

(5) Russian River watershed, California.

(6) Sacramento River watershed, California.

(7) San Pablo Bay watershed, California.

(8) Nancy Creek, Utoy Creek, and North Peachtree Creek and South Peachtree Creek basin, Georgia.

(9) Lower Platte River watershed, Nebraska.

(10) Juniata River watershed, Pennsylvania, including Raystown Lake.

(11) Upper Potomac River watershed, Grant and Mineral Counties, West Virginia.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996.

SEC. 507. LAKES PROGRAM.

Section 602(a) of the Water Resources Development Act of 1986 (100 Stat. 4148–4149) is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting a semicolon; and

(3) by adding at the end the following:

"(12) Goodyear Lake, Otsego County, New York, removal of silt and aquatic growth;

"(13) Otsego Lake, Otsego County, New York, removal of silt and aquatic growth and measures to address high nutrient concentration;

"(14) Oneida Lake, Oneida County, New York, removal of silt and aquatic growth;

"(15) Skaneateles and Owasco Lakes, New York, removal of silt and aquatic growth and prevention of sediment deposit; and

"(16) Twin Lakes, Paris, Illinois, removal of silt and excess aquatic vegetation, including measures to address excessive sedimentation, high nutrient concentration, and shoreline erosion.".

SEC. 508. MAINTENANCE OF NAVIGATION CHANNELS.

(a) IN GENERAL.—Upon request of the non-Federal interest, the Secretary shall be responsible for maintenance of the following navigation channels constructed or improved by non-Federal interests if the Secretary determines that such maintenance is economically justified and environmentally acceptable and that the channel was constructed in accordance with applicable permits and appropriate engineering and design standards:

(1) Humboldt Harbor and Bay, Fields Landing Channel, California.

(2) Mare Island Strait, California; except that, for purposes of this section, the navigation channel shall be deemed to have been constructed or improved by non-Federal interests.

(3) Mississippi River Ship Channel, Chalmette Slip, Louisiana.

(4) Greenville Inner Harbor Channel, Mississippi.

(5) Providence Harbor Shipping Channel, Rhode Island.

(6) Matagorda Ship Channel, Point Comfort Turning Basin, Texas.

(7) Corpus Christi Ship Channel, Rincon Canal System, Texas.

(8) Brazos Island Harbor, Texas, connecting channel to Mexico.

(9) Blair Waterway, Tacoma Harbor, Washington.

(b) COMPLETION OF ASSESSMENT.—Within 6 months of receipt of a request from the non-Federal interest for Federal assumption of maintenance of a channel listed in subsection (a), the Secretary shall make a determination as provided in subsection (a) and advise the non-Federal interest of the Secretary's determination.

SEC. 509. GREAT LAKES REMEDIAL ACTION PLANS AND SEDIMENT REMEDIATION.

Section 401 of the Water Resources Development Act of 1990 (104 Stat. 4644) is amended to read as follows:

"SEC. 401. GREAT LAKES REMEDIAL ACTION PLANS AND SEDIMENT REMEDIATION.

"(a) GREAT LAKES REMEDIAL ACTION PLANS.—

"(1) IN GENERAL.—The Secretary is authorized to provide technical, planning, and engineering assistance to State and local governments and nongovernmental entities designated by the State or local government in the development and implementation of remedial action plans for areas of concern in the Great Lakes identified under the Great Lakes Water Quality Agreement of 1978.

"(2) NON-FEDERAL SHARE.—Non-Federal interests shall contribute, in cash or by providing in-kind contributions, 50 percent of costs of activities for which assistance is provided under paragraph (1).

"(b) SEDIMENT REMEDIATION DEMONSTRATION PROJECTS.—

"(1) IN GENERAL.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency (acting through the Great Lakes National Program Office), may conduct pilot- and full-scale demonstration projects of promising techniques to remediate contaminated sediments in freshwater coastal regions in the Great Lakes basin. The Secretary must conduct no fewer than 3 full-scale demonstration projects under this subsection.

"(2) SITE SELECTION FOR DEMONSTRATION PROJECTS.—In selecting the sites for the technology demonstration projects, the Secretary shall give priority consideration to Saginaw Bay, Michigan, Sheboygan Harbor, Wisconsin, Grand Calumet River, Indiana, Ashtabula River, Ohio, Buffalo River, New York, and Duluth/Superior Harbor, Minnesota.

"(3) DEADLINE FOR IDENTIFICATIONS.—Within 18 months after the date of the enactment of this subsection, the Secretary shall identify the sites and technologies to be demonstrated and complete each such full-scale demonstration project within 3 years after such date of enactment.

"(4) NON-FEDERAL SHARE.—Non-Federal interests shall contribute 50 percent of costs of projects under this subsection. Such costs may be paid in cash or by providing in-kind contributions.

"(5) AUTHORIZATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $5,000,000 for each of fiscal years 1997 through 2000.".

SEC. 510. GREAT LAKES DREDGED MATERIAL TESTING AND EVALUATION MANUAL.

The Secretary, in cooperation with the Administrator of the Environmental Protection Agency, shall provide technical assistance to non-Federal interests on testing procedures contained in the Great Lakes Dredged Material Testing and Evaluation Manual developed pursuant to section 230.2(c) of title 40, Code of Federal Regulations.

SEC. 511. GREAT LAKES SEDIMENT REDUCTION.

(a) GREAT LAKES TRIBUTARY SEDIMENT TRANSPORT MODEL.—For each major river system or set of major river systems depositing sediment into a Great Lakes federally authorized commercial harbor, channel maintenance project site, or Area of Concern identified under the Great Lakes Water Quality Agreement of 1978, the Secretary, in consultation and coordination with the Great Lakes States, shall develop a tributary sediment transport model.

(b) REQUIREMENTS FOR MODELS.—In developing a tributary sediment transport model under this section, the Secretary shall—

(1) build upon data and monitoring information generated in earlier studies and programs of the Great Lakes and their tributaries; and

(2) complete models for 30 major river systems, either individually or in combination as part of a set, within the 5-year period beginning on the date of the enactment of this Act.

SEC. 512. GREAT LAKES CONFINED DISPOSAL FACILITIES.

(a) ASSESSMENT.—The Secretary shall conduct an assessment of the general conditions of confined disposal facilities in the Great Lakes.

(b) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the assessment conducted under subsection (a), including the following:

(1) A description of the cumulative effects of confined disposal facilities in the Great Lakes.

(2) Recommendations for specific remediation actions for each confined disposal facility in the Great Lakes.

(3) An evaluation of, and recommendations for, confined disposal facility management practices and technologies to conserve capacity at such facilities and to minimize adverse environmental effects at such facilities throughout the Great Lakes system.

SEC. 513. CHESAPEAKE BAY RESTORATION AND PROTECTION PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a pilot program to provide to non-Federal interests in the Chesapeake Bay watershed technical, planning, design, and construction assistance for water-related environmental infrastructure and resource protection and development projects affecting the Chesapeake Bay, including projects for sediment and erosion control, protection of eroding shorelines, protection of essential public works, wastewater treatment and related facilities, water supply and related facilities, and beneficial uses of dredged material, and other related projects.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned and will be publicly operated and maintained.

(c) COOPERATION AGREEMENT.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement pursuant to section 221 of the Flood Control Act of 1970 (84 Stat. 1818) with a non-Federal interest to provide for technical, planning, design, and construction assistance for the project.

(2) REQUIREMENTS.—Each agreement entered into pursuant to this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal, State, and local officials, of a plan, including appropriate engineering plans and specifications and an estimate of expected benefits.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation and maintenance of the project by the non-Federal interest.

(d) COST SHARING.—

(1) FEDERAL SHARE.—Except as provided in paragraph (2)(B), the Federal share of the total project costs of each local cooperation agreement entered into under this section shall be 75 percent.

(2) NON-FEDERAL SHARE.—

(A) PROVISION OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—The non-Federal interests for a project to which this section applies shall provide the lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the project.

(B) VALUE OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—In determining the non-Federal contribution toward carrying out a local cooperation agreement entered into under this section, the Secretary shall provide credit to a non-Federal interest for the value of lands, easements, rights-of-way, relocations, and dredged material disposal areas provided by the non-Federal interest, except that the amount of credit provided for a project under this paragraph may not exceed 25 percent of total project costs.

(C) OPERATION AND MAINTENANCE COSTS.—The non-Federal share of the costs of operation and maintenance of carrying out the agreement under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS AND AGREEMENTS.—

(1) IN GENERAL.—Nothing in this section waives, limits, or otherwise affects the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(2) COOPERATION.—In carrying out this section, the Secretary shall cooperate with the heads of appropriate Federal agencies.

(f) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with a recommendation concerning whether or not the program should be implemented on a national basis.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000.

SEC. 514. EXTENSION OF JURISDICTION OF MISSISSIPPI RIVER COMMISSION.

The jurisdiction of the Mississippi River Commission, established by the first section of the Act of June 28, 1879 (33 U.S.C. 641; 21 Stat. 37), is extended to include—

(1) all of the area between the eastern side of the Bayou Lafourche Ridge from Donaldsonville, Louisiana, to the Gulf of Mexico and the west guide levee of the Mississippi River from Donaldsonville, Louisiana, to the Gulf of Mexico;

(2) Alexander County, Illinois; and

(3) the area in the State of Illinois from the confluence of the Mississippi and Ohio Rivers northward to the vicinity of Mississippi River mile 39.5, including the Len Small Drainage and Levee District, insofar as such area is affected by the flood waters of the Mississippi River.

SEC. 515. ALTERNATIVE TO ANNUAL PASSES.

(a) IN GENERAL.—The Secretary shall evaluate the feasibility of implementing an alternative to the $25 annual pass that the Secretary currently offers to users of recreation facilities at water resources projects of the Corps of Engineers.

(b) ANNUAL PASS.—The evaluation under subsection (a) shall include the establishment of an annual pass which costs $10 or less for the use of recreation facilities at Raystown Lake, Pennsylvania.

(c) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the project carried out under this section, together with recommendations concerning whether annual passes for individual projects should be offered on a nationwide basis.

SEC. 516. RECREATION PARTNERSHIP INITIATIVE.

(a) IN GENERAL.—The Secretary shall promote Federal, non-Federal, and private sector cooperation in creating public recreation opportunities and developing the necessary supporting infrastructure at water resources projects of the Corps of Engineers.

(b) INFRASTRUCTURE IMPROVEMENTS.—

(1) RECREATION INFRASTRUCTURE IMPROVEMENTS.—In demonstrating the feasibility of the public-private cooperative, the Secretary shall provide, at Federal expense, such infrastructure improvements as are necessary to

support a potential private recreational development at the Raystown Lake Project, Pennsylvania, generally in accordance with the Master Plan Update (1994) for the project.

(2) AGREEMENT.—The Secretary shall enter into an agreement with an appropriate non-Federal public entity to ensure that the infrastructure improvements constructed by the Secretary on non-project lands pursuant to paragraph (1) are transferred to and operated and maintained by the non-Federal public entity.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $4,500,000 for fiscal years beginning after September 30, 1996.

(c) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the cooperative efforts carried out under this section, including the improvements required by subsection (b).

SEC. 517. ENVIRONMENTAL INFRASTRUCTURE.

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4836-4837) is amended by adding at the end the following new subsection:

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing construction assistance under this section—

"(1) $10,000,000 for the project described in subsection (c)(5);

"(2) $2,000,000 for the project described in subsection (c)(6);

"(3) $10,000,000 for the project described in subsection (c)(7);

"(4) $11,000,000 for the project described in subsection (c)(8);

"(5) $20,000,000 for the project described in subsection (c)(16); and

"(6) $20,000,000 for the project described in subsection (c)(17).".

SEC. 518. CORPS CAPABILITY TO CONSERVE FISH AND WILDLIFE.

Section 704(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2263(b); 100 Stat. 4157) is amended—

(1) by striking "$5,000,000"; and inserting "$10,000,000"; and

(2) in paragraph (4) by inserting "and Virginia" after "Maryland".

SEC. 519. PERIODIC BEACH NOURISHMENT.

The Secretary shall carry out periodic beach nourishment for each of the following projects for a period of 50 years beginning on the date of initiation of construction of such project:

(1) BROWARD COUNTY, FLORIDA.—Project for shoreline protection, segments II and III, Broward County, Florida.

(2) FORT PIERCE, FLORIDA.—Project for shoreline protection, Fort Pierce, Florida.

(3) LEE COUNTY, FLORIDA.—Project for shoreline protection, Lee County, Captiva Island segment, Florida.

(4) PALM BEACH COUNTY, FLORIDA.—Project for shoreline protection, Jupiter/Carlin, Ocean Ridge, and Boca Raton North Beach segments, Palm Beach County, Florida.

(5) PANAMA CITY BEACHES, FLORIDA.—Project for shoreline protection, Panama City Beaches, Florida.

(6) TYBEE ISLAND, GEORGIA.—Project for beach erosion control, Tybee Island, Georgia.

SEC. 520. CONTROL OF AQUATIC PLANTS.

The Secretary shall carry out under section 104(b) of the River and Harbor Act of 1958 (33 U.S.C. 610(b))—

(1) a program to control aquatic plants in Lake St. Clair, Michigan; and

(2) program to control aquatic plants in the Schuylkill River, Philadelphia, Pennsylvania.

SEC. 521. HOPPER DREDGES.

Section 3 of the Act of August 11, 1888 (33 U.S.C. 622; 25 Stat. 423), is amended by adding at the end the following:

"(c) PROGRAM TO INCREASE USE OF PRIVATE HOPPER DREDGES.—

"(1) INITIATION.—The Secretary shall initiate a program to increase the use of private industry hopper dredges for the construction and maintenance of Federal navigation channels.

"(2) READY RESERVE STATUS FOR HOPPER DREDGE WHEELER.—In order to carry out the requirements of this subsection, the Secretary shall, not later than the earlier of 90 days after the date of completion of the rehabilitation of the hopper dredge McFarland pursuant to section 564 of the Water Resources Development Act of 1996 or October 1, 1997, place the Federal hopper dredge Wheeler in a ready reserve status.

"(3) TESTING AND USE OF READY RESERVE HOPPER DREDGE.—The Secretary may periodically perform routine tests of the equipment of the vessel placed in a ready reserve status under this subsection to ensure the vessel's ability to perform emergency work. The Secretary shall not assign any scheduled hopper dredging work to such vessel but shall perform any repairs needed to maintain the vessel in a fully operational condition. The Secretary may place the vessel in active status in order to perform any dredging work only in the event the Secretary determines that private industry has failed to submit a responsive and responsible bid for work advertised by the Secretary or to carry out the project as required pursuant to a contract with the Secretary.

"(4) REPAIR AND REHABILITATION.—The Secretary may undertake any repair and rehabilitation of any Federal hopper dredge, including the vessel placed in ready reserve status under paragraph (2) to allow the vessel to be placed into active status as provided in paragraph (3).

"(5) PROCEDURES.—The Secretary shall develop and implement procedures to ensure that, to the maximum extent practicable, private industry hopper dredge capacity is available to meet both routine and time-sensitive dredging needs. Such procedures shall include—

"(A) scheduling of contract solicitations to effectively distribute dredging work throughout the dredging season; and

"(B) use of expedited contracting procedures to allow dredges performing routine work to be made available to meet time-sensitive, urgent, or emergency dredging needs.

"(6) REPORT.—Not later than 2 years after the date of the enactment of this subsection, the Secretary shall report to Congress on whether the vessel placed in ready reserve status pursuant to paragraph (2) is needed to be returned to active status or continued in a ready reserve status or whether another Federal hopper dredge should be placed in a ready reserve status.

"(7) LIMITATIONS.—

"(A) REDUCTIONS IN STATUS.—The Secretary may not further reduce the readiness status of any Federal hopper dredge below a ready reserve status except any vessel placed in such status for not less than 5 years which the Secretary determines has not been used sufficiently to justify retaining the vessel in such status.

"(B) INCREASE IN ASSIGNMENTS OF DREDGING WORK.—For each fiscal year beginning after the date of the enactment of this subsection, the Secretary shall not assign any greater quantity of dredging work to any Federal hopper dredge in an active status than was assigned to that vessel in the average of the 3 prior fiscal years.

"(8) CONTRACTS; PAYMENT OF CAPITAL COSTS.—The Secretary may enter into a contract for the maintenance and crewing of any vessel retained in a ready reserve status. The capital costs (including depreciation costs) of any vessel retained in such status shall be paid for out of funds made available from the Harbor Maintenance Trust Fund and shall not be charged against the Corps of Engineers' Revolving Fund Account or any individual project cost unless the vessel is specifically used in connection with that project.".

SEC. 522. DESIGN AND CONSTRUCTION ASSISTANCE.

The Secretary shall provide design and construction assistance to non-Federal interests for the following projects:

(1) Repair and rehabilitation of the Lower Girard Lake Dam, Girard, Ohio, at an estimated total cost of $2,500,000.

(2) Construction of a multi-purpose dam and reservoir, Bear Valley Dam, Franklin County, Pennsylvania, at an estimated total cost of $15,000,000.

(3) Repair and upgrade of the dam and appurtenant features at Lake Merriweather, Little Calfpasture River, Virginia, at an estimated total cost of $6,000,000.

SEC. 523. FIELD OFFICE HEADQUARTERS FACILITIES.

Subject to amounts being made available in advance in appropriations Acts, the Secretary may use Plant Replacement and Improvement Program funds to design and construct a new headquarters facility for—

(1) the New England Division, Waltham, Massachusetts; and

(2) the Jacksonville District, Jacksonville, Florida.

SEC. 524. CORPS OF ENGINEERS RESTRUCTURING PLAN.

(a) DIVISION OFFICE, CHICAGO, ILLINOIS.—The Secretary shall continue to maintain a division office of the Corps of Engineers in Chicago, Illinois, notwithstanding any plan developed pursuant to title I of the Energy and Water Development Appropriations Act, 1996 (109 Stat. 405) to reduce the number of division offices. Such division office shall be responsible for the 5 district offices for which the division office was responsible on June 1, 1996.

(b) DISTRICT OFFICE, ST. LOUIS, MISSOURI.—The Secretary shall not reassign the St. Louis District of the Corps of Engineers from the operational control of the Lower Mississippi Valley Division.

SEC. 525. LAKE SUPERIOR CENTER.

(a) CONSTRUCTION.—The Secretary, shall assist the Minnesota Lake Superior Center authority in the construction of an educational facility to be used in connection with efforts to educate the public in the economic, recreational, biological, aesthetic, and spiritual worth of Lake Superior and other large bodies of fresh water.

(b) PUBLIC OWNERSHIP.—Prior to providing any assistance under subsection (a), the Secretary shall verify that the facility to be constructed under subsection (a) will be owned by the public authority established by the State of Minnesota to develop, operate, and maintain the Lake Superior Center.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $10,000,000 for the construction of the facility under subsection (a).

SEC. 526. JACKSON COUNTY, ALABAMA.

The Secretary shall provide technical, planning, and design assistance to non-Federal interests for wastewater treatment and related facilities, remediation of point and nonpoint sources of pollution and contaminated riverbed sediments, and related activities in Jackson County, Alabama, including the city of Stevenson. The Federal cost of such assistance may not exceed $5,000,000.

SEC. 527. EARTHQUAKE PREPAREDNESS CENTER OF EXPERTISE EXTENSION.

The Secretary shall establish an extension of the Earthquake Preparedness Center of Expertise for the central United States at an existing district office of the Corps of Engineers near the New Madrid fault.

SEC. 528. QUARANTINE FACILITY.

Section 108(c) of the Water Resources Development Act of 1992 (106 Stat. 4816) is amended by striking "$1,000,000" and inserting "$4,000,000".

SEC. 529. BENTON AND WASHINGTON COUNTIES, ARKANSAS.

Section 220 of the Water Resources Development Act of 1992 (106 Stat. 4836-4837) is amended by adding at the end the following new subsection:

"(c) Use of Federal Funds.—The Secretary may make available to the non-Federal interests funds not to exceed an amount equal to the Federal share of the total project cost to be used by the non-Federal interests to undertake the work directly or by contract.".

SEC. 530. CALAVERAS COUNTY, CALIFORNIA.

(a) Cooperation Agreements.—The Secretary shall enter into cooperation agreements with non-Federal interests to develop and carry out, in cooperation with Federal and State agencies, reclamation and protection projects for the purpose of abating and mitigating surface water quality degradation caused by abandoned mines in the watershed of the lower Mokelume River in Calaveras County, California.

(b) Consultation With Federal Entities.—Any project under subsection (a) that is located on lands owned by the United States shall be undertaken in consultation with the Federal entity with administrative jurisdiction over such lands.

(c) Federal Share.—The Federal share of the cost of the activities conducted under cooperation agreements entered into under subsection (a) shall be 75 percent; except that, with respect to projects located on lands owned by the United States, the Federal share shall be 100 percent. The non-Federal share of project costs may be provided in the form of design and construction services. Non-Federal interests shall receive credit for the reasonable costs of such services completed by such interests prior to entering an agreement with the Secretary for a project.

(d) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $5,000,000 for projects undertaken under this section.

SEC. 531. FARMINGTON DAM, CALIFORNIA.

(a) Conjunctive Use Study.—The Secretary is directed to continue participation in the Stockton, California Metropolitan Area Flood Control study to include the evaluation of the feasibility of storage of water at Farmington Dam to implement a conjunctive use plan. In conducting the study, the Secretary shall consult with the Stockton East Water District concerning joint operation or potential transfer of Farmington Dam. The Secretary shall make recommendations on facility transfers and operational alternatives as part of the Secretary's report to Congress.

(b) Report.—The Secretary shall report to Congress, no later than 1 year after the date of the enactment of this Act, on the feasibility of a conjunctive use plan using Farmington Dam for water storage.

SEC. 532. LOS ANGELES COUNTY DRAINAGE AREA, CALIFORNIA.

The non-Federal share for a project to add water conservation to the existing Los Angeles County Drainage Area, California, project shall be 100 percent of separable first costs and separable operation, maintenance, and replacement costs associated with the water conservation purpose.

SEC. 533. PRADO DAM SAFETY IMPROVEMENTS, CALIFORNIA.

The Secretary, in coordination with the State of California, shall provide technical assistance to Orange County, California, in developing appropriate public safety and access improvements associated with that portion of California State Route 71 being relocated for the Prado Dam feature of the project authorized as part of the project for flood control, Santa Ana River Mainstem, California, by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4113).

SEC. 534. SEVEN OAKS DAM, CALIFORNIA.

The non-Federal share for a project to add water conservation to the Seven Oaks Dam, Santa Ana River Mainstem, California, project shall be 100 percent of separable first costs and separable operation, maintenance, and replacement costs associated with the water conservation purpose.

SEC. 535. MANATEE COUNTY, FLORIDA.

The project for flood control, Cedar Hammock (Wares Creek), Florida, is authorized to be carried out by the Secretary substantially in accordance with the Final Detailed Project Report and Environmental Assessment, dated April 1995, at a total cost of $13,846,000, with an estimated first Federal cost of $8,783,000 and an estimated non-Federal cost of $5,063,000.

SEC. 536. TAMPA, FLORIDA.

The Secretary may enter into a cooperative agreement under section 230 of this Act with the Museum of Science and Industry, Tampa, Florida, to provide technical, planning, and design assistance to demonstrate the water quality functions found in wetlands, at an estimated total Federal cost of $500,000.

SEC. 537. WATERSHED MANAGEMENT PLAN FOR DEEP RIVER BASIN, INDIANA.

(a) Development.—The Secretary, in consultation with the Natural Resources Conservation Service of the Department of Agriculture, shall develop a watershed management plan for the Deep River Basin, Indiana, which includes Deep River, Lake George, Turkey Creek, and other related tributaries in Indiana.

(b) Contents.—The plan to be developed by the Secretary under subsection (a) shall address specific concerns related to the Deep River Basin area, including sediment flow into Deep River, Turkey Creek, and other tributaries; control of sediment quality in Lake George; flooding problems; the safety of the Lake George Dam; and watershed management.

SEC. 538. SOUTHERN AND EASTERN KENTUCKY.

(a) Establishment of Program.—The Secretary shall establish a program for providing environmental assistance to non-Federal interests in southern and eastern Kentucky. Such assistance may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in southern and eastern Kentucky, including projects for wastewater treatment and related facilities, water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) Public Ownership Requirement.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) Project Cooperation Agreements.—

(1) In general.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with such assistance.

(2) Requirements.—Each agreement entered into under this subsection shall provide for the following:

(A) Plan.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities development plan or resource protection plan, including appropriate plans and specifications.

(B) Legal and institutional structures.—Establishment of each such legal and institutional structures as are necessary to assure the effective long-term operation of the project by the non-Federal interest.

(3) Cost sharing.—

(A) In general.—Total project costs under each agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal, except that the non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest before entry into the agreement with the Secretary. The Federal share may be in the form of grants or reimbursements of project costs.

(B) Credit for certain financing costs.—In the event of delays in the reimbursement of the non-Federal share of a project, the non-Federal interest shall receive credit for reasonable interest and other associated financing costs necessary for such non-Federal interest to provide the non-Federal share of the project's cost.

(C) Lands, easements, and rights-of-way.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations provided by the non-Federal interest toward its share of project costs, including for costs associated with obtaining permits necessary for the placement of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

(D) Operation and maintenance.—Operation and maintenance costs shall be 100 percent non-Federal.

(d) Applicability of Other Federal and State Laws.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law which would otherwise apply to a project to be carried out with assistance provided under this section.

(e) Report.—Not later than December 31, 1999, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(f) Southern and Eastern Kentucky Defined.—For purposes of this section, the term "southern and eastern Kentucky" means Morgan, Floyd, Pulaski, Wayne, Laurel, Knox, Pike, Menifee, Perry, Harlan, Breathitt, Martin, Jackson, Wolfe, Clay, Magoffin, Owsley, Johnson, Leslie, Lawrence, Knott, Bell, McCreary, Rockcastle, Whitley, Lee, and Letcher Counties, Kentucky.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000.

SEC. 539. LOUISIANA COASTAL WETLANDS RESTORATION PROJECTS.

Section 303(f) of the Coastal Wetlands Planning, Protection and Restoration Act (16 U.S.C. 3952(f); 104 Stat. 4782–4783) is amended—

(1) in paragraph (4) by striking "and (3)" and inserting "(3), and (5)"; and

(2) by adding at the end the following:

"(5) FEDERAL SHARE IN CALENDAR YEARS 1996 AND 1997.—Notwithstanding paragraphs (1) and (2), amounts made available in accordance with section 306 of this title to carry out coastal wetlands restoration projects under this section in calendar years 1996 and 1997 shall provide 90 percent of the cost of such projects.".

SEC. 540. SOUTHEAST LOUISIANA.

(a) FLOOD CONTROL.—The Secretary is directed to proceed with engineering, design, and construction of projects to provide for flood control and improvements to rainfall drainage systems in Jefferson, Orleans, and St. Tammany Parishes, Louisiana, in accordance with the following reports of the New Orleans District Engineer: Jefferson and Orleans Parishes, Louisiana, Urban Flood Control and Water Quality Management, July 1992; Tangipahoa, Techefuncte, and Tickfaw Rivers, Louisiana, June 1991; St. Tammany Parish, Louisiana, July 1996; and Schneider Canal, Slidell, Louisiana, Hurricane Protection, May 1990.

(b) COST SHARING.—The cost of any work performed by the non-Federal interests subsequent to the reports referred to in subsection (a) and determined by the Secretary to be a compatible and integral part of the projects shall be credited toward the non-Federal share of the projects.

(c) FUNDING.—There is authorized to be appropriated $100,000,000 for the initiation and partial accomplishment of projects described in the reports referred to in subsection (a).

SEC. 541. RESTORATION PROJECTS FOR MARYLAND, PENNSYLVANIA, AND WEST VIRGINIA.

(a) IN GENERAL.—

(1) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with non-Federal interests to develop and carry out, in cooperation with Federal and State agencies, reclamation and protection projects for the purpose of abating and mitigating surface water quality degradation caused by abandoned mines along—

(A) the North Branch of the Potomac River, Maryland, Pennsylvania, and West Virginia; and

(B) the New River, West Virginia, watershed.

(2) ADDITIONAL MEASURES.—Projects under paragraph (1) may also include measures for the abatement and mitigation of surface water quality degradation caused by the lack of sanitary wastewater treatment facilities or the need to enhance such facilities.

(3) CONSULTATION WITH FEDERAL ENTITIES.—Any project under paragraph (1) that is located on lands owned by the United States shall be undertaken in consultation with the Federal entity with administrative jurisdiction over such lands.

(b) FEDERAL SHARE.—The Federal share of the cost of the activities conducted under cooperation agreements entered into under subsection (a)(1) shall be 75 percent; except that, with respect to projects located on lands owned by the United States, the Federal share shall be 100 percent. The non-Federal share of project costs may be provided in the form of design and construction services. Non-Federal interests shall receive credit for the reasonable costs of such services completed by such interests prior to entering an agreement with the Secretary for a project.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for projects undertaken under subsection (a)(1)(A) and $5,000,000 for projects undertaken under subsection (a)(1)(B).

SEC. 542. CUMBERLAND, MARYLAND.

The Secretary is directed to provide technical, planning, and design assistance to State, local, and other Federal entities for the restoration of the Chesapeake and Ohio Canal, in the vicinity of Cumberland, Maryland.

SEC. 543. BENEFICIAL USE OF DREDGED MATERIAL, POPLAR ISLAND, MARYLAND.

The Secretary shall carry out a project for the beneficial use of dredged material at Poplar Island, Maryland, pursuant to section 204 of the Water Resources Development Act of 1992; except that, notwithstanding the limitation contained in subsection (e) of such section, the initial cost of constructing dikes for the project shall be $78,000,000, with an estimated Federal cost of $58,500,000 and an estimated non-Federal cost of $19,500,000.

SEC. 544. EROSION CONTROL MEASURES, SMITH ISLAND, MARYLAND.

(a) IN GENERAL.—The Secretary shall implement erosion control measures in the vicinity of Rhodes Point, Smith Island, Maryland, at an estimated total Federal cost of $450,000.

(b) IMPLEMENTATION ON EMERGENCY BASIS.—The project under subsection (a) shall be carried out on an emergency basis in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in infrastructure facilities.

(c) COST SHARING.—Cost sharing applicable to hurricane and storm damage reduction shall be applicable to the project to be carried out under subsection (a).

SEC. 545. DULUTH, MINNESOTA, ALTERNATIVE TECHNOLOGY PROJECT.

(a) PROJECT AUTHORIZATION.—The Secretary shall develop and implement alternative methods for decontamination and disposal of contaminated dredged material at the Port of Duluth, Minnesota.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, to carry out this section $1,000,000. Such sums shall remain available until expended.

SEC. 546. REDWOOD RIVER BASIN, MINNESOTA.

(a) STUDY AND STRATEGY DEVELOPMENT.—The Secretary, in cooperation with the Secretary of Agriculture and the State of Minnesota, shall conduct a study, and develop a strategy, for using wetland restoration, soil and water conservation practices, and nonstructural measures to reduce flood damages, improve water quality, and create wildlife habitat in the Redwood River basin and the subbasins draining into the Minnesota River, at an estimated Federal cost of $4,000,000.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the study and development of the strategy shall be 25 percent and may be provided through in-kind services and materials.

(c) COOPERATION AGREEMENT.—In conducting the study and developing the strategy under this section, the Secretary shall enter into cooperation agreements to provide financial assistance to appropriate Federal, State, and local government agencies, including activities for the implementation of wetland restoration projects and soil and water conservation measures.

(d) IMPLEMENTATION.—The Secretary shall undertake development and implementation of the strategy authorized by this section in cooperation with local landowners and local government officials.

SEC. 547. NATCHEZ BLUFFS, MISSISSIPPI.

(a) IN GENERAL.—The Secretary shall carry out the project for bluff stabilization, Natchez Bluffs, Natchez, Mississippi, substantially in accordance with (1) the Natchez Bluffs Study, dated September 1985, (2) the Natchez Bluffs Study: Supplement I, dated June 1990, and (3) the Natchez Bluffs Study: Supplement II, dated December 1993, in the portions of the bluffs described in subsection (b), at a total cost of $17,200,000, with an estimated Federal cost of $12,900,000 and an estimated non-Federal cost of $4,300,000.

(b) DESCRIPTION OF PROJECT LOCATION.—The portions of the Natchez Bluffs where the project is to be carried out under subsection (a) are described in the studies referred to in subsection (a) as—

(1) Clifton Avenue, area 3;

(2) the bluff above Silver Street, area 6;

(3) the bluff above Natchez Under-the-Hill, area 7; and

(4) Madison Street to State Street, area 4.

SEC. 548. SARDIS LAKE, MISSISSIPPI.

(a) MANAGEMENT.—The Secretary shall work cooperatively with the State of Mississippi and the city of Sardis, Mississippi, to the maximum extent practicable, in the management of existing and proposed leases of land consistent with the Sardis Lake Recreation and Tourism Master Plan prepared by the city for the economic development of the Sardis Lake area.

(b) FLOOD CONTROL STORAGE.—The Secretary shall review the study conducted by the city of Sardis, Mississippi, regarding the impact of the Sardis Lake Recreation and Tourism Master Plan prepared by the city on flood control storage in Sardis Lake. The city shall not be required to reimburse the Secretary for the cost of such storage, or the cost of the Secretary's review, if the Secretary finds that the loss of flood control storage resulting from implementation of the master plan is not significant.

SEC. 549. MISSOURI RIVER MANAGEMENT.

(a) NAVIGATION SEASON EXTENSION.—

(1) INCREASES.—The Secretary, working with the Secretary of Agriculture and the Secretary of the Interior, shall incrementally increase the length of each navigation season for the Missouri River by 15 days from the length of the previous navigation season and those seasons thereafter, until such time as the navigation season for the Missouri River is increased by 1 month from the length of the navigation season on April 1, 1996.

(2) APPLICATION OF INCREASES.—Increases in the length of the navigation season under paragraph (1) shall be applied in calendar year 1996 so that the navigation season in such calendar year for the Missouri River begins on April 1, 1996, and ends on December 15, 1996.

(3) ADJUSTMENT OF NAVIGATION LEVELS.—Scheduled full navigation levels shall be incrementally increased to coincide with increases in the navigation season under paragraph (1).

(b) WATER CONTROL POLICIES AFFECTING NAVIGATION CHANNELS.—The Secretary may not take any action which is inconsistent with a water control policy of the Corps of Engineers in effect on January 1, 1995, if such action would result in—

(1) a reduction of 10 days or more in the total number of days in a year during which vessels are able to use navigation channels; or

(2) a substantial increase in flood damage to lands adjacent to a navigation channel, unless such action is specifically authorized by a law enacted after the date of the enactment of this Act.

(c) ECONOMIC AND ENVIRONMENTAL IMPACT EVALUATION.—Whenever a Federal department, agency, or instrumentality conducts an environmental impact statement with respect to management of the Missouri River system, the head of such department, agency, or instrumentality shall also conduct a cost benefit analysis on any changes proposed in the management of the Missouri River.

SEC. 550. ST. CHARLES COUNTY, MISSOURI, FLOOD PROTECTION.

(a) IN GENERAL.—Notwithstanding any other provision of law or regulation, no county located at the confluence of the Missouri and Mississippi Rivers or community located in any county located at the confluence of the Missouri and Mississippi Rivers shall have its participation in any Federal program suspended, revoked, or otherwise affected solely due to that county or community permitting the raising of levees by any public-sponsored levee district, along an alignment approved by the circuit court of such county, to a level sufficient to contain a 20-year flood.

(b) TREATMENT OF EXISTING PERMITS.—If any public-sponsored levee district has received a Federal permit valid during the Great Flood of 1993 to improve or modify its levee system before the date of the enactment of this Act, such permit shall be considered adequate to allow the raising of the height of levees in such system under subsection (a).

SEC. 551. DURHAM, NEW HAMPSHIRE.

The Secretary may enter into a cooperative agreement under section 230 of this Act with the University of New Hampshire to provide technical assistance for a water treatment technology center addressing the needs of small communities.

SEC. 552. HACKENSACK MEADOWLANDS AREA, NEW JERSEY.

Section 324(b)(1) of the Water Resources Development Act of 1992 (106 Stat. 4849) is amended to read as follows:

"(1) Mitigation, enhancement, and acquisition of significant wetlands that contribute to the Meadowlands ecosystem.".

SEC. 553. AUTHORIZATION OF DREDGE MATERIAL CONTAINMENT FACILITY FOR PORT OF NEW YORK/NEW JERSEY.

(a) IN GENERAL.—The Secretary is authorized to construct, operate, and maintain a dredged material containment facility with a capacity commensurate with the long-term dredged material disposal needs of port facilities under the jurisdiction of the Port of New York/New Jersey. Such facility may be a near-shore dredged material disposal facility along the Brooklyn waterfront. The costs associated with feasibility studies, design, engineering, and construction shall be shared with the local sponsor in accordance with the provisions of section 101 of the Water Resources Development Act of 1986.

(b) BENEFICIAL USE.—After the facility to be constructed under subsection (a) has been filled to capacity with dredged material, the Secretary shall maintain the facility for the public benefit.

SEC. 554. HUDSON RIVER HABITAT RESTORATION, NEW YORK.

(a) HABITAT RESTORATION PROJECT.—The Secretary shall expedite the feasibility study of the Hudson River Habitat Restoration, Hudson River Basin, New York, and shall carry out no fewer than 4 projects for habitat restoration, to the extent the Secretary determines such work to be technically feasible. Such projects shall be designed to—

(1) provide a pilot project to assess and improve habitat value and environmental outputs of recommended projects;

(2) provide a demonstration project to evaluate various restoration techniques for effectiveness and cost;

(3) fill an important local habitat need within a specific portion of the study area; and

(4) take advantage of ongoing or planned actions by other agencies, local municipalities, or environmental groups that would increase the effectiveness or decrease the overall cost of implementing one of the recommended restoration project sites.

(b) NON-FEDERAL SHARE.—Non-Federal interests shall provide 25 percent of the cost on each project undertaken under subsection (a). The non-Federal share may be in the form of cash or in-kind contributions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $11,000,000.

SEC. 555. QUEENS COUNTY, NEW YORK.

(a) DESCRIPTION OF NONNAVIGABLE AREA.—Subject to subsections (b) and (c), the area of Long Island City, Queens County, New York, that—

(1) is not submerged;

(2) lies between the southerly high water line (as of the date of enactment of this Act) of Anable Basin (also known as the "11th Street Basin") and the northerly high water line (as of the date of enactment of this Act) of Newtown Creek; and

(3) extends from the high water line (as of the date of enactment of this Act) of the East River to the original high water line of the East River;

is declared to be nonnavigable waters of the United States.

(b) REQUIREMENT THAT AREA BE IMPROVED.—

(1) IN GENERAL.—The declaration of nonnavigability under subsection (a) shall apply only to those portions of the area described in subsection (a) that are, or will be, bulkheaded, filled, or otherwise occupied by permanent structures or other permanent physical improvements (including parkland).

(2) APPLICABILITY OF FEDERAL LAW.—Improvements described in paragraph (1) shall be subject to applicable Federal laws, including—

(A) sections 9 and 10 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1899 (33 U.S.C. 401 and 403);

(B) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) EXPIRATION DATE.—The declaration of nonnavigability under subsection (a) shall expire with respect to a portion of the area described in subsection (a), if the portion—

(1) is not bulkheaded, filled, or otherwise occupied by a permanent structure or other permanent physical improvement (including parkland) in accordance with subsection (b) by the date that is 20 years after the date of the enactment of this Act; or

(2) requires an improvement described in subsection (b)(2) that is subject to a permit under an applicable Federal law and the improvement is not commenced by the date that is 5 years after the date of issuance of the permit.

SEC. 556. NEW YORK BIGHT AND HARBOR STUDY.

Section 326(f) of the Water Resources Development Act of 1992 (106 Stat. 4851) is amended by striking "$1,000,000" and inserting "$5,000,000".

SEC. 557. NEW YORK STATE CANAL SYSTEM.

(a) IN GENERAL.—The Secretary is authorized to make capital improvements to the New York State Canal System.

(b) AGREEMENTS.—The Secretary shall, with the consent of appropriate local and State entities, enter into such arrangements, contracts, and leases with public and private entities as may be necessary for the purposes of rehabilitation, renovation, preservation, and maintenance of the New York State Canal System and its related facilities, including trailside facilities and other recreational projects along the waterways of the canal system.

(c) NEW YORK STATE CANAL SYSTEM DEFINED.—In this section, the term "New York State Canal System" means the Erie, Oswego, Champlain, and Cayuga-Seneca Canals.

(d) FEDERAL SHARE.—The Federal share of the cost of capital improvements under this section shall be 50 percent.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000.

SEC. 558. NEW YORK CITY WATERSHED.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a program for providing environmental assistance to non-Federal interests in the New York City Watershed.

(2) FORM.—Assistance provided under this section may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in the New York City Watershed, including projects for water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) ELIGIBLE PROJECTS.—

(1) CERTIFICATION.—A project shall be eligible for financial assistance under this section only if the State director for the project certifies to the Secretary that the project will contribute to the protection and enhancement of the quality or quantity of the New York City water supply.

(2) SPECIAL CONSIDERATION.—In certifying projects to the Secretary, the State director shall give special consideration to those projects implementing plans, agreements, and measures which preserve and enhance the economic and social character of the watershed communities.

(3) PROJECT DESCRIPTIONS.—Projects eligible for assistance under this section shall include the following:

(A) Implementation of intergovernmental agreements for coordinating regulatory and management responsibilities.

(B) Acceleration of whole farm planning to implement best management practices to maintain or enhance water quality and to promote agricultural land use.

(C) Acceleration of whole community planning to promote intergovernmental cooperation in the regulation and management of activities consistent with the goal of maintaining or enhancing water quality.

(D) Natural resources stewardship on public and private lands to promote land uses that preserve and enhance the economic and social character of the watershed communities and protect and enhance water quality.

(d) COOPERATION AGREEMENTS.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement with the State director for the project to be carried out with such assistance.

(e) COST SHARING.—

(1) IN GENERAL.—Total project costs under each agreement entered into under this section shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into the agreement with the Secretary for a project. The Federal share may be in the form of grants or reimbursements of project costs.

(2) INTEREST.—In the event of delays in the reimbursement of the non-Federal share of a project, the non-Federal interest shall receive credit for reasonable interest costs incurred to provide the non-Federal share of a project's cost.

(3) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations provided by the non-Federal interest toward its share of project costs, including direct costs associated with obtaining permits necessary for the placement of such project on public owned or controlled lands, but not to exceed 25 percent of total project costs.

(4) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.

(f) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed to waive, limit, or otherwise affect the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(g) REPORT.—Not later than December 31, 2000, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with recommendations concerning whether such program should be implemented on a national basis.

(h) NEW YORK CITY WATERSHED DEFINED.—For purposes of this section, the term "New York City Watershed" means the land area within the counties of Delaware, Greene, Schoharie, Ulster, Sullivan, Westchester, Putnam, and Duchess which contributes water to the water supply system of New York City.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000.

SEC. 559. OHIO RIVER GREENWAY.

(a) EXPEDITED COMPLETION OF STUDY.—The Secretary is directed to expedite the completion of the study for the Ohio River Greenway, Jeffersonville, Clarksville, and New Albany, Indiana.

(b) CONSTRUCTION.—Upon completion of the study, if the Secretary determines that the project is feasible, the Secretary shall participate with the non-Federal interests in the construction of the project.

(c) COST SHARING.—Total project costs under this section shall be shared at 50 percent Federal and 50 percent non-Federal.

(d) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—Non-Federal interests shall be responsible for providing all lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the project.

(e) CREDIT.—The non-Federal interests shall receive credit for those costs incurred by the non-Federal interests that the Secretary determines are compatible with the study, design, and implementation of the project.

SEC. 560. NORTHEASTERN OHIO.

The Secretary is authorized to provide technical assistance to local interests for planning the establishment of a regional water authority in northeastern Ohio to address the water problems of the region. The Federal share of the costs of such planning shall not exceed 75 percent.

SEC. 561. GRAND LAKE, OKLAHOMA.

(a) STUDY.—Not later than 1 year after the date of the enactment of this Act, the Secretary of the Army shall carry out and complete a study of flood control in Grand/Neosho Basin and tributaries in the vicinity of Pensacola Dam in northeastern Oklahoma to determine the scope of the backwater effects of operation of the dam and to identify any lands which the Secretary determines have been adversely impacted by such operation or should have been originally purchased as flowage easement for the project.

(b) ACQUISITION OF REAL PROPERTY.—Upon completion of the study and subject to advance appropriations, the Secretary shall acquire from willing sellers such real property interests in any lands identified in the study as the Secretary determines are necessary to reduce the adverse impacts identified in the study conducted under subsection (a).

(c) IMPLEMENTATION REPORTS.—The Secretary shall transmit to Congress reports on the operation of the Pensacola Dam, including data on and a description of releases in anticipation of flooding (referred to as preoccupancy releases), and the implementation of this section. The first of such reports shall be transmitted not later than 2 years after the date of the enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996.

(2) MAXIMUM FUNDING FOR STUDY.—Of amounts appropriated to carry out this section, not to exceed $1,500,000 shall be available for carrying out the study under subsection (a).

SEC. 562. BROAD TOP REGION OF PENNSYLVANIA.

Section 304 of the Water Resources Development Act of 1992 (106 Stat. 4840) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) COST SHARING.—The Federal share of the cost of the activities conducted under the cooperative agreement entered into under subsection (a) shall be 75 percent. The non-Federal share of project costs may be provided in the form of design and construction services and other in-kind work provided by the non-Federal interests, whether occurring subsequent to, or within 6 years prior to, entering into an agreement with the Secretary. Non-Federal interests shall receive credit for grants and the value of work performed on behalf of such interests by State and local agencies."; and

(2) in subsection (c) by striking "$5,500,000" and inserting "$11,000,000".

SEC. 563. CURWENSVILLE LAKE, PENNSYLVANIA.

The Secretary shall modify the allocation of costs for the water reallocation project at Curwensville Lake, Pennsylvania, to the extent that the Secretary determines that such reallocation will provide environmental restoration benefits in meeting in-stream flow needs in the Susquehanna River basin.

SEC. 564. HOPPER DREDGE MCFARLAND.

(a) PROJECT AUTHORIZATION.—The Secretary is authorized to carry out a project at the Philadelphia Naval Shipyard, Pennsylvania, to make modernization and efficiency improvements to the hopper dredge McFarland.

(b) REQUIREMENTS.—In carrying out the project under subsection (a), the Secretary shall—

(1) determine whether the McFarland should be returned to active service or the reserve fleet after the project is completed; and

(2) establish minimum standards of dredging service to be met in areas served by the McFarland while the drydocking is taking place.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 565. PHILADELPHIA, PENNSYLVANIA.

(a) WATER WORKS RESTORATION.—

(1)) IN GENERAL.—The Secretary shall provide planning, design, and construction assistance for the protection and restoration of the Philadelphia, Pennsylvania Water Works.

(2) COORDINATION.—In providing assistance under this subsection, the Secretary shall coordinate with the Fairmount Park Commission and the Secretary of the Interior.

(3) FUNDING.—There is authorized to be appropriated to carry out this subsection $1,000,000 for fiscal years beginning after September 30, 1996.

(b) COOPERATION AGREEMENT FOR SCHUYLKILL NAVIGATION CANAL.—

(1) IN GENERAL.—The Secretary shall enter into a cooperation agreement with the city of Philadelphia, Pennsylvania, to participate in the operation, maintenance, and rehabilitation of the Schuylkill Navigation Canal at Manayunk.

(2) LIMITATION ON FEDERAL SHARE.—The Federal share of the cost of the operation, maintenance, and rehabilitation under paragraph (1) shall not exceed $300,000 annually.

(3) AREA INCLUDED.—For purposes of this subsection, the Schuylkill Navigation Canal includes the section approximately 10,000 feet long extending between Lock and Fountain Streets, Philadelphia, Pennsylvania.

(c) SCHUYLKILL RIVER PARK.—

(1) ASSISTANCE.—The Secretary is authorized to provide technical, planning, design, and construction assistance for the Schuylkill River Park, Philadelphia, Pennsylvania.

(2) FUNDING.—There is authorized to be appropriated $2,700,000 to carry out this subsection.

(d) PENNYPACK PARK.—

(1) ASSISTANCE.—The Secretary is authorized to provide technical, design, construction, and financial assistance for measures for the improvement and restoration of aquatic habitats and aquatic resources at Pennypack Park, Philadelphia, Pennsylvania.

(2) COOPERATION AGREEMENTS.—In providing assistance under this subsection, the Secretary shall enter into cooperation agreements with the city of Philadelphia, acting through the Fairmount Park Commission.

(3) FUNDING.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $15,000,000 to carry out this subsection.

(e) FRANKFORD DAM.—

(1) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with the city of Philadelphia, Pennsylvania, acting through the Fairmount Park Commission, to provide assistance for the elimination of the Frankford Dam, the replacement of the Rhawn Street Dam, and modifications to the Roosevelt Dam and the Verree Road Dam.

(2) FUNDING.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $900,000, to carry out this subsection.

SEC. 566. UPPER SUSQUEHANNA RIVER BASIN, PENNSYLVANIA AND NEW YORK.

(a) STUDY AND STRATEGY DEVELOPMENT.—The Secretary, in cooperation with the Secretary of Agriculture, the State of Pennsylvania, and the State of New York, shall conduct a study, and develop a strategy, for using wetland restoration, soil and water conservation practices, and nonstructural measures to reduce flood damages, improve water quality, and create wildlife habitat in the following portions of the Upper Susquehanna River basin:

(1) the Juniata River watershed, Pennsylvania, at an estimated Federal cost of $15,000,000; and

(2) the Susquehanna River watershed upstream of the Chemung River, New York, at an estimated Federal cost of $10,000,000.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the study and development of the strategy shall be 25 percent and may be provided through in-kind services and materials.

(c) COOPERATION AGREEMENTS.—In conducting the study and developing the strategy under this section, the Secretary shall enter into cooperation agreements to provide financial assistance to appropriate Federal, State, and local government agencies, including activities for the implementation of wetland restoration projects and soil and water conservation measures.

(d) IMPLEMENTATION.—The Secretary shall undertake development and implementation of the strategy authorized by this section in cooperation with local landowners and local government officials.

SEC. 567. SEVEN POINTS VISITORS CENTER, RAYSTOWN LAKE, PENNSYLVANIA.

(a) IN GENERAL.—The Secretary shall construct a visitors center and related public use facilities at the Seven Points Recreation Area at Raystown Lake, Pennsylvania, generally in accordance with the Master Plan Update (1994) for the Raystown Lake Project.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000.

SEC. 568. SOUTHEASTERN PENNSYLVANIA.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a pilot program for providing environmental assistance to non-Federal interests in southeastern Pennsylvania. Such assistance may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in southeastern Pennsylvania, including projects for waste water treatment and related facilities, water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) LOCAL COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with such assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of each such legal and institutional structures as are necessary to assure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for such design work shall not exceed 6 percent of the total construction costs of the project. The Federal share may be in the form of grants or reimbursements of project costs.

(B) INTEREST.—In the event of delays in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations toward its share of project costs, including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.

(d) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law which would otherwise apply to a project to be carried out with assistance provided under this section.

(e) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the pilot program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(f) SOUTHEASTERN PENNSYLVANIA DEFINED.—For purposes of this section, the term "Southeastern Pennsylvania" means Philadelphia, Bucks, Chester, Delaware, and Montgomery Counties, Pennsylvania.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996. Such sums shall remain available until expended.

SEC. 569. WILLS CREEK, HYNDMAN, PENNSYLVANIA.

The Secretary shall carry out a project for flood control, Wills Creek, Borough of Hyndman, Pennsylvania, at an estimated total cost of $5,000,000. For purposes of section 209 of the Flood Control Act of 1970 (84 Stat. 1829), benefits attributable to the national economic development objectives set forth in such section shall include all primary, secondary, and tertiary benefits attributable to the flood control project authorized by this section regardless of to whom such benefits may accrue.

SEC. 570. BLACKSTONE RIVER VALLEY, RHODE ISLAND AND MASSACHUSETTS.

(a) IN GENERAL.—The Secretary, in coordination with Federal, State, and local interests, shall provide technical, planning, and design assistance in the development and restoration of the Blackstone River Valley National Heritage Corridor, Rhode Island, and Massachusetts.

(b) FEDERAL SHARE.—Funds made available under this section for planning and design of a project may not exceed 75 percent of the total cost of such planning and design.

SEC. 571. EAST RIDGE, TENNESSEE.

The Secretary shall review the flood management study for the East Ridge and Hamilton County area undertaken by the Tennessee Valley Authority and shall carry out the project at an estimated total cost of $25,000,000.

SEC. 572. MURFREESBORO, TENNESSEE.

The Secretary shall carry out a project for environmental enhancement, Murfreesboro, Tennessee, in accordance with the Report and Environmental Assessment, Black Fox, Murfree and Oaklands Spring Wetlands, Murfreesboro, Rutherford County, Tennessee, dated August 1994.

SEC. 573. BUFFALO BAYOU, TEXAS.

The non-Federal interest for the projects for flood control, Buffalo Bayou Basin, Texas, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1258), and Buffalo Bayou and tributaries, Texas, authorized by section 101 of the Water Resources Development Act of 1990 (104 Stat. 4610), may be reimbursed by up to $5,000,000 or may receive a credit of up to $5,000,000 against required non-Federal project cost-sharing contributions for work performed by the non-Federal interest at each of the following locations if such work is compatible with the following authorized projects: White Oak Bayou, Brays Bayou, Hunting Bayou, Garners Bayou, and the Upper Reach on Greens Bayou.

SEC. 574. SAN ANTONIO RIVER, TEXAS.

Notwithstanding the last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d-5(a)) and the agreement executed on November 7, 1992, by the Secretary and the San Antonio River Authority, Texas, the Secretary shall reimburse the San Antonio River Authority an amount not to exceed $5,000,000 for the work carried out by the Authority under the agreement, including any amounts paid to the Authority under the terms of the agreement before the date of the enactment of this Act.

SEC. 575. NEABSCO CREEK, VIRGINIA.

The Secretary shall carry out a project for flood control, Neabsco Creek Watershed, Prince William County, Virginia, at an estimated total cost of $1,500,000.

SEC. 576. TANGIER ISLAND, VIRGINIA.

The Secretary is directed to design and construct a breakwater at the North Channel on Tangier Island, Virginia, at a total cost of $1,200,000, with an estimated Federal cost of $900,000 and an estimated non-Federal cost of $300,000. Congress finds that in view of the historic preservation benefits resulting from the project authorized by this section, the overall benefits of the project exceed the costs of the project.

SEC. 577. HARRIS COUNTY, TEXAS.

(a) In General.—During any evaluation of economic benefits and costs for projects set forth in subsection (b) that occurs after the date of the enactment of this Act, the Secretary shall not consider flood control works constructed by non-Federal interests within the drainage area of such projects prior to the date of such evaluation in the determination of conditions existing prior to construction of the project.

(b) Specific Projects.—The projects to which subsection (a) apply are—

(1) the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by section 101(a) of the Water Resources Development Act of 1990 (104 Stat. 4610);

(2) the project for flood control, Cypress Creek, Texas, authorized by section 3(a)(13) of the Water Resources Development Act of 1988 (102 Stat. 4014); and

(3) the project for flood control, Buffalo Bayou Basin, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1258).

SEC. 578. PIERCE COUNTY, WASHINGTON.

(a) Technical Assistance.—The Secretary shall provide technical assistance to Pierce County, Washington, to address measures that are necessary to assure that non-Federal levees are adequately maintained and satisfy eligibility criteria for rehabilitation assistance under section 5 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n; 55 Stat. 650). Such assistance shall include a review of the requirements of the Puyallup Tribe of Indians Settlement Act of 1989 (Public Law 101–41) and standards for project maintenance and vegetation management used by the Secretary to determine eligibility for levee rehabilitation assistance with a view toward amending such standards as needed to make non-Federal levees eligible for assistance that may be necessary as a result of future flooding.

(b) Levee Rehabilitation.—The Secretary shall expedite a review to determine the extent to which requirements of the Puyallup Tribe of Indians Settlement Act of 1989 limited the ability of non-Federal interests to adequately maintain existing non-Federal levees that were damaged by flooding in 1995 and 1996 and, to the extent that such ability was limited by such Act, the Secretary shall carry out the rehabilitation of such levees.

SEC. 579. WASHINGTON AQUEDUCT.

(a) Regional Entity.—

(1) In general.—Congress encourages the non-Federal public water supply customers of the Washington Aqueduct to establish a non-Federal public or private entity, or to enter into an agreement with an existing non-Federal public or private entity, to receive title to the Washington Aqueduct and to operate, maintain, and manage the Washington Aqueduct in a manner that adequately represents all interests of such customers.

(2) Consent of congress.—Congress grants consent to the jurisdictions which are customers of the Washington Aqueduct to establish a non-Federal entity to receive title to the Washington Aqueduct and to operate, maintain, and manage the Washington Aqueduct.

(3) Limitation on statutory construction.—Nothing in this subsection shall preclude the jurisdictions referred to in this subsection from pursuing alternative options regarding ownership, operation, maintenance, and management of the Washington Aqueduct.

(b) Progress Report and Plan.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress in achieving the objectives of subsection (a) and a plan for the transfer of ownership, operation, maintenance, and management of the Washington Aqueduct to a non-Federal public or private entity. Such plan shall include a transfer of ownership, operation, maintenance, and management of the Washington Aqueduct that is consistent with the provisions of this section and a detailed consideration of any proposal to transfer such ownership or operation, maintenance, or management to a private entity.

(c) Transfer.—

(1) In general.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transfer, without consideration but subject to such terms and conditions as the Secretary considers appropriate to protect the interests of the United States and the non-Federal public water supply customers, all right, title, and interest of the United States in the Washington Aqueduct, its real property, facilities, equipment, supplies, and personalty—

(A) to a non-Federal public or private entity established pursuant to subsection (a); or

(B) in the event no entity is established pursuant to subsection (a), a non-Federal public or private entity selected by the Secretary which reflects, to the extent possible, a consensus among the non-Federal public water supply customers.

(2) Transferee selection criteria.—The selection of a non-Federal public or private entity under paragraph (1)(B) shall be based on technical, managerial, and financial capabilities and on consultation with the non-Federal public water supply customers and after opportunity for public input.

(3) Assumption of responsibilities.—The entity to whom transfer under paragraph (1) is made shall assume full responsibility for performing and financing the operation, maintenance, repair, replacement, rehabilitation, and necessary capital improvements of the Washington Aqueduct so as to ensure the continued operation of the Washington Aqueduct consistent with its intended purpose of providing an uninterrupted supply of potable water sufficient to meet the current and future needs of the Washington Aqueduct service area.

(4) Extension.—Notwithstanding the 2-year deadline established in paragraph (1), the Secretary may provide a 1-time 6-month extension of such deadline if the Secretary determines that the non-Federal public water supply customers are making progress in establishing an entity pursuant to subsection (a) and that such an extension would likely result in the establishment of such an entity.

(d) Interim Borrowing Authority.—

(1) In general.—Subject to paragraph (2), there is authorized to be appropriated to the Secretary for fiscal years 1997 and 1998 borrowing authority in amounts sufficient to cover those obligations which the Army Corps of Engineers is required to incur in carrying out capital improvements during such fiscal years for the Washington Aqueduct to assure its continued operation until such time as the transfer under subsection (c) has taken place, provided that such amounts do not exceed $16,000,000 for fiscal year 1997 and $54,000,000 for fiscal year 1998.

(2) Terms and conditions.—The borrowing authority under paragraph (1) shall be provided to the Secretary by the Secretary of the Treasury under such terms and conditions as the Secretary of the Treasury determines to be necessary in the public interest and may be provided only after each of the non-Federal public water supply customers of the Washington Aqueduct has entered into a contractual agreement with the Secretary to pay its pro rata share of the costs associated with such borrowing.

(3) Impact on improvement program.—Not later than 6 months after the date of the enactment of this Act, the Secretary, in consultation with other Federal agencies, shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that assesses the impact of the borrowing authority provided under this subsection on near-term improvement projects under the Washington Aqueduct Improvement Program, work scheduled during fiscal years 1997 and 1998, and the financial liability to be incurred.

(e) Definitions.—For purposes of this section, the following definitions apply:

(1) Washington aqueduct.—The term "Washington Aqueduct" means the Washington Aqueduct facilities and related facilities owned by the Federal Government as of the date of the enactment of this Act, including the dams, intake works, conduits, and pump stations that capture and transport raw water from the Potomac River to the Dalecarlia Reservoir, the infrastructure and appurtenances used to treat water taken from the Potomac River by such facilities to potable standards, and related water distributions facilities.

(2) Non-federal public water supply customers.—The term "non-Federal public water supply customers" means the District of Columbia, Arlington County, Virginia, and the city of Falls Church, Virginia.

SEC. 580. GREENBRIER RIVER BASIN, WEST VIRGINIA, FLOOD PROTECTION.

(a) In General.—The Secretary is directed to design and implement a flood damage reduction program for the Greenbrier River Basin, West Virginia, in the vicinity of Durbin, Cass, Marlinton, Renick, Ronceverte, and Alderson as generally presented in the District Engineer's draft Greenbrier River Basin Study Evaluation Report, dated July 1994, to the extent provided under subsection (b) to afford those communities a level of protection against flooding sufficient to reduce future losses to these communities from the likelihood of flooding such as occurred in November 1985, January 1996, and May 1996.

(b) Flood Protection Measures.—The flood damage reduction program referred to in subsection (a) may include the following as the Chief of Engineers determines necessary and advisable in consultation with the communities referred to in subsection (a)—

(1) local protection projects such as levees, floodwalls, channelization, small tributary stream impoundments, and nonstructural measures such as individual flood proofing; and

(2) floodplain relocations and resettlement site developments, floodplain evacuations, and a comprehensive river corridor and watershed management plan generally in accordance with the District Engineer's draft Greenbrier River Corridor Management Plan, Concept Study, dated April 1996.

(c) Considerations.—For purposes of section 209 of the Flood Control Act of 1970 (84

Stat. 1829), benefits attributable to the national economic development objectives set forth therein shall include all primary, secondary, and tertiary benefits attributable to the flood damage reduction program authorized by this section regardless to whomever they might accrue.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 581. HUNTINGTON, WEST VIRGINIA.

The Secretary may enter into a cooperative agreement with Marshall University, Huntington, West Virginia, to provide technical assistance to the Center for Environmental, Geotechnical and Applied Sciences.

SEC. 582. LOWER MUD RIVER, MILTON, WEST VIRGINIA.

The Secretary shall review the watershed plan and the environmental impact statement prepared for the Lower Mud River, Milton, West Virginia by the Natural Resources Conservation Service pursuant to the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) and shall carry out the project.

SEC. 583. WEST VIRGINIA AND PENNSYLVANIA FLOOD CONTROL.

(a) IN GENERAL.—The Secretary shall design and construct flood control measures in the Cheat and Tygart River Basins, West Virginia, and the Lower Allegheny, Lower Monongahela, West Branch Susquehana, and Juanita River Basins, Pennsylvania, at a level of protection sufficient to prevent any future losses to these communities from flooding such as occurred in January 1996, but no less than 100 year level of protection.

(b) PRIORITY COMMUNITIES.— In implementing this section, the Secretary shall give priority to the communities of Parsons and Rowlesburg, West Virginia, in the Cheat River Basin and Bellington and Phillipi, West Virginia, in the Tygart River Basin, and Connellsville, Pennsylvania, in the Lower Monongahela River Basin, and Benson, Hooversville, Clymer, and New Bethlehem, Pennsylvania, in the Lower Allegheny River Basin, and Patton, Barnesboro, Coalport and Spangler, Pennsylvania, in the West Branch Susquehanna River Basin, and Bedford, Linds Crossings, and Logan Township in the Juniata River Basin.

(c) CONSIDERATIONS.—For purposes of section 209 of the Flood Control Act of 1970, benefits attributable to the national economic development objectives set forth in such section shall include all primary, secondary, and tertiary benefits attributable to the flood control measures authorized by this section regardless of to whom such benefits may accrue.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 584. EVALUATION OF BEACH MATERIAL.

(a) IN GENERAL.—The Secretary and the Secretary of the Interior shall evaluate procedures and requirements used in the selection and approval of materials to be used in the restoration and nourishment of beaches. Such evaluation shall address the potential effects of changing existing procedures and requirements on the implementation of beach restoration and nourishment projects and on the aquatic environment.

(b) CONSULTATION.—In conducting the evaluation under this section, the Secretaries shall consult with appropriate State agencies.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretaries shall transmit a report to Congress on their findings under this section.

SEC. 585. NATIONAL CENTER FOR NANOFABRICATION AND MOLECULAR SELF-ASSEMBLY.

(a) IN GENERAL.—The Secretary is authorized to provide financial assistance for not to exceed 50 percent of the costs of the necessary fixed and movable equipment for a National Center for Nanofabrication and Molecular Self-Assembly to be located in Evansville, Illinois.

(b) TERMS AND CONDITIONS.—No financial assistance may be provided under this section unless an application is made to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for fiscal years beginning after September 30, 1996 .

SEC. 586. SENSE OF CONGRESS REGARDING ST. LAWRENCE SEAWAY TOLLS.

It is the sense of Congress that the President should engage in negotiations with the Government of Canada for the purposes of—

(1) eliminating tolls along the St. Lawrence Seaway system; and

(2) identifying ways to maximize the movement of goods and commerce through the St. Lawrence Seaway.

SEC. 587. PRADO DAM, CALIFORNIA.

(a) SEPARABLE ELEMENT REVIEW.—

(1) REVIEW.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall review, in cooperation with the non-Federal interest, the Prado Dam feature of the project for flood control, Santa Ana River Mainstem, California, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4113), with a view toward determining whether the feature may be considered a separable element, as that term is defined in section 103(f) of such Act.

(2) MODIFICATION OF COST-SHARING REQUIREMENT.—If the Prado Dam feature is determined to be a separable element under paragraph (1), the Secretary shall reduce the non-Federal cost-sharing requirement for such feature in accordance with section 103(a)(3) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a)(3)) and shall enter into a project cooperation agreement with the non-Federal interest to reflect the modified cost-sharing requirement and to carry out construction.

(b) DAM SAFETY ADJUSTMENT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall determine the estimated costs associated with dam safety improvements that would have been required in the absence of flood control improvements authorized for the Santa Ana River Mainstem project referred to in subsection (a) and shall reduce the non-Federal share for the Prado Dam feature of such project by an amount equal to the Federal share of such dam safety improvements, updated to current price levels.

TITLE VI—EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND

SEC. 601. EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND.

Paragraph (1) of section 9505(c) of the Internal Revenue Code of 1986 (relating to expenditures from Harbor Maintenance Trust Fund) is amended to read as follows:

"(1) to carry out section 210 of the Water Resources Development Act of 1986 (as in effect on the date of the enactment of the Water Resources Development Act of 1996),".

SENATE—*Monday, July 29, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today, the prayer will be offered by the Honorable CHARLES E. GRASSLEY, a Senator from the State of Iowa.

PRAYER

CHARLES E. GRASSLEY, a Senator from the State of Iowa, offered the following prayer:

Let us pray:

Almighty Father, as Members of the Senate gather here this morning to conduct their legislative business we implore Your blessings upon them, their families, and their staffs. We beseech You to instill in them a faith that is unerring, a hope that is certain, a patience that is boundless, a courage that is unwavering, a love that is perfect, and a sensitivity and a knowledge that they may accomplish Your holy and true command. Amen.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. GRASSLEY). Under the previous order, leadership time is reserved.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

SCHEDULE

Mr. DOMENICI. Mr. President, in behalf of the leader, I make the following statement.

This morning the Senate will immediately resume consideration of the energy and water appropriations bill.

Under the agreement reached on Friday there are a limited number of first-degree amendments which can be offered during today's session.

No rollcall votes will occur today. However, any votes ordered will be stacked on a case-by-case basis on Tuesday morning beginning at 10 a.m.

There will be a period of morning business today between the hours of 12 and 2 after which we will resume the energy and water bill.

Also, in accordance with the consent agreement, the Senate will begin consideration of the legislative branch appropriations this afternoon at 5 p.m.

Once again, any votes ordered on amendments to that bill will also be stacked to occur tomorrow morning.

Senators should anticipate busy sessions this week with rollcall votes throughout each day and into the evening as we make progress on the appropriations bills.

The majority leader would like to thank all Members in advance for their cooperation this week as we attempt to complete all of the Senate business prior to start of the August recess.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 1959 which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McCain amendment No. 5094, to clarify that report language does not have the force of law.

McCain amendment No. 5095, to prohibit the use of funds to carry out the advanced light water reactor program.

Mr. DOMENICI. Mr. President, I know of no Senators who are waiting to offer amendments. Let me remind them that there are a number of Senators listed as having reserved amendments. Many of them merely state "relevant," meaning that we are not totally aware of what the amendments are. But we have from 9:30 to 12 to debate some of them, to get the votes set, and to ask for the yeas and nays. Then those votes will be set for tomorrow.

I yield the floor at this point.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

Mr. LEAHY. Mr. President, I notice there seems to be a momentary pause, so I am going to speak on a couple of things.

JOE JAMELE—A TRUE PATRIOT

Mr. LEAHY. Mr. President, in a short while, my longtime press secretary, Joe Jamele, will be retiring. Joe Jamele set probably an all-time record as press secretaries of 15 years in my office. I think this is a great compliment to two Italian-Americans, Joe and myself, that we put up with each other for 15 years. We were good friends when we began our association; we are even better friends as it comes to an end.

Joe Jamele is one of those very special people who is a true Vermonter. I remember when I grew up, we always had the debate of what it took to be a Vermonter. Usually, the debate centered around whether your great-great-grandparents were born and raised in Vermont or whether your great-great-great-grandparents were born and raised in Vermont.

Joe Jamele established it in the best of ways. He earned his right to be a Vermonter through his sense of hard work, honesty and loyalty, loyalty to his family, loyalty to his community, and loyalty to those who were fortunate enough to have him serve in their office, whether it was the Governor of the State of Vermont, Governor Salmon, or whether it was myself.

Having Joe Jamele as a member of your office comes with a price. I would often come in feeling that I just made some brilliant coup, either in the media or on the floor or back home. Joe would lean back and say, "Well, you know, PATRICK, the way I heard it was," and then he would give it to me from the eyes of the vast majority of Vermonters. And I would say, "Yeah, I guess I didn't do quite as good as I might have," and he would bring it back to Earth. But he also did it in a way that was in the best interest of Vermont.

He would say oftentimes, "Let's talk about what really is on people's minds back there." That is something he knew because he had such a farflung group of people, and still does, around Vermont, people he could call and talk with, people who are the true opinionmakers, not those who thought they were the true opinionmakers, but the people who really were the true opinionmakers and those who understood it.

Joe had, and has, this sense of history in Vermont. We sometimes have members of the press who come there, have been there a very short time and don't know who had gone before them. He was a very distinguished member of the press and has a sense of history that has probably only been seen, in my recollection, in Mavis Doyle, a former, and now deceased, reporter for the Rutland Herald. Joe knew who the players were. He knew those who spoke just for a sound bite as compared to those who spoke to do what they thought was best for the State or our country.

He had a professor's true heart, because over this decade and a half, we had so many young people who came

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

into our office who found their real mentor was Joe Jamele, and they could go to Joe with everything from a professional to a personal concern and get the best of advice.

So, Mr. President, I was very pleased when Sam Hemingway of the Burlington Free Press wrote in May a column about Joe, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Burlington Free Press, May 31, 1996]

(By Sam Hemingway)

WASHINGTON BIDS FAREWELL TO JAMELE

To his last day on the job—today—Joseph Jamele Jr., 65, was remaining true to form: part curmudgeon, part romantic and full-time Vermont political junkie.

"It's terrible," he muttered on the phone from Washington, D.C., where he's worked as press secretary for U.S. Sen. Patrick Leahy, D-Vt., for 15 years, an eon in a profession famous for short life spans.

"Winding down is terrible," he went on. "I don't like this going-away stuff. I'd rather say goodbye on a one-to-one basis than have those cheery testimonials. I've been to a lot of them and every one's been a disaster."

And then, a minute later, he was talking fondly about working for peanuts as a reporter in the 1950s. About managing the gubernatorial victory of Democrat Tom Salmon in 1972, one of the great upsets in Vermont political history. About the changes in Vermont he can't bear to watch.

"There's some parts I can barely visit because they've changed so much," he said. "Like the outskirts of Burlington. I can remember driving through Colchester at night and not see a light on. Or up around Lake Seymour. It used to be you could go for miles and not see anyone. Now it's ringed with cottages."

The two sports are important to Jamele. Lake Seymour, close by Morgan in the Northeast Kingdom, was where he was sent to summer camp by his family in New Jersey all through the Depression and World War II. Burlington is where he got his first job while still a college student, bundling freshly printed Free Presses on the midnight shift.

A reporting job soon followed, with Jamele honoring the advice of a plaque on the wall in the office of his University of Vermont mentor, Andrew Nuquist, that read: "Never give them two bad ones in a row."

He didn't. Jamele's news writing career covered the mundane—taking sports briefs over the phone—to the dramatic: a story about the abused dog who crawled home to die. He once interviewed a blind man who had wandered lost in a forest for three days. He talked with a sobbing Gov. Phil Hoff the day President Kennedy was assassinated.

By the early 1970s, his love for politics and weariness with low-paying journalism jobs got the best of him. In 1972, he had begun working for the GOP gubernatorial campaign of then-Attorney General James Jeffords when Salmon called and coaxed him to not only switch horses, but political affiliations as well.

The move paid off, Jeffords eventually lost his party's primary to Luther Hackett; Salmon went on to victory in November.

"The night Tom won, the first returns that came in came from Granby, which voted 26-0 for Hackett," Jamele said. "Tom's daughter began to cry on the couch, and Tom consoled her by reminding her about Hackett's pledge to visit every town. 'I think he spent too much time in Granby,' he told her."

Jamele remains convinced that had Salmon run for retiring U.S. Sen. George Aiken's seat in 1974, he would have won. "I think Aiken really wanted Tom to succeed him," Jamele said.

But Salmon passed on the chance, and the door was opened for Leahy. Jamele worked for Salmon for four years, then for Massachusetts Gov. Michael Dukakis. He joined Leahy's staff in 1981, a move he's never regretted.

And will not now sentimentalize as he heads for the exits. He leaves, critical of the way federal workers have become scapegoats for those who blame government for what's wrong in the country, angry about the dominance of polls and television ads in political campaigns.

Passionate and skeptical to the end.

Mr. LEAHY. Mr. President, I will say that my career in the Senate has been greatly enhanced because Joe has been willing to give so much of himself to this office, to the State of Vermont, to the U.S. Senate, and to our country. He is, indeed, a true patriot.

KELLOGG-HUBBARD LIBRARY AND MRS. JEAN HOLBROOK

Mr. LEAHY. Mr. President, the Kellogg-Hubbard Library in Montpelier recently celebrated its 100th anniversary. The Kellogg-Hubbard Library holds a very special place in my heart, because I had my first library card there. I used to go almost every day. I would be reading a book at school or a book at home and sometimes a book in the library in the evening.

Mrs. Jean Holbrook, who was the librarian, was one of those people who truly helped form my life and my educational accomplishments as a child. It was she who told me when I got bored with the curriculum in the third grade that I could also be spending my time reading Dickens and Robert Louis Stevenson, and I did with great enjoyment. It was she who told me that when I read just about everything in the children's library, that she would go with me to get a card in the upstairs library, the grownups' library. I guess I was probably the youngest grownup at the time, but this helped me, and it has helped me immeasurably throughout my life.

Even today, when I give graduation addresses in high schools and even sometimes grade schools in Vermont, I tell the graduates they have already learned the most important thing in their life—they have learned to read. On top of learning to read, they have developed a love for reading, and every door in life will be open to them because their love of reading will allow them to expand their imagination and their love of life in a way they could not otherwise, but also help them learn to be whatever they want to be.

Mr. President, I ask unanimous consent that an article I wrote for the Times Argus in Vermont about the Hubbard Library titled "Montpelier Boy Realizes Miss Holbrook Was Right" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Times Argus, June 13, 1996]

MONTPELIER BOY REALIZES MISS HOLBROOK WAS RIGHT

(By Patrick Leahy)

The 100th anniversary of the Kellogg-Hubbard Library triggers memories for all of us who have lived in Montpelier. And they are great memories.

While I was growing up, Montpelier did not have television. We children did not have the advantage of cable TV with 10 channels giving us the opportunity to buy things we didn't need and would never use or another 10 offering blessings or redemptions for an adequate contribution.

Depirved as we were, we made do with the Lone Ranger and Inner Sanctum on the radio and Saturday's serials at the Strand Theater on Main Street. For a few minutes on Saturday afternoon, we could watch Hopalong Cassidy, Tarzan, Flash Gordon, Jungle Jim or Batman face death-defying predicaments that would guarantee you would be back the next Saturday, 14 cents in hand, to see how they survived (and I recall they always did).

Having exhausted radio, Saturday matinees, the latest comic books (I had a favorite) and childhood games and chores, we were left to our own imagination.

That was the best part.

We were a generation who let the genies of our imagination out of the bottle be reading. Then, as now, reading was one of my great pleasures.

My parents had owned the Waterbury Record Weekly newspaper and then started the Leahy Press in Montpelier, which they ran until selling it at their retirement. The Leahy family was at home with the printed word and I learned to read early in life.

At 5 years old I went down the stairs on the Kellog-Hubbard Children's Library, and the years that followed provided some of the most important experiences of my life.

In the '40s and '50s, the Kellogg-Hubbard was blessed with a whitehaired children's librarian named Miss Holbrook. Her vocation in life had to be to help children read and to make reading enjoyable. She succeeded more than even she might have dreamed.

She had the key to unlocking our imagination.

With my parents' encouragement, the Kellogg-Hubbard was a regular stop every afternoon as I left school. On any day I had two or three books checked out. My sister Mary, brother John and I read constantly.

In my years as U.S. senator, it seems I never traveled so far or experienced so much as I did as a child in Montpelier with daily visits to the library. With Miss Holbrook's encouragement I had read most of Dickens and Robert Louis Stevenson in the early part of grade school.

To this day, I remember sitting in our home at 136 State St. reading Treasure Island on a Saturday afternoon filled with summer storms. I knew I heard the tap, tap, tap of the blind man's stick coming down State Street and I remember the great relief of seeing my mother and father returning from visiting my grandparents in South Ryegate.

Miss Holbrook was right. A good book and an active imagination creates its own reality.

In my profession, I read computer messages, briefing papers, constituent letters, legislation and briefings, the Congressional Record—and an occasional book for pleasure—in all, the equivalent of a full-length book each day.

Interesting as all this is, and owing much of my life to those earlier experiences at the library, the truest reading pleasure was then. I worry that so many children today miss what our libraries offer.

During the past few years I have had many of my photographs published. DC Comics and Warner Brothers have also asked me to write for Batman or do voice-overs on their TV series. In each case, I have asked them to send my payment to the Kellogg-Hubbard Library to buy books for the Children's Library.

It is my way of saying: "Thank you, Miss Holbrook."

Mr. LEAHY. Mr. President, I see my good friend from Washington State on the floor. If he is not going to seek recognition, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TERRORISM IN THE UNITED STATES

Mr. LEAHY. Mr. President, over the weekend, much has been said about the two terrorist acts this country has faced. I assume that the crash of the TWA flight was caused by an act of terrorism. Obviously, the bomb in Atlanta was an act of terrorism. I assume the two are not connected and the motivation for either may be entirely different. But I hope that the American people will not allow themselves to be held hostage by these terrorists, because if we do, the terrorists win.

This is a great country. We sent armies to fight nazism and fascism around the world. This is a great nation that mobilized in World War II and did not allow the armies of Hitler to defeat us or the cowardly attack on Pearl Harbor to destroy us. If we did not allow those forces, that eventually numbered in the millions, to defeat us, we should not allow a few crazed people, no matter what their motivation, to do the same.

I also hope that we will have a careful and studied response of what is the best way to go after them. I feel strongly that better intelligence—and we have probably the best in world—that better and more intelligence is very important. Our law enforcement, State, local, and Federal, have worked with the greatest cooperation I have ever seen. We should admire Jim Kallstrom, the FBI agent in charge of the investigation into the TWA crash. And certainly, when we watch the Georgia authorities and the Federal authorities come together in Atlanta, for those of us who once served in law enforcement, we can only marvel at this level of cooperation.

But we should realize we are going to face more, not less but more, terrorist attempts in our country. We are the most powerful nation on Earth. Nobody can send an army marching against us or an air force flying against us or navy sailing against us. We are far too powerful.

But like any great democracy, we have one vulnerability. That is not a million-person army marching against us, but a half dozen well-dedicated, well-trained, strongly motivated terrorists. Their motivation may be to go to Heaven, their motivation may be some twisted psychotic sense that they are doing right. But they are the ones in a democracy who can strike the most, especially against a technologically advanced democracy like ours.

I heard some over the weekend say, "Boy, we'll get them. We'll just increase the penalties." I remind everybody that in Georgia, what happened carries a potential death penalty under Georgia law, to say nothing of the potential death penalty under Federal law. I remind my colleagues, in most criminal matters, penalties are rarely a deterrence because the person does not expect to get caught.

The example I use are two warehouses side by side. One has virtually no lock on it, another has a state-of-the-art security system. The penalty for breaking into these warehouses is the same. But a burglar, of course, would take the unguarded one because he assumes he will not be caught.

We have to realize that you stop terrorism not by the easy feel-good things like simply passing legislation, saying we will be tough because we will increase all the penalties or whatever, because these acts carry the death penalty. But, rather, we take the very hard and difficult steps of making sure that our law enforcement is properly funded, equipped, and trained, that they have the tools necessary, within a democratic society, the investigative tools necessary to do this, and that we realize as a nation that while we watch terrorist activity in Great Britain, Germany, in France, in the Middle East, Israel, several of the Arab nations, the terrorism can strike at us. It can be from outside our borders, as the World Trade Tower bombs were, or home-grown, as Oklahoma City now appears to be. Either way, we are not immune. That is the bad side.

The plus side is that we are a resilient nation of 260 million people of diverse backgrounds, diverse philosophies and faiths, nationalities coming together to make one very great, vibrant nation, the most powerful democracy that history has ever known. And it is. We are so powerful, we are so vibrant because we have opened ourselves to all kinds of ideas, have encouraged all kinds of ideas.

We should not allow the terrorists to stop us from having this exchange of ideas and this openness of views. Virtually all Americans will join together in wanting these people caught. But virtually all Americans want to make sure we retain the constitutional freedoms that made us so great.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed.

WHY AFRICA MATTERS: EMERGING DISEASES

Mrs. KASSEBAUM. Mr. President, when I became chairman of the Subcommittee on African Affairs in 1981, I was asked what I knew about Africa. I responded, "Not much." But since that time, either as chairman or ranking member, I have spent considerable time working on African issues and have developed a deep affinity for the continent.

It is a region that is beset with many difficulties, but it also holds great promise and possibilities. I am not going to speak today, Mr. President, about current tragedies in Burundi or Rwanda or other places on the continent. But I have been questioned more and more, as I get ready to retire and will leave this chairmanship of the African subcommittee, why should we care about Africa? In this era of budget difficulties and domestic challenges, why devote resources and diplomatic energies to a region of great needs, unfamiliar cultures, and limited strategic value to the United States?

Mr. President, I, for one, believe that Africa does matter to Americans, and perhaps in ways that we do not necessarily think about when we see the current headlines that emerge regarding Africa.

The United States does have significant national interests on the continent. The events in Africa directly affect American citizens. In this age of instant communications, international travel, and world trade, we simply cannot afford to ignore a continent of over 660 million people and 54 countries.

From infectious disease to environmental destruction, narcotics trafficking to terrorism, we live in a world where boundaries have less and less meaning. As a world leader, the United States has a responsibility—and a self-interest—in promoting peace, stability, and development in Africa.

Mr. President, over the next few weeks, I will deliver a series of statements on United States interests in Africa. As I travel around the country I find a great amount of skepticism among the American public regarding foreign policy and international engagement. Those of us who believe that events on the African Continent affect United States interests must begin to make the case for why Africa matters.

Today, I will begin with an issue of particular concern to me—emerging infectious diseases. Last year, I chaired a hearing of the Senate Labor Committee on Emerging Infections: A Threat to the Health of a Nation. The focus of the hearing was on domestic vulnerability to disease, but international issues—especially those involving Africa—surfaced again and again.

It is impossible to isolate the domestic epidemiological situation from a larger global context. Microbes simply do not observe political boundaries.

Mr. President, the sheer volume of human contact at the approaching turn of the century creates a situation in which no country or class is immune from the threat of disease. In 1993, over 27 million people traveled from the United States and Canada to developing countries. The incubation period of most epidemic diseases far exceeds the duration of most international flights. No state can test all entering persons for every known disease. Even secure borders cannot stop contaminated water, food, or animal vectors from transmitting microbes across boundaries.

For example, international trade was the mechanism by which a strain of the Ebola virus, previously confined to central Africa, surfaced in Reston, VA, in 1989, and in Texas in 1996. The devestating effects of Ebola's hemorrhagic fever, and the mysteries surrounding its transmission, have created a sense of fear and insecurity around the world since the 1995 outbreak in Zaire. Yet Ebola represents only one of a number of new diseases which present a threat to all of mankind—at least 30 new infectious diseases have emerged in the last 20 years.

Even more familiar diseases like malaria present a cause for concern, as poor medical practices in Africa result in new, antibiotic-resistant strains of previously treatable infections. Consider this: each year, over 1,000 Americans return to the United States with malaria after spending time abroad. The mosquito that transmits malaria is still present on both coasts of the United States. Moreover, precisely because malaria has not been endemic in our country or in Europe in the late 20th century, it will be far more lethal in those regions than it is in Africa today should it be reintroduced.

Our national interest in Africa's emerging and reemerging diseases extends beyond the most immediate and urgent concern of international transmission.

AIDS in Africa exemplifies the economically draining impact of disease. It primarily affects young adults, the most productive segment of society, leading some experts to estimate that AIDS could cause a 2- to 3-percent reduction in the growth rates of developing countries' economies over the next 20 years. In turn, diminished purchasing power in developing country will result in diminished trade revenues and economic opportunities here at home.

Traditionally, U.S. interest in tropical infectious disease has varied according to the extent of our political and military involvement overseas. It seems clear that today's heightened volume of civilian human contact makes this an obsolete strategy. We should all be conscious of the risks that are presented to us.

Yet in 1989, a meeting of the American Society of Tropical Medicine and Hygiene revealed that neither American agencies nor the World Health Organization were adequately prepared for an epidemic emergency. Prepackaged disease hospitals and overseas high-security laboratories do not exist, nor does a clear chain of command in such an emergency. In the 1990's, a review of CDC surveillance systems determined them to be woefully inadequate within the United States, and so haphazard as to be nonexistent abroad.

Yet, information is one of the most critical elements of our epidemiological security, and surveillance and monitoring mechanisms on the African Continent are crucial to American interests.

Mr. President, at the Labor Committee hearing last year, Dr. David Satcher, Director of the Centers for Disease Control and Prevention, indicated that CDC received the first report of the 1994 Ebola outbreak in Zaire in May of that year, but the first case probably occurred in January.

Early warning systems simply did not exist. Likewise, the National Science and Technology Council reported that African doctors saw "slim disease," probably a herald of the AIDS epidemic, as early as 1962, but the dearth of technical and financial resources, as well as an absence of engaged, international cooperation, prevented the disease from being identified before the AIDS epidemic in the United States was well underway.

For all of these reasons, the emergence and proliferation of disease on the African Continent should concern Americans. Population shifts, urban overcrowding, eroding health and sanitation infrastructures, inadequate public education initiatives, and environmental mismanagement all contribute to disease proliferation in Africa, and in turn, that proliferation affects the United States

Mr. President, in this post-cold-war era, many in the policy and academic community are reassessing American vulnerabilities and global priorities. For example, I have strongly believed that nuclear, chemical, and biological weapons proliferation presented a clear threat to our Nation and have supported efforts to combat those dangers.

But traditional perceptions of national security do not encompass many of the new threats facing our nation. As I have argued, emerging infectious diseases in Africa are one such threat—presenting serious dangers to United States citizens abroad and at home.

American engagement, both explicitly through international disease prevention and control initiatives, and indirectly through encouragement of stability, social service reforms, and environmental responsibility, helps fight these emerging diseases, keeping both Africans and Americans strong, healthy, and secure as we prepare to enter the 21st century.

This is just one reason, Mr. President, why Africa does matter to us. I suggest it is a security threat, as well as a personal threat, and one that we should care about with interest and compassion, as we look to our own budgets, and as we look to our own strategists.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The Senate continued with the consideration of the bill.

Mr. GORTON. Mr. President, together with the distinguished chairman of the Energy and Water Appropriations Subcommittee, I came to the floor today to help deal with any proposals or amendments that might come up during the course of today's activities. In fact, I was in the President's chair last Friday when the majority leader asked for a unanimous-consent agreement listing almost an entire column in the CONGRESSIONAL RECORD of amendments that might be proposed to this bill. A handful were debated on Friday afternoon. All of the rest must be offered between now and noon, or between 2 and 5 this afternoon.

Obviously, we have not dealt with a lot of business at this point. It seemed to me appropriate to speak about this bill and about its importance in general terms and, perhaps, to ask for some comments from the chairman, my friend from New Mexico, who knows so much about it, to whom it is so vital, both for his own State of New Mexico and for the entire country, and for our national defense and for our infrastructure.

Mr. DOMENICI. Will the Senator yield?

Mr. GORTON. I am happy to.

Mr. DOMENICI. Mr. President, I want to state one more time for Senators that we did receive 46 amendments. The Senator was alluding to them. The unanimous-consent agreement recognized these amendments as the only amendments that can be offered in the first degree, and many, many of them are to the water resources portion of this bill—we are beginning to ascertain, that is—the Bureau of Reclamation or the Corps of Engineers. We very much want to attempt to work out some of these amendments.

I just say to Senators who have amendments that the time is going to run out, and I know come 4 o'clock this afternoon, or even tomorrow, there are going to be Senators who will be somewhat upset. But we have now, through the good graces of the leader in this unanimous-consent request, had time since 9:30 this morning until 12. There are 2 hours, 1 hour on each side, on some additional matters, unrelated to this. We will come back at 2 on this bill, and we will have 3 more hours. At 5 o'clock, we are off this bill. So anybody who has not offered their first-degree amendments will have no opportunity. The Senate has just agreed that they are out.

Now, I know there are four or five amendments that address issues that are not water resource issues. I think I know what all of those amendments are, although I have not seen them. I ask, especially, that the Senators who have these serious amendments, let us see them as soon as possible. So if Senators have amendments that are not water resource amendments that they are going to offer, we ask that the Senators' staffs and their offices attempt to get us those amendments so that we have an opportunity to work with the Senators on them, or to adequately make our presentations.

I thank the Senator for yielding the floor. I am delighted that he wants to talk about the importance of this bill in many, many aspects of our future life in this country.

(Mr. COCHRAN assumed the chair.)

Mr. GORTON. I thank my friend from New Mexico. Mr. President, each of these appropriations bills with which we deal is long and very much detailed. Sometimes it is difficult even for Members, much less the general public, to have a true understanding of what is contained in them.

For this reason, I have asked my staff to prepare a series of charts or graphs on the appropriations for those subcommittees of the appropriations bills on which I serve.

Unfortunately, I only have a page-size one here for energy and water. It is for the bill for the current year, 1996. Due to the efforts of the Senator from New Mexico, we now have an allocation for 1997 that is roughly equivalent of that for 1996. So the distribution of the money for the current year is, I think, relevant to what we are dealing with.

Mr. President, I am sure your eyes may not be quite good enough to see anything on this chart other than the colors. But the red and pink portion of the chart show that the lion's share of this bill goes to the Department of Energy, which is not surprising. This is the energy and water appropriations bill. What, perhaps, is not visible to you is the fact that only about a quarter of it appears on the top of the chart, and that goes to the civilian activities of the Department of Energy for energy supply research and development—obviously important to our future—and for general science research and development. The Federal Government, through the Department of Energy, is one of the most important single sources of research for both energy purposes and for some other purposes as well.

All of the rest, close to three-quarters of this red and pink line, goes to defense activities, because it is the Department of Energy that is in charge of our nuclear defense. Curiously enough, of that defense activity, Mr. President, half really goes to the past. Half is continuing to pay for the triumph of the United States of America in World War II and in the cold war against the Soviet Union, because we built so rapidly our nuclear capacity, our nuclear defense capacity, that we did not learn at the time the dangers that nuclear waste would impose on this country. And we have stored most of our nuclear waste in a way that clearly is not permanent in nature and, clearly, threatens the environment—very particularly, in my own State of Washington, where at Hanford, the great majority of this nuclear waste is located, and all across many other nuclear facilities in the rest of the country as well.

So a good portion—maybe a third of this entire appropriation—really looks to the past, to taking care of the nuclear waste that we have already created, and that which will be created in the future. That is a very important part of this appropriation. It is a payment for past triumphs of this country, and it is a payment which is obviously due to those who are concerned with the environment of the United States and to those locations in which it is found. I spoke at greater length on Friday on the subject of Hanford and the beginning of a very real success on the part of the engineers and the others who work there at doing something about this waste.

Once again, Mr. President, this Department of Energy portion here is maybe a quarter for research into the future for the energy needs of the country, almost three-quarters for defense work, of which roughly half is really a payment for the past, rather than for our present security. This much shorter green line, Mr. President, is the Army Corps of Engineers. I believe I can say that every single Member of this body will have some interest in the work of the Army Corps of Engineers, as it works on all of our river systems, most notably in the State of the present occupant of the chair, my State, and all other States as well, in projects to control floods, to conserve water, to use it for agricultural purposes and the like.

Yet, this entire green line here includes not only the operations and maintenance activities of the Corps of Engineers, but a very small portion for our future. The top tiny little green line here is Mississippi flood control, Mr. President. But look at that in comparison with all of the other activities of this appropriations bill—an an extremely modest investment in a vitally important activity. But some of it, a portion that all of us are interested in, is for the construction of future projects on the part of the Corps of Engineers to make our ports deeper and safer; to create new areas in which we can conserve water for various public purposes, and the like.

Finally, the tiny orange line over here, insofar as the Department of the Interior and the Bureau of Reclamation for a similar project; and, lastly, a handful of independent agencies like the Appalachian Regional Commission, the Delaware River Commission, the Interstate Commission on the Potomac, the Nuclear Regulatory Commission, and the like.

Yet, we tend to think of all of these things in the sense of equivalents. They are not equivalents with respect to the amount of money that we put into it. A very, very large portion, probably close to half, of this entire appropriations bill is for defense activities both past and future, and much of it is for research.

As a consequence, it is important. It is a matter of interest to all of the Members of this body. It is probably the reason, as the chairman pointed out, that we have some 46 theoretically pending amendments to the bill even though the chairman has been very careful to listen to messages and requests from Members on behalf of their constituents. A significant number of projects, both in the research area and in the Corps of Engineers' operating area, are designed to build the infrastructure of this country, and, Mr. President, at a time in which we are properly and justifiably concerned with bringing our budget into balance, a duty that we owe to our children and to our grandchildren, a moral duty to pay today for the kinds of services and projects we want in government.

As significant as that is, as significant as the views of this chairman are to that purpose, as he is, after all, the chairman of the Senate Budget Committee, it is important that we continue to invest in the infrastructure of this country, whether it is a physical infrastructure from the point of view of energy and water projects or a research infrastructure in better and more efficient and more effective ways in which to use all of the energy resources that we have in the United States of America—one or the other. These investments in infrastructure are vitally important.

So this is a really significant bill, Mr. President.

I see the chairman returning to the floor at this point. I wonder if he would explain, for the Members who are still considering whether or not to come to the floor to offer their amendments but even more significantly for the people of the country as a whole, something of the dynamics of this bill.

I say to the chairman of the committee, I believe that, due to his efforts, there is somewhat more money in this bill than there is in the bill passed by the House of Representatives. I also believe that this bill stays within the allocations which his subcommittee has been given, which in turn are a part of a set of allocations which could lead us to a balanced budget by the year 2002, if, but only if, we also show the courage and have the support from the President of the United States to deal with the overwhelmingly expensive entitlement programs of this country.

So, if the chairman could tell us a little bit about how he made his choices in connection with this bill and emphasize the fact that it is a part of bringing the budget into balance and say what he thinks the differences between us and the House of Representatives are and how we propose to settle those differences, I would appreciate it. I think both our other Members and the country at large would appreciate having that knowledge as well.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, let me first say to my friend from Washington that I thank him very much for the efforts he puts forth in every appropriations bill that he works on, but in particular I thank him for his knowledge and his effort in this one.

The Department of Energy, obviously, is very misunderstood. I am not here defending mismanagement or any of the things we read about that we do not think would be in the best interests of maintaining this Department and maintaining a Cabinet position.

But, first, in that regard with reference to the management of the Washington headquarters and the top-end governance of that Department, we have cut it 15.9—round numbers 16—percent. We believe, coupled with last year's reduction, that we are sending a very strong signal that the Department of Energy has too many people at the top end and, as a result, has an awful lot of regulations that are forthcoming with reference to the efforts out in the field that are duplicative, that are unnecessary.

In fact, one of the major studies with reference to the laboratories that are owned by the Department of Energy and run under different management schemes—some run by the universities such as Livermore and Los Alamos, some run by management teams of the private sector such as Lockheed Martin, which runs Oak Ridge and Sandia—but one of the major reports was issued by the former chief executive officer of Motorola, Mr. "Bob" Robert Galvin. In that report the indication was that the laboratories are having a great deal of difficulty being efficient because there are too many rules and regulations.

We are looking forward to the Department of Energy, which continues to say they are working at that, we are looking forward to their quantifying at some point and saying that laboratories can run without this enormous labyrinth of rules built one on top of the other.

But in the end, what people must understand about the Department of Energy that I think is of utmost importance is that a very large piece of the Department of Energy is defense activities. There are some in this body, some in the other body, and some within the Department of Defense, and some former Cabinet people within the Department of Defense who frequently make the case that the Department of Energy does not do its defense work as well as some of them would like.

Nonetheless, I must remind everyone that one of the things we can be most proud of by way of government doing a good job is how well we have succeeded throughout the confrontation with the Soviet Union in keeping the world from having a nuclear holocaust. What has happened is we created a stalemate, and we created such a vast array of information in these laboratories, the three that are the big ones that are determined to be in that business, along with Oak Ridge as a fourth one, we were always a step ahead. But all of the nuclear defense activities have been in the Department of Energy, or its predecessor, the civilian department, throughout the entire episode of the conflict with the Soviet Union. They have not been in the Department of Defense. They have been in the Department of Energy, or ERDA, its predecessor, or even the predecessor to that.

In this bill for weapons activities and other defense activities—there is $3.46 billion, more or less, for weapons activities in the budget request of the President, and we have funded that at $3.9 billion, about $500 million higher than the President's request.

Frankly, we believe that in funding that at about $500 million higher than the President, we have attempted to make sure that the goals and objectives of this President and his Department of Energy and his Defense Department, the goals and objectives with reference to a totally new way to handle our nuclear weapons is appropriately funded.

Now, those who are critical of the Department of Energy should know that there is a very large portion of this budget that is Defense Department oriented. And is it an important function? This Senator assumes—and I think my friend from Washington supported this—that when we provided in the big budget $12 billion additional money for the Defense Department—and we did that, and we are willing to take the heat from that. That is an ongoing debate. We prevailed here, and we are funding defense overall at a higher level than the President asked for by about $12 billion. We assumed throughout this DOE defense function, which has to do with our nuclear weapons and the maintenance of them, which I will explain in a moment, we should give them a slight increase as we did the rest of DOD's work, so we assumed a comparable 4.3 percent increase in those activities because that is how much we increased the Defense Department. Frankly, I believe every single bit of that is going to be used in an advantageous way with reference to our nuclear stockpile and our nuclear cleanup which I will talk about in a moment.

Mr. GORTON. Will the Senator yield for a question?

Mr. DOMENICI. Yes.

Mr. GORTON. That $12 billion increase in defense as a whole is over how long a period of time?

Mr. DOMENICI. That is fiscal year 1997, 1 year.

Mr. GORTON. So $500 million is in this bill, and the remainder of it is in the bill that has already passed?

Mr. DOMENICI. That is correct. Two bills, military construction, commonly known as MilCon, and the defense appropriations bill. The rest of it is in there. But $500 million of the $12 billion went to DOE defense. And that can include nuclear weapons activities, but it can also include nuclear cleanup, which, incidentally, the Senator has so described here that everybody should look at.

Mr. GORTON. I thank the Senator.

Mr. DOMENICI. In 1989, this pink portion of the Senator's chart called "Defense Environmental Restoration and Waste Management" was $800 million. It is now in excess of $5.5 billion.

And actually, everybody understands that we must clean up the leftovers in the Senator's State, in the Savannah River area, in a couple of other areas in the United States, we must clean them up because that is our responsibility, and it is a leftover defense activity. So we pay for it here. So whenever we talk about defense money, unless somebody wants to take that out and say it is no longer a defense function, in which event I assume we would reduce defense spending by that amount and put it in some other civilian funding, that amount is in this appropriations bill and in every other one.

Now, I want to comment on two other things.

When we were involved in the confrontation with the Soviet Union, we had a number of things that we have since decided we would not do. First, we did underground testing. For some—and I am not attaching any quality to this debate—we should have stopped them a long time ago. But for those who have to be accountable for the quality of the weapons, they were very reluctant to give up underground testing. We finally voted that in here in the Senate. It was a Hatfield amendment to stop nuclear testing other than in case of an emergency, subject to the certification of the President, it might start again.

I am not going to talk much about why testing was important to those who make bombs and keep them safe. Let me say those are goals without any serious contention. Almost everybody says that was a benefit in that regard.

Now, this Department, starting about 2½ years ago, is involved in a whole new way to maintain our nuclear weapons. And as I have said before, when we talk about keeping this new inventory of nuclear weapons, it would be wonderful to come to the floor and say we do not need them anymore; we are not going to have any. But we are going to have them for quite a long time, and it is a rather large number—not nearly as large as before. It is coming down dramatically in number.

But a new charge was placed on the laboratories by the Department of Energy and agreed to by DOD. It is called the science-based stockpile stewardship. We are now being asked to maintain a stockpile of a given number of thousands of weapons in a trustworthy, safe, secure, and deliverable mode without any testing underground and without manufacturing any weapons, for we are not making any new nuclear weapons. In this bill, we do not have money to make new nuclear weapons, and all the money for nuclear weapons is in this bill. If it is not here, it is nowhere.

But the stockpile stewardship program based on science will require new facilities, new science techniques to make sure that we know whether, in some of these weapons which are 25 and 30 years old, certain parts have to be replaced. And they are not all nuclear related. There is a huge number of parts that are just related to the mechanics of a good weapon, of a weapon that is appropriately safe and trustworthy. To do that we need more resources, and we need to convert our major laboratories to that work.

We believe it is a real challenge. We believe it is imperative that we give these scientists the same kind of recognition that we give to our defense people. When we say we need the best defense people, we need to pay our military men and women the best, we need to give them the best opportunity to serve us well, we have to, in my opinion, say the laboratories that are preserving this healthy situation are akin to our military people.

They are not military people. And I think many say, thank God, they have not been, for we have never since Harry Truman's time wanted to put the maintenance of a nuclear weapons compound and all that goes into it in the Defense Department. We said you give us the criteria; we will deliver them; you make sure that in fact they are what we say they are but let civilians do that. So we chose in this bill to put more money in various functions of the stockpile stewardship program.

Mr. President, none of us are thrilled with the efficiency of the nuclear cleanup activities. The distinguished Senator from Washington, who has millions of dollars being spent to clean up Hanford, has regularly indicated his great displeasure at how long it is taking and how we are standing in place instead of running. But the point of it is we have to put money in that. We have $200 million more in that overall program than the House did. We will have to defend that in conference. We are going to maybe defend it on the floor. I do not know of an amendment yet, but I can see in that amendment a reduction in the cleanup. There is an amendment offered by Senator BUMPERS which would cut back on the stockpile stewardship in its broadest sense as I understand the amendment.

Now, I want to make one last observation. I said I had two. We have put together in the national laboratory systems of the Department of Energy a huge labyrinth of great equipment to do research projects. And probably it is fair to say that over 40 years there was assembled in the nuclear deterrent laboratories and the others, including Oak Ridge, the biggest science talent in a group in an institution, science and engineering talent of anywhere in the world. And certainly in America with 7,000 or 8,000, 9,000 scientists with all those that support them at some of these institutions, we were always able to get the very best, phenomenal in terms of their research. So there developed within that system research on major deep science and physics issues, and in this budget we have maintained an effort in high-energy physics, nuclear physics, biological and environmental research second to none in the world. It is not a huge portion, as my colleague pointed out, but high-energy physics and nuclear physics are among the premier efforts at finding out the nature of matter, the real nature of atoms and every part of atoms, the atomic structure and everything within it, to find out clearly what is in this universe of ours. We should never stop that research. America is the leader there, and we should continue to be the leader.

We do biological and environmental research. Incidentally, the greatest wellness health research program, one-third of it, is in the Department of Energy. That is the program called genome research, which will map the entire chromosome structure of the human body, map it and hand it to the scientific community so they can then proceed to effect cures over time of the great diseases. That is in here for about one-third of $189 million, whatever that number is, for national programs, about $189 million, and we have a third of it here.

We have geothermal and fusion research. We have solar and renewables. There will be an amendment on the floor to add some money to solar and renewables. That amendment will add about $23 million. The Senator asked what some of the amendments are about. That has been put together, we understand. Senator JEFFORDS has been the leader on that, and we will try to work that out with him.

Obviously, since I spent the last 10 minutes talking about the Department of Energy, then I must spend a few moments on the other aspect of this bill. Because, as the Senator's chart so adequately depicts, this bill also covers the Bureau of Reclamation, the Corps of Engineers, the Appalachian Regional Commission, Defense Nuclear Facilities Safety Board, Tennessee Valley Authority, Nuclear Regulatory Commission, and the Nuclear Waste Technical Review Board. These are nondefense activities that are in this bill that are very important. Almost all of the 47 amendments that I alluded to awhile ago that were at least reserved by Senators, almost all of them had to do with these functions that I just elaborated; in particular, the corps and the Bureau, for the most part. I did not say all of them, but for the most part.

So, when we have to fund this at a freeze for nondefense, it is not possible for us to grant an awful lot of new program startups and the like for the Bureau of Reclamation or the corps. We have done our best in the bill. If we can save some money in some of the amendments that are being offered in that area, we will try to accommodate some of the States' desires, as evidenced by the reserved amendments from Senators who are seeking to continue projects or to take an authorized project and fund it in this bill. I think that is very important.

Obviously, there are many who wonder about the Federal Government's involvement in flood protection—until there is a flood. Then everybody thinks the Federal Government should be involved. If that is the case, when there is a known flood potential, when there is a situation with a high propensity for floods, why shouldn't we be part of preventing it on some kind of a match basis? We have done that for a long time.

There is not as much money going into flood protection, but there is some, and there is a match required at the State level and a cost-benefit ratio, meaning it must be found to be beneficial and that the risks far exceed the costs that we are going to put into the project. That is what we are trying to do there. So this is an interesting little bill. It is not the biggest appropriation bill, but it is pretty important.

I want to repeat for those who are very concerned about the defense of our country, I am trying my best, the Senator from New Mexico is trying his best, every chance that he can, to explain that there is a major defense activity in this subcommittee. It is not all in that Defense appropriation and MilCon bill. If we want to be certain about how we are handling the nuclear stockpile, we ought to make sure we are adequately funding the stockpile stewardship program. At the same time, we have to maintain some of the facilities that are not part of the stockpile stewardship, but rather part of "if we have to go back to the old way," we have some facilities that are there on a conditional basis, ready to be used. That has been insisted upon by the defense leaders of our country. So that means we cannot abandon the State of Nevada's testing facilities because, in fact, what if we need to use them again?

I note today, as we speak, China is undertaking an underground test, as I read about it. They say it is the last, and they will soon sign a big international treaty. On the other hand, you do not have to believe, when they say that is the last one, that they are going to abandon all their facilities. I do not believe that is the case. Russia is trying to build down, but their facilities are not being abandoned. So there is a little bit of added expense there, but I think it is very important expense.

The last thought has to do with nonproliferation. It is related to what has been going on in our country in terms of the recent bombing and TWA flight 800 that fell out of the skies. The whole issue of nonproliferation is no longer simply a nuclear nonproliferation issue. But, in that regard, this bill espouses a concept. The concept is, if we can spend some money helping Russia make sure that their nuclear devices and the science that goes into them are not shipped around the world but rather are dismantled in an orderly manner and their scientists put to work at something else, it is in our security interests. That is not foreign aid. That is security aid for us.

The Nunn-Lugar-Domenici amendment, which was adopted here in the Senate in the armed services bill and partially funded in this bill, has a lot to do with trying to move ahead with making Russia's dismantlement more secure, more certain, and safer for the world. It has a couple of interesting projects—partnership with laboratories here and business in an effort to keep some of their great scientists from succumbing to the offer of money to move to other countries to become bomb builders.

The Nunn-Lugar-Domenici bill has some civilian defense in it with reference to disasters that might be forthcoming from chemical and biological incidents. There is a new interagency coordination, a new National Security Council position to coordinate responses to terrorism, international crime, and nonproliferation. There is a major effort, some of which is vested in the laboratories of the Department, to come up with the best approach to containing chemical and biological weapons of mass destruction from the very bottom up: Identifying how they are made, identifying ways that they can be prevented in some generic ways. So we are slightly ahead of the curve in getting that started and getting it funded. That took a little of the extra money that is in this bill.

In summary, we have succeeded, in the U.S. Senate, in getting $200 million more in the nondefense parts of this bill than the House has in theirs, and $700 million more in all of the Department of Energy's defense activities from cleanup, which we call defense, to the science-based safeguards new system, and other needs to maintain a dual track with reference to our nuclear weapons.

I thank my colleague very much for raising the issue about the bill and for the discussion that ensued. Since there is no one here to offer an amendment, I assume this was worthwhile.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I would like to take a few moments to comment on the bill which is before us.

First, I salute the Senator from New Mexico and the Senator from Louisiana who are the leaders on this particular measure. I think they have done, by and large, an outstanding job. I hope we can move ahead as quickly as we can to approval of the measure before us, although I am certain some amendments will be in order.

Once again, I emphasize that over the years, as has been alluded to by the Senator from New Mexico in his remarks, his excellent remarks just concluded, the Energy Department has played a much larger role in national defense and national security than is generally recognized.

One of the problems that I have seen in this area, of course, is that generally we refer to the $260 to $270 billion annual appropriations for national defense. To give us a true picture of that, we should add on the billions of dollars included in the Energy Department under the discretion of the appropriators who have, for many years, taken a very close look at the operations of the Department of Energy. I urge them to continue that effort, as we in the Armed Services Committee do.

Generally speaking, there has been excellent cooperation between the authorizers of these funds, the Armed Services Committee, on which I have the honor to serve, and the appropriators, working in close cooperation with the appropriators, especially in the Energy Department, with regard to a whole scope of international relations and international security.

I emphasize, once again, the excellent remarks made by the Senator from New Mexico with regard to the excellent job that is done by two of the national laboratories that are located in his State. Certainly, I agree with him completely that the new challenges that we have placed on the Department of Energy, and especially under the laboratories that they oversee, with regard to the safety and reliability of our nuclear stockpile is very important.

I have been one of the leaders from the very beginning to end, if we possibly can, nuclear testing of any type, but, of course, that remains to be seen as to whether or not we can get the rest of the nuclear communities around the world, other nations, to agree, because certainly, although I have pressed hard for the nuclear test ban treaty, I recognize and realize that we cannot go it alone forever, which brings me to a matter that I call to the attention of the Senate.

Today in Geneva, Switzerland, the world peacekeepers, the negotiators, in an attempt to end the testing of nuclear weapons, are going into a fateful 2 or 3 days. Evidently, although there has not been a great deal of attention paid to this, unfortunately, I think it is one of the most meaningful international negotiations that we have ever seen, and I believe the success or failure of those negotiations, which are reopening today in Geneva, Switzerland, will go a long way to assure, if we can get the nuclear test ban treaty extended and signed, man's humanity for mankind more than anything else that we can do.

I will say that I am very pleased to read in the newspapers this morning that evidently all nations that are considered nuclear states, or possibly nuclear states in the future, have agreed to sign on to a continuation of the nuclear test ban treaty with the exception of India. India, of course, is pursuing a course that is most difficult for most of us who have followed this with great interest to understand: Their continuing to say to the international community that they will not sign on to any kind of an extension of the nuclear test ban treaty so long as the nations of the world, the five big nations, primarily, and others, agree to dramatically reduce and get on a course to end the stockpile of nuclear inventory.

While that would, of course, be something that might be good for peace, on the other hand, it might not be. The whole drive today is not to eliminate nuclear weapons from those nations that now have it. The whole concept of a nuclear test ban treaty is to put roadblocks in the way for new states, particularly Third World nations coming aboard and being part of the nuclear inventory states.

That can only be very foreboding, as far as the future of peace is concerned, and especially the future of peace on the basis of not having and relying primarily—and I emphasize the word "primarily"—on nuclear inventories.

Suffice it to say, Mr. President, a lot of very important things are going on today. I happen to feel that, by and large, the measure that has been advanced to the floor of the Senate by the appropriate subcommittee, in this case energy, is a good bill. I think it is an important step in the right direction, with some modifications and lots of compromises.

In closing, I compliment, once again, the two Senators who are managing this bill on the floor for the excellent understanding that they have, the grasp that they have with regard to the whole complex matter of not only national security but international security. I thank them for their attention and thoughtfulness on this particular measure.

I thank the Chair, and I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER (Mr. GRAMS). There will now be a period for the transaction of morning business not to extend beyond the hour of 2 p.m. with the time between 12 noon and 1 p.m. under the control of the Democratic leader and the time between 1 p.m. and 2 p.m. under the control of the Senator from Georgia [Mr. COVERDELL].

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBB. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KYL). Without objection, it is so ordered. The Senator is recognized.

NETDAY EAST

Mr. ROBB. Mr. President, I rise today to speak briefly about an exciting new project called NetDay East, which is mobilizing volunteers in several States, including the Commonwealth of Virginia, to wire our public schools for the Internet. It is exciting, Mr. President, because of how the Internet has transformed the way people communicate and expanded access to information worldwide.

Our challenge now is to bring this technology into all of our Nation's schools as quickly as possible so that all students, regardless of their economic status or where they live, have access to the same global library of knowledge and information to compete on a level playing field.

The biggest barrier has been the lack of money and manpower needed to physically wire the schools to the Internet. Laying the necessary cable to link our K-12 classrooms is estimated to cost billions of dollars nationwide.

But a project in California has showed us that we can overcome this obstacle if we mobilize our communities and work together. In 1 day, California wired 3,500 schools at little or no cost to the schools themselves through the outstanding volunteer efforts of parents, teachers, students, businesses, and elected officials.

Because of the vision and commitment reflected in their NetDay, hundreds of thousands of young Californians will be able to experience a new global world of unlimited possibility with the stroke of a key.

As one who cares deeply about education and surfs the Internet from my Senate office, I am delighted to be a part of NetDay East. Modeled after California's project, NetDay East is now organizing to cable schools every weekend in October in Virginia, the District of Columbia, and Maryland. Similar efforts are taking place in Massachusetts, North Carolina, Montana, Connecticut, and Louisiana as well.

Mr. President, an estimated 40 million people from more than 150 countries use the information superhighway. They include Kathleen Butzler at Northampton Middle School who can lead her seventh grade class on a virtual tour of the White House or talk to a Member of Congress without leaving their home in Mochipongo on Virginia's Eastern Shore.

We shouldn't forget that the Internet is a two-way communications tour. Through NetDay East, thousands of Virginia students will be able to create Web pages, like those at the Northampton Middle School, to teach the rest of the world about the treasures of our beautiful and diverse State.

This technology is fascinating and could very well be the spark to ignite the imagination in children who would otherwise be disinterested in school work. Capturing the interest and imagination of our students through this technology can yield enormous future benefits, for students with access will have a distinct advantage over those who do not. We cannot afford to let our schools slip behind those of our international competitors when the technology, technology that we created, is literally right at our fingertips.

There are many ways to participate in NetDay, Mr. President. Businesses can contribute in a variety of ways, including partnering with local schools, purchasing wiring kits, lending technical staff, and encouraging their employees to volunteer.

Individuals can help pull wire in schools, since installing this type of cable requires a great deal of labor but very little technical expertise.

Schools can register to be a part of this project and encourage their parents to volunteer and promote NetDay. This October on a Saturday, my staff and I plan to help cable A.P. Hill Elementary School in Petersburg, VA, as a part of NetDay East. We will also be doing a demonstration project in Northern Virginia right after school starts in September.

There is no question, Mr. President, that when we wire schools for the Internet this October, we will complete just the first step in a much greater effort to help young Virginians and young Americans in other States travel the information superhighway.

It is a first step, but it is certainly an essential one. There will be much to do to finish the job, including arranging for Internet connections, training students and teachers in the effective uses of the Internet and helping to acquire computer donations to the schools. I hope NetDay forms an important and productive alliance between our communities and our schools that can continue well beyond October.

Finally, I fully endorse NetDay East, and I encourage others to join us during the month of October to participate in this modern-day barn raising.

If anyone would like to sponsor, volunteer, endorse, sign up their school or just find out more information, please visit the NetDay East home page at "www.cgcs.org/netday-east."

For anyone who does not have access to the Internet, I invite them to contact my office, and we will certainly assist them with registration.

With the help of many caring and committed individuals, Mr. President, we can keep our children off the wayside and ensure they move swiftly and surely forward on the information superhighway.

With that, I thank the Chair, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask unanimous consent to speak as in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRAGEDY AT THE CENTENNIAL OLYMPICS

Mr. COVERDELL. Mr. President, I have just returned from the Centennial Olympics in my home city of Atlanta.

I ask unanimous consent for a brief moment of silence for those who died or were wounded in the bombing the other evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

[Moment of silence.]

Mr. COVERDELL. Mr. President, we, of course, extend our grief and condolences to the family of Alice Hawthorne from Albany, GA, and for Melih Uzunyoz, a Turkish national, both of whom lost their lives in a terrorist-related bombing that occurred at approximately 1:20 a.m. the other morning. Also, we extend our concern and prayers to the 110 casualties that occurred during the bombing and to the 17 who remain in the hospital.

Mr. President, we all owe a group of law enforcement officers a deep debt. The officer who spotted this bomb and his colleagues, in the face of grave danger, were heroes, in every sense, of the Centennial Olympics. In the face of danger themselves, they remained on site, and with every avenue available and open to them they tried to evacuate the crowd from the area of danger. I am absolutely convinced that, without their diligence and duty, the casualties would have been far, far greater. So these officers, these men and women, who tried to evacuate the park are due a deep debt of gratitude from all of us.

Further, the volunteers and officers who stayed, not knowing whether there was a series of bombs, to help those wounded receive comfort, aid, and assistance so that they might be appropriately hospitalized, performed admirably, incredibly in the face of grave danger. To all the officers, the men and women, Federal, State, and local, who in the following hours did everything within their power to bring order to the situation, and who were deluged with what I characterize as thrill-seekers reporting bombs in other venues, other high-density areas. With precision and expertise and valor, they proceeded to secure this great world event in our State and in our Nation. So my hat is off to these people. Again, the word "hero" comes to mind.

Mr. President, I was first notified of this incident at 3 a.m. in the morning. By 6:30 that morning, I had been in touch with the law enforcement command center, which I visited to try to take stock of the situation. It was a gloomy, dark night, drizzling, and as you might imagine, a sense of great concern and pall fell over all of us. As I was driving back pondering what it was that all of us were confronted with, as I was driving into the city, I looked at the interstate that you have to walk over, which many fans have to walk over in order to get to the grand Olympic stadium, and there was a vision of valor, defiance, courage, and will—the fans. There they were. I could not believe it. I looked up and, by the thousands, they were walking onto the stadium and throughout the city to the other venues.

It will, in my judgment, be a mark of heroism, broad heroism, on a par with the athletes themselves, because this world community gathered up and said, "No way; we will not be intimidated. We will go on with the games." Not only did IOC proclaim the games would go on—that is a statement—but the key was that the world community said, "The games will go on." The families, the children, all alike, everywhere you went, were coming out to say that the Centennial Olympics is bigger than this heinous act against defenseless and helpless citizens.

In many ways, I think it will mark a period of great thought for us in this country. The Presiding Officer, among others, is very much aware that there has been a growing discussion and debate. I think it probably ultimately will call for vaster resources, a better capacity to deal with this kind of era that we approach as we come to the new century. But, for a moment, I had a chance to personally see a broad statement of valor by people from nation after nation. I talked about it all afternoon. One volunteer had been coming in on the rapid transit system that morning, and the car, of course, as you might expect, was crammed from side to side with people of every nation—Dutch, German, American, and the like—and the fans broke out into song singing as they went on to the venues.

So, again, Mr. President, our grief to the families involved, our thanks to those that stood in the face of danger to help, and our acknowledgment of a heroism and a worldwide statement that was made in Atlanta the very next morning as the centennial games continued.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KEMPTHORNE). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, under the previous order, I am to be recognized during morning business for a period of 60 minutes.

I ask unanimous consent that during this period I be permitted to yield portions of my time to other Members without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE DRUG EPIDEMIC

Mr. COVERDELL. Mr. President, as I have said many times on the floor, we are in the midst of a drug epidemic in the United States of enormous proportions that are not yet, I do not believe, fully comprehended. Drug use among our youth has doubled in the last 36 months, ending 12 years of a continued decline in drug use.

Mr. President, this administration, unfortunately, has to come to terms with this issue because it is pretty clear that its decision to shut down the drug office, to shut down interdiction efforts, to dramatically curtail the war on drugs, and to the change policy regarding rehabilitation has had some very, very uncomfortable consequences.

What does it mean when you say drug use has "doubled"? Does that mean two more people use it? No. What it means is there are 2 million American families who have fallen victim to the tragic consequences of involving themselves in drugs.

Mr. President, in a moment I am going to yield to the distinguished chairman of the Judiciary Committee, the senior Senator from Utah. But let me say that among the data we are now discovering is the fact that our youth currently do not see drugs as a threat to them. How could that be? How could it be that the vast majority of youngsters no longer see that as a threat to them? Therefore, they are not concerned about it. Therefore, they use it more freely. Therefore, twice the number use it today.

I just have to say that over the last several months, this cavalier attitude from the President's press secretary and others and the revelation about drug use in the White House itself—I mean, everybody understands the White House is a bully pulpit. If that pulpit is sanctioning, or appears to be sanctioning, or appears to be minimizing the serious effects of drug use, it should not be surprising that our young people do not understand the consequences.

I am afraid that what has surfaced over the last several weeks—the word that comes to mind is "cavalier"—is that it is not really important, that message has created a very, very serious repercussion in our country. It has to be turned around and changed quickly.

Mr. President, with that opening statement, I yield up to 15 minutes to the distinguished Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 15 minutes.

PRIVILEGE OF THE FLOOR

Mr. HATCH. Mr. President, I ask unanimous consent that Patrick Murphy, a detailee on my staff, be granted floor privileges for the remainder of this Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, our Federal drug policy is at a crossroads. Unfortunately for Americans, drug control is not a national priority for the Clinton administration. For some time now I have been saying that President Clinton has been AWOL—absent without leadership—in the war on drugs. Put another way, the Clinton White House has been MIA in the drug war—mired in arrogance. Ineffectual leadership and failed Federal policies have combined with ambiguous cultural messages to generate changing attitudes among our young people and sharp, serious increases in youthful drug use.

This is painfully evidenced by this chart on my right, which shows that after a 12-year steady decline in drug use by high school seniors, from 1980 to 1992, there has been a sharp increase in such drug use during the last 3 years. As you can see, the decline came from 1980 downhill in every one of these categories, and in every one of the categories since 1992 drug use has started to go up sharply.

Even more troubling is that this increase has been uniform as to those who have used drugs in the past month, in the past year, and those children trying drugs for the first time.

No one is more responsible for our current dilemma than President Clinton. For more than 3 years, I have taken to the floor of the Senate to warn my colleagues and the Nation about the threat we face due to President Clinton's abdication of leadership in the war on drugs. What also troubles me is that a defeatist outlook in the drug war appears now to be supplemented by a softer attitude tolerating or excusing drug use.

The Clinton administration has caused serious damage to this country as a direct result of failed policies and absent leadership in the war on drugs. Indeed, as one more manifestation of the administration's arrogance of power, we now know that the White House strong-armed the Secret Service into granting security passes for at least a dozen persons who had engaged in the recent use of, among other illegal drugs, crack cocaine and hallucinogens. In responding to questions concerning this matter, White House spokesman Mike McCurry disdainfully suggested that prior drug use was no big deal. What a terrible message to send to the country, especially to our young people. Where was President Clinton during this episode? Why didn't he admonish his spokesman? When will someone at the White House acknowledge that drug use is a big deal.

To his credit, Mr. McCurry has expressed regret for having been so cavalier; but, it is quite telling that it was the President's spokesman who expressed this attitude of tolerance for drug use. Remember, this is the same President who named the stealth drug czar Lee Brown and Surgeon General Jocelyn Elders, a proponent of legalizing drugs.

Let me be clear. I am not suggesting that people who experimented with drugs in their youth are categorically unfit for public service. But we should not make room at the policy table for those who have used drugs even as students and believe that their drug use was not a serious wrong, unfortunate step in their life. Nor should those who still use drugs or have recently done so be given a public trust especially in the White House. It is this mindset which will result in defeat.

Both President Reagan and President Bush led from the front on this war, confronting our Nation's drug problems head on with positive results. As a Nation, we were committed to winning the war on drugs, and we were making gains. Since President Clinton has assumed office, his administration's campaign against drugs has been in full retreat, and America is now losing the war.

During the Reagan and Bush era, the United States saw dramatic reductions in casual drug use. From 1977 to 1992, casual drug use was more than cut in half. Cocaine use fell by 79 percent, while monthly use fell from 2.9 million users in 1988 to 1.3 million in 1992. Such reductions were achieved not by hollow rhetoric but through sustained, visible use of the bully pulpit, increased quantities, a clear and quantifiable antidrug policy and, most important, strong Presidential leadership. Substantial investment of resources, coupled with the effective use of the bully pulpit, caused a strong reverberation of antidrug sentiment throughout this Nation.

From his very first days in office, President Clinton was derailing the effective approaches of prior administrations. Although he promised to "reinvent our drug control programs," and "move beyond ideological debates," the President announced a new approach to drug policy, deemphasizing law enforcement and cutting interdiction. He called his approach a controlled shift. In hindsight, it has been an approach of reckless abdication. The Clinton administration renounced the proven policies of previous administrations and instead oversaw the following:

Federal illegal drug caseloads were reduced by 10.3 percent from fiscal year 1992 to fiscal year 1995;

The Governmentwide interdiction budget was cut by 39 percent since 1993;

Supply reduction has been put in utter disarray, with a 53 percent drop in our ability to interdict and push back drug shipments in the drug transit zone;

Between 1992 and 1994, cocaine seized by the Customs Service and Coast Guard dropped 70 percent and 71 percent, respectively.

The National Drug Control Policy staff was cut from 147 to 25, but Congress did restore funding for adequate staffing levels this fiscal year, and with the President's approval finally admitted that they were wrong;

The administration's fiscal year 1995 budget proposed to slash 621 drug enforcement positions from the DEA, INS, FBI and Customs Service;

From 1992 to 1995, the Drug Enforcement Administration lost 227 agent positions, more than 6 percent of its agent force;

President Clinton signed legislation repealing mandatory minimums for some drug traffickers and dealers;

And agreed to more than $230 million in cuts to drug education and prevention funds in 1993.

It really is no surprise, therefore, that as the administration has turned a blind eye to this problem, drug dealers have flooded our Nation's streets with more illegal drugs and steadily declining prices.

For example, as this next chart here reflects, the last several years have seen a dramatic drop in heroin prices. Since 1992, it has dramatically dropped. In fact, you can see it dropped very dramatically there, and then the purity, of course, has been going up. So the drop in heroin prices, combined with the dramatic increase in the purity of such heroin on the streets, has been catastrophic.

The conclusion that can be drawn from these facts is clear. Supply is way up on our city streets resulting in more lethal drugs being available to our children at a much cheaper rate. Despite such glaring evidence, the Clinton administration continues to remain silent on addressing this problem.

In short, since 1992, the bully pulpit has gathered dust, liberal soft-headed policies have been implemented, and a mentality of tolerance for drugs has taken root. As a result, almost every available indicator today shows the United States is losing our fight against drugs. Let us just consider some of the evidence.

First, drugs are cheap and more available. Since 1993, the retail price of cocaine has dropped by more than 10 percent. The price of heroin has plummeted from $1,647 a gram in 1992 to $966 a gram in February 1996.

Second, since President Clinton took office, the number of 12- to 17-year-olds using marijuana has almost doubled—2.9 million kids compared with the 1992 level of 1.6 million. According to a most recent University of Michigan study, one in three high school seniors now smokes marijuana, and 48.4 percent of the class of 1995 had tried illegal drugs.

You can see why I got so upset when Mr. McCurry made his comments. Now, to his credit, he has basically apologized for those, and I accept his apology. But it should never have happened to begin with. And it is this tolerance in the White House that is causing these problems. It comes through to these kids and to everybody else, it seems to me.

Third, the number of cocaine and heroin-related emergency room admissions has jumped to historic levels. In the first half of 1995, cocaine-related emergency room cases were 65 percent above the level in the first half of 1991. Heroin admissions soared 120 percent over this same period of time.

Fourth, methamphetamine use has soared with meth-related emergency room admissions in 1995 increasing by more than 320 percent since 1991. And yet, I might add, someone on the other side of the aisle is blocking consideration of a bipartisan Hatch-Biden methamphetamine bill. I urge the President to call off his guardians of gridlock so we can pass this bill that is critical to this country.

Fifth, LSD use has reached the highest rate since recordkeeping started in 1975. Fully 11.7 percent of the class of 1995 had tried it at least once.

That is mind-boggling.

The widespread increase in illegal drug use is not surprising when the relative ease in which these drugs are now brought across our borders is considered. Recent reports indicate that Mexican drug cartels are no longer interested in merely crossing our southern border to peddle their drugs. Ranchers along the Texas and New Mexico border are now finding themselves being forced to sell their border properties to these armed thugs. They are getting plenty of money for it. Why would they pay these exorbitant rates? But people are afraid not to sell to them for fear they will be killed.

As a result, a virtual superhighway for illegal drug flow into this country is being created—some say has already been created.

We are literally losing ground against drugs. In an effort to call attention to this disturbing development, I will be holding a hearing in the Judiciary Committee this Wednesday on precisely these points: What is happening on our southern border?

Due to President Clinton's failure in the drug war, our children are at greater risk, our law enforcement efforts are strained more than ever, and our borders, it appears, are now being bought up by drug smugglers.

To his credit, President Clinton named Gen. Barry McCaffrey as his new drug czar. General McCaffrey is a committed man. I have respect for him. But it may be too little too late. Such 11th hour tactics do not obviate one absolute truth: For the last 3 years, in the battle to regain our streets from the plague of illegal drugs, this administration has let our country down.

The Nation must have effective moral leadership in this war against drugs. The President has turned back the clock 20 years in the drug war. He has hurt this Nation by his lack of leadership on this issue, and it is time to turn this retreat around.

I again call on our President not just to join, but to lead an attack on illegal drugs and their use in this country.

Mr. President, I ask unanimous consent that a summary and a series of excerpts of relevant reports be printed in the RECORD. They are most informative. I urge my colleagues to read them.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY

KEY FINDINGS

Losing ground against drugs

1. The number of 12–17 year-olds using marijuana increased from 1.6 million in 1992 to 2.9 million in 1994.

2. The number of individuals prosecuted for federal drug violations dropped from 25,033 in 1992 to 23,114 in 1993, and still lower to 21,905 in 1994—a 12 percent drop in just two years.

3. Street-level heroin is at a record level, even as the price of a pure gram fell from $2,032 to $1,278 per gram between February 1993 and February 1995.

Setting the course: a national drug strategy

1. Attitudes among teenagers about the dangers of drug use are changing—for the worse. After more than a decade of viewing drugs as dangerous, a new generation increasingly sees no harm in using drugs.

2. The President has abandoned the bully pulpit against drugs and radically reduced the staff of the Office of National Drug Control Policy from 147 to 25, rendering it largely ineffectual.

News conference from National Drug Policy Director McCaffrey

1. Heroin's popularity continues to rise and inexperienced dealers are selling dangerous mixtures called heroin "cocktails" which have hospitalized more than 120 people in May alone.

2. Methamphetamine, Rohypnol, Ketamine, Quaaludes, and ephedrine are drugs emerging as "club drugs" and continue to rise in popularity among young adults.

The Clinton administration's continuing retreat in the war on drugs—Heritage Foundation

1. The Clinton Administration's failure to appoint effective leaders in key positions to articulate and enforce a strong anti-drug message has seriously undercut drug efforts.

2. Former drug-policy Director Lee Brown attributes the "troubling" decline in prosecutions to "the policies of the new U.S. Attorneys who de-emphasized prosecution of small-scale drug offenders."

Adolescent drug use likely to increase again in '96—Partnership for a Drug-Free America

1. Driven by increasingly lax attitudes about marijuana, America's teenagers are seeing fewer risks and more personal rewards in drug use. They are less likely to consider drug use harmful and risky, more likely to believe that drug use is widespread and tolerated, and feel more pressure to try illegal drugs than teens did just 2 years ago.

Journal of the Clandestine Laboratory Investigating Chemists Association

1. Numerous labs have been seized showing increasing production of methamphetamines. Laboratory operators are taking advantage of the fact that all sales of the pseudoephedrine drug products, regardless of the quantity involved, are completely unregulated.

Drug use rises again in 1995 among American teens—The University of Michigan

1. Annual surveys of some 50,000 students in over 400 public and private secondary schools nationwide reveal that in 1995, marijuana use continued the strong resurgence that began in the early 1990s with increased use at all grade levels. The proportion of eighth-graders taking any illicit drug has almost doubled since 1991, has risen nearly two-thirds among 10th-graders since 1992, and has risen by nearly half among 12th-graders.

Preliminary estimates from the Drug Abuse Warning Network—Substance Abuse and Mental Health Services Administration

1. Comparing the first half of 1995 with the first half of 1994, there was a 10 percent increase in drug-related hospital emergency department episodes. Heroin-related episodes increased by 27 percent, marijuana-related episodes increased by 32 percent, and methamphetamine-related episodes increased by 35 percent.

Women and drugs—Wall Street Journal (June 6, 1996)

1. Unfortunately, the gender gap among drug users is quickly closing as women catch up with men when it comes to smoking, drinking, and doing drugs.

LOSING GROUND AGAINST DRUGS—A REPORT ON INCREASING ILLICIT DRUG USE AND NATIONAL DRUG POLICY

(Prepared by Majority Staff, Senate Committee on the Judiciary, Senator Orrin G. Hatch, Utah, Chairman)

INTRODUCTION

Through the 1980s and into the early 1990s, the United States experienced dramatic and unprecedented reductions in casual drug use.

The number of Americans using illicit drugs plunged from 24.7 million in 1979 to 11.4 million in 1992. The so-called "casual" use of cocaine fell by 79 percent between 1985 and 1992, while monthly cocaine use fell 55 percent between 1988 and 1992 alone—from 2.9 million to 1.3 million users.

On the surface, little appears to have changed since 1992. For the nation as a whole, drug use remains relatively flat. The vast majority of Americans still do not use illegal drugs.

Unfortunately, this appearance is dangerously misleading. Drug use has in fact experienced a dramatic resurgence among our youth, a disturbing trend that could quickly return the United States to the epidemic of drug use that characterized the decade of the 1970s.

Recent surveys, described in detail in this report, provide overwhelming evidence of a sharp and growing increase in drug use among young people:

The number of 12–17 year-olds using marijuana increased from 1.6 million in 1992 to 2.9 million in 1994. The category of "recent marijuana use" increased a staggering 200 percent among 14–15 year-olds over the same period.

Since 1992, there has been a 52 percent jump in the number of high-school seniors using drugs on a monthly basis, even as worrisome declines are noted in peer disapproval of drug use.

One in three high school seniors now smokes marijuana.

Young people are actually more likely to be aware of the health dangers of cigarettes than of the dangers of marijuana.

Nor have recent increases been confined to marijuana. At least three surveys note increased use of inhalants and other drugs such as cocaine and LSD.

Drug use by young people is alarming by any standard, but especially so since teen drug use is at the root of hard-core drug use by adults. According to surveys by the Center on Addiction and Substance Abuse, 12–17 year-olds who use marijuana are 85 times more likely to graduate to cocaine than those who abstain from marijuana. Fully 60 percent of adolescents who use marijuana before age 15 will later use cocaine. Conversely, those who reach age 21 without ever having used drugs almost never try them later in life.

Described another way, perhaps 820,000 of the new crop of youthful marijuana smokers will eventually try cocaine. Of these 820,000 who try cocaine, some 58,000 may end up as regular users and addicts.

The implications of public policy are clear. If such increases are allowed to continue for just two more years, America will be at risk of returning to the epidemic drug use of the 1970s. Should that happen, our ability to control health care costs, reform welfare, improve the academic performance of our school-age children, and defuse the projected "crime bomb" of youthful super-predator criminals, will all be seriously compromised.

With these thoughts in mind, I am pleased to present "Losing Ground Against Drugs: A Report on Increasing Illicit Drug Use and National Drug Policy" prepared at my direction by the majority staff of the United States Senate Committee on the Judiciary. This report examines trends in drug use and the Clinton Administration's sometimes uneven response to them, including the Administration's controversial policy of targeting chronic, hardcore drug users. The report also reviews the state of trends in use and availability. And, finally, it evaluates the performance over the past three years of our nation's criminal justice and interdiction systems.

The report finds Federal law enforcement under severe strain just as the technical sophistication of drug trafficking syndicates is reaching new heights. It finds that the Administration's supply reduction policy is in utter disarray, with a 53 percent drop in our ability to interdict and push back drug shipments in the transit zone. The report also finds increases in the purity of drugs and the number of drug-related emergency room admissions of hard-core users.

Federal drug policy is at a crossroads. Ineffectual leadership and failed federal policies have combined with ambiguous cultural messages to generate changing attitudes among our young people and sharp increases in youthful drug use.

The American people recognize these problems and are increasingly concerned: A Gallup poll released December 12, 1995 shows that 94 percent of Americans view illegal drug use as either a "crisis" or a "very serious problem." Their concern, which I share, underscores the danger of compromising our struggle against the drug trade. I look forward to addressing the issues raised in this report in future hearings of the United States Senate Committee on the Judiciary.

OVERVIEW

For its first eight months in office, the Clinton Administration's approach to the drug issue could best be described as benign neglect. Then, in September 1993, the Administration announced a new approach to drug policy, promising to "reinvent our drug control programs" and "move beyond ideological debates." The new Administration policy deemphasized law enforcement and shifted away from interdiction, while promising dividends from treating hard-core drug users.

Almost three years into the Administration, however, the results of its early neglect, and subsequent policy "reinvention," are in. Drug use is up—dramatically so among young people. Promised reductions in hard-core use—the centerpiece of the Administration strategy—have failed to materialize. New money to expand the nation's treatment system has coincided with a projected *decrease* in treatment "slot."

Law enforcement efforts, mean-while, are not keeping pace with the kingpins who run the drug trade, whose resources and technical sophistication are increasing yearly. Prosecutorial efforts appear to have stumbled as well, with a 12 percent decline in prosecutions over just two years.

Presidentially ordered interdiction cuts appear to have resulted in an increased supply of drugs on American streets. Illicit drugs are now available in greater quantities, at higher purity, and at lower prices than ever before. The Administration's strategy for coping with these problems is predicated on a series of goals that one drug policy expert described as "merely an unprioritized list [that does little] to direct policy.

Viewed together, these factors paint a disturbing picture of inattention to a serious and growing national threat.

PRELIMINARY ESTIMATES FROM THE DRUG ABUSE WARNING NETWORK, U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES, PUBLIC HEALTH SERVICE

HIGHLIGHTS

The Drug Abuse Warning Network (DAWN) is a national probability survey of hospitals with emergency departments conducted annually by the Substance Abuse and Mental Health Services Administration (SAMHSA). The survey is designed to collect data on emergency department episodes which are directly related to the use of an illegal drug or non-medical use of a legal drug. Analyses in this report focus primarily on recent trends in drug-related episodes. Preliminary estimates for the first half of 1995 are compared with data from the first half of 1994. The major DAWN findings are:

In the first half of 1995, there were 279,100 drug-related hospital emergency department episodes representing an increase of 10 percent from the first half of 1994 (252,600).

An estimated 76,800 cocaine-related episodes were reported in the first half of 1995 compared with 68,400 in the first half of 1994, an increase of 12 percent.

Cocaine-related episodes rose by 21 percent (from 26,100 to 31,500) among persons aged 35 years and older between the first half of 1994 and the first half of 1995. A 17 percent increase was observed among blacks (from 36,200 to 42,500).

The number of heroin-related episodes increased by 27 percent between the first half of 1994 and the first half of 1995 (from 30,000 to 38,100).

Between the first half of 1994 and the first half of 1995, heroin-related episodes increased by 39 percent among whites (from 10,800 to 15,000) and by 32 percent (from 16,100 to 21,100) among persons aged 35 years and older.

Marijuana/hashish-related episodes rose from 19,100 in the first half of 1994 to 25,200 in the first half of 1995, a 32 percent increase. Marijuana episodes usually occur in combination with other substances, particularly alcohol and cocaine.

The number of methamphetamine (speed)-related episodes increased by 35 percent (from 7,800 to 10,600) between the first half of 1994 and the first half of 1995.

INTRODUCTION

This report contains preliminary data for the first 6 months of 1995 and final annual and semi-annual estimates of drug-related emergency department episodes for 1988 through 1994, from the Drug Abuse Warning Network [DAWN], an ongoing national survey of hospital emergency departments.

Since the early 1970's, DAWN has collected information on patients seeking hospital emergency department treatment related to their use of an illegal drug or the nonmedical use of a legal drug. The survey provides data that describe the impact of drug use on hospital emergency departments in the United States. Data are collected by trained reporters—nurses and other hospital personnel—who review medical charts for indications—noted by hospital staff who treated the patients—that drug use was the reason for the emergency department visit. Thus, the accuracy of these reports depends on the careful recording of this information by hospital staff.

To be included in DAWN, the person presenting to the emergency department must be aged 6 years and older and meet all four of the following criteria:

The patient was treated in the hospital's emergency department;

The patient's presenting problem was induced by or related to drug use, regardless of when the drug ingestion occurred;

The case involved the nonmedical use of a legal drug or any use of an illegal drug;

The patient's reason for taking the substance included one of the following: (1) dependence, (2) suicide attempt or gesture, or (3) psychic effects.

Hospitals eligible for DAWN are non-Federal, short-stay general hospitals that have a 24-hour emergency department. Since 1988, the DAWN emergency department data have been collected from a representative sample of these hospitals located throughout the coterminous United States, including 21 oversampled metropolitan areas. The data from this sample are used to generate estimates of the total number of emergency department drug episodes and drug mentions in all such hospitals.

Recently, SAMHSA conducted a thorough review of the computer programs which produces the DAWN estimates. As a result, corrections were made to the 1993 estimates that had been previously released. Estimated presented in the last DAWN release (Advance Report Number 11 "Preliminary Estimates from the DAWN—1994") and in Annual Emergency Department Data 1993 [Series 1, Number 13–A, DHHS Pub. No. (SMA) 96–3080] and in this report are based on these corrected programs. Because the impact on national estimates was found to be small for 1992, those estimates were not revised. However, the impact is significant for some metropolitan areas and may be significant for selected drugs. Thus, readers should use caution when comparing 1992 (and earlier) estimates and 1993 (and later) estimates. See Appendix I for details.

Estimates from DAWN are released periodically in reports such as this Advance Report, and are published in Annual Reports which contain more detailed tables and a complete description of the DAWN methodology (reference: Annual Emergency Department Data 1993. Series I, Number 13–A. DHHS Pub 1. No. (SMA) 96–3080). 1995 estimates in this report are preliminary because they are based on incomplete data and adjustment factors from the previous year. Final estimates for 1995 will be published later when all hospitals participating in DAWN have submitted their data and when additional ancillary data used in estimation become available. The differences between preliminary and final estimates are due to several factors: final estimates include data from a small number of late-reporting hospitals; additional hospitals are added to the sample and incorporated into the final estimates; and data from the most current listings of all eligible hospitals are used to produce the final weights.

The DAWN system also collects data on drug-related deaths from a nonrandom sample of medical examiners. Data from medical examiners are not included in this report. Medical examiner data are published annually (reference: Annual Medical Examiner Data 1994. Series I, Number 14–B. DDHS Pub. No. (SMA) 96–3078).

SETTING THE COURSE—A NATIONAL DRUG STRATEGY

(By the Task Force on National Drug Policy, and convened by: Majority Leader Bob Dole and Speaker Newt Gingrich)

TASK FORCE ON NATIONAL DRUG POLICY

Senator Charles Grassley, Co-Chair,
Senator Orrin Hatch, Co-Chair,
Senator Spence Abraham,
Senator John Ashcroft,
Senator Paul Coverdell,
Senator Alfonse D'Amato,
Senator Mike DeWine,
Senator Kay Bailey Hutchison,
Senator Olympia Snowe,
Representative Henry Hyde, Co-Chair,
Representative William Zeliff, Co-Chair,
Representative Mike Forbes,
Representative Ben Gilman,
Representative Bill McCollum,
Representative Rob Portman,
Representative Ileana Ros-Lehtinen,
Representative Clay Shaw,
Representative J.C. Watts.

EXECUTIVE SUMMARY

The facts are simple. After more than a decade of decline, teenage drug use is on the rise. Dramatically. Every survey, every study of drug use in America reconfirms this depressing finding.

What is even more disturbing is that attitudes among teenagers about the dangers of drug use are also changing—for the worse. After more than a decade of viewing drugs as dangerous, a new generation increasingly sees no harm in using drugs.

Just such a shift in attitudes engendered the last drug epidemic in this country. The 1960s saw a significant movement among many of the nation's intellectual leaders, media gurus, and even some politicians that glorified drug use. These attitudes influenced the thinking and decision making of many of our young people. We are still living with the consequences of the 1960s and 1970s attitudes in the form of a long-term addict population and thousands of casualties, including a staggering number of drug-addicted newborns and many of our homeless.

The American public recoiled at the social pathologies associated with the illegal drug epidemic then, and recent polls indicate that they are just as concerned today that we are about to repeat history because we failed to learn our lesson. Despite the fact that we made major inroads on reducing drug use in the 1980s, the press and many others have helped to create the idea that nothing works and that our only policy options are the decriminalization or outright legalization of drugs.

The media turned their attention away from the drug issue and have not returned to it in the last three years. The Clinton Administration has downplayed the drug issue, demoting it as a national priority and distancing the President from it. The message that drug use was wrong was de-emphasized, while interdiction and enforcement were downplayed in order to concentrate on treatment. The result has been to replace "Just Say No" with "Just Say Nothing." We are suffering the consequences.

On December 13, 1995, Majority Leader Bob Dole and Speaker of the House Newt Gingrich convened a bicameral Task Force on National Drug Policy to break the silence. They asked the Task Force to make recommendations on how Congress might, as it has many times in the past, put drugs back on the national agenda. This report is the result of the Task Force's efforts. It reflects the results of town meetings, discussions with experts, and meetings with leading treatment and prevention organizations. This report represents a beginning of effort not the conclusion.

The Task Force's first and most important recommendation calls for a serious national drug strategy. Recent Administration strategies have been thin and they have arguably failed to meet the clear statutory obligation that specific and measurable objectives be included. Our national strategy is incomplete and has focused efforts in areas that have not worked. We need a more serious effort.

Such a strategy does not have to re-invent the wheel. It does need to do the right things with the right stuff. This means a focus on prevention, law enforcement, and interdiction. It means presidential leadership within the Executive Branch and at large. It involves congressional oversight of programs and support to effective, well-managed efforts. It means a program that adds substance to rhetoric and matches ends to means in a sustainable effort.

A reinvigorated national drug strategy needs to focus on five major elements:

1. We need a sound interdiction strategy that employs our resources in the transit zone, in the source countries of Latin America, and near the borders to stop the flow of illegal drugs. This means renewed efforts at US Customs, DEA, INS, DoD, and the Coast Guard to identify the sources, methods, and individuals involved in trafficking and going after them and their assets.

2. A renewed commitment to the drug effort requires a serious international component that increases international commitment to the full range of counter-drug activities. These must involve efforts to prevent money laundering; to develop common banking practices that prevent safe havens; serious commitments to impose sanctions on countries that fail to meet standards of cooperation; efforts to ensure proper controls over precursor chemicals; and an international convention on organized crime that develops common approaches for targeting the main international criminal organizations, their leaders and assets.

3. US national drug strategy should also take steps to ensure that drug laws are effectively enforced, particularly that there be truth in sentencing for rug trafficking and drug-related violent crimes.

4. Prevention and education are critical elements in a renewed strategy. There needs to be greater coordination and effective oversight of Federal prevention and education programs, which should involve the integration of disparate drug programs in HHS, DoJ, and elsewhere under one authority. This more integrated approach should focus on empowering local communities and families, and must develop more effective evaluation programs to determine which delivery mechanisms are the best.

5. Treatment must remain an important element to any strategy, but more needs to be done to eliminate duplication and waste. A renewed strategy needs to look at establishing more effective evaluation techniques to determine which treatment programs are the most successful. Accountability must be a key element in our programs.

We also need to look at the role of religious institutions in our efforts to combat drug use. America cannot ignore the link between our growing drug problem and the increase in moral poverty in our lives.

The members of the Task Force also note that even the best strategy in the world is worth no more than the effort spent on turning it into reality. Thus, the Administration and Congress have a responsibility to develop and implement sustained and sustainable programs. An effective effort, however, must go beyond what the Executive and Congress can do. A true national effort must involve parents, families, schools, religious institutions, local and state governments, civic groups, and the private sector.

Finally, the Task Force members note that many of our current social pathologies, in addition to drug use, arise from causes directly related to a climate that disparages essential moral and ethical principles of personal behavior. Out of the best of intentions, we have pursued policies that have replaced a sense of personal responsibility with conscienceless self-esteem. In doing so, we have belittled traditional family virtues and encouraged a cheapening of social discourse. Our public places have become threatening to decent people because of misplaced tolerance for aggression and public incivility. Many of our children are now having children, born out of wedlock into lives of meanness and violence.

In calling for a recommitment to sustained, coherent efforts against drugs, the Task Force members recognize that this effort is part of a larger struggle for the soul our young people and our future. We reject the counsels of despair that say that nothing can be done. That our only recourse is to declare surrender and legalize drugs. We recognize that the drug problem is a generational one. Every year the country produces a new platoon of young people who must be guided to responsible adulthood. A continuing, vital anti-drug message sustained by meaningful prevention, law enforcement and interdiction programs is part of the responsibility our generation has to the next. This report is a wake-up call to America to do its duty.

THE UNIVERSITY OF MICHIGAN,
December 11, 1995.

DRUG USE RISES AGAIN IN 1995 AMONG AMERICAN TEENS

ANN ARBOR.—The use of drugs among American secondary school students rose again in 1995, continuing a trend that began in 1991 among eighth-grade students, and in 1992 among 10th- and 12th-graders, according to scientists at the University of Michigan.

The proportion of eighth-graders taking any illicit drug in the 12 months prior to the survey has almost doubled since 1991 (from 11 percent to 21 percent). Since 1992 the proportion using any illicit drugs in the prior 12 months has risen by nearly two-thirds among 10th-graders (from 20 percent to 33 percent) and by nearly half among 12th-graders (from 27 to 39 percent.)

The findings are from the Monitoring the Future Study, a series of annual surveys of some 50,000 students in over 400 public and private secondary schools nationwide. The U-M investigators who have directed the study for the 21 years of its existence are social scientists Lloyd Johnston, Jerald Dachman and Patrick C. Malley—all faculty at the U-M's Survey Research Center. The work is supported by the National Institute on Drug Abuse, one of the National Institutes of Health in the U.S. Department of Health and Human Services.

In 1995, marijuana use, in particular, continued the strong resurgence that began in the early 1990's, with increased use at all three grade levels. Among eighth-graders, annual prevalence (i.e., the proportion reporting any use in the 12 months prior to the survey) has risen to two-and-one-half times its level in 1991, from 6 percent in 1991 to 16 percent in 1995. Among 10th-graders, annual prevalence has nearly doubled from the low point in use in 1992 of 15 percent to 29 percent in 1995; among 12th-graders annual prevalence has increased by more than half, from the low point of 22 percent in 1992 to 35 percent in 1995.

"Of particular concern in the continuing rise in daily marijuana use," observes Johnston. Nearly one in 20 (4.6 percent) of today's high school seniors is a current daily marijuana user, and roughly one in every 35 10th-graders (2.8 percent). Fewer than one in a hundred eight-graders use at that level (0.8 percent). These rates have risen sharply as overall marijuana use has increased.

The investigators found that while marijuana use has shown the sharpest increase, the use of a number of other illicit drugs, including LSD, hallucinogens other than LSD, amphetamines, stimulants, and inhalants, has also continued to drift upward.

The use of LSD continued to rise in all three grade levels in 1995, continuing longer-term increases that began at least as far back as 1991. The proportions reporting and LSD use in the 12 months prior to the 1995 survey were 3 percent, 7 percent, and 8 percent for eighth-, 10th-, and 12th-graders, respectively.

Hallucinogens other than LSD, taken as a class, showed smaller increases in 1995 at all three grade levels. The annual prevalence rates for eighth-, 10th-, and 12th-graders are considerably lower than for LSD: 2 percent, 3 percent, and 4 percent, respectively.

The longer-term rise in the use of amphetamine stimulants continued in 1995 at the eighth- and 10th-grade levels, but use leveled among 12th-graders. Annual prevalence rates are 9 percent, 12 percent, and 9 percent for grades eight, 10, and 12, respectively.

The use of cocaine in any form continued a gradual upward climb, though most of the one-year changes do not reach statistical significance. The same is true for crack cocaine. So far, at least, these increases have been very gradual. The annual prevalence rates for use of cocaine in any form are 2.6 percent, 3.5 percent, and 4 percent for grades eight, 10, and 12, respectively, while for crack use they are 1.6 percent, 1.8 percent, and 2.1 percent.

Several other classes of illicit drugs also have been showing very gradual increases since the early 1990s, including tranquilizers and three drug classes reported only for 12th-graders—barbiturates, ice (crystal methamphetamine), and opiates other than heroin.

Questions about heroin use have been in the study from the beginning and have generally shown low (and for many years among 12th-graders, stable) rates of use. However, use began to rise after 1991 among 10th- and 12-graders, and after 1993 among eighth-graders, as well. There was a statistically significant increase in annual heroin prevalence among eighth-graders in 1994, and then among 12-graders in 1995. All three grades showed some increase in both years. While the annual prevalence rates for heroin remain quite low in 1995 compared to most other drugs, they are nevertheless two to three times higher than they had been a few years ago. The annual prevalence rates in 1995 are between 1.1 percent and 1.4 percent at all three grade levels.

The small increase in heroin use in 1994 led the investigators to distinguish in half of the 1995 questionnaires between two different methods for taking heroin: with a needle and without a needle. Their hypothesis was that non-injection forms of use (e.g., snorting or smoking) may be accounting for the rise in overall use. Consistent with this hypothesis, in 1995 a large proportion of those reporting heroin use indicated that at least some of their use involved a non-injection method of administration (63 percent, 75 percent, and 89 percent of the past-year heroin users in grades eight, 10, and 12, respectively) Further, a substantial proportion indicated using heroin only in a non-injectable form (32 percent, 45 percent, and 57 percent of the past-year heroin users for grades eight, 10, and 12, respectively).

"Obviously this is not a runaway epidemic among teens, but it should give rise to some caution," Johnston comments. "Many of these young users may be under the misconception that they cannot become addicted to heroin if they use it in a non-injectable form. The fact is that they can. In Southeast Asia and other parts of the world there are many thousands of opium smokers who are heavily addicted, and heroin is simply a powerful derivative of opium.

"While these levels of illicit drug use are certainly reason for concern," observes Johnston, "it should be noted that they are still well below the peak levels attained in the late 1970s. We are in a relapse phase in the longer-term epidemic, if you will, but it is certainly not something over which society is powerless. Our great progress in the past at lowering the rates of illicit drug use among our young people is proof of that." To illustrate, between 1979 and 1992, the proportion of 12th-graders reporting using any illicit drug in the 12 months prior to the survey fell by half, from 54 percent to 27 percent.

Alcohol use among American secondary students generally has remained fairly stable in the past few years, though at rates which most adults would probably consider to be unacceptably high. (This remains true in 1995, although there has been some small increase among 12th-graders over the past two years.) In 1995 the proportions of students having five or more drinks in a row during the two weeks preceding the survey were 15 percent, 24 percent, and 30 percent for the eighth-, 10th-, and 12th-graders, respectively.

[From the Backgrounder, the Heritage Foundation, July 12, 1996]

THE CLINTON ADMINISTRATION'S CONTINUING RETREAT IN THE WAR ON DRUGS

(By John P. Walters and James F.X. O'Gara)

HIGHLIGHTS

The Clinton Administration has a poor record in fighting the war on drugs. Interdiction efforts and prosecution for illegal drugs are down, illegal drug usage and emergency room admissions are up. Part of the problem has been a failure in personnel management: the inability or unwillingness to appoint effective leaders in key positions to articulate and enforce a strong anti-drug message, as well as inappropriate reductions in staff at agencies dedicated to dealing with the problem on the front lines.

The President must exercise leadership on this issue and use his bully pulpit to send an unambiguous anti-drug message. Members of Congress also need to focus federal efforts on law enforcement and interdiction programs that work, and fund only those rehabilitation programs that have a track record of success. One way Congress can do this is to allow funding for drug counseling and drug rehabilitation programs provided by religious organizations.

America's illegal drug problem is complex and presents a special challenge for policymakers in Congress and the White House. But the complexity and the difficulty of the issue are no excuse for ineffective policy and a lack of serious effort.

INTRODUCTION

The Clinton Administration continues to retreat in the war on drugs. After a decade of consistent progress during the Reagan and Bush Administrations, almost every available indicator today shows the United States is losing—some would say surrendering—in the prolonged struggle against illegal drugs. Consider the evidence:

Since President Clinton took office, the number of 12-to-17-years-olds using marijuana has almost doubled—2.9 million compared with the 1992 level of 1.6 million.[1] One in three high school seniors now smokes marijuana, and 48.4 percent of the Class of 1995 had tried drugs by graduation day.[2]

LSD use has reached the highest rate since record-keeping started in 1975. Fully 11.7 percent of the Class of 1995 had tried it at least once.[3]

The number of cocaine-and heroin-related emergency room admissions has jumped to historic levels. In the first half of 1995, cocaine-related emergency room cases were 65 percent above the level in the first half of 1991. Heroin admissions soared 120 percent over the same period.[4]

Methamphetamine use has turned into a major problem, particularly in the Western United States. In the first half of 1995, meth-related emergency room cases were up by 321 percent compared with the first half of 1991.[5]

While there are many different reasons for this deterioration in America's resistance to illegal drugs, part of the explanation is a failure in federal policy. President Clinton

---

Footnotes at end of article.

and his Administration have demonstrated little leadership on the issue and have failed to send out an unambiguous message of disapproval to young Americans. The President's personnel appointments in this area have ranged from the virtually invisible, as in the case of former "drug czar" Lee Brown, to the embarrassing, as in the case of Dr. Joycelyn Elders, former Surgeon General of the United States. Staffing at the Office of National Drug Control Policy was cut by 80 percent—from 147 to 25. Moreover, although the President's election year budget reverses this cut and requests major increases for drug law enforcement, his FY 1995 request would have eliminated 621 drug enforcement positions.

The Clinton Administration's policy initiatives have been similarly ineffectual, especially their focus on hard core drug users at the expense of stronger law enforcement and interdiction. The evidence is in: Federal illegal drug caseloads fell by 10.3 percent from FY 1992 to FY 1995; the government-wide interdiction budget has been cut 39 percent since 1993; the impact of interdiction programs has dropped off sharply; and drug-related hospital emergency room admissions have hit record levels.

Instead of pursuing ineffectual anti-drug policies and giving the impression that curbing drug use is not a priority, the President and Congress should demonstrate leadership in this deadly contest. If the United States is serious about combating the infiltration of illegal drugs across America's borders and into the nation's cities, towns, neighborhoods, and schools, several steps need to be taken:

The President must use the "bully pulpit" of his office to send out a clear message that drug use is unacceptable.

American must assist its allies in Latin America and elsewhere in their efforts to take on the drug cartels.

The President must propose budgetary, personnel, and policy initiatives that make it absolutely clear that Washington means business in curbing the flow of drugs into America.

Congress should pass legislation to close loopholes that result in excessively lenient sentences for marijuana smugglers.

Congress should continue to block the United States Sentencing Commission's proposals to lower sentences for crack cocaine dealers.

Washington must get serious about promoting rehabilitation that works, such as religion-based programs, instead of simply funding programs that promise to rehabilitate drug addicts and fail to deliver. Congress should re-evaluate all treatment programs carefully. The basis of federal funding for drug rehabilitation should be a clear track record of success.

America succeeded in reducing the rate of drug use, especially among vulnerable teenagers, in the 1980s because local efforts were reinforced by a serious program of law enforcement, interdiction, and hard-headed demand reduction policies, and because the Reagan and Bush Administrations made it very clear that they were determined to win the war against drugs. Unfortunately, the Clinton Administration has adopted a very different posture, and America is now losing the war.

THE FAILURE OF LEADERSHIP

The illegal drug problem is admittedly complex, but complexity is no excuse for inaction. President Clinton began derailing the successful approaches of prior administrations from the earliest days of his presidency. After promising to "reinvent our drug control programs" and "move beyond ideological debates," the President announced a new approach to drug policy, de-emphasizing law enforcement and effecting a "controlled shift" away from interdiction. More important, in a message to Congress, he promised to "change the focus of drug policy by targeting chronic, hardcore drug users."[6] This ineffectual policy—the latest manifestation of the liberals' commitment to a "therapeutic state" in which government serves as the agent of personal rehabilitation—seems to have been rejected even by the President's new drug czar. General Barry McCaffrey, who has moved to elevate the profile of prevention programs.

Cuts in the interdiction system and the dismantling of other programs with records of success have been accompanied by the increased availability of drugs. Ironically, the Clinton drug policy has been most harmful to its intended beneficiaries—the very hardcore drug addicts who are cycling through emergency rooms at record rates.

The President's lack of visibility on the drug issue has drawn criticism from prominent congressional supporters of drug control programs, including leading Democrats in the House and Senate. Senator Joseph Biden (D-DE) admits he has "been openly critical of this President's silence."[7] And Representative Charles Rangel (D-NY) has gone so far as to declare, "I've been in Congress over two decades, and I have never, never, never found any Administration that been so silent on this great challenge to the American people."[8]

In fact, since taking office, President Clinton has been significantly engaged in only one aspect of the drug problem—drugs in schools, which arguably is not even the federal government's responsibility. In June 1995, Clinton promised to veto any attempt by the 104th Congress to cut the Safe and Drug-Free Schools and Communities program, which Congress had evaluated and found to be ineffective. Bob Peterson, former Michigan drug czar, described the program as a "slush fund," and even former ONDCP Director Lee Brown acknowledged "abuses of the program" in testimony before a House subcommittee.[9]"

The Disturbing Change in the Trends. During the 1980s and early 1990s, the United States experienced dramatic reductions in casual drug use—reductions that were won through increased penalties, strong presidential leadership, and a clear national anti-drug message. Beyond the substantial investment of resources, engaged commanders in chief used the bully pulpit to change attitudes. Because Ronald Reagan and George Bush visibly involved themselves in the effort to combat illegal drugs, they helped rescue much of a generation. Overall, casual drug use was cut by more than half between 1977 and 1992. Casual cocaine use fell by 79 percent, while monthly use fell from 2.9 million users in 1988 to 1.3 million in 1992.[10] Strong presidential leadership had tangible effects.

Against this backdrop of accomplishment, Bill Clinton promised to get even tougher than his predecessors. Indeed, while campaigning for the presidency, then-Governor Clinton appeared to take an even harder line on illegal drugs than Bush, declaring that "President Bush hasn't fought a real war on crime and drugs . . . [and] I will." On the link between drugs and crime, Clinton said, "We have a national problem on our hands that requires a tough national response."[11]

Despite the tough rhetoric, however, the President's performance has been disappointing. Perhaps the first solid indication that rhetoric and reality would not fit neatly in the same policy box was the appointment of Dr. Joycelyn Elders of Arkansas as Surgeon General of the United States. Dr. Elders, among other things, offered the taxpayers the tantalizing theory that legalization of drugs might "markedly reduce our crime rate" without increasing drug use.[12] As for the President himself, his image of rhetorical toughness was compromised on occasion by remarks that could at best be described as indifferent, at worst as flippant.[13]

DOWNGRADING THE WAR ON DRUGS

The President's ill-considered public words have been accompanied by a reduction in tangible resources and effort. Within weeks of taking office, the Clinton Administration announced that it would slash the Office of National Drug Control Policy staff from 147 to 25. The President made the Director of the Office a member of the Cabinet, but the move was empty symbolism. This became painfully evident when his new Director, former New York City Police Commissioner Lee P. Brown, was observed to be virtually invisible during his two-and-one-half-year tenure. President Bush's Drug Policy Director, William Bennett, told Congress that the Clinton Administration cuts essentially would relegate the new Director to the position of an office clerk.[14]

Cuts in the drug czar's office prefigured much larger cuts in federal enforcement and interdiction agencies. The Administration's fiscal 1995 budget, for example, proposed to slash 621 drug enforcement positions from the Drug Enforcement Administration (DEA), Immigration and Naturalization Service (INS), Customs Service, FBI, and Coast Guard.[15] The DEA, America's only law enforcement agency dedicated exclusively to fighting the drug trade, lost 227 agent positions between September 1992 and September 1995—more than 6 percent of its agent force.

Declining Caseloads. Cuts in law enforcement paralleled reduced drug case filings. The Administrative Office of the U.S. Courts registered a 10.3 percent reduction in federal case filings between FY 1992 and FY 1995, and the total number of defendants indicted in these cases declined by 8.5 percent. The number of federal drug cases refused for prosecution increased by 18.6 percent over the same period as U.S. Attorneys pursued more investigations into health-care fraud and other areas deemed to be of greater priority than combating illegal drugs.

In an April 26, 1995, letter to Senate Judiciary Committee Chairman Orrin G. Hatch (R-UT), then-Drug Policy Director Lee Brown attributed the "troubling" decline in prosecutions to "the policies of the new U.S. Attorneys who de-emphasized prosecution of small-scale drug offenders." Director Brown also quoted the Administrative Office of the U.S. Courts to the effect that the change had been "consistent with DOJ policy".

Despite the abundance of data confirming the declining trend in illegal drug prosecutions, Clinton Administration officials have cited different figures, compiled by the Executive Office of U.S. Attorneys, to suggest that case filings and defendants prosecuted actually rose 12.9 and 12.1 percent, respectively, between fiscal 1994 and fiscal 1995. But even according to these figures, the number of drug defendants prosecuted dropped for the three years prior to 1995, and remains 5.2 percent below the FY 1992 level.[16]

In a textbook illustration of the laxness of Clinton Administration drug policy, the *Los Angeles Times* revealed on May 12, 1996, that hundreds of marijuana smugglers "have been allowed to go free after U.S. authorities arrested them with substantial quantities of drugs at ports of entry in California."[17] Attorney General Janet Reno objected to the article's claims, noting that the individuals in question are "punished" by having their border crossing cards confiscated. Ms. Reno added that prosecution may be "deferred" only if five mitigating factors are present, a claim that elicited this reaction from Bush Administration Drug Enforcement Administration head Robert C. Bonner:

Reno claims that only Mexican nationals qualify under the leniency policy. This results in two standards of justice. U.S. citizens are prosecuted, but Mexican nationals get a free ride to Mexico.

Another criterion is being caught with under 125 pounds of marijuana. So, if you are smuggling "only" 100 pounds, with a wholesale value of over $100,000, you meet one of the criteria.

Now, Reno also says that there must also be "insufficient evidence" of knowledge and intent, but, of course, no one should be prosecuted, regardless of citizenship or quantity, if evidence of knowledge and intent are not present.[18]

Dropping the Safeguards. The Clinton Administration began to reduce America's drug interdiction efforts within a year of the inaugural. On November 3, 1993, against the vehement objections of senior Coast Guard officers, the National Security Council issued a classified presidential memorandum dictating a "controlled shift" of interdiction assets to other functions. At the same time, flight hours in the so-called "transit zone" between the United States and South America were cut by 50 percent, many interdiction aircraft and helicopters were put into mothballs, ship "steaming days" were cut by a third, and Department of Defense detection and monitoring budgets were reduced by more than half. Controlling for inflation, the aggregate government-wide drug interdiction budget has been cut 39 percent since the last year of the Bush Administration.[19]

The impact of these cuts was almost immediate: Between 1993 and 1994, U.S. interdiction forces experienced a 47 percent drop in their ability to stop drug shipments from Latin America. Cocaine seizures by the Customs Service and the Coast Guard fell by 70 percent and 71 percent, respectively, during the same period.[20] Overall interdiction effectiveness has dropped by a cumulative 64 percent between 1993 and 1996.[21]

Some, including General McCaffrey, have attempted to argue, against the evidence, that this reduced effectiveness was the result of changing trafficker routes, not vastly diminished levels of national effort. This argument is refuted by an interdiction study commissioned by the Clinton Administration itself. The study, performed for the Office of National Drug Control Policy by the EBR Corporation, using conservative assumptions, showed that restoring $500 million in assets to the transit zone could cause seizures, jettisons, and mission-aborts totaling 130 tons of cocaine per year. In round terms, this means that restoring half the assets cut by the Clinton Administration could result in the seizure or disruption of more than the entire amount of cocaine seized domestically every year.

Stimulating Demand. Cuts in interdiction and law enforcement have had additional consequences that should have been predictable to anyone with even a modicum of understanding of the basic economic laws of supply and demand. Between 1993 and 1994—the first year of the "controlled shift" away from interdiction—the retail price of a gram of cocaine dropped from $123 to $104. Two years later, the price was still a low $107 per gram. Heroin prices have fallen even more sharply, from $1,647 per pure gram in 1992 to $966 per gram in February 1996.[22] The increased availability of such relatively cheap drugs has helped drive hard-core drug use—as reflected in emergency room admissions—to record levels.

While most drugs are produced in inaccessible regions overseas, limiting the impact of U.S.-sponsored eradication programs, the bulk of the marijuana consumed in the United States is produced domestically. Domestic marijuana eradication under the Bush Administration was highly successful—so successful, in fact, that marijuana became more expensive, ounce for ounce, than gold. Hawaiian producers were forced to import marijuana to satisfy local demand for the first time in recent history.

The Clinton Administration, however, has deemphasized marijuana eradication. There has been a 59 percent reduction in cultivated plants destroyed since 1992.[23] The drug budget of the U.S. Park Service has been cut 22 percent from the FY 1992 level,[24] resulting in a 47 percent reduction in plants eradicated by the Park Service. Once again, increases in supply have fueled demand (use by 8th graders has increased 184 percent since 1992) and caused prices to drop (marijuana prices are at the lowest level in eight years).

The ubiquitous availability of illegal drugs—*de facto* legalization—is confirmed by the Administration's own data. According to the latest White House report on drug use,[25] heroin is now so cheap and pure that it has "driven new demand and drawn some former addicts back into use." Meanwhile, the availability of cocaine and crack is described as "high," and marijuana is "plentiful and potent" and "widely available" in all areas of the country except California.

By making drugs more expensive, aggressive interdiction and law enforcement efforts reduce use among particularly vulnerable inner-city populations by forcing addicts to spend their limited disposable income on a smaller quantity of drugs.[26] A cocaine addict named "Joe," interviewed for a book[27] on the impact of cocaine, describes the phenomenon: "What keeps you from dying is you run out of money." Conversely, paring back supply reduction programs hits hardest those who are most heavily addicted and least able to resist drug use.

Rising Emergency Room Cases. This phenomenon is evident in the record number of drug-related emergency room admissions that have followed in the wake of the Clinton Administration's cuts to enforcement and interdiction programs. (It is instructive that these record increases have occurred despite the Clinton strategy's stated concern for hard-core addicts, the primary population captured by the emergency room statistics.) Compared with the first half of 1994 (which was then the high water mark for drug-related emergency room cases), cocaine-related emergencies have increased 12 percent (from 68,400 to 76,800); heroin-related episodes have risen 27 percent (from 30,000 to 38,100); marijuana-related episodes have increased 32 percent (from 19,100 to 25,200); and methamphetamine cases have jumped by a staggering 35 percent (from 7,800 to 10,600)

Hard-core addicts deserve access to treatment, but experience teaches that the typical addict will cycle through the treatment system several times over a period of years before getting off drugs, with many never reaching that goal. A 1994 RAND study found that only 13 percent of heavy cocaine users who receive treatment are either non-users or light users at the end of a year. The study also found that 20 percent of heavy users continue to use drugs while in treatment.[28]

Getting serious about hard-core drug use ultimately requires America to do more to fight youthful drug use: While hard-core users are mostly beyond the reach of drug treatment professionals, today's young people can be dissuaded from going down the road that leads to hard-core addiction. In fact, those who reach age 21 without using drugs almost never try them later in life. Conversely, drug users almost always start young, and almost invariably by smoking marijuana.[29]

An About Face? With U.S. Army General Barry McCaffrey's appointment as the new point man on drugs, the President indicated he was reversing his decision to gut ONDCP and discarding his misguided strategy of targeting hard-core users. The editors of The Washington Post called the change an "about face." President Clinton was able to capitalize on the installation of a tough-minded general; White House aide Rahm Emmanuel was candid enough to say that the changes were "what the President believes will help us improve on our record."[30]

Given the Clinton Administration's previous track record, however, it remains unclear whether Director McCaffrey's appointment means a genuine change in course. His is a managerial position that accords him little line authority, and his policy accomplishments will depend largely on his willingness and ability to take on the various empires of the federal bureaucracy. This in turn will depend on the degree to which he is supported by the President of the United States.

Unfortunately, early indications suggest that Director McCaffrey may be reticent to test the President's commitment to an effective anti-drug strategy. For instance, McCaffrey recently sided with the Department of State in supporting a determination that Mexico had "cooperated fully" with the United States on drug control matters, even though the head of the DEA objected that the government of Mexico had not done enough to warrant that designation. This determination was made even though the Administration could have waived the sanctions that typically accompany decertification.

This decision sounds a disturbing signal about the degree of General McCaffrey's leverage on drug questions. The United States imports 400 tons of cocaine annually, 70 percent of it transshipped through Mexico. Yet Mexico's seizures have slumped to roughly one-twentieth of the amount passing through their country. Arrest figures are down significantly, and the former president's brother, Raul Salinas, has been arrested on suspicion of "drug-related charges." Four Mexican trafficking "confederations," meanwhile, operate with relative impunity. But President Clinton's statement to Congress explained away Mexican inaction on the peso crisis and declared weakly that President Zedillo's administration has "set the stage for action against the major drug cartels in Mexico."[31] For too long, the U.S. has accepted at face value repeated Mexican promises of future aggressive action against the drug trade. It is time for such complacency to end.

McCaffrey also appears to have had little positive impact on recent high-level appointments. For example, on June 12, 1996, Patricia M. McMahon was nominated to serve as his Deputy Director for Demand Reduction, a post that requires Senate confirmation. A former Clinton campaign worker with little substantive background in drug policy, Ms. McMahon's appointment to a lower-level position was criticized by the Washington Post in the early days of the Clinton Administration as "an example of continued political patronage."[32] Her principal contribution to the White House drug office was to serve as the political operative who carried out the slashing of the staff by 80 percent at the start of the Administration.

THE COMPONENTS OF A NEW ANTI-DRUG POLICY

The President and Congress can retake the initiative in the continuing struggle against drug use and the agents of the criminal network that is exporting poison into America's neighborhoods. But this cannot happen without the full leadership of the President and his Administration.

The Administration must take several decisive steps:

Use the bully pulpit. When President George Bush gave the first national primetime address of his presidency, it was on the drug issue. By doing this, he followed the example of visible and emphatic national leadership set by President Reagan and First Lady Nancy Reagan. The national effort against drugs—carried on by parents, young people, local people, local religious leaders, neighbors, local law enforcement, educators, medical personnel, and local government officials—gains immeasurably from strong, visible presidential support. But it is weakened considerably by the perception of presidential indifference.

Do more in Latin America. Fighting drugs at the source makes sense. Federal authorities ought to be going after the beehive, not just the bees. Foreign programs are also cheap and effective.

An example: America's chronically underfunded program in Peru will cost just $16 million to run in FY 1996. But targeting even that meager amount effectively can work. The Peruvians have managed to shoot down or disable 20 trafficker airplanes since March 1, 1995. Unfortunately Peruvian President Fujimori's aggressive line on drugs actually caused President Clinton to bar Peru from receiving radar tracking data. That decision has badly damaged Peruvian-American relations, but Fujimori has continued to work with the United States, and much more can be done at very small cost. The Peruvian air force currently uses obsolete A-37 jet trainers from the 1950s. For $50 million, the United States could equip the Peruvians with new tracker aircraft, improved nightflyer gear, and spare parts. This is an opportunity to save American lives by helping the Peruvians press their attack on traffickers. In addition to helping countries like Peru, the United States should make effective cooperation in fighting drugs one of the most important requirements for Latin nations seeking good diplomatic and economic relations.

Set more sensible budget priorities. The Department of Defense today is allowed to spend only 0.3 percent of its budget on preventing the inflow of drugs. The U.S. military cannot solve the drug problem, but it can make a profound contribution to cutting the flow of drugs through interdiction. The budget needs to reflect this national priority.

Reduce marijuana availability. The federal government urgently needs to restore leadership to the fight against marijuana production, trafficking, and use. Federal marijuana penalties need to be stiffened, partly by eliminating the loophole that allows marijuana smugglers to be treated far more leniently than marijuana growers. Federal eradication efforts need to be reinvigorated.

Block lower crack sentences. Last year, the United States Sentencing Commission proposed steep reductions in sentences for crack dealers. Those changes were blocked by statute. In its 1997 amendments cycle, the Sentencing Commission should be blocked, and the Commission should be barred from proposing changes in criminal penalties where Congress has established mandatory minimum sentences, except in an advisory format that would require affirmative congressional action before taking effect.

Stop undercutting those drug treatment programs that do work. Taxpayers have heard the stories about waiting lists for drug treatment. Waiting lists are not fiction—they do exist. On the other hand, one program that rarely has waiting lists in Mitch Rosenthal's well-regarded Phoenix House, a tough program where addicts spend 18–24 months literally learning to live new lives. Programs like Phoenix House have a proven track record dating back to 1967. But they are unpopular with addicts because, to quote one analyst, "a residential program with constricted freedom, rigorous rules, and enforced separation from drugs is the last place most addicts want to find themselves, at least initially."[33] Nevertheless these approaches work. Yet taxpayers today pay billions of dollars on drug treatment that allows the addicts to decide for themselves how rigorous and how long their treatment will be. Not surprisingly, this arrangement does not work very well.

In addition, while many faith-based treatment programs report remarkable success with the addicted, their religious character usually bars them from receiving government treatment funds. In a break from current policy, Representatives Jim Talent (R-MO) and J.C. Watts (R-OK) have introduced a bill, the American Community Renewal Act of 1996 (HR 3467), which would allow the neighborhood groups, including religious institutions, the same access to federal funds that is enjoyed by other drug treatment and counseling facilities. States also would be able to contract with these drug treatment centers. Discrimination against effective religiously based programs should end. Taxpayer funding for drug treatment should be tied strictly to results, religiously based programs should be eligible for funding, and addicts who seek publicly funded treatment should be required to enter rigorous programs and face real sanctions if they fail to complete them.

CONCLUSION

The Clinton Administration has a poor record in fighting the war on drugs. Interdiction efforts and prosecution for illegal drugs are down, illegal drug usage and emergency room admissions are up, and there has been an absence of credible presidential leadership on this issue. Part of the problem also has been a failure in personnel management: the inability or unwillingness to appoint effective leaders in key positions to articulate and enforce a strong anti-drug message, as well as inappropriate reductions in staff at agencies dedicated to dealing with the problem on the front lines. With the appointment of General Barry McCaffrey as Director of the Office of National Drug Control Policy, this situation may improve, although the McMahon appointment is far from encouraging.

American taxpayers need and deserve presidential leadership on this issue. Members of Congress also need to focus federal efforts on law enforcement and interdiction programs that work, and fund only those rehabilitation programs that have a track record of success. One way Congress can do this is to allow funding for drug counseling and drug rehabilitation programs provided by religious organizations. Congress and the states also should undertake a tough re-evaluation of existing grant recipients to make sure that funding is going to programs that work best in reducing dependency on illegal drugs.

America's illegal drug problem is complex and presents a special challenge for policymakers in Congress and the White House. But the complexity and the difficulty of the issue are no excuse for ineffective policy and a lack of serious effort.

Prepared for the Heritage Foundation by John P. Walters[34] and James F.X. O'Gara.[35]

FOOTNOTES

[1] U.S. Department of Health and Human Services, Preliminary Estimates for the 1994 National Household Survey on Drug Abuse, September 1995.

[2] University of Michigan Institute for Social Research, Monitoring the Future, December 15, 1995.

[3] Ibid.

[4] U.S. Department of Health and Human Services, Preliminary Estimates from the Drug Abuse Warning Network, Advance Report No. 14, May 31, 1996.

[5] Ibid.

[6] President Clinton's message accompanying Office of National Drug Control Policy's National Drug Strategy, February 1994, p. iii.

[7] Hearing before the Senate Caucus on International Narcotics Control, April 25, 1996.

[8] CNN News, January 31, 1994.

[9] Hearing before House Subcommittee on National Security, International Affairs, and Criminal Justice, April 7, 1995.

[10] See note 1, supra.

[11] The New York Times, March 26, 1993, referring to previous Clinton statements. Unfortunately for the President, his most memorable public statement in connection with the drug issue still was "I didn't inhale."

[12] Wolfgang Munchau, "Clinton's Team Split on Drugs," The Times (London), December 8, 1993.

[13] In an interview with MTV, for example, when asked whether he would "inhale" given the chance to "do it over again," Clinton merely provoked laughter: "Sure, if I could. I tried before." MTV interview, June 12, 1992.

[14] Hearing before the Senate Judiciary Committee, October 20, 1993.

[15] Office of National Drug Control Policy, National Drug Control Strategy: Budget Summary, February 1994.

[16] Prosecution figures are derived from the Executive Office of U.S. Attorneys (EOUSA) as well as the Administrative Office of the U.S. Courts (AO). The AO and EOUSA numbers differ because the two entities practice a different "leading charge" system; only the AO includes misdemeanor cases; and the AO includes cases brought by magistrate judges.

[17] H.G. Reza, "Drug Runners Arrested at Border Often Go Free; Smuggling: Crackdown Leads to More Seizures, but Jail Overcrowding and Clashing Priorities Force Suspects; Release," The Los Angeles Times, May 12, 1996, p 1.

[18] Robert C. Bonner, "Clinton's Flawed Drug-Smuggling Policy," San Diego Union-Tribune, June 4, 1996.

[19] In 1989 constant dollars, the interdiction budget declined from $1.73 billion in FY 1992 to $1.05 billion in FY 1996.

[20] Customs cocaine seizures fell from 35.4 metric tons (mt) in FY 1993 to 10.7 mt in FY 1994. Coast Guard cocaine seizures fell from 15.4 mt in FY 1993 to 4.4 mt in FY 1994.

[21] The "disruption rate" is the total amount of cocaine and marijuana that is seized, jettisoned, or "aborted" (returned to the source country as a result of interdiction or law enforcement presence). Data sheet from Joint Interagency Task Force-East, Key West, Florida, April 26, 1996. The daily disruption rate fell from 435.1 kgs/day in 1993 to 228.7 kgs/day in 1994, and still further to 158.1 kgs/day during the first 15 weeks of 1996.

[22] U.S. Department of Justice, Drug Enforcement Administration, and Abt Associates, Average Price and Purity of Cocaine in the United States, Average Price and Purity of Heroin in the United States, May 28, 1996.

[23] According to the Department of Justice, 3.04 million cultivated plants were eradicated in 1995 compared to 7.49 million eradicated in 1992.

[24] The Park Service drug control budget was cut from $11.1 million in FY 1992 to $8.7 million in FY 1996.

[25] Office of National Drug Control Policy, Pulse Check: National Trends in Drug Abuse, June 1996.

[26] For example, a 43 percent increase in cocaine prices in 1990 (the first such increase in five years) paralleled a 27 percent reduction in cocaine-related emergency room admissions and overdoses (the first such reduction in 12 years).

[27] Eugene Richards, Cocaine True, Cocaine Blue (Aperture).

[28] C. Peter Rydell and Susan S. Everingham, Controlling Cocaine: Supply Versus Demand Programs (Santa Monica, Cal.: RAND, 1994).

[29] According to the Center on Addiction and Substance Abuse at Columbia University, 12- to 17-year-olds who use marijuana are 85 times more likely to graduate to cocaine than those who abstain from marijuana.

[30] Ann Devroy, "About-Face; Clinton to Restore Staff He Cut from Anti-Drug Office," The Washington Post, March 6, 1996, p. A15.

[31] Memorandum from the President of the United States to the Secretary of State, Certification of Major Narcotics Producing and Transit Countries, Statement of Explanation: Mexico, March 1, 1996.

[32] Michael Isikoff, "Drug Director Urged to Hire Hill Aides; Memo Asked Director to 'Do Something' for Congressman Rangel," The Washington Post, August 19, 1993, p. A27.

[33] Sally Satel, "Yes, Drug Treatment Can Work," City Journal, Summer 1995.

[34] John P. Walters is President of the New Citizenship Project, an organization created to advance a renewal of American institutions and greater citizen control over national life. During the Bush Administration, he served as Acting Director and Deputy Director of the White House Office of National Drug Control Policy (ONDCP).

[35] James F.X. O'Gara is Director of Research for the New Citizenship Project. He previously served as drug policy advisor to Senator Orrin G. Hatch (R-UT), Chairman of the Senate Judiciary Committee, and has served as assistant to the Administrator for DEA for foreign policy matters.

Mr. HATCH. I thank the distinguished Senator from Georgia for his leadership in this area, for being willing to get out here and talk about these issues. I have been talking about them for a long time. I am disappointed we have not made more headway, but it certainly has not been for lack of effort on the part of our friend from Georgia.

I want to say in all honesty, we have to fight this war. We have to give it everything we have. We have to have leadership at the top. We do not have it right now but we are going to keep this pressure on until we get it, one way or the other.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. I thank the Senator from Utah for, as he has acknowledged, long and diligent work in this arena. A lot of Americans can be particularly thankful for that work.

Mr. HATCH. I thank my colleague.

Mr. COVERDELL. I appreciate his remarks this morning. At this time I yield up to 10 minutes to the Senator from Arizona.

The PRESIDING OFFICER. The Senator from Arizona is recognized for up to 10 minutes.

Mr. KYL. Mr. President, I thank the Senator from Georgia for organizing this time to speak about this incredibly important issue. While we do not intend this to be an issue that is partisan in nature, as the Senator from Utah, the distinguished chairman of the Judiciary Committee, has just pointed out, although this is clearly a bipartisan effort, or should be, it is impossible to deal with the issue without, I think, criticizing some of the people who have been unable thus far, or unwilling, to fight this war on drugs, to level that criticism as a way of pointing out what needs to change.

I would not be so willing to do this if President Clinton had not made this a partisan political issue in the first place. That is what angers me so much. We just saw the Senator from Utah, the distinguished chairman of the Judiciary Committee, point out that from 1980 to the end of 1992, during the time of Republican administrations, drug use on all fronts had declined dramatically. In the Presidential campaign of 1992, here is what then-candidate Bill Clinton had to say:

> [President Bush] hasn't fought a real war on crime and drugs. I will.

Maybe if he had not said that, maybe if he had not made that promise, I would not be so critical of him today for failing to keep that promise. But as the chart that Senator HATCH just showed us reveals, from the time that President Clinton took office, drug use among young people in all of the categories increased. So you saw during the entire time of the Reagan and Bush administrations drug use going down and then, when President Clinton took office, drug use sharply going up. That is why it angers me to go back and see statements like this during the campaign 4 years ago, when he criticized President Bush for not being tough on drugs, and said he would fight the war on drugs. He has not done it and that is why we are critical here today.

It is not to try to throw barbs at the President, but to try to get him on board on this issue, because this is critical for the future of the United States and for our kids. Specifically, when usage of hard drugs among White House personnel was finally revealed in the media, after having been denied by Presidential spokesmen, we get the kind of reaction that Senator HATCH just pointed out, coming from the White House, that suggested that using drugs is no big deal. It was Leon Panetta 2 years ago who attacked House Speaker NEWT GINGRICH for his comment that the delay in the White House granting clearance to a large group of staffers might be in part due to drug use by some of the staffers.

That was the information people had at the time, but it was not then confirmed. Here is what Leon Panetta said:

> We cannot do business here with a Speaker of the House who is going to engage in these kind of unfounded allegations.

The people at the White House at that time knew those were not unfounded allegations. Now, 2 years later, the news accounts report that in fact at least a dozen staffers were taken on board, over the objection of the FBI and Secret Service because of their hard core drug use. Now what do the spin meisters at the White House talk about? Of course they are no longer unfounded accusations. Now it is just the excuse that, well, everyone was doing it. Press Secretary Mike McCurry:

> I was a kid in the 1970's. You know, did I smoke a joint from time to time? Of course, I did. And the FBI knows that, and that was in my background file.

The "of course, I did" is what bothers so many of us. The White House is the ultimate bully pulpit in the United States. The tone set there permeates our entire culture. Our young people look to the President for his leadership on issues, to set an example, to be a role model. When his chief spokesman tosses off his drug use with a mere cavalier "of course, I did," inferring that everybody did, that suggests it is behavior that is acceptable. It is against the law and it is not acceptable behavior.

So, when the people at the highest levels in the White House treat the issue so cavalierly, is it no wonder the young people in our country, who are obviously susceptible to this kind of language, treat it cavalierly as well? Yet this is the same White House that is blasting Senator Dole for his comments that not necessarily everyone is addicted to tobacco use. It seems to me there is a gross double standard here, at a minimum. But that at maximum, one might say, more important, for the young people in our country this administration has squandered the assets that had been brought to bear in the war on drugs, had squandered the success of the Bush and Reagan administrations when drug use was brought substantially down.

Senator HATCH has pointed out many of the things that have occurred during this administration, like the drug czar's office staff being cut more than 80 percent. After a year of leaving the drug czar's office vacant, finally the President selected Lee Brown, who was only in office for a few months. His major initiative was to have "Big League Chew" bubble-gum removed from convenience store chains. It did not do much to fight the war on drugs.

Then he appointed as our Nation's top health official Joycelyn Elders, who said "[I] do feel we would markedly reduce our crime rate if drugs were legalized." In one sense I suppose if you remove all prohibitions on illegal activity, you reduce the illegal drug use rate, at least measured against what it was during the war on drugs, but that is obviously not the way to protect the future of America's children. Particularly since we understand that the use of drugs such as marijuana leads to the use of much harder drugs. That is why the President's reduction in requests for funding from interdiction to law enforcement have not been welcomed by the Congress, and why the Congress has wanted to fund those programs at a higher level.

Just summarizing what Senator HATCH said a moment ago, with the reduction in the officers from FBI, INS, Customs Service and Coast Guard, they would have lost 621 drug enforcement agents had the Congress not put the funding back in. And he mentioned the fact we did not train special agents of the DEA in 1993. But when the Congress has finally insisted on increasing the drug interdiction effort, for example in the bill we just dealt with last week, we get emphasis—indications from the White House that they will support those increases. I hope that is true.

According to the Wall Street Journal, the Attorney General, Janet Reno, "announced that she wanted to reduce the mandatory minimum sentences for drug trafficking * * *." Statistics released by the Administrative Office of the U.S. Courts reveal that, although drug use is going up, the number of individuals prosecuted for Federal drug violations is going down. That is what we have to change. This de facto strategy of the administration in fighting drugs was to deemphasize interdiction, law enforcement and prevention and concentrate on treatment. Yet, as has been pointed out, treatment is not the answer to this problem. It is only one small piece of the puzzle. And a 1994 study by the Rand Corp. found that 27 percent of hardcore drug users continued hardcore use while undergoing treatment. And fully 88 percent of them returned to hardcore drug use after treatment. So the recidivism rate was very, very high.

Let me just hesitate here to make a point. In criticizing the administration's efforts here, again I do not intend to be partisan. There have been a lot of Democrats who have been equally critical. Senator BIDEN, the ranking Democrat on the Senate Judiciary Committee, said:

> This President is silent on the matter. He has failed to speak.

Representative Charles Rangel, a Democrat from New York whose district has a very serious problem in this regard said:

> I've been in Congress for over two decades and I have never, never, never seen a President who cares less about this issue.

So I am not just speaking from the perspective of a Republican, Mr. President. I am speaking as someone who cares about our future and who has noted it is people on both sides of the aisle who are deeply committed to fighting this war who are also critical of this administration.

The chairman of the Judiciary Committee pointed out that marijuana use is up; that one in three high school seniors now uses marijuana. That is an astounding statistic. Why is it important? Because, as I said a moment ago, according to surveys by the Center on Addiction and Substance Abuse, 12- to 17-year-olds who use marijuana are 85 times more likely to graduate to cocaine than those who don't use marijuana.

So those who argue that marijuana use, so-called "soft drugs," are not important are ignoring scientific evidence that almost all of the people who use those kinds of drugs graduate to harder drugs. That is why it is so important to stop this drug use at that level.

What can we do to recapture the initiative on this war on drugs? First of all, on interdiction, the action we just took last week, we have to see renewed efforts by Federal agencies responsible for fighting drugs to spend greater resources, identifying the sources, methods and individuals involved in trafficking.

Enforcement I mentioned a moment ago. Drug prosecution under this administration has decreased. Those violating our drug laws must be prosecuted, and we have to make sure those who are profiting from the drug trade are severely punished.

Finally, education and prevention. Kids need to learn and be constantly reminded that drugs are harmful, and that is where the President's bully pulpit comes in.

They laughed at President Reagan and his wife when they said that we should "just say no." I think they were making a big mistake. We know the President has to say no.

Mr. President, I ask for 30 seconds more from the Senator from Georgia, since I know my time has expired.

Mr. COVERDELL. I yield another minute to the Senator from Arizona.

Mr. KYL. Mr. President, I appreciate that. That will enable me to make this final point.

We are doing our part in Congress to revitalize this war on drugs. We just passed the Commerce, State, Justice appropriations bill, which will improve our enforcement and interdiction efforts. It increases the funding substantially. I think, however, once we have done this, the President is going to have to help us regain the initiative by demonstrating that the administration is just as concerned about this effort as is the Congress. Of course, another option is to elect a President who really seems to care about this effort. But that is another matter.

Let me say in conclusion, this effort should be bipartisan. It has to be coordinated. The President and the Congress have to join in the effort, and we have to convince the younger people in our country that the trend of drug use that is now going up must be reversed if their future is going to be great and if the future of America is going to be great, because all Americans bear the cost of drug abuse through increased crime and increased taxes to pay for welfare and other social programs and all the other costs to society that can't be measured.

It is time to resume the drug war. America's future is at stake.

I commend the Senator from Georgia for taking this time so we can emphasize the issue and get on with this important effort.

Mr. COVERDELL. Mr. President, I wonder if the Senator from Arizona will stay with us for just a moment.

I would like to read an editorial that appeared in the Boston Globe on Tuesday, July 23. It relates to his remarks. It quotes Speaker GINGRICH in December of 1994. He said on a television show:

> I had a senior law enforcement official tell me that, in his judgment, up to a quarter of the White House staff, when they first came in, had used drugs in the last 4 or 5 years.

He said:

> Now, that's very serious. I'm not making any allegation about any individual person, but it's very clear that they had huge problems.

It goes on. This editorial says:

> Then the sky fell in. "We cannot do business here with a Speaker of the House who is going to engage in these kinds of unfounded allegations," fumed Panetta. He lashed Gingrich for behaving like an out-of-control talk show host, for making an absolutely false accusation, for trafficking in smear and innuendo.
>
> George Stephanopoulos has labeled Gingrich "irresponsible." Hillary Clinton said, "So unfair." Press Secretary Dee Dee Myers called them "reckless charges."

McCarthyism was alluded to. That was the beginning of the demonization of the Speaker. Let me ask this question of the Senator from Arizona. Don't you think these people owe him an apology?

Mr. KYL. Mr. President, I am so glad that the Senator from Georgia has asked that question, because now that this has been reported on in the media 2 years after the fact and some people from the White House have, apparently, acknowledged that there is truth to these allegations, I think that every one of the people who smeared House Speaker NEWT GINGRICH not only owe him an apology—and it should be a very direct and specific apology—for the comments that the Senator from Georgia just read, but they owe an apology to the American people, because they, in smearing him, suggested that he was lying, that he was not telling the truth, that the allegations were unfounded, when, in fact, they either knew or should have known what was going on in the White House, why those clearances had not been granted. Therefore, it is they who were misleading the American public by suggesting that what he said was untrue.

So I have been wondering for some time when we would receive an apology, and I think it is as important that the House Speaker receive an apology.

I happened to see the Sunday morning talk show when Speaker GINGRICH said what he said. I saw him say it, and I thought at the time, "Boy, he was certainly careful how he repeated that allegation because it was all over the news media."

He was very careful in saying, "Now, I'm not making allegations, this is what a high-ranking official told me, and if it is true, it's very bad."

Well, all of the qualifications went out the window when all the White House pack dogs immediately attacked him the next day suggesting he was the one who was some kind of wild accuser here.

That is why I think the Senator from Georgia hits the nail right on the head when he suggests that each one of these people owes the Speaker a very specific apology. And if I can go further and suggest they should apologize for misleading the American people as well.

Mr. COVERDELL. If the Senator will yield.

On dozens of editorial pages—

I am quoting—

> there were comparisons to the most infamous demon in American history. The Georgia Republican's words, said Newsday, were laced with the kind of innuendo which fueled McCarthy's witch hunt. To Herblock, the Washington Post venerable cartoonist, Gingrich was McCarthy, cruelly blackening reputations with a broad brush.

I think there are a lot of people who owe the Speaker an apology. This attack was very harmful to this gentleman, and you alluded to it. There is no way that all of these people in the White House could not have known about the problems they were having in getting White House clearance. I believe they not only owe him an apology, but they owe him an apology at the same level to which they leveled this attack: a public apology from all of them, not just one of them on their behalf.

Mr. KYL. If the Senator from Georgia will yield for a moment, the point here is not to extract an apology for the sake of an apology, but rather, I think, to make a larger point.

Clearly, when the Speaker of the House is vilified the way he was without good reason, and we know now incorrectly if not with animus, he is owed an apology. But the point of these attacks was to try to distract attention away from the specific charge and the problem that was being alluded to by the Speaker.

That is where I think these people owe an apology to the American public, because they were trying to divert attention away from a condition, a problem, and it is very much like the way the administration has treated this drug war from the very beginning.

It is basically a nonwar, and that is why drug use has gone up during this administration's tenure. They have to focus back on the fact that what they say matters. The way the President acts matters a great deal, especially to the young people in this country.

He is the first really young new-generation President here. As a result, I think young people really look to President Clinton because he is younger than most of the Presidents have been in recent years. When they see him act in a relatively cavalier way, then they are going to pick up on that. That appears to be what is happening, if you look at the statistics.

So again, while it is important to apologize to the Speaker, because what they said about him was extraordinarily unfair and inaccurate, I think it is more important, again, that they get back on track in fighting the war on drugs by apologizing to the country as a whole for trying to distract attention from the problem in the White House, trying to distract attention from what was going on here in their inadequate effort to fight the war on drugs and refocus attention on the very, very difficult nature of this problem.

President Clinton has an extraordinarily great ability to be persuasive, to demonstrate that he cares about things. And if he were to mount the podium with the same sincerity that Nancy Reagan and Ronald Reagan did and George and Barbara Bush to tell the young people of today why it is so destructive for them to begin this path of doing drugs, I think he could be enormously helpful. He could be so powerful in his appeal and reach to these young people.

So instead of obfuscating the issue and accusing others of making too big a deal out of it, as they did with Speaker GINGRICH, I think they ought to try to focus on what they can do to help. It would be a tremendous benefit if they would do that. I thank the Senator from Georgia.

CULTIVATING THE FUTURE

Mr. GRASSLEY. Mr. President, a wise man once said that what is honored in a society is cultivated there. In other words, what a society believes is important and respects, it will teach its children and demand in its public life. I have been concerned in the last few days by what it seems to me that we are honoring in our society. And I am concerned because of that about what we may be cultivating for the future.

I am concerned about what we have learned in the past few days and weeks about the attitudes the Clinton White House has about security clearances and security procedures in general. I am also concerned about drug use, respect for privacy, and regard for simple facts straightforwardly presented. I am concerned about what attitudes on these issues, coming from the Nation's first household, are communicating to the public. I am particularly troubled about the White House's seemingly cavalier attitude about drug use and about the message that this careless viewpoint is sending.

Based on reporting in the Washington Post, "The Secret Service in 1993 balked at granting permanent passes to about a dozen people in the Clinton White House because of concerns about recent use of illegal drugs that in some instances included crack cocaine or hallucinogens. . . ." But this is not all. The problem was evidently so serious as to require the unprecedented step of establishing a special drug-testing program in the White House. We have heard that this involves only a few people. But then we also heard from the same White House that there were only a few unauthorized FBI files. That story had to be revised several times as the numbers grew. Perhaps that will not happen here, but the numbers are not really the issue.

What is of concern is the principle. In the files case, one file improperly obtained, illegally reviewed, and carelessly kept was too many. In any normal operation, the person responsible for this chain of slipshod management would be identified, fired, and, if a crime was committed, prosecuted. In the present case, however, the White House not only does not know who was responsible, they cannot or will not figure out who hired him. Based on this White House's public assertions about hiring practices in the world's most important household, Rosy the Bag Lady could have moved locations from Lafayette Park into the West Wing, gotten a White House pass, and set up shop with no one the wiser.

As in the files case, it is the principle that matters in the White House's attitude about drug use. It is what actions there say publicly about what is honored and what should be cultivated. Perhaps it should come as no surprise that a President who did not inhale should see no problem in hiring known drug users to sit on the world's most visible front porch. But what is of more concern than this peculiar tolerance is the response of the President's spokesman to the issue. Let me quote his remarks. "I was a kid in the 1970's," he said. "You know, did I smoke a joint from time to time?

Of course, I did." Of course? There is a lot of consequence in that "of course." As Mr. Bennett, the country's first drug czar noted, that "of course" is very disturbing. Mr. Bennett asks a very important question: "What exactly did Mr. McCurry mean by 'of course'? That every young person used drugs in the 1970's? Or that it was no big deal?" In either case, as Mr. Bennett notes, the President's spokesman is wrong. He not only has the facts wrong, he has now put the White House behind the notion that drugs are no big deal.

Mr. McCurry's words are very revealing. They are dismissive of the idea that drug use is of any serious concern. They indicate an indifference to the realities of drug use. And, for a White House whose clearest competency is in message management, it shows a remarkable ignorance of the importance of using the bully pulpit of Presidency to send a clear, antidrug message. We need to remind ourselves that Mr. McCurry did not make these remarks in private. He is no babe in the woods. He did not get trapped. He did not speak out thinking that the microphones were turned off. Mr. McCurry made these remarks to the press as the chief spokesman for the President of the United States. Say what you will, his remarks are now an indelible part of the public record. So too, are the White House's attitudes to drug use revealed here.

I am sure that in the next few days we will have more clarifications about the position. I am sure that these clarifications will include the typical accusations that discussion of the issue at all is just partisan politics. But, what remains is a public demonstration about how this White House thinks about drugs. It reflects a casualness about the drug problem that is communicated to the public. It is a communication that, frankly, concerns me a great deal.

On a number of occasions I have raised my concern on this floor about the dramatic rise in teenage drug abuse. If there are any of my colleagues who have not acquainted themselves with the realities of what is happening with kids and drugs today, I urge them to take a look at the facts. I think that what they will find will disturb them. In brief, by whatever standard you use or reporting system that we currently have to tell us about drug use, teenage use is on the rise.

In the last several years, after more than a decade of decline, we are seeing returning drug use that is wiping out all the gains that we had made. What is just as alarming, teenage attitudes about the dangers of drug use are also changing for the worse. Today's kids see drugs as far less of a problem than did kids just a few years ago. Even worse, drug use today is starting even earlier. We are now seeing the problem affect 11 and 12 year olds. Unless you believe that drug legalization for kids is a realistic option or a responsible policy, then you cannot ignore what is happening under our very noses, in our homes, schools, backyards, and front porches.

In this context, do you think that remarks like the President's or Mr. McCurry's do not matter? Let us not kid ourselves about kids. What the White House says publicly is one of the ways we communicate lessons about what we honor and should cultivate. That the White House understands this is clear from what it has to say on other issues. On this issue, however, the message is anything but clear.

In March of this year, I co-chaired a Senate-House Task Force on National Drug Policy. Bob Dole and NEWT GINGRICH established the task force to take a look at the problem and recommend solutions. The report from that effort documents not only the present trend in drug use among kids, but the policies or lack of policies by the Clinton administration to deal with the problem. I invite all of my colleagues, the press, and the public to take a look at what the task force learned. It is sobering.

One of the essential findings of the report, which is hardly new, was that the bully pulpit for sending messages about what is right and wrong, good and bad, must be central to any drug policy. As the report notes, we must be consistent in our message. We must have words and deeds that are complementary not contradictory.

Democrats and Republicans over the last several years, however, have repeatedly noted that the administration, and particularly the President, have been virtually silent on the drug issue. The only serious pronouncements that anyone here or elsewhere likely remembers about this administration's drug policy was the President's remark that he didn't inhale. That and the repeated public statements by the Surgeon General of the United States calling for consideration of drug legalization. Except for these less than inspiring remarks, the drug issue simply disappeared in the first 3 years of the administration. Like the drug czar's office, it was benched. For this administration, drug policy was not just the least valued player. It was traded to a farm team and hustled out of town under a blanket of silence.

Now, in an election year, when the drug use numbers are bad and getting worse, we have seen a new public posture by the administration on drugs. We have a new drug czar—more power to him—and we have had a few presidential sound bites and backdrops. I am sure that none of these actions have anything to do with politics. But, we have seen also other things that leave a more lasting impression, particularly in young minds. Particularly, what we have seen disseminated to the public is the knowledge that "of course, I used drugs" and "I didn't inhale" are the hallmarks of this White House. As Mr. Bennett noted, policy follows attitude. It is not hard to understand the administration's policies with attitudes like those coming from the White House.

Recently, a music group with the unlikely name of Smashing Pumpkins lost one of its lead performers to a drug overdose. In recent years, such deaths of celebrities have become a common occurrence, another reminder of the 1960's culture born again. So serious has the problem become that record companies and managers are looking to institute drug programs to help prevent these losses. In the case of Smashing Pumpkins, they fired one of the band members who was involved in drugs along with the young man who died. Evidently, drug use in this case was grounds for dismissal. I wish that this White House understood the message here. That tolerating drug use, even former drug use, sends a dangerous message.

If we learn from the bully pulpit of the Presidency about what we should honor and cultivate in our national life, then I am concerned about what recent events tell us. I am concerned that we seem to have replaced "Just Say No" with a muddled message. I am concerned that this garbled text is sending the wrong signals, is reinforcing the wrong attitudes. Perhaps it is no coincidence, then, that calls for legalization of drugs are now more vocal and well-financed than at any time since the 1960's. It is perhaps why, we see initiatives on the ballot in California and Arizona that would legalize marijuana. It is perhaps why one of the largest financiers of drug legalization is a White House confidante. It is perhaps not just coincidence that the drugs-are-good-for-you message is back in movies, music, and on TV. It is perhaps why we see a White House where the Colombian drug lords can number employees as some of their former clients.

I worry about what we seem to be honoring and what we may cultivate as a consequence.

Mr. GORTON. Would the Senator from Georgia yield?

Mr. COVERDELL. I certainly will be more than pleased to yield to the Senator from Washington.

Mr. GORTON. It seems to me, Mr. President—and I ask for the comments of the Senator from Georgia on this—that during the course of this last half-hour or so, there have been perhaps five different, but related, themes. I wonder if my understanding is accurate.

The first, and in a sense the most immediate, is the way in which the White House responds to any kind of criticism, very frequently with nasty personal attack.

The second, which is one step above that and perhaps triggers the first, is the indifference in the administration itself to the question of drugs and of security and the like, you know, by the people who serve the administration.

The third, it seems to me, is the drug policy of the administration. I think the Senator from Georgia has already spoken to that question—less money, fewer people, less attention.

The fourth is as the Senator from Arizona just said, the use or nonuse of the magnificent platform that any President of the United States has to speak to matters which are of deep concern to the American people or which create grave social problems or challenges to the American people. And the question as to whether or not any particular President pays any attention to that subject.

But I think each of those, in my view at least, leads to the final question. And that is, what impact is the plague of drugs imposing on the American people? Is the use of illegal substances rising or falling at any given level? And particularly, is this use rising or falling among young people, first becoming conscious of the world around them? And is that increase in use—quite clearly that is the case at the present time—attributable at least in part to what society, through its leaders, through its President, says or does not say, says or implies by an action or nonaction in connection with this drug use?

I think if you start from No. 1, attacking anyone who attacks them, second, an indifference to personal health, security or drug use, third, the amount of money and attention paid in budgets, fourth, the use or more particularly the nonuse of that bully pulpit in the Presidency, that fifth and most important consequence is almost an inevitable consequence, is it not? Is it not very difficult to make the case that these are unrelated phenomena, with the fact of increased drug use, the fact of a more serious problem in society today? Is it not connected with this indifference in money, in attitude, and the like on the part of the executive leaders of our Nation?

Mr. COVERDELL. First, I commend the Senator from Washington in his usual fashion of framing issues so well. But I think there is no conclusion one could reach but that these five points you allude to are inextricably connected and have resulted in a new drug epidemic in the United States, period.

I say to the Senator from Washington, from my own point of view, I have been surprised that a change in public policy, which occurred when this administration took office, could result in these kinds of changes so quickly. I would have thought these changes might have taken a decade to have the impact. It has been a revelation to me that within months you began to see a trend of less use of drugs turn completely around and now turn into something that is a devastating phenomenon in our country.

I will say one other thing and then go back to the Senator from Washington. On your fourth point, the use of the pulpit, so to speak, I would say that is even more serious than has been characterized. Not only has it not been used, but to the extent it has been used, it is the wrong message.

First of all, there is too much silence. Second, we had an Attorney General arguing for legalization in this administration. Third, we had statements, like press secretary McCurry and the President himself when he said, "Well, I didn't inhale." These are all cavalier tones that suggest a lack of seriousness about the issue. That is why I believe it is not just the trend lines have reversed, but they have dramatically reversed. And the damage is of epidemic proportions. And 12 years have virtually been cashiered because of the link between these five points, but particularly Nos. 4 and 5.

Mr. GORTON. I think the Senator from Georgia makes a good point. I would like to share this reflection with him and hear his views on the subject. I believe sometimes we have these problems by a misuse of terms. And in this connection, a few years back, when drug policy was a higher order of priority, we had what was, I think, misnamed as a "war on drugs," sincerely carried out by men and women who felt that drugs were a plague on our society creating a tremendous amount of crime, social dislocation, wasted lives. But the implication, when they used that term, was that it somehow or other could have been won permanently and decisively.

I believe that we made the same mistake a generation ago when we began a war against poverty with the same implications. Just set up a few programs and you will get rid of the circumstance. Perhaps, it has occurred to me, that this began because we have had truly wars where they have a beginning, middle, and an end, whether it was World War II, at one level, or even a half-a-century-long cold war. It is over. We have had a definitive triumph.

When one Presidential administration starts a war on poverty or, more particularly in this case, a war on drugs, and then the next administration discovers the real truth, that this is a struggle that begins over again in the minds of every young person in the first, second, third, or eighth grade and, in fact, has never definitively been won in the minds of an individual who may have started on some form of drug and then gotten off but is a life-long process in the lives of every single individual, then that administration tends to lose its sense of focus or even its sense of caring, because each administration wants something else that it can be definitively responsible for.

Do we not have a situation here in which we had a significant degree of success over a period of 4, 8, or 12 years, which one other administration by diligent effort could continue, could lose no ground, maybe by tremendous effort could maybe even make a few gains, but knew it could not win the way you win World War II, so the administration just lost interest in it. There were just a lot of other things it wanted to do.

Have we all not suffered? And this is the most important part of the question, have we not all suffered as a result, because the implication made that we have gotten this far, we do not have to do anything to at least keep it the status quo. But as the Senator from Georgia pointed out, in 4 years you can lose all the ground you gained in 12. Is that not essentially what we have done as a result of this administration's indifference to the problem?

Mr. COVERDELL. The Senator has raised several very, very crucial questions and sort of a constructive criticism which I might need to take to heart. First, we have not lost all the ground; we have just lost a lot of it. If unchecked, we will lose it all.

I do not know that I agree that it was strictly a function of interest level. I believe there are people in our country, and some of them are in this administration, like former Surgeon General Elders, who believes the construction of the struggle was wrong. I believe that they believed rehabilitation is more important that interdiction, so there are some philosophical differences here.

We now have the results of the interdiction law enforcement and education. It cut it in half. The new idea, empirically, has failed, because it has doubled, but we still have people in this administration who do not agree with the war on drugs.

Now, the last point I make, the war on drugs, I think the Senator makes a very valid point that it is not something to ever be won or lost. I have called it a war on drugs, of late, because of the level, separate from usage in the United States.

The fact is, we have come into an era where drug cartels with their enormous capacity of resources and sophistication, in my judgment, have put democracies in the hemisphere at stake. When the President of Mexico turns to me and says, "The single greatest threat to my public are the drug cartels," that raises it to a new level. I think there is a war in the hemisphere to gain control of this circumstance so that it does not threaten fragile and small democracies—some of them rather large. I draw that distinction and separate the two.

The Senator is absolutely correct, this is an issue for which society has always and will always struggle. Maybe it is improper to characterize it as a war. That is a duty. It is a duty of one civilization to those that follow. From time to time, I argue, there are incidents—and we are in one—where there is a configuration where we really are in a very adversarial struggle with a force that is capable of undoing society. I do believe the hemisphere is confronted with that at this point.

Mr. GORTON. I thank the Senator from Georgia for the clarity of his thought and for his dedication to a cause which is of vital importance to the future of our country and society.

Mr. COVERDELL. Thank you very much.

Mr. President, I appreciate very much the thoughts of the Senator from Washington. As always, the Senator brings great clarity and poignancy to issues of importance to our Nation.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by former drug czar William Bennett.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BENNETT CRITICIZES MCCURRY AND WHITE HOUSE DRUG POLICY

WASHINGTON, DC, July 18, 1996.—Today, Empower America co-director and former Bush "drug czar" William J. Bennett released the following statement:

Yesterday we learned from interviews with Secret Service agents (released by a House committee) that background investigations on White House employees found that more than 40 had used drugs; a few dozen showed drug usage had been within the last five years; and that among those few dozen people were individuals who had used cocaine, crack cocaine and hallucinogens. We learned, too, that the Secret Service initially rejected White House passes to an unspecified number of White House employees because they were considered a security risk—a recommendation which apparently was unacceptable to the Clinton administration. Instead, the administration opted for a far more lenient policy—a twice-per-year surprise drug test. These are very disturbing revelations—but ones which do not seem to trouble the Clinton administration at all.

I have also read the transcripts of Mike McCurry's July 17th press briefing in which he stated that "of course" he used illegal drugs during the 1970s. What exactly did Mr. McCurry mean by "of course"? That every young person used drugs in the 1970s? Or that it was no big deal? Why didn't Mr. McCurry show any regret for having used illegal drugs? Mr. McCurry is wrong on all counts—and he should admit that he was wrong.

These revelations by Secret Service agents, combined with Mr. McCurry's comments are, I think, emblematic of the Clinton administration's cavalier and indifferent attitude toward illegal drug use. The Clinton administration doesn't seem to care about this issue. They seem unwilling to take a strong and unambiguous stand against drug use. And this nation is now paying a very heavy price for the Clinton administration's indifference, in terms of wrecked and lost lives.

Mr. McCurry's comments are of course not helpful. But neither are they surprising. After all, President Clinton's record on fighting illegal drug use is abysmal. It is worth pointing out that this is not a partisan opinion. Democratic Senator Joe Biden has been a strong critic of the administration's anti-drug efforts. And it was Democratic Congressman Charles Rangel who said this about the Clinton administration: "I've been in Congress over two decades, and I have never, never, never found any administration that's been so silent on this great challenge [illegal drug use] to the American people."

Consider the record under Bill Clinton's watch: drug use among high school seniors has risen steadily since he took office. The number of 12- to 17-year-olds using marijuana has almost doubled. Methamphetamine emergency room cases are up over 300 percent. LSD use has reached the highest rate since record-keeping started in 1975. Drug-related emergency room admissions are at record levels. And these trends have occurred after real progress was made against drug use in the mid-1980s and early 1990s.

But there is more involved here than a failure of public policy. The Clinton administration suffers from moral diffidence on this issue. Policy follows attitude. In 1991, when asked about his past drug use, Mr. Clinton declared that he had never "broken any drug law." A year later, he admitted that when he was in England, he had experimented with marijuana but he said, "I didn't like it. I didn't inhale it, and never tried it again." Later, when asked whether he would inhale if he had to do it over again, he answered, to laughter: "Sure, if I could. I tried before."

Then there is President Clinton's former Surgeon General Joycelyn Elders, who had been one of this administration's most vocal voices on drugs and who had favorable words about drug legalization. And of course now we have Mr. McCurry's comments.

During the 1980s, Nancy Reagan was ridiculed for her "Just Say No" campaign. But it turns out that "Just Say No" is far more effective than "I didn't inhale" or an attitude of "of course I used illegal drugs."

I realize that Mr. McCurry, a skilled press secretary, was simply reflecting the attitude of the President and his administration. But I would be interested in the answer to two questions: first, what does General Barry McCaffrey think about Mr. McCurry's comments and the underlying attitude they expressed? And second, does President Clinton have any objection if a person who has used cocaine, crack cocaine or hallucinogenic drugs during the past five years is working in his administration? Is there any kind of recent (pre-White House) drug use or drug activity that would disqualify somebody from joining the Clinton administration? Perhaps the president could clarify what his policy is on these matters.

On the issue of fighting illegal drugs—like so many other issues of national importance—the American people deserve better from their president.

Mr. COVERDELL. I will take just a minute to read from this statement from William Bennett:

> Yesterday we learned from interviews with Secret Service agents that background investigations on White House employees found that more than 40 had used drugs; a few dozen showed drug usage—

I have always wondered what that remark means; what is "a few dozen"? It sounds an awful lot like 40.

> . . . a few dozen showed drug usage has been within the last 5 years; and that among those few dozen people were individuals who had used cocaine, crack cocaine and hallucinogens.

It goes on: "These revelations by Secret Service agents, combined with Mr. McCurry's comments," which we have all talked about earlier, "are, I think, emblematic of the Clinton administration's cavalier and indifferent attitude toward illegal drug use. The Clinton administration does not seem to care about this issue. They seem unwilling to take a strong and unambiguous stand against drug use. And this Nation is now paying a very heavy price for the Clinton administration's indifference in terms of wrecked and lost lives."

This is the point I want to underscore over and over. We are not talking about just reciting numbers of increase, et cetera. We are talking about some kid in your family, somebody that lives next door, somebody you work with, that you know and care about. Every one of these 2 million new families that are experiencing drug use in their family are just like somebody we know, or they may be somebody we know.

It is time for the White House to put the bully pulpit to work, calling on our youth across this land to be knowledgeable and understanding of the fact that drugs will ruin their lives and forever change their futures.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, it was on Friday, February 23, 1996, that the Federal debt broke the $5 trillion sound barrier for the first time in history. The records show that on that day, at the close of business, the debt stood at $5,017,056,630,040.53.

Twenty years earlier, in 1976, the Federal debt stood at $629 billion, after the first 200 years of America's history, including two world wars. The total 1976 Federal debt, I repeat, stood at $629 billion.

Then the big spenders really went to work and the interest on the Federal debt really began to take off—and, presto, during the past 2 decades the Federal debt has soared into the stratosphere, increasing by more than $4 trillion in 2 decades—from 1976 to 1996.

So, Mr. President, as of the close of business Friday, July 26, the Federal debt stood—down-to-the-penny—at $5,181,675,045,058.46. On a per capita basis, every man, woman, and child in America owes $19,525.25 as his or her share of that debt.

This enormous debt is a festering, escalating burden on all citizens and especially it is jeopardizing the liberty of our children and grandchildren. As Jefferson once warned, "to preserve [our] independence, we must not let our leaders load us with perpetual debt. We must make our election between economy and liberty, or profusion and servitude." Isn't it about time that Congress heeded the wise words of the author of the Declaration of Independence?

JONES ACT WAIVERS

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Committee on Commerce be immediately discharged from further consideration of the following bills: S. 1924 and S. 1933.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of these bills, and the following bills on the legislative calendar, en bloc: Calendar Order Nos. 76 through 90, 308 through 328, 478 through 482, and 519 through 538.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. I further ask unanimous consent that the bills be deemed read the third time and passed, and a motion to reconsider all actions be deemed made and laid upon the table en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. I note at this point these measures are Jones Act Waivers, and they have all been cleared by the Democratic leadership.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "DAMN YANKEE"

The bill (S. 1924) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Damn Yankee*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsements for employment in the coastwise trade for the vessel DAMN YANKEE (vessel number 263611).

CERTIFICATE OF DOCUMENTATION FOR CERTAIN VESSELS

The bill (S. 1933) to authorize a certificate of documentation for certain vessels, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATES OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for each of the following vessels:

(1) The vessel RELENTLESS, United States official number 287008.

(2) The vessel TECUMSEH, United States official number 668633.

(3) The vessel POLICY MAKER III, United States official number 569223.

(4) The vessel QUIET SQUAW, United States official number 998717.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "BAGGER"

The bill (S. 84) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Bagger*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 84

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding sections 12106 through 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Secretary of Transportation may issue a certificate of documentation and coastwise trade endorsement for the vessel BAGGER, hull identification number 3121125, and State of Hawaii registration number HA1809E.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "L.R. BEATTIE"

The bill (S. 172) to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *L.R. Beattie*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 172

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF CERTIFICATE OF DOCUMENTATION.

Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel L. R. BEATTIE, United States official number 904161.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SHAMROCK V"

The bill (S. 212) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shamrock V*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 212

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SHAMROCK V (United States official number 900936).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "ENDEAVOUR"

The bill (S. 213) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Endeavour*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 213

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ENDEAVOUR (United States official number 947869).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SERENITY"

The bill (S. 278) to authorize a certificate of documentation for the vessel *Serenity*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 278

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel SERENITY, United States official number 1021393.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "WHY KNOT"

The bill (S. 279) to authorize a certificate of documentation for the vessel *Why Knot*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 279

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel WHY KNOT, United States official number 688570.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "LADY HAWK"

The bill (S. 475) to authorize a certificate of documentation for the vessel *Lady Hawk*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 475

Be it enacted by the Senate and House of Representatives of the United States of America in

Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel LADY HAWK, United States official number 961095.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "GLEAM"

The bill (S. 480) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Gleam* was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 480

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel GLEAM, (United States official number 921594).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "EMERALD AYES"

The bill (S. 482) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Emerald Ayes* was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 482

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Act of June 19, 1886 (46 U.S.C. App. 289), and sections 12106 and 12107 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for the vessel EMERALD AYES, United States official number 986099.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "INTREPID"

The bill (S. 492) to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *Intrepid*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 492

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF CERTIFICATE OF DOCUMENTATION.

Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel INTREPID, United States official number 508185.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "CONSORTIUM"

The bill (S. 493) to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel *Consortium*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S.493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION OF CERTIFICATE OF DOCUMENTATION.

Notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation for the vessel CONSORTIUM, United States official number 1029192.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "EMPRESS"

The bill (S. 527) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Empress* was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 527

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EMPRESS, United States official number 975018.

CERTIFICATE OF DOCUMENTATION FOR THREE VESSELS

The bill (S. 528) to authorize the Secretary of Transportation to issue a certificate of documentation with coastwise trade endorsement for three vessels, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COASTWISE TRADE AUTHORIZATION FOR HOVERCRAFT.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Act of June 19, 1886 (46 U.S.C. App. 289), and sections 12106 and 12107 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for each of the vessels IDUN VIKING (Danish Registration number A433), LIV VIKING (Danish Registration number A394), and FREJA VIKING (Danish Registration number A395) if—

(1) all repair and alteration work on the vessels necessary to their operation under this section is performed in the United States;

(2) a binding contract for the construction in the United States of at least 3 similar vessels for the coastwise trade is executed by the owner of the vessels within 6 months after the date of enactment of this Act; and

(3) the vessels constructed under the contract entered into under paragraph (1) are to be delivered within 3 years after the date of entering into that contract.

CERTIFICATE OF DOCUMENTATION FOR THE VESSELS "GALLANT LADY"

The bill (S. 535) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in coastwise trade for each of two vessels named *Gallant Lady*, subject to certain conditions, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

(a) AUTHORITY TO DOCUMENT VESSELS.—

(1) IN GENERAL.—Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 App. U.S.C. 289), and section 12106 of title 46, United States Code, and subject to paragraph (2), the Secretary of Transportation may issue a certificate of documentation with an appropriate endorsement for employment in coastwise trade for each of the following vessels:

(A) GALLANT LADY (Feadship hull number 645, approximately 130 feet in length).

(B) GALLANT LADY (Feadship hull number 651, approximately 172 feet in length).

(2) LIMITATION OF OPERATION.—Coastwise trade authorized under a certificate of documentation issued for a vessel under this section shall be limited to the carriage of passengers in association with contributions to charitable organizations no portion of which is received, directly or indirectly, by the owner of the vessel.

(3) CONDITION.—The Secretary may not issue a certificate of documentation for a vessel under paragraph (1) unless, not later than 90 days after the date of enactment of this Act, the owner of the vessel referred to in paragraph (1)(B) submits to the Secretary a letter expressing the intent of the owner to, before April 1, 1997, enter into a contract for the construction in the United States of a passenger vessel of at least 130 feet in length.

(4) EFFECTIVE DATE OF CERTIFICATES.—A certificate of documentation issued under paragraph (1) shall take effect—

(A) for the vessel referred to in paragraph (1)(A), on the date of the issuance of the certificate; and

(B) for the vessel referred to in paragraph (1)(B), on the date of delivery of the vessel to the owner.

(b) TERMINATION OF EFFECTIVENESS OF CERTIFICATES.—A certificate of documentation issued for a vessel under subsection (a)(1) shall expire—

(1) on the date of the sale of the vessel by the owner;

(2) on April 1, 1997, if the owner of the vessel referred to in subsection (a)(1)(B) has not entered into a contract for construction of a vessel in accordance with the letter of intent submitted to the Secretary under subsection (a)(3); or

(3) on such date as a contract referred to in paragraph (2) is breached, rescinded, or terminated (other than for completion of performance of the contract) by the owner of the vessel referred to in subsection (a)(1)(B).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "ISABELLE"

The bill (S. 561) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Isabelle*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 App. U.S.C. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ISABELLE, United States official number 600655.

CERTIFICATE OF DOCUMENTATION FOR THE VESSELS "RESOLUTION" AND "PERSERVERANCE"

The bill (S. 583) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for two vessels; was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 583

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for each of the vessels RESOLUTION (Serial Number 77NS8701) and PERSEVERANCE (Serial Number 77NS8901).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "AURA"

The bill (S. 653) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Aura*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 653

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel AURA (United States official number 1027807).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SUNRISE"

The bill (S. 654) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel "*Sunrise*", was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 654

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel SUNRISE (United States official number 950381).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "MARANTHA"

The bill (S. 655) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Marantha*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 655

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel MARANTHA (United States official number 638787).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "QUIETLY"

The bill (S. 656) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Quietly*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S.656

Be it enacted by the Senate and house of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel QUIETLY (United States official number 658315).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "YES DEAR"

The bill (S. 680) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Yes Dear*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Act of June 19, 1886 (46 U.S.C. App. 289), and sections 12106, 12107, and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for the vessel YES DEAR, United States official number 578550.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SISU"

The bill (S. 739) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Sisu*, and for the other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

Notwithstanding sections 12106, through 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 8830), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SISU, United States official number 293648.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "EVENING STAR"

The bill (S. 763) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel

Evening Star, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 763

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding sections 12106 through 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Secretary of Transportation may issue a certificate of documentation and coastwise trade endorsement for the vessel EVENING STAR, hull identification number HA2833700774, and State of Hawaii registration number HA8337D.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "ROYAL AFFAIRE"

The bill (S. 802) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Royal Affaire*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 802

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Act of June 19, 1886 (46 U.S.C. App. 289), and section 12106, 12107, and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with a coastwise endorsement for the vessel ROYAL AFFAIR, United States official number 649292.

EXTENDING CONVERSION DEADLINE FOR THE VESSEL "M/V TWIN DRILL"

The bill (S. 808) to extend the deadline for the conversion of the vessel *M/V Twin Drill*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 808

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF DEADLINE FOR CONVERSION.

Section 601(d) of the Coast Guard Authorization Act of 1993 (Public Law 103-206, 107 Stat. 2445) is amended—

(1) in paragraph (3), by striking "June 30, 1995" and inserting "June 30, 1996"; and

(2) in paragraph (4), by striking "12 months" and inserting "24 months".

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "PRIME TIME"

The bill (S. 826) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Prime Time* and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel PRIME TIME, United States official number 660944.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "DRAGONESSA"

The bill (S. 869) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Dragonessa* and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 869

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel DRAGONESSA, United States official number 646512.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "WOLF GANG II"

The bill (S. 889) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Wolf Gang II*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 889

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel WOLF GANG II, United States official number 984934.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SEA MISTRESS"

The bill (S. 911) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Sea Mistress*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 911

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Act of June 19, 1886 (46 App. U.S.C. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel SEA MISTRESS (United States official number 696806).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "JAJO"

The bill (S. 975) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Jajo*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 975

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel JAJO, hull identification number R1Z200207H280, and State of Rhode Island registration number 388133.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "MAGIC CARPET"

The bill (S. 1016) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Magic Carpet*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1016

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MAGIC CARPET (United States official number 278971).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "CHRISSY"

The bill (S. 1017) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Chrissy*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), the Act of June 19, 1986 (46 App. U.S.C. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel CHRISSY (State of Maine registration number 4778B).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "ONRUST"

The bill (S. 1040) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Onrust*, was considered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1040

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ONRUST (United States official number 515058).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "EXPLORER"

The bill (S. 1041) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Explorer*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1041

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EXPLORER, (United States official number 918080).

CERTIFICATE OF DOCUMENTATION FOR FOURTEEN FORMER UNITED STATES ARMY HOVERCRAFT

The bill (S. 1046) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for fourteen former United States Army hovercraft, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue certificates of documentation with appropriate endorsements for employment in the coastwise trade of the United States for the fourteen former United States Army hovercraft with serial numbers LACV-30-0-, LACV-30-05, LACV-30-07, LACV-30-09, LACV-30-10, LACV-30-13, LACV-30-14, LACV-30-15, LACV-30-16, LACV-30-22, LACV-30-23, LACV-30-24, LACV-30-25, and LACV-30-26.

CERTIFICATE OF DOCUMENTATION FOR THE VESSELS "ENCHANTED ISLES" AND "ENCHANTED SEAS"

The bill (S. 1047) to authorize the Secretary of Transportation to issue certificates of documentation and coastwise trade endorsements for the vessels *Enchanted Isles* and *Enchanted Seas*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1047

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), the Act of June 19, 1886 (46 U.S.C. App. 289), section 12106 of title 46, United States Code, section 506 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1156), and any agreement with the United States Government, the Secretary of Transportation may issue certificates of documentation with a coastwise endorsement for the vessels ENCHANTED ISLES (Panamanian official number 14087-84B) and ENCHANTED SEAS (Panamanian official number 14064-84D), except that the vessels may not operate between or among islands in the State of Hawaii.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "HERCO TYME"

The bill (S. 1648) to authorize the Secretary of Transportation to issue certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Herco Tyme*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United Stats Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel HERCO TYME (United States official number 911599).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "LIBERTY"

The bill (S. 1682) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in the coastwise trade for the vessel '*Liberty*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1682

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel LIBERTY.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "HALCYON"

The bill (S. 1825) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Halcyon*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1825

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel HALCYON (United States official number 690219).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "COURIER SERVICE"

The bill (S. 1826) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Courier Service*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel COURIER SERVICE (Vanuatu official number 688).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "TOP GUN"

The bill (S. 1828) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Top Gun*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1828

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel TOP GUN (United States official number 623642).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "BABS"

The bill (S. 1149) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Babs*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1149

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel BABS, United States official number 1030028.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "BILLY BUCK"

The bill (S. 1272) to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Billy Buck*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel BILLY BUCK (United States official number 939064).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SARAH-CHRISTEN"

The bill (S. 1281) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Sarah-Christen*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1281

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SARAH-CHRISTEN, (United States official number 542195).

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "TRIAD"

The bill (S. 1282) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Triad*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1282

Be to enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TRIAD, (United States official number 988602).

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "TOO MUCH FUN"

The bill (S. 1319) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Too Much Fun*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1319

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and section 12106 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TOO MUCH FUN, United States official number 936565.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "CAPTAIN DARYL"

The bill (S. 1347) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Captain Daryl*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12105 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for the vessel CAPTAIN DARYL, United States official number 64320.

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "ALPHA TANGO"

The bill (S. 1348) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Alpha Tango*, and for other purposes, was considered, ordered to be engrossed for third reading, read the third time, and passed; as follows:

S. 1348

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for the vessel ALPHA TANGO, United States official number 723340.

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "OLD HAT"

The bill (S. 1349) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Old Hat*, and for other purposes, was considered, ordered to be engrossed for third reading, read the third time, and passed; as follows:

S. 1349

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for the vessel OLD HAT, United States official number 508299.

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "CAROLYN"

The bill (S. 1358) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Carolyn*, and for other purposes, was considered, ordered to be engrossed for third reading, read the third time, and passed; as follows:

S. 1358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel CAROLYN, State of Tennessee registration number TN1765C.

CERTIFICATE OF DOCUMENTATION ISSUEDFOR THE VESSEL "FOCUS"

The bill (S. 1362) to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Focus*, was considered, ordered to be engrossed for third reading, read the third time, and passed; as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel FOCUS, (United States official number 909293).

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "WESTFJORD"

The bill (S. 1383) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Westfjord*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1383

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsements for employment in the coastwise trade of the vessel WESTFJORD (Hull number X-53-109).

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "D'S GRACE II"

The bill (S. 1384) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *God's Grace II*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsements for employment in the coastwise trade for the vessel GOD'S GRACE II (Alaska registration number AK5916B).

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "JOAN MARIE"

The bill (S. 1454) to authorize the Secretary of Transportation to issue a certificates of documentation and coastwise trade endorsement for the vessel *Joan Marie*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1454

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 and 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel JOAN MARIE, State of North Carolina official number NC2319AV.

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "MOVIN ON"

The bill (S. 1455) to authorize the Secretary of Transportation to issue certificates of documentation and coastwise trade endorsement for the vessel *Movin On*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MOVIN ON, United States official number 585100.

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "PLAY HARD"

The bill (S. 1456) to authorize the Secretary of Transportation to issue certificates of documentation and coastwise trade endorsement for the vessel "*Play Hard*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel PLAY HARD, State of North Carolina official number NC1083CE.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "SHOGUN"

The bill (S. 1457) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Shogun*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VESSEL DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SHOGUN, United States official number 577839.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "MOONRAKER"

The bill (S. 1545) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Moonraker*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1545

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1996 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MOONRAKER, United States official number 645981.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "MARSH GRASS TOO"

The bill (S. 1566) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Marsh Grass Too*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MARSH GRASS TOO, hull identification number AUKEV 51139K690.

CERTIFICATE OF DOCUMENTATION FOR THE VESSEL "KALYPSO"

The bill (S. 1588) to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Kalypso*, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1588

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding sections 12106, 12107, and 12108 of title 46, United States Code, and section 27 of the Merchant Marine Act, 1920 (46 App. U.S.C. 883), as applicable on the date of enactment of this Act, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsements for employment in the coastwise trade for the vessel KALYPSO (vessel number 566349).

CERTIFICATE OF DOCUMENTATION ISSUED FOR THE VESSEL "EXTREME"

The bill (S. 1631) to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Extreme*, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTIFICATE OF DOCUMENTATION.

Notwithstanding section 27 of the Merchant Marine Act, 1920 (46 U.S.C. App. 883), section 8 of the Act of June 19, 1886 (24 Stat. 81, chapter 421; 46 U.S.C. App. 289), and sections 12106 through 12108 of title 46, United States Code, the Secretary of Transportation may issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EXTREME, United States official number 1022278.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from California is recognized.

Mrs. BOXER. I ask the Chair, is it necessary for me to get approval to speak in morning business for up to 7 minutes?

The PRESIDING OFFICER. The Senator should ask unanimous consent.

Mrs. BOXER. I make that unanimous-consent request at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

USING TIME ON THE SENATE FLOOR TO DEMEAN THE PRESIDENT OF THE UNITED STATES

Mrs. BOXER. Mr. President, I feel compelled to make this statement at this time on the Senate floor. First, I want to express my profound dismay that after an attack of terrorism that occurred at the Olympics, colleagues on the other side of the aisle would use 1 hour of time to degrade and demean the President of the United States. We only have one President at a time, and we may not think that everything he does is perfect. But at such a time when we are trying to unite as one, in the face of an act of terror and, perhaps, an act of terror on TWA flight 800 not long ago, that we would use the Senate floor in such a blatant partisan way is offensive to me.

The junior Senator from Georgia made a few very appropriate remarks in the beginning of his statement. He called for a moment of silence for those who perished, and that was most appropriate. But, after that, we descended into something that I could describe as a blatant attack on this President. It seemed to me as if it was almost scripted, that this is what they had planned to do, and it did not matter what happened over the weekend.

I come to the floor to call on our country to come together in the face of what has occurred, not to find issues that divide us. Does that mean that I am pleased with the progress made on the war against drugs? No, I am not. Does that mean that I do not share my colleagues' view that we must do more? I do agree with that. We must do more. We all applaud the appointment of General McCaffrey to head this war on drugs. We must do more on that. We must do more in curbing alcohol abuse, because these things bring tragedy to families. But, today, I hope that if we are going to discuss the war on drugs, we will keep it elevated at a level that could bring us together and not pull us apart.

To me, it was extraordinary that Senators on the other side of the aisle, over and over again, alluded to individuals who worked for the President who admitted to using marijuana. But they omitted something in their partisan attack. What about the Speaker of the House, who admitted that he did the same thing? What about the keynote at the Republican National Convention admitting over the weekend that, sure, she did it? But this place is so partisan that you never hear any of that. Look, many individuals in our society have made mistakes, have done things they should not have done. We know more now than we knew then, true. So rather than attack one particular individual, as they did on this floor, or members of one particular party, as they did on this floor, let us get past it and let us work together.

TERRORISM

Mrs. BOXER. Mr. President, now, in the remainder of my remarks, I am going to talk about what I think we should be doing in a constructive way. The first thing I want to do is compliment Senator NUNN from Georgia for leading the fight on this floor to ensure that, in fact, we have a military presence at the Olympics—in plainclothes, but thousands and thousands of personnel are there. This Federal Government is supplying that. There was a fight on this floor, and 20 Senators thought it was wrong. I am glad that, in a bipartisan fashion, we prevailed, because that presence is needed and is important.

Second of all, I want to commend the President for his remarks, for bringing us together, for vowing, along with so many others on the Olympic committee, that the Olympics would continue in the face of this cowardly act, and for calling congressional leaders to the White House to fix the antiterrorism bill that we passed that we could not get support for in certain areas where we should have gotten support:

A provision increasing the statute of limitations for making bombs, sawed-off shotguns, and silencers. That happens to be a provision I authored, was passed in the Senate and dropped by the House. It is not the law of the land. The police sometimes need more time to go after people who make a bomb. We should fix that.

A provision requiring the placement of taggants on black and smokeless powder. We need to get that passed.

A provision prohibiting the dissemination of bombmaking instructions when the instructor knows that the information will be used for criminal purposes. We need to get that passed.

A provision that changed wiretapping authority so criminals cannot use modern technology to evade court-approved wiretaps.

A provision making terrorism an offense for which a wiretap can be authorized on an emergency basis. There is no reason that Republicans and Democrats cannot come together with the President and get that done immediately.

Mr. President, we could be taking more security measures at our airports. I keep focusing on the fact that this Congress gave the military $12 billion more than the military asked for. I think we have to be prepared to fight terrorism. It is a threat against our people. And if we took a small portion of that $12 billion, we could put the most up-to-date scanners at every single airport in this country. If we took a portion of that money that the Pentagon did not want, we could make sure there are bomb-sniffing dogs at every airport where the airport asks for that kind of assistance. These are very effective tools. There is no reason why, in the greatest country in the world, the greatest democracy in the world, the strongest country in the world, we have airports that don't have those tools available to them, and we have a military that says, "You gave us $12 billion too much." We can do it through the military budget—just make sure it is under civilian control. But we should act to do those things.

Mr. President, when I was in the House, I sat as the Chair of a subcommittee that oversaw the FAA, and then we saw problems that haven't been remedied. So there are things that we can do. Now, we know that Vice President GORE is heading a Presidential commission, and in 45 days we are going to have his report. I hope we will pull together. I hope we will not see the kinds of things we saw here on the Senate floor this morning. I hope we will pull together and do what it takes.

We know that the European Union countries have much stronger screening techniques than we have here. There is no reason that our people should not have that sense of confidence. Yes, it may take us 15 or 20 minutes more to get that flight off the ground. I don't know one individual in this U.S. Senate, be he or she a Republican or a Democrat, that would believe another 15 minutes would hurt them. Fifteen minutes is not going to hurt anybody.

In closing, Mr. President, I thank my colleagues for allowing me to address the U.S. Senate over the subject matter of the bill. But I hope we will all be moved to come together in a spirit of bipartisanship and set aside our partisan bickering, that we will work together, that we will send our sympathies as one to Alice Hawthorne's family, 44 years old, killed at the bombing, and to the Turkish cameraman, Melih Uzunyoz, who died from a heart attack while rushing to the scene; and, of course, to every single family member who lost people in the TWA crash.

I hope that we will come together and that we will do what it takes to take every step we can in a democratic society to guard against terrorism, be it terrorism from within our borders or terrorism from outside our borders. These are cowardly acts, and we should put a stop to them to the extent that we can within our democratic framework.

We can take the steps that I mentioned without giving up any of our freedom. We can take the steps that I mentioned without spending too much. We have those resources in this country, and I urge us to work together. Thank you very much, Mr. President.

I yield the floor.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1977

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 1958, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The Senate continued with consideration of the bill.

AMENDMENT NO. 5095

Mr. JOHNSTON. Mr. President, I rise in opposition to the McCain amendment, which would cut $22 million from the Advanced Light Water Reactor Program.

Mr. President, there are a number of reasons not to cut this money. The clearest and simplest and most obvious and most unanswerable is this is the fifth year of a 5-year program, a program entered into at the behest of Congress with the Energy Policy Act of 1992 for which contracts have been made and it would cost more to terminate the program, Mr. President, than to continue the program.

This has been certified to by Assistant Secretary Terry Lash, who is Director of the Office of Nuclear Energy Science and Technology, in his letter to Honorable MICHAEL DOYLE of July 24, 1996, which was entered into the CONGRESSIONAL RECORD on July 24, and certifies the fact that termination costs in the program would be considerably more than the continuation of the program.

Moreover, the recoupment of cost by the Federal Government would be precluded, which would result in further lost revenue to the Federal Government of $125 million according to Director Lash's Department of Energy office.

The reason for this is that, for example, with the AP–600, which is a Westinghouse reactor, the agreement requires that, upon the sale of the first reactor, they will have to repay the Department of Energy $25 million, and $4 million for each reactor thereafter sold.

The same thing is true with General Electric, which has already sold two reactors under this program to Taiwan for which there would be a required payment of $3 million for those reactors. That obligation would presumably be canceled.

So, Mr. President, in order to make any nuclear demonstration, the McCain amendment would actually cost the Federal Government money without regard to whether or not you like the program. Whether you are antinuclear, or whatever, the fact of the matter is the Federal Government would lose money under the McCain amendment. It is the fifth year of a 5-year program, and it is very close to fruition. All of the money that has been spent on this program, most of it private, would be lost if the program is not finished.

Why did the Congress see fit in 1992 to go into this program? Because the American nuclear program, from its inception I think, was not conceived in the way that it should have been in that each reactor which was built in America under this program was a one-of-a-kind reactor designed from the ground up as a separate reactor. Each had to be separately licensed. Each had to meet separate tests to determine whether design was sufficient.

We found, after Three Mile Island, that many of these designs were lacking and had to be redesigned. During the construction of many of these reactors after Three Mile Island in the mid-70's, those were the days of very high interest rates. Interest rates were well over double digits at the time. You had to undo that which was done and start all over again. For that reason, those reactors are very high cost, some running between 5 cents and 10 cents a kilowatt hour, several times the amount for which electricity can be generated today.

In order to remedy that situation, in the Energy Policy Act of 1992, we, first of all, remember, did nuclear licensing to provide for what we call the generic design and the generic licensing of a new reactor, so that you would be able to go in and separate the construction license from the design license and be able to rely upon the fact that your design was a valid and safe design at the time you commissioned your reactor project. We amended the licensing act in order to do that.

Also, as part of that, in tandem with that program, we entered into the Advanced Light Water Reactor Program, which was calculated to design a generic reactor so that each reactor of the time sought to be licensed would be the same reactor. Westinghouse has probably the lead design in this. It is called the AP–600. The AP–600 is unique for American reactors in two respects:

First, it would be, as I say, generically designed and generically licensed so that when you go to buy an AP–600, wherever you are in the world, it would be the same AP–600. It would be largely manufactured at the factory so that you do not have to do everything out at the site, and each one will be the same.

Second, Mr. President, and very importantly, it is what we call a passively safe reactor. It does not depend totally on pumps and sources of electricity and that sort of thing in order to provide coolant. So in case of a catastrophic failure, it is designed to have coolant which would automatically come down into the reactor and render it safe.

Nuclear plants, as the Chair well knows, are designed to have many redundant safety features so that you have power lines coming in from two or three different places and generators on site so that in case one set of power lines goes out, another will be there. In the case of both of those or all three of those going out, then generators are designed to come on automatically.

But the AP–600, the advanced light water reactor, is designed to be passively safe so that even if everything else fails, in effect the coolant water will automatically come down into the reactor vessel and render it safe in case of the most unimaginable catastrophic event.

Now, Mr. President, we are very close to completing this program. The AP–600 was delayed not by the Department of Energy, not by Westinghouse but by the NRC in its licensing program which no one could control but the NRC. It is due to be finished in the next fiscal year, fiscal year 1997, and the money provided in this bill will complete the job.

The argument against this is apparently that no American utility at this point wants to buy one, and so therefore do not complete it and therefore we can be sure that no one is going to be able to buy one.

The fact is it is unlikely that any American utility in the next few years will build a new nuclear plant, and that is because natural gas is relatively cheap. It is because the technology of natural gas turbines has advanced so far so fast that it is now the cheapest way to generate electricity, and I do not expect a big coal plant to be built and I do not expect big solar plants to be built as far as the eye can see. But I do expect additional natural gas plants to be built. And that is in this country.

Mr. President, around the world, the situation is somewhat different. In China, for example, it has already commissioned some 6,000 megawatts of nuclear power. They really wanted American technology, and they have a very long and excellent relationship with Westinghouse, and I believe that the Chinese would purchase the AP–600. It will soon be licensed. It would be licensed in time for them to use the technology. But our Government prevents us from selling nuclear plants to China, this being an outgrowth of the Tiananmen Square incident in 1989. We expect that agreement with respect to nuclear power will be in the not too distant future. At least I hope that we would have an agreement with China for the furnishing of nuclear technology. In fact, the 6,000 megawatts have been ordered from Russia, from France and from Canada, all of which have technology which is inferior to American technology and I think is far inferior to the newest technology, that is, the AP–600.

The Chinese like the size of the AP–600—that is, 600 megawatts, a modular size. The Chinese have lots of dirty coal but virtually no natural gas and a huge population, a huge problem of So2, of global warming, of air pollution, and they believe that nuclear power is a very big part of their future, and that is why they have already commissioned some 6,000 megawatts. They have in future plans an additional, I believe it is, 11,000 megawatts for the first decade of the next century and a clear and strong commitment to nuclear power.

I must say for those in this country who feel strongly about global warming—and I do—I submit that this is the best solution to the problem of global warming, clearly the best solution for the problem of air pollution. If the economics are right, clearly the environment so far as China is concerned, as well as other nations on the Pacific rim, this is an excellent solution. Other countries are moving ahead, particularly in the Pacific, with nuclear power including Japan and Taiwan, South Korea. Of course, North Korea will soon be getting a reactor built and designed principally by the South Koreans adopting the original Westinghouse technology.

Mr. President, the point I am making is not that we are getting ready to sell a lot of these reactors in the United States. We are not. But on the Pacific rim they are moving forward; they have made the decision; they have made the commitments. And the question is, would you rather complete a 5-year program on which private industry has spent almost $500 million to complete and get the good out of it to build the most technologically proficient, the safest reactor in the world which would then be available for sale to these foreign countries or would you rather terminate the program and subject the Government to greater damages than it would cost to spend on the $22 million it takes to complete the program.

No one has answered that overwhelming argument of why you would want to terminate a program that is so close to finishing when it cost more to terminate than it does to complete the program.

One other thought. I believe the Federal Government needs to be true to its word and to its commitments just as individuals need to do that. And the reason is that if people are going to be encouraged and companies are going to be encouraged to do business with the Federal Government, to undertake research, to undertake the expenditure of large amounts of their own money, then they ought to have some assurance that the word of the Federal Government is good because to the extent that we terminate these projects—we terminated the SSC, we have terminated the other projects—then soon the reputation of the Federal Government will be such that no one will want to enter into the doing of business with it.

In the home State of the occupant of the chair, they are now seeking to enter into large contracts with private firms in order to clean up the mess at Hanford, in order to vitrify the waste there and be able to store it. It is a private undertaking. They are being encouraged to bid and to have a competition and to do business with the Federal Government.

If we would adopt this amendment, it would make that kind of obligation and others like it less and less attractive to the private sector.

I repeat, the most overwhelming and most unanswerable part of this argument is that it costs more to terminate than it does to finish this obligation of the Federal Government, and we ought therefore to do it. In addition to the fact that the Federal Government would lose the profit which it would get from the sale of these reactors in the future as well as those already sold to Taiwan, and that the Federal Government and our country would lose a great opportunity to do business in the future.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I know that Senator BUMPERS wants to offer an amendment and he is going to be very generous in the agreement on time.

I thank Senator JOHNSTON for his argument, and I wish to indicate very openly and publicly that I support his position. I do not believe we ought to kill this program when it is about finished. We ought to let it complete its remaining 1 year.

A couple things have not been said about the program. Obviously, the word subsidy is bantered around, but everyone should know that the advanced light water reactor program, first, is 90 percent complete.

Second, there is $40 million in this entire appropriations bill to complete this project. When it is completed, that will complete a $713 million advanced light water reactor program, of which $270 million is the DOE and, get this, $440 million is private industry funded. So for those who talk of a subsidy, we have $440 million coming from the private sector, $270 from DOE. This last $40 million will complete the work and wrap the program up and dismantle it. So the subsidy is there, but the ratio is pretty heavily in favor of the private sector putting the money in.

I have looked at this. I understand what some of my colleagues are looking at. We are looking at this budget critically, but I am aware of the fact that we are not going to save any money by closing the program down now, and as a matter of fact we may throw away some real opportunities to have some really significant and new technology applied to nuclear reactors.

Whether we think we want any more nuclear reactors or not is not the whole issue. American companies build nuclear reactors for the world, and we are the world's leader in that. We will continue as the leader and probably sell many of these types of reactors in the world market. To the extent that China chooses to use them, it is a very, very significantly appropriate environmental cleanup method, because if they do not use this, they use dirty coal, which they have in abundance. So, in a real sense we are being very, very irresponsible in closing down a program with 1 year left which has many qualities that will add to America's capability to employ our people and sell our products and at the same time help the world clean up some of the dirtiest environment around in some of the growing industrial areas of the world outside of our own country and Europe and the like.

So, for those who wonder about frugality, I would be for cutting any program of $40 million I could take out of this bill, but this is not the one.

Mr. President, opponents of the ALWR Program have argued with great indignation against continuation of what is called a corporate subsidy. It is only fair to note that U.S. electric utility companies and the ALWR contractors have contributed $3.50 for every $1.00 of DOE funds spent on the program.

Most importantly, Mr. President, the ALWR Program is 90 percent complete. The modest funding contained in this bill is the last piece of Federal funding. It will complete the $713 million ALWR Program, of which almost $270 million is DOE funding the $444 million is private industry funding.

Mr. President, may I assure my colleagues who are critical of the ALWR Program, that I am mindful of their point of view. And I would hope that their close examination of what the committee proposes to do in this bill will lead them to the conclusion which I myself have reached:

That is, the ALWR Program funding in the bill is the best and most effective way to close out the program successfully and with the highest return to the taxpayer for the hundreds of millions of dollars already spent. Conversely, failure to close out the ALWR Program in the way the committee recommends creates a colossal waste of the money already spent.

Mr. President, I believe prudence and thoughtfulness require support for the committee's position.

COMPLETION OF THE ALWR PROGRAM

Starting in 1990—design certification—and in 1993—first of a kind engineering—the ALWR represents a joint commitment by government and industry to develop a new generation of standardized, advanced reactors, coupled with a one step NRC licensing process for such designs.

In fulfilling the plan set out in the Energy Policy Act, both Congress and industry recognized that developing a new generation of reactors involved Government/regulatory risk as well as technological risk. While reactor manufacturers and the utility industry committed funds to develop the technology, the Government/regulatory risk with a new, untried licensing process was sufficiently significant to call on Government to share that risk and cost with the private sector.

The innovative, passively safe systems involved in this new generation of reactors are recognized as a world class development. As an example, 20 nations are involved in the AP600 program and extensive testing programs both in the United States and abroad have demonstrated that the passive safety systems will work as predicted by the design codes.

Congress directed that the program should be cost shared, with payback to the Federal Government from royalties on the sale of plants. To date $713 million has been invested in the program, of which $444 million—62 percent—has come from private industry. In addition, $125 million of the DOE funding will be repaid as royalties on the sale of plants.

The program is 90 percent complete and will be completed with the modest funding provided by the $40 million DOE fiscal year 1997 request. At the end of the design certification and first-of-a-kind engineering programs for the AP600, three new standardized American reactor designs will be ready for the market. This accomplishment will represent the only recent, successful completion of a major new energy design project to meet America's and the world's future energy needs. This could not have been accomplished without the shared commitment of government and the private sector to the Advanced Light Water Reactor Program.

Failure to provide the final year of funding and abandoning DOE's role before completing the final year would result in the complete loss of the $713 million investment to date. The end goal of final design approval and design certification by the NRC would not be realized and the investment and years of effort wasted. Failure to complete would also be a clear signal that the United States no longer seeks to lead the world in developing standardized passively safe reactor designs for world wide application.

I ask unanimous consent some material, a list of seven common myths, and a letter from the chairman of the advanced reactor corp. be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INVESTMENTS—THROUGH SEPTEMBER 1996—TOTAL ALWR PROGRAM

Design certification: DOE—$188 million; Industry—$305.7 million.

Foake: DOE—$81.3 million; Industry—$138.4 million.

Total program: DOE—$269.3 million; Industry—$444.1 million.

TOTAL—$713.4 million.

DOE—37.7 percent.

Industry—62.3 percent.

SEVEN COMMON MYTHS REGARDING THE DOE ADVANCED LIGHT WATER REACTOR PROGRAM

(Prepared by the U.S. Department of Energy, July 1996)

Myth 1.—The Program's Authorization under the Energy Policy Act of 1992 ends in FY 1996

Reality: The Energy Policy Act of 1992 (EPACT) limits the First-of-a-Kind Engineering (FOAKE) program to five years, states that no entity shall receive assistance for a period greater than 4 years, and limits total program funding to $100 million. The EPACT became law in fiscal year 1993. Therefore, the five year limit will not be reached until FY 1998 and the four year "assistance" limit will not be reached until FY 1997. The Department is full authorized under the EPACT to apply funds to the FOAKE program in FY 1997.

Further, the Department has spent only about $82 million on this program since it began in 1992. There have been significant increases in program cost, but these have been absorbed by industry. In any event, the Department is also fully authorized by the Atomic Energy Act to conduct nuclear energy research and development programs and the EPACT does not limit this authority.

Myth 2.—The FOAKE Program was to end in 1996 because the EPACT mandated that any nuclear designs developed in the program should receive certification in 1996

Reality: In 1992, the Department expected that both of the designs included in the FOAKE program—the Advanced Boiling Water Reactor (ABWR) and the AP600—could be developed on schedules which would have achieved NRC certifications by the end of FY 1996. While the program was designed to lead to certification in FY 1996, the Department had no control over the Nuclear Regulatory Commission's certification process, which involved far more review and testing than the Commission anticipated in 1992 (most of the delays are associated with extra testing required to verify the performance of advanced safety systems). As a result of these delays, the Department expects certification of the ABWR by late FY 1996 and of the AP600 by FY 1998. The EPACT does not limit the Department's authority to conduct the program, but merely guided DOE's selection of technologies to assure that only near-term technologies would be included in the program.

Myth 3.—The EPACT Prohibits the industry from seeking export markets for ALWRs developed in the FOAKE program

Reality: The EPACT places no restrictions on U.S. industry's ability to compete in the international market. Further, the fact that U.S. vendors participating in the program are seeking overseas contracts to build ALWRs does not suggest that ALWRs will not be built in the U.S. In fact, since the market for new nuclear plants in the United States is not expected to materialize for another ten years, it is imperative that U.S. vendors win overseas orders if the U.S. capability to build new plants is to be preserved.

Myth 4.—The ALWR Program is Corporate Welfare

Reality: The Department's program is designed to apply a very limited allocation of federal funds to encourage U.S. industry to pursue R&D that is in the interest of the United States. The preservation of the nuclear energy option is vital to the future of energy diversity in this country. It is clear that the market in the United States for ALWRs will not materialize for at least another ten years. In this environment, U.S. industry could be forced to abandon the nuclear power plant market to heavily subsidized foreign industrial concerns. The future ability of U.S. industry to build new plants in this country could be lost.

To prevent this from occurring, the Department conduct a very modest program—the last commercial nuclear energy program conducted by the federal government—to work with industry to maintain the nuclear option for the next century. Since the ALWR program began in 1986, the Department has conducted $800 million in program activities with a taxpayer investment of only $300 million over ten years.

Moreover, the Department receives reimbursements when technology developed by the FOAKE program is sold. For example, the federal government will receive approximately $3 million from General Electric as a result of its sale of ABWRs to Taiwan (which, unlike the plants GE previously sold to Japan, are based on technology developed by DOE's program).

Myth 5.—There is no U.S. utility interest in building new ALWRs

Reality: The fact that the electric utility industry has provided hundreds of millions of dollars to conduct ALWR activities indicates that utility executives remain interested in the nuclear option. For obvious reason, no utility that is interested in placing ALWR orders in the future would be likely to indicate that interest publicly. However, recent discussions between DOE officials and electric utility chief executives have clearly indicated that U.S. utilities continue to see the nuclear option as viable. While the U.S. market for ALWRs is not expected to materialize for another decade, these utilities seek the Department's program as a critical step to assure that next-generation nuclear plant designs are available if they are needed.

Much has been said in recent months about a Washington International Energy Group survey of utility executives that indicates that 89% of utility CEOs would not consider ordering any new nuclear power plants. It is important to note that this survey received responses from only 397 of nearly 3600 U.S. electric utilities—and it is not clear that the respondents include the 44 utilities that currently own and operate nuclear power plants. The Department does not believe that this survey provides an accurate view of utility interest in new nuclear plants.

Myth 6: DOE is paying Nuclear Regulatory Commission fees that should be paid by industry.

Reality: No taxpayer dollars have been used to pay NRC fees. It is true, however, that NRC's increased review and testing requirements forced the program to perform additional technical work. While most of the extra work was funded by industry, part of the added cost was supported by the DOE ALWR program. The additional technical work represented an expansion in the work scope for the program, but is clearly the type of expenditure anticipated by the EPACT.

Myth 7: General Electric terminated its Simplified Boiling Water Reactor (SBWR) activities because there is no market for small plants. Similarly, there is no market for the Westinghouse-designed AP600.

Reality: While it is true that GE terminated its mid-sized SBWR project, it must be recognized that GE's market strategy is very focused on the east Asian market-particularly Japan. In many of these countries, land is a scarce resource and there is considerable incentive to build large plants with high power capacity. Other potential markets are less concerned with space and more interested in factors such as lower capital cost and lower complexity—attributes natural to mid-sized plants. These attributes are very attractive to U.S. utilities and others as well—currently 22 countries contribute funds and personnel to the AP600 program. The Department believes that this represents a significant international interest in advanced mid-sized nuclear power plants with passive safety systems.

ADVANCED REACTOR CORP.,
June 28, 1996.

Hon. NEIL ABERCROMBIE,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ABERCROMBIE: On behalf of the member utilities of the Advanced Reactor Corporation, we urge you to support $40 million for research and development on Advanced Light Water Reactors (ALWR) in the Energy and Water Development Appropriations bill for fiscal year 1997. The ALWR Program has an excellent record of achievement and is nearing accomplishment of its goal to open the option for future nuclear power electricity generation, as endorsed by the Energy Policy Act of 1992.

The Nuclear Regulatory Commission has granted final design approval for the evolutionary ALWR designs and formal design certifications on both are awaiting formal resolution of NRC regulatory process issues. The first-of-a-kind engineering (FOAKE) portion of the ALWR program for the GE evolutionary advanced boiling water reactor will be essentially completed by certification and FOAKE for the new, midsize, passively-safe, pressurized water ALWR, the Westinghouse AP600.

The ALWR program is a sound investment continuing to build on the energy security and environmental benefits provided by current plants. Risk sharing of the investment and commercial interest are carefully balanced with industry paying about 62 percent of the total costs, coupled with subsequent pay-back provisions. For example, Westinghouse will pay back $25 million of the Energy Department's contribution for design certification as a royalty on the sale of the first AP600. Additionally, all of the funds provided for FOAKE by both the utilities and the Energy Department will be paid back to each as royalties on sales of the AP600 by Westinghouse and by General Electric on sales of its Advanced Boiling Water Reactor.

Our companies entered the government partnership for the FOAKE portion of the ALWR program in February 1992. Later that year, Congress passed the Energy Policy Act of 1992, which reaffirmed the nation's commitment to nuclear power and to cost-shared energy research and development. At that time, Congress recognized the time, costs, and risks associated with the process of developing and certifying new reactor designs. Congress has proceeded with this timely program, sharing those costs and risks so that new reactor designs will be a safe, cost-competitive option for future baseload electricity needs.

Clearly, America has benefited from the nation's investment to date in nuclear energy technologies with about 20 percent of our electricity coming from pollution-free nuclear power plants.

Although there is not an immediate need for new baseload electricity in the United States, energy forecasts predict a 28 percent growth in demand by 2010. To meet this need, our companies believe they must have the option to consider standardized, NRC-approved nuclear plants as a part of a balanced mix of power generation facilities. To obtain that option, ARC member utilities are investing in the industry-government program to develop advanced light water nuclear plants. No other type of nuclear plant for commercial generation of electricity will be available in the U.S. within our planning horizon. With this technology, we will continue to lead the world and set high standards for safe and reliable commercial nuclear power.

We urge congress to continue its commitment for this vital national energy investment by appropriating a supporting government share of $40 million in FY97.

Sincerely,

JAMES J. O'CONNOR,
Chairman, Advanced Reactor Corp.

Mr. DOMENICI. Mr. President, I hope we will not agree with Senator McCAIN when we vote tomorrow. If the unanimous consent agreement is complied with, it will be the first amendment up tomorrow. So we will remind you that is the first amendment tomorrow.

The PRESIDING OFFICER. The Senator from New Mexico is advised the yeas and nays have not been ordered.

Mr. DOMENICI. I am sorry. They were not ordered because we did not have a sufficient second, but we assured Senator McCAIN we would cooperate with him getting the requisite yeas and nays.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 5096

(Purpose: To reduce funding for the weapons activities account to the level requested by the Administration)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The two pending amendments will be set aside by unanimous consent. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. HARKIN, proposes an amendment numbered 5096.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 23, line 8, reduce the amount by $286,600,000.

Mr. BUMPERS. Mr. President, first of all, I ask unanimous consent we limit this amendment to 15 minutes with the time equally divided.

Mr. DOMENICI. I thank the Senator. I wholeheartedly agree.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, this is an amendment which could get terribly complex. It involves a segment of the energy and water bill that is immensely complex. It is called "Atomic Energy Defense Activities." Within that there is an account called "Weapons Activities."

This bill contains $3.978 billion, almost $4 billion, for weapons activities. That is too much.

Let me say by digression, there are not two people in the Senate for whom I have a greater respect and admiration and personal friendship than the chairman of the committee and the ranking member, Senators DOMENICI and JOHNSTON. But I feel obligated to raise this issue and get the debate going on how much money we are putting into this weapons activities account. Mr. President, the Senate bill proposes to provide roughly $269 million more than the President's request and $300 million above the House level.

The Senate bill's proposed funding level is actually $531 million above the amount provided in fiscal year 1996, a 14-percent increase. That is just entirely too much.

I had a very good, lengthy letter from Senator DOMENICI pointing out that one of the reasons for this increase is that DOE had some carryover money in prior years that we are spending in 1996. However, that only accounts for a portion of the 14-percent increase. My amendment takes the carryover funds into account and proposes to reduce the weapons activities account by only $269 million, which is the difference between the amount provided in the Senate bill and the administration's request.

The Senator makes what I know he considers to be plausible arguments, and I am not in a very good position to dispute some of the technical arguments made about why it was necessary to put all this extra money into this account. But any time you are offering a 14-percent increase in any kind of a budget in this day and time, with the budget constraints we are under, it ought to get every single Senator's attention.

The OMB Acting Director, Mr. Lew, sent each Member of the Senate a letter outlining the administration's concerns about the Senate bill being $531 million above 1996 spending levels. And well he should be concerned. He is concerned because we are putting another $531 million into weapons activities, and the Department of Energy is suffering mightily from cuts in civilian energy and research programs.

The Appropriations Committee report outlines the add-ons to the weapons activities programs. If you look over those add-ons, I am not sure exactly what they do, but there is one thing I do know. About $90 million is not authorized.

For example, there is an $80 million add-on for stockpile stewardship and $50 million of that is not authorized. What are we doing appropriating money that has not been authorized?

There is an add-on for $40 million for the accelerated strategic computing initiative—a mighty fancy name and I am not sure what all it does. But it is not authorized. The request already proposes $120.6 million for the program—a 43-percent increase from fiscal year 1996.

Mr. President, I only have 7½ minutes on my time. I am not going to pursue this any further. I would just like to make a comment. I was speaking to 400 of the brightest kids in Arkansas at what is called Governor's School Saturday and about 800 parents. Politicians do not get a chance to talk to 1,200 people very often. I was trying to figure out what I could say to those youngsters that my father used to say to me about the nobility of being in politics and public service. Not too many people believe that anymore, including an awful lot of people in this Chamber. They do not think it is such a hot profession anymore, either, including the 15 colleagues that are leaving this body.

But I tried to leave them on an upbeat note. I told them there were no problems in this country that were insurmountable. Indeed, if it weren't for the way we misspend money, I promise you we could have a balanced budget with a $100 billion surplus in 1997.

When I talk about how we misspend our money, you bear in mind that this year, this fall, September 1, we will have for the third consecutive year less food carryover in our grain bins than we have ever had. The third straight year that our foodstuff carryover is going to be down, and in 1995, for the first time in 50 years, yields of foodstuff such as wheat, corn, rice, and so on, did not go up.

So how are we dealing with that? We are putting $1.2 billion into agriculture research this year, 1996; $1.2 billion. What are we giving the Defense Department for research on things that will explode and kill people? Mr. President, $35 billion, almost 35 times more than what we are putting into agriculture research to feed our people and help feed the world, indeed.

Mr. President, $14 billion is going to NASA, $2 billion of which will be for the space station, and nobody has ever explained why we are putting money in the space station.

And $12 billion for medical research, which everybody heartily agrees with. Incidentally, one of my staff members, Tracy Alderson, is leaving my office to pursue a medical degree and hopefully advance the cause of medical research in the future.

When you put it like that, there are very few people in America who would agree with those priorities. So while the $531 million increase in weapons development doesn't mean much around here in a $1.7 trillion budget, it "ain't" beanbag either. What it would do in medical research, what it would do in educating people, what it would do in providing more health care—and think about this—think what it would do in reducing the deficit, $531 million.

Mr. President, my amendment does not even propose to eliminate the entire $531 million increase. Rather, I am only trying to get us back to what the President requested, which is a 7-percent increase in this account.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, when we took testimony from Mr. Vic Reis, who is the Defense Department liaison with these programs, we established the basic proposition with him in the record during his testimony, that the entire stockpile stewardship program, with all of the things we would have to add to it, to the previous programs and the maintenance of certain facilities that we hold in a contingency posture, should be about $4 billion.

Having established that, we went through the budget and determined that the executive budget was only $3.7 billion. They were $300 million short of what Mr. Vic Reis, the leading expert in the Department of Energy for the DOD stockpile stewardship program, said.

If one notices, the difference between $3.7 billion and $4 billion is very, very close to the $269 million that my good friend from Arkansas is seeking to take out of this bill. It doesn't quite get to the $4 billion mark with $3.7 billion, but it gets close.

The President's budget request said the following:

> Defense program 5-year budget projections contained in the national security 5-year budget plan for 1996 through 2000 indicate that the stockpile stewardship and management programs will require increased funding for a period of several years after FY 1996. This baseline—

That is starting point—

> has been modified to reflect fiscal year 1997 programs and budget decisions, but the outlook is much the same. Near-term investment must be increased to develop the new and appropriately sized effective complex and to develop the new tools required to maintain confidence in the safety, security and reliability of the stockpile in the absence of underground testing.

From a base of about $3.6 billion in 1996, the annual total may reach $4 billion by the year 1998. In August of 1995, President Clinton announced the United States would pursue a zero yield comprehensive test ban treaty as a condition. The President outlined a series of conditions under which the United States could enter this comprehensive test ban treaty.

The first condition was the implementation of a stockpile stewardship program. In January 1996, the Senate overwhelmingly approved the START II Treaty. The ratification text committed the United States to, one, a robust stockpile stewardship program; two, maintain sufficient production capabilities; three, maintain the national laboratories and the core competencies within them; four, maintain the Nevada test site in case the President determines a case of supreme national interest necessitated an underground test.

Where the increases go: $82.5 million of the $269 million that Senator BUMPERS is referring to for the stockpile stewardship program will be spent on the following: $20 million is for enhanced surveillance to monitor the aging of weapons. That is perilously important. We must develop new techniques to monitor the aging of these weapons, some of which are 30 years old, and they contain hydrogen and nuclear blast capabilities and they must be safe, they must be trustworthy, and they must be maintained.

Of that $82.5 million, $40 million is for advanced scientific computing programs. Incidentally, the distinguished Senator from Arkansas questions that program. Last Friday, the President announced that these funds would be used by IBM to build a computer 300 times faster than existing computers to model the inside of nuclear weapons. The computer will be installed at Lawrence Livermore in California. I am certain that within the confines of the money here for this area of endeavor that there will be some other major advanced scientific computing programs announced.

Mr. President, $10 million is for software for these new supercomputers, and $10 million is for advanced manufacturing techniques.

The second item that he would strike is $171 million from stockpile management, of which $100 million is to upgrade production plants in Texas, South Carolina, and Missouri. This money will ensure the plants will be able to remanufacture weapons as needed. This is also a condition that I understand those in charge of our national defense insist upon if we are going to abide by the "no additional underground nuclear testing" position. Fifteen million dollars of that $171 million is to enhance surveillance activities at plants to assess the reliability and safety of the weapons stockpile.

Fifty million dollars is for new tritium sources so that the total amount of $150 million may be provided.

Mr. President, having worked on this bill for a long time, I am concerned that we provide adequate defense money to the Department of Energy so they can do their job, for there are many who would like to accuse it of not doing its job but are not considerate of the money needed for the defense work.

We believe we are moving rapidly in the direction recommended by the President and the Joint Chiefs of Staff with reference to the science-based program for stockpile safety and maintenance. We think these items are absolutely essential to get us there and keep us there for the next few years as we see whether or not we can actually accomplish this without underground testing.

If I have any additional time, I yield it back. I ask Senator JOHNSTON, do you want to speak?

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. DOMENICI. I yield whatever time I have remaining to Senator JOHNSTON.

Mr. JOHNSTON. I simply rise in support of the position of the Senator from New Mexico. I was here several years ago speaking in favor of the continuation of the testing program, because I thought it was important for both reliability and safety.

The Senate saw fit to do away with that testing program. The justification was that there were other ways with this stockpile safety program to achieve the same ends. That is why we have funded the program as we have. That is to achieve those same ends for reliability and safety of our nuclear deterrent. I think it would be a great mistake to cut that funding.

AMENDMENT NO. 5097

(Purpose: To ensure adequate funding for the Biomass Power for Rural Development Program)

Mr. JOHNSTON. Mr. President, I have been requested by the Senator from Minnesota [Mr. WELLSTONE], to offer an amendment on his behalf. I will shortly send that to the desk. Let me state what it does. I am sorry that I will not be able to support the amendment. In fact, I will oppose the amendment. But nevertheless, as a courtesy to my colleague, I will offer it.

What it would do is to take four-tenths of 1 percent of each program in R&D, energy supply, and put that into a program called Biomass Power for Rural Development. The money now available, some $55 million, in biomass fuels in the bill, part of that could be used for the purposes for which the Senator from Minnesota would like it used, that is, the Niagara Mohawk power project, involving short rotation willows, which would be grown and harvested every 3 years, and also another project involving alfalfa stems. The alfalfa stem program would be a total of a $232 million project, where the DOE cost share would be 20 percent of that, or approximately $46 million.

Mr. President, it seems to me we should not get into one of these projects unless it can pass muster against the other programs. These would be available to be funded under the program—Mr. President, I just misspoke. I said $55 million would be available for the program. Actually, only a part, $27 million, would be available for biomass electric program.

All of these projects ought to compete for that $27 million. We should not come in and, in effect, specify by limiting it to the Biomass Power for Rural

Development Program, which is a very narrowly defined program. We should have all of these projects compete for the amounts available.

Mr. President, I send the amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. Without objection, the pending amendments are set aside. The clerk will report.

The bill clerk read as follows:

The Senator from Louisiana [Mr. JOHNSTON] for Mr. WELLSTONE, proposes amendment numbered 5097.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 19, line 4, strike "expended." and insert in lieu thereof "expended; *Provided*, That funds appropriated for energy supply, research and development activities shall be reduced by four-tenths of one percent from each program and that the amount of the reduction shall be available for the biomass power for rural development program."

AMENDMENT NO. 5096

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays on Senator Bumper's amendment.

The PRESIDING OFFICER. Is there a sufficient second for the yeas and nays on the Bumpers amendment? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. I say to the Senator, I might move to table. Let us get that done. I move to table the Bumpers amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Parliamentary inquiry. Is an amendment in order now?

The PRESIDING OFFICER. An amendment is in order if unanimous consent is granted to set aside the pending amendments.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the pending amendments be set aside so Senator KYL can offer his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5098

(Purpose: To reduce by $13,402,300 funding of the Lower Colorado River Basin Development Fund)

Mr. KYL. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Arizona [Mr. KYL] proposes an amendment numbered 5098.

Mr. KYL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, line 1, strike "$410,499,000" and insert "397,096,700".

On page 14, line 5, strike "$71,728,000" and insert "$58,325,700".

On page 14, line 14, before the colon insert ": *Provided further*, the amounts allocated by the Committee on Appropriations of each House in accordance with sections 602(a) and 602(b) of the Congressional Budget Act of 1974 and pursuant to the concurrent resolution on the budget for fiscal year 1997 shall be adjusted downward by $13,402,300 and the revised levels of budget authority and outlays shall be submitted to each House by the chairman of the Committee on the Budget of that House and shall be printed in the Congressional Record".

Mr. KYL. Mr. President, this amendment may sound a little strange at first because it actually reduces funding for an Arizona project, but this is important to do.

Mr. President, I rise to offer an amendment to reduce funding for the central Arizona project (CAP) by $13,402,300. The amendment would bring the bill's fiscal year 1997 appropriation for CAP to $58,325,700. That would represent a cut of about 19 percent in this project, and about a 3.2-percent reduction from the total Bureau of Reclamation construction budget.

Mr. President, I want to begin by commending the chairman of the Subcommittee on Energy and Water Development, Senator PETE DOMENICI, for his work on this bill and for his unwavering support of the CAP, a project that provides central and southern Arizona with its lifeblood—water.

The amendment I am offering today is the result of information received since the subcommittee took action on the energy and water bill a few weeks ago. Had the chairman been aware of the information at that time, I believe the funding levels in the bill would have been adjusted accordingly. In any event, it is appropriate that we adjust the figures now to prevent the unnecessary expenditure of hard-earned tax dollars.

The House of Representatives has already approved a similar amendment, which was offered with the unanimous support of Arizona's House delegation, during floor action in that body on July 24. My amendment differs somewhat from the House measure because of a difference of opinion between the Bureau and staff about how certain funds are accounted for. Although my amendment uses the more conservative numbers provided by the Bureau, the savings could rise depending upon how that dispute is resolved. If more could be saved, I would hope the conference committee would adopt that higher amount of savings.

Mr. President, I want to give credit to the Central Arizona Water Conservation District, the local sponsor of the CAP, for helping to identify savings that could be achieved, and I want to specifically list those savings here:

Hayden-Rhodes Aqueduct: Siphon repairs, $1,616,000;

Hayden-Rhodes Aqueduct: Other repairs, $1,509,000;

Modified Roosevelt Dam: Noncontract costs, $214,000;

Other project costs: Water allocations—noncontract costs, $500,000;

OPC O&M during construction, $350,000;

Curation facilities, $400,000;

Native fish protection, $2,775,000;

Native fish protection—noncontract costs, $332,000;

Environmental Enhancement: Major contracts, $1,100,000

Noncontract costs, $801,300;

New Waddell Dam: New recreation enhancement contracts, $1,550,000; and

Noncontract costs, $2,255,000.

Total reduction in fiscal year 1997 CAP budget—$13,402,300.

Included in these reductions, for example, is $1.5 million that was in the Bureau's budget request for Reach 11 dike repairs. But our information is that the Bureau has already completed such repairs and has no need for more money related to those repairs.

Another $1.6 million relates to repair and replacement of siphons, but the Bureau has refused to complete the remaining siphon repairs.

I want to make clear that nothing in my amendment is intended to hamper work on Indian distribution systems. Funding for work related to this activity is contained in a separate line item within the CAP budget that is left untouched by the amendment. I fully intend that these projects go forward as we have promised. Any effort by the Bureau to reprogram moneys set aside for such contracts would require the approval of the Senate and House Appropriations Subcommittees on Energy and Water Development. Such approval is highly unlikely.

If there are any activities that are adversely affected and proponents can justify why they should legitimately be supported through the CAP budget, I know the Arizona delegation would be glad to revisit the issue next year. Until then, however, I believe it is appropriate for the Senate to accept the savings being proposed today.

Mr. President, we have a unique opportunity today to save taxpayers some money without harming ongoing activities that are vital to the CAP. I urge the adoption of my amendment.

Mr. DOMENICI. Mr. President, I want to first reassure the Senator from Arizona that I have not in any way diminished my support for the project he alluded here today, the great Arizona water project. I am totally in favor of it and have been a part of funding it for as long as I have been here, and, as chairman, I remain committed.

I thank the Senator for reducing the costs this year. He has found a way to save some money. I gather the amount is about $13.4 million that he thinks we can save. The Senator proposes to save that and still keep the project on course. Is that not correct, Senator KYL?

Mr. KYL. That is correct.

Mr. DOMENICI. The Senator, in behalf of the people of his State, is fully aware this project is fully funded in this bill, and he is going to leave it fully funded in the best interests of his State. I give my commitment to keep that going in that manner.

AMENDMENT NO. 5099 TO AMENDMENT NO. 5098

Mr. DOMENICI. Mr. President, having said that, the amendment has a provision in it with reference to what the money can be used for that is saved, and I have a second-degree amendment that I will offer which makes that no longer subject to a point of order, because it directs where the money must be spent. I provide a number of amendments that I have agreed to with other Senators to clean up this bill. These will all be offered as second-degree amendments to the KYL amendment.

I send the amendment to the desk, and I ask for immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself and Mr. JOHNSTON, proposes an amendment numbered 5099 to amendment No. 5098.

Mr. DOMENICI. This is offered not only in my behalf, but the distinguished ranking member, Senator JOHNSTON, is a cosponsor of this.

The PRESIDING OFFICER. The Senator has to have unanimous consent for dispensing of the reading.

Mr. DOMENICI. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In amendment No. 5098, strike lines 3 through 9 and inset in lieu thereof:

On page 19, line 3, strike "2,749,043,000," and insert in lieu thereof "2,764,043,000," and on page 20, line 9, strike "220,200,000 and insert in lieu thereof "205,200,000."

Insert where appropriate: "TECHNOLOGY DEVELOPMENT FOR THE DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—Within available funds, up to $2,000,000 is provided for demonstration of stir-melter technology developed by the Department and previously intended to be used at the Savannah River site. In carrying out this demonstration, the Department is directed to seek alternative use of this technology in order to maximize the investment already made in this technology."

Insert where appropriate: "MAINTENANCE OF SECURITY AT GASEOUS DIFFUSION PLANTS.—Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k.) is amended by striking 'subsection;' and inserting the following: 'subsection. With respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying sidearms at all times to ensure maintenance of security at the gaseous diffusion plants;'."

Insert where appropriate: "TECHNICAL CORRECTION TO THE USEC PRIVATIZATION ACT.—Section 3110(b) of the USEC Privatization Act (Public Law 104–134, title III, chapter 1, subchapter A) is amended by striking paragraph (3) and inserting the following:

"(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1)."

Insert where appropriate: "*Provided*, That funds made available by this Act for departmental administration may be used by the Secretary of Energy to offer employees voluntary separation incentives to meet staffing and budgetary reductions and restructuring needs through September 30, 1997 consistent with plans approved by the Office of Management and Budget. The amount of each incentive shall be equal to the smaller of the employee's severance pay, or $20,000. Voluntary separation recipients who accept employment with the Federal Government, or enter into a personnel services contract with the Federal Government within 5 years after separation shall repay the entire amount to the Department of Energy."

On page 2, between lines 24 and 25, insert the following: "Tahoe Basin Study, Nevada and California, $200,000; Walker River Basin restoration study, Nevada and California, $300,000;"

On page 3, line 20, strike "construction costs for Montgomery Point Lock and Dam, Arkansas, and".

On page 13, line 21, after "expended" insert ": *Provided further*, That within available funds, $150,000 is for completion of the feasibility study of alternatives for meeting the drinking water needs of Cheyenne River Sioux Reservation and surrounding communities".

On page 7, line 19, add the following before the period: ": *Provided further*, That the Secretary of the Army is directed to use $600,000 of funding provided herein to perform maintenance dredging of the Cocheco River navigation project, New Hampshire."

On page 5, after line 2, insert the following: "Mill Creek, Ohio, $500,000;".

On page 5, line 8, strike "$6,000,000" and insert in lieu thereof: "8,000,000".

On page 23, line 22, strike "$5,615,210,000" and insert "$5,605,210,000"; and on page 23, line 8, strike "$3,978,602,000" and insert "$3,988,602,000".

On page 14, on line 12, after "amended" insert "$12,500,000 shall be available for the Mid-Dakota Rural Water System".

On page 6, line 24, strike "$1,700,358,000" and insert "$1,688,358,000".

On page 3, line 15, strike "$1,024,195,000" and insert "$1,049,306,000".

On page 5, line 25, insert the following before the period: ": *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to initiate construction on the following projects in the amounts specified:

"Kake Harbor, Alaska, $4,000,000;

"Helena and Vicinity, Arkansas, $150,000;

"San Lorenzo, California, $200,000;

"Panama City Beaches, Florida, $400,000;

"Chicago Shoreline, Illinois, $1,300,000;

"Pond Creek, Jefferson City, Kentucky, $3,000,000;

"Boston Harbor, Massachusetts, $500,000;

"Poplar Island, Maryland, $5,000,000;

"Natchez Bluff, Mississippi, $5,000,000;

"Wood River, Grand Isle, Nebraska, $1,000,000;

"Duck Creek, Cincinnati, Ohio, $466,000;

"Saw Mill River, Pittsburgh, Pennsylvania, $500,000;

"Upper Jordan River, Utah, $1,100,000;

"San Juan Harbor, Puerto Rico, $800,000; and

"Allendale Dam, Rhode Island, $195,000: *Provided further*, That no fully allocated funding policy shall apply to construction of the projects listed above, and the Secretary of the Army is directed to undertake these projects using continuing contracts where sufficient funds to complete the projects are not available from funds provided herein or in prior years."

On page 14, line 1, strike "$410,499,000" and insert "$398,596,700".

On page 15, line 13, insert the following before the period: ": *Provided further*, That $1,500,000 shall be available for construction of McCall Wastewater Treatment, Idaho facility, and $1,000,000 shall be available for Devils Lake Desalination, North Dakota Project".

On page 29, between lines 5 and 6, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $342,000."

On page 33, between lines 7 and 8, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $322,000."

On page 17, line 19, strike "$48,971,000" and insert "$48,307,000".

On page 7, line 19, insert the following before the period: ": *Provided further*, That $750,000 is for the Buford-Trenton Irrigation District, Section 33, erosion control project in North Dakota".

Mr. DOMENICI. I ask unanimous consent that Senator JOHNSTON be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I understand the distinguished Senator has a schedule problem. I indicate we ought to adopt the amendment, and then I will brief the Senate on what is in the amendment.

The PRESIDING OFFICER. The amendment sent to the desk by the Senator from New Mexico is not a formal second-degree amendment to the amendment of the Senator from Arizona.

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KYL). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask unanimous consent the second-degree amendment be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment.

The amendment (No. 5099) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JEFFORDS. Mr. President, I want to thank the managers of this legislation for working with me to protect our country's renewable energy programs. The amendment I offered, along with Senators ROTH, LEAHY, MURKOWSKI, CHAFEE, BUMPERS, DASCHLE, KOHL, and CONRAD, will essentially maintain fiscal year 1996 spending levels for most solar, wind, biomass, and other renewable energy programs. The amendment restores $23 million to these accounts, preserving our nation's main efforts to attain energy independence.

Mr. President, the United States imports in excess of 50 percent of the oil we use to power our homes, automobiles, and workplaces. Our dependence on this foreign oil continues to be a risk to our national security and is running up our trade deficit. Despite this fact, we continue to reduce funding for the few programs which lead us down the path of energy independence. In the legislation we are debating today, funding for solar, wind, biomass, and renewable energy programs is cut by almost 30 percent and a number of important programs are eliminated completely.

I am very aware of the constraints the managers of this legislation have had with this bill and I commend them for their efforts. However, I feel strongly that this Nation and this congress should continue to support investment in renewable technologies. The cost of wind, photovoltaics, solar thermal, and biomass have dropped more than ten fold over the last 15 years. Wind energy, which has been cut 50 percent from last year's levels in this bill, has developed into the major alternative energy contributor. Over 5,000 megawatts of wind energy electricity has been installed to date—or energy equal to five nuclear power plants.

Due to cost-shared research and development on materials, turbine blade design, and manufacturing, the U.S. wind industry leads the world in the lowest-cost and most efficient wind generators. The combined research and development budget of the European Community equals $130 million. This legislation provides the entire research and development funding for our renewable efforts, which is only while this bill provides only $15 million. Clearly this is inequitable and does not provide a sufficient threshold to continue the basic research and cost-shared applied research necessary to maintain the lead in both the domestic and global markets. The amendment I am offering will provide $31.5 million for wind programs, $1 million lower than fiscal year 1996 levels.

Our Nation should be proud of its lead in developing advanced wind energy systems. My State of Vermont certainly takes pride in its growing wind industry. One of our utilities, Green Mountain Power, has been a national wind energy leader, and is currently constructing a 6 megawatt project that will utilize eleven 550 kilowatt turbines manufactured by Zond Systems of California. The Zond turbine has been participating in cost-shared development with the U.S. Department of Energy and the National Wind Technology Center at NREL. Green Mountain Power's Vice President, Norm Terreri, is now serving as president of the American Wind Energy Association.

Vermont is also home to NRG Systems, of Hinesburg, VT, one of the world's leading high technology manufacturers of wind measuring devices and a company that has made export sales in over 50 countries. Atlantic Orient, of Norwich, VT, has manufactured a 50-kilowatt wind turbine in cooperation with the Department of Energy that has become one of the most popular turbines for wind-diesel hybrid locations for remote locations such as Alaska and the Canadian Arctic. The New World Power Technology Company of Waitsfield, VT, is a leading manufacturer of wind-PV village power systems.

Wind companies around the country, like those in Vermont, look to the Federal Government for support in this new, booming market. We cannot let these companies fall behind their European or Asian competitors as this market expands.

Solar thermal electricity has been on a major growth spurt, with the United States leading the world. In June, the Solar Two project was ribbon-cut in California. At this site, the heat from solar mirror concentrating sunlight atop a tower is stored in nitrate salt which can then create steam-to-electricity day or night, rain or shine. A solar dish/engine manufacturing facility was ribbon-cut in Texas. Both projects came from cost-shared research and development at the Department of Energy. In this bill we are including funding for solar industrial research and development to bring this same technology to industrial process heat, new material creation from photon concentration, and some interagency cost share research on solar detoxification.

Over 70 percent of photovoltaics are exported overseas and over 50 percent of wind, solar thermal, geothermal, and biomass equipment and services are exported primarily to third world countries. To this end, the amendment has included $1.5 million directed explicitly to continue the work of the Federal interagency activity called the Committee on Renewable Energy Commerce and Trade [CORECT] signed into law by President Reagan to ensure that the U.S. Government coordinates its export capabilities. The European Community and Japan provide subsidized export financing to their respective industries and other incentives which equal hundreds of millions of dollars of support. The funding for this program is to make U.S. Federal agencies maximize their efficiency by utilizing existing programs to promote the exportation of renewable energy equipment and services. Nearly 2 billion people on the globe do not have access to electricity and this program has made great strides in rectifying that situation. To that end, three new automated manufacturing facilities in the United States have been recently ribbon-cut to manufacture photovoltaics for this growing overseas market.

This bill also provides support to an effective program at the $1 million level for the Renewal Energy Production Incentive [REPI]. REPI provides support to municipal electric utilities and rural electric cooperatives to utilize solar and renewable energy. This program was established under the Energy Policy Act of 1992 because at that time only private utility subsidiaries could access the solar and geothermal tax credits. REPI allows the rest of the industry an equivalent program to utilize tax credits. The response from the municipal utilities and cooperatives has been enthusiastic and this program has over 18 renewable energy projects underway.

Another voluntary program is also funded at $1 million level for all utilities to integrate renewable energy in an effort to offset emissions that have wrought global climate change. The Utility Climate Challenge Program has been supported by all of the electric utilities as a stellar example of the way Government should work—encouraging innovation rather than command-and-control measures.

The final program funded is the Resource Assessment Program at $1 million. This is a program carried our primarily by the National Renewable Energy Laboratory [NREL] which analyzes satellite and other data for those that want to know the extent of renewable energy in their area, whether that be solar, wind, biomass, or geothermal. This program can only be carried out by national laboratories and would put our industries at a competitive disadvantage if not explicitly funded.

Mr. President, this amendment is an extremely modest investment to preserve U.S. energy options, create U.S. jobs, and protect our environment. I commend the managers of this bill for recognizing the importance of these programs and for supporting this amendment.

Mr. LEAHY. Mr. President, I strongly support the efforts of Senator JEFFORDS and Senator ROTH to maintain level funding for renewable energy programs. I am proud to cosponsor this amendment and join their efforts.

Mr. President, this amendment restores our investment in the future of sustainable energy. Unfortunately, this Congress has cut funding for renewable energy by 38 percent over the last two years. These cuts are shortsighted. To ensure that future generations can enjoy clean energy, we must maintain our commitment to support funding for research and development of solar, wind, and biomass energy.

In particular, I firmly believe that Congress has a responsibility to reaffirm its commitment to wind energy funding. Wind energy is now a $4 billion industry in the United States. Department of Energy funding has been key to this success by developing wind energy projects for commercialization.

In my home State of Vermont, for example, Department of Energy funding for wind energy has helped develop a growing environmentally-friendly industry. With DOE support, Vermont companies have developed state-of-the-art wind turbines and other high technology products at wind energy projects in the Green Mountains of Vermont, in rural villages in Alaska and even on the top of the South Pole. And these DOE-supported projects have become proving grounds for Vermont companies to tap into a growing wind energy export market around the world.

But the wind energy industry in Vermont and across the country is at a critical stage in its development. European and Asian wind industries—which are heavily subsidized by their governments—are emerging as competitive rivals. As a result, we must continue strong DOE funding to maintain America's leadership role in the global wind energy market.

Mr. President, this amendment makes sense for our future and our children's future. Our children and grandchildren should be able to enjoy sustainable, clean and renewable energy. I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The question is now on agreeing to the amendment.

The amendment (No. 5098) was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. DOMENICI. I move to table the motion.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I will go through and make sure the Senators know which of their requests are in this amendment, but I will go through the comprehensive amendment that takes care of many amendments that were pending, not all of which cost money, and some of these have offsets from other provisions in the bill.

An increase in solar and renewable energy by $2,372,000 in behalf of Senator JEFFORDS and others; stir-melter technology, Senator LOTT and others, $2 million; allow guards at enrichment plants to carry sidearms, MCCONNELL and others; technical corrections to the USEC Privatization Act regarding the Thrift Savings Plan, MCCONNELL and others; provide DOE authority to offer voluntary separation incentives, requested by the Secretary; Tahoe Basin study, Senator REID; Walker River Basin study, Senator REID; study of the water needs of the Cheyenne River Sioux, DASCHLE; language that would require 50 percent of the Montgomery Point lock and dam project be derived from the Inland Waterway trust fund, Senator BUMPERS; maintenance of dredging at Cocheco River project, Senator SMITH; Mill Creek project in Ohio, half a million dollars; Virginia Beach erosion control for the State of Virginia; tritium production, additional $10 million requested by the Senator from South Carolina; rural water system development mid-Dakota, for Senators PRESSLER and DASCHLE.

Mr. JOHNSTON. Will the Senator yield?

Mr. DOMENICI. Helena and vicinity, Arkansas.

I am happy to yield.

AMENDMENT NO. 5099, AS MODIFIED

Mr. JOHNSTON. I am advised there was a pending objection by Senator GLENN to part of the first amendment relating to the U.S. Enrichment Corporation.

Therefore, I move to vitiate the action just taken with respect to the following language. In other words, the following language of that first amendment should be deleted.

Insert where appropriate: Technical correction to the USEC Privatization Act—Section 3110(b) of the USEC Privatization Act (Public Law 104–134, title III, chapter 1, subchapter A) is amended by striking paragraph (3) and inserting the following:

(3) The Corporation shall pay the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1).

I send a modification of amendment No. 5099 to the desk deleting the language I just read.

The PRESIDING OFFICER. The Senator has that right, and the amendment is so modified.

The amendment (No. 5099), as modified, is as follows:

In amendment No. 5098, strike lines 3 through 9 and insert in lieu thereof:

On page 19, line 3, strike "2,749,043,000," and insert in lieu thereof "2,764,043,000," and on page 20, line 9, strike "220,200,000" and insert in lieu thereof "205,200,000.".

Insert where appropriate: "TECHNOLOGY DEVELOPMENT FOR THE DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—Within available funds, up to $2,000,000 is provided for demonstration of stir-melter technology developed by the Department and previously intended to be used at the Savannah River site. In carrying out this demonstration, the Department is directed to seek alternative use of this technology in order to maximize the investment already made in this technology.".

Insert where appropriate: "MAINTENANCE OF SECURITY AT GASEOUS DIFFUSION PLANTS.—Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k.) is amended by striking 'subsection;' and inserting the following: 'subsection. With respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying sidearms at all times to ensure maintenance of security at the gaseous diffusion plants;'."

Insert where appropriate: "*Provided*, That funds made available by this Act for the departmental administration may be used by the Secretary of Energy to offer employees voluntary separation incentives to meet staffing and budgetary reductions and restructuring needs through September 30, 1997 consistent with plans approved by the Office of Management and Budget. The amount of each incentive shall be equal to the smaller of the employee's severance pay, or $20,000. Voluntary separation recipients who accept employment with the Federal Government, or enter into a personal services contract with the Federal Government within 5 years after separation shall repay the entire amount to the Department of Energy.".

On page 2, between lines 24 and 25, insert the following: "Tahoe Basin Study, Nevada and California, $200,000; Walker River Basin restoration study, Nevada and California, $300,000;"

On page 3, line 20, strike "construction costs for Montgomery Point Lock and Dam, Arkansas, and"

On page 13, line 21, after "expended" insert "*: Provided further*, That within available funds, $150,000 is for completion of the feasibility study of alternatives for meeting the drinking water needs of Cheyenne River Sioux Reservation and surrounding communities".

On page 7, line 19, add the following before the period: "*Provided further*, That the Secretary of the Army is directed to use $600,000 of funding provided herein to perform maintenance dredging of the Cocheco River navigation project, New Hampshire.".

On page 5, after line 2, insert the following: "Mill Creek, Ohio, $500,000;".

On page 5, line 8, strike "$6,000,000" and insert in lieu thereof "$8,000,000".

On page 23, line 22, strike "$5,615,210,000" and insert "$5,605,210,000"; and on page 23, line 8, strike "$3,978,602,000" and insert "$3,988,602,000".

On page 14, on line 12, after "amended" insert "$12,500,000 shall be available for the Mid-Dakota Rural Water System".

On page 6, line 24, strike "$1,700,358,000" and insert "$1,688,358,000".

On page 3, line 15, strike "$1,024,195,000" and insert "$1,049,306,000".

On page 5, line 25, insert the following before the period: "*: Provided further*, That the Secretary of the Army acting through the Chief of Engineers, is authorized and directed to initiate construction on the following projects in the amounts specified:

"Kake Harbor, Alaska, $4,000,000;

"Helena and Vicinity, Arkansas, $150,000;

"San Lorenzo, California, $200,000;

"Panama City Beaches, Florida, $400,000;

"Chicago Shoreline, Illinois, $1,300,000;

"Pond Creek, Jefferson City, Kentucky, $3,000,000;

"Boston Harbor, Massachusetts, $500,000;

"Poplar Island, Maryland, $5,000,000;

"Natchez Bluff, Mississippi, $5,000,000;

"Wood River, Grand Isle, Nebraska, $1,000,000;

"Duck Creek, Cincinnati, Ohio, $466,000;

"Saw Mill River, Pittsburgh, Pennsylvania, $500,000;

"Upper Jordan River, Utah, $1,100,000;

"San Juan Harbor, Puerto Rico, $800,000; and

"Allendale Dam, Rhode Island, $195,000: *Provided further*, That no fully allocated funding policy shall apply to construction of the projects listed above, and the Secretary of the Army is directed to undertake these projects using continuing contracts where sufficient funds to complete the projects are not available from funds provided herein or in prior years."

On page 14, line 1, strike "$410,499,000" and insert "$398,596,700".

On page 15, line 13, insert the following before the period: ": *Provided further*, That $1,500,000 shall be available for construction of McCall Wastewater Treatment, Idaho facility, and $1,000,000 shall be available for Devils Lake desalination, North Dakota project".

On page 29, between lines 5 and 6, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission as authorized by law (75 Stat. 716), $342,000."

On page 33, between lines 7 and 8, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Susquehana River Basin Commission, as authorized by law (84 Stat. 1541), $322,000."

On page 17, line 19, strike "$48,971,000" and insert "$48,307,000".

On page 7, line 19, insert the following before the period: "*Provided further*, That $750,000 is for the Buford-Trenton Irrigation District, Section 33, erosion control project in North Dakota".

Mr. DOMENICI. Mr. President, I don't know the extent of the disagreement on that amendment. But I won't object. We will try to work it out. It seems there is a difference of opinion. We will get the staff and Senators together quick and see what we can do.

I will continue to read the list:

San Lorenzo, CA, $200,000; Panama City FL, $400,000; Shoreline in Chicago, $1.3 million; $3 million for Pond Creek in Jefferson City, KY; Boston Harbour, $500,000; Poplar Island, MD, a program both Senators support and the administration supports, $5 million; Natchez Bluff, MS, $5 million; $1 million for Wood River, NE; and, hence, others not listed here that are clearly stated.

Mr. President, that means we have adopted the underlying amendment and the amendment that Senator JOHNSTON and I offered. We are now ready for additional amendments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMS. Mr. President, may I also ask what the pending business is before the Senate?

The PRESIDING OFFICER. The pending business is the Johnston, for Wellstone, amendment.

Mr. GRAMS. Mr. President, I ask unanimous consent that the current business be set aside so that I may offer an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5100

(Purpose: To limit funding for Appalachian Regional Commission at House-passed level and require the Commission to be phased out in 5 years)

Mr. GRAMS. I send an amendment to the desk

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. GRAMS] proposes an amendment numbered 5100.

Mr. GRAMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 28, line 16, strike "$165,000,000" and insert "$155,331,000".

On page 28, line 17, at the end of the sentence, add the following: "The Commission shall provide the House and Senate Appropriations Committee a specific plan for downsizing."

Mr. GRAMS. Mr. President, this is a very moderate and a very straightforward amendment. It would simply adopt the funding for the Appalachian Regional Commission at the House-passed level of $10 million less than the Senate level and require that the commission provide a specific plan for future downsizing and elimination.

Mr. President, this is not a new issue. We have debated it many times before, and I offered a very similar amendment last year. The reason I bring it up again is simple. I want to remind the American people that pork-barrel spending is alive and well in Washington, and Congress has demonstrated little courage to phase out or eliminate these costly types of programs.

For a number of years, the Congressional Budget Office has recommended the elimination of the ARC as one of the many options for deficit reduction. Last year, both the Senate and the House passed a budget resolution calling for the elimination of ARC. This year, the House budget resolution has again assumed further savings from a phased-in downsizing of ARC. While the House-passed appropriations bill provides $155 million for the Appalachian Regional Commission and requires continued downsizing, the Senate bill grants $165 million—that is $10 million more than approved by the House—and it does not address the question of downsizing.

There are no persuasive justifications for the Senate funding level. The program should be terminated. Yet there appears to be no congressional will to end any program once it has been authorized. That is why I have sought to sunset Federal programs since I came to Congress.

Mr. President, the Appalachian Regional Commission was created in 1965 as a temporary response to poverty in Appalachia. Let me say that again. In 1965, it was created as a temporary response to poverty in Appalachia. Today, over 30 years later, despite the infusion of more than 7 billion taxpayer dollars into the region, we are still pouring money into the area under the pretext of fighting poverty. If the Appalachia region is still impoverished, we should ask ourselves why we have spent so much money for so many years, and why poverty in this region requires still more Federal dollars than other poverty-stricken areas of our country.

We should also question the real contribution the ARC has made to any long-term economic development of the Appalachia.

A study conducted by scholar Michael Bradshaw in 1992 might help to provide us with some kind of an answer. After analyzing 25 years of Government policy in the region, Mr. Bradshaw concludes:

> The great paradox of Appalachian development since 1960 is that although relatively greater sums of money have been invested in central Appalachia, this part of the region has shown the lowest ability to increase its economic and social indicators relative to the rest of the United States.

The region as a whole has made strides over the past 25 years toward improving conditions for attracting new sources of employment, but Mr. Bradshaw goes on to say that "these changes have had more to do with external economic factors than with the influence of the ARC."

Now, in the 1980's, there was strong growth in the area which mirrored the economic growth of the country at large. During this time, ARC funding was reduced by 40 percent. Did the region suffer? On the contrary. Taxes were cut and unemployment rates fell by 38 percent.

That is how President Kennedy created jobs back in the 1960's, that is how President Reagan created jobs in the 1980's, and that is how we need to create jobs as we approach the year 2000.

Mr. President, what does not make any sense about this program is that it is one of 62 Federal economic development programs that are under the jurisdiction of 18 different departments and agencies. Yet the ARC is the only major Government agency targeted toward a specific region of the country. Many of the projects funded by the ARC duplicate activities are already funded by other Federal agencies.

For instance, the $104 million Appalachian highway development project provided by the Senate Energy and Water Appropriations bill also falls under the jurisdiction of the Transportation Department's Federal highway program. Other projects of the ARC are funded by agencies such as the Department of Housing and Urban Development.

As one Member of Congress rightly pointed out, "What the Appalachian Regional Commission does is essentially allow 13 States in this country to double dip into infrastructure money, money to do economic development and money also to do highway and water construction and projects like that."

While the ARC claims to allocate funds for the poor rural communities of Appalachia, these areas are no worse off than rural communities in Minnesota, in Arizona, or the 35 other States that do not benefit from ARC funding. In fact, in my home State of Minnesota, 12.8 percent of my constituents live below the poverty level, and that is a disturbing statistic. It is higher than many States which benefit from the ARC funding, such as Virginia, which is at 9.4 percent; Maryland, at 11.6; Pennsylvania, at 11.7; and Ohio, at 12.6 percent.

So these States benefit from ARC funding because of poverty levels, yet my home State of Minnesota, which does not, of course, enjoy ARC funding, is at 12.8 percent. But do Minnesotans have a Federal program designed just for them? Of course not, and I am not advocating that we should.

To pay for something like the ARC on a nationwide basis would require billions of dollars, funded either by cutting more from other programs, borrowing money from our children, increasing the deficit, or by raising taxes. The first option is unlikely. The remaining three are completely unacceptable. Already, for every dollar the taxpayers of my State send to the Federal Treasury, they receive only 82 cents of Government services. For every dollar they send to the Federal Treasury, Minnesotans receive only 82 cents worth of the Government's services, but the States which benefit from ARC funding receive on average $1.21 for every tax dollar they contribute.

So for every dollar they send in, they get $1.21 back from Washington, while in my State of Minnesota, for every dollar we send in, we get 82 cents back.

Minnesota has been a good neighbor and has contributed more than its fair share, but when Minnesotans see $750,000 of ARC funds spent on a summer practice stadium for the National Football League's Carolina Panthers, this is a huge slap in the face.

My point, Mr. President, is not that Minnesota and other States with high poverty levels in this country should get more Federal assistance but that there is a compelling reason to reduce the funding for ARC and compelling reasons to continue downsizing a program that has outlived its original mandate. It is ineffective, it is expensive, and it simply does not work.

American taxpayers can no longer afford such extravagant spending. It is time to let this important region of our country benefit from the same myriad of programs that serve other poverty areas. These programs can be improved and streamlined to help stimulate economic development and thereby provide needed Federal assistance to all of the country. Our first priority, however, is to balance our budget, provide tax credits for working Americans, and to create an environment that will stimulate job growth and help to boost all salaries.

So, Mr. President, although I strongly believe that the ARC should be terminated, my amendment does not zero out funding for the ARC, nor does it reduce it significantly, but it simply reduces the level of funding to that already approved by the House, and that is to take the $165 million in the Senate bill and to match it with the $155 million currently in the House bill.

I urge my colleagues to support this moderate amendment. Congress should show the American people at least a little courage by slowing down this Federal spending "Energizer Bunny," or we could say the "Energizer Piggy," which keeps going on and going on and going on.

I also ask unanimous consent to add Senator McCAIN as an original cosponsor of this amendment.

The PRESIDING OFFICER (Mr. DOMENICI). Without objection, it is so ordered.

Mr. GRAMS. If there is no further debate, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The yeas and nays were ordered.

Mr. GRAMS. I thank the Chair.

Mr. KEMPTHORNE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. KEMPTHORNE. Mr. President, I rise in support of the pending appropriations bill, and I thank the manager of the bill, the able Senator from New Mexico, who is currently the Presiding Officer of the Senate, Senator DOMENICI, for his tremendous leadership on these issues dealing with energy and water, and the senior Senator from Louisiana, BENNETT JOHNSTON, noting that this will be the culmination of his service in the Senate. He will be greatly missed because of the expertise and experience and enthusiasm that he brings to today's issues of energy and natural resources. A wealth of knowledge goes with him and with him our best wishes as well.

The fiscal year 1997 energy and water appropriations bill provides funding for some of the highest priority Federal responsibilities. For example, the bill provides a total of $5.6 billion, an increase of $205 million above the budget request for the Department of Energy's defense environmental management program. The DOE defense environmental management program includes the safe handling and the treatment of some of the most toxic materials on this planet Earth such as spent nuclear fuel, high-level liquid waste and surplus weapons grade plutonium—certainly the appropriate use of funds and in fact the addition of these funds.

The budget increase recommended by the Senate Appropriations Committee is consistent with the increase authorized by the defense authorization bill passed by the Senate just a few weeks ago. The pending appropriations bill provides increases for important programs in Idaho including an increase in funding for the Department of Energy's national spent nuclear fuel program.

In testimony earlier this year, Secretary O'Leary acknowledged that the Idaho National Engineering Laboratory had been designated as the DOE lead lab for the spent nuclear fuel program but additional funds to meet these new responsibilities had not been provided.

The bill now before the Senate addresses this shortfall. The pending bill also provides $200 million to move forward with the effort to open a permanent repository for spent nuclear fuel at Yucca Mountain. In light of the ongoing Senate debate regarding the Craig bill, this funding, which represents a 32 percent increase over the fiscal year 1996 level, is certainly appropriate and needed.

The bill also provides almost $4 billion, an increase of $269 million, for the Department of Energy's nuclear weapons program. These funds are essential to ensure that our nuclear stockpile remains safe and reliable.

The pending bill also funds important energy functions of the Department of Energy. The bill provides $20 million for the electrometallurgical demonstration program at Argonne National Lab. This important program to treat DOE spent nuclear fuel for final disposition is reduced by $5 million from the budget request. I will address this reduction with the chairman and the ranking member at the appropriate time.

I want to offer my praise for the funding levels provided in this bill and to the leadership, again, of the two managers of this bill. The funding increase for the defense environmental management program will expedite cleanup and remediation at sites like

INEL, Savannah River, and Hanford, and save American taxpayers money in the long run. These funds will show the American people that this Senate will deal with the environmental challenges left over from our victory in the cold war.

I urge adoption of the pending bill and thank the managers again for this time.

Mr. President, I yield the floor.

THE PACIFIC OCEAN DIVISION OFFICE, U.S. ARMY CORPS OF ENGINEERS

Mr. INOUYE. Mr. President, I rise today to thank the managers of this bill for including my language in committee to prohibit the Army Corps of Engineers from obligating funds to close the Pacific Ocean Division [POD] office.

The Pacific Ocean Division has the largest civil works jurisdictional area, covering almost a one-third of the globe. Maintaining the POD office is very important to the United States' ability to deliver critical military and civil works assistance to our allies in the Asia-Pacific region.

The POD has been characterized as a model of efficiency and effectiveness, particularly in military construction. In this age of restructuring to improve efficiency, the Army Corps of Engineers proposal seems to undermine these goals.

I have requested that the Army Corps of Engineers provide me with a detailed cost/benefit analysis justifying closing the POD. I have not been provided with this analysis. Until an analysis is provided that demonstrates that the POD is not a model of efficiency and effectiveness, I will fight to see that the POD remains open.

I request that the chairman and ranking member make every effort to ensure that the Senate position is maintained in conference with the House.

Mrs. MURRAY. Mr. President, I rise in strong support of this bipartisan bill. It contains funding for many programs and projects important to our Nation and my region. I thank Chairman DOMENICI and Senator JOHNSTON—and their very capable staffs—for the superb jobs they have done.

Cleanup and restoration of the Hanford site is one of my top priorities. In this bill, the Department of Energy's Environmental Management program is well funded. While I disagree with the allocation of resources between defense and nondefense programs in the majority's budget, I appreciate that some of that extra defense money goes to worthwhile programs, like environmental management.

One aspect of the EM program that continues to trouble me is the approach the Department has taken to privatization at Hanford. I appreciate the subcommittee's effort to minimize the impact of privatization by suggesting that only $150 million, rather than $185 million, be taken from the tank farm operating budget in order to make a down payment on the tank waste remediation program. Senators GORTON, DOMENICI, JOHNSTON, and I have sent a letter to the Department asking a number of questions about this approach to privatization. While I am a supporter of privatization, I believe sweeping changes must be well thought out and should not harm ongoing efforts to stabilize the tank farms.

Mr. President, this administration has done a terrific job of moving Hanford cleanup forward. For years, Hanford has been largely a money hole into which enormous Federal dollars were thrown, but little was accomplished. I want to recognize the accomplishments of Secretary O'Leary's Department of Energy and the people at Hanford who have done such an outstanding job of reducing costs and increasing results.

Let me share some of the latest results at Hanford.

There are several specific cleanup programs that have made significant progress recently. One of those is at the Plutonium Uranium Extraction [PUREX] Plant where the criticality system was shut off forever last month. The alarm is not necessary because there is no longer a chance of a nuclear accident at the 40-year-old plant. This shows tremendous progress and is evidence of the dedication of Hanford employees—who reached this goal 16 months ahead of schedule and $47 million under budget.

The K-basin's spent fuel project is also on track. The canister storage building is 15 percent complete and the managers estimate they can begin large-scale spent fuel removal by December 1997. At that time, fuel will be removed from both K-basins to be cleaned, loaded into baskets, placed in multi-canister overpacks, dried in a cold vacuum, and placed in the canister storage building. Already, several hundred spent fuel canisters have been removed and cleaned; and the system is working as planned. Another point of interest is that project acceleration decisions made and implemented in 1995 have saved $350 million and will allow the project to be completed 4 years early. This is great progress.

The Pacific Northwest National Laboratory is in the final stages of construction of the new Environmental Molecular Sciences Laboratory [EMSL]. The lab is a critical component of our efforts to develop the scientific understanding needed to create innovative and cost-effective technologies for environmental remediation. EMSL scientists will research soil and water quality, waste characterization, processing, and health effects. This state-of-the-art facility will complement the Hanford cleanup mission and make a positive contribution to many of our most troubling environmental and pollution problems.

Mr. President, I appreciate the commitment of this body and the administration to the cleanup of former defense production sites, like Hanford. I pledge to work with my colleagues to see that progress continues and that the Federal Government fulfills its responsibility to the people of this Nation who fought and won the cold war.

I would also like to voice my strong support for an amendment offered by Senator JEFFORDS regarding funding for renewable energy. In the last 2 years, funding for wind, solar, and other renewable energy research and development programs has been cut by almost 40 percent. Last year, the Senate restored some of the funding for these important programs, but eventually the renewables program lost ground in conference with the House. I want to lend my voice to many of my colleagues who support renewable energy and see such programs as a critical component of the Federal Government's commitment to future generations and a healthy environment.

Again, I thank Senators DOMENICI and JOHNSTON for their work on this important bill and urge my colleagues to support final passage.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, with the consent of the manager, if no one is here to offer amendments or speak on the bill, I ask unanimous consent to proceed for 10 minutes as in morning business, with the understanding that if someone comes to present an amendment, I will be happy to relinquish the floor.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized for 10 minutes.

Mr. DORGAN. I appreciate the courtesy of the managers. Again, business on the bill itself takes precedence. I will not continue if someone comes to do business on this bill.

ELECTIONEERING VERSUS DAY-TO-DAY ISSUES

Mr. DORGAN. Mr. President, I came to the floor today, however, because as has been the case on most days, we have had five Republicans come to the floor today to talk about President Clinton and the White House. I understand that and understand it is an even-numbered year, and the Constitution of the United States provides in even-numbered years that we have elections. On even numbered years when we have elections, clearly there is interest for one side or the other to try to gnaw away and chew away the foundation of the base of the others.

I watch from time to time, as organized groups come to the floor and we try to respond to them sometimes, those of us on our side of the aisle, to try to set the record straight as best we can. It is pretty hard to keep up with them, because they come in significant waves.

I want to use the time for a couple of minutes to talk about the difference between what we confront in the electioneering, or the political efforts these days, and what the American people expect us to confront in terms of the issues they face day-to-day.

If one were to view the activities from time to time, especially when we get 1 hour or 2 hours set aside for a couple of my friends from the other side of the aisle who then recruit several others, as was the case today, and have five, six or seven people come and repeat a message to try to get that message out to the country, it is kind of like watching beavers build a dam: They slap their tails, they are out there gnawing, chewing and biting and knocking down trees.

In this case, however, it is interesting. These are, it seems to me, political beavers building a dam where there is no water, which I find interesting. Slapping the water and chewing on dead wood seems hardly productive to me, but it is a way to pass the day for some, I suppose.

Most people sitting at home these days look at this political system of ours and say, "Why can't you all work together?" We have an Olympics going on, and in the Olympics, what is interesting is they all wear jerseys, and the jerseys identify one team versus another team.

I particularly have enjoyed watching various sports in the Olympics and, I must confess, I root for all the athletes. I think it is a wonderful thing to see these young men and women, in some cases older men and women, compete, but I, like most others, especially want those people who wear the red, white and blue jerseys to do very well, because they compete with a little logo that says "USA." They are all on the same team.

The American people elect different kinds of men and women to the U.S. House and Senate. My guess is they expect us to all be on the same team. We might all have different techniques, different strengths, and different approaches, but they really do, in the long term, at the end of the day expect us to be working for the same ends.

We can, I suppose, spend most of our energy being critical and chewing away and gnawing away and flailing away, but it hardly seems very productive.

We have been working on a number of things in this Congress which I think are interesting. The Federal deficit: Some say unless you put something in the Constitution, you have not addressed the Federal deficit issue. Yet, the Federal deficit has been coming down, way down, and that is good news.

We have some people who rush to the floor to explain why one person or someone else should not gain credit for that. But nonetheless, the Federal budget deficit has come down very, very substantially.

We have been working on health care issues, the need for the American people to have Congress address the issue of being able to take your health care from one job to another and not lose coverage because you change jobs or find you can't get health care because your child or your spouse or someone in your family has a preexisting condition. Those are very important issues, and I think we finally made progress. It has taken a long, long while, but I think we are going to have a health care bill that finally gets done and gets signed by the President.

That would be a significant accomplishment. I hope we don't have much foot dragging in the coming weeks with respect to that issue, because that is something the American people want and need.

We have been working on the issue of the minimum wage. Some say there shouldn't even be a minimum wage. If you believe that, why don't you bring a bill to the floor to repeal the minimum wage?

There are some around here who say we do not want a minimum wage, let the market system set the wage; let 12-year-olds work for 12 cents an hour. I heard some people suggest that, by the way, not here on the floor of the Senate. But there are some people in this political debate who believe there should be no minimum wage at all. If you believe that, bring a bill to the floor. Why don't you represent a position that hearkens back to half a century ago and say, in your judgment, there ought not be a minimum wage?

Some of us think that there ought to be a minimum wage. We have had one now for some 60 years. The question is, when should it be adjusted?

The last time the people at the bottom rung of the economic ladder got a raise was 7 years ago, in 1989, when the Congress last enacted legislation adjusting the minimum wage.

There are some who say, "Well, if you adjust the minimum wage, it is going to cost a lot of lost jobs." The interesting thing about that is, I have not heard anyone suggest when the CEO's of major U.S. corporations get a 23-percent increase in their salaries in 1 year—a 23-percent increase in 1 year—I have never heard someone say, "Gee, that's going to cost lost jobs." But take someone at the bottom of the economic ladder working at minimum wage and suggest after 7 years they get a very small increase—not 23 percent in 1 year, but a freeze for 7 years and then a small increase—and all of a sudden the sky is falling.

We have worked on that, and I am pleased to say, finally, that those who were holding that bill hostage have seen the light. We are moving that. I hope maybe by the end of this week we can have a bill passed that addresses that issue.

Let me mention one other thing that is in that piece of legislation. We attached to that piece of legislation something helpful to small business, and I am for that. There are a series of tax changes helpful to small business, but there is a provision—and I bet there are not five Members of the Senate who know it is there—a provision that comes from the House, and here it is:

It is a provision called 956(A) dealing with the Tax Code. That provision says, "Let's make it easier for companies to invest in jobs overseas." The Congress already passed that once, by the way, and the President vetoed that in a larger bill. But let's make it easier for American companies to create jobs overseas as opposed to jobs here.

I am interested to know whether the Senate conferees will accept that provision of the House, which is a terrible provision. I have no idea how anyone thinking clearly could believe that repealing this provision, 956(A), which we did 3 years ago to try to tighten up on the loophole that exists to encourage people to move their jobs overseas, I have no idea how people believe it is in this country's interest to make it more attractive for companies to move their jobs overseas.

That is something we are going to have to watch, because if it comes back to the Senate, some of us are going to be very upset and very aggressive.

Let me, Mr. President, say those are the issues that make sense. I mean, those are the issues we ought to be dealing with—health care, minimum wage, economic growth, the deficit.

There will be economic growth figures out at the end of this week, both unemployment and GDP figures. The interesting thing about our country today is if it shows that the country is growing well and has a robust economic growth figure for the last quarter, if it shows that more people are working, we have fewer unemployed, what is going to happen? Well, if what has happened in the last year will happen again, Wall Street will have an apoplectic seizure and look for windows to jump out of. They will want to find a doorway to the roof, I suppose.

The slightest bit of good economic news creates, on Wall Street, some kind of enormous sense of sadness and sorrow and concern, and all of a sudden, we see stock prices drop, bond prices drop. I do not have any idea why they seem to be out of step with the interests of the rest of the country. I guess they think if we have any kind of good economic news at all, they are worried that over the horizon we will have more inflation. They are wrong about that.

The fact is, wages in this country are going down, not coming up, have been going down consistently for about 20 years. So we do not have the threat of more inflation. What we have is a threat of our economy not producing enough, not growing enough in order to produce the kind of robust opportunity that we want for the American people. But those are the central issues. Those are the issues we ought to be dealing with.

You know, the reason I came over today, after five people have talked about the subject of President Clinton again, is, we have, it seems to me, created in American politics an infection of sorts, an infection that suggests that we always have to be sawing away, always have to be chipping away and sawing away and gnawing away and biting away, or somehow we are not doing the public's work. That is not the public's work at all. That is the newly defined vision of American politics that I think is fundamentally wrong.

There was, a couple of years ago, something put out by this new wave of politicians who took control in the last year or so, last couple of years. There was a primer put out by an organization called GOPAC, and they put out tapes. They had instructional sessions for candidates. They put out a primer: "Here is how you talk. Here is what you say. Here is how you appeal to people." In it, they did something that I basically consider reprehensible. They said, "When you talk about yourself, you use contrasting words for yourself. Always try to use the words like 'hard work, toughness, flag, family, country.'" They said, "When you talk about your opponent, whenever you are talking about your opponent, you need to use the terms 'sick, permissive, pathetic, traitor.'"

This is an organization, incidentally, that has been winning. They won the last election. This organization trained the candidates that won the last election. The training manual says: "If you're dealing with your opponents, call them sick, pathetic, traitor," fundamentally corrupting the American process, I say. That is not what the political process ought to be about.

Calling your opponents traitors, sick, pathetic—what is sick and pathetic is the new style and the new brand of politics that believes this advances the public interest in this country.

What advances the public interest in this country is, if and when both sides in the two major political parties finally come to the same point and are addressing the same central issues, even in different ways—jobs, education, health care, the environment, family farming. When both sides are addressing them, even if they have substantially different views, they are at least addressing the public's business, at least addressing the things that most American families want to see the Congress address.

But when they are off always sawing away at the bottom of the tree, always biting and nibbling, always trying to figure out how you can simply destroy the base somehow, it seems to me you can hardly be called builders, you can hardly be called—in the tradition of those who always believed there would be enough people to make this system work—hardly be called constructive builders who participate in helping build the political system that the American people want.

My hope is that in the coming weeks—we have just 1 week left before there is an August break, and then about 4 or 5 weeks left before we will adjourn for the election—my hope is that during that time we will see substantially more cooperation, substantially less confrontation, and legislation enacted by the House and the Senate that addresses the central questions of people's concerns. I mentioned a few of them. Are they safe? Can they walk the streets? What about crime? Do they have jobs for themselves and their children? Does the education system work? Are our schools good enough? If not, what will make them better?

Can we fix the health care system to deal with preexisting conditions and portability of health care coverage, and make health care affordable for all people? Can we address the issue of those frozen at the bottom of the economic ladder working for very low wages who have been frozen for 7 years? Can we adjust the minimum wage?

Those are the central kinds of questions that if the Congress does address, will, I think, relate to the concerns of most of the American people.

Mr. President, I will yield the floor. My hope is that, although we are going to run through some appropriations bills this week, my hope is that a number of these other issues coming out of conference will be addressed as well.

SENATOR BENNETT JOHNSTON

Mr. DORGAN. Mr. President, let me make one final observation. The Senator who is on the Democratic side of the aisle working on this bill, Senate BENNETT JOHNSTON, as was mentioned by Senator KEMPTHORNE and others today, is one of, I think, the most admired Senators in this country.

He does it the right way. He addresses public issues in a thoughtful and responsible way. He is going to leave the Congress. I believe Members from both political parties would look at Senator JOHNSTON's public record and, with admiration, say this is someone who has served long and well in public service in this country and someone to whom we owe a debt of thanks and gratitude.

I know this will likely be the last bill that he is involved in managing with the Senator from New Mexico on the floor of the Senate. I did want to take the opportunity to wish him well in whatever new career he chooses. I am sure there are many opportunities ahead of him.

Mr. President, I yield the floor, and I make a point of order that a quorum is not present.

The PRESIDING OFFICER (Mr. JEFFORDS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The Senate continued with consideration of the bill.

LAKE TRAVERSE

Mr. DORGAN. Mr. President, I want to take just a couple of minutes, I will be very brief, to make a point to those managing this legislation.

My understanding is an amendment has been noticed dealing with the issue of Lake Traverse. I want it to be clear that if an amendment is offered on Lake Traverse, I will oppose that amendment.

The issue is a lake in South Dakota. There is some concern about the water level in that lake. The water level and the amount of water held for flood control disadvantages people around Lake Traverse. It is also true, that Lake Traverse is used less for flood control and as the lake water level is lowered, more water would be flushed out of the lake and into the Red River, adversely affecting a good number of communities along the Red River.

We did have a meeting with the St. Paul District, Corps of Engineers folks and the staffs of a number of congressional delegations about what kind of collaborative effort could be developed to make sure the interests of all parties are resolved in an appropriate way.

Legislation introduced here in the Senate, if such an amendment is introduced, would represent a unilateral way to do this. I will not support that.

It seems to me we have a circumstance where a lake project was authorized many, many years ago for the purpose of flood control. I understand some of the controversy about it. If the Congress is going to instruct the Corps to manage that lake in a way that diminishes opportunity for flood control, then the question is, who is going to bear the cost of that?

There will be a number of communities in North Dakota and Minnesota up on the Red River that will bear the cost of it. To the extent this problem is addressed and resolved, it must be resolved in a collaborative way, not through this kind of legislation.

If such an amendment is offered and I understand one has been referenced, I intend to oppose it. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5101

Mr. JOHNSTON. Mr. President, I am sending to the desk a sense-of-the-Senate resolution on behalf of the distinguished Senator from West Virginia, Mr. ROCKEFELLER, and others regarding the United States-Japan semiconductor trade agreement which is set to expire on July 31 of this year.

His resolution, after recounting the history of this agreement, resolves that: It is the sense of the Senate that, if a new United States-Japan semiconductor agreement is not concluded by July 31 of this year, that, first, it ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and, second, provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in third country markets, the President shall do three things: First, direct the Office of the Trade Representative to provide for unilateral United States Government calculation and publication of the foreign share of the Japanese semiconductor market, according to the formula set forth in the current agreement; second, report to the Congress on a quarterly basis regarding the progress, or lack thereof, in increasing foreign market access to the Japanese semiconductor market; and, third, take all necessary and appropriate actions to ensure that all United States trade laws with respect to foreign market access and injurious dumping are expeditiously and vigorously enforced with respect to the United States-Japan semiconductor trade.

I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. JOHNSTON), for Mr. ROCKEFELLER, for himself, Mr. CRAIG, Mr. BYRD, Mr. BINGAMAN, Mr. KEMPTHORNE, and Mr. DOMENICI, proposes an amendment numbered 5101.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert:

SECTION 1. FINDINGS.

The U.S.-Japan Semiconductor Trade Agreement is set to expire on July 31, 1996;

The Governments of the United States and Japan are currently engaged in negotiations over the terms of a new U.S.-Japan agreement on semiconductors;

The President of the United States and the Prime Minister of Japan agreed to the G-7 Summit in June that their two governments should conclude a mutually acceptable outcome of the semiconductor dispute by July 31, 1996, and that there should be a continuing role for the two governments in the new agreement;

The current U.S.-Japan Semiconductor Trade Agreement has put in place both government-to-government and industry-to-industry mechanisms which have played a vital role in allowing cooperation in replace conflict in these important high technology sector such as by providing for joint calculation of foreign market share in Japan, deterrence of dumping, and promotion of industrial cooperation in the designing of foreign semiconductor devices;

Despite the increased foreign share of the Japanese semiconductor market since 1986, a gap still remains between the share U.S. and other foreign semiconductor makers are able to capture in the world market outside of Japan through their competitiveness and the sales of these suppliers in the Japanese market, and that gap is consistent across the full range of semiconductor products as well as a full range of end-use applications;

The competitiveness and health of the U.S. semiconductor industry is of critical importance to the United States' overall economic well-being as well as the nation's high technology defense capabilities;

The economic interests of both the United States and Japan are best served by well-functioning, open markets and deterrence of dumping in all sectors, including semiconductors;

The Government of Japan continues to oppose an agreement that (1) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (2) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in the third country markets; and

The United States Senate on June 19, 1996, unanimously adopted a sense of the Senate resolution that the President should take all necessary and appropriate actions to ensure the continuation of a government-to-government U.S.-Japan semiconductor trade agreement before the current agreement expires on July 31, 1996:

SEC. 2.

It is the sense of the Senate that if a new U.S.-Japan Semiconductor Agreement is not concluded by July 31, 1996, that (a) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (b) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in third country markets, the President shall—

(1) Direct the Office of the United States Trade Representative and the Department of Commerce to establish a system to provide for unilateral U.S. Government calculation and publication of the foreign share of the Japanese semiconductor market, according to the formula set forth in the current agreement;

(2) Report to the Congress on a quarterly basis regarding the progress, or lack thereof, in increasing foreign market access to the Japanese semiconductor market; and

(3) Take all necessary and appropriate actions to ensure that all U.S. trade laws with respect to foreign market access and injurious dumping are expeditiously and vigorously enforced with respect to U.S.-Japan semiconductor trade, as appropriate.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent that I be added as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Mr. President, I am offering an amendment that is the result of the calendar. I appreciate, therefore, the cooperation from the bill managers in allowing us to use the Energy-Water appropriations bill as a vehicle for drawing attention to an important issue for Americans. Today is July 29, and in 2 days, on July 31, the Semiconductor Agreement between the governments of the United States and Japan expires.

That is why I rise, on behalf of myself, and Senators CRAIG, BYRD, KEMPTHORNE, BINGAMAN, DOMENICI, and BOXER to offer a resolution expressing the sense of the Senate that if our negotiators are unable to reach a compromise on this important issue with the Government of Japan, that we should continue calculating the foreign share of the Japanese semiconductor market—with or without their formal cooperation. We need to do this in order to ensure continued access to the Japanese market, and to prevent illegal dumping into our market.

Since 1986, when the first Semiconductor Agreement was signed, the U.S. share of the Japanese market has grown from 8.5 percent to a little more than 17 percent. The United States share of the world market, excluding Japan, is about 54 percent. Mr. President, each point of the Japanese market is worth about $420 million in sales to the American economy and jobs, which translates into about $46.2 million in increased research and development, and $63 million in new capital investment. With numbers like that, I think it is clear how important it is that we ensure continued American access to the Japanese semiconductor market.

Mr. President, I had hoped that we would start off this week expressing relief that a new agreement between Japan and the United States has been reached. But unfortunately, that has not happened yet. This remains an example of a situation in which American trade negotiators still are unable to succeed in convincing their Japanese counterparts that it is in our mutual interest to resolve a trade-related issue that is about market access and ensuring fair trade.

What surprises me is that industry on both sides of the Pacific, and around the world, have generally applauded the two Semiconductor Agreements. Things have come a long way since 1986, when the first Semiconductor Agreement was reached and the U.S. semiconductor industry was on death's door. Since then, that agreement and the subsequent 1991 agreement, along with initiatives like Sematech, have helped American industry regain its footing and become the world leader that it is today. Markets around the world are expanding, profits are up, and the outlook for the entire industry is good.

But this period of improving market access for the U.S. semiconductor market and injecting more fairness in our trade relationship has also been short enough that we still need another agreement to avoid setbacks or suprises that could otherwise easily confront us and escalate trade-related tension unnecessarily.

Because the stakes are so high, I offer this Sense-of-the-Senate Resolution to call for appropriate action that should be taken if an agreement is not reached. Our resolution says: if an agreement on semiconductors is not reached by July 31—the date when the current agreement expires, and the date that Prime Minister Hashimoto agreed to—then the United States should unilaterally establish a system to monitor the Japanese semiconductor market, and report to Congress on a quarterly basis the progress, or lack thereof, in increasing foreign access to the Japanese semiconductor market.

I have spent many years studying and working on issues involving Japan, especially in the trade area. For that reason, I have watched the semiconductor agreement with keen interest. Many observers think or talk of this particular issue as one that just affects the businesses and communities tied to making this technology. But we are actually talking about a product often called chips that play a key role in the condition and prospects of many other industries. This type of chips, these semiconductors, form the guts of all those things shaped out of the steel that my State of West Virginia produces, along with plastics and practically everything else that makes our trains run on time, inflates the airbags in our cars, makes the elevator stop on our floors, and of course, powers our computers.

My State does not have an Intel or a Motorola that actually makes the chips. But West Virginia and many other states have industries that fall somewhere in what is called the high technology food chain. Semiconductors are the result of companies and workers who make and provide the materials that go into the end-product—sophisticated chips that make the United States one of the world's powerhouses in high-tech, and generate business and profits for many other industries around the country.

Earlier this month, I visited PPG Industries in West Virginia. PPG started more than 100 years ago as the Pittsburgh Plate Glass Co. They are still one of the leading flat glass companies in the world, but they no longer resemble their ancestor of the 19th century, or even the early 20th century. They are a 21st century company that makes high performance thermoplastics that go into the housing for Pentium chips—the most advanced semiconductors in today's personal computers [PC's]. When Japan buys more American made semiconductors and computers, the benefits are reaped all the way down the high technology food chain to companies like PPG.

My hope is that Japan will see how they benefit, in so many ways, from finding common ground with the United States in settling our trade disputes and maintaining the fair and open trade arrangements we seek in the case of semiconductors. The United States and Japan have deep, meaningful ties with one another, from our security relationship which forms the bedrock of security and stability in East Asia to the leading role we both play in the world's economy. We must continue as friends and as major economic players in the world to try to make bilateral trade another area where we resolve our differences, adhere to the principle of reciprocity and fairness, and play by the same rules. In the case of semiconductors, the United States should not be asked to risk going back to the days, from not very long ago, when we could not reach the Japanese market with products that are the best in the world. I hope Japan will soon agree, but until that happens, I offer this resolution to highlight Americans' stake in the outcome and to propose the steps that should be taken to protect our economic interests.

Mr. DOMENICI. Mr. President, we have no objection to the amendment on our side.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5101) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5099 TO AMENDMENT NO. 5098, AS FURTHER MODIFIED

Mr. JOHNSTON. Mr. President, earlier this afternoon, Senator DOMENICI introduced an amendment on his behalf and on my behalf a second-degree amendment, and later we struck a paragraph of that amendment. I now, Mr. President, would like to further correct our action.

On the first page of amendment No. 5098 to S. 1959, on the first page we should strike the following language—strike the paragraph that begins: "Insert where appropriate: 'MAINTENANCE OF SECURITY'" et cetera, and ending with the phrase: "SECURITY AT THE GASEOUS DIFFUSION PLANTS;".

I would like to vitiate that action with respect to that paragraph.

Mr. DOMENICI. Reserving the right to object, did we not do that?

Mr. JOHNSTON. We took out part of it but not all of it.

Mr. DOMENICI. I understand that there is a McConnell amendment, and we have the right in his behalf of offering it freestanding. Now, as soon as we contact him, we will in short order offer it. This would not preclude us from offering that; is that correct? I ask a parliamentary inquiry.

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. I have no objection.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 5099) to amendment No. 5098, as further modified, is as follows:

In Amendment No. 5098, strike lines 3 through 9 and insert in lieu thereof:

On page 19, line 3, strike "2,749,043,000," and insert in lieu thereof "2,764,043,000," and on page 20, line 9, strike "220,200,000 and insert in lieu thereof "205,200,000."

Insert where appropriate: Within available funds, up to $2,000,000 is provided for demonstration of stir-melter technology developed by the Department and previously intended to be used at the Savannah River site. In carrying out this demonstration, the Department is directed to seek alternative use of this technology in order to maximize the investment already made in this technology."

Insert where appropriate: "*Provided*, That, funds made available by this Act for departmental administration may be used by the Secretary of Energy to offer employees voluntary separation incentives to meet staffing and budgetary reductions and restructuring needs through September 30, 1997 consistent with plans approved by the Office of Management and Budget. The amount of each incentive shall be equal to the smaller of the employee's severance pay, or $20,000. Voluntary separation recipients who accept employment with the Federal Government, or enter into a personal services contract with the Federal Government within 5 years after separation shall repay the entire amount to the Department of Energy."

On page 2, between lines 24 and 25, insert the following: "Tahoe Basin Study, Nevada and California, $200,000; Walker River Basin restoration study Nevada and California, $300,000;"

On page 3, line 20, strike "construction costs for Montgomery Point Lock and Dam, Arkansas, and"

On page 13, line 21, after "expended" insert "*:Provided further*, That within available funds, $150,000 is for completion of the feasibility study of alternatives for meeting the drinking water needs of Cheyenne River Sioux Reservation and surrounding communities".

On page 7, line 19, add the following before the period: ":*Provided further*, That the Secretary of the Army is directed to use $600,000 of funding provided herein to perform maintenance dredging of the Cocheco River navigation project, New Hampshire."

On page 5, after line 2, insert the following: "Mill Creek, Ohio, $500,000;".

On page 5, line 8, strike "$6,000,000" and insert in lieu thereof: "$8,000,000".

On page 23, line 22, strike "$5,615,210,000" and insert "$5,605,210,000"; and on page 23, line 8, strike "$3,978,602,000" and insert "$3,988,602,000".

On page 14, on line 12, after "amended" insert "$12,500,000 shall be available for the Mid-Dakota Rural Water System".

On page 6, line 24, strike "1,700,358,000" and insert "1,688,358,000."

On page 3, line 15, strike "1,024,195,000" and insert "1,049,306,000."

On page 5, line 25, insert the following before the period: *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to initiate construction on the following projects in the amounts specified:

"Lake Harbor, Alaska, $4,000,000;

"Helena and Vicinity, Arkansas, $150,000;

"San Lorenzo, California, $200,000;

"Panama City Beaches, Florida, $400,000;

"Chicago Shoreline, Illinois, $1,300,000;

"Pond Creek, Jefferson City, Kentucky, $3,000,000;

"Boston Harbor, Massachusetts, $500,000;

"Poplar Island, Maryland, $5,000,000;

"Natchez Bluff, Mississippi, $5,000,000;

"Wood River, Grand Isle, Nebraska $1,000,000;

"Duck Creek, Cincinnati, Ohio, $466,000;

"Saw Mill River, Pittsburgh, Pennsylvania, $500,000;

"Upper Jordan River, Utah, $1,100,000;

"San Juan Harbor, Puerto Rico, $800,000; and

"Allendale Dam, Rhode Island, $195,000: *Provided further*, That no fully allocated funding policy shall apply to construction of the projects listed above, and the Secretary of the Army is directed to undertake these projects using continuing contracts where sufficient funds to complete the projects are not available from funds provided herein or in prior years."

On page 14, line 1, strike "$410,499,000" and insert "$398,596,700".

On page 15, line 13, insert the following before the period: *: Provided further*, That $1,500,000 shall be available for construction of McCall Wastewater Treatment, Idaho facility, and $1,000,000 shall be available for Devils Lake Desalination, North Dakota Project".

On page 29, between lines 5 and 6, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $342,000."

On page 33, between lines 7 and 8, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $322,000."

On page 17, line 19, strike "$48,971,000" and insert "$48,307,000".

On page 7, line 19, insert the following before the period: "*Provided further*, That $750,000 is for the Buford-Trenton Irrigation District, Section 33, erosion control project in North Dakota".

Mr. DOMENICI. Mr. President, in behalf of the leader, I ask unanimous consent—and I understand this has been approved by the minority—at the hour of 9:30 a.m. on Tuesday, that is, July 30, there be 20 minutes for closing remarks under the control of myself and Senator JOHNSTON or their designees, and at the hour of 9:50 a.m. there be 10 minutes under the control of Senator MCCAIN, and that at the hour of 10 a.m. there be 2 minutes for debate to be equally divided in the usual form prior to the vote in relation to amendment No. 5094, to be followed by votes on or in relation to amendments Nos. 5095 and 5096, with the same 2 minutes for debate between each vote to be equally divided, provided that no second-degree amendments be in order to these amendments.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. Just a moment.

I further ask unanimous consent that following the first stacked rollcall vote, each remaining vote be limited to 10 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. DOMENICI. Mr. President, I think we have appropriately reserved what everyone wanted us to preserve and protect, and if I understand correctly—and perhaps Senator JOHNSTON can listen and see if I am right—Senator GRAMS' amendment on the Appalachian Regional Commission is not provided for in this. Therefore, it will be taken up in due course tomorrow. But none of this agreement with reference to time limits and/or amendments applies.

Mr. JOHNSTON. The Senator is correct.

Mr. DOMENICI. I understand Senator MCCAIN has an amendment pending striking section 503. It has not been disposed of, or provided for, I should say, in this unanimous consent request. So unless we can dispose of it, it will be pending also tomorrow. I understand that on the Democratic side, you are trying to get Senator FEINGOLD, if he can, to come to the floor with reference to an Animas LaPlata amendment.

Is there any hope that that will be forthcoming soon, Senator FEINGOLD on Animas LaPlata?

Mr. JOHNSTON. I am advised he has an amendment, but we do not have a copy of it.

We are advised he is on his way.

Mr. DOMENICI. All right. There has been time provided for Senator CAMPBELL in a previous unanimous consent agreement, but I believe if the amendment is offered tonight, the Senator has the privilege of 10 minutes in opposition to it.

AMENDMENT NO. 5095

Mr. JOHNSTON. Mr. President, I send a letter to the desk addressed to me dated today and signed by Terry R. Lash, Director of the Office of Nuclear Energy, Science and Technology, which details the principal arguments against terminating the advanced light water reactor program and, among other things, points out that in the fifth year of a 5-year program, the cost to terminate this program would exceed the Government's obligation, which is $22 million in this budget. So it would seem foolhardy at best to do so.

I ask unanimous consent that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF ENERGY,
Washington, DC, July 29, 1996.

Hon. J. BENNETT JOHNSTON,
Ranking Minority Member, Subcommittee on Energy and Water Development, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR SENATOR JOHNSTON: We are pleased to respond to your request for additional information about our Advanced Light Water Reactor (ALWR) program. As we indicated in our recent letter to Senator Domenici, the Department of Energy opposes the amendment to eliminate funding for the ALWR program from the FY 1997 Energy and Water Development Appropriations Bill. This amendment appears to be based on several important misconceptions about the Department's ALWR program.

One misconception is that it is "corporate welfare." We strongly disagree with this characterization. The program uses limited federal funds to encourage U.S. industry to pursue R&D that is clearly in the long-term interests of the United States. The preservation of the nuclear energy option is vital to the future energy supply in this country.

In addition to serving the national interest, this program is designed such that industry provides the majority of program funding. With the Department's leadership, a unique alliance of electric utilities, technology vendors, and government have come together to conduct a highly focused and goal-oriented technology development program. Since the ALWR program began in 1986, the Department has conducted $800 million in program activities with a taxpayer investment of only $300 million. Further, the federal government will receive reimbursements when the technology developed by the FOAKE program is sold. For example, the federal government should receive approximately $3 million from General Electric as a result of its sale of ABWRs to Taiwan (which, unlike the plants GE previously sold to Japan, are based on technology developed by the Department's program). Westinghouse Electric Corporation has agreed to pay $25 million to the government with the sale of its first AP600 to repay design certification funding and an additional $4 million for each reactor sold to repay federal FOAKE contributions.

Second, critics of the program have stated that the program's authority under the Energy Policy Act of 1992 (EPACT) ends in FY 1996. In truth, the EPACT limits the First-of-A-Kind Engineering (FOAKE) program to five years and limits total program funding to $100 million. The EPACT became law in fiscal year 1993. The Department is, therefore, fully authorized under the EPACT to apply funds to the FOAKE program in FY 1997. Further, the Department has spent only about $82 million on the FOAKE activity program since it began in 1992. There have been significant increases in program cost, but these have been absorbed by industry. In any event, the Department's General Counsel has determined that the Department is also fully authorized by the Atomic Energy Act to conduct nuclear energy research and development programs and the EPACT does not limit this authority.

Third, there have been recent statements to the effect that there is no U.S. utility interested in building new ALWRs. In our view, the fact that the electric utility industry has provided hundreds of millions of dollars to conduct ALWR activities indicates that utility executives remain interested in the nuclear option. The Department is aware of an invalid recent survey which indicates that 89 percent of utility CEOs would not consider ordering new nuclear power plants, but even a casual examination of the response data finds that its accuracy is suspect. This survey received responses from only 397 of nearly 3600 U.S. electric utilities—and it is not clear that the respondents include the 44 utilities that currently own and operate nuclear power plants.

Fourth, there has also been considerable discussion about General Electric's decision to terminate its Simplified Boiling Water Reactor (SBWR) activities. The program's critics theorize that this action was taken because there is no market for small plants, including the Westinghouse-designed AP600. It must be recognized that GE's market strategy is very focused on the east Asian market—particularly Japan. In many of these countries, there is considerable incentive to build large plants with high power capacity. Press accounts indicate that GE's intent apparently is to abandon this small reactor in favor of a significantly larger plant with the same technical approach as the SBWR.

Other potential markets are more interested in factors such as lower capital cost and lower complexity—attributes natural to mid-sized plants. These attributes are very attractive to U.S. utilities and others as well. Currently twenty-two countries contribute funds and personnel to the AP600 program. The Department believes that this represents a significant international interest in advanced mid-sized nuclear power plants with passive safety systems.

Regarding recent concerns about termination costs, the Department has been informed by its program contractors that significant termination costs may be sought from the Department if the FOAKE program is terminated prematurely. Many of these costs would result from the early termination of personnel and subcontractors. Westinghouse, for example, estimates that the early termination of its portion of the design certification program would cost about $28 million. Westinghouse also estimates that its FOAKE termination costs would be approximately $10 million. Other contractors would be expected to seek lesser amounts, because their participation in the program is nearly complete. The Advanced Reactor Corporation, which manages the FOAKE program, has indicated that it may seek as much as $24 million from the Department if the program is terminated at this stage.

Since the potential that these costs might have to be paid by DOE has been raised only recently, we have not fully evaluated the accuracy of this claim. The contract appears to offer some protection from these costs, but it is possible that the federal government could be held liable for some termination expenses. A legal analysis has been initiated to investigate this and other ramifications of an early shutdown of the ALWR program.

I hope this information is of assistance to you. Do not hesitate to call me if you would like additional information.

Sincerely,

TERRY R. LASH, DIRECTOR,
Office of Nuclear Energy,
Science and Technology.

Mr. DOMENICI. Mr. President, might I ask the Senator from Louisiana a question? In that $40 million that we have been talking to with reference to——

Mr. JOHNSTON. It is $22 million.

Mr. DOMENICI. Senator MCCAIN's amendment on the light water reactor, can the Senator inform me again what portion is the light water reactor and what portion is now for wrapping up the program? There are two pieces, are there not, 22 and 18?

Mr. JOHNSTON. Yes, that is correct.

Mr. DOMENICI. The 18 is for termination costs?

Mr. JOHNSTON. Of the first-of-a-kind engineering program.

Mr. DOMENICI. Right.

Mr. President, in the afternoon when I spoke about the $40 million program, two programs that are being stricken by the McCain amendment, I alluded to those collectively at 40 and as the light water reactor. As a matter of fact, that is incorrect; $22 million is for the light water reactor and $18 million is for termination of first-of-a-kind engineering. Wherever I alluded to that, I ask unanimous consent that the RECORD be corrected and there be the distinction made as to the two parts of the $40 million.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the Chair.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, before Senator FEINGOLD is recognized, I wonder if I could offer first an amendment that has been approved on the other side on behalf of Senator SIMON. It is an amendment regarding $5 million being made available for research in converting saline water to fresh water.

AMENDMENT NO. 5102

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. SIMON, proposes an amendment numbered 5102.

On page 19, line 4 add the following before the period: ": *Provided, That* $5,000,000 shall be available for research into reducing the costs of converting saline water to flush water".

Mr. DOMENICI. Is there objection to the amendment that is pending?

Mr. JOHNSTON. We are in full agreement with that amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5102) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5103

(Purpose: To provide that $10,000,000 shall be available for the electrometallurgical treatment of spent nuclear fuel at Argonne National Laboratory)

Mr. DOMENICI. In behalf of Senator KEMPTHORNE and Senator CRAIG, I offer an amendment with reference to the Environmental Restoration Waste Management Program, a $5 million add-on for the electrometallurgical treatment of spent nuclear fuel at Argonne Laboratory. It has been approved on the other side.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for Mr. KEMPTHORNE, for himself and Mr. CRAIG, proposes an amendment numbered 5103.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following: "Of amounts appropriated for the Defense Environmental Restoration and Waste Management Technology Development Program, $5,000,000 shall be available for the electrometallurgical treatment of spent nuclear fuel at Argonne National Laboratory.".

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5103) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5104

Mr. DOMENICI. Mr. President, I offer an amendment which also has been cleared on the other side in behalf of Senator HATFIELD, an amendment, "Opportunity to review and comment by the State of Oregon on certain remedial actions at Hanford Reservation." I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. HATFIELD, proposes an amendment numbered 5104.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 37 add the following new section:

SEC. . OPPORTUNITY FOR REVIEW AND COMMENT BY STATE OF OREGON ON CERTAIN REMEDIAL ACTIONS AT HANFORD RESERVATION, WASHINGTON

"(a) OPPORTUNITY.—

(1) Subject to subsection (b), the Site Manager at the Hanford Reservation, Washington, shall, in consultation with the signatories to the Tri-Party Agreement, provide the State of Oregon an opportunity to review and comment upon any information the Site Manager provides the State of Washington under the Hanford Tri-Party Agreement if the agreement provides for the review and comment upon such information by the State of Washington.

(2) In order to facilitate the review and comment of the State of Oregon under paragraph (1), the Site Manager shall provide information referred to in that paragraph to the State of Oregon at the same time, or as soon thereafter as is practicable, that the Site Manager provides such information to the State of Washington.

(b) CONSTRUCTION.—This section may not be construed—

(1) to require the Site Manager to provide the State of Oregon sensitive information on enforcement under the Tri-Party Agreement or information on the negotiation, dispute resolution, or State cost recovery provisions of the agreement;

(2) to require the Site Manager to provide confidential information on the budget or procurement at Hanford under terms other than those provided in the Tri-Party Agreement for the transmission of such confidential information to the State of Washington;

(3) to authorize the State of Oregon to participate in enforcement actions, dispute resolution, or negotiation actions, conducted under the provisions of the Tri-Party Agreement;

(4) to authorize any delay in the implementation of remedial, environmental management, or other programmatic activities at Hanford; or

(5) to obligate the Department of Energy to provide additional funds to the State of Oregon.

SEC. . SENSE OF THE SENATE, HANFORD MEMORANDUM OF UNDERSTANDING.

It is the Sense of the Senate that—

(1) the State of Oregon has the authority to enter into a memorandum of understanding with the State of Washington, or a memorandum of understanding with the State of Washington and the Site Manager of the Hanford Reservation, Washington, in order to address issues of mutual concern to such States regarding the Hanford Reservation; and

(2) such agreements are not expected to create any additional obligation of the Department of Energy to provide funds to the State of Oregon.

Mr. DOMENICI. We have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5104) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5105

Mr. DOMENICI. Mr. President, Senator MCCAIN is not present today. He has asked me to submit—he had three reservations. This is the third one striking section 503 from the bill. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. MCCAIN, proposes an amendment numbered 5105.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike section 503 of the bill.

Mr. DOMENICI. Mr. President, this is not going to be accepted today. It is an amendment which will be pending at the close of business today. I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I ask the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5106

(Purpose: To eliminate funding for the Animas-LaPlata Participating Project)

Mr. FEINGOLD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 5106.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 14, lines 1 through 5, strike "$410,499,000, to remain available until expended, of which $23,410,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d)," and insert "$400,999,000, to remain available until expended, of which $13,910,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d) (of which no amount may be used for the Animas-LaPlata Participating Project),".

Mr. DOMENICI. Mr. President, I wonder if the Senator will yield for a question?

Mr. FEINGOLD. I yield for a question.

Mr. DOMENICI. The next bill up will be legislative appropriations. They are wondering when we will conclude. I understand this is the last matter of business pertaining to this bill. Could the Senator indicate to us how much time he might need?

Mr. FEINGOLD. Mr. President, my statement, in answer to the question of the Senator from New Mexico, is about 15 to 20 minutes at the most.

Mr. DOMENICI. Would the Senator agree to 20 minutes for himself and 10 minutes for the opposition, which will be used at a later time?

Mr. FEINGOLD. I agree to that, Mr. President.

Mr. DOMENICI. I ask unanimous consent there be 20 minutes allotted to Senator FEINGOLD, and the order already has 10 minutes in it for Senator CAMPBELL.

The PRESIDING OFFICER (Mr. CAMPBELL). Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I thank the managers, the Senator from Mexico and Louisiana, for their management of the bill and for their cooperation in making it possible for me to offer this amendment at this time.

I rise today to discuss a matter of concern to me and many other Senators, the $10 million in funding for the initiation of construction of the Animas LaPlata water project that is contained in the Senate version of the fiscal year 1997 energy and water appropriations bill.

This project is a perfect example of water policy from a by-gone era. For those who are unfamiliar with it, the Animas LaPlata project is a $714 million taxpayer-funded water development project planned for southwest Colorado and northwest New Mexico. Designed to supply 191,230 feet of water, the Animas LaPlata project consists of two major reservoirs, seven pumping plants, and 200 miles of canals and pipes. The project will pump water over 1,000 feet uphill, consuming enough power to run a city of 60,000, to supply municipal, industrial, and irrigation interests.

I am concerned about this project because of its extremely high projected cost to the taxpayer. This is among the last of the big Federal water projects, and the kind I believe we can no longer afford. The cost to the Federal Government of this project will amount to $481 million, nearly 68 percent of the total cost—an expense which has led opponents of the project to label it "Jurassic Pork." My fiscal concerns are compounded by the likelihood that, as a remedy to address the legitimate water rights concerns of the Ute Mountain Ute and Southern Ute tribes, it may fall short of achieving even its nonmonetary benefits.

The high cost of the project makes the water it seeks to store incredibly expensive. The construction cost allocated to irrigation amounts to $7,467 per acre of irrigated land—for land currently worth about $500 per acre. The project provides an average irrigation subsidy of over $2 million per farm over the 100-year life of the project. I believe that the Congress should act to seek the consideration of lower-cost alternatives and terminate this project rather than initiate construction. My concerns are heightened now that the House has acted to terminate Animas LaPlata. I believe it would be additionally costly and wasteful to allow Animas LaPlata to move forward with limited appropriations in this and the next few fiscal years only to find the project will be terminated in the coming years. This seems pretty wasteful.

I would like to discuss each of my concerns in greater detail, and to try to provide more extensive background on the history of this matter.

First, while there are concerns about the fulfillment of Ute tribal water rights now associated with this project, I wanted to make it clear to my colleagues that this project was not initiated as a way to address these claims. Animas LaPlata has a much longer history. It was authorized in 1968 as a project to supply irrigation water to farmers growing low value forage crops. Even back then in the days of big water projects, this one was so bad it could not get going. In 1988, nearly 20 years after it was authorized, the settlement of the Ute Indian water rights claims became an additional justification for pushing the project through; but it was an additional justification, not the initiation. Yet, as with any bad idea that is dressed up to appear better, this project continues to be riddled with many problems.

By way of background, I do not need to tell the current Presiding Officer, he knows very well, this project is scheduled to be built in two phases. Phase 1 of the project is to be constructed entirely at Federal cost in two stages, A and B. And then phase 2 is to be constructed at non-Federal cost.

At the present time, there are at least 6 overlapping impediments to this project going forward successfully:

First, conflicts under the Endangered Species Act;

Second, failure to comply with the National Environmental Policy Act, NEPA;

Third, violation of the Water Supply Act of 1954 regarding repayment of construction costs;

Fourth, a 1994 inspector general's audit determining that the project is not economically feasible;

Fifth, the Bureau of Reclamation's own 1995 economic analysis supporting the 1994 IG's report conclusions;

And finally, six, persistent questions about the ability of this project to meet the regional Indian water rights claims, even if that was the original purpose, which it was not.

I would like to discuss each of these concerns a little bit more. In 1990, the Bureau was notified that the project would trigger Endangered Species Act protections because withdrawal of water from the rivers affected would result in the demise of certain fish native to the area.

The issue was reviewed, and the Bureau is currently permitted to build only one-third of the project, the portion known as phase 1, stage A. Building only this portion of the project would not allow the project to actually fulfill the tribal water rights claims that are often cited as the reason to go forward.

In 1992, the Bureau was sued because it had failed to comply with the National Environmental Policy Act, and the court upheld that claim. The Bureau of Reclamation took 3 years to complete its supplemental environmental impact statement, and within days, the EPA promptly found the supplemental EIS unsatisfactory, and now the project is a likely candidate for referral to the Council on Environmental Quality.

In May 1996, the EPA wrote to the Bureau to express its concerns. All Members of the Senate should have received a copy of the EPA letter when they received my Dear Colleague letter on this amendment last Friday. A letter to Mr. Martinez, Bureau Director, from Richard Sanderson, Director of EPA's Office of Federal Activities, dated May 1, 1996, states:

> We remain concerned that the Bureau of Reclamations's present formulation of the Animas LaPlata project will result in unacceptable adverse environmental impacts that should be avoided.

The letter cites, among those consequences, impacts to water quality, Navajo water rights, mitigation concerns, and impacts associated with municipal and industrial uses. The letter concludes:

> It is unclear whether the fully sized Animas LaPlata project will ever be constructed if the current constraints remain unchanged. We believe that the Bureau of Reclamation needs to reexamine whether there are more appropriate alternatives that meet these constraints instead of merely constructing stage A of the Animas LaPlata project.

In addition, municipal and industrial users are required under the Water Supply Act of 1958 to fully repay all the construction costs and operation and maintenance costs attributable to the supply of municipal and industrial water. Those repayment contracts are to be in place before construction begins.

Currently, a number of repayment contracts have not been signed. Those that have been signed and those that are anticipated to be signed are over $100 million short of the projected municipal and industrial cost. It is questionable if the project will ever comply with the law and obtain full reimbursement of municipal and industrial costs from the project beneficiaries.

In addition, in 1994, the Interior Department's inspector general audited the project and declared that the project was neither financially feasible nor economically justifiable.

A July 1995 economic analysis by the Bureau of Reclamation, the only analysis that used economic procedures approved for Bureau analyses and a current discount rate, reported that the project's benefit cost ratio is 36 to 1. That is 36 to 1. In other words, the project will only return 36 cents for every tax dollar invested. That is not a very good ratio.

Given all of these failures to comply with the Federal laws designed to protect the taxpayer and the environment, Mr. President, one has to question the advisability of moving forward with such a troubled project.

In addition to Federal law concerns, the project does face some State legal problems, as raised by the attorney general of the State of New Mexico in a letter to the distinguished chairman of the Appropriations Committee on July 17, 1996. Our colleagues should have received a copy of this letter on Friday, as well, in their offices. Attorney General Udall's letter states, "The ALP project threatens to violate or exacerbate existing violations of multiple State water quality standards, including selenium, mercury, and others."

Now, Mr. President, having listed these six concerns, I want to specifically address the issue of the effect of the termination of this project on the legitimate water rights claims of the Ute Mountain Ute and Southern Ute tribes. This is an issue of grave concern to me, and I know it is of paramount importance to the occupant of the chair, the junior Senator from Colorado, who has longstanding ties to the Ute Nations that predate his service in the U.S. Senate. As a Senator from a State with 11 federally recognized tribes, I take tribal issues extremely seriously and know, as does the junior Senator from Colorado, that tribal issues are often the least well understood and can be very divisive.

I believe it is of paramount importance to fulfill the Federal Government's obligations to the tribes. And as the junior Senator from Colorado will undoubtedly state, both Ute tribal governments do formally support Animas LaPlata. However, it is also important to place the Ute's interest in perspective. Of the 191,230 acre-feet of water supplied by the project, two-thirds of that water will go to nontribal interests with only 62,000 acre-feet of the total to be supplied to both tribes.

I am concerned that the Animas LaPlata, despite the best of intentions and arguments of proponents' attorneys, simply cannot meet the needs of the tribes because the initial construction phase of the project will neither provide the delivery system nor the quantity of water needed to fully honor the Federal Government's commitments to the tribe. We should not spend hundreds of millions of dollars and still find the tribal needs potentially unmet. Instead, we should begin to have the Bureau examine alternatives that would fully meet the needs of the tribes in a timely way and at less cost.

There is at least a portion of the Southern Ute tribe, as you well know, Mr. President, that shares these concerns. From the perspective of the tribal councils, majority rules and the majority position of the councils is to support this project. However, we in the Senate know well the importance of protecting minority voices. Indeed, that is exactly what this body is designed to do. Those in the Southern Ute Tribe who oppose Animas LaPlata, the Southern Ute Grassroots Organization, are on the committee of elders and have strong concerns.

On Friday, every Member of this body should have received another copy of the letter they sent to Members of the Senate in April 1995. That letter specifically asked Congress to refuse to appropriate money to the Animas LaPlata until the Bureau thoroughly studies the other alternatives. I think it important for all Members of the Senate to be aware that there is actually a substantial division among the members of the Southern Ute Tribe about the wisdom of this project.

If we do not reexamine this project, a future Senate will be right back where we are today. The Ute Tribes' water rights settlement says if the project isn't built and fully functional by the year 2000, the tribes may, and are able to, void the settlement and go back into negotiations or litigation. The Bureau of Reclamation, most in this body would agree, is not an agency whose operating history has been free from cost overruns and delays. The Bureau now indicates, before the commencement of the project, that it cannot complete the project at least before the year 2003, Mr. President.

I am afraid what will likely happen if Congress moves forward with this project is that the project may be in some sort of state of construction in 2003, the tribal governments will examine the cost they will have to pay for Animas LaPlata water, which will be about twice the local cost for municipal and industrial water, and they simply might decide they will not be able to use the water or sell it. It is not unreasonable to expect the Utes may seek to avoid their settlement, wherein the non-Indian irrigators will get their project with its $5,000 an acre subsidy and Congress, in the year 2005 or so, will have to fund a new water rights settlement anyway, without resolving the legitimate concerns of the two tribes.

Mr. President, I also want to raise another question relating to tribal water rights, and that is the rights of the Navajo Nation who live downstream of this project in New Mexico.

The Navajo Nation has not formally opposed this project, but they are concerned about the impacts it will have on their nation. In an August 1995 letter to the Bureau of Reclamation Denver office, the Navajo Nation indicated that the Animas LaPlata project would adversely affect their trust water resources by decreasing the amount of water in the San Juan River basin for their use and development. The Navajo Nation as expressed in their letter "exert sovereign control over its water resources through the Navajo Nation Water Code * * * Depletions resulting from ALP development will affect the sovereign administration and management of Navajo water resources. Projected ALP development and Navajo reservoir operation may require the reevaluation of existing water uses permitted under the Water Code, with potentially adverse consequences for the Navajo Nation."

So, Mr. President, my understanding is that Navajo's rights to use water within the San Juan River have not yet been adjudicated, yet as the San Juan is the only reliable developable source of water in the northern portion of the Navajo Nation these issues will continue to be important.

I want to make the record clear however, that the Navajo Nation, in a follow-up letter, clearly stated its concern that they did not want to adversely affect the Utes' legitimate claims. Nevertheless, their Nation has made it clear that they are prepared and ready to assert their own water claims.

In other words, Mr. President, the continuation of Animas LaPlata is not likely to settle tribal water rights claims in this region. Therefore, it is critical before construction begins, that we take a second look at whether there is a better way, a small, less controversial means of satisfying the Ute claims without the massive Animas LaPlata project.

By every indication, even the Bureau recognizes the massive project originally envisioned will never be built. At best, a much smaller, less ambitious project is the only feasible outcome. Yet the Bureau has never formally acknowledged this fact, nor has Congress taken an active role in shaping a project modification. Instead we are asked to continue to appropriate funds for an infeasible project.

There are those in the Senate that may ask why this Senator has such significant concerns about a very old water project for which some individuals have such strong support. I have some personal experience, Mr. President, of a situation like this in Wisconsin because people in the western part of my State are living with the legacy of a failed Army Corps of Engineers water project, the La Farge Dam. In 1962 Congress authorized $15.5 million—which would today cost about $102 million to build the same thing—for La Farge dam and lake to be constructed along the Kickapoo River in Wisconsin. They touted the tourism opportunities of lake and flood control for neighboring residents not unlike the Animas LaPlata. And 144 farms and homes were condemned. Families were relocated. It Impacted both the tax base and local business. Construction began in 1971 and was their discontinued in 1975, due to its environmental impact and the presence of native archeological sites, when the project was three-quarters complete.

At one point passions over this issue became so intense that former Senators Proxmire and Nelson, and former Governor Lucey were burned in effigy. The area, already struggling economically prior to the dam's development, was devastated. By 1990, it was estimated that annual losses resulting from the cessation of family farm operations and the unrealized tourism benefits that had been promised with the dam totaled more 300 jobs and $8 million for the local economy per year.

In fact, Mr . President, the only remaining legacy of the project is a fragmented landscape. It is dotted with scattered remains of former farm homes, and a 103 foot tall, concrete shell of the dam, with the Kickapoo River flowing unimpeded through a 1,000-foot gap. The most important benefit of the dam, its flood control protection, was never realized. The legacy of La Farge, which only recently has begun to have a silver lining with the passage last month of language to deauthorize the project and turn the lands over to control by the State and the Ho Chunk Nation, a Wisconsin tribe, is one that I think should not be forgotten. It is a serious example of the Federal Government's mistake with a big project that did not work.

Last week, as you well know, the House of Representatives finally voted 221–200 to stop the funding for the Animas LaPlata project as it is currently designed. That effort was led by my colleagues from Wisconsin, Representative PETRI, and Congressman DEFAZIO from Oregon. Members in the other body made it very clear that they want the Department of the Interior to review and develop a sensible alternative that will effectively meet the legitimate needs of the tribes in a more cost-effective and environmentally sound fashion.

We should do the same in the Senate for the sake of the taxpayers, sound water policy and those tied to a project that will not deliver what was promised. However, even if we do not do the correct thing, the wise thing, let us make no mistake: The project as currently designed is dead, and we will impose far greater costs if we decide to continue to make infrastructure investments in its future when it is never going to go anywhere.

The House has heard the voices of citizen groups and taxpayer groups, tribal members and environmentalists. The House is no longer going to support this bad idea. It is no longer a question of whether the project will die. It is now a question of how much money and time will be wasted in the end game. Yes, we could go back and forth for a few years with the House terminating funding and then the Senate restoring the money. That has happened before in other projects where we wasted money. But eventually, the House will resist, and ultimately—hopefully, sooner rather than later—so will the Senate. Meanwhile we will waste millions more of taxpayers' money.

That is why, Mr. President, it is time for us to step up now and put this matter on a positive track. Let us stop funding this project as currently designed and tell the Bureau of Reclamation to use the unobligated funds available in the Animas account to size the project to legitimate water needs and then explore all the alternatives to meeting those needs in an effective, environmentally sound and cost-efficient manner. Mr. President, to conclude, my amendment is identical to that which passed the House, and I strongly urge my colleagues to lend their support.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. DOMENICI. Did the Senator use all his time?

The PRESIDING OFFICER. The Senator has used all of his time.

Mr. DOMENICI. Mr. President, I have a couple of items I have to clean up before I take a few minutes in opposition. For Senator MACK, who is waiting, it will not be long. We will be through very soon.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, for purposes of timing, I yield myself 5 minutes in opposition.

Mr. President, before I start using that time, I say to the Senate, we are within a couple of minutes of completing the work on this bill. I understand that pursuant to the understanding, the next bill will be legislative appropriations. So we will not be long.

The PRESIDING OFFICER. The Senator is recognized.

Mr. DOMENICI. Mr. President, I want to take 5 minutes to talk about the Animas LaPlata project. The occupant of the chair is very familiar with the fact that there are two issues—big, big issues—in this Animas LaPlata.

One issue is frequently forgotten when people talk about whether this project has earned its spurs in terms of costs to the taxpayer. Frequently, the only thing that is used is the dollars versus what physical improvements we will produce and what they mean in terms of a cost-benefit ratio. That is well and good. And we will say that cost-benefit ratio is not very high.

There is a second part to this bill. It is a very, very big part of this bill. We do not even know how many millions of dollars it would cost the Federal Government, but we know this: The U.S. Government is assumed and presumed by many to have violated the rights of two Indian tribes with reference to taking care of their water. The United States of America, as evidenced in other cases, can be liable in dollars for that when there is no other way to give to the Indian people what we had committed as a nation to do for them. In this case, that is frequently forgotten in terms of a justification for this project.

The Southern Utes and the Mountain Ute Tribes will have no remedy for the abuse of their water if this project is not completed, and thus we give them water, irrigatable land, and a way to use water that is available to them which would otherwise disappear because of malfeasance on the part of the U.S. Government.

Now, I, for one, have taken that very seriously, even though it is not totally applicable to my State, the State of New Mexico. Most of those claims and most of that water and most of the Indians represented by those two groups of Indians are in the State of Colorado, the State that the occupant of the chair represents in this body.

Speaking for my own State, so that it is clear, I know there is a letter from our attorney general, but let me say the cities of Farmington, Aztec, and Bloomfield all need the water provided in this project. All these communities are strongly committed to the projects. They committed resources to it to meet repayment obligations under the 1986 cost sharing.

In addition, the State of New Mexico is strongly committed to the project, as shown by the 1986 cost-sharing agreement for the project, to support for the Colorado Ute water rights settlement, allocation of consumptive use required for the project from New Mexico's apportionment on the Colorado River basin compact, and fourth, participation of the San Juan River recovery implementation program.

Having said that, obviously, there will be more said on this amendment and probably much more eloquently and in a more relevant matter by the distinguished occupant of the chair who has time reserved to make an argument against the amendment. I do not intend to spend any more time on it. I am ready to finish the bill and yield whatever time I might have had with reference to it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I have five amendments that I will submit en bloc. Let me quickly describe them and then submit them en bloc.

I offer one in behalf of Senator HUTCHISON regarding the abatement of payments because of drought on two projects in the State of Texas; one in behalf of Senator MCCONNELL, which has been totally worked out now with Senator GLENN, and that is Enrichment Corporation, with reference to the presence of an adequate number of security guards and a few other items relating to that; third, I offer in behalf of Senator CHAFEE a 50 percent match program on the Seekonk River, Rhode Island Bridge; the last one, two distinct amendments for Senator BOXER regarding the Bolinas Lagoon restoration study, and the other is regarding a facility on Compton Creek Channel in Los Angeles.

AMENDMENTS NOS. 5107 THROUGH 5111

Mr. DOMENICI. I send the amendments to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], proposes amendments en bloc numbered 5107 through 5111.

Mr. DOMENICI. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments en bloc (No. 5107 through 5111) are as follows:

AMENDMENT NO. 5107

On page 37 add the following after line 25:

SEC. . CORPUS CHRISTI EMERGENCY DROUGHT RELIEF.

For the purpose of providing emergency drought relief, the Secretary of the Interior shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the city of Corpus Christi, Texas, and the Nueces River Authority under contract No. 6–07–01–X0675 involving the Nueces River Reclamation Project, Texas.

SEC. 2. CANADIAN RIVER MUNICIPAL WATER AUTHORITY EMERGENCY DROUGHT RELIEF.

The Secretary shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the Canadian River Municipal Water Authority under contract No. 14-06-500-485 as emergency drought relief to enable construction of additional water supply and conveyance facilities.

AMENDMENT NO. 5108

On page 20 after line 2 add the following:

"Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k) with respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying side arms at all times to ensure maintenance of security at the gaseous diffusion plants;"

Section 311(b) of the USEC Privatization Act (Public Law 104-134, title III, chapter 1, subchapter A) insert the following:

"(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1)."

Mr. McCONNELL. Mr. President, I am pleased to offer this amendment to protect the safety of employees at the Paducah Gaseous Diffusion Plant, as well as the safety of the greater Paducah community.

The Paducah Gaseous Diffusion Plant produces enriched uranium and employs some 1,800 people. By all who live in the Paducah area, the Gaseous Diffusion Plant, which occupies more than 3,400 acres, is regarded as a nuclear plant. This year, the plant is undergoing a transition from being a Department of Energy owned and operated facility to one owned by the U.S. Enrichment Corporation and operated by private contract. The plant will be under the regulatory authority of the Nuclear Regulatory Commission by year's end.

Historically, the Paducah Gaseous Diffusion Plant has maintained an on-premises security force to protect the plant and employees from sabotage, theft or unauthorized control of the nuclear material. The security personnel are currently authorized to make arrests, and they carry firearms in support of their mission. In the past several years, these plant security officers have foiled a number of unauthorized entries onto plant premises, protected the facility from disgruntled former employees and enforced security rules against contract employees who have access to the plant. In an era of domestic terrorism, as in the World Trade Center and Oklahoma City bombings, these security employees perform an increasingly vital function.

In the transition from DOE to NRC supervision, the security force currently employed at the Paducah Gaseous Diffusion Plant, absent adoption of this amendment, will be downgraded. under current NRC regulations, they will lose their authority to make arrests and carry firearms. But privatization does not change the nature of the work or the risk at the Paducah Gaseous Diffusion Plant. The plant will continue to produce radioactive enriched uranium.

The amendment simply continues the authority of the plant security personnel at enriched uranium facilities to execute arrests and carry firearms. Without this authority for the security officers at the plant, the plant will have to rely on area law enforcement officials to respond in emergency situations. The city of Paducah has informed plant officials that their response time for their police and firefighters will be approximately 20 minutes. The Kentucky State Police has a special response team which would assist the Paducah facility in the event of a threat to public safety. That special response team is located in Frankfort, halfway across the State from Paducah and it would take 4 hours to have a helicopter respond to an emergency at the Paducah plant. The McCracken County Sheriff's Department has expressed serious concern at the prospect of the security force losing its arrest authority. McCracken County Sheriff Frank Augustus has advised the U.S. Enrichment Corporation of the problems his department would encounter in responding to an emergency call by the Paducah plant:

> If a hostile situation should occur, I could not guarantee adequate personnel or response time due to our department's manpower shortage. When only seconds matter I am very much afraid it would take many minutes to adequately respond.

I ask unanimous consent that the letter of Sheriff Augustus be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SHERIFF OF MCCRACKEN COUNTY,
Paducah, KY, July 10, 1996.

BERN STAPLETON,
Safeguard and Security Associate, U.S. Enrichment Corp., Bethesda, MD.

DEAR MR. STAPLETON: It has recently been brought to my attention that Security personnel at the Paducah Gaseous Diffusion Plant may possibly lose their arrest authority and their ability to be armed. This issue causes me a great deal of concern.

I understand the police operation of the Paducah Gaseous Diffusion Plant is responsible for the protection of classified material, sensitive nuclear material, government property, and over 2,200 employees situated on 3,423 acres, including 748 acres of fenced area. In contrast, the McCracken County Sheriff's department is responsible for patrolling over 250 square miles in order to meet the needs of our County's citizens. Since I took office in 1994, citizens' calls for law enforcement have increased by 23,000 calls. Crime is on the rise in McCracken County and due to financial constraints, my department has only 17 full-time road deputies to handle these increases.

I am extremely concerned that if a major problem should arise at the Paducah Gaseous Diffusion Plant it would be extremely difficult for my department to provide proper security for such a sizable site until more enforcement could arrive. If a hostile situation should occur, I could not guarantee adequate personnel or response time due to our department's manpower shortage. When only seconds matter I am very much afraid it would take many minutes to adequately respond.

Another issue that must be addressed is our officers' lack of knowledge in regard to the actual facility and surrounding grounds. As noted above, the immense size of this facility poses many problems in regard to providing adequate safety to plant employees as well as my deputies.

In my opinion, the current security staff is of immense value to the safety of the plant facility and the employees that work within. I fully understand the move toward privatization necessitates many changes in operations that have been in place for many years. I would like to strongly recommend, however, that a long serious look be taken at proposed changes in the security force at the Paducah Plant before a final decision is made. I am sure that your utmost concern, as well as it is mine, is for the safety of the people of McCracken County as well as the safekeeping of the Plant, whether it remains a government facility or is privatized in the future.

I would be more than happy to discuss this matter with you in more detail at your convenience. Please feel free to call me.

Very truly yours,

FRANK AUGUSTUS,
McCracken County Sheriff.

Mr. McCONNELL. The bottom line, Mr. President, is that the employees of the Gaseous Diffusion Plant, as well as the residents of Paducah are entitled to an immediate response to an emergency situation. While the security force may need assistance in the event of a serious threat, the employees should not be left unprotected while local law enforcement responds.

This amendment does not add any additional security protection to the Paducah Gaseous Diffusion Plant; it maintains the status quo, allowing the current security officers to continue doing their job, protecting the plant and employees from danger. I urge the adoption of my amendment.

AMENDMENT NO. 5109

On page 5 add the following between lines 2 and 3: "Seekonk River, Rhode Island bridge removal $650,000;".

AMENDMENT NO. 5110

(Purpose: To provide funding for the Secretary of the Army to maintain Compton Creek Channel, Los Angeles County drainage area, California)

On page 7, line 6, after "facilities", insert the following: ", and of which $500,000 shall be made available for the maintenance of Compton Creek Channel, Los Angeles County drainage area, California".

AMENDMENT NO. 5111

(Purpose: To provide funding for the Secretary of the Army to carry out the restoration study for Bolinas Lagoon, Marin County, California)

On page 2, between lines 24 and 25, insert the following: "Bolinas Lagoon restoration study, Marin County, California, $500,000;".

Mr. DOMENICI. For the record, let me state these have all been approved by the minority. They have no objection, or, in some instances, they were the supportive cause for a couple of the amendments.

The PRESIDING OFFICER. Without objection, the amendments en bloc are agreed to.

The amendments (Nos. 5107 through 5111) en bloc were agreed to.

Mr. DOMENICI. I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I believe that is all the amendments I know of regarding this energy and water bill. I believe we can announce in the morning further amplification of the record, but I think we know we will start with 20 minutes of debate by the managers, to be followed by 10 minutes by Senator MCCAIN regarding the McCain amendment, and then there is a list of amendments that would follow with time limits, and 2 minutes for each side.

We have four or five amendments pending that have not been agreed to in that sequence, and we will just have to attend to those in due course in the morning.

I yield the floor. I thank the Senate for its consideration.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

Mr. MACK. Mr. President, I ask unanimous consent the Senate now turn to the consideration of the legislative appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

> A bill (H.R. 3754), making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I am pleased to present the fiscal year 1997 legislative branch appropriations bill to the Senate. The subcommittee builds upon the success that the Congress achieved last year in reducing the size and the cost of the legislative branch, and again demonstrates this Congress' leadership in making strides toward the imperative of a balanced budget.

The subcommittee's recommendation is an appropriation of $2,165,081,000. This is a reduction of $22.275 million, or approximately 1 percent below the program levels in fiscal year 1996. The bill is $174 million below the requested amount, and compared to fiscal 1995, the bill reflects a $225 million reduction.

While the legislative branch bill is the smallest in terms of dollars appropriated, with the adoption of this bill, we will have contributed nearly one-half billion dollars toward deficit reduction in just 2 fiscal years.

The recommended funding for the Senate is $441.208 million, approximately $14 million above the 1996 enacted amount. However, the amount is $48 million below the request.

In large part, the increases reflected in the bill are for cost of living adjustments for Senate employees and expenses for the Sergeant at Arms. I point out that Senate employees did not receive the 1996 COLA that was granted to other Federal employees.

Specifically, the Senate's amendment to the bill provides $208 million for Senators' official personnel and office expense account. This amount is a 2 percent increase from last year's level. The increase is sufficient to accommodate an expected cost-of-living adjustment for Senate employees in the 1997 calendar year. The recommended funding for committees is $69.5 million, a $3 million increase, again, for cost-of-living adjustments.

For the official mail cost, the funding is reduced by 9 percent. The recommended funding of $10 million is sufficient, however, to cover projected costs for fiscal year 1997. Again, Mr. President, I just say that while this is a reduction from $11 million last year to $10 million last year, in analyzing the trends and expenditures for mail, we believe we can make this reduction without requiring the Senators to make any reduction in their mailing. As you know, last year, we eliminated mass mailing. So we are talking about mail now that is primarily for the purpose of responding to inquiries from our constituents.

Funding for salaries and expenses of the Secretary of the Senate is $14.225 million. That is an increase of $831,000. Funding for salaries and expenses of Sergeant at Arms is $99.968 million. That is an increase of $8.880 million. I bring my colleagues' attention to the fact that combined funding recommendations for the Secretary and the Sergeant at Arms fiscal year 1997 are still $8 million below the 1995 enacted levels.

The subcommittee appreciates the leadership demonstrated by the Secretary of the Senate and the Sergeant at Arms. Each office is managing a substantial reduction this is fiscal year along with the compounded challenges rendered by the Congressional Accountability Act. I remind Members that, last year, we made reductions in the accounts of the Sergeant at Arms and Secretary of the Senate of between 12.5 and 14 percent. While they have been managing these reduced amounts, they have also been given an additional responsibility as a result of the Congressional Accountability Act.

During the subcommittee hearings, the Secretary and Sergeant at Arms outlined a series of initiatives regarding technology. The subcommittee is pleased that under the direction of the Senate Rules Committee, the Senate is taking a long-term strategic planning approach in this area. The subcommittee looks forward to working with the Rules Committee on this issue of common concern.

In addition, the subcommittee wishes to thank each of the legislative branch agencies for their cooperation and contributions in the development of this year's bill. On a special note, the subcommittee commends the General Accounting Office for its successful management of a 2-year, 25-percent reduction in its budget. Managing a funding reduction of such magnitude in a relatively short period has been very difficult, and the subcommittee wishes to commend the Comptroller General and the entire staff at GAO for an outstanding job.

We had quite a discussion at our hearing with the Comptroller General as to the approach that was taken to downsize this Government agency 25 percent in a 2-year period. That is a substantial reduction. I would recommend to my colleagues that we ought to look at how the GAO went about this process of managing over a 2-year period a reduction of 25 percent in its budget, because they did it extremely well. They did it with a great deal of thought. They found ways to use technologies of today to make their operations more effective and efficient. Again, I think it is a case study in the way to manage the downsizing of a Government agency. I encourage everybody to look at what they have done and what they have accomplished.

I will now yield to Senator MURRAY for any comments she wishes to make. I thank her and each member of the subcommittee for their hard work and cooperation in crafting this bill. Again, I want to say to Senator MURRAY that I appreciate very much the way we have, during the past 2 years, been able to work together in, I think, crafting two appropriations bills that the Senate can be proud of, and should again be used as an example. Frankly, it was in my mind that we should set an example for the rest of Government. If we are going to ask people to spend less and do with less, I think, again, our taking the lead in doing that is setting a good example.

I now yield to Senator MURRAY for her comments.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I rise in support of H.R. 3754, the fiscal year 1997 legislative branch appropriation bill. The bill as reported by the full committee is a fair and responsible bill.

As Members will recall, this committee took a bold step last year in recommending a bill that cut spending for the departments and agencies funded in the legislative branch appropriations bill by $200 million, or 10 percent. This year, again, we have continued the effort to reduce the funding levels and streamline the operations of Congress by recommending a bill that cuts a net of over $22 million from the 1996 enacted level. At the proposed funding level contained in this measure, the Legislative Branch, in total, will have less funding than in fiscal year 1991 or 6 years ago.

The major reductions recommended by the committee involve the support agencies that are so vital to the Congress in order to enable us to complete our work in an effective and expeditious manner. The committee this year saves $6.1 million below fiscal year 1996 as a result of the elimination of the Office of Technology Assessment. I did not personally support that elimination but, nevertheless, it has been accomplished and we are saving $6.1 million this year because of OTA's elimination.

Another major reduction in this year's bill is the cut to the General Accounting Office. Their budget is reduced by $44,381,000 below fiscal year 1996. Testimony by the Comptroller General, Mr. Bowsher, made clear that the GAO can undertake this reduction as part of their overall, 2-year 25 percent commitment made to the Congress last year. The amount appropriated for fiscal year 1997 for the GAO is $338,425,000 and will provide for a personnel ceiling of no more than 3,500 positions. This personnel ceiling amounts to a reduction of 1,825 below the level of GAO's workforce in 1992 when they had a ceiling of 5,325 positions.

As Senators can see, the reductions the committee is recommending this year are dramatic. However, Mr. President, I believe that the committee has accomplished these savings in a way that is as fair and even-handed as possible. We have been careful to ensure that the organizations and agencies which support Congress and are funded in the legislative branch appropriation bill are able to carry out their responsibilities under these reduced budgets as effectively as they have in the past.

I would have adamantly opposed these budget cuts if they were undertaken only to save dollars, without recognizing any negative consequences. It would be fruitless, for example to reduce the budget of the Congressional Budget Office with their ever-increasing responsibilities simply for the sake of saying we have achieved budgetary savings.

With this in mind, I carefully reviewed the testimony of our witnesses for any indication that cuts of the magnitude we have recommended would harm the ability of these Congressional-support agencies to carry out their very important responsibilities. Testimony received by the subcommittee indicated that these recommended savings can be achieved while allowing these support agencies to carry out these responsibilities with no reductions-in-force.

Mr. President, Senator MACK provided members with a detailed explanation of all of the recommendations contained in the bill, and I will not take the time of Members by repeating them. I would, however, call to the attention of Members Section 5 of the administrative provisions. I included, with the enthusiastic support of Chairman MACK, language that will enable the Sergeant at Arms to transfer excess or surplus computer equipment to schools.

In the past, the Senate sold its computers to employees at bargain prices. Fortunately, this practice has been terminated, and I commend the Sergeant at Arms for doing so. For the past couple of years, our computers have simply been transferred to GSA for disposal through the normal surplus process.

I think Senators should be aware that the Senate disposes of over 1500 computers every year. Over the past 3 years, nearly 5,000 computers have been let go. For the most part, these are IBM-compatible, 386, 16-megahertz machines. They are a generation old, but they could be very useful to schools, especially in rural areas, that may not have a big budget to buy fancy new computers.

I am fortunate to represent Washington State, which is very aggressive in trying to put computers in the classroom. Our companies have been generous in donating software and hardware, and people are excited about giving kids skills that will help them get an edge in life.

But not every school district is moving aggressively on computers. Many do not even know how to go about it, and cannot afford it. I am certain that every Senator is aware of how fast technology is evolving in our economy. I really believe that, in the future, a child's ability to compete in the work force will be measured in part by his or her familiarity with computers. In my view, the earlier they start, the better.

The Senate will debate the broad role of government in education technology, and I look forward to having that debate. For now there is a small, and I think constructive, role for the Senate to play. We can use the bully pulpit. We can lead by example. We can help school children by transferring our computers to schools that want or need them. By doing this, we can help some kids, and we can show the country we think bringing technology to the classroom is a high priority.

Here is how it will work: the Sergeant at Arms will make sure that any excess or surplus computers are in good working order. Then he will make them available to interested schools at the lowest possible cost to both the Senate and the schools. Most likely, he will transfer these computers to the General Services Administration. GSA, in turn, will provide information to schools through its regional offices about available inventory. The equipment eligible for transfer will include computers, keyboards, monitors, printers, modems, and other peripheral hardware as described in the bill.

I envision schools being able to obtain this equipment on a first-come, first-served basis, for the cost of shipping and handling from GSA regional offices. The language provides the Sergeant at Arms with flexibility to determine the best way to complete the transfers.

I think this is a useful change in policy. Again, I appreciate the help of Chairman MACK on this, and I look forward to working with him and the Sergeant at Arms to make this work.

Finally, Mr. President, I would point out that there is a provision included in the House-passed bill—Section 312—that was stricken pursuant to a motion by Senator HATFIELD during full committee markup. That section deals with so-called "dynamic" scoring of certain measures. Although this provision would apply to House measures only and, therefore, would normally not be stricken by the Senate in view of the comity between the Houses that is traditionally recognized, in this instance there is a Budget Act point of order under Section 306 which would lie against Section 312 and that was the basis upon which the committee chairman moved to strike the provision.

I strongly oppose Section 312 on its merits. I do not believe that either branch of Congress should be dictating selective macroeconomic scorekeeping procedures upon either the Congressional Budget Office or the Joint Committee on Taxation. I will have more to say on this later during debate on this bill should any attempt be made to revive Section 312 or anything similar to it.

On balance, Mr. President, I believe this is a good bill that deserves the support of Members. I would hasten to add, however, that I share the concerns expressed by Senator REID, a former chairman of this subcommittee, during the committee's markup of the legislative branch appropriation bill. Senator REID stated that we have reached the bottom of the barrel in cutting the legislative branch appropriation bill. Once the savings we have undertaken are accomplished in the Congressional-support agencies over a multi-year period, we cannot look to these agencies for further budget cuts. These agencies have been very forthcoming and have understood our need to reduce spending for the Legislative Branch, and I am deeply appreciative of their willingness to do so. But, Mr. President, we have indeed reached the bottom of the barrel.

Mr. President, let me close by commending our subcommittee chairman, Senator MACK. He has proven himself to be a real leader on legislative branch issues and has worked with me on a bipartisan basis. I appreciate it very much. I also wish to express my thanks to the subcommittee staff—Keith Kennedy, Jim English, and Mary Dewald for their fine work, and also to recognize the excellent support we had from Ric Ilgenfritz of my staff and Larry Harris for Senator Mack.

Mr. President, I urge the support of all Members for this bill.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida [Mr. Mack], is recognized.

AMENDMENTS NOS. 5112, 5113, 5114, 5115, 5116, AND 5117 EN BLOC

Mr. MACK. Mr. President, I send a series of amendments to the desk and ask for their consideration en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. Mack] proposes amendments numbered 5112, 5113, 5114, 5115, 5116, and 5117 en bloc.

Mr. MACK. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments en bloc are as follows:

AMENDMENT NO. 5112

On page 34 line 20, strike all after the word "Act" through line 21 and insert: "such sums as may be necessary for each of the fiscal years 1997 and 1998."

Mr. HATFIELD: Mr. President, this amendment would provide for the reauthorization of the American Folklife Center at the Library of Congress for fiscal years 1997 and 1998. It is a substitute for the permanent reauthorization reported by the committee. I am offering this amendment after conversations with Representative Thomas, the chairman of the Committee on Oversight in the other body. I understand Chairman Thomas' concerns about the proper role of the authorization committees and am willing to respond to his concerns at this time. I hope, however, that the next Congress will enact a permanent authorization for the center.

The American Folklife Center in the Library of Congress was created 20 years ago by passage of the American Folklife Preservation Act of 1976. I was pleased to be a cosponsor of the legislation, which enjoyed broad bicameral and bipartisan support. The legislation was endorsed by Senators Strom Thurmond and Hubert Humphrey, and by Representative David Obey and then-Representative Trent Lott. The support was so broad because the legislation had such obvious merit.

The Library was chosen as the site of the Center for several reasons, but principal among them was the strength of the Library's folklife collections. It is not too great a stretch to say that those collections began at the beginning, when Thomas Jefferson's library was purchased for the Library of Congress. Jefferson's library included significant material about Native Americans, and, of course, the information collected during the expedition of Merriwether Lewis and William Clark.

Now as then, one has to collect folklife. No one stands with pad and pencil, recording the lives of workaday Americans. What tends to be automatically recorded is what we at first think very important: the coming and going of the elite or infamous, the domestic affairs of the King or President, the fads that engross the rich and famous, the history of battles as told by generals. But sometimes the foot soldier has a better story than the general. The diary kept by Samuel Pepys in the 1660s is important today because Mr. Pepys went about London and recorded what he saw. He told about the great fire and the coming of the Black Death and seeing the first Punch and Judy show. His record of London is far more interesting than the ones kept by historians engrossed in the intrigues and peccadilloes that swirled around Charles the Second.

I believe all of us understand, Mr. President, that the strength of our Nation proceeds from its smaller places; from small towns in Missouri and Oregon, from short streets in Brooklyn and Omaha. We know that it is in the forms of learning transmitted in families, small communities, the workplace, and in ethnic groups that we develop the strength of our families, our communities, and our culture. And we know that the makers of our culture in the smaller places do not bring their primary documents to the Library of Congress. They are not invited to elegant dinners in the great hall of the Jefferson building, or courted in fundraising drives. Theirs is at least as great a contribution as the millions raised for other efforts, but it cannot be measured in dollars. It is the Center's great achievement, and ongoing strength, that it recognizes the value of the everyday, and gives it a home where it can be cherished as it deserves to be.

It is very important, Mr. President, that the present structure of the Center be maintained. It is important to have a Board of Trustees selected from all over the Nation and appointed by the Joint leadership of Congress. They bring to the Center a diversity of outlook and purpose that cannot be replicated by the best-intentioned professionals of the Library's career staff. It is important to have this be a Center for folklife, and not just another division within the many divisions of the Library. We could have taken that route in writing the original enabling legislation, but we were trying to raise up the center out of the other collections of the Library to be a beacon to the folklife community across the country. That beacon must be maintained. If it cannot be maintained at the Library of Congress, then it should be moved and sustained elsewhere. I believe the Library is the best home for the Center, but it must get the support expected in a good home.

Mr. President, I hope that ups and downs of the center's authorization in this Congress will serve as a wake-up call from the center's board and the center's supporters. I hope the board will be more attentive to the concerns of the Congressional committees which oversee the Library's operations. I hope the board will work hard to supplement federal funding with private fundraising efforts. I hope the national folklife community will work with the proper authorizing committees to achieve a permanent reauthorization for the center. And I hope that the Library of Congress budget for, and the Congress will provide, funding sufficient to the center's task.

Mr. President, I thank Senator Mack for his cooperation and support in this matter, and I yield the floor.

AMENDMENT NO. 5113

On page 8, after line 17 insert:

Sec. 7. (a) Notwithstanding section 1345 of title 31, United States Code, the Secretary of the Senate may reimburse any individual employed by the Senate day care center for the cost of training classes and conferences in connection with the provision of child care services and for travel, transportation, and subsistence expenses incurred in connection with the training classes and conferences.

(b) The Senate day care center shall certify and provide appropriate documentation to the Secretary of the Senate with respect to any reimbursement under this section. Reimbursements under this section shall be made from the appropriations account "MISCELLANEOUS ITEMS" within the contingent fund of the Senate on vouchers approved by the Secretary of the Senate.

(c) Reimbursements under this section shall be subject to the regulations and limitations prescribed by the Committee on Rules and Administration of the Senate for travel and related expenses for which payment is authorized to be made from the contingent fund of the Senate.

(d) This section shall be effective on and after October 1, 1996.

AMENDMENT NO. 5114

On page 8, after line 17 insert:

Sec. 6. Notwithstanding any other provision of law, any funds received during fiscal year 1996 by the Sergeant at Arms and Doorkeeper of the Senate in settlement of a contract claim or dispute, but not to exceed $1,450,000, shall be deposited into the appropriation account for fiscal year 1997 for the Sergeant at Arms and Doorkeeper of the Senate within the contingent fund of the Senate and shall be available in a like manner and for the same purposes as are the other funds in that account.

AMENDMENT NO. 5115

(Purpose: To authorize a legislative information system for the Senate)

On page 8, between lines 17 and 18, insert the following:

SEC. . (a) The Secretary of the Senate, with the oversight and approval of the Committee on Rules and Administration of the Senate, shall oversee the development and implementation of a comprehensive Senate legislative information system.

(b) In carrying out this section, the Secretary of the Senate shall consult and work with officers and employees of the House of Representatives. Legislative branch agencies and departments and agencies of the executive branch shall provide cooperation, consultation, and assistance as requested by the Secretary of the Senate to carry out this section.

(c) Any funds that were appropriated under the heading "Secretary of the Senate" for expanses of the Office of the Secretary of the Senate by the Legislative Branch Appropriations Act, 1995, to remain available until September 30, 1998, and the Secretary determines are not needed for development of a financial management system for the Senate may, with the approval of the Committee on Appropriations of the Senate be used to carry out the provisions of this section, and such funds shall be available through September 30, 2000.

(d) The Committee on Rules and Administration of the Senate may prescribe such regulations as may be necessary to carry out the provisions of this section.

(e) This section shall be effective for fiscal years beginning on or after October 1, 1996.

Mr. MACK. I am proposing an amendment on an important matter to the Senate. I am speaking of the quality and the cost of its legislative information systems. Two years ago, this committee requested from the Library of Congress an analysis of the duplication among the legislative systems supported by the Congress. That study documented that there is extensive overlap in these systems and that there are opportunities for reducing that duplication. We then directed the Library to prepare a plan for creating a single integrated information system that would serve the entire Congress.

The committee received that report in February of this year. The plan gives us a useful framework for building a new, coordinated legislative information system that will better assist the Members of Congress to carry out their legislative duties. The plan recognizes that there are various independent responsibilities for legislative information within the Congress and proposes a technical scheme that takes advantage of this fact. The new system will therefore require the active support of all of the offices and agencies within the legislative branch that assist the Senate and the House in this critical area.

In our commitment to the American people to reduce the size of the Government, this committee has been reluctant to recommend significant additional resources for any of the Congress' offices and agencies. We are not providing any additional funds for this legislative system, although we will allow the Secretary of the Senate, at his request, to reprogram some funds to support the Senate's need to modernize the collection and preparation of its legislative information. We do expect all legislative branch offices and agencies to support fully this very important initiative with their existing appropriated funds, which we believe are sufficient.

This is a challenging task, and will require appropriate policies, guidelines, and oversight. We hope that the House of Representatives will join us in this task. If they do not, however, we shall proceed in the Senate nonetheless. Even without the participation of the House, the Senate can and must improve its own system and begin to reduce the duplication that currently exists.

This amendment was prepared in consultation with the Committee on Rules and Administration. With this amendment, we are taking the next steps in creating a new legislative information system for the Senate by designating some of those responsibilities for this system now, specifically for the Secretary of the Senate, the Congressional Research Service, and the Library of Congress. The Committee on Rules and Administration has jurisdiction for this system and will be making other designations of responsibility as the system progresses.

I am pleased that the distinguished chairman of our Committee on Rules and Administration shares our views on the importance of these matters, and that his committee is prepared to oversee the development of the Senate's new legislative system.

AMENDMENT NO. 5116

On page 8, after line 17 insert:

SEC. 8. PAYMENT FOR UNACCRUED LEAVE.

(a) IN GENERAL.—The Financial Clerk of the Senate is authorized to accept from an individual whose pay is disbursed by the Secretary of the Senate a payment representing pay for any period of unaccrued annual leave used by that individual, as certified by the head of the employing office of the individual making the payment.

(b) WITHHOLDING.—The Financial Clerk of the Senate is authorized to withhold the amount referred to in subsection (a) from any amount which is disbursed by the Secretary of the Senate and which is due to or on behalf of the individual described in subsection (a).

(c) DEPOSIT.—Any payment accepted under this section shall be deposited in the general fund of Treasury as miscellaneous receipts.

(d) DEFINITION.—As used in this section, the term "head of the employing office" means any person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an individual whose pay is disbursed by the Secretary of the Senate.

(e) APPLICABILITY.—The section shall apply to fiscal year 1996 and each fiscal year thereafter.

AMENDMENT NO. 5117

(Purpose: To direct the Congressional Research Service to develop an electronic congressional legislative information and document retrieval system)

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congressional Research Service, in consultation with the Secretary of the Senate and the heads of the appropriate offices and agencies of the legislative branch and with the approval of the Committee on Rules and Administration of the Senate, shall coordinate the development of an electronic congressional legislative information and document retrieval system to provide for the legislative information needs of the Senate through the exchange and retrieval of information and documents among legislative branch offices and agencies. The Secretary of the Senate, with the oversight and approval of the Committee on Rules and Administration of the Senate, shall have responsibility for the implementation of this system in the Senate. All of the appropriate offices and agencies of the legislative branch shall participate in the implementation of the system.

(b) As used in this section—

(1) the term "legislative information" refers to that information and those documents produced for the use of the Congress by the offices and agencies of the legislative branch as defined in this section, and such other information and documents as approved by the Committee on Rules and Administration of the Senate;

(2) the term "offices and agencies of the legislative branch" means the Office of the Secretary of the Senate, the Office of Legislative Counsel of the Senate, the Office of the Architect of the Capitol, the General Accounting Office, the Government Printing Office, the Library of Congress, the Congressional Budget Office, and the Sergeant at Arms of the Senate; and

(3) the term "retrieval system" means the indexing of documents and data, as well as integrating, searching, linking, and displaying documents and data.

(c) The Library of Congress shall—

(1) assist the Congressional Research Service in supporting the Senate in carrying out this section; and

(2) provide such technical staff and resources as may be necessary to carry out this section.

Mr. WARNER. Mr. President, let me first commend the chairman of the Subcommittee on Legislative Branch for his foresight in initiating this effort to improve our legislative information systems. When I became chairman of the Committee on Rules and Administration I began a review of our entire program for information technology. This is a rapidly changing, and very expensive area for the Senate. Yet it is vital to all the operations of the Senate, from the way we pay our bills to the way we prepare, debate, and pass—or reject—legislation. It is critical, therefore, that we have sound planning for, and careful implementation of information technologies that will adequately support our fundamental work of legislation and oversight. Because of the potential high cost of technology, and also its ability to support our work, I can think of very few areas that require such close scrutiny, well-thought out policies, and effective management Achieving these objectives has been one of my highest priorities since being appointed Chair.

We have in the Senate now an historic opportunity to reduce duplication and to ensure that our use of technology to support our legislative process is both responsive to the needs of Senators and also cost effective. The Committee on Rules has taken a number of important steps to accomplish this, and we are planning to take more in the near future. I have already noted our strategic review process, which will continue under my chairmanship. In addition, we have directed the Secretary of the Senate, in coordination with the Clerk of the House, to establish standards for the exchange of legislative information between the two Chambers. The Secretary has done this, and, I am pleased to report, is well launched on a plan for implementing these standards. In addition, the committee and the Secretary are about to let a contract that will provide the Senate with options for the design of a system that will enable us to collect and prepare our legislative information on a much more efficient basis. You will recall that many of our systems were developed over 20 years ago, and while they have served us well, few would disagree that we can do much better with the technology that is available to us today. The result will be that Members and staff of the Senate will have legislative information that is more accurate, more timely, and more comprehensive, every day, directly at their desktops. While this program will take several years to complete fully, we will be able to benefit immediately as each new component becomes available.

This program will require a long and sustained effort by many people and many legislative branch organziations, without additional resources. It will require the establishment of priorities and good management to ensure these priorities are met. Through this amendment we are designating the Secretary of the Senate, who has the primary responsibility for the Senate's legislative information, to provide overall management of this system. We are also directing the Congressional Research Service, which understands the legislative research needs of the Congress, to coordinate with the Committee and the Secretary the development of the retrieval portion of the system. Additionally, we have directed the Library of Congress, with its expertise in the development of information systems, to provide sufficient staff and technical support to assist CRS in building this retrieval component. We will need and expect the cooperation and support of the other legislative branch agencies, including the GPO, and the GAO and CBO, both of whose reports we will want to include in the system. And, of course, we will continue to rely upon our own excellent staff in the Senate Computer Center and the Telecommunications Office in the creation of this system.

Mr. President, when this initiative is complete, we in the Senate will have a new, more efficient, and far more useful legislative information system that will serve the needs of Members and committees. It will be based on standards that allow us to update it regularly and as needed. And it will last us well into the next century. It will be of a quality that is commensurate with our constitutional responsibilities, and it will aid us greatly as we strive to serve the citizens of this great country.

Mr. MACK. Mr. President, the first of the amendments is offered on behalf of Senator HATFIELD.

It amends language reported by the committee to provide for a 2-year reauthorization for the American Folklife Center in the Library of Congress.

The second amendment extends certain provisions of Federal law to employees of the Senate for the Employees Child Care Center.

The third amendment provides for the deposit of a contract termination payment to credit the expenses of the Sergeant at Arms.

The fourth amendment authorizes and directs the Secretary of the Senate to oversee the development and implementation of a legislative information system for the Senate.

Funds for that initiative may be derived from funds previously appropriated for a new financial management system for the Senate with the approval of the Committee on Appropriations.

The fifth amendment brought to us today by the Disbursing Office authorizes the Financial Clerk of the Senate to receive payments for unaccrued annual leave for individuals whose pay is disbursed by the Senate and deposit those payments in the General Fund of the Treasury as a miscellaneous receipt.

And, finally, the sixth amendment recommended to us by the Committee on Rules and Administration addresses the creation of a legislative branch-wide legislative information system.

Mr. President, all of these amendments have been discussed with Senator MURRAY. I believe she has no objection. Therefore, I would ask that these six amendments be agreed to en bloc.

Mrs. MURRAY. Mr. President, we have had time to review all of these amendments. There is no objection.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (Nos. 5112, 5113, 5114, 5115, 5116, and 5117) were agreed to.

Mrs. MURRAY. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. MACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5118

(Purpose: To clarify the uses of Member weblinks)

Mrs. MURRAY. Mr. President, at this time I would like to send an amendment to the desk on behalf of Senator LEAHY.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington (Mrs. MURRAY), for Mr. LEAHY, proposes an amendment numbered 5118.

Mrs. MURRAY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. ___. For the purposes of the United States Senate Internet Services Usage Rules and Policies, Members of the Senate may post a link on Senate Internet Services to a private, public, or nonprofit company, organization, or municipality located or based in the Member's State if a disclaimer is included on the same page as the link specifying that the Member is not endorsing the private, public, or nonprofit company, organization, or municipality.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. MURRAY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. MURRAY. I ask unanimous consent that the amendment just sent to the desk be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

AMENDMENT NO. 5119

(Purpose: To amend chapter 1 of title 17, United States Code, to provide for a limitation on the exclusive copyrights of literary works produced or distributed in specialized formats for use by blind or disabled persons, and for other purposes)

Mr. CHAFEE. Mr. President, on behalf of myself, and Senators FRAHM, STEVENS, LEAHY, MCCONNELL, and BINGAMAN, I send a printed amendment to the desk. At the proper time I will ask that it be set aside.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island (Mr. CHAFEE), for himself, Mrs. FRAHM, Mr. STEVENS, Mr. LEAHY, Mr. MCCONNELL, and Mr. BINGAMAN, proposes an amendment numbered 5119.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert the following new section:

SEC. . LIMITATION ON EXCLUSIVE COPYRIGHTS FOR LITERARY WORKS IN SPECIALIZED FORMAT FOR THE BLIND AND DISABLED.

(a) IN GENERAL.—Chapter 1 of title 17, United States Code, is amended by adding after section 120 the following new section:

"§ 121. Limitations on exclusive rights: reproduction for blind or other people with disabilities

"(a) Notwithstanding the provisions of sections 106 and 710, it is not an infringement of copyright for an authorized entity to reproduce or to distribute copies or phonorecords of a previously published, nondramatic literary work if such copies or phonorecords are reproduced or distributed in specialized formats exclusively for use by blind or other persons with disabilities.

"(b)(1) Copies or phonorecords to which this section applies shall—

"(A) not be reproduced or distributed in a format other than a specialized format exclusively for use by blind or other persons with disabilities;

"(B) bear a notice that any further reproduction or distribution in a format other than a specialized format is an infringement; and

"(C) include a copyright notice identifying the copyright owner and the date of the original publication.

"(2) The provisions of this section shall not apply to standardized, secure, or norm-referenced tests and related testing material, or to computer programs, except the portions thereof that are in conventional human language (including descriptions of pictorial works) and displayed to users in the ordinary course of using the computer programs.

"(c) For purposes of this section, the term—

"(1) 'authorized entity' means a nonprofit organization or a governmental agency that has a primary mission to provide specialized services relating to training, education, or adaptive reading or information access needs of blind or other persons with disabilities;

"(2) 'blind or other persons with disabilities' means individuals who are eligible or who may qualify in accordance with the Act entitled "An Act to provide books for the adult blind", approved March 3, 1931 (2 U.S.C. 135a; 46 Stat. 1487) to receive books and other publications produced in specialized formats; and

"(3) 'specialized formats' means braille, audio, or digital text which is exclusively for use by blind or other persons with disabilities.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 1 of title 17, United States Code, is amended by adding after the item relating to section 120 the following:

"121. Limitations on exclusive rights: reproduction for blind or other people with disabilities.".

Mr. CHAFEE. Mr. President, this is an amendment that I am offering on behalf of myself and those Senators that I just listed.

This amendment is supported by the Association of American Publishers, the National Federation of the Blind, the American Foundation for the Blind, the American Printing House for the Blind, Recording for the Blind and Dyslexic, and the U.S. Copyright Office.

It also has the support of the chairman of the Judiciary Committee, and we are waiting for approval by the ranking member of the Judiciary Committee before proceeding.

Mr. President, the amendment I am proposing along with those Senators I mentioned is an amendment to the legislative branch appropriations bill regarding books for the blind.

In 1931, the Library of Congress National Library Service for the Blind and Physically Handicapped was established by an act of Congress. Since then, funding for this immensely valuable program has been included in the legislative branch bill, which, of course, funds the Library of Congress. The National Library Service and a handful of nonprofit organizations reproduce in specialized formats published material that is readily available to sighted individuals in libraries, bookstores, newsstands and countless other locations.

Specialized formats refers to braille, sound recordings—either on cassette or phonorecord—and new digital formats that can be used for special software. To make certain that recorded books and magazines are only used by those for whom they are intended, they are recorded at a speed that simply does not work on standard tape players.

The National Library Service provides special tape players and record players to eligible individuals. This equipment is not generally available to the public. To be eligible to receive this special equipment, an applicant must be certified by a qualified professional such as a doctor, nurse or social worker that he or she is unable to use standard print.

The National Library Service selects the books to reproduce in these specialized formats.

Frequently, the National Library Service issues request after request only to wait months for a response from the publisher. These delays are not because the publishers have a desire to withhold permission; it is simply a low priority. They just set it aside.

There are still 17 books from the 1995 best seller list for which permission is still pending.

For our Nation's more than 54,000 blind elementary and secondary school students, this is a great problem.

The American Printing House for the Blind in Louisville, KY, is the primary producer of braille textbooks. It is a challenge to reproduce today's highly visible textbooks in braille format. Maps, charts, graphs, and illustrations that take up one page in a standard textbook may require multiple pages of braille or tactile graphics to convey the same information. All in all, it can take a full year to produce a braille textbook. Added time consumed by trying to get permission from publishers makes it certain that the blind student is not in sync with his classmates.

The amendment Senator FRAHM and others and I are introducing seeks to end the unintended censorship of blind students' access to current information. The amendment, as I say, is endorsed by the Association of American Publishers, the National Federation of the Blind, the American Foundation for the Blind, the American Printing House for the Blind, and the U.S. Copyright Office.

This is a very simple amendment. This says groups that produce specialized formats for the blind no longer are required to gain permission from the copyright holder before beginning production. It is based on an agreement that was reached last January between the Association of American Publishers and the National Federation of the Blind. It includes a very narrow definition of those who are eligible to undertake such production and applies the definition for eligibility used by the National Library Service to those who receive reproductions.

So, Mr. President, as has been said by a member of the National Federation of the Blind, It should be obvious that the delays here present a significant barrier which must be overcome if blind people are to be informed and literate. It is not too much to say that living successfully in our modern society often depends upon being able to communicate ideas and facts both orally and in writing.

I conclude by a statement from Marybeth Peters, who is the Register of Copyrights at the Library of Congress. In testifying before the Senate Judiciary Committee she said,

> Blind and physically handicapped readers have a legitimate need for prompt and timely access as soon as possible after works become available to the general reading public. Textbook materials in particular are commonly out of date within 1 to 2 years, superseded by new editions.

Passage of this amendment will permit the speedy access to information that blind people need.

It is my understanding the managers of the bill are prepared to accept the amendment, but we are waiting for the approval of the ranking member of the Judiciary Committee.

So, Mr. President, I thank the managers of the bill and hope that when we receive the approval, as I expect we will, of the ranking member of the Judiciary Committee, if I am not here, the manager of the bill might be able to call up this amendment and have it considered in my absence.

I ask the manager and the ranking member of the committee, if we receive the approval—the only thing we are waiting for is the approval of the ranking member of the Judiciary Committee. If I could pass that on, when it is received, to the managers, if they could then call up the amendment if I am not here.

Mr. MACK. I say to the Senator, we will be in a position to do that.

Mr. CHAFEE. I thank the Senator very much. I do not know what the time schedule is. We may have to move forward rather quickly. So we will get that information regarding the ranking member as soon as we can.

Mr. MACK. I am under the impression, since the Senator has offered the amendment, that his rights have been protected. We will be moving forward the remainder of this evening and then tomorrow taking whatever amendments have been agreed to in the unanimous consent request last week dealing with those amendments.

I have forgotten the time that we were slotted for votes.

It has not been set yet, but, again, the Senator's rights have been protected since he has offered the amendment.

Mr. CHAFEE. I thank the Senator.

Mrs. MURRAY. Mr. President, let me say that I support the amendment the Senator has offered. We are simply on this side waiting for the authorizing committee to review it, and hopefully that will come fairly soon.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. Did the Senator from Wisconsin seek recognition?

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin [Mr. FEINGOLD], is recognized.

Mr. FEINGOLD. I ask the managers if this would be an appropriate time to offer an amendment? Have they had an opportunity to make their opening statements?

Mr. MACK. I say to the Senator, this is an appropriate time to offer an amendment that has been listed in the unanimous-consent request.

Mr. FEINGOLD. I intend to offer the amendment on behalf of the Senator from Arizona [Mr. McCAIN] and myself. I believe that is one of the listed items.

Mr. MACK. I believe I would be in a position to object to that. As I understand it, the unanimous-consent request indicates that there is a slot for Senator McCAIN to offer an amendment. I have the right to object to a request for someone to offer an amendment on someone else's behalf.

The PRESIDING OFFICER. The Senator from Florida is correct. The Senator from Wisconsin would have to ask unanimous consent to offer the amendment.

Mr. FEINGOLD. I ask unanimous consent that I may offer an amendment on behalf of the Senator from Arizona, who is unable to be here at this time.

The PRESIDING OFFICER. Is there objection?

Mr. MACK. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. MACK. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

AMENDMENT NO. 5120

(Purpose: To further restrict legislative post-employment lobbying by Members and senior staffers)

Mr. FEINGOLD. Mr. President, I rise to offer an amendment on behalf of the senior Senator from Arizona, Mr. McCAIN. I send the amendment to the desk.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for Mr. McCAIN, for himself and Mr. FEINGOLD, proposes amendment numbered 5120.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

SEC. . (a) Section 207(e)(1)(A) of title 18, United States Code, is amended by striking "1 year" and inserting "2 years".

(b) Paragraphs (2)(A), (3), and (4)(A) of section 207(e) of title 18, United States Code, are amended by striking "within 1 year after" and inserting "within 5 years after".

Mr. FEINGOLD. Mr. President, I have offered the amendment on behalf of Senator McCAIN of Arizona, which is an outgrowth of a bipartisan effort that relates to the issue of post-employment restrictions on elected officials and what is more commonly known as the practice of the revolving-door lobby.

This amendment follows in a long line of congressional reforms that have been proposed on a bipartisan basis by myself and the Senator from Arizona and others. Several of us who have been trying to address the issue of special interest influence have proposed and pursued several avenues of reform. Whether it is requiring greater disclosure from the lobbying community or passing new gift restrictions that clamps down on free vacation trips and fancy dinners, or finally addressing the woefully inadequate system of campaign finance we are currently saddled with, it is clear that reforming the Congress has become one of the preeminent issues among an electorate that has grown to not only view this institution with cynicism and disdain, but has also developed, unfortunately, a fundamental distrust of their elected representatives.

Mr. President, restoring the faith of the American people in their Government is without a doubt one of the most important tasks that faces us today.

Those of us who have been proposing lobbying reform and gift prohibitions and campaign finance reform have sometimes been accused by defenders of the status quo of seeking to limit citizen access to their elected representatives. But this is not the case.

What we are trying to do is limit special access to elected representatives, the kind of access that ordinary Americans living in States like Wisconsin and Arizona do not have. Many of us believe that it is simply wrong to suggest that just because you have the financial resources to write out enormous campaign contributions or treat legislators to expensive meals, that you should therefore have special access to those Government officials. That is nothing more than auctioning off democracy to the highest bidder.

A very large part of the culture of special interest influence that pervades Washington is the revolving door between public service and private employment. By putting a lock on this revolving door for a meaningful period of time, we can send a message that those entering Government employment should view public service as an honor and a privilege, not as just another rung on the ladder to personal gain and profit.

Mr. President, the facts show there is a public perception that there is a problem that needs to be addressed. It is not misguided.

There are countless instances of former Members of Congress who once chaired or served on committees with jurisdiction over particular industries or special interests who are now lobbying their former colleagues on behalf of those very industries or special interests. Former committee staff directors use their contacts and knowledge of their former committees to secure lucrative positions in lobbying firms and associations with interests related to those committees.

Just how fast is the revolving door spinning, Mr. President? Just look at the countless announcements, after the 1994 elections, of Government officials leaving the public sector to work for lobbying firms.

One article announced that an aide leaving her position on the House Subcommittee on Energy and Power will be working for the lobbying arm of the American Public Power Association.

Mr. President, another announcement tells us a recently retired official member of the House Ways and Means subcommittee on select revenue measures, is joining a Washington lobbying firm as a specialist on tax policy. Mr. President, we have the former chief of staff to the chairman of the House Transportation Committee now lobbying the committee on behalf of a number of transportation interests.

Mr. President, I could go on and on. The problem of the revolving door lobbying is quite clear, and in my view, and I strongly believe in the view of the author of this amendment, the senior Senator from Arizona, so is the solution. The solution is clear, too.

The amendment offered by the senior Senator from Arizona today will strengthen the postemployment restrictions that are already in place. Keep in mind, Mr. President, postemployment restrictions are not something new. There is currently a 1-year ban on former Members of Congress lobbying the entire Congress, as well as a 1-year ban on senior congressional staff lobbying their former employing entity. Members and senior staff are also prohibited from lobbying on behalf of a foreign entity for 1 year.

The McCain amendment will prohibit Members of Congress from lobbying the entire Congress, not just for 1 year but for 2 years. It doubles the time. We double the current restriction.

In the most egregious abuses, when a former high-ranking committee staffer is hired by a special interest to lobby that committee, we extend the lobbying ban to 5 years. This amendment then bars former senior staffers, defined as any senior staffer or any staffer earning in excess of 75 percent of a Member's salary, from lobbying their former employing entities for a period of 5 years.

For example, the former chief counsel of the Ways and Means Committee would be prohibited from lobbying any member of that committee or any committee staffer for a period of 5 years.

Mr. President, some might argue that we are inhibiting these talented individuals from pursuing careers in policy matters in which they have become extremely proficient. It may be asked why a former high-level staffer on the Senate Subcommittee on Communications cannot accept employment with a telecommunications company. After all, this person has accumulated years of knowledge of our communication laws and technology. Why should this individual be prevented from accepting private sector employment in the communications field?

Of course, Mr. President, our legislation does not do that. Our legislation does not bar anyone from seeking private sector employment. That staffer can take the job with the telecommunications company, but what they cannot do is lobby their former subcommittee for 5 years. They can consult, they can advise, they can recommended, but they cannot lobby their former employer. That is it. That is what the McCain amendment does.

We are only limiting an individual's employment opportunity if they are seeking to use their past employment with the Federal Government to gain special access or influence with the Government in return for personal gain.

Mr. President, we are not here to outlaw the profession of lobbying. Not only would that be unconstitutional, but I do not think it would really be addressing the true flaws of our political system. Lobbying, when done right, is merely an attempt to present the views and concerns of a particular group. There is nothing inherently wrong with it. In fact, lobbyists, whether they are representing public interest groups or Wall Street, can present information to public representatives that they may not otherwise have or obtain. So it can be helpful.

Mr. President, I strongly believe that there is no more noble endeavor than to serve in Government, but we need to take immediate action to restore the public's confidence in their Government and to rebuild the lost trust between Members of Congress and the electorate. This amendment is a small, but I think strong step, in that direction. I urge the Members to give it their support.

I yield the floor.

Mr. MACK. Mr. President, I thank the distinguished Senator for working out the situation here a few moments ago. I am glad we were able to have the amendment offered, and I appreciate the Senator's understanding with respect to voting this on a voice vote.

I am prepared to accept the amendment and take it to conference.

Mr. FEINGOLD. The manager has correctly stated our understanding. I appreciate the courtesy.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5120) was agreed to.

Mrs. MURRAY. I move to reconsider the vote.

Mr. MACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I rise in support of H.R. 3754, in legislative branch appropriations bill for fiscal year 1997.

The bill, as reported, provides $2.2 billion in new budget authority and $1.9 billion in outlays for the Congress and other legislative branch agencies, including the Library of Congress, the General Accounting Office, and the Government Printing Office, among others.

When outlays from prior year appropriations and other adjustments are taken into account, the bill totals $2.3 billion in budget authority and $2.2 billion in outlays. The bill is under the subcommittee's 602(b) allocation by $23 million in budget authority and $49 million in outlays.

I want to commend the distinguished chairman and ranking member of the legislative branch subcommittee for producing a bill that is substantially within their 602(b) allocation. I am pleased that this bill continues to hold the line on congressional spending.

I urge the Senate to adopt this bill and to avoid offering amendments which would cause the committee to exceed its 602(b) allocation.

APPOINTMENT OF A DEPUTY LIBRARIAN

Mr. MACK. Mr. President, I would like to bring the attention of the Senate to committee report language concerning the Library of Congress and the appointment and responsibilities of a deputy librarian.

I also note the presence of the chairman of the Joint Committee on the Library, Senator HATFIELD, and the chairman of the Senate Committee on Rules and Administration. I wonder if they would care to engage in a brief colloquy regarding this issue.

But let me first read the report language in question.

> The committee has reviewed the findings and recommendations of the recent audits of the Library, and believes that the single most important action to be taken would be the appointment of a deputy librarian fully empowered to be the chief executive officer of the Library. The management tasks identified in the audit reports are daunting, and must be given full-time attention. The extraordinary demands already placed upon the Librarian in any number of external arenas and in developing a vision for the Library's transition into a digital future make it impossible for him to deal with the day-today administration of the Library's operations. Those responsibilities must be delegated to the Deputy Librarian and the committee looks forward to that being done as soon as the deputy position is filled.

Mr. President, the committee's phrasing in its instruction to the Library to empower the Deputy Librarian as the chief executive officer was done so advisedly. The committee is aware that the specific recommendation in the GAO management audit suggested that the deputy act as the chief operating officer. And, indeed the library is in the process of selecting a deputy librarian to fill the position as a chief operating officer.

However, the committee wishes to make it crystal clear that, in our considered judgment, and for the reasons outlined in the report which I have just read, the Deputy Librarian should be charged with the responsibilities of a chief executive officer.

The title and terminology are not as important as the idea that this committee will be looking to the deputy as the accountable authority in the day-to-day management of the institution.

I yield to our most distinguished chairman of the Appropriations Committee who also serves as the chairman of the Joint Committee on the Library.

Mr. HATFIELD. Mr. President, the chairman of the subcommittee was good enough to consult with me in the development of the report language he has just read, and I concur wholeheartedly in the direction given to the Library in that language. Our Librarian of Congress, Dr. James Billington, is an extraordinary individual of numerous talents and many achievements, but no one individual can possibly personally direct all the Library's activities. When the position of Deputy Librarian is filled, the Librarian should delegate to him the responsibility and the authority to deal with the day-to-day administration of the Library's operations. The Librarian has written to me to indicate he intends to do exactly that, and I look forward to the beneficial effects of that delegation of responsibility. I yield the floor.

Mr. MACK. I yield to our most distinguished chairman of the Committee on Rules and Administration for his comments on the issue.

Mr. WARNER. Mr. President, I share with both distinguished chairmen, the views as expressed in committee report 104-323 relating to the appointment and responsibilities of a deputy librarian of the Library of Congress.

In our meeting of the Joint Committee on the Library, ably chaired by the distinguished senior Senator from Oregon, we discussed the critical need for a deputy librarian, fully vested with the authority to run the day-to-day operations and management of the institution.

Each of us recognize the many responsibilities already placed on the Librarian, including those by outlined by statute. His responsibilities in developing a vision for the Library into the 21st century is an enormous task. Promoting this vision within the institution, in the Congress, and indeed throughout the Nation requires an immense amount of time and energy. The Librarian has done a tremendous job in this critical area. We applaud his efforts and wish him greater and continued success. I know we all look forward to working with the Librarian as he continues to set the course for the future of the Library.

UNANIMOUS-CONSENT AGREEMENT

Mr. MACK. Mr. President, I ask unanimous consent that following the disposition of amendments numbered 5119 and 5118, which will occur on Tuesday, that the bill be advanced to third reading, and Senator BYRD be recognized for up to 20 minutes for closing remarks, to be followed immediately by final passage of H.R. 3754, the legislative appropriations bill; provided further, that amendments numbered 5118 and 5119 not be subject to second-degree amendments.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MACK. Mr. President, I just have a few more comments to make with respect to the legislative appropriations bill. I am trying to anticipate where we might have possible contention in a conference committee meeting, and that would be on the issue of dynamic scoring, which Senator MURRAY referred to in her opening statement.

I am one who strongly supports the language, frankly, that was included in the House bill, which would allow for both the joint committee and for the CBO, Congressional Budget Office, to use dynamic scoring upon request. But I realize the situation that we are in in the Senate. There would have been a Budget Act point of order that could be raised against the entire bill if, in fact, it had not been removed in committee. And if I remember correctly, Senator HATFIELD offered an amendment to remove the House language, so that we could proceed without a point of order being raised.

Again, this is an issue that we will have to deal with in conference. I just want to make everybody aware that it is one in which there are strong feelings on both sides of the Capitol, and both sides of the aisle, I suspect.

Lastly, I, again, would just like to thank Senator MURRAY for her cooperation in the effort that we have put together to bring about this appropriations bill. I also want to express my appreciation to Jim English, Eric Llgenfritz, and Larry Harris and Keith Kennedy of our side of the aisle, for the work they have put into the writing of this legislation. I appreciate the efforts all of you have made.

Mrs. MURRAY. Mr. President, let me just thank the Senator from Florida for his work on the legislative branch appropriations bill.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5118, WITHDRAWN

Mr. FORD. Mr. President, the ranking member sent an amendment to the desk numbered 5118 on behalf of Senator LEAHY.

At this time, I ask unanimous consent that that amendment be withdrawn.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment (No. 5118) was withdrawn.

Mr. FORD. Mr. President, I have a statement I wish to put into the RECORD as it relates to that amendment. I want to read it so that there will be no mistake about what we are putting in the RECORD.

Although the "U.S. Senate Internet Services Usage Rules and Policies" were adopted on July 22, 1996, Chairman WARNER and I have determined that implementation of the requirements concerning promotional and commercial links to Senators' home States will be delayed for 60 days. During that time, the committee is interested in hearing from Senators and Senate offices concerned about this issue and will seriously consider constructive input during that time.

All other aspects of the policy remains in effect.

I thank the Chair. I yield the floor.

MORNING BUSINESS

Mr. MACK. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MAJ. GEN. NORMAND G. LEZY

Mr. THURMOND. Mr. President, it is my pleasure to rise today and pay tribute to Maj. Gen. Normand G. Lezy, the Director of Air Force Legislative Liaison, whose 2-year tenure in that position is about to come to an end.

The support that the 535 Members of Congress, and various committees of the House and Senate, receive from the legislative liaison offices of the four military services and the Coast Guard is critical to allowing us to serve our constituents. The men and women who work in these congressional relations offices are known to be courteous, responsive, and excellent representatives of their individual branches of the military. Clearly, the high standards these soldiers, marines, sailors, coast guardsmen, and airmen adhere to are set by those who head the various legislative liaison missions. These are officers who bring a wealth of experience, professionalism, and knowledge with them when they assume these highly visible and extremely demanding positions.

For the past 24 months, the Air Force has been well served by General Lezy, an officer with 21 years of experience, and whose broad background not only gives him an understanding of Air Force operations that few can match, but which has aided him greatly as he worked to meet the needs and demands of those in Congress. From his days as a young second lieutenant in the 3355th Student Squadron, where he assumed the duties of administrative officer, to his work at the Pentagon, General Lezy has repeatedly demonstrated his abilities as an officer and his commitment to selflessly working for the security of the United States. Without question, the Air Force Legislative Liaison office has benefited from his command.

Mr. President, I am certain that my colleagues both on the Armed Services

Committee and in the Senate would echo my commendations of General Lezy, the support he has provided us, and the service he has rendered our Nation. I wish the general great health and much happiness in the years to come, and I am sure that he will continue to play a key role in continuing to protect the ideals, interests, and people of the United States.

WITHDRAWAL OF REQUEST FOR SEQUENTIAL REFERRAL—S. 1718

Mr. WARNER. Mr. President, on June 12, 1996, I requested sequential referral of S. 1718, the Intelligence Authorization Act for fiscal year 1997, to the Committee on Rules and Administration upon its discharge from the Senate Committee on Governmental Affairs. The Rules Committee, which has jurisdiction over legislation pertaining to Senate committee structure, desired an opportunity to consider a provision affecting the structure of the Senate Select Committee on Intelligence.

The chairman and ranking member of the Select Committee on Intelligence have advised me that when S. 1718 goes to the floor of the Senate, they will strike the provision related to the structure of that committee. Accordingly, I now withdraw my request for sequential referral of S. 1718. Thank you for your consideration in this matter.

TRIBUTE TO MS. YVONNE TUCKER

Mr. WARNER. Mr. President, I rise today to pay tribute to Ms. Yvonne Tucker, who will retire from the Department of the Army on August 2, 1996, after a long career of distinguished service to our Nation as a Federal civil servant. I am pleased to note that her many efforts over the past 32 years have positively impacted the relationship between the Army and the U.S. Congress.

Ms. Tucker began her career in Federal service in the Army's Office of the Chief for Legislative Liaison, where she first established a reputation for excellence. From 1972 to 1979, she served as a congressional affairs specialist in the Office of the Legal Advisor and legislative assistant to the Chairman of the Joint Chiefs of Staff. During her tenure there, she made significant contributions to such presidential initiatives as the Panama Canal Treaty Task Force and the Department of Defense Special Task Force on Korea.

In 1979, Ms. Tucker earned a promotion to the Army's Special Actions Branch of the Office of the Chief of Legislative Liaison, and ultimately became Deputy Branch Chief. Having again distinguished herself through characteristic outstanding performance, she was assigned to the Office of the Chief of Staff in 1990 to serve as a congressional actions analyst. Here too, she distanced herself from her peers by executing her duties with exceptional skill and innovation.

Congress expects and requires timely, accurate information from our senior defense leadership; unfortunately, we often overlook the tremendous amounts of staff work required to fulfill these needs. Ms. Tucker has been instrumental in ensuring that the Army is able to meet Congress' expectations, by providing Army officials with guidance as to how to interact with Congress most effectively.

Yvonne Tucker is indeed a consummate professional. As a career civil servant, she embodied loyalty, integrity, and competence, ideals which she will continue to uphold and to which all Americans should strive. She has served our Nation well, and our heartfelt appreciation and best wishes for continued success go with her as she prepares for her next endeavor.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR CALENDAR YEAR 1994—MESSAGE FROM THE PRESIDENT—PM 166

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

Pursuant to the requirements of 42 U.S.C. 3536, I transmit herewith the 30th Annual Report of the Department of Housing and Urban Development, which covers calendar year 1994.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 29, 1996*.

MESSAGES FROM THE HOUSE

At 10:58 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3900. An act to amend the Agricultural Market Transition Act to provide greater planting flexibility, and for other purposes.

MEASURES REFERRED

The following bill, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second times by unanimous consent and referred as indicated:

H.R. 2779. An act to provide for appropriate implementation of the Metric Conversion Act of 1975 in Federal construction projects, and for other purposes; to the Committee on Commerce, Science, and Transportation.

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3900. An act to amend the Agricultural Market Transition Act to provide greater planting flexibility, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3541. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of Financial Statements for the years 1994 and 1995; to the Committee on Banking, Housing, and Urban Affairs.

EC–3542. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Groundfish of the Gulf of Alaska," received on July 23, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3543. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Swordfish Fishery," received on July 23, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3544. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives," (RIN2120–AA64) received on July 25, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3545. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of forty-one rules including one entitled "Regulated Navigation Area," (RIN2105–AC22, 2115–AE01, 2115–AE84, 2115–AE46, 2115–AA97) received July 25, 1996; to the Committee on Commerce, Science, and Transportation.

EC–3546. A communication from the Office of the Managing Director, Federal Communications Commission, transmitting, pursuant to law, the report of a rule relative to the Interconnection and Resale Obligations

Pertaining to Commercial Mobile Radio Services, received on July 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC-3547. A communication from the Office of the Managing Director, Federal Communications Commission, transmitting, pursuant to law, the report of a rule relative to FM Broadcast Stations, received on July 24, 1996; to the Committee on Commerce, Science, and Transportation.

EC-3548. A communication from the Acting Director of the Office of Fisheries Conservation and Management, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Groundfish of the Gulf of Alaska," received on July 23, 1996; to the Committee on Commerce, Science, and Transportation.

EC-3549. A communication from the Secretary of Energy, transmitting, a draft of legislation relative to the Energy Policy Act of 1992; to the Committee on Energy and Natural Resources.

EC-3550. A communication from the Administrator, Energy Information Administration, Department of Energy, transmitting, pursuant to law, a report entitled "Voluntary Reporting of Greenhouse Gases 1995"; to the Committee on Energy and Natural Resources.

EC-3551. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Uranium Enrichment Decontamination and Decommisssioning Fund Triennial Report"; to the Committee on Energy and Natural Resources.

EC-3552. A communication from the Director of the Office of Congressional Affairs, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Decommissioning of Nuclear Power Reactors," (RIN3150-AE96) received on July 25, 1996; to the Committee on Environment and Public Works.

EC-3553. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of four rules entitled "Clean Air Act Final Interim Approval of Operating Permits Programs," (FRL5542-4, 5541-1, 5542-7, 5443-1) received on July 24, 1996; to the Committee on Environment and Public Works.

EC-3554. A communication from the Acting Administrator, General Services Administration, transmitting, pursuant to law, the report of an informational copy of a lease prospectus; to the Committee on Environment and Public Works.

EC-3555. A communication from the Acting Administrator, General Services Administration, transmitting, pursuant to law, the report of an informational copy of a lease prospectus; to the Committee on Environment and Public Works.

EC-3556. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Revenue Procedure 96-39," received on July 25, 1996; to the Committee on Finance.

EC-3557. A communication from the Regulatory Policy Officer, Bureau of Alcohol, Tobacco, and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Manufacturers Excise Taxes-Firearms and Ammunition," (RIN1512-AB42) received on July 23, 1996; to the Committee on Finance.

EC-3558. A communication from the Chief of Staff, Social Security Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of two rules including one entitled "Miscellaneous Coverage Provisions of the Social Security Independence and Program Improvements Act of 1994," (RIN0960-AE00, 0960-AE21) received on July 23, 1996; to the Committee on Finance.

EC-3559. A communication from the Deputy Associate Administrator for Acquisition Policy, Office of Policy, Planning and Evaluation, General Services Administration, transmitting, pursuant to law, the report of a rule entitled "Removal of Chapter 201, Federal Information Resources Management Regulation, From Title 41—Public Contracts and Property Management," (RIN3090-AG04) received on July 23, 1996; to the Committee on Governmental Affairs.

EC-3560. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the annual report for fiscal year 1995; to the Committee on Governmental Affairs.

EC-3561. A communication from the Chairman of the District of Columbia Financial Responsibility and Management Assistance Authority, transmitting, pursuant to law, a report relative to the "Revised Fiscal Year 1997 Budget Request Act"; to the Committee on Governmental Affairs.

EC-3562. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, management reports of Federal Home Loan Banks and Financing Corporation for calendar year 1995; to the Committee on Governmental Affairs.

EC-3563. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, a statistical report for fiscal year 1995; to the Committee on Governmental Affairs.

EC-3564. A communication from the Director, Defense Procurement, Office of the Under Secretary of Defense, transmitting, pursuant to law, the report of a rule entitled "Defense Federal Acquisition Regulation Supplement," received on July 23 1996; to the Committee on Governmental Affairs.

EC-3565. A communication from the Executive Director of the Committee For Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule relative to the Committee's Procurement List, received on July 23, 1996; to the Committee on Governmental Affairs.

EC-3566. A communication from the Assistant Secretary for Employment and Training, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Unemployment Insurance Program Letter 29-83, Change 3," received on July 23, 1996; to the Committee on Labor and Human Resources.

EC-3567. A communication from the Director, Regulations Policy Management Staff, Office of Policy, Food and Drug Administration, transmitting, pursuant to law, the report of a rule entitled "Revocation of Certain Device Regulations," received on July 23, 1996; to the Committee on Labor and Human Resources.

EC-3568. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of a rule entitled, "Passports and Visas Not Required for Certain Nonimmigrants," received on July 24, 1996; to the Committee on the Judiciary.

EC-3569. A communication from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Adding Australia to the List of Countries Authorized to Participate in the Visa Waiver Pilot Program," (RIN115-AB93) received on July 24, 1996; to the Committee on the Judiciary.

EC-3570. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Hostage Situation Management," (RIN1120-AA55) received on July 23, 1996; to the Committee on the Judiciary.

EC-3571. A communication from the Director of the Federal Bureau of Prisons, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Release Preparation Program," (RIN1120-AA51) received on July 23, 1996; to the Committee on the Judiciary.

EC-3572. A communication from the Director of the Office of Regulations Management, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Part-Time Career Employment Program," (RIN2900-AH75) received on July 23, 1996; to the Committee on Veterans' Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-658. A resolution adopted by the City Council of the City of Hialeah, Florida relative to the Republic of China; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted on July 26, 1996:

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1994. An original bill to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes (Rept. No. 104-333).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1505. A bill to reduce risk to public safety and the environment associated with pipeline transportation of natural gas and hazardous liquids, and for other purposes (Rept. No. 104-334).

By Mr. McCAIN, from the Committee on Indian Affairs, without amendment:

S. 1962. A bill to amend the Indian Child Welfare Act of 1978, and for other purposes (Rept. No. 104-335).

By Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1149. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Babs*, and for other purposes.

S. 1272. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Billy Buck*.

S. 1281. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Sarah-Christen*.

S. 1282. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel *Triad*.

S. 1319. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Too Much Fun*, and for other purposes.

S. 1347. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel *Captain Daryl*, and for other purposes.

S. 1348. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel *Alpha Tango*, and for other purposes.

S. 1349. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel *Old Hat*, and for other purposes.

S. 1358. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Carolyn*, and for other purposes.

S. 1362. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Focus*.

S. 1383. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Westfjord*.

S. 1384. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *God's Grace II*.

S. 1454. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel *Joan Marie*, and for other purposes.

S. 1455. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Movin On*, and for other purposes.

S. 1456. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Play Hard*, and for other purposes.

S. 1457. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Shogun*, and for other purposes.

S. 1545. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Moonraker*, and for other purposes.

S. 1566. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Marsh Grass Too*.

S. 1588. A bill to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel *Kalypso*.

S. 1631. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Extreme*, and for other purposes.

The following reports of committees were submitted on July 29, 1996:

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1873. A bill to amend the National Environmental Education Act to extend the programs under the Act, and for other purposes (Rept. No. 104–336).

By Mr. STEVENS, from the Committee on Governmental Affairs, with amendments:

S. 1718. An original bill to authorize appropriations for fiscal year 1997 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and for the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. No. 104–337).

By Mr. MCCAIN, from the Committee on Indian Affairs, without amendment:

S. 1834. A bill to reauthorize the Indian Environmental General Assistance Program Act of 1992, and for other purposes (Rept. No. 104–338).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1998. A bill to provide for expedited negotiations between the Secretary of the Interior and the villages of Chickaloon-Moose Creek Native Association, Inc., Ninilichik Native Association, Inc., Seldovia Native Association, Inc., Tyonek Native Corporation and Knikatnu, Inc. regarding the conveyances of certain lands in Alaska Under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. NICKLES (for himself, Mr. BYRD, Mr. HELMS, Mr. COATS, Mr. FAIRCLOTH, Mr. INHOFE, Mr. LOTT, Mr. MCCONNELL, Mr. SANTORUM, Mr. SHELBY, Mr. SMITH, Mr. THURMOND, Mr. WARNER, Mr. ASHCROFT, Mr. BENNETT, Mr. FRIST, Mr. GREGG, Mr. KYL, Mr. BURNS, Mr. GRAMM, Mr. STEVENS, and Mr. GORTON):

S. 1999. A bill to define and protect the institution marriage; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ROTH (for himself and Mrs. FEINSTEIN):

S. Res. 285. A resolution expressing the sense of the Senate that the Secretary of State should make improvements in Cambodia's record on human rights, the environment, narcotics trafficking and the Royal Government of Cambodia's conduct among the primary objectives in our bilateral relations with Cambodia; to the Committee on Foreign Relations.

By Mr. MOYNIHAN:

S. Con. Res. 67. A concurrent resolution to authorize printing of the report of the Commission on Protecting and Reducing Government Secrecy; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1998. A bill to provide for expedited negotiations between the Secretary of the Interior and the villages of Chickaloon-Moose Creek Native Association, Inc., Ninilichik Native Association, Inc., Seldovia Native Association, Inc., Tyonek Native Corp., and Knikatnu, Inc. regarding the conveyances of certain lands in Alaska Under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Energy and Natural Resources.

THE ALASKA NATIVE CLAIMS SETTLEMENT AMENDMENT ACT OF 1996

• Mr. MURKOWSKI. Mr. President, today I introduce legislation on behalf of myself and Senator STEVENS. This legislation is intended to help facilitate a settlement regarding a complex land dispute between five Native Alaskan villages and the Department of the Interior.

Mr. President, the villages of Chickaloon-Moose Creek, Ninilchik, Selovia, Tyonek, and Knikatnu selected lands over 20 years ago pursuant to the Alaska Native Claims Settlement Act (ANSCA) along the shores of what would later become Lake Clark National Park and on the western coast of Cook Inlet. These five villages later relinquished many of their original selections so that the Department could consolidate their holdings and preserve valuable lake frontage to create the Lake Clark National Park in 1980. Without the relinquishment of the village's original land selections Lake Clark National Park may never have become a reality.

In return for the relinquishment of their original selections, the villages were offered other lands on the western coast of Cook Inlet. Because there were five villages, the DOI worked with the villages to create different "rounds" of selections. This process would ensure that no one village would receive all the high or low priority selections being offered in the new lands. These rounds were similar to the way the NFL conducts its draft.

After the villages made their selections, with the assistance of the Bureau of Land Management (BLM), the selections were then rejected by the BLM because they were not "compact and contiguous" as required by ANSCA. This resulted in a deficiency conveyance agreement which divided the village selections in Cook Inlet into two appendices—appendix A, and appendix C. When the villages signed their agreement they were continuously assured by the BLM that their selection rounds would remain intact thereby preserving their highest priority land selections. Indeed, correspondence over the years from the Department of the Interior indicates that this was the case.

However, now the DOI claims that none of the appendix C lands could be transferred until all appendix A lands have been conveyed. If allowed to continue this would result in the Native villages not receiving their priority selections under ANCSA.

It is ironic that it was village corporations who gave up their selections so that the Department could create Lake Clark National Park and now the DOI is blocking the villages right to select lands they originally assisted in selecting by saying it would threaten Lake Clark National Park.

The legislation I am introducing today is a fair compromise to this problem. In short the legislation would:

Require the Secretary to enter into expedited negotiations with the village corporations for the purpose of resolving their remaining land entitlement issues with either the lands in dispute or other lands in Alaska;

For any village with much the Secretary reaches agreement he must implement the agreement within 90 days and the issue is then resolved;

For any of the villages with which the Secretary fails to reach agreement within 180 days, the Secretary must convey to that village 50 percent of the lands they selected, in the order of their selection by priority rounds;

For any of the five villages that still have remaining acreage in their land entitlements, the Secretary must continue to negotiate with them and report back to Congress on the status of these negotiations;

Lastly, the legislation will preserve the village's right to pursue the issue through the judicial system.

Mr. President, this legislation is fair and balanced. Each of the two parties involved have the opportunity to resolve the issue in an amicable way where both can walk away with positive results. Failing to accomplish this, each party then only gets half of what they want.

I would like to point out that, regardless of the rhetoric coming from opponents of this legislation, these selected lands are not part of Lake Clark National Park.

I understand the DOI may oppose this legislation. I would like to inform the Department of the Interior that I am opposed to them making Alaska Natives wait 20 years for their promised land conveyances.•

By Mr. NICKLES (for himself, Mr. BYRD, Mr. HELMS, Mr. COATS, Mr. FAIRCLOTH, Mr. INHOFE, Mr. LOTT, Mr. MCCONNELL, Mr. SANTORUM, Mr. SHELBY, Mr. SMITH, Mr. THURMOND, Mr. WARNER, Mr. ASHCROFT, Mr. BENNETT, Mr. FRIST, Mr. GREGG, Mr. KYL, Mr. BURNS, Mr. GRAMM, Mr. STEVENS, and Mr. GORTON):

S. 1999. A bill to define and protect the institution of marriage; to the Committee on the Judiciary.

THE DEFENSE OF MARRIAGE ACT

Mr. NICKLES. Mr. President, today I am reintroducing a bill called the Defense of Marriage Act. This bill does just two things. It defines the words "marriage" and "spouse" for purposes of Federal law and it says that no State shall be required to give effect to a law of any other State with respect to a same-sex marriage.

This bill is a simple bill. It is based on common understandings rooted in our nation's history. it merely reaffirms what each Congress and every executive agency have meant for 200 years when using the words "marriage" and "spouse". That is, that a marriage is the legal union of a man and a woman as husband and wife, and a spouse is a person of the opposite sex who is a husband or a wife. The current United States Code does not contain a definition of marriage, presumably because most Americans know what it means. Therefore, the definition of marriage in this bill comes from well-established case law. The meaning of spouse is taken from language already in the U.S. Code.

This bill also does not change State law. It allows each State to decide for itself with respect to same-sex "marriage". It does this by exercising Congress's powers under the Constitution to legislate with respect to the full faith and credit clause. It provides that a State shall be required to give effect to any public act of any other State respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such other State. Congress has most recently legislated in a similar fashion with respect to full faith and credit in 1994 when it enacted the Full Faith and Credit for Child Support Orders Act and the Safe Homes for Women Act.

This bill simply says that marriage is the legal union between one man and one woman as husband and wife, and a spouse is a husband or wife of the opposite sex. There is nothing earth-shattering there. No breaking of new ground. No setting of new precedents. No revocation of rights.

The Defense of Marriage Act is necessary for several reasons. In May of 1993, the Hawaii Supreme Court rendered a preliminary ruling in favor of three same-sex couples applying for marriage licenses. The court said the marriage law was discriminatory and violated their rights under the equal-rights clause of the State constitution. Many States are concerned that another State's recognition of same-sex marriages will compromise their own laws prohibiting such marriages. Legislators in over 30 States have introduced bills to deny recognition to same-sex unions. Fifteen States already have approved such laws, and many other States are now grappling with the issue—including Hawaii, where legislative leaders are fighting to block their own courts from sanctioning such marriages. This bill would address this issue head-on, and it would allow each State to make the final determination for itself.

Another reason this bill is needed now, concerns Federal benefits. The Federal Government extends benefits, rights and privileges to persons who are married, and generally it accepts a State's definition of marriage. This bill will help the Federal Government defend its own traditional and commonsense definitions of "marriage" and "spouse". If, for example, Hawaii gives new meanings to the words "marriage" and "spouse", the reverberation may be felt throughout the Federal code unless this bill is enacted. For instance, a redefinition in Hawaii could create demands for veterans' benefits for same-sex spouses.

Let me cite an example. In the 1970's, Richard Baker, a male, demanded increased veterans' educational benefits because he claimed James McConnell, another male, as his dependent spouse. When the Veterans Administration turned him down, he sued, and the outcome turned on a Federal statute that made eligibility for the benefits contingent on the State's definition of "spouse" and "marriage". The Federal courts rejected the claim for added benefits because the State supreme Court had already determined that in Minnesota, marriage was not available to persons of the same sex (McConnell versus Nooner, 547 F.2d 54, 1976). This bill anticipates future demands such as that made in the veterans' benefits case, and it reasserts that, for the purposes of Federal law, the word "marriage" will continue to mean "only a legal union between one man and one woman as husband and wife" and the word "spouse" will continue to mean "a person of the opposite sex who is a husband or a wife."

Another example of why we need a Federal definition of the terms "marriage" and "spouse" occurred during debate on the Family and Medical Leave Act of 1993. Shortly before passage of this act, I attached an amendment that defined "spouse" as "a husband or wife, as the case may be." I also gave a short speech on the amendment. When the Secretary of Labor published his proposed regulations, a considerable number of comments were received urging that the definition of "spouse" be "broadened to include domestic partners in committed relationships, including same-sex relationships." When the Secretary issued the final rules he stated that the definition of "spouse" in the act and the legislative history precluded such a broadening of the definition of "spouse". The amendment, which was unanimously adopted, spared a great deal of costly and unnecessary litigation over the definition of spouse.

These are just a few reasons for why we need to enact the Defense of Marriage Act. Enactment of this bill will allow States to give full and fair consideration of how they wish to address the issue of same-sex marriages instead of rushing to legislate because of fear that another State's laws may be imposed upon them. It also will eliminate legal uncertainty concerning Federal benefits, and make it clear what is meant when the words "marriage" and "spouse" are used in the Federal Code.

I urge my colleagues to join me in sponsoring this bill and I ask for their support when this issue comes to the floor.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1999

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Defense of Marriage Act".

SEC. 2. POWERS RESERVED OF THE STATES.

(a) IN GENERAL.—Chapter 115 of title 28, United States Code, is amended by adding after section 1738B the following:

"Sec. 1738C. Certain acts, records, and proceedings and the effect thereof

"No State, territory, or possession of the United States, or Indian tribe, shall be required to give effect to any public act, record, or judicial proceeding of any other State, territory, possession, or tribe respecting a relationship between persons of the same sex that is treated as a marriage under the laws of such other State, territory, possession, or tribe, or a right or claim arising from such relationship.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 115 of title 28, United States Code, is amended by inserting after the item relating to section 1738B the following new item:

"1738C. Certain acts, records, and proceedings and the effect thereof.".

SEC. 3. DEFINITION OF MARRIAGE.

(a) IN GENERAL.—Chapter 1 of title 1, United States Code, is amended by adding at the end the following:

"Sec. 7. Definition of 'marriage' and 'spouse'

"In determining the meaning of any Act of Congress, or of any ruling, regulation, or interpretation of the various administrative bureaus and agencies of the United States, the word 'marriage' means only a legal union between one man and one woman as husband and wife, and the word 'spouse' refers only to a person of the opposite sex who is a husband or a wife.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 1, United States Code, is amended by inserting after the item relating to section 6 the following new item:

"7. Definition of 'marriage' and 'spouse'.".

ADDITIONAL COSPONSORS

S. 650

At the request of Mr. SHELBY, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 650, a bill to increase the amount of credit available to fuel local, regional, and national economic growth by reducing the regulatory burden imposed upon financial institutions, and for other purposes.

S. 1130

At the request of Mr. BROWN, the names of the Senator from Ohio [Mr. GLENN] and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 1130, a bill to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, and for other purposes.

S. 1669

At the request of Mr. LOTT, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1669, a bill to name the Department of Veterans Affairs medical center in Jackson, Mississippi, as the "G.V. (Sonny) Montgomery Department of Veterans Affairs Medical Center".

S. 1731

At the request of Mr. CRAIG, the names of the Senator from Nebraska [Mr. KERREY] and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 1731, a bill to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

S. 1797

At the request of Mr. LEVIN, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 1797, a bill to revise the requirements for procurement of products of Federal Prison Industries to meet needs of Federal agencies, and for other purposes.

S. 1873

At the request of Mr. INHOFE, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from New Mexico [Mr. DOMENICI] were added as cosponsors of S. 1873, a bill to amend the National Environmental Education Act to extend the programs under the Act, and for other purposes.

S. 1885

At the request of Mr. INHOFE, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1885, a bill to limit the liability of certain nonprofit organizations that are providers of prosthetic devices, and for other purposes.

S. 1936

At the request of Mr. CRAIG, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1936, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 1951

At the request of Mr. HELMS, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1951, a bill to ensure the competitiveness of the United States textile and apparel industry.

SENATE JOINT RESOLUTION 52

At the request of Mr. KYL, the names of the Senator from Maine [Ms. SNOWE] and the Senator from Colorado [Mr. CAMPBELL] were added as cosponsors of Senate Joint Resolution 52, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of victims of crimes.

SENATE CONCURRENT RESOLUTION 67—RELATIVE TO THE COMMISSION ON PROTECTING AND REDUCING GOVERNMENT SECRECY

Mr. MOYNIHAN submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 67

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document the report of the Commission on Protecting and Reducing Government Secrecy.

SEC. 2. The document referred to in the first section shall be—

(1) published under the supervision of the Secretary of the Senate; and

(2) in such style, form, manner, and binding as directed by the Joint Committee on Printing, after consultation with the secretary of the Senate.

The document shall include illustrations.

SEC. 3. In addition to the usual number of copies of the document, there shall be printed the lesser of—

(1) 5,000 copies for the use of the Secretary of Senate; or

(2) such number of copies as does not exceed a total production and printing cost of $45,000.

SENATE RESOLUTION 285—RELATIVE TO CAMBODIA

Mr. ROTH (for himself and Mrs. FEINSTEIN) submitted the following resolution; which was referred to the Committee on Foreign Relations.

S. RES. 285

Whereas, the Paris Peace Accords of 1991 and the successful national elections of 1993 ended the genocide in Cambodia, brought two decades of civil war nearer to cessation, demonstrated the commitment of the Cambodian people to democracy and stability, and led to the creation of a national constitution guaranteeing fundamental human rights;

Whereas, since 1991 the international community has contributed almost $2 billion to peacekeeping and national reconstruction in Cambodia and currently provides over 40 percent of the budget of the Royal Government of Cambodia (RGC);

Whereas, recent events in Cambodia—including the arrest and exile of former Foreign Minister Prince Sirivudh, the expulsion of former Finance Minister Sam Rainsy from the FUNCINPEC Party and the National Assembly, a grenade attack against the independent Buddhist Liberal Democratic Party of Cambodia, mob attacks against pro-opposition newspapers, the assassination of journalist and Khmer National Party member Thun Bunly, and harassment of other journalists—suggest that Cambodia is sliding back into a pattern of violence and repression;

Whereas, rampant corruption in the RGC has emerged as a major cause of public dissatisfaction, which—when expressed by opposition politicians and the press—has resulted in government crackdowns;

Whereas, Cambodia has been added to the Department of State's list of major narcotics trafficking countries;

Whereas, the RGC—in contravention to the Cambodian Constitution—has sanctioned massive deforestation and timber exploitation which has devastated the environment, endangered the livelihoods of many of the country's farmers, and helped finance both the Royal Cambodian Armed Forces and the Khmer Rouge in their civil war;

Whereas, the desire to cite Cambodia United Nations peacekeeping success story has stifled official international expressions of concern about deteriorating conditions in Cambodia; Now therefore, be it *Resolved*, That it is the sense of the Senate that:

(1) among the primary objectives in U.S. policy toward Cambodia should be improvements in Cambodia's human rights conditions, environmental and narcotics trafficking record, and the RGC's conduct;

(2) the Secretary of State should closely monitor preparations for upcoming Cambodian elections in 1997 and 1998 and should attempt to secure the agreement of the RGC to full and unhindered participation of international observers for those elections to ensure that those elections are held in a free and fair manner complying with international standards,

(3) the Secretary of State should support the continuation of human rights monitoring in Cambodia by the United Nations, including monitoring through the office of the United Nations Center for Human Rights in Phnom Penh and monitoring by the Special Representative of the United Nations Secretary General for Human Rights in Cambodia;

(4) the Secretary of State should encourage Cambodia's other donors and trading partners to raise concerns with the RGC over Cambodia's human rights, environmental, narcotics trafficking and governmental conduct;

Mr. ROTH. Mr. President, I rise today on behalf of myself and Senator FEINSTEIN to submit a resolution expressing concerns about a series of disturbing developments in Cambodia.

Recently, the Senate Finance Committee reported out H.R. 1642 to extend permanent most-favored nation tariff treatment to Cambodia. Yesterday, the full Senate passed this legislation by voice vote.

When the Finance Committee marked up H.R. 1642, the committee's members made clear their serious concerns about increasing acts of repression by the Royal Government of Cambodia [RGC]. They also registered their concerns about growing corruption at the highest levels of the civilian and military administration, increasing drug trafficking, and substantial environmental degradation.

In reporting out the bill, the committee made it clear that it was doing so, in part, because it believes normal trade relations with Cambodia could serve to improve Cambodia's behavior.

The resolution we are submitting today is meant to send a parallel message—that the United States Senate remains deeply concerned about problems in Cambodia, and will continue to follow events in that country closely.

Since 1991 the international community has contributed almost $2 billion to peacekeeping and national reconstruction in Cambodia. Multilateral aid also provides over 40 percent of the Royal Government of Cambodia's annual budget. American taxpayers contribute a major portion of these sums.

While the United Nations-sponsored election of 1993 brought a brief period of freedom and democratic improvement to Cambodia, recent developments on a variety of fronts suggests that Cambodia's future remains precarious at best.

For instance, Prince Norodom Sirivudh, former Deputy Prime Minister and Foreign Affairs Minister was arrested by the current government under trumped up charges of fomenting a plot to assassinate the Second Prime Minister, Hun Se. After a summary trial without proper defense, Prince Sirivudh was found guilty by Hun Sen-appointed judges and was sent into exile in France.

Another prominent opposition leader, Former Finance Minister Sam Rainsy was expelled from the coalition Funcinpec Party and the National Assembly for having criticized the RGC for its lack of transparency in its business deals with foreign firms. Since his expulsion, several members of his party have been murdered.

A number of members of another opposition party, the Buddhist Liberal Democratic Party of Cambodia, headed by former Prime Minister Sonn San, died as a result of a grenade attack during that party's national convention.

In addition, a number of editors and reporters from opposition newspapers have been assassinated. Currently, none of these assassination cases have been solved.

Corruption in Phnom Penh is rampant and Cambodia has emerged as a major heroin trafficking center in Asia. Finally, in contravention to the Cambodian Constitution, the RGC has permitted deforestation and timber exploitation on such a massive scale that the agricultural livelihoods of enormous numbers of Cambodians are now threatened.

The resolution I am submitting registers the concerns I know we all share in the Senate on these disturbing trends in the Cambodian economy, government and environment. Mr. President, I urge all my colleagues to join me in support of this legislation.

AMENDMENTS SUBMITTED

THE ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

BUMPERS (AND HARKIN) AMENDMENT NO. 5096

Mr. BUMPERS (for himself, and Mr. HARKIN) proposed an amendment to the bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes; as follows:

On page 23, line 8, reduce the amount by $268,600,000.

WELLSTONE AMENDMENT NO. 5097

Mr. JOHNSTON (for Mr. WELLSTONE) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 19, line 4, strike "expended." and insert in lieu thereof "expended; *Provided*, That funds appropriated for energy supply, research and development activities shall be reduced by four-tenths of one percent from each program and that the amount of the reduction shall be available for the biomass power for rural development program."

KYL AMENDMENT NO. 5098

Mr. KYL proposed an amendment to the bill, S. 1959, supra; as follows:

On page 14, line 1, strike "$410,499,000" and insert "397,096,700".

On page 14, line 5, strike "$71,728,000" and insert "$58,325,700".

On page 14, line 14, before the colon insert": *Provided further*, the amounts allocated by the Committee on Appropriations of each House in accordance with sections 602(a) and 602(b) of the Congressional Budget Act of 1974 and pursuant to the concurrent resolution on the budget for fiscal year 1997 shall be adjusted downward by $13,402,300 and the revised levels of budget authority and outlays shall be submitted to each House by the chairman of the Committee on the Budget of that House and shall be printed in the Congressional Record".

DOMENICI (AND JOHNSTON) AMENDMENT NO. 5099

Mr. DOMENICI (for himself and Mr. JOHNSTON) proposed an amendment to amendment No. 5098 proposed by Mr. KYL to the bill, S. 1959, supra; as follows:

In amendment No. 5098, strike lines 3 through 9 and insert in lieu thereof:

On page 19, line 3, strike "2,749,043,000," and insert in lieu thereof "2,764,043,000," and on page 20, line 9, strike "220,200,000" and insert in lieu thereof "205,200,000."

Insert where appropriate: "TECHNOLOGY DEVELOPMENT FOR THE DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.—Within available funds, up to $2,000,000 is provided for demonstration of stir-melter technology developed by the Department and previously intended to be used at the Savannah River Site. In carrying out this demonstration, the Department is directed to seek alternative use of this technology in order to maximize the investment already made in this technology."

Insert where appropriate: "MAINTENANCE OF SECURITY AT GASEOUS DIFFUSION PLANTS.—Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k.) Is amended by striking "subsection:" and inserting the following: "subsection. With respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying sidearms at all times to ensure maintenance of security at the gaseous diffusion plants;".

Insert where appropriate: "TECHNICAL CORRECTION TO THE USEC PRIVATIZATION ACT.—Section 3110(b) of the USEC Privatization Act (Public Law 104–134, title III, chapter 1, subchapter A) is amended by striking paragraph (3) and inserting the following:

"(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1)."

Insert where appropriate: "Provided that, funds made available by this Act for Departmental Administration may be used by the Secretary of Energy to offer employees voluntary separation incentives to meet staffing and budgetary reductions and restructuring needs through September 30, 1997 consistent with plans approved by the Office of Management and Budget. The amount of each incentive shall be equal to the smaller of the employee's severance pay, or $20,000. Voluntary separation recipients who accept employment with the Federal government, or enter into a personal services contract with the Federal government within five years after separation shall repay the entire amount to the Department of Energy.

On page 2, between lines 24 and 25, insert the following: "Tahoe Basin Study, Nevada and California, $200,000; Walker River Basin restoration study, Nevada and California, $300,000;"

On page 3, line 20, strike: "construction costs for Montgomery Point Lock and Dam, Arkansas, and"

On page 13, line 21, after "expended" insert ":*Provided further*, That within available funds, $150,000 is for completion of the feasibility study of alternatives for meeting the drinking water needs of Cheyenne River Sioux Reservation and surrounding communities"

On page 7, line 19, add the following before the period: ":*Provided further*, That the Secretary of the Army is directed to use $600,000 of funding provided herein to perform maintenance dredging of the Cocheco River navigation project, New Hampshire."

On page 5, after line 2, insert the following: "Mill Creek, Ohio, $500,000;".

On page 5, line 8 strike: "$6,000,000" and insert in lieu thereof: "$8,000,000".

On page 23, line 22, strike "$5,615,210,000" and insert "$5,605,210,000"; and on page 23, line 8, strike "$3,978,602,000" and insert "$3,988,602,000".

On page 14, on line 12, after "amended" insert "$12,500,000 shall be available for the Mid-Dakota Rural Water System".

On page 6, line 24, strike "$1,700,358,000" and insert: "$1,688,358,000".

On page 3, line 15, strike "$1,024,195,000" and insert "$1,049,306,000".

On page 5, line 25, insert the following before the period: ": *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to initiate construction on the following projects in the amounts specified:

"Lake Harbor, Alaska, 4,000,000;

"Helena and Vicinity, Arkansas, $150,000;

"San Lorenzo, California, $200,000;

"Panama City Beaches, Florida, $400,000;

"Chicago Shoreline, Illinois, $1,300,000;

"Pond Creek, Jefferson City, Kentucky, $3,000,000;

"Boston Harbor, Massachusetts, $500,000;

"Poplar Island, Maryland, $5,000,000;

"Natchez Bluff, Mississippi, $5,000,000;

"Wood River, Grand Isle, Nebraska, $1,000,000;

"Duck Creek, Cincinnati, Ohio, $466,000;

"Saw Mill River, Pittsburgh, Pennsylvania, $500,000;

"Upper Jordan River, Utah, $1,100,000;

"San Juan Harbor, Puerto Rico, $800,000; and

"Allendale Dam, Rhode Island, $195,000: *Provided further*, That no fully allocated funding policy shall apply to construction of the projects listed above, and the Secretary of the Army is directed to undertake these projects using continuing contracts where sufficient funds to complete the projects are not available from funds provided herein or in prior years".

On page 14, line 1, strike "$410,499,000" and insert: "$398,596,700".

On page 15, line 13, insert the following before the period: ": *Provided further*, That $1,500,000 shall be available for construction of McCall Wastewater Treatment, Idaho facility, and $1,000,000 shall be available for the Devils Lake Desalination, North Dakota Project".

On page 29, between lines 5 and 6, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $342,000."

On page 33, between lines 7 and 8, insert the following:

"SALARIES AND EXPENSES

"For expenses necessary to carry out the functions of the United States member of the Susquehana River Basin Commission as authorized by law (84 Stat. 1541), $322,000."

On page 17, line 19, strike: "48,971,000" and insert "$48,307,000".

On page 7, line 19, insert the following before the period: "*Provided further*, That $750,000 is for the Buford-Trenton Irrigation District, Section 33, erosion control project in North Dakota".

GRAMS (AND McCAIN) AMENDMENT NO. 5100

Mr. GRAMMS (for himself and Mr. McCAIN) proposed an amendment to the bill S. 1959, supra; as follows:

On page 28, line 16, strike "$165,000,000" and insert "155,331,000".

On page 28, line 17, at the end of the sentence, add the following: "The Commission shall provide the House and Senate Appropriations Committee a specific plan for downsizing."

ROCKEFELLER (AND OTHERS) AMENDMENT NO. 5101

Mr. JOHNSTON (for Mr. ROCKEFELLER, for himself, Mr. CRAIG, Mr. BYRD, Mr. BINGAMAN, Mr. KEMPTHORNE, Mr. DOMENICI, and Mr. COHEN) proposed an amendment to the bill, S. 1959, supra; as follows:

At the appropriate place, insert:

SECTION 1. FINDINGS

The U.S.-Japan Semiconductor Trade Agreement is set to expire on July 31, 1996;

The Governments of the United States and Japan are currently engaged in negotiations over the terms of a new U.S.-Japan agreement on semiconductors;

The President of the United States and the Prime Minister of Japan agreed at the G–7 Summit in June that their two governments should conclude a mutually acceptable outcome of the semiconductor dispute by July 31, 1996, and that there should be a continuing role for the two governments in the new agreement;

The current U.S.-Japan Semiconductor Trade Agreement has put in place both government-to-government and industry-to-industry mechanisms which have played a vital role in allowing cooperation to replace conflict in this important high technology sector such as by providing for joint calculation of foreign market share in Japan, deterrence of dumping, and promotion of industrial cooperation in the design-in of foreign semiconductor devices;

Despite the increased foreign share of the Japanese semiconductor market since 1986, a gap still remains between the share U.S. and other foreign semiconductors makers are able to capture in the world market outside of Japan through their competitiveness and the sales of these suppliers in the Japanese market, and that gap is consistent across the full range of semiconductor products as well as a full range of end-use applications;

The competitiveness and health of the U.S. semiconductor industry is of critical importance to the United States' overall economic well-being as well as the nation's high technology defense capabilities;

The economic interests of both the United States and Japan are best served by well-functioning, open markets and deterrence of dumping in all sectors, including semiconductors;

The Government of Japan continues to oppose an agreement that (1) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (2) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in the third country markets; and

The United States Senate on June 19, 1996, unanimously adopted a sense of the Senate resolution that the President should take all necessary and appropriate actions to ensure the continuation of a government-to-government U.S.-Japan semiconductor trade agreement before the current agreement expires on July 31, 1996:

SEC. 2. It is the sense of the Senate that if a new U.S.-Japan Semiconductor Agreement is not concluded by July 31, 1996, that (a) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (b) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in third country markets, the President shall—

(1) Direct the Office of the United States Trade Representatives and the Department of Commerce to establish a system to provide for unilateral U.S. Government calculation and publication of the foreign share of the Japanese semiconductor market, according to the formula set forth in the current agreement;

(2) Report to the Congress on a quarterly basis regarding the progress, or lack thereof, in increasing foreign market access to the Japanese semiconductor market; and

(3) Take all necessary and appropriate actions to ensure that all U.S. trade laws with respect to foreign market access and injurious dumping are expeditiously and vigorously enforced with respect to U.S.-Japan semiconductor trade, as appropriate.

SIMON AMENDMENT NO. 5102

Mr. DOMENICI (for Mr. SIMON) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 19 line 4 add the following before the period: ": *Provided, That* $5,000,000 shall be available for research into reducing the costs of converting saline water to fresh water".

KEMPTHORNE AND CRAIG AMENDMENT NO. 5103

Mr. DOMENICI (for Mr. KEMPTHORNE, for himself, and Mr. CRAIG) proposed an amendment to the bill, S. 1959, supra; as follows:

At the appropriate place, insert the following: "Of amounts appropriated for the Defense Environmental Restoration and Waste Management Technology Development Program, $5,000,000 shall be available for the electrometallurgical treatment of spent nuclear fuel at Argonne National Laboratory.".

HATFIELD AMENDMENT NO. 5104

Mr. DOMENICI (for Mr. HATFIELD) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 37 add the following new section:

SEC. . OPPORTUNITY FOR REVIEW AND COMMENT BY STATE OF OREGON ON CERTAIN REMEDIAL ACTIONS AT HANFORD RESERVATION, WASHINGTON.

(a) OPPORTUNITY.—

(1) Subject to subsection (b), the Site Manager at the Hanford Reservation, Washington, shall, in consultation with the signatories to the Tri-Party Agreement, provide the State of Oregon an opportunity to review and comment upon any information the Site Manager provides the State of Washington under the Hanford Tri-Party Agreement if the agreement provides for the review and comment upon such information by the State of Washington.

(2) In order to facilitate the review and comment of the State of Oregon under paragraph (1), the Site Manager shall provide information referred to in that paragraph to the State of Oregon at the same time, or as soon thereafter as is practicable, that the Site Manager provides such information to the State of Washington.

(b) CONSTRUCTION.—This section may not be construed—

(1) to require the Site Manager to provide the State of Oregon sensitive information on enforcement under the Tri-Party Agreement or information on the negotiation, dispute resolution, or State cost recovery provisions of the agreement;

(2) to require the Site Manager to provide confidential information on the budget or procurement at Hanford under terms other than those provided in the Tri-Party Agreement for the transmission of such confidential information to the State of Washington;

(3) to authorize the State of Oregon to participate in enforcement actions, dispute resolution, or negotiation actions, conducted under the provisions of the Tri-Party Agreement;

(4) to authorize any delay in the implementation of remedial, environmental management, or other programmatic activities at Hanford; or

(5) to obligate the Department of Energy to provide additional funds to the State of Oregon.

SEC. . SENSE OF THE SENATE, HANFORD MEMORANDUM OF UNDERSTANDING.

It is the sense of the Senate that—

(1) the State of Oregon has the authority to enter into a memorandum of understanding with the State of Washington, or a memorandum of understanding with the State of Washington and the Site Manager of the Hanford Reservation, Washington, in order to address issues of mutual concern to such States regarding the Hanford Reservation; and

(2) such agreements are not expected to create any additional obligation of the Department of Energy to provide funds to the State of Oregon.

MCCAIN AMENDMENT NO. 5105

Mr. DOMENICI (for Mr. MCCAIN) proposed an amendment to the bill, S. 1959, supra; as follows:

Strike section 503 of the bill.

FEINGOLD AMENDMENT NO. 5106

Mr. FEINGOLD proposed an amendment to the bill, S. 1959, supra; as follows:

On page 14, lines 1 through 5, strike "$410,499,000, to remain available until expended, of which $23,410,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d)," and insert "$400,999,000, to remain available until expended, for which $13,910,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d) (of which no amount may be used for the Animas-LaPlata Participating Project),".

HUTCHISON AMENDMENT NO. 5107

Mr. DOMENICI (for Mrs. HUTCHISON) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 37, add the following after line 25:

SEC. . CORPUS CHRISTI EMERGENCY DROUGHT RELIEF.—For the purpose of providing emergency drought relief, the Secretary of the Interior shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the city of Corpus Christi, Texas, and the Nueces River Authority under contract No. 6-07-01-X0675 involving the Nueces River Reclamation Project, Texas.

SEC. . CANADIAN RIVER MUNICIPAL WATER AUTHORITY EMERGENCY DROUGHT RELIEF.—The Secretary shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the Canadian River Municipal Water Authority under contract No. 14-06-500-485 as emergency brought relief to enable construction of additional water supply and conveyance facilities.

MCCONNELL AMENDMENT NO. 5108

Mr. DOMENICI (for Mr. MCCONNELL) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 20 after line 2 add the following:

Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k) with respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying side arms at all times to ensure maintenance of security at the gaseous diffusion plants;".

Section 311(b) of the USEC Privatization Act (Public Law 104-134, title III, chapter 1, subchapter A) insert the following:

"(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1)."

CHAFEE AMENDMENT NO. 5109

Mr. DOMENICI (for Mr. CHAFEE) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 5 add the following between lines 2 and 3: "Seelconk River, Rhode Island bridge removal, $650,000;".

BOXER AMENDMENTS NOS. 5110-5111

Mr. DOMENICI (for Mrs. BOXER) proposed two amendments to the bill, S. 1959, supra; as follows:

AMENDMENT NO. 5110

On page 7, line 6, after "facilities", insert the following: ", and of which $500,000 shall be made available for the maintenance of Compton Creek Channel, Los Angeles County drainage area, California".

AMENDMENT NO. 5111

On page 2, between lines 24 and 25, insert the following:

Bolinas Lagoon restoration study, Marin County, California, $500,000;

THE CONGRESSIONAL OPERATIONS APPROPRIATIONS ACT, 1997 LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

HATFIELD AMENDMENT NO. 5112

Mr. MACK (for Mr. HATFIELD) proposed an amendment to the bill (H.R. 3754) making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes; as follows:

On p. 34 line 20, strike all after the word "Act" through line 21 and insert: "such sums as may be necessary for each of the fiscal years 1997 and 1998."

MACK AMENDMENTS NOS. 5113-5116

Mr. MACK proposed four amendments to the bill, H.R. 3754, supra; as follows:

AMENDMENT NO. 5113

On page 8, after line 17 insert:

SEC. 7. (a) Notwithstanding section 1345 of title 31, United States Code, the Secretary of the Senate may reimburse any individual employed by the Senate day care center for the cost of training classes and conferences in connection with the provision of child care services and for travel, transportation, and subsistence expenses incurred in connection with the training classes and conferences.

(b) The Senate day care center shall certify and provide appropriate documentation to the Secretary of the Senate with respect to any reimbursement under this section. Reimbursements under this section shall be made from the appropriations account "MISCELLANEOUS ITEMS" within the contingent fund of the Senate on vouchers approved by the Secretary of the Senate.

(c) Reimbursements under this section shall be subject to the regulations and limitations prescribed by the Committee on Rules and Administration of the Senate for travel and related expenses for which payment is authorized to be made from the contingent fund of the Senate.

(d) This section shall be effective on and after October 1, 1996.

AMENDMENT NO. 5114

On page 8, after line 17, insert:

SEC. 6. Notwithstanding any other provision of law, any funds received during fiscal year 1996 by the Sergeant at Arms and Doorkeeper of the Senate in settlement of a contract claim or dispute, but not to exceed $1,450,000, shall be deposited into the appropriation account for fiscal year 1997 for the Sergeant at Arms and Doorkeeper of the Senate within the contingent fund of the Senate and shall be available in a like manner and for the same purposes as are the other funds in that account.

AMENDMENT NO. 5115

On page 8, between lines 17 and 18, insert the following:

SEC. . (a) The Secretary of the Senate, with the oversight and approval of the Committee on Rules and Administration of the Senate, shall oversee the development and implementation of a comprehensive Senate legislative information system.

(b) In carrying out this section, the Secretary of the Senate shall consult and work with officers and employees of the House of Representatives. Legislative branch agencies and departments and agencies of the executive branch shall provide cooperation, consultation, and assistance as requested by the Secretary of the Senate to carry out this section.

(c) Any funds that were appropriated under the heading "Secretary of the Senate" for expenses of the Office of the Secretary of the Senate by the Legislative Branch Appropriations Act, 1995, to remain available until September 30, 1998, and that the Secretary determines are not needed for development of a financial management system for the Senate may, with the approval of the Committee on Appropriations of the Senate, be used to carry out the provisions of this section, and such funds shall be available through September 30, 2000.

(d) The Committee on Rules and Administration of the Senate may prescribe such regulations as may be necessary to carry out the provisions of this section.

(e) This section shall be effective for fiscal years beginning on or after October 1, 1996.

AMENDMENT NO. 5116

On page 8, after line 17 insert:

SEC. 8. PAYMENT FOR UNACCRUED LEAVE.

(a) IN GENERAL.—The Financial Clerk of the Senate is authorized to accept from an individual whose pay is disbursed by the Secretary of the Senate a payment representing pay for any period of unaccrued annual leave used by that individual, as certified by the head of the employing office of the individual making the payment.

(b) WITHHOLDING.—The Financial Clerk of the Senate is authorized to withhold the amount referred to in subsection (a) from any amount which is disbursed by the Secretary of the Senate and which is due to or on behalf of the individual described in subsection (a).

(c) DEPOSIT.—Any payment accepted under this section shall be deposited in the general fund of Treasury as miscellaneous receipts.

(d) DEFINITION.—As used in this section, the term "head of the employing office" means any person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an individual whose pay is disbursed by the Secretary of the Senate.

(e) APPLICABILITY.—The section shall apply to fiscal year 1996 and each fiscal year thereafter.

WARNER AMENDMENT NO. 5117

Mr. MACK (for Mr. WARNER) proposed an amendment to the bill, H.R. 3754, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congressional Research Service, in consultation with the Secretary of the Senate and the heads of the appropriate offices and agencies of the legislative branch and with the approval of the Committee on Rules and Administration of the Senate, shall coordinate the development of an electronic congressional legislative information and document retrieval system to provide for the legislative information needs of the Senate through the exchange and retrieval of information and documents among legislative branch offices and agencies. The Secretary of the Senate, with the oversight and approval of the Committee on Rules and Administration of the Senate, shall have responsibility for the implementation of this system in the Senate. All of the appropriate offices and agencies of the legislative branch shall participate in the implementation of the system.

(b) As used in this section—

(1) the term "legislative information" refers to that information and those documents produced for the use of the Congress by the offices and agencies of the legislative branch as defined in this section, and such other information and documents as approved by the Committee on Rules and Administration of the Senate;

(2) the term "offices and agencies of the legislative branch" means the Office of the Secretary of the Senate, the Office of Legislative Counsel of the Senate, the Office of the Architect of the Capitol, the General Accounting Office, the Government Printing Office, the Library of Congress, the Congressional Budget Office, and the Sergeant at Arms of the Senate; and

(3) the term "retrieval system" means the indexing of documents and data, as well as integrating, searching, linking, and displaying documents and data.

(c) The Library of Congress shall—

(1) assist the Congressional Research Service in supporting the Senate in carrying out this section; and

(2) provide such technical staff and resources as may be necessary to carry out this section.

LEAHY AMENDMENT NO. 5118

Mrs. MURRAY (for Mr. LEAHY) proposed an amendment to the bill, H.R. 3754, supra; as follows:

At the appropriate place, insert the following:

SEC. . For the purposes of the United States Senate Internet Service Usage Rules and Policies, Members of the Senate may post a link on Senate Internet Services to a private, public, or nonprofit company, organization, or municipality located or based in the Member's State if a disclaimer is included on the same page as the link specifying that the Member is not endorsing the private, public, or nonprofit company, organization, or municipality.

CHAFEE (AND OTHERS) AMENDMENT NO. 5119

Mr. CHAFEE (for himself, Mrs. FRAHM, Mr. STEVENS, Mr. LEAHY, Mr. MCCONNELL, and Mr. BINGAMAN) proposed an amendment to the bill, H.R. 3754, supra; as follows:

At the appropriate place in the bill insert the following new section:

SEC. . LIMITATION ON EXCLUSIVE COPYRIGHTS FOR LITERARY WORKS IN SPECIALIZED FORMAT FOR THE BLIND AND DISABLED.

(a) IN GENERAL.—Chapter 1 of title 17, United States Code, is amended by adding after section 120 of the following new section:

"§ 121. Limitations on exclusive rights: reproduction for blind or other people with disabilities

"(a) Notwithstanding the provisions of sections 106 and 710, it is not an infringement of copyright for an authorized entity to reproduce or to distribute copies or phonorecords of a previously published, nondramatic literary work if such copies or phonorecords are reproduced or distributed in specialized formats exclusively for use by blind or other persons with disabilities.

"(b)(1) Copies or phonorecords to which this section applies shall—

"(A) not be reproduced or distributed in a format other than a specialized format exclusively for use by blind or other persons with disabilities;

"(B) bear a notice that any further reproduction or distribution in a format other than a specialized format is an infringement; and

"(C) include a copyright notice identifying the copyright owner and the date of the original publication.

"(2) The provisions of this section shall not apply to standardized, secure, or norm-referenced tests and related testing material, or to computer programs, except the portions thereof that are in conventional human language (including descriptions of pictorial works) and displayed to users in the ordinary course of using the computer programs.

"(c) For purposes of this section, the term—

"(1) 'authorized entity' means a nonprofit organization or a governmental agency that has a primary mission to provide specialized services relating to training, education, or adaptive reading or information access needs of blind or other persons with disabilities;

"(2) 'blind or other persons with disabilities' means individuals who are eligible or who may qualify in accordance with the Act entitled "An Act to provide books for the adult blind", approved March 3, 1931 (2 U.S.C. 135a; 46 Stat. 1487) to receive books and other publications produced in specialized formats; and

"(3) 'specialized formats' means braille, audio, or digital text which is exclusively for use by blind or other persons with disabilities.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 1 of title 17, United States Code, is amended by adding after the item relating to section 120 the following:

"121. Limitations on exclusive rights: reproduction for blind or other people with disabilities.".

McCAIN (AND FEINGOLD) AMENDMENT NO. 5120

Mr. FEINGOLD (for Mr. McCAIN, for himself and Mr. FEINGOLD) proposed an amendment to the bill, H.R. 3754, supra; as follows:

At the appropriate place in the bill, add the following:

SEC. . (a) Section 207(e)(1)(A) of title 18, United States Code, is amended by striking "1 year" and inserting "2 years".

(b) Paragraphs (2)(A), (3), and (4)(A) of section 207(e) of title 18, United States Code, are amended by striking "within 1 year after" and inserting "within 5 years after".

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, July 29, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ADMIT A GENERATION GAP

• Mr. SIMON. Mr. President, recently the Nashville News, of Nashville, IL, carried a column by Grover Brinkman, a former newspaper editor who is now 93 years old and lives in Monroe County, IL.

What he wrote for the Nashville News is a great combination of wisdom and humor. Those of us who have acquired the status of senior citizen—I am now 67—can appreciate the wisdom handed down by a 93 year old.

I ask that the Nashville News article by Grover Brinkman, be printed in the RECORD.

The column follows:

ADMIT A GENERATION GAP

(By Grover Brinkman)

How does one accept senior status with grace? Good question, isn't it! Perhaps some sage will have the right answer some day, but it's debatable.

One can turn hermit and play checkers in a nursing home. Or perhaps a better way . . . face the ticking clock in a humorous vein that has no negatives.

Or if deep thinking is part of your waking hours, check out some of the following questions:

Do you remember the time when you dimmed the lights for romantic reasons? Now you replace the 100 watt bulbs with 40s as an economy measure to stretch your Social Security dollars.

There are many memories of voluptuous gals in a halter and bikini; now a bit of this memorbilia triggers your pacemaker and raises the garage door.

Your house is much too large at the moment. When the kids were growing up, it was just the opposite.

A rocking chair was once used by grandma, now you're in it.

You bite down on one of those luscious red apples from the Pacific Northwest, and your newly-acquired dentures stay there.

You satisfy a whim to have your palm read, but the seer instead concentrates on your forehead, for the lines there are more distinctive.

You always insisted that burning the midnight oil was the routine that made life livable; now end of day seems to be nine o'clock.

You read only the headlines in the morning paper, for your tired eyes can't decipher the seven-point body text.

You get winded playing a game of dominoes with your grandson.

Most of the seniors at the center carry little black books, but now they contain only names with an added M.D.

If you get an occasional gleam in your eyes, it's probably the sun bouncing off your tri-focals.

Your realize that your entire body aches, and what doesn't, won't work. Even your toes at times have toothaches. (Or would the word toe-aches be better?)

Your children have a middle aged look, and your grand-kids are six feet-plus basketball giants.

You walk holding your head high, necessary to see the potholes high, necessary to see the potholes in the walk through your tri-focals.

You're still 15 around the collar, 54 around the waist, and 90 on the golf course.

When you go for a haircut, the barber trims more hair out of your nose and eyebrows than on your balding head.

Presumably you're well-versed, know most of the answers to today's problems, but no one asks for your opinion.

All your peers talk about the golden years, but you doubt if they have as much shiny metal as a new penny.

You used to take a pill or two at bedtime to keep a vigorous health, now they advise one to help you sleep.

Even a sip of your favorite wine seems to aggravate your ulcer, so you drink skim milk instead, remembering when you were a boy growing up on a boon-docks farm, they used skim milk only for hogs. Today it costs about as much as the real article. 'Taint fair!"

You awake at seven, at least with a bit of ginger in your time-tossed frame; by the noon hour you've degenerated well past 60, and by bedtime you're a centurion, too tired to put proper emphasis in a prayer.

You try to be entertaining, reciting pleasant memorabilia, but the young crowd think only of athletics, so you realize that you're trying to bridge a generation gap, and it simply doesn't work.

You despise nursing homes, but deep down you realize that they are the only bus stations, offering bed and board, between here and a tombstone.

One of your role models, the late Dr. Norman Vincent Peale, insisted that the only way to solve life's problems was in daily positive thinking, but you admit that on many things you're as negative as the minus-post on your car battery.

In your youth, you couldn't wait to tie the knot with your best gal and start a family; now you fumble in tying the knots in your shoe laces.

Health authorities insist that you include plenty of fiber in your daily diet, but a bowl of chicken soup is far easier to masticate.

You love chocolate in all of its forms but your arthritis does not.

When more and more people, some of them strangers, keep calling you Pops, you know definitely that a generation gap exists.

Leg cramps are now a nightly experience. But as a youngster, the only cramps you knew were deep stomach wretching called cholera morbus, after you'd eaten too many green apples.

But it's still a good life despite negative viewpoints. In fact it's the only thing left, come to think of it. You're old, stubborn as the proverbial Missouri mule, but still confident that you'll be around for a few more moons, awaiting the day when the good Lord throws in the final towel.

There is one consoling thought in this treatise on longevity—scores of old friends are up there, holding open the gate. Some of them, with genes shorter lived than mine, have been holding open that gate for a long time.

I don't have the genes of a Methuselah, but I'm running neck and neck with Bob Hope, and that would tickle anyone's hormones. Grow old, but don't let senility be a part of it!•

BALDWIN FIRE DEPARTMENT CELEBRATING 100

• Mr. D'AMATO. Mr. President, I rise today to speak on behalf of the Baldwin Fire Department as they gear up to celebrate 100 years of volunteer fire service to Baldwin, NY.

Baldwin was a small hamlet in 1896 when, on a cold January night, the general store at its center caught fire after a kerosene lantern was dropped. The neighboring Freeport volunteers were summoned to save the surrounding buildings. Shortly thereafter a group of civic leaders met to organize fire protection in and for Baldwin. A committee was formed to raise funds and the department was officially organized on February 8. Initial equipment was purchased for $680 and the department went into service in April of 1896. There were 40 volunteers who were required to pay $3.90 each for their uniforms which consist of a cap, a white sweater lettered "Baldwin" and a belt. At that time the alarm was a railroad locomotive wheel rim hung from two poles and rung by a large sledgehammer. John H. Carl served as chief for the first 4 years. After 2 years, a permanent firehouse was built and a proper alarm bell was installed. The department had strong support from the community and the mortgage on this firehouse was paid off in May 1905.

Since those humble beginnings, the Baldwin Fire Department has kept pace with firefighting techniques and developments and attained its present size of 226 members among its seven companies. The present apparatus consists of seven pumpers, two tower ladders, one heavy rescue truck, two ambulances, two water rescue boats on trailers, and four chief's vehicles. In 1995 this all-volunteer fire and rescue service responded to 1,783 alarms. Currently it is led by Chief James Bugler. His deputy chiefs are John Coughlin, Keith Eckels, and Henry Chambers. Gary Eckels serves as chief of fire prevention, as public information officer, and as a fire commissioner.

One of the biggest events ever held in Baldwin will take place on Saturday, August 10, to commemorate the 100th anniversary of the Baldwin Fire Department. The day will begin with some lively firefighter competitions. Later in the day a centennial parade will be led by the U.S. Marine Corps Band, followed by the world famous Budweiser Clydesdales, thousands of firefighters, hundreds of fire trucks, and many other participants. This will truly be a once-in-a-lifetime event; a celebration of life, good works, and community spirit which has been displayed by the Baldwin Fire Department over 100 years of change. Many pieces have been woven together over the years to bring us to this great day; a day of celebration, a day to salute all of those who have given of their very selves to better community, to better America. Mr. President, I salute the brave men and women of the Baldwin Fire Department and wish them many more years of continued success.●

THE UNITED NATIONS SECRETARY-GENERAL

● Mr. SIMON. Mr. President, the United States has made clear its intention to veto a second term for United Nations Secretary-General Boutros Boutros-Ghali. This unfortunate opposition to his reelection was the subject of a column I wrote for Illinois newspapers, which I ask be printed in the RECORD.

The column follows:

A MISSTEP BY THE UNITED STATES

(By Senator Paul Simon)

Suppose a local Rotary Club had the community's most wealthy and powerful citizen, Sam Smith, as a member. Imagine that the Rotarians had a dues system that reflected the ability to pay, so that wealthy Sam Smith paid more in dues than any other Rotarian.

To complicate the story, Sam Smith is far back in the payment of his dues, so far back that the money he owes amounts to almost the total budget of the club for a year.

The president of the Rotary Club is up for reelection, and most of the members want him reelected, but Mr. Big, Sam Smith, says no.

How popular do you think Sam Smith would be with the other Rotarians? Would his influence rise or fall? And what will the other Rotarians do in their election of a president?

The story is true.

Only the "club" is called the United Nations. The wealthy deadbeat member is called Sam, Uncle Sam. Most of the UN members believe that Secretary General Boutros-Ghali is doing a good job, despite being hampered by approximately $1.4 billion that the United States owes but has not paid.

But the United States has made clear that we want to veto his reelection as Secretary-General.

The other nations, already too often unimpressed by our uncertain leadership in foreign policy, are not pleased with what we are doing, believing it is dictated by domestic political considerations.

In 1978, President Jimmy Carter designated me as one of the delegates to a two-month session of the United Nations, and I have followed the UN and its work with more than casual interest.

My impression is that overall the United Nations performs a vital service and a good job, not perfect, and that Boutros-Ghali has been a hard-working, effective leader—hampered in part by the United States talking a great game, but not paying our dues.

Egypt is the home of the Secretary-General, and as an Egyptian he is also an African. Africa sometimes is called "the dark continent." It is more accurately described as the ignored continent.

One little-known fact is the gradual spread of democracy in Africa, some of them fledgling democracies that deserve more encouragement from the United States and other nations.

African countries take pride in having Boutros-Ghali as the Secretary-General.

Our opposition to him is coupled with other realities that they see: President Clinton has never visited Africa. Secretary of State Warren Christopher has not visited any sub-Saharan country since he has been Secretary, compared to 24 visits to Syria.

Our inattention, coupled with our unfortunate open opposition to the reelection of the Secretary-General, has not made us any friends.●

BUDGET SCOREKEEPING REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) and in aid of section 311 of the Congressional Budget Act of 1974, as amended. This report meets the requirements for Senate scorekeeping of section 5 of Senate Concurrent Resolution 32, the first concurrent resolution on the budget for 1986.

This report shows the effects of congressional action on the budget through July 26, 1996. The estimates of budget authority, outlays, and revenues, which are consistent with the technical and economic assumptions of the 1996 concurrent resolution on the budget (H. Con. Res. 67), show that current level spending is above the budget resolution by $15.5 billion in budget authority and by $14.3 billion in outlays. Current level is $109 million below the revenue floor in 1996 and $5.5 billion above the revenue floor over the 5 years 1996–2000. The current estimate of the deficit for purposes of calculating the maximum deficit amount is $260.0 billion, $14.3 billion above the maximum deficit amount for 1996 of $245.7 billion.

Since my last report, dated July 8, 1996, Congress has cleared for the President's signature an Act Amending the Foreign Assistance Act of 1961 and the Arms Export Control Act (H.R. 3121), an Act for the Relief of Benchmark Rail Group, Inc. (H.R. 419), an Act for the Relief of Natham C. Vance (S. 966) and the Taxpayer Bill of Rights 2 (H.R. 2337). These actions have changed the current level of budget authority, outlays and revenues.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 29, 1996.

DEAR MR. CHAIRMAN: The attached report for fiscal year 1996 shows the effects of Congressional action on the 1996 budget and is current through July 26, 1996. The estimates of budget authority, outlays and revenues are consistent with the technical and economic assumptions of the 1996 Concurrent Resolution on the Budget (H. Con. Res. 67). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended.

Since my last report, dated July 2, 1996, Congress has cleared for the President's signature an Act Amending the Foreign Assistance Act of 1961 and the Arms Export Control Act (H.R. 3121), an Act for the Relief of Benchmark Rail Group, Inc. (H.R. 419), an Act for the Relief of Nathan C. Vance (S. 966) and the Taxpayer Bill of Rights 2 (H.R. 2337). These actions have changed the current level of budget authority, outlays and revenues.

Sincerely,

JUNE E. O'NEILL,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, FISCAL YEAR 1996, 104TH CONGRESS, 2D SESSION, AS OF CLOSE OF BUSINESS JULY 26, 1996

[In billions of dollars]

	Budget resolution (H. Con. Res. 67)	Current level	Current level over/under resolution
ON-BUDGET			
Budget authority[1]	1,285.5	1,301.0	15.5
Outlays[1]	1,288.2	1,302.4	14.3
Revenues:			
1996	1,042.5	1,042.5	−0.1
1996–2000	5,691.5	5,697.0	5.5
Deficit	245.7	260.0	14.3
Debt subject to limit	5,210.7	5,092.8	−117.9
OFF-BUDGET			
Social Security outlays:			
1996	299.4	299.4	0.0
1996–2000	1,626.5	1,626.5	0.0
Social Security revenues:			
1996	374.7	374.7	0.0
1996–2000	2,061.0	2,061.0	0.0

[1] The discretionary spending limits for budget authority and outlays for the Budget Resolution have been revised pursuant to section 103(c) of P.L. 104–121, the Contract with America Advancement Act.

Note.—Current level numbers are the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 104TH CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1996 AS OF CLOSE OF BUSINESS JULY 26, 1996

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in previous sessions			
Revenues			1,042,557
Permanents and other spending legislation	830,272	798,924	
Appropriation legislation		242,052	
Offsetting receipts	−200,017	−200,017	
Toal previously enacted	630,254	840,958	1,042,557
Enacted in 1st session			
Appropriation bills:			
1995 Rescissions and Department of Defense Emergency Supplementals Act (P.L. 104–6)	−100	−885	
1995 Rescissions and Emergency Supplementals for Disaster Assistance Act (P.L. 104–19)	22	−3,149	
Agriculture (P.L. 104–37)	62,602	45,620	
Defense (P.L. 104–61)	243,301	163,223	

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 104TH CONGRESS, 2D SESSION, SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1996 AS OF CLOSE OF BUSINESS JULY 26, 1996—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Energy and Water (P.L. 104–46)	19,336	11,502	
Legislative Branch (P.L. 105–53)	2,125	1,977	
Military Construction (P.L. 104–32)	11,177	3,110	
Transportation (P.L. 104–50)	12,682	11,899	
Treasury, Postal Service (P.L. 104–52)	23,026	20,530	
Offsetting receipts	−7,946	−7,946	
Authorization bills:			
Self-Employed Health Insurance Act (P.L. 104–7)	−18	−18	−101
Alaska Native Claims Settlement Act (P.L. 104–42)	1	1	
Fishermen's Protective Act Amendments of 1995 (P.L. 104–43)		(5)	
Perishable Agricultural Commodities Act (P.L. 104–48)	1	(5)	1
Alaska Power Administration Sale Act (P.L. 104–58)	−20	−20	
ICC Termination Act (P.L. 104–88)			(5)
Total enacted first session	366,191	245,845	−100
Enacted in 2d session			
Appropriation bills:			
Ninth Continuing Resolution (P.L. 104–99)[1]	−1,111	−1,313	
District of Columbia (P.L. 104–122)	712	712	
Foreign Operations (P.L. 104–107)	12,104	5,936	
Offsetting receipts	−44	−44	
Omnibus Rescission and Appropriations Act of 1996 (P.L. 104–134)	330,746	246,113	
Offsetting receipts	−63,682	−55,154	
Authorization bills:			
Gloucester Marine Fisheries Act (P.L. 104–91)[2]	14,054	5,882	
Smithsonian Institution Commemorative Coin Act (P.L. 104–96)	3	3	
Saddleback Mountain Arizona Settlement Act (P.L. 104–102)		−7	
Telecommunications Act of 1996 (P.L. 104–104)[3]			
Farm Credit System Regulatory Relief Act (P.L. 104–105)	−1	−1	
National Defense Authorization Act of 1996 (P.L. 104–106)	369	367	
Extension of Certain Expiring Authorities of the Department of Veterans Affairs (P.L. 104–110)	−5	−5	
To award Congressional Gold Medal to Ruth and Billy Graham (P.L. 104–111)	(5)	(5)	
An Act Providing for Tax Benefits for Armed Forces in Bosnia, Herzegovina, Croatia, and Macedonia (P.L. 104–117)			−38
Contract with America Advancement Act (P.L. 104–121)	−120	−6	
Agriculture Improvement and Reform Act (P.L. 94–127)	−325	−744	
Federal Tea Tasters Repeal Act of 1996 (P.L. 104–128)			(5)
Antiterrorism and Effective Death Penalty Act (P.L. 104–132)			2
Total enacted second session	292,699	201,740	−36
Passed pending signature			
An Act to Amend the Foreign Assistance Act of 1961 and the Arms Export Control Act (H.R. 3121)	−72	−72	
An Act for the Relief of Benchmark Rail Group, Inc. (H.R. 419)		1	
An Act for the Relief of Nathan C. Vance (S. 966)	(5)	(5)	
The Taxpayer Bill of Rights 2 (H.R. 2337)			−30
Total passed pending signature	−72	−71	−30
Entitlements and mandatories			
Budget resolution baseline estimates of appropriated entitlements and other mandatory programs not yet enacted	11,913	13,951	
Total current level[4]	1,300,986	1,302,424	1,042,391
Total budget resolution	1,285,515	1,288,160	1,042,500
Amount remaining:			
Under budget resolution			109
Over budget resolution	15,471	14,264	

[1] P.L. 104–99 provides funding for specific appropriated accounts until Sept. 30, 1996.

[2] This bill, also referred to as the sixth continuing resolution for 1996, provides funding until Sept. 30, 1996, for specific appropriated accounts.

[3] The effects of this Act on budget authority, outlays, and revenues begin in fiscal year 1997.

[4] In accordance with the Budget Enforcement Act, the total does not include $4,753 million in budget authority and $2,657 million in outlays for funding of emergencies that have been designated as such by the President and the Congress.

[5] Less than $500,000.•

THE WHITEWATER INVESTIGATION

• Mr. SIMON. Mr. President, the recently completed report on the investigation of Whitewater development and related matters was a costly political exercise. I was a member of that special committee and wrote about the committee's findings in a weekly column that was distributed to newspapers in Illinois.

I ask that it be printed in the RECORD.

The column follows:

THE WHITEWATER INVESTIGATION WAS A COSTLY POLITICAL EXERCISE

(By Senator Paul SIMON)

The Senate Whitewater investigation resulted in a political exercise that contributed nothing, except to add to public cynicism and confirming the already widespread belief that in Congress we are playing partisan games rather than tending to the nation's and the public's real needs.

Obviously some people broke the law in the Whitewater events, but the evidence indicated neither a violation of the law nor of ethical standards by Bill Clinton or Hillary Clinton while he served either as President or as Governor of Arkansas.

But the misuse of the FBI files is another matter. Both the White House and the FBI are at fault. The President probably is not personally involved, but it happened in his White House and administration and it should not be treated as a minor mess-up by the President or his staff. The misuse of police powers by governments is as old as governments themselves, and something that must be constantly guarded against.

The abuse of the FBI files comes at a time when there are two other abuses.

One is the Senate investigation which spent almost $2 million, received testimony from 139 witnesses, and took more time than any investigation of a sitting President in our history—longer than the Watergate or Iran-Contra hearings. "Where there is smoke there must be fire" is an old saying, but those hearings were designed to create smoke. Not only is there a product of questionable worth, we took testimony from many individuals who never in their lives thought they would testify before a Senate Committee, such as secretaries. Some were terrified by the combination of coming before a committee and being on national television.

A second abuse is the multiplying like rabbits of special counsels—really special prosecutors—with no limits on their expenses and their ability to use huge resources from the FBI and other agencies. I voted for the law creating the special counsel, but now I sense we need a better answer.

Since the FBI and the work of U.S. attorneys fall under the jurisdiction of the Attorney General, my sense is that we should review the possibility of a change in how we structure that office. It differs from other cabinet posts in its broad police and prosecutorial responsibilities, and the recent FBI debacle and the runaway habits of the special prosecutors, might provide an incentive to the next Congress and President to look at this question.

For example, we might have an Attorney General appointed for a 10-year term, with a small bipartisan group giving the President a list of five names to choose from, and also giving him the ability to request a new list of names if he found them unsatisfactory, but still requiring confirmation by the Senate. And then have no special prosecutors.

This is not a criticism of Janet Reno, who is a much-above-average Attorney General. Another example of a good appointment is President Gerald Ford's naming of Ed Levi, then president of the University of Chicago. No one felt that at any time Gerald Ford could get Ed Levi to do anything but what he believed was in the best interests of the nation. That is the way it should be.

My hope is that out of the present ministorms something constructive can happen.•

INDIGENOUS CONSERVATIONIST OF THE YEAR AWARD HIS MAJESTY KING TAUFA'AHAU TUPOU IV

• Mr. INOUYE. Mr. President, all Americans are concerned about the world's environment and how to protect it. Parts of the world not close to most of us still affect all of us greatly. One part of the world that is remote to most Americans, but vitally important to all of our welfare, is the rain forest. All of us are endangered by the destruction of rain forests that is occurring all over the world. The rain forests constitute unique and irreplaceable ecosystems sometimes called the lungs of the earth. In addition to their function in replenishing the Earth's atmosphere, the rain forests provide essential protection against global warming, contain hundreds of plants found nowhere else on Earth, house many animals unique to the rain forests alone, and provide protection against destruction of coral reefs and marine life. I would like to bring to your attention the efforts to save these vital systems and to recognize an individual who is being honored for his own efforts to save the rain forests.

His Majesty King Taufa'ahau Tupou IV of the Kingdom of Tonga has been selected to receive this year's Seacology Foundation Award as the Indigenous Conservationist of the Year in recognition of his superb efforts to preserve the rain forest and indigenous Polynesian culture. His Royal Highness' successes include providing royal protection for the peka or flying fox colony in Kolovai Village in Tongatupu Island. He is also responsible for protecting the primary forest of 'Eau Island and for establishing a system of nature preserves throughout the Kingdom of Tonga. None of these achievements would have occurred without His Royal Highness.

Seacology Foundation is a nonprofit foundation founded to help protect island ecosystems and island cultures. Seacology scientists include experts in endangered species, island flora and fauna, and island ecosystems. One hundred percent of the money donated to

Seacology goes directly to building schools, hospitals, installing safe water supplies, and meeting other needs of the rain forest villagers so that they will not have to sell off the rain forest to survive. Seacology scientists donate their time as well.

I congratulate His Majesty King Taufa'ahau Tupou IV and the Seacology Foundation for all of their efforts.

I ask that the letter from Paul Alan Cox, Ph.D., chairman of the board of the Seacology Foundation, to His Royal Highness be printed in the RECORD.

THE SEACOLOGY FOUNDATION,
Springfield, UT, December 15, 1995.

His Majesty King TAUFA'AHAU TUPOU IV,
The Kingdom of Tonga.

YOUR ROYAL HIGHNESS: It is with deepest respect that I inform your royal highness that you have been selected as the 1996 Indigenous Conservationist of the Year by the Seacology Foundation. This annual award is made to honor those indigenous people who have performed heroic service in preserving their own ecosystems and cultures.

After careful consideration of the activities of your majesty in providing royal protection for the peka or flying fox colony in Kolovai Village in Tongatapu island (which is the oldest flying fox refuge in the world), for your protection of the primary forest of Eua island, for your support in establishing a system of nature preserves throughout the Kingdom of Tonga, and for your life-long service as an interpreter and custodian of Tongan culture, both ancient and modern, the Scientific Advisory Board of the Seacology Foundation has unanimously voted to honor your majesty with this award, which is the most prestigious conservation award for indigenous people in the world.

The Seacology Foundation invites you, at our expense, to attend an award dinner in your honor and a presentation ceremony in Salt Lake City, Utah to receive your award, which will consist of an engraved plaque and a cash award of $1,000. Fine Nau and I will meet with you personally to arrange a convenient date for this event.

Because of your stellar service, both public and private to conservation, and because of the tremendous example of dedication and courage that you have set for your own people—the Polynesian Islanders—and for indigenous peoples throughout the world, the Seacology Foundation is pleased to bestow upon you the most distinguished award for indigenous conservation in the world by naming you 1996 Indigenous Conservationist of the Year. We offer you our sincere appreciation for your tremendous devotion to protecting this planet.

Warmest personal regards,
NAFANUA PAUL ALAN COX, Ph.D.,
Chairman of the Board.•

THE DEFENSE DEPARTMENT AUTHORIZATION

• Mr. SIMON. Mr. President, the annual Defense Department authorization passed by the Senate would create a Corporation for the Promotion of Rifle Practice and Firearms Safety. In a weekly column that is distributed to newspapers in Illinois, I discussed this useless and wasteful program.

I ask that the column be printed in the RECORD.

The column follows:

A BOONDOGGLE FOR THE NRA

(By Senator Paul Simon)

Buried in the annual Defense Department authorization bill is an outrageous gift of $77 million that will benefit something called the Corporation for the Promotion of Rifle Practice and Firearms Safety.

This corporation is the new "private" incarnation of the old National Rifle Association-backed Civilian Marksmanship Program. This program was intended to make sure people could shoot straight in case they entered the military. In recent years, however, it has simply funneled cash, weapons and ammunition to private gun clubs, thanks to the power of the NRA.

Until a Federal judge ruled it unconstitutional in 1979, gun clubs which participated in this program were required to be NRA members.

Under public pressure to eliminate this useless and wasteful program, Congress "privatized" the program last year.

In fact, the corporation is private in name only. When the corporation becomes fully operational in October of this year it will be given by the Army: 176,218 rifles the Army views as outmoded, but valued at $53,271,002; Computers, vehicles, office equipment and other related items valued by the Army at $8,800,000; 146 million rounds of ammunition valued by the Army at $9,682,656; $5,332,000 in cash.

That totals $77,085,658.

Our friends in the National Rifle Association strongly back this measure and it appears to be a boondoggle for them.

What the Army should do with outmoded weapons is to destroy them. Our government has a theoretical policy that it does not sell federally owned weapons to the public. The Civilian Marksmanship Program violates this policy, and the new corporation would continue to violate it.

Why we should be subsidizing rifle practice—which is the theory behind this—baffles me. Hardly any of those who will use the weapons will enter into the armed forces. The Defense Department did not request this.

I had never fired a rifle or handgun before entering the Army, and with minimal training I became a fair-to-good marksman.

Senator Frank Lautenberg of New Jersey and I tried to eliminate this incomprehensible expenditure from the bill and we got only 29 votes for our amendment. The NRA still has power.

We should be reducing the numbers of weapons in our society, not increasing them.

A government policy of destroying weapons and not selling outmoded guns to the public is sound.

While rifles are not the primary weapons for crime—pistols are—some of those 176,000 weapons will get into the hands of people who should not have them. If 1 percent reach someone who is irresponsible, that is 1,760 weapons.

Let me in advance extend my sympathy to the families of the people who will be killed by these weapons. They will be needless victims of this folly.•

U.S. AID TO AFRICA

• Mr. SIMON. Mr. President, The salaries of the most elite professional basketball players who became free agents and signed contracts during a 1-week period in July outstripped the amount of United States development aid to all African nations except Egypt. I discussed this development in a weekly column written for newspapers in my State and ask that it be printed in the RECORD.

The column follows:

NBA Star Pay Shoots Past U.S. Development Aid To Africa

(By Senator Paul Simon)

Ask people at any town meeting whether we are spending too much money on foreign aid and there will be a resounding "yes" response—but there would not be if they knew the facts.

The world's poorest continent is Africa, and this year we are spending $628 million in development aid to African nations, if Egypt is excluded from the calculation.

Compare that with the total for the contracts signed July 11th to July 18th for free agents with the National Basketball Association: $927 million.

Twenty-nine African nations have total government revenue less than the amount paid to these star athletes.

I have no objection to the money earned by Michael Jordan and the others. They are players of unbelievable talent. And the people of the nation are not making any great sacrifice to provide these funds for them.

Nor are we making a great sacrifice in foreign aid.

That $628 million in aid to Africa compares to $1.2 billion we get from one cent of gasoline tax in the United States. So the aid to Africa is slightly more than one-half cent a gallon, if we were to use the gasoline tax to pay for it, which we are not.

The United States was once the most generous nation in helping the poor beyond our borders. Now, of the nations of Western Europe and Japan, Australia and New Zealand, we are dead last.

We once gave almost 3 percent of our national income to help the needy beyond our borders, and now we give less than one-sixth of 1 percent. Norway gives eight times as much as we do, in percentage terms.

Foreign aid is less than 1 percent of our Federal budget. And the total is getting smaller each year.

Should we be doing a better job of giving opportunity to the poor here at home?

Of course we should. And those of us who advocate doing more to help the poor at home are the same ones who advocate helping them beyond our borders.

If instead of giving the Defense Department $18 billion more than they requested for this year and next, which we are doing, we were to devote one-third of that amount to helping the poor here at home, one-third to helping the impoverished in other countries, and one-third to reduce the deficit, we would have a stronger nation, a better nation, and a more stable world.

The United States is gradually becoming more short-sighted and provincial both at home and abroad. "Let's take care of ourselves," is the cry, and "ourselves" excludes the poor at home and the poor abroad.

And so we fall far behind in paying our United Nations dues, and do not provide adequate leadership in troubled areas at home and abroad.

Congressman Ray Thornton of Arkansas suggested that the United States should have a Marshall Plan for impoverished areas of our Nation. He is right. We need it both here and for other nations.

But that requires creativity, courage and compassion by leaders. "Welfare reform" for too many has become a code phrase for bashing the poor even more, though genuine reform is obviously needed.

The nation that led the world with the exciting and compassionate and sensible Marshall Plan is now a nation in retreat. We are now a nation that pays more money to a few professional basketball players than we spend to give opportunity to the people of Africa.

We can do better.•

THE POLITICS OF WHITEWATER

• Mr. SIMON. Mr. President, my attention has been called to an article in the Miami Herald by Ernest Dumas, who is described in the Miami Herald as "Sometime critic of Bill Clinton who teaches journalism at the University of Central Arkansas, and writes a column for the Arkansas Times. A former political writer, and associate editor of the Arkansas Gazette in Little Rock, he wrote this article for the Herald."

I don't believe I've ever met Mr. Dumas, but he has written an article that gives a perspective on the Whitewater situation that I frankly have not seen in the media elsewhere.

I call this to the attention not only of my colleagues in the Senate and in the House, but I call this to the attention of editorial writers who may be looking through the CONGRESSIONAL RECORD.

It gives a very different perspective on "The Politics of Whitewater."

I ask that the Miami Herald article be printed in the CONGRESSIONAL RECORD.

The article follows:

[From the Miami Herald, June 23, 1996]

THE POLITICS OF WHITEWATER

(By Ernest Dumas)

When Sens. Jesse Helms and Lauch Faircloth, the North Carolina Republicans, had lunch in 1994 with their old friend and protege, Judge David R. Sentelle of the U.S. Court of Appeals for the District of Columbia, even they must have have fathomed the importance of what Sentelle was about to agree to do.

His Judicial panel would remove Robert B. Fiske Jr. as the independent counsel for Whitewater and replace him with a far more doctrinaire Republican, Kenneth W. Starr, who had lost his job as solicitor general when Bill Clinton became president and who was representing the Republican National Committee and groups hostile to the Clinton administration, including the tobacco industry.

Starr would keep the Whitewater investigation on track for the 1996 presidential election all right, but he would prove far more valuable to his party.

The majority report of the Senate Special Whitewater Committee last week said the two lending institutions that were the heart of the scandal were "piggy banks for the Arkansas political elite."

It was half true. A who's who of Arkansas Republicans had helped David L. Hale plunder his federally subsidized small business investment company.

Hale, who triggered the Whitewater investigation and the appointment of an independent prosecutor when he accused President Clinton of asking him to make an illegal loan in 1986, actually was illegally channeling federal tax dollars into the campaign of Clinton's Republican opponent. Moreover, according to his testimony at the trial in April, he was paying the Republican state chairman to help him defraud the federal Small Business Administration. Another former state Republican chairman and perennial candidate was on the books for a substantial federally subsidized loan when the Clinton administration moved to shut Hale down in 1993. Other prominent Republicans collaborated with Hale to skim money from the company.

Other than Gov. Jim Guy Tucker, then a private businessman, and the ubiquitous James D. McDougal himself, the owner of Madison Guaranty Savings and Loan Corp., no Democratic political figure had anything to do with the dummy companies and scams that Hale ran.

Thanks to Kenneth Starr, this is not the picture Americans got of Whitewater.

Not only did Starr not seek indictments against the Republicans when they began to turn up on every chapter of the examinations of Hale's small-business lending company, he did not call them as witnesses at the trial at Little Rock. The prosecutors persuaded the trial judge not to allow the deeds of Hale's Republican collaborators to be used as proof of selective prosecution. It would have confused the picture of Whitewater, a story about the rascality of Bill Clinton and his Democratic friends.

The special prosecutor's refusal to explore any of the Republican bigwigs to the glare of trial—while leveraging misdemeanor pleas from many spear carriers in the real estate deals who made no profits from the deals—makes a compelling case that the investigation is politically motivated and the prosecution selective.

Hale ran a federally licensed and subsidized small business investment company at Little Rock called Capital Management Services, which in 1992 applied to the Small Business Administration for another $45 million. It claimed an expanded capital base. He didn't get approval before the election and Clinton's SBA in 1993 got suspicious. When auditors began digging into the company's records, Hale told the SBA to just forget the whole thing. Clinton's new SBA director, Erskine Bowles, referred the matter to the Justice Department. When the SBA put Hale's company in receivership, 86 percent to fits loans were overdue and its accumulated losses exceeded its private capital by 171 percent.

On July 20, 1993, the FBI raided Hale's offices and confiscated his files. By August Clinton's new U.S. attorney for the Eastern District of Arkansas, Paula Casey, prepared to ask a federal grand jury to indict Hale for defrauding the SBA.

What the SBA inspectors and the FBI had found was that Hale had essentially been dealing with himself and a few cronies, including two state Republican chairmen and other Republican politicians and, briefly, seven years earlier, Jim McDougal and Jim Guy Tucker, then a private citizen licking the wounds of a crushing defeat at the hands of Bill Clinton in the 1982 governor's race.

Hale's story about Clinton asking him to make an illegal loan to one of his old business partners seems implausible because Hale at the time was funneling money illegally from his small business development company into the campaign of Clinton's Republican opponent, former Gov. Frank White, who had appointed Hale to his municipal judgeship in 1981.

Here are details about some of the Arkansas Republicans who have avoided the harsh light of Special Prosecutor Starr:

Hale's fellow municipal judge, Bill Watt, testified at the April trial that Hale had written a $10,000 check to the company headed by his law partner, Richard M. Grasby, the Republican county chairman, with directions that $2,000 of it be laundered and put into White's campaign against Clinton. Watt contributed $1,000 in the name of his secretary and $1,000 in the name of the secretary's daughter. The gifts never showed up in White's campaign reports. White says he doesn't think he got them. Using the proceeds of a federally backed small business loan for political gifts is illegal. Defense attorneys elicited the story from Watt, a prosecution witness.

Starr is prosecuting two rural bankers this week on charges that they arranged $13,000 in contributions to Clinton's campaign and reimbursed themselves by padding their expenses at the bank. The gifts to White's campaign from federal funds seemed to be analogous, but Starr passed when the gifts came to light last year.

More intriguing was Starr's pass on Bob Leslie, a Little Rock lawyer who was the state Republican chairman and later national committeeman, during the 1980s. Leslie had been the Republican candidate for Congress from South Arkansas' Fourth District in 1982. When Hale was on the stand, a defense lawyer, Bobby McDaniel of Jonesboro, asked him about a $20,000 SBA-guaranteed loan to Leslie. Hale said it was a "pay-off" for Leslie's help in a scheme to defraud the Small Business Administration. Leslie had written legal opinions to the SBA saying Hale qualified for more SBA funds when he didn't.

"He had a tax problem, and I loaned that money to him," Hale said, "The U.S. attorney said they were not going to charge him."

Leslie wasn't called as a witness. He told reporters he had done nothing wrong.

Hale also made a federally backed loan of $275,000 to a minority mortgaging company Leslie formed, which was not repaid. Leslie told a reporter that he actually didn't get to use the money.

Hale had an unusual affinity for Republican chairmen. Leslie's predecessor as state chairman was Ken Coon, the Republican nominee for governor in 1974 and an unsuccessful candidate for Congress in the Republican primary last month.

When he applied to the SBA for leverage capital the last time, Hale listed Coon as the recipient of a substantial loan for a disadvantaged business if the SBA was forthcoming. Coon was a director of a burial insurance company Hale owned.

Another rising Republican star who became entangled in Hale's web but was ignored by the special prosecutor was Robert Boyce, a young businessman who ran unsuccessfully for the legislature in 1992 from Little Rock's silk-stocking Pulaski Heights district.

Boyce was president of a company that was supposed to handle liquidation sales for stores going out of business. In November 1988 Hale wired $300,000 into Boyce's account and he wrote checks totaling $250,000 to two men who were later convicted of conspiring with Hale to defraud the SBA. Boyce told SBA inspectors in 1994 that while he was the purported owner and president of Retail Liquidators Hale secretly owned it and used it as a front to obtain loans from his SBA lending company. Federal law bars small business lending companies from lending to the owners.

Boyce wasn't charged or called as a witness at the trial.

The most fetching story is that of Sheffield Nelson, the former Republican state chairman and now the Republican national committeeman from Arkansas. Nelson, the former president of Arkansas Louisiana Gas Co., the state's largest natural gas distributor, was the Republican nominee for governor in 1990 against Clinton and would be defeated again, this time by Tucker, in 1994.

It was Nelson who arranged for Jim McDougal, a friend and business partner, to tell a New York Times reported in 1992 about his ancient Whitewater land deal with the Clintons.

Unlike the Clintons, who lost money, Nelson and his pal, Jerry Jones, owner of the Dallas Cowboys, profited immensely from real-estate dealings with McDougal.

While perusing the want ads of The Wall Street Journal in the early '80s, McDougal was attracted by an ad for the sale of land on Campobello Island, off the coast of Maine, President Franklin D. Roosevelt, McDougal's idol, had summered there as a youth. The owners wanted $825,000 for 3,400 acres.

Convinced that the land could be developed for quick resale, McDougal persuaded Nelson and Jones to invest with him. Nelson and Jones put up $225,000 each. It was the first real estate venture for McDougal's new thrift, Madison Guaranty. The savings and loan subsequently would put up millions of dollars to develop the desolate and blustery land but the agents would never find buyers.

Despite the early charges, Whitewater Development Corp., the Clintons' partnership with the McDouglas, never cost Madison Guaranty and the American taxpayers a penny. But Campobello Estates cost them plenty. It was the single biggest contributor to the S&L's demise. The Federal Home Loan Bank Board warned as early as 1984 that the investment was imprudent and that it was imperiling the thrift's solvency. Nelson and Jones never put anything more into it. It was Madison's money.

After McDougal was ousted from the management of Madison in 1986 and it was closed in 1989, the Resolution Trust Corp. found itself owning Campobello. Nelson and Jones wanted out of the deal. Amazingly, an old football-playing buddy of Jones at the University of Arkansas, Tommy Trantham, had been appointed supervisor of Madison. Trantham arranged for Madison to buy out Nelson and Jones at a handsome profit of $136,500 each, a buy-out ultimately borne by the taxpayers. The RTC, then under the George Bush administration, approved the buy-out.

William Seidman, who headed the Federal Deposit Insurance Corp. and the RTC at times during the banking and thrift crises, later expressed shock at the buy-out. His experience, he told The Fort Worth Star Telegram, was that limited partners didn't even get their money back, much less a hefty profit.

Nelson's and Jones' roles never surfaced in the special prosecutor's case. They never got a summons from Sen. Alfonse D'Amato, R-N.Y., to explain themselves before the Senate Whitewater Committee.

It is this selective prosecution that is the peril of political investigations like Starr's. The prosecutor does not try to solve a crime and punish the perpetrator but to identify one subject or group and then find a crime.

"Therein lies the most dangerous power of the prosecutor." Justice Robert Jackson of the U.S. Supreme Court, who would be the chief prosecutor at Nuremberg, warned in 1940, "that he will pick people that he thinks he should get, rather than cases that need to be prosecuted. With the law books filled with a great assortment of crimes a prosecutor stands a fair chance of finding at least a technical violation of some act on the part of almost anyone."

With 50 FBI agents and an army of attorneys at his disposal and boundless jurisdiction, the Whitewater prosecutor's problem was that he found more than he cared to prosecute, and in exactly the wrong places.●

ORDERS FOR TUESDAY, JULY 30, 1996

Mr. MACK. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Tuesday, July 30; further, that immediately following the prayer, the Journal of the proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate immediately resume the energy and water appropriations bill under a previous consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MACK. Mr. President, at the hour of 10 a.m. on Tuesday, the Senate will begin a series of rollcall votes with respect to the energy and water appropriations bill and the legislative branch appropriations bill. Senators should be on notice that all votes in the voting sequence, after the first vote, will be limited to 10 minutes in length.

I ask unanimous consent that the Senate stand in recess between the hours of 12:30 p.m. and 2:15 p.m. in order for the weekly party caucuses to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MACK. Mr. President, the Senate can be expected to be in session late into the evening each day this week in order to consider appropriations bills and conference reports as they become available.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MACK. Mr. President, if there is no further business to come before the Senate, I ask that the Senate now stand in adjournment under the previous order.

There being no objection, the Senate, at 6:56 p.m. adjourned until Tuesday, July 30, 1996, at 9:30 a.m..

NOMINATIONS

Executive nominations received by the Senate July 29, 1996:

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

LETITIA CHAMBERS, OF OKLAHOMA, TO BE A MEMBER OF THE BOARD OF TRUSTEES OF THE INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT FOR A TERM EXPIRING MAY 19, 2000, VICE ROY M. HUHNDORF, RESIGNED.

NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD

ANTHONY R. SARMIENTO, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD FOR A TERM EXPIRING SEPTEMBER 22, 1998, VICE BENITA C. SOMERFIELD, TERM EXPIRED.

NATIONAL SCIENCE FOUNDATION

JOHN A. ARMSTRONG, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2002, VICE THOMAS B. DAY, TERM EXPIRED.

M.R.C. GREENWOOD OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2002, VICE PERRY L. ADKISSON, TERM EXPIRED.

STANLEY VINCENT JASKOLSKI, OF OHIO, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2002, VICE JAMES JOHNSON DUDERSTADT, TERM EXPIRED.

VERA C. RUBIN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2002, VICE BERNARD F. BURKE, TERM EXPIRED.

BOB H. SUZUKI, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 2002, VICE JAIME OAXACA, TERM EXPIRED.

IN THE COAST GUARD

THE FOLLOWING INDIVIDUAL FOR APPOINTMENT AS A PERMANENT REGULAR COMMISSIONED OFFICER IN THE U.S. COAST GUARD IN THE GRADE OF LIEUTENANT COMMANDER.

LAURA H. GUTH

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10 UNITED STATES CODE, SECTIONS 8374, 12201, 12204, AND 12212:

To be brigadier general

BRIG. GEN. DWIGHT M. KEALOHA, USAF (RETIRED), [redacted] [redacted] AIR NATIONAL GUARD.

THE FOLLOWING OFFICERS, WHO WERE DISTINGUISHED GRADUATES FROM THE UNITED STATES AIR FORCE OFFICER TRAINING SCHOOL, FOR APPOINTMENT AS SECOND LIEUTENANTS IN THE REGULAR AIR FORCE, UNDER THE PROVISIONS OF SECTION 531 OF TITLE 10, UNITED STATES CODE WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

LINE

MICHAEL P. ALLISON [redacted]
JOSEPH K. GALLAHAN, JR. [redacted]
DANIEL D. GRADY [redacted]
JAMES C. HALL [redacted]
DANIEL N. HARVALA [redacted]
SANDRA L. HIGGINS [redacted]
MARK T. HOWARD [redacted]
CHERYL A. LUTES [redacted]
MICHAEL S. NEWSOM [redacted]
FRANK B. SCHREIBER [redacted]
MICHAEL A. SINKS [redacted]
JOHN P. SMAIL [redacted]

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICERS ON THE ACTIVE-DUTY LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. MARINE CORPS IN ACCORDANCE WITH SECTION 624 OF TITLE 10, UNITES STATES CODE:

To be lieutenant colonel

ROBERT E. CARNEY [redacted]

to be major

AURELIO GARCIA III [redacted]
JOHN T. HORNEY [redacted]
FRANK A. RICHIE [redacted]
WILLIAM P. SCHULZ, JR. [redacted]

THE FOLLOWING-NAMED RESERVE OFFICERS FOR PROMOTION TO THE GRADE OF COLONEL IN THE U.S. MARINE CORPS RESERVE IN ACCORDANCE WITH SECTION 5912 OF TITLE 10, UNITED STATES CODE:

CRAIG T. BODDINGTON [redacted]
LAURA M. BULTEMEIER [redacted]
KEVIN J. BURDICK [redacted]
ALEJANDRO T. DEVORA, JR. [redacted]
RUSSEL L. DRYLIE [redacted]
ROBERT C. EIKENBERRY [redacted]
BRUCE J. ELLIOT [redacted]
CHRISTOPHER T. FRANKLIN, [redacted]
DOUGLAS N. FRAZIER [redacted]
JOHN W. GEORGES [redacted]
MARK D. GRIM [redacted]

KATHERINE S. GUNTHER [redacted]
DANIEL K. HAGOOD, [redacted]
WILLIAM C. HAMERSTADT [redacted]
ROBERT W. HILLERY [redacted]
STANLEY C. HORTON [redacted]
ROBERT L. HUDON, JR [redacted]
MICHAEL G. JACKSON [redacted]
CONRAD F. MALLEK [redacted]
VINCENT F. MANNELLA [redacted]
FRANCIS L. MCDONALD [redacted]
MARK E. MOONEY [redacted]
JOSEPH N. MUELLER [redacted]
KATHLEEN Z. POWERS [redacted]
GEORGE S. PRIEST [redacted]
EDWARD C. SCHROEDER [redacted]
PRESTON E. SIMMS [redacted]
BARRY J. STATIA [redacted]
JOSEPH J. VACCARO [redacted]
STEVEN K. VANDOREN [redacted]
WILLIAM C. WALKER, JR [redacted]
DONALD L. WEISS [redacted]
HARRT T. WILLIAMS [redacted]
FREDERICK B. WITESMAN I [redacted]

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE U.S. AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE, AND THOSE OFFICERS IDENTIFIED BY AN ASTERISK FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A GRADE HIGHER THAN INDICATED.

CHAPLAIN

to be major

JOHN W. BAKER [redacted]
LONNIE B. BARKER [redacted]
ALFRED W. BRIDGEMAN [redacted]
WILLIAM D. CANNON [redacted]
ROBERT C. COLLINS, [redacted]
CHARLES N. DAVIDSON [redacted]
LAWRENCE G. GOSSELIN [redacted]
LAWRENCE W. HENDON [redacted]
GERALD S. HENRY [redacted]
STEPHEN E. JESELNICK [redacted]
PETER S. LAMBERT [redacted]
JOSEPH D. LIM [redacted]
HARRY P. MATHIS, III [redacted]
LISA ANNE PINEAU [redacted]
TIMOTHY M. STURGILL [redacted]
GARY E. UNDERWOOD [redacted]
RONALD UNDERWOOD [redacted]
JOSEPH P.M. VU [redacted]
MICHAEL J. WEBER [redacted]
DAVID E. WILSHEK [redacted]

MEDICAL SERVICE CORPS

To be major

LINDA M. ADAMS, [redacted]
WILLIAM A. ALTLAND [redacted]
JAMES R. BAXTER [redacted]
DENNIS L. BEATTY [redacted]
PETER G. BREWER [redacted]
GARY D. BUTTON [redacted]
RENEE M. CAREY [redacted]
BILLY P. CECIL II [redacted]
CARY A. COLLINS [redacted]
MAUREEN J. COUNTER [redacted]
BRIAN J. CRAMER [redacted]
MARIO V. DESANCTIS [redacted]
LINDA LEE EATON [redacted]
BARRY W. EVANS [redacted]
KENNETH R. FRANKLIN [redacted]
PATRICIA A. GRAULTY [redacted]
RICHARD F. HART, [redacted]
LYNDA L. HERNANDEZ [redacted]
BRADLEY P. HERREMANS [redacted]
STEPHEN C. HILL [redacted]
DANIEL J. HUNT [redacted]
ROBERT B. JORDAN [redacted]
WILLIAM J. KORMOS, JR. [redacted]
MARK LEWANDOWSKI [redacted]
PAUL F. MARTIN [redacted]
JOANNE P. MCPHERSON [redacted]
LAWRENCE J. MELLON [redacted]
MICHAEL E. MENNING [redacted]
MARK MURDOCK, [redacted]
MARK L. MURPHY [redacted]
RICHARD W. OWEN [redacted]
ROGER B. PRICE [redacted]
WILLIAM G. PUCKETT [redacted]
G.D. REICHARD [redacted]
KEVIN F. RILEY [redacted]
ROBERT G. RITTER [redacted]
SALVATORE RUSSO [redacted]
MICHAEL R. SKIDMORE [redacted]
LYNDSAY A. STAUFFER [redacted]
GREGORY A. STEWART [redacted]
*THERESA C. TILLOCK [redacted]
DONALD R. TURCO [redacted]
MARK A. VOJTECKY [redacted]
JAMES R. WHITTON [redacted]
BRIAN K. WITT, [redacted]
LAURIE L. YANKOSKY [redacted]

EXTENSIONS OF REMARKS

NEW REPORT PROVES CHARGES AGAINST AMERICAN HELD IN INDIA ARE FALSE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mr. CRANE. Mr. Speaker, a report issued earlier this month by the Human Rights Wing—Shiromani Akali Dal—proves that the charges filed against Balbir Singh Dhillon are false. Mr. Dhillon is the 43-year-old American citizen who was arrested about a month ago while visiting Sikh temples and his family village in Punjab, Khalistan. I am inserting a copy of the Human Rights Wing report into the RECORD.

In the report, the Human Rights Wing states:

> The HRW investigation team is satisfied that Balbir Singh is innocent and all charges against him should be dropped immediately. He should be allowed to return to his country. The HRW is satisfied that the Punjab Police wants to keep the spectre of Sikh militancy alive so that it can continue to enjoy the extraconstitutional powers vested with it.

According to the report, a police party led by the local chief visited Mr. Dhillon's native village of Salala on May 17 and inquired about Balbir Singh Dhillon. He had recently returned from a visit to Gudwaras in Pakistan. On May 18 Mr. Dhillion went to the police station with his father and the local MLA, state legislator, and the police chief told him that there were no charges against him and he should go home. The chief also denied having visited Salala. On May 20 Mr. Dhillion was arrested and charged with carrying RDX explosives and plotting to kill Sikh political leaders. He was forced to sign blank papers. He was not allowed to talk to his family.

The political leaders Mr. Dhillon was charged with plotting to assassinate are affiliated with the Akali Dal, the largest Sikh political party. The Human Rights Wing is also affiliated with the Akali Dal. The Human Rights Wing is also the organization of Jaswat Singh Khalra, who was kidnapped by the Punjab police on September 6. His whereabouts remain unknown.

These actions prove that even under the new regime, India is not the democracy that it claims to be, but an authoritarian police state described by Indian Journalist Rajinder Puri of the Times of India as "a rotten, corrupt, repressive, and anti-people system." The recent report from India's Central Bureau of Investigation confirming the mass cremations of Sikh in Punjab, Khalistan supports this also. This policy was described by the Indian Supreme Court as worse than a genocide.

The United States cannot allow this to happen to an American citizen. I call upon Secretary of State Christopher and Ambassador Frank Wisner to intervene with the Indian regime to see to it that Mr. Dhillon is released immediately. If India is not willing to release him, then we should impose tough sanctions on this tyrannical regime. America cannot stand idly by while an American citizen has his rights violated on the basis of trumped-up accusations. We must do everything to secure freedom for this American citizen as soon as possible so that Balbir Singh Dhillon can return to his wife and children.

ARREST OF BALBIR SINGH DHILLON

The Panjab Police issued a press release to the newspapers on 22nd May, 1996, about the arrest of Mr. Balbir Singh Dhillon. Mr. Dinkar Gupta SSP Jalandhar, claimed that Mr. Balbir Singh a U.S. Citizen, who was visiting India, was apprehended at a Police 'Naka' near his native village Salala, on the outskirts of Jalandhar. Mr. Balbir Singh was allegedly carrying one kilo of black RDX in his car. Family sources and friends of Mr. Balbir Singh refuted the police version, and approached the Human Rights Wing to investigate the matter. A 3 member team of the Human Rights Wing consisting of Mr. Harshinder Singh (Advocate), Mr. Amrik Singh and Mr. Jaspal Singh, visited Jalandhar, and apart from Mr. Balbir Singh, also met, other persons concerned with this case. The report is as follows:

Mr. Balbir Singh Dhillon, aged 44 years, married, father of two, immigrated to the U.S.A. in 1980. Mr. Dhillon is engineer by profession. He is an active member of youth of America, and is the treasurer of the organization. Youth of America is one of the representative organisation of the Sikhs in the U.S.A. It is a democratic and peaceful organisation, advocates the creation of Khalistan, and every year organises rallies and demonstrations before the Indian Embassy and U.N. Headquarters during the operation "Blue Star" week and visits by Indian dignitries.

Mr. Balbir Singh and his father Mr. Dilbagh Singh arrived in India on the 4th of April '96, to visit their relatives, friends and their native village. On 8th April, '96, Mr. Balbir Singh joined the Sikh pilgrims going to Pakistan to visit the historical gurudwaras on the occassion of Baisakhi. The "Jatha" of pilgrims returned to India on the 18th April, 96.

On 22nd April, 96 Balbir Singh went off to visit other historical gurudwaras in India, Nanded (Maharashtra) and in U.P. etc., he also used this opportunity to visit tourist sites. Mr. Balbir Singh returned home on the 16th May, 96.

On 17th May, 96 a police party headed by DSP Rajinder Singh (Jalandhar) and SHO Bhogpur visited village Salala and made enquires about Mr. Balbir Singh from the villagers. On learning about these enquiries being made Mr. Balbir Singh, his father Mr. Dilbagh Singh accompanied by Mr. Amarjeet Singh Samra, MLA (Nakodar) went to DSP Rajinder Singh's Office on 18th May, 96. D.S.P. Rajinder Singh told them that there was nothing against Mr. Balbir Singh and he should not worry at all and should go home, however to be doubly sure he would check with the department and Mr. Balbir Singh should check with him, again, the next day. The D.S.P. completely denied having visited Salala village and making any enquiries. On 19th May, 96 about 5:30 p.m. Mr. Balbir Singh drove down to the DSP's office in his car to meet the D.S.P. He was asked to wait outside, Mr. Balbir Singh sat in his car. At about 7:30 p.m. the D.S.P. came out and asked Mr. Balbir Singh to accompany him. They drove down to the SSP Mr. Dinkar Gupta's office in the police jeep. While Mr. Balbir Singh was made to wait outside, DSP Rajinder Singh met with the SSP for half an hour. Emerging from the SSP's office DSP Rajinder Singh asked Mr. Balbir Singh to come with him. They drove down to the Sadar Police Station within the city where Mr. Balbir Singh was told that he was being arrested. He was not informed of the charges against him. The time was about 9:00 p.m. Mr. Balbir Singh managed to have a telephone message sent to advocate Hardayal Singh, a relative, at village Garha. At about 11:00 p.m. advocate Hardayal Singh and Mr. Puran Singh came to the Sadar Police Station and met Balbir Singh. They left after assuring them that they would return in the morning. They were back at 6:00 a.m. on 20th May, 96 and arranged for some tea etc. for Balbir Singh, as no senior officers would be available at this early hour they left promising to come back around 9:00 a.m., they were informed that Balbir Singh had been shifted to the C.I.A. staff office for interrogation.

At the C.I.A. staff he was interrogated by D.S.F. Rajinder Singh and several other officers whom he was unable to identify. He was asked to provide information about any militants he knew, or help in recovering arms and also about the motive of his visit to Pakistan. Balbir Singh denied any contact or knowledge about militants. He also told them that if he had any covert intentions for visiting Pakistan he would not have gone so openly nor returned to India. During his interrogation Balbir Singh was man handled and beaten. He was forced to make a written statement that he was allowed to return home on the 19th May, 96 night after being questioned. He was also forced to append his signature on some blank papers by DSP Rajinder Singh. He was then handed over to the Adampur Police Station, and charged with carrying one kilo of black RDX in his car, and booked under section 3/4 official secret Act 1923. (Provide information of defense and other vital information to Pakistan) 4/5 Explosives Act (RDX) 25/54/59 Arm Act and 120–B I.P.C.

While in Jalandhar, Balbir Singh met Bhai Jasbir Singh Rode former Jathedar of the Akal Thakt, and handed over some clothes sent by his relatives in the USA. Bhai Jasbir Singh Rode told the HRW team that the Jalandhar Police questioned him about his meeting with Balbir Singh. Bhai Jasbir Singh admitted that Balbir Singh had come to meet him but do not know him from before. Balbir Singh has also asked Bhai Jasbir Singh to introduce and arrange meetings with Bhai Manjit Singh and Mr. Simranjeet Singh Mann. He told Balbir Singh that it would not be possible to meet these leaders as they were busy with the Lok Sabha election results just out.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

From the time of his interrogation at the C.I.A. staff till his production before the duty magistrate at Jalandhar on 21st May, 96. Balbir Singh was not allowed to meet any relative or lawyer, nor informed about the reasons of his arrest or charges leveled against him. The magistrate remanded Balbir Singh to Police Custody till May 22nd '96. On 22nd May '96 when he was again produced in court Balbir Singh was able to meet his father and relatives. The police remand was extended 'til 26th May '96. On 26th May 96 Balbir Singh was sent to Jalandhar jail under judicial custody. A UNI date lined story from Jalandhr of 25th May 96, quoting police interrogation reports that Balbir Singh was part of a larger militant conspiracy to indulge in disruptive activity and also to eliminate moderate Akali leaders.

The HRW investigation team is satisfied that Balbir Singh is innocent and all charges against him be dropped immediately. He should be allowed to return to his country.

The HRW is satisfied that the Panjab Police wants to keep the spectre of Sikh militancy alive so that it can continue to enjoy the extra constitutional powers vested with it.

The Police force also would like the community to stay divided, and so. The continuous uncovering of plots, of militants out to assassinate Akali Leaders. For a rallying together of all sections of Sikhs is seen as a development that would culminate in a drastic reduction of extra constitutional powers.

HARSHINDER SINGH
Advocate
AMRIK SINGH
Vice Chairman
J.S. DHILLON
Chairman

HONORING JACK BRAS

HON. BILL BAKER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mr. BAKER of California. Mr. President, in an age in which heroism and human dignity sometimes seem like notions from a bygone era, we need to be reminded of what personal character and long-term commitment mean. It is the men and women who each day obey the law, work hard, raise children, and contribute to their communities who are the true heroes of American life.

Jack Bras is such a person. Born in 1929 in Okemah, OK, young Jimmie Jack Bras moved with his family to California at the age of 7 and went on to graduate from the University of California at Berkeley in 1952 with a degree in architecture. He served his country in the Army and then married his wife, Flo, in 1959.

In 1964, he opened his own architectural firm in Pleasanton, CA, in the heart of the San Francisco region's east bay area. Since then, he has planned and remodeled literally scores of facilities, from banks and firestations to professional buildings and private homes. One cannot travel around the east bay without seeing the outstanding architecture of Jack Bras.

In addition, Jack has been active in a wide range of civic activities, including the Pleasanton Chamber of Commerce, the Valley Memorial Hospital Board, and the United Way. In many of these positions, he has served as chairman, president, or board member. And he has always served with the public interest in mind.

Jack and Flo have raised their family and conducted their business in a way that has brought credit not just to them, but to the greatest east bay community. As Jack prepares to retire as he nears his 67th birthday, I wanted to take this opportunity to recognize him in the CONGRESSIONAL RECORD. Unsung heroes deserve their own songs, and today I am proud to join in the chorus of my constituents who are celebrating Jack's life and friendship. I wish Jack and Flo every good thing in all the days ahead, and am pleased to salute them for all they have done to make the east bay the wonderful place it is.

INDIA CONFIRMS MASS CREMATIONS OF SIKHS

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mr. BURTON of Indiana. Mr. Speaker, once again India's genocide against the Sikhs has been exposed. Just Monday, July 22, India's Central Bureau of Investigation [CBI] told the Supreme Court that it had confirmed that "bodies tagged as 'unidentified' by Punjab Police had been disposed of surreptitiously during 1990–95," according to the India Express of July 23.

The CBI told the court that it had prima facie evidence of almost 1,000 cremations by the police, and its investigation is ongoing. However, police officials are making it very difficult for the CBI to get information. The court said that if this behavior continues, it will constitute contempt of court. According to human rights activist Jaswant Singh Khalra, who first exposed the mass cremations, over 25,000 young Sikh men have disappeared and subsequently been cremated by the police.

Mr. Speaker, these are very significant admissions by the Indian regime. An agency of the Indian Government is admitting that the police were involved in the murder of Mr. Khalra, that the mass cremation scheme is ongoing, and that police officials are trying to cover up these atrocities by burying the information. The justices of the Supreme Court labeled these acts "worse than a genocide." They said that "we shudder to think that such a thing could happen in a democracy."

These events prove not only that India is a long way from being a real democracy, but that it could even be branded an authoritarian police state which commits acts of genocide against the diverse peoples living under its rule. Is it any wonder that so many of them are struggling to free themselves from this brutal regime? I urge my colleagues to consider carefully whether this is the kind of country we should be propping up with hard-earned dollars of the American taxpayers.

I thank Dr. Gurmit Singh Aulakh, president of the Council of Khalistan, for bringing this report to my attention. As you know, Dr. Aulakh and his organization have worked for several years to secure freedom for Khalistan, the Sikh homeland which declared its independence on October 7, 1987. The case of the cremations, as well as the beating of a Sikh leader in the Delhi airport, and the continuing detention of an American citizen on what have now been proven to be false charges, show why this struggle is vital to the survival of Sikhs and others in the South Asian subcontinent. The Council of Khalistan has issued a press release on this story, and I would like to place this in the CONGRESSIONAL RECORD. It is time to end the oppression in India.

[From the Indian Express, July 23, 1996]

COPS CREMATED 1,000 AS UNIDENTIFIED

NEW DELHI, July 22.—The Supreme Court was today told by the CBI that it had found enough material and evidence to show that as many as 1,000 bodies tagged as "unidentified" by the Punjab Police had been disposed of surreptitiously during 1990–95.

A 74-page preliminary report submitted by the CBI to a division bench comprising Justice Kuldip Singh and Justice Saghir Ahmed has stated that on the basis of the material collected during the probe ordered by the court, it had prima facie found that a total of 984 bodies had been cremated by the police on the ground that they were "laawaris" (unidentified).

Expressing their "horror and shock" at the finding the judges in a brief order directed the CBI to continue its inquiry into the matter and issue a general direction to the public authorities or government officers to hand over any information regarding the issue to the CBI.

The court ordered the DIG (Border) Punjab Police, B.S. Sandhu to hand over all relevant records regarding the cremation of bodies of unidentified persons to the CBI without any further delay. The direction came after the additional solicitor general K.T.S. Tulsi told the court that there was some delay in those records being handed over to the CBI.

The court warned that any further delay in handing over the records to the CBI by Sandhu would amount to violation of its orders and would attract contempt of court.

The judges observed that this incident of disposal of bodies of unidentified persons was "worst than a genocide."

"We shudder to think of such a thing happening in a democracy," the judges said.

Adjourning the hearing in the matter to October 7 to enable the CBI to submit its final report the judges asked the CBI to speed up the probe.

In another report the CBI told the court that it had investigated into the murder of a human rights activist Jaswant Singh Khalra and had found several policemen were involved in the case.

It sought the court's permission also to file three separate cases in the killings of three other persons by Punjab policemen.

"WORSE THAN A GENOCIDE," SAYS INDIAN SUPREME COURT

WASHINGTON, DC, July 24.—According to a report in yesterday's Indian Express, India's Central Bureau of Investigation (CBI) today admitted in court that it had amassed evidence that "bodies tagged as 'unidentified' by the Punjab Police had been disposed of surreptitiously." In a 74-page preliminary report on its ongoing investigation, CBI admitted that it had "prima facie found that a total of 984 bodies had been cremated by the police" after being labelled "unidentified."

The Court ordered local police chiefs to turn over any information they have on the subject to CBI. The justices warned that any further delay in turning over these records would be considered contempt of court.

On September 6, 1995, Jaswant Singh Khalra, General Secretary of the Human Rights Wing (Shiromani Akali Dal), was kidnapped by the Punjab Police after publishing a report showing that over 25,000 young Sikhs had been abducted by the regime, tortured, killed, then declared "unidentified" and cremated. After the report was published, the police chief of the Tarn Taran district told Mr. Khalra, "We made 25,000 disappear. It would not be hard to make one more disappear." The CBI reported to the court that Mr. Khalra was murdered in custody, and that it "had found several policemen were involved in the case," according to Indian Express.

Calling these cremations "worse than a genocide," the justices also stated that "We shudder to think of such a thing happening in a democracy."

"This is a major admission by the Indian regime," said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan. "The CBI report has begun to lift the veil that has hidden the truth from the outside world," he said. "Finally they have conceded that the police have undertaken mass cremation of Sikhs. This clearly demonstrates that India is not the democracy is claims to be, but a tyranny that is running a campaign of ethnic cleansing against Sikhs and others."

"This is just one more piece of evidence that there is no place for Sikhs in an Indian 'democracy' that has murdered over 150,000 Sikhs since 1984," Dr. Aulakh said. "Only by liberating Khalistan from this reign of terror will we secure the blessings of liberty for the Sikh Nation," he said. Khalistan is the independent Sikh country declared on October 7, 1987. The Council of Khalistan, as its government in exile, leads the peaceful, democratic, nonviolent struggle for an independent Khalistan. "It is time for Sikhs to claim their right to be free," Dr. Aulakh said.

THE WEST INDIAN CELEBRATION

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, July 29, 1996

Mrs. KENNELLY. Mr. Speaker, I rise today to acknowledge the achievements of the Connecticut West Indian community as they celebrate the independence of nations throughout the Caribbean.

The centuries, the West Indies received immigrants and settlers from every area of the world. These varied influences have mixed throughout the years to create a uniquely diverse cultural heritage. Once dominated by colonial powers, the people of the Caribbean islands have gained their independence, starting with Jamaica in 1962 and culminating with Nevis in 1983.

Celebration '96, enthusiastically supported and participated in by Connecticut residents, will be held from July 25 through August 3. The celebration is a yearly gala to promote and interpret Caribbean culture in the Northeast region, as well as to highlight and showcase the unity and cooperation among the Caribbean people.

West Indian Celebration '96, is led by the West Indian Celebration Committee, which is comprised of Marva Douglas, Mark Bailey, Anastasia Couloute, Barbara Diggs, and Egan Bovell. Special thanks also go to members of the activities committee: Joann Gibson, Neville Smith, La'mour Howell, Veronica Airey-Wilson, Olive James, Dennick Miller, Brenda Chester, Errol Smith, Dee Flowers, Keith Carr Sr., Martin Nelson, and to the West Indian Social Club of Hartford, Inc., the Caribbean American Society of Hartford, Inc., the Jamaica Progressive League, Inc., the Trinidad and Tobago American Society, the St. Lucia American Society of Hartford, Inc., the Sportsmen's Athletic Club of Hartford, Inc., the Caribbean Ladies Cultural Club of Hartford, Inc., the Guyanese American Cultural Association of Hartford, Inc., the Barbados American Society of Hartford, Inc., and the Connecticut Haitians American Society.

I would like to congratulate the United States' second largest West Indian community for not only their achievements, but their positive community presence and involvement. I encourage them to continue to celebrate their heritage that enriches the lives of all Americans.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, July 30, 1996, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 31

9:30 a.m.
Labor and Human Resources
Business meeting, to mark up S. 1490, to improve enforcement of Title I of the Employee Retirement Income Security Act of 1974 and benefit security for participants by adding certain provisions with respect to the auditing of employee benefit plans.
SD–430

Select on Intelligence
To hold hearings to examine terrorism in the United States.
SH–216

9:45 a.m.
Armed Services
Closed business meeting, to consider certain pending military nominations.
SR–222

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on provisions of H.R. 361, to provide authority to control exports.
SD–538

Governmental Affairs
To hold hearings on S. 1724, to require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies.
SD–342

Judiciary
To hold hearings to examine the incidents of drug smuggling at U.S. borders.
SD–226

11:45 a.m.
Armed Services
To hold hearings on the nomination of Lt. Gen. Howell M. Estes III, USAF, for appointment to the grade of General and to be Commander-in-Chief, United States Space Command/Commander-in-Chief, North American Aerospace Defense Command.
SR–222

1:30 p.m.
Armed Services
To hold hearings on the nomination of Adm. Jay L. Johnson, USN, for reappointment to the grade of Admiral and to be Chief of Naval Operations.
SR–222

2:00 p.m.
Foreign Relations
African Affairs Subcommittee
To hold hearings on food security issues in Africa.
SD–419

Judiciary
To hold hearings on pending nominations.
SD–226

3:30 p.m.
Armed Services
Closed business meeting, to consider certain pending military nominations.
SR–222

AUGUST 1

9:00 a.m.
Energy and Natural Resources
Oversight and Investigations Subcommittee
To hold oversight hearings to review the propriety of a commercial lease issued by the Bureau of Land Management and Lake Havasu, Arizona, including its consistency with the Federal Land Policy and Management Act and Department of the Interior land use policies.
SD–366

10:00 a.m.
Armed Services
To hold hearings to examine current U.S. participation in the NATO Implementation Force Mission in Bosnia.
SR–222

Foreign Relations
To hold hearings to review foreign policy issues.
SD–419

Judiciary
Business meeting, to consider pending calendar business.
SD–226

2:00 p.m.

Appropriations

Business meeting, to mark up H.R. 3814, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1997.

SD–192

Commerce, Science, and Transportation

To hold hearings on aviation security issues.

SR–253

Energy and Natural Resources

To hold oversight hearings on the implementation of Section 2001, Emergency Timber Salvage, of Public Law 104-19.

SD–366

AUGUST 2

9:30 a.m.

Joint Economic

To hold hearings to examine the employment-unemployment situation for July.

SD–106

10:00 a.m.

Judiciary

To resume hearings to examine the dissemination of Federal Bureau of Investigation background investigation reports and other information to the White House.

SD–226

SEPTEMBER 4

9:30 a.m.

Energy and Natural Resources

To hold hearings on S. 1678, to abolish the Department of Energy.

SD–366

SEPTEMBER 5

2:00 p.m.

Energy and Natural Resources

Forests and Public Land Management Subcommittee

To hold hearings on S. 931, to authorize the construction of the Lewis and Clark Rural Water System and to authorize assistance to the Lewis and Clark Rural Water System, Inc., a nonprofit corporation, for the planning and construction of the water supply system, S. 1564, to authorize the Secretary of the Interior to provide loan guarantees for water supply, conservation, quality and transmission projects, S. 1565, to supplement the Small Reclamation Projects Act of 1956 and to supplement the Federal Reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects, S. 1649, to extend contracts between the Bureau of Reclamation and irrigation districts in Kansas and Nebraska, S. 1719, Texas Reclamation Projects Indebtedness Purchase Act, and S.1921, to transfer certain facilities at the Minidoka project to Burley Irrigation District.

SD–366

SEPTEMBER 11

10:00 a.m.

Judiciary

To hold hearings to examine competition in the telecommunications industry.

SD–226

SEPTEMBER 17

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the American Legion. 334 Cannon Building

POSTPONEMENTS

JULY 30

10:00 a.m.

Foreign Relations

To hold hearings on the nominations of Pete Peterson, of Florida, to be Ambassador to the Socialist Republic of Vietnam, Genta Hawkins Holmes, of California, to be Ambassador to Australia, Arma Jane Karaer, of Virginia, to be Ambassador to Papua New Guinea, and to serve concurrently and without additional compensation as Ambassador to Solomon Islands, and as Ambassador to the Republic of Vanuatu, and John Stern Wolf, of Maryland, for the rank of Ambassador during his tenure of service as U.S. Coordinator for Asia Pacific Economic Cooperation.

SD–419

JULY 31

9:30 a.m.

Environment and Public Works

Transportation and Infrastructure Subcommittee

To hold hearings on the Intermodal Surface Transportation Efficiency Act and the role of Federal, State, and local governments in surface transportation.

SD–406

SENATE—*Tuesday, July 30, 1996*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest chaplain, the Reverend Charles Hart, of Salem, OR.

We are pleased to have you with us.

PRAYER

The guest chaplain, the Reverend Charles F. Hart, of the Associated Churches of God in Oregon and Southwest Washington, offered the following prayer:

Eternal God, our Maker, our God most holy, Your unconditional love surrounds us, and everywhere we look, we see the beauty of Your creative power. We join our hearts with the psalmist who prayed, "O Lord, our Lord, how majestic is thy name in all the Earth." You are a God of refuge and strength and a very present help in times of important decisions that the men and women of the U.S. Senate will face from day to day.

Our prayer this day, O sovereign Lord, is for Your limitless, fathomless, most holy wisdom and love to permeate these great leaders of our great Nation as they lead the United States of America into the 21st century. May our Nation always be known as peacemakers and peacekeepers.

May the grace and the glory of our Lord Jesus Christ be with you always. Amen.

The PRESIDENT pro tempore. The able Senator from Oregon is recognized.

THE REVEREND CHARLES F. HART

Mr. HATFIELD. Mr. President, it is a pleasure today to introduce to my colleagues the Reverend Charles Hart. Reverend Hart understood Christ's words when he told his disciples, "Where your treasure is, there your heart will be also." Charles Hart's treasure has been in his service to God by acting on his faith with the skills that he has been given and blessed with.

Reverend Hart earned his undergraduate degree at Arlington College in Long Beach, CA. While Reverend Hart's first love was baseball, finance and his faith won out in his life. He began his career with Security Pacific Bank while at the same time serving as the associate pastor of South Bay Church of God in Torrance, CA.

Reverend Hart's skill in finance led to a successful career in the secular world of banking. While this type of success can bring satisfaction, it did not bring to him the deepest satisfaction that comes from serving God full time. At that point, Reverend Hart decided to use his skills as a development officer for a small Christian liberal arts college in California. Reverend Hart has continued in his capacity by lending financial expertise to Christian institutions throughout this career.

From Azusa Pacific University, he went on to Warner Pacific College in Portland where he still serves as a member of the board of trustees. He has also assisted Wycliffe Bible Translators in raising funds to translate God's word to all nationalities and is currently working with the Associated Churches of God in Oregon and Southwest Washington in securing expansion funds. Reverend Hart has also worked to share the treasure of his faith with others in the business community through his 25-year involvement with the Christian Businessmen's Committee.

God provides us all with special skills, and Reverend Hart is a prime example that we can use those skills to better ourselves and the world in which we live.

Again, on behalf of my Senate colleagues, we are privileged that Reverend Hart is willing to fulfill the duties of Senate Chaplain today, and I would like to officially welcome him to this Chamber. Also accompanying him today is his wife, Sally, and his son, Ken Hart, who is my press secretary, and Ken's wife, Sheila.

SCHEDULE

Mr. HATFIELD. Mr. President, on behalf of the majority leader, this morning the Senate will immediately resume consideration of the energy and water appropriations bill. Under the agreement reached last night, there will be 30 minutes of debate prior to a series of rollcall votes which will begin at 10 a.m. this morning. Senators should be aware that the first vote in the sequence will be the normal 15 minutes in length with the remaining votes limited to 10 minutes each.

Once again, the majority leader asks for the cooperation of all Members in allowing us to proceed to these votes in an orderly and timely fashion.

Senators should be prepared to remain in or around the Chamber during these stacked votes. During this voting sequence, the Senate will also be voting on amendments and completing action on the legislative appropriations bill. The Senate may remain in session late this evening to consider other available appropriations bills and conference reports that are available. Therefore, additional votes may occur.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER (Mr. BROWN). Under the previous order, the Senate will now resume consideration of S. 1959, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

McCain amendment No. 5094, to clarify that report language does not have the force of law.

McCain amendment No. 5095, to prohibit the use of funds to carry out the advanced light water reactor program.

Bumpers amendment No. 5096, to reduce funding for the weapons activities account to the level requested by the Administration.

Johnston (for Wellstone) amendment No. 5097, to ensure adequate funding for the biomass power for rural development program.

Grams amendment No. 5100, to limit funding for the Appalachian Regional Commission and require the Commission to be phased out in 5 years.

Domenici (for McCain) amendment No. 5105, to strike section 503 of the bill.

Feingold amendment No. 5106, to eliminate funding for the Animas-LaPlata participating project.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is noted.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, parliamentary inquiry. What is the business before the Senate?

The PRESIDING OFFICER. Currently, there is 20 minutes equally divided between the Senator from New Mexico and the Senator from Louisiana. At 9:50 a.m., we will recognize Senator MCCAIN for remarks concerning his amendment.

Mr. DOMENICI. Let me just state for Senator JOHNSTON's benefit, we have, as he probably knows, reached an agreement with Senator MCCAIN on his report language. I think he will find that satisfactory.

So, when Senator MCCAIN arrives, when his time has expired, we will do this second-degree amendment, and then we will vote, if he desires a rollcall vote; if not, we will adopt the amendment.

What would be the next order of business after that amendment is disposed of?

The PRESIDING OFFICER. The unanimous-consent order from last night talks about a 10 a.m. vote, with 2 minutes allotted to each side and a vote on the McCain amendment.

Mr. DOMENICI. What is the next amendment after that, Mr. President?

The PRESIDING OFFICER. Following that, amendment No. 5095, which is another McCain amendment.

Mr. DOMENICI. On advanced light water reactor?

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. And there are 2 minutes on each side on that?

The PRESIDING OFFICER. Again, 2 minutes on that, and then we will move to a Bumpers amendment No. 5096.

Mr. DOMENICI. I am going to yield now—we only have about 6 minutes—if the Senator from Louisiana would like to speak to the light water reactor amendment or whatever he would like to speak to.

AMENDMENT NO. 5095

Mr. JOHNSTON. Mr. President, I thank my distinguished colleague from New Mexico. There is a McCain amendment on cutting the funds, $22 million for the light water reactor. This is the fifth year of a 5-year program.

There are many reasons to be against the McCain amendment, but the clearest, most indelible, most compelling reason is that to cut these funds now would subject the U.S. Government to greater penalties for termination costs than it would be to finish it.

Moreover, the U.S. Government would lose, according to Terry Lash, who is the Director of the Department of Energy office in charge of this, the U.S. Government would lose up to $125 million to which they would otherwise be entitled. The reason for that is, the AP–600, which is the reactor, which is 90 percent complete would be completed by this last year. When the first of those is sold, the Federal Government is entitled to a $25 million recoupment, plus $4 million for every reactor sold after that, plus the United States Government is entitled right now to $3 million from GE for reactors already sold under this program to Taiwan and others in the pipeline.

For the United States to, in effect, break their contract and terminate, subjects the Government not only to a greater amount in loss but the loss of future revenues as well.

Mr. President, the AP–600, which is the Westinghouse reactor, which would be finished under this program, is exactly what all of us in the Congress have been saying all this time that we ought to be doing; that is, it is a passively safe reactor, it is one generically designed and is, I believe, going to be a very hot item, particularly in Asia. The Chinese have already obligated themselves to 6,000 megawatts of nuclear power between now and the year 2000 using Russian technology, Canadian technology, and French technology, because we do not permit our nuclear technology to go to China after Tiananmen Square. We expect that that negotiation will take place in the not too far distant future to allow American nuclear technologies to get in on that huge market.

In the first decade after the year 2000, the Chinese expect to do another 11,000 megawatts, many, many billions of dollars, and they have a longstanding relationship with Westinghouse, they like the AP–600, and we ought to have it finished.

So, Mr. President, you can finish it for less money than to terminate it, and then you lose all the additional funds you would get.

So, Mr. President, I hope we will not be so foolish as in a fit of antinuclear pique to go out and accept one of these bumper-sticker-type arguments that this is corporate welfare. The fact of the matter is that the corporations involved here, relying upon the Government, have put up almost $500 million to get this program finished, and now it takes another $22 million to finish the program and the Congress is saying, "Let's not do it." If this argument was to have been made and this decision was to have been made, it should have been made back in 1992 when the Energy Policy Act was up, when the issue was debated and when the Congress decided to go ahead with the program.

To stop it at the 11th hour at greater cost than to complete it is nothing short of madness, which is not to say that the Congress has not done that kind of thing before. We have done some exceedingly foolish things in this Senate before, as my colleagues all know. But at least we should not go into this one, which not only would be exceedingly foolish but exceedingly simple and exceedingly easy to understand. It ought to be easy for anyone to understand that you should not terminate a program that costs more money to terminate than to continue.

Moreover, there would be a huge amount of potential profits to be lost and a very, very useful technology.

One final note, Mr. President. I note that the United States is now getting serious about global warming, and in the New York Times of July 17, 1996, there is an article entitled "In a Shift, the U.S. Will Seek a Binding Agreement by Nations To Combat Global Warming."

Mr. President, if we are, in fact, serious about global warming—and I will submit that to the conscience and intelligence and state of knowledge of each Senator as to whether you are or not serious about global warming—I can tell you that there is one solution that stands out above all the rest, and that is nuclear energy, if you really are serious about global warming, because how else are you going to generate large amounts of power?

We have a huge amount of money in this bill for renewables. We have increased it. You know, I am for it. But, Mr. President, if you think you are going to solve global warming by something short of major powerplants at a time when there is huge growth in the world, industrial growth, I believe, Mr. President, you would be mistaken.

All over the Pacific rim where there are these enormous rates of growth, unparalleled in the history of the world for a region of such huge populations to be growing at such leaps and bounds, there is also an air pollution problem of unprecedented severity. That is why the Chinese and the Indonesians and the Japanese are very serious about a big nuclear program. All of those nations are. And American technology should be able to compete. This technology, which is almost complete, about 90 percent complete, would be America's best way to get into that global competition.

So, Mr. President, I hope my colleagues will vote against the McCain amendment when it is brought up, the McCain amendment with respect to the advanced light water program.

The PRESIDING OFFICER. The Senator's time has expired.

Under the previous order, the Senator from Arizona has the time from 9:50 to 10 a.m. The Senator from Arizona is recognized.

AMENDMENT NO. 5094

Mr. MCCAIN. Mr. President, I want to thank the Senator from New Mexico for his agreement on our changes to his amendment. I appreciate that very much. I do want to make it clear, though, that we are talking about a very important issue here; that is, the differentiation between report language and bill language. The report language is sometimes ignored. I understand that many of our Members are very frustrated from time to time when report language is ignored.

The administration does sometimes ignore report language at its own peril. We know that if the administration acts in direct contradiction to report language that Members will come up with numerous ways to force the administration to do their bidding.

The effective language contained in this bill—before the amendment—I believe was dangerous for two reasons. First, by giving report language the force of law, we essentially passed statutory language that has not been agreed to by both Houses and signed into law. This is, on its face, unconstitutional.

Mr. President, let me just quote from Justice Scalia where he said:

> As anyone familiar with modern-day drafting of congressional committee reports is well aware, the references to the cases were inserted, at best by a committee staff member on his or her own initiative, and at worst by a committee staff member at the suggestion of a lawyer-lobbyist; and the purpose of those references was not primarily to inform the Members of Congress what the bill meant. . .

Mr. President, as I have been around here about 10 years, I agree with Justice Scalia. I have seen it time after time. Mr. President, the D.C. Circuit Court, in International Brotherhood of Electrical Workers, Local Union No. 474 versus NLRB noted:

> . . . [w]hile a committee report may ordinarily be used to interpret unclear language contained in a statute, a committee report cannot serve as an independent statutory source having force of law.

And in Rubin versus U.S., the eighth circuit court stated:

> A conference report, moreover, is just that—a report, not a legislative act requiring the votes of the requisite number of legislators.

Second, by codifying report language, which is written by the staffs of the 13 full committee chairmen, you have essentially disenfranchised every other Senator of his or her right to amend legislation. Report language cannot be amended. I cannot stand on the floor of the Senate and try to amend and change report language. The minority party cannot change report language. No one but that chairman that writes it can dictate what is in report language.

Mr. President, codifying report language is creative budget chicanery and an affront to this institution and the Constitution, and it should not be done. If a Member of Congress wants to force the administration to take a certain specific action, whether to spend money on a project or do something else, then that Senator has the right to offer an amendment.

We all know the rules here. An amendment can be debated, further amended, filibustered, or tabled. But report language cannot be touched. Therefore, it should not be codified into law.

Mr. President, the Office of Management and Budget specifically mentioned its opposition to this language in the statement of administration policy. OMB is correct in that this provision should be struck from the bill.

I recognize that report language has been codified in the past. It was wrong then, and it is wrong now. We should not do this ever, in my view.

Mr. President, I appreciate the concern of the Senator from New Mexico concerning the lack of cooperation on the part of the administration to carry out the will of Congress and the will especially expressed in legislation that he has so much expertise and knowledge of, and I respect all that.

I appreciate the fact that Senator DOMENICI has modified his amendment. I also understand why he would want a report on how the Department is spending those appropriated funds. I would point out in passing, although I certainly agree with the amendment, that one of my goals has been to reduce the number of reports that flow over to the Congress and are demanded by the Congress of the executive branch.

But, in this case, I understand the urgency that the Senator from New Mexico feels is associated with this language and with the efforts that he has made on behalf of the people of this country and, in the form of his chairmanship, this very proper appropriations subcommittee.

Mr. President, I yield the floor.

Mr. DOMENICI. The leader has asked that I make the following unanimous-consent request. Mr. President, I ask unanimous consent that the vote schedule at 10 a.m. be postponed until 10:15—that is because of an emergency that our leader recognizes—with the time before that being equally divided, if we want to use the time. We can yield it to other Senators.

I say to Senator MCCAIN, let me thank you for your efforts with reference to the report language that essentially was put in this bill at my request. I do understand that language that I have in the bill that says:

> Notwithstanding [other provisions of the law,] funds made available by this Act . . . shall be available only for the purposes for which they have been made available by this Act and only in accordance with the recommendations contained in this report.

We are going to strike that with your amendment, and we are going to offer a second-degree amendment that requires regular reports to this subcommittee on how it has complied with this bill.

I am going to cite only four or five examples of what I consider egregious departures from the intent of the bill. I will give you one. We worked very hard on technology transfer, and we got that to a dollar number of $150 million. It had been higher. The administration wanted less. We worked it out. We debated it. The Secretary decided to use only $50 million of it, and to put $100 million somewhere else at her choosing.

That is nice. It is just that, for many of us who worked hard on these issues, it is sort of insulting to go through all this work and have it happen. We accepted, after debate, an amendment by Senator KERREY with reference to a certain math and science initiative which the Department was requested and in report language required to do it. It was a half million dollars. Totally ignored. The money went somewhere else.

The McCain amendment would strike "and only in accordance with the recommendations contained in this report."

Why is the language necessary?

The act provides funds in very large chunks. For example, the act provides $2.749 billion for energy supply, research, and development.

Only the report indicates that $247 million should go to solar and renewably energy programs—that is not in the act.

Only the report indicates that $389 million is for biological and environmental research which funds the Human Genome Program—that is not in the act.

Without the proposed language, the DOE does not have to follow the Senate's guidance.

Last year, I worked hard to provide $150 million for technology transfer—but it was only in the report and so DOE provided only $50 million.

Last year, Senator KERREY of Nebraska included report language that $500,000 should go to the Nebraska math and science initiative—DOE did not provide the money—they did not have to, it was just report language.

Last year, Congress eliminated funding for in-house energy management—private sector companies now offer the service for free. But, Congress only eliminated the program in report language so DOE provide $4 million for the program—after Congress thought we had eliminated it.

Financial irregularities abound at the DOE:

Funds have been reprogrammed from their original purpose to purposes specifically denied by the Congress last year;

The Department created a furlough relief fund to augment appropriations specifically reduced by Congress;

A recent draft inspector general report noted that the Department deliberately ignored a statutory funding limitation on the use of representational expenses and spent more than appropriated for receptions.

The language is necessary for two reasons:

First, it is the only way funding for programs of interest to Members can be assured, and;

Second, without it, the Department can ignore congressional intent.

Frankly, the Secretary and her administrative assistants understand the concern we have about departures from what is the clear intent. I will just ask those who are for renewable energy, if they know that we just put a very large sum of money in, and in report language we recommend the renewables that you just alluded to, I say to Senator JOHNSTON.

Obviously, if the Secretary wants to, the way they act on other things, they could decide to cut that in half and spend the money elsewhere. Now, we go through a lot of effort on those kinds of issues. Frankly, I believe we must do something.

So you are right. My language went too far. I think language that comes after it saying we want you to report to us, we will set the right tone.

AMENDMENT NO. 5121 TO AMENDMENT NO. 5094

(Purpose: Second degree amendment to the McCain first degree amendment regarding report language)

Mr. DOMENICI. Mr. President, I send a second-degree amendment to the desk, to the McCain amendment.

The PRESIDING OFFICER. Is there objection to consider the second-degree amendment? Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 5121 to amendment No. 5094.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

On line 3 of amendment number 5094, strike "Act" and insert in lieu thereof the following: "Act. The Department of Energy shall report monthly to the Committees on Appropriations of the House and Senate on the Department of Energy's adherence to the recommendations included in the accompanying report."

Mr. DOMENICI. Now, Mr. President, if Senator MCCAIN is willing, we will adopt the second-degree amendment by voice vote.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. I compliment the Senator from Arizona on this amendment. It is the first time that I have been aware of language that, in effect, incorporates the committee report language as a part of the bill. The committee report language cannot be amended, and if we are going to start down this road, we are going to rue the day we began on this journey.

I hope we will not have a voice vote in this. Have the yeas and nays been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered on the underlying amendment.

Mr. BYRD. I think we ought to have a vote and let that record be there for all to see in the future.

Let me ask a question without losing my right to the floor, Mr. President. Does the distinguished Senator from Arizona know of any other bill, appropriations bill, in the recent past or ever in the past, that has utilized this approach of incorporating amendment language as a part of the bill?

I have been unaware of it if this has been done before.

Mr. MCCAIN. Answering a question like that to the distinguished Senator from West Virginia is like asking a minor league baseball player to pitch the World Series.

The Senator from West Virginia is all corporate knowledge on these issues, and I bow to his knowledge. He has been intimately involved in this process for so long. I believe I am correct in responding when I say I know of no other case, except one case that took place sometime in the mid-1980's when this particular instance happened, but I have not heard of it before.

I ask in return, does the Senator from West Virginia know of any place where this happened?

Mr. BYRD. Mr. President, I do not know, but that is not to say that it has not been done. It may have escaped my attention, but whether or not it has been done heretofore, I think we ought to put a stop to it if it has been done. I think it ought to be stopped now.

I congratulate the Senator on his amendment. I shall object to vitiating the yeas and nays on this amendment if the request is made.

The PRESIDING OFFICER. The question is on agreeing to the second-degree amendment to the McCain amendment.

The amendment (No. 5121) was agreed to.

AMENDMENT NO. 5095

Mr. MCCAIN. Mr. President, I want to discuss very briefly the other amendment that I have pending. I, of course respect the views of the Senator from Louisiana. Let me state at the beginning I am a supporter of nuclear energy and I believe at some point in our history we may turn back to that as a source of power for our energy needs.

Continuing the advanced light-water reactor program is a mistake. I point out that this program has already received more than $230 million over the past 5 years. This amendment does not create any termination costs of the program. The contract between Westinghouse and the Department of Energy specifically provides reimbursement for costs incurred as a result of termination, "shall be subject to the availability of appropriated funds."

General Electric recently announced it is canceling its simplified boiling water reactor after receiving $50 million from the Department of Energy under the program because "extensive evaluations of the market competitiveness of the 600-megawatt-size advanced light-water reactor have not established the commercial viability of these designs." The Westinghouse AP-600 is a similarly designed reactor that is scheduled to receive advanced light-water reactor support and is of a similar size and design and is facing similar market forces that led General Electric to cancel that program.

These facts are significant because the Government cannot recoup its costs for reactors not sold. The Westinghouse reactor is like the canceled reactor and will likely never be sold, and no costs can be recouped.

Last year, there was opposition to end funding for the advanced light-water reactor program by arguing that this year, fiscal year 1996, would be the fifth year of the 5-year program. Now, a year later, the same argument is being made.

The way to end this taxpayer subsidy is by the will of the Congress exercised here today. Mr. President, I hope my colleagues will support the amendment. I yield the floor.

AMENDMENT NO. 5094, AS AMENDED

Mr. DOMENICI. Mr. President, on the first amendment by Senator MCCAIN, as amended by the second-degree amendment, we are working to try to get that adopted.

Senator BYRD, let me suggest we are ready to acknowledge openly that the amendment went too far. The intention, I still feel very comfortable with, because I believe the Department truly in egregious ways violates the intent and spirit by moving money around, but I think Senator BYRD has made the case, and Senator MCCAIN has made the case. Clearly it is not going to happen.

I think the Senate knows that we are not going to be doing this, but I would like to make sure that what comes out of the Senate is kind of balanced, that the Department does not get the idea that they have all the latitude in the world and will never be called to task. I think this would better be served, overall, if we just proceed to adopt the amendment by voice vote.

Mr. BYRD. Mr. President, if the distinguished Senator will yield.

Mr. DOMENICI. I am happy to yield to the Senator.

Mr. BYRD. I think the two managers have made a very salient point. I have discussed this matter with them privately and the majority manager has stated the case well. I am willing to yield to their request that we vitiate the yeas and nays but I hope the distinguished Senator from Arizona will continue his superb surveillance of bill language in the future so that we will be aware of any future attempt to incorporate, in essence, incorporate committee report language into the bill as a law.

I thank the distinguished Senator for yielding.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the yeas and nays be vitiated, and we proceed to the McCain amendment, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment before the Senate is amendment 5094, as amended with the Domenici amendment. The question is on agreeing to the amendment.

The amendment (No. 5094), as amended, was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. DOMENICI. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5095

The PRESIDING OFFICER. The amendment under consideration now is amendment numbered 5095.

The Chair reminds Senators that by unanimous consent rollcall votes will commence at 10:15. Sponsors of the amendment and their opponents have 2 minutes each with which to comment on the amendment.

Mr. DOMENICI. Mr. President, it is the understanding of Senator McCAIN from Arizona and the manager of the bill that Senator McCAIN has an additional 10 minutes reserved on the light water reactor amendment. He has indicated to me he would like to vitiate that.

Mr. McCAIN. That was before final passage that I ask to vitiate that.

Mr. DOMENICI. Yes, 10 minutes before final passage. He asks that that be vitiated at this point. On his behalf, I ask unanimous consent that it be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Now, Mr. President, parliamentary inquiry. Has all the time provided been used on the second McCain amendment on the light water reactor?

The PRESIDING OFFICER. Each proponent and opponent are reserved 2 minutes each for debate. By previous agreement, votes will not commence until 10:15.

Mr. DOMENICI. Senator McCAIN does not desire any further time at this point, and Senator JOHNSTON needs no more time. I ask unanimous consent that the 2 minutes each be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I move to table the second McCain amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 5095.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

Mr. FORD. I announce that the Senator from Rhode Island [Mr. PELL] is necessarily absent.

I also announce that the Senator from Rhode Island [Mr. PELL] is absent because of a funeral.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "no."

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—53

Abraham
Bennett
Bingaman
Bond
Breaux
Brown
Burns
Byrd
Campbell
Cochran
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Exon
Faircloth
Ford
Gorton
Grams
Hatch
Heflin
Helms
Hollings
Inhofe
Inouye
Johnston
Kassebaum
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McConnell
Moseley-Braun
Murkowski
Nickles
Nunn
Pressler
Santorum
Shelby
Simon
Simpson
Smith
Specter
Stevens
Thomas
Thurmond
Warner

NAYS—45

Akaka
Ashcroft
Baucus
Biden
Boxer
Bradley
Bryan
Bumpers
Chafee
Coats
Cohen
Dorgan
Feingold
Feinstein
Frist
Glenn
Graham
Gramm
Grassley
Gregg
Harkin
Hatfield
Hutchison
Jeffords
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
McCain
Mikulski
Moynihan
Murray
Pryor
Reid
Robb
Rockefeller
Roth
Sarbanes
Snowe
Thompson
Wellstone
Wyden

NOT VOTING—2

Frahm
Pell

The motion to lay on the table the amendment (No. 5095) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5096

The PRESIDING OFFICER. According to the previous agreement, there are now 2 minutes equally divided on the motion to table the Bumpers amendment No. 5096. The Senate is reminded that the rollcall vote on the motion to table the Bumpers amendment will be reduced to 10 minutes.

The Senate will be in order. Members who wish to converse, please retire to the cloakrooms.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. This amendment deals with an account in this bill called weapons activities. This account has $516 million more than it had last year, which is a 14-percent increase—14 percent. Incidentally, it is $300 million above the House, $269 million more than the President requested. My amendment simply takes them down to a 7-percent increase.

It is the account where you deal with testing. And we have had a testing moratorium for 3 years. Under the START Treaty we are going to go from 24,000 weapons and 25 types to 3,500 and 7 types. We are increasing the budget to do all of that by 14 percent. If they cannot get by with a 7-percent increase, they ought to be abandoned.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BUMPERS. Mr. President, has a motion been made to table my amendment?

Mr. DOMENICI. The motion has been.

Mr. BUMPERS. Have the yeas and nays been ordered?

Mr. DOMENICI. The yeas and nays have been ordered.

Mr. President, the United States is committed now to a new stockpile stewardship program because we no longer will do underground testing. This amendment will take $269 million out of the stockpile stewardship, which means the building of the scientific capacity to make sure our nuclear weapons are adequate and trustworthy, a whole new effort on the part of the Department of Energy's DOD activities.

Stockpile management is part of that. The maintenance of backup facilities to this stockpile stewardship are in States like Texas, Missouri, and INEL in Idaho, and also there is program direction for that entire new program.

Frankly, in essence, we get the same increase in defense spending that the other parts of defense get. I think if we want a robust nuclear deterrent that is trustworthy and safe, and do not want to build any new ones, we better not take any risks with this part of the defense budget. And that is why I move to table. I believe we are right in our assessments. We want to leave that money in.

The PRESIDING OFFICER. The Senator's time has expired.

Under the previous order, the question now occurs on agreeing to the motion to lay on the table the amendment No. 5096 offered by the Senator from Arkansas, [Mr. BUMPERS]. The yeas and nays have been ordered. Those wishing to table the Bumpers amendment will vote yea. Those opposing the tabling of the Bumpers amendment will vote nay. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

Mr. FORD. I announce that the Senator from Rhode Island [Mr. PELL] is necessarily absent.

I also announce that the Senator from Rhode Island [Mr. PELL] is absent because of a funeral.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "nay."

The result was announced—yeas 61, nays 37, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—61

Abraham
Ashcroft
Bennett
Bingaman
Bond
Breaux
Bryan
Burns
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
DeWine
Domenici
Faircloth
Feinstein
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hatch
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kyl
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles

Nunn
Pressler
Reid
Robb
Roth
Santorum
Shelby
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—37

Akaka
Baucus
Biden
Boxer
Bradley
Brown
Bumpers
Byrd
Conrad
Daschle
Dodd
Dorgan
Exon
Feingold
Ford
Glenn
Graham
Harkin
Hatfield
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mikulski
Moseley-Braun
Moynihan
Murray
Pryor
Rockefeller
Sarbanes
Simon
Wellstone
Wyden

NOT VOTING—2

Frahm
Pell

The motion to lay on the table the amendment (No. 5096) was agreed to.

AMENDMENT NO. 5106

The PRESIDING OFFICER. The pending amendment is the Feingold amendment number 5106.

The Senator from Colorado is guaranteed 10 minutes under the previous agreement.

Mr. DOMENICI. Mr. President, the Senator from Colorado has been patiently waiting and attending our sessions. He is not on the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I ask to move now to the Feingold amendment.

The PRESIDING OFFICER. The pending question is the Feingold amendment.

Who seeks recognition?

Mr. DOMENICI. Mr. President, this matter is of great importance to the Senator from Colorado.

Mr. CAMPBELL. Thank you, Mr. President, and I thank my friend from New Mexico.

Mr. President, it is said that the great Chief Ten Bears in his later life after being deprived of his freedom by Government troops, was asked if the U.S. Government had made his people any promises. His answer was this: "They made us many promises, more than I can remember. And they broke all but one: they promised to take our land and they took it."

Mr. President, no matter how you sugarcoat this bitter pill—you can coat it in economic terms, you can coat it in environmental terms, you can coat it in endangered species terms but under all the sugarcoating, the bitter pill of another broken promise remains.

I was not here when the Animas La Plata was authorized in 1968. Few of my colleagues were, but I knew Wayne Aspinall, the congressman of Western Colorado who had such great vision to include it in the original authorization, with both the Central Arizona Project and the Central Utah Project—of the three, only the Animas La Plata languishes. Wayne Aspinall was a man of great vision who helped the desert bloom where only parched land had been.

Unlike the Senator from Wisconsin, I was here in 1988 when, after careful negotiations between the two Colorado Indian tribes, the States of Colorado and New Mexico, and nine separate Government agencies, we reached an agreement to share the scarce water in the San Juan Basin between Indians and their non-Indian neighbors. The tribes agreed to drop their lawsuit against the Federal Government, which they would have surely won since they have such ironclad priority rights in water matters, in return for a cash settlement and an agreement by this Government to proceed with a water storage project for both Indian and non-Indians to share. Two public votes were taken of all the people affected, and both the repayment contract for the water users and the compromise itself were overwhelmingly accepted by the people of southwest Colorado and northern New Mexico.

Still, as in matters such as this, there will always be voices of opposition, some saying we went too far and others saying we did not go far enough. We in this body have all experienced that reaction. However, since the 1988 agreement and subsequent law that I authored which implemented the agreement, those voices of opposition have made up in shrillness what they lack in reason and fairness. Yet, even above the Sierra Club's carping, virtually every elected official from the local level to the President of the United States supports this project. In fact, President Clinton had $10 million designated in his budget for this project. President Bush supported it, as did President Reagan before him. All of the Colorado delegation, save one person, support the project and voted for the necessary appropriations on the House side. The lone Member who opposed it neither lives in Colorado nor cares about abiding by this agreement, even though she voted for it in 1988. Our Governor supports it, our attorney general supports it, and all of Colorado's major newspapers support it.

I ask those who want to strip the appropriation for this project just how is the State of Colorado going to be repaid under the Feingold amendment, if it prevails, for the $30 million we have spent of taxpayers' money as our part of the agreement? Who is going to repay the almost $60 million of taxpayers' money that the Federal Government has paid both of the tribes to drop the original lawsuit? Who will pay the hundreds of Indian and non-Indian ranchers who risk losing their water rights should the tribes go back to court, win the lawsuit, and claim their rightfully owned water, thereby drying up what some say is as much as one-fourth of all non-Indian irrigated farmland in the valley? Who pays for litigation when the Department of the Interior is put in the position where the Bureau of Indian Affairs has to defend the Indian tribes against its fellow agency, the Bureau of Reclamation, for nonperformance? The answer is that the taxpayer pays untold litigation fees on both sides.

While many colleagues bring charts and graphs to the floor of the Senate to emphasize a point—there seems to be a common belief in this body that if you have a graph or chart, or it is written somehow, that it automatically becomes true—I bring two objects of great reverence to traditional Indian people. These objects are from a culture that did not need protection from one another by a written contract. They represent a culture that believed your word was your bond, in which honor was held in highest esteem. They represent a culture which never broke a treaty with the U.S. Government. Traditional Indian people committed nothing to written contract and yet believed that great nations, like great men, must honor their agreements. Yet, from the time the first Indian affixed his fingerprint to the first document with the U.S. Government, which he could not read and little understood, he has learned the hard way that all too often this Government does not keep its word.

This is a pipe, Mr. President. In traditional Indian beliefs, before any words of import were spoken, a pipe like this was smoked. The traditional belief is that the smoke would take your words to the Creator. One does not lie or break his word to the Creator.

This is a fan, a wing from Wanbli, the eagle who was designated by the Creator as the keeper of the Earth to oversee his children and to see that they did the right thing. I submit that the actions of this body, which begins its deliberations each day with prayer, could learn at least as much from the objects as they can from all the paper documents to which this Government subscribes. Why be a party to a legal document if we are going to break it?

Just last week, this body reaffirmed its commitment to North Vietnam, of all places, to the tune of $1.5 million in order to teach them the American system of law. Shall we also teach them that under our system of law it is perfectly acceptable to deceive people, to enter into agreements and to unilaterally break our word? How can we teach the Vietnamese a code of conduct based on legal agreements if we do not practice that code ourselves? Perhaps we should tell them that these principles of law do not apply to American Indians. They apply to everyone else, but not to American Indians. It is easy to break our word to American Indians—we have done it lots of times.

In fact, Mr. President, from 1492 at Columbus' landing until the 1900's when the new century began, according to the National Congress of American Indians, 473 treaties were signed. Of those, 371 were ratified by this body, the U.S. Senate. Some, as you know, were written virtually at gunpoint and others through clever maneuvering on the part of Government negotiators. Yet, as the American Indian lost more and more, as they lost their land, as they lost their water, as they lost their families and, finally, their freedom, they never broke a single treaty with the U.S. Government. How many has the Government broken with the Indians? I defy anybody in this Chamber to give me that number. I had to look it up myself. Mr. President, they broke every single one. They broke every one with the American Indian.

I note with interest, Mr. President, there are a number of Indian people sitting in the gallery today as silent witnesses to our deliberations. I have to say that I salute them for their patience. I ask my colleagues to look into their hearts before voting on this amendment. Do not just compare statistics and charts and graphs and notes. Ask yourself, do you want to add one more broken promise to this infamous total of broken promises? Do you want to make this vote No. 474 in broken promises? America is better than this, Mr. President. The American people are better than this. Let us keep our promise. Let us do the right thing and table this amendment.

Mr. President, at this time, I ask unanimous consent to have printed in the RECORD a number of letters of support for this project. They include a letter from the City of Durango; a letter from the attorney general of the State of Colorado; a letter from the Native American Rights Fund; a letter from the Colorado House of Representatives; a letter from the Colorado General Assembly; and a Denver Post article dated July 28, 1996.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CITY OF DURANGO,
Durango, CO, July 10, 1996.

HONORABLE MEMBERS OF THE HOUSE OF REPRESENTATIVES: The City Council of the City of Durango, Colorado, urges your support of ongoing funding for the Animas-La Plata Project.

The public water supply needs of this community have been put on hold for over a decade in anticipation that Congressional commitments associated with the project would be honored and funding would be authorized in a timely fashion.

The Animas-La Plata Project remains as the most economical and efficient means of addressing the future water supply needs of this region. Failure by Congress to provide additional funding for the project at this time may bring about its demise, thereby thrusting the responsibility of developing future water resource needs back into the shoulders of the local governments and Indian Tribes in this region, thus eliminating the economies of scale inherent in the federal project.

Accordingly, we ask your positive support in providing continued funding of the Animas-La Plata Project.

Sincerely,

LEE R. GODDARD,
Mayor.

STATE OF COLORADO,
DEPARTMENT OF LAW,
Denver, CO, July 5, 1996.

Hon. DICK ZIMMER
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE ZIMMER: I am writing to you to urge your continued support of the Animas-La Plata Project. We must not simply walk away from the solemn commitments made to the Southern Ute and Ute Mountain Ute Tribes in the Colorado Ute Indian Water Rights Final Settlement Agreement and the Colorado Ute Indian Water Rights Settlement Act of 1988. The Animas-La Plata Project should go forward because it settles long-standing Tribal water claims.

It is important to remember the reasons this project is necessary. In 1976 the United States, on behalf of the Southern Ute and Ute Mountain Ute Indian Tribes filed an application in Colorado water court for adjudication of their reserved water rights on numerous tributaries covering virtually all of southwestern Colorado. If these rights were confirmed, numerous vested water rights would become junior to the Tribes' water rights. Cities, industry, farmers, ranchers and numerous other water users feared that the Tribes could take water from existing uses and could frustrate future non-tribal development.

The underlying agreement took years to negotiate and was based on commitments and compromises made by all parties, Native Americans and non-native Americans alike. A look at the general purposes set out in the settlement agreement confirms the very importance of us meeting our obligations. That agreement finally determined all rights and claims of the Tribes for water, settled existing disputes and removed causes of future controversy among the Tribes, State of Colorado, the U.S. concerning the rights to beneficially use water in southwestern Colorado. It secured for the Tribes an opportunity to generate revenue from the use of reserved water rights obtained under the agreement.

Pursuant to the terms of the agreement, if parts of the Animas-La Plata project are not completed by the year 2000, the Tribes have the option to go back to water court and pursue their original claims in the Animas and La Plata river systems. The result could be costly litigation between the U.S., State, and individual water right holders throughout the region. Further uncertainty regarding the practical use and value of many water rights would exist.

Congress has recognized its contractual and moral obligations to the parties of the settlement agreement by continuing to fund the project. Congress further recognized the project's importance by requiring the Bureau of Reclamation to construct the project without further delay in legislation passed last year.

Critics have stated that the settlement agreement can no longer be met. That, I believe, is a surprise to many of those parties to the agreement. To completely scrap the project by no longer funding it will wreak havoc on economies and water administration in the State of Colorado. The Tribes would most likely be forced to reopen their claims in a long and costly court battle. Certainty, with respect to these reserved rights could not be expected for many more years, perhaps decades.

Both the Southern Ute and Ute Mountain Ute Tribes strongly support building Animas-La Plata to implement the Settlement Agreement. In fact, the Tribes have filed a civil action against the Environmental Protection Agency in the U.S. District Court in Denver to compel EPA to fulfill its contractual and statutory duties to the Tribes and refrain from obstructing construction of the project.

The economic viability of the project has been criticized. However, as the Bureau points out in its report, the analysis does not take into account the tangible and intangible benefits of resolving the Tribes' reserved rights claims without lengthy, costly litigation that would pit Indian and non-Indian neighbors against each other.

The project will comply, as required by law, with the Endangered Species Act and all other applicable environmental statutes. The environmental effects of Animas-La Plata are carefully considered and addressed in the April 1996 Final Supplement to the Final Environmental Statement (FSFES). Extensive mitigation measures are proposed for the project.

Some project critics have urged that further studies be done on the Project. Further studies would do nothing more than delay the project beyond the settlement agreement deadline and further escalate costs. Alternatives were considered in the 1980 environmental impact statement, they were considered again during negotiation of the Settlement Agreement, and the Bureau took a fresh and extremely thorough look at them in the FSFES, which took over four years to complete.

The Settlement Agreement requires that Animas-La Plata be built without further delay. The State of Colorado has already spent over $11,000,000 to implement the Settlement Agreement, with an additional $48,000,000 set aside in escrow. The United States should likewise honor its commitment to the Tribes and the settlement. I strongly urge you to oppose any attempt to delete appropriations for the Animas-La Plata Project from the 1997 Energy and Water Development Appropriations Bill.

Sincerely,

GALE A. NORTON,
Attorney General.

NATIVE AMERICAN RIGHTS FUND,
Boulder, CO, July 2, 1996.

U.S. HOUSE OF REPRESENTATIVES,
Washington, DC.

DEAR REPRESENTATIVE: The Native American Rights Fund opposes any effort to delete funding for the Animas-La Plata Project which would affect the implementation of the 1988 Colorado Ute Indian Water Rights Settlement Act.

During the House consideration of the FY 1997 Energy and Water Appropriations bill, it is anticipated that Congressmen Petri and Defazio will offer an amendment to delete any funding the bill contains for this project and settlement.

The Ute Tribes and their non-Indian neighbors negotiated in good faith, rather than pursuing long, costly and divisive litigation.

Their goal was to share invaluable water resources and provide the Tribes with water promised them more than a century ago. Since the settlement became law in 1988, the Tribes and project sponsors have fully cooperated with federal agencies and complied with environmental law.

It is now time for the federal government to live up to its moral and legal obligation to the Tribes. Denying funding and forcing negotiation of a new deal is an extreme step which breaches the United States' trust responsibility.

Please vote against any amendment which would cut off funding for the Animas-La Plata Project and the Colorado Ute Tribes' Settlement.

Sincerely,

JOHN E. ECHOHAWK,
Executive Director.

STATE OF COLORADO,
HOUSE OF REPRESENTATIVES
Denver, CO, July 1, 1996.

Hon. NEIL ABERCROMBIE,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR REPRESENTATIVE ABERCROMBIE, When the House considers the FY 97 Energy and Water Appropriations bill, it is my understanding that Congressmen Petri and DeFazio may offer an amendment to delete any funding for the Animas La Plata Project and therefore the related Indian water rights settlement between the Ute Tribes and the State of Colorado.

I, along with Sen. Ben Alexander (R-Montrose), represent the project area, the Tribes and the non-Indian parties to the settlement. We strongly encourage you not to pull the rug out from under this negotiated agreement by withdrawing funds to implement it.

My constituents have negotiated in good faith, and avoided costly litigation which in the end would not provide real water to the Tribes and divide cultures which have worked well together. When the parties signed the settlement agreement, they took the federal government at its word. All other parties have lived up to their end of the bargain, including the State of Colorado which has a $60 million commitment to this project and settlement.

It is time for the United States Government to keep its word and begin construction on at least those project features defined in last year's appropriations bill, which told the Secretary of the Interior to construct "without delay."

I respectfully request that you vote against any amendment which would cut off funding for the Animas-La Plata Project and the Colorado Ute Indian Water Rights Settlement.

Sincerely,

JIM DYER,
State Representative.

GENERAL ASSEMBLY;
STATE OF COLORADO
Denver, CO, July 1, 1996.

Hon. DICK ZIMMER,
U.S. House of Representatives, Cannon House Office Building, Washington, DC.

DEAR REPRESENTATIVE ZIMMER; when the House considers the FY '97 Energy and Water Appropriations bill, it is my understanding that Congressmen Petri and DeFazio may offer an amendment to delete any funding for the Animas-La Plata Project and therefore the related Indian water rights settlement between the Ute Tribes and the State of Colorado.

I, along with Rep. Jim Dyer (D-Durango), represent the project area, the Tribes and the non-Indian parties to the settlement. We strongly encourage you not to pull the rug out from under this negotiated agreement by withdrawing funds to implement it.

My constituents have negotiated is good faith, and avoided costly litigation which in the end would not provide real water to the Tribes and divide cultures which have worked well together. When the parties signed the settlement agreement, they took the federal government at its word. All other parties have lived up to their end of the bargain, including the State of Colorado which has a $60 million commitment to this project and settlement.

It is time for the United States Government to keep its word and begin construction on at least those project features defined in last year's appropriations bill, which told the Secretary of the Interior to construct "without delay."

I respectfully request that you vote against any amendment which would cut off funding for the Animas-La Plata Project and the Colorado Ute Indian Water Rights Settlement.

Sincerely,

BEN ALEXANDER,
State Senator.

[From the Denver Post, July 28, 1996]

SENATE SHOULD RESTORE A-LP

Environmental groups won a round against Western and Native American interests last week when the U.S. House of Representatives voted 221-200 to delete $10 million in funding for the Animas-La Plata water project in Southwestern Colorado. But prospects are good that the Senate will keep the project alive.

The thinly populated Rocky Mountain states have little clout in the House, where environmental groups waged a concerted assault on the water project. As Colorado Rep. Scott McInnis whose 3rd District would host the project, notes, it's easy for a member of Congress from the East or South to please environmentalists by voting against a water project in Colorado. But the Senate—where the sparsely settled Rocky Mountain states have the same two senators as larger states do—is a much more favorable battleground for the West. And in Ben Nighthorse Campbell, the only Native American now serving in Congress, the project has a powerful champion.

"Look for Ben Campbell to come out swinging," a project supporter told a Post editor Thursday, the day after the House vote. We didn't have to look for long—Campbell called minutes later to reaffirm his support for the project.

"The Senate Appropriations Committee has already appropriated $9.5 million for Animas-La Plata," Campbell said. "I think it will stay in on the floor and stay in the bill later after we go to conference with the House.

"A lot of those House members who voted against Animas-La Plata weren't here in 1988 when the Indian Settlement Act passed and the project was authorized," Campbell said. "There have been 270 treaties between the U.S. government and the Indians and they have all been broken, without exception. I would hope this is not another broken promise."

We share Campbell's hopes, for selfish as well as moral, reasons. As part of the 1988 settlement, the Southern Ute and Ute Mountain Ute tribes agreed to abide by the "law of the river," a complex set of regulations that includes the Colorado River Compact. But if Congress repudiates its own pledge to convert the abstract Indian water rights into "wet water" the tribes can actually use to preserve their lifestyle, the Utes can return to court. In the process, they could rip huge holes in the fabric of state water law and of the Colorado River Compact itself.

That is decidedly not what the Utes want. What they want is what they deserve—their water. We trust the Senate will recognize that the Animas-La Plata project is the only practical way to meet a long-standing obligation to a people who have been cheated far too many times.

Mr. CAMPBELL. Mr. President, an amendment to strike funding for the Animas-LaPlata project is an attempt to further delay a project that was first authorized by Congress in 1968 and is the cornerstone to fulfilling the provisions of the Colorado Ute Indian Water Rights Settlement Act, enacted and signed into law by President Bush in 1988.

It seems to be that assumption of many people that "a feasibility of the project study" has not been completed, or that "feasible alternatives that may be available to fulfill the water rights of the Ute tribes", have not been explored. Frankly, Mr. President, the Senator from Wisconsin is mistaken.

In an effort to further clarify the record, I would like to share with my colleagues a brief chronology of events that show that all possible alternatives have been explored, debated, and even voted on in various public referendums.

In 1968: Congress authorized the Colorado River Basin Project Act.

Congress appropriated funds for advance studies.

In 1974–1977: the Southwestern Water Conservation District and the Bureau of Reclamation sponsored a thorough process of public involvement that compared four major alternatives and dozens of sub-alternatives for each of the four major plans. In total, approximately 100 alternatives were considered.

In 1979: The Definite Plan Report, detailing the new configuration of Ridges Basin and Southern Ute Reservoirs is completed.

Endangered Species Act, nonjeopardy opinion on Animas-La Plata project is issued by the Fish and Wildlife Service.

In 1980: The final environmental statement is completed.

In 1986: The Department of the Interior accepts cost-sharing arrangement that calls for State and local entities to provide 38 percent of the upfront funding.

Enactment of the Colorado Ute Indian Water Rights Settlement Act.

In 1987 and in 1990, voters in La Plata County, CO, and in San Juan County, NM, overwhelmingly endorsed BOR's construction of the ALP project.

October 6, 1991: Ground breaking ceremony is held in Durango.

In 1992, the San Juan River Recovery Implementation Program was executed with the dual goals of the recovery of the endangered fish in the San Juan River and allowing water development to go forward.

And as recently as the last 2 months, again the city of Durango, in a vote of confidence for the project, approved a resolution in support of the ALP project.

Since 1992, the project has been mired down in litigation by project opponents involving a laundry list of environmental related issues.

The fact is that the Ute Indian Tribes own the water rights to the Animas La Plata system by virtue of various treaties with the U.S. Government. These treaty rights have been upheld by the Supreme Court of the United States when disputes have arisen in other States.

The tribes and the water districts chose negotiation over litigation. Rather than engage in expensive and divisive legal battles, the tribes and the citizens of Colorado and New Mexico chose to pursue a negotiated settlement. The Ute Tribes agreed to share their water with all people. The people came together in partnership and cooperation with the Federal Government to reach a mutually beneficial solution: the construction of the Animas La Plata project. Their settlement agreement was executed on December 10, 1986. The Settlement Act was ratified by Congress and signed into law on November 3, 1988.

The Settlement Act also approved a cost-sharing agreement. The water districts and the States of Colorado and New Mexico have put their money where their mouth is—and have already lived up to the terms of these agreements. Consider that:

First, the State of Colorado has committed $30 million to the settlement of the tribes' water rights claims, has expended $6 million to construct a domestic pipeline from the Cortez municipal water treatment plant to the Ute Mountain Ute Indian Reservation at Towaoc, and has contributed $5 million to the tribal development funds;

Second, the U.S. Congress has appropriated and turned over to the Ute mountain Ute and Southern Ute Indian Tribes $49.5 million as part of their tribal development funds, and

Third, water user organizations have signed repayment contracts with Reclamation.

The construction of the ALP project is the only missing piece to the successful implementation of the settlement agreement and the Settlement Act. It is time that the U.S. Government kept its' commitment to the people.

Historically, this country has chosen to ignore its obligations to our Indian people. Members of the Ute Tribes had been living in a state of poverty that can only be described as obscene. Their only source of drinking water was from ditches dug in the ground. I find it most distressing that the same groups and special interests who are now scrambling to block this project also, in other contexts, hold themselves out as the only real defenders of minority rights in this country.

This project would provide adequate water reserves to not only the Ute Nation, but to people in southwestern Colorado, northern New Mexico, and other downstream users who rely on this water system for a variety of crucial needs which range from endangered species protection to safe drinking water in towns and cities—perhaps even filling swimming pools for some of our critics.

The Southern Ute Indians and the Ute Mountain Ute Indian Tribes have rejected any buy out proposals. They simply want decent and reliable water supplies—using their own water—for their people. In exchange, all the people of the area will benefit. The Sierra Club, National Wildlife, and other opponents are apparently willing to spend even more hundreds of millions of tax dollars to buy off the Indians than it would cost to complete the project.

Mr. President, on March 1, of last year Secretary Babbitt testified before the House Appropriations Subcommittee on Energy and Water Development, that the Department of Interior has devoted the resources of his agency to carrying out the will of Congress on the ALP project, and will continue to do so.

He further stated that "the Benefit/Cost issue has already been settled and decided by the Congress." And further that "it is no longer on the table as far as his [Secretary Babbitt's] experience over 30 years across the West. And that is not an issue that any court is going to take up.

And more recently, the Director of the Colorado Department of Natural Resources earlier this year testified before the House Energy and Water Subcommittee in support of the Animas-LaPlata project.

In conclusion, I would like to include for the record several items that includes a letter from a Mr. Harrick Roth, chairman of the Colorado Forum, that appeared in the Denver Post.

He writes:

> There are no secrets about ALP. There are 25 years of documents produced by the Bureau of Reclamation, the U.S. Fish and Wildlife Service, the Colorado River Salinity Control Project, the EPA, the New Mexico Interstate River Commission, the Colorado Water Conservation Board and the Colorado Water and Power authority—just to name a few.

On the question of meeting the needs of the native Americans, he writes:

> To the Editor: You have done it yet again. Treat Indians as our wards, you say. Give them "taxpayer" welfare benefits. Your "howevers" continue as you argue that it will be cheaper for taxpayers to take any alternative course. Since paleface Americans, like yourselves and myself, have made it historical practice to break treaties with Native American nations and relegate tribes to "reservations" of limited geography, your editorial prescribes "continue the course!!".

Just yesterday, July 28, yet another article appeared in the Denver Post in support of the ALP project.

Mr. President, the bottom line is, there has been exhaustive efforts to accommodate all parties from an environmental perspective and an economic perspective. The completion of this project will summarily fulfill the obligations of the Federal Government to the Ute Indian Tribes. For these reasons would ask my colleagues to oppose this amendment that seeks to strike funding for the Animas-LaPlata project.

Mr. President, is the time appropriate now to move to table the Feingold amendment?

The PRESIDING OFFICER. The time is appropriate.

Mr. CAMPBELL. I, therefore, move to table the Feingold amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The motion before the body is the motion to table the Feingold amendment No. 5106. The yeas and nays have been ordered.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent that there be 2 minutes equally divided.

The PRESIDING OFFICER. Without objection, there will be 2 minutes equally divided between the Senators.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. I thank the Senator from New Mexico. I recognize there are strong feelings on this project and deep divisions in the region. I say to the junior Senator from Colorado, we must honor our commitment to this tribe. The question is how to honor the commitment.

This project was first authorized in 1968. As I understand it, it had little or nothing to do at that time with the issue of water for the native American tribe. Three decades later, it has not been built. Realistically, my colleagues, it will never be built. It is not economically or fiscally feasible that we keep spending money on it. There are legitimate Indian needs that should be addressed and have to be addressed. Remember, only one-third of the water concerned here will go to native American tribes; two-thirds goes to others. Yet, there are substantial questions, in the end, under this project, that the tribes in consideration here will be able to obtain the water.

This project is dead. Let us return to the drawing board and scale this down so it can meet our commitment without wasting substantial taxpayer dollars.

I urge the members to support the amendment and oppose the motion to table.

I want to make a few remarks to clarify several points in the committee report dealing with the Animas-La Plata water project. The committee report contains a discussion of the status of efforts by the Bureau of Reclamation to comply with numerous laws applicable to the project. It is my understanding that the committee report simply sets forth the views of the committee and is not intended to waive any provision of law or to declare that the Bureau's efforts at compliance are sufficient to satisfy any law.

I want to make it clear, for the record, that the committee report cannot have the effect of circumventing the jurisdiction or procedures of any administrative agency with respect to the Animas-La Plata project.

It is important to make this clear because the project has been and is at present the subject of litigation concerning compliance with various environmental and reclamation laws. The committee report cannot have the effect of making any factual findings which would usurp the jurisdiction of the courts or the relevant administrative agencies with respect to whether the Animas-La Plata project is in compliance with applicable environmental, financial, and reclamation laws.

I expect that the Congress will be revisiting the future of this project, regardless of the outcome this year, and it is important in the meantime that there be no misunderstanding as to the applicability of existing laws which constrain further development.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I rise to compliment the distinguished junior Senator from Colorado. I believe that was as elegant a speech as we have ever heard. It did not take him very long, but he made the point.

Actually, the United States of America has committed to two Indian tribes for which this project would proceed. I believe he stated it right. People with different ideas and different justifications enter this case, but I believe that the project has been proven technically sound. It has continued to receive the full support of those who will put it together and finalize it.

I think the Senator has put the final touches on it with his argument that we ought to live up to our commitments to the Indian people.

I might suggest, although all the water does not go to the Indian people, that there are non-Indian people who have been relying on this water and waiting for it, also. They should not be ignored just because some people want to now change midstream.

I hope we support the motion to table and move on to take this to conference with the House.

I yield the floor.

Mr. CRAIG. Mr. President, I rise in strong opposition to the amendment by the Senator from Wisconsin. Despite its superficial appeal, the effects of his amendment would be devastating not only to the Ute Tribes in Colorado, but also for every other tribe and State who are attempting to resolve disputes over water rights through negotiated settlement rather than endless litigation.

The Senator from Wisconsin pretends that his amendment will save money—he is wrong. Indian litigation is the closest this country has come to the situation Dickens described in Bleak House. There are law firms that probably can no longer even remember who the partner was who first brought the litigation, but generations have profited—generations of lawyers both within and without the Government.

The Colorado Ute Settlement Act was a remarkable accomplishment, and it has served as a model for other settlements in Utah and Arizona. It would be unconscionable to overturn that settlement, especially for the specious arguments put forward by the opponents.

Mr. President, even Secretary Babbitt has grudgingly endorsed completion of the Animas-La Plata project because of the importance of fulfilling the Federal obligations under the negotiated settlement. Remember, this is Secretary Babbitt—the Secretary who wants to take down a really big Federal dam, the Secretary who has waged an incessant war against farmers, ranchers, miners, and those who work the land to produce the food, fiber, and material to support this Nation. This is the Secretary who repeatedly has decried what he views as an individualistic concept of private property and who has attacked State jurisdiction over water resources. This is the Secretary who would have used the Reclamation Reform Act as a lever for Federal regulation of farm operations and proposed Federal definitions of what constituted beneficial use to override State water law in his proposed lower Colorado regulations. Even this Secretary, no friend to any farmer, Indian or non-Indian, has supported funding the Animas-LaPlata project.

Mr. President, the funding in this appropriation measure is not some incidental addition from the Congress. This administration requested $10 million for the Animas-LaPlata project for work on the Ridges Basin Dam and Reservoir, and for preconstruction activities, cultural resource mitigation, environmental compliance, and endangered species studies. I hesitate to mention that the Fish and Wildlife Service is proximately responsible for the situation on the San Juan, and at least in this Senator's view, should bear all the costs associated with species recovery and mitigation. This administration—the same one that opposed $5 million to provide potable water to the rural residents at Fort Peck—this administration supports funding this project. That is how important having the Federal Government fulfill its obligations under the Colorado Ute Settlement Act is.

Mr. President, I oppose the amendment by the Senator from Wisconsin and urge my colleagues to support the action taken by the Appropriations Committee.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Colorado to lay on the table the amendment of the Senator from Wisconsin. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

Mr. FORD. I announce that the Senator from Rhode Island [Mr. PELL] is necessarily absent.

I also announce that the Senator from Rhode Island [Mr. PELL] is absent because of a funeral.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "nay."

The result was announced—yeas 65, nays 33, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—65

Abraham
Akaka
Ashcroft
Baucus
Bennett
Bingaman
Bond
Breaux
Brown
Bryan
Burns
Campbell
Coats
Cochran
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Domenici
Dorgan
Faircloth
Feinstein
Frist
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hatch
Hatfield
Heflin
Helms
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kyl
Lott
Mack
McCain
McConnell
Mikulski
Murkowski
Nickles
Pressler
Pryor
Reid
Shelby
Simon
Simpson
Smith
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone

NAYS—33

Biden
Boxer
Bradley
Bumpers
Byrd
Chafee
Cohen
Dodd
Exon
Feingold
Ford
Glenn
Harkin
Hollings
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Moseley-Braun
Moynihan
Murray
Nunn
Robb
Rockefeller
Roth
Santorum
Sarbanes
Snowe
Wyden

NOT VOTING—2

Frahm
Pell

The motion to lay on the table the amendment (No. 5106) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I think the next amendment is the Grams amendment with reference to ARC.

AMENDMENT NO. 5105

The PRESIDING OFFICER. The Chair's record shows the next amendment in order is McCain amendment No. 5105. Does the Senator from New Mexico request the Grams amendment be taken up next?

Mr. DOMENICI. I believe it is appropriate to withdraw that amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

The amendment (No. 5105) was withdrawn.

AMENDMENT NO. 5100

The PRESIDING OFFICER. The question is on the Grams amendment. There are 2 minutes equally divided. The Senator from Minnesota is recognized.

Mr. GRAMS. Mr. President, thank you very much. This is a very moderate and very straightforward amendment. All it does is simply adopt the funding of the Appalachian Regional Commission——

Mr. DOMENICI. May we have order?

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

Mr. DOMENICI. Might I just say to the Senators who are walking out of here, in 2 minutes, we are going to start voting again on this amendment. So it might be best to stay around.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. GRAMS. Thank you, Mr. President.

Mr. President, again, as I said, this is a very moderate and straightforward amendment. All it does is simply adopt the funding for the Appalachian Regional Commission at the House-passed level of $10 million less than that approved by the Senate.

It requires that the commission provide a specific plan for future downsizing. Like many Federal programs, the ARC was created back in 1965 as a temporary response—temporary response—to poverty in Appalachia.

Today, over 30 years later and despite the infusion of more than $7 billion of taxpayer money into the region, we are still pouring money into the area under the pretext of fighting poverty. This program is one of 62 Federal economic development programs. The ARC is the only major Government agency targeted toward a specific region of the country.

This program has outlived its original mandate. It is ineffective and it is expensive and simply does not work. American taxpayers can no longer afford such extravagant spending. That is why CBO, the Senate, the House budget committees all recommended elimination of the ARC. Even President Clinton recommended reducing it by $500 million in budget authority and $300 million in outlays over the next 5 years. Although I strongly believe the ARC should be terminated, the Grams-McCain amendment does not zero out funding for the ARC, nor does it reduce it significantly. It simply reduces the level of funding to that approved by the House of $155 million, not the $165 million in the Senate budget. It also provides a specific plan for future downsizing. I urge my colleagues to support this very moderate amendment. Thank you, Mr. President.

The PRESIDING OFFICER. The Chair will note that while we have been observing 2 minutes equally divided, there is not an agreement limiting debate on this amendment to that level. Who seeks recognition?

Mr. JOHNSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, we strongly oppose the Grams-McCain amendment and strongly support the Appalachian Regional Commission at this level. Mr. President, this has been an effective program to fight poverty in Appalachia. Appalachia is still one of the most expensive places to build roads, one of the poorest places on the face of the United States, and one of the most needed functions of Government that I can think of.

It is an ongoing program that brings roads and access to people in the mountains and hollows and poor areas of West Virginia and other States in Appalachia. We strongly oppose the Grams amendment and support Senator DOMENICI's motion to table.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I rise today in opposition to the Grams amendment to further reduce spending for the Appalachian Regional Commission. ARC serves parts of 13 States including 39 counties in my State, and I'm disappointed to see that may colleague from Minnesota is still not convinced of the importance of this program.

The people of eastern Kentucky have much to be proud. That region of the country has a strong tradition of producing some of this country's most gifted musicians, writers, and artists. But, unfortunately, they also produce something none of us are particularly proud of—poverty.

Back in 1993, the Washington Post wrote that "the last time the United States fought a war on poverty here, poverty won." That's because the forces at work manufacturing this region's double-digit poverty figures and all the social disintegration that comes with those figures, are deeply imbedded in a region that was subjected to a century of economic exploitation and geographic isolation.

While poverty claimed victory 30 years ago in the first years of President Johnson's admirable battle, those of us with a deep-seated commitment to the Appalachian region knew that the task of undoing a century of destruction would not be quick in coming. ARC was borne of this commitment to see the battle against entrenched poverty through to the end—to the time when poverty would no longer be the norm.

And in fact ARC has had a dramatic effect in improving the lives of Appalachian citizens, including cutting the region's poverty rate in half, reducing the infant mortality rate by two-thirds, doubling the percentage of high school graduates, slowing the regions out migration, and reducing unemployment rates.

With 115 of the region's 399 counties still classified as economically distressed, we certainly cannot say we have won the war. But, we can say that we have weakened poverty's hold on this region. * * * that we have given the proud people of this region a finger hold in the climb back to self-sufficiency and productivity.

My colleagues should be aware that the ARC's fiscal year 1996 appropriation represents a cut of almost 40 percent from the fiscal year 1995 funding level, while the bill we're considering today makes an additional cut of $5 million for fiscal year 1997. We have already had this debate last year, when my colleague also made an attempt to cripple this program and to cripple the Nation's ability to move an entire region of the country from poverty to productivity.

On August 1 of last year, a very similar amendment offered by the Senator from Minnesota was tabled by a vote of 60 to 38. His amendment failed last year for the same reasons it should not prevail today. ARC is doing its job—helping communities put in place the building blocks of social and economic development to create self-sustaining local economies that can become contributors to the Nation's resources rather than drains on the Nation's resources.

It does this by providing the glue money that leverages other investment from the private sector, other Federal programs, or State and local funds. Since 1992, in my State alone ARC has provided over $80 million that in turn leveraged more than $115 million in additional funds. These were for a wide range of projects from water and sewage systems to tourism to adult literacy.

And as my colleagues pointed out last year, the ARC that is accomplishing this mission is lean and efficient. When it comes to administrative and personnel expenses you'd be hard pressed to find an agency as efficient. Total overhead accounts for less than 4 percent of all expenditures with State Governors contributing 50 percent of those administrative costs.

I can assure you, those Governors wouldn't be made that contribution in these tight fiscal times if they didn't believe they were getting their money's worth.

But, ARC work is far from done. As the national highway system began cris-crossing the country tieing State's together and creating jobs in its wake, the mountainous Appalachian region was left behind.

Today, ARC's highway project has had a tremendous impact on the region. A 1987 survey showed that between 1980 and 1986, 560,000 jobs were created in the Appalachian counties with a major highway—4 times that of counties without.

With only 76 percent of the 3,025 mile Appalachian development highway system constructed or under contract, those figures tell all too clearly why it's so important to let ARC complete its work.

The same is true with ARC's involvement with a wide range of other projects from health care to job training to water treatment to small business assistance. And, even with ARC funding, Appalachia receives 11 percent less in total per capita Federal spending than the national average.

And, I hope my colleagues will remember that this debate takes place just 1 week after this body made huge changes in the welfare program. We cannot ignore the total impact of changes to the welfare system and crippling cuts in ARC to this region of the country.

Mr. President, I hope my colleagues will join me in defeating this amendment and sending a strong signal to the people of Appalachia that we support their tremendous efforts to move their region forward and secure productive and prosperous futures for their children.

Also, the Senator from Minnesota said that this duplicated a lot of other Federal programs. Mr. President, I ask unanimous consent that a statement that shows that it does not duplicate other Federal programs be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ARC DOES NOT DUPLICATE OTHER FEDERAL PROGRAMS

Many distressed Appalachian communities lack the resources to meet the match requirement of other federal programs, making them unable to take advantage of programs from EDA, FmHA, HUD, Education or other agencies. Rather than duplicating these other programs, ARC funds essentially make the programs available to communities that otherwise could not take advantage of them. In that sense our funds are supplemental, not duplicative. This increases federal participation in Appalachian areas, which was a part of the original purpose of ARC. [The administration of these ARC grants then goes through the basic agency whose program we are supplementing.]

ARC funds are more flexible than programs from other federal agencies, allowing states and communities to tailor the projects to their individual needs. An ARC project, for example, could include elements of an EDA project, a FmHA project, or a HUD project, while it would not have been fully eligible for funding under any single program at another federal agency.

ARC projects originate from the local level and are determined by each state's governor. Unlike most other federal programs, this lets the governors decide which projects will receive federal funding.

Up until ISTEA in 1991, the ARC highway program was not on the regular federal highway system. ISTEA added all but roughly 240 miles of ARC highways to the National Highway System. Separate highway funding is important for several reasons. First, for those miles not covered by ISTEA the ARC funding is the only federal source. Second, ARC funding allows the highways to be constructed sooner than they might be if they were funded solely through ISTEA. This is in keeping with the commitment that the nation made to this region almost 30 years ago to break down the isolation that had plagued the region and ink it to national and international commerce. Third, ARC sees highways as elements of an economic development strategy, rather than just a transportation strategy.

Even with ARC's special assistance to the region, Appalachia receives 11% less in total per capita federal spending (including grants, contracts, and transfer payments) than the national average.

WHY SPECIAL ASSISTANCE TO APPALACHIA?

ARC was designed to address the special problems of an entire region that had suffered from over a hundred years of neglect, a region marked by profound problems of persistent and widespread economic distress in a concentrated geographic area that set it apart from the economic mainstream of the nation.

The economic problems of Appalachia are long-term, widespread and fundamental. They are not, for example, the result of short-term cyclical changes in the economy (to which programs like EDA are designed to respond). Rather, the region's economic troubles extend back for at least four generations. Few other areas of the country have economic problems that are so deeply ingrained. In addition, ARC's problems reach broadly across state lines, affecting the economies of the 13 states. This is not a case of sporadic distress that affect single counties. Instead, it is the result of region-wide historic patterns of underdevelopment, isolation, exploitation and migration. Only a couple of other areas of the country have such profound economic problems that sweep across state lines the way Appalachia does.

The economic challenges faced by communities in Appalachia ultimately dampen the growth of the American economy. They create a drain on the national economy, through lowered productivity and reduced output, diminished economic growth and investment, increased government support through transfer payments, and a lowered standard of living. Half of the counties in the ARC region receive federal transfer payments in excess of the national average on a per capita basis. Until we help these people and communities move into the economic mainstream, they will continue to be a drain on the national resources, diminishing our national wealth. It is, therefore, in the interest of California, or Wisconsin or Florida to help Appalachian communities become economically strong and contributing their fair share to the national wealth.

Even with ARC's special assistance, Appalachia receives 11% less in per capita federal spending than the national average. Total per capita federal spending (including grants, contracts, and transfer payments) in Appalachia is $4407, while the national average is $4,917. Rather than giving Appalachia something "extra," ARC just helps the region come closer to getting its fair share of federal resources.

From its creation ARC has worked to develop regional solutions to these economic problems that reach across state lines. Much of the Commission's success flows from this regional approach. No other federal program is deliberately designed to address problems on a multistate basis.

GENERAL ACCOMPLISHMENTS

ARC's diverse programs have produced tangible results across the region:

Water and Sewer Systems. ARC funding brought the first sewer lines and clean drinking water to 700,000 residents of Appalachian counties designated as "distressed" due to high rates of poverty and unemployment, and low per capita income. This often corrected severe public health problems. About 2,000 new water and/or sewer systems have provided the infrastructure needed for job creation. As a result of these projects, thousands of jobs have been created or retained.

Access to Health Care. A network of more than 400 primary health care clinics and hospitals has been completed with ARC funding and now serves some 4 million Appalachians a year. More than 5,000 new physicians have opened practices in Appalachia just since 1980. Infant mortality has dropped from 26.5 infant deaths per 1,000 live births in 1960 to 8.3 in 1994.

Child Care Centers. ARC has supported child development in the Region by helping build child care centers that offer low-income families a full range of educational, health and social services. These services have assisted more than 220,000 pre-school-age children and allowed mothers to earn income needed to keep their families above the poverty line.

Educational Advancement. ARC has helped construct and/or equip more than 700 vocational and technical education facilities serving more than 500,000 students a year. In 1965, only 32% of Appalachians over age 25 had finished high school. Today, that figure has risen to 68.4% Among young adults age 18–24, 77% of Appalachians have completed 12 or more years of school, compared with the national average of 76%.

Job Skills Training. In the past 10 years, about 60,000 workers who lack a high school diploma or GED have been retrained through basic skills training in the workplace. The skills of more than 30,000 other workers have been upgraded to compete for high-tech jobs or to provide specific skills required by local employers.

Affordable Housing. Housing shortages have been alleviated by the rehabilitation and construction of more than 14,000 housing units, especially in areas hampered by the lack of construction sites and construction loans. ARC has pioneered innovative approaches to housing development finance to make home ownership more affordable.

Leveraged Investments. A sample of 556 ARC community development projects that were funded between 1983 and 1996 showed that those grants had leveraged over $7.3 billion in private sector investments in the region.

Small Business Assistance. ARC grants to revolving loan funds in ten stated totaled $18.7 million, thereby assisting 822 small businesses—the source of some 8,000 new jobs in Appalachia. In the past, small businesses could not start and grow due to the lack of capital and conservative lending practices in small towns and rural areas, sources of most new jobs in Appalachia. The ARC loan program has leveraged $328.9 million of small business investment in the region—a ratio of almost 20 to 1.

Local Leadership Development. ARC has actively supported the Local Development District (LDD) concept, which was in its infancy in 1965. These 69 multi-county local planning and development agencies foster cooperation in decision-making and leadership development among hundreds of locally-elected officials and private citizens who serve on their boards. LDDs have strengthened the ability of local governments to provide efficient, modern services to their constituents.

SOCIOECONOMIC ACCOMPLISHMENTS

ARC's investments in the region have yielded impressive measurable improvement in the lives of the people of Appalachia and in the economic condition of the region.

The poverty rate in has been cut in half, falling from 31.1% in 1960 to 15.2% in 1990.

The infant mortality rate has been cut by two-thirds, going from 26.5 (deaths per thousand births) in 1960 to 8.3 in 1994.

Per capita income has improved dramatically. In 1960, the region's income was 78.1% of the national average. Today it is 83.5% of the national average.

The percentage of adults with a high school degree has doubled from 32.8% in 1960 to 68.4% in 1990.

Among adults age 18–24, the high school graduation rate now equals the national average (78%).

Overall employment rates now approximate the national average.

New outmigration has slowed, from 12.2% during the 1950s to 2.2% in the 1980s.

Population in growing. Between 1990 and 1995, the region's population increased 4.6% with all parts of Appalachia showing growth over the five-year period.

Thirty-eight counties now have economies which are performing at or near national norms of income, employment, and poverty.

THE TASK IS NOT YET DONE

Despite the significant progress the region has made, many portions of Appalachia still do not participate fully in the strength of the American economy. In a word, Appalachia has become a region of contrasts in the past 30 years. The region has made enormous strides, but because it began so far behind the rest of the nation, there is need for continued special assistance that will make these hundreds of communities and millions of people contributors to, rather than drains on, the national resources.

115 of ARC's 399 countries are classified as severely distressed. This means that they suffer from unemployment rates that are at least 150% of the national average, poverty rates that are at least 150% of the national average, and per capita incomes that are no more than ⅔ of the national average. These are areas of persistent and widespread economic distress.

The region of contrasts means that while northern and southern Appalachia have done relatively well, central Appalachia is still severely distressed. In all three sections, the non-metro counties lag the nation on almost all socioeconomic measures.

The poverty rate for Appalachia is 16% higher than the national average.

Appalachia's per capita income is only 83% ($17,406) of the U.S. average ($20,800).

Over 20% of the youth in northern and southern rural areas are growing up in poverty, and an even higher 34% of youth in central Appalachia live in poverty.

Across the region as a whole, rural Appalachia is poorer than the rest of rural America, and metropolitan Appalachia is poorer than the rest of metropolitan America.

The problems are particularly acute in Central Appalachia, where the poverty rate is 27% rural per capita income is still only two-thirds of the national average, and unemployment rates are almost double the national average.

The Appalachian Regional Development Highway System, the federal government's commitment to ending the region's isolation, is only 76% complete, with major segments not yet under contract for construction.

Mr. FORD. Mr. President, I remind my colleagues that over 60 Members voted for tabling last time.

Mr. BYRD. Mr. President, I rise in opposition to the amendment offered by the Senator from Minnesota that would reduce the Committee recommendation for the Appalachian Regional Commission from $165 million to $155.3 million. The House and Senate have voted on three different occasions against efforts to terminate or reduce funding for ARC, and I urge the Senate to reject again this attempt to penalize Appalachia.

The Committee recommendation already reduces ARC by $5 million below the amount requested in the President's Budget. The recommendation of the Senate Appropriations Committee is $17 million below the amount approved by the Senate last year for ARC. And when compared to prior year funding levels, ARC has already borne more than its fair share of deficit reduction in this appropriations bill. When compared to the fiscal year 1995 funding level for ARC, the amount recommended in the bill by the Appropriations Committee is down $117 million, or 41 percent. Let me repeat—in two years, the funding for this agency has decreased by $117 million.

Mr. President, the Committee's recommendation is a responsible one. Funding for ARC is already reduced below the President's budget. The Energy and Water appropriations bill is within its 602(b) allocation. Because of the efforts of Senator DOMENICI, the Energy and Water Subcommittee has a higher allocation than the House. As a result, additional funds are allocated throughout the bill to produce a more balanced, reasoned approach to funding for the programs in the bill. The Senate version of the Energy and Water bill provides more funding than the House bill for several programs—not just ARC. For example, funding for flood control along the Mississippi River and its tributaries is above the House level, as is funding for the Bureau of Reclamation construction (which benefits just the 17 States west of the Mississippi River). The Senate bill provides considerably more funding than the House bill for Atomic Energy Defense Activities. However, it is only ARC that is targeted for further reduction.

I cannot help but wonder if this type of amendment would be proposed if the name of this agency were the Rural Development Commission. Is it appropriate for the Senate to punish the people who are served by an agency's programs by virtue of where they live? I do not believe this is the tradition of the Senate. The Senate supports those who are in need—whether it is through quick response with additional funds when disaster occurs, or through assistance to improve the opportunities available to those who are struggling.

Mr. President, there are any number of programs in the Government that benefit a limited geographic area of the country. But in making decisions about Federal programs, the Appropriations Committee does not target spending reductions for programs based solely on geographic criteria. There are any number of programs that continue to receive funding even though they might not benefit all areas equally. In the Interior bill, for example, we appropriated over $113 million in fiscal year 1996 for the Payments in Lieu of Taxes program, even though 67 percent of the funds went to just eight States. Similarly, the Oregon and California Grant Lands account, which benefits just one State, continues to receive funding. So it is extremely unfair to suggest that the ARC funding should be reduced simply because of the reference to Appalachia in the title.

The mission of ARC is straightforward—to provide an effective regional development program that will create economic opportunity in distressed areas so that communities are better positioned to contribute to the national economy. Traditionally, there has been a great disparity in poverty and income levels between Appalachia and other parts of the country. And while great strides have been made, there is still much to be done. The programs of the ARC have contributed to improvements in the ability of the region to address the disparity in poverty and income levels between Appalachia and other parts of the country. Despite the progress in recent years, there is still much to be done. The income level in Appalachia is only 84 percent of the national average. The poverty rate in Appalachia is 16 percent above the national average. When it comes to United States expenditures on a per capita basis, even with the ARC funding, Appalachia receives 11 percent less in per capita Federal spending than the national average.

Mr. President, the programs of ARC help communities to develop their resources so that they will contribute to the Nation's economy. Many of the communities which benefit from the resources provided to ARC are without some of the most basic of services, including water and sewer infrastructure, access to health care, and decent roadways. Unless a transportation network is put in place that provides access to and from the rest of the Nation, Appalachia will remain isolated, and thus removed from competing for jobs with other population centers.

Some 30 years after establishment of the Appalachian Regional Corridor Highways, this network of 3,025 miles of highway is only about 76 percent complete. At the funding levels recommended in this bill, it will be well into the next century before this highway system is completed. The amendment offered by the Senator from Minnesota will delay further this access to safe and modern highways. The people of Appalachia deserve better from the United States Senate.

Sadly, there are still children in Appalachia who lack decent transportation routes to school. There are still pregnant women, elderly citizens and others who lack adequate, modern road access to area hospitals. There are thousands upon thousands of people who find it difficult to obtain sustainable, well-paying jobs because of poor road access to major employment centers. The ARC's limited resources play an important role in improving these circumstances. We should not reduce our efforts when so much work remains to be done.

ARC's programs do not duplicate those of other Federal agencies. The highway funds in ARC are the only source of Federal funding for Appalachian miles not covered in the Intermodal Surface Transportation Act [ISTEA]. Because of the poverty in Appalachia, many communities are unable to qualify for other Federal programs because they can't meet the matching requirements for local cost-sharing. How are communities ever to improve their circumstances if they are never given a helping hand? Because of the situations that exist in some of the small, isolated communities of Appalachia, flexibility is critical to successful problem solving. Thus, an existing program in one Federal agency may not suit the need—but the flexible nature of the ARC program does help solve problems.

The ARC was not set up as a temporary agency. It was set up to deal with long-term, wide-spread fundamental problems in Appalachia. The problems with which ARC deals are not short term in nature. Rather, ARC deals with region wide problems of under development, isolation, and economic disparity. In no other region of the country do such problems stretch across such a vast area.

Mr. President, we hear a great deal of talk in this body about empowering local communities and States to make decisions about what works best for them. The structure of the Appalachian Regional Commission does just that. ARC operates from the bottom up—projects originate at the local level, and the Commission is comprised of the Governors of the thirteen States in the region, along with a Federal cochairman. At present, there are eight Republican and five Democratic Governors who serve on the Commission and who have endorsed its continuation. No policy can be set or any money spent unless the Federal representative and a majority of the Governors reach agreement.

Mr. President, I urge Senators to reject this amendment. This agency is already funded $117 million below the fiscal year 1995 level, $17 million below the fiscal year 1996 level approved by the Senate, and $5 million below the fiscal year 1997 budget request level. Cuts are already being imposed on the ARC. I urge the Senate to stand by its earlier votes in support of the Appalachian Regional Commission.

Mr. ROCKEFELLER. Mr. President, I urge all of my colleagues to vote against the Grams amendment. It would be a mistake to cut funding for the Appalachian Regional Commission, a small and valuable agency that has earned strong, bipartisan support here in Congress and in the 13 States it serves.

Some Senators may think this is an amendment that only affects those of us representing Appalachian States. I want to explain why everyone in this body has reason to reject this amendment and its call for another cut in the ARC.

The people of every State have a stake in the economic strength of the rest of the country. When floods ravage the Midwest or the Gulf States; when a major defense installation or space center is located in a State like Texas or Alabama; when payments are made to farmers for crop support or losses; when California, Colorado, or some other Western State needs water to survive; when Federal research labs are placed in New Mexico or Massachusetts—when any of this support and assistance is extended, it is the country's way of investing in each region and in the future of Americans everywhere.

The Appalachian Regional Commission is the Federal Government's principal means of helping one distinct part of the country overcome some very real barriers. Its mission is to act as a Federal partner with the States of the Appalachian region—to overcome barriers from geography to infrastucture to poverty, and to lay the foundation for economic growth and prosperity.

The ARC has not exploded in size or scope or funding. Quite the opposite. In fact, as the dividends of its work have come through, Congress has been able to reduce its budget in the recent years.

This agency is a success story, and it is in the national interest to keep its work going to get the job done.

In many parts of the region, major progress has been achieved. But the ARC's job is not quite finished, and the agency needs adequate funding to continue its partnership with West Virginia and the Appalachian region to finish the foundation we need for more growth, more jobs, and more hope for our people.

In the bill before us, ARC's budget is cut by $5 million from last year's level. And more importantly, Senators should know that last year's level was set after ARC was cut by close to 40 percent from its fiscal year 1995 funding. The ARC and the States served by this small agency are doing their share of sacrifice for deficit reduction. The appropriation in this year's bill is fully consistent with the budget resolution, which assumed the continuation of the ARC. Its funding should not be further reduced.

The Grams amendment would cause real damage to the agency and to the parts of the Appalachian region where ARC's resources and expertise are still needed.

As a former Governor, and now as a U.S. Senator from West Virginia, I know vividly the value of the ARC and how it improves the lives of many hard-working citizens. Whether the funding is used for new water and sewer systems, physician recruitment, adult literacy programs, or the Appalachian corridor highways, it has made the difference in West Virginia, Kentucky, and the other Appalachian States.

The highways are the most visible and best known investments made by the ARC for the people of Appalachia. As of today, over two-thirds of the ARC highway system have been completed. But if the ARC is further cut, the job of bringing the Appalachian States up to the level of non-Appalachian States will be further delayed or never achieved at all.

At this very moment, some of these highways are called highways halfway to nowhere, because they are just that—half built, and only halfway to their destination.

The job has to be completed, so these highways become highways the whole way to somewhere. And that somewhere is called jobs and prosperity that will benefit the rest of the country, too. Appalachia simply wants to be connected to our national grid of highways. Parts of the region weren't lucky enough to come out as flat land, so the job takes longer and costs more. But it is essential in giving the people and families in this part of the United States of America a shot—a chance to be rewarded for a work ethic and commitment with real economic opportunity and a decent quality of life.

I won't speak for my colleagues from other Appalachian States, but West Virginia was not exactly the winner in the original Interstate Highway System. And Senators here represent many States that were. As a result, areas of my State have suffered, economically and in human terms. Without roads, people are shut off from jobs. That's obvious. But without roads, people also can't get decent health care. Dropping out of school is easier sometimes than taking a 2-hour bus ride because the roads aren't there.

Long before it was fashionable, ARC used a from-the-bottom-up approach to addressing local needs rather than a top-down, one-size-fits-all mandate of the type that has become all too familiar to citizens dealing with Federal agencies. It works, too.

I urge everyone in this body to keep a promise made to a region that has been short-shrifted. Each region is unique. Solutions have to differ, depending on our circumstances. When it comes to Appalachia, a small agency called the Appalachian Regional Commission should finish its work. Cutting its budget further will only create more problems and more costs that should be avoided. I urge my colleagues to vote against the Grams amendment, and again, I remind everyone that it is in the entire Nation's interest to invest in each region and each State in ways that deal with their needs and their potential.

Mr. WARNER. Mr. President, I rise in opposition to an amendment offered by Senator GRAMS of Minnesota which would drastically reduce funding for the Appalachian Regional Commission.

At a time when we are correctly terminating or scaling back outdated Federal programs, I believe the Appalachian Regional Commission is the type of Federal initiative we should be encouraging. It is important to recognize that the ARC uses its limited Federal dollars to leverage additional State and local funding. This successful partnership enables communities in Virginia to have tailored programs which help them respond to a variety of grassroots needs.

In the Commonwealth of Virginia, 21 counties rely heavily on the assistance they receive from the Appalachian Regional Commission. Income levels for this region of Virginia further indicate that on average my constituents who reside in this region have incomes which are $6,000 below the average per capita income for the rest of the Nation.

In 1960, when the ARC was created, the poverty rate in Virginia's Appalachian region was 24.4 percent. Since that time the ARC has helped slash the region's poverty rate in half. However, we are still a long way from achieving the U.S. average poverty level of 13.1 and also the regional poverty level of other ARC-member States of 15.2 percent.

In addition to the progress made on the region's staggering poverty rate, the ARC has made important inroads curbing several other problems inherent in Appalachia. Since the inception of the ARC, the infant mortality rate in the region has fallen by two thirds. The high school graduation rate has doubled, and unemployment rates have significantly declined.

Even with these substantial improvements, however, the region still lags behind the rest of the Nation in all of these categories. Of the 339 counties within the purview of the ARC, 115 are classified as economically distressed. Meanwhile, the ARC continues with a 40-percent reduction from fiscal year 1995, and the pending Senate appropriations bill contains a further reduction of $5 billion from fiscal year 1996.

With these statistics in mind, I would like to offer some specific points one should keep in mind regarding the effectiveness of ARC programs, its relationship with the Commonwealth of Virginia, and the direct impact that this relationship has on the private sector.

In recent years, a significant portion of ARC funds have been dedicated to local economic development efforts. Were it not for this assistance, the LENOWISCO Planning District and Wise County would not have been able to complete construction of the water and sewage lines to provide utility services to the Wise County Industrial Park at Blackwood. These lines were financed by a $500,000 grant from the ARC and a $600,000 grant from the U.S. Economic Development Administration. The construction of these utilities to serve a new industrial park has attracted a major wood products manufacturing facility which has created 175 new jobs for the community.

The Fifth Planning District serving the Allegheny Highlands of Virginia is a prominent example of leveraging other State and local funds and stimulating economic development with partial funding from the ARC. For fiscal year 1995 with $350,000 from the ARC, the Allegheny Regional Commerce Center in Clifton Forge, VA was established. This new industrial center already has a commitment from 2 industries bringing new employment opportunities for over 220 persons.

The ARC funds for this project has generated an additional $500,000 in State funds, $450,000 from the Virginia Department of Transportation, $145,000 from Allegheny County, and $168,173 from the Allegheny Highlands Economic Development Authority. As a result of a limited Federal commitment, there is almost a 4 to 1 ratio of non-Federal dollars compared to Federal funds.

In many cases these funds have been the sole source of funding for local planning efforts for appropriate community development. For example, such funds have been used to prepare and update comprehensive plans which are required by Virginia State law to be updated every 5 years in revise zoning, subdivision, and other land use ordinances. In addition funds are used to prepare labor force studies or marketing plans to guide industrial development sites.

Mr. President, the mission of the Appalachian Regional Commission is as relevant today as it was when the program was created. This rural region of our Nation remains beset with many geographic obstacles that have kept it isolated from industrial expansion. It is a region that has been attempting to diversify its economy from its dependency on one industry—coal mining—to other stable employment opportunities. It is a program that provides essential services and stimulates the contributions of State and local funds.

I urge the Senate to reject the Grams amendment and supply the necessary funding for this crucial and important program.

The PRESIDING OFFICER. The question now occurs on agreeing to the motion to lay on the table the Grams amendment. The yeas and nays have been ordered. Those in favor of tabling the Grams amendment will vote aye. Those opposed to tabling the GRAMS amendment will vote no. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

The PRESIDING OFFICER (Mr. ASHCROFT). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 30, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—69

Akaka
Baucus
Bennett
Biden
Bingaman
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Cochran
Conrad
Coverdell
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Faircloth
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Harkin
Hatch
Hatfield
Heflin

Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Lautenberg
Leahy
Levin
Lieberman
Lott
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nunn
Pell
Pryor
Reid
Robb
Rockefeller
Santorum
Sarbanes
Shelby
Simon
Specter
Stevens
Thurmond
Warner
Wellstone
Wyden

NAYS—30

Abraham
Ashcroft
Bond
Brown
Campbell
Chafee
Coats
Cohen
Craig
Feingold
Gramm
Grams
Grassley
Gregg
Hutchison
Inhofe
Kempthorne
Kohl
Kyl
Lugar
Mack
McCain
Nickles
Pressler
Roth
Simpson
Smith
Snowe
Thomas
Thompson

NOT VOTING—1

Frahm

The motion to lay on the table the amendment (No. 5100) was agreed to.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. I understand Senator WELLSTONE has a colloquy in lieu of an amendment.

Mr. WELLSTONE. I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

BIOMASS RURAL ELECTRICITY PROJECTS

Mr. WELLSTONE. Mr. President, let me be quite brief because I know we are going to a final vote. One of the more exciting developments for rural America are biomass rural electricity projects. I was in Granite Falls, MN, yesterday, and the high school auditorium was filled with citizens excited about a project with the alfalfa producers co-op. This is biomass rural electricity. This is a value-added, farmer-owned co-op. This is rural economic development. This is environmentally sound. This is new products for agriculture. It is renewable energy.

The question I ask the managers of the bill is, will these projects be eligible for consideration for funding in fiscal 1997 out of the funds provided? My concern, as the Senator from Minnesota, is that, as a matter of fact, these kinds of projects, based upon this renewable energy policy, based upon this concern about the environment and rural economic development, will be eligible for funding.

So my question, one more time, is whether or not these projects will be eligible for consideration of funding in fiscal 1997 out of the funds provided.

Mr. JOHNSTON. Mr. President, the answer is, yes, these projects for biomass electric will be eligible, and the Department should give full consideration to these projects along with those mentioned in the committee report. These appear to be promising technologies, and we will urge the department to fully consider them.

Mr. DOMENICI. Mr. President, I have listened to the colloquy and reviewed it before. I agree.

Mr. WELLSTONE. Mr. President, I thank both the Senator from Louisiana and the Senator from New Mexico.

AMENDMENT NO. 5122

Mr. DOMENICI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 5122.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 22, line 17, following "$92,629,000" insert the following: ": *Provided further*, That in addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department of Energy shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has bee paid under this paragraph".

Mr. DOMENICI. Mr. President, yesterday we accepted an amendment to the bill to provide the Secretary of Energy with buyout authority in fiscal year 1997. If buyouts are offered, the Civil Service Retirement and Disability Fund would be required to make previously unanticipated payments which results in a scoring issue.

The technical amendment I offer will resolve the scoring issue by directing the Secretary of Energy to make appropriate payments to the Civil Service Retirement and Disability Fund on behalf of employees who accept buyouts.

Mr. President, I ask that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5122) was agreed to.

Mr. DOMENICI. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE ADVANCED COMPUTATIONAL TECHNOLOGY INITIATIVE

Mr. STEVENS. I would like to enter into a colloquy with the bill manager, Senator DOMENICI, and Senator BENNETT. The Advanced Computational Technology Initiative [ACTI] is an ongoing DOE advanced R&D Program involving joint research efforts by the national labs and the oil and gas industry. The program pairs the unique supercomputing capabilities of DOE's nine multi-purpose National Laboratories with the domestic oil and natural gas industry. These research capabilities that would not otherwise be readily available will enable American industry to solve some of the grand challenge problems that exist in exploration and production geophysics, engineering, and geoscience.

Mr. BENNETT. This program is a collaborative effort that will produce significant energy security benefits. For example, the program is advancing technology to reduce the costs of acquiring seismic data and enhance 3D simulation using advanced visualization and virtual reality in reservoir engineering. These advances will bring down development costs in marginal areas thereby increasing net production and reducing the surface impacts of oil drilling. The application of advanced technologies will enhance oil recovery from current producing areas in Prudhoe Bay, the Gulf of Mexico, and the Appalachian Basin.

Mr. STEVENS. The Federal funding supports the national lab and university components, no Federal funds go to the industry. The projects have been selected on a competitive basis to ensure only relevant and widely beneficial research is supported by DOE. Industry contributes over 50 percent on a cost-sharing basis.

Mr. BENNETT. In order to adequately fund this program, $9,000,000 under Engineering and Geosciences in Basic Energy Sciences, and $5,000,000 in computational technology research in other energy research programs must be committed to the Department's Advanced Computational Technology Initiative.

Mr. DOMENICI. I agree with my colleagues as to the value of the ACTI Program and support Department funding of the program at this level.

SOLAR, WIND, AND RENEWABLES ACCOUNT

Mr. JEFFORDS. Mr. President, I would like to engage in a brief colloquy with the chairman of the Energy and Water Appropriations Subcommittee regarding the amendment that was adopted yesterday restoring funding to the solar, wind, and renewables account. Is it the chairman's understanding that $23.072 million has been transferred into the solar and renewables account in this appropriations measure, leaving a total of $269.713 million for the solar and renewable energy account.

Mr. DOMENICI. That is my understanding.

Mr. JEFFORDS. Is it also your understanding that of this $23.072 million in the amendment, $16.5 million shall be for an increase in wind energy systems of which $2 million shall be for the Kotzebue, Alaska project. In addition, the amendment would provide increases of $2.0 million for international solar, $1.5 million for solar thermal; $1.0 million for resource assessment; $1.072 million for the renewable energy production incentive program; and $1 million for the utility climate challenge program.

Mr. DOMENICI. That is correct, Senator.

Mr. JEFFORDS. I would like to thank the managers of this bill for their assistance with this important amendment.

INEL

Mr. KEMPTHORNE. Mr. President, the senior Senator from Idaho, Mr. CRAIG, and I, should like to engage the chairman of the Senate Energy and Water Appropriations Subcommittee, Mr. DOMENICI, in a colloquy for purposes of clarification regarding the status of two INEL projects, funding for which is not specific in the report.

Mr. DOMENICI. Mr. President, under the Defense Environmental Restoration and Waste Management account for the Department of Energy; more specifically within the nuclear material and facility stabilization section, it is stated that the "Committee is aware that the Idaho National Engineering Laboratory has been designated the lead lab under DOE's National Spent Nuclear Fuel Program and that the Department has acknowledged that increased funding will be needed to carry out the additional responsibilities." In this regard, Mr. President, the Committee—Energy and Water Appropriations—recommendation is consistent with the Senate authorizing committee action for this activity.

Mr. KEMPTHORNE. As the distinguished chairman of the Senate Energy and Water Appropriations Subcommittee, the Senator from New Mexico, knows, the Senate Defense authorization bill for fiscal year 1997, H.R. 3230, also authorizes funding under the nuclear material and facility stabilization provision for spent fuel vulnerabilities associated with activities at INEL's power burst facility. Was it the intent of the committee recommendation, to be consistent with the Senate authorizing committee action for the national spent fuel activity, to also include funding for this provision?

Mr. DOMENICI. While the two INEL projects under the National Spent Nuclear Fuel Program were not actually described in report language, it was the intent of the committee to include both activities for funding under this section—nuclear material and facility stabilization.

Mr. CRAIG. Will the Senator from New Mexico indulge me in turning to another section of the energy and water appropriations bill, S. 1959; specifically the Waste Management Program under the Defense environmental restoration and waste management section for further clarification?

Mr. DOMENICI. Certainly.

Mr. CRAIG. The fiscal year 1997 Defense authorization bill also provided authorization for a surety program at the INEL to improve waste minimization efforts in the new stockpile management modernization program. Was it the intent of the committee to also provide funding for this activity within the waste management section, which received an additional $138.4 million from the President's budget request?

Mr. DOMENICI. The DOE Waste Management Program seeks to protect the public and workers by seeking to minimize, treat, store, and dispose of radioactive, hazardous, mixed and sanitary waste generated by past and ongoing operations at DOE facilities, which is consistent with the surety program.

INDIAN ENERGY RESOURCES PROGRAM

Mr. STEVENS. Included in this appropriations bill is funding for the Indian Energy Resources Grant program, which was originally authorized in the Energy Policy Act of 1992. As the Senator from New Mexico knows well, in its short history, this program has been put to good use in providing up to a 50-percent match for funding for sorely needed energy projects in Native communities.

Mr. DOMENICI. I share the sentiments of the Senator from Alaska regarding the importance of the grants provided under the Indian Energy Resources Program.

Mr. STEVENS. I appreciate that the Senator's work on this year's bill included funding for three important renewable energy projects in Alaska—two are clean, small hydroelectric projects to partially or fully replace 100 percent diesel-generated electricity in rural parts of Alaska, which are predominantly Native. Funding for the third project will be for the construction of a transmission intertie to bring energy from a recently completed hydroelectric project to several communities.

For rural Alaska, electric power is still expensive and limited in supply. Electricity is produced in rural Native villages by burning diesel fuel that is brought in to the villages during the summer months and stored in fuel tanks. For the past two decades the State of Alaska has been able to provide subsidies to rural Alaskans through its Power Cost Equalization Program. Because the oil fields of Alaska's North Slope are now in decline, however, and because development of the known oil field on the Coastal Plain of the Arctic National Wildlife Refuge is still restricted, the State's continuation of this program is uncertain.

Rural Alaskans, therefore could be facing an increase in their energy bills on the order of 30 cents to more than $1 per kilowatt hour. The national average for electric power is just 7 to 8 cents per kilowatt hour. For this reason, development of renewable energy and energy transmission projects in rural Alaska is all the more important.

My only disappointment regarding this program is that, with the limited funding we are able to provide this year, several worthy projects, such as the hydroelectric projects proposed for Old Harbor and Admiralty Island, Alaska, were not funded. Additionally, the authorization for the Indian Energy Resources Program is only through fiscal year 1997.

It is my hope that the Department of Energy will give what support it can to Native projects such as the Old Harbor and Admiralty Island hydroelectric projects this year. I also fully support the reauthorization of this program.

Mr. DOMENICI. I agree with the Senator that we would have hoped to provide funding to all the proposed worthy projects. As this was simply not possible, however, the absence of earmarks should not prohibit the Department of Energy from providing technical and financial assistance where possible. This program has been important to Indian projects in my State as well, and I look forward to working with the Senator from Alaska in its continuation.

TITLE XVI WATER RECYCLING PROGRAM

Mr. BENNETT. I thank my friend from New Mexico, the distinguished chairman of the Energy and Water Development Subcommittee for his leadership on this bill. I particularly wish to thank the Senator for his personal commitment to the Bureau of Reclamation's title XVI water recycling program. As the Senator knows, I am a strong advocate of this program. In arid Western States like Utah, water reuse is the next logical step, both economically and environmentally toward guaranteeing more dependable water supplies for our cities and towns.

As the Senator knows, I have sponsored legislation to expand the existing title XVI program which I am hopeful will be enacted this year. This legislation includes projects in my own State of Utah as well as projects in New Mexico, Texas, Nevada, and California. In anticipation of the enactment of that legislation, I have asked the distinguished chairman to seek the inclusion of certain language in the conference report accompanying this bill at the proper time. This language that would instruct the Bureau of Reclamation to make available to other water recycling projects authorized under title XVI any funds appropriated by this bill of title XVI projects that the Bureau may be unable to obligate for whatever reasons when it is possible.

Would the distinguished chairman agree to seek the inclusion of this language in the conference report?

Mr. DOMENICI. The Senator from Utah is correct.

Mr. BENNETT. I thank the Senator for his courtesy in this regard.

ADVANCED RESERVOIR MANAGEMENT PROGRAM

Mr. DOMENICI. Mr. President, I rise today to point out to my colleagues the importance of an initiative within the Department of Energy [DOE] that represents the proper partnership role for the Department and our private sector. I speak of the advanced reservoir management [ARM] project that has been funded under the Defense Activities, Technology Transfer account within the Energy and Water Appropriations bill. This program takes advantage of the unique computer capabilities of our national lab stockpile stewardship initiative and the common problems facing the independent oil and gas producers of the country. These problems involve complex legacy databases and require advanced computational challenges that are simply beyond the grasp of most independent oil and gas producers to solve on their own. This program represents a new model for industry-lab partnerships and serves the Nation by enhancing the stockpile stewardship mission while contributing to essential new knowledge and capability in our energy sector. In doing so, this partnership contributes to both our national defense and to the Nation's energy security. I suggest that this program should continue to be an important part of the DOE mission.

FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM

Mr. D'AMATO. Mr. President, I wonder if the chairman will yield for a moment.

Mr. DOMENICI. I am happy to yield to my friend from New York.

Mr. D'AMATO. Thank you, Mr. President. Tonawanda, NY, is home to seven sites that are on the Department of Energy's Formerly Utilized Sites Remedial Action Program [FUSRAP] list. Four of these sites—Ashland 1, Ashland 2, Seaway Industrial Park and Linde Air Products—are collectively known as the Tonawanda Site. The Tonawanda site is a legacy of the Manhattan Project and contains approximately 350,000 cubic yards of radioactive waste. For 18 years, the Department of Energy has engaged in study after study and has spent over $20 million to determine how to permanently dispose of this waste. There is no support for Tonawanda's 80,000 residents for siting this waste within the town. For 50 years they have had to endure this waste and the blight it has cast upon their town. They are sick of it and they want it gone.

Mr. MOYNIHAN. If I may add, the citizens of Tonawanda, through their elected officials, have engaged our offices and have asked Senator D'AMATO and me to request that the Congress give direction to the Department of Energy in order to start the process towards removal and disposal of this waste. We both agreed that we would do what we could to relieve the town's burden. Now, Mr. President, this is a daunting task requiring many tens of millions of dollars. We do not believe for a moment that it will be easy. However, we are here today to ask the chairman's assistance with the next step.

Mr. D'AMATO. Mr. President, the Department of Energy has indicated that moving this waste will be expensive, however, we are not aware of any fixed price of what it would cost to remove, transport and dispose of this waste. We do not know if a business, operating in the open market, can present a reasonable, competitive bid. We do not know because no bids have been put forth by the Department that would determine the private sector's ability to manage this waste. Hence, the waste remains where it is, the studies continue and the citizens of Tonawanda grow frustrated.

Mr. MOYNIHAN. The Department should at least explore the options available to them. The private sector may be able to present a bid that would speed-up the clean-up of the Tonawanda site in a cost-effective manner. Maybe it cannot. The problem is the Department of Energy is reluctant to even find out.

Mr. DOMENICI. I appreciate hearing the concerns of my friends from New York. I can understand their wanting to see this site cleaned-up as quickly and efficiently as possible. I can also understand the concerns of the citizens of Tonawanda—they will only be pleased with the total removal of this 350,000 cubic yards of radioactive waste. Finally, I can understand the funding constraints of the FUSRAP program within the Department of Energy that can make decisions like these very difficult. Nevertheless, I believe that the Senators from the State of New York have a right to find out what analyses the Department of Energy possesses that indicate that removal, transportation and off-site storage appear unacceptable to the Department.

Mr. D'AMATO. I thank my friend from New Mexico for his indulgence.

Mr. MOYNIHAN. I thank the chairman, as well.

RENEWABLE AND CONSERVATION RESOURCES

Mr. HATFIELD. Mr. President, if I might have the attention of my friend from New Mexico, the distinguished manager of the pending legislation, I would like to clarify a clerical error which appeared in the Senate committee report on this legislation. The item I seek to clarify involves the role of the Bonneville Power Administration in advancing the use of renewable energy resources and promoting energy conservation in the Pacific Northwest.

The following language was included in the subcommittee report to accompany S. 1959:

> Renewable Resource Development.—The Committee understands that the BPA, in keeping with the goals of the 1980 Northwest Power Planning and Conservation Act, is involved in four renewable resource demonstration projects in the region. The Committee supports BPA's efforts to confirm and expand the supply of renewable resources in the Northwest, and expects BPA to complete the two wind and two geothermal projects it has underway. Completing these projects will lay the foundation for building a renewable marketplace in the region, and will benefit both the environment and the local economy. The Committee understands that BPA may spend up to $40,000,000 each year on these projects once they are all in service, and encourages BPA to move forward expeditiously on their completion. The Committee directs BPA to prepare a report on the progress of this program by March 1, 1997.

Subsequently, during the markup of S. 1959 in the full Appropriations Committee, language on renewable energy was agreed to which was intended to replace, not be added to, the above subcommittee report language. The language is as follows:

> Renewable and conservation resources.—The Committee continues to strongly support conservation and renewable energy resources. These resources remain the foundation for a sustainable energy future in the Pacific Northwest as the region approaches the new century. The Committee strongly encourages the Bonneville Power Administration, the Northwest Power Planning Council, and other participants in the regional review being conducted by the Governors of the four Northwest States, to explore all innovative measures to assure achievement of pace-setting energy conservation and renewable resource targets in the coming decade. The Committee urges that new mechanisms be defined to assure adequate funding to sustain and substantially expand energy conservation and renewable resources as the electric power industry transitions to a more deregulated energy marketplace. While the Committee recognizes the BPA's need to remain competitive and assure its payments to the U.S. Treasury, BPA should make every effort to fulfill the commitments it has made to renewable energy and energy conservation resources.

To summarize, the paragraph entitled, "Renewable and conservation resources," adopted in the full committee markup, was meant to replace the paragraph entitled, "Renewable Resource Development", which was adopted in the subcommittee markup.

My purpose in speaking on this issue is to clarify this point with the chairman of the subcommittee, Mr. Domenici. Does the Senator from New Mexico's understanding of committee's intent comport with what I just described.

Mr. DOMENICI. Mr. President, the Senator from Oregon has accurately described the intent of the committee. I thank my friend for clarifying the committee's intent with regard to this clerical error.

RENEWABLE ENERGY PROGRAMS

Mr. ROTH. Mr. President, I am pleased that the Senate Energy and Water Appropriations bill includes my amendment that increase funding for renewable energy programs. My amendment restore $23 million to solar and wind energy programs, bringing funding to these programs up to last year's levels.

Mr. President, renewable energy technologies represent our best hopes for reducing air pollution, creating jobs and decreasing our reliance on imported oil and finite supplies of fossil fuels. These programs promise to supply economically competitive and commercially viable energy, while also assisting our Nation in reducing greenhouse gases and oil imports. I believe that the Nation should be looking toward alternative forms and sources of energy, not taking a step backward by cutting funding for these programs.

My own State of Delaware has a long tradition in solar energy. In 1972, the University of Delaware established one of the first photovoltaic laboratories in the Nation. The University has been instrumental in developing solar photovoltaic energy, the same type of energy that powers solar watches and calculators.

Delaware has a major solar energy manufacturer, Astro Power, which is now the fastest growing manufacturer of photovoltaic cells in the world. In collaboration with the University of Delaware and Astro Power, Delaware's major utility—Delmarva Power & Light—has installed an innovative solar energy system that has successfully demonstrated the use of solar power to satisfy peak electrical demand.

Through this collaboration, my State has demonstrated that solar energy technology can be an economically competitive and commercially viable energy alternative for the utility industry.

It is vital that we continue to manufacture these solar cell products with the high performance, high quality, and low costs required to successfully compete worldwide. Investment in Department of Energy solar and renewable energy programs has put us on the threshold of explosive growth. Continuation of the present renewable energy programs is required to achieve the goal of a healthy photovoltaic industry in the United States.

While the solar energy industries might have evolved in some form on their own, the Federal investment has accelerated the transition from the laboratory bench to commercial markets in a way that has already accrued valuable economic benefits to the Nation.

The solar energy industries—like Astro Power—have already created thousands of jobs and helped to reduce our trade deficit through exports of solar energy systems overseas, mostly to developing nations, where 2 billion people are still without access to electricity.

International markets for solar energy systems are virtually exploding, due to several key market trends. Most notably, solar energy is already one of the lowest cost options available to developing countries that cannot afford to build large, expensive centralized power generation facilities with elaborate distribution systems.

The governments of Japan, Germany, and Australia are investing heavily in aggressive technology and market development in partnership with their own solar energy industries. Until recently, Japan and Germany held the lead in world market share for photovoltaics; the United States has only recently recaptured international market dominance. Cutting funding for commercializing these technologies would have a chilling effect on the U.S. industry's ability to compete on an international scale in these billion-dollar markets of today and tomorrow. The employment potential of renewables represents a minimum of 15,000 new jobs this decade with nearly 120,000 the next decade.

It is imperative that this Senate support solar and renewable energy technologies and be a partner to an energy future that addresses our economic needs in an environmentally acceptable manner. My State has done and will continue to do its part. I hope my colleagues in the Senate will look to the future and do their part in securing a safe and reliable energy future by supporting this amendment.

Mr. McCAIN. Mr. President, before final passage of this bill I wanted to make a few points.

First, I want to thank the managers of the bill. Their job is a thankless task and they deserve great credit for moving this important measure with such speed through the Senate.

But, Mr. President, this bill is fundamentally a flawed measure. As is the custom in the Energy and Water Appropriations bill, we put into statute all of the Army Corps of Engineer projects. This practice is very disconcerting.

After carefully examining where such funds are to be spent, one comes to the conclusion that the needs of the States represented by members of the Appropriations Committee have more weight than the needs of other States. It is for this reason that we should end this practice of earmarking Army Corps funds.

Instead, Mr. President, we should develop a system where the States and the Corps work together, develop a priority list based on national needs, and then that list is funded from a lump sum. Such a practice would eliminate the earmaking of this money as it now occurs and would—I believe—prove much more fair.

I am also concerned that some of the projects in the bill are fully funded by the Federal Government while others are not.

I note that on page 5 of the bill a project in Shreveport, LA is funded "at full Federal expense." I wonder why this is being done.

On page 7, we do the same thing with a project in West Virginia.

Mr. President, it is these kinds of earmarks that I believe we should all be concerned.

Additionally, on page 11 of the bill, section 108, we are funding a wharf at the Charleston Riverfront Park in West Virginia. Why aren't there similar sections for other parks?

Mr. President, it is this constant earmarking that leaves me no choice but to vote against this bill. I would hope that in the future we could develop a better system for spending this money.

Mr. WYDEN. Mr. President, I rise in support of S. 1959, the fiscal year 1997 energy and water development appropriations bill.

I am particularly pleased that the Senate is restoring funding for renewable energy programs. A portion of the restored funds will go to support a Federal interagency board, The Committee on Renewable Energy Commerce and Trade [CORECT]. This program came out of legislation authored by Senator HATFIELD and myself in the 97th Congress which President Reagan signed. The premise of the legislation was simple: build effectiveness of Government export assistance programs by having Federal agencies work together, team together. CORECT has worked well. Not only has United States industry identified nearly $2 billion of potential in Latin America alone, but global sales for United States renewable energy equipment and services have more than doubled over the last few years.

Mr. President, I also want to thank the chairman and ranking member for including funding for a particular project—the restoration of wetlands on the Williamson River in Oregon.

This project is one of the results of an environmental initiative by my colleague, Senator HATFIELD, over the past several years.

When endangered fish concerns and other environmental problems started coming to light on the Upper Klamath River in the southern part of our state, it was Senator HATFIELD who provided funding and direction to all the Federal agencies involved to work together on solutions, instead of standing around blaming each other for the problems. And, it was Senator HATFIELD who got them to bring the local stakeholders together to work in league with the agencies in considering those problems and trying to agree on solutions—not in the courts, but sitting down face to face with each other.

The people at that table—including the farmers who use water from the Bureau of Reclamation's Klamath project, the Klamath Tribe, hydro generators, other commercial interests, Oregon Trout, and the Nature Conservancy—probably won't ever achieve perfect harmony. They each have their own priorities. But working together, they have been able to agree on positive steps to take to solve some of the environmental problems in the Upper Klamath Basin—and the Tulana Farms wetlands restoration project at the mouth of the Williamson River is one of those.

The Fish and Wildlife Service identified this restoration as a key element in restoring two endangered fish species on the river, and the Nature Conservancy worked with CH2MHill to design the project in such a way that it adds flexibility to the use of the hydro and irrigation projects on the river, rather than constraining it.

They also designed the project to keep a parcel of the Tulana Farms property in agricultural production, because of its role as an important source of seed potatoes for neighboring farmers.

The Federal Government has a responsibility to address the sorts of problems people are facing on the Upper Klamath. But I am proud to say that the Klamath Basin Working Group working with the Klamath Ecosystem Restoration Office did not simply pass the responsibility for solving these problems—or the bill—to the Federal Government.

They have taken on a substantial part of that responsibility. The restoration work and management of the project will be done by the Nature Conservancy. PacifiCorp and the New Earth Co., both of which have operations on the Upper Klamath system, are contributing $4 million of private funding to the project.

Complaining about a problem is a whole lot easier than solving it, especially when a solution affects lots of different interests, and lots of different people. I want to congratulate the people who have worked together to make this project possible, and urge my colleagues to support the work they have taken on.

TVA COMPETING WITH PRIVATE SECTOR ON ENGINEERING WORK

Mr. COCHRAN. Mr. President, Congress has for many years provided a specific appropriation to fund the Environmental Research Center in Muscle Shoal, AL, until last year, when Congress directed TVA to begin looking for ways to finance the Center's operations with funds other than appropriations.

The Chairman of TVA's Board, Craven Crowell, acknowledged this past March in testimony before our subcommittee that TVA had prepared a plan to continue operating the Environmental Research Center using outside funding sources. It has recently come to my attention that one of the ways TVA plans to continue the Center's operation is to compete for work with the private sector.

Under the latest effort, TVA has produced and distributed materials intended to capitalize on their in-house expertise and resources to perform private sector engineering work. These services include: constructed wetland for wastewater treatment; removal of underground storage tanks; site assessment; environmental restoration; groundwater monitoring, and hazardous waste management. In Mississippi alone, there are over 78 private firms, many of them small businesses, who already provide these services.

TVA's marketing of these activities to the private sector has not only created a competitive challenge because of TVA's reputation and resources, but their Government status has created a greater financial and marketing disadvantage to hundreds of private, small business engineering firms across the seven State Tennessee Valley region who are capable and have an excellent track record in performing these kinds of activities.

I have serious concerns whenever the Federal Government or quasi-governmental agencies attempt to unfairly compete with the private sector. I raise this issue today as we consider the energy and water appropriations bill because our friends in the other body have proposed to eliminate funding for the Environmental Research Center. The effect of their provision will be for TVA to accelerate its efforts to compete for private sector work.

I encourage the Energy and Water Development Subcommittee to look into this issue to ensure that TVA is not unfairly competing with private sector engineering consulting firms.

Mr. DOMENICI. Mr. President, I would like to take a moment to discuss the budget impact of S. 1959, the Energy and Water Development Appropriations Act, 1997.

This bill as reported provides $20.3 billion in budget authority and $13.1 billion in new outlays to fund the civil programs of the Army Corps of Engineers, the Bureau of Reclamation, certain independent agencies, and most of the activities of the Department of Energy. When outlays from prior year budget authority and other actions are taken into account, this bill provides a total of $19.9 billion in outlays.

The subcommittee met its budget authority allocation for defense and nondefense. The bill falls below its defense discretionary outlay allocation by $305 million and its nondefense discretionary outlay allocation by $13 million.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of this bill be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY AND WATER SUBCOMMITTEE SPENDING TOTALS—SENATE-REPORTED BILL

[Fiscal year 1997, in millions of dollars]

	Budget authority	Outlays
Defense discretionary:		
Outlays from prior-year BA and other actions completed		2,863
S. 1959, as reported to the Senate	11,600	8,065
Scorekeeping adjustment		
Subtotal defense discretionary	11,600	10,928
Nondefense discretionary:		
Outlays from prior-year BA and other actions completed		3,970
S. 1959, as reported to the Senate	8,708	4,986
Scorekeeping adjustment		
Subtotal nondefense discretionary	8,708	8,956
Mandatory:		
Outlays from prior-year BA and other actions completed		
S. 1959, as reported to the Senate		
Adjustment to conform mandatory programs with Budget		
Resolutoin assumptions		
Subtotal mandatory		
Adjusted bill total	20,308	19,884
Senate Subcommittee 602(b) allocation:		
Defense discretionary	11,600	11,233
Nondefense discretionary	8,708	8,969
Violent crime reduction trust fund		
Mandatory		
Total allocation	20,308	20,202
Adjusted bill total compared to Senate Subcommittee 602(b) allocation:		
Defense discretionary		−305
Nondefense discretionary		−13
Violent crime reduction trust fund	NA	NA
Mandatory		
Total allocation		−318

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with current scorekeeping conventions.

Mr. DOMENICI. Mr. President, I think we are prepared to go to third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the clerk will report H.R. 3816.

The legislative clerk read as follows:

A bill (H.R. 3816) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Under the previous order, all after the enacting clause is stricken and S. 1959, as amended, will be inserted in lieu thereof, and the bill is considered read the third time.

The bill was considered read the third time.

The PRESIDING OFFICER. The question occurs on passage of H.R. 3816, as amended.

Mr. DOMENICI. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second.

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mr. FRAHM], is necessarily absent.

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 253 Leg.]

YEAS—93

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Faircloth
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wellstone
Wyden

NAYS—6

Brown
Feingold
Kerry
Kyl
McCain
Roth

NOT VOTING—1

Frahm

The bill (H.R. 3816), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 3816) entitled "An Act making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and, when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $154,557,000, to remain available until expended, of which funds are provided for the following projects in the amounts specified:

Coastal Studies Navigation Improvements, Alaska, $500,000;

Red River Navigation, Southwest, Arkansas, $600,000;

Tahoe Basin Study, Nevada and California, $200,000;

Walker River Basin Restoration Study, Nevada and California, $300,000;

Bolinas Lagoon restoration study, Marin County, California, $500,000;

Barnegat Inlet to Little Egg Harbor Inlet, New Jersey, $300,000;

South Shore of Staten Island, New York, $300,000; and

Rhode Island South Coast, Habitat Restoration and Storm Damage Reduction, Rhode Island, $300,000.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,049,306,000, to remain available until expended, of which such sums as are necessary pursuant to Public Law 99–662 shall be derived from the Inland Waterways Trust Fund, for one-half of the costs of construction and rehabilitation of inland waterways projects, including rehabilitation costs for the Lock and Dam 25, Mississippi River, Illinois and Missouri, Lock and Dam 14, Mississippi River, Iowa, and Lock and Dam 24, Mississippi River, Illinois and Missouri, projects, and of which funds are provided for the following projects in the amounts specified:

Larsen Bay Harbor, Alaska, $2,000,000;

Ouzinkie Harbor, Alaska, $2,000,000;

Valdez Harbor, Alaska, Intertidal Water Retention, $1,000,000;

Red River Emergency Bank Protection, Arkansas, $6,000,000;

Indianapolis Central Waterfront, Indiana, $2,000,000;

Harlan (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $10,000,000;

Williamsburg (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $4,700,000;

Middlesboro (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $4,000,000;

Pike County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), Kentucky, $3,000,000;

Ouachita River Levees, Louisiana, $2,600,000;

Lake Pontchartrain and Vicinity, Louisiana, $18,525,000;

Lake Pontchartrain (Jefferson Parish) Stormwater Discharge, Louisiana, $3,500,000;

Red River Emergency Bank Protection, Louisiana, $4,400,000;

Mill Creek, Ohio, $500,000;

Seelconk River, Rhode Island Bridge removal, $650,000;

Red River Chloride Control, Texas, $4,500,000;

Wallisville Lake, Texas, $5,000,000;

Richmond Filtration Plant, Virginia, $3,500,000;

Virginia Beach, Virginia, Hurricane Protection, $8,000,000;

Hatfield Bottom (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $1,600,000;

Lower Mingo (Kermit) (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), $4,200,000;

Lower Mingo, West Virginia, Tributaries Supplement, $105,000; and

Upper Mingo County (Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River), West Virginia, $4,000,000: Provided, That of the funds provided for the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, $3,000,000 is provided, to remain available until expended, for design and construction of a regional visitor center in the vicinity of Shreveport, Louisiana at full Federal expense: Provided further, That the Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to initiate construction on the following projects in the amounts specified:

Kake Harbor, Alaska, $4,000,000;

Helena and Vicinity, Arkansas, $150,000;

San Lorenzo, California, $200,000;

Panama City Beaches, Florida, $400,000;

Chicago Shoreline, Illinois, $1,300,000;

Pond Creek, Jefferson City, Kentucky, $3,000,000;

Boston Harbor, Massachusetts, $500,000;

Poplar Island, Maryland, $5,000,000;

Natchez Bluff, Mississippi, $5,000,000;

Wood River, Grand Isle, Nebraska, $1,000,000;

Duck Creek, Cincinnati, Ohio, $466,000;

Saw Mill River, Pittsburgh, Pennsylvania, $500,000;

Upper Jordan River, Utah, $1,100,000;

San Juan Harbor, Puerto Rico, $800,000; and

Allendale Dam, Rhode Island, $195,000: Provided further, That no fully allocated funding policy shall apply to construction of the projects listed above, and the Secretary of the Army is directed to undertake these projects using continuing contracts where sufficient funds to complete the projects are not available from funds provided herein or in prior years.

FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES, ARKANSAS, ILLINOIS, KENTUCKY, LOUISIANA, MISSISSIPPI, MISSOURI, AND TENNESSEE

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g–1), $312,513,000, to remain available until expended: Provided, That the President of the Mississippi River Commission is directed henceforth to use the variable cost recovery rate set forth in OMB Circular A–126 for use of the Commission aircraft authorized by the Flood Control Act of 1946, Public Law 526.

OPERATION AND MAINTENANCE, GENERAL

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,688,358,000, to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99–662, may be derived from that fund, and of which such sums as become available from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l), may be derived from that fund for construction, operation, and maintenance of outdoor recreation facilities and of which $500,000 shall be made available for the maintenance of Compton Creek Channel, Los Angeles County drainage area, California: Provided, That the Secretary of the Army is directed to design and implement at full Federal expense an early flood warning system for the Greenbrier and Cheat River Basins, West Virginia within eighteen months from the date of *enactment of this Act: Provided further, That the Secretary of the Army is directed during fiscal year 1997 to maintain a minimum conservation pool level of 475.5 at Wister Lake in Oklahoma: Provided further, That no funds, whether appropriated, contributed, or otherwise provided, shall be available to the United States Army Corps of Engineers for the purpose of acquiring land in Jasper County, South Carolina, in connection with the Savannah Harbor navigation project: Provided further, That the Secretary of the Army is directed to use $600,000 of funding provided herein to perform maintenance dredging of the Cocheco River navigation project, New Hampshire: Provided further, That $750,000 is for the Buford-Trenton Irrigation District, section 33, erosion control project in North Dakota.*

REGULATORY PROGRAM

For expenses necessary for administration of laws pertaining to regulation of navigable waters and wetlands, $101,000,000, to remain available until expended.

FLOOD CONTROL AND COASTAL EMERGENCIES

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act approved August 18, 1941, as amended, $10,000,000, to remain available until expended.

GENERAL EXPENSES

For expenses necessary for general administration and related functions in the Office of the Chief of Engineers and offices of the Division Engineers; activities of the Coastal Engineering Research Board, the Humphreys Engineer Center Support Activity, the Engineering Strategic Studies Center, and the Water Resources Support Center, and for costs of implementing the Secretary of the Army's plan to reduce the number of division offices as directed in title I, Public Law 104–46, $153,000,000, to remain available until expended: Provided, That no part of any other appropriation provided in title I of this Act shall be available to fund the activities of the Office of the Chief of Engineers or the executive direction and management activities of the Division Offices: Provided further, That the Secretary of the Army may not obligate any funds available to the Department of the Army for the closure of the Pacific Ocean Division Office of the Army Corps of Engineers.

ADMINISTRATIVE PROVISIONS

Appropriations in this title shall be available for official reception and representation expenses (not to exceed $5,000); and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 100 for replacement only) and hire of passenger motor vehicles.

GENERAL PROVISIONS

SEC. 101. The flood control project for Arkansas City, Kansas authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662, 100 Stat. 4116) is modified to authorize the Secretary of the Army to construct the project at a total cost of $38,500,000, with an estimated first Federal cost of $19,250,000 and an estimated first non-Federal cost of $19,250,000.

SEC. 102. Funds previously provided under the Fiscal Year 1993 Energy and Water Development Act, Public Law 102–377, for the Elk Creek Dam, Oregon project, are hereby made available to plan and implement long term management measures at Elk Creek Dam to maintain the project in an uncompleted state and to take necessary steps to provide passive fish passage through the project.

SEC. 103. The flood control project for Moorefield, West Virginia, authorized by section 101(a)(25) of the Water Resources Development Act of 1990 (Public Law 101–640, 104 Stat. 4610) is modified to authorize the Secretary of the Army to construct the project at a total cost of $26,200,000, with an estimated first Federal cost of $20,300,000 and an estimated first non-Federal cost of $5,900,000.

SEC. 104. The project for navigation, Grays Landing Lock and Dam, Monongahela River, Pennsylvania (Lock and Dam 7 Replacement), authorized by section 301(a) of the Water Resources Development Act of 1986 (Public Law 99–662, 100 Stat. 4110) is modified to authorize the Secretary of the Army to construct the project at a total cost of $181,000,000, with an estimated first Federal cost of $181,000,000.

SEC. 105. From the date of enactment of this Act, flood control measures implemented under Section 202(a) of Public Law 96–367 shall prevent future losses that would occur from a flood equal in magnitude to the April 1977 level by providing protection from the April 1977 level or the 100-year frequency event, whichever is greater.

SEC. 106. Notwithstanding any other provision of law, the Secretary of the Army, acting through the Chief of Engineers, is authorized to reprogram, obligate and expend such additional sums as are necessary to continue construction and cover anticipated contract earnings of any water resources project that received an appropriation or allowance for construction in or through an appropriations Act or resolution of the then-current fiscal year or the two fiscal years immediately prior to that fiscal year, in order to prevent the termination of a contract or the delay of scheduled work.

SEC. 107. (a) In fiscal year 1997, the Secretary of the Army shall advertise for competitive bid at least 7,500,000 cubic yards of the hooper dredge volume accomplished with government owned dredges in fiscal year 1996.

(b) Notwithstanding the provisions of this section, the Secretary is authorized to use the dredge fleet of the Corps of Engineers to undertake projects when industry does not perform as required by the contract specifications or when the bids are more than 25 percent in excess of what the Secretary determines to be a fair and reasonable estimated cost of a well equipped contractor doing the work or to respond to emergency requirements.

SEC. 108. The Corps of Engineers is hereby directed to complete the Charleston Riverfront (Haddad) Park Project, West Virginia, as described in the design memorandum approved November, 1992, on a 50–50 cost-share basis with the City. The Corps of Engineers shall pay one-half of all costs for settling contractor claims on the completed project and for completing the wharf. The Federal portion of these costs shall be obtained by reprogramming available Operations & Maintenance funds. The project cost limitation in the Project Cooperation Agreement shall be increased to reflect the actual costs of the completed project.

TITLE II

DEPARTMENT OF THE INTERIOR

CENTRAL UTAH PROJECT

CENTRAL UTAH PROJECT COMPLETION ACCOUNT

For the purpose of carrying out provisions of the Central Utah Project Completion Act, Public Law 102–575 (106 Stat. 4605), and for feasibility studies of alternatives to the Uintah and Upalco Units, $42,527,000, to remain available until expended, of which $16,700,000 shall be deposited into the Utah Reclamation Mitigation and Conservation Account: Provided, That of the amounts deposited into the Account, $5,000,000 shall be considered the Federal contribution authorized by paragraph 402(b)(2) of the Act and $11,700,000 shall be available to the Utah Reclamation Mitigation and Conservation Commission to carry out activities authorized under the Act.

In addition, for necessary expenses incurred in carrying out responsibilities of the Secretary of the Interior under the Act, $1,100,000, to remain available until expended.

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, $18,105,000, to remain available until expended: Provided, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: Provided further, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended: Provided further, That within available funds, $150,000 is for completion of the feasibility study of alternatives for meeting the drinking water needs of Cheyenne River Sioux Reservation and surrounding communities.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, $398,596,700, to remain available until expended, of which $23,410,000 shall be available for transfer to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $58,325,700 shall be available for transfer to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended, and that $12,500,000 shall be available for the Mid-Dakota Rural Water System: Provided, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: Provided further, That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation under this heading: Provided further, That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: Provided further, That all costs of the safety of dams modification work at Coolidge Dam, San Carlos Irrigation Project, Arizona, performed under the authority of the Reclamation Safety of Dams Act of 1978 (43 U.S.C. 506), as amended, are in addition to the amount authorized in section 5 of said Act: Provided further, That section 301 of Public Law 102–250, Reclamation States Emergency Drought Relief Act of 1991, is amended by inserting "1996, and 1997" in lieu of "and 1996": Provided further, That the amount authorized by section 210 of Public Law 100–557 (102 Stat. 2791), is amended to $56,362,000 (October 1996 prices plus or minus cost indexing), and funds are authorized to be appropriated through the twelfth fiscal year after conservation funds *are first made available: Provided further, That $1,500,000 shall be available for construction of McCall Wastewater Treatment, Idaho facility, and $1,000,000 shall be available for Devils Lake Desalination, North Dakota Project.*

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, $280,876,000, to remain available until expended: Provided, That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund, and the amount for program activities which can be derived from the special fee account established pursuant to the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), may be derived from that fund: Provided further, That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same purpose and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: Provided further, That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project.

BUREAU OF RECLAMATION LOAN PROGRAM ACCOUNT

For the cost of direct loans and/or grants, $12,290,000, to remain available until expended, as authorized by the Small Reclamation Projects Act of August 6, 1956, as amended (43 U.S.C. 422a–422l): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $37,000,000.

In addition, for administrative expenses necessary to carry out the program for direct loans and/or grants, $425,000: Provided, That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from the fund.

CENTRAL VALLEY PROJECT RESTORATION FUND

For carrying out the programs, projects, plans, and habitat restoration, improvement, and acquisition provisions of the Central Valley Project Improvement Act, such sums as may be collected in the Central Valley Project Restoration Fund pursuant to sections 3407(d), 3404(c)(3), 3405(f) and 3406(c)(1) of Public Law 102–575, to remain available until expended: Provided, That the Bureau of Reclamation is directed to levy additional mitigation and restoration payments totaling $30,000,000 (October 1992 price levels) on a three-year rolling average basis, as authorized by section 3407(d) of Public Law 102–575.

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver office, and offices in the five regions of the Bureau of Reclamation, to remain available until expended, $48,307,000, to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): Provided, That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or special fee account are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) or the Act of December 22, 1987 (16 U.S.C. 460l–6a, as amended), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified.

ADMINISTRATIVE PROVISION

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 6 passenger motor vehicles for replacement only.

TITLE III

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for energy supply, research and development activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 24 for replacement only), $2,764,043,000, to remain available until expended: Provided, That $5,000,000 shall be available for research into reducing the costs of converting saline water to fresh water.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.) and the Energy Policy Act (Public Law 102–486, section 901), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of electricity as necessary; and the purchase of passenger motor vehicles (not to exceed 3 for replacement only); $42,200,000, to remain available until expended: Provided, That revenues received by the Department for uranium programs and estimated to total $42,200,000 in fiscal year 1997 shall be retained and used for the specific purpose of offsetting costs incurred by the Department for such activities notwithstanding the provisions of 31 U.S.C. 3302(b) and 42 U.S.C. 2296(b)(2): Provided further, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $0.

Section 161k. of the Atomic Energy Act of 1954 (42 U.S.C. 2201k) with respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines shall require, at a minimum, the presence of an adequate number of security guards carrying side arms at all times to ensure maintenance of security at the gaseous diffusion plants.

Section 311(b) of the USEC Privatization Act (Public Law 104–134, title III, chapter 1, subchapter A) insert the following:

"(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8432 and 8351 of title 5, United States Code, for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1).".

URANIUM ENRICHMENT DECONTAMINATION AND DECOMMISSIONING FUND

For necessary expenses in carrying out uranium enrichment facility decontamination and decommissioning, remedial actions and other activities of title II of the Atomic Energy Act of 1954 and title X, subtitle A of the Energy Policy Act of 1992, $205,200,000, to be derived from the Fund, to remain available until expended.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion, $1,000,626,000, to remain available until expended.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $200,028,000, to remain available until expended, to be derived from the Nuclear Waste Fund: Provided, That no later than June 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include:

(1) the preliminary design concept for the critical elements for the repository and waste package;

(2) a total system performance assessment, based upon the design concept and the scientific data and analysis available by June 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geological setting relative to the overall system performance standards;

(3) a plan and cost estimate for the remaining work required to complete a license application; and

(4) an estimate of the costs to construct and operate the repository in accordance with the design concept.

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000), $218,017,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511, et seq.): Provided, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: Provided further, That moneys received by the Department for miscellaneous revenues estimated to total $125,388,000 in fiscal year 1997 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95–238, notwithstanding the provisions of 31 U.S.C. 3302: Provided further, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $92,629,000: Provided further, That funds made available by this Act for Departmental Administration may be used by the Secretary of Energy to offer employees voluntary separation incentives to meet staffing and budgetary reductions and restructuring needs through September 30, 1997 consistent with plans approved by the Office of Management and Budget. The amount of each incentive shall be equal to the smaller of the employee's severance pay, or $20,000. Voluntary *separation recipients who accept employement with the Federal Government, or enter into a personal services contract with the Federal Government within five years after separation shall repay the entire amount to the Department of Energy: Provided further, That in addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department of Energy shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has been paid under this paragraph.*

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $23,103,000, to remain available until expended.

ATOMIC ENERGY DEFENSE ACTIVITIES

WEAPONS ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense weapons activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 94 for replacement only), $3,988,602,000, to remain available until expended.

DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense environmental restoration and waste management activities in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; and the purchase of passenger motor vehicles (not to exceed 20, of which 19 are for replacement only), $5,605,210,000, to remain available until expended: Provided, That an additional amount of $182,000,000 is available for privatization initiatives: Provided further, That within available funds, up to $2,000,000 is provided for demonstration of stir-melter technology developed by the Department and previously intended to be used at the Savannah River Site. In carrying out this demonstration, the Department is directed to seek alternative use of this technology in order to maximize the investment already made in this technology.

Of amounts appropriated for the Defense Environmental Restoration and Waste Management Technology Development Program, $5,000,000 shall be available for the electrometallurgical treatment of spent nuclear fuel at Argonne National Laboratory.

OTHER DEFENSE ACTIVITIES

For Department of Energy expenses, including the purchase, construction and acquisition of plant and capital equipment and other expenses necessary for atomic energy defense, other defense activities, in carrying out the purposes of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion, and the purchase of passenger motor vehicles (not to exceed 2 for replacement only), $1,606,833,000, to remain available until expended.

DEFENSE NUCLEAR WASTE DISPOSAL

For nuclear waste disposal activities to carry out the purposes of Public Law 97–425, as amended, including the acquisition of real property or facility construction or expansion, $200,000,000, to remain available until expended.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $4,000,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93–454, are approved for official reception and representation expenses in an amount not to exceed $3,000.

During fiscal year 1997, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $13,859,000, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses, including official reception and representation expenses in an amount not to exceed $1,500 in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $25,210,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $3,787,000 in reimbursements, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 U.S.C. 7101, et seq.), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, $201,582,000, to remain available until expended, of which $172,378,000 shall be derived from the Department of the Interior Reclamation Fund: Provided, That of the amount herein appropriated, $5,432,000 is for deposit into the Utah Reclamation Mitigation and Conservation Account pursuant to title IV of the Reclamation Projects Authorization and Adjustment Act of 1992: Provided further, That the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $3,774,000 to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FALCON AND AMISTAD OPERATING AND MAINTENANCE FUND

For operation, maintenance, and emergency costs for the hydroelectric facilities at the Falcon and Amistad Dams, $970,000, to remain available until expended, and to be derived from the Falcon and Amistad Operating and Maintenance Fund of the Western Area Power Administration, as provided in section 423 of the Foreign Relations Authorization Act, fiscal years 1994 and 1995.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (42 U.S.C. 7101, et seq.), including services as authorized by 5 U.S.C. 3109, the hire of passenger motor vehicles, and official reception and representation expenses (not to exceed $3,000), $146,290,000, to remain available until expended: Provided, That notwithstanding any other provision of law, not to exceed $146,290,000 of revenues from fees and annual charges, and other services and collections in fiscal year 1997 shall be retained and used for necessary expenses in this account, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1997 so as to result in a final fiscal year 1997 appropriation from the General Fund estimated at not more than $0.

TITLE IV

INDEPENDENT AGENCIES

APPALACHIAN REGIONAL COMMISSION

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, and for necessary expenses for the Federal Co-Chairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by 5 U.S.C. 3109, and hire of passenger motor vehicles, $165,000,000, to remain available until expended.

DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the Defense Nuclear Facilities Safety Board in carrying out activities authorized by the Atomic Energy Act of 1954, as amended by Public Law 100–456, section 1441, $17,000,000, to remain available until expended.

DELAWARE RIVER BASIN COMMISSION

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $500,000.

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $342,000.

INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91–407), $508,000.

NUCLEAR REGULATORY COMMISSION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act of 1954, as amended, including the employment of aliens; services authorized by 5 U.S.C. 3109; publication and dissemination of *atomic information; purchase, repair, and cleaning of uniforms; official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $471,800,000, to remain available until expended: Provided, That of the amount appropriated herein, $11,000,000 shall be derived from the Nuclear Waste Fund, subject to the authorization required in this bill under the heading, "Nuclear Waste Disposal Fund": Provided further, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: Provided further, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, including criminal history checks under section 149 of the Atomic Energy Act may be retained and used for salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That revenues from licensing fees, inspection services, and other services and collections estimated at $457,300,000 in fiscal year 1997 shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That the funds herein appropriated for regulatory reviews and other activities pertaining to waste stored at the Hanford site, Washington, shall be excluded from license fee revenues, notwithstanding 42 U.S.C. 2214: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1997 from licensing fees, inspection services and other services and collections, excluding those moneys received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final fiscal year 1997 appropriation estimated at not more than $14,500,000.*

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, including services authorized by 5 U.S.C. 3109, $5,000,000, to remain available until expended; and in addition, an amount not to exceed 5 percent of this sum may be transferred from Salaries and Expenses, Nuclear Regulatory Commission: Provided, That notice of such transfers shall be given to the Committees on Appropriations of the House and Senate: Provided further, That from this appropriation, transfers of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: Provided further, That revenues from licensing fees, inspection services, and other services and collections shall be retained and used for necessary salaries and expenses in this account, notwithstanding 31 U.S.C. 3302, and shall remain available until expended: Provided further, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1997 from licensing fees, inspection services, and other services and collections, so as to result in a final fiscal year 1997 appropriation estimated at not more than $0.

NUCLEAR WASTE TECHNICAL REVIEW BOARD

SALARIES AND EXPENSES

For necessary expenses of the Nuclear Waste Technical Review Board, as authorized by Public Law 100–203, section 5051, $2,531,000, to be transferred from the Nuclear Waste Fund and to remain available until expended.

SUSQUEHANNA RIVER BASIN COMMISSION

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), $300,000.

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $322,000.

TENNESSEE VALLEY AUTHORITY

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, $113,000,000, to remain available until expended: Provided, That of the funds provided herein, not more than $20,000,000 shall be made available for the Environmental Research Center in Muscle Shoals, Alabama: Provided further, That of the funds provided herein, not more than $8,000,000 shall be made available for operation, maintenance, improvement, and surveillance of Land Between the Lakes: Provided further, That of the amount provided herein, not more than $9,000,000 shall be available for Economic Development activities: Provided further, That none of the funds provided herein, shall be available for detailed engineering and design or constructing a replacement for Chickamauga Lock and Dam on the Tennessee River System.

TITLE V

GENERAL PROVISIONS

SEC. 501. (a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 502. The Secretary of the Interior shall extend the construction repayment and water service contracts for the following projects, entered into by the Secretary of the Interior under subsections (d) and (e) of section 9 of the Reclamation Project Act of 1939 (43 U.S.C. 485h) and section 9(c) of the Act of December 22, 1944 (58 Stat. 891, chapter 665), for a period of 1 additional year after the dates on which each of the contracts, respectively, would expire but for this section:

(1) The Bostwick District (Kansas portion), Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Republic County, Jewell County, and Cloud County, Kansas.

(2) The Bostwick District (Nebraska portion), Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Harlan County, Franklin County, Webster County, and Nuckolls County, Nebraska.

(3) The Frenchman-Cambridge District, Missouri River Basin Project, consisting of the project constructed and operated under the Act of December 22, 1944 (58 Stat. 887, chapter 665), as a component of the Pick-Sloan Missouri Basin Program, situated in Chase County, Frontier County, Hitchcock County, Furnas County, and Harlan County, Nebraska.

SEC. 503. Notwithstanding the provisions of 31 U.S.C., funds made available by this Act to the Department of Energy shall be available only for the purposes for which they have been made available by this Act. The Department of Energy shall report monthly to the Committees on Appropriations of the House and Senate on the Department of Energy's adherence to the recommendations included in the accompanying report.

SEC. 504. Following section 4(g)(3) of the Northwest Power Planning and Conservation Act, insert the following new section:

"(4)(g)(4) INDEPENDENT SCIENTIFIC REVIEW PANEL.—(i) The Northwest Power Planning Council (Council) shall appoint an Independent Scientific Review Panel (Panel), which shall be comprised of eleven members, to review projects proposed to be funded through that portion of the Bonneville Power Administration's (BPA) annual fish and wildlife budget that implements the Council's annual fish and wildlife program. Members shall be appointed from a list submitted by the National Academy of Sciences: Provided, That Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Panel.

"(ii) SCIENTIFIC PEER REVIEW GROUPS.—The Council shall establish Scientific Peer Review Groups (Peer Review Groups), which shall be comprised of the appropriate number of scientists, from a list submitted by the National Academy of Sciences to assist the Panel in making its recommendations to the Council for projects to be funded through BPA's annual fish and wildlife budget: Provided, That Pacific Northwest scientists with expertise in Columbia River anadromous and non-anadromous fish and wildlife and ocean experts shall be among those represented on the Peer Review Groups.

"(iii) CONFLICT OF INTEREST AND COMPENSATION.—Panel and Peer Review Group members may be compensated and shall be considered as special government employees subject to 45 CFR 684.10 through 684.22.

"(iv) PROJECT CRITERIA AND REVIEW.—The Peer Review Groups, in conjunction with the Panel, shall review projects proposed to be funded through BPA's annual fish and wildlife budget and make recommendations on matters related to such projects, to the Council. Project recommendations shall be based on a determination that projects are based on sound science principles; benefit fish and wildlife; and have a clearly defined objective and outcome with provisions for monitoring and evaluation of results. The Panel, with assistance from the Peer Review Groups, shall review, on an annual basis, the results of prior year expenditures based upon these criteria and submit its findings to the Council for its review.

"(v) PUBLIC REVIEW.—Upon completion of the review of projects to be funded through BPA's annual fish and wildlife budget, the Peer Review Groups shall submit their findings to the Panel. The Panel shall analyze the information submitted by the Peer Review Groups and submit recommendations on project priorities to the Council. The Council shall make the Panel's findings available to the public and subject to public comment.

"(vi) RESPONSIBILITIES OF THE COUNCIL.—The Council shall fully consider the recommendations of the Panel when making its final recommendations of projects to be funded through

BPA's annual fish and wildlife budget, and if the Council does not incorporate a recommendation of the Panel, the Council shall explain in writing its reasons for not accepting Panel recommendations. In making its recommendations to BPA, the Council shall: consider the impact of ocean conditions on fish and wildlife populations; and shall determine whether the projects employ cost effective measures to achieve project objectives. The Council, after consideration of the recommendations of the Panel and other appropriate entities shall be responsible for making the final recommendations of projects to be funded through BPA's annual fish and wildlife budget.

"(vii) COST LIMITATION.—The cost of this provision shall not exceed $2,000,000 in 1997 dollars.

"(viii) EXPIRATION.—This paragraph shall expire on September 30, 2000.".

SEC. 505. OPPORTUNITY FOR REVIEW AND COMMENT BY STATE OF OREGON ON CERTAIN REMEDIAL ACTIONS AT HANFORD RESERVATION, WASHINGTON.

(a) OPPORTUNITY.—(1) Subject to subsection (b), the Site Manager at the Hanford Reservation, Washington, shall, in consultation with the signatories to the Tri-Party Agreement, provide the State of Oregon an opportunity to review and comment upon any information the Site Manager provides the State of Washington under the Hanford Tri-Party Agreement if the agreement provides for the review and comment upon such information by the State of Washington.

(2) In order to facilitate the review and comment of the State of Oregon under paragraph (1), the Site Manager shall provide information referred to in that paragraph to the State of Oregon at the same time, or as soon thereafter as is practicable, that the Site Manager provides such information to the State of Washington.

(b) CONSTRUCTION.—This section may not be construed—

(1) to require the Site Manager to provide the State of Oregon sensitive information on enforcement under the Tri-Party Agreement or information on the negotiation, dispute resolution, or State cost recovery provisions of the agreement;

(2) to require the Site Manager to provide confidential information on the budget or procurement at Hanford under terms other than those provided in the Tri-Party Agreement for the transmission of such confidential information to the State of Washington;

(3) to authorize the State of Oregon to participate in enforcement actions, dispute resolution, or negotiation actions, conducted under the provisions of the Tri-Party Agreement;

(4) to authorize any delay in the implementation of remedial, environmental management, or other programmatic activities at Hanford; or

(5) to obligate the Department of Energy to provide additional funds to the State of Oregon.".

SEC. 506. SENSE OF THE SENATE, HANFORD MEMORANDUM OF UNDERSTANDING.

It is the Sense of the Senate that—

(1) the State of Oregon has the authority to enter into a memorandum of understanding with the State of Washington, or a memorandum of understanding with the State of Washington and the Site Manager of the Hanford Reservation, Washington, in order to address issues of mutual concern to such States regarding the Hanford Reservation; and

(2) such agreements are not expected to create any additional obligation of the Department of Energy to provide funds to the State of Oregon.

SEC. 507. CORPUS CHRISTI EMERGENCY DROUGHT RELIEF.

For the purpose of providing emergency drought relief, the Secretary of the Interior shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the city of Corpus Christi, Texas, and the Nueces River Authority under contract No. 6–07–01–X0675 involving the Nueces River Reclamation Project, Texas.

SEC. 508. CANADIAN RIVER MUNICIPAL WATER AUTHORITY EMERGENCY DROUGHT RELIEF.

The Secretary shall defer all principal and interest payments without penalty or accrued interest for a period of one year for the Canadian River Municipal Water Authority under contract No. 14–06–500–485 as emergency drought relief to enable construction of additional water supply and conveyance facilities.

SEC. 509. INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.

(a) INTERSTATE WASTE.—

(1) INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.—

(A) AMENDMENT.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.) is amended by adding at the end the following new section:

"SEC. 4011. INTERSTATE TRANSPORTATION OF MUNICIPAL SOLID WASTE.

"(a) AUTHORITY TO RESTRICT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) Except as provided in paragraph (4), immediately upon the date of enactment of this section if requested in writing by an affected local government, a Governor may prohibit the disposal of out-of-State municipal solid waste in any landfill or incinerator that is not covered by the exceptions provided in subsection (b) and that is subject to the jurisdiction of the Governor and the affected local government.

"(2) Except as provided in paragraph (4), immediately upon the date of publication of the list required in paragraph (6)(C) and notwithstanding the absence of a request in writing by the affected local government, a Governor, in accordance with paragraph (5), may limit the quantity of out-of-State municipal solid waste received for disposal at each landfill or incinerator covered by the exceptions provided in subsection (b) that is subject to the jurisdiction of the Governor, to an annual amount equal to or greater than the quantity of out-of-State municipal solid waste received for disposal at such landfill or incinerator during calendar year 1993.

"(3)(A) Except as provided in paragraph (4), any State that imported more than 750,000 tons of out-of-State municipal solid waste in 1993 may establish a limit under this paragraph on the amount of out-of-State municipal solid waste received for disposal at landfills and incinerators in the importing State as follows:

"(i) In calendar year 1996, 95 percent of the amount exported to the State in calendar year 1993.

"(ii) In calendar years 1997 through 2002, 95 percent of the amount exported to the State in the previous year.

"(iii) In calendar year 2003, and each succeeding year, the limit shall be 65 percent of the amount exported in 1993.

"(iv) No exporting State shall be required under this subparagraph to reduce its exports to any importing State below the proportionate amount established herein.

"(B)(i) No State may export to landfills or incinerators in any 1 State that are not covered by host community agreements or permits authorizing receipt of out-of-State municipal solid waste more than the following amounts of municipal solid waste:

"(I) In calendar year 1996, the greater of 1,400,000 tons or 90 percent of the amount exported to the State in calendar year 1993.

"(II) In calendar year 1997, the greater of 1,300,000 tons or 90 percent of the amount exported to the State in calendar year 1996.

"(III) In calendar year 1998, the greater of 1,200,000 tons or 90 percent of the amount exported to the State in calendar year 1997.

"(IV) In calendar year 1999, the greater of 1,100,000 tons or 90 percent of the amount exported to the State in calendar year 1998.

"(V) In calendar year 2000, 1,000,000 tons.

"(VI) In calendar year 2001, 750,000 tons.

"(VII) In calendar year 2002 or any calendar year thereafter, 550,000 tons.

"(ii) The Governor of an importing State may take action to restrict levels of imports to reflect the appropriate level of out-of-State municipal solid waste imports if—

"(I) the Governor of the importing State has notified the Governor of the exporting State and the Administrator, 12 months prior to taking any such action, of the importing State's intention to impose the requirements of this section;

"(II) the Governor of the importing State has notified the Governor of the exporting State and the Administrator of the violation by the exporting State of this section at least 90 days prior to taking any such action; and

"(III) the restrictions imposed by the Governor of the importing State are uniform at all facilities and the Governor of the importing State may only apply subparagraph (A) or (B) but not both.

"(C) The authority provided by subparagraphs (A) and (B) shall apply for as long as a State exceeds the permissible levels as determined by the Administrator under paragraph (6)(C).

"(4)(A) A Governor may not exercise the authority granted under this section if such action would result in the violation of, or would otherwise be inconsistent with, the terms of a host community agreement or a permit issued from the State to receive out-of-State municipal solid waste.

"(B) Except as provided in paragraph (3), a Governor may not exercise the authority granted under this section in a manner that would require any owner or operator of a landfill or incinerator covered by the exceptions provided in subsection (b) to reduce the amount of out-of-State municipal solid waste received from any State for disposal at such landfill or incinerator to an annual quantity less than the amount received from such State for disposal at such landfill or incinerator during calendar year 1993.

"(5) Any limitation imposed by a Governor under paragraph (2) or (3)—

"(A) shall be applicable throughout the State;

"(B) shall not directly or indirectly discriminate against any particular landfill or incinerator within the State; and

"(C) shall not directly or indirectly discriminate against any shipments of out-of-State municipal solid waste on the basis of place of origin and all such limitations shall be applied to all States in violation of paragraph (3).

"(6) ANNUAL STATE REPORT.—

"(A) IN GENERAL.—Within 90 days after enactment of this section and on April 1 of each year thereafter the owner or operator of each landfill or incinerator receiving out-of-State municipal solid waste shall submit to the affected local government and to the Governor of the State in which the landfill or incinerator is located, information specifying the amount and State of origin of out-of-State municipal solid waste received for disposal during the preceding calendar year, and the amount of waste that was received pursuant to host community agreements or permits authorizing receipt of out-of-State municipal solid waste. Within 120 days after enactment of this section and on May 1 of each year thereafter each State shall publish and make available to the Administrator, the Governor of the State of origin and the public, a report containing information on the amount of out-of-State municipal solid waste received

for disposal in the State during the preceding calendar year.

"(B) CONTENTS.—Each submission referred to in this section shall be such as would result in criminal penalties in case of false or misleading information. Such information shall include the amount of waste received, the State of origin, the identity of the generator, the date of the shipment, and the type of out-of-State municipal solid waste. States making submissions referred to in this section to the Administrator shall notice these submissions for public review and comment at the State level before submitting them to the Administrator.

"(C) LIST.—The Administrator shall publish a list of importing States and the out-of-State municipal solid waste received from each State at landfills or incinerators not covered by host community agreements or permits authorizing receipt of out-of-State municipal solid waste. The list for any calendar year shall be published by June 1 of the following calendar year.

For purposes of developing the list required in this section, the Administrator shall be responsible for collating and publishing only that information provided to the Administrator by States pursuant to this section. The Administrator shall not be required to gather additional data over and above that provided by the States pursuant to this section, nor to verify data provided by the States pursuant to this section, nor to arbitrate or otherwise entertain or resolve disputes between States or other parties concerning interstate movements of municipal solid waste. Any actions by the Administrator under this section shall be final and not subject to judicial review.

"(D) SAVINGS PROVISION.—Nothing in this subsection shall be construed to preempt any State requirement that requires more frequent reporting of information.

"(7) Any affected local government that intends to submit a request under paragraph (1) or take formal action to enter into a host community agreement after the date of enactment of this subsection shall, prior to taking such action—

"(A) notify the Governor, contiguous local governments, and any contiguous Indian tribes;

"(B) publish notice of the action in a newspaper of general circulation at least 30 days before taking such action;

"(C) provide an opportunity for public comment; and

"(D) following notice and comment, take formal action on any proposed request or action at a public meeting.

"(8) Any owner or operator seeking a host community agreement after the date of enactment of this subsection shall provide to the affected local government the following information, which shall be made available to the public from the affected local government:

"(A) A brief description of the planned facility, including a description of the facility size, ultimate waste capacity, and anticipated monthly and yearly waste quantities to be handled.

"(B) A map of the facility site that indicates the location of the facility in relation to the local road system and topographical and hydrological features and any buffer zones and facility units to be acquired by the owner or operator of the facility.

"(C) A description of the existing environmental conditions at the site, and any violations of applicable laws or regulations.

"(D) A description of environmental controls to be utilized at the facility.

"(E) A description of the site access controls to be employed, and roadway improvements to be made, by the owner or operator, and an estimate of the timing and extent of increased local truck traffic.

"(F) A list of all required Federal, State, and local permits.

"(G) Any information that is required by State or Federal law to be provided with respect to any violations of environmental laws (including regulations) by the owner and operator, the disposition of enforcement proceedings taken with respect to the violations, and corrective measures taken as a result of the proceedings.

"(H) Any information that is required by State or Federal law to be provided with respect to compliance by the owner or operator with the State solid waste management plan.

"(b) EXCEPTIONS TO AUTHORITY TO PROHIBIT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) The authority to prohibit the disposal of out-of-State municipal solid waste provided under subsection (a)(1) shall not apply to landfills and incinerators in operation on the date of enactment of this section that—

"(A) received during calendar year 1993 documented shipments of out-of-State municipal solid waste; and

"(B)(i) in the case of landfills, are in compliance with all applicable Federal and State laws and regulations relating to operation, design and location standards, leachate collection, ground water monitoring, and financial assurance for closure and post-closure and corrective action; or

"(ii) in the case of incinerators, are in compliance with the applicable requirements of section 129 of the Clean Air Act (42 U.S.C. 7429) and applicable State laws and regulations relating to facility design and operations.

"(2) A Governor may not prohibit the disposal of out-of-State municipal solid waste pursuant to subsection (a)(1) at facilities described in this subsection that are not in compliance with applicable Federal and State laws and regulations unless disposal of municipal solid waste generated within the State at such facilities is also prohibited.

"(c) ADDITIONAL AUTHORITY TO LIMIT OUT-OF-STATE MUNICIPAL SOLID WASTE.—(1) In any case in which an affected local government is considering entering into, or has entered into, a host community agreement and the disposal or incineration of out-of-State municipal solid waste under such agreement would preclude the use of municipal solid waste management capacity described in paragraph (2), the Governor of the State in which the affected local government is located may prohibit the execution of such host community agreement with respect to that capacity.

"(2) The municipal solid waste management capacity referred to in paragraph (1) is that capacity—

"(A) that is permitted under Federal or State law;

"(B) that is identified under the State plan; and

"(C) for which a legally binding commitment between the owner or operator and another party has been made for its use for disposal or incineration of municipal solid waste generated within the region (identified under section 4006(a)) in which the local government is located.

"(d) COST RECOVERY SURCHARGE.—

"(1) AUTHORITY.—A State described in paragraph (2) may adopt a law and impose and collect a cost recovery charge on the processing or disposal of out-of-State municipal solid waste in the State in accordance with this subsection.

"(2) APPLICABILITY.—The authority to impose a cost recovery surcharge under this subsection applies to any State that on or before April 3, 1994, imposed and collected a special fee on the processing or disposal of out-of-State municipal solid waste pursuant to a State law.

"(3) LIMITATION.—No such State may impose or collect a cost recovery surcharge from a facility on any out-of-State municipal solid waste that is being received at the facility under 1 or more contracts entered into after April 3, 1994, and before the date of enactment of this section.

"(4) AMOUNT OF SURCHARGE.—The amount of the cost recovery surcharge may be no greater than the amount necessary to recover those costs determined in conformance with paragraph (6) and in no event may exceed $1.00 per ton of waste.

"(5) USE OF SURCHARGE COLLECTED.—All cost recovery surcharges collected by a State covered by this subsection shall be used to fund those solid waste management programs administered by the State or its political subdivision that incur costs for which the surcharge is collected.

"(6) CONDITIONS.—(A) Subject to subparagraphs (B) and (C), a State covered by this subsection may impose and collect a cost recovery surcharge on the processing or disposal within the State of out-of-State municipal solid waste if—

"(i) the State demonstrates a cost to the State arising from the processing or disposal within the State of a volume of municipal solid waste from a source outside the State;

"(ii) the surcharge is based on those costs to the State demonstrated under clause (i) that, if not paid for through the surcharge, would otherwise have to be paid or subsidized by the State; and

"(iii) the surcharge is compensatory and is not discriminatory.

"(B) In no event shall a cost recovery surcharge be imposed by a State to the extent that the cost for which recovery is sought is otherwise paid, recovered, or offset by any other fee or tax paid to the State or its political subdivision or to the extent that the amount of the surcharge is offset by voluntarily agreed payments to a State or its political subdivision in connection with the generation, transportation, treatment, processing, or disposal of solid waste.

"(C) The grant of a subsidy by a State with respect to entities disposing of waste generated within the State does not constitute discrimination for purposes of subparagraph (A)(iii).

"(7) DEFINITIONS.—As used in this subsection:

"(A) The term 'costs' means the costs incurred by the State for the implementation of its laws governing the processing or disposal of municipal solid waste, limited to the issuance of new permits and renewal of or modification of permits, inspection and compliance monitoring, enforcement, and costs associated with technical assistance, data management, and collection of fees.

"(B) The term 'processing' means any activity to reduce the volume of solid waste or alter its chemical, biological or physical state, through processes such as thermal treatment, bailing, composting, crushing, shredding, separation, or compaction.

"(e) SAVINGS CLAUSE.—Nothing in this section shall be interpreted or construed—

"(1) to have any effect on State law relating to contracts; or

"(2) to affect the authority of any State or local government to protect public health and the environment through laws, regulations, and permits, including the authority to limit the total amount of municipal solid waste that landfill or incinerator owners or operators within the jurisdiction of a State may accept during a prescribed period: Provided That such limitations do not discriminate between in-State and out-of-State municipal solid waste, except to the extent authorized by this section.

"(f) DEFINITIONS.—As used in this section:

"(1)(A) The term 'affected local government', used with respect to a landfill or incinerator, means—

"(i) the public body created by State law with responsibility to plan for municipal solid waste

management, a majority of the members of which are elected officials, for the area in which the facility is located or proposed to be located; or

"(ii) the elected officials of the city, town, township, borough, county, or parish exercising primary responsibility over municipal solid waste management or the use of land in the jurisdiction in which the facility is located or is proposed to be located.

"(B)(i) Within 90 days after the date of enactment of this section, a Governor may designate and publish notice of which entity listed in clause (i) or (ii) of subparagraph (A) shall serve as the affected local government for actions taken under this section and after publication of such notice.

"(ii) If a Governor fails to make and publish notice of such a designation, the affected local government shall be the elected officials of the city, town, township, borough, county, parish, or other public body created pursuant to State law with primary jurisdiction over the land or the use of land on which the facility is located or is proposed to be located.

"(C) For purposes of host community agreements entered into before the date of publication of the notice, the term means either a public body described in subparagraph (A)(i) or the elected officials of any of the public bodies described in subparagraph (A)(ii).

"(2) HOST COMMUNITY AGREEMENT.—The term 'host community agreement' means a written, legally binding document or documents executed by duly authorized officials of the affected local government that specifically authorizes a landfill or incinerator to receive municipal solid waste generated out of State, but does not include any agreement to pay host community fees for receipt of waste unless additional express authorization to receive out-of-State waste is also included.

"(3) The term 'out-of-State municipal solid waste' means, with respect to any State, municipal solid waste generated outside of the State. Unless the President determines it is inconsistent with the North American Free Trade Agreement and the General Agreement on Tariffs and Trade, the term shall include municipal solid waste generated outside of the United States. Notwithstanding any other provision of law, generators of municipal solid waste outside the United States shall possess no greater right of access to disposal facilities in a State than United States generators of municipal solid waste outside of that State.

"(4) The term 'municipal solid waste' means refuse (and refuse-derived fuel) generated by the general public or from a residential, commercial, institutional, or industrial source (or any combination thereof), consisting of paper, wood, yard wastes, plastics, leather, rubber, or other combustible or noncombustible materials such as metal or glass (or any combination thereof). The term 'municipal solid waste' does not include—

"(A) any solid waste identified or listed as a hazardous waste under section 3001;

"(B) any solid waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604 or 9606) or a corrective action taken under this Act;

"(C) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or diverted from municipal solid waste (as otherwise defined in this paragraph) and has been transported into a State for the purpose of recycling or reclamation;

"(D) any solid waste that is—

"(i) generated by an industrial facility; and

"(ii) transported for the purpose of treatment, storage, or disposal to a facility that is owned or operated by the generator of the waste, or is located on property owned by the generator of the waste, or is located on property owned by a company in which the generator of the waste has an ownership interest;

"(E) any solid waste generated incident to the provision of service in interstate, intrastate, foreign, or overseas air transportation;

"(F) any industrial waste that is not identical to municipal solid waste (as otherwise defined in this paragraph) with respect to the physical and chemical state of the industrial waste, and composition, including construction and demolition debris;

"(G) any medical waste that is segregated from or not mixed with municipal solid waste (as otherwise defined in this paragraph); or

"(H) any material or product returned from a dispenser or distributor to the manufacturer for credit, evaluation, or possible reuse.

"(5) The term 'compliance' means a pattern or practice of adhering to and satisfying standards and requirements promulgated by the Federal or a State government for the purpose of preventing significant harm to human health and the environment. Actions undertaken in accordance with compliance schedules for remediation established by Federal or State enforcement authorities shall be considered compliance for purposes of this section.

"(6) The terms 'specifically authorized' and 'specifically authorizes' refer to an explicit authorization, contained in a host community agreement or permit, to import waste from outside the State. Such authorization may include a reference to a fixed radius surrounding the landfill or incinerator that includes an area outside the State or a reference to any place of origin, reference to specific places outside the State, or use of such phrases as 'regardless of origin' or 'outside the State'. The language for such authorization may vary as long as it clearly and affirmatively states the approval or consent of the affected local government or State for receipt of municipal solid waste from sources outside the State.

"(g) IMPLEMENTATION AND ENFORCEMENT.—Any State may adopt such laws and regulations, not inconsistent with this section, as are necessary to implement and enforce this section, including provisions for penalties.".

(B) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901) is amended by adding at the end of the items relating to subtitle D the following new item:

"Sec. 4011. Interstate transportation of municipal solid waste.".

(2) NEEDS DETERMINATION.—The Governor of a State may accept, deny or modify an application for a municipal solid waste management facility permit if—

(A) it is done in a manner that is not inconsistent with the provisions of this section;

(B) a State law enacted in 1990 and a regulation adopted by the governor in 1991 specifically requires the permit applicant to demonstrate that there is a local or regional need within the State for the facility; and

(C) the permit applicant fails to demonstrate that there is a local or regional need within the State for the facility.

(b) FLOW CONTROL.—

(1) STATE AND LOCAL GOVERNMENT CONTROL OF MOVEMENT OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIAL.—Subtitle D of the Solid Waste Disposal Act (42 U.S.C. 6941 et seq.), as amended by subsection (a)(1)(A), is amended by adding after section 4011 the following new section:

"SEC. 4012. STATE AND LOCAL GOVERNMENT CONTROL OF MOVEMENT OF MUNICIPAL SOLID WASTE AND RECYCLABLE MATERIAL.

"(a) DEFINITIONS.—In this section:

"(1) DESIGNATE; DESIGNATION.—The terms 'designate' and 'designation' refer to an authorization by a State, political subdivision, or public service authority, and the act of a State, political subdivision, or public service authority in requiring or contractually committing, that all or any portion of the municipal solid waste or recyclable material that is generated within the boundaries of the State, political subdivision, or public service authority be delivered to waste management facilities or facilities for recyclable material or a public service authority identified by the State, political subdivision, or public service authority.

"(2) FLOW CONTROL AUTHORITY.—The term 'flow control authority' means the authority to control the movement of municipal solid waste or voluntarily relinquished recyclable material and direct such solid waste or voluntarily relinquished recyclable material to a designated waste management facility or facility for recyclable material.

"(3) MUNICIPAL SOLID WASTE.—The term 'municipal solid waste' means—

"(A) solid waste generated by the general public or from a residential, commercial, institutional, or industrial source, consisting of paper, wood, yard waste, plastics, leather, rubber, and other combustible material and noncombustible material such as metal and glass, including residue remaining after recyclable material has been separated from waste destined for disposal, and including waste material removed from a septic tank, septage pit, or cesspool (other than from portable toilets); but

"(B) does not include—

"(i) waste identified or listed as a hazardous waste under section 3001 of this Act or waste regulated under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.);

"(ii) waste, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604, 9606) or any corrective action taken under this Act;

"(iii) medical waste listed in section 11002;

"(iv) industrial waste generated by manufacturing or industrial processes, including waste generated during scrap processing and scrap recycling;

"(v) recyclable material; or

"(vi) sludge.

"(4) PUBLIC SERVICE AUTHORITY.—The term 'public service authority' means—

"(A) an authority or authorities created pursuant to State legislation to provide individually or in combination solid waste management services to political subdivisions;

"(B) other body created pursuant to State law; or

"(C) an authority that was issued a certificate of incorporation by a State corporation commission established by a State constitution.

"(5) PUT OR PAY AGREEMENT.—(A) The term 'put or pay agreement' means an agreement that obligates or otherwise requires a State or political subdivision to—

"(i) deliver a minimum quantity of municipal solid waste to a waste management facility; and

"(ii) pay for that minimum quantity of municipal solid waste even if the stated minimum quantity of municipal solid waste is not delivered within a required period of time.

"(B) For purposes of the authority conferred by subsections (b) and (c), the term 'legally binding provision of the State or political subdivision' includes a put or pay agreement that designates waste to a waste management facility that was in operation on or before December 31, 1988 and that requires an aggregate tonnage to be delivered to the facility during each operating year by the political subdivisions which have entered put or pay agreements designating that waste management facility.

“(C) The entering into of a put or pay agreement shall be considered to be a designation (as defined in subsection (a)(1)) for all purposes of this title.

“(6) RECYCLABLE MATERIAL.—The term ‘recyclable material’ means material that has been separated from waste otherwise destined for disposal (at the source of the waste or at a processing facility) or has been managed separately from waste destined for disposal, for the purpose of recycling, reclamation, composting of organic material such as food and yard waste, or reuse (other than for the purpose of incineration).

“(7) WASTE MANAGEMENT FACILITY.—The term ‘waste management facility’ means a facility that collects, separates, stores, transports, transfers, treats, processes, combusts, or disposes of municipal solid waste.

“(b) AUTHORITY.—

“(1) IN GENERAL.—Each State, political subdivision of a State, and public service authority may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction by directing the municipal solid waste or recyclable material to a waste management facility or facility for recyclable material, if such flow control authority—

“(A)(i) had been exercised prior to May 15, 1994, and was being implemented on May 15, 1994, pursuant to a law, ordinance, regulation, or other legally binding provision of the State or political subdivision; or

“(ii) had been exercised prior to May 15, 1994, but implementation of such law, ordinance, regulation, or other legally binding provision of the State or political subdivision was prevented by an injunction, temporary restraining order, or other court action, or was suspended by the voluntary decision of the State or political subdivision because of the existence of such court action;

“(B) has been implemented by designating before May 15, 1994, the particular waste management facilities or public service authority to which the municipal solid waste or recyclable material is to be delivered, which facilities were in operation as of May 15, 1994, or were in operation prior to May 15, 1994 and were temporarily inoperative on May 15, 1994.

“(2) LIMITATION.—The authority of this section extends only to the specific classes or categories of municipal solid waste to which flow control authority requiring a movement to a waste management facility was actually applied on or before May 15, 1994 (or, in the case of a State, political subdivision, or public service authority that qualifies under subsection (c), to the specific classes or categories of municipal solid waste for which the State, political subdivision, or public service authority prior to May 15, 1994, had committed to the designation of a waste management facility).

“(3) LACK OF CLEAR IDENTIFICATION.—With regard to facilities granted flow control authority under subsection (c), if the specific classes or categories of municipal solid waste are not clearly identified, the authority of this section shall apply only to municipal solid waste generated by households.

“(4) DURATION OF AUTHORITY.—With respect to each designated waste management facility, the authority of this section shall be effective until the later of—

“(A) the end of the remaining life of a contract between the State, political subdivision, or public service authority and any other person regarding the movement or delivery of municipal solid waste or voluntarily relinquished recyclable material to a designated facility (as in effect May 15, 1994);

“(B) completion of the schedule for payment of the capital costs of the facility concerned (as in effect May 15, 1994); or

“(C) the end of the remaining useful life of the facility (as in existence on the date of enactment of this section), as that remaining life may be extended by—

“(i) retrofitting of equipment or the making of other significant modifications to meet applicable environmental requirements or safety requirements;

“(ii) routine repair or scheduled replacement of equipment or components that does not add to the capacity of a waste management facility; or

“(iii) expansion of the facility on land that is—

“(I) legally or equitably owned, or under option to purchase or lease, by the owner or operator of the facility; and

“(II) covered by the permit for the facility (as in effect May 15, 1994).

“(5) ADDITIONAL AUTHORITY.—

“(A) APPLICATION OF PARAGRAPH.—This paragraph applies to a State or political subdivision of a State that, on or before January 1, 1984—

“(i) adopted regulations under State law that required the transportation to, and management or disposal at, waste management facilities in the State, of—

“(I) all solid waste from residential, commercial, institutional, or industrial sources (as defined under State law); and

“(II) recyclable material voluntarily relinquished by the owner or generator of the recyclable material; and

“(ii) as of January 1, 1984, had implemented those regulations in the case of every political subdivision of the State.

“(B) AUTHORITY.—Notwithstanding anything to the contrary in this section (including subsection (m)), a State or political subdivision of a State described in subparagraph (A) may continue to exercise flow control authority (including designation of waste management facilities in the State that meet the requirements of subsection (c)) for all classes and categories of solid waste that were subject to flow control on January 1, 1984.

“(6) FLOW CONTROL ORDINANCE.—Notwithstanding anything to the contrary in this section, but subject to subsection (m), any political subdivision which adopted a flow control ordinance in November 1991, and designated facilities to receive municipal solid waste prior to April 1, 1992, may exercise flow control authority until the end of the remaining life of all contracts between the political subdivision and any other persons regarding the movement or delivery of municipal solid waste or voluntarily relinquished recyclable material to a designated facility (as in effect May 15, 1994). Such authority shall extend only to the specific classes or categories of municipal solid waste to which flow control authority was actually applied on or before May 15, 1994. The authority under this subsection shall be exercised in accordance with section 4012(b)(4).

“(c) COMMITMENT TO CONSTRUCTION.—

“(1) IN GENERAL.—Notwithstanding subsection (b)(1) (A) and (B), any political subdivision of a State may exercise flow control authority under subsection (b), if—

“(A)(i) the law, ordinance, regulation, or other legally binding provision specifically provides for flow control authority for municipal solid waste generated within its boundaries; and

“(ii) such authority was exercised prior to May 15, 1995, and was being implemented on May 15, 1994.

“(B) prior to May 15, 1994, the political subdivision committed to the designation of the particular waste management facilities or public service authority to which municipal solid waste is to be transported or at which municipal solid waste is to be disposed of under that law, ordinance, regulation, plan, or legally binding provision.

“(2) FACTORS DEMONSTRATING COMMITMENT.—A commitment to the designation of waste management facilities or public service authority is demonstrated by 1 or more of the following factors:

“(A) CONSTRUCTION PERMITS.—All permits required for the substantial construction of the facility were obtained prior to May 15, 1994.

“(B) CONTRACTS.—All contracts for the substantial construction of the facility were in effect prior to May 15, 1994.

“(C) REVENUE BONDS.—Prior to May 15, 1994, revenue bonds were presented for sale to specifically provide revenue for the construction of the facility.

“(D) CONSTRUCTION AND OPERATING PERMITS.—The State or political subdivision submitted to the appropriate regulatory agency or agencies, on or before May 15, 1994, substantially complete permit applications for the construction and operation of the facility.

“(d) FORMATION OF SOLID WASTE MANAGEMENT DISTRICT TO PURCHASE AND OPERATE EXISTING FACILITY.—Notwithstanding subsection (b)(1) (A) and (B), a solid waste management district that was formed by a number of political subdivisions for the purpose of purchasing and operating a facility owned by 1 of the political subdivisions may exercise flow control authority under subsection (b) if—

“(1) the facility was fully licensed and in operation prior to May 15, 1994;

“(2) prior to April 1, 1994, substantial negotiations and preparation of documents for the formation of the district and purchase of the facility were completed;

“(3) prior to May 15, 1994, at least 80 percent of the political subdivisions that were to participate in the solid waste management district had adopted ordinances committing the political subdivisions to participation and the remaining political subdivisions adopted such ordinances within 2 months after that date; and

“(3) the financing was completed, the acquisition was made, and the facility was placed under operation by the solid waste management district by September 21, 1994.

“(e) CONSTRUCTED AND OPERATED.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if—

“(1) prior to May 15, 1994, the political subdivision—

“(A) contracted with a public service authority or with its operator to deliver or cause to be delivered to the public service authority substantially all of the disposable municipal solid waste that is generated or collected by or is within or under the control of the political subdivision, in order to support revenue bonds issued by and in the name of the public service authority or on its behalf by a State entity for waste management facilities; or

“(B) entered into contracts with a public service authority or its operator to deliver or cause to be delivered to the public service authority substantially all of the disposable municipal solid waste that is generated or collected by or within the control of the political subdivision, which imposed flow control pursuant to a law, ordinance, regulation, or other legally binding provision and where outstanding revenue bonds were issued in the name of public service authorities for waste management facilities; and

“(2) prior to May 15, 1994, the public service authority—

“(A) issued the revenue bonds or had issued on its behalf by a State entity for the construction of municipal solid waste facilities to which the political subdivision's municipal solid waste is transferred or disposed; and

“(B) commenced operation of the facilities.

The authority under this subsection shall be exercised in accordance with section 4012(b)(4).

"(f) STATE-MANDATED DISPOSAL SERVICES.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if, prior to May 15, 1994, the political subdivision—

"(1) was responsible under State law for providing for the operation of solid waste facilities to serve the disposal needs of all incorporated and unincorporated areas of the county;

"(2) is required to initiate a recyclable materials recycling program in order to meet a municipal solid waste reduction goal of at least 30 percent;

"(3) has been authorized by State statute to exercise flow control authority and had implemented the authority through the adoption or execution of a law, ordinance, regulation, contract, or other legally binding provision;

"(4) had incurred, or caused a public service authority to incur, significant financial expenditures to comply with State law and to repay outstanding bonds that were issued specifically for the construction of solid waste management facilities to which the political subdivision's waste is to be delivered; and

"(5) the authority under this subsection shall be exercised in accordance with section 4012(b)(4).

"(g) STATE SOLID WASTE DISTRICT AUTHORITY.—A solid waste district or a political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if—

"(1) the solid waste district, political subdivision or municipality within said district is currently required to initiate a recyclable materials recycling program in order to meet a municipal solid waste reduction goal of at least 30 percent by the year 2005, and uses revenues generated by the exercise of flow control authority strictly to implement programs to manage municipal solid waste, other than development of incineration; and

"(2) prior to May 15, 1994, the solid waste district, political subdivision or municipality within said district—

"(A) was responsible under State law for the management and regulation of the storage, collection, processing, and disposal of solid wastes within its jurisdiction;

"(B) was authorized by State statute (enacted prior to January 1, 1992) to exercise flow control authority, and subsequently adopted or sought to exercise the authority through a law, ordinance, regulation, regulatory proceeding, contract, franchise, or other legally binding provision; and

"(C) was required by State statute (enacted prior to January 1, 1992) to develop and implement a solid waste management plan consistent with the State solid waste management plan, and the district solid waste management plan was approved by the appropriate State agency prior to September 15, 1994.

"(h) STATE-AUTHORIZED SERVICES AND LOCAL PLAN ADOPTION.—A political subdivision of a State may exercise flow control authority for municipal solid waste and for recyclable material voluntarily relinquished by the owner or generator of the material that is generated within its jurisdiction if, prior to May 15, 1994, the political subdivision—

"(1) had been authorized by State statute which specifically named the political subdivision to exercise flow control authority and had implemented the authority through a law, ordinance, regulation, contract, or other legally binding provision; and

"(2) had adopted a local solid waste management plan pursuant to State statute and was required by State statute to adopt such plan in order to submit a complete permit application to construct a new solid waste management facility proposed in such plan; and

"(3) had presented for sale a revenue or general obligation bond to provide for the site selection, permitting, or acquisition for construction of new facilities identified and proposed in its local solid waste management plan; and

"(4) includes a municipality or municipalities required by State law to adopt a local law or ordinance to require that solid waste which has been left for collection shall be separated into recyclable, reusable or other components for which economic markets exist; and

"(5) is in a State that has aggressively pursued closure of substandard municipal landfills, both by regulatory action and under statute designed to protect deep flow recharge areas in counties where potable water supplies are derived from sole source aquifers.

"(i) RETAINED AUTHORITY.—

"(1) REQUEST.—On the request of a generator of municipal solid waste affected by this section, a State or political subdivision may authorize the diversion of all or a portion of the solid waste generated by the generator making the request to an alternative solid waste treatment or disposal facility, if the purpose of the request is to provide a higher level of protection for human health and the environment or reduce potential future liability of the generator under Federal or State law for the management of such waste, unless the State or political subdivision determines that the facility to which the municipal solid waste is proposed to be diverted does not provide a higher level of protection for human health and the environment or does not reduce the potential future liability of the generator under Federal or State law for the management of such waste.

"(2) CONTENTS.—A request under paragraph (1) shall include information on the environmental suitability of the proposed alternative treatment or disposal facility and method, compared to that of the designated facility and method.

"(j) LIMITATIONS ON REVENUE.—A State or political subdivision may exercise flow control authority under subsection (b), (c), (d), or (e) only if the State or political subdivision certifies that the use of any of its revenues derived from the exercise of that authority will be used for solid waste management services or related landfill reclamation.

"(k) REASONABLE REGULATION OF COMMERCE.—A law, ordinance, regulation, or other legally binding provision or official act of a State or political subdivision, as described in subsection (b), (c), (d), or (e), that implements flow control authority in compliance with this section shall be considered to be a reasonable regulation of commerce retroactive to its date of enactment or effective date and shall not be considered to be an undue burden on or otherwise considered as impairing, restraining, or discriminating against interstate commerce.

"(l) EFFECT ON EXISTING LAWS AND CONTRACTS.—

"(1) ENVIRONMENTAL LAWS.—Nothing in this section shall be construed to have any effect on any other law relating to the protection of human health and the environment or the management of municipal solid waste or recyclable material.

"(2) STATE LAW.—Nothing in this section shall be construed to authorize a political subdivision of a State to exercise the flow control authority granted by this section in a manner that is inconsistent with State law.

"(3) OWNERSHIP OF RECYCLABLE MATERIAL.—Nothing in this section—

"(A) authorizes a State or political subdivision of a State to require a generator or owner of recyclable material to transfer recyclable material to the State or political subdivision; or

"(B) prohibits a generator or owner of recyclable material from selling, purchasing, accepting, conveying, or transporting recyclable material for the purpose of transformation or remanufacture into usable or marketable material, unless the generator or owner voluntarily made the recyclable material available to the State or political subdivision and relinquished any right to, or ownership of, the recyclable material.

"(m) REPEAL.—(1) Notwithstanding any provision of this title, authority to flow control by directing municipal solid waste or recyclable materials to a waste management facility shall terminate on the date that is 30 years after the date of enactment of this Act.

"(2) This section and the item relating to this section in the table of contents for subtitle D of the Solid Waste Disposal Act are repealed effective as of the date that is 30 years after the date of enactment of this Act.

"(n) TITLE NOT APPLICABLE TO LISTED FACILITIES.—Notwithstanding any other provision of this title, the authority to exercise flow control shall not apply to any facility that—

"(1) on the date of enactment of this Act, is listed on the National Priorities List under the Comprehensive Environmental, Response, Compensation and Liability Act (42 U.S.C. 9601 et seq.); or

"(2) as of May 15, 1994, was the subject of a pending proposal by the Administrator of the Environmental Protection Agency to be listed on the National Priorities List.".

(2) TABLE OF CONTENTS AMENDMENT.—The table of contents for subtitle D in section 1001 of the Solid Waste Disposal Act (42 U.S.C. prec. 6901), as amended by subsection (a)(1)(B), is amended by adding after the item relating to section 4011 the following new item:

"Sec. 4012. State and local government control
of movement of municipal solid
waste and recyclable material.".

(c) GROUND WATER MONITORING.—

(1) AMENDMENT OF SOLID WASTE DISPOSAL ACT.—Section 4010(c) of the Solid Waste Disposal Act (42 U.S.C. 6949a(c)) is amended—

(A) by striking "CRITERIA.—Not later" and inserting the following: "CRITERIA.—

"(1) IN GENERAL.—Not later"; and

(B) by adding at the end the following new paragraph:

"(2) ADDITIONAL REVISIONS.—Subject to paragraph (2), the requirements of the criteria described in paragraph (1) relating to ground water monitoring shall not apply to an owner or operator of a new municipal solid waste landfill unit, an existing municipal solid waste landfill unit, or a lateral expansion of a municipal solid waste landfill unit, that disposes of less than 20 tons of municipal solid waste daily, based on an annual average, if—

"(A) there is no evidence of ground water contamination from the municipal solid waste landfill unit or expansion; and

"(B) the municipal solid waste landfill unit or expansion serves—

"(i) a community that experiences an annual interruption of at least 3 consecutive months of surface transportation that prevents access to a regional waste management facility; or

"(ii) a community that has no practicable waste management alternative and the landfill unit is located in an area that annually receives less than or equal to 25 inches of precipitation.

"(3) PROTECTION OF GROUND WATER RESOURCES.—

"(A) MONITORING REQUIREMENT.—A State may require ground water monitoring of a solid waste landfill unit that would otherwise be exempt under paragraph (2) if necessary to protect

ground water resources and ensure compliance with a State ground water protection plan, where applicable.

"(B) METHODS.—If a State requires ground water monitoring of a solid waste landfill unit under subparagraph (A), the State may allow the use of a method other than the use of ground water monitoring wells to detect a release of contamination from the unit.

"(C) CORRECTIVE ACTION.—If a State finds a release from a solid waste landfill unit, the State shall require corrective action as appropriate.

"(4) ALASKA NATIVE VILLAGES.—Upon certification by the Governor of the State of Alaska that application of the requirements of the criteria described in paragraph (1) to a solid waste landfill unit of a Native village (as defined in section 3 of the Alaska Native Claims Settlement Act (16 U.S.C. 1602)) or unit that is located in or near a small, remote Alaska village would be infeasible, or would not be cost-effective, or is otherwise inappropriate because of the remote location of the unit, the State may exempt the unit from some or all of those requirements. This subsection shall apply only to solid waste landfill units that dispose of less than 20 tons of municipal solid waste daily, based on an annual average.

"(5) NO-MIGRATION EXEMPTION.—

"(A) IN GENERAL.—Ground water monitoring requirements may be suspended by the Director of an approved State for a landfill operator if the operator demonstrates that there is no potential for migration of hazardous constituents from the unit to the uppermost aquifer during the active life of the unit and the post-closure care period.

"(B) CERTIFICATION.—A demonstration under subparagraph (A) shall—

"(i) be certified by a qualified ground-water scientist and approved by the Director of an approved State.

"(C) GUIDANCE.—Not later than 6 months after the date of enactment of this paragraph, the Administrator shall issue a guidance document to facilitate small community use of the no migration exemption under this paragraph.

"(6) FURTHER REVISIONS OF GUIDELINES AND CRITERIA.—Not later than April 9, 1997, the Administrator shall promulgate revisions to the guidelines and criteria promulgated under this subchapter to allow States to promulgate alternate design, operating, landfill gas monitoring, financial assurance, and closure requirements for landfills which receive 20 tons or less of municipal solid waste per day based on an annual average: Provided That such alternate requirements are sufficient to protect human health and the environment.".

(2) REINSTATEMENT OF REGULATORY EXEMPTION.—It is the intent of section 4010(c)(2) of the Solid Waste Disposal Act, as added by paragraph (1), to immediately reinstate subpart E of part 258 of title 40, Code of Federal Regulations, as added by the final rule published at 56 Federal Register 50798 on October 9, 1991.

(d) STATE OR REGIONAL SOLID WASTE PLANS.—

(1) FINDING.—Section 1002(a) of the Solid Waste Disposal Act (42 U.S.C. 6901(a)) is amended—

(A) by striking the period at the end of paragraph (4) and inserting "; and"; and

(B) by adding at the end the following:

"(5) that the Nation's improved standard of living has resulted in an increase in the amount of solid waste generated per capita, and the Nation has not given adequate consideration to solid waste reduction strategies.".

(2) OBJECTIVE OF SOLID WASTE DISPOSAL ACT.—Section 1003(a) of the Solid Waste Disposal Act (42 U.S.C. 6902(a)) is amended—

(A) by striking "and" at the end of paragraph (10);

(B) by striking the period at the end of paragraph (11) and inserting "; and"; and

(C) by adding at the end the following:

"(12) promoting local and regional planning for—

"(A) effective solid waste collection and disposal; and

"(B) reducing the amount of solid waste generated per capita through the use of solid waste reduction strategies.".

(3) NATIONAL POLICY.—Section 1003(b) of the Solid Waste Disposal Act (42 U.S.C. 6902(b)) is amended by inserting "solid waste and" after "generation of".

(4) OBJECTIVE OF SUBTITLE D OF SOLID WASTE DISPOSAL ACT.—Section 4001 of the Solid Waste Disposal Act (42 U.S.C. 6941) is amended by inserting "promote local and regional planning for effective solid waste collection and disposal and for reducing the amount of solid waste generated per capita through the use of solid waste reduction strategies, and" after "objectives of this subtitle are to".

(5) DISCRETIONARY STATE PLAN PROVISIONS.—Section 4003 of the Solid Waste Disposal Act (42 U.S.C. 6943) is amended by adding at the end the following:

"(e) DISCRETIONARY PLAN PROVISIONS RELATING TO SOLID WASTE REDUCTION GOALS, LOCAL AND REGIONAL PLANS, AND ISSUANCE OF SOLID WASTE MANAGEMENT PERMITS.—Except as provided in section 4011(a)(4), a State plan submitted under this subtitle may include, at the option of the State, provisions for—

"(1) establishment of a State per capita solid waste reduction goal, consistent with the goals and objectives of this subtitle; and

"(2) establishment of a program that ensures that local and regional plans are consistent with State plans and are developed in accordance with sections 4004, 4005, and 4006.".

(6) PROCEDURE FOR DEVELOPMENT AND IMPLEMENTATION OF STATE PLANS.—Section 4006(b) of the Solid Waste Disposal Act (42 U.S.C. 6946(b)) is amended by inserting "and discretionary plan provisions" after "minimum requirements".

(e) GENERAL PROVISIONS.—

(1) BORDER STUDIES.—

(A) DEFINITIONS.—In this paragraph:

(i) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(ii) MAQUILADORA.—The term "maquiladora" means an industry located in Mexico along the border between the United States and Mexico.

(iii) SOLID WASTE.—The term "solid waste" has the meaning provided the term under section 1004(27) of the Solid Waste Disposal Act (42 U.S.C. 6903(27)).

(B) IN GENERAL.—

(i) STUDY OF SOLID WASTE MANAGEMENT ISSUES ASSOCIATED WITH NORTH AMERICAN FREE TRADE AGREEMENT.—As soon as practicable after the date of enactment of this Act, the Administrator is authorized to conduct a study of solid waste management issues associated with increased border use resulting from the implementation of the North American Free Trade Agreement.

(ii) STUDY OF SOLID WASTE MANAGEMENT ISSUES ASSOCIATED WITH UNITED STATES-CANADA FREE-TRADE AGREEMENT.—As soon as practicable after the date of enactment of this Act, the Administrator may conduct a similar study focused on border traffic of solid waste resulting from the implementation of the United States-Canada Free-Trade Agreement, with respect to the border region between the United States and Canada.

(C) CONTENTS OF STUDY.—A study conducted under this paragraph shall provide for the following:

(i) A study of planning for solid waste treatment, storage, and disposal capacity (including additional landfill capacity) that would be necessary to accommodate the generation of additional household, commercial, and industrial wastes by an increased population along the border involved.

(ii) A study of the relative impact on border communities of a regional siting of solid waste storage and disposal facilities.

(iii) In the case of the study described in subparagraph (B)(i), research concerning methods of tracking of the transportation of—

(I) materials from the United States to maquiladoras; and

(II) waste from maquiladoras to a final destination.

(iv) In the case of the study described in subparagraph (B)(i), a determination of the need for solid waste materials safety training for workers in Mexico and the United States within the 100-mile zone specified in the First Stage Implementation Plan Report for 1992–1994 of the Integrated Environmental Plan for the Mexico-United States Border, issued by the Administrator in February 1992.

(v) A review of the adequacy of existing emergency response networks in the border region involved, including the adequacy of training, equipment, and personnel.

(vi) An analysis of solid waste management practices in the border region involved, including an examination of methods for promoting source reduction, recycling, and other alternatives to landfills.

(D) SOURCES OF INFORMATION.—In conducting a study under this paragraph, the Administrator shall, to the extent allowable by law, solicit, collect, and use the following information:

(i) A demographic profile of border lands based on census data prepared by the Bureau of the Census of the Department of Commerce and, in the case of the study described in subparagraph (B)(i), census data prepared by the Government of Mexico.

(ii) In the case of the study described in subparagraph (B)(i), information from the United States Customs Service of the Department of the Treasury concerning solid waste transported across the border between the United States and Mexico, and the method of transportation of the waste.

(iii) In the case of the study described in subparagraph (B)(i), information concerning the type and volume of materials used in maquiladoras.

(iv)(I) Immigration data prepared by the Immigration and Naturalization Service of the Department of Justice.

(II) In the case of the study described in subparagraph (B)(i), immigration data prepared by the Government of Mexico.

(v) Information relating to the infrastructure of border land, including an accounting of the number of landfills, wastewater treatment systems, and solid waste treatment, storage, and disposal facilities.

(vi) A listing of each site in the border region involved where solid waste is treated, stored, or disposed of.

(vii) In the case of the study described in subparagraph (B)(i), a profile of the industries in the region of the border between the United States and Mexico.

(E) CONSULTATION AND COOPERATION.—In carrying out this paragraph, the Administrator shall consult with the following entities in reviewing study activities:

(i) With respect to reviewing the study described in subparagraph (B)(i), States and political subdivisions of States (including municipalities and counties) in the region of the border between the United States and Mexico.

(ii) The heads of other Federal agencies (including the Secretary of the Interior, the Secretary of Housing, the Secretary of Health and Human Services, the Secretary of Transportation, and the Secretary of Commerce) and

with respect to reviewing the study described in subparagraph (B)(i), equivalent officials of the Government of Mexico.

(F) REPORTS TO CONGRESS.—On completion of the studies under this paragraph, the Administrator shall, not later than 2 years after the date of enactment of this Act, submit to the appropriate committees of Congress reports that summarize the findings of the studies and propose methods by which solid waste border traffic may be tracked, from source to destination, on an annual basis.

(G) BORDER STUDY DELAY.—The conduct of the study described in subparagraph (B)(ii) shall not delay or otherwise affect completion of the study described in subparagraph (B)(i).

(H) FUNDING.—If any funding needed to conduct the studies required by this paragraph is not otherwise available, the president may transfer to the administrator, for use in conducting the studies, any funds that have been appropriated to the president under section 533 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3473) that are in excess of the amount needed to carry out that section. States that wish to participate in study will be asked to contribute to the costs of the study. The terms of the cost share shall be negotiated between the Environmental Protection Agency and the State.".

(2) STUDY OF INTERSTATE HAZARDOUS WASTE TRANSPORT.—

(A) DEFINITION OF HAZARDOUS WASTE.—In this paragraph, the term "hazardous waste" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(B) STUDY.—not later than 3 years after the date of enactment of this act, the administrator of the environmental protection agency shall conduct a study, and report to congress on the results of the study, to determine—

(i) the quantity of hazardous waste that is being transported across state lines; and

(ii) the ultimate disposition of the transported waste.

(3) STUDY OF INTERSTATE SLUDGE TRANSPORT.—

(A) DEFINITIONS.—In this paragraph:

(i) SEWAGE SLUDGE.—The term "sewage sludge"—

(I) means solid, semisolid, or liquid residue generated during the treatment of domestic sewage in a treatment works; and

(II) includes—

(i) domestic septage;

(ii) scum or a solid removed in a primary, secondary, or advanced wastewater treatment process; and

(iii) material derived from sewage sludge (as otherwise defined in this clause); but

(III) does not include—

(i) ash generated during the firing of sewage sludge (as otherwise defined in this clause) in a sewage sludge incinerator; or

(ii) grit or screenings generated during preliminary treatment of domestic sewage in a treatment works.

(ii) SLUDGE.—The term "sludge" has the meaning provided in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903).

(B) STUDY.—Not later than 3 years after the date of enactment of this act, the administrator of the environmental protection agency shall conduct a study, and report to congress on the results of the study, to determine—

(i) the quantity of sludge (including sewage sludge) that is being transported across state lines; and

(ii) the ultimate disposition of the transported sludge.

SEC. 510. SENSE OF SENATE REGARDING UNITED STATES SEMICONDUCTOR TRADE AGREEMENT.

(a) FINDINGS.—

(1) The United States-Japan Semiconductor Trade Agreement is set to expire on July 31, 1996;

(2) The Governments of the United States and Japan are currently engaged in negotiations over the terms of a new United States-Japan agreement on semiconductors;

(3) The President of the United States and the Prime Minister of Japan agreed at the G–7 Summit in June that their two governments should conclude a mutually acceptable outcome of the semiconductor dispute by July 31, 1996, and that there should be a continuing role for the two governments in the new agreement;

(4) The current United States-Japan Semiconductor Trade Agreement has put in place both government-to-government and industry-to-industry mechanisms which have played a vital role in allowing cooperation to replace conflict in this important high technology sector such as by providing for joint calculation of foreign market share in Japan, deterrence of dumping, and promotion of industrial cooperation in the design-in of foreign semiconductor devices;

(5) Despite the increased foreign share of the Japanese semiconductor market since 1986, a gap still remains between the share United States and other foreign semiconductor makers are able to capture in the world market outside of Japan through their competitiveness and the sales of these suppliers in the Japanese market, and that gap is consistent across the full range of semiconductor products as well as a full range of end-use applications;

(6) The competitiveness and health of the United States semiconductor industry is of critical importance to the United States' overall economic well-being as well as the nation's high technology defense capabilities;

(7) The economic interests of both the United States and Japan are best served by well-functioning, open markets and deterrence of dumping in all sectors, including semiconductors;

(8) The Government of Japan continues to oppose an agreement that (A) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (B) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in the third country markets; and

(9) The United States Senate on June 19, 1996, unanimously adopted a sense of the Senate resolution that the President should take all necessary and appropriate actions to ensure the continuation of a government-to-government United States-Japan semiconductor trade agreement before the current agreement expires on July 31, 1996.

(b) SENSE OF SENATE.—It is the sense of the Senate that if a new United States-Japan Semiconductor Agreement is not concluded by July 31, 1996, that (1) ensures continued calculation of foreign market share in Japan according to the formula set forth in the current agreement, and (2) provides for continuation of current measures to deter renewed dumping of semiconductors in the United States and in third country markets, the President shall—

(A) Direct the Office of the United States Trade Representative and the Department of Commerce to establish a system to provide for unilateral United States Government calculation and publication of the foreign share of the Japanese semiconductor market, according to the formula set forth in the current agreement;

(B) Report to the Congress on a quarterly basis regarding the progress, or lack thereof, in increasing foreign market access to the Japanese semiconductor market; and

(C) Take all necessary and appropriate actions to ensure that all United States trade laws with respect to foreign market access and injurious dumping are expeditiously and vigorously enforced with respect to U.S.-Japan semiconductor trade, as appropriate.

This Act may be cited as the "Energy and Water Development Appropriations Act, 1997".

Mr. DOMENICI. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOMENICI. Mr. President, I ask unanimous consent that S. 1959, the fiscal year 1997 energy and water development appropriations bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. ASHCROFT) appointed Mr. DOMENICI, Mr. HATFIELD, Mr. COCHRAN, Mr. GORTON, Mr. MCCONNELL, Mr. BENNETT, Mr. BURNS, Mr. JOHNSTON, Mr. BYRD, Mr. HOLLINGS, Mr. REID, Mr. KERREY and Mrs. MURRAY conferees on the part of the Senate.

Mr. DOMENICI. Mr. President, I thank the combined staff—the Republican staff and the Democratic staff—for the marvelous job they did. I, most of all, thank all the Senators for being as cooperative as they were. This is a bill that is not singular in purpose but has an awful lot of facets to it. We were able in 2 days to complete it, and that is because we got great cooperation.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m. today.

Thereupon, at 12:42 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SMITH).

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 3754, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3754) making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes.

The Senate resumed the consideration of the bill.

Pending:

Chafee amendment No. 5119, to provide for a limitation on the exclusion copyrights of literary works reproduced or distributed in specialized formats for use by blind or disabled persons.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

AMENDMENT NO. 5119

Mr. MACK. Mr. President, I understand that there is a pending amendment before the Senate, which is the Chafee amendment.

The PRESIDING OFFICER. The Senator is correct. The pending amendment is the amendment by the Senator from Rhode Island.

Mr. MACK. Mr. President, I understand the amendment has been cleared by both sides of the aisle, including the authorizing committee chair and ranking member. Therefore, I ask unanimous consent that Senator FORD and Senator FRIST be added as cosponsors to the Chafee amendment and that the amendment be agreed to.

The amendment (No. 5119) was agreed to.

Mrs. MURRAY. I move to reconsider the vote.

Mr. MACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, yesterday Senator MURRAY was good enough to file on my behalf an amendment dealing with a recently adopted rule on the acceptable uses of the Senate Internet Services. I have some very serious concerns about this new rule, concerns that many of my colleagues in the Senate share.

Senator FORD and Senator WARNER have worked closely with me on this issue and I think we have reached a compromise which is very reasonable and accommodating for both the Rules Committee and the Senators who would be affected by the new Internet policy. I would like to thank them for agreeing to take another look at this policy. As a result of that compromise, I have withdrawn my amendment and am looking forward to working with the members of the Rules Committee and other Senators who are interested in the Senate Internet policy over the next 2 months. During that time, implementation of the rule dealing with promotional or commercial links on Senate home pages will be delayed.

I do want to take a moment to inform other Senators who may not have had a chance to read the new Senate Internet policy, about the issue my amendment addressed. On July 22, 1996, the Senate Committee on Rules and Administration adopted a policy for the use of the U.S. Senate Internet Services. Among other things, the rule states that "The use of Senate Internet Services for personal, promotional, commercial, or partisan political campaign purposes is prohibited."

Now most of those restrictions I would agree are appropriate and prudent. But I am concerned about the ambiguity of the terms "promotional" and "commercial". My amendment would have clarified that language by allowing a "home state exemption"—similar to the one that is included under the gift rule to allow gifts of home State products. Under my amendment, Senators would have been allowed to link to sites, businesses, and organizations in their home State as long as those links are accompanied by a disclaimer stating that the link is not an endorsement of the products, locations, or services they feature.

Like many Senators I have links on my Web page to places and organizations in my home State. My home page is a virtual office for people who may not be able to get to my offices in Montpelier or Burlington. Without the links to Vermont sites it would be a pretty uninviting place—no native Vermont art on the walls, no calendar of events, and no directory of places to go and things to see while you are in the area. That's not the kind of hospitality I like to show people who have taken the time to visit my office.

Under the July 22 rule, I will probably have to eliminate most of the home State links on my Senate Web page or defend my decision to keep those links before the Senate Ethics Committee. However I won't be alone—over half of my colleagues in the Senate have similar links on their Web pages to tourist spots, businesses or event listings in their home States, including most of the members of the Rules Committee itself. Mr. President, I do not believe that is what the committee intended. I do not believe that most Members are aware of this rule and the affect that it will have on the individuality of their home pages.

The Internet is a new milestone in communication which the Senate should be using to the advantage of all States. But it is also a rapidly changing field, and I understand completely the difficulty that Senator FORD, Senator WARNER and the other members of the Rules Committee have had in setting down a policy for Senate use of the Internet. The World Wide Web is uncharted territory when it comes to drawing the line between what is an appropriate use of Senate resources and what is not. But by opening up this dialog between all interested Senators, we can will go a long way toward finding that balance.

This will certainly not be the last time that the Senate grapples with the problem of fitting advances in telecommunications technology to a government body that pre-dates the pony express. However, I hope that the process we are establishing now of open communication between Senators who are deeply interested in this emerging technology and the Rules Committee, will continue as we travel down this road.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. COATS. Mr. President, may I ask what the current business of the Senate is?

The PRESIDING OFFICER. Under the previous order, the Senator from West Virginia is to be recognized for up to 20 minutes, followed immediately by a vote on passage of the bill.

Mr. COATS. Mr. President, I noted the absence of a quorum and thought perhaps there was a timeframe open here for me to introduce a bill; however, I see the Senator from West Virginia is here and prepared to go ahead.

Under the previous order, I am happy to abide by that and will do this at another time.

Mr. BYRD. How much time did the Senator need to introduce his bill?

Mr. COATS. There is no rush on this. I think we should stick with what was agreed upon.

Mr. BYRD. I probably have more time under the order than I will use.

Mr. COATS. I just want to introduce legislation. I can probably do it in 2 minutes.

Mr. BYRD. I yield the Senator 2 minutes, and I ask unanimous consent that he may speak as in morning business and introduce a bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Indiana is recognized.

Mr. COATS. Mr. President, I thank the Chair and I thank the Senator from West Virginia.

(The remarks of Mr. COATS pertaining to the introduction of S. 2000 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. BYRD. Mr. President, I rise in support of H.R. 3754, the Fiscal Year 1997 Legislative Appropriations Bill. This is the second year, I believe, that the distinguished Senator from Florida [Mr. MACK] has chaired the Legislative subcommittee and it is also the second year that the equally distinguished Senator from Washington [Mrs. MURRAY] has served as the ranking member of the subcommittee. Both Senators are to be commended for the efforts that they have made to ensure that the legislative branch of Government does its share in contributing toward deficit reduction.

As has been stated, the pending measure contains funding levels that are below the previous year's budget by a little over $22 million, or around 1 percent. Further, the proposed fiscal year 1997 funding level, in total, is $13 million less than what the legislative branch had 6 years ago in fiscal year 1991. So when we consider the cost increases that have occurred over this 6-year period, the legislative branch has taken a significant reduction in funding.

I note that the largest reduction contained in the bill is to the budget of the General Accounting Office, for which a reduction of $44 million is recommended, as well as a personnel ceiling of 3,500 positions. That reduction fulfills a commitment made by the GAO to reduce its budget by 25 percent over a 2-year period. But for that 44 million-dollar reduction, the pending measure would, in fact, show an increase above fiscal year 1996.

Overall, I believe that this bill recognizes the fact that we have reached the bottom of the barrel as far as further reductions in the legislative branch budget. A large portion of the legislative branch budget is for personnel whose purpose is to assist Members of the House and Senate in carrying out their responsibilities. It is my strongly held belief that we must be very careful in the future to avoid any further arbitrary reductions in the legislative branch. We have reached the point, by making such dramatic reductions in staff throughout the legislative branch, that it is affecting the ability of Members to adequately address issues of national importance which arise in Congress every day and to adequately serve the people who send us here. In fact, let me take this opportunity to congratulate a very commendable group of individuals. Who are they? The United States Senate staff.

Senators like to think of themselves as akin to stars in the heavens, giving off light, and giving off heat, energy and brilliance—separate and distinct suns in orbits all of our own, as it were, creating their very own blinding illumination. In truth our lights would be very dim indeed without the dedicated hard work and unbelievable loyalty of those who labor so long on our behalf and on behalf of our constituents.

The people who open our mail, who read our mail and who answer much of our mail, the people who answer our telephones, and take a great deal of guff in the process on many occasions, the people who research our issues, the people who prepare our press releases, the people who work on the Nation's problems, as well as on the problems of our respective States, the people on the committees who craft legislative language. I doubt that there is a Senator here—there may be one—who personally writes his own bills, the bills that he introduces. The people who intercede on behalf of our constituents when we cannot do so ourselves, the people who toil on the Senate floor, the people who negotiate far into the night, I am talking about our committee staffs in particular here, negotiate far into the night to reconcile intractable differences with Members of the other body sometimes, long after Senators have gone home and gone to bed. All of these individuals unselfishly give countless hours and energies in order to serve Senators and to benefit their country.

Some of those staff members may have certain advantages, this is true. But these are very special people, and they are special people who are mostly unsung and very often unappreciated. Daily, they combine demanding, stressful, and difficult careers with equally demanding private lives. When they leave home in the morning, they often have no idea what time they may return to their loved ones at night. Many of us, Senators, are here in that same boat. We do not know what time we are going to get to go home at night. But certainly those employees do not for the most part. Still they manage to rear children and cook and clean and carry out the hundreds of other chores which must be performed in their personal lives weekly, despite impossible hours.

Every Senator in this body, each and every Member on both sides of the aisle, is deeply in their debt, as are our constituents and the Nation as a whole.

So we are supposed to pay them well, and in many instances, or most instances, I think we do pay them well. But not always, by any means.

That is why I am particularly concerned that this year those same capable, hard-working, largely uncomplaining individuals have been singled out, not for praise, but, at least indirectly, for scorn. It is my understanding that, for the first time in the years in which there have been cost-of-living adjustments, the staff of the U.S. Senate are alone—alone—among all Federal employees in this land in their failure to receive the COLA. Staffers of the House of Representatives have been authorized to receive their COLAS, the entire rest of the Federal work force has already received a cost-of-living adjustment, including the employees who staff the Federal judiciary.

I often wonder. It strikes me as strange that Senators, many Senators, in thinking of reducing personnel and of not increasing salaries of the staff or of Members themselves, do not dare touch the judiciary. They do not want to touch the judiciary.

So staffers of the Federal judiciary have received the cost-of-living adjustment. I do not regret that. I am not complaining about that. But only Senate staffers have been singled out for this special kind of strange and unfair treatment. I cannot fathom any substantive reason for such gross unfairness. I cannot understand why such a situation has been allowed to develop. I am sure it is not intended to be punitive, but in a way it is punitive. When our staffs in the Senate look across at the other end of the Capitol and see the staffs of the House, when they look across the street and see the staffs of the judiciary, and when they look down Pennsylvania Avenue and see the staffs of the executive branch who received their COLA's, how could our staffs, how could our committee staffs, help but wonder, why is this? Why the difference? Why the discrimination?

Unlike most of the Federal work force that normally receives any approved cost-of-living adjustment automatically, Senate staffers may only receive such COLA if their respective Senator approves the increase for each member of his or her staff. Senators do not have to give the COLA to anyone on their staffs or anyone on their committee staffs who is under their jurisdiction if they do not wish to. But, this year even the option for Senators to do so has been effectively taken away from Members.

I would like to at least have the option. I would at least like to be able to pass the COLA's on to the lower paid members of my staff. I would like to make that judgment based on each staff person's merits. But that option I do not have. No other Senator has that option this year.

Do I hear deficit cutting given as a reason for such disparity? If we wanted to make a serious reduction in the deficit through this means, we could prohibit the cost-of-living adjustment for anyone and everyone in the Federal Government in the first place, including the judicial branch. No. Serious deficit reduction is not the issue here. Some sort of misguided symbolism can be the only reason for such an unwarranted slap in the face for our own loyal employees in the Senate on our personal staffs and on committee staffs.

In my opinion, this is a very poor way to thank the hundreds of people who toil to make Senators the celestial heavenly bodies that we sometimes believe we are. It is pretty shabby treatment, if you ask me.

In a city that is as expensive to live in and work in as is Washington, DC, how can any Senator be comfortable knowing that we are treating the very people who help us to serve our constituents in such a fashion?

I thank the managers of the bill. They have included moneys so that the COLA's can be passed on for the coming year. I hope that the leadership will authorize that this be done.

I think the extreme matter should be rectified immediately for this year and should not be repeated in 1997. Why? Because common decency and fairness demand it.

Mr. President, I yield the remainder of my time.

I yield the floor.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. MACK. Mr. President, I ask unanimous consent that the vote on passage of H.R. 3754, the legislative branch appropriations bill, occur at 3 p.m. today.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. MACK. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MACK. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Mr. President, I call for the regular order.

The PRESIDING OFFICER. Under the previous order, the bill having been read the third time, the question is, Shall the bill, as amended, pass? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 254 Leg.]

YEAS—93

Abraham
Akaka
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grams
Grassley
Gregg
Harkin
Hatch
Hatfield
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Simon
Simpson
Smith
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner
Wyden

NAYS—6

Brown
Conrad
Faircloth
Gramm
Heflin
Wellstone

NOT VOTING—1

Frahm

The bill (H.R. 3754), as amended, was passed.

Mrs. MURRAY. Mr. President, I move to reconsider the vote.

Mr. MACK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MACK addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I move that the Senate insist on its amendments to the bill, request a conference with the House on the disagreeing votes thereon, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. MACK, Mr. BENNETT, Mr. CAMPBELL, Mr. HATFIELD, Mrs. MURRAY, Ms. MIKULSKI, and Mr. BYRD conferees on the part of the Senate.

Mr. MACK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I ask unanimous consent that the Senator from Nebraska be allowed to proceed as in morning business for not exceeding 2 minutes the purpose of introducing legislation.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nebraska is recognized.

(The remarks of Mr. EXON pertaining to the introduction of S. 2003 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. HATFIELD. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of calendar order 504, H.R. 3675, the transportation appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 3675) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 3675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1997, and for other purposes, namely:

TITLE I

DEPARTMENT OF TRANSPORTATION

OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, **[**$53,816,000**]** *$53,376,000*, of which not to exceed $40,000 shall be available as the Secretary may determine for allocation within the Department for official reception and representation expenses: *Provided*, That notwithstanding any other provision of law, there may be credited to this appropriation up to $1,000,000 in funds received in user fees established to support the electronic tariff filing system: *Provided further*, That none of the funds appropriated in this Act or otherwise made available may be used to maintain custody of airline tariffs that are already available for public and departmental access at no cost; to secure them against detection, alteration, or tampering; and open to inspection by the Department.

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, $5,574,000.

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

For necessary expenses for conducting transportation planning, research, systems development, and development activities, to remain available until expended, **[**$3,000,000**]** *$4,158,000*.

TRANSPORTATION ADMINISTRATIVE SERVICE CENTER

Necessary expenses for operating costs and capital outlays of the Transportation Administrative Service Center, not to exceed $124,812,000, shall be paid from appropriations made available to the Department of Transportation: *Provided*, That such services shall be provided on a competitive basis to entities within the Department of Transportation: *Provided further*, That the above limitation on operating expenses shall not apply to non-DOT entities: *Provided further*, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Transportation Administrative Service Center without the approval of the agency modal administrator: *Provided further*, That no assessments may be levied against any program, budget activity, subactivity or project funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.

PAYMENTS TO AIR CARRIERS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

(INCLUDING RESCISSION OF CONTRACT AUTHORIZATION)

For liquidation of obligations incurred for payments to air carriers of so much of the compensation fixed and determined under subchapter II of chapter 417 of title 49, United States Code, as is payable by the Department of Transportation, **[**$10,000,000**]** *$25,900,000*, to remain available until expended and to be derived from the Airport and Airway Trust Fund: *Provided*, That none of the funds in this Act shall be available for the implementation or execution of programs in excess of **[**$10,000,000**]** *$25,900,000* for the Payments to Air Carriers program in fiscal year 1997: *Provided further*, That none of the funds in this Act shall be used by the Secretary of Transportation to make payment of compensation under subchapter II of chapter 417 of title 49, United States Code, in excess of the appropriation in this Act for liquidation of obligations incurred under the "Payments to air carriers" program: *Provided further*, That none of the funds in this Act shall be used for the payment of claims for such compensation except in accordance with this provision: *Provided further*, That none of the funds in this Act shall be available for service to communities in the forty-eight contiguous States that are located fewer than seventy highway miles from the nearest large or medium hub airport, or that require a rate of subsidy per passenger in excess of $200 unless such point is greater than two hundred and ten miles from the nearest large or medium hub airport: *Provided further*, That of funds provided for "Small Community Air Service" by Public Law 101–508, **[**$28,600,000**]** *$12,700,000* in fiscal year 1997 is hereby rescinded.

PAYMENTS TO AIR CARRIERS

(RESCISSION)

Of the budgetary resources remaining available under this heading, $1,133,000 are rescinded.

RENTAL PAYMENTS

For necessary expenses for rental of headquarters and field space not to exceed 8,580,000 square feet and for related services assessed by the General Services Administration, **[**$127,447,000**]** *$132,500,000*: *Provided*, That of this amount, $2,022,000 shall be derived from the Highway Trust Fund, $39,113,000 shall be derived from the Airport and Airway Trust Fund, $840,000 shall be derived from the Pipeline Safety Fund, and $193,000 shall be derived from the Harbor Maintenance Trust Fund: *Provided further*, That in addition, for assessments by the General Services Administration related to the space needs of the Federal Highway Administration, **[**$17,294,000**]** *$17,192,000*, to be derived from "Federal-aid Highways", subject to the "Limitation on General Operating Expenses".

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of direct loans, $1,500,000, as authorized by 49 U.S.C. 332: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $15,000,000. In addition, for administrative expenses to carry out the direct loan program, $400,000.

MINORITY BUSINESS OUTREACH

For necessary expenses of the Minority Business Resource Center outreach activities, $2,900,000, of which $2,635,000 shall remain available until September 30, 1998: *Provided*, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation.

COAST GUARD

OPERATING EXPENSES

For necessary expenses for the operation and maintenance of the Coast Guard, not otherwise provided for; purchase of not to exceed five passenger motor vehicles for replacement only; payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), and section 229(b) of the Social Security Act (42 U.S.C. 429(b)); and recreation and welfare; **[**$2,609,100,000**]** *$2,331,350,000*, of which $25,000,000 shall be derived from the Oil Spill Liability Trust Fund: *Provided*, That the number of aircraft on hand at any one time shall not exceed two hundred and eighteen, exclusive of aircraft and parts stored to meet future attrition: *Provided further*, That none of the funds appropriated in this or any other Act shall be available for pay or administrative expenses in connection with shipping commissioners in the United States: *Provided further*, That none of the funds provided in this Act shall be available for expenses incurred for yacht documentation under 46 U.S.C. 12109, except to the extent fees are collected from yacht owners and credited to this appropriation: *Provided further*, That the Commandant shall reduce both military and civilian employment levels for the purpose of complying with Executive Order No. 12839.

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

For necessary expenses of acquisition, construction, renovation, and improvement of aids to navigation, shore facilities, vessels, and aircraft, including equipment related thereto, **[**$358,000,000**]** *$393,100,000*, of which $20,000,000 shall be derived from the Oil Spill Liability Trust Fund; of which **[**$205,600,000**]** *$227,960,000* shall be available to acquire, repair, renovate or improve vessels, small boats and related equipment, to remain available until September 30, 2001; **[**$18,300,000**]** *$19,040,000* shall be available to acquire new aircraft and increase aviation capability, to remain available until September 30, 1999; **[**$39,900,000**]** *$46,200,000* shall be available for other equipment, to remain available until September 30, 1999; **[**$47,950,000**]** *$52,900,000* shall be available for shore facilities and aids to navigation facilities, to remain available until September 30, 1999; and **[**$46,250,000**]** *$47,000,000* shall remain available for personnel compensation and benefits and related costs, to remain available until September 30, 1998: *Provided*, That funds received from the sale of the VC–11A and HU–25 aircraft shall be credited to this appropriation for the purpose of acquiring new aircraft and increasing aviation capacity: *Provided further*, That the Commandant may dispose of surplus real property by sale or lease and the proceeds of such sale or lease shall be credited to this appropriation**[**: *Provided further*, That the property in Wildwood, New Jersey shall be disposed of in a manner resulting in a final fiscal year 1997 appropriation estimated at $338,000,000: *Provided further*, That none of the funds in this Act may be obligated or expended to continue the "Vessel Traffic Service 2000" Program.

[ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

[(RESCISSIONS)

[Of the available balances under this heading provided in Public Law 104–50, $3,400,000 are rescinded.

[Of the available balances under this heading provided in Public Law 103–331, $355,000 are rescinded.**]**

ENVIRONMENTAL COMPLIANCE AND RESTORATION

For necessary expenses to carry out the Coast Guard's environmental compliance and restoration functions under chapter 19 of title 14, United States Code, **[**$21,000,000**]** *$23,000,000*, to remain available until expended.

PORT SAFETY DEVELOPMENT

For necessary expenses for debt retirement of the Port of Portland, Oregon, $5,000,000, to remain available until expended.

ALTERATION OF BRIDGES

For necessary expenses for alteration or removal of obstructive bridges, **[**$16,000,000**]** *$10,000,000*, to remain available until expended.

RETIRED PAY

For retired pay, including the payment of obligations therefor otherwise chargeable to lapsed appropriations for this purpose, and payments under the Retired Serviceman's Family Protection and Survivor Benefits Plans, and for payments for medical care of retired personnel and their dependents under the Dependents Medical Care Act (10 U.S.C. ch. 55) $608,084,000.

RESERVE TRAINING

For all necessary expenses for the Coast Guard Reserve, as authorized by law; maintenance and operation of facilities; and supplies, equipment, and services; $65,890,000.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

For necessary expenses, not otherwise provided for, for applied scientific research, development, test, and evaluation; maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, **[**$19,000,000**]** *$19,550,000*, to remain available until expended, of which $5,020,000 shall be derived from the Oil Spill Liability Trust Fund: *Provided*, That there may be credited to this appropriation funds received from State and local governments, other public authorities, private sources, and foreign countries, for expenses incurred for research, development, testing, and evaluation.

BOAT SAFETY

(AQUATIC RESOURCES TRUST FUND)

For payment of necessary expenses incurred for recreational boating safety assistance under Public Law 92–75, as amended, **[**$35,000,000**]** *$10,000,000*, to be derived from the Boat Safety Account and to remain available until expended.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

For necessary expenses of the Federal Aviation Administration, not otherwise provided for, including operations and research activities related to commercial space transportation, administrative expenses for research and development, establishment of air navigation facilities and the operation (including leasing) and maintenance of aircraft, and carrying out the provisions of subchapter I of chapter 471 of title 49, United States Code, or other provisions of law authorizing the obligation of funds for similar programs of airport and airway development or improvement, lease or purchase of four passenger motor vehicles for replacement only, **[**$4,900,000,000**]** *$4,899,957,000*, of which **[**$1,642,500,000**]** *$2,742,602,000* shall be derived from the Airport and Airway Trust Fund: *Provided*, That notwithstanding any other provision of law, not to exceed **[**$30,000,000**]** *$75,000,000* from additional user fees to be established by the Administrator of the Federal Aviation Administration shall be credited to this appropriation as offsetting collections and used for necessary and authorized expenses under this heading: *Provided further*, That the sum herein appropriated from the general fund shall be reduced on a dollar for dollar basis as such offsetting collections are received during fiscal year 1997, to result in a final fiscal year 1997 appropriation from the general fund estimated at not more than **[**$2,127,398,000**]** *$2,082,355,000* **[** *Provided further*, That the only additional user fees authorized as offsetting collections are fees for services provided to aircraft that neither take off from, nor land in, the United States**]**: *Provided further*, That there may be credited to this appropriation, funds received from States, counties, municipalities, foreign authorities, other public authorities, and private sources, for expenses incurred in the provision of agency services, including receipts for the maintenance and operation of air navigation facilities and, for issuance, renewal or modification of certificates, including airman, aircraft, and repair station certificates, or for tests related thereto, or for processing major repair or alteration forms: *Provided further*, That funds may be used to enter into a grant agreement with a nonprofit standard setting organization to assist in the development of aviation safety standards: *Provided further*, That none of the funds in this Act shall be available for new applicants for the second career training program: *Provided further*, That none of the funds in this Act shall be available for paying premium pay under 5 U.S.C. 5546(a) to any Federal Aviation Administration employee unless such employee actually performed work during the time corresponding to such premium pay: *Provided further*, That none of the funds in this Act may be obligated or expended to operate a manned auxiliary flight service station in the contiguous United States: *Provided further*, That none of the funds derived from the Airport and Airway Trust Fund may be used to support the operations and activities of the Associate Administrator for Commercial Space Transportation.

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for acquisition, establishment, and improvement by contract or purchase, and hire of air navigation and experimental facilities and equipment as authorized under part A of subtitle VII of title 49, United States Code, including initial acquisition of necessary sites by lease or grant; engineering and service testing, including construction of test facilities and acquisition of necessary sites by lease or grant; and construction and furnishing of quarters and related accommodations for officers and employees of the Federal Aviation Administration stationed at remote localities where such accommodations are not available; and the purchase, lease, or transfer of aircraft from funds available under this head; to be derived from the Airport and Airway Trust Fund, **[**$1,800,000,000**]** *$1,788,700,000*, of which **[**$1,583,000,000**]** *$1,571,700,000* shall remain available until September 30, 1999, and of which $217,000,000 shall remain available until September 30, 1997: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred in the establishment and modernization of air navigation facilities.

RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For necessary expenses, not otherwise provided for, for research, engineering, and development, as authorized under part A of subtitle VII of title 49, United States Code, including construction of experimental facilities and acquisition of necessary sites by lease or grant, **[**$185,000,000**]** *$187,000,000*, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1999: *Provided*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources, for expenses incurred for research, engineering, and development.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

For liquidation of obligations incurred for grants-in-aid for airport planning and development, and for noise compatibility planning and programs as authorized under subchapter I of chapter 471 and subchapter I of chapter 475 of title 49, United States Code, and under other law authorizing such obligations, $1,500,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of programs the obligations for which are in excess of **[**$1,300,000,000**]** *$1,460,000,000* in fiscal year 1997 for grants-in-aid for airport planning and development, and noise compatibility planning and programs, notwithstanding section 47117(h) of title 49, United States Code.

AVIATION INSURANCE REVOLVING FUND

The Secretary of Transportation is hereby authorized to make such expenditures and investments, within the limits of funds available pursuant to 49 U.S.C. 44307, and in accordance with section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program for aviation insurance activities under chapter 443 of title 49, United States Code.

AIRCRAFT PURCHASE LOAN GUARANTEE PROGRAM

None of the funds in this Act shall be available for activities under this heading during fiscal year 1997.

ADMINISTRATIVE SERVICES FRANCHISE FUND

There is hereby established in the Treasury a fund, to be available without fiscal year limitation, for the costs of capitalizing and operating such administrative services as the FAA Administrator determines may be performed more advantageously as centralized services, including accounting, international training, payroll, travel, duplicating, multimedia and information technology services: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made prior to the current year for the purpose of providing capital shall be used to capitalize such fund: Provided further, That such fund shall be paid in advance from funds available to the FAA and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of Automated Data Processing (ADP) software and systems (either required or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the FAA Administrator: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed four percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each year thereafter, to remain available until expended, to be used for the acquisition of capital equipment and for the improvement and implementation of FAA financial management, ADP, and support systems: Provided further, That no later than thirty days after the end of each fiscal year, amounts in excess of this reserve limitation shall be transferred to miscellaneous receipts in the Treasury.

FEDERAL HIGHWAY ADMINISTRATION

LIMITATION ON GENERAL OPERATING EXPENSES

Necessary expenses for administration, operation, including motor carrier safety program operations, and research of the Federal Highway Administration not to exceed **[**$510,981,000**]** *$534,846,000* shall be paid in accordance with law from appropriations made available by this Act to the Federal Highway Administration together with advances and reimbursements received by the Federal Highway Administration: *Provided*, That **[**$214,698,000**]** *$234,840,000* of the amount provided herein shall remain available until September 30, 1999.

HIGHWAY-RELATED SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out the provisions of title 23, United States Code, section 402 administered by the Federal Highway Administration, to remain available until expended, $2,049,000 to be derived from the Highway Trust Fund.

FEDERAL-AID HIGHWAYS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of **[**$17,550,000,000**]** *$17,650,000,000* for Federal-aid highways and highway safety construction programs for fiscal year 1997.

FEDERAL-AID HIGHWAYS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For carrying out the provisions of title 23, United States Code, that are attributable to Federal-aid highways, including the National Scenic and Recreational Highway as authorized by 23 U.S.C. 148, not otherwise provided, including reimbursements for sums expended pursuant to the provisions of 23

U.S.C. 308, $19,800,000,000 or so much thereof as may be available in and derived from the Highway Trust Fund, to remain available until expended.

Right-of-Way Revolving Fund

(LIMITATION ON DIRECT LOANS)

(HIGHWAY TRUST FUND)

None of the funds under this head are available for *net* obligations for right-of-way acquisition during fiscal year 1997.

Motor Carrier Safety Grants

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out 49 U.S.C. 31102, $74,000,000, to be derived from the Highway Trust Fund and to remain available until expended: *Provided*, That none of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$77,425,000] *$79,000,000* for "Motor Carrier Safety Grants".

State Infrastructure Banks

(HIGHWAY TRUST FUND)

To carry out the State Infrastructure Bank Pilot Program (Public Law 104–59, section 350), $250,000,000, to be derived from the Highway Trust Fund and to remain available until expended, to be distributed by the Secretary to more than 10 States: Provided, That these funds shall be used to advance projects or programs under the terms and conditions of section 350: Provided further, That any State that receives such funds may deposit any portion of those funds into either the highway or transit account of the State Infrastructure Bank: Provided further, That the funds appropriated and deposited into transit accounts authorized by section 350(b)(3) shall be drawn from the Mass Transit account of the Highway Trust Fund and that funds appropriated and deposited into highway accounts authorized by section 350(b)(2) shall be drawn from the Highway Trust Fund (other than the Mass Transit Account): Provided further, That the Secretary shall ensure that the Federal disbursements shall be at a rate consistent with historic rates for the Federal-aid highways program.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Operations and Research

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under part C of subtitle VI of title 49, United States Code, and chapter 301 of title 49, United States Code, [$81,895,000] *$80,000,000*, of which $45,646,000 shall remain available until September 30, 1999: *Provided*, That none of the funds appropriated by this Act may be obligated or expended to plan, finalize, or implement any rulemaking to add to section 575.104 of title 49 of the Code of Federal Regulations any requirement pertaining to a grading standard that is different from the three grading standards (treadwear, traction, and temperature resistance) already in effect.

Operations and Research

(HIGHWAY TRUST FUND)

For expenses necessary to discharge the functions of the Secretary with respect to traffic and highway safety under 23 U.S.C. 403 and section 2006 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240), to be derived from the Highway Trust Fund, [$50,377,000] *$53,195,000*, of which $27,066,000 shall remain available until September 30, 1999.

Highway Traffic Safety Grants

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred carrying out the provisions of 23 U.S.C. 153, 402, 408, and 410, chapter 303 of title 49, United States Code, and section 209 of Public Law 95–599, as amended, to remain available until expended, [$167,100,000] *$169,100,000*, to be derived from the Highway Trust Fund: *Provided*, That, notwithstanding subsection 2009(b) of the Intermodal Surface Transportation Efficiency Act of 1991, none of the funds in this Act shall be available for the planning or execution of programs the total obligations for which, in fiscal year 1997, are in excess of [$167,100,000] *$169,100,000* for programs authorized under 23 U.S.C. 402 and 410, as amended, of which [$127,700,000] *$129,700,000* shall be for "State and community highway safety grants", $2,400,000 shall be for the "National Driver Register", [$11,000,000] *$12,000,000* shall be for highway safety grants as authorized by section 1003(a)(7) of Public Law 102–240, and [$26,000,000] *$25,000,000* shall be for section 410 "Alcohol-impaired driving counter-measures programs": *Provided further*, That none of these funds shall be used for construction, rehabilitation or remodeling costs, or for office furnishings and fixtures for State, local, or private buildings or structures: *Provided further*, That not to exceed [$5,268,000] *$5,468,000* of the funds made available for section 402 may be available for administering "State and community highway safety grants": *Provided further*, That not to exceed $150,000 of the funds made available for section 402 may be available for administering the highway safety grants authorized by section 1003(a)(7) of Public Law 102–240: *Provided further*, That the unobligated balances of the appropriation "Highway-Related Safety Grants" shall be transferred to and merged with this "Highway Traffic Safety Grants" appropriation: *Provided further*, That not to exceed $500,000 of the funds made available for section 410 "Alcohol-impaired driving counter-measures programs" shall be available for technical assistance to the States.

FEDERAL RAILROAD ADMINISTRATION

Office of the Administrator

For necessary expenses of the Federal Railroad Administration, not otherwise provided for, [$16,469,000] *$16,739,000*, of which $1,523,000 shall remain available until expended: *Provided*, That none of the funds in this Act shall be available for the planning or execution of a program making commitments to guarantee new loans under the Emergency Rail Services Act of 1970, as amended, and no new commitments to guarantee loans under section 211(a) or 211(h) of the Regional Rail Reorganization Act of 1973, as amended, shall be made: *Provided further*, That, as part of the Washington Union Station transaction in which the Secretary assumed the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: *Provided further*, That such additional sums as may be necessary for payment on the first deed of trust may be advanced by the Administrator from unobligated balances available to the Federal Railroad Administration, to be reimbursed from payments received from the Union Station Redevelopment Corporation.

Railroad Safety

For necessary expenses in connection with railroad safety, not otherwise provided for, $51,407,000, of which $2,476,000 shall remain available until expended: *Provided*, That notwithstanding any other law, funds appropriated under this heading are available for the reimbursement of out-of-state travel and per diem costs incurred by employees of state governments directly supporting the Federal railroad safety program, including regulatory development and compliance-related activities.

Railroad Research and Development

For necessary expenses for railroad research and development, [$20,341,000] *$20,000,000*, to remain available until expended.

Northeast Corridor Improvement Program

For necessary expenses related to Northeast Corridor improvements authorized by title VII of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (45 U.S.C. 851 et seq.) and 49 U.S.C. 24909, $200,000,000, to remain available until September 30, 1999.

High-Speed Rail Trainsets and Facilities

For the National Railroad Passenger Corporation, $80,000,000, to remain available until September 30, 1999, to pursue public/private partnerships for high-speed rail trainset and maintenance facility financing arrangements.

Railroad Rehabilitation and Improvement Program

The Secretary of Transportation is authorized to issue to the Secretary of the Treasury notes or other obligations pursuant to section 512 of the Railroad Revitalization and Regulatory Reform Act of 1976 (Public Law 94–210), as amended, in such amounts and at such times as may be necessary to pay any amounts required pursuant to the guarantee of the principal amount of obligations under sections 511 through 513 of such Act, such authority to exist as long as any such guaranteed obligation is outstanding: *Provided*, That no new loan guarantee commitments shall be made during fiscal year 1997.

Next Generation High-Speed Rail

For necessary expenses for Next Generation High-Speed Rail studies, corridor planning, development, demonstration, and implementation, [$19,757,000] *$26,525,000*, to remain available until expended: *Provided*, That funds under this head may be made available for grants to States for high-speed rail corridor design, feasibility studies, environmental analyses, and [track and signal] *track, signal and station* improvements.

Trust Fund Share of Next Generation High-Speed Rail

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For grants and payment of obligations incurred in carrying out the provisions of the High-Speed Ground Transportation program as defined in subsections 1036(c) and 1036(d)(1)(B) of the Intermodal Surface Transportation Efficiency Act of 1991, including planning and environmental analyses, $2,855,000, to be derived from the Highway Trust Fund and to remain available until expended.

Alaska Railroad Rehabilitation

To enable the Secretary of Transportation to make grants to the Alaska Railroad, $10,000,000 *shall be for capital rehabilitation and improvements benefiting its passenger operations.*

RHODE ISLAND RAIL DEVELOPMENT

For the costs associated with construction of a third track on the Northeast Corridor between Davisville and Central Falls, Rhode Island, with sufficient clearance to accommodate double stack freight cars, [$4,000,000] *$10,000,000* to be matched by the State of Rhode Island or its designee on a dollar for dollar basis and to remain available until expended: *Provided*, That as a condition of accepting such funds, the Providence and Worcester (P&W) Railroad shall enter into an agreement with the Secretary to reimburse Amtrak and/or the Federal Railroad Administration, on a dollar for dollar basis, up to the first [$10,000,000] *$16,000,000* in damages resulting from the legal action initiated by the P&W Railroad under its existing contracts with Amtrak relating to the provision of vertical clearances between Davisville and Central Falls in excess of those required for present freight operations.

[DIRECT LOAN FINANCING PROGRAM

[Notwithstanding any other provision of law, $58,680,000, for direct loans not to exceed $400,000,000 consistent with the purposes of section 505 of the Railroad Revitalization and Regulatory Reform Act of 1976 (45 U.S.C. 825) as in effect on September 30, 1988, to the Alameda Corridor Transportation Authority to continue the Alameda Corridor Project, including replacement of at-grade rail lines with a below-grade corridor and widening of the adjacent major highway: *Provided*, That loans not to exceed the following amounts shall be made on or after the first day of the fiscal year indicated:

[Fiscal year 1997	$140,000,000
[Fiscal year 1998	$140,000,000
[Fiscal year 1999	$120,000,000

Provided further, That any loan authorized under this section shall be structured with a maximum 30-year repayment after completion of construction at an annual interest rate of not to exceed the 30-year United States Treasury rate and on such terms and conditions as deemed appropriate by the Secretary of Transportation: *Provided further*, That specific provisions of section 505(a)(b) and (d) shall not apply: *Provided further*, That the Alameda Corridor Transportation Authority shall be deemed to be a financially responsible person for purposes of section 505 of the Act.]

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

To enable the Secretary of Transportation to make grants to the National Railroad Passenger Corporation authorized by 49 U.S.C. 24104, [$462,000,000] *$592,000,000*, to remain available until expended, of which $342,000,000 shall be available for operating losses and for mandatory passenger rail service payments, and [$120,000,000] *$250,000,000* shall be for capital improvements: *Provided*, That funding under this head for capital improvements shall not be made available before July 1, 1997: *Provided further*, That none of the funds herein appropriated shall be used for lease or purchase of passenger motor vehicles or for the hire of vehicle operators for any officer or employee, other than the president of the Corporation, excluding the lease of passenger motor vehicles for those officers or employees while in official travel status.

FEDERAL TRANSIT ADMINISTRATION

ADMINISTRATIVE EXPENSES

For necessary administrative expenses of the Federal Transit Administration's programs authorized by chapter 53 of title 49, United States Code, [$41,367,000] *$42,147,000*.

FORMULA GRANTS

For necessary expenses to carry out 49 U.S.C. 5307, 5310(a)(2), 5311, and 5336, to remain available until expended, [$490,000,000] *$218,335,000*: *Provided*, That no more than [$2,052,925,000] *$2,149,185,000* of budget authority shall be available for these purposes: *Provided further*, That, *notwithstanding any other provision of law*, of the funds provided under this head for formula grants, no more than $400,000,000 may be used for operating assistance under 49 U.S.C. 5336(d): *Provided further*, That the limitation on operating assistance provided under this heading shall, for urbanized areas of less than 200,000 in population, be no less than seventy-five percent of the amount of operating assistance such areas are eligible to receive under Public Law 103–331: *Provided further*, That in the distribution of the limitation provided under this heading to urbanized areas that had a population under the 1990 census of 1,000,000 or more, the Secretary shall direct each such area to give priority consideration to the impact of reductions in operating assistance on smaller transit authorities operating within the area and to consider the needs and resources of such transit authorities when the limitation is distributed among all transit authorities operating in the area.

UNIVERSITY TRANSPORTATION CENTERS

For necessary expenses for university transportation centers as authorized by 49 U.S.C. 5317(b), to remain available until expended, $6,000,000.

TRANSIT PLANNING AND RESEARCH

For necessary expenses for transit planning and research as authorized by 49 U.S.C. 5303, 5311, 5313, 5314, and 5315, to remain available until expended, $85,500,000, of which $39,500,000 shall be for activities under Metropolitan Planning (49 U.S.C. 5303); $4,500,000 for activities under Rural Transit Assistance (49 U.S.C. 5311(b)(2)); $8,250,000 for activities under State Planning and Research (49 U.S.C. 5313(b)); $22,000,000 for activities under National Planning and Research (49 U.S.C. 5314); $8,250,000 for activities under Transit Cooperative Research (49 U.S.C. 5313(a)); and $3,000,000 for National Transit Institute (49 U.S.C. 5315).

TRUST FUND SHARE OF EXPENSES

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out 49 U.S.C. 5338(a), $1,920,000,000, to remain available until expended and to be derived from the Highway Trust Fund: *Provided*, That $1,920,000,000 shall be paid from the Mass Transit Account of the Highway Trust Fund to the Federal Transit Administration's formula grants account.

DISCRETIONARY GRANTS

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

None of the funds in this Act shall be available for the implementation or execution of programs the obligations for which are in excess of [$1,665,000,000] *$1,900,000,000* in fiscal year 1997 for grants under the contract authority in 49 U.S.C. 5338(b): *Provided*, That *notwithstanding any provision of law*, there shall be available for fixed guideway modernization, [$666,000,000] *$725,000,000*; there shall be available for the replacement, rehabilitation, and purchase of buses and related equipment and the construction of bus-related facilities, [$333,000,000] *$375,000,000*; and, notwithstanding any other provision of law, except for fixed guideway modernization projects, [$10,510,000] *$8,890,000* made available under Public Law 102–240 and Public Law 102–143 under "Federal Transit Administration, Discretionary Grants" for projects specified in those Acts or identified in reports accompanying those Acts, not obligated by September 30, 1996; together with, notwithstanding any other provision of law, $744,000 funds made available for the "New Bedford and Fall River Massachusetts commuter rail extension" under Public Law 103–331; together with, notwithstanding any other provision of law, $47,322,000 funds made available for the "Chicago Central Area Circulator Project" in Public Law 103–122 and Public Law 103–331, shall be made available for new fixed guideway systems together with the [$666,000,000] *$800,000,000* made available for new fixed guideway systems in this Act, to be available as follows:

$6,390,000 for the Alaska-Hollis to Ketchikan ferry project;

[$66,820,000] *$62,000,000* for the Atlanta-North Springs project;

[$10,260,000] *$5,000,000* for the Baltimore-LRT Extension project;

[$40,181,000] *$30,000,000* for the Boston Piers-MOS–2 project;

$2,000,000 for the Burlington-Charlotte, Vermont commuter rail project;

[$5,500,000 for the Canton-Akron-Cleveland commuter rail project;]

[$25,000,000,] *$20,000,000* notwithstanding any other provision of law, for transit improvements in the Chicago downtown area;

$3,000,000 for the Cincinnati Northeast-Northern Kentucky rail line project;

[$10,000,000] *$12,000,000* for the DART North Central light rail extension project;

[$12,500,000] *$18,000,000* for the Dallas-Fort Worth RAILTRAN project;

[$1,000,000 for the DeKalb County, Georgia light rail project;]

[$3,000,000 for the Denver Southwest Corridor project;]

[$9,000,000] *$20,000,000* for the Florida Tri-County commuter rail project;

[$2,000,000 for the Griffin light rail project;]

[$40,590,000] *$24,000,000* for the Houston Regional Bus project;

$7,400,000 for the Jackson, Mississippi Intermodal Corridor;

[$15,300,000 for the Jacksonville ASE extension project;]

[$1,500,000] *$3,600,000* for the Kansas City Southtown corridor project;

$6,000,000 for the Little Rock, Arkansas Junction Bridge project;

[$90,000,000] *$55,000,000* for the Los Angeles-MOS–3 project;

[$1,500,000 for the Los Angeles-San Diego commuter rail project;]

[$27,000,000] *$50,000,000* for the MARC Commuter Rail Improvements project;

$5,000,000 for the Metro-Dade Transit east-west corridor, Florida project;

[$1,000,000 for the Miami-North 27th Avenue project;]

[$2,000,000] *$6,400,000* for the Memphis, Tennessee Regional Rail Plan;

$4,240,000 for the Morgantown, West Virginia Personal Rapid Transit System;

$10,000,000 for the New Jersey Urban Core/Hudson-Bergen LRT project;

$105,530,000 for the New Jersey Urban Core/Secaucus project;

[$1,000,000 for the New Jersey West Trenton commuter rail project;]

[$8,000,000] *$10,000,000* for the New Orleans Canal Street Corridor project;

[$2,000,000 for the New Orleans Desire Streetcar project;]

$35,020,000 for the New York-Queens Connection project;

[$500,000 for the Northern Indiana commuter rail project;]

$10,000,000 for the Oklahoma City, MAPS corridor transit system;

[$5,000,000 for the Orange County transitway project;]

$2,000,000 for the Orlando Lynx light rail project;

$15,100,000 for the Pittsburgh Airport busway project;

$6,000,000 for the Portland South/North light rail transit project;

[$90,000,000] *$138,000,000* for the Portland-Westside/Hillsboro Extension project;

$5,000,000 for the Research Triangle Park, North Carolina regional transit plan;

[$6,000,000] *$7,000,000* for the Sacramento LRT Extension project;

[$20,000,000] *$58,000,000* for the Salt Lake City-South LRT project[, of which not less than $10,000,000 shall be available only for high-occupancy vehicle lane and corridor design costs];

$30,000,000 for St. Louis Metrolink;

[$20,000,000] *$45,000,000* for the St. Louis-St. Clair Extension project;

[$35,000,000] *$20,000,000* for the San Francisco Area-BART airport extension/San Jose Tasman West LRT projects;

[$3,000,000 for the San Diego-Mid-Coast Corridor project;]

[$9,500,000 for the San Juan Tren Urbano project;]

$5,000,000 for the Seattle-Renton-Tacoma light rail project;

[$375,000 for the Staten Island-Midtown Ferry service project;]

$2,000,000 for the Tampa to Lakeland commuter rail project; [and]

$8,000,000 for the Virginia Rail Express Richmond to Washington commuter rail project; and

[$2,500,000] *$5,000,000* for the Whitehall ferry terminal, New York, New York.

MASS TRANSIT CAPITAL FUND

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For payment of obligations incurred in carrying out 49 U.S.C. 5338(b) administered by the Federal Transit Administration, [$2,000,000,000] *$2,300,000,000*, to be derived from the Highway Trust Fund and to remain available until expended.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

For necessary expenses to carry out the provisions of section 14 of Public Law 96-184 and Public Law 101-551, $200,000,000, to remain available until expended.

SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION

The Saint Lawrence Seaway Development Corporation is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to the Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Corporation's budget for the current fiscal year.

OPERATIONS AND MAINTENANCE

(HARBOR MAINTENANCE TRUST FUND)

For necessary expenses for operation and maintenance of those portions of the Saint Lawrence Seaway operated and maintained by the Saint Lawrence Seaway Development Corporation, including the Great Lakes Pilotage functions delegated by the Secretary of Transportation, [$10,037,000] *$10,337,000*, to be derived from the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662.

RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

RESEARCH AND SPECIAL PROGRAMS

For expenses necessary to discharge the functions of the Research and Special Programs Administration, [$23,929,000] *$27,675,000*, of which $574,000 shall be derived from the Pipeline Safety Fund, and of which $7,101,000 shall remain available until September 30, 1999: *Provided*, That up to $1,200,000 in fees collected under 49 U.S.C. 5108(g) shall be deposited in the general fund of the Treasury as offsetting receipts: *Provided further*, That there may be credited to this appropriation funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training, for reports publication and dissemination.

PIPELINE SAFETY

(PIPELINE SAFETY FUND)

For expenses necessary to conduct the functions of the pipeline safety program, for grants-in-aid to carry out a pipeline safety program, as authorized by 49 U.S.C. 60107, and to discharge the pipeline program responsibilities of the Oil Pollution Act of 1990, [$30,988,000] *$31,278,000*, of which $2,528,000 shall be derived from the Oil Spill Liability Trust Fund and shall remain available until September 30, 1999; and of which [$28,460,000] *$28,750,000* shall be derived from the Pipeline Safety Fund, of which $15,500,000 shall remain available until September 30, 1999: *Provided*, That in addition to amounts made available for the Pipeline Safety Fund, $1,000,000 shall be available for grants to States for the development and establishment of one-call notification systems and shall be derived from amounts previously collected under section 7005 of the Consolidated Omnibus Budget Reconciliation Act of 1985.

EMERGENCY PREPAREDNESS GRANTS

(EMERGENCY PREPAREDNESS FUND)

For necessary expenses to carry out 49 U.S.C. 5127(c), $200,000, to be derived from the Emergency Preparedness Fund, to remain available until September 30, 1999: *Provided*, That none of the funds made available by 49 U.S.C. 5116(i) and 5127(d) shall be made available for obligation by individuals other than the Secretary of Transportation, or his designee.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General to carry out the provisions of the Inspector General Act of 1978, as amended, [$39,450,000] *$39,700,000*: *Provided*, That [none of the funds under this heading shall be for the conduct of contract audits] *of which $1,900,000 shall be for the conduct of contract audits.*

SURFACE TRANSPORTATION BOARD

SALARIES AND EXPENSES

For necessary expenses of the Surface Transportation Board, including services authorized by 5 U.S.C. 3109, $12,344,000: *Provided*, That $3,000,000 in fees collected in fiscal year 1997 by the Surface Transportation Board pursuant to 31 U.S.C. 9701 shall be made available to this appropriation in fiscal year 1997: *Provided further*, That any fees received in excess of $3,000,000 in fiscal year 1997 shall remain available until expended, but shall not be available for obligation until October 1, 1997.

TITLE II

RELATED AGENCIES

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SALARIES AND EXPENSES

For expenses necessary for the Architectural and Transportation Barriers Compliance Board, as authorized by section 502 of the Rehabilitation Act of 1973, as amended, $3,540,000: *Provided*, That, notwithstanding any other provision of law, there may be credited to this appropriation funds received for publications and training expenses.

NATIONAL TRANSPORTATION SAFETY BOARD

SALARIES AND EXPENSES

For necessary expenses of the National Transportation Safety Board, including hire of passenger motor vehicles and aircraft; services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for a GS-18; uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902), $42,407,000, of which not to exceed $2,000 may be used for official reception and representation expenses.

TITLE III—GENERAL PROVISIONS

(INCLUDING TRANSFERS OF FUNDS)

SEC. 301. During the current fiscal year applicable appropriations to the Department of Transportation shall be available for maintenance and operation of aircraft; hire of passenger motor vehicles and aircraft; purchase of liability insurance for motor vehicles operating in foreign countries on official department business; and uniforms, or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 302. Such sums as may be necessary for fiscal year 1997 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act or previous appropriations Acts.

SEC. 303. Funds appropriated under this Act for expenditures by the Federal Aviation Administration shall be available (1) except as otherwise authorized by title VIII of the Elementary and Secondary Education Act of 1965, 20 U.S.C. 7701, et seq., for expenses of primary and secondary schooling for dependents of Federal Aviation Administration personnel stationed outside the continental United States at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools, if any, available in the locality are unable to provide adequately for the education of such dependents, and (2) for transportation of said dependents between schools serving the area that they attend and their places of residence when the Secretary, under such regulations as may be prescribed, determines that such schools are not accessible by public means of transportation on a regular basis.

SEC. 304. Appropriations contained in this Act for the Department of Transportation shall be available for services as authorized by 5 U.S.C. 3109, but at rates for individuals not to exceed the per diem rate equivalent to the rate for an Executive Level IV.

SEC. 305. None of the funds in this Act shall be available for salaries and expenses of more than one hundred seven political and Presidential appointees in the Department of Transportation: *Provided*, That none of the personnel covered by this provision may be assigned on temporary detail outside the Department of Transportation.

SEC. 306. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

SEC. 307. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

SEC. 308. The Secretary of Transportation may enter into grants, cooperative agreements, and other transactions with any person, agency, or instrumentality of the United States, any unit of State or local government, any educational institution, and any other entity in execution of the Technology Reinvestment Project authorized under the Defense Conversion, Reinvestment and Transition Assistance Act of 1992 and related legislation: *Provided*, That the authority provided in this section may be exercised without regard to section 3324 of title 31, United States Code.

SEC. 309. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 310. (a) For fiscal year 1997 the Secretary of Transportation shall distribute the obligation limitation for Federal-aid highways by allocation in the ratio which sums authorized to be appropriated for Federal-aid highways that are apportioned or allocated to each State for such fiscal year bear to the total of the sums authorized to be appropriated for Federal-aid highways that are apportioned or allocated to all the States for such fiscal year.

(b) During the period October 1 through December 31, 1996, no State shall obligate more than 25 per centum of the amount distributed to such State under subsection (a), and the total of all State obligations during such period shall not exceed 12 per centum of the total amount distributed to all States under such subsection.

(c) Notwithstanding subsections (a) and (b), the Secretary shall—

(1) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways that have been apportioned to a State;

(2) after August 1, 1997, revise a distribution of the funds made available under subsection (a) if a State will not obligate the amount distributed during that fiscal year and redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year giving priority to those States having large unobligated balances of funds apportioned under sections 103(e)(4), 104, and 144 of title 23, United States Code, and under sections 1013(c) and 1015 of Public Law 102–240; and

(3) not distribute amounts authorized for administrative expenses and funded from the administrative takedown authorized by section 104(a), title 23 U.S.C., the Federal lands highway [program,] *program;* the intelligent transportation systems [program, and] *program;* amounts made available under sections 1040, 1047, 1064, 6001, 6005, 6006, 6023, and 6024 of Public Law 102–240, and 49 U.S.C. 5316, 5317, and 5338*; $5,000,000 for activities authorized by section 140(b) of title 23, United States Code; $5,000,000 for activities authorized by section 1012(b) of Public Law 102–240; and $50,000,000 of the obligation limitation established by this Act for Federal-aid highways and highway safety construction: Provided, That $15,000,000 of such undistributed obligation limitation shall be available for administrative costs and allocation to States under section 104(I) of title 23, United States Code; $30,000,000 shall be available for allocation to States authorized by section 1069(y) of Public Law 102–240; and $5,000,000 shall be available for administrative costs and allocation to States under section 1302(d) of the Symms National Recreational Trails Act of 1991*: [*Provided*] *Provided further*, That amounts made available under section 6005 of Public Law 102–240 shall be subject to the obligation limitation for Federal-aid highways and highway safety construction programs under the head "Federal-Aid Highways" in this Act.

(d) During the period October 1 through December 31, 1996, the aggregate amount of obligations under section 157 of title 23, United States Code, for projects covered under section 147 of the Surface Transportation Assistance Act of 1978, section 9 of the Federal-Aid Highway Act of 1981, sections 131(b), 131(j), and 404 of Public Law 97–424, sections 1061, 1103 through 1108, 4008, and 6023(b)(8) and 6023(b)(10) of Public Law 102–240, and for projects authorized by Public Law 99–500 and Public Law 100–17, shall not exceed $277,431,840.

(e) During the period August 2 through September 30, 1997, the aggregate amount which may be obligated by all States shall not exceed 2.5 percent of the aggregate amount of funds apportioned or allocated to all States—

(1) under sections 104 and 144 of title 23, United States Code, and 1013(c) and 1015 of Public Law 102–240, and

(2) for highway assistance projects under section 103(e)(4) of title 23, United States Code,

which would not be obligated in fiscal year 1997 if the total amount of the obligation limitation provided for such fiscal year in this Act were utilized.

(f) Paragraph (e) shall not apply to any State which on or after August 1, 1997, has the amount distributed to such State under paragraph (a) for fiscal year 1997 reduced under paragraph (c)(2).

(g) INCREASE IN ADMINISTRATIVE TAKEDOWN.—

(1) IN GENERAL.—Notwithstanding any other provision of law, for fiscal year 1997 only, whenever an allocation is made of the sums authorized to be appropriated for expenditure on the Federal lands highways program, and whenever an apportionment is made of the sums authorized to be appropriated for expenditure on the surface transportation program, the congestion mitigation and air quality improvement program, the National Highway System, the Interstate maintenance program, the Interstate reimbursement program, the highway bridge replacement and rehabilitation program, and the donor State bonus program, the Secretary of Transportation shall deduct a sum in such amount not to exceed 4¾ per centum of all sums to be authorized as the Secretary may determine necessary for administering the provisions of law to be financed from appropriations for the Federal-Aid Highway Program and for carrying on the research authorized by subsections (a) and (b) of section 307 of title 23, United States Code. In making such determination, the Secretary shall take into account the unobligated balance of any sums deducted for such purposes in prior years. The sum so deducted shall remain available until expended.

(2) EFFECT.—Any deduction by the Secretary of Transportation in accordance with this Act shall be deemed to be a deduction under 23 U.S.C. § 104(a).

SEC. 311. The limitation on obligations for the programs of the Federal Transit Administration shall not apply to any authority under 49 U.S.C. 5338, previously made available for obligation, or to any other authority previously made available for obligation under the discretionary grants program.

SEC. 312. None of the funds in this Act shall be used to implement section 404 of title 23, United States Code.

SEC. 313. None of the funds in this Act shall be available to plan, finalize, or implement regulations that would establish a vessel traffic safety fairway less than five miles wide between the Santa Barbara Traffic Separation Scheme and the San Francisco Traffic Separation Scheme.

SEC. 314. Notwithstanding any other provision of law, airports may transfer, without consideration, to the Federal Aviation Administration (FAA) instrument landing systems (along with associated approach lighting equipment and runway visual range equipment) which conform to FAA design and performance specifications, the purchase of which was assisted by a Federal airport aid program, airport development aid program or airport improvement program grant. The FAA shall accept such equipment, which shall thereafter be operated and maintained by the FAA in accordance with agency criteria.

SEC. 315. None of the funds in this Act shall be available to award a multiyear contract for production end items that (1) includes economic order quantity or long lead time material procurement in excess of $10,000,000 in any one year of the contract or (2) includes a cancellation charge greater than $10,000,000 which at the time of obligation has not been appropriated to the limits of the government's liability or (3) includes a requirement that permits performance under the contract during the second and subsequent years of the contract without conditioning such performance upon the appropriation of funds: *Provided*, That this limitation does not apply to a contract in which the Federal Government incurs no financial liability from not buying additional systems, subsystems, or components beyond the basic contract requirements.

SEC. 316. None of the funds provided in this Act shall be made available for planning and executing a passenger manifest program by the Department of Transportation that only applies to United States flag carriers.

SEC. 317. Notwithstanding any other provision of law, and except for fixed guideway modernization projects, funds made available by this Act under "Federal Transit Administration, Discretionary grants" for projects specified in this Act or identified in reports accompanying this Act not obligated by September 30, 1999, shall be made available for other projects under 49 U.S.C. 5309.

SEC. 318. Notwithstanding any other provision of law, any funds appropriated before October 1, 1993, under any section of chapter 53 of title 49 U.S.C., that remain available for expenditure may be transferred to and administered under the most recent appropriation heading for any such section.

SEC. 319. None of the funds in this Act shall be available to implement or enforce regulations that would result in the withdrawal of a slot from an air carrier at O'Hare International Airport under section 93.223 of title 14 of the Code of Federal Regulations in excess of the total slots withdrawn from that air carrier as of October 31, 1993 if such additional slot is to be allocated to an air carrier or foreign air carrier under section 93.217 of title 14 of the Code of Federal Regulations.

SEC. 320. None of the funds in this Act may be used to compensate in excess of 335 technical staff years under the federally-funded research and development center contract between the Federal Aviation Administration and the Center for Advanced Aviation Systems Development during fiscal year 1997.

SEC. 321. Funds provided in this Act for the Transportation Administrative Service Center (TASC) shall be reduced by $10,000,000, which limits fiscal year 1997 TASC obligational authority for elements of the Department of Transportation funded in this Act to no more than $114,812,000: *Provided*, That such reductions from the budget request shall be allocated by the Department of Transportation to each appropriations account in proportion to the amount included in each account for the transportation administrative service center.

SEC. 322. Funds received by the Federal Highway Administration, Federal Transit Administration, and Federal Railroad Administration from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training may be credited respectively to the Federal Highway Administration's "Limitation on General Operating Expenses" account, the Federal Transit Administration's "Transit Planning and Research" account, and to the Federal Railroad Administration's "Railroad Safety" account, except for State rail safety inspectors participating in training pursuant to 49 U.S.C. 20105.

[SEC. 323. None of the funds in this Act shall be available to prepare, propose, or promulgate any regulations pursuant to title V of the Motor Vehicle Information and Cost Savings Act (49 U.S.C. 32901, et seq.) prescribing corporate average fuel economy standards for automobiles, as defined in such title, in any model year that differs from standards promulgated for such automobiles prior to enactment of this section.]

SEC. 324. None of the funds in this Act may be used for planning, engineering, design, or construction of a sixth runway at the new Denver International Airport, Denver, Colorado: *Provided, That this provision shall not apply in any case where the Administrator of the Federal Aviation Administration determines, in writing, that safety conditions warrant obligation of such funds.*

SEC. 325. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to the provisions of section 6006 of the Intermodal Surface Transportation Efficiency Act of 1991, may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses: *Provided*, That such funds shall not be subject to the obligation limitation for Federal-aid highways and highway safety construction: *Provided further*, [That in addition to amounts otherwise provided in this Act, not to exceed $3,100,000 in expenses of the Bureau of Transportation Statistics necessary to conduct activities related to airline statistics may be incurred, but only to the extent such expenses are offset by user fees charged for those activities and credited as offsetting collections] *That of the funds provided by section 6006(b) of Public Law 102–240, not to exceed $3,100,000 may be incurred to conduct activities related to airline statistics.*

SEC. 326. The Secretary of Transportation is authorized to transfer funds appropriated in this Act to "Rental payments" for any expense authorized by that appropriation in excess of the amounts provided in this Act: *Provided*, That prior to any such transfer, notification shall be provided to the House and Senate Committees on Appropriations.

SEC. 327. None of the funds in this Act may be obligated or expended for employee training which: (a) does not meet identified needs for knowledge, skills and abilities bearing directly upon the performance of official duties; (b) contains elements likely to induce high levels of emotional response or psychological stress in some participants; (c) does not require prior employee notification of the content and methods to be used in the training and written end of course evaluations; (d) contains any methods or content associated with religious or quasi-religious belief systems or "new age" belief systems as defined in Equal Employment Opportunity Commission Notice N–915.022, dated September 2, 1988; (e) is offensive to, or designed to change, participants' personal values or lifestyle outside the workplace; or (f) includes content related to human immunodeficiency virus/acquired immune deficiency syndrome (HIV/AIDS) other than that necessary to make employees more aware of the medical ramifications of HIV/AIDS and the workplace rights of HIV-positive employees.

SEC. 328. None of the funds in this Act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation: *Provided*, That this shall not prevent officers or employees of the Department of Transportation or related agencies funded in this Act from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

SEC. 329. None of the funds in this Act may be used to support Federal Transit Administration's field operations and oversight of the Washington Metropolitan Area Transit Authority in any location other than from the Washington, D.C. metropolitan area.

[SEC. 330. None of the funds made available in this Act may be used for improvements to the Miller Highway in New York City, New York.]

SEC. 331. Not to exceed [$850,000] *$1,050,000* of the funds provided in this Act for the Department of Transportation shall be available for the necessary expenses of advisory committees.

SEC. 332. Notwithstanding any other provision of law, the Secretary may use funds appropriated under this Act, or any subsequent Act, to administer and implement the exemption provisions of 49 CFR 580.6 and to adopt or amend exemptions from the disclosure requirements of 49 CFR part 580 for any class or category of vehicles that the Secretary deems appropriate.

[SEC. 333. No funds other than those appropriated to the Surface Transportation Board shall be used for conducting the activities of the Board.]

SEC. 333. Section 24902 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(m) APPLICABLE PROCEDURES.—No State or local building, zoning, subdivision, or similar or related law, nor any other State or local law from which a project would be exempt if undertaken by the Federal Government or an agency thereof within a Federal enclave wherein Federal jurisdiction is exclusive, including without limitation with respect to all such laws referenced herein above requirements for permits, actions, approvals or filings, shall apply in connection with the construction, ownership, use, operation, financing, leasing, conveying, mortgaging or enforcing a mortgage of (i) any improvement undertaken by or for the benefit of Amtrak as part of, or in furtherance of, the Northeast Corridor Improvement Project (including without limitation maintenance, service, inspection or similar facilities acquired, constructed or used for high speed trainsets) or chapter 241, 243, or 247 of this title or (ii) any land (and right, title or interest created with respect thereto) on which such improvement is located and adjoining, surrounding or any related land. These exemptions shall remain in effect and be applicable with respect to such land and improvements for the benefit of any mortgagee before, upon and after coming into possession of such improvements or land, any third party purchasers thereof in foreclosure (or through a deed in lieu of foreclosure), and their respective successors and assigns, in each case to the extent the land or improvements are used, or held for use, for railroad purposes or purposes accessory thereto. This subsection (m) shall not apply to any improvement or related land unless Amtrak receives a Federal operating subsidy in the fiscal year in which Amtrak commits to or initiates such improvement."

SEC. 334. None of the funds made available in this Act may be used to construct, or to pay the salaries or expenses of Department of Transportation personnel who approve or facilitate the construction of, a third track on the Metro-North Railroad Harlem Line in the vicinity of Bronxville, New York, when it is made known to the Federal official having authority to obligate or expend such funds that a final environmental impact statement has not been completed for such construction project.

SEC. 335. Section 5328(c)(1)(E) of title 49, United States Code, is amended—

(1) by striking "Westside" the first place it appears;

(2) by striking "and" after "101–584,"; and

(3) by inserting before the period at the end the following: ", and the locally preferred alternative for the South/North Corridor Project".

SEC. 335a. Section 3035(b) of Public Law 102–240 is hereby amended by striking "$515,000,000" and inserting in lieu thereof "$555,000,000".

SEC. 336. Notwithstanding any other provision of law, of the funds made available to Cleveland for the "Cleveland Dual Hub Corridor Project" or "Cleveland Dual Hub Rail Project," $4,023,030 in funds made available in fiscal years 1991, 1992, and 1994, under Public Laws 101–516, 102–143, 102–240, 103–122, and accompanying reports, shall be made available for the Berea Red Line Extension and the Euclid Corridor Improvement projects.

[SEC. 337. Notwithstanding any other provision of law, funds made available under section 3035(kk) of Public Law 102–240 for fiscal year 1997 to the State of Michigan shall be for the purchase of buses and bus-related equipment and facilities.]

[SEC. 338. In addition to amounts otherwise provided in this Act, there is hereby appropriated $2,400,000 for activities of the National Civil Aviation Review Commission, to remain available until expended.]

SEC. 338. Of the amounts made available under the Federal Transit Administration's Discretionary Grants program for Kauai, Hawaii, *in Public Law 103–122 and Public Law 103–311, $3,250,000 shall be transferred to and administered in accordance with 49 U.S.C. 5307 and made available to Kauai, Hawaii.*

[SEC. 339. Section 423 of H.R. 1361, as passed the House of Representatives on May 9, 1995, is hereby enacted into law.]

SEC. 339. Improvements identified as highest priority by section 1069(t) of Public Law 102–240 and funded pursuant to section 118(c)(2) of title 23, United States Code, shall not be treated as an allocation for Interstate maintenance for such fiscal year under section 157(a)(4) of title 23, United States Code, and sections 1013(c), 1015(a)(1), and 1015(b)(1) of Public Law 102–240: Provided, That any discretionary grant made pursuant to Public Law 99–663 shall not be subject to section 1015 of Public Law 102–240.

SEC. 340. (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with the Buy American Act (41 U.S.C. 10a–10c).

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products to the greatest extent practicable.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 341. Notwithstanding any other provision of law, receipts, in amounts determined by the Secretary, collected from users of fitness centers operated by or for the Department of Transportation shall be available to support the operation and maintenance of those facilities.

SEC. 342. None of the funds made available in this Act may be used by the National Transportation Safety Board to plan, conduct, or enter into any contract for a study to determine the feasibility of allowing individuals who are more than 60 years of age to pilot commercial aircraft.

SEC. 343. Funds provided in this Act for bonuses and cash awards for employees of the Department of Transportation shall be reduced by $513,604 which limits fiscal year 1997 obligation authority to no more than $25,448,300: Provided, That this provision shall be applied to funds for Senior Executive Service bonuses, merit pay, and other bonuses and cash awards.

SEC. 344. Hereinafter, the National Passenger Railroad Corporation shall be exempted from any State or local law relating to the payment or delivery of abandoned or unclaimed personal property to any government authority, including any provision for the enforcement thereof, with respect to passenger rail tickets for which no refund has been or may be claimed, and such law shall not apply to funds held by Amtrak as a result of the purchase of tickets after April 30, 1972 for which no refund has been claimed.

SEC. 345. Notwithstanding any other provision in law, of the amounts made available under the Federal Aviation Administration's operations account, the FAA shall provide personnel at Dutch Harbor, Arkansas to provide real-time weather and runway observation and other such functions to help ensure the safety of aviation operations.

SEC. 346. VOLUNTARY SEPARATION INCENTIVES FOR EMPLOYEES.—

(a) AUTHORITY.—Notwithstanding any other provision of law, in order to avoid or minimize the need for involuntary separations due to a reduction in force, reorganization, transfer of function, or other similar action, the Secretary of Transportation may pay, or authorize the payment of, voluntary separation incentive payments to employees of the United States Coast Guard, Research and Special Programs Administration, St. Lawrence Seaway Development Corporation, Office of the Secretary, Federal Railroad Administration, and employees of the Department in positions targeted for reduction under the National Performance Review who separate from Federal service voluntarily through September 30, 2000 (whether by retirement or resignation).

(b) AGENCY STRATEGIC PLAN.—The Secretary shall submit, for review and approval, a strategic plan to the Director of the Office of Management and Budget prior to obligating any resources for voluntary separation incentive payments allowed under this Act.

(1) The plan shall—

(A) include the number and amounts of voluntary separation incentive payments to be offered;

(B) specify how the voluntary separation incentives will achieve downsizing goals;

(C) include a proposed time period for the payment of such incentives; and

(D) include the positions and functions to be reduced or eliminated identified by organizational unit, geographic location or occupational category and grade level.

(2) A voluntary separation incentive payment under this section may be paid to any eligible employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(c) CONDITIONS AND AMOUNT OF PAYMENTS.—In order to receive a voluntary separation incentive payment, an employee must separate from service with the Department (whether by retirement or resignation) within the applicable period of time specified in the agency plan. An employee's agreement to separate with an incentive payment is binding upon the employee and the Department, unless the employee and the Department mutually agree otherwise.

(1) A voluntary separation incentive payment shall be paid in a lump sum after the employee's separation and be equal to the lesser of—

(A) an amount equal to the amount the employee would have been entitled to receive under section 5595(c) of title 5, United States Code (without adjustment for any previous payment made under such section), if the employee were entitled to payment under such section; or

(B) if the employee separates during—

(i) fiscal year 1997, $25,000;

(ii) fiscal year 1998, $20,000;

(iii) fiscal year 1999, $15,000;

(iv) fiscal year 2000, $10,000;

(3) not be a basis for payment, and shall not be included in the computation of any other type of benefit;

(4) not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation;

(5) be available from appropriations or funds available for the payment of the basic pay of the employee.

(d) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An employee who has received a voluntary separation incentive payment under this section and accepts employment with, or enters into a personal services contract with, any Federal agency or instrumentality of the United States within 5 years after the date of the separation on which the payment is based shall be required to repay the entire amount of the incentive payment to the Department.

(1) The repayment required under this subsection may be waived only by the Secretary.

(e) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the Department covered by chapters 83 or 84 of title 5, United States Code, to whom a voluntary separation incentive payment has been made.

(2) DEFINITION.—For the purpose of this section, the term "final basic pay," with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(f) VOLUNTARY RELEASE PROGRAM.—Notwithstanding any other provision of law, the Department shall implement regulations that shall permit its employees, who are not scheduled for separation by RIF, to volunteer for RIF separation in place of other employees who are scheduled for RIF separation until September 30, 2000.

(g) CONTINUANCE OF GOVERNMENT SHARE OF HEALTH BENEFITS COVERAGE.—Notwithstanding any other provision of law, the Department shall pay the Government share of the health benefits coverage of any of its employees separated by RIF for up to 18 months following the employee's separation from Federal service, provided that the employee pays his requisite share of such costs over the same 18 month period.

TITLE IV—MISCELLANEOUS HIGHWAY PROVISIONS

[SEC. 401. Notwithstanding any other provision of law, semitrailer units operating in a truck tractor-semitrailer combination whose semitrailer unit is more than forty-eight feet in length and truck tractor-semitrailer-trailer combinations specified in section 31111(b)(1) of title 49, United States Code, may not operate on United States Route 15 in Virginia between the Maryland border and the intersection with United States Route 29.

[SEC. 402. Item 30 of the table contained in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2050), relating to Mobile, Alabama, is amended in the second column by inserting after "Alabama" the following: "and for feasibility studies, preliminary engineering, and construction of a new bridge and approaches over the Mobile River".

[SEC. 403. Item 94 of the table contained in section 1107(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2052), relating to St. Thomas, Virgin Islands, is amended—

[(1) by striking "St. Thomas,"; and

[(2) by inserting after "the island" the following: "of St. Thomas and improvements to the VIPA Molasses Dock intermodal port facility on the island of St. Croix to make the facility capable of handling multiple cargo tasks".]

SEC. 403. The funds authorized to be appropriated for highway-railroad grade crossing separations in Mineola, New York, under the head "Highway-Railroad Grade Crossing Safety Demonstration Project (Highway Trust Fund)" in House Report 99–976 and section 302(l) of Public Law 99–591 are hereby also authorized to be appropriated for other grade crossing improvements in Nassau and Suffolk Counties in New York and shall be available in accordance with the terms of the original authoriziaton in House Report 99–976.

SEC. 404. The Secretary of Transportation is hereby authorized to enter into an agreement modifying the agreement entered into pursuant to section 336 of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331) and section 356 of the Department of Transportation and Related Agencies Appropriations Act, 1996 (Public Law 104–50) to provide an additional line of credit not to exceed $25,000,000, which may be used to replace otherwise required contingency reserves; provided, however, that the Secretary may only enter into such modification if it is supported by the amount of the original appropriation (provided by section 336 of Public Law 103–331). No additional appropriation is made by this section. In implementing this section, the Secretary may enter into an agreement requiring an interest rate, on both the original line of credit and the additional amount provided for herein, higher than that currently in force and higher than that specified in the original appropriation. An agreement entered into pursuant to this section may not obligate the Secretary to make any funds available until all remaining contingency reserves are exhausted, and in no event shall any funds be made available before October 1, 1998.

[SEC. 405. Public Law 100–202 is amended in the item relating to "Traffic Improvement Demonstration Project" by inserting after "project" the following: "or upgrade existing local roads".]

SEC. 406. The amount appropriated for the Lake Shore Drive extension study, Whiting, Indiana, under the matter under the heading "SURFACE TRANSPORTATION PROJECTS" under the heading "FEDERAL HIGHWAY ADMINISTRATION" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331; 108 Stat. 2478), shall be made available to carry out the congestion relief project for the construction of a 4-lane road and overpass at Merrillville, Indiana, authorized by item 35 of section 1104(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 2030).

[TITLE V—ADDITIONAL GENERAL PROVISIONS

[SEC. 501. (a) LIMITATION ON NEW LOAN GUARANTEES FOR CERTAIN RAILROAD PROJECTS.—None of the funds made available in this Act may be used for the cost of any new loan guarantee commitment for any railroad project, when it is made known to the Federal official having authority to obligate or expend such funds that such railroad project is an international railroad project of the United States and another country, or a railroad project in the United States in the vicinity of the United States border with another country.

[(b) EXCEPTION.—Subsection (a) shall not apply when it is made known to the Federal official having authority to obligate or expend such funds that—

[(1) a comprehensive study has been conducted after the date of the enactment of this Act regarding criminal activities that have occurred on existing railroads of such type, including—

[(A) the use of such railroads to facilitate the smuggling of illegal aliens and illegal drugs into the United States, and the impact of such smuggling on the total number of illegal aliens, and the total amount of illegal drugs, entering the United States; and

[(B) the commission of robberies against such railroads; and

[(2) a detailed report setting forth the results of such study has been issued and made available to the public.

[SEC. 502. None of the funds made available in this Act may be used by the National Transportation Safety Board to plan, conduct, or enter into any contract for a study to determine the feasibility of allowing individuals who are more than 60 years of age to pilot commercial aircraft.]

This Act may be cited as the "Department of Transportation and Related Agencies Appropriations Act, 1997".

Mr. HATFIELD. Mr. President, I am very pleased to be able to present the fiscal 1997 appropriations bill dealing with the Department of Transportation and related agencies. The subcommittee allocation was $11.95 billion in budget authority and $35.453 billion in outlays. This allocation is $240 million lower in budget authority than the House's allocation when they passed the bill on June 28.

In spite of this limitation, I am proud of this bill because it addresses a number of concerns of not only the administration and my colleagues but also the American people. I should point out, however, that the bill is right at its allocation for both budget authority and outlays. So any amendments that increased spending would have to be offset with the necessary cuts to other parts of the bill.

This bill provides funding above that requested by the administration and above that provided by the House in two areas of critical importance: Safety and infrastructure development.

In the safety area, this bill provides the Federal Aviation Administration funding for 250 additional air traffic controllers.

In the FAA's regulation and certification area, the bill provides for more than 250 additional staff, including airworthiness inspectors, airline operations inspectors, certification inspectors of engineers and pilots, and manufacturing inspectors. However, in light of and in response to the ValuJet crash, there is also funding for an additional 130 hazardous materials inspectors in the aviation area. These inspectors were not originally requested by the administration, nor were they funded in the House appropriations bill. And the bill also provides 20 new inspectors for the Research and Special Programs Administration, the lead agency within the Department of Transportation regarding hazardous materials.

Global air transportation of hazardous materials has been growing at a steady rate of approximately 7 percent per year. The majority of these goods—60 percent—are transported on passenger-carrying equipment. And, according to the FAA, the reported incidence in air transportation associated with this type of cargo has increased 122 percent since 1991.

Although the FAA with its given resources monitors the compliance of such carriers to the extent possible, it is estimated that almost 80 percent of the problems associated with this type of cargo originates with shippers. I believe that the traveling public needs an acceptable level of safety that can be achieved, not only with air carrier inspections but also with targeted inspections of freight forwarders, repair stations, and commercial shippers.

Therefore, this bill has funding of approximately $12 million above the administration's request to address these safety problems. I believe that this is important to point out in light of the TWA Flight 800 tragedy.

This bill fully funds the administration's request for operational security of $71.9 million which funds approximately 780 security personnel. This is a 6.6 percent increase over what was provided in fiscal year 1996.

The bill also provides the full amount requested at research funding for explosives and weapons detection. That is $27.3 million.

In addition to increasing a number of positions in the aviation control, regulation, safety, and security areas, the bill provides an airport improvement program grant funding level of $1.46 billion, $160 million above the House's level, and $110 million above the administration's level.

I want to emphasize again, Mr. President, that this bill is still under the House allocation.

In the Coast Guard area, the subcommittee has provided funding for very critical maintenance activities, and is $14.3 million above the House level. The House cut was appealed directly to me by the Commandant of the Coast Guard who felt that a continued level was necessary in maintenance in the aircraft and boat area, which severely hamper the operational effectiveness of the Coast Guard in 1997.

I should also point out that the committee has not rescinded previous years' funds for the vessel traffic service systems, known as the VTS, and has provided the requested $6 million for these VTS systems in 1997. However, there is report language directing the Coast Guard to tone down their ambitious plans and to develop a common platform and common architecture for a vessel traffic system before proceeding in the future.

In the highway area, the committee rejected the administration's request that would have made some previously exempt highway programs part of the overall obligation ceiling, and would have rescinded $300 million of previously authorized ISTEA highway projects. Despite the budget constraints, there is an increase of $100 million over the House level for the Federal aid highway program of $17.6 billion. And there is $250 million for the State Infrastructure Bank Program, which was not funded in the House bill.

In the rail area, the committee has increased funding for the House bill by providing $200 million as requested for the Northeast Corridor Improvement Program, and provides $130 million above the House mark for the Amtrak Capital Program. We have also fully funded, as has the House, the $80 million requested for high-speed transits. In the transit area, we are slightly less than $100 million above the House in the formula grants program, and are $235 million above the House in the discretionary grants program. These funds are for rail modernization projects, transit new starts, and bus and bus related projects.

So you can see, despite having a lower 602(b) allocation in budget authority than the House, we have provided significant funding increases for areas that I feel very strongly about; namely, infrastructure improvement and safety related activities.

I believe that summarizes the bill. This year we received 770 separate requests from Senators, totaling $16.3 billion in earmarks and specific requests. It is difficult to balance these varied and sometimes conflicting needs, but I think this bill does a good job performing that balancing act while providing needed funds for safety improvement and infrastructure investments.

Mr. President, I am happy to yield to my colleague and former chairman of the subcommittee, a man who has been very supportive and helpful in crafting this bipartisan bill that we bring to the floor today, Senator LAUTENBERG.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I thank the Chair.

I thank my colleague and friend, Senator HATFIELD, for his ever constructive work and comments. This may be the last bill on transportation that Senator HATFIELD will manage. Long after his actions as a Senator, as a leader in the Senate, and as someone whom we all admire and respect, I hope we will continue our friendship and contact, but I will say a little bit more about that in a couple moments, if I may.

Mr. President, I rise in strong support of the Senate amendments to H.R. 3675, the transportation appropriations bill for fiscal 1997. The bill, as we know, was reported unanimously by the Appropriations Committee on Thursday, July 18. It would be my hope we could get a similarly unanimous vote for Senate passage of the bill.

Given the overall funding limitations that we face in this year's appropriations process, I think the bill before us does an excellent job in distributing scarce resources among the Nation's critical transportation needs.

Mr. President, I ask unanimous consent at this moment that Michael Brennan, a legislative fellow from the Department of Transportation who works with us, be granted privileges of the floor during the Senate consideration of H.R. 3675 and the conference report that will accompany this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, this transportation bill comes before the Senate and before the Congress at a very sensitive moment in our discussions and deliberations here. The image of TWA Flight 800 is fresh in our mind. We all now grieve with those who lost loved ones, horrified at the shock that families, in some cases, lost two or three members of the family. One man lost his wife and two children. We can hardly comprehend the pain and the anguish that must go with something like that.

What an odd coincidence that at the moment we are considering how much money we spend on transportation, including safety in the air and safety in other modes of transportation, we face a time when, again, we wish that we could have done more, if it was possible, to prevent something like that.

I think it is important as we consider what the investment is going to be in transportation infrastructure in our society we not lose sight of what took place on that fateful day when TWA 800 went down. But we also cannot easily forget the ValuJet crash, the problem with the Delta Air Lines airplane as it was taking off and the mother and child were killed even though the airplane never got into the air; the engine disintegrated and tore into the fuselage.

We, unfortunately, can recall an accident in New Jersey and an accident in Maryland on the rails when Amtrak, in the Maryland instance, and, in New Jersey, the New Jersey Transit Co. lost people as a result of a crash. We are all too familiar with what happens on our highways each day in each State; that when we invest in transportation, it is not simply another way to spend money; that it has a real life-and-death effect on the way people move between work and home or recreation and home or shopping and home; and that when we look at what happens with our air quality—and everybody is concerned about what we leave to future generations—we try to improve it the best way we can. And the significant way to do that is through effective investments in transportation.

For the knowledge of the body—and I think everyone is aware of it, but I remind you even though it may be redundant—the United States, among the most advanced nations in the world, spends the least as a percentage of GDP on transportation infrastructure. When we look at the per capita spending in the United States on transportation infrastructure spending, we are the equivalent of some of the more primitive or more backward nations of the world, those on the African Continent, poor, poverty-stricken nations. I hope this year we recognize this is one area in which we cannot afford to skimp.

This is an excellent bill considering the appropriations we had to work with. It is a much more balanced approach than the House-passed bill. The bill does an excellent job of addressing to the maximum degree possible—and I emphasize the maximum degree possible—the priorities of all Members as well as the priorities of the administration. It is a testament to Chairman HATFIELD's cooperative effort that there is not even a hint of a veto overshadowing this bill. The administration has seen that the chairman has worked almost magic in terms of getting the appropriate balance with resources still too little, in my view.

For the Federal Aviation Administration, the bill includes additional funds requested by the administration to address the specific problems associated with the transportation of hazardous materials. These materials have been implicated as the possible cause of the recent tragic ValuJet crash.

Moreover, as we await answers to the many questions surrounding the tragedy on TWA flight 800, I think it is important to point out that the bill before us fully funds the administration's requested increase for civil aviation security.

For the Coast Guard, the bill comes close to fully funding the Commandant's request for operations and acquisition. The Coast Guard has implemented its own well-designed streamlining plan to reduce costs, and I am pleased that they will not be required to endure further reductions as part of this bill.

We depend on the Coast Guard to be ever ready and at their post in the event of all kinds of national contingencies, whether it is for emergency response to marine accidents and oilspills, search and rescue, national security, or, as we have seen most recently, the collection of evidence and debris from the TWA tragedy.

We depend on the Coast Guard to be ready to serve on a moment's notice. I was in East Moriches, Long Island, a week ago Saturday shortly after the crash occurred, and I couldn't have been more proud of the Coast Guard, who was there as quickly as possible. I flew with the helicopter pilot who was the first Coast Guard pilot on the scene. He said when the sea was still burning, it looked like an inferno. And I saw the loyalty, despite the terrible stress, and the commitment of each of them, their having counseling and review of their own emotions, because in each case, they see themselves and they see their own families.

The Coast Guard is a fantastic branch of service, Mr. President. Again, I do not want to leave out the NTSB and the FBI and the Navy and the others who are working so diligently to try to provide the answers that we hope will come soon. But a branch of service like the Coast Guard often does not get the credit that it deserves as we give them ever-more assignments. As one coastal State Senator, I assure you that they have served us well over last year, over the many years in the past.

Within the Federal Highway Administration, the Appropriations Committee has been able to find sufficient resources to allow full funding for prior-year highway projects. The bill before us provides an overall increase in the obligation ceiling for highway formula funds.

Within the Federal Transit Administration, the bill before us achieves a new high in the funding of transit discretionary capital grants, and while the bill freezes operations assistance at the fiscal 1996 level, it provides an increase for transit formula capital assistance.

I am especially pleased with the committee's recommendations for the Federal Railroad Administration. The House-passed bill singled out Amtrak for some truly destructive funding cuts. The bill before us takes a much more balanced approach, and it provides full funding for the President's request for the Northeast Corridor Improvement Program and the special one-time appropriations for new high-speed train assists.

The bill also provides an increase for Amtrak's capital account, permitting them to invest in capital equipment, in trackage, in signs, in electrification. The only way Amtrak can hope to become self-sufficient is if it has adequate funds to invest in its deteriorating capital plant. The bill before us makes a sizable investment toward that goal.

While there are some questions raised about Amtrak and its service in the highly populated Northeast Corridor, I remind our colleagues that were it not for Amtrak, and if we want to provide the same level of transportation facility to those who travel between Boston, New York, and Washington, we need something like 10,000 DC–9's a year to pick up that slack. Imagine, 10,000 extra airplane flights a year over our skies with all the noise and all the congestion and everything else.

So, once again, the funds that we are investing are funds that have a significant effect on the quality of life of our citizens.

Mr. President, it is with some pain that I must make note of the fact—and I have made note of the fact—that this will be the last appropriations bill that Senator HATFIELD will manage in his capacity as subcommittee chairman. In many ways, I hope it is the last and hope that it will get to the President and get signed and we don't have to do this one over again. We shouldn't have to. But as always, his openness and fair mindedness has brought an ability to get things through the maze and bring it to this point and we hope soon to the President's desk.

In his 2 years as chairman of the Transportation Subcommittee, Senator HATFIELD has certainly distinguished himself as an informed and wise policymaker in the transportation arena. I have always admired his leadership, and I will always treasure his friendship. Mr. President, it is obvious there is only one person I would rather see as chairman of that subcommittee than Senator HATFIELD. I will not go any further. Just a joke.

Once again, I commend this bill to all my colleagues, and I hope that they will work with us to support the passage of the bill and that it does not become a forum for other discussions. It is late in the year; it is late in the week. We will soon be departing this place for other activities back home, and it would be too bad if this bill became a forum for debate that is unrelated particularly to transportation matters.

With that, I yield the floor, Mr. President.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I rise in support of H.R. 3675, the transportation appropriations bill for fiscal year 1997. I have been a member of the Subcommittee on Transportation for many years, and was once chairman of the subcommittee. I have long been an advocate for increased and sustained funding for our Nation's transportation infrastructure.

The transportation appropriations bill is the preeminent contributor to our Nation's annual investment in infrastructure. Our Nation's economic prosperity depends heavily on the adequacy of our highways, our airports, our railroads, and our transit systems. As such, this is a critically important bill for the overall economic health of the Nation.

This bill also finances our entire Federal effort in the area of transportation safety, including the safety and security of our aviation and rail systems. The recent explosion on TWA Flight 800, which has been alluded to here already, and the associated loss of life, serve as a cruel reminder of the critical safety mission executed by our Department of Transportation.

I congratulate Senator HATFIELD, the Transportation Subcommittee chairman, and I congratulate the ranking member of the Transportation Subcommittee, Senator LAUTENBERG, for their expeditious action, their skillful and dedicated work on this bill.

Given the overall limitations we face for this year's appropriations bills, I believe that this bill represents a fair and balanced approach to the transportation needs of cities and communities throughout the Nation.

And I am particularly pleased that the committee rejected what I believe to be an ill-considered proposal by the administration that would have placed a cap on previously funded obligations for highway projects. Indeed, the bill before us provides an overall increase in the Federal aid highway obligation ceiling which provides critically needed highway funding for all 50 States.

So I commend Chairman HATFIELD and Senator LAUTENBERG for presenting to the Senate a bill that is free of controversial authorizing legislation. On balance, although I would support substantially more funding for the Nation's infrastructure than we are able to provide in this bill, I believe that H.R. 3675 deserves the support of all Senators.

Finally, Mr. President, I congratulate the efforts of the subcommittee staff—Pat McCann, Anne Miano, and Joyce Rose for the majority, and Peter Rogoff and Carole Geagley for the minority—for their outstanding work on this very important measure.

This is the last time that Senator HATFIELD will manage this transportation bill on the floor of the Senate.

I thank him for his long and illustrious service to the Senate, to his State, and to the Nation. I thank him for his steadfast friendship over the years. I thank him for his bipartisanship, his true bipartisanship, that he has demonstrated not only on this bill but on many other bills and which has been a hallmark of his service in this body. He has tremendous courage. As far as I am concerned, he is one of those few men and women in the history of the Senate who is truly a profile in courage.

I thank both the chairman and the ranking member again, as I say, for their services to the Senate and to the people of this country and to the country itself.

Emerson must have had men like these in mind when he said:

Not gold, but only men can make a nation
great and strong;
Men who for truth and honor's sake stand
fast and labor long;
Real men who work while others sleep,
Who dare while others fly.
They build a nation's pillars deep
And lift them to the sky.

I yield the floor.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, first I thank my colleague and ranking member of the subcommittee, Senator LAUTENBERG, for his kind personal remarks. It has been a great pleasure and honor to work with Senator LAUTENBERG in this role. I am grateful to him for his many suggestions and recommendations.

I think, I say to Senator LAUTENBERG, if you and I were to really put the focus on the hard work and the effort and the accomplishment of this subcommittee, we would have to really look to our staff—your staff, Peter Rogoff, and my staff, Pat McCann and Anne Miano—who worked so well, beautifully together, meshing our common interests, crafting a bill that we are able to stand here and defend before the Senate.

I say, of Senator BYRD's very generous and kind remarks, that he has been a mentor. I should be thanking him for those remarks because I am sure that, like many, if not most of the Senate who have watched and listened to Senator BYRD over the years, we have learned a great deal not only about the Senate's history, but about the way legislation proceeds and the cooperation, collaboration that must be achieved on both sides of the aisle to pass legislation. I am very grateful for his most generous remarks.

Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc and that they be considered as original text for the purpose of further amendment and that no points of order be waived thereon.

The PRESIDING OFFICER (Mr. THOMPSON). Without objection, it is so ordered.

The committee amendments were agreed to, en bloc.

AMENDMENTS NOS. 5123 THROUGH 5125, EN BLOC

Mr. HATFIELD. Mr. President, I have three technical amendments that I offer on behalf of the committee. They have been cleared on both sides, correcting the spelling, other such technical matters.

The PRESIDING OFFICER. The clerk will report the amendments by number.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes amendments numbered 5123 through 5125, en bloc.

The amendments (Nos. 5123 through 5125) are as follows:

AMENDMENT NO. 5123

Strike section 346 and insert the following:

SEC. 346. DEPARTMENT OF TRANSPORTATION VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) DEFINITIONS.—For the purposes of this section—

(1) the term "agency" means the following agencies of the Department of Transportation:

(A) the United States Coast Guard;

(B) the Research and Special Programs Administration;

(C) the St. Lawrence Seaway Development Corporation;

(D) the Office of the Secretary;

(E) the Federal Railroad Administration; and

(F) any other agency of the Department with respect to employees of such agency in positions targeted for reduction under the National Performance Review;

(2) the term "employee" means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(C) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(D) an employee who, upon completing an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(E) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(F) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(G) any employee who, during the twenty four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The head of an agency, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by an agency head not to exceed $25,000 in fiscal year 1997, $20,000 in fiscal year 1998, $15,000 in fiscal year 1999, or $10,000 in fiscal year 2000;

(D) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(E) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(3) LIMITATION.—No amount shall be payable under this section based on any separation occurring before the date of the enactment of this Act, or after September 30, 2000.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term "final basic pay", with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in an agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall

monitor each agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

AMENDMENT NO. 5124

On page 63 of the bill, line 24, strike "Arkansas" and insert "Alaska".

AMENDMENT NO. 5125

On page 60 of the bill, line 21, strike "5307" and insert "5311".

Mr. HATFIELD. Mr. President, I ask unanimous consent that the amendments be considered and agreed to, en bloc, and that the motions to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 5123 through 5125) were agreed to.

Mr. HATFIELD. Mr. President, I believe the parliamentary situation is the bill is open for further amendments.

The PRESIDING OFFICER. The Senator is correct.

Mr. HATFIELD. Perhaps there are none, and we could go to third reading. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5126

(Purpose: To fully fund the President's request for Aviation Security Research)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] proposes amendment numbered 5126.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 5, line 17, strike "132,500,000" and insert "132,499,000".

On page 14, line 22, strike "187,000,000" and insert "188,490,000".

On page 38, line 5, strike "200,000,000" and insert "198,510,000".

Mr. LAUTENBERG. Mr. President, this fully funds the President's request for aviation security research. It is offset in budget authority as well as outlays.

Mr. HATFIELD. It is cleared on this side of the aisle.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5126) was agreed to.

Mr. HATFIELD. I move to reconsider the vote by which the amendment was adopted.

Mr. LAUTENBERG. I move to lay that motion on the table, Mr. President.

Mr. LAUTENBERG. Mr. President, I want the RECORD to be clear that this is "human factors research for security." That is the title under which this legislation is proposed.

Mr. SHELBY. Mr. President, would the chairman yield for a question?

Mr. HATFIELD. Yes. I would be happy to yield for a question from the Senator from Alabama.

Mr. SHELBY. Mr. President, I understand the committee has included $6 million in the transportation appropriations bill for the development of vessel traffic service systems or VTS systems by the Coast Guard. I wanted to briefly ask the chairman whether it is the intent of the committee's report language that the Coast Guard undertake a review of this system, including the costs associated with implementing the program, before proceeding with their plans to install these systems in various ports around the country, including Mobile, AL.

The GAO report that the committee refers to in its report identified serious underestimations of the cost of the VTS 2000 program. I continue to have serious reservations about this system and the Coast Guard's current plan for its implementation and use. It would appear that the GAO has raised many important issues that need to be resolved before the Coast Guard proceeds in the implementation of this program. It is the intent of the committee that such a review take place by the Coast Guard before it proceeds with the VTS program?

Mr. HATFIELD. Yes. The report language directs the Coast Guard to tone down their ambitious plans, and to develop a common platform and common architecture for vessel traffic systems before proceeding in the future.

Mr. SHELBY. I appreciate the chairman's assurances on this matter.

Mr. HATFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I am concerned that the committee report does not contain bus and bus facility funds for the Regional Transportation Commission of Clark County, NV. The RTC's CAT System has witnessed phenomenal growth and has seen an annual increase of ridership of over 36 percent. Its service hours and service miles per bus is more than double that of any other transit system in the United States.

The RTC has requested $5 million to complete its integrated bus maintenance facilities project to properly maintain and store its equipment fleet, and $5 million for new rolling stock to initiate express bus commuter service. Past transportation appropriations bills have provided funding for this project, recognizing its need and significance.

While I appreciate the many demands on the Senate for bus discretionary funds, I urge the chairman to give full consideration to the needs of Clark County, NV for this important funding.

Mr. HATFIELD. Mr. President, the Senator from Nevada is correct that the RTC of Clark County is certainly a worthy candidate for discretionary bus and bus facility funds. In fiscal year 1996, nearly $17 million was provided for the project. I look forward to working with the Senator to make every effort to assist in advancing its project.

Mr. DEWINE. Mr. President, I would like to thank the distinguished chairman of the Appropriations Committee for his efforts during the appropriation process. I appreciate the fact that the Senate transportation appropriation report includes $30 million for bus and bus-related facilities in the State of Ohio. I would, however, like to make sure that this $30 million will be made available to the Ohio Department of Transportation to be used for bus and bus-related facilities in a manner determined by the Ohio Department of Transportation.

Mr. HATFIELD. I say to Senator DEWINE that it is the intent of the Appropriations Committee that the $30 million earmarked in Senate Report 104-325 for Ohio bus and bus-related facilities be available to the Ohio Department of Transportation to be used for bus and bus-related facilities in a manner determined by the Ohio Department of Transportation.

Mr. President, we have a list of notifications of Members that indicated they wished to present an amendment—about a dozen. I invite Members to the floor to present those amendments. We are going to have to finish this bill tonight, as the leader indicated earlier, and I hope the Senators would see fit, if they are interested in pursuing these amendments, to appear on the floor and make their presentation.

At some point in time I think the courtesy of waiting for those amendments will expire, and I will suggest we might go to a third reading of the bill and pass the bill. My patience is growing less at this point in time. I think every Senator is busy. I have many things I can do rather than stand here waiting for other Senators.

I make a very strong appeal to Senators, and if their staffs are present, to alert those Senators that we are here to do business. If not, we will go to third reading.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 5127 AND 5128, EN BLOC

Mr. HATFIELD. Mr. President, I send two amendments to the desk, en bloc, on behalf of Senator KOHL and Senator BOND, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD] proposes amendments numbered 5127 and 5128, en bloc.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 5127

(Purpose: To express the sense of the Senate that Congress should establish the Saint Lawrence Seaway Development Corporation as a performance-based organization)

At the appropriate place in the bill insert the following:

SEC. . It is the Sense of the Senate that Congress should actively consider legislation to establish the Saint Lawrence Seaway Development Corporation as a performance-based organization on a pilot basis beginning in fiscal year 1998.

AMENDMENT NO. 5128

(Purpose: To express the sense of the Congress concerning the use of full and open competition in procurement for the Federal Aviation Administration and to require an independent assessment of the acquisition management system of the Federal Aviation Administration)

At the appropriate place, insert the following new section:

SEC. . FEDERAL AVIATION ADMINISTRATION PROCUREMENT.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Administrator of the Federal Aviation Administration should promote and encourage the use of full and open competition as the preferred method of procurement for the Federal Aviation Administration.

(b) INDEPENDENT ASSESSMENT.—Not later than December 31, 1997, the Administrator of the Federal Aviation Administration shall—

(1) take such action as may be necessary to provide for an independent assessment of the acquisition management system of the Federal Aviation Administration that includes a review of any efforts of the Administrator in promoting and encouraging the use of full and open competition as the preferred method of procurement with respect to any contract that involves an amount greater than $50,000,000; and

(2) submit to the Congress a report on the findings of that independent assessment.

(c) FULL AND OPEN COMPETITION DEFINED.—For purposes of this section, the term "full and open competition" has the meaning provided that term in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)).

Mr. HATFIELD. Mr. President, these two amendments have been cleared on both sides of the aisle.

The PRESIDING OFFICER. Without objection, the amendments are agreed to en bloc.

The amendments (No. 5127 and 5128), en bloc, were agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, I make an observation that the amendments on the list that we have are all legislation—matters relating to legislation on an appropriations bill. We have indicated that in cases of emergency and timeframe problems, if they are cleared by the authorizing chairman and the authorizing committee ranking member, we would accept them. But we will not accept legislation on this appropriations bill.

Our leadership, both Republican and Democratic, has already stated that we would try to resist all riders on appropriations bills, which held us up a great deal in the last fiscal year and caused us to go, in part, into that situation where we had five appropriation bills that we had to incorporate in an omnibus package 7 months into the fiscal year. We are very desperately trying to avoid that this year. I am proud to say that by the end of this week we will have passed nine appropriation bills here in the Senate. I have already signed, today, the conference report on the agricultural appropriations bill. We are hoping to have five bills passed in the conference, ready for floor action, at the end of this week.

So we are making very significant progress. We will report out the number 12 appropriation bill from our committee, State, Justice, Commerce, on Thursday of this week. We will report the last bill on the first week in September, Labor-HHS. That would give us a schedule that the Republican leader has put together, by which we would be able to meet that October deadline a week to 10 days before the expiration of this fiscal year. What a contrast to last year, and one that I would like to be able to achieve.

So, again, I want to say that we have been here now for about a half-hour waiting for amendments. I informed the Republican leader about 15 minutes ago that we were in this situation, waiting for some kind of action, and that I wanted to consider third reading at an appropriate time, which, to me, would be right now. But I am not the leader and, consequently, I will confer with the leadership on that kind of a decision. But I have to, again, assure our colleagues that we want to do business with them. We want to consider their amendments that have been cleared by both the chairman and the ranking member of authorizing committees, because most all of them are authorization actions. And that is a bipartisan policy that our leadership has established and which this committee leadership has also agreed to.

I do not know what more we can say to require some action.

Mr. LAUTENBERG. Mr. President, to lend some further impetus to the remarks of the distinguished chairman of the subcommittee, I would plead with my colleagues on the Democratic side to get down here if you want to do business. I think it is a very poor reflection on what has to be done to set the stage for transportation investments in the year beginning October 1, a chance to establish the fact that things are happening, that we are responding to the need for transportation investment. For us to stand here while little, if anything, takes place, I think, reflects very poorly on the commitment to getting the job done.

I urge my colleagues, as we heard from Senator HATFIELD, to come on down, present your amendments, present the argument, and see if you can win the case. If the amendments are important, then I fail to see that there is no urgency to getting them down here, get them on the floor, and let us discuss them.

This is the transportation bill. We are talking about billions of dollars. We are talking about safety. We are talking about the way our Nation competes with other countries. We are talking about quality of air. We are talking about the consumption of fuel. We are talking about so many things here in this bill, and to permit it to languish while we sit here kind of staring at one another is, I think, unacceptable.

So I hope that we can encourage leadership on both sides, and the Senators on both sides, to get with it, get done, get going so we can get on to the next piece of business, or the next pieces of business which are very important.

With that, I note the absence of interest and the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5129

(Purpose: To respond to the tragic explosion of a sugar beet processing plant in Western Nebraska and to provide for the safe and efficient interstate transportation of sugar beets)

Mr. HATFIELD. Mr. President, I send an amendment on behalf of Senators

KERREY and EXON to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. KERREY, for himself and Mr. EXON, proposes an amendment numbered 5129.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

49 U.S.C. App. 2311 is amended by adding the following new subsection:

(D) NEBRASKA—In addition to vehicles which the State of Nebraska may continue to allow to be operated under paragraphs (1)(a) and (1)(B) of this section, the State of Nebraska may allow longer combination vehicles that were not in actual operation on June 1, 1991 to be operated within its boundaries to transport sugar beets and from the field where such sugar beets are harvested to storage, market, factory or stockpile or from stockpile to storage, market or factory. This provision shall expire on September 30, 1997.

Mr. HATFIELD. Mr. President, this is one of those examples of a legislative action that has been cleared by the ranking member and the chairman of the Commerce Committee, so under the exigencies of the situation in Nebraska, it has been cleared on both sides to be adopted here today on our bill.

I urge its adoption.

The PRESIDING OFFICER. If there is no objection, the amendment is agreed to.

The amendment (No. 5129) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5130

(Purpose: To allow funds previously appropriated for a highway safety improvement project in Michigan to be used for construction of a highway that is part of the project)

Mr. HATFIELD. Mr. President, I send to the desk an amendment on behalf of Senator LEVIN of Michigan.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. LEVIN, proposes an amendment numbered 5130.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title IV, add the following:

SEC. 4. HIGHWAY SAFETY IMPROVEMENT PROJECT, MICHIGAN.

Of the amount appropriated for the highway safety improvement project, Michigan, under the matter under the heading "SURFACE TRANSPORTATION PROJECTS" under the heading "FEDERAL HIGHWAY ADMINISTRATION" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103-331; 108 Stat. 2478), for the purposes of right-of-way acquisition for Baldwin Road, and engineering, right-of-way acquisition, and construction between Walton Boulevard and Dixie Highway, $2,000,000 shall be made available for construction of Baldwin Road.

Mr. HATFIELD. Mr. President, this is an amendment by the Senator from Michigan, Mr. LEVIN, that would move some money from one account to another account to handle a situation in Michigan. This is not legislation on an appropriations bill, and there is a zero budget impact.

I believe it has been cleared on both sides of the aisle. So, therefore, I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5130) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD. Mr. President, we are now approaching 50 minutes that we have waited here for Senators to arrive to offer amendments—50 wasted minutes. I really think we have approached the time for calling of third reading on this bill and vote this bill out, since we have not had response from Senators.

Is the Senator from North Dakota awaiting to present an amendment? I refrain from asking for third reading at this point.

Mr. LAUTENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ABRAHAM). Without objection, it is so ordered.

AMENDMENT NO. 5131

(Purpose: To require investigation of anticompetitive practices in air transportation)

Mr. DORGAN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 5131.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 6 after "$53,376,000," insert the following: "of which such sums as necessary shall be used to investigate anticompetitive practices in air transportation, enforce Section 41712 of Title 49, and report to Congress by the end of the fiscal year on its progress to address anticompetitive practices, and".

Mr. DORGAN. Mr. President, I have a couple of amendments. The amendment I have just offered is an amendment that talks about the issue of anticompetitive practices in the airline industry. I know there are some in Congress who think that the deregulation of the airline industry has been a wonderful bonanza for our country. But there are some of us who live in the more sparsely populated areas of our country who do not believe it has been such a bonanza. The sparsely populated States like North Dakota, for example, have less airline service now and pay more for it than prior to deregulation.

I am not a big fan of airline deregulation. I think I would be a big fan if I lived in Chicago and traveled to New York and Los Angeles, because then I would have far more carriers competing, lower prices, and a wide variety of flights to take. I suppose for folks who live in those markets, this has been a wonderful bonanza. For folks who live elsewhere, it has not worked out so well.

One of the interesting things about deregulation is that even when you deregulate an industry like the airlines you must also continue to have some kind of referee so that when someone does something that distorts the market or injures the market, that someone can step in, an authority can step in and say, "No, this is a practice that is anticompetitive."

The whole notion of deregulation is to set free the competitive forces by which, through competition, you have more service and lower prices. But there are practices that are or can be inherently anticompetitive, even under deregulation. That is especially the case in rural areas.

Let me give you a couple of instances. Last week, in North Dakota we learned that a jet carrier that had started up a couple of years ago to provide regional jet service to our State and some other rural areas was going to discontinue service in North Dakota. Now, that is not so unusual. We have lost Continental Airlines from North Dakota. We have lost Delta Airlines. We have lost American Airlines. Now we lose Frontier Airlines. We are getting accustomed to losing airlines under deregulation. We have one large dominant carrier left in North Dakota. It is a good carrier. I think it is a good company. I speak well of it. I admire its service. I think it does well. But we do not do well when we do not have competition. When you do not have competition, you have less service and pay higher prices.

Now, a regional jet carrier starts up to provide some regional jet service competition. What happens under today's deregulation environment when they try to do that? The large carriers squash them like bugs. They say, "We do not want competition. We do not want a new carrier to start up."

So what do they do? Well, first of all, under deregulation, the large carriers have no requirement at all to have any sort of code-sharing with any new carrier. Take the airline that started in North Dakota to fly to the Denver hub. The Denver hub is dominated by one carrier, one of the largest airline companies in the country. That carrier says to a new jet service, "We have no interest in cooperating with you in any way. We are not interested in offering you code-sharing in any circumstance." And if you want to make money you make money hauling people from point A to point B, and that is it—from Bismarck, ND, to Denver, CO. Of course most people are not traveling from Bismarck to Denver. They are traveling from Bismarck to Denver and then to Los Angeles, to Chicago, to Phoenix, to San Francisco, or elsewhere.

The result is, because a large carrier prohibits or simply refuses to cooperate in any way—especially with code-sharing—with a startup carrier, the startup carrier is severely disadvantaged.

In addition to that, the large carrier will go to the travel agents in those communities and say, "I tell you what, we do not want you to ticket on this new competitive airline. We want you to ticket with us. Go a more circuitous route, travel more miles, but travel with us. What we will do is pay the travel agents' override commissions." They effectively say to travel agents, "If you keep people off this new airline, we will pay you to do it." Of course, when the new airline leaves that community and no longer serves, all these overrides, the payments to the travel agents, will be gone. But that is the way this practice works.

Fundamentally, anticompetitive practices by airlines who have gotten big enough to wield the economic clout, the sheer muscle power, injure the startup companies. If I dominate a hub, say in Minneapolis, Denver, or some other hub, I will describe the kind of competition I have in and out of that hub, because I can enforce that competition. I can enforce it by keeping people out and by letting in only those who I choose to let in. Now, that is the circumstance under deregulation without a referee.

Now, I happen to think we do not have a very aggressive effort in the Department of Transportation dealing with these issues of anticompetitive behavior or anticompetitive practices. Am I critical of DOT? Yes, I have been after them for 2 years on these issues. If I am a new carrier that starts up to provide jet service from North Dakota to Denver, for example, I do not even show up on the first one or two computer screens when a travel agent in Los Angeles decides it will book a flight from Los Angeles to North Dakota and back. I do not show up on the screen as providing jet service. That is anticompetitive. It is a computer reservation system, controlled by a dominate carrier that is anticompetitive.

There are a number of anticompetitive practices that occur and not much is done about it. For 2 years I have been after the Department of Transportation to do something about it. They drag their feet for a year and a half, and now there is some work, maybe they are starting to do some things—probably too late, maybe not aggressive enough. My hope is that perhaps in the near future we will see the Department of Transportation do what it ought to do—become the referee, the arbiter of fairness, in what is competitive and what is anticompetitive in this industry.

The amendment I have offered simply says that the Secretary of Transportation shall use such funds as is necessary to investigate anticompetitive practices in air transportation, to enforce section 41712 of title 49, and to report to Congress by the end of the fiscal year on its progress to address anticompetitive practices.

I hope if this is accepted, and I understand it will be, that the Secretary of Transportation will take this seriously and do aggressively what it should have been doing the last couple of years.

I understand some people would like there to be no discussion on amendments that are offered that are being accepted. I am sorry about that, but the fact is I have also been waiting here for an hour, and when I offer an amendment, I intend to be able to speak on it as I wish.

I have a couple of other amendments that I will offer. But I ask that this amendment be accepted, if it is acceptable to the majority and minority.

With that, I yield the floor.

Mr. LAUTENBERG. Mr. President, I think the Senator from North Dakota makes a very good case. Despite the fact that I come from one of the most active transportation centers of the country, New Jersey, and we are the most densely populated State, we need access to aviation and so forth. I agree that the problems that have developed since deregulation have not always been things that we anticipated.

I talked with the Secretary of Transportation, and I made the point that the distinguished Senator from North Dakota made so eloquently just now on the floor. He tells me—and I am sure this is nothing new to the Senator from North Dakota—about the fact that United Airlines has agreed with the cooperative baggage arrangements and cooperative ticketing, though code sharing has not yet become part of the picture.

Unfortunately, in the deregulated mode, the contracts are between airlines. But I am assured that the Secretary will be looking at the anticompetitive situation of small rural airports around the country, whether jet service is available and why it is discontinued. I have that commitment to him. I pass that on to the Senator from North Dakota, so he has a basis for review as time goes by.

We continue to subsidize essential air service in the hope that we will be of some help. Meanwhile, I think the Senator has a good point. We accept his amendment from this side. I assume that the other side also is agreeable.

Mr. STEVENS. Mr. President, has there been a modification of the amendment?

The PRESIDING OFFICER. The Senator sent up a modified version of the amendment, which is before us at this time.

Mr. STEVENS. Has the Senator modified his amendment?

The PRESIDING OFFICER. Not technically.

Mr. LAUTENBERG. The Senator makes a good point. The clerk did not fully read the amendment by our request. I wonder if we could just have a reminder about what is an item to item 1 and 2, where it starts——

Mr. STEVENS. Mr. President, I merely want to find out, is the Senator going to modify the amendment in the form I have before me? This is amendment No. 5131, is that correct?

Mr. DORGAN. Mr. President, I can clear that up. I only offered one amendment. It is at the desk. It is the amendment that I had cleared through the manager.

Mr. STEVENS. I misunderstood the situation. I thought it was being modified from its original form.

Mr. DORGAN. The original amendment was never offered.

Mr. STEVENS. Very well. Really, as an original sponsor of the whole concept of the essential air service, I am pleased to see this amendment come forth in this form. We would have had to oppose the creation of a new office. But this does not do that, so we are prepared to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5131) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5132

(Purpose: To reduce the level of funding for the National Railroad Passenger Corporation)

Mr. McCAIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Arizona [Mr. MCCAIN] proposes an amendment numbered 5132.

Mr. MCCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> At the appropriate place, insert the following.
>
> On page 25, strike lines 9 through 14, provided that the $200,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes.
>
> On page 29, line 6, strike "$592,000,000" and insert "$462,000,000".
>
> On page 29, line 9, strike "$250,000,000" and insert "$120,000,000, provided that the $130,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes."

Mr. MCCAIN. Mr. President, I ask if the managers would like to agree to a time agreement. I would be more than happy to discuss that.

Mr. STEVENS. I am interested in a time agreement if the Senator would indicate how long he might want.

Mr. MCCAIN. If the managers are agreeable, 15 minutes on a side. Senator BIDEN asked to be notified at the time of the presentation of the amendment. He also said he would agree to a time agreement, but he would like to have time to debate this amendment.

Mr. STEVENS. The Senator wishes time to contact the Senator from Delaware. If the Senator will proceed, we will try to get a time agreement.

Mr. MCCAIN. Mr. President, I fully intend to enter into a time agreement with the managers of the bill at the appropriate time when they come up with a proposal.

Mr. President, this amendment would restore Amtrak's funding to the House passed level and provide the savings to the Secretary of Transportation for high priority rail, highway, and aviation safety purposes.

The House overwhelmingly passed the fiscal 1997 Transportation appropriations bill by a vote of 403 to 2 and appropriated a total of $462 million for Amtrak's operating expenses and capital improvements.

The Senate has added $330 million to this bill for Amtrak's capital accounts, adding $200 million for the Northeast Corridor Improvement Program which the House did not fund at all. This amounts to at least a 61-percent increase in Amtrak funding over the House appropriated levels. While I understand that some of my colleagues believe that if we continue to throw additional money at Amtrak, its financial problems will disappear, I believe the House-passed funding levels are more than sufficient and I urge my colleagues to support this amendment.

I also know that some will come to the floor to argue that unless we give Amtrak this massive increase in capital grants over and above the House-passed level, Amtrak will find it even harder to reach self-sufficiency. While their intentions may be good, we have been repeatedly promised that with increased expenditures Amtrak will become self-sufficient. That has never been the case before. I do not believe that will be the case today.

Amtrak began in 1971 as a 2-year experiment. Since its creation in 1971, Amtrak has cost the American taxpayer about 418 billion. This $18 billion has gone to subsidizing rail transportation for less than one-half of 1 percent of America's intercity rail passengers. In addition, a recent study by economists Wendell Cox and Jean Love found that the vast majority of Amtrak riders earn more than $40,000 a year.

Let me just show my colleagues Amtrak funding from 1995. In 1995, there will be allotted to the State of New York $215.862 million; to the State of California, $119.531 million; the State of Pennsylvania, $11.945 million; the State of Washington $108.787 million. Those four States will receive $556.125 million. A percentage of the funding——

Mr. LAUTENBERG. Will the Senator yield?

Mr. MCCAIN. Let me finish my statement, I say to the Senator.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. MCCAIN. Mr. President, I have the floor. I ask for the regular order.

The PRESIDING OFFICER. The Senator from Arizona has the floor.

Mr. MCCAIN. I would appreciate it if the Senator from New Jersey would observe the regular order. I said to him I do not wish to yield the floor at this time.

Mr. LAUTENBERG. The Senator from New Jersey does not need a lesson on protocol.

Mr. MCCAIN. The Senator from New Jersey obviously needs a lesson on the rules of the Senate because he interrupted me again as I have the floor.

I ask the Chair for the floor again. I hope that the Senator from New Jersey will not interrupt again as long as I choose not to yield the floor to him.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, on chart No. 2, I would like to show Amtrak revenues and expenses for fiscal years 1988 through 1994. As we can see, the expenses continue to go up and the revenues are basically flat.

This second chart reveals how, over the years, Amtrak's expenses have steadily grown at an accelerated pace while revenue have remained virtually the same. I believe this shows that Amtrak's problems are fundamental and the only question is whether the Federal Government will, at a minimum, put some limits on the amount of taxpayer dollars we are willing to lose to a failed experiment.

The point made by this third chart is basic. Amtrak appropriations have grown over its 25-year existence, and despite this fact, Amtrak still never seems to have enough Federal subsidization to cover its losses.

Mr. President, I remember with great clarity in 1983 when I came to the House of Representatives of the United States when I was visited by a man that I admired as much as any man I have ever known in my life, the former Secretary of the Navy who I had known on my tour in the Navy, Mr. Graham Claytor, Secretary Graham Claytor. Secretary Claytor was then President of Amtrak, and Secretary Claytor assured me that Amtrak funding would no longer be needed after 5 years; absolutely that would be the end because Secretary Claytor, and the other people who ran Amtrak and other Members of Congress, said that after 5 years there would be no need for any more Federal funding because Amtrak would be self-sufficient.

I would be glad to include for the RECORD how time after time after time over many previous years since 1971 that the assurances were given to this body and to the American taxpayers. "Do not worry. Four or 5 years from now the funding required for Amtrak will be finished."

Mr. President, on October 8, 1995, George Will wrote a very interesting and entertaining article that I would like to quote. He says:

> Long ago, before Washington decided it did everything so well it should start running a passenger railroad, American slang included a phrase used to express dismay about mismanagement of organizations. The phrase is "Helluva way to run a railroad." Speaking of Amtrak . . .
>
> Congress is speaking of it because conservatives are in a Margaret Thatcher mood. It was said she cold not see an institution without swatting it with her handbag. Republicans, who praise governmental minimalism, can hardly close their year of glory without asking why the government is in the railroad business.
>
> In a sense it has been for more than a century. The word "cordial" hardly suggests the intimacy between government—federal and state—and railroads in the 19th century, when 10 percent of the public domain was given in land grants to the transcontinental railroads. The Union Pacific was given one-tenth of Nebraska—4,845,997 acres.
>
> Amtrak began, as did so much that makes today's conservatives cross, under Richard Nixon, during whose administration there occurred the largest peacetime expansion of government power in American history (wage and price controls) and the creation of the Environmental Protection Agency, the Occupational Safety and Health Administration, forced busing and racial set-asides. He failed to get Congress to enact a new entitlement, a guaranteed annual income, and to embark on what is now called "industrial policy" by funding development of a supersonic transport aircraft.
>
> "All through grade school," said Nixon, "my ambition was to become a railroad engineer." Would that he had. In March 1970, the largest operator of passenger trains, Penn Central, on the verge of bankruptcy, sought

> permission to end passenger service west of Harrisburg and Buffalo. For that, government deserved a portion of blame, the Interstate Commerce Commission having resisted rate increases commensurate with wage increases unions were winning. In a textbook example of how bad government begets more government, Amtrak was born.
>
> It began operations in 1971, ostensibly as a two-year experiment. It has lost money since 1971, partly because it has been a mini-welfare state appended to the welfare state: It has been forbidden to contract out union jobs, and laid-off workers have been entitled to six years of severance pay. So, having helped make private railroads anemic (jet aircraft, better highways and inept railroad management contributed mightily to the anemia), the government piled on Amtrak its mandates that would keep it running in the red.
>
> Helluva way to run a railroad? What do you expect from something created in defiance of market forces and regarded by its creators, the political class, as several varieties of pork, including an entitlement for small communities that want the government to guarantee continuing rail service for which there is weak demand?
>
> Recently a full-page magazine ad by Amtrak bore this message at the bottom of the page: "No federal funds were used to pay for this message." What mendacity. Money is fungible, so taxpayers paid for as large a portion of the cost of that ad as they pay of the overall costs of Amtrak—about 20 percent. And Amtrak's ads are not producing congestion down at the old railroad depot. Amtrak carries less than one percent of the people who travel between cities, and half of its passengers are in the Northeast Corridor. Most passengers are middle class, many of them business travelers. Almost all have air or long-haul bus transportation alternatives.
>
> Defenders of the subsidies say, as defenders of subsidies do, that we are all benefiting so much that the subsidies "pay for themselves." Their argument is that because of passenger trains, highways are less congested, air is less polluted, we are delaying the evil day when federal money will have to help build another airport for Boston, and so on. There is some truth in all these arguments and a lot in this one: Government even more heavily subsidizes air and road passengers. United Airlines is not expected to build airports, and Greyhound is not responsible for maintaining the highways.
>
> However, Congress is poised to shrink Amtrak subsidies from more than $700 million next year to zero by 2002 at the latest, when Amtrak is scheduled to be privatized.

That obviously, has not been the case since Mr. Will wrote this article.

Mr. Will continues:

> Its roadbed needs work, especially in the Northeast, and its rolling stock is old (the average car is 23 years old), so even with more reasonable work rules and more latitude to rationalize routes, privatization may not be possible. But trying to get the government out of railroading is not optional if the conservatives' determination to rationalize government is real.

Mr. President, this money that I am asking to be reduced would go to much needed rail, air, and road safety. We all realize how much safety is important; indeed, uppermost in the minds of many people as a result of some of the aircraft accidents that have taken place, some of the rail accidents that have taken place in America, and also some of the continued terrible tragedies that afflict the highways day in and day out.

So, Mr. President, I wonder if the managers of the bill are ready to enter into a time agreement?

In the meantime, I yield the floor.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. I ask unanimous consent that on this amendment there be a time agreement with 30 minutes on the side of those who oppose Senator McCAIN's amendment and another 5 minutes for Senator McCAIN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. If we can modify that, and that is that there be no second-degree amendments prior to a motion to table.

Mr. STEVENS. That time is on or in relation to this amendment and that there be no second-degree amendments in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I yield 10 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I rise in strong opposition to the amendment by the Senator from Arizona. Cutting funding for Amtrak back to the inadequate level set by the House would be a big mistake and very bad public policy, in my view. It would be a formula for failure for the only intercity passenger rail service we have in America. The amendment would frustrate Amtrak's ongoing attempts to become self-sufficient. Instead of saving any money, it would waste funds already provided for passenger rail by virtually guaranteeing the demise of Amtrak.

It is a formula for failure, Mr. President, because it prevents Amtrak from completing the comprehensive reforms it needs to eventually become self-sufficient in its day-to-day operations.

I know my friends have heard me over the last 20 years make this same point. But no passenger rail service in the world—and passenger rail plays an important role all over the world—no passenger rail service in the world is, in fact, operated without public support for its capital needs. Whether it is in Europe or Japan, the most advanced industrialized economies in the world, not one passenger rail system in the world operates without support for its capital needs. It is these capital investments, the improvements to the Northeast corridor to carry high-speed trains and funds to purchase new locomotives and passenger cars for the western part of the United States as well as the Northeast corridor, that the McCain amendment hits the hardest.

Without upgrades to the bridges, without straightening out the curves, without completion of the electrification of the rail connections between Washington and Boston, Amtrak would be unable to attract the additional passengers it needs to earn more operating income.

Mr. President, we have put Amtrak on a very strict diet. We have cut service. We have cut subsidies. We have gotten a commitment that they will be self-sufficient by the year 2001. Amtrak on the east coast works on an electrification system, overhead electrical wires, and we have spent millions of dollars to upgrade the system from New York to Boston to allow high-speed Metroliner runs from Boston all the way to Washington. We have had to upgrade the bridges. We are well beyond New Haven and working our way up. This amendment would stop that project cold, absolutely cold.

The Senate is on record in support of providing a half cent from the Federal gasoline tax to provide for Amtrak's capital budget. This is a step that I believe has to be taken as soon as possible. But until then, Amtrak will continue to require adequate funding through the appropriations process. I have been working here along with my colleague, Senator ROTH, and others for years and years to get a dedicated source of funding for Amtrak. We are on the verge of doing that. Once that is done, one-half cent would provide $600 million a year in capital costs.

That dedicated capital fund would be able to underwrite the capital cost of the entire Amtrak system coast to coast. But, in the meantime, absent that funding source, to eliminate the Northeast corridor improvements and decimate the remainder of their capital budget nationwide would literally be the end of the railroad. It becomes a self-fulfilling prophecy. We say we want this outfit to be self-sufficient, and the very things needed to make it self-sufficient are the things we are going to deny it before we get to that point.

My friend from Arizona said, I am told, that the average Amtrak passenger makes $40,000 a year and does not need a subsidy, et cetera, et cetera, et cetera. I would like to put this thing in focus. My Western colleagues come to us in the East, and they say, "An integral part of our economy is water." They point out to us, time and again, that we need to vote to subsidize their farmers, to subsidize their cities, to subsidize their drinking water. And we do. We spend tens of billions of dollars a year—tens of billions of dollars a year.

I will never forget the first time, as a young man, I flew from the east coast to the west coast. I will never forget flying over the foothills of the Rocky Mountains and then on the other side, seeing all these concentric circles on the ground. I wondered what they were, these concentric circles. I had been in an airplane before, but I had never flown coast to coast.

All of a sudden, I realized that is my mother's tax dollars, on Social Security. That is my tax dollars. It is my dad's tax dollars, on Social Security. Subsidizing what? Subsidizing western farm areas, subsidizing Senator MCCAIN's in-laws and himself and others' drinking water. That is OK with me. We are one nation. The purpose of one nation is for each part of the country to work together. The whole is greater than the sum of the parts. All the parts of the Nation need different things. I do not hear Senator MCCAIN or other Western Senators coming here and saying: You know, let us do away with subsidizing those farmers. Let us do away with subsidizing the water John Doe drinks in Phoenix, AZ. And I am not here doing that.

But rail passenger service is critical to my section of the country and to the west coast. It is critical. If we eliminate Amtrak, how many more lanes of interstate highway are we going to be able to put in? What is it going to do to the environment? What is it going to do to the air? All Amtrak wants is a shot, a chance, a shot to make themselves self-sufficient.

I will not be on the floor trying to restore Amtrak money for operating costs if we get the half-cent gas tax, a measly half cent. But the fact of the matter is, the House Transportation Committee and Congressman WOLF cut this significantly, the same amount that my friend and colleague from Arizona wants to cut it. Senator HATFIELD and Senator LAUTENBERG and their colleagues in the Appropriations Committee have repaired the damage done by the House bill. And, as the chairman of the House Transportation Committee, Congressman WOLF, admitted, the House levels were wholly inadequate and were intended to force the adoption of the half-cent proposal.

I am not sure what I think of that strategy, but I certainly agree that Amtrak funding levels in the House bill, the levels called for in Senator MCCAIN's amendment, would be totally inadequate. The McCain amendment is a proposal to kill Amtrak; let there be no mistake about that. As a small State in the Northeast corridor, Delaware would be hard hit by the loss of a major part of its transportation system. As a major center for the repair and maintenance of railroads for more than a century, Delaware also faces the loss of important jobs under the severe cuts in the Northeast corridor and the capital budget of Amtrak. But as Senator LAUTENBERG forcefully argued, Amtrak plays a key role in the whole country's transportation system. As Senator HATFIELD, the distinguished departing chair of the Appropriations Committee, well knows, the west coast is a major beneficiary of passenger rail as well.

I acknowledge that, because of all the cuts we made in Amtrak over the past, not every State or region benefits equally from Amtrak. I acknowledge that. But I do not benefit from the water subsidies either. Delaware farmers do not benefit like the farmers from Arizona. My mother does not benefit, like the Senator's family does. I understand that. That is America.

Senator MCCAIN comes from a desert. I come from a place where there is a lot of water. I come from a place where we are overgrown with highways, where we have trouble breathing the air. Passenger rail is needed to relieve traffic congestion and air pollution. It is needed badly.

I will leave Senator MCCAIN's water alone if he leaves my railroad alone.

Mr. President, I ask unanimous consent to proceed for 1 more minute.

The PRESIDING OFFICER. Who yields time?

Mr. BIDEN. May I have 1 more minute?

Mr. LAUTENBERG. I yield 1 more minute to the Senator from Delaware.

Mr. BIDEN. I want to stress that Amtrak is not important to just one part of the country or to just a few customers. I understand the distinguished majority leader has been assured by his constituents of the importance of Amtrak to the State of Mississippi. If Amtrak were an airline, it would be the largest air carrier in the country. Amtrak is the single largest individual passenger carrier on the east coast, and to replace Amtrak's service in the East, as well as around the country, would require more lanes of interstate highway and more air pollution, more airport construction, additional safety concerns and increased congestion for all parts of the Nation. So let us not kid ourselves that Amtrak is not important to all parts of our country. But I agree, it is of particular importance to my State and the east coast.

I thank the chairman and ranking member, and I yield back the 12 second I may have left.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. I yield 5 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I am pleased the Senate Appropriations Committee has approved full funding for Amtrak operations, capital support, and the Northeast Corridor Improvement Program. I regret this amendment to cut funding for Amtrak by $173 million is being offered.

Amtrak, as has been pointed out, provides service for millions of Americans, a competitive service at a competitive price. Through a modern nationwide passenger rail system, traffic congestion, and air pollution are reduced by this fuel-efficient alternative to highway and air travel. I certainly recognize that Amtrak cannot survive much longer as a viable entity in its current financial condition. Many of us are familiar with the oft-cited GAO report documenting the widening gap between Amtrak's revenues and expenses since the beginning of this decade. For the past 2 years, the question facing Congress is, what should we do about Amtrak? I do not think anyone believes that simply increasing or even continuing in perpetuity Amtrak's annual subsidy are wise solutions. Instead, a better solution has been proposed. This solution, partially embodied within the Amtrak authorization bill, will enable Amtrak to operate as much like a private business as possible.

Separate legislation, which constitutes the second part of this proposal, would redirect one-half cent of the Federal gas tax to a new passenger rail trust fund similar to those existing for highway and air travel.

I will just say this. Transporting people has never been a profitable business for railroads. At least it certainly has not been in the past 50 years. So, I believe it is unfortunate that prospects for passage of this Amtrak authorization bill and legislation to redirect the half cent of the Federal gas tax, is being proposed. I think if there is no Amtrak authorization bill and no steady revenue source to allow Amtrak to modernize and privatize, there is going to be trouble. That is the situation we have today. Funding for Amtrak operations and capital support in the Northeast corridor are urgently required for the short-term survival of intercity passenger rail service. Amtrak does want to end its dependence on Federal subsidies. However, until such a plan is in place, Amtrak simply must have the yearly support needed to continue at a minimal level.

I am a user of Amtrak, Mr. President. It is very important to the section of the country I have, and, therefore, I urge the opposition and, indeed, the defeat of the amendment proposed by the Senator from Arizona.

The PRESIDING OFFICER (Mr. GORTON). Who yields time?

Mr. LAUTENBERG. I yield 3 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I rise in opposition to the amendment. I just heard the statement by Senator CHAFEE and agree with his comments. I would like to find a way for Amtrak to become more self-sufficient. I would like to find an additional revenue source for Amtrak. But the fact is, until that occurs, if we do not provide adequate funding, there will not be an Amtrak that represents a national rail system providing service across the country.

If this amendment is adopted, we will be left only with a Northeast corridor service for Amtrak, period. There will be no other Amtrak in the rest of the country. We will have service in the Northeast corridor, and we will have no other service anywhere else. I don't think that advances the interest of a country that does need a mix of transportation services, including rail passenger service.

In fact, the committee cut the Amtrak funding by about $40 million from last year. This amendment would then reduce it another couple hundred million dollars. This does not, in my judgment, move us in the right direction. It moves us exactly in the wrong direction, if you believe that we ought to have some kind of rail passenger system as a national system.

If you believe it only ought to be regional, then you probably will end up all right with this, although I don't think it provides sufficient funding. But if you believe we ought to have a national rail passenger system, then this amendment would severely injure the opportunity to do that, because we would not have a national rail passenger system if this amendment is adopted.

I thank the Senator from New Jersey for the time, and I yield the floor.

Mr. LAUTENBERG. Mr. President, how much time do we have?

The PRESIDING OFFICER. The Senator from New Jersey has 13 minutes, 43 seconds.

Mr. LAUTENBERG. How many?

The PRESIDING OFFICER. Thirteen minutes, 40 seconds.

Mr. LAUTENBERG. The other side has?

The PRESIDING OFFICER. Five minutes.

Mr. LAUTENBERG. Mr. President, I yield myself so much time as I will use between now and the 13 minutes plus.

Mr. President, I indicate my strong opposition to the amendment offered by the Senator from Arizona. It almost sounds like a vendetta. Talk about $18 billion worth of spending on Amtrak—my gosh, we spend over $8 billion a year on aviation; we spend over $20 billion a year on highways. Amtrak is the only serious railroad opportunity we have for passengers, and it has continued to prove its merit and its worth as time has gone by. Amtrak's farebox comes closer to its revenues than any other major passenger rail service in the world.

It is ridiculous for the United States of America not to have a significant passenger rail service. Just look at what would happen in the Northeast corridor where it is believed that we service almost 100 million people. The Northeast corridor would need 10,000 full DC-9's a year to carry the traffic. Well, perhaps that's not true. Maybe we could push them onto the highways. We could put some 11 million people in their cars and tell them to drive between New York and Washington or Boston and Washington or Boston and New York or Boston and New Haven or Boston and Hartford or Boston and Providence. Get in your cars, use more gas, take up more time, that will mean more congestion, more foul air. That is what the alternative is.

I have never seen anything so shortsighted in my life, but the speech sounds good—throw out statistics that have no merit in fact. One says we allocate by State, as I saw the chart displayed by the Senator from Arizona, at which time when I had a question, he refused to answer it. That is his privilege. He had the floor, and he is right, he did have the floor. But there is also something around here called common courtesy. But we pass on that these days.

Mr. President, I have a letter in hand from no fewer than 19 of the Nation's Governors, both Republican and Democratic Governors, urging adequate capital funding for Amtrak. Among the Governors that have urged the committee to provide adequate capital funding of Amtrak are several who are mentioned as the potential Vice President to the nominee—the likely nominee—of the Republican Party: Gov. Tom Ridge from the State of Pennsylvania; my own Governor, very popular, very thoughtful, very well thought of, Gov. Christine Todd Whitman; Governor Pataki of New York; Governor Weld of Massachusetts; and Governor Rowland of Connecticut. I dare say, probably six Vice Presidential candidates there.

I ask unanimous consent that this letter sent to Senator HATFIELD and myself from 19 of the Nation's Governors be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 25, 1996.

Hon. MARK HATFIELD,
Chairman, Senate Appropriations Committee, Capitol Building, Washington, DC.
Hon. FRANK LAUTENBERG,
Ranking Member, Appropriations Subcommittee on Transportation, Dirksen Senate Office Building, Washington, DC.

DEAR SENATORS HATFIELD and LAUTENBERG: As you consider various options for the FY 1997 Transportation Appropriations bill, we urge you to provide adequate capital funding for the National Passenger Rail Corporation (Amtrak). The General Accounting Office (GAO) estimated that in order to keep Amtrak running and to reduce its dependence on federal operating assistance, Amtrak requires an annual capital subsidy of $500 to $600 million. Amtrak, the Administration and GAO agree that the future reduction of Amtrak's federal operating subsidy is dependent on continued capital investment in Amtrak's infrastructure.

Specifically, we urge you to support, at an absolute minimum, last year's level of funding for general capital—$230 million—and the Northeast Corridor Improvement Program—$115 million. These funding levels are consistent with the assumptions made in the recently-adopted budget resolution and with the authorizations levels which have passed the House and are pending in the Senate.

As you are aware, the Amtrak Board of Directors is strongly committed to eliminating its dependence on federal operating assistance over the next six years. Amtrak's ability to continue to reduce its operating costs, however, is dependent on adequate federal capital support.

While we realize the complex and difficult decisions you face this year with respect to funding transportation programs, we urge you to carefully consider the productivity improvements that have been made at Amtrak and to support an ongoing federal role in maintaining this nation's rail system, even as the federal operating subsidy is phased out.

Sincerely,

Tom Carper, Governor, State of Delaware, Gaston Caperton Governor, State of West Virginia; Howard Dean, Governor, State of Vermont; George Pataki, Governor, State of New York; Ben Nelson, Governor, State of Nebraska; Bill Weld, Governor, State of Massachusetts; Zell Miller, Governor, State of Georgia; John Rowland, Governor, State of Connecticut; Roy Romer, Governor, State of Colorado; Parris Glendening, Governor, State of Maryland; Tom Ridge, Governor, State of Pennsylvania; Mike Lowry, Governor, State of Washington; Christine Whitman, Governor, State of New Jersey; Bob Miller, Governor, State of Nevada, Mel Carnahan, Governor, State of Missouri; Evan Bayh, Governor, State of Indiana; Lawton Chiles, Governor, State of Florida; Jim Guy Tucker, Governor, State of Arkansas; Angus King, Governor, State of Maine.

Mr. LAUTENBERG. Mr. President, in recent years, as Amtrak has been required to reduce service and, in some cases, eliminate service to several States, I have noticed that some of the loudest complaints have come from some of our States in the West and in the Midwest. I appreciate the fact the Senator from North Dakota had comments to make in favor of Amtrak service.

A lot of people are complaining that we have reduced or eliminated Amtrak service. Well, they just don't have the income, and when you think of what it takes to put this system in shape, it is de minimis compared to the service that is being offered. We can dress it up in various terms: high-income people ride the train. See what it looks like and see people getting on there with tattered luggage and not able to figure out another way to get there. It is easy to stand on a high horse and criticize those who ride Amtrak. Try it; you may like it.

The fact of the matter is, while Amtrak's funding levels, as contained in this bill, are higher than the House-passed level, they still remain far lower than the level requested by the administration. The Senator from Arizona wants to take the funding down by almost $400 million, when we worked like the devil, skimped and saved and moved and changed to try and get a balanced funding bill, a balanced transportation bill. And the Senator from Oregon [Mr. HATFIELD], worked very hard to do that.

So, Mr. President, the House Appropriations Committee made a calculated judgment to extract the vast majority of its transportation cuts from Amtrak's budget. I do not agree with those priorities, and neither does the chairman of the committee itself.

The one thing that we ought to be aware of is that if we eliminate Amtrak, we eliminate a serious asset that this country of ours requires. We are the only country in the world, the only country of the more developed countries in the world that does not recognize that you have to invest and you have to subsidize its national passenger rail system. Get on the TGV in France or get on the bullet trains in Japan; the Government pays an awful lot more on a proportionate basis than we are willing to put in Amtrak at our most generous moments.

Mr. President, I yield for a minute or so to my friend from Delaware who has asked to be heard.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. BIDEN. I ask for 1 minute.

Mr. LAUTENBERG. I yield 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. Mr. President, I see my friend from Arizona is still on the floor. In terms of subsidies, I point out again, because the argument was made, there is a little thing called the central Arizona water project. That is 3.5 billion bucks that my mom is helping to pay for. She will never drink a drop of the water, but Arizona needs it. It is $3.5 billion needed, badly needed—$3.5 billion.

But our country needs Amtrak as well, on the west coast and on the east coast. I yield whatever time I have left.

Mr. McCAIN addressed the Chair.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. The Senator from Arizona asked for the floor. It is all right with me.

Mr. McCAIN. I yield myself 1 minute.

Mr. STEVENS. Will the Senator yield for a moment?

Mr. McCAIN. Sure.

Mr. STEVENS. There is an indication that the chairman will not be able to get back in the time we thought he would get back. I think there are going to be others that seek time on this bill. Will the Senator agree we would extend time on each side for another 10 minutes? I ask unanimous consent that the current time agreement be extended for 10 additional minutes for Senator MCCAIN and 10 additional minutes for Senator LAUTENBERG.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator is recognized for 3 minutes.

Mr. McCAIN. While my friend from Delaware is still on the floor, I will say there is no one obviously that knows Amtrak better than the Senator from Delaware, who every evening travels and takes advantage of that opportunity to be back in Delaware with his family and with his friends and his constituents. And I, for one, respect and admire that dedication that the Senator from Delaware has displayed to both his family and the people that he represents. It is obvious why they keep sending him back here.

The Senator from Delaware also mentioned to me that if we did cut Amtrak, we would probably get a lot more speeches from the Senator from Delaware, which I would find enlightening, but others may not.

I understand the commitment that the Senator from Delaware has. I point out, the central Arizona project, as the Senator from Delaware knows, was completed, and the State of Arizona will be repaying the Federal Government for the cost of that.

It is obvious that your then-dollars are not the same as now-dollars. I know the Senator from Delaware appreciates that. My problem is, I say to the Senator from Delaware, this is an unending subsidy, apparently, when the Amtrak authorities themselves maintain every few years that there is only a few more years of subsidy.

My question to the Senator from Delaware is, as they cut more and more service, and basically you are left with the Northeast Corridor and the San Diego-LA route, which is basically what is left, and it is no longer a national rail system for any intents and purposes, how long would this system, which originally was conceived in 1971 to last for 2 years—2 years of subsidies was the deal when it began in 1971—how long will be the requirement to have these subsidies provided by the taxpayers for which one-half of 1 percent of all of the users of transportation, rail transportation, in America, make use of? That is, I think, a legitimate question.

Mr. BIDEN. I would be happy to take 30 seconds to answer the question.

Mr. McCAIN. Mr. President, I reserve the balance of my time. I yield time to the Senator from Delaware from my time to respond.

Mr. BIDEN. Mr. President, I think it is a mistake, but in fact the Congress has agreed—any subsidy would end by the year 2001. The only reasonable way for that to occur, Mr. President, is if in fact we are able to get that half-cent trust fund set up. But whether we get that or not, in the year 2001 this is gone. I think Amtrak made a mistake agreeing to that, to be completely honest with my friend. But that is the answer to the question.

The drop-dead date is the year 2001. In my view, they will not make it—to be completely candid with my friend—they will not make it unless they get that half-cent trust fund.

Mr. McCAIN. I yield myself an additional 30 seconds.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. Mr. President, I say with all due respect to the Senator from Delaware, wasn't that what they said in 1971 when they said it will only be 2 more years? And wasn't that what they said in 1983 when Graham Claytor, a man I respect more than almost any other man I have ever known, said, "In 4 years we'll be done"? They said, "In 4 years we'll be done." It is always, always, always 4 or 5 years out, I say to the Senator from Delaware. Really what it has proved is that once you start a system on the Federal dole, it is going to continue forever. And that is the case here, unfortunately, with Amtrak, and why this amendment will not prevail again.

Mr. BIDEN. Mr. President, will the manager yield me 2 minutes?

Mr. LAUTENBERG. Absolutely. I yield 2 minutes to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, my friend from Arizona makes at least two valid points—and many more—but two valid points. One is that if Amtrak is out of business, I will be here. I will have to be in Washington; and it means I will not be running out of here after the last vote to get the train home, which means I will get to speak more. That may be inducement enough for my colleagues to vote to continue to subsidize Amtrak, so I am not here late at night debating.

But another truism that the Senator stated is that this has been a subsidy. It is an ongoing subsidy. But when he puts it in the context of being on the dole, you have to put it in the context of all other transportation systems. We subsidize airline tickets more. The average income of people flying in airlines, I suspect, is as high or higher than anyone getting on an Amtrak train.

We subsidize those airline tickets a number of ways. They are tax deductible for business expenses. We build the airports. We build the towers and pay the air traffic controllers, et cetera, et cetera, et cetera. We also subsidize the highways beyond what we collect in the highway trust fund moneys.

So, Mr. President, all modes of transportation in the United States are subsidized. It seems to me rational public policy would dictate us to look at what makes sense. Different regions have different requirements. I see my friend from North Dakota is here. Amtrak is useful to him, but he does not need Amtrak as much as he needs highways. In Delaware we do not need any more highways. We cannot afford any more highways in my State or the State of Rhode Island or the State of New Jersey or the State of New York and so on and so forth.

So every region of the country has different needs. It is true. They are all subsidized. And the question here is, it seems to me, the appropriate question is, What is an appropriate amount of subsidy? And it seems to me when Amtrak, having its budget cut by a third over the last couple years, having trimmed down significantly, this is not an appropriate cut. I thank the Chair for the time.

The PRESIDING OFFICER. The time has expired.

Mr. LAUTENBERG. Mr. President, I yield 2 minutes to the distinguished Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. I thank the Chair and the Senator from New Jersey.

I rise to oppose the amendment offered by my colleague from Arizona, Mr. MCCAIN.

Before I outline my reasons for opposing this amendment, I would like to thank my friend and colleague, Senator HATFIELD, chairman of the Subcommittee on Transportation, and Senator LAUTENBERG, a very strong supporter of passenger rail, for their work on this bill. I believe this bill is a tremendous and necessary improvement over the one passed by the House, and we have these two gentlemen to thank for that.

Regarding the amendment offered by my colleague from Arizona, I think the point made by the Senator from Delaware is very valid. All of the modes of transportation are subsidized to a degree. We hear much about the much vaunted Swiss railroad system. They are subsidized. The one in France is subsidized. The one in Japan is subsidized. But in return for that subsidization, the people of the area get a service and a greater degree of safety and comfort that they would not get otherwise.

As some of my colleagues are aware, I wrote a book on this subject some 30 years ago, "Megalopolis Unbound." And the book remains current today because so little has been done in those 30 years.

I hope that we will sustain the effort of the Transportation subcommittee and keep the money in for Amtrak. I am hopeful that, by doing so, we can really make progress in enhancing intercity high speed passenger rail. In so doing, perhaps we can avoid having a future Member of Congress come along 30 years from now, as I am now, lamenting that much more needs to be done, and how very little has changed in the intervening years.

We should also recognize that modernizing and enhancing, not shortchanging, passenger rail is the current trend in Europe and Asia. These various nations are providing their people a form of efficient and safe transportation.

Mr. President, as one who helped shepherd through Congress the High Speed Ground Transportation Act of 1965, it has been my long-held belief that passenger rail service is the most fuel-efficient; the least environmentally disruptive; and ultimately, will be the least expensive mode of transportation.

Finally, there is another thought here. We accept the idea that elevated vertical transportation should be free but not horizontal transportation like the subway because it is horizontal. I can remember when I was a boy there were buildings in Europe—still some in Europe—buildings in New York where you put a nickel in order to be transported up or down. I think this also should be kept in mind.

So for all these reasons, I believe that the money—the subsidy, if you want to call it that—for Amtrak should be preserved because it is giving our people service that the citizenry should expect. I thank the managers of this bill for their very fine efforts, efforts I am pleased to support. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. I yield myself 2 minutes.

Mr. President, it is all very enjoyable to debate and discuss issues with the Senator from Delaware. And I believe that he makes valid points. I also hope that we do not spend too much time on this amendment and others so he will be able to take his taxpayer-subsidized trip back to Delaware tonight.

Mr. President, I point out that less than one-half of 1 percent of America's inner-city rail passengers are subsidized by this program. It has been long recognized by Democrats and Republicans alike that we need to curtail this ever-increasing subsidy.

As early as 1979, President Carter's Secretary of Transportation, Brock Adams, acknowledged that. I quote back in 1979.

> We can no longer afford to provide disproportionately large and continually increasing amounts of Federal funds for a passenger service that is used by less than one-half of 1 percent of the inner city traveling public.

Again, in 1988, the President's Commission on Privatization, established by President Reagan, recommended, as part of a multiyear plan to move to privatize Amtrak, that "Federal subsidies should be incrementally reduced and a deadline should be set for the Department of Transportation to decide whether Amtrak or portions of its operation should be continued."

Mr. President, again, I would like to see a deadline that is adhered to. I think when we have a program that began initially in 1971, that was only supposed to be there for 2 years, and now in the year 1996 we have a policy of some 4 or 5 years from now, it is time we really got realistic. If there is some cynicism on the part of some of us about these dates that continue to slide every 4 or 5 years, I think it is justified.

Mr. President, the money that is cut out of this appropriation, I point out again, will be used for aviation safety, rail safety, and highway safety, which, obviously, have a great claim to limited taxpayers' funds, greater, I think, than the rail service has been, which has not been able to obtain self-sufficiency in the last 25 years.

I reserve the remainder of my time.

Mr. DORGAN. I wonder if the Senator from New Jersey would yield 1 minute to respond to a point?

Mr. LAUTENBERG. I am delighted to yield.

Mr. DORGAN. The Senator from Arizona made a point that I think probably will mischaracterize something. The implication was that the folks in the inner cities really do not get any subsidy in this area.

My understanding is that in this bill there is $4.4 billion in subsidy for mass transit systems. Obviously, virtually all of the cities that have mass transit systems are getting subsidized on an ongoing basis, and part of this is paid for by folks in Bismarck and Fargo. That is fine. I support that. But I do not want people listening to this debate to understand there is not a subsidy for mass transit because there is a $4.4 billion subsidy.

The point I was making before was that I do not object to deciding as a public investment we want to retain an Amtrak system that is a national system. In fact, it still is a national system, but will not be under the amendment offered by the Senator from Arizona. I personally make the observation that I think it is a good investment to make.

I respect the Senator from Arizona, but we disagree on this, because I happen to think this represents a good investment as part of our transportation system.

I did want to clear up the point on whether or not mass transit is subsidized. Of course it is. It is subsidized substantially—by $4.4 billion in this bill alone.

Mr. LAUTENBERG. Mr. President, I yield 2 minutes to the Senator from Vermont.

Mr. JEFFORDS. Mr. President, I rise in opposition to the McCain amendment. It is clear what he is trying to do is kill Amtrak. This is wrong.

Amtrak is integral in transporting people across this great country of ours—not just in the Northeast, although the Northeast, which has horrible problems with traffic and air pollution and everything connected with it, needs to go to railroads, needs to utilize the railroads more than it does now for personal transportation.

In addition to that, with the overload on our airplanes, trying to shuttle back and forth to New York and to Boston, the fast trains, which this would essentially eliminate, will resolve that horrible problem, much to the benefit of the people in this Nation.

Amtrak can survive on its own. We are working toward that goal. Over the last 2 years, Amtrak has restructured itself and is working to be free of Federal support in 5 years. I think they will make it.

Mr. President, do not kill our national railroad now. Give Amtrak time to build up the business and let Congress be responsible and pass the Amtrak authorization bill and move the half-cent gas tax to Amtrak. We must not eliminate Federal support until these plans are in place, until they have been given a chance to demonstrate they can work. I am confident they can.

I yield back the remainder of my time.

Mr. ROTH. Mr. President, I rise in opposition to Senator McCAIN's amendment that would cut capital funding for Amtrak. This funding cut will cripple the Northeast Corridor Improvement Program and threaten the viability of passenger rail in this country. It is my understanding that if the Senate votes in favor of these cuts, it will have far-reaching effects nationwide.

The reduction in capital could mean the termination of the High Speed Rail Program that has the potential to revive passenger rail as an important component of our national transportation system. It will also impair Amtrak's heavy overhaul and maintenance capabilities—much of which is done in Delaware's Amtrak shops. Shortchanging maintenance will contribute to further decline of rolling stock and locomotives, reducing the quality of service, and discouraging potential passengers from choosing Amtrak.

This is a formula for failure, not a plan to make Amtrak self-sufficient or to secure the place of passenger in our country's transportation system.

Mr. President, we are all working toward an Amtrak which operates without a Federal operating subsidy, which provides quality service, and which is financially stable. Amtrak now covers approximately 80 percent of its operating costs with self-generated revenue, up from 48 percent in 1981. Yet we also know that no intercity rail passenger service anywhere in the world operates without some degree of public sector financial support.

Investment in all modes of transportation is important, but we have gone about it in a lopsided way. Purchasing power for Federal highway programs has increased by 48 percent from 1982 to 1996. It has increased 78 percent for aviation, but has decreased 46 percent for passenger rail. In fact, Amtrak currently receives less than 3 percent of all Federal transportation spending. To attain balance, we must balance our financial support to all transportation components, including passenger rail service.

Capital funding is necessary for Amtrak's future. New capital investments will allow Amtrak to operate more efficiently. With new equipment, Amtrak will attract substantial new ridership with increased revenues. It currently costs Amtrak $60 million per year to operate and maintain its old equipment, which frequently breaks down and often requires parts to be specially made.

As many Members in the Senate are aware, I am working to provide a dedicated source of capital funding for Amtrak. The Senate has overwhelmingly supported my legislation that would give Amtrak one-half cent for capital expenditures. Unfortunately, we have not yet been able to pass this legislation into law. However, I will continue to work hard and make these speeches until this legislation is passed.

Amtrak cannot survive without capital funding. If we do not provide funding for Amtrak, we will have no other option but to watch Amtrak collapse. This amendment does not move us in the right direction. If this Congress wants a national passenger rail system, it will continue to vote for capital funding for Amtrak.

I urge my colleagues to strongly oppose this amendment.

Mr. McCAIN. Mr. President, I note the return of the distinguished chairman of the committee and the subcommittee. I really do not have anything more to add to this debate. I would be glad to discuss it further if the Senator from Oregon desires.

However, I am prepared to yield back the remainder of my time at any time that is convenient for the distinguished manager of the bill.

Mr. LAUTENBERG. Mr. President, how much time remains on our side?

The PRESIDING OFFICER. On the side of the Senator from New Jersey, 7 minutes 32 seconds; and on the other side, 7 minutes 48 seconds.

Mr. LAUTENBERG. I thought I heard the Senator from Arizona yield back.

The PRESIDING OFFICER. He made an offer to the Senator from Oregon that was not responded to.

Mr. LAUTENBERG. Mr. President, I will take such time as remains out of the time that I have to make a couple of points.

We hear that the subsidy for passenger rail service is an egregious purpose, something that ought not be done, and we talk about the subsidy per passenger.

However, we neglect to talk about the fact that there is over $2 billion a year that goes into maintaining FAA's services. That has nothing to do with the trust fund. That is out of the taxpayers' pocket—$2 billion a year. Those who are paying into the trust fund by virtue of a ticket tax, when that is operating, pay into the fund when, in fact, they may not use a particular routing or particular region when they pay that tax.

If we start to cut up the country into how much did you pay for how much service—I think the Senator from Delaware made the point very clearly when he described the need to subsidize water projects, irrigation projects, and flood control projects out West. It is a very divisive approach, I think, to what this country of ours is supposed to be as a single nation.

Just to remind those who are concerned about what would happen if we did not have the Amtrak service that is now available—those services would not be available, I assure you, if we further diminish the assistance that the Federal Government gives to Amtrak. Yes, the needs have been miscalculated over the years. Yes, they have grown substantially. But so has the population. The population of the country has grown significantly. To no one's surprise, much of that population growth is in the urban areas where rail is an essential factor.

Here we fail to recognize that passenger rail service is part of a balanced transportation structure that we need in a society in a country as large as ours.

Commuter lines in States like Rhode Island, Connecticut, Massachusetts, Maryland, New York, Pennsylvania, and New Jersey all use Northeast corridor lines that are owned by Amtrak. They have to function; otherwise, the costs for commuting would increase substantially, or maybe they would not be able to function altogether.

Mr. President, I hope we will defeat this amendment. I think it is very short-sighted and neglects to recognize what the needs of this country are, at a time when we are straining with every mode of transportation, including aviation, including highways, and including rail. We are underinvested in transportation infrastructure and we have to continue to plow ahead, whether we like it or not, if we are to be a mobile society, operating with as much efficiency as we can.

Mr. President, I note Chairman HATFIELD is here on the floor, and I yield the floor.

Mr. HATFIELD. The Senator from Arizona indicated to me he would be willing to yield back his time.

Mr. LAUTENBERG. I am willing to yield back the time on this side.

The PRESIDING OFFICER. All time is yielded back.

Mr. HATFIELD. Mr. President, has the Senator from Arizona yielded back his time?

The PRESIDING OFFICER. Yes. All time is yielded back.

Mr. HATFIELD. I move to table the McCain amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 5132 offered by the Senator from Arizona.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Kansas [Mrs. FRAHM] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 82, nays 17, as follows:

[Rollcall Vote No. 255 Leg.]

YEAS—82

Abraham
Akaka
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Bradley
Breaux
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Coats
Cochran
Cohen
Conrad
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Exon
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Grassley
Harkin
Hatch
Hatfield
Heflin
Hollings
Hutchison
Inouye
Jeffords
Johnston
Kassebaum
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nunn
Pell
Pressler
Pryor
Reid
Robb
Rockefeller
Roth
Santorum
Sarbanes
Simon
Simpson
Snowe
Specter
Stevens
Thomas
Warner
Wellstone
Wyden

NAYS—17

Ashcroft
Brown
Coverdell
Faircloth
Gramm
Grams
Gregg
Helms
Inhofe
Kyl
Mack
McCain
Nickles
Shelby
Smith
Thompson
Thurmond

NOT VOTING—1

Frahm

The motion to lay on the table the amendment (No. 5132) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. Will the Senate be in order.

The Senator from Oregon.

Mr. HATFIELD. Mr. President, I would just like to report to the Senate we have a few amendments yet, perhaps about 20, that we have to dispose of tonight. We will have rollcalls on some of them. There is no window. We are going to complete them. We had the window this afternoon for an hour and 10 minutes when Senator LAUTENBERG and I were ready to do business and nobody appeared. That was our window. So we will continue straight through now until we finish.

Mr. President, I would ask now that I may yield to Senator MCCAIN for 2 minutes and then the Senator from Ohio, [Mr. DEWINE], has an amendment.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I thank the majority leader for setting a date certain for us to bring up the important and compelling issues concerning aviation safety and strengthening airport security.

We know how important this issue is to the American people. I had intended earlier to bring up some of the provisions of that bill as an amendment on this appropriations bill, something I do not like to do. The majority leader has assured us he will bring this up on a date certain in September, and I believe that is a very important. I know my colleagues are in agreement with me as to how important it is to bring up these issues. We have to strengthen airport security. We have to improve aviation safety in America. It is an obligation we have to all of our citizens.

I hope in September, when we bring up this issue, we will be able to act on it quickly. I intend to work with my colleagues on both sides of the aisle to develop a set of amendments under the leadership of the distinguished chairman of the Commerce Committee, Senator PRESSLER, who has played a key and vital role in all of this legislation.

Finally, I thank the 17 brave souls who voted with me on the last amendment.

Mr. President, I yield the remainder of my time.

Mr. DEWINE addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

AMENDMENT NO. 5133

(Purpose: To provide funds and incentives for closures of rail-highway crossings)

Mr. DEWINE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Ohio [Mr. DEWINE], for himself, Mr. LUGAR, and Mr. BIDEN, proposes an amendment numbered 5133.

Mr. DEWINE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title IV, add the following:

SEC. . (a) Section 120(c) of title 23, United States Code, is amended by inserting "rail-highway crossing closure," after "carpooling and vanpooling,".

(b) Section 130 of such title is amended by adding at the end the following:

"(i) INCENTIVE PAYMENTS FOR AT-GRADE CROSSING CLOSURES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section and subject to paragraphs (2) and (3), a State may, from sums available to the State under this section, make incentive payments to local governments in the State upon the permanent closure by such governments of public at-grade rail-way-highway crossings under the jurisdiction of such governments.

"(2) INCENTIVE PAYMENTS BY RAILROADS.—A State may not make an incentive payment under paragraph (1) to a local government with respect to the closure of a crossing unless the railroad owning the tracks on which the crossing is located makes an incentive payment to the government with respect to the closure.

"(3) AMOUNT OF STATE PAYMENT.—The amount of the incentive payment payable to a local government by a State under paragraph (1) with respect to a crossing may not exceed the lesser of—

"(A) the amount of the incentive payment paid to the government with respect to the crossing by the railroad concerned under paragraph (2); or

"(B) $7,500.

"(4) USE OF STATE PAYMENTS.—A local government receiving an incentive payment from a State under paragraph (1) shall use the amount of the incentive payment for transportation safety improvements.".

Mr. DEWINE. Mr. President, this amendment is being offered by myself, Senator LUGAR, and Senator BIDEN, and it really is a fairly simple amendment.

First of all, it costs no money.

Second, it gives States more tools, more flexibility to deal with a very serious problem in this country, and that problem is that each year we lose over 500 people who are killed in collisions between automobiles and trains. In fact, the figure last year was 559 people—559 people died last year in auto-train accidents, 36 of them in my home State of Ohio.

In preparing this amendment, and having some understanding of the problem going back to my time as Lieutenant Governor in Ohio when I worked on this problem, I put together a meeting in my office where we brought together all the experts in this field. They sat down for 2, 2½ hours and discussed this. Then they got together again. One of the ideas they came up with is contained in this amendment.

Mr. President, my amendment is a simple one. It would make America's railroad crossings a lot safer—500 people are killed each year in these train-vehicle collisions. Fifty percent of these accidents occur at crossings that are already equipped with active warning devices—50 percent. So simply adding more warning devices, therefore, is not a complete solution to the problem.

Some of these railroad crossings are just simply too dangerous. They are life-threatening. They are not needed, and they ought to be closed. We all know though from our own experience that people do become accustomed to taking certain routes and communities get used to certain traffic patterns. That is why it is sometimes very difficult for localities to close these crossings, for local officials to make this decision, even when it is clear on safety grounds that a particular crossing simply needs to be closed.

Clearly, the local communities need some help, and that is the purpose of this amendment. Again, this idea did not come from me. This idea came from the safety experts who have looked at this, both in government and outside of government.

Currently, the Federal Government pays 90 percent of the cost of closing a railroad highway grade crossing, but other grade crossing safety projects, such as traffic signs, guard rails and traffic lights, are eligible for 100 percent Federal funding.

My amendment will make grade crossing closure projects eligible for that same 100 percent Federal funding. This will help remove the current incentive against closure projects. Let me emphasize, this is a State decision that will be made by the State, and that is out of the same pot of money. No additional funds will be utilized. If the safest thing to do is to close a very dangerous railroad crossing, localities should have an incentive to do that.

Let me again point out this amendment does not involve new Federal money. The CBO says no additional contract authority would be necessary. The money for this amendment is already allocated for crossing safety purposes, for the very purpose we are talking about. All we are trying to do in this amendment, Senator LUGAR, Senator BIDEN and myself, is to deploy that money in the most rational and effective way. Again, that decision is being made by the local authorities.

The second part of my amendment provides up to $7,500—again, out of the same pot of money—to a local highway authority for each crossing closed. Mr. President, $7,500 is an incentive to that local community if the State decides that is the best way to spend this money.

Furthermore, the railroad itself that is operating the crossing under this amendment has to match the money. This means up to $15,000 for a local community to close a railroad crossing. In other words, it creates an incentive to get the job done.

Safety does not come about by accident. It comes about when concerned people exercise the necessary level of prudence and the necessary level of vigilance. I have been working with the railroads, with the Federal Railroad Administration and with the Federal Highway Administration on these issues for some time now, and I believe this amendment embodies a commonsense approach to this very real issue of railroad safety. Mr. President, we have worked with the Federal Railroad Administration to develop this amendment, and the amendment has been endorsed by the Association of American Railroads.

In conclusion, let me summarize again, this costs no additional Federal dollars. Every safety expert that we have consulted says this is the thing to do. It is the most cost-effective way to preserve lives. We can close these railroad crossings, frankly, at a fraction of the cost to install the gates and the flashers. They cost anywhere between $130,00 and $135,000, and it takes some time to get them installed.

This amendment will provide more flexibility to the States to deal with this hazard. It has the endorsement of all the safety experts, as well as Senator BIDEN, Senator LUGAR and myself. And, Mr. President, if we needed any other incentive to pass this amendment, let me just hold this chart up. This is a listing for the most immediate year available. This is 1995: "Highway-Rail Grade Crossing Statistics by State." I did not have time to have this blown up, but I am going to read a couple of these, if I could. It has every State. If any Members want to see how many fatalities occurred in their home States, they can do that. South Carolina, just last year, 111 accidents, 61 injuries, 6 fatalities. Looking at the State of California, 191 accidents last year, 69 injuries, 28 fatalities. We go on and on and on.

This is a very simple amendment. It is no cost to taxpayers and gives more flexibility to States, to people who have to make the decisions to spend the finite dollars to try to save lives. I believe this amendment will save lives, and I urge its adoption.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Oregon.

Mr. HATFIELD. Mr. President, I wonder if the Senator from Ohio will yield for a question?

Mr. DEWINE. I certainly will.

Mr. HATFIELD. As the Senator knows, we have a strict position, known here, that we do not accept legislation on appropriations unless it is cleared by the authorizing committee chairman and ranking member. We have accommodated Senators where they have cleared that with the authorizing committee, but this is not in our jurisdiction. I am asking the question as to whether or not the Senator has had clearance from the Environment and Public Works chairman and the ranking member.

Mr. DEWINE. We do not have any direct clearance. If I could finish my answer? The reality is, this is the only train that is moving. If we do not have the opportunity to put it in now, the Senator is well aware it is not going to happen for months and months and months. It is such a simple amendment. I have found no one who, on the substance, is opposed to it. I cannot find anyone opposed to it. That is why we are looking at this as the opportunity to, frankly, save some lives and give the local communities the flexibility they need. It is of such a noncontroversial nature, that is why I am here.

Mr. HATFIELD. I agree the amendment is very meritorious, but it does not comply with our rules. I will have to move to table this and reject it as such. I would prefer to have, maybe, the amendment temporarily set aside until you can confer with our two colleagues who are the authorizers. If they clear it, we will accept the amendment.

Mr. DEWINE. I will be more than happy to temporarily set aside the consideration of the amendment.

Mr. HATFIELD. I thank the Senator.

Has the Senator made the request to temporarily lay aside his amendment?

The PRESIDING OFFICER. Is there objection?

Mr. EXON. Mr. President, reserving the right to object, I was distracted for a moment. I would like to be recognized in my own right to make a few comments about the amendment being offered by the Senator from Ohio. I ask that I be added as a cosponsor.

What was the suggestion of the managers of the bill? What was the unanimous-consent request?

Mr. HATFIELD. The request was to temporarily lay aside the amendment until the Senator from Ohio conferred with the authorizing leadership, and then to turn to the next amendment to be offered once it is temporarily laid aside, which is the Exon-Dorgan amendment.

Mr. EXON. The Senator from Ohio has agreed to withdraw his amendment?

Mr. DEWINE. I have agreed to temporarily lay it aside with the understanding the amendment will continue to pend.

Mr. EXON. I simply ask the Senator from Ohio, I would like to be a cosponsor of the amendment.

I remind the Senate, and the managers of the bill, this Senator offered a five-point program last year with regard to grade crossings. Three of the five were accepted and are now part of the law. The two things that were not agreed to, basically on that side of the aisle, last year are now incorporated in the amendment offered by the Senator from Ohio.

So I congratulate him for his leadership in this area. I simply remind all we should have done this last year. I hope we can do it this year in some form. So I thank my friend from Ohio.

I am very pleased to be added as a cosponsor of the amendment.

The PRESIDING OFFICER. The request is to set the amendment aside. Is there objection?

Without objection, the Senator from Nebraska is added as a cosponsor.

The Senator from North Dakota.

AMENDMENT NO. 5134

(Purpose: To prohibit the Surface Transportation Board from increasing user fees)

Mr. DORGAN. Mr. President, I offer an amendment on behalf of myself, Senator CONRAD, Senator HARKIN, and Senator EXON. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN], for himself, Mr. CONRAD, Mr. EXON, and Mr. HARKIN, proposes an amendment numbered 5134.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On line 12 on page 41 after the semicolon, insert the following: "*Provided further*, That none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with licensing and related service fees, pursuant to 49 CFR Part 1002, STB Ex Parte No. 542, for services in connection with rail maximum rate complaints,".

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the amendment that I have offered on behalf of myself, Senator CONRAD and Senator EXON is an amendment that deals with the fees charged by the Surface Transportation Board for the filing of a complaint by a shipper, a farmer or a grain elevator that might feel is necessary to file against a railroad company that is overcharging.

We have largely deregulated the railroad companies in this country. We have abolished the Interstate Commerce Commission and established the Surface Transportation Board. The question is, Where does a farmer or a grain elevator or some other small shipper go when they feel that the railroad is overcharging them? They file a complaint, under the current circumstances, with the new Surface Transportation Board.

Previously, when a shipper was to file a complaint, they would be required to pay a $1,000 fee in order to file a complaint against a railroad company saying, "This railroad company is overcharging. I am complaining and want a hearing and want some facts to be developed, and I want a judgment about my complaint." So they would file a complaint and pay a $1,000 fee.

The Surface Transportation Board issued a proposal, under the administration's directive to increase user fees.

The Surface Transportation Board proposed to increase the fees from $1,000 to $23,000, roughly, for those who file a complaint against a railroad company.

They are saying that if you are a family farmer or you are a small grain elevator or machinery and equipment dealer and you have a complaint against a big railroad company—and most of them are big—in order to file that complaint, instead of paying a $1,000 fee, we are going to increase it to a $23,000 fee.

Some of us happen to think that that is way out of line—not just out of line but way out of line—and we do not believe the Surface Transportation Board ought to do that.

I have talked to the Chair of the Surface Transportation Board, someone for whom I have great respect. I think she is doing a good job. She said, "Well, we were told that we were going to have to find our money from fees, so we had to put out a schedule."

My expectation is they will not come up with those kind of fees in their final determination. But what we want to make sure of today is, in an era of deregulation of railroads where you have very large significant concentrations of economic power, that that economic power is not wielded against small shippers in a punitive way.

We believe small shippers ought to be able to make a complaint against a predatory pricing practice on the part of a railroad company without having to fork over $23,000. All that means is a lot of small shippers are told, "You don't have the ability to file a complaint anymore. There is no way for you to complain against a railroad because we are pricing you out of existence. You can't afford to complain."

What this amendment that I have offered on behalf of myself and my colleagues does is it says:

> . . . none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with licensing and related service fees pursuant to 49 CFR Part 102, STB Ex Parte No. 542, for services in connection with rail maximum rate complaints.

Very simply, we are saying you cannot increase the fees for small shippers who are going to make a complaint against the railway companies. You cannot increase them from $1,000 to $23,000, not from $1,000 to $13,000. You cannot increase them.

We happen to think in this age where we have deregulated the railroad companies, where we have a significant concentration of economic power that it is fundamentally unfair to small shippers, especially as I mentioned to farmers and grain elevators, to say to them, We have allowed them to concentrate economic power, and when they overcharge you, you are going to have to fork over $23,000 if you feel like you need to complain about it.

Some of us say it is fundamentally unfair. We will not stand for it. We want the Senate to be on record to say none of those funds will be used for those fees. There are other fees they can charge. They can increase them. I am not here complaining about that. That is a decision they can make, but at least with respect to these fees, with respect to small shippers who make complaints about these railways, I say let's freeze these fees and let's not price those folks out of the ability to make complaints against railway companies who overcharge.

Let me make a final point. I come from a part of the country that has had some experience with railroads. I come from North Dakota where a so-called "prairie fire," which was a political fire, began in the early 1900's. The controversy was about banks and railroads and big grain millers taking advantage of our farmers. Big interests with large concentrations of economic power that were taking money from the pockets of our farmers.

That created a populist prairie fire out in my part of the country that said, "We're not going to stand for it." Those folks in the early 1900's would not have stood for this, and we should not stand for it in 1996 either.

Mr. President, let me yield the floor and have the Senator from Nebraska speak on this.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, I ask unanimous consent that the Senator from Iowa [Mr. HARKIN] be added as a cosponsor to the amendment just offered by my friend and colleague from North Dakota.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I thank my colleague from North Dakota for a very thoughtful amendment that is vitally important if you understand the peril, or the potential peril, maybe is a better word for it, that small shippers find themselves in today.

There probably has been no one in the U.S. Senate today who has spent more time and effort in committee and on the floor with regard to railroad matters generally, including grade crossing safety. I fought very hard for the Interstate Commerce Commission. When it was obvious that was not going to prevail for long, I was one of the leading proponents of the Surface Transportation Board that was created under the Department of Transportation.

I simply say, from experience and looking into the future, myself and others as original cosponsors have had firsthand experience with the situation that could affect particularly small carriers.

The most important work of the Surface Transportation Board is to protect consumers from unfair, unjust, and unreasonable rates or actions by the railroads. I mention specifically captive shippers. Captive shippers are those who are captive because they have no other way to move their products or their goods or their livestock or their grain.

So simply put, what this amendment does is to say that if you are a small shipper, you cannot be charged as originally suggested in a preliminary announcement of fees by the Surface Transportation Board.

The Senator from North Dakota touched on this, Mr. President. I emphasize it a little bit more. If somebody files a complaint against a railroad, the railroad has a whole stable of attorneys who are willing, ready, and able to act in their behalf.

Actually, unless we adopt an amendment like this, for all practicable purposes, if the fees are set too high, that small shipper, that captive shipper, that grain elevator, that small company out there could not afford to file a complaint even if he had full justification for doing so.

So I simply say that railroads need some supervision. There needs to be, especially for small and captive shippers, the right to appeal when they think they are being unfairly treated by the railroads. The Surface Transportation Board is the successor in this area to the Interstate Commerce Commission.

I think the Senate and the House should be very careful that when we talk about increasing fees, we do not allow the Surface Transportation Board arbitrarily to set fees so high that the small businessmen—captive shipper, grain elevator, farmer, call it what you will—would be discouraged from even making a legitimate complaint.

At a time when there is consolidation in the rail sector, rate oversight by the Surface Transportation Board is the best primary means to protect rural shippers, and urban shippers, as well, from a possible loss of competition for the captive shippers. It is time to stop the annual threat to the consumers of rail transportation.

The Surface Transportation Board is all that stands between small shippers and captive shippers and the big railroads. I applaud the Appropriations Committee for rejecting the user-fee-only proposition to finance the Surface Transportation Board. The Dorgan-Exon, and others, amendment assures that the rights of rural and urban shippers are not compromised by unfair, high user fees if they file a complaint with the Surface Transportation Board.

I thank my friend and colleague from North Dakota for offering this amendment. I urge its adoption. I thank the Chair and I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I rise in strong support of the amendment by my colleague from North Dakota, Senator DORGAN, and the distinguished Senator from Nebraska, Senator EXON. This amendment addresses a very serious concern that was first raised earlier this year when a fee schedule was proposed by the Surface Transportation Board.

These fees that were announced earlier this year by that agency indicate that sometimes people completely take leave of their senses here in Washington when they have responsibility over an administrative function. If there was ever an example of an agency going off a cliff with respect to a proposal, these fees by the Surface Transportation Board are a perfect example.

Under the proposed fee schedule from earlier this year, the minimum filing fee charged rail users complaining of unlawful railroad actions would have been increased from the current $1,000 to $23,000. Let's think about a small elevator in my home State of North Dakota. They have a grievance. Just to be able to file, they would have been expected to come up with $23,000. Where is the rationale for that? If you are going to ask people to pony up $23,000 just to file a complaint, there are not going be many complaints filed. That is for sure.

The unfortunate thing about this is people do not have an alternative. If they have not gone through the administrative process, they cannot go to the courts. And to go through the administrative process, they are told you have to come up with a $23,000 filing fee.

Let me just go through some of the other filing fees that the Surface Transportation Board proposed earlier this year. The fee for filing a formal rate complaint under the so-called stand-alone cost methodology, guidelines alleging unlawful rate practices by rail carriers, would have been increased from the current $1,000 to $233,000.

Mr. EXON. Would the Senator yield for a question?

Mr. CONRAD. I would be happy to.

Mr. EXON. With that fee schedule that you just outlined right from the Surface Transportation Board paper, how many complaints do you think small businessmen, small elevators, would file out of North Dakota?

Mr. CONRAD. The Senator asks a very good question. I think we could be quite assured that virtually no one would file, probably no one would file. I mean, who is going to pony up $23,000 for an unlawful railroad action case? Who could afford to pay, in the case of a formal rate complaint alleging unlawful rates under practices by rail carriers, an increase from $1,000 to—it makes me laugh every time I say it—an increase from $1,000 to $233,000?

The cost for seeking a regulatory exemption to construct connecting rail lines would have been increased from the current $3,000 to $41,700.

I am glad this amendment is being offered. Hopefully, it will send a message.

I do commend the Appropriations Committee for providing some funding for the Surface Transportation Board. That is an important provision in this transportation appropriations bill. The Dorgan amendment simply ensures that there is no possibility the Surface Transportation Board will even consider user fees on the scale of those which were discussed earlier this year.

Mr. EXON. If I might add a comment. It seems to me that if there is that much money out there to get this job done, we might seize on that as a means of balancing the Federal budget in 2 years. I thank my friend from North Dakota.

Mr. CONRAD. I thank the Senator from Nebraska. He makes a very good point. Unfortunately, earlier this year the Surface Transportation Board looked at the budget and the current fee schedule, and somehow believed the agency could become self-sufficient by just raising fees. Unfortunately, this proposed fee schedule did not recognize that agricultural shippers, with legitimate complaints that they need to get adjudicated, could be completely left out of the process because of the steep fees which were being proposed.

Nobody would be coming before the Surface Transportation Board, or virtually no one, because who could afford, just to have a complaint adjudicated, to pay $23,000, much less $233,000, or to deal with the question of construction of connecting rail lines, $41,000? I mean, these are not reasonable.

Hopefully, this amendment will pass and there will be no possibility of these particular fee increases taking place. I want to thank my colleague from North Dakota, Senator DORGAN, for offering this amendment with the Senator from Nebraska, Senator EXON. I am pleased to join them in this effort. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I was just asked a series of questions by the manager of the bill and the ranking member. I thought maybe I could address those because I think there are some misunderstandings about this.

It is true that the Surface Transportation Board produced a schedule that said, where as we used to charge $1,000 as a fee in order to make complaint against a railroad for unfair pricing, if we are required to raise all of our funds from fees, we will now charge $23,100 instead of $1,000. If you are complaining about the coal rates, we will go from $1,000 to $233,000 as a filing fee and so on and so on.

The ranking member made the point to me just now, well, we have increased appropriations or actually produced appropriations of some $12 million in this bill for the Surface Transportation Board and, therefore, they will not have to raise all of this money from fees. It is absolutely correct.

That $12 million has been appropriated. They will not have to raise that from fees. They will have to raise several millions of dollars from fees. The question is, how will they get that several million dollars? There are a wide range of fees from which to choose. Will they decide, with respect to those who want to file a complaint against a railroad company for unfair pricing, that that fee should go from $1,000 to $2,000, $1,000 to $5,000, $1,000 to $15,000, $1,000 to $23,000? I do not have the foggiest idea.

My amendment says, it shall go from $1,000 to $1,000. The fee is now $1,000 and the fee will be $1,000 if you feel like you need to file a complaint against a railroad company for unfair pricing.

Mr. President, we do not have an Interstate Commerce Commission in America anymore. I never thought I would mourn its passing, and I am not sure I do now, because I used to think it was one of the few agencies in Washington, DC, that had died from the neck up. However, despite the fact the ICC, in my judgment, was relatively worthless as an agency, sat around with a giant ink pad and a giant rubber stamp, and whatever the railroads wanted, they stamped OK. There was a guy named "OK Alan" that was talked about down in a Southern State, the Governor of a Southern State, because he said OK to everything. It was the "OK-ICC Commission."

I never thought I would mourn its passage, but when we deregulated the railroad industry and people said get rid of the ICC, there was a discussion that maybe there should be some referee deciding when and if there are predatory or unfair pricing practices by the railroads, that maybe the folks who are having their pockets picked by that have some opportunity to file a complaint.

So the Surface Transportation Board was created. As I mentioned, I have a fair amount of confidence in the chair of that board, and I do not believe they would increase rates, as they published, from $1,000 to $23,000. But I will make sure with my amendment that they do not with respect to complaints against the rails.

I am joined with the Senator from Nebraska and my colleague from North Dakota and others to say to those who need to file a complaint against the railroads, they ought to be able to file that complaint with a filing of $1,000, and it ought not to be doubled, tripled, or increased 23 times. This amendment says, "Freeze it where it is."

I yield the floor.

Mr. EXON. Mr. President, I ask unanimous consent the minority leader, the Senator from South Dakota [Mr. DASCHLE] be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I ask unanimous consent to temporarily lay aside the Dorgan amendment so we can clear the DeWine amendment that is being cleared by the authorizers.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5133

Mr. HATFIELD. I ask unanimous consent that the DeWine amendment, which has now been cleared by the authorizers, both the chairman and the ranking member, now be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 5133) was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote.

Mr. HATFIELD. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5134, AS MODIFIED

(Purpose: To prohibit the Surface Transportation Board from increasing user fees)

Mr. DORGAN. Mr. President, I send a modification to my amendment to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 5134), as modified, is as follows:

On line 12 on page 41 after the semicolon, insert the following: "*Provided further*, That none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with rail maximum rate complaint pursuant to 49 CFR Part 1002, STB Ex Parte No. 5424.

Mr. DORGAN. The modification was made necessary in order to reach an agreement with the authorizing committee. Both the majority and the minority have agreed with the amendment as it is modified, and I am told it will be acceptable, then, to the Senator from Oregon and the Senator from New Jersey.

Mr. HATFIELD. Mr. President, I urge adoption.

Mr. EXON. It would be the same cosponsors?

Mr. DORGAN. Mr. President, might I say that the modification is purely technical. The amendment is identical to the amendment I offered previously, but we rearranged the words because there needed to be a technical change. The modification is offered with the same cosponsors.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified, of the Senator from North Dakota.

The amendment (No. 5134), as modified, was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote.

Mr. HATFIELD. I move to table the motion.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5135

Mr. MURKOWSKI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

At the appropriate place add the following:

"SEC. . (a) APPLICABLE LAWS.—Section 24301 of Title 49, United States Code, as amended by Section 504 of this Act, is amended by adding at the end thereof the following:

"'(q) POWER PURCHASES.—The sale of power to Amtrak for its own use, including operating its electric traction system, does not constitute a direct sale of electric energy to an ultimate consumer under section 212(h)(1) of the Federal Power Act.'

"(b) CONFORMING AMENDMENTS.—Section 212(h)(2)(A) of the Federal Power Act is amended by inserting 'Amtrak;' after 'a State or any political subdivision);'."

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 5135.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Mr. MURKOWSKI. Mr. President, this amendment was a consequence of discussions held in the Energy and Natural Resources Committee among the staff of the majority with regard to the dilemma surrounding Amtrak and the high cost of power that Amtrak is subjected to in the Northeast corridor where most of the rail line is electrified. As a consequence of the efforts to try and help Amtrak to reduce its costs, this amendment was suggested by Amtrak.

Mr. President, it is an extraordinary set of circumstances here when we consider that the potential cost of power wheeled in for the availability of Amtrak could be as low as 3 cents, yet Amtrak is currently paying in many cases 6 cents and, in extreme cases, up to 12 cents from a power-producing facility in New York State that is in bankruptcy. These are the result of State public utility commissions and the overall regulatory complexity associated with the jurisdiction of the Federal Energy Regulatory Commission as compared to State public utility commissions. These need to be examined.

What this amendment does, Mr. President, is to allow the FERC to order retail wheeling for Amtrak only, something which is currently prohibited under Federal law. It would exempt, therefore, Amtrak from the prohibition which prevents them from taking advantage of cheaper sources of power that would be transmitted from potential out-of-State power suppliers.

The purpose, again, of this amendment is simply to allow Amtrak to acquire electric power at a cheaper rate than it is currently paying. As we all know, Amtrak is not a private company but a quasi-governmental entity created by an act of Congress in 1970. Its stock is owned by the Federal Government. Congress mandated its mission and likewise imposes by Federal law a host of obligations and costs on Amtrak, costs that no regular private company is burdened with. Yet, each year Amtrak's losses are made up through a Federal subsidy.

In fiscal year 1996, Amtrak's Federal subsidy was $285 million, thus, this amendment would result in a savings to Amtrak that translates into about $20 million a year. That is a savings to the U.S. taxpayer that subsidizes Amtrak.

What we have done, Mr. President, in Congress is put Amtrak between the proverbial rock and a hard place. Congress has given Amtrak a mandate to decrease its reliance on Federal operating support. The House and Senate Amtrak authorization bills and the budget resolution proposed to end all operating support of Amtrak in the year 2001. What are we going to do with that? Are we going to adhere to that? Are we going to extend it and try and find ways to help Amtrak reduce its cost? The point is, we have not relieved Amtrak from its statutory obligation and, at the same time, we are taking away its Federal operating subsidy.

Mr. President, I offer this amendment not in the expectation that it is going to be adopted. I offer this amendment to point out the need to move the electric power industry from its current highly regulated, highly inefficient situation into a fully competitive, deregulated marketplace so that Amtrak, along with industrial and residential consumers, can purchase electricity at the lowest possible price. That is what deregulation is all about.

How we get there from here is a very difficult and complex problem. As chairman of the Senate Committee on Energy and Natural Resources, I recognize it, and I have had some conversations, as late as this evening, with Senator JOHNSTON, who is concerned about the issue as well. And to the question of how we address it, of course, is an issue within the jurisdiction of our committee.

The Energy Committee has held three hearings this year on the issue of competitive change in the electric power industry. We intend to hold more. We want to assure everybody that we recognize that the electric industry in this country—a very, very important and significant industry—is not broke by any means. So it is not a question of fixing it in the sense of fixing what is not wrong with it. It is more an effort to try and recognize that by directing more attention to local and State control, with the assurance that we have the availability of wheeling coming in to address cost and efficient producers and somehow try and address that narrow area of what we are going to do to protect those that have stranded costs. That is the challenge before us.

We have an inequity associated with Amtrak. While there is no consensus as to the means for how to make the electric power industry competitive, there is a consensus as to the need for making it competitive.

So what we have to do is address the inconsistencies associated with the industry. We want to have competition, which will benefit consumers—residential consumers, commercial consumers, industrial consumers and, yes, Amtrak. This amendment is but a small piece of a much larger puzzle. The Amtrak issue, along with a host of other electric power issues, such as the privatization of the Federal Power Marketing Administration, will be the subject of our legislative interests in the 105th Congress.

Mr. President, while it is my expectation that we will undertake comprehensive electric deregulation legislation next year, it should not be taken to mean that we should not proceed this year with Senator D'AMATO's PUHCA reform legislation, of which I am a cosponsor. It has been ordered reported by the Banking Committee, and the Senate should take this legislation up at the earliest possible time.

Mr. President, I am going to withdraw the amendment as a consequence of the recognition that, clearly, this is not the time or the place to resolve the wheeling issue for Amtrak. But I hope there is now attention to the inequity associated with Amtrak, and a realization that we are forcing this entity to purchase power far beyond the competitive marketplace that exists, which puts an unfair and unrealistic burden and a responsibility right back with us in the realization that it is the taxpayers that are subsidizing this quasi-government entity, or its shortfall, when indeed there are opportunities out there for Amtrak to buy power at a competitive rate and reduce the Federal subsidy by as much as $20 million a year. And current savings can easily be identified as a consequence of prevailing rates that are in existence at this time. Unless anybody cares to talk on the amendment, or ask me questions, I am prepared to withdraw the amendment at this time. I thank my colleagues.

Mr. HATFIELD. There was a Senator who was planning to be here, but he is not able to be here. I yield to the Senator to withdraw the amendment.

Mr. MURKOWSKI. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. HATFIELD. Mr. President, I am checking on some other matters here. But I believe that it is now the Democratic side of the aisle that is going to offer an amendment. We are alternating back and forth.

Mr. LAUTENBERG. Mr. President, what we are attempting to do is to get to that finite list, and that is in the process now.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 5136

(Purpose: To provide for loan guarantees under the Railroad Revitalization and Regulatory Reform Act of 1976)

Mr. HATFIELD. Mr. President, I send an amendment to the desk on behalf of Senator PRESSLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. PRESSLER, for himself, Mr. WYDEN, Mr. EXON, Mr. HARKIN, and Mrs. BOXER, proposes an amendment numbered 5136.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 2, strike "$4,158,000" and insert "$3,000,000".

On page 5, line 17, strike "$132,499,000" and insert "$129,5000,000".

On page 26, line 8, strike "1997." and insert "1997, except for up to $75,000,000 in loan guarantee commitments during such fiscal year (and $4,158,000 is hereby made available for the cost of such loan guarantee commitments).".

Mr. PRESSLER. Mr. President, my amendment is very simple and straight forward. It would provide funding for the section 511 railroad loan guarantee program to enable needed rail infrastructure and safety improvements. I am pleased to be joined in this bipartisan effort by Senators LOTT, SNOWE, EXON, and WYDEN.

Over the years, Congress has often recognized the importance of Federal funding assistance for rail infrastructure projects. Federal appropriations through such programs as the section

511 program and the Local Rail Freight Assistance [LRFA] Program have enabled the continuation of rail service for many communities that have been on the brink of losing service. I strongly support initiatives to promote rail infrastructure rehabilitation.

The Senate Committee on Commerce, Science, and Transportation, which I chair, has reported legislation to permanently authorize the LRFA Program. To date, this authorizing legislation, S. 1318, the Amtrak and Local Rail Revitalization Act, has not been considered by the full Senate. Because I recognize the concerns of some of my colleagues about funding certain expired programs, my amendment only proposes funding for the permanently authorized section 511 program. However, I will continue to support LRFA reauthorization and funding in future years.

Mr. President, I want to point out the House-passed Department of Transportation appropriations bill includes $58.86 million for title V—section 505—railroad loans. At first glance, I am pleased the House recognizes the importance of funding assistance for freight rail infrastructure. Yet, I am concerned because the entire amount has been earmarked for only one project in California. Many equally important projects would be shut out of the process by the House-passed bill. This clearly ignores the national need for rail rehabilitation on light density rail projects throughout our country. It also is important to note the House approved funding has been allocated to an expired Federal loan program.

My amendment would provide $4.158 million for section 511 loan guarantees. This would permit a loan level of up to $75 million for many legitimate rail projects across our Nation. Further, my amendment includes offsets for this funding from certain administrative functions. I believe basic infrastructure investment would be a better use of scarce Federal dollars.

Mr. President, Federal involvement, while limited, would advance track and bridge projects planned in Iowa, Maine, Nebraska, New Mexico, Oregon, and South Dakota, just to name a few. In turn, rail safety and economic opportunity for these and hundreds of other communities would be promoted. I urge my colleagues to support my amendment.

Mr. HATFIELD. Mr. President, this amendment offsets $4.1 million for the Federal Rail Administration. There is a loan program where $4.1 million can, in effect, leverage $75 million in guaranteed loans. This is basically geared for some of the rail problems in the smaller areas, or the less populated areas.

It has been cleared on both sides. It is budget neutral. As I say, it has been offset for that transfer of moneys.

Mr. LAUTENBERG. Mr. President, will the manager yield for a moment?

Mr. HATFIELD. Yes.

Mr. LAUTENBERG. There seems to be a question about clearance on our side, if we can review that for a couple of minutes. I would be happy to then discuss it.

Mr. HATFIELD. I ask that we temporarily set aside Senator Pressler's amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I now call up again the Pressler amendment and ask unanimous consent that Senators WYDEN, EXON, HARKIN, and BOXER be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, this amendment has been cleared on both sides of the aisle. Therefore, I urge its adoption.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5136) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5137

Mr. HATFIELD. Mr. President, I send on behalf of Senator KEMPTHORNE an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. KEMPTHORNE, proposes an amendment numbered 5137.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 47 line 13 of H.R. 3675, strike "$5,000,000" and insert "$15,000,000".

Mr. HATFIELD. Mr. President, this is an amendment by Senator KEMPTHORNE that is budget neutral. It moves $5 million up to $15 million for national trail rehabilitation, which particularly suffered great damage in the Pacific Northwest during the floods of recent times. It has been cleared on both sides.

I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5137) was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5138

(Purpose: To prohibit the issuance, implementation, or enforcement of certain regulations relating to fats, oils, and greases)

Mr. HATFIELD. Mr. President, I send an amendment on behalf of Senator PRESSLER to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. PRESSLER, for himself, Mr. HARKIN, Mr. GRASSLEY, Mr. LOTT, Mr. BOND, and Mr. LUGAR, proposes an amendment numbered 5138.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATION ON FUNDS USED TO ENFORCE REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS.

None of the funds made available in this Act may be used by the Coast Guard to issue, implement, or enforce a regulation or to establish an interpretation or guideline under the Edible Oil Regulatory Reform Act (Public Law 104-55) or the amendments made by that Act does not recognize and provide for, with respect to fats, oils, and greases (as described in that Act or the amendments made by that Act) differences in—

(1) physical, chemical, biological, and other relevant properties; and

(2) environmental effects.

Mr. PRESSLER. Mr. President, earlier this year Congress passed the Edible Oil Regulatory Reform Act. That measure which became Public Law 104-55 was long overdue.

The Edible Oil Regulatory Reform Act addresses how Federal agencies regulate the shipment of edible oils, as compared with toxic oils. They require that agencies make a distinction between these two kinds of oils. This is extremely important to U.S. agricultural exports. Without Public Law 104-55, farmers faced a potential loss in agricultural exports and diminished farm income.

The law is simple and very straightforward. Unfortunately, the Coast Guard continues to issue regulations that do not comply with Public Law 104-55. The Coast Guard has issued regulations that do not provide relief to the oilseed industry due to the differentiation between shipments of edible oilseeds and shipments of toxic oils, such as petroleum.

Mr. President, the kind of enforcement found in the Coast Guard regulations was never congressional intent.

The amendment that I, and Senators HARKIN, GRASSLEY, LOTT, and BOND are offering today would prevent the Coast Guard from using funds to issue, implement, or enforce regulations or establish an interpretation or guideline that do not differentiate animal fats and vegetable oils from toxic oils. This amendment does not change the Oil Pollution Act of 1990 as it relates to toxic oils.

Without action, the Coast Guard regulations could inadvertently diminish U.S. agricultural exports. In addition, existing regulations could have a chilling effect on the development of new crops and new uses of crop production.

Farm exports are at all time highs. Future exports are expected to stay at record levels. The future for oilseeds is equally bright. However, current Coast Guard regulations could work against this progress. It has become clearly evident that existing regulations would seriously impact exports of U.S. agricultural commodities, especially vegetable oils and animal fats.

Unless we pass this amendment, U.S. animal fat and vegetable oil industries would be faced with lost export sales. Public Law 104–55 put common sense into Federal regulations regarding the shipment of animal fats and vegetable oils. The winners out of all this are our farmers and ranchers. Unfortunately, we have to pass this amendment to make sure that the Coast Guard abides by Federal law and congressional intent on this matter. I urge adoption of this amendment.

Mr. HATFIELD. Mr. President, this is an amendment, too, that has been cleared on both sides. It is an instruction, in effect, to the Coast Guard that as it continues its work on regulations of toxic materials, it make a differentiation between shipments of edible oilseeds and shipments of toxic oils, such as petroleum.

Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5138) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 5139

Mr. HATFIELD. Mr. President, I send on behalf of Senators GORTON and BAUCUS an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oregon [Mr. HATFIELD], for Mr. GORTON, for himself and Mr. BAUCUS, proposes an amendment numbered 5139.

Mr. HATFIELD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, add the following:

SEC. . (a) In cases where an emergency ocean condition causes erosion of a bank protecting a scenic highway or byway, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to halt the erosion and stabilize the bank if such action is necessary to protect the highway from imminent failure and is less expensive than highway relocation;

(b) In cases where an emergency condition causes inundation of a roadway or saturation of the subgrade with further erosion due to abnormal freeze/thaw cycles and damage caused by traffic, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to repair such roadway.

(c) Not more than $8 million in Federal Highway Administration Emergency Relief funds may be used for each of the conditions referenced in paragraphs (a) and (b).

Mr. GORTON. Mr. President, along the southwest coast of Washington State, Highway 105 runs adjacent to Willapa Bay from Raymond to Aberdeen and provides an alternative route to Highway 101. While this route serves as the only direct access for residents of the Tokeland Peninsula and the Shoalwater Indian Reservation, it also acts as a dike protecting several cranberry bogs, a vital local industry, from saltwater inundation.

Unfortunately, the embankment supporting Highway 105 has eroded away under the pressure of the unstable forces in Willapa Bay. Unless something is done, preliminary engineering studies indicate that under existing conditions, the road will be washed into Willapa Bay, sometime within the next 2 years. This timeline would obviously be moved up if any type of storm hits the Washington coast later this winter. Water, telecommunications, and power utilities located within the highway right-of-way would also be severed if the highway is destroyed.

If no action is taken to remedy this problem, the estimated loss of public facilities, cranberry bogs, jobs and economic impacts is $82 million, not including additional socioeconomic impacts. An additional $40 million from the Federal Highway Administration Emergency Relief funds would also be required to relocate a new Highway 105.

A more appropriate and financially efficient alternative, in my opinion, would be to correct this problem before it becomes a reality. While diagnosing the problem, preliminary engineering studies also indicated that the erosion could be slowed considerably by dredging a relief channel in Willapa Bay, which would alter the flow of water that is currently undercutting the highway embankment.

Officials from the Washington State Department of Transportation are currently working with representatives from the affected communities to resolve this matter, however, funding continues to be the major obstacle. This prevention project, including both engineering and actual construction costs, would cost $10 million—$8 million from the Federal Highway Administration and $2 million in State and local matching funds.

I am aware that Congress no longer earmarks money in the Federal Highway Administration (FHWA) account of the Transportation appropriations bill, and therefore, I believe that the only appropriate funding available is possibly the FHWA Emergency Relief (ER) fund. While I recognize that this fund is traditionally dedicated to repairing Federal highways once a disaster has occurred, it seems that common sense dictates using $8 million to prevent a washout rather than spending $40 million to replace the road in less than 2 years.

I have been working with officials from the Federal Highway Administration, and they are aware of the pending road failure. While they support participating in this prevention project, they believe that legislative authority must be given to allow ER funds to be used in this manner. For that reason, my amendment provides legislative language in this bill that authorizes the Federal Highway Administration to use up to $8 million in Emergency Relief funds in order to prevent complete loss of the existing Highway 105.

By allowing these funds to be used in this manner, I estimate that the Federal Government will save approximately $30 million in future highway relocation funds, while also protecting the fragile environment and economy of Pacific County in Washington State.

In closing, let me thank Chairman HATFIELD for his consideration of this matter. Let me also applaud the efforts of the officials in Pacific County, as well as other individuals in the Washington State who have worked so carefully to ensure that this potential disaster is averted.

Mr. HATFIELD. Mr. President, this provides for definition of emergency funding that can be used to relieve the situation in both Montana and Washington State. It has been cleared on both sides. It is budget neutral.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, this is an amendment that, as the distinguished chairman has said, has been cleared by both sides. It is an important amendment to the State of Washington and, indeed, to Senator BAUCUS as well. It is a good amendment.

Mr. BAUCUS. Mr. President, essentially following up, I thank the managers for the amendment. There was a natural catastrophe in the State of Montana due to abnormal weather. This amendment helps that situation.

I thank the Senators.

Mr. LAUTENBERG. Mr. President, I have to reserve the right to object until we clear a matter here that, frankly, raises concerns. So I am sorry to say it, but we do have to take a couple of minutes to check this. Therefore, unless there is somebody else who we are going to go to, I would note the absence of a quorum.

Mr. HATFIELD. I apologize. I was told that it was cleared on both sides, I say to my comanager.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, let me return to the Gorton-Baucus amendment we were discussing a little bit earlier. We now have the clearance on the Democratic side, so I urge the adoption of that amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 5139) was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BURNS. Mr. President, I have an inquiry of the committee chairman, the Senator from Oregon [Mr. HATFIELD].

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. BURNS. I thank the Chair. If the chairman will recall, the committee, at its meeting of July 16, included language in the Committee Report offered by the Senator from Washington [Mrs. MURRAY]. This language concerned significant costs incurred by the mid-Columbia hydroelectric projects associated with fish and wildlife mitigation due to water releases from upstream Federal facilities and how the impacts of such costs to the mid-Columbia projects could be offset. My question is this: Should no all upstream project owners incurring the same costs, from the same water releases, be treated the same as the mid-Columbia project owners? For example, the Montana Power Co. incurs the same costs at their Kerr project at Flathead Lake and Thompson Falls project on the Clark Fork River due to the large releases from the Federal Hungry Horse project. The Washington Water Power Co. incurs the same costs at their Noxon Rapids and Cabinet Gorge projects on the Clark Fork River due to these same releases from the federally owned Hungry Horse project. Does the committee also urge the BPA to enter into the same equitable energy exchange with the Montana Power Co. and the Washington Water Power Co.? Their problems with these Federal water releases are the same as those of the mid-Columbia project owners.

Mr. HATFIELD. I thank the Senator from Montana. My answer is that, "yes", all projects incurring the same impacts from the Federal water releases associated with fish and wildlife mitigation should be treated the same. That provision in the report urges BPA to enter into equitable energy exchange agreements. Moreover, such agreements should not increase costs for BPA.

Mr. BURNS. I thank the Senator from Oregon, my constituents will be very pleased. Let us hope that Bonneville will faithfully follow the committee's urging on this matter.

Mr. HATFIELD. Mr. President, I think we are in sight of the goal line on this bill. If Members have amendments yet pending or have registered in their respective Cloakrooms an intention to offer an amendment by the terms relevant or whatever else, we would like to have them come now because we are down to the last handful of amendments and then final passage.

I do not anticipate any votes on the remaining amendments. I do not think they are that controversial, but I am just making a judgment. We are inquiring as to the leadership's view about putting the final passage vote over until tomorrow to relieve other Senators who are not involved in the amendment process. As soon as we get that information, I will relay it.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DEWINE). Without objection, it is so ordered.

AMENDMENT NO. 5140

(Purpose: To provide funding for the Institute of Railroad Safety)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON] proposes an amendment numbered 5140.

At the appropriate place in the bill add the following new section:

SEC. . THE RAILROAD SAFETY INSTITUTE.

Of the money available to the Federal Rail Administration up to $500,000 shall be made available to establish and operate the Institute for Railroad Safety as authorized by the Swift Rail Development Act of 1994.

Mr. EXON. Mr. President, this is something that the Senate approved last year. It is a very important matter with regard to railroad safety. The matter has been cleared on both sides, I believe. I urge its adoption.

Mr. HATFIELD. Mr. President, I urge its adoption.

The amendment (No. 5140) was agreed to.

Mr. EXON. I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EXON. I thank the Chair and I thank the managers of the bill.

Mr. HATFIELD. Mr. President, I think we are down now to the last three or four amendments. I hope the Senators who have those amendments—I could enumerate the Senators by name, but I do not think I want to do that at this point—at least will have the courtesy to call the floor and tell us whether they are going to offer their amendments or not. Is that asking too much? Please, please, make it a little easier to complete our business here.

To the Senators who put a place hold on amendments to the respective cloakrooms, at least let us know whether you plan to do it or not. We have contacted some Senators. They say, "Oh, I'm not going to offer that after all," but we have not been informed. I think everybody's mother taught them better manners. So much for my lecture. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMEMORATING THE 80TH BIRTHDAY OF DAVID BRODY

Mr. SIMPSON. Mr. President, just moments ago I left a reception for a friend, David Brody. I am very pleased to just rise briefly and commemorate the 80th birthday of one of the most remarkable men who it has been my privilege to know, Mr. David Brody.

He is perhaps best known to all of us in the Senate as the "101st Senator," which was a characterization appropriately applied to him in 1989 in a Senate resolution which passed unanimously.

That resolution was passed on the occasion of David Brody's so-called "retirement" from the Anti-Defamation League of the B'Nai B'rith. As I have previously noted in other remarks, it was most carefully phrased so as to avoid any mention of the word "retirement."

There is nothing "retiring" about David Brody—nothing. He remains the essence and embodiment of energy, spirit, enthusiasm, and good will which he has always been.

It has been my personal pleasure on occasion to pay tribute to David Brody on the Senate floor, to participate in a retirement ceremony on his behalf several years ago, and most recently on March 11, 1993, on the occasion of the 50th anniversary of the wedding of Bea and David Brody. I have informed David that he and I have one thing in common for very certain above all others, and it is that we both "severely overmarried." The marriage and partnership of Bea and David enriches our lives in so many ways, a monument to their boundless love to each other, and to the innumerable good works of each of them individually.

So on David's 80th birthday, I am certain he will have cause to reflect on his good fortune in spending evermore time and more than the 50 years of life wedded to that fine lady. And all of us will have cause to reflect upon our own good fortune in having David with us for now 80 years.

And our wish for him is that he may have many more years of life to savor. My wife Ann and I wish him Godspeed and all our love. I thank the Chair and I yield the floor.

HAPPY BIRTHDAY TO DAVID BRODY

Mr. GRASSLEY. Mr. President, the Senator from Wyoming, just a few minutes ago, addressed the celebration of the 80th birthday of a friend of the U.S. Senate, a friend of most every U.S. Senator, David Brody. There was a celebration of that on the Hill this evening.

It is most appropriate that Senators help David Brody celebrate his 80th birthday because he is so well known, he has been so active on the Hill, and he has been, in the truest sense of the word, a public-spirited person, a person who has been civic-minded about his responsibilities to Government. He has represented a lot of good causes, as he has interacted with Members of the U.S. Senate throughout his career on the Hill.

A few years ago, you could have read a newspaper article that stated it better than any of us could have. It was about how David Brody is respected. In that newspaper article he was referred to as the 101st Senator.

So I wish David Brody a happy birthday. I wish him and his wife well in the future. Happy birthday.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

The Senate continued with consideration of the bill.

UNANIMOUS-CONSENT AGREEMENT

Mr. HATFIELD. Mr. President, I have the following unanimous-consent agreement that has been cleared with the two leaders, Republican Senator TRENT LOTT and Democratic leader TOM DASCHLE.

I ask unanimous consent that, during the Senate's consideration of the transportation appropriations bill, the following amendments be the only first-degree amendments in order, subject to second-degree amendments which must be relevant to the first-degree they propose to amend, with the exception of the antiterrorism amendments, on which there will be 1-hour notification of the two leaders prior to the offering of any amendment regarding terrorism, and they be subject to second-degree amendments which must deal with the subject of terrorism.

The amendments are follows: Two relevant amendments by Senator LOTT; one relevant amendment by Senator MCCAIN; COHEN-SNOWE, truck weight limitations; GRAMM, highways; LOTT, six amendments regarding terrorism; MCCONNELL, bridge amendment for Kentucky; HATFIELD, relevant amendment.

For the information of all Senators, any votes ordered this evening will be stacked in a sequence beginning immediately following passage of S. 1936, with the first vote and all remaining votes in the voting sequence limited to 10 minutes only, and those votes will be ordered on a case-by-case basis. In light of this agreement on behalf of the majority leader, there will be no further votes this evening.

Mr. President, I want to amend what I said. I forgot to read the Democratic list of amendments that will be relevant and in order.

A Baucus amendment on highway obligation; five antiterrorism amendments by Senator BIDEN; a Bradley amendment on rail safety/newborns; BYRD, two relevant amendments; DASCHLE, two relevant amendments; DODD, an FMLA2 amendment; DORGAN, runaway plants and a relevant amendment; LAUTENBERG, two relevant amendments; REID, one relevant amendment; WYDEN, one relevant amendment, and WELLSTONE, one relevant amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I believe we have run the limit of our activity for the evening. As I indicated, by a leadership agreement, there will be no further votes this evening.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARINE CORPS GENERALS

Mr. GRASSLEY. Mr. President, I have just received a letter from the Commandant of the Marine Corps, Gen. C.C. Kruluk.

General Kruluk's letter concerns the Marine Corps' request for 12 additional general officers.

His letter responds to a letter which I sent to the House conferees on the fiscal year 1997 Defense authorization bill.

My letter urged the House conferees to hang tough and block the Senate proposal to give the Marine Corps 12 more generals.

The Senate approved the Marine Corps's request. But the House remains opposed to it.

So the request for 12 additional generals is a bone of contention in the conference.

Mr. President, I ask unanimous consent that my letter to the conferees and the Commandant's response to it be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JULY 29, 1996.

Hon. CHARLES E. GRASSLEY:
U.S. Senate, Washington, DC.

DEAR SENATOR GRASSLEY: I have been provided a copy of the letter you sent to House Conferees concerning the proposal in the Senate Authorization Bill that would give the Marine Corps twelve additional general officers. While this responds to the issues raised in your letter, it has been my desire to meet with you in person to discuss this issue. I understand our staffs have finally worked out a time to do so, and I look forward to meeting with you on Wednesday.

Those familiar with the Corps know that we pride ourselves in squeezing the most out of every dollar that you entrust to your Marine Corps. The also know that we don't ask for something unless it is truly needed.

The main thrust of your letter is that the number of general officers should be reduced consistent with force structure reductions. Reduction in end strength does not necessarily have a one-to-one correlation with command billet reduction. Permit me to explain. As you have correctly stated, the Marine Corps in 1988 had a total active duty end strength of approximately 198,000, with a general officer population of 70. Today, we have an end strength of 174,000, and a general officer population of 68. That said, please note that the 82nd Congress mandated in Title X that our Corps of Marines be "so organized as to include not less than three combat divisions and three air wings,"—as it was in 1987, it is so organized today. This point is key: While the Marine Corps has reduced its end strength by 24,000 personnel, its three division, three wing structure has remained essentially unchanged. Those familiar with the military know that the requirement for general/flag officers is tied directly to the number of combat divisions and air wings—and that number has not been reduced. Of the 70 Marine general officers in 1987, 11 were assigned to joint/external billets. Today, 16 of the 68 Marine general officers are serving in joint/external billets. Today we have 52 general officers manning essentially the same structure that was manned by 59 general officers in 1988.

Throughout our history, we Marines have prided ourselves in doing more with less. In the past, we have compensated for our general officer shortfall by "frocking" officers selected for the next higher grade to fill that position without the pay. While that practice has its own drawbacks, it did provide us with the requisite number of general officers to fill critical shortfalls. Last year, the Senate set increasingly strict limits on the number of general officers that the Services may frock. And I understand their rationale—the practice of frocking simply makes deficiencies in Service grade/billet structure. These shortages are indeed better addressed with permanent fixes rather than the stopgap measures such as frocking. This restriction on frocking, however, has placed the Marine Corps in an untenable position. Losing six of our nine blocking authorizations means that we would now have 46 general officers manning essentially the same structure that was manned by 60 general officers in 1987. This makes it critical that we have additional general officer allotments.

In response to your remark that we are "simply trying to keep up with the Joneses" let me offer this: Other Service ratios of general officer to end strength range from one general/flag officer for 1,945 troops to one general/flag officer to 1,435 troops. Excluding the Marine Corps, the Service-wide nominal ratio of one general per 1,620 troops would give the Marine Corps a minimum of 104 general officers. The twelve additional officers that the SASC has provided would give us a total of only 80—hardly keeping up with the Joneses!

Finally, this is a matter of providing quality, experienced leadership for our Marines. We are the nation's force in readiness, standing by to go into harm's way to protect U.S. interests globally. Providing these brave Americans with an adequate number of commanders and representation in the joint arena is not just prudent—it is the right thing to do.

Senator Grassley, I am convinced that these additional general officer billets serve the best interest of our Services and our national defense. I am also convinced that the solution is not to bring the other Services down to our untenable position, but rather to grant us the minimal increase we need to properly perform those functions Congress has mandated and our nation expects. Our meeting on Wednesday afternoon should be productive—I am looking forward to an honest and open dialogue. Semper Fidelis!

Very respectfully,

C.C. KRULAK,
Commandant of the Marine Corps.

U.S. SENATE,
Washington, DC, July 24, 1996.

DEAR HOUSE CONFEREE: I am writing to encourage you to hang tough and do everything possible to block the Senate proposal that would give the Marine Corps 12 additional general officers.

The Senate argues that these additional Marine generals are needed to two reasons: (1) to fill vacant warfighting positions; and (2) to meet the requirements of the joint warfighting area mandated by the Goldwater-Nichols Act.

These arguments are nothing but a smoke screen for getting more generals to fill fat headquarters jobs.

In 1990, your Committee took a very straightforward, common sense approach to the question of how many general officers were really needed. Your Committee could see the handwriting on the wall. The military was beginning to downsize in earnest. As the force structure shrinks, your Committee said the number of general and flag officers should be reduced. New general officer active duty strength ceilings were established. The total number authorized had been set at 1,073 since October 1, 1980. The FY 1991 legislation reduced that number to 1,030 in 1991, including 68 for the Marine Corps. However, based on the projected 25% reduction in the force structure between 1991 and 1995, which in fact occurred, the number of general officers authorized to be on active duty was lowered to 858 by October 1, 1995, including 61 for the Marine Corps.

This is how your Committee explained the decision to cut the number of generals in 1990 (Report 101-665, page 268):

"The Committee believes that the general and flag officer authorized strengths should be reduced to a level consistent with the active force structure reductions expected by fiscal year 1995."

The Senate Armed Services Committee report contained identical language (Report 101-384, page 159). But the Senate committee linked the need for fewer generals directly to a projected 25% reduction in the force structure. In addition, it provided a more detailed justification for the lower ceilings as follows:

"The committee believes that these ceilings should assist the military services in making critical decisions regarding the reduction, consolidation, and elimination of duplicative headquarters. The ceilings should also assist the military services in eliminating unnecessary layering in the staff patterns of general and flag officer positions."

In reviewing your Committee's justification for lowering the general officer ceilings, there is no mention of the need to fill vacant warfighting positions—even though the Gulf War was looming on the horizon. And there was no mention of the need to fill joint billets mandated by Goldwater-Nichols.

Your Committee gave only one reason—the right reason—for reducing the number of general officers in 1990: The number of general officers should be reduced consistent with projected force structure reductions.

So what has changed since that legislation was adopted six years ago? Why has the Marine Corps fabricated a new rationale for more generals? Nothing has changed. DOD is continuing to downsize, and according to recent testimony by Secretary Perry, that process is expected to continue into the future (refer to page 254 of his Annual Report to Congress). Your guiding principle still applies: As the force structure shrinks, we need fewer general officers. It was valid then. It's still valid today.

So why is the Marine Corps trying to topsize when its downsizing? There is no reasonable explanation for giving the Marine Corps 12 extra generals. The extra 12 generals requested this year comes on top of an extra 7 Marine generals authorized just two years ago in special relief legislation.

In my mind, the issue boils down to one indefensible point: the Marine Corps is trying to keep up with the Joneses. This is a war over stars. The Marine Corps wants to have as many generals per capita as the other services. This is not the right way to resolve the problem. There is a better way. You should fix it in exactly the same way your Committee fixed it in 1990. You should fix it by giving each service the right number of generals—a number that matches the force structure.

I hope that reason prevails on this issue. At a minimum, I think the decision on the extra 12 Marine generals should be delayed until the Inspector General has conducted an independent review of all Department of Defense headquarters, commands, and general officer billets and determined exactly what is necessary based on real military requirements.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

Mr. GRASSLEY. Mr. President, I would like to respond to General Krulak's letter.

This is the main point in his letter, and I quote General Krulak's own words:

> The main thrust of your letter is that the number of general officers should be reduced consistent with force structure reductions.

This is General Krulak talking:

> The reduction in end strength does not necessarily have a one-to-one correlation with command billet reduction.

He goes on to say:

> This point is key: While the Marine Corps has reduced its end strength by 24,000 personnel, its three division, three wing structure has remained essentially unchanged. Those familiar with the military know that the requirement for general/flag officers is tied directly to the number of combat divisions and air wings—and that number has not been changed.

Mr. President, I would like to respond to General Krulak.

First, the suggestion that the number of generals should be reduced consistent with force structure reductions is not a rule dreamed up by the Senator from Iowa.

The rule was first put forward by the Senate Armed Services Committee years ago.

It has been expressed by the House Armed Services Committee.

It was the guiding principle used in formulating current law.

It is still in current law—section 526 of title 10, United States Code.

That law places a ceiling on the number of generals and admirals allowed on active duty.

This is the rule behind the law:

As the force structure shrinks, the number of generals and admirals should come down.

If the force structure expands, then the number of generals and admirals should go up.

That simple, commonsense logic has guided military planners since time began.

Second, General Krulak agrees that end strength has fallen.

However, he contends that the Marine Corps' combat force remains essentially unchanged.

Let's briefly review the facts.

In fiscal year 1987, Marine end strength was 199,525, including 70 generals.

Today, the fiscal year 1996, there are 172,434 marines, including 68 generals.

While end strength is down and two generals are gone, the Marine Corps still has three divisions and three airwings.

General Krulak is right about that. The force structure is intact.

Unfortunately, it's not whole. Some troops are missing.

The end strength is down by 27,091 Marines.

If the structure is still there, but some people are gone, that's a hollow force, isn't it?

Mr. President, is another hollow force creeping out of the Pentagon fog?

Mr. President, on July 17, I placed a Marine Corps briefing paper in the RECORD, page S7986.

That paper was entitled "Making the Corps Fit To Fight." It was dated April 1996.

This is what it says:

Marine infantry battalions are at 57 percent of authorized requirements for platoon sergeants.

If that's true, then the Marine Corps structure is already getting hollow.

A Marine platoon can't function without a good sergeant.

Mr. President, do we need more generals to lead a hollow force?

Clearly, a hollow force doesn't demand more generals. Nor does a static force demand more generals.

Only a bigger force demands more generals, and that isn't in the cards right now.

Third, General Krulak introduces another argument to justify his request for more generals.

This one is designed to de-couple the issue from the force structure. This is how he tries to undo the logic.

He says he needs 12 more generals to fill joint billets mandated by the Goldwater-Nichols Act of 1986.

It's a distortion to suggest that Goldwater-Nichols mandates more generals when the force structure is shrinking.

Joint billets—just like service billets—should be squeezed as the force structure shrinks.

This is the message hammered home by Marine Gen. John Sheehan:

"Headquarters and defense agencies should not be growing as the force shrinks."

That's General Sheehan, commander in chief of the U.S. Atlantic Command.

All the data points indicate that downsizing is continuing and will continue for the foreseeable future.

So the argument that more generals are needed to fill joint billets doesn't hold much water, either.

A few years back, the Marine Corps had another commandant. His name was Al Gray.

He was tough as nails. He was known as a mud marine.

He didn't look at the Marine Corps' needs like a bureaucrat would. He looked at it like a Marine—from the bottom up, starting with platoons and companies.

In a December 1987 interview with the Chicago Tribune, General Gray talked about his plans to fill his units with people from the bottom up. I quote:

'If the Marines fill their need for officers and troops before they get to the big headquarters in Washington,' he said with a grin, 'that might be a blessing in disguise.'

Mr. President, I ask unanimous consent that this interview be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Dec. 13, 1987]

MARINES: MYTH VERSUS REALITY

MODERN CORPS IS BIG, COSTLY, HEAVY ON SUPPORTING CAST

(By David Evans)

WASHINGTON—The Marines have a new commandant, Gen. Alfred Gray, a veteran of the Korean and Vietnam Wars. He's characterized by marines who know him as a self-taught thinker and a "warrior's warrior."

He inherits not one, but two Marine Corps. One is the corps of myth: small, cheap, and mostly fighters. A Marine Corps, if you will, designed to kick down the door of a defended coastline and put a lot of grunts on the beach in a hurry and looking for a fight.

Then there's the real Marine Corps: big, expensive, and with relatively few fighters but a big supporting cast. This real corps plans to land ashore where the enemy isn't.

Al Gray isn't very happy with this real corps.

"We're going to make some changes," he growls. "It's time for a fresh, simple look."

People are not his problem. Today's young marines are the highest quality ever, by any measure. They're enough to make a hard-boiled commander's eyes water with joy.

The real problems are deeper, and structural. They have to do with the rising cost of the Marines, a tail-wagging-the-dog support structure that pulls marines out of fighting units, and a new-found addiction to costly, exotic equipment.

Gray is already grousing about some of these problems.

"Americans expect their Marine Corps to put fully manned infantry battalions into the field," he said in a recent interview, "not units missing 100 or more troops."

That's an unusual admission from the man in charge of a corps of 20,000 officers and 180,000 enlisted marines. But over the years the corps bought equipment that took more people to maintain and repair, and it created more and larger headquarters units. These competing demands for manpower, in secondary support and headquarters activities, siphoned marines out of the fighting units.

The slogans remain—"Every marine is a rifleman"—and ringing speeches are still made about the infantryman as the corps' ultimate weapon. But in the real Marine Corps, the infantryman is steadily becoming an endangered species. Of the 180,000 enlisted marines, about 33,000 are officially designated as infantrymen.

Throw in the artillerymen, tank crews and combat engineers, and the total number of enlistees in the "combat arms" amounts to barely 51,000. Instead of closing with and destroying the enemy, the traditional role of marine fighting men, nearly three out of four enlisted marines are now doing something else; repairing equipment, hanging bombs on airplanes, driving trucks.

In this respect, the Marine Corps looks very much like the U.S. Army, where three out of four active-duty soldiers are in support functions, too.

Mark Cancian, a Marine Reserve major, sums up recent trends with this observation: If the corps' structure of 1962 were in place today, a structure that featured larger infantry battalions and less logistics support, "there would be 17,000 more marines in Marine divisions—one entire division's worth."

"Another insight," says Cancian, "is to look at the number of 'trigger pullers' in the division."

These are the marines who personally deliver fire on the enemy: the riflemen, artillery cannoneers, tank crews. Everybody else is helping to coordinate and support that fire, but the number of trigger pullers amounts to barely 7,500 in a division of 17,500 enlisted marines.

There are barely 22,500 "trigger pullers" in all three active divisions. Add a few hundred pilots flying close air support, say 500, and there are perhaps 23,000 marines in a corps of 200,000 whose primary duty is to personally fire on the enemy.

Most of these "trigger pullers" are found in the 27 infantry battalions that represent the cutting edge of the corps. Those battalions may be short the infantrymen they need, but they have plenty of headquarters over them: 29 regimental and higher level headquarters, in fact.

If the Marines have grown top-heavy with headquarters units, they've also become harder to move. Too heavy for easy deployment, despite Gen. Robert Barrow's warning as commandant in 1980 that the corps "should be light enough to get there, and heavy enough to win."

Artillery is an instructive example. The Marines "heavied up'" their artillery from 105 mm. to 155 mm. howitzers, in part because the Army was shifting to heavier artillery, and in part because of the long range of Soviet guns. But the new howitzer has to be disconnected from the truck that pulls it before being loaded into the standard medium-size landing craft. And the truck doesn't have enough power to pull the gun through sand, so a forklift has to be waiting on the beach to pull the gun ashore.

Air units are more difficult to move, too. The Marines are replacing their aging F-4 fighters with new F-18s. According to the maintenance officer of a fighter group of 60 aircraft, the number of maintenance vans that must accompany the same number of F-18s went up 72 percent, from 150 vans to 260.

The Marines have become so heavy that the supplies for a full-up amphibious force of 50,000 marines fill about 6,800 containers, each as big as a small bus. Landed ashore, the containers blanket a huge area.

"About 22 acres of nothing but boxes," says a colonel, who asks: "Can we afford a target that large?"

"Amphibious operations by their very nature require bulldozers and other heavy equipment," explains Lt. Col. Ken Estes, a staff officer at Marine headquarters.

All those support marines, the heavier equipment and the stacks of supplies cost more money. An E-3 lance corporal in an infantry squad costs $15,600 a year in pay and benefits; and E-6 staff sergeant clerking in a headquarters unit costs $22,800.

The new truck carries the same 5-ton load as the vintage model it replaces, but costs $31,000 more (in constant 1986 dollars.)

Heavier artillery shells for the new howitzer cost 160 percent more.

These are just a few examples of the thousand different ways the corps' appetite for money has ratcheted steadily upward.

The Marines are no longer the K mart of national defense; they are smack in the mainstream of an upscale defense establishment where costs are rounded to the nearest tenth of a billion dollars.

The corps' annual budget now hovers at $9 billion. Since the Navy buys airplanes for the Marines out of its "blue dollar" budget, the real cost of the corps runs closer to $13.7 billion a year, according to Pentagon budget experts.

Even the Marines may not realize how expensive they have become. In 1976 the total cost of equipping, paying and training each marine was about $37,000. That's in equivalent 1987 dollars. Since then, the per capital cost has rocketed to $68,000 for each marine—a stunning 83 percent increase. Part of that jump is the extra pay for more experienced marines, with the rest driven by the rising price of equipment and operations.

The cost is still less than the $104,000 the Army spends for every soldier, but the difference is narrowing, and fast.

If the taxpayers cannot afford the money-rich diet to which the Marines have grown accustomed, the Navy can't, either. Or at least it can't afford enough of the kind of highly specialized amphibious ships the Marines want.

The biggest new class of amphibious ships, for example, costs more than $1 billion and figures prominently in the planned expansion of the amphibious fleet from 62 to 76 vessels.

The Marines have rejected cheaper ships as a solution to the numbers problem. One design concept, known in the pentagon by the codeword LTAX, would have provided the same carrying capacity as the large amphibious ships now under construction, but at one-fourth their billion-dollar cost.

"LTAX didn't have the built-in survivability or creature comforts," admits a Pentagon naval expert, "but it would have provided a way of complementing the limited number of true amphibious ships we can afford."

If the Marines have erred by growing too heavy for easy deployment, they've also strayed from Gen. Barrow's timeless dictum by not being heavy enough in the right areas to win. In antitank combat, for example, the Marines' problem is more than serious—it is critical.

With the exception of the TOW missile, the Marines' infantry antitank weapons are not up to the job, according to a recent General Accounting Office report on antitank weapons. The warhead on the shoulder-launch AT-4 antitank rocket is too small for assured frontal kills against attacking Soviet tanks. Critics, including some marines, call the AT-4 "the paint scratcher."

Worse, the Marines probably are not buying enough TOWs. Their planned consumption rate in combat is one TOW missile per launcher every two days.

The Marines have had the Dragon medium-weight antitank missile for a decade, but its accuracy and punch are dismal. In combat, the GAO estimates the Dragon may hit the target only 8 out of 100 shots. Although the corps is upgrading the Dragon with a new warhead and sight, it will be years before the new weapons are in the hands of troops.

Moreover, the new warhead adds 2½ pounds to the missile's weight, which skeptics claim will reduce the Dragon's range. The first block of "improved" missiles may be less accurate, because the pulse rockets used for guidance corrections will be used up faster to counteract the added weight.

Maj. Gen. Ray Franklin, in charge of the Dragon improvement project, claims initial warhead tests are "very impressive." He's hoping to field 15,000 new missiles for $60 million.

Other experts aren't so sure.

"They're getting super performance from prototype warheads," says an ammunition expert, "and they're having nothing but problems trying to produce them in quantity."

He believes the Dragon costs "are going to go out of sight" even if the production problems are solved, and Franklin won't get nearly what he hopes for the money.

If Marines on the ground aren't equipped to kill tanks, they'll need air support to do the job.

At enormous expense—$5 billion—the Marines have equipped five squadrons with British-designed AV-8B Harrier close air support jets. The Harrier doesn't have the right weapon for killing tanks, say a number of weapons experts familiar with its performance in live-fire tests.

The Harrier's 25 mm. cannon was tested extensively against tanks at Nellis Air Force Base in 1979. In 24 passes, the Harrier fired hundreds of shells, getting plenty of hits but not a single kill. Reportedly all but seven of the shells bounced off the tanks' armor. Test reports reveal the Air Force's 30 mm. cannon did much better, killing tanks in 60 percent of the firing passes.

Tom Amlie, a Pentagon weapons expert, says the Harrier's 25 mm. gun "is too heavy for light work [shooting up trucks], and it's too light for the heavy work of killing tanks."

It may be suicidal for Harrier pilots to press their attacks to gun range, anyway. There isn't an ounce of armor on the Harrier, and its engine is wrapped in fuel tanks. A Naval Air Systems Command briefing reveals the Harrier is 10 times more vulnerable to ground fire, given a hit, than the Marines' F-18 fighter, and 20 times more vulnerable than the Navy's A-7 attack jet.

Instead of flying Harriers into the teeth of the thousands of automatic weapons found in a Soviet motorized rifle division, the preferred method is to employ so-called "standoff" weapons. These are missiles or bombs that can be guided to their targets from outside the range of enemy weapons.

"That's why they're ga-ga for laser-guided Maverick missiles," concludes E.C. Myers, former director of air warfare in the Pentagon.

The Maverick is tricky to use against tanks, however. Of 100 Harrier test runs against tank targets in 1985, the Center for Naval Analysis found the pilots were successful in finding, locking-on and firing only 6 percent of the time.

The Marines could use their F-18 fighters armed with Rockeye cluster bombs against tanks. Because the Rockeye spreads bomblets over a wide area, it cannot be employed close to front-line marines. Even so, it is not a very effective weapon. Defense Department munitions effectiveness manuals indicate that four Rockeyes have less than 50 percent chance of killing one tank.

The real Marine Corps, it seems, is ill-equipped, both on the ground and in the air, to defeat massed tank attacks. And this kind of attack is the Sunday punch of the Soviet army and Third World armies equipped with Soviet weapons.

"We're not pleased with what we have for air work against tanks," admits Maj. Gen. Charles Pitman, the assistant chief of Marine aviation. He hopes improved Mavericks will solve the problem.

Perhaps the biggest problem is whether the country can afford the Marines' ambitious plans for the future.

The Marines are touting a new landing concept.

"We have to come from over the horizon," says Gen. Gray, to avoid exposing the amphibious fleet to shore-based antiship missiles.

But new equipment is needed to carry troops and equipment the greater distance to the beach. One is a hovercraft called LCAC (for Landing Craft Air Cushion,) which can "fly" over underwater and beach obstacles.

The Marines also say they need a new kind of aircraft called the MV-22 tilt-rotor. The MV-22 will take off like a helicopter and fly like an airplane, tilting its engines to again land like a helicopter. The new tilt-rotor would be used land marines as far as 25 miles inland.

Freed of traditional beach landing restrictions, the Marines say they can threaten a much wider coastline. The enemy commander, accordingly, will be forced to choose between spreading his forces or leaving large areas undefended.

The Marines plan to exploit either choice by punching through a weak and overextended cordon defense, or by landing at undefended spots to quickly build up forces ashore, before the enemy can move and counterattack.

"If we're going to land where the enemy isn't," observes one colonel who's skeptical of the new concept, "why bother staying way offshore, over the horizon? We have enough trouble landing at the right spot from 4,000 yards offshore."

"For the actual landing," he says, "we've moved the mother ships from 4,000 yards offshore to 25 miles. We've increased the distance more than 12 times, but the hovercraft is only 5 times faster. We're worse off."

The speed advantage of the tilt rotor over current helicopters may be illusory, too. Three out of four tilt-rotor helicopters making the 50-mile trip from ship to inland landing zones will be toting loads that are too big and heavy to be carried inside. They'll be slung underneath, and some pilots say these "external" loads will reduce the tilt-rotor's speed further.

The experimental tilt-rotor now flying has never carried an external load.

Ultimately, the marines must use beaches accessible by conventional landing boats anyway. The new hovercraft and tilt-rotor aircraft will carry ashore only 12 percent of the troops, 6 percent of the vehicles and two-tenths of 1 percent of the ammunition and supplies. Everything else will have to be moved ashore in conventional landing craft, which will be restricted to the 17 percent of the world's coastlines where the water and beach conditions are suitable.

"The enemy will know the entry points on his own coastline that lead to meaningful objectives," says a former Defense Department official who questions the new landing concept. "That's where he's going to defend, and that's the ground the marines will have to take."

"We delude ourselves by retaining the 'assault' label," says Col. Gordon Batchellor, a highly regarded tactician, "as we quietly build a scenario where movement, but no assault, occurs."

This force structure, he maintains, "will be useless when a true assault is called for."

The new landing concept is expensive. Each air-cushioned hovercraft costs $20 million and can carry a single 70-ton tank ashore. For the same money, the Navy could buy four heavy "utility" size landing craft, called LCUs, each of which carries 175 tons.

A study by the House Armed Services Committee concluded the tilt-rotor aircraft will cost more than $35 million apiece; the CH-53E helicopter, which can carry twice the payload, costs $16 million. The extra speed and range being built into the tilt-rotor make up $15 billion of the total $25 billion cost of this program.

The Marines are buying into a number of hugely expensive and technically risky programs like the tilt-rotor. With these systems, they can range up and down enemy coastlines, jabbing here and there, but the Marines may well be giving up the capability to deliver the body blows of serious war fighting.

Gen. George Patton, no stranger to amphibious operations, once said: "A sparrow can outmaneuver an eagle, but he is not feared. Speed and mobility not linked with fighting capacity are valueless. Wars are won by killing."

Yet it seems the sparrow is the Marine Corps look for the future.

This situation may be perfect for Al Gray. After all, the warrior is the man of bold decision in the face of adversity, and Gray, as "peacetime warrior," is facing monumental problems. His budget is a fiscal Mt. St. Helens, unable to contain the explosive pressures of bills now coming due for costly programs started years ago.

"I don't believe in watering down our requirements," he says, but he's also sending out strong signals that some requirements may be revised. "We're going to look from the bottom up," he says, at the entire Marine Corps, "starting with platoons and companies."

Gray plans to fill the units with people from the bottom up, too. If the Marines fill their need for officers and troops before they get to their big headquarters in Washington, he grins, "that might be a blessing in disguise."

He wants to move with breath-taking speed, bringing all the infantry battalions up to full strength by next summer, adding a fourth rifle company to each battalion as well. Those two actions will put almost 6,000 infantrymen back into the cutting edge.

"We're going back to everybody being an infantryman, too," Gray promises. And he wants extra combat training for all marines, regardless of speciality. "The way we used to do it," he adds.

What else can he do? A number of civilian experts and Marine officers concerned about the future of the corps suggest a few basic actions.

Eliminating unnecessary staffs is near the top of the list. More than half of them are not needed under the most demanding Pentagon plan for the Marine Corps, which calls for the simultaneous employment of an amphibious force and four brigades. Those commitments require only 13 of the 29 regimental and higher-level staffs the Marines now have, leaving 16 of them unemployed.

At one stroke, Gray could cut the headquarters overhead by 55 percent, saving millions of dollars in manpower costs that could be applied elsewhere.

With a quick trip to Europe, Gray can get the weapons that marine infantrymen need to kill tanks. European antitank weapons are generally heavier than their American equivalents, largely because they have bigger warheads. The West Europeans, who live much closer to those 50,000 Soviet tanks, build weapons to kill them.

The Marines don't have to wait years for an improved Dragon, which still exists largely as a "paper" design. The West German Panzerfaust III and the French Apilas, two shoulder-launched rockets now in production, are good for short-range work. For longer-range antitank engagements, the Milan missile, combat-proven in Chad, is available.

The Marines could buy 30 mm. gun pods to strap onto their close support aircraft.

"The gun is the only way to kill tanks in close," says Rep. Denny Smith (R., Ore.), who is prepared to help Gray get the pods. They're cheap at roughly $300,000 each.

For the price of half the Maverick missiles the Marines want to buy, they could buy 30 mm. gun pods for every jet aircraft in the corps. And they'd still have three times the 800 Mavericks they now possess.

Among the corps' friends and critics, there is a nearly universal belief that the Marines have lost focus. Instead of concentrating on the basics, says Smith, "they're trying to capture hardware programs for a bigger budget share."

A number of Pentagon officials, who prefer to remain anonymous, echo those sentiments, citing the "over-the-horizon" landing concept as little more than a technical scenario for justifying expensive new programs like the hovercraft and the tilt-rotor.

The concept that epitomizes what may be the most important problem Gray inherits: the pervasive failure to separate tactical needs from technical wants.

Tactically, the Marines needed a close air support aircraft. Technically, they lusted for the Harrier, a jet that could take off and land vertically. Now, they've got the most vulnerable close air support airplane in the world.

Tactically, the Marines needed lots of landing craft to get to the beach. Technically, they coveted the air-cushion hovercraft, which is quite literally a "helicopter with the roof off." Now they've sacrificed the build-up rate ashore.

Gray appears to be sensitive to these problems. While he remains outwardly committed to the Harrier and the tilt-rotor program, he worries about the pervasive fascination at the staff level with "programmatic forces" instead of real "fighting forces."

However, Gray is also sending out mixed signals to the working level marines who have to translate his reformist zeal into detailed plans and budgets. For example, he wants to buy an assault gun, a form of light tank, which resurrects a weapon that failed miserably in World War II.

When the Marines start sorting out their must-have tactical needs from nice-to-have technical wants, they're likely to discover a lot they can do without.

They just might figure out a way to produce a Marine Corps the country can afford.

If Gray is successful in making the real, the heavy and expensive corps more like the lean, tough, deployable Marine Corps of myth, the Marines will be restored to what he calls "real preparedness."

"Anybody can have a bag full of numbers to look good," he says. "We're going to make sure we have the right people and organizations for combat.

Mr. GRASSLEY. If General Krulak would look from the bottom up, instead of the top down, he would quickly realize that sergeants and lieutenants are needed more than generals.

Mr. President, I will be meeting with General Krulak in the near future to discuss this issue.

I hope we both come away from this meeting with a fresh perspective on what the Marine Corps really needs right now.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

DECISION BY THE FIRST CIRCUIT COURT OF APPEALS

Mr. BIDEN. Mr. President, I rise this evening to discuss a decision handed down by the First Circuit Court of Appeals, and I will be introducing a bill to correct what I think was a serious mistake the court made.

Mr. President, let me briefly discuss the court's decision. A few months ago, the First Circuit Court of Appeals made, in my view, a serious mistake—a very big mistake. It said that the term "serious bodily injury," a phrase used in one of our Federal statutes, does not include the crime of rape.

Mr. President, let me tell you about this case. One night near midnight, a woman went to her car after work. While she was getting something out of the back seat of her car, a man came up behind her with a knife and forced her into the back seat of her own car. He drove her to a remote beach, ordered her to take off her clothes, made here squat down on her hands and knees, and he raped her. He raped her. After the rape, he drove off in her car, leaving her alone on the side of the road naked.

This man was convicted under the Federal carjacking statute. That statute provides for an enhanced sentence of up to 25 years if the convicted person inflicts serious—the term of art—serious bodily injury.

If he inflicts serious bodily injury in the course of the carjacking, the statute provides for an enhanced sentence, a longer sentence, of up to 25 years.

When this case got to the sentencing phase, after the defendant had been convicted of raping the woman in the manner that I just pointed out, the prosecutor asked the court to enhance the sentence, because under the statute if serious bodily injury occurred, then an additional 25 years was warranted. And the prosecutor reasoned, as I do, that rape constituted serious bodily injury.

The trial judge agreed with the prosecutor and gave the defendant the statutory 25-year maximum, finding that rape constituted serious bodily injury. But when the case went up to the First Circuit Court of Appeals, that court said no. It said, if you can believe it, that rape is not serious bodily injury.

Mr. President, I have spent the bulk of my professional career as a U.S. Senator and prior to that as a lawyer making the case that we do not take seriously enough in this country the crime of rape, and until we do we are not going to be the society we say we wish to be and we are not going to impact upon the injury inflicted on women in this society.

But the Circuit Court of Appeals ruled that rape does not constitute serious bodily injury under our statute. To support its ruling—and I am now quoting the opinion of the First Circuit Court of Appeals—the court said: "There is no evidence of any cuts or bruises in her vaginal area."

I apologize for being so graphic, but that is literally a quote from the court ruling. That, in my view, is absolutely outrageous.

Senator HATCH and I and Congressman CONYERS in the House are going to be offering a bill to set matters straight. Under the U.S. Criminal Code, serious bodily injury has several definitions. It includes a substantial risk of death, protracted and obvious disfigurement, protracted loss or impairment of a bodily part or mental faculty, and it also includes extreme physical pain. It takes no great leap of logic to see that a rape involves extreme physical pain. And I would go so far as to say that only a panel of male judges could fail to make that leap and even think, let alone rule, that rape does not involve extreme pain.

Rape is one of the most brutal and serious crimes any woman can experience. It is a violation of the first order, but it has all too often been treated like a second-class crime. According to a report I issued a few years ago, a robber is 30 percent more likely to be convicted than a rapist. A rape prosecution is more than twice as likely as murder prosecutions to be dismissed. A convicted rapist—and I want to get this straight—is 50 percent more likely to receive probation than a convicted robber. And you tell me that we take this crime we say is one of the most heinous crimes that can be committed by one human being on another seriously?

Look at those statistics. We treat robbery—robbery—more seriously than we do rape. No crime carries a perfect record of arrest, prosecution and incarceration, but the record for rape is especially wanting. The first circuit decision helped explain why, in my opinion. Too often our criminal justice system, as the phrase goes, just doesn't get it when it comes to crimes against women.

I acknowledge men can and have been raped as well, and a similar infliction of pain occurs, but the fact is well over 95 percent of the rapes are rapes of women.

If the first circuit decision stands, it would mean that a criminal would spend more time behind bars for breaking a man's arm than for raping a woman. If a carjacking occurred, and I was the man whose car was carjacked, and in the process of the carjacking my arm was severely broken, for that fellow who was convicted of raping the woman, had he broken my arm, there is no doubt the prosecution's request for an enhanced penalty of 25 years would have been upheld.

Think of that. We have a statute on the books that says you can enhance a penalty to 25 years for carjacking and inflicting serious bodily harm. Had it been a man with a broken arm, that guy would have been in jail for 25 years. But this was a woman who was raped. The court said, no, it does not meet the statutory requirement of serious bodily injury.

For 5 long years, Mr. President, I worked to pass a piece of legislation that I have cared about more than any other thing I have done in my entire Senate career and the thing of which I am most proud. That is the Violence Against Women Act. My staff and I wrote that from scratch. It took a long time to convince our colleagues and administrations, Democrat and Republican, that it was necessary. For 5 long years we worked to pass that law.

The act does a great many practical things. It funds more police and prosecutors specifically trained and devoted to combating rape and family violence. It trains police, prosecutors and judges in the ways of rape and family violence so that they can better understand, as, in my view, the first circuit did not understand, the nature of the problem and how to respond to the problem.

The violence against women legislation provides shelter for more than 60,000 battered women and their children. It provides extra lighting and emergency phones in subways, bus stops and parks because of the nature in which the work force has changed.

The woman sitting behind me who helped author that legislation is here at 9:30 at night. In my mother's generation, there were not many women who left work at 9:30 or 10:30 at night. Today, there are millions and millions, like men, who do, and we recognize the need to protect them better than they have been by providing the most effective—the most effective—crime prevention tool there is: lighting. It provides for more rape crisis centers. It sets up a national hotline that battered women can call around the clock to get advice and counseling.

I am working on the ability for them when they call to also be able to get a lawyer who will handle their case pro bono—for free—and help guide them through the system. They were getting rape education efforts going with our young people so we can break the cycle of violence that begets violence.

I might note parenthetically, one of the reasons I wrote this legislation initially, the Violence Against Women Act, is that I came across an incredible study, a poll done in the State of Rhode Island, of, I think, seventh, eighth and ninth graders. I am not certain, to be honest. I think seventh, eighth and ninth graders.

It asks, in the poll conducted, the survey, "If a man spends $10 on a woman, is he entitled to force sex on her if she refuses?" An astounding 30-some percent of the young men answering the question said, "Yes." But do you know what astounded me more? Mr. President, 25 percent of the young girls said "yes" as well. We have a cultural problem here that crosses lines of race, religion, ethnicity, and income. We just do not take seriously enough the battering of our women—our women, is the way our friends like to say it—of women in this country. This is especially true when it comes to victims who know their assailants. For too long we have been quick to call these private misfortunes rather than public disgraces.

The Violence Against Women Act also meant to do something else beyond the concrete measures that I mentioned. It also sent a clarion call across the land that crimes against women will no longer be treated as second-class crimes. For too long the victims of these crimes have been seen, not as innocent targets of brutality, but as participants who somehow bear some shame or even some responsibility for the violence inflicted upon them.

As I said, this is especially true when it comes to victims who know their assailants. For too long we have been quick to call theirs a private misfortune rather than a public disgrace. We viewed the crime as less than criminal, the abuser less than culpable, and the victim as less than worthy of justice.

In my own State of Delaware, until recently, if a man raped a woman he did not know, he was eligible, if he brutally did it, to be convicted of first-degree rape. But do you know what? We had a provision in our law, and many States had similar provisions, that said if the woman knew the man, if the woman was the social companion of the man, then he could only be tried for second-degree rape, the inference being that somehow she must have invited something because she knew him, she went out with him.

It seems to me we have to remain ever vigilant in our efforts to make our streets and our neighborhoods and our homes safer for all people, but in this case particularly for women. We need to make sure right now that no judge ever misreads the carjacking statute again and undermines the overwhelming purpose of my legislation in the first place, which was to change the psyche of this Nation about how we are to deal with the brutal act of rape. It is not a sex crime, it is an act of violence, a violent act.

Now, one of the most respected courts in the Nation has come down and said it does not constitute serious bodily injury. So, Mr. President, we need to make sure right now that no judge ever misreads the carjacking statute again. We need to tell them what we intend, what we always intended, that the words "serious bodily injury" mean rape, no ifs, ands, or buts. The legislation, a bill to be introduced by myself and Senator HATCH and others, does just that. It says, and I will read from one section:

> Section 2119(2) of title 18, United States Code, is amended by inserting ", including any conduct that, if the conduct occurred in the special maritime or territorial jurisdiction of the United States, would violate section 2241 or 2242 of this title" after "(as defined in section 1365 of this title)".

Translated into everyday English it means, serious bodily injury means rape. No judge will be able to, no matter how—I should not editorialize. No judge in the future, once we pass this legislation, will be able ever again to say that serious bodily injury does not include rape.

I thank Senator HATCH, and I would like to particularly thank Demetra Lambros, who is sitting behind me, a woman lawyer on my staff who worked with Representative CONYERS' staff to write this legislation, for the effort she has made and for calling this to my attention. I also thank Senator HATCH, who has always been supportive and very involved in this, and his staff, and Congressman CONYERS, the ranking member of the House Judiciary Committee.

I am confident if every Member—this is presumptuous for me to say, Mr. President—but as every Member of the Senate becomes aware of what this does, I cannot imagine there is anyone here or anyone in the House who will not support it.

I thank the Chair. I realize the hour is late. I thank the Chair for indulging me. Tomorrow, hopefully, we will be in a position to bring this legislation up and pass it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, for our distinguished majority leader, I make the following request. I ask unanimous consent that there now be a period for the transaction of morning business, with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

MARITIME SECURITY PROGRAM

Mr. LOTT. Mr. President, I have always been a strong supporter of the U.S.-flag merchant marine, and America's maritime industry. That is why, last year I introduced the Maritime Security Act of 1995. This bill is the product of nearly a decade of bipartisan and bicameral effort. It will reform, streamline, and reduce Federal support for the U.S.-flag merchant marine, while at the same time revitalizing our U.S.-flag fleet.

The starting point for the Maritime Security Program is the simple and valid premise that America's merchant marine is a vital component of our military sealift capability.

Thus, in order to protect our military presence overseas, we must have a modern, efficient, and reliable sealift. On this point, the assessment of our Nation's top military leaders is unequivocal. Our military needs a U.S.-flag merchant marine to carry supplies to our troops overseas. We cannot, in fact, we must not, rely on foreign ships and foreign crews to deliver supplies into hostile areas.

Just recently I receive a letter from Adm. Thomas Moorer, the former Chairman of the Joint Chiefs of Staff, and Rear Adm. Robert Spiro, a former Under Secretary of the Army. They both enthusiastically endorsed the legislation. I have added this letter to a stack of letters sitting on my desk from many other distinguished military leaders who also have strongly backed the Maritime Security Act.

Not long ago, I also received endorsements of the Maritime Security Act from the Honorable John P. White, the current Deputy Secretary of Defense, and the Honorable John W. Douglass, the current Assistant Secretary of the Navy for Research, Development and Acquisition.

I also have received numerous letters from members of the Navy League of the United States.

Clearly, there is visible support from both the active and retired military community for the recognized value of this program.

The Maritime Security Act will ensure that our Nation will continue to have access to both a fleet of militarily useful U.S.-flag commercial vessels, and a cadre of trained and loyal U.S.-citizen crews. What's more, under this bill our military planners will gain access to the onshore logistical and intermodal capabilities of these U.S.-flag vessel operators. Instead of just getting a ship, our military gets access to port facilities worldwide, state-of-the-art computer tracking systems, intermodal loading and transfer equipment, and so on. And our Nation get these benefits for less than half the cost of the current program.

This is both a fiscal and national security bargain.

Let me make this point clear. This is not a blanket handout to the maritime industry. To participate in the Maritime Security Program, each vessel must be approved by the Secretary of Defense. And participation is limited to vessels actively engaged in the international maritime trades.

Make no mistake about it—without it the American maritime flag will disappear from the high seas. The U.S.-flag merchant marine that has helped to sustain this country in peace and has served with bravery and honor in wartime will be gone.

I don't believe that any American wants that day to come.

Provisions of this bill have been considered and discussed in nearly 50 public hearings in either the House or the Senate. These hearings were full and open. All interested parties, both for and against this approach, have had notice and opportunity to make comments, criticisms and corrections. In 9 years, this inclusive process has insured the incorporation of all valid provisions into a balanced and responsible public policy which advances and revitalizes an integral segment of America's economy and culture. This inclusive process is reflected in the deep respect and support for this legislation across a wide political and social spectrum.

The House passed the bill in December on a voice vote, with overwhelming and loud bipartisan support. I have been told that the President intends to sign this bill promptly after its final passage here in the Senate.

Mr. President, the Senate has a responsibility to provide for the Nation's defense. And this bill represents the most cost-effective way to make sure that our military has the sealift capabilities it needs to protect our interests around the world. It marks a dramatic departure from our previous maritime programs. The entitlements are gone, and they have been replaced by a vigorous fiscal discipline and dynamic marketplace.

Mr. President, I urge all of my colleagues to stand with me in support of this legislation when it comes to the floor.

Mr. President, this is a bill we must pass before this Congress goes into recess for this fall's elections. It is my hope that the Senate will consider the Maritime Security Act on the floor in September.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, four years ago when I commenced these daily reports to the Senate I wanted to make a matter of daily record the exact Federal debt as of the close of business the previous day.

In my first report on February 27, 1992, the Federal debt the previous day stood at $3,825,891,293,066.80, at the close of business. The Federal debt has, of course, shot further into the stratosphere since then. (At the close of business yesterday, Monday, July 29, an additional $1,356,563,675,813.41 had been added to the Federal debt since February 26, 1992.)

That means, Mr. President, that the exact Federal debt stood yesterday at $5,182,454,968,880.21, which on a per capita basis means that every man, woman, and child in America owes $19,527.65 as his or her share of the Federal debt.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:53 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills and joint resolution, without amendment:

S. 531. An act to authorize a circuit judge who has taken part in an in banc hearing of a case to continue to participate in that case after taking senior status, and for other purposes.

S. 1757. An act to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes.

S.J. Res. 20. A joint resolution granting the consent of Congress to the compact to provide for joint natural resource management and enforcement of laws and regulations pertaining to natural resources and boating at the Jennings Randolph Lake Project lying in Garrett County, Maryland and Mineral County, West Virginia, entered into between the States of West Virginia and Maryland.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3603) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. SKEEN, Mr. MYERS of Indiana, Mr. WALSH, Mr. DICKEY, Mr. KINGSTON, Mr. RIGGS, Mr. NETHERCUTT, Mr. LIVINGSTON, Mr. DURBIN, Ms. KAPTUR, Mr. THORNTON, Mr. FAZIO, and Mr. OBEY as the managers of the conference on the part of the House.

At 5:39 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3907. An act to facilitate the 2002 Winter Olympic Games in the State of Utah at the Snowbasin Ski Area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes.

At 6:32 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. CALLAHAN, Mr. PORTER, Mr. LIVINGSTON, Mr. LIGHTFOOT, Mr. WOLF, Mr. PACKARD, Mr. KNOLLENBERG, Mr. FORBES, Mr. BUNN, Mr. WILSON, Mr. YATES, Ms. PELOSI, Mr. TORRES, Mrs. LOWEY, and Mr. OBEY as the managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. YOUNG of Florida, Mr. MCDADE, Mr. LIVINGSTON, Mr. LEWIS of California, Mr. SKEEN, Mr. HOBSON, Mr. BONILLA, Mr. NETHERCUTT, Mr. ISTOOK, Mr. MURTHA, Mr. DICKS, Mr. WILSON, Mr. HEFNER, Mr. SABO, and Mr. OBEY as the managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H.R. 3754) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. PACKARD, Mr. YOUNG of Florida, Mr. TAYLOR of North Carolina, Mr. MILLER of Florida, Mr. WICKER, Mr. LIVINGSTON, Mr. THORNTON, Mr. SERRANO, Mr. FAZIO, and Mr. OBEY as the managers of the conference on the part of the House.

MEASURES REFERRED

The following concurrent resolution, previously received from the House of Representatives for the concurrence of the Senate, was read and referred as indicated:

H. Con. Res. 198. Concurrent resolution, the use of the Capitol Grounds for the first annual Congressional Family Picnic; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1130. A bill to provide for the establishment of uniform accounting systems, standards, and reporting systems in the Federal Government, and for other purposes (Rept. No. 104–339).

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1237. A bill to amend certain provisions of law relating to child pornography, and for other purposes.

S. 1556. A bill to prohibit economic espionage, to provide for the protection of United States proprietary economic information in interstate and foreign commerce, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

S. 1887. A bill to make improvements in the operation and administration of the Federal courts, and for other purposes.

By Mr. STEVENS, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1931. A bill to provide that the United States Post Office building that is to be located at 9 East Broad Street, Cookeville, Tennessee, shall be known and designated as the "L. Clure Morton Post Office and Courthouse."

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Foreign Relations:

Treaty Doc. 104–2 Treaty With the United Kingdom of Mutual Legal Assistance In Criminal Matters (Exec. Rpt. 104–23):

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the United Kingdom of Great Britain and Northern Ireland on Mutual Legal Assistance in Criminal Matters, signed at Washington on January 6, 1994, together with a Related Exchange of Notes signed the same date. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

"Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs."

Treaty Doc. 104-01 Treaty with the Republic of Korea on Mutual Legal Assistance in Criminal Matters (Exec. Rpt. 104-22):

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the United States of American and the Republic of Korea on Mutual Legal Assistance in Criminal Matters, signed at Washington on November 23, 1993, together with a Related Exchange of Notes signed on the same date. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

"Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs."

Treaty Doc. 104-21 Treaty with Austria on Mutual Legal Assistance in Criminal Matters (Exec. Rpt. 104-24):

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Austria on Mutual Legal Assistance in Criminal Matters, signed at Vienna on February 23, 1995. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

"Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs."

Treaty Doc. 104-20 Treaty with Hungary on Mutual Legal Assistance in Criminal Matters (Exec Rpt. 104-25)

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Hungary on Mutual Legal Assistance in Criminal matters, signed at Budapest on December 1, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

"Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs."

Treaty Doc. 104-18 Treaty with the Philippines on Mutual Legal Assistance in Criminal Matters (Exec Rpt. 104-26)

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of the Philippines on Mutual Legal Assistance in Criminal matters, signed at Manila on November 13, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

"Pursuant to the rights of the United States under this Treaty to deny requests which prejudice its essential public policy or interest, the United States shall deny a request for assistance when the Central Authority, after consultation with all appropriate intelligence, anti-narcotic, and foreign policy agencies, has specific information that a senior government official who will have access to information to be provided under this Treaty is engaged in a felony, including the facilitation of the production or distribution of illegal drugs."

Treaty Doc. 104-5 Treaty with Hungary (Exec Rpt. 104-27)

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Treaty Between the Government of the United States of America and the Government of the Republic of Hungary on Extradition, signed at Budapest on December 1, 1994. The Senate's advice and consent is subject to the following two provisos, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

Treaty Doc. 104-7 and 104-8 Extradition Treaty with Belgium and Supplementary Extradition Treaty with Belgium (Exec Rpt. 104-28)

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Supplementary Treaty on Extradition Between the United States of America and the Kingdom of Belgium to Promote the Repression of Terrorism, signed at Brussels on April 27, 1987. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the United States of America and the Kingdom of Belgium signed at Brussels on April 27, 1987. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

Treaty Doc. 104-16 Extradition Treaty with the Philippines (Exec. Rpt. 104-29)

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Republic of the Philippines, signed at Manila on November 13, 1994. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

Treaty Doc. 104-26 Extradition Treaty with Malaysia (Exec. Rpt. 104-30)

Text of the Committee-Recommended Resolution of Advice and Consent

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of Malaysia, and a Related Exchange of Notes signed at Kuala Lampur on August 3, 1995. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

Treaty Doc. 104-22 Extradition Treaty with Bolivia (Exec. Rpt. 104-31)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Republic of Bolivia, signed at La Paz on June 27, 1995. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

Treaty Doc. 104-9 Extradition Treaty with Switzerland (Exec. Rpt. 104-32)

TEXT OF THE COMMITTEE-RECOMMENDED RESOLUTION OF ADVICE AND CONSENT

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of The Extradition Treaty Between the Government of the United States of America and the Government of the Swiss Conferderation, signed at Washington on November 14, 1990. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be signed by the President:

"Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States."

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. COATS (for himself, Mr. STEVENS, Mr. NICKLES, Mr. ABRAHAM, Mr. DEWINE, Mr. COVERDELL, and Mr. FAIRCLOTH):

S. 2000. A bill to make certain laws applicable to the Executive Office of the President, and for other purposes; to the Committee on Governmental Affairs.

By Mr. PELL:

S. 2001. A bill to amend the Job Training Partnership Act to improve the definition relating to eligible dislocated workers, and for other purposes; to the Committee on Labor and Human Resources.

By Ms. SNOWE:

S. 2002. A bill to amend title 18, United States Code, to prohibit taking a child hostage in order to evade arrest; to the Committee on the Judiciary.

By Mr. EXON:

S. 2003. A bill to amend the Armored Car Industry Reciprocity Act of 1993 to clarify certain requirements and to improve the flow of interstate commerce; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. COATS (for himself, Mr. STEVENS, Mr. NICKLES, Mr. ABRAHAM, Mr. DEWINE, Mr. COVERDELL and Mr. FAIRCLOTH):

S. 2000. A bill to make certain laws applicable to the Executive Office of the President, and for other purposes; to the Committee on Governmental Affairs.

THE PRESIDENTIAL AND EXECUTIVE OFFICE ACCOUNTABILITY ACT

Mr. COATS. All Members of this body remember early in this Congress we introduced and passed into law the Congressional Accountability Act which applied the various civil rights and labor laws that are currently applicable to employers and employees throughout America's workplaces, and applied this same restrictions to Members of Congress.

For too long we had exempted ourselves from the laws and regulations that we had imposed on virtually every other business operation in America. There were only a couple of workplaces that were exempted: The Labor Standards Act, the Civil Rights Act of 1964, the Americans With Disability Act, and the other items that we discussed. Those institutions were the U.S. Congress and the executive branch, in particular, the White House. We remedied that, partially, for the Congress with the adoption of the Congressional Accountability Act.

Now, these 11 specific items apply to Members of Congress as well as to the private sector. I think what we are learning is that some of these laws are good, some of these laws are applicable to what we do, but some of them are overly burdensome and overly restrictive and therefore need to be examined. Because they apply to us as they apply to everyone else, we feel that burden, and perhaps we can be reasonable when we examine these to determine whether or not reforms are needed.

This act would apply these same provisions that now apply to Congress and virtually every other workplace in the country, to the White House. This legislation, which I send to the desk for referral, was originally cosponsored by Senator STEVENS, as well as other Members including Senators NICKLES, ABRAHAM, DEWINE, COVERDELL, and FAIRCLOTH.

Mr. President, today I send to the desk a bill designed to eliminate a dubious double standard that remains in the application of our civil rights and labor protection laws.

Last year, this Congress passed the Congressional Accountability Act, requiring Congress to live under the laws it passes—and oftentimes imposes—on the rest of the Nation. Now that the Congressional Accountability Act is the law of the land, only one workplace in America remains exempt from our Nation's laws and regulations. In just one place of employment, workers do not enjoy the rights and protections afforded to all other Americans. That one place is the White House, and it's time for the White House to join the rest of the United States in living under the civil rights and labor laws governing the rest of the Nation.

For decades, Congress callously exempted itself from rules and regulations it was passing for the rest of the country. Many of us had supported the Congressional Accountability Act for years, but were thwarted in our efforts. Finally, when—for the first time in 40 years—Republicans gained control of Congress, we wasted little time and passed the Congressional Accountability Act into law.

I remain in strong support of the principle that Congress should not be exempt from the laws that apply to all other Americans, and because of the Congressional Accountability Act, Congress now is living under 11 different labor and civil rights laws from which it had previously exempted itself. I continue to believe that this is a simple issue of fundamentlal fairness. Congress should live under the laws it passes for everyone else. In doing so, lawmakers will learn first hand which laws work, and perhaps more often than not, which laws are overly intrusive and burdensome.

These lessons also would be appropriate for the White House, since under President Clinton the Federal Register of Government regulations now totals about 65,000 pages, the largest number in more than 15 years. Despite President Clinton's stated concerns for the working men and women of this country, the White House continues to exempt itself from the laws and regulations covering the rest of the country, including Congress and all private businesses.

For example, because of this privileged loophole, the White House does not have to abide by the minimum wage or the Family Medical Leave Act or the overtime requirements of the Fair Labor Standards Act or several of the other civil rights and labor laws that apply to all other Americans. I think America's labor leaders will agree with me when I say that employees of the White House should be protected by the same laws that the President approves for the rest of the country. Employees should have the same rights and protections regardless of where they work—whether the individual labors in the private sector, the Congress, and yes, even in the White House.

There are some in the White House who argue that this legislation is unnecessary because the White House voluntarily complies with the spirit of many of these laws. Mr. President, I argue that voluntary compliance is not good enough. How many private sector companies are allowed to voluntarily comply with the laws of the land? The answer is zero, and the White House should not be an exception.

The Congressional Accountability Act, and the proposed White House Accountability Act, give employees of these two branches of Government the same rights as any other citizen to go into a court of law and have their case heard by a jury of their peers. White House employees should not have to depend on the benevolence or arbitrary good will of a supervisor to ensure that they are not taken advantage of, sexually harassed, or otherwise dealt with in an inappropriate and possibly illegal manner. They deserve the right to be free from discrimination, the right to work in a safe and healthy work environment, the right not to be fired simply because of race, sex, disability, or age. White House workers deserve the same rights and protections that every other American enjoys in the private sector, and now in the U.S. Congress.

The White House Accountability Act also would be good policy for senior management and administrators. White House policy makers and their staffs would gain a first-hand understanding of the laws they propose and enact. Perhaps the White House will find, as many in Congress have been forced to learn, that some of the laws we pass are good, some do not go far enough and need to be strengthened, or—and this is too often the case—that many of the regulations imposed on the Nation by the Federal bureaucracy in Washington are onerous and in serious need of reform.

Writing in the Federalist Papers, James Madison instructed us that no branch of Government is above the law. Madison wrote, "Congress can make no law which will not have its full operation on themselves and their friends, as well as on the great mass of society."

Because of the Congressional Accountability Act, Federal laws and regulations now apply from our Nation's assembly lines to our Nation's general assembly. When President Clinton was inaugurated, he called the White House, "the people's house." It's time he backed up that statement by letting his workers in the White House enjoy the same civil rights and labor protections enjoyed by the rest of the people in whose house they serve.

By Mr. PELL:

S. 2001. A bill to amend the Job Training Partnership Act to improve the definition relating to eligible dislocated workers, and for other purposes; to the Committee on Labor and Human Resources.

THE FISHERMEN AS DISLOCATED WORKERS ACT

Mr. PELL. Mr. President, I am introducing legislation today that amends the Job Training Partnership Act [JTPA] to improve the definition of eligible dislocated workers. The legislation defines "dislocated worker" as any employee who "has become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource."

This language is directed at fishermen. In Rhode Island, as well as many other coastal States, customarily the crew members of fishing boats are not paid but are given a share of the day's catch. Unfortunately, this means they are neither employees of the boat nor self-employed.

Fishing has always been a difficult occupation. But now, with a declining supply, Government efforts to restore the population of various species of fish by limiting or closing access to fishing grounds, and the need to close large portions of our coastal waters after oil spills and other environmental disasters, fishermen are leaving port less and, when they do, catching less.

Some months ago, I received a letter from a Rhode Island fisherman who realized that fishing would no longer be able to support the demands of his growing family. He had, therefore, selected a new occupation—he wants to be a cabinetmaker—and on his own, he had located and been accepted into a training program. His only problem? Financial assistance.

Because he is technically not unemployed, the present system is of no help to him. My legislation would correct that unfortunate inequity.

I originally offered and had accepted a similar version of this legislation in the Labor and Human Resources Committee as an amendment to S. 143, the Workforce Development Act. Regrettably, the House-Senate work force development conference committee has only just finished its work under a cloud of partisanship and disagreement and I very much doubt any further action will take place during this Congress.

I do not believe the commercial fishermen in Galilee, RI, should suffer because of the failure of a conference committee in Washington, DC. I have, therefore, drafted this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2001

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITION.

Section 301(a)(1) of the Job Training Partnership Act (29 U.S.C. 1651(a)(1)) is amended—

(1) in subparagraph (C), by striking "; or" and inserting a semicolon;

(2) in subparagraph (D), by striking the period and inserting "; or"; and

(3) by adding at the end the following:

"(E) have become unemployed as a result of a Federal action that limits the use of, or restricts access to, a marine natural resource.".

By Ms. SNOWE:

S. 2002. A bill to amend title 18, United States Code, to prohibit taking a child hostage in order to evade arrest; to the Committee on the Judiciary.

CRIME LEGISLATION

• Ms. SNOWE. Mr. President, over the past few years, America has witnessed an unfortunate trend involving standoffs between the U.S. Government and parties who reject its authority to enforce the laws of this land—specifically, the incidents in Waco, TX; Ruby Ridge, ID; and Garfield County, MT. Thankfully, the most recent episode involving the Freemen did not escalate to violence or bloodshed. Regrettably, this does not hold true for Waco or Ruby Ridge, where there was a tragic loss of life to civilians and Government agents alike.

Each of these situations jeopardized children's lives—innocent children who had no choice in the role they played in these standoffs. In Waco, 25 young children under the age of 15 died in the blaze that spread throughout the compound. These deaths occurred despite the repeated efforts by Federal agents to encourage Branch Davidians leaders to allow children to leave the compound.

At Ruby Ridge, a 14-year-old died after being caught in gunfire. And during the Freemen standoff, Americans across the Nation held their breath—praying that violence would not erupt. Once again, the lives of children were placed in jeopardy. But thankfully, this time, the children—and adults—emerged unharmed.

As we have seen, tragedy can occur in these very tense situations. Above all else, we need to ensure that children are kept out of these situations in the future. People who arm themselves after failing to comply with warrants or because they seek to avoid arrest must realize that, whether or not it is intended, children are implicated in these standoffs. We cannot allow this to continue any longer. We cannot allow another child's life to be endangered in this manner.

Today, I am introducing a bill which seeks to protect children from harm in these standoff situations. My bill would make it a crime to detain a child when two conditions are met: if a person is trying to evade arrest or avoid complying with a warrant, and that person uses force, or threatens to use force, against a Federal agent. Any person convicted of violating this act would be imprisoned for 10–25 years. If a child is injured, the penalty would be increased to 20–35 years. If a child is killed, the penalty would be life imprisonment.

No law can ever assure that children will be kept free from harm. But this legislation will help assure that children do not become inadvertent, innocent pawns when violent situations arise. It will provide a deterrent to involving a child in any standoff—and severe penalties for those who ignore the law.

Tense standoffs between Federal law enforcement officers and hostile fugitives are no place for children. This bill will help encourage the removal of innocent children from such dangerous situations. As a nation, we should not tolerate the use of children as pawns or human shields when people choose to evade the laws of this land. I hope my colleagues support this important piece of legislation.•

By Mr. EXON:

S. 2003. A bill to amend the Armored Car Industry Reciprocity Act of 1993 to clarify certain requirements and to improve the flow of interstate commerce; to the Committee on Commerce, Science, and Transportation.

THE ARMORED CAR INDUSTRY RECIPROCITY IMPROVEMENT ACT

Mr. EXON. Mr. President, I introduce legislation known as the Armored Car Industry Reciprocity Improvement Act. This legislation is a companion measure to H.R. 3431 which has unanimously passed in the House of Representatives. It is my hope that this bill which makes a slight modification to its companion can be taken up and swiftly passed this year to safely expand the benefits of the Armored Car Reciprocity Act of 1993 which I introduced in the U.S. Senate. The 1993 law which had support from law enforcement, public safety and armored car industry advocates replaced a patch work of State laws with a common sense, pro-safety, pro-interstate commerce approach to weapons registration, background checks and training for armored car crew members.

The amendments to the 1993 law build on what was learned since 1993 and will make the reciprocal benefits of the law available to more States. The net result will be better screened, better qualified and better trained armored car crews.

The armored car is one of the most overlooked instrumentalities of interstate commerce. Without the ability to safely and securely move currency, securities, food stamps, gold and other valuables, interstate commerce would be impossible.

I am pleased to introduce this legislation which I encourage the U.S. Senate to overwhelmingly endorse. It is a tribute to the success of the 1993 law.

ADDITIONAL COSPONSORS

S. 968

At the request of Mr. MCCONNELL, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 968, a bill to require the Secretary of the Interior to prohibit the import, export, sale, purchase, and possession of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 1035

At the request of Mr. DASCHLE, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of S. 1035, a bill to permit an individual to be treated by a health care practitioner with any method of medical treatment such individual requests, and for other purposes.

S. 1189

At the request of Mr. DEWINE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1189, a bill to provide procedures for claims for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products.

S. 1832

At the request of Ms. MIKULSKI, the names of the Senator from Louisiana [Mr. BREAUX], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 1832, a bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes.

SENATE JOINT RESOLUTION 52

At the request of Mr. KYL, the name of the Senator from Wyoming [Mr. THOMAS] was added as a cosponsor of Senate Joint Resolution 52, a joint resolution proposing an amendment to the Constitution of the United States to protect the rights of victims of crimes.

SENATE JOINT RESOLUTION 57

At the request of Mr. ASHCROFT, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Joint Resolution 57, a joint resolution requiring the Congressional Budget Office and the Joint Committee on Taxation to use dynamic economic modeling in addition to static economic modeling in the preparation of budgetary estimates of proposed changes in Federal revenue law.

AMENDMENT NO. 5119

At the request of Mr. MACK the names of the Senator from Kentucky [Mr. FORD], and the Senator from Tennessee [Mr. FRIST] were added as cosponsors of amendment No. 5119 proposed to H.R. 3754, a bill making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes.

AMENDMENTS SUBMITTED

THE ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 1997

DOMENICI AMENDMENT NO. 5121

Mr. DOMENICI proposed an amendment to amendment No. 5094 proposed by Mr. MCCAIN to the bill (S. 1959) making appropriations for energy and water development for the fiscal year ending September 30, 1997, and for other purposes; as follows:

On line three of amendment number 5094, strike "Act" and insert in lieu thereof the following: "Act. The Department of Energy shall report monthly to the Committees on Appropriations of the House and Senate on the Department of Energy's adherence to the recommendations included in the accompanying report."

DOMENICI AMENDMENT NO. 5122

Mr. DOMENICI (for himself) proposed an amendment to the bill, S. 1959, supra; as follows:

On page 22, line 17, following "$92,629,000" insert the following: ": *Provided further*, That in addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the Department of Energy shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee who is covered under subchapter III of chapter 83 or chapter 84 of title 5 to whom a voluntary separation incentive has been paid under this paragraph".

THE DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

HATFIELD AMENDMENTS NOS. 5123–5125

Mr. HATFIELD proposed three amendments to the bill (H.R. 3675) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1997, and for other purposes; as follows:

AMENDMENT NO. 5123

Strike section 346 and insert the following:

SEC. 346. DEPARTMENT OF TRANSPORTATION VOLUNTARY SEPARATION INCENTIVE PAYMENTS.

(a) DEFINITIONS.—For the purposes of this section—

(1) the term "agency" means the following agencies of the Department of Transportation:

(A) the United States Coast Guard;

(B) the Research and Special Programs Administration;

(C) the St. Lawrence Seaway Development Corporation;

(D) the Office of the Secretary;

(E) the Federal Railroad Administration; and

(F) any other agency of the Department with respect to employees of such agency in positions targeted for reduction under the National Performance Review;

(2) the term "employee" means an employee (as defined by section 2105 of title 5, United States Code) who is employed by the agency serving under an appointment without time limitation, and has been currently employed for a continuous period of at least 3 years, but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the agency;

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under the applicable retirement system referred to in subparagraph (A);

(C) an employee who is in receipt of a specific notice of involuntary separation for misconduct or unacceptable performance;

(D) an employee who, upon completing an additional period of service as referred to in section 3(b)(2)(B)(ii) of the Federal Workforce Restructuring Act of 1994 (5 U.S.C. 5597 note), would qualify for a voluntary separation incentive payment under section 3 of such Act;

(E) an employee who has previously received any voluntary separation incentive payment by the Federal Government under this section or any other authority and has not repaid such payment;

(F) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(G) any employee who, during the twenty four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowance under section 5754 of title 5, United States Code.

(b) AGENCY STRATEGIC PLAN.—

(1) IN GENERAL.—The head of an agency, prior to obligating any resources for voluntary separation incentive payments, shall submit to the House and Senate Committees on Appropriations and the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS.—The agency's plan shall include—

(A) the positions and functions to be reduced or eliminated, identified by organizational unit, geographic location, occupational category and grade level;

(B) the number and amounts of voluntary separation incentive payments to be offered; and

(C) a description of how the agency will operate without the eliminated positions and functions.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS.—

(1) IN GENERAL.—A voluntary separation incentive payment under this section may be paid by an agency to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS.—A voluntary separation incentive payment—

(A) shall be paid in a lump sum after the employee's separation;

(B) shall be paid from appropriations or funds available for the payment of the basic pay of the employees;

(C) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code; or

(ii) an amount determined by an agency head not to exceed $25,000 in fiscal year 1997, $20,000 in fiscal year 1998, $15,000 in fiscal year 1999, or $10,000 in fiscal year 2000;

(D) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(E) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(3) LIMITATION.—No amount shall be payable under this section based on any separation occurring before the date of the enactment of this Act, or after September 30, 2000.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND.—

(1) IN GENERAL.—In addition to any other payments which it is required to make under subchapter III of chapter 83 of title 5, United States Code, an agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final basic pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, to whom a voluntary separation incentive has been paid under this section.

(2) DEFINITION.—For the purpose of paragraph (1), the term "final basic pay", with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving on other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT.—An individual who has received a voluntary separation incentive payment under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal services contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the incentive payment to the agency that paid the incentive payment.

(f) REDUCTION OF AGENCY EMPLOYMENT LEVELS.—

(1) IN GENERAL.—The total number of funded employee positions in an agency shall be reduced by one position for each vacancy created by the separation of any employee who has received, or is due to receive, a voluntary separation incentive payment under this section. For the purposes of this subsection, positions shall be counted on a full-time-equivalent basis.

(2) ENFORCEMENT.—The President, through the Office of Management and Budget, shall monitor each agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) EFFECTIVE DATE.—This section shall take effect October 1, 1996.

AMENDMENT NO. 5124

On page 63 of the bill, line 24, strike "Arkansas" and insert "Alaska".

AMENDMENT NO. 5125

On page 60 of the bill, line 21, strike "5307" and insert "5311".

LAUTENBERG AMENDMENT NO. 5126

Mr. LAUTENBERG proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 5, line 17, strike "132,500,000" and insert "132,499,000."

On page 14, line 22, strike "187,000,000" and insert "188,490,000."

On page 38, line 5, strike "200,000,000" and insert "198,510,000."

KOHL AMENDMENT NO. 5127

Mr. HATFIELD (for Mr. KOHL) proposed an amendment to the bill, H.R. 3675, supra; as follows:

SEC.—. It is the sense of the Senate that Congress should actively consider legislation to establish the Saint Lawrence Seaway Development Corporation as a performance-based organization on a pilot basis beginning in fiscal year 1998.

BOND AMENDMENT NO. 5128

Mr. HATFIELD (for Mr. BOND) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . FEDERAL AVIATION ADMINISTRATION PROCUREMENT.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Administrator of the Federal Aviation Administration should promote and encourage the use of full and open competition as the preferred method of procurement for the Federal Aviation Administration.

(b) INDEPENDENT ASSESSMENT.—Not later than December 31, 1997, the Administrator of the Federal Aviation Administration shall—

(1) take such action as may be necessary to provide for an independent assessment of the acquisition management system of the Federal Aviation Administration that includes a review of any efforts of the Administrator in promoting and encouraging the use of full and open competition as the preferred method of procurement with respect to any contract that involves an amount greater than $50,000,000; and

(2) submit to the Congress a report on the findings of that independent assessment.

(c) FULL AND OPEN COMPETITION DEFINED.—For purposes of this section, the term "full and open competition" has the meaning provided that term in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)).

KERREY AND EXON AMENDMENT NO. 5129

Mr. HATFIELD (Mr. KERREY, for himself and Mr. EXON) proposed an amendment to the bill, H.R. 3675, supra; as follows:

49 U.S.C. App. 2311 is amended by adding the following new subsection:

(d) NEBRASKA.—In addition to vehicles which the State of Nebraska may continue to allow to be operated under paragraphs (1)(A) and (1)(B) of this section, the State of Nebraska may allow longer combination vehicles that were not in actual operation on June 1, 1991 to be operated within its boundaries to transport sugar beets from the field where such sugar beets are harvested to storage, market, factory or stockpile or from stockpile to storage, market or factory. This provision shall expire on September 30, 1997.

LEVIN AMENDMENT NO. 5130

Mr. HATFIELD (for Mr. LEVIN) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the end of title IV, add the following:

SEC. 4 . HIGHWAY SAFETY IMPROVEMENT PROJECT, MICHIGAN.

Of the amount appropriated for the highway safety improvement project, Michigan, under the matter under the heading "SURFACE TRANSPORTATION PROJECTS" under the heading "FEDERAL HIGHWAY ADMINISTRATION" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1995 (Public Law 103–331; 108 Stat. 2478), for the purposes of right-of-way acquisition for Baldwin Road, and engineering, right-of-way acquisition, and construction between Walton Boulevard and Dixie Highway, $2,000,000 shall be made available for construction of Baldwin Road.

DORGAN AMENDMENT NO. 5131

Mr. DORGAN proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 2, line 6 after "$53,376,000," insert the following: "of which such sums as necessary shall be used to investigate anticompetitive practices in air transportation, enforce Section 41712 of Title 49, and report to Congress by the end of the fiscal year on its progress to address anticompetitive practices, and".

MCCAIN AMENDMENT NO. 5132

Mr. MCCAIN proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 25, strike lines 9 through 14, provided that the $200,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes.

On page 29, line 6, strike "$592,000,000" and insert "$120,000,00, provided that the $130,000,000 thus saved be made available to the Secretary for high priority rail, aviation and highway safety purposes."

DEWINE (AND OTHERS) AMENDMENT NO. 5133

Mr. DEWINE (for himself, Mr. LUGAR, Mr. BIDEN, and Mr. EXON) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the end of title IV, add the following:

SEC. . (a) Section 120(c) of title 23, United States Code, is amended by inserting "rail-highway crossing closure," after "carpooling and vanpooling,".

(b) Section 130 of such title is amended by adding at the end the following:

"(i) INCENTIVE PAYMENTS FOR AT-GRADE CROSSING CLOSURES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section and subject to paragraphs (2) and (3), a State may, from sums available to the State under this section, make incentive payments to local governments in the State upon the permanent closure by such governments of public at-grade rail-highway crossings under the jurisdiction of such governments.

"(2) INCENTIVE PAYMENTS BY RAILROADS.—A State may not make an incentive payment under paragraph (1) to a local government with respect to the closure of a crossing unless the railroad owning the tracks on which the crossing is located makes an incentive payment to the government with respect to the closure.

"(3) AMOUNT OF STATE PAYMENT.—The amount of the incentive payment payable to a local government by a State under paragraph (1) with respect to a crossing may not exceed the lesser of—

"(A) the amount of the incentive payment paid to the government with respect to the crossing by the railroad concerned under paragraph (2); or

"(B) $7,500.

"(4) USE OF STATE PAYMENTS.—A local government receiving an incentive payment from a State under paragraph (1) shall use the amount of the incentive payment for transportation safety improvements.".

DORGAN (AND OTHERS) AMENDMENT NO. 5134

Mr. DORGAN (for himself, Mr. CONRAD, Mr. EXON, Mr. HARKIN, Mr. PRESSLER, and Mr. DASCHLE) proposed an amendment to the bill, H.R. 3675, supra; as follows:

On line 12 on page 41 after the semicolon, insert the following: "*Provided further*, That none of the funds appropriated in this Act or otherwise made available may be used to increase fees for services in connection with licensing and related service fees, pursuant to 49 CFR Part 1002, STB Ex Parte No. 542, for services in connection with rail maximum rate complaints,".

MURKOWSKI AMENDMENT NO. 5135

Mr. MURKOWSKI proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place add the following:

"SEC. . (a) APPLICABLE LAWS.—Section 24301 of Title 49, United States Code, as amended by Section 504 of this Act, is amended by adding at the end thereof the following:

"(q) POWER PURCHASES.—The sale of power to Amtrak for its own use, including operating its electric traction system, does not constitute a direct sale of electric energy to an ultimate consumer under section 212(h)(1) of the Federal Power Act."

"(b) CONFORMING AMENDMENTS.—Section 212(h)(2)(A) of the Federal Power Act is amended by inserting "Amtrak;" after "a State or any political subdivision);"."

PRESSLER (AND OTHERS) AMENDMENT NO. 5136

Mr. HATFIELD (for Mr. PRESSLER, for himself, Mr. WYDEN, Mr. EXON, Mr. HARKIN, and Mrs. BOXER) proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 3, line 2, strike "$4,158,000" and insert "$3,000,000".

On page 5, line 17, strike "$132,499,000" and insert "$129,500,000".

On page 26, line 8, strike "1997" and insert "1997, except for up to $75,000,000 in loan guarantee commitments during such fiscal year (and $4,158,000 is hereby made available for the cost of such loan guarantee commitments.)."

KEMPTHORNE AMENDMENT NO. 5137

Mr. HATFIELD (for Mr. KEMPTHORNE) proposed an amendment to the bill, H.R. 3675, supra; as follows:

On page 47, of H.R. 3675: line 13, strike "$5,000,000" and insert "$15,000,000".

PRESSLER (AND OTHERS) AMENDMENT NO. 5138

Mr. HATFIELD (for Mr. PRESSLER, for himself, Mr. HARKIN, Mr. GRASSLEY, Mr. LOTT, Mr. BOND, and Mr. LUGAR) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . LIMITATION ON FUNDS USED TO ENFORCE REGULATIONS REGARDING ANIMAL FATS AND VEGETABLE OILS.

None of the funds made available in this Act may be used by the Coast Guard to issue, implement, or enforce a regulation or to establish an interpretation or guideline under the Edible Oil Regulatory Reform Act (Public Law 104–55) or the amendments made by that Act that does not recognize and provide for, with respect to fats, oils, and greases (as described in that Act or the amendments made by that Act) differences in—

(1) physical, chemical, biological, and other relevant properties; and

(2) environmental effects.

GORTON (AND OTHERS) AMENDMENT NO. 5139

Mr. HATFIELD (for Mr. GORTON, for himself, Mr. BAUCUS, and Mr. BURNS) proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place in the bill, add the following:

SEC. . (a) In cases where an emergency ocean condition causes erosion of a bank protecting a scenic highway or byway, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to halt the erosion and stabilize the bank if such action is necessary to protect the highway from imminent failure and is less expensive than highway relocation.

(b) In cases where an emergency condition causes inundation of a roadway or saturation of the subgrade with further erosion due to abnormal freeze/thaw cycles and damage caused by traffic, FY 1996 or FY 1997 Federal Highway Administration Emergency Relief funds can be used to repair such roadway.

(c) Not more than $8 million in Federal Highway Administration Emergency Relief funds may be used for each of the conditions referenced in paragraphs (a) and (b).

EXON AMENDMENT NO. 5140

Mr. EXON proposed an amendment to the bill, H.R. 3675, supra; as follows:

At the appropriate place in the bill add the following new section:

SEC. . THE RAILROAD SAFETY INSTITUTE.

Of the money available to the Federal Rail Administration up to $500,000 shall be made available to establish and operate the Institute for Railroad Safety as authorized by the Swift Rail Development Act of 1994.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON INDIAN AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet during the session of the Senate on Tuesday, July 30, 1996, at 9:30 a.m. in room 485 of the Russell Senate Office Building to conduct a markup on S. 1983, a bill to amend the Native American Graves Protection and Repatriation Act to provide for native Hawaiian organizations, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on S. 1035, the Access to Medical Treatment Act., during the session of the Senate on Tuesday, July 30, 1996, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. COHEN. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet during the session of the Senate on Tuesday, July 30 at 9:30 a.m. to hold a hearing to discuss suicide among the elderly.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSTITUTION, FEDERATION, AND PROPERTY RIGHTS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Constitution, Federalism, and Property Rights be authorized to meet during the session of the Senate on Tuesday, July 30, 1996, at 2 p.m., to hold an executive business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Forests and Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, July 30, 1996, for purposes of conducting a subcommittee hearing which is scheduled to begin at 10:30 a.m. The purpose of this oversight hearing is to receive testimony on the conditions that have made the national forests of the Southwest susceptible to catastrophic fires and disease.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent for the Subcommittee on International Trade and the Caucus on International Narcotics Control to conduct a hearing on Tuesday, July 30, 1996, beginning at 9 a.m. in room SD–215.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. DOMENICI. Mr. President, the Finance Committee requests unanimous consent for the Subcommittee on International Trade and the Caucus on International Narcotics Control to conduct a hearing on Tuesday, July 30, 1996, beginning at 10 a.m. in room SD–215.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, July 30, 1996, at 3 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO DR. WILLIAM WHEELER, NEW HAMPSHIRE'S SUPERINTENDENT OF THE YEAR

• Mr. SMITH. Mr. President, I rise today to pay tribute to Dr. William Wheeler for receiving New Hampshire's Superintendent of the Year Award. William has served his schools with pride and dedication, always putting the best interests of New Hampshire's children first. As a former teacher and school board chairman myself, I am proud to congratulate him for receiving this prestigious award.

William received his doctorate in education from the University of Wyoming and has been a teacher, high school principal, and assistant superintendent of schools. He is currently superintendent of school in School Administrative Unit No. 38, which serves the Monadnock Regional, Hinsdale, and Winchester Schools District. In addition, he also serves as president of the New Hampshire Schools Administrators Association. William's colleagues have always been impressed with his focus and commitment to the communities he serves.

William was selected as New Hampshire's Superintendent of the Year for his leadership, communication skills, professionalism, and community involvement. He is a leader and an educator tireless in his commitment to children and community. William's efforts on behalf of New Hampshire public school children have been praised by many including the New Hampshire School Boards Association, the director of the New Hampshire School Administrator's Association, New Hampshire's Education Commissioner, and the vice president of the New Hampshire Business and Industry Association.

Our Nation's children are our future and one of our greatest treasures. Our educators have been entrusted with the care and development of these young minds and are the guardians of this treasure. As superintendent, William has done an excellent job coordinating the schools in his care. His outstanding performance is reflected in the quality of the schools in his district and the respect and admiration he has earned from fellow educators. I commend William Wheeler for a career of distinction in the field of education. New Hampshire is fortunate to have such a talented and dedicated educator devoted to our children.•

SELMA JEAN COHEN

• Ms. MIKULSKI. Mr. President, I would like to call to the attention of my colleagues the life of Selma Jean Cohen, a native Marylander who dedicated her life to caring for ill and handicapped children and adults. Mrs. Cohen passed away on July 2 at the age of 75.

Mrs. Cohen was born Selma Jean Lattin and graduated from Forest Park High School in 1930. She married Leonard Cohen in 1942, and had two sons. While raising her children, Selma Cohen was very active in her community. She was the PTA president at Louisa May Alcott Elementary School, as well as the Cub Scout den mother and president of her synagogue sisterhood.

After raising her children, Selma Cohen served as the Maryland State Health Department Director of Nursing Home Bed Registry for 25 years, finding nursing home beds for seniors and the ill across Maryland. Mrs. Cohen was instrumental in bringing nursing home quality and safety concerns to the attention of authorities. She also volunteered her time at the Levindale Hebrew Geriatric Center and Hospital.

As a volunteer manager at the Baltimore Ronald McDonald House for 10 years, Selma Cohen worked with families who had children in the hospital for serious illnesses. She also volunteered at Mount Washington Pediatric Hospital. Mrs. Cohen is remembered for the tremendous joy and fulfillment she derived from working with children and the way she cared for them as though they were her own.

Despite her long battle with cancer, Mrs. Cohen never lost her cheerful outlook, her sense of humor or her great zest for life. In fact, two days before her death, she was asking how her favorite team, the Baltimore Orioles, was doing.

I know my colleagues join me in paying tribute to Mrs. Cohen's many years of service to our community. Mrs. Cohen was a great mother, a great wife, a great advocate for seniors and children and a great Marylander.•

TRIBUTE TO OLYMPIAN JENNY THOMPSON

• Mr. SMITH. Mr. President, I rise today to pay tribute to Jenny Thompson of Dover, NH, for three gold medal performances at the 1996 summer Olympic games in Atlanta. Jenny's outstanding performances in women's swimming relay events are a tremendous achievement. She has made the Granite State very proud of her Olympic success.

Jenny swam the anchor leg in the women's 400 and 800 meter freestyle relays, setting American and Olympic records in both races. In addition, she swan in the qualifying round of the 400-meter medley relay to launch the team to gold in the final. With her three outstanding performances, Jenny proved herself a team player, giving so much of herself to the team's quest for a gold medal. The U.S. swimming team brought home its sixth straight relay gold medal, winning all of the relays that have been contested.

Jenny is a graduate of Dover High School where she swam and ran cross country track. She subsequently attended Stanford University, graduating in 1995, and began working with her current coach in California. In the 1992 Olympic games in Barcelona, Jenny won two gold medals and one silver medal. She has held American and world records in the 100 meter freestyle and an American record in the 100-yard freestyle. She was named the U.S. swimmer of the year after winning five national titles, eight NCAA titles, and six Pan-Pacific titles and is also a 12-time U.S. national champion. In 1995, she won the 100-meter freestyle and 100-meter butterfly at the world championships despite breaking her arm. At the young age of 23, Jenny now ties skater Bonnie Blair as the American woman with the highest number of Olympic gold medals.

The Olympic games are the crowning achievement of an athlete's career—the best meet the best from around the world. Years of training culminate in just a few weeks of competition in which dreams are fulfilled, records are broken, and champions are made. Jenny is one such champion with her three gold medals and two Olympic records. Dover will welcome their hometown girl as she returns on August 10 with a celebration and, appropriately, the dedication of a swimming pool in her name.

Jenny has proven herself an athlete and a winner. She has the admiration and pride of the New Hampshire seacoast and we are indeed proud of her. It is with pride that I congratulate the women's relay teams and our shining New Hampshire star, Jenny Thompson.•

CONGRATULATING MAC VAN HORN

• Mr. BUMPERS. Mr. President, on August 27, 1996, the Industrial Developers of Arkansas will honor Mac Van Horn as their Developer of the Year.

Mac Van Horn has been the backbone of industrial development for the past 25 years in Russellville, AR. Owner of a local construction firm involved in residential and commercial development, Mac began work as a cheerleader for development in the early 1970's. He began to attend seminars, visited Arkansas Industrial Development Commission project managers, and others and learned all the things that were important to industrial recruitment.

He was such a good student of industrial recruitment techniques that two Arkansas Governors placed him on the Arkansas Industrial Development Commission where he served faithfully for 15 years.

In the past 5 years, Mac and others on the Russellville Industrial Contact Team have recruited five new companies to the Arkansas River Valley. Fasco Industries, Inc., Alumax Foils, Inc., Bardcor Corp., CarMar Freezers, and Amarillo Gear Company have all chosen to locate in Russellville.

Mac combines his knowledge of industrial development recruitment and home cooking since he invites prospective company officials into his home when they visit to lure industry to Pope County.

Mac plans to retire soon from these endeavors. His leadership, years of experience and expertise, and his skills as a negotiator will be missed on the Russellville Industrial Contact Team.

This award is most deserved and I want to join in congratulating Mac Van Horn for his tireless service to the community he loves.•

TRIBUTE TO ROBERT SILVA FOR RECEIVING NEW HAMPSHIRE'S OUTSTANDING SERVICE AWARD IN EDUCATION

• Mr. SMITH. Mr. President, I rise today to pay tribute to Robert Silva for receiving New Hampshire's Outstanding Service Award in Education. William has served Concord school children for almost 30 years with pride and dedication, always putting the best interests of the children first. As a former teacher and school board chairman myself, I am proud to congratulate him for receiving this prestigious award.

Robert received his Bachelors and Masters degrees from the University of New Hampshire and has worked in Concord since 1967. He has been a teacher, athletic director, assistant principal, and principal. In addition, he served as the Director of Adult Education at the New Hampshire State Prison for 2 years. Robert is currently Assistant Superintendent in Concord, a position he has held since 1984.

Robert is also very involved in his community, where his record of service to schools and the community is outstanding. He has served on the Concord Recreation Committee, the Christa McAuliffe Fund Committee, and the Community Election Forum Committee. In addition he has served on the Board of Directors of the Concord DARE Association and chaired United Way fundraising for the schools.

Robert's dedication and commitment to service won him this prestigious award. He is also a leader who has shown his devotion to community development. He is a highly respected individual who is trusted and admired by all who know and work with him. His colleagues have always been impressed with his hard work and warm hearted nature. To those who work with him, Robert is also reliable and down to earth.

Our educators have been entrusted with one of our Nation's greatest treasures, our children. They, as the guardians of this treasure, care for and ensure the development of these young minds. Throughout his career in education, Robert has done an excellent job looking out for the welfare of those in his care. His outstanding performance is reflected in the respect and admiration he has earned from his colleagues. New Hampshire is fortunate to have such a talented educator and administrator. I commend Robert Silva for his outstanding career in the field of education.•

PUBLIC HOUSING REFORM AND EMPOWERMENT ACT OF 1996

Mr. GRASSLEY. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1260, a bill to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and of other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1260) entitled "An Act to reform and consolidate the public and assisted housing programs of the United States, and to redirect primary responsibility for these programs from the Federal Government to States and localities, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause, and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "United States Housing Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Declaration of policy to renew American neighborhoods.

TITLE I—GENERAL PROVISIONS

Sec. 101. Statement of purpose.
Sec. 102. Definitions.
Sec. 103. Organization of local housing and management authorities.
Sec. 104. Determination of adjusted income and median income.
Sec. 105. Occupancy limitations based on illegal drug activity and alcohol abuse.
Sec. 106. Community work and family self-sufficiency requirement.
Sec. 107. Local housing management plans.
Sec. 108. Review of plans.
Sec. 109. Reporting requirements.
Sec. 110. Pet ownership.
Sec. 111. Administrative grievance procedure.
Sec. 112. Headquarters reserve fund.

Sec. 113. Labor standards.
Sec. 114. Nondiscrimination.
Sec. 115. Prohibition on use of funds.
Sec. 116. Inapplicability to Indian housing.
Sec. 117. Effective date and regulations.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

Sec. 201. Block grant contracts.
Sec. 202. Block grant authority, amount, and eligibility.
Sec. 203. Eligible and required activities.
Sec. 204. Determination of grant allocation.
Sec. 205. Sanctions for improper use of amounts.

Subtitle B—Admissions and Occupancy Requirements

Sec. 221. Low-income housing requirement.
Sec. 222. Family eligibility.
Sec. 223. Preferences for occupancy.
Sec. 224. Admission procedures.
Sec. 225. Family rental payment.
Sec. 226. Lease requirements.
Sec. 227. Designated housing for elderly and disabled families.

Subtitle C—Management

Sec. 231. Management procedures.
Sec. 232. Housing quality requirements.
Sec. 233. Employment of residents.
Sec. 234. Resident councils and resident management corporations.
Sec. 235. Management by resident management corporation.
Sec. 236. Transfer of management of certain housing to independent manager at request of residents.
Sec. 237. Resident opportunity program.

Subtitle D—Homeownership

Sec. 251. Resident homeownership programs.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

Sec. 261. Requirements for demolition and disposition of developments.
Sec. 262. Demolition, site revitalization, replacement housing, and choice-based assistance grants for developments.
Sec. 263. Voluntary voucher system for public housing.

Subtitle F—General Provisions

Sec. 271. Conversion to block grant assistance.
Sec. 272. Payment of non-Federal share.
Sec. 273. Definitions.
Sec. 274. Authorization of appropriations for block grants.
Sec. 275. Authorization of appropriations for operation safe home.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

Sec. 301. Authority to provide housing assistance amounts.
Sec. 302. Contracts with LHMA's.
Sec. 303. Eligibility of LHMA's for assistance amounts.
Sec. 304. Allocation of amounts.
Sec. 305. Administrative fees.
Sec. 306. Authorizations of appropriations.
Sec. 307. Conversion of section 8 assistance.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

Sec. 321. Eligible families and preferences for assistance.
Sec. 322. Resident contribution.
Sec. 323. Rental indicators.
Sec. 324. Lease terms.
Sec. 325. Termination of tenancy.
Sec. 326. Eligible owners.
Sec. 327. Selection of dwelling units.
Sec. 328. Eligible dwelling units.
Sec. 329. Homeownership option.
Sec. 330. Assistance for rental of manufactured homes.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

Sec. 351. Housing assistance payments contracts.
Sec. 352. Amount of monthly assistance payment.
Sec. 353. Payment standards.
Sec. 354. Reasonable rents.
Sec. 355. Prohibition of assistance for vacant rental units.

Subtitle D—General and Miscellaneous Provisions

Sec. 371. Definitions.
Sec. 372. Rental assistance fraud recoveries.
Sec. 373. Study regarding geographic concentration of assisted families.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

Sec. 401. Establishment.
Sec. 402. Membership.
Sec. 403. Functions.
Sec. 404. Initial establishment of standards and procedures for LHMA compliance.
Sec. 405. Powers.
Sec. 406. Fees.
Sec. 407. Reports.
Sec. 408. GAO Audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

Sec. 431. Establishment of performance benchmarks and accreditation procedures.
Sec. 432. Financial and performance audit.
Sec. 433. Accreditation.
Sec. 434. Classification by performance category.
Sec. 435. Performance agreements for authorities at risk of becoming troubled.
Sec. 436. Performance agreements and CDBG sanctions for troubled LHMA's.
Sec. 437. Option to demand conveyance of title to or possession of public housing.
Sec. 438. Removal of ineffective LHMA's.
Sec. 439. Mandatory takeover of chronically troubled PHA's.
Sec. 440. Treatment of troubled PHA's.
Sec. 441. Maintenance of and access to records.
Sec. 442. Annual reports regarding troubled LHMA's.
Sec. 443. Applicability to resident management corporations.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

Sec. 501. Repeals.
Sec. 502. Conforming and technical provisions.
Sec. 503. Amendments to Public and Assisted Housing Drug Elimination Act of 1990.
Sec. 504. Treatment of certain projects.
Sec. 505. Amendments relating to community development assistance.
Sec. 506. Authority to transfer surplus real property for housing use.
Sec. 507. Rural housing assistance.
Sec. 508. Treatment of occupancy standards.
Sec. 509. Implementation of plan.
Sec. 510. Income eligibility for HOME and CDBG programs.
Sec. 511. Amendments relating to section 236 program.
Sec. 512. Prospective application of gold clauses.
Sec. 513. Moving to work demonstration for the 21st century.
Sec. 514. Occupancy screening and evictions from federally assisted housing.
Sec. 515. Use of American products.
Sec. 516. Limitation on extent of use of loan guarantees for housing purposes.
Sec. 517. Consultation with affected areas in settlement of litigation.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

Sec. 601. Establishment.
Sec. 602. Membership.
Sec. 603. Organization.
Sec. 604. Functions.
Sec. 605. Powers.
Sec. 606. Funding.
Sec. 607. Sunset.

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

Sec. 701. Short title.
Sec. 702. Congressional findings.
Sec. 703. Administration through Office of Native American Programs.
Sec. 704. Definitions.

Subtitle A—Block Grants and Grant Requirements

Sec. 711. Block grants.
Sec. 712. Local housing plans.
Sec. 713. Review of plans.
Sec. 714. Treatment of program income and labor standards.
Sec. 715. Environmental review.
Sec. 716. Regulations.
Sec. 717. Effective date.
Sec. 718. Authorization of appropriations.

Subtitle B—Affordable Housing Activities

Sec. 721. National objectives and eligible families.
Sec. 722. Eligible affordable housing activities.
Sec. 723. Required affordable housing activities.
Sec. 724. Types of investments.
Sec. 725. Low-income requirement and income targeting.
Sec. 726. Certification of compliance with subsidy layering requirements.
Sec. 727. Lease requirements and tenant selection.
Sec. 728. Repayment.
Sec. 729. Continued use of amounts for affordable housing.

Subtitle C—Allocation of Grant Amounts

Sec. 741. Annual allocation.
Sec. 742. Allocation formula.

Subtitle D—Compliance, Audits, and Reports

Sec. 751. Remedies for noncompliance.
Sec. 752. Replacement of recipient.
Sec. 753. Monitoring of compliance.
Sec. 754. Performance reports.
Sec. 755. Review and audit by Secretary.
Sec. 756. GAO audits.
Sec. 757. Reports to Congress.

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

Sec. 761. Termination of Indian public housing assistance under United States Housing Act of 1937.
Sec. 762. Termination of new commitments for rental assistance.
Sec. 763. Termination of youthbuild program assistance.
Sec. 764. Termination of HOME program assistance.
Sec. 765. Termination of housing assistance for the homeless.
Sec. 766. Savings provision.
Sec. 767. Effective date.

Subtitle F—Loan Guarantees for Affordable Housing Activities

Sec. 771. Authority and requirements.
Sec. 772. Security and repayment.
Sec. 773. Payment of interest.
Sec. 774. Treasury borrowing.
Sec. 775. Training and information.

Sec. 776. Limitations on amount of guarantees.
Sec. 777. Effective date.

Subtitle G—Other Housing Assistance for Native Americans

Sec. 781. Loan guarantees for Indian housing.
Sec. 782. 50-year leasehold interest in trust or restricted lands for housing purposes.
Sec. 783. Training and technical assistance.
Sec. 784. Effective date.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

Sec. 801. Short title; reference.
Sec. 802. Statement of purpose.
Sec. 803. Definitions.
Sec. 804. Federal manufactured home construction and safety standards.
Sec. 805. Abolishment of National Manufactured Home Advisory Council.
Sec. 806. Public information.
Sec. 807. Inspection fees.
Sec. 808. Elimination of annual report requirement.
Sec. 809. Effective date.

SEC. 2. DECLARATION OF POLICY TO RENEW AMERICAN NEIGHBORHOODS.

The Congress hereby declares that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;

(3) the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly;

(4) housing is a fundamental and necessary component of bringing true opportunity to people and communities in need, but providing physical structures to house low-income families will not by itself pull generations up from poverty;

(5) it is a goal of our Nation that all citizens have decent and affordable housing; and

(6) our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by promoting and protecting the independent and collective actions of private citizens, organizations, and the private sector to develop housing and strengthen their own neighborhoods.

TITLE I—GENERAL PROVISIONS

SEC. 101. STATEMENT OF PURPOSE.

The purpose of this Act is to promote safe, clean, and healthy housing that is affordable to low-income families, and thereby contribute to the supply of affordable housing, by—

(1) deregulating and decontrolling public housing agencies, which in this Act are referred to as "local housing and management authorities", and thereby enable them to perform as property and asset managers;

(2) providing for more flexible use of Federal assistance to local housing and management authorities, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

(3) facilitating mixed income communities;

(4) increasing accountability and rewarding effective management of local housing and management authorities;

(5) creating incentives and economic opportunities for residents of dwelling units assisted by local housing and management authorities to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

(6) recreating the existing rental assistance voucher program so that the use of vouchers and relationships between landlords and tenants under the program operate in a manner that more closely resembles the private housing market; and

(7) remedying troubled local housing and management authorities and replacing or revitalizing severely distressed public housing developments.

SEC. 102. DEFINITIONS.

For purposes of this Act, the following definitions shall apply:

(1) DISABLED FAMILY.—The term "disabled family" means a family whose head (or his or her spouse), or whose sole member, is a person with disabilities. Such term includes 2 or more persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(2) DRUG-RELATED CRIMINAL ACTIVITY.—The term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 102 of the Controlled Substances Act).

(3) ELDERLY FAMILIES AND NEAR ELDERLY FAMILIES.—The terms "elderly family" and "near-elderly family" mean a family whose head (or his or her spouse), or whose sole member, is an elderly person or a near-elderly person, respectively. Such terms include 2 or more elderly persons or near-elderly persons living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(4) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(5) FAMILY.—The term "family" includes a family with or without children, an elderly family, a near-elderly family, a disabled family, and a single person.

(6) INCOME.—The term "income" means, with respect to a family, income from all sources of each member of the household, as determined in accordance with criteria prescribed by the applicable local housing and management authority and the Secretary, except that the following amounts shall be excluded:

(A) Any amounts not actually received by the family.

(B) Any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act.

(7) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "local housing and management authority" is defined in section 103.

(8) LOCAL HOUSING MANAGEMENT PLAN.—The term "local housing management plan" means, with respect to any fiscal year, the plan under section 107 of a local housing and management authority for such fiscal year.

(9) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(10) LOW-INCOME HOUSING.—The term "low-income housing" means dwellings that comply with the requirements—

(A) under subtitle B of title II for assistance under such title for the dwellings; or

(B) under title III for rental assistance payments under such title for the dwellings.

(11) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 55 years of age.

(12) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(A) has a disability as defined in section 223 of the Social Security Act; or

(B) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for public housing under title II of this Act, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(13) PUBLIC HOUSING.—The term "public housing" means housing, and all necessary appurtenances thereto, that—

(A) is low-income housing or low-income dwelling units in mixed income housing (as provided in section 221(c)(2)); and

(B)(i) is subject to an annual block grant contract under title II; or

(ii) was subject to an annual block grant contract under title II (or an annual contributions contract under the United States Housing Act of 1937) which is not in effect, but for which occupancy is limited in accordance with the requirements under section 222(a).

(14) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development.

(15) STATE.—The term "State" means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States and Indian tribes.

(16) VERY LOW-INCOME FAMILY.—The term "very low-income family" means a low-income family whose income does not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 50 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

SEC. 103. ORGANIZATION OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES.

(a) REQUIREMENTS.—For purposes of this Act, the terms "local housing and management authority" and "authority" mean any entity that—

(1) is—

(A) a public housing agency that was authorized under the United States Housing Act of

1937 to engage in or assist in the development or operation of low-income housing;

(B) authorized under this Act to engage in or assist in the development or operation of low-income housing by any State, county, municipality, or other governmental body or public entity;

(C) an entity authorized by State law to administer choice-based housing assistance under title III; or

(D) an entity selected by the Secretary, pursuant to subtitle B of title IV, to manage housing; and

(2) complies with the requirements under subsection (b).

The term does not include any entity that is Indian housing authority for purposes of the United States Housing Act of 1937 (as in effect before the enactment of this Act) or a tribally designated housing entity, as such term is defined in section 704.

(b) GOVERNANCE.—

(1) BOARD OF DIRECTORS.—Each local housing and management authority shall have a board of directors or other form of governance as prescribed in State or local law. No person may be barred from serving on such board or body because of such person's residency in a public housing development or status as an assisted family under title III.

(2) RESIDENT MEMBERSHIP.—

(A) IN GENERAL.—Except as provided in subparagraph (B), in localities in which a local housing and management authority is governed by a board of directors or other similar body, the board or body shall include not less than 1 member who is an elected public housing resident member (as such term is defined in paragraph (5)). If the board includes 2 or more resident members, at least 1 such member shall be a member of an assisted family under title III.

(B) EXCEPTIONS.—The requirement in subparagraph (A) with respect to elected public housing resident members and resident members shall not apply to—

(i) any State or local governing body that serves as a local housing and management authority for purposes of this Act and whose responsibilities include substantial activities other than acting as the local housing and management authority, except that such requirement shall apply to any advisory committee or organization that is established by such governing body and whose responsibilities relate only to the governing body's functions as a local housing and management authority for purposes of this Act;

(ii) any local housing and management authority that owns or operates less than 250 public housing dwelling units (including any authority that does not own or operate public housing);

(iii) any local housing and management authority in a State in which State law specifically precludes public housing residents or assisted families from serving on the board of directors or other similar body of an authority; or

(iv) any local housing and management authority in a State that requires the members of the board of directors or other similar body of a local housing and management authority to be salaried and to serve on a full-time basis.

(3) FULL PARTICIPATION.—No local housing and management authority may limit or restrict the capacity or offices in which a member of such board or body may serve on such board or body solely because of the member's status as a resident member.

(4) CONFLICTS OF INTEREST.—The Secretary shall establish guidelines to prevent conflicts of interest on the part of members of the board or directors or governing body of a local housing and management authority.

(5) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

(A) ELECTED PUBLIC HOUSING RESIDENT MEMBER.—The term "elected public housing resident member" means, with respect to the local housing and management authority involved, an individual who is a resident member of the board of directors (or other similar governing body of the authority) by reason of election to such position pursuant to an election—

(i) in which eligibility for candidacy in such election is limited to individuals who—

(I) maintain their principal residence in a dwelling unit of public housing administered or assisted by the authority; and

(II) have not been convicted of a felony and do not reside in a household that includes an individual convicted of a felony;

(ii) in which only residents of dwelling units of public housing administered by the authority may vote; and

(iii) that is conducted in accordance with standards and procedures for such election, which shall be established by the Secretary.

(B) RESIDENT MEMBER.—The term "resident member" means a member of the board of directors or other similar governing body of a local housing and management authority who is a resident of a public housing dwelling unit owned, administered, or assisted by the authority or is a member of an assisted family (as such term is defined in section 371) assisted by the authority.

(c) ESTABLISHMENT OF POLICIES.—Any rules, regulations, policies, standards, and procedures necessary to implement policies required under section 107 to be included in the local housing management plan for a local housing and management authority shall be approved by the board of directors or similar governing body of the authority and shall be publicly available for review upon request.

SEC. 104. DETERMINATION OF ADJUSTED INCOME AND MEDIAN INCOME.

(a) ADJUSTED INCOME.—For purposes of this Act, the term "adjusted income" means, with respect to a family, the difference between the income of the members of the family residing in a dwelling unit or the persons on a lease and the amount of any income exclusions for the family under subsections (b) and (c), as determined by the local housing and management authority.

(b) MANDATORY EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority shall exclude from the annual income of a family the following amounts:

(1) ELDERLY AND DISABLED FAMILIES.—$400 for any elderly or disabled family.

(2) MEDICAL EXPENSES.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(A) unreimbursed medical expenses of any elderly family;

(B) unreimbursed medical expenses of any nonelderly family, except that this subparagraph shall apply only to the extent approved in appropriation Acts; and

(C) unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, to the extent necessary to enable any member of such family (including such handicapped member) to be employed.

(3) CHILD CARE EXPENSES.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

(4) MINORS, STUDENTS, AND PERSONS WITH DISABILITIES.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is under 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(5) CHILD SUPPORT PAYMENTS.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this paragraph may not exceed $480 for each child for whom such payment is made.

(c) PERMISSIVE EXCLUSIONS FROM INCOME.—In determining adjusted income, a local housing and management authority may, in the discretion of the authority, establish exclusions from the annual income of a family. Such exclusions may include the following amounts:

(1) EXCESSIVE TRAVEL EXPENSES.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(2) EARNED INCOME.—An amount of any earned income of the family, established at the discretion of the local housing and management authority, which may be based on—

(A) all earned income of the family,

(B) the amount earned by particular members of the family;

(C) the amount earned by families having certain characteristics; or

(D) the amount earned by families or members during certain periods or from certain sources.

(3) OTHERS.—Such other amounts for other purposes, as the local housing and management authority may establish.

(d) MEDIAN INCOME.—In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this Act, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties.

SEC. 105. OCCUPANCY LIMITATIONS BASED ON ILLEGAL DRUG ACTIVITY AND ALCOHOL ABUSE.

(a) INELIGIBILITY BECAUSE OF EVICTION FOR DRUG-RELATED CRIMINAL ACTIVITY.—Any tenant evicted from housing assisted under title II or title III by reason of drug-related criminal activity (as such term is defined in section 102) shall not be eligible for any housing assistance under title II or title III during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the local housing and management authority (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).

(b) INELIGIBILITY OF ILLEGAL DRUG USERS AND ALCOHOL ABUSERS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, a local housing and management authority shall establish standards for occupancy in public housing dwelling units and housing assistance under title II—

(A) that prohibit occupancy in any public housing dwelling unit by, and housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) if the local housing and management authority determines that it has reasonable cause to believe that such person's illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may

interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project; and

(B) that allow the local housing and management authority to terminate the tenancy in any public housing unit of, and the housing assistance under title II for, any person—

(i) who the local housing and management authority determines is illegally using a controlled substance; or

(ii) whose illegal use of a controlled substance, or whose abuse of alcohol, is determined by the local housing and management authority to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents of the project.

(2) CONSIDERATION OF REHABILITATION.—In determining whether, pursuant to paragraph (1), to deny occupancy or assistance to any person based on a pattern of use of a controlled substance or a pattern of abuse of alcohol, a local housing and management authority may consider whether such person—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable);

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

(c) OTHER SCREENING.—A local housing and management authority may deny occupancy as provided in section 642 of the Housing and Community Development Act of 1992.

(d) LIMITATION ON ADMISSION OF PERSONS CONVICTED OF DRUG-RELATED OFFENSES.—Notwithstanding any other provision of law, each local housing and management authority shall prohibit admission and occupancy to public housing dwelling units by, and assistance under title III to, any person who, after the date of the enactment of this Act, has been convicted of illegal possession with intent to sell any controlled substance (as such term is defined in the Controlled Substances Act). This subsection may not be construed to require the termination of tenancy or eviction of any member of a household residing in public housing, or the termination of assistance of any member of an assisted family, who is not a person described in the preceding sentence.

SEC. 106. COMMUNITY WORK AND FAMILY SELF-SUFFICIENCY REQUIREMENT.

(a) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family shall contribute not less than 8 hours of work per month within the community in which the family resides. The requirement under this subsection shall be incorporated in the terms of the tenant self-sufficiency contract under subsection (b).

(b) TENANT SELF-SUFFICIENCY CONTRACT.—

(1) REQUIREMENT.—Except as provided in subsection (c), each local housing and management authority shall require, as a condition of occupancy of a public housing dwelling unit by a family and of providing housing assistance under title III on behalf of a family, that each adult member of the family who has custody of, or is responsible for, a minor living in his or her care shall enter into a legally enforceable self-sufficiency contract under this section with the authority.

(2) CONTRACT TERMS.—The terms of a self-sufficiency contract under this subsection shall be established pursuant to consultation between the authority and the family and shall include a plan for the resident's or family's residency in housing assisted under this Act that provides—

(A) a date specific by which the resident or family will graduate from or terminate tenancy in such housing;

(B) specific interim and final performance targets and deadlines relating to self-sufficiency, which may relate to education, school participation, substance and alcohol abuse counseling, mental health support, jobs and skills training, and any other factors the authority considers appropriate; and

(C) any resources, services, and assistance relating to self-sufficiency to be made available to the resident or family.

(3) INCORPORATION INTO LEASE.—A self-sufficiency contract under this subsection shall be incorporated by reference into a lease under section 226 or 324, as applicable, and the terms of such contract shall be terms of the lease for which violation may result in—

(A) termination of tenancy, pursuant to section 226(4) or 325(a)(1), as applicable; or

(B) withholding of assistance under this Act. The contract shall provide that the local housing and management authority or the resident who is a party to the contract may enforce the contract through an administrative grievance procedure under section 111.

(4) PARTNERSHIPS FOR SELF-SUFFICIENCY ACTIVITIES.—A local housing and management authority may enter into such agreements and form such partnerships as may be necessary, with State and local agencies, nonprofit organizations, academic institutions, and other entities who have experience or expertise in providing services, activities, training, and other assistance designed to facilitate low- and very-low income families achieving self-sufficiency.

(5) CHANGED CIRCUMSTANCES.—A self-sufficiency contract under this subsection shall provide for modification in writing and that the local housing and management authority may for good cause or changed circumstances waive conditions under the contract.

(6) MODEL CONTRACTS.—The Secretary shall, in consultation with organizations and groups representing resident councils and residents of housing assisted under this Act, develop a model self-sufficiency contract for use under this subsection. The Secretary shall provide local housing and management authorities with technical assistance and advice regarding such contracts.

(c) EXEMPTIONS.—A local housing and management authority shall provide for the exemption, from the applicability of the requirements under subsections (a) and (b)(1), of each individual who is—

(1) an elderly person and unable, as determined in accordance with guidelines established by the Secretary, to comply with the requirement;

(2) a person with disabilities and unable (as so determined) to comply with the requirement;

(3) working, attending school or vocational training, or otherwise complying with work requirements applicable under other public assistance programs, and unable (as so determined) to comply with the requirement; or

(4) otherwise physically impaired, as certified by a doctor, and is therefore unable to comply with the requirement.

SEC. 107. LOCAL HOUSING MANAGEMENT PLANS.

(a) IN GENERAL.—In accordance with this section, the Secretary shall provide for each local housing and management authority to submit to the Secretary a local housing management plan under this section for each fiscal year that describes the mission of the local housing and management authority and the goals, objectives, and policies of the authority to meet the housing needs of low-income families in the jurisdiction of the authority.

(b) PROCEDURES.—The Secretary shall establish requirements and procedures for submission and review of plans and for the contents of such plans. Such procedures shall provide for local housing and management authorities to, at the option of the authority, submit plans under this section together with, or as part of, the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the relevant jurisdiction and for concomitant review of such plans.

(c) CONTENTS.—A local housing management plan under this section for a local housing and management authority shall contain the following information relating to the upcoming fiscal year for which the assistance under this Act is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the authority that includes—

(A) a description of the financial resources available to the authority;

(B) the uses to which such resources will be committed, including eligible and required activities under section 203 to be assisted, housing assistance to be provided under title III, and administrative, management, maintenance, and capital improvement activities to be carried out; and

(C) an estimate of the market rent value of each public housing development of the authority.

(2) POPULATION SERVED.—A statement of the policies of the authority governing eligibility, admissions, and occupancy of families with respect to public housing dwelling units and housing assistance under title III, including—

(A) the requirements for eligibility for such units and assistance and the method by which eligibility will be determined and verified;

(B) the requirements for selection and admissions of eligible families for such units and assistance, including any preferences established under section 223 or 321(e) and the criteria for selection under section 222(b) and (c);

(C) the procedures for assignment of families admitted to dwelling units owned, operated, or assisted by the authority;

(D) any standards and requirements for occupancy of public housing dwelling units and units assisted under title III, including conditions for continued occupancy, termination of tenancy, eviction, and termination of housing assistance under section 321(g);

(E) the criteria under subsection (f) of section 321 for providing and denying housing assistance under title III to families moving into the jurisdiction of the authority;

(F) the fair housing policy of the authority; and

(G) the procedures for outreach efforts (including efforts that are planned and that have been executed) to homeless families and to entities providing assistance to homeless families, in the jurisdiction of the authority.

(3) RENT DETERMINATION.—A statement of the policies of the authority governing rents charged for public housing dwelling units and rental contributions of assisted families under title III, including—

(A) the methods by which such rents are determined under section 225 and such contributions are determined under section 322;

(B) an analysis of how such methods affect—

(i) the ability of the authority to provide housing assistance for families having a broad range of incomes;

(ii) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(iii) the availability of other financial resources to the authority.

(4) QUALITY STANDARDS FOR MAINTENANCE AND MANAGEMENT.—A statement of the standards and policies of the authority governing maintenance and management of housing owned and operated by the authority, and management of the local housing and management authority, including—

(A) housing quality standards in effect pursuant to sections 232 and 328 and any certifications required under such sections;

(B) routine and preventative maintenance policies for public housing;

(C) emergency and disaster plans for public housing;

(D) rent collection and security policies for public housing;

(E) priorities and improvements for management of public housing; and

(F) priorities and improvements for management of the authority, including improvement of electronic information systems to facilitate managerial capacity and efficiency.

(5) GRIEVANCE PROCEDURE.—A statement of the grievance procedures of the authority under section 111.

(6) CAPITAL IMPROVEMENTS.—With respect to public housing developments owned or operated by the authority, a plan describing—

(A) the capital improvements necessary to ensure long-term physical and social viability of the developments; and

(B) the priorities of the authority for capital improvements based on analysis of available financial resources, consultation with residents, and health and safety considerations.

(7) DEMOLITION AND DISPOSITION.—With respect to public housing developments owned or operated by the authority—

(A) a description of any such housing to be demolished or disposed of under subtitle E of title II;

(B) a timetable for such demolition or disposition; and

(C) any information required under section 261(h) with respect to such demolition or disposition.

(8) DESIGNATION OF HOUSING FOR ELDERLY AND DISABLED FAMILIES.—With respect to public housing developments owned or operated by the authority, a description of any developments (or portions thereof) that the authority has designated or will designate for occupancy by elderly and disabled families in accordance with section 227 and any information required under section 227(d) for such designated developments.

(9) CONVERSION OF PUBLIC HOUSING.—With respect to public housing owned or operated by the authority, a description of any building or buildings that the authority is required under section 203(b) to convert to housing assistance under title III, an analysis of such buildings showing that the buildings meet the requirements under such section for such conversion, and a statement of the amount of grant amounts under title II to be used for rental assistance under title III.

(10) HOMEOWNERSHIP ACTIVITIES.—A description of any homeownership programs of the authority under subtitle D of title II or section 329 for the authority and the requirements and assistance available under such programs.

(11) COORDINATION WITH WELFARE AND OTHER APPROPRIATE AGENCIES.—A description of how the authority will coordinate with State welfare agencies and other appropriate Federal, State, or local government agencies or nongovernment agencies or entities to ensure that public housing residents and assisted families will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency.

(12) SAFETY AND CRIME PREVENTION.—A description of the policies established by the authority that increase or maintain the safety of public housing residents, facilitate the authority undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase public housing resident safety by coordinating crime prevention efforts between the authority and Federal, State, and local law enforcement officials. Furthermore, to assure the safety of public housing residents, the requirements will include use of trespass laws by the authority to keep evicted tenants or criminals out of public housing property.

(13) POLICIES FOR LOSS OF HOUSING ASSISTANCE.—A description of policies of the authority requiring the loss of housing assistance and tenancy under titles II and III, pursuant to sections 222(e) and 321(g).

(d) 5-YEAR PLAN.—Each local housing management plan under this section for a local housing and management authority shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) STATEMENT OF MISSION.—A statement of the mission of the authority for serving the needs of low-income families in the jurisdiction of authority during such period.

(2) GOALS AND OBJECTIVES.—A statement of the goals and objectives of the authority that will enable the authority to serve the needs identified pursuant to paragraph (1) during such period.

(3) CAPITAL IMPROVEMENT OVERVIEW.—If the authority will provide capital improvements for public housing developments during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the authority to meet its goals, objectives, and mission.

(e) CITIZEN PARTICIPATION.—

(1) IN GENERAL.—Before submitting a plan under this section or an amendment under section 108(f) to a plan, a local housing and management authority shall make the plan or amendment publicly available in a manner that affords affected public housing residents and assisted families under title III, citizens, public agencies, entities providing assistance and services for homeless families, and other interested parties an opportunity, for a period not shorter than 60 days and ending at a time that reasonably provides for compliance with the requirements of paragraph (2), to examine its content and to submit comments to the authority.

(2) CONSIDERATION OF COMMENTS.—A local housing and management authority shall consider any comments or views provided pursuant to paragraph (1) in preparing a final plan or amendment for submission to the Secretary. A summary of such comments or views shall be attached to the plan, amendment, or report submitted. The submitted plan, amendment, or report shall be made publicly available upon submission.

(f) LOCAL REVIEW.—Before submitting a plan under this section to the Secretary, the local housing and management authority shall submit the plan to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and approval.

(g) PLANS FOR SMALL LHMA'S AND LHMA'S ADMINISTERING ONLY RENTAL ASSISTANCE.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to housing and management authorities that own or operate less than 250 public housing dwelling units and shall establish requirements for such submission and information applicable to authorities that only administer housing assistance under title III (and do not own or operate public housing). Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such agencies.

SEC. 108. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing management plan submitted to the Secretary to ensure that the plan is complete and complies with the requirements of section 107. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each local housing and management authority submitting a plan whether the plan complies with such requirements not later than 75 days after receiving the plan. If the Secretary does not notify the local housing and management authority, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this Act, to have been determined to comply with the requirements under section 107 and the authority shall be considered to have been notified of compliance upon the expiration of such 75-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 107, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 107 only if—

(1) the plan is incomplete in significant matters required under such section;

(2) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(3) the Secretary determines that the plan does not comply with Federal law or violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) the plan plainly fails to adequately identify the needs of low-income families for housing assistance in the jurisdiction of the authority;

(5) the plan plainly fails to adequately identify the capital improvement needs for public housing developments in the jurisdiction of the authority;

(6) the activities identified in the plan are plainly inappropriate to address the needs identified in the plan; or

(7) the plan is inconsistent with the requirements of this Act.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a local housing and management authority shall be considered to have submitted a plan under this section if the authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1994. The Secretary shall provide specific procedures and requirements for such authorities to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 107.

(e) ACTIONS TO CHANGE PLAN.—A local housing and management authority that has submitted a plan under section 107 may change actions or policies described in the plan before submission and review of the plan of the authority for the next fiscal year only if—

(1) in the case of costly or nonroutine changes, the authority submits to the Secretary an amendment to the plan under subsection (f) which is reviewed in accordance with such subsection; or

(2) in the case of inexpensive or routine changes, the authority describes such changes in such local housing management plan for the next fiscal year.

(f) AMENDMENTS TO PLAN.—

(1) IN GENERAL.—During the annual or 5-year period covered by the plan for a local housing and management authority, the authority may submit to the Secretary any amendments to the plan.

(2) REVIEW.—The Secretary shall conduct a limited review of each proposed amendment submitted under this subsection to determine whether the plan, as amended by the amendment, complies with the requirements of section 107 and notify each local housing and management authority submitting the amendment whether the plan, as amended, complies with such requirements not later than 30 days after receiving the amendment. If the Secretary determines that a plan, as amended, does not comply with the requirements under section 107, such notice shall indicate the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 107. If the Secretary does not notify the local housing and management authority as required under this paragraph, the plan, as amended, shall be considered, for purposes of this section, to comply with the requirements under section 107.

(3) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan, as amended by a proposed amendment, does not comply with the requirements under section 107 only if—

(A) the plan, as amended, would be subject to a determination of noncompliance in accordance with the provisions of subsection (c); or

(B) the Secretary determines that—

(i) the proposed amendment is plainly inconsistent with the activities specified in the plan; or

(ii) there is evidence that challenges, in a substantial manner, any information contained in the amendment; or

(3) the Secretary determines that the plan, as amended, violates the purposes of this Act because it fails to provide housing that will be viable on a long-term basis at a reasonable cost;

(4) AMENDMENTS TO EXTEND TIME OF PERFORMANCE.—Notwithstanding any other provision of this subsection, the Secretary may not determine that any amendment to the plan of a local housing and management authority that extends the time for performance of activities assisted with amounts provided under this title fails to comply with the requirements under section 107 if the Secretary has not provided the amount of assistance set forth in the plan or has not provided the assistance in a timely manner.

SEC. 109. REPORTING REQUIREMENTS.

(a) PERFORMANCE AND EVALUATION REPORT.—Each local housing and management authority shall annually submit to the Accreditation Board established under section 401, on a date determined by such Board, a performance and evaluation report concerning the use of funds made available under this Act. The report of the local housing and management authority shall include an assessment by the authority of the relationship of such use of funds made available under this Act, as well as the use of other funds, to the needs identified in the local housing management plan and to the purposes of this Act. The local housing and management authority shall certify that the report was available for review and comment by affected tenants prior to its submission to the Board.

(b) REVIEW OF LHMA'S.—The Accreditation Board established under section 401 shall, at least on an annual basis, make such reviews as may be necessary or appropriate to determine whether each local housing and management authority receiving assistance under this section—

(1) has carried out its activities under this Act in a timely manner and in accordance with its local housing management plan;

(2) has a continuing capacity to carry out its local housing management plan in a timely manner; and

(3) has satisfied, or has made reasonable progress towards satisfying, such performance standards as shall be prescribed by the Board.

(c) RECORDS.—Each local housing and management authority shall collect, maintain, and submit to the Accreditation Board established under section 401 such data and other program records as the Board may require, in such form and in accordance with such schedule as the Board may establish.

SEC. 110. PET OWNERSHIP.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), a resident of a public housing dwelling unit or an assisted dwelling unit (as such term is defined in section 371) may own common household pets or have common household pets present in the dwelling unit of such resident to the extent allowed by the local housing and management authority or the owner of the assisted dwelling unit, respectively.

(b) FEDERALLY ASSISTED RENTAL HOUSING FOR THE ELDERLY OR DISABLED.—Pet ownership in housing assisted under this Act that is federally assisted rental housing for the elderly or handicapped (as such term is defined in section 227 of the Housing and Urban-Rural Recovery Act of 1983) shall be governed by the provisions of section 227 of such Act.

(c) ELDERLY FAMILIES IN PUBLIC AND ASSISTED HOUSING.—Responsible ownership of common household pets shall not be denied any elderly or disabled family who resides in a dwelling unit in public housing or an assisted dwelling unit (as such term is defined in section 371), subject to the reasonable requirements of the local housing and management authority or the owner of the assisted dwelling unit, as applicable. This subsection shall not apply to units in public housing or assisted dwelling units that are located in federally assisted rental housing for the elderly or handicapped referred to in subsection (b).

SEC. 111. ADMINISTRATIVE GRIEVANCE PROCEDURE.

(a) REQUIREMENTS.—Each local housing and management authority receiving assistance under this Act shall establish and implement an administrative grievance procedure under which residents of public housing will—

(1) be advised of the specific grounds of any proposed adverse local housing and management authority action;

(2) have an opportunity for a hearing before an impartial party (including appropriate employees of the local housing and management authority) upon timely request within a reasonable period of time;

(3) have an opportunity to examine any documents or records or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the local housing and management authority on the proposed action.

(b) EXCLUSION FROM ADMINISTRATIVE PROCEDURE OF GRIEVANCES CONCERNING EVICTIONS FROM PUBLIC HOUSING.—A local housing and management authority shall exclude from its procedure established under subsection (a) any grievance concerning an eviction from or termination of tenancy in public housing in any State which requires that, prior to eviction, a resident be provided a hearing in court which the Secretary determines provides the basic elements of due process.

(c) INAPPLICABILITY TO CHOICE-BASED RENTAL HOUSING ASSISTANCE.—This section may not be construed to require any local housing and management authority to establish or implement an administrative grievance procedure with respect to assisted families under title III.

SEC. 112. HEADQUARTERS RESERVE FUND.

(a) ANNUAL RESERVATION OF AMOUNTS.—Notwithstanding any other provision of law, the Secretary may retain not more than 3 percent of the amounts appropriated to carry out title II for any fiscal year for use in accordance with this section.

(b) USE OF AMOUNTS.—Any amounts that are retained under subsection (a) or appropriated or otherwise made available for use under this section shall be available for subsequent allocation to specific areas and communities, and may only be used for the Department of Housing and Urban Development and—

(1) unforeseen housing needs resulting from natural and other disasters;

(2) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters;

(3) housing needs related to a settlement of litigation, including settlement of fair housing litigation;

(4) providing technical assistance, training, and electronic information systems for the Department of Housing and Urban Development, local housing and management authorities, residents, resident councils, and resident management corporations to improve management of such authorities, except that the provision of assistance under this paragraph may not involve expenditure of amounts retained under subsection (a) for travel;

(5)(A) providing technical assistance, directly or indirectly, for local housing and management authorities, residents, resident councils, resident management corporations, and nonprofit and other entities in connection with implementation of a homeownership program under section 251, except that grants under this paragraph may not exceed $100,000; and (B) establishing a public housing homeownership program data base; and

(6) needs related to the Secretary's actions regarding troubled local housing and management authorities under this Act.

Housing needs under this subsection may be met through the provision of assistance in accordance with title II or title III, or both.

SEC. 113. LABOR STANDARDS.

(a) IN GENERAL.—Any contract for grants, sale, or lease pursuant to this Act relating to public housing shall contain the following provisions:

(1) OPERATION.—A provision requiring that not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all contractors and persons employed in the operation of the low-income housing development involved.

(2) PRODUCTION.—A provision that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a–276a-5), shall be paid to all laborers and mechanics employed in the production of the development involved.

The Secretary shall require certification as to compliance with the provisions of this section *before making any payment under such contract.*

(b) EXCEPTIONS.—Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for grants, sale, or lease pursuant to this Act relating to public housing, shall not apply to any of the following individuals:

(1) VOLUNTEERS.—Any individual who—

(A) performs services for which the individual volunteered;

(B)(i) does not receive compensation for such services; or

(ii) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(C) is not otherwise employed at any time in the construction work.

(2) RESIDENTS EMPLOYED BY LHMA.—Any resident of a public housing development who (A) is an employee of the local housing and management authority for the development, (B) performs services in connection with the operation of a low-income housing project owned or managed by such authority, and (C) is not a member of a bargaining unit represented by a union that has a collective bargaining agreement with the local housing and management authority.

(3) RESIDENTS IN TRAINING PROGRAMS.—Any individuals participating in a job training program or other program designed to promote economic self-sufficiency.

(c) DEFINITION.—For purposes of this section, the terms "operation" and "production" have the meanings given the term in section 273.

SEC. 114. NONDISCRIMINATION.

(a) IN GENERAL.—No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with amounts made available under this Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in section 504 of the Rehabilitation Act of 1973 shall also apply to any such program or activity.

(b) CIVIL RIGHTS COMPLIANCE.—Each local housing and management authority that receives grant amounts under this Act shall use such amounts and carry out its local housing management plan approved under section 108 in conformity with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans With Disabilities Act of 1990, and shall affirmatively further fair housing.

SEC. 115. PROHIBITION ON USE OF FUNDS.

None of the funds made available to the Department of Housing and Urban Development to carry out this Act, which are obligated to State or local governments, local housing and management authorities, housing finance agencies, or other public or quasi-public housing agencies, shall be used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.

SEC. 116. INAPPLICABILITY TO INDIAN HOUSING.

Except as specifically provided by law, the provisions of this title, and titles II, III, and IV shall not apply to public housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority or to housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996.

SEC. 117. EFFECTIVE DATE AND REGULATIONS.

(a) EFFECTIVE DATE.—The provisions of this Act and the amendments made by this Act shall take effect and shall apply on the date of the enactment of this Act, unless such provisions or amendments specifically provide for effectiveness or applicability on another date certain.

(b) REGULATIONS.—The Secretary may issue any regulations necessary to carry out this Act.

(c) RULE OF CONSTRUCTION.—Any failure by the Secretary to issue any regulations authorized under subsection (b) shall not affect the effectiveness of any provision of this Act or any amendment made by this Act.

TITLE II—PUBLIC HOUSING

Subtitle A—Block Grants

SEC. 201. BLOCK GRANT CONTRACTS.

(a) IN GENERAL.—The Secretary shall enter into contracts with local housing and management authorities under which—

(1) the Secretary agrees to make a block grant under this title, in the amount provided under section 202(c), for assistance for low-income housing to the local housing and management authority for each fiscal year covered by the contract; and

(2) the authority agrees—

(A) to provide safe, clean, and healthy housing that is affordable to low-income families and services for families in such housing;

(B) to operate, or provide for the operation, of such housing in a financially sound manner;

(C) to use the block grant amounts in accordance with this title and the local housing management plan for the authority that complies with the requirements of section 107;

(D) to involve residents of housing assisted with block grant amounts in functions and decisions relating to management and the quality of life in such housing;

(E) that the management of the public housing of the authority shall be subject to actions authorized under subtitle B of title IV;

(F) that the Secretary may take actions under section 205 with respect to improper use of grant amounts provided under the contract; and

(G) to otherwise comply with the requirements under this title.

(b) MODIFICATION.—Contracts and agreements between the Secretary and a local housing and management authority may not be amended in a manner which would—

(1) impair the rights of—

(A) leaseholders for units assisted pursuant to a contract or agreement; or

(B) the holders of any outstanding obligations of the local housing and management authority involved for which annual contributions have been pledged; or

(2) provide for payment of block grant amounts under this title in an amount exceeding the allocation for the authority determined under section 204.

Any rule of law contrary to this subsection shall be deemed inapplicable.

(c) CONDITIONS ON RENEWAL.—Each block grant contract under this section shall provide, as a condition of renewal of the contract with the local housing and management authority, that the authority's accreditation be renewed by the Housing Foundation and Accreditation Board pursuant to review under section 433 by such Board.

SEC. 202. GRANT AUTHORITY, AMOUNT, AND ELIGIBILITY.

(a) AUTHORITY.—The Secretary shall make block grants under this title to eligible local housing and management authorities in accordance with block grant contracts under section 201.

(b) PERFORMANCE FUNDS.—

(1) IN GENERAL.—The Secretary shall establish 2 funds for the provision of grants to eligible local housing and management authorities under this title, as follows:

(A) CAPITAL FUND.—A capital fund to provide capital and management improvements to public housing developments.

(B) OPERATING FUND.—An operating fund for public housing operations.

(2) FLEXIBILITY OF FUNDING.—A local housing and management authority may use up to 10 percent of the amounts from a grant under this title that are allocated and provided from the capital fund for activities that are eligible under section 203(a)(2) to be funded with amounts from the operating fund.

(c) AMOUNT OF GRANTS.—The amount of the grant under this title for a local housing and management authority for a fiscal year shall be the amount of the allocation for the authority determined under section 204, except as otherwise provided in this title and subtitle B of title IV.

(d) ELIGIBILITY.—A local housing and management authority shall be an eligible local housing and management authority with respect to a fiscal year for purposes of this title only if—

(1) the Secretary has entered into a block grant contract with the authority;

(2) the authority has submitted a local housing management plan to the Secretary for such fiscal year;

(3) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(4) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(5) the authority is exempt from local taxes, as provided under subsection (e), or receives a contribution, as provided under such subsection;

(6) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony;

(7) the authority has entered into an agreement providing for local cooperation in accordance with subsection (f); and

(8) the authority has not been disqualified for a grant pursuant to section 205(a) or subtitle B of title IV.

(e) PAYMENTS IN LIEU OF STATE AND LOCAL TAXATION OF PUBLIC HOUSING DEVELOPMENTS.—

(1) EXEMPTION FROM TAXATION.—A local housing and management authority may receive a block grant under this title only if—

(A)(i) the developments of the authority (exclusive of any portions not assisted with amounts provided under this title) are exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and

(ii) the local housing and management authority makes payments in lieu of taxes to such taxing authority equal to 10 percent of the sum, for units charged in the developments of the authority, of the difference between the gross rent and the utility cost, or such lesser amount as is—

(I) prescribed by State law;

(II) agreed to by the local governing body in its agreement under subsection (e) for local cooperation with the local housing and management authority or under a waiver by the local governing body; or

(III) due to failure of a local public body or bodies other than the local housing and management authority to perform any obligation under such agreement; or

(B) the authority complies with the requirements under subparagraph (A) with respect to public housing developments (including public housing units in mixed-income developments), but the authority agrees that the units other than public housing units in any mixed-income developments (as such term is defined in section 221(c)(2)) shall be subject to any otherwise applicable real property taxes imposed by the State, city, county or other political subdivision.

(2) EFFECT OF FAILURE TO EXEMPT FROM TAXATION.—Notwithstanding paragraph (1), a local housing and management authority that does not comply with the requirements under such paragraph may receive a block grant under this title, but only if the State, city, county, or other political subdivision in which the development is situated contributes, in the form of cash or tax remission, the amount by which the taxes paid with respect to the development exceed 10 percent of the gross rent and utility cost charged in the development.

(f) LOCAL COOPERATION.—In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise, the Secretary may not make any grant under this title to a local housing and management authority unless the governing body of the locality involved has entered into an agreement with the authority providing for the local cooperation required by the Secretary pursuant to this title.

(g) EXCEPTION.—Notwithstanding subsection (a), the Secretary may make a grant under this title for a local housing and management authority that is not an eligible local housing and management authority but only for the period necessary to secure, in accordance with this title, an alternative local housing and management authority for the public housing of the ineligible authority.

SEC. 203. ELIGIBLE AND REQUIRED ACTIVITIES.

(a) ELIGIBLE ACTIVITIES.—Except as provided in subsection (b) and in section 202(b)(2), grant amounts allocated and provided from the capital fund and grant amounts allocated and provided from the operating fund may be used only for the following activities:

(1) CAPITAL FUND ACTIVITIES.—Grant amounts from the capital fund may be used for—

(A) the production and modernization of public housing developments, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings and the production of mixed-income developments;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of dwelling equipment;

(D) planned code compliance;

(E) management improvements;

(F) demolition and replacement under section 261;

(G) tenant relocation;

(H) capital expenditures to facilitate programs to improve the economic empowerment and self-sufficiency of public housing tenants; and

(I) capital expenditures to improve the security and safety of residents.

(2) OPERATING FUND ACTIVITIES.—Grant amounts from the operating fund may be used for—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units;

(B) activities to ensure a program of routine preventative maintenance;

(C) anti-crime and anti-drug activities, including the costs of providing adequate security for public housing tenants;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management of public housing by public housing tenants;

(F) the costs associated with the operation and management of mixed-income developments;

(G) the costs of insurance;

(H) the energy costs associated with public housing units, with an emphasis on energy conservation;

(I) the costs of administering a public housing work program under section 106, including the costs of any related insurance needs; and

(J) activities in connection with a homeownership program for public housing residents under subtitle D, including providing financing or assistance for purchasing housing, or the provision of financial assistance to resident management corporations or resident councils to obtain training, technical assistance, and educational assistance to promote homeownership opportunities.

(b) REQUIRED CONVERSION OF ASSISTANCE FOR PUBLIC HOUSING TO RENTAL HOUSING ASSISTANCE.—

(1) REQUIREMENT.—A local housing and management authority that receives grant amounts under this title shall provide assistance in the form of rental housing assistance under title III, or appropriate site revitalization or other appropriate capital improvements approved by the Secretary, in lieu of assisting the operation and modernization of any building or buildings of public housing, if the authority provides sufficient evidence to the Secretary that the building or buildings—

(A) are on the same or contiguous sites;

(B) consist of more than 300 dwelling units;

(C) have a vacancy rate of at least 10 percent for dwelling units not in funded, on-schedule modernization programs;

(D) are identified as distressed housing for which the local housing and management authority cannot assure the long-term viability as public housing through reasonable revitalization, density reduction, or achievement of a broader range of household income; and

(E) have an estimate cost of continued operation and modernization as public housing that exceeds the cost of providing choice-based rental assistance under title III for all families in occupancy, based on appropriate indicators of cost (such as the percentage of the total development cost required for modernization).

Local housing and management agencies shall identify properties that meet the definition of subparagraphs (A) through (E).

(2) USE OF OTHER AMOUNTS.—In addition to grant amounts under this title attributable (pursuant to the formulas under section 204) to the building or buildings identified under paragraph (1), the Secretary may use amounts provided in appropriation Acts for choice-based housing assistance under title III for families residing in such building or buildings or for appropriate site revitalization or other appropriate capital improvements approved by the Secretary.

(3) ENFORCEMENT.—The Secretary shall take appropriate action to ensure conversion of any building or buildings identified under paragraph (1) and any other appropriate action under this subsection, if the local housing and management authority fails to take appropriate action under this subsection.

(4) FAILURE OF LHMA'S TO COMPLY WITH CONVERSION REQUIREMENT.—If the Secretary determines that—

(A) a local housing and management authority has failed under paragraph (1) to identify a building or buildings in a timely manner,

(B) a local housing and management authority has failed to identify one or more buildings which the Secretary determines should have been identified under paragraph (1), or

(C) one or more of the buildings identified by the local housing and management authority pursuant to paragraph (1) should not, in the determination of the Secretary, have been identified under that paragraph,

the Secretary may identify a building or buildings for conversion and take other appropriate action pursuant to this subsection.

(5) CESSATION OF UNNECESSARY SPENDING.—Notwithstanding any other provision of law, if, in the determination of the Secretary, a building or buildings meets or is likely to meet the criteria set forth in paragraph (1), the Secretary may direct the local housing and management authority to cease additional spending in connection with such building or buildings, except to the extent that additional spending is necessary to ensure safe, clean, and healthy housing until the Secretary determines or approves an appropriate course of action with respect to such building or buildings under this subsection.

(6) USE OF BUDGET AUTHORITY.—Notwithstanding any other provision of law, if a building or buildings are identified pursuant to paragraph (1), the Secretary may authorize or direct the transfer, to the choice-based or tenant-based assistance program of such authority or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(A) in the case of an authority receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such building or buildings pursuant to section 14 of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act;

(B) in the case of an authority receiving public housing modernization assistance by formula pursuant to such section 14, any amounts provided to the authority which are attributable pursuant to the formula for allocating such assistance to such building or buildings;

(C) in the case of an authority receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such building or buildings pursuant to section 5(j)(2) of the United States Housing Act of 1937, as in effect immediately before the date of enactment of this Act; and

(D) in the case of an authority receiving assistance pursuant to the formulas under section 204, any amounts provided to the authority which are attributable pursuant to the formulas for allocating such assistance to such building or buildings.

(c) EXTENSION OF DEADLINES.—The Secretary may, for a local housing and management authority, extend any deadline established pursuant to this section or a local housing management plan for up to an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(d) COMPLIANCE WITH PLAN.—The local housing management plan submitted by a local housing and management authority (including any amendments to the plan), unless determined under section 108 not to comply with the requirements under section 107, shall be binding upon the Secretary and the local housing and management authority and the authority shall use any grant amounts provided under this title for eligible activities under subsection (a) in accordance with the plan. This subsection may not be construed to preclude changes or amendments to the plan, as authorized under section 108(e) or any actions authorized by this Act to be taken without regard to a local housing management plan.

SEC. 204. DETERMINATION OF GRANT ALLOCATION.

(a) IN GENERAL.—For each fiscal year, after reserving amounts under section 112 from the aggregate amount made available for the fiscal year for carrying out this title, the Secretary shall allocate any remaining amounts among eligible local housing and management authorities in accordance with this section, so that the sum of all of the allocations for all eligible authorities is equal to such remaining amount.

(b) ALLOCATION AMOUNT.—The Secretary shall determine the amount of the allocation for each eligible local housing and management authority, which shall be—

(1) for any fiscal year beginning after the enactment of a law containing the formulas described in paragraphs (1) and (2) of subsection

(c), the amount determined under such formulas; or

(2) for any fiscal year beginning before the expiration of such period, the sum of—

(A) the operating allocation determined under subsection (d)(1) for the authority; and

(B) the capital improvement allocation determined under subsection (d)(2) for the authority.

(c) PERMANENT ALLOCATION FORMULAS FOR CAPITAL AND OPERATING FUNDS.—

(1) ESTABLISHMENT OF CAPITAL FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the capital fund for a fiscal year. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned or operated by the local housing and management authority, the characteristics and locations of the developments, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the local housing and management authority to carry out rehabilitation and modernization activities, and reconstruction, production, and demolition activities related to public housing dwelling units owned or operated by the local housing and management authority, including backlog and projected future needs of the authority;

(C) the cost of constructing and rehabilitating property in the area; and

(D) the need of the local housing and management authority to carry out activities that provide a safe and secure environment in public housing units owned or operated by the local housing and management authority.

(2) ESTABLISHMENT OF OPERATING FUND FORMULA.—The formula under this paragraph shall provide for allocating assistance under the operating fund for a fiscal year. The formula may take into account such factors as—

(A) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing developments and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing development;

(B) the number of public housing dwelling units owned or operated by the local housing and management authority; and

(C) the need of the local housing and management authority to carry out anti-crime and antidrug activities, including providing adequate security for public housing residents.

(3) DEVELOPMENT UNDER NEGOTIATED RULEMAKING PROCEDURE.—The formulas under this subsection shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code, except that the formulas shall not be contained in a regulation.

(4) REPORT.—Not later than the expiration of the 18-month period beginning upon the enactment of this Act, the Secretary shall submit a report to the Congress containing the proposed formulas established pursuant to paragraph (3) that meets the requirements of this subsection.

(d) INTERIM ALLOCATION REQUIREMENTS.—

(1) OPERATING ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for operating allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The operating allocation under this subsection for a local housing and management authority for a fiscal year shall be an amount determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of operating subsidies for fiscal year 1995 to public housing agencies (as modified under subparagraph (C)) under section 9 of the United States Housing Act of 1937, as in effect before the enactment of this Act.

(C) TREATMENT OF CHRONICALLY VACANT UNITS.—The Secretary shall revise the formula referred to in subparagraph (B) so that the formula does not provide any amounts, other than utility costs and other necessary costs (such as costs necessary for the protection of persons and property), attributable to any dwelling unit of a local housing and management authority that has been vacant continuously for 6 or more months. A unit shall not be considered vacant for purposes of this paragraph if the unit is unoccupied because of rehabilitation or renovation that is on-schedule.

(D) INCREASES IN INCOME.—The Secretary may revise the formula referred to in subparagraph (B) to provide an incentive to encourage local housing and management authorities to increase nonrental income and to increase rental income attributable to their units by encouraging occupancy by families with a broad range of incomes, including families whose incomes have increased while in occupancy and newly admitted families. Any such incentive shall provide that the local housing and management authority shall derive the full benefit of an increase in nonrental income, and such increase shall not directly result in a decrease in amounts provided to the authority under this title.

(2) CAPITAL IMPROVEMENT ALLOCATION.—

(A) APPLICABILITY TO 50 PERCENT OF APPROPRIATED AMOUNTS.—Of any amounts available for allocation under this subsection for a fiscal year, 50 percent shall be used only to provide amounts for capital improvement allocations under this paragraph for eligible local housing and management authorities.

(B) DETERMINATION.—The capital improvement allocation under this subsection for an eligible local housing and management authority for a fiscal year shall be determined by applying, to the amount to be allocated under this paragraph, the formula used for determining the distribution of modernization assistance for fiscal year 1995 to public housing agencies under section 14 of the United States Housing Act of 1937, as in effect before the enactment of this Act, except that Secretary shall establish a method for taking into consideration allocation of amounts under the comprehensive improvement assistance program.

(e) ELIGIBILITY OF UNITS ACQUIRED FROM PROCEEDS OF SALES UNDER DEMOLITION OR DISPOSITION PLAN.—If a local housing and management authority uses proceeds from the sale of units under a homeownership program in accordance with section 251 to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the authority under this section until sale by the authority, but in any case no longer than 5 years.

SEC. 205. SANCTIONS FOR IMPROPER USE OF AMOUNTS.

(a) IN GENERAL.—In addition to any other actions authorized under this title, if the Secretary finds pursuant to an annual financial and performance audit under section 432 that a local housing and management authority receiving grant amounts under this title has failed to comply substantially with any provision of this title, the Secretary may—

(1) terminate payments under this title to the authority;

(2) withhold from the authority amounts from the total allocation for the authority pursuant to section 204;

(3) reduce the amount of future grant payments under this title to the authority by an amount equal to the amount of such payments that were not expended in accordance with this title;

(4) limit the availability of grant amounts provided to the authority under this title to programs, projects, or activities not affected by such failure to comply;

(5) withhold from the authority amounts allocated for the authority under title III; or

(6) order other corrective action with respect to the authority.

(b) TERMINATION OF COMPLIANCE ACTION.—If the Secretary takes action under subsection (a) with respect to a local housing and management authority, the Secretary shall—

(1) in the case of action under subsection (a)(1), resume payments of grant amounts under this title to the authority in the full amount of the total allocation under section 204 for the authority at the time that the Secretary first determines that the authority will comply with the provisions of this title;

(2) in the case of action under paragraph (2), (5), or (6) of subsection (a), make withheld amounts available as the Secretary considers appropriate to ensure that the authority complies with the provisions of this title; or

(3) in the case of action under subsection (a)(4), release such restrictions at the time that the Secretary first determines that the authority will comply with the provisions of this title.

Subtitle B—Admissions and Occupancy Requirements

SEC. 221. LOW-INCOME HOUSING REQUIREMENT.

(a) PRODUCTION ASSISTANCE.—Any public housing produced using amounts provided under a grant under this title or under the United States Housing Act of 1937 shall be operated as public housing for the 40-year period beginning upon such production.

(b) OPERATING ASSISTANCE.—No portion of any public housing development operated with amounts from a grant under this title or operating assistance provided under the United States Housing Act of 1937 may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which the grant or such assistance was provided, except as provided in this Act.

(c) CAPITAL IMPROVEMENTS ASSISTANCE.—Amounts may be used for eligible activities under section 203(a)(2) only for the following housing developments:

(1) LOW-INCOME DEVELOPMENTS.—Amounts may be used for a low-income housing development that—

(A) is owned by local housing and management authorities;

(B) is operated as low-income rental housing and produced or operated with assistance provided under a grant under this title; and

(C) is consistent with the purposes of this title.

Any development, or portion thereof, referred to in this paragraph for which activities under section 203(a)(2) are conducted using amounts from a grant under this title shall be maintained and used as public housing for the 20-year period beginning upon the receipt of such grant. Any public housing development, or portion thereof, that received the benefit of a grant pursuant to section 14 of the United States Housing Act of 1937 shall be maintained and used as public housing for the 20-year period beginning upon receipt of such amounts.

(2) MIXED INCOME DEVELOPMENTS.—Amounts may be used for mixed-income developments, which shall be a housing development that—

(A) contains dwelling units that are available for occupancy by families other than low-income families;

(B) contains a number of dwelling units—

(i) which units are made available (by master contract or individual lease) for occupancy only by low- and very low-income families identified by the local housing and management authority;

(ii) which number is not less than a reasonable number of units, including related amenities, taking into account the amount of the assistance provided by the authority compared to the total investment (including costs of operation) in the development;

(iii) which units are subject to the statutory and regulatory requirements of the public housing program, except that the Secretary may grant appropriate waivers to such statutory and regulatory requirements if reductions in funding or other changes to the program make continued application of such requirements impracticable;

(iv) which units are specially designated as dwelling units under this subparagraph, except the equivalent units in the development may be substituted for designated units during the period the units are subject to the requirements of the public housing program; and

(v) which units shall be eligible for assistance under this title; and

(C) is owned by the local housing and management authority, an affiliate controlled by it, or another appropriate entity.

Notwithstanding any other provision of this title, to facilitate the establishment of socioeconomically mixed communities, a local housing and management authority that uses grant amounts under this title for a mixed income development under this paragraph may, to the extent that income from such a development reduces the amount of grant amounts used for operating or other costs relating to public housing, use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed income development. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

SEC. 222. FAMILY ELIGIBILITY.

(a) IN GENERAL.—Dwelling units in public housing may be rented only to families who are low-income families at the time of their initial occupancy of such units.

(b) INCOME MIX WITHIN DEVELOPMENTS.—A local housing and management authority may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing developments that limit admission to a development by selecting applicants having incomes appropriate so that the mix of incomes of families occupying the development is proportional to the income mix in the eligible population of the jurisdiction of the authority, as adjusted to take into consideration the severity of housing need. Any criteria established under this subsection shall be subject to the provisions of subsection (c).

(c) INCOME MIX.—

(1) LHMA INCOME MIX.—Of the public housing dwelling units of a local housing and management authority made available for occupancy after the date of the enactment of this Act not less than 35 percent shall be occupied by low-income families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary, may for purposes of this subsection, establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(2) PROHIBITION OF CONCENTRATION OF LOW-INCOME FAMILIES.—A local housing and management authority may not comply with the requirements under paragraph (1) by concentrating very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing developments or certain buildings within developments. The Secretary may review the income and occupancy characteristics of the public housing developments, and the buildings of such developments, of local housing and management authorities to ensure compliance with the provisions of this paragraph.

(d) WAIVER OF ELIGIBILITY REQUIREMENTS FOR OCCUPANCY BY POLICE OFFICERS.—

(1) AUTHORITY AND WAIVER.—To provide occupancy in public housing dwelling units to police officers and other law enforcement or security personnel (who are not otherwise eligible for residence in public housing) and to increase security for other public housing residents in developments where crime has been a problem, a local housing and management authority may, with respect to such units and subject to paragraph (2)—

(A) waive—

(i) the provisions of subsection (a) of this section and section 225(a);

(ii) the applicability of—

(I) any preferences for occupancy established under section 223;

(II) the minimum rental amount established pursuant to section 225(b) and any maximum monthly rental amount established pursuant to such section;

(III) any criteria relating to project income mix established under subsection (b);

(IV) the income mix requirements under subsection (c); and

(V) any other occupancy limitations or requirements; and

(B) establish special rent requirements and other terms and conditions of occupancy.

(2) CONDITIONS OF WAIVER.—A local housing and management authority may take the actions authorized in paragraph (1) only if authority determines that such actions will increase security in the public housing developments involved and will not result in a significant reduction of units available for residence by low-income families.

(e) LOSS OF ASSISTANCE FOR TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with policies described in the local housing management plan of the authority, establish policies providing that a family residing in a public housing dwelling unit whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued occupancy in public housing under this title; and

(2) immediately become ineligible for admission to public housing under this title or for housing assistance under title III—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; or

(B) for other terminations, for a reasonable period of time as determined period of time as determined by the local housing and management authority.

SEC. 223. PREFERENCES FOR OCCUPANCY.

(a) AUTHORITY TO ESTABLISH.—Any local housing and management authority may establish a system for making dwelling units in public housing available for occupancy that provides preference for such occupancy to families having certain characteristics.

(b) CONTENT.—Each system of preferences established pursuant to this section shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

SEC. 224. ADMISSION PROCEDURES.

(a) ADMISSION REQUIREMENTS.—A local housing and management authority shall ensure that each family residing in a public housing development owned or administered by the authority is admitted in accordance with the procedures established under this title by the authority and the income limits under section 222.

(b) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for, or tenants of, public housing as provided in section 646 of the Housing and Community Development Act of 1992.

(c) NOTIFICATION OF APPLICATION DECISIONS.—A local housing and management authority shall establish procedures designed to provide for notification to an applicant for admission to public housing of the determination with respect to such application, the basis for the determination, and, if the applicant is determined to be eligible for admission, the projected date of occupancy (to the extent such date can reasonably be determined). If an authority denies an applicant admission to public housing, the authority shall notify the applicant that the applicant may request an informal hearing on the denial within a reasonable time of such notification.

(d) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family in public housing that was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(e) TRANSFERS.—A local housing and management authority may apply, to each public housing resident seeking to transfer from one development to another development owned or operated by the authority, the screening procedures applicable at such time to new applicants for public housing.

SEC. 225. FAMILY RENTAL PAYMENT.

(a) RENTAL CONTRIBUTION BY RESIDENT.—

(1) IN GENERAL.—A family shall pay as monthly rent for a dwelling unit in public housing the amount that the local housing and management authority determines is appropriate with respect to the family and the unit, which shall be—

(A) based upon factors determined by the authority, which may include the adjusted income of the resident, type and size of dwelling unit, operating and other expenses of the authority, or any other factors that the authority considers appropriate; and

(B) an amount that is not less than the minimum monthly rental amount under subsection (b)(1) nor more than any maximum monthly rental amount established for the dwelling unit pursuant to subsection (b)(2).

Notwithstanding any other provision of this subsection, the amount paid by an elderly family or a disabled family for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. Notwithstanding any other provision of this subsection, the amount paid by a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income. In determining the amount of the rent charged under this paragraph for a dwelling unit, a local housing and management authority shall take into consideration the characteristics of the population served by the authority, *the goals of the local housing management plan for the authority, and the goals under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction.*

(2) EXCEPTIONS.—Notwithstanding any other provision of this section, the amount paid for monthly rent for a dwelling unit in public housing may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is residing in any dwelling unit in public housing and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

(b) ALLOWABLE RENTS.—

(1) MINIMUM RENTAL.—Each local housing and management authority shall establish, for each dwelling unit in public housing owned or administered by the authority, a minimum monthly rental contribution toward the rent (which rent shall include any amount allowed for utilities), which—

(A) may not be less than $25, nor more than $50; and

(B) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly rental contribution in effect for the preceding year.

Notwithstanding the preceding sentence, a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(2) MAXIMUM RENTAL.—Each local housing and management authority may establish, for each dwelling unit in public housing owned or administered by the authority, a maximum monthly rental amount, which shall be an amount determined by the authority which is based on, but does not exceed—

(A) the average, for dwelling units of similar size in public housing developments owned and operated by such authority, of operating expenses attributable to such units;

(B) the reasonable rental value of the unit; or

(C) the local market rent for comparable units of similar size.

(c) INCOME REVIEWS.—If a local housing and management authority establishes the amount of rent paid by a family for a public housing dwelling unit based on the adjusted income of the family, the authority shall review the incomes of such family occupying dwelling units in public housing owned or administered by the authority not less than annually.

(d) REVIEW OF MAXIMUM AND MINIMUM RENTS.—

(1) RENTAL CHARGES.—If the Secretary determines, at any time, that a significant percentage of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(2) POPULATION SERVED.—If the Secretary determines, at any time, that less than 40 percent of the public housing dwelling units owned or operated by a large local housing and management authority are occupied by households whose incomes do not exceed 30 percent of the area median income, the Secretary shall review the maximum and minimum monthly rental amounts established by the authority.

(3) MODIFICATION OF MAXIMUM AND MINIMUM RENTAL AMOUNTS.—If, pursuant to review under this subsection, the Secretary determines that the maximum and minimum rental amounts for a large local housing and management authority are not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration the financial resources and costs of the authority), as identified in the approved local housing management plan of the authority, the Secretary may require the authority to modify the maximum and minimum monthly rental amounts.

(4) LARGE LHMA.—For purposes of this subsection, the term "large local housing and management authority" means a local housing and management authority that owns or operates 1250 or more public housing dwelling units.

(e) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family residing in a dwelling unit in public housing upon the date of the enactment of this Act, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon initial applicability of this title is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (b)(1)(A) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 226. LEASE REQUIREMENTS.

In renting dwelling units in a public housing development, each local housing and management authority shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) obligate the local housing and management authority to maintain the development in compliance with the housing quality requirements under section 232;

(3) require the local housing and management authority to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or local housing and management authority employees is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the local housing and management authority may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, State, or local law, or for other good cause;

(5) provide that the local housing and management authority may terminate the tenancy of a public housing resident for any activity, engaged in by a public housing resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the local housing and management authority or other manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises;

(6) provide that any occupancy in violation of the provisions of section 105 shall be cause for termination of tenancy; and

(7) specify that, with respect to any notice of eviction or termination, notwithstanding any State law, a public housing resident shall be informed of the opportunity, prior to any hearing or trial, to examine any relevant documents, records or regulations directly related to the eviction or termination.

SEC. 227. DESIGNATED HOUSING FOR ELDERLY AND DISABLED FAMILIES

(a) AUTHORITY TO PROVIDE DESIGNATED HOUSING.—

(1) IN GENERAL.—Subject only to provisions of this section and notwithstanding any other provision of law, a local housing and management authority for which the information required under subsection (d) is in effect may provide public housing developments (or portions of developments) designated for occupancy by (A) only elderly families, (B) only disabled families, or (C) elderly and disabled families.

(2) PRIORITY FOR OCCUPANCY.—In determining priority for admission to public housing developments (or portions of developments) that are designated for occupancy as provided in paragraph (1), the local housing and management authority may make units in such developments (or portions) available only to the types of families for whom the development is designated.

(3) ELIGIBILITY OF NEAR-ELDERLY FAMILIES.—If a local housing and management authority determines that there are insufficient numbers of elderly families to fill all the units in a development (or portion of a development) designated under paragraph (1) for occupancy by only elderly families, the authority may provide that near-elderly families may occupy dwelling units in the development (or portion).

(b) STANDARDS REGARDING EVICTIONS.—Except as provided in section 105(b)(1)(B), any tenant who is lawfully residing in a dwelling unit in a public housing development may not be evicted or otherwise required to vacate such unit because of the designation of the development (or portion of a development) pursuant to this section or because of any action taken by the Secretary or any local housing and management authority pursuant to this section.

(c) RELOCATION ASSISTANCE.—A local housing and management authority that designates any existing development or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation—

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the authority and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include choice-based rental housing assistance under title III, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) REQUIRED INCLUSIONS IN LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may designate a development

(or portion of a development) for occupancy under subsection (a)(1) only if the authority, as part of the authority's local housing management plan—

(1) establishes that the designation of the development is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the development (or portion of a development) to be designated;

(B) the types of tenants for which the development is to be designated;

(C) any supportive services to be provided to tenants of the designated development (or portion);

(D) how the design and related facilities (as such term is defined in section 202(d)(8) of the Housing Act of 1959) of the development accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the development were not restricted pursuant to this section.

For purposes of this subsection, the term 'supportive services' means services designed to meet the special needs of residents. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering designation of a development pursuant to this section.

(e) EFFECTIVENESS.—

(1) Initial 5-year effectiveness.—The information required under subsection (d) shall be in effect for purposes of this section during the 5-year period that begins upon notification under section 108(a) of the local housing and management authority that the information complies with the requirements under section 107 and this section.

(2) RENEWAL.—Upon the expiration of the 5-year period under paragraph (1) or any 2-year period under this paragraph, an authority may extend the effectiveness of the designation and information for an additional 2-year period (that begins upon such expiration) by submitting to the Secretary any information needed to update the information. The Secretary may not limit the number of times a local housing and management authority extends the effectiveness of a designation and information under this paragraph.

(3) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this section, a local housing and management authority shall be considered to have submitted the information required under this section if the authority has submitted to the Secretary an application and allocation plan under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) that has not been approved or disapproved before such date of enactment.

(4) TRANSITION PROVISION.—Any application and allocation plan approved under section 7 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) before such date of enactment shall be considered to be the information required to be submitted under this section and that is in effect for purposes of this section for the 5-year period beginning upon such approval.

(g) INAPPLICABILITY OF UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITIONS POLICY ACT OF 1970.—No resident of a public housing development shall be considered to be displaced for purposes of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 because of the designation of any existing development or building, or portion thereof, for occupancy as provided under subsection (a) of this section.

(h) USE OF AMOUNTS.—Any amounts appropriated pursuant to section 10(b) of the Housing Opportunity Program Extension Act of 1996 (Public Law 104–120) may also be used for choice-based rental housing assistance under title III for local housing and management authorities to implement this section.

Subtitle C—Management

SEC. 231. MANAGEMENT PROCEDURES.

(a) SOUND MANAGEMENT.—A local housing and management authority that receives grant amounts under this title shall establish and comply with procedures and practices sufficient to ensure that the public housing developments owned or administered by the authority are operated in a sound manner.

(b) ACCOUNTING SYSTEM FOR RENTAL COLLECTIONS AND COSTS.—

(1) ESTABLISHMENT.—Each local housing and management authority that receives grant amounts under this title shall establish and maintain a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair, and other operating costs) for each project and operating cost center (as determined by the Secretary).

(2) ACCESS TO RECORDS.—Each local housing and management authority shall make available to the general public the information required pursuant to paragraph (1) regarding collections and costs.

(3) EXEMPTION.—The Secretary may permit authorities owning or operating fewer than 500 dwelling units to comply with the requirements of this subsection by accounting on an authority-wide basis.

(c) MANAGEMENT BY OTHER ENTITIES.—Except as otherwise provided under this Act, a local housing and management authority may contract with any other entity to perform any of the management functions for public housing owned or operated by the local housing and management authority.

SEC. 232. HOUSING QUALITY REQUIREMENTS.

(a) IN GENERAL.—Each local housing and management authority that receives grant amounts under this Act shall maintain its public housing in a condition that complies—

(1) in the case of public housing located in a jurisdiction which has in effect laws, regulations, standards, or codes regarding habitability of residential dwellings, with such applicable laws, regulations, standards, or codes; or

(2) in the case of public housing located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in paragraph (1), with the housing quality standards established under subsection (b).

(b) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that public housing dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 328(b). The Secretary shall differentiate between major and minor violations of such standards.

(c) DETERMINATIONS.—Each local housing and management authority providing housing assistance shall identify, in the local housing management plan of the authority, whether the authority is utilizing the standard under paragraph (1) or (2) of subsection (a).

(d) ANNUAL INSPECTIONS.—Each local housing and management authority that owns or operates public housing shall make an annual inspection of each public housing development to determine whether units in the development are maintained in accordance with the requirements under subsection (a). The authority shall submit the results of such inspections to the Secretary and the Inspector General for the Department of Housing and Urban Development and such results shall be available to the Housing Foundation and Accreditation Board established under title IV and any auditor conducting an audit under section 432.

SEC. 233. EMPLOYMENT OF RESIDENTS.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through the end and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs."; and

(B) in subparagraph (B)(ii), by striking "managed by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A)—

(i) by striking "public and Indian housing agencies" and inserting "local housing and management authorities and recipients of grants under the Native American Housing Assistance and Self-Determination Act of 1996"; and

(ii) by striking "development assistance" and all that follows through "section 14 of that Act" and inserting "assistance provided under title II of the United States Housing Act of 1996 and used for the housing production, operation, or capital needs"; and

(B) in subparagraph (B)(ii), by striking "operated by the public or Indian housing agency" and inserting "assisted by the local housing and management authority or the recipient of a grant under the Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 234. RESIDENT COUNCILS AND RESIDENT MANAGEMENT CORPORATIONS.

(a) RESIDENT COUNCILS.—The residents of a public housing development may establish a resident council for the development for purposes of consideration of issues relating to residents, representation of resident interests, and coordination and consultation with a local housing and management authority. A resident council shall be an organization or association that—

(1) is nonprofit in character;

(2) is representative of the residents of the eligible housing;

(3) adopts written procedures providing for the election of officers on a regular basis; and

(4) has a democratically elected governing board, which is elected by the residents of the eligible housing on a regular basis.

(b) RESIDENT MANAGEMENT CORPORATIONS.—

(1) ESTABLISHMENT.—The residents of a public housing development may establish a resident management corporation for the purpose of assuming the responsibility for the management of the development under section 235 or purchasing a development.

(2) REQUIREMENTS.—A resident management corporation shall be a corporation that—

(A) is nonprofit in character;

(B) is organized under the laws of the State in which the development is located;

(C) has as its sole voting members the residents of the development; and

(D) is established by the resident council for the development or, if there is not a resident council, by a majority of the households of the development.

SEC. 235. MANAGEMENT BY RESIDENT MANAGEMENT CORPORATION.

(a) Authority.—A local housing and management authority may enter into a contract under this section with a resident management corporation to provide for the management of public housing developments by the corporation.

(b) Contract.—A contract under this section for management of public housing developments by a resident management corporation shall establish the respective management rights and responsibilities of the corporation and the local housing and management authority. The contract shall be consistent with the requirements of this Act applicable to public housing development and may include specific terms governing management personnel and compensation, access to public housing records, submission of and adherence to budgets, rent collection procedures, resident income verification, resident eligibility determinations, resident eviction, the acquisition of supplies and materials and such other matters as may be appropriate. The contract shall be treated as a contracting out of services.

(c) Bonding and Insurance.—Before assuming any management responsibility for a public housing development, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the local housing and management authority against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(d) Block Grant Assistance and Income.—A contract under this section shall provide for—

(1) the local housing and management authority to provide a portion of the block grant assistance under this title to the resident management corporation for purposes of operating the public housing development covered by the contract and performing such other eligible activities with respect to the development as may be provided under the contract;

(2) the amount of income expected to be derived from the development itself (from sources such as rents and charges);

(3) the amount of income to be provided to the development from the other sources of income of the local housing and management authority (such as interest income, administrative fees, and rents); and

(4) any income generated by a resident management corporation of a public housing development that exceeds the income estimated under the contract shall be used for eligible activities under section 203(a).

(e) Calculation of Total Income.—

(1) Maintenance of support.—Subject to paragraph (2), the amount of assistance provided by a local housing and management authority to a public housing development managed by a resident management corporation may not be reduced during the 3-year period beginning on the date on which the resident management corporation is first established for the development.

(2) Reductions and increases in support.—If the total income of a local housing and management authority is reduced or increased, the income provided by the local housing and management authority to a public housing development managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the authority, except that any reduction in block grant amounts under this title to the authority that occurs as a result of fraud, waste, or mismanagement by the authority shall not affect the amount provided to the resident management corporation.

SEC. 236. TRANSFER OF MANAGEMENT OF CERTAIN HOUSING TO INDEPENDENT MANAGER AT REQUEST OF RESIDENTS.

(a) Authority.—The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a local housing and management authority to an eligible management entity, in accordance with the requirements of this section, if—

(1) such housing is owned or operated by a local housing and management authority that is—

(A) not accredited under section 433 by the Housing Foundation and Accreditation Board; or

(B) designated as a troubled authority under section 431(a)(2); and

(2) the Secretary determines that—

(A) such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is occupied predominantly by families with children who are in a severe state of distress, characterized by such factors as high rates of unemployment, teenage pregnancy, single-parent households, long-term dependency on public assistance and minimal educational achievement;

(C) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(D) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) through (C) can be remedied by an entity that has a demonstrated capacity to manage, with reasonable expenses for modernization.

Such a transfer may be made only as provided in this section, pursuant to the approval by the Secretary of a request for the transfer made by a majority vote of the residents for the specified housing, after consultation with the local housing and management authority for the specified housing.

(b) Block Grant Assistance.—Pursuant to a contract under subsection (c), the Secretary shall require the local housing and management authority for specified housing to provide to the manager for the housing, from any block grant amounts under this title for the authority, fair and reasonable amounts for operating costs for the housing. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the total block grant amounts for the local housing and management authority transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the local housing and management authority, and the local housing management plan of such authority.

(c) Contract Between Secretary and Manager.—

(1) Requirements.—Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) Terms.— A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this Act applicable to public housing developments.

(d) Compliance With Local Housing Management Plan.—A manager of specified housing under this section shall comply with the approved local housing management plan applicable to the housing and shall submit such information to the local housing and management authority from which management was transferred as may be necessary for such authority to prepare and update its local housing management plan.

(e) Demolition and Disposition by Manager.—A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the local housing management plan for the authority transferring management of the housing.

(f) Limitation on LHMA Liability.—A local housing and management authority that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(g) Treatment of Manager.—To the extent not inconsistent with this section and to the extent the Secretary determines not inconsistent with the purposes of this Act, a manager of specified housing under this section shall be considered to be a local housing and management authority for purposes of this title.

(h) Definitions.—For purposes of this section, the following definitions shall apply:

(1) Eligible management entity.—The term "eligible management entity" means, with respect to any public housing development, any of the following entities that has been accredited in accordance with section 433:

(A) Nonprofit organization.—A public or private nonprofit organization, which shall—

(i) include a resident management corporation or resident management organization and, as determined by the Secretary, a public or private nonprofit organization sponsored by the local housing and management authority that owns the development; and

(ii) not include the local housing and management authority that owns the development.

(B) For-profit entity.—A for-profit entity that has demonstrated experience in providing low-income housing.

(C) State or local government.—A State or local government, including an agency or instrumentality thereof.

(D) Local housing and management authority.—A local housing and management authority (other than the local housing and management authority that owns the development).

The term does not include a resident council.

(2) Manager.—The term "manager" means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) Nonprofit.—The term "nonprofit" means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) Private nonprofit organization.—The term "private nonprofit organization" means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.

(5) Local housing and management authority.—The term "local housing and management authority" has the meaning given such term in section 103(a).

(6) Public nonprofit organization.—The term "public nonprofit organization" means any public entity that is nonprofit in character.

(7) SPECIFIED HOUSING.—The term "specified housing" means a public housing development or developments, or a portion of a development or developments, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the development of which it is part to make transfer of the management of the building feasible for purposes of this section.

SEC. 237. RESIDENT OPPORTUNITY PROGRAM.

(a) PURPOSE.—The purpose of this section is to encourage increased resident management of public housing developments, as a means of improving existing living conditions in public housing developments, by providing increased flexibility for public housing developments that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term "public housing development" includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) PROGRAM REQUIREMENTS.—

(1) RESIDENT COUNCIL.—As a condition of entering into a resident opportunity program, the elected resident council of a public housing development shall approve the establishment of a resident management corporation that complies with the requirements of section 234(b)(2). When such approval is made by the elected resident council of a building or row house area, the resident opportunity program shall not interfere with the rights of other families residing in the development or harm the efficient operation of the development. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council.

(2) PUBLIC HOUSING MANAGEMENT SPECIALIST.—The resident council of a public housing development, in cooperation with the local housing and management authority, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the development.

(3) MANAGEMENT RESPONSIBILITIES.—A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the local housing and management authority, shall enter into a contract with the authority establishing the respective management rights and responsibilities of the corporation and the authority. The contract shall be treated as a contracting out of services and shall be subject to the requirements under section 234 for such contracts.

(4) ANNUAL AUDIT.—The books and records of a resident management corporation operating a public housing development shall be audited annually by a certified public accountant. A written report of each such audit shall be forwarded to the local housing and management authority and the Secretary.

(c) COMPREHENSIVE IMPROVEMENT ASSISTANCE.—Public housing developments managed by resident management corporations may be provided with modernization assistance from grant amounts under this title for purposes of renovating such developments. If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the local housing and management authority involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.

(d) WAIVER OF FEDERAL REQUIREMENTS.—

(1) WAIVER OF REGULATORY REQUIREMENTS.—Upon the request of any resident management corporation and local housing and management authority, and after notice and an opportunity to comment is afforded to the affected residents, the Secretary may waive (for both the resident management corporation and the local housing and management authority) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing development.

(2) WAIVER TO PERMIT EMPLOYMENT.—Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such development to volunteer a portion of their labor.

(3) EXCEPTIONS.—The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 222, rental payments under section 225, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) OPERATING ASSISTANCE AND DEVELOPMENT INCOME.—

(1) CALCULATION OF OPERATING SUBSIDY.—Subject only to the exception provided in paragraph (3), the grant amounts received under this title by a local housing and management authority used for operating costs under section 203(a)(2) that are allocated to a public housing development managed by a resident management corporation shall not be less than per unit monthly amount of such assistance used by the local housing and management authority in the previous year, as determined on an individual development basis.

(2) CONTRACT REQUIREMENTS.—Any contract for management of a public housing development entered into by a local housing and management authority and a resident management corporation shall specify the amount of income expected to be derived from the development itself (from sources such as rents and charges) and the amount of income funds to be provided to the development from the other sources of income of the authority (such as operating assistance under section 203(a), interest income, administrative fees, and rents).

(f) RESIDENT MANAGEMENT TECHNICAL ASSISTANCE AND TRAINING.—

(1) FINANCIAL ASSISTANCE.—To the extent budget authority is available under this title, the Secretary shall provide financial assistance to resident management corporations or resident councils that obtain, by contract or otherwise, technical assistance for the development of resident management entities, including the formation of such entities, the development of the management capability of newly formed or existing entities, the identification of the social support needs of residents of public housing developments, and the securing of such support. In addition, the Secretary may provide financial assistance to resident management corporations or resident councils for activities sponsored by resident organizations for economic uplift, such as job training, economic development, security, and other self-sufficiency activities beyond those related to the management of public housing. The Secretary may require resident councils or resident management corporations to utilize local housing and management authorities or other qualified organizations as contract administrators with respect to financial assistance provided under this paragraph.

(2) LIMITATION ON ASSISTANCE.—The financial assistance provided under this subsection with respect to any public housing development may not exceed $100,000.

(3) PROHIBITION.—A resident management corporation or resident council may not, before the award to the corporation or council of a grant amount under this subsection, enter into any contract or other agreement with any entity to provide such entity with amounts from the grant for providing technical assistance or carrying out other activities eligible for assistance with amounts under this subsection. Any such agreement entered into in violation of this paragraph shall be void and unenforceable.

(4) FUNDING.—Of any amounts made available for financial assistance under this title, the Secretary may use to carry out this subsection $15,000,000 for fiscal year 1996.

(5) LIMITATION REGARDING ASSISTANCE UNDER HOPE GRANT PROGRAM.—The Secretary may not provide financial assistance under this subsection to any resident management corporation or resident council with respect to which assistance for the development or formation of such entity is provided under title III of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(6) TECHNICAL ASSISTANCE AND CLEARINGHOUSE.—The Secretary may use up to 10 percent of the amount made available pursuant to paragraph (4)—

(A) to provide technical assistance, directly or by grant or contract, and

(B) to receive, collect, process, assemble, and disseminate information,

in connection with activities under this subsection.

(g) ASSESSMENT AND REPORT BY SECRETARY.—Not later than 3 years after the date of the enactment of the United States Housing Act of 1996, the Secretary shall—

(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and

(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

(h) APPLICABILITY.—Any management contract between a local housing and management authority and a resident management corporation that is entered into after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 shall be subject to this section and any regulations issued to carry out this section.

Subtitle D—Homeownership

SEC. 251. RESIDENT HOMEOWNERSHIP PROGRAMS.

(a) IN GENERAL.—A local housing and management authority may carry out a homeownership program in accordance with this section and the local housing management plan of the authority to make public housing dwelling units, public housing developments, and other housing projects available for purchase by low-income families. An authority may transfer a unit only pursuant to a homeownership program approved by the Secretary. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan regarding a homeownership program pursuant to this section.

(b) PARTICIPATING UNITS.—A program under this section may cover any existing public housing dwelling units or projects, and may include

other dwelling units and housing owned, operated, or assisted, or otherwise acquired for use under such program, by the local housing and management authority.

(c) ELIGIBLE PURCHASERS.—

(1) LOW-INCOME REQUIREMENT.—Only low-income families assisted by a local housing and management authority, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) OTHER REQUIREMENTS.—A local housing and management authority may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) FINANCING AND ASSISTANCE.—A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program or by the local housing and management authority for sale under this program in any manner considered appropriate by the authority (including sale to a resident management corporation).

(e) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the local housing and management authority. Except as provided in paragraph (2), the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase,

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(f) OWNERSHIP INTERESTS.—A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the local housing and management authority considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a local housing and management authority providing financing.

(g) RESALE.—

(1) AUTHORITY AND LIMITATION.—A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the authority considers appropriate (whether the family purchases directly from the authority or from another entity) for the authority to recapture—

(A) from any economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family, a portion of the amount of any financial assistance provided under the program by the authority to the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the authority to the purchaser.

(2) CONSIDERATIONS.—The limitations referred to in paragraph (1) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the authority considers appropriate.

(h) INAPPLICABILITY OF DISPOSITION REQUIREMENTS.—The provisions of section 261 shall not apply to disposition of public housing dwelling units under a homeownership program under this section, except that any dwelling units sold under such a program shall be treated as public housing dwelling units for purposes of subsections (e) and (f) of section 261.

Subtitle E—Disposition, Demolition, and Revitalization of Developments

SEC. 261. REQUIREMENTS FOR DEMOLITION AND DISPOSITION OF DEVELOPMENTS.

(a) AUTHORITY AND FLEXIBILITY.—A local housing and management authority may demolish, dispose of, or demolish and dispose of nonviable or nonmarketable public housing developments of the authority in accordance with this section.

(b) LOCAL HOUSING MANAGEMENT PLAN REQUIREMENT.—A local housing and management authority may take any action to demolish or dispose of a public housing development (or a portion of a development) only if such demolition or disposition complies with the provisions of this section and is in accordance with the local housing management plan for the authority. Notwithstanding section 108, the Secretary may approve a local housing management plan without approving the portion of the plan covering demolition or disposition pursuant to this section.

(c) PURPOSE OF DEMOLITION OR DISPOSITION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority provides sufficient evidence to the Secretary that—

(1) the development (or portion thereof) is severely distressed or obsolete;

(2) the development (or portion thereof) is in a location making it unsuitable for housing purposes;

(3) the development (or portion thereof) has design or construction deficiencies that make cost-effective rehabilitation infeasible;

(4) assuming that reasonable rehabilitation and management intervention for the development has been completed and paid for, the anticipated revenue that would be derived from charging market-based rents for units in the development (or portion thereof) would not cover the anticipated operating costs and replacement reserves of the development (or portion) at full occupancy and the development (or portion) would constitute a substantial burden on the resources of the local housing and management authority;

(5) retention of the development (or portion thereof) is not in the best interests of the residents of the local housing and management authority because—

(A) developmental changes in the area surrounding the development adversely affect the health or safety of the residents or the feasible operation of the development by the local housing and management authority;

(B) demolition or disposition will allow the acquisition, development, or rehabilitation of other properties which will be more efficiently or effectively operated as low-income housing; or

(C) other factors exist that the authority determines are consistent with the best interests of the residents and the authority and not inconsistent with other provisions of this Act;

(6) in the case only of demolition or disposition of a portion of a development, the demolition or disposition will help to ensure the remaining useful life of the remainder of the development; or

(7) in the case only of property other than dwelling units—

(A) the property is excess to the needs of a development; or

(B) the demolition or disposition is incidental to, or does not interfere with, continued operation of a development.

(d) CONSULTATION.—A local housing and management authority may demolish or dispose of a public housing development (or portion of a development) only if the authority notifies and confers regarding the demolition or disposition with—

(1) the residents of the development (or portion); and

(2) appropriate local government officials.

(e) USE OF PROCEEDS.—Any net proceeds from the disposition of a public housing development (or portion of a development) shall be used for—

(1) housing assistance for low-income families that is consistent with the low-income housing needs of the community, through acquisition, development, or rehabilitation of, or homeownership programs for, other low-income housing or the provision of choice-based assistance under title III for such families;

(2) supportive services relating to job training or child care for residents of a development or developments; or

(3) leveraging amounts for securing commercial enterprises, on-site in public housing developments of the local housing and management authority, appropriate to serve the needs of the residents.

(f) RELOCATION.—A local housing and management authority that demolishes or disposes of a public housing development (or portion of a development thereof) shall ensure that—

(1) each family that is a resident of the development (or portion) that is demolished or disposed of is relocated to other safe, clean, healthy, and affordable housing, which is, to the maximum extent practicable, housing of the family's choice or is provided with choice-based assistance under title III;

(2) the local housing and management authority does not take any action to dispose of any unit until any resident to be displaced is relocated in accordance with paragraph (1); and

(3) each resident family to be displaced is paid relocation expenses, and the rent to be paid initially by the resident following relocation does not exceed the amount permitted under section 225(a).

(g) RIGHT OF FIRST REFUSAL FOR RESIDENT ORGANIZATIONS AND RESIDENT MANAGEMENT CORPORATIONS.—

(1) IN GENERAL.—A local housing and management authority may not dispose of a public housing development (or portion of a development) unless the authority has, before such disposition, offered to sell the property, as provided in this subsection, to each resident organization and resident management corporation operating at the development for continued use as low-income housing, and no such organization or corporation purchases the property pursuant to such offer. A resident organization may act, for purposes of this subsection, through an entity formed to facilitate homeownership under subtitle D.

(2) TIMING.—Disposition of a development (or portion thereof) under this section may not take place—

(A) before the expiration of the period during which any such organization or corporation may notify the authority of interest in purchasing the property, which shall be the 30-day period beginning on the date that the authority first provides notice of the proposed disposition of the property to such resident organizations and resident management corporations;

(B) if an organization or corporation submits notice of interest in accordance with subparagraph (A), before the expiration of the period during which such organization or corporation may obtain a commitment for financing to purchase the property, which shall be the 60-day period beginning upon the submission to the authority of the notice of interest; or

(C) if, during the period under subparagraph (B), an organization or corporation obtains such financing commitment and makes a bona fide offer to the authority to purchase the property for a price equal to or exceeding the applicable offer price under paragraph (3).

The authority shall sell the property pursuant to any purchase offer described in subparagraph (C).

(3) TERMS OF OFFER.—An offer by a local housing and management authority to sell a property in accordance with this subsection shall involve a purchase price that reflects the market value of the property, the reason for the sale, the impact of the sale on the surrounding community, and any other factors that the authority considers appropriate.

(h) INFORMATION FOR LOCAL HOUSING MANAGEMENT PLAN.—A local housing and management authority may demolish or dispose of a public housing development (or portion thereof) only if it includes in the applicable local housing management plan information sufficient to describe—

(1) the housing to be demolished or disposed of;

(2) the purpose of the demolition or disposition under subsection (c) and why the demolition or disposition complies with the requirements under subsection (c);

(3) how the consultations required under subsection (d) will be made;

(4) how the net proceeds of the disposition will be used in accordance with subsection (e);

(5) how the authority will relocate residents, if necessary, as required under subsection (f); and

(6) that the authority has offered the property for acquisition by resident organizations and resident management corporations in accordance with subsection (g).

(i) SITE AND NEIGHBORHOOD STANDARDS EXEMPTION.—Notwithstanding any other provision of law, a local housing and management authority may provide for development of public housing dwelling units on the same site or in the same neighborhood as any dwelling units demolished, pursuant to a plan under this section, but only if such development provides for significantly fewer dwelling units.

(j) TREATMENT OF REPLACEMENT UNITS.—In connection with any demolition or disposition of public housing under this section, a local housing and management authority may provide for other housing assistance for low-income families that is consistent with the low-income housing needs of the community, including—

(1) the provision of choice-based assistance under title III; and

(2) the development, acquisition, or lease by the authority of dwelling units, which dwelling units shall—

(A) be eligible to receive assistance with grant amounts provided under this title; and

(B) be made available for occupancy, operated, and managed in the manner required for public housing, and subject to the other requirements applicable to public housing dwelling units.

(k) PERMISSIBLE RELOCATION WITHOUT PLAN.—If a local housing and management authority determines that public housing dwelling units are not clean, safe, and healthy or cannot be maintained cost-effectively in a clean, safe, and healthy condition, the local housing and management authority may relocate residents of such dwelling units before the submission of a local housing management plan providing for demolition or disposition of such units.

(l) CONSOLIDATION OF OCCUPANCY WITHIN OR AMONG BUILDINGS.—Nothing in this section may be construed to prevent a local housing and management authority from consolidating occupancy within or among buildings of a public housing development, or among developments, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(m) DE MINIMIS EXCEPTION TO DEMOLITION REQUIREMENTS.—Notwithstanding any other provision of this section, in any 5-year period a local housing and management authority may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned and operated by the local housing and management authority, without providing for such demolition in a local housing management plan, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

SEC. 262. DEMOLITION, SITE REVITALIZATION, REPLACEMENT HOUSING, AND CHOICE-BASED ASSISTANCE GRANTS FOR DEVELOPMENTS.

(a) PURPOSES.—The purpose of this section is to provide assistance to local housing and management authorities for the purposes of—

(1) reducing the density and improving the living environment for public housing residents of severely distressed public housing developments through the demolition of obsolete public housing developments (or portions thereof);

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing developments are located and contributing to the improvement of the surrounding neighborhood; and

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) providing choice-based assistance in accordance with title III for the purpose of providing replacement housing and assisting residents to be displaced by the demolition.

(b) GRANT AUTHORITY.—The Secretary may make grants available to local housing and management authorities as provided in this section.

(c) CONTRIBUTION REQUIREMENT.—The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will supplement the amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section, including amounts from other Federal sources, any State or local government sources, any private contributions, and the value of any in-kind services or administrative costs provided.

(d) ELIGIBLE ACTIVITIES.—Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(1) architectural and engineering work, including the redesign, reconstruction, or redevelopment of a severely distressed public housing development, including the site on which the development is located;

(2) the demolition, sale, or lease of the site, in whole or in part;

(3) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;

(4) payment of reasonable legal fees;

(5) providing reasonable moving expenses for residents displaced as a result of the revitalization of the development;

(6) economic development activities that promote the economic self-sufficiency of residents under the revitalization program;

(7) necessary management improvements;

(8) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the development that will benefit future residents of the site;

(9) replacement housing and housing assistance under title III;

(10) transitional security activities; and

(11) necessary supportive services, except that not more than 10 percent of the amount of any grant may be used for activities under this paragraph.

(e) APPLICATION AND SELECTION.—

(1) APPLICATION.—An application for a grant under this section shall contain such information and shall be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

(2) SELECTION CRITERIA.—The Secretary shall establish selection criteria for the award of grants under this section, which shall include—

(A) the relationship of the grant to the local housing management plan for the local housing and management authority and how the grant will result in a revitalized site that will enhance the neighborhood in which the development is located;

(B) the capability and record of the applicant local housing and management authority, or any alternative management agency for the authority, for managing large-scale redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;

(C) the extent to which the local housing and management authority could undertake such activities without a grant under this section;

(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development of a revitalization program for the development; and

(E) the amount of funds and other resources to be leveraged by the grant.

The Secretary shall give preference in selection to any local housing and management authority that has been awarded a planning grant under section 24(c) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

(f) COST LIMITS.—Subject to the provisions of this section, the Secretary—

(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and

(2) may establish other cost limits on eligible activities under this section.

(h) DEMOLITION AND REPLACEMENT.—Any severely distressed public housing demolished or disposed of pursuant to a revitalization plan and any public housing produced in lieu of such severely distressed housing, shall be subject to the provisions of section 261.

(i) ADMINISTRATION BY OTHER ENTITIES.—The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the local housing and management authority to carry out activities assisted under the revitalization plan, if the Secretary determines that such

action will help to effectuate the purposes of this section.

(j) WITHDRAWAL OF FUNDING.—If a grantee under this section does not proceed expeditiously, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the local housing and management authority. The Secretary shall redistribute any withdrawn amounts to one or more local housing and management authorities eligible for assistance under this section or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the revitalization plan of the original grantee.

(k) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPLICANT.—The term "applicant" means—

(A) any local housing and management authority that is not designated as troubled or dysfunctional pursuant to section 431(a)(2);

(B) any local housing and management authority or private housing management agent selected, or receiver appointed pursuant, to section 438; and

(C) any local housing and management authority that is designated as troubled pursuant to section 431(a)(2)(D) that—

(i) is so designated principally for reasons that will not affect the capacity of the authority to carry out a revitalization program;

(ii) is making substantial progress toward eliminating the deficiencies of the authority; or

(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) PRIVATE NONPROFIT CORPORATION.—The term "private nonprofit organization" means any private nonprofit organization (including a State or locally chartered nonprofit organization) that—

(A) is incorporated under State or local law;

(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to very low-income families.

(3) SEVERELY DISTRESSED PUBLIC HOUSING.—The term "severely distressed public housing" means a public housing development (or building in a development)—

(A) that requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the development;

(B) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(C)(i) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; and

(ii) has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(D) cannot be revitalized through assistance under other programs, such as the public housing block grant program under this title, or the programs under sections 9 and 14 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), because of cost constraints and inadequacy of available amounts; and

(E) in the case of individual buildings, the building is, in the Secretary's determination, sufficiently separable from the remainder of the development of which the building is part to make use of the building feasible for purposes of this section.

(4) SUPPORTIVE SERVICES.—The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing development involved, including literacy training, job training, day care, and economic development activities.

(l) ANNUAL REPORT.—The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of developments identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section; and

(4) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(m) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section $480,000,000 for each of fiscal years 1996, 1997, and 1998.

(2) TECHNICAL ASSISTANCE.—Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use not more than 0.50 percent for technical assistance. Such assistance may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of local housing and management authorities, and of residents.

(n) SUNSET.—No assistance may be provided under this section after September 30, 1998.

SEC. 263. VOLUNTARY VOUCHER SYSTEM FOR PUBLIC HOUSING.

(a) IN GENERAL.—A local housing and management authority may convert any public housing development (or portion thereof) owned and operated by the authority to a system of choice-based rental housing assistance under title III, in accordance with this section.

(b) ASSESSMENT AND PLAN REQUIREMENT.—In converting under this section to a choice-based rental housing assistance system, the local housing and management authority shall develop a conversion assessment and plan under this subsection, in consultation with the appropriate public officials and with significant participation by the residents of the development (or portion thereof), which assessment and plan shall—

(1) be consistent with and part of the local housing management plan for the authority;

(2) describe the conversion and future use or disposition of the public housing development, including an impact analysis on the affected community;

(3) include a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing choice-based rental housing assistance under title III for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing development proposed for conversion for the remaining useful life of the development; and

(4) identify the actions, if any, that the local housing and management authority will take with regard to converting any public housing development or developments (or portions thereof) of the authority to a system of choice-based rental housing assistance under title III.

(c) STREAMLINED ASSESSMENT AND PLAN.—At the discretion of the Secretary or at the request of a local housing and management authority, the Secretary may waive any or all of the requirements of subsection (b) or otherwise require a streamlined assessment with respect to any public housing development or class of public housing developments.

(d) IMPLEMENTATION OF CONVERSION PLAN.—

(1) IN GENERAL.—A local housing and management authority may implement a conversion plan only if the conversion assessment under this section demonstrates that the conversion—

(A) will not be more expensive than continuing to operate the public housing development (or portion thereof) as public housing; and

(B) will principally benefit the residents of the public housing development (or portion thereof) to be converted, the local housing and management authority, and the community.

(2) DISAPPROVAL.—The Secretary shall disapprove a conversion plan only if the plan is plainly inconsistent with the conversion assessment under subsection (b) or there is reliable information and data available to the Secretary that contradicts that conversion assessment.

(e) OTHER REQUIREMENTS.—To the extent approved by the Secretary, the funds used by the local housing and management authority to provide choice-based rental housing assistance under title III shall be added to the housing assistance payment contract administered by the local housing and management authority or any entity administering the contract on behalf of the local housing and management authority.

(f) SAVINGS PROVISION.—This section does not affect any contract or other agreement entered into under section 22 of the United States Housing Act of 1937 (as such section existed immediately before the enactment of this Act).

Subtitle F—General Provisions

SEC. 271. CONVERSION TO BLOCK GRANT ASSISTANCE.

(a) SAVINGS PROVISIONS.—Any amounts made available to a public housing agency for assistance for public housing pursuant to the United States Housing Act of 1937 (or any other provision of law relating to assistance for public housing) under an appropriation for fiscal year 1996 or any previous fiscal year shall be subject to the provisions of such Act as in effect before the enactment of this Act, notwithstanding the repeals made by this Act, except to the extent the Secretary provides otherwise to provide for the conversion of public housing and public housing assistance to the system provided under this Act.

(b) MODIFICATIONS.—Notwithstanding any provision of this Act or any annual contributions contract or other agreement entered into by the Secretary and a public housing agency pursuant to the provisions of the United States Housing Act of 1937 (as in effect before the enactment of this Act), the Secretary and the agency may by mutual consent amend, supersede, modify any such agreement as appropriate to provide for assistance under this title, except that the Secretary and the agency may not consent to any such amendment, supersession, or modification that substantially alters any outstanding obligations requiring continued maintenance of the low-income character of any public housing development and any such amendment, supersession, or modification shall not be given effect.

SEC. 272. PAYMENT OF NON-FEDERAL SHARE.

Rental or use-value of buildings or facilities paid for, in whole or in part, from production, modernization, or operation costs financed under this title may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the residents in a project assisted under this title.

SEC. 273. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) ACQUISITION COST.—The term "acquisition cost" means the amount prudently expended by a local housing and management authority in acquiring property for a public housing development.

(2) DEVELOPMENT.—The terms "public housing development" and "development" mean—

(A) public housing; and

(B) the improvement of any such housing.

(3) ELIGIBLE LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term "eligible local housing and management authority" means, with respect to a fiscal year, a local housing and management authority that is eligible under section 202(d) for a grant under this title.

(4) GROUP HOME AND INDEPENDENT LIVING FACILITY.—The terms "group home" and "independent living facility" have the meanings given such terms in section 811(k) of the Cranston-Gonzalez National Affordable Housing Act.

(5) OPERATION.—The term "operation" means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a public housing development, including the financing of resident programs and services.

(6) PRODUCTION.—The term "production" means any or all undertakings necessary for planning, land acquisition, financing, demolition, construction, or equipment, in connection with the construction, acquisition, or rehabilitation of a property for use as a public housing development, including activity in connection with a public housing development that is confined to the reconstruction, remodeling, or repair of existing buildings.

(7) PRODUCTION COST.—The term "production cost" means the costs incurred by a local housing and management authority for production of public housing and the necessary financing for production (including the payment of carrying charges and acquisition costs).

(8) RESIDENT COUNCIL.—The term "resident council" means an organization or association that meets the requirements of section 234(a).

(9) RESIDENT MANAGEMENT CORPORATION.—The term "resident management corporation" means a corporation that meets the requirements of section 234(b).

(10) RESIDENT PROGRAM.—The term "resident programs and services" means programs and services for families residing in public housing developments. Such term includes (A) the development and maintenance of resident organizations which participate in the management of public housing developments, (B) the training of residents to manage and operate the public housing development and the utilization of their services in management and operation of the development, (C) counseling on household management, housekeeping, budgeting, money management, homeownership issues, child care, and similar matters, (D) advice regarding resources for job training and placement, education, welfare, health, and other community services, (E) services that are directly related to meeting resident needs and providing a wholesome living environment; and (F) referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

SEC. 274. AUTHORIZATION OF APPROPRIATIONS FOR BLOCK GRANTS.

There are authorized to be appropriated for grants under this title, the following amounts:

(1) CAPITAL FUND.—For the allocations from the capital fund for grants, $2,500,000,000 for each of fiscal years 1997, 1998, 1999, and 2000; and

(2) OPERATING FUND.—For the allocations from the operating fund for grants, $2,800,000,000 for each of fiscal years 1997, 1998, 1999, and 2000.

SEC. 275. AUTHORIZATION OF APPROPRIATIONS FOR OPERATION SAFE HOME.

There is authorized to be appropriated, for assistance for relocating residents of public housing under the operation safe home program of the Department of Housing and Urban Development (including assistance for costs of relocation and housing assistance under title III), $700,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000. The Secretary shall provide that families who are residing in public housing, who have been subject to domestic violence, and for whom provision of assistance is likely to reduce or eliminate the threat of subsequent violence to the members of the family, shall be eligible for assistance under the operation safe home program.

TITLE III—CHOICE-BASED RENTAL HOUSING AND HOMEOWNERSHIP ASSISTANCE FOR LOW-INCOME FAMILIES

Subtitle A—Allocation

SEC. 301. AUTHORITY TO PROVIDE HOUSING ASSISTANCE AMOUNTS.

To the extent that amounts to carry out this title are made available, the Secretary may enter into contracts with local housing and management authorities for each fiscal year to provide housing assistance under this title.

SEC. 302. CONTRACTS WITH LHMA'S.

(a) CONDITION OF ASSISTANCE.—The Secretary may provide amounts under this title to a local housing and management authority for a fiscal year only if the Secretary has entered into a contract under this section with the local housing and management authority, under which the Secretary shall provide such authority with amounts (in the amount of the allocation for the authority determined pursuant to section 304) for housing assistance under this title for low-income families.

(b) USE FOR HOUSING ASSISTANCE.—A contract under this section shall require a local housing and management authority to use amounts provided under this title to provide housing assistance in any manner authorized under this title.

(c) ANNUAL OBLIGATION OF AUTHORITY.—A contract under this title shall provide amounts for housing assistance for 1 fiscal year covered by the contract.

(d) ENFORCEMENT OF HOUSING QUALITY REQUIREMENTS.—Each contract under this section shall require the local housing and management authority administering assistance provided under the contract—

(1) to ensure compliance, under each housing assistance payments contract entered into pursuant to the contract under this section, with the provisions of the housing assistance payments contract included pursuant to section 351(c)(4); and

(2) to establish procedures for assisted families to notify the authority of any noncompliance with such provisions.

SEC. 303. ELIGIBILITY OF LHMA'S FOR ASSISTANCE AMOUNTS.

The Secretary may provide amounts available for housing assistance under this title pursuant to the formula established under section 304(a) to a local housing and management authority only if—

(1) the authority has submitted a local housing management plan to the Secretary for such fiscal year and applied to the Secretary for such assistance;

(2) the plan has been determined to comply with the requirements under section 107 and the Secretary has not notified the authority that the plan fails to comply with such requirements;

(3) the authority is accredited under section 433 by the Housing Foundation and Accreditation Board;

(4) no member of the board of directors or other governing body of the authority, or the executive director, has been convicted of a felony; and

(5) the authority has not been disqualified for assistance pursuant to subtitle B of title IV.

SEC. 304. ALLOCATION OF AMOUNTS.

(a) FORMULA ALLOCATION.—

(1) IN GENERAL.—When amounts for assistance under this title are first made available for reservation, after reserving amounts in accordance with subsections (b)(3) and (c), and section 112, the Secretary shall allocate such amounts, only among local housing and management authorities meeting the requirements under this title to receive such assistance, on the basis of a formula that is established in accordance with paragraph (2) and based upon appropriate criteria to reflect the needs of different States, areas, and communities, using the most recent data available from the Bureau of the Census of the Department of Commerce and the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act (or any consolidated plan incorporating such strategy) for the applicable jurisdiction. The Secretary may establish a minimum allocation amount, in which case only the local housing and management authorities that, pursuant to the formula, are provided an amount equal to or greater than the minimum allocation amount, shall receive an allocation.

(2) REGULATIONS.—The formula under this subsection shall be established by regulation issued by the Secretary. Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, any proposed regulation containing such formula shall be issued pursuant to a negotiated rulemaking procedure under subchapter of chapter 5 of such title and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.

(b) ALLOCATION CONSIDERATIONS.—

(1) LIMITATION ON REALLOCATION FOR ANOTHER STATE.—Any amounts allocated for a State or areas or communities within a State that are not likely to be used within the fiscal year for which the amounts are provided shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities within the same State (that are eligible for amounts under this title) cannot use the amounts within the same fiscal year.

(2) EFFECT OF RECEIPT OF TENANT-BASED ASSISTANCE FOR DISABLED FAMILIES.—The Secretary may not consider the receipt by a local housing and management authority of assistance under section 811(b)(1) of the Cranston-Gonzalez National Affordable Housing Act, or the amount received, in approving amounts under this title for the authority or in determining the amount of such assistance to be provided to the authority.

(3) EXEMPTION FROM FORMULA ALLOCATION.—The formula allocation requirements of subsection (a) shall not apply to any assistance under this title that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including funding for the headquarters reserve fund under section 112, amendments of existing housing assistance payments contracts, renewal of such contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the housing assistance payments contract, assistance to prevent displacement from public or assisted housing or to provide replacement housing in connection with the demolition or disposition of public housing, assistance for relocation from public housing, assistance in connection with protection of crime witnesses, assistance for conversion from leased housing contracts under section 23 of the United

States Housing Act of 1937 (as in effect before the enactment of the Housing and Community Development Act of 1974), and assistance in support of the property disposition and portfolio management functions of the Secretary.

(c) RECAPTURE OF AMOUNTS.—

(1) AUTHORITY.—In each fiscal year, from any budget authority made available for assistance under this title or section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that is obligated to a local housing and management authority but remains unobligated by the authority upon the expiration of the 8-month period beginning upon the initial availability of such amounts for obligation by the authority, the Secretary may deobligate an amount, as determined by the Secretary, not exceeding 50 percent of such unobligated amount.

(2) USE.—The Secretary may reallocate and transfer any amounts deobligated under paragraph (1) only to local housing and management authorities in areas that the Secretary determines have received less funding than other areas, based on the relative needs of all areas.

SEC. 305. ADMINISTRATIVE FEES.

(a) FEE FOR ONGOING COSTS OF ADMINISTRATION.—

(1) IN GENERAL.—The Secretary shall establish fees for the costs of administering the choice-based housing assistance program under this title.

(2) FISCAL YEAR 1996.—

(A) CALCULATION.—For fiscal year 1996, the fee for each month for which a dwelling unit is covered by a contract for assistance under this title shall be—

(i) in the case of a local housing and management authority that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and

(ii) in the case of an authority that, on an annual basis, is administering a program for more than 600 dwelling units—

(I) for the first 600 units, 7.65 percent of the base amount; and

(II) for any additional dwelling units under the program, 7.0 percent of the base amount.

(B) BASE AMOUNT.—For purposes of this paragraph, the base amount shall be the higher of—

(i) the fair market rental established under section 8(c) of the United States Housing Act of 1937 (as in effect immediately before the date of the enactment of this Act) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the authority, and

(ii) the amount that is the lesser of (I) such fair market rental for fiscal year 1994 or (II) 103.5 percent of the amount determined under clause (i),

adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(3) SUBSEQUENT FISCAL YEARS.—For subsequent fiscal years, the Secretary shall publish a notice in the Federal Register, for each geographic area, establishing the amount of the fee that would apply for local housing and management authorities administering the program, based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary.

(4) INCREASE.—The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(b) FEE FOR PRELIMINARY EXPENSES.—The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a local housing and management authority, but only in the first year that the authority administers a choice-based housing assistance program under this title, and only if, immediately before the date of the enactment of this Act, the authority was not administering a tenant-based rental assistance program under the United States Housing Act of 1937 (as in effect immediately before such date of enactment), in connection with its initial increment of assistance received;

(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(3) extraordinary costs approved by the Secretary.

(c) TRANSFER OF FEES IN CASES OF CONCURRENT GEOGRAPHICAL JURISDICTION.—

(1) IN GENERAL.—In each fiscal year, if any local housing and management authority provides tenant-based rental assistance under section 8 of the United States Housing Act of 1937 or housing assistance under this title on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such authority but is also within the jurisdiction of another local housing and management authority, the Secretary shall take such steps as may be necessary to ensure that the local housing and management authority that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

SEC. 306. AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated for providing local housing and management authorities with housing assistance under this title, $1,861,668,000 for each of fiscal years 1996, 1997, 1998, 1999, and 2000.

(b) ASSISTANCE FOR DISABLED FAMILIES.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated, for choice-based housing assistance under this title to be used in accordance with paragraph (2), $50,000,000 for fiscal year 1997, and such sums as may be necessary for each subsequent fiscal year.

(2) USE.—The Secretary shall provide amounts made available under paragraph (1) to local housing and management authorities only for use to provide housing assistance under this title for nonelderly disabled families (including such families relocating pursuant to designation of a public housing development under section 227 and other nonelderly disabled families who have applied to the authority for housing assistance under this title).

(3) ALLOCATION OF AMOUNTS.—The Secretary shall allocate and provide amounts made available under paragraph (1) to local housing and management authorities as the Secretary determines appropriate based on the relative levels of need among the authorities for assistance for families described in paragraph (1).

SEC. 307. CONVERSION OF SECTION 8 ASSISTANCE.

(a) IN GENERAL.—Any amounts made available to a local housing and management authority under a contract for annual contributions for assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act) that have not been obligated for such assistance by such authority before such enactment shall be used to provide assistance under this title, except to the extent the Secretary determines such use is inconsistent with existing commitments.

(b) EXCEPTION.—Subsection (a) shall not apply to any amounts made available under a contract for housing constructed or substantially rehabilitated pursuant to section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983.

Subtitle B—Choice-Based Housing Assistance for Eligible Families

SEC. 321. ELIGIBLE FAMILIES AND PREFERENCES FOR ASSISTANCE.

(a) LOW-INCOME REQUIREMENT.—Housing assistance under this title may be provided only on behalf of a family that—

(1) at the time that such assistance is initially provided on behalf of the family, is determined by the local housing and management authority to be a low-income family; or

(2) qualifies to receive such assistance under any other provision of Federal law.

(b) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 50 percent shall be families whose incomes do not exceed 60 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(c) INCOME TARGETING.—Of the families initially assisted under this title by a local housing and management authority in any year, not less than 40 percent shall be families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families. The Secretary may establish income ceiling higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

(d) REVIEWS OF FAMILY INCOMES.—

(1) IN GENERAL.—Reviews of family incomes for purposes of this title shall be subject to the provisions of section 904 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 and shall be conducted upon the initial provision of housing assistance for the family and thereafter not less than annually.

(2) PROCEDURES.—Each local housing and management authority administering housing assistance under this title shall establish procedures that are appropriate and necessary to ensure that income data provided to the authority and owners by families applying for or receiving housing assistance from the authority is complete and accurate.

(e) PREFERENCES FOR ASSISTANCE.—

(1) AUTHORITY TO ESTABLISH.—Any local housing and management authority that receives amounts under this title may establish a system for making housing assistance available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics.

(2) CONTENT.—Each system of preferences established pursuant to this subsection shall be based upon local housing needs and priorities, as determined by the local housing and management authority using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 107(e) or under the requirements applicable to comprehensive housing affordability strategy for the relevant jurisdiction.

(f) PORTABILITY OF HOUSING ASSISTANCE.—

(1) NATIONAL PORTABILITY.—An eligible family that is selected to receive or is receiving assistance under this title may rent any eligible dwelling unit in any area where a program is being administered under this title. Notwithstanding the preceding sentence, a local housing and management authority may require that any family not living within the jurisdiction of the local housing and management authority at the time the family applies for assistance from the authority shall, during the 12-month period

beginning on the date of initial receipt of housing assistance made available on behalf of the family from that authority, lease and occupy an eligible dwelling unit located within the jurisdiction served by the authority. The authority for the jurisdiction into which the family moves shall have the responsibility for administering assistance for the family.

(2) SOURCE OF FUNDING FOR A FAMILY THAT MOVES.—For a family that has moved into the jurisdiction of a local housing and management authority and that, at the time of the move, has been selected to receive, or is receiving, assistance provided by another authority, the authority for the jurisdiction into which the family has moved may, in its discretion, cover the cost of assisting the family under its contract with the Secretary or through reimbursement from the other authority under that authority's contract.

(3) AUTHORITY TO DENY ASSISTANCE TO CERTAIN FAMILIES WHO MOVE.—A family may not receive housing assistance as provided under this subsection if the family has moved from a dwelling unit in violation of the lease for the dwelling unit.

(4) FUNDING ALLOCATIONS.—In providing assistance amounts under this title for local housing and management authorities for any fiscal year, the Secretary may give consideration to any reduction or increase in the number of resident families under the program of an authority in the preceding fiscal year as a result of this subsection.

(g) LOSS OF ASSISTANCE UPON TERMINATION OF TENANCY.—A local housing and management authority shall, consistent with the policies described in the local housing management plan of the authority, establish policies providing that an assisted family whose tenancy is terminated for serious violations of the terms or conditions of the lease shall—

(1) lose any right to continued housing assistance; and

(2) immediately become ineligible for housing assistance under this title or for admission to public housing under title II—

(A) in the case of a termination due to drug-related criminal activity, for a period of not less than 3 years from the date of the termination; and

(B) for other terminations, for a reasonable period of time as determined by the local housing and management authority.

(h) CONFIDENTIALITY FOR VICTIMS OF DOMESTIC VIOLENCE.—A local housing and management authority shall be subject to the restrictions regarding release of information relating to the identity and new residence of any family receiving housing assistance who was a victim of domestic violence that are applicable to shelters pursuant to the Family Violence Prevention and Services Act. The authority shall work with the United States Postal Service to establish procedures consistent with the confidentiality provisions in the Violence Against Women Act of 1994.

(i) DENIAL OF ASSISTANCE TO CRIMINAL OFFENDERS.—In making assistance under this title available on behalf of eligible families, a local housing and management authority may deny the provision of such assistance in the same manner, for the same period, and subject to the same conditions that an owner of federally assisted housing may deny occupancy in such housing under subsections (b) and (c) of section 642 of the Housing and Community Development Act of 1992.

(j) AVAILABILITY OF CRIMINAL RECORDS.—A local housing and management authority may request and obtain records regarding the criminal convictions of applicants for housing assistance under this title and assisted families under this title to the same extent an owner of federally assisted housing may obtain such records regarding an applicant for or tenant of federally assisted housing under section 646 of the Housing and Community Development Act of 1992.

SEC. 322. RESIDENT CONTRIBUTION.

(a) AMOUNT.—

(1) IN GENERAL.—An assisted family shall contribute on a monthly basis for the rental of an assisted dwelling unit an amount that the local housing and management authority determines is appropriate with respect to the family and the unit, but shall not be less than the minimum monthly rental contribution determined under subsection (d).

(2) EXCEPTIONS FOR CERTAIN CURRENT RESIDENTS.—Notwithstanding paragraph (1), the amount paid by an assisted family for monthly rent for an assisted dwelling unit, may not exceed 30 percent of the family's adjusted monthly income for any family who—

(A) upon the date of the enactment of this Act, is an assisted family and—

(i) is an elderly family; or

(ii) is a disabled family; or

(B) has an income that does not exceed 30 percent of the median income for the area (as determined by the Secretary with adjustments for smaller and larger families).

Any amount payable under paragraph (3) shall be in addition to the amount payable under this paragraph.

(3) EXCESS RENTAL AMOUNT.—In any case in which the monthly rent charged for a dwelling unit pursuant to the housing assistance payments contract exceeds the applicable payment standard (established under section 353) for the dwelling unit, the assisted family residing in the unit shall contribute (in addition to the amount of the monthly rent contribution otherwise determined under paragraph (1) or (2) of this subsection for such family) such entire excess rental amount.

(b) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family that is an elderly family or a disabled family, for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, may not exceed 30 percent of the family's adjusted monthly income.

(c) LIMITATION.—Notwithstanding any other provision of this section, the amount paid by an assisted family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act) for monthly rent for an assisted dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located may not exceed 30 percent of the family's adjusted monthly income.

(d) MINIMUM MONTHLY RENTAL CONTRIBUTION.—

(1) IN GENERAL.—The local housing and management authority shall determine the amount of the minimum monthly rental contribution of an assisted family (which rent shall include any amount allowed for utilities), which—

(A) shall be based upon factors including the adjusted income of the family and any other factors that the authority considers appropriate;

(B) shall be not less than $25, nor more than $50; and

(C) may be increased annually by the authority, except that no such annual increase may exceed 10 percent of the amount of the minimum monthly contribution in effect for the preceding year.

(2) HARDSHIP EXCEPTION.—Notwithstanding paragraph (1), a local housing and management authority may, in its sole discretion, grant an exemption in whole or in part from payment of the minimum monthly rental contribution established under this paragraph to any assisted family unable to pay such amount because of severe financial hardships. Severe financial hardships may include situations where the family is awaiting an eligibility determination for a Federal, State, or local assistance program, where the family would be evicted as a result of imposition of the minimum rent, and other situations as may be determined by the authority.

(e) TREATMENT OF CHANGES IN RENTAL CONTRIBUTION.—

(1) NOTIFICATION OF CHANGES.—A local housing and management authority shall promptly notify the owner of an assisted dwelling unit of any change in the resident contribution by the assisted family residing in the unit that takes effect immediately or at a later date.

(2) COLLECTION OF RETROACTIVE CHANGES.—In the case of any change in the rental contribution of an assisted family that affects rental payments previously made, the local housing and management authority shall collect any additional amounts required to be paid by the family under such change directly from the family and shall refund any excess rental contribution paid by the family directly to the family.

(f) PHASE-IN OF RENT CONTRIBUTION INCREASES.—

(1) IN GENERAL.—Except as provided in paragraph (2), for any family that is receiving tenant-based rental assistance under section 8 of the United States Housing Act of 1937 upon the initial applicability of the provisions of this title to such family, if the monthly contribution for rental of an assisted dwelling unit to be paid by the family upon such initial applicability is greater than the amount paid by the family under the provisions of the United States Housing Act of 1937 immediately before such applicability, any such resulting increase in rent contribution shall be—

(A) phased in equally over a period of not less than 3 years, if such increase is 30 percent or more of such contribution before initial applicability; and

(B) limited to not more than 10 percent per year if such increase is more than 10 percent but less than 30 percent of such contribution before initial applicability.

(2) EXCEPTION.—The minimum rent contribution requirement under subsection (d)(1)(B) shall apply to each family described in paragraph (1) of this subsection, notwithstanding such paragraph.

SEC. 323. RENTAL INDICATORS.

(a) IN GENERAL.—The Secretary shall establish and issue rental indicators under this section periodically, but not less than annually, for existing rental dwelling units that are eligible dwelling units. The Secretary shall establish and issue the rental indicators by housing market area (as the Secretary shall establish) for various sizes and types of dwelling units.

(b) AMOUNT.—For a market area, the rental indicator established under subsection (a) for a dwelling unit of a particular size and type in the market area shall be a dollar amount that reflects the rental amount for a standard quality rental unit of such size and type in the market area that is an eligible dwelling unit.

(c) EFFECTIVE DATE.—The Secretary shall cause the proposed rental indicators established under subsection (a) for each market area to be published in the Federal Register with reasonable time for public comment, and such rental indicators shall become effective upon the date of publication in final form in the Federal Register.

(d) ANNUAL ADJUSTMENT.—Each rental indicator in effect under this section shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so that the indicators will be current for the year to which they apply, in rents for existing rental dwelling units of various sizes and types in the market area suitable for occupancy by families assisted under this title.

SEC. 324. LEASE TERMS.

Rental assistance may be provided for an eligible dwelling unit only if the assisted family and the owner of the dwelling unit enter into a lease for the unit that—

(1) provides for a single lease term of 12 months and continued tenancy after such term under a periodic tenancy on a month-to-month basis;

(2) contains terms and conditions specifying that termination of tenancy during the term of a lease shall be subject to the provisions set forth in section 325; and

(3) is set forth in the standard form, which is used in the local housing market area by the owner and applies generally to any other tenants in the property who are not assisted families, together with any addendum necessary to include the many terms required under this section.

A lease may include any addenda appropriate to set forth the provisions under this title.

SEC. 325. TERMINATION OF TENANCY.

(a) GENERAL GROUNDS FOR TERMINATION OF TENANCY.—Each housing assistance payments contract under section 351 shall provide that the owner of any assisted dwelling unit assisted under the contract may, before expiration of a lease for a unit, terminate the tenancy of any tenant of the unit, but only for—

(1) violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; or

(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity) on or off such premises.

(b) MANNER OF TERMINATION.—Each housing assistance payments contract shall provide that the owner shall conduct the termination of tenancy of any tenant of an assisted dwelling unit under the contract in accordance with applicable State or local laws, including providing any notice of termination required under such laws.

SEC. 326. ELIGIBLE OWNERS.

(a) OWNERSHIP ENTITY.—Rental assistance under this title may be provided for any eligible dwelling unit for which the owner is any public agency, private person or entity (including a cooperative), nonprofit organization, agency of the Federal Government, or local housing and management authority.

(b) INELIGIBLE OWNERS.—

(1) IN GENERAL.—Notwithstanding subsection (a), a local housing and management authority—

(A) may not enter into a housing assistance payments contract (or renew an existing contract) covering a dwelling unit that is owned by an owner who is debarred, suspended, or subject to limited denial of participation under part 24 of title 24, Code of Federal Regulations;

(B) may prohibit, or authorize the termination or suspension of, payment of housing assistance under a housing assistance payments contract in effect at the time such debarment, suspension, or limited denial of participation takes effect.

If the local housing and management authority takes action under subparagraph (B), the authority shall take such actions as may be necessary to protect assisted families who are affected by the action, which may include the provision of additional assistance under this title to such families.

(2) PROHIBITION OF SALE TO RELATED PARTIES.—The Secretary shall establish guidelines to prevent housing assistance payments for a dwelling unit that is owned by any spouse, child, or other party who allows an owner described in paragraph (1) to maintain control of the unit.

SEC. 327. SELECTION OF DWELLING UNITS.

(a) FAMILY CHOICE.—The determination of the dwelling unit in which an assisted family resides and for which housing assistance is provided under this title shall be made solely by the assisted family, subject to the provisions of this title and any applicable law.

(b) DEED RESTRICTIONS.—Housing assistance may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. Nothing in this section may be construed to affect the provisions or applicability of the Fair Housing Act.

SEC. 328. ELIGIBLE DWELLING UNITS.

(a) IN GENERAL.—A dwelling unit shall be an eligible dwelling unit for purposes of this title only if the local housing and management authority to provide housing assistance for the dwelling unit determines that the dwelling unit—

(1) is an existing dwelling unit that is not located within a nursing home or the grounds of any penal, reformatory, medical, mental, or similar public or private institution; and

(2) complies—

(A) with applicable State or local laws, regulations, standards, or codes regarding habitability of residential dwellings that—

(i) are in effect for the jurisdiction in which the dwelling unit is located;

(ii) provide protection to residents of the dwellings that is equal to or greater than the protection provided under the housing quality standards established under subsection (b); and

(iii) that do not severely restrict housing choice; or

(B) in the case of a dwelling unit located in a jurisdiction which does not have in effect laws, regulations, standards, or codes described in subparagraph (A), with the housing quality standards established under subsection (c).

Each local housing and management authority providing housing assistance shall identify, in the local housing management plan for the authority, whether the authority is utilizing the standard under subparagraph (A) or (B) of paragraph (2) and, if the authority utilizes the standard under subparagraph (A), shall certify in such plan that the applicable State or local laws, regulations, standards, or codes comply with the requirements under such subparagraph.

(b) DETERMINATIONS.—

(1) IN GENERAL.—A local housing and management authority shall make the determinations required under subsection (a) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit.

(2) EXPEDITIOUS INSPECTION.—Inspections of dwelling units under this subsection shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the local housing and management authority. The performance of the authority in meeting the 15-day inspection deadline shall be taken into account in assessing the performance of the authority.

(c) FEDERAL HOUSING QUALITY STANDARDS.—The Secretary shall establish housing quality standards under this subsection that ensure that assisted dwelling units are safe, clean, and healthy. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 232(b). The Secretary shall differentiate between major and minor violations of such standards.

(d) ANNUAL INSPECTIONS.—Each local housing and management authority providing housing assistance shall make an annual inspection of each assisted dwelling unit during the term of the housing assistance payments contracts for the unit to determine whether the unit is maintained in accordance with the requirements under subsection (a)(2). The authority shall retain the records of the inspection for a reasonable time and shall make the records available upon request to the Secretary and the Inspector General for the Department of Housing and Urban Development, the Housing Foundation and Accreditation Board established under title IV, and any auditor conducting an audit under section 432.

(e) INSPECTION GUIDELINES.—The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of local housing and management authorities and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this title.

(f) RULE OF CONSTRUCTION.—This section may not be construed to prevent the provision of housing assistance in connection with supportive services for elderly or disabled families.

SEC. 329. HOMEOWNERSHIP OPTION.

(a) IN GENERAL.—A local housing and management authority providing housing assistance under this title may provide homeownership assistance to assist eligible families to purchase a dwelling unit (including purchase under lease-purchase homeownership plans).

(b) REQUIREMENTS.—A local housing and management authority providing homeownership assistance under this section shall, as a condition of an eligible family receiving such assistance, require the family to—

(1) demonstrate that the family has sufficient income from employment or other sources (other than public assistance), as determined in accordance with requirements established by the authority; and

(2) meet any other initial or continuing requirements established by the local housing and management authority.

(c) DOWNPAYMENT REQUIREMENT.—

(1) IN GENERAL.—A local housing and management authority may establish minimum downpayment requirements, if appropriate, in connection with loans made for the purchase of dwelling units for which homeownership assistance is provided under this section. If the authority establishes a minimum downpayment requirement, except as provided in paragraph (2) the authority shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) DIRECT FAMILY CONTRIBUTION.—In purchasing housing pursuant to this section subject to a downpayment requirement, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.

(d) INELIGIBILITY UNDER OTHER PROGRAMS.—A family may not receive homeownership assistance pursuant to this section during any period *when assistance is being provided for the family under other Federal homeownership assistance programs, as determined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1987, and section 502 of the Housing Act of 1949.*

SEC. 330. ASSISTANCE FOR RENTAL OF MANUFACTURED HOMES.

(a) AUTHORITY.—Nothing in this title may be construed to prevent a local housing and management authority from providing housing assistance under this title on behalf of a low-income family for the rental of—

(1) a manufactured home that is the principal residence of the family and the real property on which the home is located; or

(2) the real property on which is located a manufactured home, which is owned by the family and is the principal residence of the family.

(b) ASSISTANCE FOR CERTAIN FAMILIES OWNING MANUFACTURED HOMES.—

(1) AUTHORITY.—Notwithstanding section 351 or any other provision of this title, a local housing and management authority that receives amounts under a contract under section 302 may enter into a housing assistance payment contract to make assistance payments under this title to a family that owns a manufactured home, but only as provided in paragraph (2).

(2) LIMITATIONS.—In the case only of a low-income family that owns a manufactured home, rents the real property on which it is located, and to whom housing assistance under this title has been made available for the rental of such property, the local housing and management authority making such assistance available shall enter into a contract to make housing assistance payments under this title directly to the family (rather than to the owner of such real property) if—

(1) the owner of the real property refuses to enter into a contract to receive housing assistance payments pursuant to section 351(a);

(2) the family was residing in such manufactured home on such real property at the time such housing assistance was initially made available on behalf of the family;

(3) the family provides such assurances to the agency, as the Secretary may require, to ensure that amounts from the housing assistance payments are used for rental of the real property; and

(4) the rental of the real property otherwise complies with the requirements for assistance under this title.

A contract pursuant to this subsection shall be subject to the provisions of section 351 and any other provisions applicable to housing assistance payments contracts under this title, except that the Secretary may provide such exceptions as the Secretary considers appropriate to facilitate the provision of assistance under this subsection.

Subtitle C—Payment of Housing Assistance on Behalf of Assisted Families

SEC. 351. HOUSING ASSISTANCE PAYMENTS CONTRACTS.

(a) IN GENERAL.—Each local housing and management authority that receives amounts under a contract under section 302 may enter into housing assistance payments contracts with owners of existing dwelling units to make housing assistance payments to such owners in accordance with this title.

(b) LHMA ACTING AS OWNER.—A local housing and management authority may enter into a housing assistance payments contract to make housing assistance payments under this title to itself (or any agency or instrumentality thereof) as the owner of dwelling units (other than public housing), and the authority shall be subject to the same requirements that are applicable to other owners, except that the determinations under section 328(a) and 354(b) shall be made by a competent party not affiliated with the authority, and the authority shall be responsible for any expenses of such determinations.

(c) PROVISIONS.—Each housing assistance payments contract shall—

(1) have a term of not more than 12 months;

(2) require that the assisted dwelling unit may be rented only pursuant to a lease that complies with the requirements of section 324;

(3) comply with the requirements of section 325 (relating to termination of tenancy);

(4) require the owner to maintain the dwelling unit in accordance with the applicable standards under section 328(a)(2); and

(5) provide that the screening and selection of eligible families for assisted dwelling units shall be the function of the owner.

SEC. 352. AMOUNT OF MONTHLY ASSISTANCE PAYMENT.

(a) UNITS HAVING GROSS RENT EXCEEDING PAYMENT STANDARD.—In the case of a dwelling unit bearing a gross rent that exceeds the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located—

(1) the amount by which such payment standard exceeds the amount of the resident contribution determined in accordance with section 322(a)(1);

(2) in the case only of families described in paragraph (2) of section 322(a), the amount by which such payment standard exceeds the lesser of the resident contribution determined in accordance with section 322(a)(1) or 30 percent of the family's adjusted monthly income;

(3) in the case of an assisted family that is an elderly family or a disabled family, the amount of the monthly assistance payment shall be the amount by which such payment standard exceeds the lesser of the amount of the resident contribution determined in accordance with section 322 or 30 percent of the family's adjusted monthly income; or

(4) in the case of a family whose head (or whose spouse) is a veteran (as such term is defined in section 203(b) of the National Housing Act), the lesser of the amount of such resident contribution or 30 percent of the family's adjusted monthly income.

(b) SHOPPING INCENTIVE FOR UNITS HAVING GROSS RENT NOT EXCEEDING PAYMENT STANDARD.—In the case of an assisted family renting an eligible dwelling unit bearing a gross rent that does not exceed the payment standard established under section 353 for a dwelling unit of the applicable size and located in the market area in which such assisted dwelling unit is located, the following requirements shall apply:

(1) AMOUNT OF MONTHLY ASSISTANCE PAYMENT.—The amount of the monthly assistance payment for housing assistance under this title on behalf of the assisted family shall be the amount by which the gross rent for the dwelling unit exceeds the amount of the resident contribution.

(2) ESCROW OF SHOPPING INCENTIVE SAVINGS.—An amount equal to 50 percent of the difference between payment standard and the gross rent for the dwelling unit shall be placed in an interest bearing escrow account on behalf of such family on a monthly basis by the local housing and management authority. Amounts in the escrow account shall be made available to the assisted family on an annual basis.

(3) DEFICIT REDUCTION.—The local housing and management authority making housing assistance payments on behalf of such assisted family in a fiscal year shall reserve from amounts made available to the authority for assistance payments for such fiscal year an amount equal to the amount described in paragraph (2). At the end of each fiscal year, the Secretary shall recapture any such amounts reserved by local housing and management authorities and such amounts shall be covered into the General Fund of the Treasury of the United States.

For purposes of this section, in the case of a family receiving homeownership assistance under section 329, the term "gross rent" shall mean the homeownership costs to the family as determined in accordance with guidelines of the Secretary.

SEC. 353. PAYMENT STANDARDS.

(a) ESTABLISHMENT.—Each local housing and management authority providing housing assistance under this title shall establish payment standards under this section for various areas, and sizes and types of dwelling units, for use in determining the amount of monthly housing assistance payment to be provided on behalf of assisted families.

(b) USE OF RENTAL INDICATORS.—The payment standard for each size and type of housing for each market area shall be an amount that is not less than 80 percent, and not greater than 120 percent, of the rental indicator established under section 323 for such size and type for such area.

(c) REVIEW.—If the Secretary determines, at any time, that a significant percentage of the assisted families who are assisted by a local housing and management authority and are occupying dwelling units of a particular size are paying more than 30 percent of their adjusted incomes for rent, the Secretary shall review the payment standard established by the authority for such size dwellings. If, pursuant to the review, the Secretary determines that such payment standard is not appropriate to serve the needs of the low-income population of the jurisdiction served by the authority (taking into consideration rental costs in the area), as identified in the approved community improvement plan of the authority, the Secretary may require the local housing and management authority to modify the payment standard.

SEC. 354. REASONABLE RENTS.

(a) ESTABLISHMENT.—The rent charged for a dwelling unit for which rental assistance is provided under this title shall be established pursuant to negotiation and agreement between the assisted family and the owner of the dwelling unit.

(b) REASONABLENESS.—

(1) DETERMINATION.—A local housing and management authority providing rental assistance under this title for a dwelling unit shall, before commencing assistance payments for a unit (with respect to initial contract rents and any rent revisions), determine whether the rent charged for the unit exceeds the rents charged for comparable units in the applicable private unassisted market.

(2) UNREASONABLE RENTS.—If the authority determines that the rent charged for a dwelling unit exceeds such comparable rents, the authority shall—

(A) inform the assisted family renting the unit that such rent exceeds the rents for comparable unassisted units in the market; and

(B) refuse to provide housing assistance payments for such unit.

SEC. 355. PROHIBITION OF ASSISTANCE FOR VACANT RENTAL UNITS.

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payments contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

Subtitle D—General and Miscellaneous Provisions

SEC. 371. DEFINITIONS.

For purposes of this title:

(1) ASSISTED DWELLING UNIT.—The term "assisted dwelling unit" means a dwelling unit in which an assisted family resides and for which housing assistance payments are made under this title.

(2) ASSISTED FAMILY.—The term "assisted family" means an eligible family on whose behalf housing assistance payments are made under this title or who has been selected and approved for housing assistance.

(3) CHOICE-BASED.—The term "choice-based" means, with respect to housing assistance, that the assistance is not attached to a dwelling unit but can be used for any eligible dwelling unit selected by the eligible family.

(4) ELIGIBLE DWELLING UNIT.—The term "eligible dwelling unit" means a dwelling unit that complies with the requirements under section 328 for consideration as an eligible dwelling unit.

(5) ELIGIBLE FAMILY.—The term "eligible family" means a family that meets the requirements under section 321(a) for assistance under this title.

(6) HOMEOWNERSHIP ASSISTANCE.—The term "homeownership assistance" means housing assistance provided under section 329 for the ownership of a dwelling unit.

(7) HOUSING ASSISTANCE.—The term "housing assistance" means assistance provided under this title on behalf of low-income families for the rental or ownership of an eligible dwelling unit.

(8) HOUSING ASSISTANCE PAYMENTS CONTRACT.—The term "housing assistance payments contract" means a contract under section 351 between a local housing and management authority (or the Secretary) and an owner to make housing assistance payments under this title to the owner on behalf of an assisted family.

(9) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The terms "local housing and management authority" and "authority" have the meaning given such terms in section 103, except that the terms include—

(A) a consortia of local housing and management authorities that the Secretary determines has the capacity and capability to administer a program for housing assistance under this title in an efficient manner;

(B) any other entity that, upon the date of the enactment of this Act, was administering any program for tenant-based rental assistance under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), pursuant to a contract with the Secretary or a public housing agency; and

(C) with respect to any area in which no local housing and management authority has been organized or where the Secretary determines that a local housing and management authority is unwilling or unable to implement this title, or is not performing effectively—

(i) the Secretary or another entity that by contract agrees to receive assistance amounts under this title and enter into housing assistance payments contracts with owners and perform the other functions of local housing and management authority under this title; or

(ii) notwithstanding any provision of State or local law, a local housing and management authority for another area that contracts with the Secretary to administer a program for housing assistance under this title, without regard to any otherwise applicable limitations on its area of operation.

(10) OWNER.—The term "owner" means the person or entity having the legal right to lease or sublease dwelling units. Such term includes any principals, general partners, primary shareholders, and other similar participants in any entity owning a multifamily housing project, as well as the entity itself.

(11) RENT.—The terms "rent" and "rental" include, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative.

(12) RENTAL ASSISTANCE.—The term "rental assistance" means housing assistance provided under this title for the rental of a dwelling unit.

SEC. 372. RENTAL ASSISTANCE FRAUD RECOVERIES.

(a) AUTHORITY TO RETAIN RECOVERED AMOUNTS.—The Secretary shall permit local housing and management authorities administering housing assistance under this title to retain, out of amounts obtained by the authorities from tenants that are due as a result of fraud and abuse, an amount (determined in accordance with regulations issued by the Secretary) equal to the greater of—

(1) 50 percent of the amount actually collected; or

(2) the actual, reasonable, and necessary expenses related to the collection, including costs of investigation, legal fees, and collection agency fees.

(b) USE.—Amounts retained by an authority shall be made available for use in support of the affected program or project, in accordance with regulations issued by the Secretary. If the Secretary is the principal party initiating or sustaining an action to recover amounts from families or owners, the provisions of this section shall not apply.

(c) RECOVERY.—Amounts may be recovered under this section—

(1) by an authority through a lawsuit (including settlement of the lawsuit) brought by the authority or through court-ordered restitution pursuant to a criminal proceeding resulting from an authority's investigation where the authority seeks prosecution of a family or where an authority seeks prosecution of an owner;

(2) through administrative repayment agreements with a family or owner entered into as a result of an administrative grievance procedure conducted by an impartial decisionmaker in accordance with section 111; or

(3) through an agreement between the parties.

SEC. 373. STUDY REGARDING GEOGRAPHIC CONCENTRATION OF ASSISTED FAMILIES.

(a) IN GENERAL.—The Secretary shall conduct a study of the geographic areas in the State of Illinois served by the Housing Authority of Cook County and the Chicago Housing Authority and submit to the Congress a report and a specific proposal, which addresses and resolves the issues of—

(1) the adverse impact on local communities due to geographic concentration of assisted households under the tenant-based housing programs under section 8 of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and under this title; and

(2) facilitating the deconcentration of such assisted households by providing broader housing choices to such households.

The study shall be completed, and the report shall be submitted, not later than 90 days after the date of the enactment of this Act.

(b) CONCENTRATION.—For purposes of this section, the term "concentration" means, with respect to any area within a census tract, that—

(1) 15 percent or more of the households residing within such area have incomes which do not exceed the poverty level; or

(2) 15 percent or more of the total affordable housing stock located within such area is assisted housing.

TITLE IV—ACCREDITATION AND OVERSIGHT OF LOCAL HOUSING AND MANAGEMENT AUTHORITIES

Subtitle A—Housing Foundation and Accreditation Board

SEC. 401. ESTABLISHMENT.

There is established an independent agency in the executive branch of the Government to be known as the Housing Foundation and Accreditation Board (in this title referred to as the "Board").

SEC. 402. MEMBERSHIP.

(a) IN GENERAL.—The Board shall be composed of 12 members appointed by the President not later than 180 days after the date of the enactment of this Act, as follows:

(1) 4 members shall be appointed from among 10 individuals recommended by the Secretary of Housing and Urban Development.

(2) 4 members shall be appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) 4 members appointed from among 10 individuals recommended by the Chairman and Ranking Minority Member of the Committee on Banking and Financial Services of the House of Representatives.

(b) QUALIFICATIONS.—

(1) REQUIRED REPRESENTATION.—The Board shall at all times have the following members:

(A) 2 members who are residents of public housing or dwelling units assisted under title III of this Act or the provisions of section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(B) at least 2, but not more than 4 members who are executive directors of local housing and management authorities.

(C) 1 member who is a member of the Institute of Real Estate Managers.

(D) 1 member who is the owner of a multifamily housing project assisted under a program administered by the Secretary of Housing and Urban Development.

(2) REQUIRED EXPERIENCE.—The Board shall at all times have as members individuals with the following experience:

(A) At least 1 individual who has extensive experience in the residential real estate finance business.

(B) At least 1 individual who has extensive experience in operating a nonprofit organization that provides affordable housing.

(C) At least 1 individual who has extensive experience in construction of multifamily housing.

(D) At least 1 individual who has extensive experience in the management of a community development corporation.

(E) At least 1 individual who has extensive experience in auditing participants in government programs.

A single member of the board with the appropriate experience may satisfy the requirements of more than 1 subparagraph of this paragraph. A single member of the board with the appropriate qualifications and experience may satisfy the requirements of a subparagraph of paragraph (1) and a subparagraph of this paragraph.

(c) POLITICAL AFFILIATION.—Not more than 6 members of the Board may be of the same political party.

(d) TERMS.—

(1) IN GENERAL.—Each member of the Board shall be appointed for a term of 4 years, except as provided in paragraphs (2) and (3).

(2) TERMS OF INITIAL APPOINTEES.—As designated by the President at the time of appointment, of the members first appointed—

(A) 3 shall be appointed for terms of 1 year;

(B) 3 shall be appointed for terms of 2 years;

(C) 3 shall be appointed for terms of 3 years; and

(D) 3 shall be appointed for terms of 4 years;

(3) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Board shall be filled in the manner in which the original appointment was made.

(e) CHAIRPERSON.—The Board shall elect a chairperson from among members of the Board.

(f) QUORUM.—A majority of the members of the Board shall constitute a quorum for the transaction of business.

(g) VOTING.—Each member of the Board shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Board.

(h) PROHIBITION ON ADDITIONAL PAY.—Members of the Board shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as members of the Board.

SEC. 403. FUNCTIONS.

The purpose of this subtitle is to establish the Board as a nonpolitical entity to carry out the following functions:

(1) EVALUATION OF DEEP SUBSIDY PROGRAMS.—Measuring the performance and efficiency of all "deep subsidy" programs for housing assistance administered by the Secretary of Housing and Urban Development, including the public housing program under title II and the programs for tenant- and project-based rental assistance under title III and section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act).

(2) ESTABLISHMENT OF LHMA PERFORMANCE BENCHMARKS.—Establishing standards and guidelines under section 431 for use by the Secretary in measuring the performance and efficiency of local housing and management authorities and other owners and providers of federally assisted housing in carrying out operational and financial functions.

(3) IMPROVEMENT OF INDEPENDENT AUDITS.—Providing for the development of effective means for conducting comprehensive financial and performance audits of local housing and management authorities under section 432 and, to the extent provided in such section, providing for the conducting of such audits.

(4) ACCREDITATION OF LHMA'S.—Establishing a procedure under section 431(b) for accrediting local housing and management authorities to receive block grants under title II for the operation, maintenance, and production of public housing and amounts for housing assistance under title III, ensuring that financial and performance audits under section 432 are conducted annually for each local housing and management authority, and reviewing such audits for purposes of accreditation.

(5) CLASSIFICATION OF LHMA'S.—Classifying local housing and management authorities, under to section 434, according to the performance categories under section 431(a)(2).

SEC. 404. INITIAL ESTABLISHMENT OF STANDARDS AND PROCEDURES FOR LHMA COMPLIANCE.

(a) DEADLINE.—Not later than the expiration of the 12-month period beginning upon the completion of the appointment, under section 402, of the initial members of the Board, the Board shall organize its structure and operations, establish the standards, guidelines, and procedures under sections 431, and establish any fees under section 406. Before issuing such standards, guidelines, and procedures in final form, the Board shall submit a copy to the Congress.

(b) PRIORITY OF INITIAL EVALUATIONS.—After organization of the Board and establishment of standards, guidelines, and procedures under sections 431, the Board shall commence evaluations under section 433(b) for the purpose of accrediting local housing and management authorities and shall give priority to conducting evaluations of local housing and management authorities that are designated as troubled public housing agencies under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) pursuant to section 431(d).

(c) ASSISTANCE FROM NATIONAL CENTER FOR HOUSING MANAGEMENT.—

(1) IN GENERAL.—During the period referred to in subsection (a), the National Center for Housing Management established by Executive Order 11668 (42 U.S.C. 3531 note) shall, to the extent agreed to by the Center, provide the Board with ongoing assistance and advice relating to the following matters:

(A) Organizing the structure of the Board and its operations.

(B) Establishing performance standards and guidelines under section 431(a).

Such Center may, at the request of the Board, provide assistance and advice with respect to matters not described in paragraphs (1) and (2) and after the expiration of the period referred to in subsection (a).

(2) ASSISTANCE.—The assistance provided by such Center shall include staff and logistical support for the Board and such operational and managerial activities as are necessary to assist the Board to carry out its functions during the period referred to in subsection (a).

SEC. 405. POWERS.

(a) HEARINGS.—The Board may, for the purpose of carrying out this subtitle, hold such hearings and sit and act at such times and places as the Board determines appropriate.

(b) RULES AND REGULATIONS.—The Board may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization, and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Board may secure directly from any department or agency of the Federal Government such information as the Board may require for carrying out its functions, including local housing management plans submitted to the Secretary by local housing and management authorities under title II. Upon request of the Board, any such department or agency shall furnish such information. The Board may acquire information directly from local housing and management authorities to the same extent the Secretary may acquire such information.

(2) GENERAL SERVICES ADMINISTRATION.—The Administrator of General Services shall provide to the Board, on a reimbursable basis, such administrative support services as the Board may request.

(3) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—Upon the request of the chairperson of the Board, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary, detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Board in carrying out its functions under this subtitle.

(4) HUD INSPECTOR GENERAL.—The Inspector General of the Department of Housing and Urban Development shall serve the Board as a principal adviser with respect to all aspects of annual financial and performance audits of local housing and management authorities under section 432. The Inspector General may advise the Board with respect to other activities and functions of the Board.

(d) MAILS.—The Board may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) CONTRACTING.—The Board may, to such extent and in such amounts as are provided in appropriation Acts, enter into contracts with private firms, institutions, and individuals for the purpose of conducting evaluations under section 404(b), audits of local housing and management authorities as provided under section 432, research, and surveys necessary to enable the Board to discharge its functions under this subtitle, and may enter into contracts with the National Center for Housing Management to conduct the functions assigned to the Center under this title.

(f) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Board shall appoint an executive director of the Board, who shall be compensated at a rate fixed by the Board, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) OTHER PERSONNEL.—In addition to the executive director, the Board may appoint and fix the compensation of such personnel as the Board considers necessary, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates. Such personnel may include personnel for assessment teams under section 431(b).

SEC. 406. FEES.

(a) ACCREDITATION FEES.—The Board may establish and charge fees for the accreditation of local housing and management authorities as the Board considers necessary to cover the costs of the operations of the Board relating to establishing standards, guidelines, and procedures for evaluating the performance of local housing and management authorities, performing comprehensive reviews relating to the accreditation of such authorities, and conducting audits of authorities under section 432.

(b) FUND.—Any fees collected under this section shall be deposited in an operations fund for the Board, which is hereby established in the Treasury of the United States. Amounts in such fund shall be available, to the extent provided in appropriation Acts, for the expenses of the Board in carrying out its functions under this subtitle.

SEC. 407. REPORTS.

(a) REPORT ON COORDINATION WITH HUD FUNCTIONS.—Not later than the expiration of the 12-month period beginning upon the date of the enactment of this Act, the Board shall submit a report to the Congress that—

(1) identifies and describes the processes, procedures, and activities of the Department of Housing and Urban Development which may duplicate functions of the Board, and makes recommendations regarding activities of the Department that may no longer be necessary as a result of improved auditing of authorities pursuant to this title;

(2) makes recommendations for any changes to Federal law necessary to improve auditing of local housing and management authorities; and

(3) makes recommendations regarding the review and evaluation functions currently performed by the Department of Housing and Urban Development that may be more efficiently performed by the Board and should be performed by the Board, and those that should continue to be performed by the Department.

(b) ANNUAL REPORTS.—The Board shall submit a report to the Congress annually describing, for the year for which the report is made—

(1) any modifications made by the Board to the standards, guidelines, and procedures issued under section 431 by the Board;

(2) the results of the assessments, reviews, and evaluations conducted by the Board under subtitle B;

(3) the types and extent of assistance, information, and products provided by the Board; and

(4) any other activities of the Board.

SEC. 408. GAO AUDIT.

The activities and transactions of the Board shall be subject to audit by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access for the purpose of audit and examination to any books, documents, papers, and records of the Board that are necessary to facilitate an audit.

Subtitle B—Accreditation and Oversight Standards and Procedures

SEC. 431. ESTABLISHMENT OF PERFORMANCE BENCHMARKS AND ACCREDITATION PROCEDURES.

(a) Performance Benchmarks.—

(1) Performance areas.—The Housing Foundation and Accreditation Board established under section 401 (in this subtitle referred to as the "Board") shall establish standards and guidelines, for use under section 434, to measure the performance of local housing and management authorities in all aspects relating to—

(A) operational and financial functions;

(B) providing, maintaining, and assisting low-income housing—

(i) that is safe, clean, and healthy, as required under sections 232 and 328;

(ii) in a manner consistent with the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act, if appropriate;

(iii) that is occupied by eligible families; and

(iv) that is affordable to eligible families;

(C) producing low-income housing and executing capital projects, if applicable;

(D) administering the provision of housing assistance under title III;

(E) accomplishing the goals and plans set forth in the local housing management plan for the authority;

(F) promoting responsibility and self-sufficiency among residents of public housing developments of the authority and assisted families under title III; and

(G) complying with the other requirements of the authority under block grant contracts under title II, grant agreements under title III, and the provisions of this Act.

(2) Performance categories.—In establishing standards and guidelines under this section, the Board shall define various levels of performance, which shall include the following levels:

(A) Exceptionally well-managed.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as exceptionally well-managed, which shall indicate that the authority functions exceptionally.

(B) Well-managed.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as well-managed, which shall indicate that the authority functions satisfactorily.

(C) At risk of becoming troubled.—A minimum acceptable level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as at risk of becoming troubled, which shall indicate that there are elements in the operations, management, or functioning of the authority that must be addressed before they result in serious and complicated deficiencies.

(D) Troubled.—A minimum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as a troubled authority, which shall indicate that the authority functions unsatisfactorily with respect to certain areas under paragraph (1), but such deficiencies are not irreparable.

(E) Dysfunctional.—A maximum level of performance in the areas specified in paragraph (1) for classification of a local housing and management authority as dysfunctional, which shall indicate that the authority suffers such deficiencies that the authority should not be allowed to continue to manage low-income housing or administer housing assistance.

(3) Accreditation standard.—In establishing standards and guidelines under this section, the Board shall establish a minimum acceptable level of performance for accrediting a local housing and management authority for purposes of authorizing the authority to enter into a new block grant contract under title II or a new grant agreement under title III.

(b) Accreditation Procedure.—The Accreditation Board shall establish procedures for—

(1) reviewing the performance of a local housing and management authority over the term of the expiring accreditation, which review shall be conducted during the 12-month period that ends upon the conclusion of the term of the expiring accreditation;

(2) evaluating the capability of a local housing and management authority that proposes to enter into an initial block grant contract under title II or an initial grant agreement under title III; and

(3) determining whether the authority complies with the standards and guidelines for accreditation established under subsection (a)(3).

The procedures for a review or evaluation under this subsection shall provide for the review or evaluation to be conducted by an assessment team established by the Board, which shall review annual financial and performance audits conducted under section 432 and obtain such information as the Board may require.

(c) Identification of Potential Problems.—The standards and guidelines under subsection (a) and the procedure under subsection (b) shall be established in a manner designed to identify potential problems in the operations, management, functioning of local housing and management authorities at a time before such problems result in serious and complicated deficiencies.

(d) Interim Applicability of PHMAP.—Notwithstanding any other provision of this subtitle, during the period that begins on the date of the enactment of this Act and ends upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under this section and section 432, the Secretary shall assess the management performance of local housing and management authorities in the same manner provided for public housing agencies pursuant to section 6(j) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) and may take actions with respect to local housing and management authorities that are authorized under such section with respect to public housing agencies.

SEC. 432. FINANCIAL AND PERFORMANCE AUDITS.

(a) Requirement.—A financial and performance audit under this section shall be conducted for each local housing and management authority for each fiscal year that the authority receives grant amounts under this Act, as provided under one of the following paragraphs:

(1) LHMA provides for audit.—If neither the Secretary nor the Board takes action under paragraph (2) or (3), the Secretary shall require the local housing and management authority to have the audit conducted. The Secretary may prescribe that such audits be conducted pursuant to guidelines set forth by the Department.

(2) Secretary requests Board to provide for audit.—The Secretary may request the Board to contract directly with an auditor to have the audit conducted for the authority.

(3) Board provides for audit.—The Board may notify the Secretary that it will contract directly with an auditor to have the audit conducted for the authority.

(b) Other Audits.—Pursuant to risk assessment strategies designed to ensure the integrity of the programs for assistance under this Act, which shall be established by the Inspector General for the Department of Housing and Urban Development in consultation with the Board, the Inspector General may request the Board to conduct audits under this subsection of local housing and management authorities. Such audits may be in addition to, or in place of, audits under subsection (a), as the Board shall provide.

(c) Submission of Results.—

(1) Submission to Secretary and Board.—The results of any audit conducted under this subsection shall be submitted to the local housing and management authority, the Secretary, and the Board.

(2) Submission to local officials.—

(A) Requirement.—A local housing and management authority shall submit each audit conducted under this section to any local elected official or officials responsible for appointing the members of the board of directors (or other similar governing body) of the local housing and management authority for review and comment. Any such comments shall be submitted, together with the audit, to the Secretary and the Board and the Secretary and the Board shall consider such comments in reviewing the audit.

(B) Timing.—An audit shall be submitted to local officials as provided in subparagraph (A)—

(i) in the case of an audit conducted under subsection (a)(1), not later than 60 days before the local housing and management authority submits the audit to the Secretary and the Board; or

(ii) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), not later than 60 days after the authority receives the audit.

(d) Procedures.— The requirements for financial and performance audits under this section shall—

(1) be established by the Board, in consultation with the Inspector General of the Department of Housing and Urban Development;

(2) provide for the audit to be conducted by an independent auditor selected—

(A) in the case of an audit under subsection (a)(1), by the authority; and

(B) in the case of an audit under paragraph (2) or (3) of subsection (a) or under subsection (b), by the Board;

(3) authorize the auditor to obtain information from a local housing and management authority, to access any books, documents, papers, and records of an authority that are pertinent to this Act and assistance received pursuant to this Act, and to review any reports of an authority to the Secretary;

(4) impose sufficient requirements for obtaining information so that the audits are useful to the Board in evaluating local housing and management authorities; and

(5) include procedures for testing the reliability of internal financial controls of local housing and management authorities.

(e) Purpose.—Audits under this section shall be designed to—

(1) evaluate the financial performance and soundness and management performance of the local housing and management authority board of directors (or other similar governing body) and the authority management officials and staff;

(2) assess the compliance of an authority with all aspects of the standards and guidelines established under section 431(a)(1);

(3) provide information to the Secretary and the Board regarding the financial performance and management of the authority and to determine whether a review under section 225(d) or 353(c) is required; and

(4) identify potential problems in the operations, management, functioning of a local housing and management authority at a time before such problems result in serious and complicated deficiencies.

(f) INAPPLICABILITY OF SINGLE AUDIT ACT.—Notwithstanding the first sentence of section 7503(a) of title 31, United States Code, an audit conducted in accordance with chapter 75 of such title shall not exempt any local housing and management authority from conducting an audit under this section. Audits under this section shall not be subject to the requirements for audits under such chapter. An audit under this section for a local housing and management authority for a fiscal year shall be considered to satisfy any requirements under such chapter for such fiscal year.

(g) WITHHOLDING OF AMOUNTS FOR COSTS OF AUDIT.—

(1) LHMA RESPONSIBLE FOR AUDIT.—If the Secretary requires a local housing and management authority to have an audit under this section conducted pursuant to subsection (a)(1) and determines that the authority has failed to take the actions required to submit an audit under this section for a fiscal year, the Secretary may—

(A) arrange for, and pay the costs of, the audit and withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); or

(B) request the Board to conduct the audit pursuant to subsection (a)(2) and withhold amounts pursuant to paragraph (2) of this subsection.

(2) BOARD RESPONSIBLE FOR AUDIT.—If the Board is responsible for an audit for a local housing and management authority pursuant to paragraph (2) or (3) of subsection (a), subsection (b), or paragraph (1)(B) of this subsection, the Secretary shall—

(A) withhold, from the total allocation for any fiscal year otherwise payable to the authority under this Act, amounts sufficient to pay for the audit, but in no case more than the reasonable cost of conducting an acceptable audit (including, if appropriate, the reasonable costs of accounting services necessary to place the authority's books and records in condition that permits an audit); and

(B) transfer such amounts to the Board.

SEC. 433. ACCREDITATION.

(a) REVIEW UPON EXPIRATION OF PREVIOUS ACCREDITATION.—The Accreditation Board shall perform a comprehensive review of the performance of a local housing and management authority, in accordance with the procedures established under section 431(b), before the expiration of the term for which a previous accreditation was granted under this subtitle.

(b) INITIAL EVALUATION.—

(1) IN GENERAL.—Before entering into an initial block grant contract under title II or an initial contract pursuant to section 302 for assistance under title III with any local housing and management authority, the Board shall conduct a comprehensive evaluation of the capabilities of the local housing and management authority.

(2) EXCEPTION.—Paragraph (1) shall not apply to an initial block grant contract or grant agreement entered into during the period beginning upon the date of the enactment of this Act and ending upon the date of the effectiveness of final regulations establishing the standards, guidelines, and procedures required under section 431 with any public housing agency that received amounts under the United States Housing Act of 1937 during fiscal year 1995.

(c) DETERMINATION AND REPORT.—Pursuant to a review or evaluation under this section, the Board shall determine whether the authority meets the requirements for accreditation under section 431(a)(3), shall accredit the authority if it meets such requirements, and shall submit a report on the results of the review or evaluation and such determination to the Secretary and the authority.

(d) ACCREDITATION.—An accreditation under this section shall expire at the end the term established by the Board in granting the accreditation, which may not exceed 5 years. The Board may qualify an accreditation placing conditions on the accreditation based on the future performance of the authority.

SEC. 434. CLASSIFICATION BY PERFORMANCE CATEGORY.

Upon completing the accreditation process under section 433 with respect to a local housing and management authority, the Housing Finance and Accreditation Board shall designate the authority according to the performance categories under section 431(a)(2). In determining the classification of an authority, the Board shall consider the most recent financial and performance audit under section 432 of the authority and accreditation reports under section 433(c) for the authority.

SEC. 435. PERFORMANCE AGREEMENTS FOR AUTHORITIES AT RISK OF BECOMING TROUBLED.

(a) IN GENERAL.—Upon designation of a local housing and management authority as at risk of becoming troubled under section 431(a)(2)(C), the Secretary shall seek to enter into an agreement with the authority providing for improvement of the elements of the authority that have been identified. An agreement under this section shall contain such terms and conditions as the Secretary determines are appropriate for addressing the elements identified, which may include an on-site, independent assessment of the management of the authority.

(b) POWERS OF SECRETARY.—If the Secretary determines that such action is necessary to prevent the local housing and management authority from becoming a troubled authority, the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary), for any case in which such agents may be needed for managing all, or part, of the housing or functions administered by the authority; or

(2) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management, for any case in which such authorities or firms may be needed to oversee implementation of assistance made available for capital improvement for public housing of the authority.

SEC. 436. PERFORMANCE AGREEMENTS AND CDBG SANCTIONS FOR TROUBLED LHMA'S.

(a) IN GENERAL.—Upon designation of a local housing and management authority as a troubled authority under section 431(a)(2)(D), the Secretary shall seek to enter into an agreement with the authority providing for improving the management performance of the authority.

(b) CONTENTS.—An agreement under this section between the Secretary and a local housing and management authority shall set forth—

(1) targets for improving performance, as measured by the guidelines and standards established under section 431(a)(1) and other requirements within a specified period of time, which shall include targets to be met upon the expiration of the 12-month period beginning upon entering into the agreement;

(2) strategies for meeting such targets;

(3) sanctions for failure to implement such strategies; and

(4) to the extent the Secretary deems appropriate, a plan for enhancing resident involvement in the management of the local housing and management authority.

(c) LOCAL ASSISTANCE IN IMPLEMENTATION.—The Secretary and the local housing and management authority shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out an agreement under this section.

(d) DEFAULT UNDER PERFORMANCE AGREEMENT.—Upon the expiration of the 12-month period beginning upon entering into an agreement under this section with a local housing and management authority, the Secretary shall review the performance of the authority in relation to the performance targets and strategies under the agreement. If the Secretary determines that the authority has failed to comply with the performance targets established for such period, the Secretary shall take the action authorized under subsection (b)(2) or (b)(5) of section 438.

(e) CDBG SANCTION AGAINST LOCAL GOVERNMENT CONTRIBUTING TO TROUBLED STATUS OF LHMA.—If the Secretary determines that the actions or inaction of any unit of general local government within which any portion of the jurisdiction of a local housing and management authority is located has substantially contributed to the conditions resulting in the authority being designated under section 431(a)(2)(D) as a troubled authority, the Secretary may redirect or withhold, from such unit of general local government any amounts allocated for such unit under section 106 of such Act.

SEC. 437. OPTION TO DEMAND CONVEYANCE OF TITLE TO OR POSSESSION OF PUBLIC HOUSING.

(a) AUTHORITY FOR CONVEYANCE.—A contract under section 201 for block grants under title II (including contracts which amend or supersede contracts previously made (including contracts for contributions)) may provide that upon the occurrence of a substantial default with respect to the covenants or conditions to which the local housing and management authority is subject (as such substantial default shall be defined in such contract) or upon designation of the authority as dysfunctional pursuant to section 431(a)(2)(E), the local housing and management authority shall be obligated, at the option of the Secretary, to—

(1) convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this Act; or

(2) deliver to the Secretary possession of the development, as then constituted, to which such contract relates.

(b) OBLIGATION TO RECONVEY.—Any block grant contract under title II containing the provisions authorized in subsection (a) shall also provide that the Secretary shall be obligated to reconvey or redeliver possession of the development, as constituted at the time of reconveyance or redelivery, to such local housing and management authority or to its successor (if such local housing and management authority or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable after—

(1) the Secretary is satisfied that all defaults with respect to the development have been cured, and that the development will, in order to

fulfill the purposes of this Act, thereafter be operated in accordance with the terms of such contract; or

(2) the termination of the obligation to make annual block grants to the authority, unless there are any obligations or covenants of the authority to the Secretary which are then in default.

Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the development to the Secretary pursuant to subsection (a) upon the subsequent occurrence of a substantial default.

(c) Continued Grants for Repayment of Bonds and Notes Under 1937 Act.—If—

(1) a contract for block grants under title II for an authority includes provisions that expressly state that the provisions are included pursuant to this subsection, and

(2) the portion of the block grant payable for debt service requirements pursuant to the contract has been pledged by the local housing and management authority as security for the payment of the principal and interest on any of its obligations, then—

(A) the Secretary shall (notwithstanding any other provisions of this Act), continue to make the block grant payments for the authority so long as any of such obligations remain outstanding; and

(B) the Secretary may covenant in such a contract that in any event such block grant amounts shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the development for the purpose at the time such block grant payments are made, will suffice for the payment of all installments of principal and interest on the obligations for which the amounts provided for in the contract shall have been pledged as security that fall due within the next succeeding 12 months.

In no case shall such block grant amounts be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

SEC. 438. REMOVAL OF INEFFECTIVE LHMA'S.

(a) Conditions of Removal.—The actions specified in subsection (b) may be taken only upon—

(1) the occurrence of events or conditions that constitute a substantial default by a local housing and management authority with respect to (A) the covenants or conditions to which the local housing and management authority is subject, or (B) an agreement entered into under section 436;

(2) designation of the authority as dysfunctional pursuant to section 431(a)(2)(E);

(3) in the case only of action under subsection (b)(1), failure of a local housing and management authority to obtain reaccreditation upon the expiration of the term of a previous accreditation granted under this subtitle; or

(4) submission to the Secretary of a petition by the residents of the public housing owned or operated by a local housing and management authority that is designated as troubled or dysfunctional pursuant to section 431(a)(2).

(b) Removal Actions.—Notwithstanding any other provision of law or of any block grant contract under title II or any grant agreement under title III, in accordance with subsection (a), the Secretary may—

(1) solicit competitive proposals from other local housing and management authorities and private housing management agents (which, in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary) and, if appropriate, provide for such agents to manage all, or part, of the housing administered by the local housing and management authority or all or part of the other functions of the authority;

(2) take possession of the local housing and management authority, including any developments or functions of the authority under any section of this Act;

(3) solicit competitive proposals from other local housing and management authorities and private entities with experience in construction management and, if appropriate, provide for such authorities or firms to oversee implementation of assistance made available for capital improvements for public housing;

(4) require the authority to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and assisted families under title III for managing all, or part of, the public housing administered by the authority or the functions of the authority; or

(5) petition for the appointment of a receiver for the local housing and management authority to any district court of the United States or to any court of the State in which any portion of the jurisdiction of the local housing and management authority is located, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this section.

(c) Emergency Assistance.—The Secretary may make available to receivers and other entities selected or appointed pursuant to this section such assistance as is fair and reasonable to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety and welfare of public housing residents or assisted families under title III.

(d) Powers of Secretary.—If the Secretary takes possession of an authority, or any developments or functions of an authority, pursuant to subsection (b)(2), the Secretary—

(1) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification, but only after efforts to renegotiate such contracts have failed;

(2) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(3) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities;

(4) may consolidate the authority into other well-managed local housing and management authorities with the consent of such well-managed authorities;

(5) shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the Secretary, substantially impede correction of the substantial default or improvement of the classification; and

(6) shall have such additional authority as a district court of the United States has the authority to confer under like circumstances upon a receiver to achieve the purposes of the receivership.

The Secretary may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the Secretary's responsibility under this paragraph for the administration of a local housing and management authority. The Secretary may delegate to the administrative receiver any or all of the powers of the Secretary under this subsection. Regardless of any delegation under this subsection, an administrative receiver may not require the establishment of one or more new local housing and management authorities pursuant to paragraph (3) unless the Secretary first approves such establishment. For purposes of this subsection, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(e) Receivership.—

(1) Required Appointment.—In any proceeding under subsection (b)(5), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the local housing and management authority in a manner consistent with this Act and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another local housing and management authority, a private management corporation, the Secretary, or any other appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(2) Powers of Receiver.—If a receiver is appointed for a local housing and management authority pursuant to subsection (b)(5), in addition to the powers accorded by the court appointing the receiver, the receiver—

(A) may abrogate contracts that substantially impede correction of the substantial default or improvement of the classification;

(B) may demolish and dispose of assets of the authority in accordance with subtitle E of title II;

(C) where determined appropriate by the Secretary, may require the establishment of one or more new local housing and management authorities, to the extent permitted by State and local law; and

(D) except as provided in subparagraph (C), shall not be subject to any State or local laws relating to civil service requirements, employee rights, procurement, or financial or administrative controls that, in the determination of the receiver, substantially impede correction of the substantial default or improvement of the classification.

For purposes of this paragraph, the term "local housing and management authority" includes any developments or functions of a local housing and management authority under any section of this title.

(3) Termination.—The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the local housing and management authority will be able to make the same amount of progress in correcting the management of the housing as the receiver.

(f) Liability.—If the Secretary takes possession of an authority pursuant to subsection (b)(2) or a receiver is appointed pursuant to subsection (b)(5) for a local housing and management authority, the Secretary or the receiver shall be deemed to be acting in the capacity of the local housing and management authority (and not in the official capacity as Secretary or other official) and any liability incurred shall be a liability of the local housing and management authority.

(g) Effectiveness.—The provisions of this section shall apply with respect to actions taken before, on, or after the effective date of this Act and shall apply to any receivers appointed for a public housing agency before the date of enactment of this Act.

SEC. 439. MANDATORY TAKEOVER OF CHRONICALLY TROUBLED PHA'S.

(a) Removal of Agency.—Notwithstanding any other provision of this Act, not later than the expiration of the 180-day period beginning on the date of the enactment of this Act, the Secretary shall take one of the following actions with respect to each chronically troubled public housing agency:

(1) CONTRACTING FOR MANAGEMENT.—Solicit competitive proposals for the management of the agency pursuant to section 437(b)(1) and replace the management of the agency pursuant to selection of such a proposal.

(2) TAKEOVER.—Take possession of the agency pursuant to section 437(b)(2) of such Act.

(b) DEFINITION.—For purposes of this section, the term "chronically troubled public housing agency" means a public housing agency that, as of the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency and has been so designated continuously for the 3-year period ending upon such date of enactment; except that such term does not include any agency that owns or operates less than 1250 public housing dwelling units and that the Secretary determines can, with a reasonable amount of effort, make such improvements or remedies as may be necessary to remove its designation as troubled within 12 months.

SEC. 440. TREATMENT OF TROUBLED PHA'S.

(a) EFFECT OF TROUBLED STATUS ON CHAS.—The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under section 105 of the Cranston-Gonzalez National Affordable Housing Act unless such plan includes a description of the manner in which the State or unit will assist such troubled agency in improving its operations to remove such designation.

(b) DEFINITION.—For purposes of this section, the term "troubled public housing agency" means a public housing agency that—

(1) upon the date of the enactment of this Act, is designated under section 6(j)(2) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this Act) as a troubled public housing agency; and

(2) is not a chronically troubled public housing agency, as such term is defined in section 439(b) of this Act.

SEC. 441. MAINTENANCE OF AND ACCESS TO RECORDS.

(a) KEEPING OF RECORDS.—Each local housing and management authority shall keep such records as may be reasonably necessary to disclose the amount and the disposition by the authority of the proceeds of assistance received pursuant to this Act and to ensure compliance with the requirements of this Act.

(b) ACCESS TO DOCUMENTS.—The Secretary, the Inspector General for the Department of Housing and Urban Development, and the Comptroller General of the United States shall each have access for the purpose of audit and examination to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

SEC. 442. ANNUAL REPORTS REGARDING TROUBLED LHMA'S.

The Secretary shall submit a report to the Congress annually, as a part of the report of the Secretary under section 8 of the Department of Housing and Urban Development Act, that—

(1) identifies the local housing and management authorities that are designated as troubled or dysfunctional under section 431(a)(2) and the reasons for such designation;

(2) identifies the local housing and management authorities that have lost accreditation pursuant to section 433; and

(3) describes any actions that have been taken in accordance with sections 433, 434, 435, 436, and 438.

SEC. 443. APPLICABILITY TO RESIDENT MANAGEMENT CORPORATIONS.

The Secretary shall apply the provisions of this subtitle to resident management corporations in the same manner as applied to local housing and management authorities.

TITLE V—REPEALS AND CONFORMING AMENDMENTS

SEC. 501. REPEALS.

(a) IN GENERAL.—The following provisions of law are hereby repealed:

(1) UNITED STATES HOUSING ACT OF 1937.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).

(2) ASSISTED HOUSING ALLOCATION.—Section 213 of the Housing and Community Development Act of 1974 (42 U.S.C. 1439).

(3) PUBLIC HOUSING RENT WAIVERS FOR POLICE.—Section 519 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437a–1).

(4) OCCUPANCY PREFERENCES AND INCOME MIX FOR NEW CONSTRUCTION AND SUBSTANTIAL REHABILITATION PROJECTS.—Subsection (c) of section 545, and section 555, of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(5) TREATMENT OF CERTIFICATE AND VOUCHER HOLDERS.—Subsection (c) of section 183 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(6) EXCESSIVE RENT BURDEN DATA.—Subsection (b) of section 550 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(7) SECTION 8 DISASTER RELIEF.—Sections 931 and 932 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437c note).

(8) MOVING TO OPPORTUNITY FOR FAIR HOUSING.—Section 152 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(9) REPORT REGARDING FAIR HOUSING OBJECTIVES.—Section 153 of the Housing and Community Development Act of 1992 (42 U.S.C. 1437f note).

(10) SECTION 8 COMMUNITY INVESTMENT DEMONSTRATION.—Section 6 of the HUD Demonstration Act of 1993 (42 U.S.C. 1437f note).

(11) SPECIAL PROJECTS FOR ELDERLY OR HANDICAPPED FAMILIES.—Section 209 of the Housing and Community Development Act of 1974 (42 U.S.C. 1438).

(12) ACCESS TO PHA BOOKS.—Section 816 of the Housing Act of 1954 (42 U.S.C. 1435).

(13) MISCELLANEOUS PROVISIONS.—Subsections (b)(1), (c), and (d) of section 326 of the Housing and Community Development Amendments of 1981 (Public Law 97–35, 95 Stat. 406; 42 U.S.C. 1437f note).

(14) PAYMENT FOR DEVELOPMENT MANAGERS.—Section 329A of the Housing and Community Development Amendments of 1981 (42 U.S.C. 1437j–1).

(15) PURCHASE OF PHA OBLIGATIONS.—Section 329E of the Housing and Community Development Amendments of 1981 (12 U.S.C. 2294a).

(16) PROCUREMENT OF INSURANCE BY PHA'S.—

(A) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1991, the penultimate undesignated paragraph of such item (Public Law 101–507; 104 Stat. 1369).

(B) In the item relating to "ADMINISTRATIVE PROVISIONS" under the heading "MANAGEMENT AND ADMINISTRATION" in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, the 19th through 23d undesignated paragraphs of such item (Public Law 102–139; 105 Stat. 758).

(17) PUBLIC HOUSING CHILDHOOD DEVELOPMENT.—Section 222 of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701z–6 note).

(18) INDIAN HOUSING CHILDHOOD DEVELOPMENT.—Section 518 of the Cranston-Gonzalez National Affordable Housing Act (12 U.S.C. 1701z–6 note).

(19) PUBLIC HOUSING COMPREHENSIVE TRANSITION DEMONSTRATION.—Section 126 of the Housing and Community Development Act of 1987 (42 U.S.C. 1437f note).

(20) PUBLIC HOUSING ONE-STOP PERINATAL SERVICES DEMONSTRATION.—Section 521 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437t note).

(21) PUBLIC HOUSING MINCS DEMONSTRATION.—Section 522 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437f note).

(22) PUBLIC HOUSING ENERGY EFFICIENCY DEMONSTRATION.—Section 523 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437g note).

(23) OMAHA HOMEOWNERSHIP DEMONSTRATION.—Section 132 of the Housing and Community Development Act of 1992 (Public Law 102–550; 106 stat. 3712).

(24) PUBLIC AND ASSISTED HOUSING YOUTH SPORTS PROGRAMS.—Section 520 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 11903a).

(b) SAVINGS PROVISION.—The repeals made by subsection (a) shall not affect any legally binding obligations entered into before the date of the enactment of this Act. Any funds or activities subject to a provision of law repealed by subsection (a) shall continue to be governed by the provision as in effect immediately before such repeal.

SEC. 502. CONFORMING AND TECHNICAL PROVISIONS.

(a) ALLOCATION OF ELDERLY HOUSING AMOUNTS.—Section 202(l) of the Housing Act of 1959 (12 U.S.C. 1701q(l)) is amended by adding at the end the following new paragraph:

"(4) CONSIDERATION IN ALLOCATING ASSISTANCE.—Assistance under this section shall be allocated in a manner that ensures that the awards of the assistance are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents.".

(b) ELIGIBILITY FOR ASSISTED HOUSING.—

(1) GENERAL.—Notwithstanding any other provision of law, for purposes of determining eligibility for admission to assisted housing, a person shall not be considered to have a disability or a handicap solely because of the prior or current illegal use of a controlled substance (as defined in section 102 of the Controlled Substances Act) or solely by reason of the prior or current use of alcohol.

(2) DEFINITION.—For purposes of this subsection, the term "assisted housing" means housing designed primarily for occupancy by elderly persons or persons with disabilities that is assisted pursuant to this Act, the United States Housing Act of 1937, section 221(d)(3) or 236 of the National Housing Act, section 202 of the Housing Act of 1959, section 101 of the Housing and Urban Development Act of 1965, or section 811 of the Cranston-Gonzalez National Affordable Housing Act.

(3) CONTINUED OCCUPANCY.—This subsection may not be construed to prohibit the continued occupancy of any person who is a resident in assisted housing on the date of enactment of this Act.

(c) AMENDMENT TO HOUSING AND URBAN-RURAL RECOVERY ACT OF 1983.—Section 227(d)(2) of the Housing and Urban-Rural Recovery Act of 1983 (12 U.S.C. 1701r–1(d)(2)) is amended by inserting "the United States Housing Act of 1996," after "the United States Housing Act of 1937,".

(d) REVIEW OF DRUG ELIMINATION PROGRAM CONTRACTS.—

(1) REQUIREMENT.—Notwithstanding the repeal under section 501(a)(26), the Secretary of Housing and Urban Development shall investigate all security contracts awarded by grantees under the Public and Assisted Housing Drug Elimination Act of 1990 (42 U.S.C. 11901 et seq.) that are public housing agencies that own or operate more than 4,500 public housing dwelling units—

(A) to determine whether the contractors under such contracts have complied with all laws and regulations regarding prohibition of discrimination in hiring practices;

(B) to determine whether such contracts were awarded in accordance with the applicable laws and regulations regarding the award of such contracts;

(C) to determine how many such contracts were awarded under emergency contracting procedures;

(D) to evaluate the effectiveness of the contracts; and

(E) to provide a full accounting of all expenses under the contracts.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall complete the investigation required under paragraph (1) and submit a report to the Congress regarding the findings under the investigation. With respect to each such contract, the report shall (A) state whether the contract was made and is operating, or was not made or is not operating, in full compliance with applicable laws and regulations, and (B) for each contract that the Secretary determines is in such compliance in a personal certification of such compliance by the Secretary of Housing and Urban Development.

(3) ACTIONS.—For each contract that is described in the report under paragraph (2) as not made or not operating in full compliance with applicable laws and regulation, the Secretary of Housing and Urban Development shall promptly take any actions available under law or regulation that are necessary—

(A) to bring such contract into compliance; or

(B) to terminate the contract.

(e) REFERENCES.—Except as provided in section 271 and 501(b), any reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to—

(1) public housing or housing assisted under the United States Housing Act of 1937 is deemed to refer to public housing assisted under title II of this Act;

(2) to assistance under section 8 of the United States Housing Act of 1937 is deemed to refer to assistance under title III of this Act; and

(3) to assistance under the United States Housing Act of 1937 is deemed to refer to assistance under this Act.

(f) CONVERSION OF PROJECT-BASED ASSISTANCE TO CHOICE-BASED RENTAL ASSISTANCE.—

(1) SECTION 8 PROJECT-BASED CONTRACTS.—Upon the request of the owner of a multifamily housing project for which project-based assistance is provided under a contract entered into under section 8 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project and shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(2) SECTION 236 CONTRACTS.—Upon the request of the owner of a multifamily housing project for which assistance is provided under a contract for interest reduction payments under section 236 of the National Housing Act, notwithstanding the termination date of such contract the Secretary shall provide for a reduction in the number of dwelling units assisted under the contract, which may not exceed 40 percent of the units in the project. The amount of the interest reduction payments made on behalf of the owner shall be reduced by a fraction for which the numerator is the aggregate basic rent for the units which are no longer assisted under the contract for interest reduction payments and the denominator is the aggregate basic rents for all units in the project. The requirements of section 236(g) of the National Housing Act shall not apply to rental charges collected with respect to dwelling units for which assistance in terminated under this paragraph. Such reduction shall be subject to the requirements in paragraphs (3) and (4) of this subsection.

(3) ELIGIBLE UNITS.—A unit may be removed from coverage by a contract pursuant to paragraph (1) or (2) only—

(A) upon the vacancy of the unit; and

(B) in the case of—

(i) units assisted under section 8 of the United States Housing Act of 1937, if the contract rent for the unit is not less than the applicable fair market rental established pursuant to section 8(c) of such Act for the area in which the unit is located; or

(ii) units assisted under an interest reduction contract under section 236 of the National Housing Act, if the reduction in the amount of interest reduction payments on a monthly basis is less than the aggregate amount of fair market rents established pursuant to section 8(c) of such Act for the number and type of units which are removed from coverage by the contract.

(4) RECAPTURE.—Any budget authority that becomes available to a local housing and management authority or the Secretary pursuant to this section shall be used to provide choice-based rental assistance under title III, during the term covered by such contract.

SEC. 503. AMENDMENTS TO PUBLIC AND ASSISTED HOUSING DRUG ELIMINATION ACT OF 1990.

(a) SHORT TITLE, PURPOSES, AND AUTHORITY TO MAKE GRANTS.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11901 et seq.) is amended by striking the chapter heading and all that follows through section 5123 and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME

"SEC. 5121. SHORT TITLE.

"This chapter may be cited as the 'Community Partnerships Against Crime Act of 1996'.

"SEC. 5122. PURPOSES.

"The purposes of this chapter are to—

"(1) improve the quality of life for the vast majority of law-abiding public housing residents by reducing the levels of fear, violence, and crime in their communities;

"(2) broaden the scope of the Public and Assisted Housing Drug Elimination Act of 1990 to apply to all types of crime, and not simply crime that is drug-related; and

"(3) reduce crime and disorder in and around public housing through the expansion of community-oriented policing activities and problem solving.

"SEC. 5123. AUTHORITY TO MAKE GRANTS.

"The Secretary of Housing and Urban Development may make grants in accordance with the provisions of this chapter for use in eliminating crime in and around public housing and other federally assisted low-income housing projects to (1) local housing and management authorities, and (2) private, for-profit and nonprofit owners of federally assisted low-income housing.".

(b) ELIGIBLE ACTIVITIES.—

(1) IN GENERAL.—Section 5124(a) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(a)) is amended—

(A) in the matter preceding paragraph (1), by inserting "and around" after "used in";

(B) in paragraph (3), by inserting before the semicolon the following: ", including fencing, lighting, locking, and surveillance systems";

(C) in paragraph (4), by striking subparagraph (A) and inserting the following new subparagraph:

"(A) to investigate crime; and";

(D) in paragraph (6)—

(i) by striking "in and around public or other federally assisted low-income housing projects"; and

(ii) by striking "and" after the semicolon; and

(E) by striking paragraph (7) and inserting the following new paragraphs:

"(7) providing funding to nonprofit public housing resident management corporations and resident councils to develop security and crime prevention programs involving site residents;

"(8) the employment or utilization of one or more individuals, including law enforcement officers, made available by contract or other cooperative arrangement with State or local law enforcement agencies, to engage in community- and problem-oriented policing involving interaction with members of the community in proactive crime control and prevention activities;

"(9) programs and activities for or involving youth, including training, education, recreation and sports, career planning, and entrepreneurship and employment activities and after school and cultural programs; and

"(10) service programs for residents that address the contributing factors of crime, including programs for job training, education, drug and alcohol treatment, and other appropriate social services.".

(2) OTHER LHMA-OWNED HOUSING.—Section 5124(b) of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11903(b)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "drug-related crime in housing owned by public housing agencies" and inserting "crime in and around housing owned by local housing and management authorities"; and

(ii) by striking "paragraphs (1) through (7)" and inserting "paragraphs (1) through (10)"; and

(B) in paragraph (2)—

(i) by striking "public housing agency" and inserting "local housing and management authority"; and

(ii) by striking "drug-related" and inserting "criminal".

(c) GRANT PROCEDURES.—Section 5125 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11904) is amended to read as follows:

"SEC. 5125. GRANT PROCEDURES.

"(a) LHMA'S WITH 250 OR MORE UNITS.—

"(1) GRANTS.—In each fiscal year, the Secretary shall make a grant under this chapter from any amounts available under section 5131(b)(1) for the fiscal year to each of the following local housing and management authorities:

"(A) NEW APPLICANTS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and has—

"(i) submitted an application to the Secretary for a grant for such fiscal year, which includes a 5-year crime deterrence and reduction plan under paragraph (2); and

"(ii) had such application and plan approved by the Secretary.

"(B) RENEWALS.—Each local housing and management authority that owns or operates 250 or more public housing dwelling units and for which—

"(i) a grant was made under this chapter for the preceding Federal fiscal year;

"(ii) the term of the 5-year crime deterrence and reduction plan applicable to such grant includes the fiscal year for which the grant under this subsection is to be made; and

"(iii) the Secretary has determined, pursuant to a performance review under paragraph (4), that during the preceding fiscal year the agency has substantially fulfilled the requirements under subparagraphs (A) and (B) of paragraph (4).

"(2) 5-YEAR CRIME DETERRENCE AND REDUCTION PLAN.—Each application for a grant under this subsection shall contain a 5-year crime deterrence and reduction plan. The plan shall be developed with the participation of residents and appropriate law enforcement officials. The plan shall describe, for the local housing and management authority submitting the plan—

"(A) the nature of the crime problem in public housing owned or operated by the local housing and management authority;

"(B) the building or buildings of the local housing and management authority affected by the crime problem;

"(C) the impact of the crime problem on residents of such building or buildings; and

"(D) the actions to be taken during the term of the plan to reduce and deter such crime, which shall include actions involving residents, law enforcement, and service providers.

The term of a plan shall be the period consisting of 5 consecutive fiscal years, which begins with the first fiscal year for which funding under this chapter is provided to carry out the plan.

"(3) AMOUNT.—In any fiscal year, the amount of the grant for a local housing and management authority receiving a grant pursuant to paragraph (1) shall be the amount that bears the same ratio to the total amount made available under section 5131(b)(1) as the total number of public dwelling units owned or operated by such authority bears to the total number of dwelling units owned or operated by all local housing and management authorities that own or operate 250 or more public housing dwelling units that are approved for such fiscal year.

"(4) PERFORMANCE REVIEW.—For each fiscal year, the Secretary shall conduct a performance review of the activities carried out by each local housing and management authority receiving a grant pursuant to this subsection to determine whether the agency—

"(A) has carried out such activities in a timely manner and in accordance with its 5-year crime deterrence and reduction plan; and

"(B) has a continuing capacity to carry out such plan in a timely manner.

"(5) SUBMISSION OF APPLICATIONS.—The Secretary shall establish such deadlines and requirements for submission of applications under this subsection.

"(6) REVIEW AND DETERMINATION.—The Secretary shall review each application submitted under this subsection upon submission and shall approve the application unless the application and the 5-year crime deterrence and reduction plan are inconsistent with the purposes of this chapter or any requirements established by the Secretary or the information in the application or plan is not substantially complete. Upon approving or determining not to approve an application and plan submitted under this subsection, the Secretary shall notify the local housing and management authority submitting the application and plan of such approval or disapproval.

"(7) DISAPPROVAL OF APPLICATIONS.—If the Secretary notifies an authority that the application and plan of the authority is not approved, not later than the expiration of the 15-day period beginning upon such notice of disapproval, the Secretary shall also notify the authority, in writing, of the reasons for the disapproval, the actions that the authority could take to comply with the criteria for approval, and the deadlines for such actions.

"(8) FAILURE TO APPROVE OR DISAPPROVE.—If the Secretary fails to notify an authority of approval or disapproval of an application and plan submitted under this subsection before the expiration of the 60-day period beginning upon the submission of the plan or fails to provide notice under paragraph (7) within the 15-day period under such paragraph to an authority whose application has been disapproved, the application and plan shall be considered to have been approved for purposes of this section.

"(b) LHMA'S WITH FEWER THAN 250 UNITS AND OWNERS OF FEDERALLY ASSISTED LOW-INCOME HOUSING.—

"(1) APPLICATIONS AND PLANS.—To be eligible to receive a grant under this chapter, a local housing and management authority that owns or operates fewer than 250 public housing dwelling units or an owner of federally assisted low-income housing shall submit an application to the Secretary at such time, in such manner, and accompanied by such additional information as the Secretary may require. The application shall include a plan for addressing the problem of crime in and around the housing for which the application is submitted, describing in detail activities to be conducted during the fiscal year for which the grant is requested.

"(2) GRANTS FOR LHMA'S WITH FEWER THAN 250 UNITS.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(2), make grants under this chapter to local housing and management authorities that own or operate fewer than 250 public housing dwelling units and have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraph (4).

"(3) GRANTS FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In each fiscal year the Secretary may, to the extent amounts are available under section 5131(b)(3), make grants under this chapter to owners of federally assisted low-income housing that have submitted applications under paragraph (1) that the Secretary has approved pursuant to the criteria under paragraphs (4) and (5).

"(4) CRITERIA FOR APPROVAL OF APPLICATIONS.—The Secretary shall determine whether to approve each application under this subsection on the basis of—

"(A) the extent of the crime problem in and around the housing for which the application is made;

"(B) the quality of the plan to address the crime problem in the housing for which the application is made;

"(C) the capability of the applicant to carry out the plan; and

"(D) the extent to which the tenants of the housing, the local government, local community-based nonprofit organizations, local tenant organizations representing residents of neighboring projects that are owned or assisted by the Secretary, and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

In each fiscal year, the Secretary may give preference to applications under this subsection for housing made by applicants who received a grant for such housing for the preceding fiscal year under this subsection or under the provisions of this chapter as in effect immediately before the date of the enactment of the United States Housing Act of 1996.

"(5) ADDITIONAL CRITERIA FOR FEDERALLY ASSISTED LOW-INCOME HOUSING.—In addition to the selection criteria under paragraph (4), the Secretary may establish other criteria for evaluating applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

"(A) relevant differences between the financial resources and other characteristics of local housing and management authorities and owners of federally assisted low-income housing; or

"(B) relevant differences between the problem of crime in public housing administered by such authorities and the problem of crime in federally assisted low-income housing.".

(d) DEFINITIONS.—Section 5126 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11905) is amended—

(1) by striking paragraphs (1) and (2);

(2) in paragraph (4)(A), by striking "section" before "221(d)(4)";

(3) by redesignating paragraphs (3) and (4) (as so amended) as paragraphs (1) and (2), respectively; and

(4) by adding at the end the following new paragraph:

"(3) LOCAL HOUSING AND MANAGEMENT AUTHORITY.—The term 'local housing and management authority' has the meaning given the term in title I of the United States Housing Act of 1996.".

(e) IMPLEMENTATION.—Section 5127 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11906) is amended by striking "Cranston-Gonzalez National Affordable Housing Act" and inserting "United States Housing Act of 1996".

(f) REPORTS.—Section 5128 of the Anti-Drug Abuse Act of 1988 (42 U.S.C. 11907) is amended—

(1) by striking "drug-related crime in" and inserting "crime in and around"; and

(2) by striking "described in section 5125(a)" and inserting "for the grantee submitted under subsection (a) or (b) of section 5125, as applicable".

(g) FUNDING AND PROGRAM SUNSET.—Chapter 2 of subtitle C of title V of the Anti-Drug Abuse Act of 1988 is amended by striking section 5130 (42 U.S.C. 11909) and inserting the following new sections:

"SEC. 5130. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal years 1997 and 1998.

"(b) ALLOCATION.—Of any amounts available, or that the Secretary is authorized to use, to carry out this chapter in any fiscal year—

"(1) 85 percent shall be available only for assistance pursuant to section 5125(a) to local housing and management authorities that own or operate 250 or more public housing dwelling units;

"(2) 10 percent shall be available only for assistance pursuant to section 5125(b)(2) to local housing and management authorities that own or operate fewer than 250 public housing dwelling units; and

"(3) 5 percent shall be available only for assistance to federally assisted low-income housing pursuant to section 5125(b)(3).".

(h) CONFORMING AMENDMENTS.—The table of contents in section 5001 of the Anti-Drug Abuse Act of 1988 (Public Law 100–690; 102 Stat. 4295) is amended—

(1) by striking the item relating to the heading for chapter 2 of subtitle C of title V and inserting the following:

"CHAPTER 2—COMMUNITY PARTNERSHIPS AGAINST CRIME";

(2) by striking the item relating to section 5122 and inserting the following new item:

"Sec. 5122. Purposes.";

(3) by striking the item relating to section 5125 and inserting the following new item:

"Sec. 5125. Grant procedures.";

and

(4) by striking the item relating to section 5130 and inserting the following new item:

"Sec. 5130. Funding.".

(i) TREATMENT OF NOFA.—The cap limiting assistance under the Notice of Funding Availability issued by the Department of Housing and Urban Development in the Federal Register of April 8, 1996, shall not apply to a local housing and management authority within an area designated as a high intensity drug trafficking area under section 1005(c) of the Anti-Drug Abuse Act of 1988 (21 U.S.C. 1504(c).

SEC. 504. TREATMENT OF CERTAIN PROJECTS.

Rehabilitation activities undertaken by Pennrose Properties in connection with 40 dwelling units for senior citizens in the Providence Square development located in New Brunswick, New Jersey, are hereby deemed to have been conducted pursuant to the approval of and an agreement with the Secretary of Housing and Urban Development under clauses (i) and (ii) of the third sentence of section 8(d)(2)(A) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act).

SEC. 505. AMENDMENTS RELATING TO COMMUNITY DEVELOPMENT ASSISTANCE.

(a) ELIGIBILITY OF METROPOLITAN CITIES.—Section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) is amended—

(1) by striking the second sentence and inserting the following new sentence: "Any city that was classified as a metropolitan city for at least 1 year after September 30, 1989, pursuant to the first sentence of this paragraph, shall remain classified as a metropolitan city by reason of this sentence until the first year for which data from the 2000 Decennial Census is available for use for purposes of allocating amounts this title."; and

(2) by striking the fifth sentence and inserting the following new sentence: "Notwithstanding that the population of a unit of general local government was included, after September 30, 1989, with the population of an urban county for purposes of qualifying for assistance under section 106, the unit of general local government may apply for assistance under section 106 as a metropolitan city if the unit meets the requirements of the second sentence of this paragraph.".

(b) PUBLIC SERVICES LIMITATION.—Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)) is amended by striking "through 1997" and inserting "through 1998".

SEC. 506. AUTHORITY TO TRANSFER SURPLUS REAL PROPERTY FOR HOUSING USE.

Section 203 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484) is amended by adding at the end the following new subsection:

"(r)(1) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for homeless individuals or families, such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(2) Under such regulations as the Administrator may prescribe, and with the written consent of appropriate local governmental authorities, the Administrator may transfer to any nonprofit organization which exists for the primary purpose of providing housing or housing assistance for low-income individuals or families such surplus real property, including buildings, fixtures, and equipment situated thereon, as is needed for housing use.

"(3) In making transfers under this subsection, the Administrator shall take such action, which shall include grant agreements with an organization receiving a grant, as may be necessary to ensure that—

"(A) assistance provided under this subsection is used to facilitate and encourage homeownership opportunities through the construction of self-help housing, under terms which require that the person receiving the assistance contribute a significant amount of labor toward the construction; and

"(B) the dwellings constructed with property transferred under this subsection shall be quality dwellings that comply with local building and safety codes and standards and shall be available at prices below the prevailing market prices.

"(4)(A) Where the Administrator has transferred a significant portion of a surplus real property, including buildings, fixtures, and equipment situated thereon, under paragraph (1) or (2) of this subsection, the transfer of the entire property shall be deemed to be in compliance with title V of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411 et seq.).

"(B) For the purpose of this paragraph, the term 'a significant portion of a surplus real property' means a portion of surplus real property—

"(i) which constitutes at least 5 acres of total acreage;

"(ii) whose fair market value exceeds $100,000; or

"(iii) whose fair market value exceeds 15 percent of the surplus property's fair market value.

"(5) The provisions of this section shall not apply to buildings and property at military installations that are approved for closure under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) and shall not supersede the provisions of section 2(e) of the Base Closure Community Redevelopment and Homeless Assistance Act of 1994 (10 U.S.C. 2687 note).".

SEC. 507. RURAL HOUSING ASSISTANCE.

The last sentence of section 520 of the Housing Act of 1949 (42 U.S.C. 1490) is amended by inserting before the period the following: ", and the city of Altus, Oklahoma, shall be considered a rural area for purposes of this title until the receipt of data from the decennial census in the year 2000".

SEC. 508. TREATMENT OF OCCUPANCY STANDARDS.

(a) NATIONAL STANDARD PROHIBITED.—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.

(b) STATE STANDARD.—If a State establishes an occupancy standard—

(1) such standard shall be presumed reasonable for purposes of any laws administered by the Secretary; and

(2) the Secretary shall not suspend, withdraw, or deny certification of any State or local public agency based in whole or in part on that State occupancy standard or its operation.

(c) ABSENCE OF STATE STANDARD.—If a State fails to establish an occupancy standard, an occupancy standard of 2 persons per bedroom established by a housing provider shall be presumed reasonable for the purposes of any laws administered by the Secretary.

(d) DEFINITION.—

(1) GENERAL RULE.—Except as provided in paragraph (2), the term "occupancy standard" means a law, regulation, or housing provider policy that establishes a limit on the number of residents a housing provider can properly manage in a dwelling for any 1 or more of the following purposes—

(A) providing a decent home and services for each resident;

(B) enhancing the livability of a dwelling for all residents, including the dwelling for each particular resident; and

(C) avoiding undue physical deterioration of the dwelling and property.

(2) EXCEPTION.—The term "occupancy standard" does not include a Federal, State, or local restriction regarding the maximum number of persons permitted to occupy a dwelling for the sole purpose of protecting the health and safety of the residents of a dwelling, including building and housing code provisions.

(e) EFFECTIVE DATE.—This section shall take effect January 1, 1996.

SEC. 509. IMPLEMENTATION OF PLAN.

(a) IMPLEMENTATION.—Within 120 days after the enactment of this Act, the Secretary of Housing and Urban Development shall implement the Ida Barbour Revitalization Plan of the City of Portsmouth, Virginia, in a manner consistent with existing limitations under law. The Secretary shall consider and make any waivers to existing regulations consistent with such plan to enable timely implementation of such plan.

(b) REPORT.—Such city shall submit a report to the Secretary on progress in implementing the plan not later than 1 year after the date of the enactment of this Act and annually thereafter through the year 2000. The report shall include quantifiable measures revealing the increase in homeowners, employment, tax base, voucher allocation, leverage ratio of funds, impact on and compliance with the city's consolidated plan, identification of regulatory and statutory obstacles which have or are causing unnecessary delays in the plan's successful implementation or are contributing to unnecessary costs associated with the revitalization, and any other information as the Secretary considers appropriate.

SEC. 510. INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS.

(a) HOME INVESTMENT PARTNERSHIPS.—The Cranston-Gonzalez National Affordable Housing Act is amended as follows:

(1) DEFINITIONS.—In section 104(10) (42 U.S.C. 12704(10))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(2) INCOME TARGETING.—In section 214(1)(A) (42 U.S.C. 12744(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(3) RENT LIMITS.—In section 215(a)(1)(A) (42 U.S.C. 12745(a)(1)(A))—

(A) by striking "income ceilings higher or lower" and inserting "an income ceiling higher";

(B) by striking "variations are" and inserting "variation is"; and

(C) by striking "high or".

(b) CDBG.—Section 102(a)(20) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)) is amended by striking subparagraph (B) and inserting the following new subparagraph:

"(B) The Secretary may—

"(i) with respect to any reference in subparagraph (A) to 50 percent of the median income of the area involved, establish percentages of median income for any area that are higher or lower than 50 percent if the Secretary finds such variations to be necessary because of unusually high or low family incomes in such area; and

"(ii) with respect to any reference in subparagraph (A) to 80 percent of the median income of the area involved, establish a percentage of median income for any area that is higher than 80 percent if the Secretary finds such variation to be necessary because of unusually low family incomes in such area.".

SEC. 511. AMENDMENTS RELATING TO SECTION 236 PROGRAM.

Section 236(f)(1) of the National Housing Act (12 U.S.C. 1715z–1) (as amended by section 405(d)(1) of The Balanced Budget Downpayment Act, I, and by section 228(a) of The Balanced Budget Downpayment Act, II) is amended—

(1) in the second sentence, by striking "the lower of (i)";

(2) in the second sentence, by striking "(ii) the fair market rental established under section 8(c) of the United States Housing Act of 1937 for the market area in which the housing is located, or (iii) the actual rent (as determined by the Secretary) paid for a comparable unit in comparable unassisted housing in the market area in which the housing assisted under this section is located,"; and

(3) by inserting after the second sentence the following: "However, in the case of a project which contains more than 5,000 units, is subject to an interest reduction payments contract, and is financed under a State or local program, the Secretary may reduce the rental charge ceiling, but in no case shall the rent be below basic rent. For plans of action approved for capital grants under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 or the provisions of the Emergency Low Income Housing Preservation Act of 1987, the rental charge for each dwelling unit shall be at the basic rental charge or such greater amount, not exceeding the lower of (i) the fair market rental charge determined pursuant to this paragraph, or (ii) the actual rent paid for a comparable unit in comparable unassisted housing in the market area in which the housing is located, as represents 30 percent of the tenant's adjusted income, but in no case shall the rent be below basic rent.".

SEC. 512. PROSPECTIVE APPLICATION OF GOLD CLAUSES.

Section 5118(d)(2) of title 31, United States Code, is amended by adding at the end the following new sentence: "This paragraph shall continue to apply to any obligations issued on or before October 27, 1977, notwithstanding any assignment and/or novation of such obligations after such date, unless all parties to the assignment and/or novation specifically agree to include a gold clause in the new agreement.".

SEC. 513. MOVING TO WORK DEMONSTRATION FOR THE 21ST CENTURY.

(a) PURPOSE.—The purpose of this demonstration under this section is to give local housing and management authorities and the Secretary of Housing and Urban Development the flexibility to design and test various approaches for providing and administering housing assistance that—

(1) reduce cost and achieve greater cost effectiveness in Federal expenditures;

(2) give incentives to families with children where the head of household is working, seeking work, or preparing for work by participating in job training, educational programs, or programs that assist people to obtain employment and become economically self-sufficient; and

(3) increase housing choices for low-income families.

(b) PROGRAM AUTHORITY.—

(1) SELECTION OF PARTICIPANTS.—The Secretary of Housing and Urban Development shall conduct a demonstration program under this section beginning in fiscal year 1997 under which local housing and management authorities (including Indian housing authorities) administering the public or Indian housing program and the choice-based rental assistance program under title III of this Act shall be selected by the Secretary to participate. In the first year of the demonstration, the Secretary shall select 100 local housing and management authorities to participate. In each of the next 2 years of the demonstration, the Secretary shall select 100 additional local housing and management authorities per year to participate. During the first year of the demonstration, the Secretary shall select for participation any authority that complies with the requirement under subsection (d) and owns or administers more than 99,999 dwelling units of public housing.

(2) TRAINING.—The Secretary, in consultation with representatives of public housing interests, shall provide training and technical assistance during the demonstration and conduct detailed evaluations of up to 30 such agencies in an effort to identify replicable program models promoting the purpose of the demonstration.

(3) USE OF HOUSING ASSISTANCE.—Under the demonstration, notwithstanding any provision of this Act, an authority may combine operating assistance provided under section 9 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act), modernization assistance provided under section 14 of such Act, assistance provided under section 8 of such Act for the certificate and voucher programs, assistance for pubic housing provided under title II of this Act, and choice-based rental assistance provided under title III of this Act, to provide housing assistance for low-income families and services to facilitate the transition to work on such terms and conditions as the authority may propose.

(c) APPLICATION.—An application to participate in the demonstration—

(1) shall request authority to combine assistance refereed to in subsection (b)(3);

(2) shall be submitted only after the local housing and management authority provides for citizen participation through a public hearing and, if appropriate, other means;

(3) shall include a plan developed by the authority that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

(A) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent; and

(B) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and

(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

(d) SELECTION CRITERIA.—In selecting among applications, the Secretary shall take into account the potential of each authority to plan and carry out a program under the demonstration and other appropriate factors as reasonably determined by the Secretary. An authority shall be eligible to participate in any fiscal year only if the most recent score for the authority under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act) is 90 or greater.

(e) APPLICABILITY OF CERTAIN PROVISIONS.—

(1) Section 261 of this Act shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

(2) Section 113 of this Act shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

(f) EFFECT ON PROGRAM ALLOCATIONS.—The amount of assistance received under titles II and III by a local housing and management authority participating in the demonstration under this section shall not be diminished by its participation.

(g) RECORDS, REPORTS, AND AUDITS.—

(1) KEEPING OF RECORDS.—Each authority shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

(2) REPORTS.—Each authority shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

(A) document the use of funds made available under this section;

(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and

(C) describe and analyze the effect of assisted activities in addressing the objectives of this part.

(3) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(4) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

(h) EVALUATION AND REPORT.—

(1) CONSULTATION WITH LHMA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of local housing and management authorities and residents.

(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the emonstration. The report shall also include findings and recommendations for any appropriate legislative action.

SEC. 514. OCCUPANCY SCREENING AND EVICTIONS FROM FEDERALLY ASSISTED HOUSING.

(a) OCCUPANCY SCREENING.—Section 642 of the Housing and Community Development Act of 1992 (42 U.S.C. 13602)—

(1) by inserting "(a) GENERAL CRITERIA.—" before "In"; and

(2) by adding at the end the following new subsections:

"(b) AUTHORITY TO DENY OCCUPANCY FOR CRIMINAL OFFENDERS.—In selecting tenants for occupancy of dwelling units in federally assisted housing, if the owner of such housing determines that an applicant for occupancy in the housing or any member of the applicant's household is or was, during the preceding 3 years, engaged in any activity described in paragraph (2)(C) of section 645, the owner may—

"(1) deny such applicant occupancy and consider the applicant (for purposes of any waiting list) as not having applied for such occupancy ; and

"(2) after the expiration of the 3-year period beginning upon such activity, require the applicant, as a condition of occupancy in the housing or application for occupancy in the housing, to submit to the owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant's household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such 3-year period.

"(c) AUTHORITY TO REQUIRE ACCESS TO CRIMINAL RECORDS.—An owner of federally assisted housing may require, as a condition of providing occupancy in a dwelling unit in such housing to an applicant for occupancy and the members of the applicant's household, that each adult member of the household provide the owner with a signed, written authorization for the owner to obtain records described in section 646(a) regarding such member of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

"(d) DEFINITION.—For purposes of subsections (b) and (c), the term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).".

(b) TERMINATION OF TENANCY.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended by adding at the end the following new section:

"SEC. 645. TERMINATION OF TENANCY.

"Each lease for a dwelling unit in federally assisted housing (as such term is defined in section 642(d)) shall provide that—

"(1) the owner may not terminate the tenancy except for violation of the terms and conditions of the lease, violation of applicable Federal, State, or local law, or other good cause; and

"(2) any activity, engaged in by the tenant, any member of the tenant's household, or any guest or other person under the tenant's control, that—

"(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other tenants or employees of the owner or other manager of the housing,

"(B) threatens the health or safety of, or right to peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises, or

"(C) is criminal activity (including drug-related criminal activity) on or off the premises,

shall be cause for termination of tenancy.".

(c) AVAILABILITY OF CRIMINAL RECORDS FOR TENANT SCREENING AND EVICTION.—Subtitle C of title VI of the Housing and Community Development Act of 1992 (42 U.S.C. 13601 et seq.) is amended adding after section 645 (as added by subsection (b) of this section) the following new section:

"SEC. 646. AVAILABILITY OF RECORDS.

"(a) IN GENERAL.—

"(1) PROVISION OF INFORMATION.—Notwithstanding any other provision of law other than paragraph (2), upon the request of an owner of federally assisted housing, the National Crime Information Center, a police department, and any other law enforcement agency shall provide to the owner of federally assisted housing information regarding the criminal conviction records of an adult applicant for, or tenants of, the federally assisted housing for purposes of applicant screening, lease enforcement, and eviction, but only if the owner requests such information and presents to such Center, department, or agency with a written authorization, signed by such applicant, for the release of such information to such owner.

"(2) EXCEPTION.—The information provided under paragraph (1) may not include any information regarding any criminal conviction of an applicant or resident for any act (or failure to act) for which the applicant or resident was not treated as an adult under the laws of the convicting jurisdiction.

"(b) CONFIDENTIALITY.—An owner receiving information under this section may use such information only for the purposes provided in this section and such information may not be disclosed to any person who is not an officer or employee of the owner. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this section to an owner is used, and confidentiality of such information is maintained, as required under this section.

"(c) OPPORTUNITY TO DISPUTE.—Before an adverse action is taken with regard to assistance for federally assisted housing on the basis of a criminal record, the owner shall provide the tenant or applicant with a copy of the criminal record and an opportunity to dispute the accuracy and relevance of that record.

"(d) FEE.—An owner of federally assisted housing may be charged a reasonable fee for information provided under subsection (a).

"(e) RECORDS MANAGEMENT.—Each owner of federally assisted housing that receives criminal record information under this section shall establish and implement a system of records management that ensures that any criminal record received by the owner is—

"(1) maintained confidentially;

"(2) not misused or improperly disseminated; and

"(3) destroyed, once the purpose for which the record was requested has been accomplished.

"(f) PENALTY.—Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or resident of, federally assisted housing pursuant to the authority under this section under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term 'person' as used in this subsection shall include an officer or employee of any local housing and management authority.

"(g) CIVIL ACTION.—Any applicant for, or resident of, federally assisted housing affected by (1) a negligent or knowing disclosure of information referred to in this section about such person by an officer or employee of any owner, which disclosure is not authorized by this section, or (2) any other negligent or knowing action that is inconsistent with this section, may bring a civil action for damages and such other relief as may be appropriate against any owner responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or resident resides, in which such unauthorized action occurred, or in which the officer or employee alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

"(h) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

"(1) ADULT.—The term 'adult' means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

"(2) FEDERALLY ASSISTED HOUSING.—The term 'federally assisted housing' has the meaning given the term by this title, except that the term does not include housing that only meets the requirements of section 683(2)(E).".

(d) DEFINITIONS.—Section 683 of the Housing and Community Development Act of 1992 (42 U.S.C. 13643) is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking "section 3(b) of the United States Housing Act of 1937" and inserting "section 102 of the United States Housing Act of 1996";

(B) in subparagraph (B), by inserting before the semicolon at the end the following; "(as in effect before the enactment of the United States Housing Act of 1996)";

(C) in subparagraph (F), by striking "and" at the end;

(D) in subparagraph (G), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following new subparagraph:

"(H) for purposes only of subsections (b) and (c) of sections 642, and section 645 and 646, housing assisted under section 515 of the Housing Act of 1949.";

(2) in paragraph (4), by striking "public housing agency" and inserting "local housing and management authority"; and

(3) by adding at the end the following new paragraph:

"(6) DRUG-RELATED CRIMINAL ACTIVITY.—The term 'drug-related criminal activity' means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 102 of the Controlled Substances Act).".

SEC. 515. USE OF AMERICAN PRODUCTS.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American made.

(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

SEC. 516. LIMITATION ON EXTENT OF USE OF LOAN GUARANTEES FOR HOUSING PURPOSES.

Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308) is amended by inserting after subsection (h) the following new section:

"(i) LIMITATION ON USE.—Of any amounts obtained from notes or other obligations issued by an eligible public entity or public agency designated by an eligible public entity and guaranteed under this section pursuant to an application for a guarantee submitted after the date of the enactment of the Housing and Community Development Act of 1992, the aggregate amount used for the purposes described in clauses (2) and (4) of subsection (a), and for other housing activities under the purposes described in clauses (1) and (3) of subsection (a), may not exceed 50 percent of such amounts obtained by the eligible public entity or agency.".

SEC. 517. CONSULTATION WITH AFFECTED AREAS IN SETTLEMENT OF LITIGATION.

In negotiating any settlement of, or consent decree for, any litigation regarding public housing or rental assistance (under title III of this Act or the United States Housing Act of 1937, as in effect before the enactment of this Act) that involves the Secretary and any local housing and management authority or any unit of general local government, the Secretary shall consult with any units of general local government and local housing and management authorities having jurisdictions that are adjacent to the jurisdiction of the local housing and management authority involved.

TITLE VI—NATIONAL COMMISSION ON HOUSING ASSISTANCE PROGRAMS COST

SEC. 601. ESTABLISHMENT.

There is established a commission to be known as the National Commission on Housing Assistance Programs Cost (in this title referred to as the "Commission").

SEC. 602. MEMBERSHIP.

(a) APPOINTMENT.—The Commission shall be composed of 9 members, who shall be appointed not later than 90 days after the date of the enactment of this Act. The members shall be as follows:

(1) 3 members to be appointed by the Secretary of Housing and Urban Development;

(2) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the Senate; and

(3) 3 members appointed by the Chairman and Ranking Minority Member of the Subcommittee on Housing and Community Opportunity of the Committee on Banking and Financial Services of the House of Representatives and the Chairman and Ranking Minority Member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations of the House of Representatives.

(b) QUALIFICATIONS.—The 3 members of the Commission appointed under each of paragraphs (1), (2), and (3) of subsection (a)—

(1) shall all be experts in the field of accounting, economics, cost analysis, finance, or management; and

(2) shall include—

(A) 1 individual who is an elected public official at the State or local level;

(B) 1 individual who is a distinguished academic engaged in teaching or research;

(C) 1 individual who is a business leader, financial officer, management or accounting expert.

In selecting members of the Commission for appointment, the individuals appointing shall ensure that the members selected can analyze the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no member of the Commission has a personal financial or business interest in any such program.

SEC. 603. ORGANIZATION.

(a) CHAIRPERSON.—The Commission shall elect a chairperson from among members of the Commission.

(b) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number may hold hearings.

(c) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(d) VACANCIES.—Any vacancy on the Commission shall not affect its powers, but shall be filled in the manner in which the original appointment was made.

(e) PROHIBITION ON ADDITIONAL PAY.—Members of the Commission shall serve without compensation.

(f) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

SEC. 604. FUNCTIONS.

(a) IN GENERAL.—The Commission shall —

(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs; and

(2) estimate the future liability that will be borne by taxpayers as a result of activities under the Federal assisted housing programs before the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term "Federal assisted housing programs" means—

(1) the public housing program under the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(2) the public housing program under title II of this Act;

(3) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(4) the voucher program for rental assistance under section 8(o) of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(5) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (as in effect before the date of the enactment of this Act);

(6) the rental assistance payments program under section 521(a)(2)(A) of the Housing Act of 1949;

(7) the program for housing for the elderly under section 202 of the Housing Act of 1959;

(8) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act;

(9) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act that bears interest at a rate determined under the proviso of section 221(d)(5) of such Act;

(10) the program under section 236 of the National Housing Act;

(11) the program for constructed or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937, as in effect before October 1, 1983; and

(12) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Commission may determine.

(c) FINAL REPORT.—Not later than 18 months after the Commission is established pursuant to section 602(a), the Commission shall submit to the Secretary and to the Congress a final report which shall contain the results of the analysis and estimates required under subsection (a).

(d) LIMITATION.—The Commission may not make any recommendations regarding Federal housing policy.

SEC. 605. POWERS.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold such hearings and sit and act at such times and places as the Commission may find advisable.

(b) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operations, organization and personnel.

(c) ASSISTANCE FROM FEDERAL AGENCIES.—

(1) INFORMATION.—The Commission may request from any department or agency of the United States, and such department or agency shall provide to the Commission in a timely fashion, such data and information as the Commission may require for carrying out this title, including—

(A) local housing management plans submitted to the Secretary of Housing and Urban Development under section 107;

(B) block grant contracts under title II;

(C) contracts under section 302 for assistance amounts under title III; and

(D) audits submitted to the Secretary of Housing and Urban Development under section 432.

(2) ADMINISTRATIVE SUPPORT.—The General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(3) PERSONNEL DETAILS AND TECHNICAL ASSISTANCE.—Upon the request of the chairperson of the Commission, the Secretary of Housing and Urban Development shall, to the extent possible and subject to the discretion of the Secretary—

(A) detail any of the personnel of the Department of Housing and Urban Development, on a nonreimbursable basis, to assist the Commission in carrying out its duties under this title; and

(B) provide the Commission with technical assistance in carrying out its duties under this title.

(d) INFORMATION FROM LOCAL HOUSING AND MANAGEMENT AUTHORITIES.—The Commission shall have access, for the purpose of carrying out its functions under this title, to any books, documents, papers, and records of a local housing and management authority that are pertinent to this Act and assistance received pursuant to this Act.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(f) CONTRACTING.—The Commission may, to the extent and in such amounts as are provided in appropriations Acts, enter into contracts necessary to carry out its duties under this title.

(g) STAFF.—

(1) EXECUTIVE DIRECTOR.—The Commission shall appoint an executive director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5, United States Code.

(2) PERSONNEL.—In addition to the executive director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5, United States Code, governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(3) LIMITATION.—Paragraphs (1) and (2) shall be effective only to the extent and in such amounts as are provided in appropriations Acts.

(4) SELECTION CRITERIA.—In appointing an executive director and staff, the Commission shall ensure that the individuals appointed can conduct any functions they may have regarding the Federal assisted housing programs (as such term is defined in section 604(a)) on an objective basis and that no such individual has a personal financial or business interest in any such program.

(h) ADVISORY COMMITTEE.—The Commission shall be considered an advisory committee within the meaning of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 606. FUNDING.

Of any amounts made available for policy, research, and development activities of the Department of Housing and Urban Development, there shall be available for carrying out this title $750,000, for fiscal year 1997. Any such amounts so appropriated shall remain available until expended.

SEC. 607. SUNSET.

The Commission shall terminate upon the expiration of the 18-month period beginning upon the date that the Commission is established pursuant to section 602(a).

TITLE VII—NATIVE AMERICAN HOUSING ASSISTANCE

SECTION 701. SHORT TITLE.

This title may be cited as the "Native American Housing Assistance and Self-Determination Act of 1996".

SEC. 702. CONGRESSIONAL FINDINGS.

The Congress hereby finds that—

(1) the Federal Government has a responsibility to promote the general welfare of the Nation—

(A) by using Federal resources to aid families and individuals seeking affordable homes that are safe, clean, and healthy and, in particular, assisting responsible, deserving citizens who

cannot provide fully for themselves because of temporary circumstances or factors beyond their control;

(B) by working to ensure a thriving national economy and a strong private housing market; and

(C) by developing effective partnerships among the Federal Government, State and local governments, and private entities that allow government to accept responsibility for fostering the development of a healthy marketplace and allow families to prosper without government involvement in their day-to-day activities;

(2) there exists a unique relationship between the Government of the United States and the governments of Indian tribes and a unique Federal responsibility to Indian people;

(3) the Constitution of the United States invests the Congress with plenary power over the field of Indian affairs, and through treaties, statutes, and historical relations with Indian tribes, the United States has undertaken a trust responsibility to protect Indian tribes;

(4) the Congress, through treaties, statutes, and the general course of dealing with Indian tribes, has assumed the responsibility for the protection and preservation of Indian tribes and for working with tribes and their members to improve their socio-economic status so that they are able to take greater responsibility for their own economic condition;

(5) providing affordable and healthy homes is an essential element in the special role of the United States in helping tribes and their members to achieve a socio-economic status comparable to their non-Indian neighbors;

(6) the need for affordable and healthy homes on Indian reservations, in Indian communities, and in Native Alaskan villages is acute and the Federal Government should work not only to provide housing assistance, but also, to the extent practicable, to assist in the development of private housing finance mechanisms on Indian lands to achieve the goals of economic self-sufficiency and self-determination for tribes and their members; and

(7) Federal assistance to meet these responsibilities should be provided in a manner that recognizes the right of tribal self-governance by making such assistance available directly to the tribes or tribally designated entities.

SEC. 703. ADMINISTRATION THROUGH OFFICE OF NATIVE AMERICAN PROGRAMS.

The Secretary of Housing and Urban Development shall carry out this title through the Office of Native American Programs of the Department of Housing and Urban Development.

SEC. 704. DEFINITIONS.

For purposes of this title, the following definitions shall apply:

(1) AFFORDABLE HOUSING.—The term "affordable housing" means housing that complies with the requirements for affordable housing under subtitle B. The term includes permanent housing for homeless persons who are persons with disabilities, transitional housing, and single room occupancy housing.

(2) FAMILIES AND PERSONS.—

(A) SINGLE PERSONS.—The term "families" includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining members of a tenant family, and (v) any other single persons.

(B) FAMILIES.—The term "families" includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the regulations of the Secretary to be essential to their care or well-being.

(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size for purposes of this title.

(D) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(E) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(i) has a disability as defined in section 223 of the Social Security Act,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(F) DISPLACED PERSON.—The term "displaced person" means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.

(G) NEAR-ELDERLY PERSON.—The term "near-elderly person" means a person who is at least 50 years of age but below the age of 62.

(3) GRANT BENEFICIARY.—The term "grant beneficiary" means the Indian tribe or tribes on behalf of which a grant is made under this title to a recipient.

(4) INDIAN.—The term "Indian" means any person who is a member of an Indian tribe.

(5) INDIAN AREA.—The term "Indian area" means the area within which a tribally designated housing entity is authorized to provide assistance under this title for affordable housing.

(6) INDIAN TRIBE.—The term "Indian tribe" means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975; and

(B) any tribe, band, nation, pueblo, village, or community that—

(i) has been recognized as an Indian tribe by any State; and

(ii) for which an Indian housing authority is eligible, on the date of the enactment of this title, to enter into a contract with the Secretary pursuant to the United States Housing Act of 1937.

(7) LOCAL HOUSING PLAN.—The term "local housing plan" means a plan under section 712.

(8) LOW-INCOME FAMILY.—The term "low-income family" means a family whose income does not exceed 80 percent of the median income for the area, except that the Secretary may, for purposes of this paragraph, establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the authority's findings that such variations are necessary because of unusually high or low family incomes.

(9) MEDIAN INCOME.—The term "median income" means, with respect to an area that is an Indian area, the greater of—

(A) the median income for the Indian area, which the Secretary shall determine; or

(B) the median income for the United States.

(10) RECIPIENT.—The term "recipient" means the entity for an Indian tribe that is authorized to receive grant amounts under this title on behalf of the tribe, which may only be the tribe or the tribally designated housing entity for the tribe.

(11) TRIBALLY DESIGNATED HOUSING ENTITY.—The terms "tribally designated housing entity" and "housing entity" have the following meaning:

(A) EXISTING IHA'S.—For any Indian tribe that has not taken action under subparagraph (B) and for which an Indian housing authority—

(i) was established for purposes of the United States Housing Act of 1937 before the date of the enactment of this title that meets the requirements under the United States Housing Act of 1937,

(ii) is acting upon such date of enactment as the Indian housing authority for the tribe, and

(iii) is not an Indian tribe for purposes of this title,

the terms mean such Indian housing authority.

(B) OTHER ENTITIES.—For any Indian tribe that, pursuant to this Act, authorizes an entity other than the tribal government to receive grant amounts and provide assistance under this title for affordable housing for Indians, which entity is established—

(i) by exercise of the power of self-government of an Indian tribe independent of State law, or

(ii) by operation of State law providing specifically for housing authorities or housing entities for Indians, including regional housing authorities in the State of Alaska,

the terms mean such entity.

A tribally designated housing entity may be authorized or established by one or more Indian tribes to act on behalf of each such tribe authorizing or establishing the housing entity. Nothing in this title may be construed to affect the existence, or the ability to operate, of any Indian housing authority established before the date of the enactment of this title by a State-recognized tribe, band, nation, pueblo, village, or community of Indian or Alaska Natives that is not an Indian tribe for purposes of this title.

(12) SECRETARY.—The term "Secretary" means the Secretary of Housing and Urban Development, except as otherwise specified in this title.

Subtitle A—Block Grants and Grant Requirements

SEC. 711. BLOCK GRANTS.

(a) AUTHORITY.—For each fiscal year, the Secretary shall (to the extent amounts are made available to carry out this title) make grants under this section on behalf of Indian tribes to carry out affordable housing activities. Under such a grant on behalf of an Indian tribe, the Secretary shall provide the grant amounts for the tribe directly to the recipient for the tribe.

(b) CONDITION OF GRANT.—

(1) IN GENERAL.—The Secretary may make a grant under this title on behalf of an Indian tribe for a fiscal year only if—

(A) the Indian tribe has submitted to the Secretary a local housing plan for such fiscal year under section 712; and

(B) the plan has been determined under section 713 to comply with the requirements of section 712.

(2) WAIVER.—The Secretary may waive the applicability of the requirements under paragraph (1), in whole or in part, if the Secretary finds that an Indian tribe has not complied or

can not complied with such requirements because of circumstances beyond the control of the tribe.

(c) AMOUNT.—Except as otherwise provided under subtitle B, the amount of a grant under this section to a recipient for a fiscal year shall be—

(1) in the case of a recipient whose grant beneficiary is a single Indian tribe, the amount of the allocation under section 741 for the Indian tribe; and

(2) in the case of a recipient whose grant beneficiary is more than 1 Indian tribe, the sum of the amounts of the allocations under section 741 for each such Indian tribe.

(d) USE FOR AFFORDABLE HOUSING ACTIVITIES.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities under subtitle B.

(e) EFFECTUATION OF LHP.—Except as provided in subsection (f), amounts provided under a grant under this section may be used only for affordable housing activities that are consistent with the approved local housing plan under section 713 for the grant beneficiary on whose behalf the grant is made.

(f) ADMINISTRATIVE EXPENSES.—

(1) IN GENERAL.—The Secretary shall, by regulation, authorize each recipient to use a percentage of any grant amounts received under this title for any administrative and planning expenses of the recipient relating to carrying out this title and activities assisted with such amounts, which may include costs for salaries of individuals engaged in administering and managing affordable housing activities assisted with grant amounts provided under this title and expenses of preparing a local housing plan under section 712.

(2) CONTENTS OF REGULATIONS.—The regulations referred to in paragraph (1) shall provide that—

(A) the Secretary shall, for each recipient, establish a percentage referred to in paragraph (1) based on the specific circumstances of the recipient and the tribes served by the recipient; and

(B) the Secretary may review the percentage for a recipient upon the written request of the recipient specifying the need for such review or the initiative of the Secretary and, pursuant to such review, may revise the percentage established for the recipient.

(g) PUBLIC-PRIVATE PARTNERSHIPS.—Each recipient shall make all reasonable efforts, consistent with the purposes of this title, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in implementing the approved local housing plan for the tribe that is the grant beneficiary.

SEC. 712. LOCAL HOUSING PLANS.

(a) IN GENERAL.—

(1) SUBMISSION.—The Secretary shall provide for an Indian tribe to submit to the Secretary, for each fiscal year, a local housing plan under this section for the tribe (or for the tribally designated housing entity for a tribe to submit the plan under subsection (e) for the tribe) and for the review of such plans.

(2) LOCALLY DRIVEN NATIONAL OBJECTIVES.—A local housing plan shall describe—

(A) the mission of the tribe with respect to affordable housing or, in the case of a recipient that is a tribally designated housing entity, the mission of the housing entity;

(B) the goals, objectives, and policies of the recipient to meet the housing needs of low-income families in the jurisdiction of the housing entity, which shall be designed to achieve the national objectives under section 721(a); and

(C) how the locally established mission and policies of the recipient are designed to achieve, and are consistent with, the national objectives under section 721(a).

(b) 5-YEAR PLAN.—Each local housing plan under this section for an Indian tribe shall contain, with respect to the 5-year period beginning with the fiscal year for which the plan is submitted, the following information:

(1) LOCALLY DRIVEN NATIONAL OBJECTIVES.—The information described in subsection (a)(2).

(2) CAPITAL IMPROVEMENT OVERVIEW.—If the recipient will provide capital improvements for housing described in subsection (c)(3) during such period, an overview of such improvements, the rationale for such improvements, and an analysis of how such improvements will enable the recipient to meet its goals, objectives, and mission.

(c) 1-YEAR PLAN.—A local housing plan under this section for an Indian tribe shall contain the following information relating to the upcoming fiscal year for which the assistance under this title is to be made available:

(1) FINANCIAL RESOURCES.—An operating budget for the recipient for the tribe that includes—

(A) identification and a description of the financial resources reasonably available to the recipient to carry out the purposes of this title, including an explanation of how amounts made available will leverage such additional resources; and

(B) the uses to which such resources will be committed, including eligible and required affordable housing activities under subtitle B to be assisted and administrative expenses.

(2) AFFORDABLE HOUSING.—For the jurisdiction within which the recipient is authorized to use assistance under this title—

(A) a description of the estimated housing needs and the need for assistance for very low-income and moderate-income families;

(B) a description of the significant characteristics of the housing market, indicating how such characteristics will influence the use of amounts made available under this title for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(C) an description of the structure, means of cooperation, and coordination between the recipient and any units of general local government in the development, submission, and implementation of their housing plans, including a description of the involvement of any private industries, nonprofit organizations, and public institutions;

(D) a description of how the plan will address the housing needs identified pursuant to subparagraph (A), describing the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(E) a description of any homeownership programs of the recipient to be carried out with respect to affordable housing assisted under this title and the requirements and assistance available under such programs;

(F) a certification that the recipient will maintain written records of the standards and procedures under which the recipient will monitor activities assisted under this title and ensure long-term compliance with the provisions of this title;

(G) a certification that the recipient will comply with title II of the Civil Rights Act of 1968 in carrying out this title, to the extent that such title is applicable;

(H) a statement of the number of families for whom the recipient will provide affordable housing using grant amounts provided under this title;

(I) a statement of how the goals, programs, and policies for producing and preserving affordable housing will be coordinated with other programs and services for which the recipient is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and

(J) a certification that the recipient has obtain insurance coverage for any housing units that are owned or operated by the tribe or the tribally designated housing entity for the tribe and assisted with amounts provided under this Act, in compliance with such requirements as the Secretary may establish.

(3) INDIAN HOUSING DEVELOPED UNDER UNITED STATES HOUSING ACT OF 1937.—A plan describing how the recipient for the tribe will comply with the requirements under section 723 relating to low-income housing owned or operated by the housing entity that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937, which shall include—

(A) a certification that the recipient will maintain a written record of the policies of the recipient governing eligibility, admissions, and occupancy of families with respect to dwelling units in such housing;

(B) a certification that the recipient will maintain a written record of policies of the recipient governing rents charged for dwelling units in such housing, including—

(i) the methods by which such rents are determined; and

(ii) an analysis of how such methods affect—

(I) the ability of the recipient to provide affordable housing for low-income families having a broad range of incomes;

(II) the affordability of housing for families having incomes that do not exceed 30 percent of the median family income for the area; and

(III) the availability of other financial resources to the recipient for use for such housing;

(C) a certification that the recipient will maintain a written record of the standards and policies of the recipient governing maintenance and management of such housing, and management of the recipient with respect to administration of such housing, including—

(i) housing quality standards;

(ii) routine and preventative maintenance policies;

(iii) emergency and disaster plans;

(iv) rent collection and security policies;

(v) priorities and improvements for management of the housing; and

(vi) priorities and improvements for management of the recipient, including improvement of electronic information systems to facilitate managerial capacity and efficiency;

(D) a plan describing—

(i) the capital improvements necessary to ensure long-term physical and social viability of such housing; and

(ii) the priorities of the recipient for capital improvements of such housing based on analysis of available financial resources, consultation with residents, and health and safety considerations;

(E) a description of any such housing to be demolished or disposed of, a timetable for such demolition or disposition, and any information required under law with respect to such demolition or disposition;

(F) a description of how the recipient will coordinate with tribal and State welfare agencies to ensure that residents of such housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency; and

(G) a description of the requirements established by the recipient that promote the safety of residents of such housing, facilitate the housing entity undertaking crime prevention measures (such as community policing, where appropriate), allow resident input and involvement, and allow for creative methods to increase resident safety by coordinating crime prevention efforts between the recipient and tribal or local law enforcement officials.

(4) INDIAN HOUSING LOAN GUARANTEES AND OTHER HOUSING ASSISTANCE.—A description of how loan guarantees under section 184 of the Housing and Community Development Act of 1992, and other housing assistance provided by the Federal Government for Indian tribes (including grants, loans, and mortgage insurance) will be used to help in meeting the needs for affordable housing in the jurisdiction of the recipient.

(5) DISTRIBUTION OF ASSISTANCE.—A certification that the recipient for the tribe will maintain a written record of—

(A) the geographical distribution (within the jurisdiction of the recipient) of the use of grant amounts and how such geographical distribution is consistent with the geographical distribution of housing need (within such jurisdiction); and

(B) the distribution of the use of such assistance for various categories of housing and how use for such various categories is consistent with the priorities of housing need (within the jurisdiction of the recipient).

(d) PARTICIPATION OF TRIBALLY DESIGNATED HOUSING ENTITY.—A plan under this section for an Indian tribe may be prepared and submitted on behalf of the tribe by the tribally designated housing entity for the tribe, but only if such plan contains a certification by the recognized tribal government of the grant beneficiary that such tribe has had an opportunity to review the plan and has authorized the submission of the plan by the housing entity.

(e) COORDINATION OF PLANS.—A plan under this section may cover more than 1 Indian tribe, but only if the certification requirements under subsection (d) are complied with by each such grant beneficiary covered.

(f) PLANS FOR SMALL TRIBES.—

(1) SEPARATE REQUIREMENTS.—The Secretary shall establish requirements for submission of plans under this section and the information to be included in such plans applicable to small Indian tribes and small tribally designated housing entities. Such requirements shall waive any requirements under this section that the Secretary determines are burdensome or unnecessary for such tribes and housing entities.

(2) SMALL TRIBES.—The Secretary shall define small Indian tribes and small tribally designated housing entities based on the number of dwelling units assisted under this subtitle by the tribe or housing entity or owned or operated pursuant to a contract under the United States Housing Act of 1937 between the Secretary and the Indian housing authority for the tribe.

(g) REGULATIONS.—The requirements relating to the contents of plans under this section shall be established by regulation, pursuant to section 716.

SEC. 713. REVIEW OF PLANS.

(a) REVIEW AND NOTICE.—

(1) REVIEW.—The Secretary shall conduct a limited review of each local housing plan submitted to the Secretary to ensure that the plan complies with the requirements of section 712. The Secretary shall have the discretion to review a plan only to the extent that the Secretary considers review is necessary.

(2) NOTICE.—The Secretary shall notify each Indian tribe for which a plan is submitted and any tribally designated housing entity for the tribe whether the plan complies with such requirements not later than 45 days after receiving the plan. If the Secretary does not notify the Indian tribe, as required under this subsection and subsection (b), the plan shall be considered, for purposes of this title, to have been determined to comply with the requirements under section 712 and the tribe shall be considered to have been notified of compliance upon the expiration of such 45-day period.

(b) NOTICE OF REASONS FOR DETERMINATION OF NONCOMPLIANCE.—If the Secretary determines that a plan, as submitted, does not comply with the requirements under section 712, the Secretary shall specify in the notice under subsection (a) the reasons for the noncompliance and any modifications necessary for the plan to meet the requirements under section 712.

(c) STANDARDS FOR DETERMINATION OF NONCOMPLIANCE.—The Secretary may determine that a plan does not comply with the requirements under section 712 only if—

(1) the plan is not consistent with the national objectives under section 721(a);

(2) the plan is incomplete in significant matters required under such section;

(3) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan;

(4) the Secretary determines that the plan violates the purposes of this title because it fails to provide affordable housing that will be viable on a long-term basis at a reasonable cost; or

(5) the plan fails to adequately identify the capital improvement needs for low-income housing owned or operated by the Indian tribe that was developed pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937.

(d) TREATMENT OF EXISTING PLANS.—Notwithstanding any other provision of this title, a plan shall be considered to have been submitted for an Indian tribe if the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 (as in effect immediately before the enactment of this title) or under the comprehensive improvement assistance program under such section 14, and the Secretary has approved such plan, before January 1, 1997. The Secretary shall provide specific procedures and requirements for such tribes to amend such plans by submitting only such additional information as is necessary to comply with the requirements of section 712.

(e) UPDATES TO PLAN.—After a plan under section 712 has been submitted for an Indian tribe for any fiscal year, the tribe may comply with the provisions of such section for any succeeding fiscal year (with respect to information included for the 5-year period under section 712(b) or the 1-year period under section 712(c)) by submitting only such information regarding such changes as may be necessary to update the plan previously submitted.

SEC. 714. TREATMENT OF PROGRAM INCOME AND LABOR STANDARDS.

(a) PROGRAM INCOME.—

(1) AUTHORITY TO RETAIN.—Notwithstanding any other provision of law, a recipient may retain any program income that is realized from any grant amounts under this title if—

(A) such income was realized after the initial disbursement of the grant amounts received by the recipient; and

(B) the recipient has agreed that it will utilize the program income for affordable housing activities in accordance with the provisions of this title.

(2) PROHIBITION OF REDUCTION OF GRANT.—The Secretary may not reduce the grant amount for any Indian tribe based solely on (1) whether the recipient for the tribe retains program income under paragraph (1), or (2) the amount of any such program income retained.

(3) EXCLUSION OF AMOUNTS.—The Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with the requirements of this subsection would create an unreasonable administrative burden on the recipient.

(b)(1) IN GENERAL.—Any contract for the construction of affordable housing with 12 or more units assisted with grant amounts made available under this Act shall contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a—276a–5), shall be paid to all laborers and mechanics employed in the development of affordable housing involved, and recipients shall require certification as to the compliance with the provisions of this section prior to making any payment under such contract.

(2) EXCEPTIONS.—Subsection (a) shall not apply if the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and such persons are not otherwise employed at any time in the construction work.

(3) WAIVER.—The Secretary may waive the provisions of this subsection.

SEC. 715. ENVIRONMENTAL REVIEW.

(a) IN GENERAL.—In order to ensure that the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of grant amounts provided under this title, and to ensure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of amounts for particular projects to recipients of assistance under this title who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were the Secretary to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption of responsibilities under this section.

The Secretary's duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a recipient of grant amounts with respect to any particular release of funds.

(b) PROCEDURE.—The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the recipient of grant amounts has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary's approval of any such certification shall be deemed to satisfy the Secretary's responsibilities under the National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) CERTIFICATION.—A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this title qualified under regulations of the Secretary,

(3) specify that the recipient has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental

Policy Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or such other provisions of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the recipient of assistance and such officer to accept the jurisdiction of the Federal courts for the purpose of enforcement of the certifying officer's responsibilities as such an official.

SEC. 716. REGULATIONS.

(a) INTERIM REQUIREMENTS.—Not later than 90 days after the date of the enactment of this title, the Secretary shall, by notice issued in the Federal Register, establish any requirements necessary to carry out this title in the manner provided in section 717(b), which shall be effective only for fiscal year 1997. The notice shall invite public comments regarding such interim requirements and final regulations to carry out this title and shall include general notice of proposed rulemaking (for purposes of section 564(a) of title 5, United States Code) of the final regulations under paragraph (2).

(b) FINAL REGULATIONS.—

(1) TIMING.—The Secretary shall issue final regulations necessary to carry out this title not later than September 1, 1997, and such regulations shall take effect not later than the effective date under section 717(a).

(2) NEGOTIATED RULEMAKING.—Notwithstanding sections 563(a) and 565(a) of title 5, United States Code, the final regulations required under paragraph (1) shall be issued according to a negotiated rulemaking procedure under subchapter III of chapter 5 of title 5, United States Code. The Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations, which shall include representatives of Indian tribes.

SEC. 717. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b) and as otherwise specifically provided in this title, this title shall take effect on October 1, 1997.

(b) INTERIM APPLICABILITY.—For fiscal year 1997, this title shall apply to any Indian tribe that requests the Secretary to apply this title to such tribe, subject to the provisions of this subsection, but only if the Secretary determines that the tribe has the capacity to carry out the responsibilities under this title during such fiscal year. For fiscal year 1997, this title shall apply to any such tribe subject to the following limitations:

(1) USE OF ASSISTANCE AMOUNTS AS BLOCK GRANT.—Amounts shall not be made available pursuant to this title for grants under this title for such fiscal year, but any amounts made available for the tribe under the United States Housing Act of 1937, title II or subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993 shall be considered grant amounts under this title and shall be used subject to the provisions of this title relating to such grant amounts.

(2) LOCAL HOUSING PLAN.—Notwithstanding section 713 of this title, a local housing plan shall be considered to have been submitted for the tribe for fiscal year 1997 for purposes of this title only if—

(A) the appropriate Indian housing authority has submitted to the Secretary a comprehensive plan under section 14(e) of the United States Housing Act of 1937 or under the comprehensive improvement assistance program under such section 14;

(B) the Secretary has approved such plan before January 1, 1996; and

(C) the tribe complies with specific procedures and requirements for amending such plan as the Secretary may establish to carry out this subsection.

(c) ASSISTANCE UNDER EXISTING PROGRAM DURING FISCAL YEAR 1997.—Notwithstanding the repeal of any provision of law under section 501(a) and with respect only to Indian tribes not provided assistance pursuant to subsection (b), during fiscal year 1997—

(1) the Secretary shall carry out programs to provide low-income housing assistance on Indian reservations and other Indian areas in accordance with the provisions of title II of the United States Housing Act of 1937 and related provisions of law, as in effect immediately before the enactment of this Act;

(2) except to the extent otherwise provided in the provisions of such title II (as so in effect), the provisions of title I of such Act (as so in effect) and such related provisions of law shall apply to low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority; and

(3) none of the provisions of title I, II, III, or IV, or of any other law specifically modifying the public housing program that is enacted after the date of the enactment of this Act, shall apply to public housing operated pursuant to a contract between the Secretary and an Indian housing authority, unless the provision explicitly provides for such applicability.

SEC. 718. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for grants under subtitle A $650,000,000, for each of fiscal years 1998, 1999, 2000, and 2001.

Subtitle B—Affordable Housing Activities

SEC. 721. NATIONAL OBJECTIVES AND ELIGIBLE FAMILIES.

(a) PRIMARY OBJECTIVE.—The national objectives of this title are—

(1) to assist and promote affordable housing activities to develop, maintain, and operate safe, clean, and healthy affordable housing on Indian reservations and in other Indian areas for occupancy by low-income Indian families;

(2) to ensure better access to private mortgage markets for Indian tribes and their members and to promote self-sufficiency of Indian tribes and their members;

(3) to coordinate activities to provide housing for Indian tribes and their members with Federal, State, and local activities to further economic and community development for Indian tribes and their members;

(4) to plan for and integrate infrastructure resources for Indian tribes with housing development for tribes; and

(5) to promote the development of private capital markets in Indian country and to allow such markets to operate and grow, thereby benefiting Indian communities.

(b) ELIGIBLE FAMILIES.—

(1) IN GENERAL.—Except as provided under paragraph (2), assistance under eligible housing activities under this title shall be limited to low-income Indian families on Indian reservations and other Indian areas.

(2) EXCEPTION TO LOW-INCOME REQUIREMENT.—A recipient may provide assistance for model activities under section 722(6) to families who are not low-income families, if the Secretary approves the activities pursuant to such subsection because there is a need for housing for such families that cannot reasonably be met without such assistance. The Secretary shall establish limits on the amount of assistance that may be provided under this title for activities for families who are not low-income families.

(3) NON-INDIAN FAMILIES.—A recipient may provide housing or housing assistance provided through affordable housing activities assisted with grant amounts under this title for a non-Indian family on an Indian reservation or other Indian area if the recipient determines that the presence of the family on the Indian reservation or other Indian area is essential to the well-being of Indian families and the need for housing for the family cannot reasonably be met without such assistance.

(4) PREFERENCE FOR INDIAN FAMILIES.—The local housing plan for an Indian tribe may require preference, for housing or housing assistance provided through affordable housing activities assisted with grant amounts provided under this title on behalf of such tribe, to be given (to the extent practicable) to Indian families who are members of such tribe, or to other Indian families. In any case in which the applicable local housing plan for an Indian tribe provides for preference under this subsection, the recipient for the tribe shall ensure that housing activities that are assisted with grant amounts under this title for such tribe are subject to such preference.

(5) EXEMPTION.—Title VI of the Civil Rights Act of 1964 and title VIII of the Civil Rights Act of 1968 shall not apply to actions by Indian tribes under this subsection.

SEC. 722. ELIGIBLE AFFORDABLE HOUSING ACTIVITIES.

Affordable housing activities under this subtitle are activities, in accordance with the requirements of this subtitle, to develop or to support affordable housing for rental or homeownership, or to provide housing services with respect to affordable housing, through the following activities:

(1) INDIAN HOUSING ASSISTANCE.—The provision of modernization or operating assistance for housing previously developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

(2) DEVELOPMENT.—The acquisition, new construction, reconstruction, or moderate or substantial rehabilitation of affordable housing, which may include real property acquisition, site improvement, development of utilities and utility services, conversion, demolition, financing, administration and planning, and other related activities.

(3) HOUSING SERVICES.—The provision of housing-related services for affordable housing, such as housing counseling in connection with rental or homeownership assistance, energy auditing, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in other housing activities assisted pursuant to this section.

(4) HOUSING MANAGEMENT SERVICES.—The provision of management services for affordable housing, including preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and management of affordable housing projects.

(5) CRIME PREVENTION AND SAFETY ACTIVITIES.—The provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime.

(6) MODEL ACTIVITIES.—Housing activities under model programs that are designed to carry out the purposes of this title and are specifically approved by the Secretary as appropriate for such purpose.

SEC. 723. REQUIRED AFFORDABLE HOUSING ACTIVITIES.

(a) MAINTENANCE OF OPERATING ASSISTANCE FOR INDIAN HOUSING.—Any recipient who owns or operates (or is responsible for funding any entity that owns or operates) housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall, using amounts of any grants received under this title, reserve and use for operating assistance under section 722(1) such amounts as may be necessary to provide for the continued maintenance and efficient operation of such housing.

(b) DEMOLITION AND DISPOSITION.—This title may not be construed to prevent any recipient

(or entity funded by a recipient) from demolishing or disposing of Indian housing referred to in such subsection. Notwithstanding section 116, section 261 shall apply to the demolition or disposition of Indian housing referred to in subsection (a).

SEC. 724. TYPES OF INVESTMENTS.

(a) IN GENERAL.—Subject to section 723 and the local housing plan for an Indian tribe, the recipient for such tribe shall have—

(1) the discretion to use grant amounts for affordable housing activities through equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, leveraging of private investments under subsection (b), or any other form of assistance that the Secretary has determined to be consistent with the purposes of this title; and

(2) the right to establish the terms of assistance.

(b) LEVERAGING PRIVATE INVESTMENT.—A recipient may leverage private investments in affordable housing activities by pledging existing or future grant amounts to assure the repayment of notes and other obligations of the recipient issued for purposes of carrying out affordable housing activities.

SEC. 725. LOW-INCOME REQUIREMENT AND INCOME TARGETING.

Housing shall qualify as affordable housing for purposes of this title only if—

(1) each dwelling unit in the housing—

(A) in the case of rental housing, is made available for occupancy only by a family that is a low-income family at the time of their initial occupancy of such unit; and

(B) in the case of housing for homeownership, is made available for purchase only by a family that is a low-income family at the time of purchase; and

(2) except for housing assisted under section 202 of the United States Housing Act of 1937 (as in effect before the enactment of this Act), each dwelling unit in the housing will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property (as determined by the Secretary) without regard to the term of the mortgage or to transfer of ownership, or for such other period that the Secretary determines is the longest feasible period of time consistent with sound economics and the purposes of this title, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (A) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (B) is not for the purpose of avoiding low-income affordability restrictions, as determined by the Secretary.

SEC. 726. CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.

With respect to housing assisted with grant amounts provided under this title, the requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 shall be considered to be satisfied upon certification by the recipient of the assistance to the Secretary that the combination of Federal assistance provided to any housing project is not any more than is necessary to provide affordable housing.

SEC. 727. LEASE REQUIREMENTS AND TENANT SELECTION.

(a) LEASES.—Except to the extent otherwise provided by or inconsistent with tribal law, in renting dwelling units in affordable housing assisted with grant amounts provided under this title, the owner or manager of the housing shall utilize leases that—

(1) do not contain unreasonable terms and conditions;

(2) require the owner or manager to maintain the housing in compliance with applicable housing codes and quality standards;

(3) require the owner or manager to give adequate written notice of termination of the lease, which shall not be less than—

(A) the period provided under the applicable law of the jurisdiction or 14 days, whichever is less, in the case of nonpayment of rent;

(B) a reasonable period of time, but not to exceed 14 days, when the health or safety of other residents or employees of the owner or manager is threatened; and

(C) the period of time provided under the applicable law of the jurisdiction, in any other case;

(4) require that the owner or manager may not terminate the tenancy except for violation of the terms or conditions of the lease, violation of applicable Federal, tribal, State, or local law, or for other good cause; and

(5) provide that the owner or manager may terminate the tenancy of a resident for any activity, engaged in by the resident, any member of the resident's household, or any guest or other person under the resident's control, that—

(A) threatens the health or safety of, or right to peaceful enjoyment of the premises by, other residents or employees of the owner or manager of the housing;

(B) threatens the health or safety of, or right to peaceful enjoyment of their premises by, persons residing in the immediate vicinity of the premises; or

(C) is criminal activity (including drug-related criminal activity).

(b) TENANT SELECTION.—The owner or manager of affordable rental housing assisted under with grant amounts provided under this title shall adopt and utilize written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for low-income families;

(2) are reasonably related to program eligibility and the applicant's ability to perform the obligations of the lease; and

(3) provide for (A) the selection of tenants from a written waiting list in accordance with the policies and goals set forth in the local housing plan for the tribe that is the grant beneficiary of such grant amounts, and (B) the prompt notification in writing of any rejected applicant of the grounds for any rejection.

SEC. 728. REPAYMENT.

If a recipient uses grant amounts to provide affordable housing under activities under this subtitle and, at any time during the useful life of the housing the housing does not comply with the requirement under section 725(a)(2), the Secretary shall reduce future grant payments on behalf of the grant beneficiary by an amount equal to the grant amounts used for such housing (under the authority under section 751(a)(2)) or require repayment to the Secretary of an amount equal to such grant amounts.

SEC. 729. CONTINUED USE OF AMOUNTS FOR AFFORDABLE HOUSING.

Any funds for programs for low-income housing under the United States Housing Act of 1937 that, on the date of the applicability of this title to an Indian tribe, are owned by, or in the possession or under the control of, the Indian housing authority for the tribe, including all reserves not otherwise obligated, shall be considered assistance under this title and subject to the provisions of this title relating to use of such assistance.

Subtitle C—Allocation of Grant Amounts

SEC. 741. ANNUAL ALLOCATION.

For each fiscal year, the Secretary shall allocate any amounts made available for assistance under this title for the fiscal year, in accordance with the formula established pursuant to section 742, among Indian tribes that comply with the requirements under this title for a grant under this title.

SEC. 742. ALLOCATION FORMULA.

The Secretary shall, by regulations issued in the manner provided under section 716, establish a formula to provide for allocating amounts available for a fiscal year for block grants under this title among Indian tribes. The formula shall be based on factors that reflect the need of the Indian tribes and the Indian areas of the tribes for assistance for affordable housing activities, including the following factors:

(1) The number of low-income housing dwelling units owned or operated at the time pursuant to a contract between an Indian housing authority for the tribe and the Secretary.

(2) The extent of poverty and economic distress within Indian areas of the tribe.

(3) Other objectively measurable conditions as the Secretary may specify.

The regulations establishing the formula shall be issued not later than the expiration of the 12-month period beginning on the date of the enactment of this title.

Subtitle D—Compliance, Audits, and Reports

SEC. 751. REMEDIES FOR NONCOMPLIANCE.

(a) ACTIONS BY SECRETARY AFFECTING GRANT AMOUNTS.—Except as provided in subsection (b), if the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this title has failed to comply substantially with any provision of this title, the Secretary shall—

(1) terminate payments under this title to the recipient;

(2) reduce payments under this title to the recipient by an amount equal to the amount of such payments which were not expended in accordance with this title;

(3) limit the availability of payments under this title to programs, projects, or activities not affected by such failure to comply; or

(4) in the case of noncompliance described in section 752(b), provide a replacement tribally designated housing entity for the recipient, under section 752.

If the Secretary takes an action under paragraph (1), (2), or (3), the Secretary shall continue such action until the Secretary determines that the failure to comply has ceased.

(b) NONCOMPLIANCE BECAUSE OF TECHNICAL INCAPACITY.—If the Secretary makes a finding under subsection (a), but determines that the failure to comply substantially with the provisions of this title—

(1) is not a pattern or practice of activities constituting willful noncompliance, and

(2) is a result of the limited capability or capacity of the recipient,

the Secretary may provide technical assistance for the recipient (directly or indirectly) that is designed to increase the capability and capacity of the recipient to administer assistance provided under this title in compliance with the requirements under this title.

(c) REFERRAL FOR CIVIL ACTION.—

(1) AUTHORITY.—In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if the Secretary has reason to believe that a recipient has failed to comply substantially with any provision of this title, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) CIVIL ACTION.—Upon such a referral, the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this title which was not expended in accordance with it, or for mandatory or injunctive relief.

(d) REVIEW.—

(1) IN GENERAL.—Any recipient who receives notice under subsection (a) of the termination, reduction, or limitation of payments under this title may, within 60 days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary's action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) PROCEDURE.—The Secretary shall file in the court record of the proceeding on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) DISPOSITION.—The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify the Secretary's findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and the Secretary shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file the Secretary's recommendation, if any, for the modification or setting aside of the Secretary's original action.

(4) FINALITY.—Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28, United State Code.

SEC. 752. REPLACEMENT OF RECIPIENT.

(a) AUTHORITY.—As a condition of the Secretary making a grant under this title on behalf of an Indian tribe, the tribe shall agree that, notwithstanding any other provision of law, the Secretary may, only in the circumstances set forth in subsection (b), require that a replacement tribally designated housing entity serve as the recipient for the tribe, in accordance with subsection (c).

(b) CONDITIONS OF REMOVAL.—The Secretary may require such replacement tribally designated housing entity for a tribe only upon a determination by the Secretary on the record after opportunity for a hearing that the recipient for the tribe has engaged in a pattern or practice of activities that constitutes substantial or willful noncompliance with the requirements under this title.

(c) CHOICE AND TERM OF REPLACEMENT.—If the Secretary requires that a replacement tribally designated housing entity serve as the recipient for a tribe (or tribes)—

(1) the replacement entity shall be an entity mutually agreed upon by the Secretary and the tribe (or tribes) for which the recipient was authorized to act, except that if no such entity is agreed upon before the expiration of the 60-day period beginning upon the date that the Secretary makes the determination under subsection (b), the Secretary shall act as the replacement entity until agreement is reached upon a replacement entity; and

(2) the replacement entity (or the Secretary, as provided in paragraph (1)) shall act as the tribally designated housing entity for the tribe (or tribes) for a period that expires upon—

(A) a date certain, which shall be specified by the Secretary upon making the determination under subsection (b); or

(B) the occurrence of specific conditions, which conditions shall be specified in written notice provided by the Secretary to the tribe upon making the determination under subsection (b).

SEC. 753. MONITORING OF COMPLIANCE.

(a) ENFORCEABLE AGREEMENTS.—Each recipient, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this title. Such measures shall provide for (1) enforcement of the provisions of this title by the grant beneficiary or by recipients and other intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) PERIODIC MONITORING.—Not less frequently than annually, each recipient shall review the activities conducted and housing assisted under this title to assess compliance with the requirements of this title. Such review shall include on-site inspection of housing to determine compliance with applicable requirements. The results of each review shall be included in the performance report of the recipient submitted to the Secretary under section 754 and made available to the public.

SEC. 754. PERFORMANCE REPORTS.

(a) REQUIREMENT.—For each fiscal year, each recipient shall—

(1) review the progress it has made during such fiscal year in carrying out the local housing plan (or plans) for the Indian tribes for which it administers grant amounts; and

(2) submit a report to the Secretary (in a form acceptable to the Secretary) describing the conclusions of the review.

(b) CONTENT.—Each report under this section for a fiscal year shall—

(1) describe the use of grant amounts provided to the recipient for such fiscal year;

(2) assess the relationship of such use to the goals identified in the local housing plan of the grant beneficiary;

(3) indicate the recipient's programmatic accomplishments; and

(4) describe how the recipient would change its programs as a result of its experiences.

(c) SUBMISSION.—The Secretary shall establish dates for submission of reports under this section, and review such reports and make such recommendations as the Secretary considers appropriate to carry out the purposes of this title.

(d) PUBLIC AVAILABILITY.—A recipient preparing a report under this section shall make the report publicly available to the citizens in the recipient's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission to the Secretary, and in such manner and at such times as the recipient may determine. The report shall include a summary of any comments received by the grant beneficiary or recipient from citizens in its jurisdiction regarding its program.

SEC. 755. REVIEW AND AUDIT BY SECRETARY.

(a) ANNUAL REVIEW.—The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) whether the recipient has carried out its eligible activities in a timely manner, has carried out its eligible activities and certifications in accordance with the requirements and the primary objectives of this title and with other applicable laws, and has a continuing capacity to carry out those activities in a timely manner;

(2) whether the recipient has complied with the local housing plan of the grant beneficiary; and

(3) whether the performance reports under section 754 of the recipient are accurate.

Reviews under this section shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development.

(b) REPORT BY SECRETARY.—The Secretary shall submit a written report to the Congress regarding each review under subsection (a). The Secretary shall give a recipient not less than 30 days to review and comment on a report under this subsection. After taking into consideration the comments of the recipient, the Secretary may revise the report and shall make the recipient's comments and the report, with any revisions, readily available to the public not later than 30 days after receipt of the recipient's comments.

(c) EFFECT OF REVIEWS.—The Secretary may make appropriate adjustments in the amount of the annual grants under this title in accordance with the Secretary's findings pursuant to reviews and audits under this section. The Secretary may adjust, reduce, or withdraw grant amounts, or take other action as appropriate in accordance with the Secretary's reviews and audits under this section, except that grant amounts already expended on affordable housing activities may not be recaptured or deducted from future assistance provided on behalf of an Indian tribe.

SEC. 756. GAO AUDITS.

To the extent that the financial transactions of Indian tribes and recipients of grant amounts under this title relate to amounts provided under this title, such transactions may be audited by the Comptroller General of the United States under such rules and regulations as may be prescribed by the Comptroller General. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such tribes and recipients pertaining to such financial transactions and necessary to facilitate the audit.

SEC. 757. REPORTS TO CONGRESS.

(a) IN GENERAL.—Not later than 90 days after the conclusion of each fiscal year in which assistance under this title is made available, the Secretary shall submit to the Congress a report that contains—

(1) a description of the progress made in accomplishing the objectives of this title; and

(2) a summary of the use of such funds during the preceding fiscal year.

(b) RELATED REPORTS.—The Secretary may require recipients of grant amounts under this title to submit to the Secretary such reports and other information as may be necessary in order for the Secretary to make the report required by subsection (a).

Subtitle E—Termination of Assistance for Indian Tribes under Incorporated Programs

SEC. 761. TERMINATION OF INDIAN PUBLIC HOUSING ASSISTANCE UNDER UNITED STATES HOUSING ACT OF 1937.

(a) IN GENERAL.—After September 30, 1997, financial assistance may not be provided under the United States Housing Act of 1937 or pursuant to any commitment entered into under such Act, for Indian housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority, unless such assistance is provided from amounts made available for fiscal year 1997 and pursuant to a commitment entered into before September 30, 1997.

(b) TERMINATION OF RESTRICTIONS ON USE OF INDIAN HOUSING.—Except as provided in section 723(b) of this title, any housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority pursuant to the United States Housing Act of 1937 shall not be subject to any provision of such Act or any annual contributions contract or other agreement pursuant to such Act, but shall be considered and maintained as affordable housing for purposes of this title.

SEC. 762. TERMINATION OF NEW COMMITMENTS FOR RENTAL ASSISTANCE.

After September 30, 1997, financial assistance for rental housing assistance under the United States Housing Act of 1937 may not be provided to any Indian housing authority or tribally designated housing entity, unless such assistance is provided pursuant to a contract for such assistance entered into by the Secretary and the Indian housing authority before such date.

SEC. 763. TERMINATION OF YOUTHBUILD PROGRAM ASSISTANCE.

(a) In General.—Subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12899 et seq.) is amended—

(1) by redesignating section 460 as section 461; and

(2) by inserting after section 459 the following new section:

"SEC. 460. INELIGIBILITY OF INDIAN TRIBES.

"Indian tribes, Indian housing authorities, and other agencies primarily serving Indians or Indian areas shall not be eligible applicants for amounts made available for assistance under this subtitle for fiscal year 1997 and fiscal years thereafter.".

(b) Effective Date and Applicability.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under subtitle D of title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 764. TERMINATION OF HOME PROGRAM ASSISTANCE.

(a) In General.—Title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) is amended—

(1) in section 217(a)—

(A) in paragraph (1), by striking "reserving amounts under paragraph (2) for Indian tribes and after"; and

(B) by striking paragraph (2); and

(2) in section 288—

(A) in subsection (a), by striking ", Indian tribes,";

(B) in subsection (b), by striking ", Indian tribe,"; and

(C) in subsection (c)(4), by striking ", Indian tribe,".

(b) Effective Date and Applicability.—The amendments under subsection (a) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act for fiscal year 1998 and fiscal years thereafter.

SEC. 765. TERMINATION OF HOUSING ASSISTANCE FOR THE HOMELESS.

(a) McKinney Act Programs.—Title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361 et seq.) is amended—

(1) in section 411, by striking paragraph (10);

(2) in section 412, by striking ", and for Indian tribes,";

(3) in section 413—

(A) in subsection (a)—

(i) by striking ", and to Indian tribes,"; and

(ii) by striking ", or for Indian tribes" each place it appears;

(B) in subsection (c), by striking "or Indian tribe"; and

(C) in subsection (d)(3)—

(i) by striking ", or Indian tribe" each place it appears; and

(ii) by striking ", or other Indian tribes,";

(4) in section 414(a)—

(A) by striking 'or Indian tribe" each place it appears; and

(B) by striking ", local government," each place it appears and inserting "or local government";

(5) in section 415(c)(4), by striking "Indian tribes,";

(6) in section 416(b), by striking "Indian tribe,";

(7) in section 422—

(A) in by striking "Indian tribe,"; and

(B) by striking paragraph (3);

(8) in section 441—

(A) by striking subsection (g);

(B) in subsection (h), by striking "or Indian housing authority"; and

(C) in subsection (j)(1), by striking ", Indian housing authority";

(9) in section 462—

(A) in paragraph (2), by striking ", Indian tribe,"; and

(B) by striking paragraph (4); and

(10) in section 491(e), by striking ", Indian tribes (as such term is defined in section 102(a) of the Housing and Community Development Act of 1974),".

(b) Innovative Homeless Demonstration.—Section 2(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 11301 note) is amended—

(1) in paragraph (3), by striking " 'unit of general local government', and 'Indian tribe' " and inserting "and 'unit of general local government' "; and

(2) in paragraph (4), by striking "unit of general local government (including units in rural areas), or Indian tribe" and inserting "or unit of general local government".

(c) Effective Date and Applicability.—The amendments under subsections (a) and (b) shall be made on October 1, 1997, and shall apply with respect to amounts made available for assistance under title IV of the Stewart B. McKinney Homeless Assistance Act and section 2 of the HUD Demonstration Act of 1993, respectively, for fiscal year 1998 and fiscal years thereafter.

SEC. 766. SAVINGS PROVISION.

Except as provided in sections 761 and 762, this title may not be construed to affect the validity of any right, duty, or obligation of the United States or other person arising under or pursuant to any commitment or agreement lawfully entered into before October 1, 1997, under the United States Housing Act of 1937, subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, title II of the Cranston-Gonzalez National Affordable Housing Act, title IV of the Stewart B. McKinney Homeless Assistance Act, or section 2 of the HUD Demonstration Act of 1993.

SEC. 767. EFFECTIVE DATE.

Sections 761, 762, and 766 shall take effect on the date of the enactment of this title.

Subtitle F—Loan Guarantees for Affordable Housing Activities

SEC. 771. AUTHORITY AND REQUIREMENTS.

(a) Authority.—To such extent or in such amounts as provided in appropriation Acts, the Secretary may, subject to the limitations of this subtitle and upon such terms and conditions as the Secretary may prescribe, guarantee and make commitments to guarantee, the notes or other obligations issued by Indian tribes or tribally designated housing entities, for the purposes of financing affordable housing activities described in section 722.

(b) Lack of Financing Elsewhere.—A guarantee under this subtitle may be used to assist an Indian tribe or housing entity in obtaining financing only if the Indian tribe or housing entity has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing consistent with the timely execution of the program plans without such guarantee.

(c) Terms of Loans.—Notes or other obligations guaranteed pursuant to this subtitle shall be in such form and denominations, have such maturities, and be subject to such conditions as may be prescribed by regulations issued by the Secretary. The Secretary may not deny a guarantee under this subtitle on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk.

(d) Limitation on Outstanding Guarantees.—No guarantee or commitment to guarantee shall be made with respect to any note or other obligation if the issuer's total outstanding notes or obligations guaranteed under this subtitle (excluding any amount defeased under the contract entered into under section 772(a)(1)) would thereby exceed an amount equal to 5 times the amount of the grant approval for the issuer pursuant to title III.

(e) Prohibition of Purchase by FFB.—Notes or other obligations guaranteed under this subtitle may not be purchased by the Federal Financing Bank.

(f) Prohibition of Guarantee Fees.—No fee or charge may be imposed by the Secretary or any other Federal agency on or with respect to a guarantee made by the Secretary under this subtitle.

SEC. 772. SECURITY AND REPAYMENT.

(a) Requirements on Issuer.—To assure the repayment of notes or other obligations and charges incurred under this subtitle and as a condition for receiving such guarantees, the Secretary shall require the Indian tribe or housing entity issuing such notes or obligations to—

(1) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed under this subtitle;

(2) pledge any grant for which the issuer may become eligible under this title;

(3) demonstrate that the extent of such issuance and guarantee under this title is within the financial capacity of the tribe and is not likely to impairment the ability to use of grant amounts under subtitle A, taking into consideration the requirements under section 723(a); and

(4) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this title or dispositions proceeds from the sale of land or rehabilitated property.

(b) Repayment From Grant Amounts.—Notwithstanding any other provision of this title—

(1) the Secretary may apply grants pledged pursuant to subsection (a)(2) to any repayments due the United States as a result of such guarantees; and

(2) grants allocated under this title for an Indian tribe or housing entity (including program income derived therefrom) may be used to pay principal and interest due (including such servicing, underwriting, and other costs as may be specified in regulations issued by the Secretary) on notes or other obligations guaranteed pursuant to this subtitle.

(c) Full Faith and Credit.—The full faith and credit of the United States is pledged to the payment of all guarantees made under this subtitle. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

SEC. 773. PAYMENT OF INTEREST.

The Secretary may make, and contract to make, grants, in such amounts as may be approved in appropriations Acts, to or on behalf of an Indian tribe or housing entity issuing notes or other obligations guaranteed under this subtitle, to cover not to exceed 30 percent of the net interest cost (including such servicing, underwriting, or other costs as may be specified in regulations of the Secretary) to the borrowing *entity or agency of such obligations. The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this subtitle in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer.*

SEC. 774. TREASURY BORROWING.

The Secretary may issue obligations to the Secretary of the Treasury in an amount outstanding at any one time sufficient to enable the Secretary to carry out the obligations of the Secretary under guarantees authorized by this subtitle. The obligations issued under this section shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any obligations of the Secretary issued under this section, and for such purposes may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, United States Code, and the purposes for which such securities may be issued under such chapter are extended to include the purchases of the Secretary's obligations hereunder.

SEC. 775. TRAINING AND INFORMATION.

The Secretary, in cooperation with eligible public entities, shall carry out training and information activities with respect to the guarantee program under this subtitle.

SEC. 776. LIMITATIONS ON AMOUNT OF GUARANTEES.

(a) Aggregate Fiscal Year Limitation.—Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this subtitle, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this subtitle with an aggregate principal amount of $400,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(b) Authorization of Appropriations for Credit Subsidy.—There is authorized to be appropriated to cover the costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of guarantees under this subtitle, $40,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

(c) Aggregate Outstanding Limitation.—The total amount of outstanding obligations guaranteed on a cumulative basis by the Secretary pursuant to this subtitle shall not at any time exceed $2,000,000,000 or such higher amount as may be authorized to be appropriated for this subtitle for any fiscal year.

(d) Fiscal Year Limitations on Tribes.—The Secretary shall monitor the use of guarantees under this subtitle by Indian tribes. If the Secretary finds that 50 percent of the aggregate guarantee authority under subsection (c) has been committed, the Secretary may—

(1) impose limitations on the amount of guarantees any one Indian tribe may receive in any fiscal year of $50,000,000; or

(2) request the enactment of legislation increasing the aggregate limitation on guarantees under this subtitle.

SEC. 777. EFFECTIVE DATE.

This subtitle shall take effect upon the enactment of this title.

Subtitle G—Other Housing Assistance for Native Americans

SEC. 781. LOAN GUARANTEES FOR INDIAN HOUSING.

(a) Definition of Eligible Borrowers to Include Indian Tribes.—Section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1515z–13a) is amended—

(1) in subsection (a)—

(A) by striking "and Indian housing authorities" and inserting ", Indian housing authorities, and Indian tribes,"; and

(B) by striking "or Indian housing authority" and inserting ", Indian housing authority, or Indian tribe"; and

(2) in subsection (b)(1), by striking "or Indian housing authorities" and inserting ", Indian housing authorities, or Indian tribes".

(b) Need for Loan Guarantee.—Section 184(a) of the Housing and Community Development Act of 1992 is amended by striking "trust land" and inserting "lands or as a result of a lack of access to private financial markets".

(c) LHP Requirement.—Section 184(b)(2) of the Housing and Community Development Act of 1992 is amended by inserting before the period at the end the following: "that is under the jurisdiction of an Indian tribe for which a local housing plan has been submitted and approved pursuant to sections 712 and 713 of the Native American Housing Assistance and Self-Determination Act of 1996 that provides for the use of loan guarantees under this section to provide affordable homeownership housing in such areas".

(d) Lender Option to Obtain Payment Upon Default Without Foreclosure.—Section 184(h) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (1)(A)—

(A) in the first sentence of clause (i), by striking "in a court of competent jurisdiction"; and

(B) by striking clause (ii) and inserting the following new clause:

"(ii) No foreclosure.—Without seeking foreclosure (or in any case in which a foreclosure proceeding initiated under clause (i) continues for a period in excess of 1 year), the holder of the guarantee may submit to the Secretary a request to assign the obligation and security interest to the Secretary in return for payment of the claim under the guarantee. The Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Upon assignment, the Secretary shall pay to the holder of the guarantee the pro rata portion of the amount guaranteed (as determined under subsection (e)). The Secretary shall be subrogated to the rights of the holder of the guarantee and the holder shall assign the obligation and security to the Secretary.";

(2) by striking paragraph (2); and

(3) by redesignating paragraph (3) as paragraph (2).

(e) Limitation of Mortgagee Authority.—Section 184(h)(2) of the Housing and Community Development Act of 1992, as so redesignated by subsection (e)(3) of this section, is amended—

(1) in the first sentence, by striking "tribal allotted or trust land," and inserting "restricted Indian land, the mortgagee or"; and

(B) in the second sentence, by striking "Secretary" each place it appears, and inserting "mortgagee or the Secretary".

(f) Limitation on Outstanding Aggregate Principal Amount.—Section 184(i)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking "1993" and all that follows through "such year" and inserting "1997, 1998, 1999, 2000, and 2001 with an aggregate outstanding principal amount note exceeding $400,000,000 for each such fiscal year".

(g) Authorization of Appropriations for Guarantee Fund.—Section 184(i)(7) of the Housing and Community Development Act of 1992 is amended by striking "such sums" and all that follows through "1994" and inserting "$30,000,000 for each of fiscal years 1997, 1998, 1999, 2000, and 2001".

(h) Definitions.—Section 184(k) of the Housing and Community Development Act of 1992 is amended—

(1) in paragraph (4), by inserting after "authority" the following: "or Indian tribe";

(2) in paragraph (5)—

(A) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) is authorized to engage in or assist in the development or operation of—

"(i) low-income housing for Indians; or

"(ii) housing subject to the provisions of this section; and"; and

(B) by adding at the end the following:

"The term includes tribally designated housing entities under the Native American Housing Assistance and Self-Determination Act of 1996."; and

(3) by striking paragraph (8) and inserting the following new paragraph:

"(8) The term 'tribe' or 'Indian tribe' means any Indian tribe, band, notation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act, which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975.

(i) Principal Obligation Amounts.—Section 184(b)(5)(C) of the Housing and Community Development Act of 1992 is amended by striking clause (i) and inserting the following new clause:

"(i) 97.75 percent of the appraised value of the property as of the date the loan is accepted for guarantee (or 98.75 percent if the value of the property is $50,000 or less); and".

(j) Availability of Amounts.—

(1) Requirement of appropriations.—Section 184(i)(5) of the Housing and Community Development Act of 1992 is amended by striking subparagraph (A) and inserting the following new subparagraph:

"(A) Requirement of appropriations.—The authority of the Secretary to enter into commitments to guarantee loans under this section shall be effective for any fiscal year to the extent or in such amounts as are or have been provided in appropriations Acts, without regard to the fiscal year for which such amounts were appropriated.".

(2) Costs.—Section 184(i)(5)(B) of the Housing and Community Development Act of 1992 is amended by adding at the end the following new sentence: "Any amounts appropriated pursuant to this subparagraph shall remain available until expended.".

(k) GNMA Authority.—The first sentence of section 306(g)(1) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1721(g)(1)) is amended by inserting before the period at the end the following: "; or guaranteed under section 184 of the Housing and Community Development Act of 1992".

SEC. 782. 50-YEAR LEASEHOLD INTEREST IN TRUST OR RESTRICTED LANDS FOR HOUSING PURPOSES.

(a) Authority to Lease.—Notwithstanding any other provision of law, any restricted Indian lands, whether tribally or individually owned, may be leased by the Indian owners, with the approval of the Secretary of the Interior, for residential purposes.

(b) Term.—Each lease pursuant to subsection (a) shall be for a term not exceeding 50 years.

(c) Other Conditions.—Each lease pursuant to subsection (a) and each renewal of such a lease shall be made under such terms and regulations as may be prescribed by the Secretary of the Interior.

(d) Rule of Construction.—This section may not be construed to repeal, limit, or affect any authority to lease any restricted Indian lands that—

(1) is conferred by or pursuant to any other provision of law; or

(2) provides for leases for any period exceeding 50 years.

SEC. 783. TRAINING AND TECHNICAL ASSISTANCE.

There is authorized to be appropriated for assistance for the a national organization representing Native American housing interests for providing training and technical assistance to Indian housing authorities and tribally designated housing entities $2,000,000, for each of fiscal years 1997, 1998, 1999, 2000, and 2001.

SEC. 784. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect upon the enactment of this title.

TITLE VIII—NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY STANDARDS CONSENSUS COMMITTEE

SEC. 801. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This title may be cited as the "National Manufactured Housing Construction and Safety Standards Act of 1996".

(b) REFERENCE.—Whenever in this title an amendment is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Housing and Community Development Act of 1974.

SEC. 802. STATEMENT OF PURPOSE.

Section 602 (42 U.S.C. 5401) is amended by striking the first sentence and inserting the following: "The Congress declares that the purposes of this title are to reduce the number of personal injuries and deaths and property damage resulting from manufactured home accidents and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.".

SEC. 803. DEFINITIONS.

(a) IN GENERAL.—Section 703 (42 U.S.C. 5402) is amended—

(1) in paragraph (2), by striking "dealer" and inserting "retailer";

(2) in paragraph (12), by striking "and" at the end;

(3) in paragraph (13), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

"(14) 'consensus committee' means the committee established under section 604(a)(7); and

"(15) 'consensus standards development process' means the process by which additions and revisions to the Federal manufactured home construction and safety standards shall be developed and recommended to the Secretary by the consensus committee.".

(b) CONFORMING AMENDMENTS.—

(1) OCCURRENCES OF "DEALER".—The Act (42 U.S.C. 5401 et seq.) is amended by striking "dealer" and inserting "retailer" in each of the following provisions:

(A) In section 613, each place such term appears.

(B) In section 614(f), each place such term appears.

(C) In section 615(b)(1).

(D) In section 616.

(2) OTHER AMENDMENTS.—The Act (42 U.S.C. 5401 et seq.) is amended—

(A) in section 615(b)(3), by striking "dealer or dealers" and inserting "retailer or retailers"; and

(B) by striking "dealers" and inserting "retailers" each place such term appears—

(i) in section 615(d);

(ii) in section 615(f); and

(iii) in section 623(c)(9).

SEC. 804. FEDERAL MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS.

Section 604 (42 U.S.C. 5403) is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

"(a) ESTABLISHMENT.—

"(1) AUTHORITY.—The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards. Each such Federal manufactured home standard shall be reasonable and shall meet the highest standards of protection, taking into account existing State and local laws relating to manufactured home safety and construction. The Secretary shall issue all such orders pursuant to the consensus standards development process under this subsection. The Secretary may issue orders which are not part of the consensus standards development process only in accordance with subsection (b).

"(2) CONSENSUS STANDARDS DEVELOPMENT PROCESS.—Not later than 180 days after the date of enactment of the National Manufactured Housing Construction and Safety Standards Act of 1996, the Secretary shall enter into a cooperative agreement or establish a relationship with a qualified technical or building code organization to administer the consensus standards development process and establish a consensus committee under paragraph (7). Periodically, the Secretary shall review such organization's performance and may replace the organization upon a finding of need.

"(3) REVISIONS.—The consensus committee established under paragraph (7) shall consider revisions to the Federal manufactured home construction and safety standards and shall submit revised standards to the Secretary at least once during every 2-year period, the first such 2-year period beginning upon the appointment of the consensus committee under paragraph (7). Before submitting proposed revised standards to the Secretary, the consensus committee shall cause the proposed revised standards to be published in the Federal Register, together with a description of the consensus committee's considerations and decisions under subsection (e), and shall provide an opportunity for public comment. Public views and objections shall be presented to the consensus committee in accordance with American National Standards Institute procedures. After such notice and opportunity public comment, the consensus committee shall cause the recommended revisions to the standards and notice of its submission to the Secretary to be published in the Federal Register. Such notice shall describe the circumstances under which the proposed revised standards could become effective.

"(4) REVIEW BY SECRETARY.—The Secretary shall either adopt, modify, or reject the standards submitted by the consensus committee. A final order adopting the standards shall be issued by the Secretary not later than 12 months after the date the standards are submitted to the Secretary by the consensus committee, and shall be published in the Federal Register and become effective pursuant to subsection (c). If the Secretary—

"(A) adopts the standards recommended by the consensus committee, the Secretary may issue a final order directly without further rulemaking;

"(B) determines that any portion of the standards should be rejected because it would jeopardize health or safety or is inconsistent with the purposes of this title, a notice to that effect, together with this reason for rejecting the proposed standard, shall be published in the Federal Register no later than 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(C) determines that any portion of the standard should be modified because it would jeopardize health or safety or is inconsistent with the purposes of this title—

"(i) such determination shall be made no later that 12 months after the date the standards are submitted to the Secretary by the consensus committee;

"(ii) within such 12-month period, the Secretary shall cause the proposed modified standard to be published in the Federal Register, together with an explanation of the reason for the Secretary's determination that the consensus committee recommendation needs to be modified, and shall provide an opportunity for public comment in accordance with the provisions of section 553 of title 5, United States Code; and

"(iii) the final standard shall become effective pursuant to subsection (c).

"(5) FAILURE TO ACT.—If the Secretary fails to take final action under paragraph (4) and publish notice of the action in the Federal Register within the 12-month period under such paragraph, the recommendations of the consensus committee shall be considered to have been adopted by the Secretary and shall take effect upon the expiration of the 180-day period that begins upon the conclusion of the 12-month period. Within 10 days after the expiration of the 12-month period, the Secretary shall cause to be published in the Federal Register notice of the Secretary's failure to act, the revised standards, and the effective date of the revised standards. Such notice shall be deemed an order of the Secretary approving the revised standards proposed by the consensus committee.

"(6) INTERPRETIVE BULLETINS.—The Secretary may issue interpretive bulletins to clarify the meaning of any Federal manufactured home construction and safety standards, subject to the following requirements:

"(A) REVIEW BY CONSENSUS COMMITTEE.—Before issuing an interpretive bulletin, the Secretary shall submit the proposed bulletin to the consensus committee and the consensus committee shall have 90 days to provide written comments thereon to the Secretary. If the consensus committee fails to act or if the Secretary rejects any significant views recommended by the consensus committee, the Secretary shall explain in writing to the consensus committee, before the bulletin becomes effective, the reasons for such rejection.

"(B) PROPOSALS.—The consensus committee may, from time to time, submit to the Secretary proposals for interpretive bulletins under this subsection. If the Secretary fails to issue or rejects a proposed bulletin within 90 days of its receipt, the Secretary shall be considered to have approved the proposed bulletin and shall immediately issue the bulletin.

"(C) EFFECT.—Interpretative bulletins issued under this paragraph shall become binding without rulemaking.

"(7) CONSENSUS COMMITTEE.—

"(A) PURPOSE.—The consensus committee referred to in paragraph (2) shall have as its purpose providing periodic recommendations to the Secretary to revise and interpret the Federal manufactured home construction and safety standards and carrying out such other functions assigned to the committee under this title. The committee shall be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions.

"(B) MEMBERSHIP.—The consensus committee shall be composed of 25 members who shall be appointed as follows:

"(i) APPOINTMENT BY PROCESS ADMINISTRATOR.—Members shall be appointed by the qualified technical or building code organization that administers the consensus standards development process pursuant to paragraph (2), subject to the approval of the Secretary.

"(ii) BALANCED MEMBERSHIP.—Members shall be appointed in a manner designed to include all interested parties without domination by any single interest category.

"(iii) SELECTION PROCEDURES AND REQUIREMENTS.—Members shall be appointed in accordance with selection procedures for consensus *committees promulgated by the American National Standards Institute, except that the American National Standards Institute interest categories shall be modified to ensure representation on the committee by individuals representing the following fields, in equal numbers under each of the following subclauses:*

"(I) Manufacturers.

"(II) Retailers, insurers, suppliers, lenders, community owners and private inspection agencies which have a financial interest in the industry.

"(III) Homeowners and consumer representatives.

"(IV) Public officials, such as those from State or local building code enforcement and inspection agencies.

"(V) General interest, including academicians, researchers, architects, engineers, private inspection agencies, and others.

Members of the consensus committee shall be qualified by background and experience to participate in the work of the committee, but members by reason of subclauses (III), (IV), and (V), except the private inspection agencies, may not have a financial interest in the manufactured home industry, unless such bar to participation is waived by the Secretary. The number of members by reason of subclause (V) who represent private inspection agencies may not constitute more than 20 percent of the total number of members by reason of subclause (V). Notwithstanding any other provision of this paragraph, the Secretary shall appoint a member of the consensus committee, who shall not have voting privileges.

"(C) MEETINGS.—The consensus committee shall cause advance notice of all meetings to be published in the Federal Register and all meetings of the committee shall be open to the public.

"(D) AUTHORITY.—Sections 203, 205, 207, and 208 of title 18, United States Code, shall not apply to the members of the consensus committee. Members shall not be considered to be special government employees for purposes of part 2634 of title 5, Code of Federal Regulations. The consensus committee shall not be considered an advisory committee for purposes of the Federal Advisory Committee Act.

"(E) ADMINISTRATION.—The consensus committee and the administering organization shall operate in conformance with American National Standards Institute procedures for the development and coordination of American National Standards and shall apply to such Institute to obtain accreditation.

"(F) STAFF.—The consensus committee shall be provided reasonable staff resources by the administering organization. Upon a showing of need and subject to the approval of the Secretary, the administering organization shall furnish technical support to any of the various interest categories on the consensus committee.

"(b) OTHER ORDERS.—The Secretary may issue orders that are not developed under the procedures set forth in subsection (a) in order to respond to an emergency health or safety issue, or to address issues on which the Secretary determines the consensus committee will not make timely recommendations, but only if the proposed order is first submitted by the Secretary to the consensus committee for review and the committee is afforded 90 days to provide its views on the proposed order to the Secretary. If the consensus committee fails to act within such period or if the Secretary rejects any significant change recommended by the consensus committee, the public notice of the order shall include an explanation of the reasons for the Secretary's action. The Secretary may issue such orders only in accordance with the provisions of section 553 of title 5, United States Code.";

(2) by striking subsection (e);

(3) in subsection (f), by striking the matter preceding paragraph (1) and inserting the following:

"(e) CONSIDERATIONS IN ESTABLISHING AND INTERPRETING STANDARDS.—The consensus committee, in recommending standards and interpretations, and the Secretary, in establishing standards or issuing interpretations under this section, shall—";

(4) by striking subsection (g);

(5) in the first sentence of subsection (j), by striking "subsection (f)" and inserting "subsection (e)"; and

(6) by redesignating subsections (h), (i), and (j) as subsections (f), (g), and (h), respectively.

SEC. 805. ABOLISHMENT OF NATIONAL MANUFACTURED HOME ADVISORY COUNCIL.

Section 605 (42 U.S.C. 5404) is hereby repealed.

SEC. 806. PUBLIC INFORMATION.

Section 607 (42 U.S.C. 5406) is amended—

(1) in subsection (a)—

(A) by inserting "to the Secretary" after "submit"; and

(B) by adding at the end the following new sentence: "Such cost and other information shall be submitted to the consensus committee by the Secretary for its evaluation.";

(2) in subsection (d), by inserting ", the consensus committee," after "public,"; and

(3) by striking subsection (c) and redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 807. INSPECTION FEES.

Section 620 (42 U.S.C. 5419) is amended to read as follows:

"SEC. 620. (a) AUTHORITY TO ESTABLISH FEES.—In carrying out the inspections required under this title and in developing standards pursuant to section 604, the Secretary may establish and impose on manufactured home manufacturers, distributors, and retailers such reasonable fees as may be necessary to offset the expenses incurred by the Secretary in conducting such inspections and administering the consensus standards development process and for developing standards pursuant to section 604(b), and the Secretary may use any fees so collected to pay expenses incurred in connection therewith. Such fees shall only be modified pursuant to rulemaking in accordance with the provisions of section 553 of title 5, United States Code.

"(b) DEPOSIT OF FEES.—Fees collected pursuant to this title shall be deposited in a fund, which is hereby established in the Treasury for deposit of such fees. Amounts in the fund are hereby available for use by the Secretary pursuant to subsection (a). The use of these fees by the Secretary shall not be subject to general or specific limitations on appropriated funds unless use of these fees is specifically addressed in any future appropriations legislation. The Secretary shall provide an annual report to Congress indicating expenditures under this section. The Secretary shall also make available to the public, in accordance with all applicable disclosure laws, regulations, orders, and directives, information pertaining to such funds, including information pertaining to amounts collected, amounts disbursed, and the fund balance.".

SEC. 808. ELIMINATION OF ANNUAL REPORT REQUIREMENT.

Section 626 (42 U.S.C. 5425) is hereby repealed.

SEC. 809. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act, except that the amendments shall have no effect on any order or interpretative bulletin that is published as a proposed rule pursuant to the provisions of section 553 of title 5, United States Code, on or before that date.

Mr. GRASSLEY. Mr. President, I ask unanimous consent the Senate disagree to the amendments of the House, the Senate agree to the request for a conference, and the Chair be authorized to appoint conferees on the part of the Senate.

There being no objection, the Presiding Officer appointed Mr. D'AMATO, Mr. MACK, Mr. FAIRCLOTH, Mr. BOND, Mr. SARBANES, Mr. KERRY and Ms. MOSELEY-BRAUN conferees on the part of the Senate.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. GRASSLEY. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nomination on the Executive Calendar: No. 586. I further ask unanimous consent the nomination be confirmed, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

THE JUDICIARY

Nina Gershon, of New York, to be United States District Judge for the Eastern District of New York.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY ACT OF 1996

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3663, just received from the House.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 3663) to amend the District of Columbia Self-Government and Governmental Reorganization Act to permit the Council of the District of Columbia to authorize the issuance of revenue bonds with respect to water and sewer facilities, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 3663) was deemed read the third time and passed.

ORDERS FOR WEDNESDAY, JULY 31, 1996

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. on Wednesday, July 31; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, the morning hour be deemed to have expired, and the time for the two leaders be reserved for their use later in the day, and the Senate immediately proceed to the consideration of S. 1936, the Nuclear Waste Policy Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRASSLEY. Mr. President, S. 1936 will be considered under the parameters of a unanimous consent agreement that limits the number of first-degree amendments in order to the bill to eight, with each limited to 1 hour of debate equally divided. Following disposition of S. 1936, the Senate will resume consideration of the transportation appropriations bill. Therefore, rollcall votes can be expected to occur throughout the day and into the evening on Wednesday to complete action on the Nuclear Waste Policy Act and the transportation appropriations bill.

Upon completion of those items just mentioned, the Senate may also be asked to turn to consideration of the VA-HUD appropriations bill. Therefore, a late night session is expected on Wednesday.

ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. GRASSLEY. Mr. President, if there is no further business to come before the Senate tonight, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 9:29 p.m., adjourned until Wednesday, July 31, 1996, at 9 a.m.

CONFIRMATION

Executive Nomination Confirmed by the Senate July 30, 1996:

THE JUDICIARY

NINA GERSHON, OF NEW YORK, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF NEW YORK.

HOUSE OF REPRESENTATIVES—*Tuesday, July 30, 1996*

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. JONES].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 30, 1996.

I hereby designate the Honorable WALTER B. JONES, Jr., to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of May 12, 1995, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 25 minutes, and each Member except the majority and minority leader limited to 5 minutes, but in no event shall debate continue beyond 9:50 a.m.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess until 10 a.m.

Accordingly (at 9 o'clock and 1 minute a.m.), the House stood in recess until 10 a.m.

☐ 1000

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. JONES] at 10 a.m.

PRAYER

The Reverend Sylvester Shannon, Siloam Presbyterian Church, Brooklyn, NY, offered the following prayer:

I met God in the morning when my day
was at its best
All day long God's presence lingered
bringing glory to my breast
If you meet God in the morning God
will go with you through the day
And his presence, just like sunshine,
will shed light upon your way,

Let us pray:

Lord of our inner life, where choices are made, help us to guard the citadel which Thou has put in our souls. Keep us from making foolish choices which lead us to less than our best. Remind us that we are leaders in a Nation which counts on us for right thinking and right actions.

O gracious Redeemer, mighty and holy God, guide us, teach us, lead us, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announced to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes from each side.

WELCOME TO THE REVEREND SYLVESTER SHANNON

(Mr. TOWNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TOWNS. Mr. Speaker, I rise today to recognize the esteemed Reverend Doctor Sylvester Lorenzo Shannon, our guest Chaplain, the pastor of the Siloam Presbyterian Church, Brooklyn, NY. He is a graduate of the Florida A&M University, where he received both a B.A. and a B.S. degree.

Reverend Shannon earned a master's degree in divinity from Duke University, a master's degree in counseling psychology from the University of Colorado, a doctor of philosophy degree in human relations and speech communications from the University of Kansas.

Dr. Shannon is married to Doris Brooks Shannon, and has three grown children and three grandchildren. His friends refer to him as a man of action. They say that he is a tremendous coalition builder. But it should be noted for my colleagues here in the House of Representatives that Dr. Shannon made a decision a long time ago not to give the Devil a ride. He knew if he gave the Devil a ride, the Devil would want to drive.

Mr. Speaker, we are delighted today to have as our guest minister Dr. Sylvester Lorenzo Shannon, pastor of the Siloam Presbyterian Church, Brooklyn, NY. Welcome.

THE WORKING FAMILIES FLEXIBILITY ACT

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, as the percentage of employees who must balance work and family or personal interests grows rapidly, employers face obstacles in Federal law which prohibit them from providing flexible scheduling arrangements to their employees. The Working Families Flexibility Act gives employers the ability to offer their employees the option of receiving paid compensatory time off in lieu of overtime wages.

Since 1985, the public sector has had the ability under the Fair Labor Standards Act to use so-called comp time in lieu of overtime pay. H.R. 2391 extends this option to the private sector, with some adjustments, taking into account the inherent differences between the public and private sectors.

Comp time could only be provided at the request of an employee. An employee could, under an agreement with the employer, voluntarily choose to have time-and-one-half comp time over cash wages. If that same employee later decides that cash wages would be preferable to time off, then the employee could simply request to be compensated in wages. Nothing in the bill precludes employees from changing their minds. An employee could also request, at any time, to be paid cash wages for any accrued comp time.

It is time that the private sector is given the same flexibility which the public sector had had for some time. Support the Working Families Flexibility Act—to provide employees with options and greater control in balancing work and family responsibilities.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

GIVE FLORIDA TOMATO FARMERS SOME JUSTICE

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Florida tomato farmers used to supply 50 percent of all our tomatoes. They lost $1 billion last year. The reason: Mexico is literally throwing tomatoes at Uncle Sam. Mexican tomatoes are so low they could roll under a closed door with a top hat on.

Check this out. A 25-pound box of Mexican tomatoes sells for $2, while it costs Florida tomato farmers $6 just to grow them. If that is not enough to stew your homegrown, check this out. The International Trade Commission ruled that Mexico's illegal dumping of tomatoes is not injuring Florida tomato farmers. Unbelievable. Who is on this Commission, the Three Amigos?

Let us tell it like it is. After NAFTA, GATT, and WTO, we have gone from a Nation that cannot spell potato to a Nation that cannot sell tomatoes. Beam me up, Mr. Speaker, and give these Florida tomato farmers some justice.

URGING THE PRESIDENT TO SIGN THE WELFARE REFORM BILL

(Mr. HOKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOKE. Mr. Speaker, in his 1935 State of the Union Address, Franklin Roosevelt called welfare a narcotic, a subtle destroyer of the human spirit. John Kennedy in 1962 said, "No lasting solution to the problem of poverty can be bought with a welfare check."

In 1965, Washington launched a war on poverty with the very best of intentions, but some three decades and $5.5 trillion later we have a welfare system that has arguably done more harm than it has done good, because a basic law of nature has been ignored. When a person is given handout after handout without asking anything in return, he or she is condemned to a dependency and the loss of dignity and self-worth.

So Congress passed a plan to reform welfare that is based on the simple premise that welfare recipients should work for their benefits, just like you work to support your family and pay your taxes. Our reforms make sense. Welfare should not be a way of life. Work should replace welfare for the able-bodied. States should have the power and flexibility to implement their own reforms. Noncitizens and felons should not receive welfare benefits.

Mr. President, we ask that you sign the bill.

SPEAKER GINGRICH SHOULD BRING TO THE FLOOR BILLS RELATING TO DIABETES

(Ms. FURSE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. FURSE. Mr. Speaker, last week there was a historic meeting here in Washington. All the organizations who are working to end diabetes came to Washington for a call for action. The reason for this event was to celebrate that there are now 234 cosponsors of H.R. 1073 and 1074, but they also came here to call on the Speaker to bring those bills to the floor so we can vote on them.

These bills are bipartisan. They were introduced by myself and the gentleman from Washington [Mr. NETHERCUTT]. As parents of children with diabetes, we know that if we can improve coverage for diabetes education and supplies, people can better manage this disease, which affects over 16 million Americans. We know that that will be a saving in the long run.

As a result of this knowledge, we formed the Diabetes Caucus last year and we have introduced these bills. However, it is the Speaker who is able to bring bills to the floor. So today we ask the gentleman from Georgia [Mr. GINGRICH] to bring these bills. He has previously stated his support for this issue. Bring them to the floor for a vote. Let us make a difference now for those 16 million Americans.

DEMOCRATS ARE DETERMINED TO PROTECT MEDICARE

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, today is the 31st anniversary of President Johnson's signature of the Medicare bill. I want to affirm that Democrats remain committed to improving Medicare in a commonsense fashion. It took Democrats 13 years to overcome Republicans' opposition to Medicare and enact the program.

In 1965, Mr. Speaker, 93 percent of the House Republicans, including then-Representative Bob Dole, voted for a substitute that would have killed Medicare as we know it. Unfortunately, the Republican leadership in this House of Representatives is continuing that effort essentially to change Medicare in a fashion so it will not be the Medicare that we know.

Unlike our Republican counterparts, we as Democrats are not sorry that hundreds of thousands of seniors rely on Medicare. Instead, we are pleased that it has doubled the number of seniors who now receive health care. Medicare is a proven success worth protecting. Democrats are determined to do that.

MEDICARE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, today is the 31st anniversary of Medicare. Let's stop to think about what a difference Medicare has made in the lives of our seniors. Before Medicare, only 46 percent of American seniors had health insurance. Today 99 percent are covered. In 1966, the poverty rate for seniors was almost 30 percent. Today, fewer than 10 percent of our Nation's elderly live in poverty.

Can this possibly be the same Medicare Program that Bob Dole bragged about "fighting the fight * * * voting against Medicare in 1965 * * * because we knew it wouldn't work?" And the same program that Speaker GINGRICH expects to "wither on the vine?" And is it the same Medicare that the chair of the Health Subcommittee, BILL THOMAS called "the old-fashioned, socialist 1960's top-heavy bureaucratic system."

Medicare works. The seniors in my district know it and seniors across the country know it. And these same seniors are deeply set against cutting Medicare to pay for tax breaks for the wealthy. We made a pledge to seniors 31 years ago—Medicare must be protected and continue to provide quality health care that seniors can rely on.

PERMISSION FOR SUNDRY COMMITTEES AND THEIR SUBCOMMITTEES TO SIT TODAY DURING 5-MINUTE RULE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that the following committees and their subcommittees be permitted to sit today while the House is meeting in the Committee of the Whole House under the 5-minute rule: the Committee on Banking and Financial Services; the Committee on Economic and Educational Opportunities; the Committee on Government Reform and Oversight; the Committee on International Relations; the Committee on the Judiciary; the Committee on National Security; the Committee on Resources; the Committee on Science; and the Committee on Transportation and Infrastructure.

It is my understanding that the minority has been consulted and that there is no objection to these requests.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3603, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. SKEEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico? The Chair hears none and without objection, appoints the following conferees: Messrs. SKEEN, MYERS of Indiana, WALSH, DICKEY, KINGSTON, RIGGS, NETHERCUTT, LIVINGSTON, DURBIN, Ms. KAPTUR, and Messrs. THORNTON, FAZIO of California, and OBEY.

There was no objection.

□ 1015

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. JONES). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 2 p.m. today.

ENERGY POLICY AND CONSERVATION ACT AMENDMENTS

Mr. SCHAEFER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3868) to extend certain programs under the Energy Policy and Conservation Act through September 30, 1996.

The Clerk read as follows:

H.R. 3868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ENERGY POLICY AND CONSERVATION ACT AMENDMENTS.

The Energy Policy and Conservation Act is amended—

(1) by amending section 166 (42 U.S.C. 6246) to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 166. There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary to implement this part.";

(2) in section 181 (42 U.S.C. 6251) by striking "June 30, 1996" both places it appears and inserting in lieu thereof "September 30, 1996";

(3) by adding at the end of section 256(h) (42 U.S.C. 6276(h)) "There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary to carry out this part."; and

(4) in section 281 (42 U.S.C. 6258) by striking "June 30, 1996" both places it appears and inserting in lieu thereof "September 30, 1996".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado [Mr. SCHAEFER] and the gentleman from New Jersey [Mr. PALLONE] each will control 20 minutes.

The Chair recognizes the gentleman from Colorado [Mr. SCHAEFER].

GENERAL LEAVE

Mr. SCHAEFER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3868.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill reauthorizes certain provisions contained in the Energy Policy and Conservation Act. Specifically, this bill assures that if there is an energy emergency during the August recess, the President's authority to drawdown the Strategic Petroleum Reserve and the ability of U.S. oil companies to participate in the International Energy Agreement without violating antitrust laws is preserved.

It is important that the United States maintain a strong Strategic Petroleum Reserve to protect American citizens from shutoffs in imported oil. Similarly, the President's authority to order a drawdown of that stored oil in an emergency must also be maintained. This bill assures the President's drawdown authority is kept intact until the end of the fiscal year.

This bill does not address the issue of maintaining adequate levels of oil in the Reserve. Over the past 18 months, I have been greatly troubled by the trend of selling oil from the Strategic Petroleum Reserve to meet budgetary goals.

The Reserve is our first line of defense in an energy emergency. This energy security insurance policy for which we have paid over $200 billion should not be squandered carelessly to meet short-term budgetary objectives.

I have directed staff to work on a long-term EPCA extension which would make it more difficult for the Reserve to be raided by people willing to sacrifice long-term energy security for short-term budget goals. In the meantime, this short-term extension of certain EPCA authorities protects Americans in the event of an energy emergency and gives us time to pass a long-term extension before the 104th Congress adjourns.

I believe these provisions of EPCA are too important for us to leave for August recess without reauthorizing them. While an energy emergency which would require the Reserve to be drawn down during August is unlikely, it is not impossible. Consider the implications of the recent terrorist attack in Saudi Arabia on our energy security. I believe this Nation must have the ability to use all its tools to deal with an energy emergency so I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. PALLONE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support this temporary reauthorization of the most important provisions of Energy Policy and Conservation Act, through September 30 of this year. While I would prefer a simple extension of EPCA—one that covered its State Energy Conservation programs and other authorities—I support this legislation because it ensures the United States and industry are able to fulfill their major emergency-related responsibilities. These include planning for international oil crises and management of the Strategic Petroleum Reserve.

I thank Chairman SCHAEFER for bringing this extension to the House floor, and I look forward to working with him in September to resolve the remaining issues.

Mr. Speaker, I yield back the balance of my time.

Mr. SCHAEFER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I certainly am willing to work with my good friend, the gentleman from New Jersey [Mr. PALLONE], to extend this a bit further. We will have to sit down and decide on how we are going to do this. But we are giving the President the authority during the August recess in order to adapt to any emergency that might exist.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado [Mr. SCHAEFER] that the House suspend the rules and pass the bill, H.R. 3868.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT AMENDMENTS OF 1996

Mr. FRISA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3867) to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act, and for other purposes.

The Clerk read as follows:

H.R. 3867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996".

SEC. 2. REAUTHORIZATION OF ALLOTMENTS FOR STATES.

Section 130 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6030) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

SEC. 3. REAUTHORIZATION OF AUTHORITIES RELATING TO PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 143 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6043) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

SEC. 4. REAUTHORIZATION OF AUTHORITIES RELATING TO UNIVERSITY AFFILIATED PROGRAMS.

Section 156(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6066(a)) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

SEC. 5. REAUTHORIZATION OF AUTHORITIES RELATING TO PROJECTS OF NATIONAL SIGNIFICANCE.

Section 163(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6083(a)) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. FRISA] and the gentleman from California [Mr. WAXMAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. FRISA].

Mr. FRISA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is my pleasure to bring to the floor this legislation which is entitled the Developmental Disabilities Assistance and Bill of Rights Reauthorization Act and to urge its adoption.

This is, I think, an excellent example of how the Federal Government can best help to coordinate resources with the States as well as localities and other private sector programs to effectuate improvements in the lives of those who have suffered disabilities which do not enable them to live as full a life as possible. This program is now being reauthorized through 1999.

I think it is important to point out that the gentleman from Virginia [Mr. BLILEY], the chairman of the Committee on Commerce, along with the gentleman from Michigan [Mr. DINGELL], his counterpart on the other side, as well as the gentleman from Florida [Mr. BILIRAKIS], the subcommittee chairman, and the gentleman from California [Mr. WAXMAN], I think put forward an excellent bipartisan effort to ensure that this bill would come to the floor with unanimous approval of the Committee on Commerce.

Mr. Speaker, briefly this legislation will reauthorize 4 particular programs: The basic State council grant program; the protection and advocacy systems program; university-affiliated programs, which coordinates with some 59 universities throughout these United States to coordinate available programs and training programs as well for individuals; and, finally, projects of national significance.

Mr. Speaker, I would urge adoption of this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased that the House is considering today the reauthorization of important programs under the Developmental Disabilities Assistance and Bill of Rights Act.

These programs address the special concerns and needs of over 3 million Americans affected by developmental disabilities. Conditions such as cerebral palsy, mental retardation, epilepsy, and autism manifest themselves early in life, result in varying degrees of disability, and affect both individuals and families for many years. Serving these people effectively requires cooperation between the Federal Government and States, local communities, and the private sector. The goal is to ensure that affected individuals and their families have access to appropriate services; that programs promote productivity, independence, and appropriate integration into the community; and that affected people and families have an opportunity to participate in program development and implementation.

H.R. 3867 extends the authorization of four effective programs that provide for research, training and education, and a variety of social and support services.

First, the bill provides for continued assistance to States to support activities of developmental disabilities councils. These activities include the design and promotion of comprehensive, statewide systems that are consumer- and family-oriented, to help developmentally disabled people achieve their maximum productive potential. To qualify for these funds, a State must have established a council which is comprised of at least 50 percent representation from people with developmental disabilities and their families or guardians. The State also must have a comprehensive plan that includes development and operation of programs of training, outreach, prevention, education, and collaboration with a variety of service agencies at the State and local levels.

H.R. 3867 also reauthorizes State protection and advocacy programs that are designed and maintained by States to protect the legal and human rights of people with developmental disabilities. Protection and advocacy systems operate based on individual State needs, are independent of any service agency, and perform an essential role in ensuring protection and quality care for vulnerable citizens.

Finally, this bill, H.R. 3867, reauthorizes university-affiliated research, education, training, and information dissemination activities; and special research projects of national significance. These programs are designed to develop and apply creative approaches to service delivery and care that are workable and sensitive to special needs; to disseminate information about successful activities; and to provide technical assistance. The goal of all of this research is to enhance the ability of individuals with developmental disabilities to live and work in their communities in the most effective ways.

All of the activities under the Developmental Disabilities Act are designed to recognize differing needs within States and communities, and to capitalize on successful ideas and actions that originate at the State or local level. This is a system that is working for people, and H.R. 3867 recognizes that success by reauthorizing the programs without change. These programs deserve our continuing support.

H.R. 3867 is supported by a broad spectrum of individuals and organizations whose expertise and work is dedicated to providing the best care and services for individuals with developmental disabilities.

An identical bill was passed by the Senate, July 12, by unanimous consent, and I urge my colleagues to support this bill so that it can be signed into law as expeditiously as possible.

Mr. Speaker, I yield back the balance of my time.

Mr. FRISA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank the gentleman from California for his support of this legislation and helping to craft it originally, and certainly this reauthorization, and would just add that there were many organizations, as has been noted, that have worked on the Task Force on Developmental Disabilities. I would just like to share some of them because it is such a wide-ranging group:

The American Association on Mental Retardation; the American Association of University Affiliated Programs; the American Network of Community Options and Resources; the American Occupational Therapy Association; the American Rehabilitation Association; the Autism National Committee; the Epilepsy Foundation of America; the International Brain Injury Society; the Joseph P. Kennedy Foundation; Justice For All; the Learning Disabilities Association; the National Association of Developmental Disabilities Councils; the National Association of Protective and Advocacy Systems; the National Easter Seals Society; the National Parent Network on Disabilities; the National Therapeutic Recreation Society; the ARC; the Association for People With Severe Disabilities; the United

Cerebral Palsy Associations; and the list goes on and on and on.

Once again, in conclusion, Mr. Speaker, I would advocate the passage of this measure which will help enhance the lives of those who are afflicted with these disabilities, in such a way as to make the very best use of precious small Federal resources in coordination with our State, local governments, educational institutions, health care organizations, as well as private sector organizations.

Mrs. SMITH of Washington. Mr. Speaker, I join my colleagues today in lending my support for H.R. 3867, legislation that reauthorizes the Developmental Disabilities and Bill of Rights Act. As a longtime advocate of individuals with developmental disabilities and their families, it gives me great pleasure to see the House take up a bill that provides necessary services and programs for individuals seeking aid and the skills necessary to their well being. During my years in the Washington State legislature, I worked with the many families who desired to provide for their children's real and often very unique needs. As chairwoman of the Children and Family Services Committee, I witnessed first hand how the developmental disability councils defined the priorities of the developmentally disabled and consequently coordinated their funding requests. The university affiliated programs in the State of Washington also provided invaluable information to professionals and families alike. Having seen these different programs at work in Washington State, I applaud Congress' commitment to these invaluable services. I urge my colleagues to join me in supporting this important legislation.

Mr. FRISA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. FRISA] that the House suspend the rules and pass the bill, H.R. 3867.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRISA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3867.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1030

Mr. FRISA. Mr. Speaker, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of the Senate bill (S. 1757) to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the Act, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. JONES). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1757

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996".

SEC. 2. REAUTHORIZATION OF ALLOTMENTS FOR STATES.

Section 130 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6030) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

SEC. 3. REAUTHORIZATION OF AUTHORITIES RELATING TO PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 143 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6043) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

SEC. 4. REAUTHORIZATION OF AUTHORITIES RELATING TO UNIVERSITY AFFILIATED PROGRAMS.

Section 156(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6066(a)) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

SEC. 5. REAUTHORIZATION OF AUTHORITIES RELATING TO PROJECTS OF NATIONAL SIGNIFICANCE.

Section 163(a) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6083(a)) is amended by striking "the fiscal years 1995 and 1996" and inserting "the fiscal years 1995 through 1999".

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TECHNICAL CORRECTIONS AND MISCELLANEOUS AMENDMENTS TO TRADE LAWS

Mr. CRANE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3815) to make technical corrections and miscellaneous amendments to trade laws, as amended.

The Clerk read as follows:

H.R. 3815

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAYMENT OF DUTIES AND FEES.

(a) INTEREST ACCRUAL.—Section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)) is amended in the second sentence by inserting after "duties, fees, and interest" the following: "or, in a case in which a claim is made under section 520(d), from the date on which such claim is made,".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to claims made pursuant to section 520(d) of the Tariff Act of 1930 on or after April 25, 1995.

SEC. 2. OTHER TECHNICAL AND CONFORMING AMENDMENTS.

(a) EXAMINATION OF BOOKS AND WITNESSES.—Section 509(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1509(a)(2)) is amended by striking "(c)(1)(A)" and inserting "(d)(1)(A)".

(b) REQUIREMENT FOR CERTIFICATE FOR IMPORTATION OF ALCOHOLIC LIQUORS IN SMALL VESSELS.—Section 7 of the Act of August 5, 1935 (19 U.S.C. 1707; 49 Stat. 520), is repealed.

(c) PENALTIES FOR CERTAIN VIOLATIONS.—Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592) is amended—

(1) in subsection (a)(1), by striking "lawful duty" and inserting "lawful duty, tax, or fee"; and

(2) in subsections (b)(1)(A)(vi), (c)(2)(A)(ii), (c)(3)(A)(ii), (c)(4)(A)(i), and (c)(4)(B) by striking "lawful duties" each place it appears and inserting "lawful duties, taxes, and fees".

(d) DEPRIVATION OF LAWFUL DUTIES, TAXES, OR FEES.—Section 592(d) of the Tariff Act of 1930 (19 U.S.C. 1592(d)) is amended by striking "or fees be restored" and inserting "and fees be restored".

(e) RECONCILIATION TREATED AS ENTRY FOR RECORDKEEPING.—

(1) Section 401(s) of the Tariff Act of 1930 (19 U.S.C. 1401(s)) is amended by inserting "recordkeeping," after "reliquidation,".

(2) Section 508(c)(1) of such Act (19 U.S.C. 1508(c)(1)) is amended by inserting ", filing of a reconciliation," after "entry".

(f) EXTENSION OF LIQUIDATION.—Section 504(d) of the Tariff Act of 1930 (19 U.S.C. 1504(d)) is amended by inserting ", unless liquidation is extended under subsection (b)," after "shall liquidate the entry".

(g) EXEMPTION FROM DUTY FOR PERSONAL AND HOUSEHOLD GOODS ACCOMPANYING RETURNING RESIDENTS.—Section 321(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(B)) is amended by inserting ", 9804.00.65," after "9804.00.30".

(h) DEBT COLLECTION.—Section 631(a) of the Tariff Act of 1930 (19 U.S.C. 1631(a)) is amended—

(1) by inserting after "law," the following: "including section 3302 of title 31, United States Code, and subchapters I and II of chapter 37 of such title,"; and

(2) by inserting "and the expenses associated with recovering such indebtedness," after "Government,".

(i) EXAMINATION OF BOOKS AND WITNESSES.—Section 509(b) of the Tariff Act of 1930 (19 U.S.C. 1509(b)) is amended in paragraphs (3) and (4) by striking "appropriate regional commissioner" and inserting "officer designated pursuant to regulations".

(j) REVIEW OF PROTESTS.—Section 515(d) of the Tariff Act of 1930 (19 U.S.C. 1515(d)) is amended by striking "district director" and inserting "port director".

(k) EFFECTIVE DATE.—The amendments made by this section apply as of December 8, 1993.

SEC. 3. CLARIFICATION REGARDING THE APPLICATION OF CUSTOMS USER FEES.

(a) IN GENERAL.—Subparagraph (D) of section 13031(b)(8) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(8)(D)) is amended—

(1) in clause (iv)—

(A) by striking "subparagraph 9802.00.80 of such Schedules" and inserting "heading 9802.00.80 of such Schedule"; and

(B) by striking "and" at the end of clause (iv);

(2) by striking the period at the end of clause (v) and inserting "; and"; and

(3) by inserting after clause (v) the following new clause:

"(vi) in the case of merchandise entered from a foreign trade zone (other than merchandise to

which clause (v) applies), be applied only to the value of the privileged or nonprivileged foreign status merchandise under section 3 of the Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81c).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to—

(1) any entry made from a foreign trade zone on or after the 15th day after the date of the enactment of this Act; and

(2) any entry made from a foreign trade zone after November 30, 1986, and before such 15th day if liquidation of the entry was not final before such 15th day.

(c) APPLICATION OF FEES TO CERTAIN AGRICULTURAL PRODUCTS.—The amendment made by section 111(b)(2)(D)(iv) of the Customs and Trade Act of 1990 shall apply to—

(1) any entry made from a foreign trade zone on or after the 15th day after the date of the enactment of this Act; and

(2) any entry made from a foreign trade zone after November 30, 1986, and before such 15th day if the liquidation of the entry was not final before such 15th day.

SEC. 4. TECHNICAL AMENDMENT TO THE CUSTOMS AND TRADE ACT OF 1990.

Subsection (b) of section 484H of the Customs and Trade Act of 1990 (19 U.S.C. 1553 note) is amended by striking ", or withdrawn from warehouse for consumption," and inserting "for transportation in bond".

SEC. 5. CLARIFICATION OF FEES FOR CERTAIN CUSTOMS SERVICES.

(a) IN GENERAL.—Section 13031(b)(9)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(A)) is amended—

(1) by striking "centralized hub facility or" in clause (i); and

(2) in clause (ii)—

(A) by striking "facility—" and inserting "facility or centralized hub facility—",

(B) by striking "customs inspectional" in subclause (I), and

(C) by striking "at the facility" in subclause (I) and inserting "for the facility".

(b) DEFINITIONS.—Section 13031(b)(9)(B)(i) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(B)(i)) is amended—

(1) by striking ", as in effect on July 30, 1990", and

(2) by adding at the end thereof the following new sentence: "Nothing in this paragraph shall be construed as prohibiting the Secretary of the Treasury from processing merchandise that is informally entered or released at any centralized hub facility or express consignment carrier facility during the normal operating hours of the Customs Service, subject to reimbursement and payment under subparagraph (A).".

(c) CITATION.—Section 13031(b)(9)(B)(ii) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(9)(B)(ii)) is amended by striking "section 236 of the Tariff and Trade Act of 1984" and inserting "section 236 of the Trade and Tariff Act of 1984".

SEC. 6. SPECIAL RULE FOR EXTENDING TIME FOR FILING DRAWBACK CLAIMS.

Section 313(r) of the Tariff Act of 1930 (19 U.S.C. 1313(r)) is amended by adding at the end the following:

"(3)(A)(i) Subject to clause (ii), the Customs Service may, notwithstanding the limitation set forth in paragraph (1), extend the time for filing a drawback claim for a period not to exceed 18 months, if—

"(I) the claimant establishes to the satisfaction of the Customs Service that the claimant was unable to file the drawback claim because of an event declared by the President to be a major disaster on or after January 1, 1994; and

"(II) the claimant files a request for such extension with the Customs Service within one year from the last day of the 3-year period referred to in paragraph (1).

"(ii) In the case of a major disaster occurring on or after January 1, 1994, and before the date of the enactment of this paragraph—

"(I) the Customs Service may extend the time for filing the drawback claim for a period not to exceed 1 year; and

"(II) the request under clause (i)(II) must be filed not later than 1 year from the date of the enactment of this paragraph.

"(B) If an extension is granted with respect to a request filed under this paragraph, the periods of time for retaining records set forth in subsection (t) of this section and section 508(c)(3) shall be extended for an additional 18 months or, in a case to which subparagraph (A)(ii) applies, for a period not to exceed 1 year from the date the claim is filed.

"(C) For purposes of this paragraph, the term 'major disaster' has the meaning given that term in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2)).".

SEC. 7. TREATMENT OF CERTAIN ENTRIES.

(a) LIQUIDATION OR RELIQUIDATION OF ENTRIES.—Notwithstanding sections 514 and 520 of the Tariff Act of 1930 (19 U.S.C. 1514 and 1520), and any other provision of law, the United States Customs Service shall liquidate or reliquidate those entry numbers made at New York, New York, which are listed in subsection (c), in accordance with the final results of the administrative review, covering the period from May 1, 1984, through March 31, 1985, undertaken by the International Trade Administration of the Department of Commerce for such entries (case number A–580–008).

(b) PAYMENT OF AMOUNTS OWED.—Any amounts owed by the United States pursuant to the liquidation or reliquidation of an entry under subsection (a) shall be paid by the Customs Service within 90 days after such liquidation or reliquidation.

(c) ENTRY LIST.—The entries referred to in subsection (a) are the following:

Entry Number	***Date of Entry***
84–4426808	*August 29, 1984*
84–4427823	*September 4, 1984*
84–4077985	*July 25, 1984*
84–4080859	*August 3, 1984*
84–4080817	*August 3, 1984*
84–4077723	*August 1, 1984*
84–4075194	*July 10, 1984*
84–4076481	*July 17, 1984*
84–4080930	*August 9, 1984.*

SEC. 8. TEMPORARY DUTY SUSPENSION FOR PERSONAL EFFECTS OF PARTICIPANTS IN CERTAIN WORLD ATHLETIC EVENTS.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.98.05	*Any of the following articles not intended for sale or distribution to the public: personal effects of aliens who are participants in, officials of, or accredited members of delegations to, the 1998 Goodwill Games, and of persons who are immediate family members of or servants to any of the foregoing persons; equipment and materials imported in connection with the foregoing event by or on behalf of the foregoing persons or the organizing committee of such event; articles to be used in exhibitions depicting the culture of a country participating in such event; and, if consistent with the foregoing, such other articles as the Secretary of the Treasury may allow*	*Free*	*No change*	*Free*	*On or before 2/1/99".*

(b) TAXES AND FEES NOT TO APPLY.—The articles described in heading 9902.98.05 of the Harmonized Tariff Schedule of the United States (as added by subsection (a)) shall be free of taxes and fees which may be otherwise applicable.

(c) EFFECTIVE DATE.—The amendment made by this section applies to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 9. MISCELLANEOUS TECHNICAL CORRECTION.

Section 313(s)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1313(s)(2)(B)) is amended by striking "successor" the first place it appears and inserting "predecessor".

SEC. 10. URUGUAY ROUND AGREEMENTS ACT.

Section 405(b) of the Uruguay Round Agreements Act (19 U.S.C. 3602(b)) is amended—

(1) in paragraph (1) by striking "1(a)" and inserting "1(b)"; and

(2) in paragraph (2) by striking "1(b)" and inserting "1(a)".

SEC. 11. FEES FOR CERTAIN CUSTOMS SERVICES.

(a) IN GENERAL.—Section 13031(a)(5) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(5)) is amended—

(1) in subparagraph (A), by inserting "a place" after "aircraft from"; and

(2) in subparagraph (B), by striking "subsection (b)(1)(A)" and inserting "subsection (b)(1)(A)(i)".

(b) LIMITATION ON FEES.—Section 13031(b)(1) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(1)) is amended to read as follows:

"(b) LIMITATIONS ON FEES.—(1)(A) No fee may be charged under subsection (a) of this section for customs services provided in connection with—

"(i) the arrival of any passenger whose journey—

"(I) originated in—

"(aa) Canada,

"(bb) Mexico,

"(cc) a territory or possession of the United States, or

"(dd) any adjacent island (within the meaning of section 101(b)(5) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(5))), or

"(II) originated in the United States and was limited to—

"(aa) Canada,

"(bb) Mexico,

"(cc) territories and possessions of the United States, and

"(dd) such adjacent islands;

"(ii) the arrival of any railroad car the journey of which originates and terminates in the same country, but only if no passengers board or disembark from the train and no cargo is loaded or unloaded from such car while the car is within any country other than the country in which such car originates and terminates;

"(iii) the arrival of any ferry; or

"(iv) the arrival of any passenger on board a commercial vessel traveling only between ports which are within the customs territory of the United States.

"(B) The exemption provided for in subparagraph (A) shall not apply in the case of the arrival of any passenger on board a commercial vessel whose journey originates and terminates at the same place in the United States if there are no intervening stops.

"(C) The exemption provided for in subparagraph (A)(i) shall not apply to fiscal years 1994, 1995, 1996, and 1997.".

(c) Fee Assessed Only Once.—Section 13031(b)(4) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(4)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(2) by striking "No fee" and inserting "(A) No fee"; and

(3) by adding at the end the following new subparagraph:

"(B) In the case of a commercial vessel making a single voyage involving 2 or more United States ports with respect to which the passengers would otherwise be charged a fee pursuant to subsection (a)(5), such fee shall be charged only 1 time for each passenger.".

(d) Effective Date.—The amendments made by this section shall take effect as if included in the amendments made by section 521 of the North American Free Trade Agreement Implementation Act.

SEC. 12. TECHNICAL CORRECTION TO CERTAIN CHEMICAL DESCRIPTION.

(a) Amendment to Subheading 2933.90.02.—The article description for subheading 2933.90.02 of the Harmonized Tariff Schedule of the United States is amended by striking "(Quizalofop ethyl)".

(b) Effective Date.—

(1) General rule.—The amendment made by this section applies to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

(2) Retroactive provision.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, upon proper request (which includes sufficient information to identify and locate the entry) filed with the Customs Service on or before the date that is 180 days after the date of the enactment of this Act, any entry, or withdrawal from warehouse for consumption, of an article that occurred—

(A) after December 31, 1994, and before the date that is 15 days after the date of the enactment of this Act, and

(B) with respect to which there would have been no duty or a lesser duty if the amendment made by subsection (a) applied to such entry or withdrawal,

shall be liquidated or reliquidated as though such amendment applied to such entry or withdrawal.

SEC. 13. MARKING OF IMPORTED ARTICLES AND CONTAINERS.

(a) In General.—Section 304 of the Tariff Act of 1930 (19 U.S.C. 1304) is amended—

(1) by redesignating subsections (f), (g), (h), and (i) as subsections (h), (i), (j), and (k), respectively, and

(2) by inserting after subsection (e) the following new subsections:

"(f) Marking of Certain Coffee and Tea Products.—The marking requirements of subsections (a) and (b) shall not apply to articles described in subheadings 0901.21, 0901.22, 0902.10, 0902.20, 0902.30, 0902.40, 2101.10, and 2101.20 of the Harmonized Tariff Schedule of the United States, as in effect on January 1, 1995.

"(g) Marking of Spices.—The marking requirements of subsections (a) and (b) shall not apply to articles provided for under subheadings 0904.11, 0904.12, 0904.20, 0905.00, 0906.10, 0906.20, 0907.00, 0908.10, 0908.20, 0908.30, 0909.10, 0909.20, 0909.30, 0909.40, 0909.50, 0910.10, 0910.20, 0910.30, 0910.40, 0910.50, 0910.91, 0910.99, 1106.20, 1207.40, 1207.50, 1207.91, 1404.90, and 3302.10, and items classifiable in categories 0712.90.60, 0712.90.8080, 1209.91.2000, 1211.90.2000, 1211.90.8040, 1211.90.8050, 1211.90.8090, 2006.00.3000, 2918.13.2000, 3203.00.8000, 3301.90.1010, 3301.90.1020, and 3301.90.1050 of the Harmonized Tariff Schedule of the United States, as in effect on January 1, 1995.".

(b) Effective Date.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.

SEC. 14. RELIQUIDATING ENTRY OF WARP KNITTING MACHINES.

Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Customs Service before the 180th day after the date of the enactment of this Act, the Secretary of the Treasury shall—

(1) liquidate or reliquidate as duty free Entry No. 100–3022436–3, made on July 12, 1989, at the port of Charleston, South Carolina; and

(2) refund any duties and interest paid with respect to such entry.

SEC. 15. INJURY DETERMINATIONS FOR CERTAIN COUNTERVAILING DUTY ORDERS.

(a) In General.—Section 753 of the Tariff Act of 1930 (19 U.S.C. 1675b) is amended—

(1) by inserting "or section 701(c)" after "section 303" each place it appears in the section heading and text; and

(2) in subsections (a)(2) and (c) by striking "under section 303(a)(2)";

SEC. 16. TREATMENT OF DIFFERENCE BETWEEN COLLECTIONS OF ESTIMATED ANTIDUMPING DUTY AND FINAL ASSESSED DUTY UNDER ANTIDUMPING DUTY ORDER.

Section 737(a) of the Tariff Act of 1930 (19 U.S.C. 1673f(a)) is amended—

(1) in the matter preceding paragraph (1) by striking "deposit collected" and inserting "deposit, or the amount of any bond or other security, required";

(2) in paragraph (1) by striking "the cash deposit collected" and inserting "that the cash deposit, bond, or other security"; and

(3) in paragraph (2) by striking "refunded, to the extent the cash deposit" and inserting "refunded or released, to the extent that the cash deposit, bond, or other security".

SEC. 17. PERSONAL ALLOWANCE EXEMPTION FROM DUTIES.

Section 555(b)(6) of the Tariff Act of 1930 (19 U.S.C. 1555(b)(6)) is amended by inserting after "customs territory" the following: ", except that merchandise purchased by United States residents is eligible for exemption from duty under subheadings 9804.00.65, 9804.00.70, and 9804.00.72 of the Harmonized Tariff Schedule of the United States upon the United States resident's return to the customs territory of the United States, if the person meets the eligibility requirements for the exemption claimed. Notwithstanding any other provision of law, such merchandise shall be considered to be articles acquired abroad as an incident of the journey from which the person is returning, for purposes of determining eligibility for any such exemption".

SEC. 18. TARIFF TREATMENT OF CERTAIN SILVER AND GOLD BARS.

(a) In General.—Subchapter II of chapter 71 of the Harmonized Tariff Schedule of the United States is amended—

(1) by striking subheading 7106.92.00 and inserting in numerical sequence the following new subheadings and superior text thereto, with such text having the same degree of indentation as subheading 7106.91:

"7106.92	Semimanufactured:.			
7106.92.10	Rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free
7106.92.50	Other	4.8%	Free (A*, CA, E, IL, J, MX)	65%"

(2) by striking subheading 7108.13.50 and inserting in numerical sequence the following new subheadings and superior text thereto, with such text having the same degree of indentation as subheading 7108.13.10:

"7108.13.55	Other: Rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free

7108.13.70	Other	6.6%	Free (CA, E, IL, J, MX)	65%"

and

(3) by striking subheadings 7115.90.10 through 7115.90.50 and inserting in numerical sequence the following new subheadings and superior text, with the article description for subheading 7115.90.15 having the same degree of indentation as the article description of subheading 7116.10.10:

"7115.90.15	Gold, not clad with precious metal, in rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free
7115.90.25	Silver, not clad with precious metal, in rectangular or near-rectangular shapes, each having a purity of 99.5 percent or higher and not otherwise marked or decorated than with weight, purity or other identifying information	Free		Free
7115.90.30	Of gold, including metal clad with gold	6.2%	Free (A*, CA, E, IL, J, MX)	110%
7115.90.40	Of silver, including metal clad with silver	4.8%	Free (A*, CA, E, IL, J, MX)	65%
7115.90.60	Other	6.4%	Free (A, CA, E, IL, J, MX)	65%".

(b) CONFORMING AMENDMENTS.—General note 4(d) of the Harmonized Tariff Schedule of the United States is amended—

(1) by striking "7106.92.00 Chile" and inserting "7106.92.50 Chile"; and

(2) by striking "7115.90.10 Argentina" and "7115.90.20 Argentina" and inserting "7115.90.30 Argentina" and "7115.90.40 Argentina", respectively.

(c) STAGED RATE REDUCTIONS.—Any staged rate reduction that was proclaimed by the President before the date of the enactment of this Act to take effect on or after the date of the enactment of this Act—

(1) of a rate of duty set forth in subheading 7106.92.00 of the Harmonized Tariff Schedule of the United States shall apply to the corresponding rate of duty in subheading 7106.92.50 of such Schedule (as added by subsection (a)(1));

(2) of a rate of duty set forth in subheading 7108.13.50 shall apply to the corresponding rate of duty in subheading 7108.13.70 of such Schedule (as added by subsection (a)(2));

(3) of a rate of duty set forth in subheading 7115.90.10 shall apply to the corresponding rate of duty in subheading 7115.90.30 of such Schedule (as added by subsection (a)(3));

(4) of a rate of duty set forth in subheading 7115.90.20 shall apply to the corresponding rate of duty in subheading 7115.90.40 of such Schedule (as added by subsection (a)(3)); and

(5) of a rate of duty set forth in subheading 7115.90.50 shall apply to the corresponding rate of duty in subheading 7115.90.60 of such Schedule (as added by subsection (a)(3)).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to goods that are entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of the enactment of this Act.

SEC. 19. CERTAIN LEAD FUEL TEST ASSEMBLIES.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the Secretary of the Treasury shall—

(1) liquidate or reliquidate as free of duty the entries listed in subsection (b), and

(2) refund any duties paid with respect to such entry,

if the importer files a request therefor with the Customs Service within 60 days after the date of the enactment of this Act.

(b) ENTRIES.—The entries referred to in subsection (a) are as follows:

Entry Number	Date of Entry
110–0675952–3	March 9, 1990
110–1525996–0	September 19, 1990
110–3667810–7	November 7, 1990
110–1526938–1	December 21, 1990

SEC. 20. CERTAIN UNLIQUIDATED VESSEL REPAIR ENTRIES.

(a) TEMPORARY EXEMPTION EXTENDED.—Section 484E of the Customs and Trade Act of 1990 (19 U.S.C. 1466 note) is amended—

(1) in subsection (b)—

(A) by striking "and" at the end of paragraph (2)(B);

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following new paragraph;

"(3) any entry listed in subsection (c) that was made during the period beginning on January 1, 1993, and ending on December 31, 1994, to the extent such entry involves the purchase of equipment, the use of materials, or the expense of repairs in a foreign country for 66 LASH (Lighter Aboard Ship) barges documented under the laws of the United States if—

"(A) such entry was not liquidated on January 1, 1995; and

"(B) such entry, had it been made on or after January 1, 1995, would otherwise be eligible for the exemption provided in section 466(h)(1) of the Tariff Act of 1930 (19 U.S.C. 1466(h)(1)), and"; and

(2) by adding at the end the following:

"(c) ENTRIES.—The entries referred to in subsection (b)(3) are the following:

"(1) NUMBERED ENTRIES.—

Entry Number	Date of Entry
C14–0025455–8	August 18, 1993
C14–0025456–6	August 18, 1993
C14–0025457–4	August 18, 1993
C14–0025473–1	August 27, 1993
C14–0025478–0	September 13, 1993
C14–0025479–8	September 13, 1993
C14–0025480–6	September 13, 1993
C14–0025481–4	September 13, 1993
C14–0025511–8	April 16, 1993
C14–0025533–2	April 30, 1993
C14–0025545–6	May 21, 1993
C14–0025546–4	May 21, 1993
C14–0025547–2	May 21, 1993
C14–0025558–9	June 15, 1993
C14–0025560–5	June 15, 1993
C14–0025574–6	July 21, 1993
C14–0025575–3	July 21, 1993
C14–0025603–3	July 23, 1993
C14–0025604–1	July 23, 1993
C14–0025605–8	July 23, 1993
C14–0025623–1	October 25, 1993
C14–0025624–9	October 25, 1993
C14–0025625–6	October 25, 1993
C14–0025635–5	November 8, 1993
C14–0025636–3	November 8, 1993
C14–0025637–1	November 8, 1993
C14–0025653–8	November 30, 1993
C14–0025654–6	November 30, 1993
C14–0025655–3	November 30, 1993
C14–0025657–9	November 30, 1993
C14–0025679–3	January 3, 1994
C14–0025680–1	January 3, 1994
C14–0025688–4	February 14, 1994
C14–0025689–2	February 14, 1994
C14–0025690–0	February 14, 1994
C14–0025691–8	February 14, 1994
C14–0025692–6	February 14, 1994
C14–0026803–8	January 24, 1994
C14–0026804–6	January 24, 1994
C14–0026805–3	January 24, 1994
C14–0026807–9	January 24, 1994
C14–0026808–7	January 24, 1994
C14–0026809–5	January 24, 1994
C14–0026810–3	January 24, 1994
C14–0026811–1	January 24, 1994
C14–0026826–9	March 10, 1994
C14–0026827–7	March 10, 1994
C14–0026828–5	March 10, 1994
C14–0026829–3	March 10, 1994
C14–0026830–1	March 10, 1994
C14–0026831–9	March 10, 1994
C14–0026832–7	March 10, 1994
C14–0026833–5	March 10, 1994
C14–0026841–8	March 31, 1994
C14–0026843–4	March 31, 1994
C14–0026852–5	May 5, 1994
C14–0026853–3	May 5, 1994
C14–0026854–1	May 5, 1994
C14–0026867–3	May 18, 1994
C14–0026869–9	May 18, 1994
C14–0026874–9	June 8, 1994
C14–0026875–6	June 8, 1994
C14–0026898–8	August 2, 1994
C14–0026899–6	August 2, 1994
C14–0040625–7	October 5, 1994

"(2) ADDITIONAL ENTRY.—The entry of a 66th LASH barge (No. CG E69), for which no entry number is available, if, within 60 days after the date of the enactment of this subsection, a proper entry is filed with the Customs Service.".

SEC. 21. IMPORTS OF CIVIL AIRCRAFT.

General Note 6 of the Harmonized Tariff Schedule of the United States is amended to read as follows:

"6. Articles Eligible for Duty-Free Treatment Pursuant to the Agreement on Trade in Civil Aircraft.

"(a) Whenever a product is entered under a provision for which the rate of duty 'Free (C)' appears in the 'Special' subcolumn, the importer—

"(i) shall maintain such supporting documentation as the Secretary of the Treasury may require; and

"(ii) shall be deemed to certify that the imported article is a civil aircraft, or has been imported for use in civil aircraft and will be so used.

The importer may amend the entry or file a written statement to claim a free rate of duty under this note at any time before the liquidation of the entry becomes final, except that, notwithstanding section 505(c) of the Tariff Act of 1930 (19 U.S.C. 1505(c)), any refund resulting from any such claim shall be without interest.

"(b) For purposes of the tariff schedule, the term 'civil aircraft' means—

"(i) any aircraft—

"(A) that is manufactured or operated pursuant to any certificate issued by the Administrator of the FAA under section 44704 of title 49, United States Code, or pursuant to the approval of the airworthiness authority in the country of exportation, if such approval is recognized by the FAA as an acceptable substitute for such an FAA certificate, or

"(B) for which an application for such a certificate has been submitted to, and accepted by, the Administrator of the FAA, and

"(ii) any aircraft not described in clause (i), other than aircraft purchased for use by the Department of Defense or the United States Coast Guard.".

SEC. 22. TEMPORARY SUSPENSION OF DUTY ON DICHLOROFOP-METHYL.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.16	*Methyl 2-[4-(2,4- dichlorophenoxy)phenoxy] propionate (dichlorofop-methyl) in bulk form or in forms or packages for retail sale containing no other pesticide products (CAS No. 51338-27-3) (provided for in subheading 2918.90.20 or 3808.30.15)*	Free	No change	No change	On or before 12/31/98".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 23. DUTY ON DISPLAY FIREWORKS.

(a) IN GENERAL.—Chapter 36 of the Harmonized Tariff Schedule of the United States is amended by striking subheading 3604.10.00 and inserting the following new subheadings, with the article description for subheading 3604.10 having the same degree of indentation as the article description for subheading 3604.90.00:

"3604.10	*Fireworks:.*			
3604.10.10	*Display or special fireworks (Class 1.3G)*	2.4%	Free (A*, CA, E, IL, J, MX)	12.5%
3604.10.90	*Other (including Class 1.4G)*	5.3%	Free (A*, CA, E, IL, J, MX)	12.5%".

(b) CONFORMING AMENDMENT.—General note 4(d) of the Harmonized Tariff Schedule of the United States is amended by striking "3604.00.00 India" and inserting "3604.10.10 India" and "3604.10.90 India".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 24. ELIMINATION OF DUTIES ON 3,3'-DIAMINOBENZIDINE (TETRAAMINO BIPHENYL).

(a) IN GENERAL.—Subheading 2921.59.17 of the Harmonized Tariff Schedule of the United States is amended by striking "and m-Xylenediamine" and inserting "m-Xylenediamine; and 3,3'-Diaminobenzidine (tetraamino biphenyl)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 25. TEMPORARY REDUCTION IN DUTY ON THIDIAZURON.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.30.17	*N-phenyl-n'-(1,2,3-thiadiazol-5'yl urea (thidiazuron) in bulk or in forms or packages for retail sale (CAS No. 51707-55-2) (provided for in subheading 2934.90.15 or 3808.30.15)*	4.0%	No change	No change	On or before 12/31/98".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 26. ELIMINATION OF DUTY ON 2-AMINO-3-CHLOROBENZOIC ACID, METHYL ESTER.

(a) IN GENERAL.—Subheading 2922.49.05 of the Harmonized Tariff Schedule of the United States is amended by inserting after "acid" the following: "; 2-Amino-3-chlorobenzoic acid, methyl ester".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 27. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 103-465.

(a) TITLE I.—

(1) Section 516A(a)(2)(A)(i)(I) of the Tariff Act of 1930 (19 U.S.C. 1516a(a)(2)(A)(i)(I)) is amended by adding a comma after "subparagraph (B)".

(2) Section 132 of the Uruguay Round Agreements Act (19 U.S.C. 3552) is amended by striking "title" and inserting "section".

(b) TITLE II.—

(1)(A) The item relating to section 221 in the table of contents of the Uruguay Round Agreements Act is amended to read as follows:

"Sec. 221. Special rules for review of determinations.".

(B) The section heading for section 221 of that Act is amended to read as follows:

"SEC. 221. SPECIAL RULES FOR REVIEW OF DETERMINATIONS.".

(2) Section 270(a)(2)(B) of the Uruguay Round Agreements Act is amended by striking "771(A)(c)" and inserting "771A(c)".

(3) Section 702(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1671a(c)(5)) is amended by striking "(b)(1)(A)" and inserting "(b)(1)".

(4) Section 732(c)(5) of the Tariff Act of 1930 (19 U.S.C. 1673a(c)(5)) is amended by striking "(b)(1)(A)" and inserting "(b)(1)".

(5) Section 212(b)(1)(C)(i)(I) of the Uruguay Round Agreements Act is amended by striking "the petition" and inserting "a petition".

(6) Section 214(b)(2)(A)(i)(II) of the Uruguay Round Agreements Act is amended by striking "the merchandise" and inserting "merchandise".

(7) Section 771(16)(B)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(16)(B)(i)) is amended by striking "merchandise which is the subject of the investigation" and inserting "subject merchandise".

(8) Section 732(e)(1) of the Tariff Act of 1930 (19 U.S.C. 1673a(e)(1)) is amended by striking "the the" and inserting "the".

(9) Section 233(a)(6)(C) of the Uruguay Round Agreements Act is amended by inserting "each place it appears" after "'commence'".

(10) Section 261(d)(1)(A)(ii) of the Uruguay Round Agreements Act is amended by inserting after "is amended" the following: "by striking 'as follows:' and inserting a comma and".

(11) Section 261(d)(1)(B)(ii)(I) of the Uruguay Round Agreements Act is amended by inserting "of" after "section 303 or".

(12) Section 337(b)(3) of the Tariff Act of 1930 (19 U.S.C. 1337(b)(3)) is amended in the first sentence by striking "such section and".

(13) Section 281(h)(4) of the Uruguay Round Agreements Act is amended by striking "(A),".

(14) Section 771(30) of the Tariff Act of 1930 (19 U.S.C. 1677(30)) is amended by striking "agreement" and inserting "Agreement".

(15) Section 705(c)(1)(B)(i)(II) of the Tariff Act of 1930 (19 U.S.C. 1671d(c)(1)(B)(i)(II)) is amended by inserting "section" after "if".

(16) Section 282(d) of the Uruguay Round Agreements Act (19 U.S.C. 3572(d)) is amended by aligning the text of the last sentence with the text of the first sentence.

(c) TITLE III.—

(1) Section 314(e) of the Uruguay Round Agreements Act is amended in the matter proposed to be inserted as section 306(b)(1) of the Trade Act of 1974, by striking the closed quotation marks and second period at the end.

(2) Section 321(a)(1)(C)(i) of the Uruguay Round Agreements Act is amended to read as follows:

"(i) in the first sentence by striking 'such Act' and inserting 'such subtitle'; and".

(3) Section 592A(a)(3) of the Tariff Act of 1930 (19 U.S.C. 1592A(a)(3)) is amended by striking "list under paragraph (2)" and inserting "list under paragraph (1)".

(4) Section 301(c)(4) of the Trade Act of 1974 (19 U.S.C. 2411(c)(4)) is amended by striking "paragraph (1)(C)(iii)" and inserting "paragraph (1)(D)(iii)".

(5) Section 202(d)(4)(A)(i) of the Trade Act of 1974 (19 U.S.C. 2252(d)(4)(A)(i)) is amended by striking "section 202(b)" and inserting "subsection (b)".

(6) Section 304(a)(3)(A) of the Trade Act of 1974 (19 U.S.C. 2414(a)(3)(A)) is amended by inserting "Rights" after "Intellectual Property".

(7) Section 331 of the Uruguay Round Agreements Act (19 U.S.C. 3591) is amended by striking ", as defined in section 2(9) of the Uruguay Round Implementation Act,".

(8) Section 204 of the Agricultural Act of 1956 (7 U.S.C. 1854) is amended in the second sentence by striking "Implementation" and inserting "Agreements".

(9) Section 334(b)(1)(B)(ii) of the Uruguay Round Agreements Act (19 U.S.C. 3592(b)(1)(B)(ii)) is amended by striking "possession," and inserting "possession;".

(10) Section 305(d)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(d)(2)) is amended—

(A) by striking "or" after the semicolon at the end of subparagraph (B); and

(B) in subparagraph (C) by striking the period at the end and inserting a semicolon.

(11) Section 304 of the Trade Agreements Act of 1979 (19 U.S.C. 2514) is amended—

(A) in subsection (a) by striking the comma after "XXIV(7)"; and

(B) in subsection (c)—

(i) by striking the comma after "XXIV(7)"; and

(ii) by striking the comma after "XIX(5)".

(12) Section 308(4)(D) of the Trade Agreements Act of 1979 (19 U.S.C. 2518(4)(D)) is amended by striking "the the" and inserting "the".

(13) Section 305(g) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(g)) is amended—

(A) in paragraph (1)—

(i) by striking "of such subsection" and inserting "of subsection (d)(2)"; and

(ii) by inserting "of subsection (d)(2)" after "(as the case may be)"; and

(B) in paragraph (3)—

(i) by striking "the the" and inserting "the"; and

(ii) by inserting "of subsection (d)(2)" after "(as the case may be)".

(14) Section 402(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2532(4)) is amended by inserting a comma after "system, if any".

(15) Section 414(b)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 2544(b)(1)) is amended by

striking "procedures,," each place it appears and inserting "procedures,".

(16) Section 451(6)(A) of the Trade Agreements Act of 1979 (19 U.S.C. 2571(6)(A)) is amended by striking "Members." and inserting "Members; and".

(d) TITLE IV.—

(1) Section 492(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2578a(c)) is amended by striking "phystosanitary" and inserting "phytosanitary".

(2) Section 412(b) of the Uruguay Round Agreements Act is amended by striking "1853" and inserting "972".

(e) TITLE V.—

(1) Section 154(c)(2) of title 35, United States Code, is amended in the matter preceding subparagraph (A) by striking "Acts" and inserting "acts".

(2) Section 104A(h)(3) of title 17, United States Code, is amended by striking "section 104A(g)" and inserting "subsection (g)".

(f) TITLE VI.—

(1) Section 141(c)(1)(D) of the Trade Act of 1974 (19 U.S.C. 2171(c)(1)(D)) is amended by striking the second comma after "World Trade Organization".

(2) Section 601(b)(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 2465 note) is amended by striking "such date of enactment" and inserting "the date of the enactment of this Act".

SEC. 28. TECHNICAL AMENDMENTS RELATING TO PUBLIC LAW 103–182.

(a) TITLE II.—

(1) Section 13031(b)(10)(A) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(10)(A)) is amended—

(A) by striking "Agreement)" and inserting "Agreement Implementation Act of 1988)"; and

(B) by striking "section 403" and inserting "article 403".

(2) Section 202 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3332) is amended—

(A) in subsection (m)(4)(C) by striking "(o)" and inserting "(p)"; and

(B) in subsection (p)(18) by striking "federal government" and inserting "Federal Government".

(b) TITLE III.—

(1) Section 351(b)(2) of the North American Free Trade Agreement Implementation Act is amended by striking "Agreement Act" and inserting "Agreements Act".

(2) Section 411(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2541(c)) is amended by striking "Special Representatives" and inserting "Trade Representative".

(3) Section 316 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3381) is amended by striking "subsection 202(d)(1)(C)(i)" and inserting "subsection (d)(1)(C)(i)".

(4) Section 309(c) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3358(c)) is amended in paragraphs (1) and (2) by striking "column 1—General" and inserting "column 1 general".

(c) TITLE IV.—

(1) Section 402(d)(3) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3432(d)(3)) is amended in the matter preceding subparagraph (A) by striking "(c)(4)" and inserting "subsection (c)(4)".

(2) Section 407(e)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3437(e)(2)) is amended by striking "petition," and inserting "petition;".

(3) Section 516A(g)(12)(D) of the Tariff Act of 1930 (19 U.S.C. 1516a(g)(12)(D)) is amended—

(A) by striking "(D)(i)" and inserting "(D)"; and

(B) by striking "If the Trade Representative" and inserting "(i) If the Trade Representative".

(4) Section 415(b)(2) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3451(b)(2)) is amended by striking "under 516A(a)" and inserting "under section 516A(a)".

(d) TITLE V.—Section 219 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2707) is amended—

(1) in subsection (b)(1) by striking "Hemisphere," and inserting "Hemisphere;"; and

(2) in paragraphs (1) and (2) of subsection (h) by striking "Center," and inserting "Center;".

(e) TITLE VI.—

(1) Section 3126 of the Revised Statutes of the United States (19 U.S.C. 293) is amended by striking "or both" and inserting "or both,".

(2) Section 3127 of the Revised Statutes of the United States (19 U.S.C. 294) is amended by striking "conveyed a United States" and inserting "conveyed in a United States".

(3) Section 436(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1436(a)(2)) is amended—

(A) by striking "431(e)" and inserting "431"; and

(B) by striking "or" after the semicolon at the end.

(4) Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) is amended—

(A) in subsection (j)(2) by realigning the text following subparagraph (C)(ii)(II) beginning with "then upon the exportation" and ending with "duty, tax, or fee." two ems to the left so that the text has the same degree of indentation as paragraph (3) of section 313(j) of such Act; and

(B) in subsection (t) by striking "chapter" and inserting "Act".

(5) Section 441 of the Tariff Act of 1930 (19 U.S.C. 1441) is amended—

(A) in each of paragraphs (1), (2), and (4) by striking the semicolon at the end and inserting a period; and

(B) in paragraph (5) by striking "; and" and inserting a period.

(6) Section 484(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1484(a)(1)) is amended by striking "553, and 336(j)" and inserting "and 553".

(7) Section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) is amended by striking "section 520 (relating to refunds and errors), and section 521 (relating to reliquidations on account of fraud)" and inserting "and section 520 (relating to refunds and errors)".

(8) Section 491(a) of the Tariff Act of 1930 (19 U.S.C. 1491(a)) is amended in the first sentence—

(A) by striking "in in" and inserting "in"; and

(B) by striking "appropriate customs officer" and inserting "Customs Service".

(9) Section 490(c)(1) of the Tariff Act of 1930 (19 U.S.C. 1490(c)(1)) is amended by striking "paragraphs (1) through (4) of subsection (a)" and inserting "subparagraphs (A) through (D) of subsection (a)(1)".

(10) Sections 1207(b)(2) and 1210(b)(1) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3007(b)(2) and 3010(b)(1)) are each amended by striking "484(e)" and "1484(e)" and inserting "484(f)" and "1484(f)", respectively.

(11) Section 641(d)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1641(d)(2)(B)) is amended in the second to the last sentence by striking "his" and inserting "the".

(12) Section 621(4)(A) of the North American Free Trade Agreement Implementation Act is amended by striking "disclosure in 30 days" and inserting "disclosure within 30 days".

(13) Section 592(d) of the Tariff Act of 1930 (19 U.S.C. 1592(d)) is amended in the subsection heading by striking "TAXES" and inserting "TAXES,".

(14) Section 625(a) of the Tariff Act of 1930 (19 U.S.C. 1625(a)) is amended by striking "chapter" and inserting "Act".

(15) Section 413(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1413(a)(1)) is amended by striking "this Act" and inserting "the North American Free Trade Agreement Implementation Act".

SEC. 29. OTHER TECHNICAL AMENDMENT.

Section 516A(g)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1516a(g)(4)(A)) is amended by striking "Implementation Agreement Act of 1988" and inserting "Agreement Implementation Act of 1988".

SEC. 30. MORATORIUM ON MARKINGS OF METAL FORGINGS AND HAND TOOLS; CONSULTATION AND LAYOVER REQUIREMENTS IN GENERAL.

(a) MORATORIUM ON EXISTING AGENCY ACTIONS.—

(1) MORATORIUM.—Any regulations, rulings, guidelines, or other administrative decisions of the Secretary of the Treasury or of the United States Customs Service relating to rules of origin or country of origin marking requirements in effect on July 17, 1996, with respect to hand tools or metal forgings for hand tools may not be changed, modified, or revoked for a period of 1 year beginning on the date of the enactment of this Act. The regulations, rulings, guidelines, and other administrative decisions referred to in the preceding sentence shall, for the 1-year period beginning on the date of the enactment of this Act, govern the rules of origin and country of origin marking requirements with respect to hand tools and metal forgings for hand tools.

(2) DEFINITION.—For purposes of this subsection, the term "metal forgings for hand tools" means metal forgings that—

(A) are imported for processing into finished hand tools in the United States; and

(B) have not been improved in condition beyond rough burring, trimming, grinding, turning, hammering, chiseling, or filing.

(b) CONSULTATION WITH CONGRESS.—

(1) HAND TOOLS AND METAL FORGINGS.—Any regulations, rulings, guidelines, or other administrative decisions referred to in subsection (a) may be changed, modified, or revoked, consistent with United States law, after the end of the 1-year period described in that subsection, but only if the requirements of paragraph (3) are met.

(2) CHANGES IN RULE OF ORIGIN OR COUNTRY OF ORIGIN MARKING REQUIREMENTS.—Any regulations, rulings, guidelines, or other administrative decisions of the Secretary of the Treasury or of the United States Customs Service constituting a significant policy change in rules of origin or country of origin marking requirements in effect on July 17, 1996, may be issued only if the requirements of paragraph (3) are met.

(3) PROCEDURAL REQUIREMENTS.—The requirements referred to in paragraphs (1) and (2) are that—

(A) in addition to any other requirement of law or public notice procedure, the Secretary of the Treasury has consulted with interested and potentially affected persons regarding the proposed action referred to in paragraph (1) or (2), as the case may be;

(B) the Secretary of the Treasury has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth the action proposed, the extent to which such action constitutes a significant policy change from that underlying the regulations, rulings, guidelines, or administrative decisions in effect, and the reasons for such change;

(C) a period of 60 days, beginning with the first day on which the Secretary of the Treasury has met the requirements of subparagraphs (A) and (B) with respect to the proposed action has expired; and

(D) the Secretary of the Treasury has consulted with the committees referred to in subparagraph (B) regarding the proposed action

during the period referred to in subparagraph (C).

(4) CALCULATION OF 60-DAY PERIOD.—The 60-day period referred to in paragraph (3)(C) shall be computed by excluding—

(A) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(B) any Saturday and Sunday, not excluded under subparagraph (A), when either House is not in session.

(5) DEFINITION.—For purposes of this subsection, the term "significant policy change" means an action or determination for which the Secretary of the Treasury is required to follow the procedures of section 625(c) or section 516 of the Tariff Act of 1930 (19 U.S.C. 1625, 1516).

(c) EFFECT ON OTHER LAWS AND OBLIGATIONS.—Nothing in this section shall affect section 132 or 334 of the Uruguay Round Agreements Act (19 U.S.C. 3552, 3592), or require actions inconsistent with United States obligations under the WTO Agreements (as defined in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501), the North American Free Trade Agreement, or the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. CRANE] and the gentleman from Florida [Mr. GIBBONS] each will control 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. CRANE].

GENERAL LEAVE

Mr. CRANE. Mr. Speaker I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3815.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3815, a bill to make technical corrections and miscellaneous amendments to trade laws.

H.R. 3815 is a package of miscellaneous trade provisions and other technical and clerical corrections that were introduced originally as separate bills. The provisions in H.R. 3815 fall into four broad categories of miscellaneous trade proposals. The Committee on Ways and Means and the House already have approved the first group of proposals, which were included in last year's Balanced Budget Act, which was vetoed.

The second group of miscellaneous trade proposals was favorably reported by the Ways and Means Subcommittee on Trade on May 9 and by the full committee on July 26.

The third group includes two additional individual provisions, both of which received public comment. These two provisions also were favorably reported by the full committee on July 26.

The final group of provisions is a collection of purely technical and clerical corrections submitted by the Office of Law Revision. These items also were favorably reported by the subcommittee on May 9 and by the full committee on July 26.

During its consideration of the bill, the Ways and Means Committee approved an amendment to H.R. 3815, involving a 1-year moratorium on changes in regulations or administrative rulings relating to the importation of metal forgings for hand tools. The amendment also includes a 60-day consultation and layover provision for any significant policy changes with regard to rules of origin or country of origin marking requirements for all products.

The amendment and additional changes incorporated here today, represent a bipartisan compromise on this matter.

An additional amendment which clarifies that the moratorium applies only to hand tools and metal forgings covered by preexisting rulings rather than new products was included as part of H.R. 3815 subsequent to the filing of the committee report. I support this final compromise and applaud my colleagues on the Ways and Means Committee, especially Mrs. JOHNSON, Mrs. KENNELLY, and Mr. NEAL, for working closely with me on this issue.

Let me add that collecting these highly technical miscellaneous bills into a single legislative package is an enormous task undertaken in each Congress. H.R. 3815 groups roughly half the total number of miscellaneous trade bills introduced during the 104th Congress.

An effort has been made to include only those bills which are noncontroversial and revenue neutral. On average, it takes a continuous effort over two or three Congresses to pass such a bill, even those which make purely technical and clerical corrections.

Given these difficulties, it is my hope that we might be able to develop a set of transparent ground rules for handling miscellaneous trade proposals in the future. In my view, any bill which has the approval of the Congress and the administration, is unopposed by business and industry, and is revenue neutral, should move forward under expedited procedures. Business and industry often rely on the ability of Congress to update the trade laws to conform with commercial reality. I think we should be responsive to the needs of the trade community by developing some transparent, expedited procedures.

I look forward to working with my colleagues on both sides of the aisle to establish such rules and procedures.

I urge my colleagues to vote "yes" on H.R. 3815.

Mr. Speaker, I reserve the balance of my time.

Mr. GIBBONS. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 3815, as amended.

H.R. 3815 consists of a large number of miscellaneous trade provisions and technical corrections to various trade laws. These changes were proposed by Members, the administration, the private sector, or the law revision counsel. They facilitate customs administration, suspend duties on specific products, or correct errors in tariff treatment or in the technical drafting of various trade statutes.

The committee amendment to section 30 of the bill as reported clarifies that preexisting rulings or other administrative decisions of the Treasury Department or Customs Service regarding rules of origin or country of origin marking requirements for handtools or metal forgings for handtools govern during a 1-year moratorium period with respect to tools or forgings covered by the decisions and defined in the bill.

The amendment also defines the scope of significant policy changes in rule of origin and marking requirements that would be subject to new congressional consultation and layover procedures. These modifications to the bill as reported are agreed among the interested parties involved.

The provisions of H.R. 3815 were subject to public comment and are non-controversial. I urge passage of H.R. 3815.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in support of H.R. 3815, a bill to make technical and miscellaneous changes to our trade laws. In particular, I want to call attention to a very important section of the bill which is necessary to provide clear direction to the Customs Service, preventing it from improperly administering country of origin rules. Section 30 of the bill is intended to prevent the Customs Service from proceeding with any action that would change the status quo for the rules of origin governing the American hand tool industry.

Section 30 of the bill represents the Ways and Means Committee's concern that Customs is attempting to significantly change longstanding rules of origin on which American manufacturers have relied, without authorization from Congress. First, the contention by Customs that a 1992 decision by the U.S. Court of International Trade in the National Hand Tool case, which upheld a determination by Customs that specific articles were not "substantially transforme," directed Customs to abrogate prior determinations for different products involving different domestic processing is not supported by the decision of the presiding judge. Given the record in the National Hand Tool case, the Government's contemporaneous arguments, and the court's silence as to any intent to overturn precedent, no weight or credibility can be given to the present contention by Customs that National Hand Tool changed the law and now mandates the revocation of the long-standing ruling letters for hand tools manufactured in the United States from imported metal forgings. Second, Customs' proposal to apply a tariff-shift standard to supplant the traditional case-by-case substantial transformation test which follows the time-tested judicial interpretation of the marking statute and its criteria of changes in name, character, or use has not been authorized by Congress. On July 8, 1996, the U.S. Court of International Trade ruled that in attempting to overrule or abrogate the substantial transformation test Customs "contravenes Congressional intent, exceeds Customs' authority to promulgate regulations . . . and therefore is arbitrary and . . . not in accordance with law."

Section 30 of H.R. 3815 is a bipartisan approach adopted unanimously by the committee after extensive debate. It would impose a 1-year moratorium on any actions by the administration to revoke administrative ruling letters in effect on July 17, 1996. Additionally, it would require the Secretary of the Treasury, prior to issuing any significant policy change to the rules of origin, to consult with interested parties, and report to the congressional committees of jurisdiction the rationale for the proposed policy change. Under section 30, a proposal to revoke longstanding ruling letters relied on by hand tool manufacturers at least since the early 1980's, would constitute a significant policy change.

The moratorium will provide a period for the committees of jurisdiction to review, study and determine the appropriate rules of origin for hand tools manufactured in the United States from imported forgings. The required consultation with the Congress upon the expiration of the moratorium is an added precaution to ensure that no policy changes are implemented by administrative action that amount to abrogation of longstanding court rulings and Congressional intent. Finally, the moratorium will provide time for the WTO working group on the harmonization of rules of origin to continue their work without interim changes by the Customs Service that may be disruptive to and have potentially profound adverse impact on American hand tool manufacturers and other manufacturing sectors of our economy.

At this point, I would also like to submit the following letter from the Joint Industry Group [JIG], a coalition of over 100 companies and associations of importers who have also expressed concerns regarding origin rules.

THE JOINT INDUSTRY GROUP,
Washington, DC, May 15, 1996.

Hon. ROBERT E. RUBIN,
Secretary of the Treasury, Department of the Treasury, Washington, DC.

DEAR MR. SECRETARY: Earlier this year, Deputy Secretary Summers advised Congressman Crane that the Customs Service had been instructed to withhold publication of a final rule that would have extended Part 102 of the Customs Regulations (NAFTA Annex 311 Rules of Origin) to trade with all countries. The Joint Industry Group (JIG) is a coalition of over 100 companies, associations and firms that represent billions of dollars annually in trade. Therefore, as importers and associations of importers that would have been badly damaged had those rules gone into effect, we were pleased by and fully supported that decision.

There now appears to be a concerted effort underway, sponsored by a small group of manufacturers calling itself the American Hand Tool Coalition, to gain a competitive advantage by having the Treasury Department reverse its position. The implications of applying Part 102 to all trade are very broad and potentially unsettling.

The proponents of such action suggest that the Treasury Department could limit it to a specific product, but adoption of rules under Part 102 on a piecemeal basis would be bad policy and set a disastrous precedent. To do so would inevitably lead to an endless succession of changes and or exceptions and a proliferation of different origin rules for different industries. Similar problems previously occurred when Customs first implemented regulations in 1985 which nominally applied to textile products, but the principles of which have been extended on a piecemeal basis to all other commodities. From a practical standpoint, it would be virtually impossible to adopt any segment of Part 102 without also adopting the Part's general interpretative rules, many of which are unsatisfactory and result in an unwarranted departure from existing law.

We respectfully ask the Department to abide by its commitment not to publish the rule that would extend Part 102 to trade from all countries other than our NAFTA partners, Canada and Mexico.

Sincerely,

EVELYN SUAREZ,
Chairperson,
Rules of Origin Committee.

Mr. CRANE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. CRANE] that the House suspend the rules and pass the bill, H.R. 3815, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

REGULATING FISHING IN CERTAIN WATERS OF ALASKA

Mr. CALVERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1786) to regulate fishing in certain waters of Alaska, as amended.

The Clerk read as follows:

H.R. 1786

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESCENDANTS' LAND USE.

(a) IN GENERAL.—Local residents who are descendants of Katmai residents who lived in the Naknek Lake and River Drainage shall be permitted, subject to reasonable regulations established by the Secretary of the Interior, to continue their traditional fishery for red fish within Katmai National Park (the national park and national preserve redesignated, established, and expanded under section 202(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 410hh-1)).

(b) RED FISH DEFINED.—For the purposes of subsection (a), the term "red fish" means spawned-out sockeye salmon that has no significant commercial value.

SEC. 2. EFFECT ON TITLE AND JURISDICTION OF TIDAL AND SUBMERGED LANDS.

(a) TITLE.—No provision of this Act shall be construed to invalidate or validate or in any other way affect any claim by the State of Alaska to title to any or all submerged lands, nor shall any actions taken pursuant to or in accordance with this Act operate under any provision or principle of the law to bar the State of Alaska from asserting at any time its claim of title to any or all of the submerged lands.

(b) JURISDICTION.—Nothing in this Act nor in any actions taken pursuant to this Act shall be construed as expanding or diminishing Federal or State jurisdiction, responsibility, interests, or rights in management, regulation, or control over waters of the State of Alaska or submerged lands under any provision of Federal or State law.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. CALVERT] and the gentleman from South Dakota [Mr. JOHNSON] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1786 is the result of cooperative efforts of the Alaska Federation of Natives, the Bristol Bay Native Association, the Department of the Interior, and Resources Committee staff.

This bill is necessary to allow approximately 40 local residents of the Alaska Peninsula to harvest traditional red fish within the boundaries of Katmai National Park. Red fish is spawned out sockeye salmon which has traditional significance for the residents of this region. The harvest of red fish takes place from August to October each year. When Katmai National Park was designated in the 1930's, the local residents were prohibited from the taking of fish by traditional means. This bill would allow the local residents to again harvest this culturally significant red fish by traditional means.

I want to thank Bristol Bay Native Association, Department of the Interior, the Alaska Federation of Natives and staff for their work on this bill.

I urge my colleagues to support this noncontroversial bill.

GENERAL LEAVE

Mr. CALVERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1786.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CALVERT. Mr. Speaker, I reserve the balance of my time.

Mr. JOHNSON of South Dakota. Mr. Speaker, I yield myself such time as I may consume.

The majority has had an opportunity to examine this legislation and has no objection to the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. CALVERT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. CALVERT] that the House suspend the rules and pass the bill, H.R. 1786, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL GEOLOGIC MAPPING REAUTHORIZATION ACT OF 1996

Mr. CALVERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3198) to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

The Clerk read as follows:

H.R. 3198

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Geologic Mapping Reauthorization Act of 1996".

SEC. 2. FINDINGS.

Congress finds that—

(1) in enacting the National Geologic Mapping Act of 1992 (43 U.S.C. 31a et seq.), Congress found, among other things, that—

(A) during the 2 decades preceding enactment of that Act, the production of geologic maps had been drastically curtailed;

(B) geologic maps are the primary data base for virtually all applied and basic earth-science investigations;

(C) Federal agencies, State and local governments, private industry, and the general public depend on the information provided by geologic maps to determine the extent of potential environmental damage before embarking on projects that could lead to preventable, costly environmental problems or litigation;

(D) the lack of proper geologic maps has led to the poor design of such structures as dams and waste-disposal facilities;

(E) geologic maps have proven indispensable in the search for needed fossil fuel and mineral resources; and

(F) a comprehensive nationwide program of geologic mapping is required in order to systematically build the Nation's geologic-map data base at a pace that responds to increasing demand;

(2) the geologic mapping program called for by that Act has not been fully implemented; and

(3) it is time for this important program to be fully implemented.

SEC. 3. REAUTHORIZATION AND AMENDMENT.

(a) DEFINITIONS.—Section 3 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31b) is amended—

(1) by striking "As used in this Act:" and inserting "In this Act:";

(2) by redesignating paragraphs (2), (3), (4), and (5) as paragraphs (3), (4), (5), and (6), respectively;

(3) by inserting after paragraph (1) the following:

"(2) ASSOCIATION.—The term 'Association' means the Association of American State Geologists."; and

(4) in each paragraph that does not have a heading, by inserting a heading, in the same style as the heading in paragraph (2), as added by paragraph (3), the text of which is comprised of the term defined in the paragraph.

(b) GEOLOGIC MAPPING PROGRAM.—Section 4 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31c) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established a national cooperative geologic mapping program between the United States Geological Survey and the State geological surveys, acting through the Association.

"(2) DESIGN, DEVELOPMENT, AND ADMINISTRATION.—The cooperative geologic mapping program shall be—

"(A) designed and administered to achieve the objectives set forth in subsection (c);

"(B) developed in consultation with the advisory committee; and

"(C) administered through the Survey.";

(2) in subsection (b)—

(A) in the subsection heading by striking "USGS" and inserting "THE SURVEY";

(B) in paragraph (1)—

(i) by single-indenting the paragraphs, double-indenting the subparagraphs, and triple indenting the clauses;

(ii) by inserting "LEAD AGENCY.—" before "The Survey";

(iii) in subparagraph (A)—

(I) by striking "Committee on Natural Resources" and inserting "Committee on Resources"; and

(II) by striking "date of enactment of this Act" and inserting "date of enactment of the National Geologic Mapping Reauthorization Act of 1996";

(iv) in subparagraph (B)—

(I) by striking "State geological surveys" and inserting "Association"; and

(II) by striking "date of enactment of this Act" and inserting "date of enactment of the National Geologic Mapping Reauthorization Act of 1996"; and

(v) in subparagraph (C)—

(I) by striking "date of enactment of this Act" and inserting "date of enactment of the National Geologic Mapping Reauthorization Act of 1996";

(II) by striking "Committee on Natural Resources" and inserting "Committee on Resources";

(III) in clauses (i) and (ii) by inserting "and the Association" after "the Survey";

(IV) by adding "and" at the end of clause (ii); and

(V) by striking "; and" at the end of clause (iii) and all that follows through the end of the subparagraph and inserting a period; and

(C) in paragraph (2)—

(i) by inserting "RESPONSIBILITIES OF THE SECRETARY.—" before "In addition to"; and

(ii) in subparagraph (A) by striking "State geological surveys" and inserting "Association";

(3) in subsection (c)—

(A) in paragraph (2) by striking "interpretive" and inserting "interpretative"; and

(B) in paragraph (4) by striking "awareness for" and inserting "awareness of"; and

(4) in subsection (d)—

(A) in paragraph (1) by inserting "FEDERAL COMPONENT.—" before "A Federal";

(B) in paragraph (2)—

(i) by inserting "SUPPORT COMPONENT.—" before "A geologic"; and

(ii) by striking subparagraph (D) and inserting the following:

"(D) geochronologic and isotopic investigations that—

"(i) provide radiometric age dates for geologic-map units; and

"(ii) fingerprint the geothermometry, geobarometry, and alteration history of geologic-map units,

which investigations shall be contributed to a national geochronologic data base;";

(C) in paragraph (3) by inserting "STATE COMPONENT.—" before "A State"; and

(D) by striking paragraph (4) and inserting the following:

"(4) EDUCATION COMPONENT.—A geologic mapping education component—

"(A) the objectives of which shall be—

"(i) to develop the academic programs that teach earth-science students the fundamental principles of geologic mapping and field analysis; and

"(ii) to provide for broad education in geologic mapping and field analysis through support of field studies;

"(B) investigations under which shall be integrated with the other mapping components of the geologic mapping program and shall respond to priorities identified for those components; and

"(C) Federal funding for which shall be matched by non-Federal sources on a 1-to-1 basis.".

(c) ADVISORY COMMITTEE.—Section 5 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31d) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There shall be established a 10-member geologic mapping advisory committee to advise the Director on planning and implementation of the geologic mapping program.

"(2) MEMBERS EX OFFICIO.—Federal agency members shall include the Administrator of the Environmental Protection Agency or a designee, the Secretary of Energy or a designee, the Secretary of Agriculture or a designee, and the Assistant to the President for Science and Technology or a designee.

"(3) APPOINTED MEMBERS.—Not later than 90 days after the date of enactment of the National Geologic Mapping Reauthorization Act of 1996, in consultation with the Association, the Secretary shall appoint to the advisory committee 2 representatives from the Survey (including the Chief Geologist, as Chairman), 2 representatives from the State geological surveys, 1 representative from academia, and 1 representative from the private sector."; and

(2) in subsection (b)(3) by striking "and State" and inserting ", State, and university".

(d) GEOLOGIC MAPPING PROGRAM IMPLEMENTATION PLAN.—Section 6 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31e) is amended—

(1) in paragraph (1) by inserting "cooperative" after "national";

(2) by striking paragraph (3)(C) and inserting the following:

"(C) for the State geologic mapping component, a priority-setting mechanism that responds to—

"(i) specific intrastate needs for geologic-map information; and

"(ii) interstate needs shared by adjacent entities that have common requirements; and";

(3) by striking paragraphs (4) and (5) and inserting the following:

"(4) a mechanism for adopting scientific and technical mapping standards for preparing and publishing general-purpose and special-purpose geologic maps to—

"(A) ensure uniformity of cartographic and scientific conventions; and

"(B) provide a basis for judgment as to the comparability and quality of map products; and"; and

(4) by redesignating paragraph (6) as paragraph (5).

(e) NATIONAL GEOLOGIC-MAP DATA BASE.—Section 7 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31f) is amended by striking subsection (b) and inserting the following:

"(b) STANDARDIZATION.—

"(1) IN GENERAL.—Geologic maps contributed to the national archives shall have format, symbols, and technical attributes that adhere to standards so that archival information can be accessed, exchanged, and compared efficiently and accurately, as required by Executive Order 12906 (59 Fed. Reg. 17,671 (1994)), which established the National Spatial Data Infrastructure.

"(2) DEVELOPMENT OF STANDARDS.—Entities that contribute geologic maps to the national archives shall develop the standards described in paragraph (1) in cooperation with the Federal Geographic Data Committee, which is charged with standards development and other data coordination activities as described in Office of Management and Budget revised Circular A-16.".

(f) ANNUAL REPORT.—Section 8 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31g) is amended in the first sentence—

(1) by striking "Committee on Natural Resources" and inserting "Committee on Resources"; and

(2) by striking "program, and describing and evaluating progress" and inserting "program and describing and evaluating the progress".

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 9 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31h) is amended to read as follows:

"SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the national cooperative geologic mapping program under this Act—

"(1) $24,000,000 for fiscal year 1997;

"(2) $26,000,000 for fiscal year 1998;

"(3) $28,000,000 for fiscal year 1999; and

"(4) $30,000,000 for fiscal year 2000.

"(b) ALLOCATION OF APPROPRIATED FUNDS.—

"(1) IN GENERAL.—Of the amount of funds that are appropriated under subsection (a) for any fiscal year up to the amount that is equal to the amount appropriated to carry out the national cooperative geologic mapping program for fiscal year 1996—

"(A) not less than 20 percent shall be allocated to State mapping activities; and

"(B) not less than 2 percent shall be allocated to educational mapping activities.

"(2) INCREASED APPROPRIATIONS.—Of the amount of funds that are appropriated under subsection (a) for any fiscal year up to the amount that exceeds the amount appropriated to carry out the national cooperative geologic mapping program for fiscal year 1996—

"(A) for fiscal year 1997—

"(i) 76 percent shall be allocated for Federal mapping and support mapping activities;

"(ii) 22 percent shall be allocated for State mapping activities; and

"(iii) 2 percent shall be allocated for educational mapping activities;

"(B) for fiscal year 1998—

"(i) 75 percent shall be allocated for Federal mapping and support mapping activities;

"(ii) 23 percent shall be allocated for State mapping activities; and

"(iii) 2 percent shall be allocated for educational mapping activities;

"(C) for fiscal year 1999—

"(i) 74 percent shall be allocated for Federal mapping and support mapping activities;

"(ii) 24 percent shall be allocated for State mapping activities; and

"(iii) 2 percent shall be allocated for educational mapping activities; and

"(D) for fiscal year 2000—

"(i) 73 percent shall be allocated for Federal mapping and support mapping activities;

"(ii) 25 percent shall be allocated for State mapping activities; and

"(iii) 2 percent shall be allocated for educational mapping activities.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. CALVERT] and the gentleman from South Dakota [Mr. JOHNSON] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 3198, a bill to reauthorize and amend the National Geologic Mapping Act of 1992 which established a cooperative program between the U.S. Geological Survey, the various State geological surveys, and academia. After 4 years, it is time to reauthorize this program for another 4 years and to modify its terms slightly based upon the experience the cooperators have gained.

First, let me say that our colleague from West Virginia, NICK RAHALL, joined by a large bipartisan group of Members, was the lead sponsor of the bill which became law in 1992 first authorizing the cooperative geologic mapping program. That action was taken, Mr. Speaker, in the wake of a study by the National Academy of Sciences which expressed alarm at the decline of detailed geologic mapping efforts nationwide over the last decade.

The National Geologic Mapping Act then, as now, was a codification of "cooperative federalism" in that it expressly authorized the practice of the USGS using a small but significant portion of its geologic mapping budget to fund mapping projects of priority to the State geologic surveys on a 50/50 matching share basis. Furthermore, a component of the program was designed to set aside a smaller portion of the budget for universities to compete for funds to support student training in geologic mapping skills and field studies.

Mr. Speaker, the basic scientific endeavor of mapping the bedrock geology and surficial deposits of this country is the foundation upon which society's needs for identification and abatement of geologic hazards such as seismic zones, volcanic activity, and landslides. Such mapping is also key to delineation and protection of sources of safe drinking water, sound land-use planning, and initial mineral resources assessments as well.

Since its passage of the 1992 Act, staffing at the USGS, particularly for this type of work, has declined dramatically. A significant reduction-in-force in the Geologic Division begun by the fiscal year 1995 budget and continued last year has made it all the more necessary to full involve the State surveys in the priorization of national geologic mapping needs and cooperative use of their staffs to get the job done.

H.R. 3198 reauthorizes this cooperative program for 4 more years and establishes thresholds for the sharing of funds between the Federal, State, and academic components. In general, the administration has agreed to dedicate not less than 20 percent of the budget line for geologic mapping to the cooperative State map component, and not less than 2 percent to the educational component.

Mr. Speaker, by way of reference, the fiscal year 1996 appropriation for this subactivity of the USGS was approximately $22 million, meaning that $4 million is in the grant pool for matching with State moneys on geologic mapping projects upon approval by a peer review panel. The administration's fiscal year 1997 budget requested level funding for this program and the full House voted in agreement earlier this month on H.R. 3662, the Interior and Related Agencies appropriations bill.

H.R. 3198 will reauthorize this valuable program for 4 more years and ratify some very minor changes negotiated between the three participant groups—Feds, States, and academia. Specifically, these are definitional name changes, a slight modification of the congressional findings, and a paring down of the size of the Advisory Committee to the USGS Director. The current act has an unwieldly 16 member board. This reauthorization calls for downsized 10-member advisory board, made up of Federal representatives as well as State geologists and university members.

Mr. Speaker, let me finish by thanking the ranking member of the Energy and Mineral Resources Subcommittee, Mr. ABERCROMBIE of Hawaii, for his cooperation on this reauthorization. H.R. 3198 has the full support of the administration and I urge its passage.

□ 1045

Mr. Speaker, I reserve the balance of my time.

Mr. JOHNSON of South Dakota. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Hawaii [Mr. ABERCROMBIE], the ranking member of the Subcommittee on Energy and Mineral Resources of the Committee on Resources has been detained; however, I am advised that he is in full support of this legislation. The minority is in support of the legislation. The Clinton administration has expressed its support, and so we have no objection to this legislation. We support its passage.

Mr. Speaker, I will submit a statement from the gentleman from Hawaii [Mr. ABERCROMBIE] for the RECORD.

Mr. ABERCROMBIE. Mr. Speaker, I am pleased to rise in support of H.R. 3198, a bill that would reauthorize the 1992 Geologic Mapping Act through fiscal year 2000, and amend the act to designate that 20 percent of the total amount appropriated be allocated to the State component of the program. I would note that both the Clinton administration and the State Geologists support this bill.

Congress enacted the National Geologic Mapping Act of 1992—Public Law 102–285 and 43 U.S.C. sections 31a–h—in order to expedite the production of a geologic map data base for the Nation, which can be applied to land-use management, assessment, and utilization, conservation of natural resources, groundwater management, and environmental protection. The act designated the U.S. Geological Survey as the Federal agency responsible for planning, coordinating, and managing the National Cooperative Geologic Mapping Program. This program is carried out by a consortium of geologic mapping partners including State geological Surveys, universities, other Federal agencies, and the USGS.

Geologic maps are the primary data base for nearly all applied and basic earth science investigations. Federal agencies, State and local governments, private industry, and the general public depend on the information provided by geologic maps. The current geologic map data base is inadequate to meet these needs and development of a comprehensive nationwide program of geologic mapping is required at a pace that responds to increasing demand for mapping in high-priority areas. The States and the USGS each conduct a yearly, needs-based survey to determine program priorities.

Improved geologic map information has been shown, using benefit-cost analyses, to be of significant value in many decisionmaking processes, including:

Exploring for and developing mineral, energy, and water resources;

Screening and characterizing sites for toxic and nuclear waste disposal;

Land use evaluation and planning for environmental protection;

Earthquake hazards reduction;

Predicting volcanic hazards;

Designing and constructing infrastructure requirements such as utility lifelines, transportation corridors, and surface-water impoundments;

Reducing losses from landslides and other ground failures;

Mitigating effects of coastal and stream erosion; and

Siting of critical facilities.

I urge my colleagues to support enactment of this bill.

Mr. JOHNSON of South Dakota.

Mr. Speaker, I yield back the balance of my time.

Mr. CALVERT. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from California [Mr. CALVERT] that the House suspend the rules and pass the bill, H.R. 3198.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CALVERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3198, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CRAWFORD NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3287) to direct the Secretary of the Interior to convey the Crawford National Fish Hatchery to the city of Crawford, NE, as amended.

The Clerk read as follows:

H.R. 3287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Crawford National Fish Hatchery Conveyance Act".

SEC. 2. CONVEYANCE OF CRAWFORD NATIONAL FISH HATCHERY TO THE CITY OF CRAWFORD, NEBRASKA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the city of Crawford, Nebraska, without reimbursement, all right, title, and interest of the United States in and to the property described in subsection (b), for use by the city for a city park and other public recreational purposes.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) is the property known as the Crawford National Fish Hatchery, located in the city of Crawford, Nebraska, consisting of 5.95 acres (more or less), and all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, equipment, and all easements, leases, and water rights relating to that property.

(c) USE AND REVERSIONARY INTEREST.—If any of the property conveyed to the city of Crawford, Nebraska, under this section is used by the city for any purpose other than the uses authorized under subsection (a), all right, title, and interest in and to all property conveyed under this section shall revert to the United States. The city of Crawford, Nebraska, shall ensure that all property that reverts to the United States under this subsection is in substantially the same or better condition as at the time of conveyance to the city.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the opportunity to discuss H.R. 3287, the Crawford National Fish Hatchery Conveyance Act. This bill was introduced by Congressman BILL BARRETT on April 23, 1996. Under the terms of this bill, the Secretary of the Interior shall convey to the city of Crawford, within 180 days of enactment and without reimbursement, all right, title, and interest to the Crawford hatchery facility to the city of Crawford. This facility will be used as a city park and for other public recreation purposes. The proposal also contains a reversionary clause that stipulates that the property will be returned to the Federal Government if it is used for something other than recreational purposes.

It is important to note that the hatchery is located in the middle of an existing city park. While the city has spent a considerable amount of money restoring those parklands under their jurisdiction, the hatchery buildings and ponds are in a highly deteriorated state. There is little likelihood that this facility will ever again be used by either the State of Nebraska or the Federal Government as a hatchery.

I urge all Members to support this noncontroversial bill.

Mr. Speaker, I reserve the balance of my time.

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the tension is palpable here. This is an extraordinary moment. We have already given more time to this than I think it really deserves. It is utterly noncontroversial. This is the standard procedure by which, for many years, we have approved the transfer of these hatcheries.

Mr. YOUNG of Alaska. Mr. Speaker, I strongly support H.R. 3287, the Crawford National Fish Hatchery Conveyance Act, introduced by our colleague from Nebraska, BILL BARRETT.

This measure is somewhat different from other fish hatchery transfer bills in that it will convey about 6 acres of Federal lands not to the State, but to the city of Crawford, NE.

For nearly 62 years, this hatchery was used by the U.S. Fish and Wildlife Service and the Nebraska State Game and Park Commission to produce millions of bluegill, channel catfish, largemouth bass, various species of trout, and their eggs.

Unfortunately, in 1991, the Crawford National Fish Hatchery was severely damaged from flooding of the White River. The facilities were closed, no repairs were made, the buildings have not been maintained, and there is no likelihood that either the Federal or the State Government will reopen this hatchery in the future.

Furthermore, the hatchery is located in the middle of the city park. While the local community has spent a substantial amount of money to rebuild its park facilities, these efforts have been undermined by this unwanted, rapidly deteriorating, and increasingly dangerous fish hatchery.

H.R. 3287 will convey the hatchery property to the city of Crawford, which has made a commitment to restore and use certain buildings for various recreational activities. In addition, the bill contains the standard reversionary clause that requires the city of Crawford to return this property to the Federal Government, if it is used for anything other than the authorized purposes.

I urge an "aye" vote on this legislation and compliment BILL BARRETT for his outstanding leadership in this matter.

Mr. BARRETT of Nebraska. Mr. Speaker, I rise today in support of H.R. 3287, a bill to transfer the old Crawford National Fish Hatchery to the city of Crawford. I'd also like to extend my thanks to Chairman SAXTON for his assistance with this bill, and the Lake Minatare legislation.

Crawford is a small town with approximately 1,300 residents in northwest Nebraska. It's a friendly town with large city park on its western city limit. However, within the boundaries of the city park is an abandoned fish hatchery.

In the 1920's Crawford granted the U.S. Fish and Wildlife Service the rights to build a fish hatchery in the city park. It was successfully operated by the Service from 1929 to 1983. It was mainly used to breed trout. During the early 1980's, Federal financial support for the hatchery diminished, and the State Game and Parks Commission took over the operation and maintenance of the facility.

In 1991, the Game and Parks Commission completed construction of a new facility and prepared to close the Crawford site. Later that year, Crawford sustained heavy damage caused by a 100-year flood. The hatchery was severely damaged, and essentially destroyed. Currently, neither the Service nor the State operate the facility, and the ruined buildings continue to fall apart, creating an eyesore in the city park.

Due to the lack of interest in repairing the hatchery, the Fish and Wildlife Service is preparing to declare the property as excess to its needs and turn it over to the General Services Administration for disposition, with the recommendation that the property be returned to the city. Unfortunately, the disposition process is often slow, and, in the case of Crawford, the outcome may not be what the city desires.

In the regard, I introduced a bill, H.R. 3287, a transfer the property back to the city. The city intends to restore some of the damaged buildings and use them for public meeting rooms. These improvements will greatly enhance the city park.

This action has the support of the city, the State Game and Parks Commission, and the U.S. Fish and Wildlife Service. I urge my colleagues to support this bill.

Mr. STUDDS. Mr. Speaker, I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I have no more requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 3287, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3287, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

WALHALLA NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3546) to direct the Secretary of the Interior to convey the Walhalla National Fish Hatchery to the State of South Carolina, as amended.

The Clerk read as follows:

H.R. 3546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Walhalla National Fish Hatchery Conveyance Act".

SEC. 2. CONVEYANCE OF WALHALLA NATIONAL FISH HATCHERY TO THE STATE OF SOUTH CAROLINA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of South Carolina without reimbursement all right, title, and interest of the United States in and to the property described in subsection (b), for use by the South Carolina Department of Natural Resources as part of the State of South Carolina fish culture program.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) is the property known as the Walhalla National Fish Hatchery, located on Indian Camp Creek and the East Fork of Chattooga River off of State Secondary Highway 325 in northern Oconee County, South Carolina, consisting of 76.2 acres (more or less), all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, and equipment, and all easements, leases, and water rights relating to that property.

(c) REVERSIONARY INTEREST.—If any of the property conveyed to the State of South Carolina under this section is used for any purpose other than the use authorized under subsection (a), all right, title, and interest in and to all property conveyed under this section shall revert to the United States. The State of South Carolina shall ensure that all property reverting to the United States under this subsection is in substantially the same or better condition as at the time of transfer to the State.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the opportunity to take action on H.R. 3546, the Walhalla National Fish Hatchery Conveyance Act.

H.R. 3546 was introduced by Congressman LINDSEY GRAHAM on May 29, 1996. Under the terms of this bill, the Secretary of the Interior shall convey to the South Carolina Department of Natural Resources, within 180 days of enactment and without reimbursement, all right, title, and interest to the Walhalla Hatchery facility for use as a State hatchery. Furthermore, the proposal contains a reversionary clause that stipulates that the property will be returned to the Federal Government if it is used for something other than fishery resources management.

This facility is extremely important to the State of South Carolina because it is the only public source for brown trout; there is no reasonable alternative for stocking the State's waters; and without these fish, there is no viable sport fishing for trout. While privately produced trout are available, this option was explored and rejected because of lack of supply control, cost fluctuations, and the potential introduction of diseases.

I urge all Members to support this noncontroversial bill.

Mr. Speaker, I reserve the balance of my time.

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I congratulate the gentleman from New Jersey [Mr. SAXTON], the distinguished subcommittee chairman, for his legislative stature. It is growing by the minute.

This is identical in its substances to the preceding bill.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in strong support of H.R. 3546, the Walhalla National Fish Hatchery Conveyance Act, introduced by our colleague from South Carolina, LINDSEY GRAHAM.

This noncontroversial bill is nearly identical to measures the House of Representatives has approved to transfer certain Federal fish hatcheries to non-Federal control.

This hatchery, which consists of about 78 acres, is currently being operated by the South Carolina Department of Natural Resources under a long-term agreement with the U.S. Fish and Wildlife Service.

This hatchery was 1 of 11 identified by the Clinton administration for transfer to the States in fiscal year 1996 because it is no longer an essential component of the Fish and Wildlife Service's nationwide stocking program.

Based on testimony the subcommittee received, however, it is clear that Walhalla is extremely important to the State of South Carolina because it is the only public source for brown trout, there is no reasonable alternative for stocking the State's waters, and, without these fish, there is no viable sport fishing for trout. There are 45,800 trout anglers in the State of South Carolina and this activity produces an annual economic impact of over $12 million.

This bill contains language that stipulates the property will be returned to the Federal Government if it is used for something other than the authorized purposes.

I urge an "aye" vote on this legislation and compliment LINDSEY GRAHAM for his outstanding leadership in this matter.

Mr. STUDDS. Mr. Speaker, I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 3546, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3546, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MARION NATIONAL FISH HATCHERY CONVEYANCE ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3557) to direct the Secretary of the Interior to convey the Marion National Fish Hatchery to the State of Alabama, as amended.

The Clerk read as follows:

H.R. 3557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Marion National Fish Hatchery Act".

SEC. 2. CONVEYANCE OF MARION NATIONAL FISH HATCHERY AND CLAUDE HARRIS NATIONAL AQUACULTURAL RESEARCH CENTER TO THE STATE OF ALABAMA.

(a) CONVEYANCE REQUIREMENT.—Within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of Alabama without reimbursement all right, title, and interest of the United States in and to the property described in subsection (b) for use by the Game and Fish Division of the Alabama Department of Conservation and Natural Resources as part of the State of Alabama fish culture program.

(b) PROPERTY DESCRIBED.—The property referred to in subsection (a) consists of—

(1) that portion of the Marion National Fish Hatchery leased to the Alabama Game and Fish Division, located on State Highway 175 seven miles northeast of Marion, Alabama, as described in Amendment No. 2 to the Cooperative Agreement dated June 6, 1974, between the United States Fish and Wildlife Service and the State of Alabama, Department of Conservation and Natural Resources, Game and Fish Division, comprised of approximately 300 acres (more or less), and the Claude Harris National Aquacultural Research Center, located on State Highway 175 seven miles northeast of Marion, Alabama, as described in a United States Fish and Wildlife Service document entitled "EXHIBIT A" and dated March 19, 1996, comprised of approximately 298 acres (more or less);

(2) all improvements and related personal property under the control of the Secretary that is located on that property, including buildings, structures, equipment, and all easements and leases relating to that property; and

(3) all water rights relating to that property.

(c) REVERSIONARY INTEREST.—If any of the property conveyed to the State of Alabama under this section is used for any purpose other than the use authorized under subsection (a), all right, title, and interest in and to all property conveyed under this section shall revert to the United States. The State of Alabama shall ensure that all property reverting to the United States under this subsection is in substantially the same or better condition as at the time of transfer to the State.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Massachusetts [Mr. STUDDS] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate the opportunity to discuss this bill, H.R. 3557, the Marion National Fish Hatchery Conveyance Act. H.R. 3557 was introduced by Congressman EARL HILLIARD on May 30, 1996.

This bill is similar to measures that transferred the Corning, Fairport, and New London Fish Hatcheries to the States. Under the terms of this bill, the Secretary of the Interior shall convey to the State of Alabama, within 180 days of enactment and without reimbursement, all right, title, and interest to the Marion Hatchery. The facility will be used by the Game and Fish Division of the Alabama Department of Conservation and Natural Resources for the State's fish culture program. The proposal also contains a reversionary clause that stipulates that the property will be returned to the Federal Government if it is used for something other than fishery resources management and fisheries-related activities.

In the most recent real estate assessment in 1994, the property was valued at $465,000 and the structures have been assessed at $1,062,000 according to the Realty Division of the U.S. Fish and Wildlife Service. The State has indicated that it has spent over $2 million on facility improvements and renovations since it assumed operational control in 1974.

I urge all Members to support this noncontroversial bill.

Mr. Speaker, I reserve the balance of my time.

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, once again this is a bill without controversy, a transfer of a hatchery. We also have an amendment offered breathtakingly at the last moment by the distinguished gentleman from Alabama [Mr. HILLIARD] which caused a flurry of parliamentary frowns, though I trust no procedural nightmares have been elicited by the gentleman.

Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. HILLIARD] to explain his amendment, so long as it is not too much.

Mr. HILLIARD. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. STUDDS] very much for yielding.

Mr. Speaker, to the Speaker, the minority leader and the majority leader, let me say that this is a bill with an amendment. The bill, in essence, seeks to transfer from the control of the Federal Government to the State of Alabama the Marion Fish Hatchery.

The amendment seeks to transfer from the Federal Government not only the Marion Fish Hatchery, but also the Marion Research Center. At the same time, the amendment renames the Marion Fish Hatchery the Claude Harris National Aquatic Research Center.

Claude Harris was my predecessor here. He worked tirelessly to put together the Marion Fish Hatchery and Research Center and we feel it would be fitting to name it after him.

Mr. STUDDS. Mr. Speaker, in closing I note that the gentleman from New Jersey is apparently in possession of the pen that the President will use to sign the extension of the Magnuson Act when the time comes.

Mr. YOUNG of Alaska. Mr. Speaker, I support H.R. 3557, the Marion National Fish Hatchery Conveyance Act, introduced by our colleague from Alabama, EARL HILLIARD.

The legislation will transfer the 300 acres that comprise the Marion Hatchery to the State of Alabama. This facility has been effectively operated by the Alabama Game and Fish Division for over 20 years and during that time it has produced thousands of bluegills, channel catfish, largemouth bass, striped bass, and hybrid striped bass fingerlings. These fish are used to stock over 500,000 acres of public waters in the State of Alabama and they are available to over 530,000 licensed sport anglers.

In addition, the Marion Fish Hatchery has provided over 1.3 million gulf striped bass fry to 3 Federal and 2 neighboring State hatcheries and over 270,000 gulf striped bass fingerlings to support Federal and State programs in the State of Florida.

Finally, the State of Alabama has spent over $2 million on facility improvements and renovations at the Marion National Fish Hatchery since it assumed operational control. The Alabama Game and Fish Division has stated that "the Division will continue to utilize the facility for the production of fish to enhance the freshwaters of Alabama and the thousands of people who enjoy fishing these waters."

I urge an "aye" vote on this legislation which has been endorsed by both the Clinton administration and the Governor of the State of Alabama, the Honorable Fob James, Jr.

Mr. STUDDS. Mr. Speaker, I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 3557, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill direct the Secretary of the Interior to convey the Marion National Fish Hatchery and the Claude Harris National Aquacultural Research Center to the State of Alabama."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3557, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

2002 WINTER OLYMPIC GAMES FACILITATION ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3907) to facilitate the 2002 Winter Olympic Games in the State of Utah at the snowbasin ski area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3907

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—SNOWBASIN SKI AREA

SEC. 101. SHORT TITLE.

This title may be cited as the "2002 Winter Olympic Games Facilitation Act".

SEC. 102. FINDINGS AND DETERMINATION.

(a) FINDINGS.—The Congress finds that—

(1) in June 1995, Salt Lake City, Utah, was selected to host the 2002 Winter Olympic Games, and the Snowbasin Ski Resort, which is owned by the Sun Valley Company, was identified as the site of six Olympic events: the men's and women's downhills, men's and women's Super-Gs, and men's and women's combined downhills;

(2) in order to adequately accommodate these events, which are traditionally among the most popular and heavily attended at the Winter Olympic Games, major new skiing, visitor, and support facilities will have to be constructed at the Snowbasin Ski Resort on land currently administered by the United States Forest Service;

(3) while certain of these new facilities can be accommodated on National Forest land under traditional Forest Service permitting authorities, the base area facilities necessary to host visitors to the ski area and the Winter Olympics are of such a nature that they should logically be located on private land;

(4) land exchanges have been routinely utilized by the Forest Service to transfer base area lands to many other ski areas, and the Forest Service and the Sun Valley Company have concluded that a land exchange to transfer base area lands at the Snowbasin Ski Resort to the Sun Valley Company is both logical and advisable;

(5) an environmental impact statement and numerous resource studies have been completed by the Forest Service and the Sun Valley Company for the lands proposed to be transferred to the Sun Valley Company by this title;

(6) the Sun Valley Company has assembled lands with outstanding environmental, recreational, and other values to convey to the Forest Service in return for the lands it will receive in the exchange, and the Forest Service has identified such lands as desirable for acquisition by the United States; and

(7) completion of a land exchange and approval of a development plan for Olympic related facilities at the Snowbasin Ski Resort is essential to ensure that all necessary facilities can be constructed, tested for safety and other purposes, and become fully operational in advance of the 2002 Winter Olympics and earlier pre-Olympic events.

(b) DETERMINATION.—The Congress has reviewed the previous analyses and studies of the lands to be exchanged and developed pursuant to this title, and has made its own review of these lands and issues involved, and on the basis of those reviews hereby finds and determines that a legislated land exchange and development plan approval is necessary to meet Olympic goals and timetables.

SEC. 103. SNOWBASIN LAND EXCHANGE.

(a) PURPOSE AND INTENT.—The purpose of this section is to authorize and direct the Secretary to exchange 1,320 acres of federally-owned land within the Cache National Forest in the State of Utah for lands of approximately equal value owned by the Sun Valley Company. It is the intent of Congress that this exchange be completed without delay within the period specified by subsection (d).

(b) DEFINITIONS.—As used in this section:

(1) The term "Sun Valley Company" means the Sun Valley Company, a division of Sinclair Oil Corporation, a Wyoming Corporation, or its successors or assigns.

(2) The term "Secretary" means the Secretary of Agriculture.

(c) EXCHANGE.—

(1) FEDERAL SELECTED LANDS.—(A) Not later than 45 days after the final determination of value of the Federal selected lands, the Secretary shall, subject to this section, transfer all right, title, and interest of the United States in and to the lands referred to in subparagraph (B) to the Sun Valley Company.

(B) The lands referred to in subparagraph (A) are certain lands within the Cache National Forest in the State of Utah comprising 1,320 acres, more or less, as generally depicted on the map entitled "Snowbasin Land Exchange—Proposed" and dated October 1995.

(2) NON-FEDERAL OFFERED LANDS.—Upon transfer of the Federal selected lands under paragraph (1), and in exchange for those lands, the Sun Valley Company shall simultaneously convey to the Secretary all right, title and interest of the Sun Valley Company in and to so much of the following offered lands which have been previously identified by the United States Forest Service as desirable by the United States, or which are identified pursuant to subparagraph (E) prior to the transfer of lands under paragraph (1), as are of approximate equal value to the Federal selected lands:

(A) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, which comprise approximately 640 acres and are generally depicted on a map entitled "Lightning Ridge Offered Lands", dated October 1995.

(B) Certain lands located within the Cache National Forest in Weber County, Utah, which comprise approximately 635 acres and are generally depicted on a map entitled "Wheeler Creek Watershed Offered Lands—Section 21" dated October 1995.

(C) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, and lying immediately adjacent to the outskirts of the City of Ogden, Utah, which comprise approximately 800 acres and are generally depicted on a map entitled "Taylor Canyon Offered Lands", dated October 1995.

(D) Certain lands located within the exterior boundaries of the Cache National Forest in Weber County, Utah, which comprise approximately 2,040 acres and are generally depicted on a map entitled "North Fork Ogden River—Devil's Gate Valley", dated October 1995.

(E) Such additional offered lands in the State of Utah as may be necessary to make the values of the lands exchanged pursuant to this section approximately equal, and which are acceptable to the Secretary.

(3) SUBSTITUTION OF OFFERED LANDS.—If one or more of the precise offered land parcels identified in subparagraphs (A) through (D) of paragraph (2) is unable to be conveyed to the United States due to appraisal or other reasons, or if the Secretary and the Sun Valley Company mutually agree and the Secretary determines that an alternative offered land package would better serve long term public needs and objectives, the Sun Valley Company may simultaneously convey to the United States alternative offered lands in the State of Utah acceptable to the Secretary in lieu of any or all of the lands identified in subparagraphs (A) through (D) of paragraph (2).

(4) VALUATION AND APPRAISALS.—(A) Values of the lands to be exchanged pursuant to this section shall be equal as determined by the Secretary utilizing nationally recognized appraisal standards and in accordance with section 206 of the Federal Land Policy and Management Act of 1976. The appraisal reports shall be written to Federal standards as defined in the Uniform Appraisal Standards for Federal Land Acquisitions. If, due to size, location, or use of lands exchanged under this section, the values are not exactly equal, they shall be equalized by the payment of cash equalization money to the Secretary or the Sun Valley Company as appropriate in accordance with section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)). In order to expedite the consummation of the exchange directed by this section, the Sun Valley Company shall arrange and pay for appraisals of the offered and selected lands by a qualified appraiser with experience in appraising similar properties and who is mutually acceptable to the Sun Valley Company and the Secretary. The appraisal of the Federal selected lands shall be completed and submitted to the Secretary for technical review and approval no later than 120 days after the date of enactment of this Act, and the Secretary shall make a determination of value not later than 30 days after receipt of the appraisal. In the event the Secretary and the Sun Valley Company are unable to agree to the appraised value of a certain tract or tracts of land, the appraisal, appraisals, or appraisal issues in dispute and a final determination of value shall be

resolved through a process of bargaining or submission to arbitration in accordance with section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(d)).

(B) In order to expedite the appraisal of the Federal selected lands, such appraisal shall—

(i) value the land in its unimproved state, as a single entity for its highest and best use as if in private ownership and as of the date of enactment of this Act;

(ii) consider the Federal lands as an independent property as though in the private marketplace and suitable for development to its highest and best use;

(iii) consider in the appraisal any encumbrance on the title anticipated to be in the conveyance to Sun Valley Company and reflect its effect on the fair market value of the property; and

(iv) not reflect any enhancement in value to the Federal selected lands based on the existence of private lands owned by the Sun Valley Company in the vicinity of the Snowbasin Ski Resort, and shall assume that private lands owned by the Sun Valley Company are not available for use in conjunction with the Federal selected lands.

(d) GENERAL PROVISIONS RELATING TO THE EXCHANGE.—

(1) IN GENERAL.—The exchange authorized by this section shall be subject to the following terms and conditions:

(A) RESERVED RIGHTS-OF-WAY.—In any deed issued pursuant to subsection (c)(1), the Secretary shall reserve in the United States a right of reasonable access across the conveyed property for public access and for administrative purposes of the United States necessary to manage adjacent federally-owned lands. The terms of such reservation shall be prescribed by the Secretary within 30 days after the date of the enactment of this Act.

(B) RIGHT OF RESCISSION.—This section shall not be binding on either the United States or the Sun Valley Company if, within 30 days after the final determination of value of the Federal selected lands, the Sun Valley Company submits to the Secretary a duly authorized and executed resolution of the Company stating its intention not to enter into the exchange authorized by this section.

(2) WITHDRAWAL.—Subject to valid existing rights, effective on the date of enactment of this Act, the Federal selected lands described in subsection (c)(1) and all National Forest System lands currently under special use permit to the Sun Valley Company at the Snowbasin Ski Resort are hereby withdrawn from all forms of appropriation under the public land laws (including the mining laws) and from disposition under all laws pertaining to mineral and geothermal leasing.

(3) DEED.—The conveyance of the offered lands to the United States under this section shall be by general warranty or other deed acceptable to the Secretary and in conformity with applicable title standards of the Attorney General of the United States.

(4) STATUS OF LANDS.—Upon acceptance of title by the Secretary, the land conveyed to the United States pursuant to this section shall become part of the Wasatch or Cache National Forests as appropriate, and the boundaries of such National Forests shall be adjusted to encompass such lands. Once conveyed, such lands shall be managed in accordance with the Act of March 1, 1911, as amended (commonly known as the "Weeks Act"), and in accordance with the other laws, rules and regulations applicable to National Forest System lands. This paragraph does not limit the Secretary's authority to adjust the boundaries pursuant to section 11 of the Act of March 1, 1911 ("Weeks Act"). For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundaries of the Wasatch and Cache National Forests, as adjusted by this section, shall be considered to be boundaries of the forests as of January 1, 1965.

(e) PHASE FACILITY CONSTRUCTION AND OPERATION.—

(1) PHASE I FACILITY FINDING AND REVIEW.—(A) The Congress has reviewed the Snowbasin Ski Area Master Development Plan dated October 1995 (hereinafter in this subsection referred to as the "Master Plan"). On the basis of such review, and review of previously completed environmental and other resource studies for the Snowbasin Ski Area, Congress hereby finds that the "Phase I" facilities referred to in the Master Plan to be located on National Forest System land after consummation of the land exchange directed by this section are limited in size and scope, are reasonable and necessary to accommodate the 2002 Olympics, and in some cases are required to provide for the safety of skiing competitors and spectators.

(B) Within 60 days after the date of enactment of this Act, the Secretary and the Sun Valley Company shall review the Master Plan insofar as such plan pertains to Phase I facilities which are to be constructed and operated wholly or partially on National Forest System lands retained by the Secretary after consummation of the land exchange directed by this section. The Secretary may modify such Phase I facilities upon mutual agreement with the Sun Valley Company or by imposing conditions pursuant to paragraph (2) of this subsection.

(C) Within 90 days after the date of enactment of this Act, the Secretary shall submit the reviewed Master Plan on the Phase I facilities, including any modifications made thereto pursuant to subparagraph (B), to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the United States House of Representatives for a 30-day review period. At the end of the 30-day period, unless otherwise directed by Act of Congress, the Secretary may issue all necessary authorizations for construction and operation of such facilities or modifications thereof in accordance with the procedures and provisions of paragraph (2) of this subsection.

(2) PHASE I FACILITY APPROVAL, CONDITIONS, AND TIMETABLE.—Within 120 days of receipt of an application by the Sun Valley Company to authorize construction and operation of any particular Phase I facility, facilities, or group of facilities, the Secretary, in consultation with the Sun Valley Company, shall authorize construction and operation of such facility, facilities, or group of facilities, subject to the general policies of the Forest Service pertaining to the construction and operation of ski area facilities on National Forest System lands and subject to reasonable conditions to protect National Forest System resources. In providing authorization to construct and operate a facility, facilities, or group of facilities, the Secretary may not impose any condition that would significantly change the location, size, or scope of the applied for Phase I facility unless—

(A) the modification is mutually agreed to by the Secretary and the Sun Valley Company; or

(B) the modification is necessary to protect health and safety.

Nothing in this subsection shall be construed to affect the Secretary's responsibility to monitor and assure compliance with the conditions set forth in the construction and operation authorization.

(3) CONGRESSIONAL DIRECTIONS.—Notwithstanding any other provision of law, Congress finds that consummation of the land exchange directed by this section and all determinations, authorizations, and actions taken by the Secretary pursuant to this section pertaining to Phase I facilities on National Forest System lands, or any modifications thereof, to be nondiscretionary actions authorized and directed by Congress and hence to comply with all procedural and other requirements of the laws of the United States. Such determinations, authorizations, and actions shall not be subject to administrative or judicial review.

(f) NO PRECEDENT.—Nothing in subsection (c)(4)(B) of this section relating to conditions or limitations on the appraisal of the Federal lands, or any provision of subsection (e), relating to the approval by the Congress or the Forest Service of facilities on National Forest System lands, shall be construed as a precedent for subsequent legislation.

TITLE II—STERLING FOREST

SEC. 201. FUNDING FOR PALISADES INTERSTATE PARK COMMISSION.

The Secretary of the Interior is authorized to provide funding to the Palisades Interstate Park Commission to be used for the acquisition of lands and interests in lands within the area generally depicted on the map entitled "Boundary Map, Sterling Forest Reserve", numbered SFR–60,001 and dated July 1, 1994. There are authorized to be appropriated for purposes of this section not more than $17,500,000. No funds made available under this section may be used for the acquisition of any lands or interest in lands without the consent of the owner thereof.

SEC. 202. LAND EXCHANGE.

The Secretary of the Interior is authorized to exchange unreserved unappropriated Federal lands under the administrative jurisdiction of the Secretary for the lands comprising approximately 2,220 acres depicted on the map entitled "Sterling Forest, Proposed Sale of Sterling Forest Lands" and dated July 25, 1996. The Secretary shall consult with the Governor of any State in which such unreserved unappropriated lands are located prior to carrying out such exchange. The lands acquired by the Secretary under this section shall be transferred to the Palisades Interstate Park Commission to be included within the Sterling Forest Reserve. The lands exchanged under this section shall be of equal value, as determined by the Secretary utilizing nationally recognized appraisal standards. The authority to exchange lands under this section shall expire on the date 18 months after the date of enactment of this Act.

TITLE III—ANAKTUVUK PASS LAND EXCHANGE AND WILDERNESS REDESIGNATION

SEC. 301. ANAKTUVUK PASS LAND EXCHANGE.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Alaska National Interest Lands Conservation Act (94 Stat. 2371), enacted on December 2, 1980, established Gates of the Arctic National Park and Preserve and Gates of the Arctic Wilderness. The village of Anaktuvuk Pass, located in the highlands of the central Brooks Range, is virtually surrounded by these national park and wilderness lands and is the only Native village located within the boundary of a National Park System unit in Alaska.

(2) Unlike most other Alaskan Native communities, the village of Anaktuvuk Pass is not located on a major river, lake, or coastline that can be used as a means of access. The residents of Anaktuvuk Pass have relied increasingly on snow machines in winter and all-terrain vehicles in summer as their primary means of access to pursue caribou and other subsistence resources.

(3) In a 1983 land exchange agreement, linear easements were reserved by the Inupiat Eskimo people for use of all-terrain vehicles across certain national park lands, mostly along stream and river banks. These linear easements proved unsatisfactory, because they provided inadequate access to subsistence resources while

causing excessive environmental impact from concentrated use.

(4) The National Park Service and the Nunamiut Corporation initiated discussions in 1985 to address concerns over the use of all-terrain vehicles on park and wilderness land. These discussions resulted in an agreement, originally executed in 1992 and thereafter amended in 1993 and 1994, among the National Park Service, Nunamiut Corporation, the City of Anaktuvuk Pass, and Arctic Slope Regional Corporation. Full effectuation of this agreement, as amended, by its terms requires ratification by the Congress.

(b) RATIFICATION OF AGREEMENT.—

(1) RATIFICATION.—

(A) IN GENERAL.—The terms, conditions, procedures, covenants, reservations and other provisions set forth in the document entitled "Donation, Exchange of Lands and Interests in Lands and Wilderness Redesignation Agreement Among Arctic Slope Regional Corporation, Nunamiut Corporation, City of Anaktuvuk Pass and the United States of America" (hereinafter referred to in this section as "the Agreement"), executed by the parties on December 17, 1992, as amended, are hereby incorporated in this title, are ratified and confirmed, and set forth the obligations and commitments of the United States, Arctic Slope Regional Corporation, Nunamiut Corporation and the City of Anaktuvuk Pass, as a matter of Federal law.

(B) LAND ACQUISITION.—Lands acquired by the United States pursuant to the Agreement shall be administered by the Secretary of the Interior (hereinafter referred to as the "Secretary") as part of Gates of the Arctic National Park and Preserve, subject to the laws and regulations applicable thereto.

(2) MAPS.—The maps set forth as Exhibits C1, C2, and D through I to the Agreement depict the lands subject to the conveyances, retention of surface access rights, access easements and all-terrain vehicle easements. These lands are depicted in greater detail on a map entitled "Land Exchange Actions, Proposed Anaktuvuk Pass Land Exchange and Wilderness Redesignation, Gates of the Arctic National Park and Preserve", Map No. 185/80,039, dated April 1994, and on file at the Alaska Regional Office of the National Park Service and the offices of Gates of the Arctic National Park and Preserve in Fairbanks, Alaska. Written legal descriptions of these lands shall be prepared and made available in the above offices. In case of any discrepancies, Map No. 185/80,039 shall be controlling.

(c) NATIONAL PARK SYSTEM WILDERNESS.—

(1) GATES OF THE ARCTIC WILDERNESS.—

(A) REDESIGNATION.—Section 701(2) of the Alaska National Interest Lands Conservation Act (94 Stat. 2371, 2417) establishing the Gates of the Arctic Wilderness is hereby amended with the addition of approximately 56,825 acres as wilderness and the rescission of approximately 73,993 acres as wilderness, thus revising the Gates of the Arctic Wilderness to approximately 7,034,832 acres.

(B) MAP.—The lands redesignated by subparagraph (A) are depicted on a map entitled "Wilderness Actions, Proposed Anaktuvuk Pass Land Exchange and Wilderness Redesignation, Gates of the Arctic National Park and Preserve", Map No. 185/80,040, dated April 1994, and on file at the Alaska Regional Office of the National Park Service and the office of Gates of the Arctic National Park and Preserve in Fairbanks, Alaska.

(2) NOATAK NATIONAL PRESERVE.—Section 201(8)(a) of the Alaska National Interest Land Conservation Act (94 Stat. 2380) is amended by—

(A) striking "approximately six million four hundred and sixty thousand acres" and inserting in lieu thereof "approximately 6,477,168 acres"; and

(B) inserting "and the map entitled "Noatak National Preserve and Noatak Wilderness Addition" dated September 1994" after "July 1980".

(3) NOATAK WILDERNESS.—Section 701(7) of the Alaska National Interest Lands Conservation Act (94 Stat. 2417) is amended by striking "approximately five million eight hundred thousand acres" and inserting in lieu thereof "approximately 5,817,168 acres".

(d) CONFORMANCE WITH OTHER LAW.—

(1) ALASKA NATIVE CLAIMS SETTLEMENT ACT.—All of the lands, or interests therein, conveyed to and received by Arctic Slope Regional Corporation or Nunamiut Corporation pursuant to the Agreement shall be deemed conveyed and received pursuant to exchanges under section 22(f) of the Alaska Native Claims Settlement Act, as amended (43 U.S.C. 1601, 1621(f)). All of the lands or interests in lands conveyed pursuant to the Agreement shall be conveyed subject to valid existing rights.

(2) ALASKA NATIONAL INTEREST LANDS CONSERVATION ACT.—Except to the extent specifically set forth in this section or the Agreement, nothing in this section or in the Agreement shall be construed to enlarge or diminish the rights, privileges, or obligations of any person, including specifically the preference for subsistence uses and access to subsistence resources provided under the Alaska National Interest Lands Conservation Act (16 U.S.C. 3101 et seq.).

SEC. 302. ALASKA PENINSULA SUBSURFACE CONSOLIDATION.

(a) DEFINITIONS.—As used in this section:

(1) AGENCY.—The term agency—

(A) means any instrumentality of the United States, and any Government corporation (as defined in section 9101(1) of title 31, United States Code); and

(B) includes any element of an agency.

(2) ALASKA NATIVE CORPORATION.—The term "Alaska Native Corporation" has the same meaning as is provided for "Native Corporation" in section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)).

(3) FEDERAL LANDS OR INTEREST THEREIN.—The term "Federal lands or interests therein" means any lands or properties owned by the United States (A) which are administered by the Secretary, or (B) which are subject to a lease to third parties, or (C) which have been made available to the Secretary for exchange under this section through the concurrence of the director of the agency administering such lands or properties: Provided however, That excluded from such lands shall be those lands which are within an existing conservation system unit as defined in section 102(4) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3102(4)), and those lands the mineral interest for which are currently under mineral lease.

(4) KONIAG.—The term "Koniag" means Koniag, Incorporated, which is a regional Corporation.

(5) REGIONAL CORPORATION.—The term "Regional Corporation" has the same meaning as is provided in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(g)).

(6) SECRETARY.—Except as otherwise provided, the term "Secretary" means the Secretary of the Interior.

(7) SELECTION RIGHTS.—The term "selection rights" means those rights granted to Koniag and confirmed as valid selections (within Koniag's entitlement), pursuant to subsections (a) and (b) of section 12, and section 14(h)(8), of the Alaska Native Claims Settlement Act (43 U.S.C. 1611 and 1613(h)(8)), to receive title to the oil and gas rights and other interests in the subsurface estate of the approximately 275,000 acres of public lands in the State of Alaska identified as "Koniag Selections" on the map entitled "Koniag Interest Lands, Alaska Peninsula", dated May 1989.

(b) VALUATION OF KONIAG SELECTION RIGHTS.—

(1) IN GENERAL.—Pursuant to paragraph (2) of this subsection, the Secretary shall value the Selection Rights which Koniag possesses within the boundaries of Aniakchak National Monument and Preserve, Alaska Peninsula National Wildlife Refuge, and Becharof National Wildlife Refuge.

(2) VALUE.—

(A) IN GENERAL.—The value of the selection rights shall be equal to the fair market value of—

(i) the oil and gas interests in the lands or interests in lands that are the subject of the selection rights; and

(ii) in the case of the lands or interests in lands for which Koniag is to receive the entire subsurface estate, the subsurface estate of the lands or interests in lands that are the subject of the selection rights.

(B) APPRAISAL.—

(i) SELECTION OF APPRAISER.—

(I) IN GENERAL.—Not later than 90 days after the date of enactment of this section the Secretary and Koniag shall meet to select a qualified appraiser to conduct an appraisal of the selection rights. Subject to subclause (II), the appraiser shall be selected by the mutual agreement of the Secretary and Koniag.

(II) FAILURE TO AGREE.—If the Secretary and Koniag fail to agree on an appraiser by the date that is 60 days after the date of the initial meeting referred to in subclause (I), the Secretary and Koniag shall, by the date that is not later than 90 days after the date of the initial meeting, each designate an appraiser who is qualified to perform the appraisal. The 2 appraisers so identified shall select a third qualified appraiser who shall perform the appraisal.

(ii) STANDARDS AND METHODOLOGY.—The appraisal shall be conducted in conformity with the standards of the Appraisal Foundation (as defined in section 1121(9) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 3350(9)).

(iii) SUBMISSION OF APPRAISAL REPORT.—Not later than 180 days after the selection of an appraiser pursuant to clause (i), the appraiser shall submit to the Secretary and to Koniag a written appraisal report specifying the value of the selection rights and the methodology used to arrive at the value.

(C) DETERMINATION OF VALUE.—

(i) DETERMINATION BY THE SECRETARY.—Not later than 60 days after the date of the receipt of the appraisal report under subparagraph (B)(iii), the Secretary shall determine the value of the selection rights and shall notify Koniag of the determination.

(ii) ALTERNATIVE DETERMINATION OF VALUE.—

(I) IN GENERAL.—Subject to subclause (II), if Koniag does not agree with the value determined by the Secretary under clause (i), the procedures specified in section 206(d) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716 (d)) shall be used to establish the value.

(II) AVERAGE VALUE LIMITATION.—The average value per acre of the selection rights shall not be less than the value utilizing the risk adjusted discount cash flow methodology, but in no event may exceed $300.

(c) KONIAG ACCOUNT.—

(1) IN GENERAL.—(A) The Secretary shall enter into negotiations for an agreement or agreements to exchange Federal lands or interests therein which are in the State of Alaska for the Selection Rights.

(B) If the value of the Federal property to be exchanged is less than the value of the Selection Rights established in subsection (b), and if such Federal property to be exchanged is not generating receipts to the Federal Government in excess

of $1,000,000 per year, then the Secretary may exchange the Federal property for that portion of the Selection Rights having a value equal to that of the Federal property. The remaining selection rights shall remain available for additional exchanges.

(C) For the purposes of any exchange to be consummated under this section, if less than all the selection rights are being exchanged, then the value of the selection rights being exchanged shall be equal to the number of acres of selection rights being exchanged multiplied by a fraction, the numerator of which is the value of all the selection rights as determined pursuant to subsection (b) hereof and the denominator of which is the total number of acres of selection rights.

(2) ADDITIONAL EXCHANGES.—If, after 10 years from the date of the enactment of this section, the Secretary was unable to conclude such exchanges as may be required to acquire all of the selection rights, he shall conclude exchanges for the remaining selection rights for such Federal property as may be identified by Koniag, which property is available for transfer to the administrative jurisdiction of the Secretary under any provision of law and which property, at the time of the proposed transfer to Koniag is not generating receipts to the Federal Government in excess of $1,000,000 per year. The Secretary shall keep Koniag advised in a timely manner as to which properties may be available for such transfer. Upon receipt of such identification by Koniag, the Secretary shall request in a timely manner the transfer of such identified property to the administrative jurisdiction of the Department of the Interior. Such property shall not be subject to the geographic limitations of section 206(b) of the Federal Land Policy and Management Act and may be retained by the Secretary solely for purposes of transferring it to Koniag to complete the exchange. Should the value of the property so identified by Koniag be in excess of the value of the remaining selection rights, then Koniag shall have the option of (A) declining to proceed with the exchange and identifying other property, or (B) paying the difference in value between the property rights.

(3) REVENUES.—Any property received by Koniag in an exchange entered into pursuant to paragraph (1) or (2) shall be deemed to be an interest in the subsurface for purposes of section 7(i) of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.): Provided however, That should Koniag make a payment to equalize the value in any such exchange, then Koniag will be deemed to hold an undivided interest in the property equal in value to such payment which interest shall not be subject to the provisions of section 7(i) of that Act.

(d) AUTHORITY TO APPOINT AND REMOVE TRUSTEE.—In establishing a Settlement Trust under section 39 of the Alaska Native Claims Settlement Act (43 U.S.C. 1629c), Koniag may delegate, in whole or in part, the authority granted to Koniag under subsection (b)(2) of such section to any entity that Koniag may select without affecting the status of the trust as a Settlement Trust under such section.

The SPEAKER pro tempore (Mr. EWING). Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from California [Mr. MILLER] each will control 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

A half a century ago, the civic and business leaders in northern Utah joined together and acquired a magnificent mountain area called Snowbasin, just miles away from the city of Ogdon. They envisioned a ski area at Snowbasin with world class potential that would attract skiers from all over the world.

Today, their dream is a reality.

On June 16, 1995, the International Olympic Committee [IOC] awarded the honor of hosting the 2002 winter Olympic games to Salt Lake City. In so doing, Olympic experts chose Snowbasin as the site for the prestigious downhill skiing events of the winter games. Considered by Olympic experts to be one of the best downhill ski areas in North America, Snowbasin is an outstanding selection for Olympic competition because of its huge vertical and technical difficulty. In truth, the IOC members saw the very same ski potential in Snowbasin that the leaders of Ogden imagined decades ago.

As a result of this Olympic decision, I am very pleased to present to the House H.R. 3907, the 2002 Winter Olympic Games Facilitation Act, a measure that is urgently needed to enable these major men's and women's downhill ski events to occur at Snowbasin in the year 2002.

I am grateful for the tremendous support and endorsements received from those in Utah including Gov. Michael Leavitt, the Utah State Legislature, the city of Ogden, civic organizations, numerous citizens and even members of the media. I thank the chairman of the Salt Lake Olympic Organization Committee, Mr. Frank Joklik, who twice came to Washington to inform Congress of Snowbasin's importance to the winter games.

Mr. Speaker, I reserve the balance of my time.

Mr. MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Utah has properly explained, this legislation provides for the Snowbasin land exchange as it was considered in the committee, and this is to facilitate the winter Olympics in Salt Lake City in 2002. We believe that that is in fact proper.

I do continue to have some reservations about our approval of a privately prepared master development plan and the sufficiency language which I believe is still in this legislation, but I also believe that this legislation is important to the facilities for the Olympics. This legislation also includes a provision for the funding of the Palisades Interstate Park Commission for acquisition of lands within Sterling Forest.

Many of our colleagues, the gentleman from New York, Mr. HINCHEY, the gentleman from New Jersey, Mr. MARTINI, the gentlewoman from New Jersey, Mrs. ROUKEMA, Senator BRADLEY, Senator LAUTENBERG, the gentleman from New Jersey, Mr. TORRICELLI, virtually the whole New Jersey delegation and much of the New York delegation has worked on this legislation for a considerable period of time.

This is a very important piece of legislation as is Snowbasin because this also provides for the protection of habitat of some 27 rare and endangered species and also provides the protection of a very significant watershed area for northern New Jersey and providing drinking water for approximately 25 percent of that State's population. The legislation will allow for the joint Federal-State venture to acquire lands from a willing seller and a willing buyer to be managed by a commission which will permanently protect the watershed outdoor recreational resources and open space of the area.

Finally, this legislation includes, I believe, now a third title dealing with lands within Alaska, the Anaktuvuk pass legislation which was noncontroversial and passed this House before, and Koniag, what was originally a wilderness bill authored by the gentleman from Alaska [Mr. YOUNG], the chairman of our committee. As I understand it now, the wilderness provisions have been dropped for that but provides authority for selection rights.

I would like to ask the gentleman from Utah [Mr. HANSEN], chairman of the subcommittee, a question, if I might. It is my understanding that it has been amended so that the Secretary is authorized to purchase only those lands which in fact the natives actually own and not their selection rights as originally written. Is that the gentleman's understanding of the amendment?

Mr. HANSEN. Mr. Speaker, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Utah.

Mr. HANSEN. Mr. Speaker, that would be my understanding of the legislation also.

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for accepting that amendment. I think it makes this legislative package much less controversial and its success chances much higher. It was my understanding that the administration did have serious problems with the Koniag portion of this legislation in the sense that the Government might get itself, under the original legislation, into the payment of rights that, in fact, perhaps were not even owned by the native corporation. I think this amendment takes care of it. I think, with that, this legislation deserves the support of all of the Members of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I appreciate the comments of the gentleman from California.

Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], one who has worked very diligently on this bill.

Mrs. ROUKEMA. Mr. Speaker, I certainly want to thank the gentleman from Utah, Chairman HANSEN, for his help.

Mr. Speaker, I rise in strong support of H.R. 3907 and urge my colleagues on both sides of the aisle to support this important legislation.

Today, we are here with good news for the people of New Jersey and New York—H.R. 3907 is the key that will unlock the appropriated money that Congress has included in this year's Interior appropriations bill to help purchase Sterling Forest.

East has finally met West and Sterling Forest is no longer part of gridlock in this Congress. Enactment of this legislation is essential, if the Federal Government is to play a role in this public-private partnership.

We are clearing an important hurdle here today in our commitment to preserve and protect Sterling Forest once and for all.

First, I want to thank Chairman HANSEN for recognizing the overriding interests of the Nation—and for his willingness to understand that Sterling Forest is more than just a pristine piece of open space for camping, skiing, hiking, and fishing as significant an asset as this open space is to our region. It is the source of clean, safe drinking water for some 3 million northern New Jersey residents. If we allow that drinking water to be contaminated by development, we will pay the purchase price many times over in cleanup cost and the cost of building new water treatment plants. With this legislation, we are not being penny wise and pound foolish. Instead of reacting to a crisis after the fact, we are anticipating the problem now and taking steps to avoid it. This legislation is good public policy.

As you know, Sterling Forest is one of the largest tracts of privately owned, undeveloped forest land in the mid-Atlantic United States. This is heavily forested land—10 percent of which is located in my district in northern New Jersey and the remaining 90 percent of which is located in orange County, NY, our colleague BEN GILMAN's district. It currently provides countless recreational opportunities to millions of nearby residents and visitors. Again, it is not only recreation that brings me here today as high a priority as open space is to our region, but something far more fundamental—water.

As the primary source of drinking water to over 3 million residents of my State, preservation of Sterling Forest is essential. Numerous tributaries and feeder streams flow south from Sterling Forest right into the Wanaque reservoir, which supplies drinking water for 25 percent of all residents of New Jersey.

Consequently, the protection of this unique natural resource in a region struggling to grapple with urban sprawl is a matter of utmost importance. This is a critical issue for the most densely populated area of the Nation's most densely populated State, northern New Jersey.

Simply put: preserving Sterling Forest protects the drinking water supply of northern New Jersey and New York, and it is imperative for the 104th Congress to take action.

At the State level, the support for preserving Sterling Forest is equally strong.

Governor Whitman has already signed into law legislation that commits our State to spending $10 million to help with the purchase of the forest. In addition, Governor Pataki has committed his administration in Albany to match New Jersey's contribution dollar-for-dollar.

Here in Congress, legislation to protect Sterling Forest has enjoyed bipartisan support in both the New Jersey and New York delegations, as witnessed by the presence of those Members who are speaking today.

In these times of tight budget constraints, it is simply unrealistic to expect the Government to carry the burden by itself. From the beginning the coalition behind Sterling Forest firmly believed that the best method to use in preserving and protecting Sterling Forest was a public-private partnership, with its purchase price being funded using private, State and Federal funds. That is why I introduced H.R. 194 in 1995 and have consistently supported H.R. 400 as passed by the Senate last July as the most expeditious solution to seeing that Sterling Forest was protected.

To date, at least $5 million in private contributions have been committed toward helping protect Sterling Forest. These efforts will continue, and private funds are expected to play an important role in the purchase of this land.

And, as I have already mentioned, New Jersey and New York have committed to spending $10 million each.

I want to emphasize something about these Federal funds: this is a one-time funding request, because this legislation provides for the Palisades Interstate Park Commission [PIPC] and the State of New York to accept financial responsibility for the long-term management of the Sterling Forest. This cost sharing is consistent with my legislation H.R. 194.

I also want to thank Chairman REGULA. For years, I have worked with him in an effort to secure appropriate funding levels for this important project. I am happy to report that this year Chairman REGULA was instrumental in seeing that language was included in the Interior appropriations bill which ranked Sterling Forest as one of the Nation's top two priorities for land acquisition and recommended that Sterling Forest receive $9 million as a down payment on the Federal Government's $17.5 million share of the purchase price.

Finally, I want to thank the Speaker for his strong endorsement of this important project to New Jersey. In March Speaker GINGRICH visited Sterling Forest and promised that Congress would pass legislation to protect Sterling Forest this year. Clearly, his advocacy has been an important factor in reaching this point today, and I want to express my appreciation for his assistance.

On behalf of the 3 million New Jersey residents who depend on this area for clean safe drinking water and the millions of recreational users who treasure this pristine open space, I urge you to support H.R. 3907.

Mr. MILLER of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this legislation accomplishes two important objectives. First, it completes a land exchange that is key to preparing base facilities at Snowbasin for the 2002 Olympics. Second, it provides the means to allow Olympic Phase I. Facilities to be built on National Forest System lands at Snowbasin in a timely manner.

THE LAND EXCHANGE

Let me first discuss the land exchange. This legislation completes a land trade that has been under administrative review by the U.S. Forest Service for more than a decade. In the 1940's the ownership of Snowbasin was transferred to the Forest Service, who at the time was actively engaged in promoting skiing interests.

The need to finalize the Snowbasin land exchange was heightened when the IOC awarded the 2002 Winter Olympics to Salt Lake City. In order to accommodate the downhill ski events, which attract large crowds and extensive media coverage, major new visitor and support facilities must be constructed at the base of Snowbasin. Therefore, the need to prepare base facilities at Snowbasin for the Olympics provides greater urgency to complete the land exchange as soon as possible.

The provisions set forth in the 2002 Winter Olympic Games Facilitation Act make this a traditional land exchange in all respects, namely: The Forest Service will receive high priority lands it has designated for acquisition; Public and private lands will be appraised in accordance with Uniform Standards for Federal Land Acquisition and FLPMA; Land exchange values will be exactly equal through traditional cash equalization payments, and Public and private lands will be conveyed simultaneously.

I want to emphasize that in exchange for the 1,320 acres of land at Snowbasin, the United States will receive at least 4,100 acres of land in the same vicinity. This is beautiful mountain land that possesses outstanding recreational and environmental values. One of the exchange parcels Taylor Canyon lies directly on the outskirts of the city of Ogden. It is a magnificent canyon area that the Forest Service and residents of Ogden have desired for public acquisition. Another parcel is Lighting Ridge Ridge located about 20 miles from Ogden. Not only is this beautiful mountain land but this parcel will open public access to 4,000 acres of National Forest land. Once this land exchange is completed, the National Forest in Utah will increase in size by more than four square miles while providing public access to thousands of additional acres of National Forest land that has long been isolated.

Environmentally, the Snowbasin land exchange is based on sound merit. Numerous resource studies, including an Environmental Impact Statement, have already been completed by the Forest Service at Snowbasin. These studies, which span more than a decade, have been extensive and cover such areas as fish, wildlife, plant, water, soil, geologic, cultural, and socio-economic aspects of Snowbasin. The Forest Service has supplemented this work with specific studies on areas of special concern. Furthermore, Olympic planners also chose Snowbasin because it raised far fewer environmental concerns than other potential sites. When environmental impacts of all possible ski areas in northern Utah were considered, Snowbasin represented the best alternative.

PHASE I FACILITIES—CONSTRUCTION & OPERATION

The second—and perhaps most important—reason for the 2002 Winter Olympic Games Facilitation Act relates to timing. Since the Snowbasin ski area will remain in the National Forest after the trade, the downhill courses, snowmaking, chair lifts, safety netting, and equipment and other facilities must be built on National Forest land for the Olympics. These facilities are needed to accommodate the athletes, spectators and the media. My subcommittee heard compelling testimony that construction of these facilities must begin soon to prepare Snowbasin for both Olympic and pre-Olympic—World Cup—events. The first international test events at Snowbasin are scheduled for the winter of 1998–99. This Olympic timetable represents a unique circumstance and the Forest Service indicates that an expedited review and implementation process is necessary.

CONCLUSION

Snowbasin is the only venue of the 2002 Winter Olympic Games that will be held on National Forest land. As such, it presents a remarkable opportunity for America to showcase these magnificent lands to a worldwide television audience of about 3 billion people.

Throughout this legislative effort I have sought out the ideas and concerns of Forest Service officials, Members of Congress and professional staff, as well as senior administration officials. I have also listened closely to my Utah constituency. As a result, I can honestly say we have made a good faith effort to incorporate the views and suggestions I received. I believe we now have a very good bill that will enable Olympic progress at Snowbasin to proceed in a timely and environmentally sound manner. Therefore, I invite and ask my colleagues from both sides of the isle to join me in supporting this very important legislation for the 2002 Olympics.

Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. MARTINI], who has worked so hard on the portion of the bill on Sterling Forest.

Mr. MARTINI. Mr. Speaker, I rise in strong support of this bill—a product of much debate over the course of my service here in the House of Representatives. I must begin by thanking Speaker GINGRICH for his commitment to the acquisition of Sterling Forest, as well as to extend my thanks to Resources Subcommittee on Parks, Forests and lands Chairman JAMES HANSEN, for working with me on this legislation to authorize both the acquisition of Sterling Forest and the Snow Basin Land exchange.

Furthermore, Mr. Speaker, I must thank the New Jersey and New York delegation for their efforts. It was our collective pursuit of Sterling Forest that has today brought it to possible fruition.

With that said, I would like to take a moment to share with my colleagues the importance of acquiring Sterling Forest.

H.R. 3907 authorizes $17.5 million for the purchase of the most environmentally sensitive portion of the land—approximately 90 percent that has already been negotiated with the current owner. It also offers a land exchange opportunity for the remaining 10 percent of the land, a portion that is now partially developed.

As a Passaic County Freeholder, I understood early on the need to take action to protect Sterling Forest. In fact, during my service on the Passaic County Board of Freeholders, the board was the first entity to secure part of the Sterling Forest in 1993—purchasing 2,000 acres. I have since been looking forward to the day that the reserve would have compete Federal protection.

Located in southern New York and bordering northern New Jersey, Sterling Forest, in its current undeveloped state, is important to the residents of both States for a variety of reasons. I like to think of it as a 21st Century equivalent to Central Park. While today Sterling Forest is removed from densely populated areas, just as Central Park was at its inception, decades from now the importance of this preserved open space will be ten-fold.

Sterling Forest is a 17,500 acre water and recreational reserve that area residents and public officials have repeatedly requested the Federal Government protect. As a recreational area for New York and New Jersey, Sterling Forest offers a haven for families and individuals interested in leaving behind stresses of everyday life. The picturesque beauty of this natural sanctuary provides a wide variety of outdoor activities for the enjoyment of everyone. Sterling Forest even serves as a connection to the Northeast with the Appalachian trail winding its way through the forest's rough terrain.

Most importantly, however, Sterling Forest is a watershed for most of northern New Jersey and the surrounding area. It provides nearly 2 million New Jersey residents with clean and safe drinking water.

Proposed development and urbanization of this area will destroy a great bounty of natural resources to the entire Northeast. Furthermore, if the land is developed, the water that flows from Sterling Forest could become polluted. The only viable solution at that point would be to build a water treatment center at the cost of $150 million to New Jersey taxpayers. Not only would this cost the taxpayers revenue they just don't have but it is, at best, a second-rate solution. Truthfully, Mr. Speaker, there is just no comparison between treated water and water from a natural watershed such as Sterling Forest.

I see it as fitting that we pass today's legislation during the same week as we take up both the Water Resources Development Act of 1996 and the conference report for the Safe Drinking Water Act Amendments. This string of legislation demonstrates the 104th Congress' commitment to providing safe drinking water and protecting our nations water resources for generations to come.

Some naysayers continue to challenge this Congress's record on the environment. However, the fact is that Sterling Forest has come further in the 104th Congress than ever before.

This Congress, as well as this legislation, also recognizes that the fiscal order of the House of Representatives has been neglected for too many years. There must be a balance between our fiscal responsibility and environmental protection, for the two are intertwined.

We, as a nation are now realizing that to do otherwise would be a travesty of justice—to leave our children with a nation either in financial ruin or a nation in environmental ruin. Both are unacceptable.

This legislation sets up an unique management and fiscal partnership between all levels of government. Governor Christine Todd Whitman of New

Jersey signed the appropriation and authorization of $10 million towards the project, Governor George Pataki of New York approved the 1995–96 budget including $18 million for land conservation, and private interest are also involved in the funding of this acquisition.

In fact, purchasing this land is a just a one-time expense. The Department of the Interior will not be burdened by the costs of managing and maintaining the forest, for this will be done jointly by New York and New Jersey. A partnership such as this of local, State, and Federal governments is positive for all involved and should serve as a model for future land acquisition.

To those who claim that you cannot protect the economy and the environment simultaneously, I say that our efforts demonstrate a proper balance of the two. The acquisition of Sterling Forest should clearly be viewed by my colleague here in the House of Representatives as an investment in the future of the tri-state region.

In closing, I would like to applaud the joint effort that has existed for a number of years toward this common goal. An alliance of governmental agencies and public interest groups have joined together to save this vital resource. It is through this collective effort and I believe we will finally reach our goal and save Sterling Forest from development.

No matter how you look at this project, saving the forest yields no negative repercussions. The preservation of a vital source of water to one of the most populated areas of the country is not simply a laudable aspiration, but rather a necessary undertaking.

Furthermore, the residents are opposed to development; the local governments are opposed to development; and the taxpayers are opposed to development.

I am confident that we will all share in the success of the acquisition of Sterling Forest in the very near future and for many generations to come. Please support H.R. 3907.

Mr. HANSEN. Mr. Speaker, I yield 1 minute to another gentleman from New Jersey [Mr. FRELINGHUYSEN], who has worked very diligently on this bill.

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise today in support of H.R. 3907, and I thank the gentleman from Utah [Mr. HANSEN] and the ranking member for their support and hard work in helping this long sought objective be realized.

I strongly support the provisions for the acquisition of Sterling Forest, this important largest undeveloped property in the New York-New Jersey metropolitan area. It is a water and recreational reserve area and especially a valuable watershed for northern New Jersey. Approximately 3½ million citizens depend on this area for clean water.

Let me thank the Speaker, the gentleman from Georgia [Mr. GINGRICH], the gentlewoman from New Jersey [Mrs. ROUKEMA], my colleague, the gentleman from New Jersey [Mr. MARTINI], for their leadership in preserving this valuable and scarce open space. Without their efforts, and most particularly the efforts of the gentleman from Utah [Mr. HANSEN], we would not be here today, and I am here today to support this proposal, and I urge my colleagues to adopt it.

Mr. Speaker, I rise today in strong support of H.R. 3907, the Snowbasin Land Exchange and Sterling Forest Land Acquisition Act. I strongly support the provisions in this legislation that authorize $17.5 million for the acquisition of Sterling Forest.

Sterling Forest consists of 20,000 acres in New York and New Jersey and is currently owned by the Sterling Forest Corp., which plans to develop residences, retail, and light industrial properties on the site. If development takes place, it will impact this critical watershed that provides water for over 3½ million people in northern New Jersey. This is almost 28 percent of New Jersey's water supply that would be negatively affected by development of the land tract and would possibly cost New Jersey hundreds of millions of dollars in construction costs for new water treatment plants.

This issue has been a priority for the State of New Jersey for some time, and a priority for me as well. When I served in the State Legislature as chairman of the Assembly Appropriations Committee, I was able to provide $10 million for the acquisition of the land in the State budget. Gov. Christine Whitman has worked in conjunction with Gov. George Pataki of New York to secure adequate funding to see that both our States contribute these essential dollars toward the overall purchase price.

This legislation today continues this effort at the Federal level. And, upon authorization of this bill, I am committed to pursuing funding as a member of the Appropriations Committee. I have also received assurances from Secretary of the Interior Bruce Babbitt on several occasions that he will support funding for Sterling Forest once the project is authorized.

Let me make clear that this authorization is a one-time cost to the Federal Government. The $17.5 million authorized in this legislation is for acquisition costs only after that point, the area will be fully operated and managed by the Palisades Interstate Park Commission. In fact, the long-term costs to the local and State Governments for water treatment and road construction will be far greater if this purchase is not made. And, the Federal Government's cost is small relative to the total amount needed to buy and maintain the property—a major commitment made by New Jersey and New York and a testament to the importance of the preservation of Sterling Forest to our area. Sterling Forest is the largest remaining undeveloped wilderness tract in the New York metropolitan region.

Mr. Speaker, I thank you for your commitment to preserving this land, as well as Congressman MARTINI and Congresswoman ROUKEMA for all of their work on this issue. This acquisition is for the public benefit and will serve the interest of present as well as future generations. Again, I strongly support this legislation and urge support for the bill.

Mr. HANSEN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FORBES].

Mr. FORBES. Mr. Speaker, I rise in support of H.R. 3907 and compliment my colleagues from New Jersey and New York who have previously spoken on this very important measure.

The Sterling Forest Preserve is critical to our region of New York and New Jersey, and I want to also salute Governors Pataki and Whitman and of course the bipartisan cooperation that existed in allowing for this open space preservation.

This is a legacy, Mr. Speaker, to our children and to future generations. We want very much to make sure that this recreation preserve and the water resource that would be protected by the acquisition of these 17,500 acres must go forward. It is critical to our area, and I thank the gentleman from Utah [Mr. HANSEN] and the committee for their leadership in allowing us to come forward, and again I want to compliment the Speaker for his leadership in allowing for this preservation.

Mr. HANSEN. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I really want to take this opportunity for unanimous consent to revise and extend my remarks and acknowledge the essential role of the gentleman from New York [Mr. GILMAN], who could not be here today. He represents the New York portion of Sterling Forest. He is at a memorial service for former Congressman Fish this morning. But the gentleman from New York [Mr. GILMAN] played an invaluable role here, and I want him to be recognized here today.

Mr. GILMAN. Mr. Speaker, I rise in strong support for H.R. 3109, compromise legislation that includes the Utah snowbasin ski area and provides for the acquisition of Sterling Forest.

I wish to thank Chairman HANSEN, my colleagues from New Jersey, MARGE ROUKEMA and BILL MARTINI, and my friend from New York, SHERRY BOEHLERT, for all of their hard work and persistence in bringing this bill to the floor.

In addition, I want to thank Speaker GINGRICH for all of his efforts on this matter. As my colleagues may remember the Speaker during his visit to Sterling Forest promised that the 104th Congress would preserve Sterling Forest. Today the Speaker has fulfilled his promise.

The passage of this bill will guarantee that Sterling Forest will be protected, and will ensure that the last underdeveloped tract of land in the Metropolitan New York area will be conserved, while protecting a vital watershed, wildlife, and providing additional recreational opportunities.

As the Representative of the 20th Congressional District which includes 17,500 acres of Sterling Forest, I can attest to the beauty, historical significance, and environmental need to preserve this unique tract of land.

This has been a long time coming. I am especially pleased that we are able to vote for a bill today that will benefit Utah as well as the New York metropolitan region. This is an example of what we can accomplish for the environment when East and West come together.

I urge all of my colleagues to vote for this important environmental measure.

Mr. FORBES. Mr. Speaker, I rise today in support of H.R. 3907, a bill to authorize the acquisition of Sterling Forest and the Snow Basin land exchange.

Sterling Forest is a unique area just 35 miles from New York City. Comprised of dense woodland, undisturbed meadows, and majestic ridgetops, Sterling Forest is host to a number of unique biological communities and numerous sensitive wildlife species. It also consists of a major part of the watershed for the reservoirs that provide water to 25 percent of all residents in New Jersey and most New York City residents. To maintain, not only these valuable natural resources but the quality of these waters, acquisition of Sterling Forest has been a priority for many years.

Recently, an innovative partnership strategy was developed with the States of New Jersey and New York to bring the preservation of Sterling Forest within reach. Each State has set aside $10 million to contribute toward the acquisition and private philanthropy has donated another $7.5 million. The final contribution needed is $17.5 million from the Federal Government.

The House Appropriations Committee realized the need to purchase this land and has recommended $9 million for the first-year funding of this project. This legislation will move us one step closer toward acquiring Sterling Forest. It authorizes $17.5 million for acquisition of the most environmentally sensitive portion of the forest—90 percent of the tract—and includes a land swap for the remaining 10 percent of the property. It also directs the Secretary of the Interior to designate excess Federal lands to be sold to raise money to fund the purchase of the additional 10 percent of the land.

Mr. Speaker, the owners of the remainder of Sterling Forest have agreed to sell the majority of the property—including the most critical watershed natural, and recreation lands. Unfortunately, we only have 2 years in which to purchase the property or else the owners will move forward with a plan to build thousands of homes and millions of square feet of office and commercial space on Sterling Forest.

I commend the House of Representatives for considering H.R. 3907. After Several years of stalemate on this issue we are now one step closer to preserving Sterling Forest forever

Mrs. KELLY. Mr. Speaker, I rise in strong support of H.R. 3907, legislation which authorizes $17.5 million for the acquisition of the important 17,500 acres Sterling Forest reserve, located in southern New York and northern New Jersey. The acquisition of the Sterling Forest represents perhaps the most important environmental issue for our region, and represents an outstanding environmental accomplishment for the 104th Congress.

Sterling Forest is at the headwaters of a system of reservoirs which provide water for 1.8 million Metropolitan area residents. It is heavily forested, accommodating a wide variety of wildlife and plant species, and also includes a portion of the Appalachian Trail. Twenty-six million Americans live within a 2-hour drive of this important environmental resource.

The acquisition of the Sterling Forest represents a unique partnership between the Federal Government, the States of New York and New Jersey, and environmental and other private sector interests. The States have each pledged $10 million toward acquisition, and the private sector will put up $5 million.

Protecting the Sterling Forest makes sense from an environmental standpoint, it makes sense from a recreational standpoint, and it represents a good deal for the taxpayer. In New Jersey alone, an estimated $150 million in water treatment costs will be required if the reservoirs adjacent to the forest are polluted from runoff resulting from over-development. The modest Federal investment authorized by this legislation will protect these reservoirs for generations to come, and do so in a very cost-effective and environmentally sound manner.

I urge my colleagues to join me in supporting this important legislation.

Mr. HANSEN. Mr. Speaker, following is the Congressional Budget Office cost estimate for H.R. 3907, a bill to facilitate the 2002 Winter Olympic Games in the State of Utah at the Snowbasin Ski area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes, that passed the House on Tuesday, July 30, 1996.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 29, 1996.

Hon. DON YOUNG,
Chairman, Committee on Resources, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 3907, a bill to facilitate the 2002 Winter Olympic Games in the state of Utah at the Snowbasin Ski Area, to provide for the acquisition of lands within the Sterling Forest Reserve, and for other purposes, as introduced in the House of Representatives on July 26, 1996. Assuming appropriation of the necessary sums, CBO estimates that the federal government would spend $17.5 million over the next several years to implement Title II of this bill. In addition, Title I of the bill would affect direct spending; therefore, pay-as-you-go procedures would apply. However, we estimate that any change in direct spending would be insignificant.

FEDERAL BUDGETARY IMPACT

Title I would authorize and direct the Secretary of Agriculture to transfer to the Sun Valley Company 1,230 acres of federally owned land for the Snowbasin Ski Area, located within the Cache National Forest in Utah. In exchange, the Forest Service would receive about 4,100 acres of privately owned land of roughly equal value located within the Cache National Forest. Based on conversations with the committee staff, we understand that the map designations are intended to be the same as those in H.R. 2402, as reported by the Committee on Resources on December 15, 1995. Based on information from the Forest Service, CBO estimates that this exchange would cause the federal government to lose receipts from permit fees totaling less than $25,000 annually. We estimate that no significant change in discretionary spending would result from implementing this title.

Title II would authorize the Secretary of the Interior to transfer funds to the Palisades Interstate Park Commission for the purpose of acquiring lands and related interests in the Sterling Forest Reserve in New York. The title would authorize the appropriation of up to $17.5 million for this purpose. In addition, section 202 would authorize the Secretary to exchange unreserved federal lands for about 2,220 acres of nonfederal property in Sterling Forest. The Secretary would be directed to transfer to the commission any land acquired by exchange.

Assuming that the entire amounts authorized for land acquisition would be appropriated as needed by the commission, CBO estimates that the Secretary of the Interior would transfer $17.5 million to the commission over the next several years. It is unlikely that any land exchanges would be executed under the authority provided in this title because there is probably no federal land suitable for exchange purposes in New York, and any federal land located in other states could probably not be used for the exchange without specific legislative authority.

IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 3907 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act of 1995 (Public Law 104-4). The state of Utah would lose a small amount of receipts as a result of the proposed land transfer in Title I because it receives 25 percent of the permit fees paid by ski areas on federal lands within the state. The bill would impose no other costs on state, local, or tribal governments.

IMPACT ON THE PRIVATE SECTOR

This bill would impose no new private-sector mandates as defined in Public Law 104-4.

PREVIOUS CBO ESTIMATES

On March 17, 1995, CBO completed a cost estimate for S. 223, the Sterling Forest Protection Act of 1995, as ordered reported by the Senate Committee on Energy and Natural Resources on March 15, 1995. S. 223 also would authorize the appropriation of $17.5 million for acquisition and transfer of the Sterling Forest lands. The Senate bill contains other provisions that would have cost the federal government about $200,000. Because these provisions are not included in H.R. 3907, estimated costs for this bill are lower.

On December 1, 1995, CBO completed a cost estimate for H.R. 2402, the Snowbasin Land Exchange Act of 1995, as ordered reported by the House Committee on Resources on November 16, 1995. H.R. 2402 contains provisions that are very similar to those of Title I of H.R. 3907, and the estimated costs for those provisions in the two bills are identical.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Deborah Reis and Victoria V. Heid (for federal costs), who can be reached at 226-2860, and Marjorie Miller (for the state and local impact), who can be reached at 225-3220.

Sincerely,

JUNE E. O'NEILL,
Director.

□ 1130

Mr. HANSEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 3907, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 84. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel BAGGER, and for other purposes.

S. 172. An act to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel L.R. BEATTIE.

S. 212. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SHAMROCK V.

S. 213. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ENDEAVOUR.

S. 278. An act to authorize a certificate of documentation for the vessel SERENITY.

S. 279. An act to authorize a certificate of documentation for the vessel WHY KNOT.

S. 475. An act to authorize a certificate of documentation for the vessel LADY HAWK.

S. 480. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel GLEAM.

S. 482. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel EMERALD AYES.

S. 492. An act to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel INTREPID.

S. 493. An act to authorize the Secretary of Transportation to issue a certificate of documentation for the vessel CONSORTIUM.

S. 527. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EMPRESS.

S. 528. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for three vessels.

S. 535. An act to authorize the Secretary of Transportation to issue certificates of documentation with appropriate endorsement for employment in coastwise trade for each of 2 vessels named GALLANT LADY, subject to certain conditions, and for other purposes.

S. 561. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ISABELLE, and for other purposes.

S. 583. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for two vessels.

S. 653. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel AURA.

S. 654. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel SUNRISE.

S. 655. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel MARANTHA.

S. 656. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel QUIETLY.

S. 680. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement vessel YES DEAR.

S. 739. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel SISU, and for other purposes.

S. 763. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel EVENING STAR, and for other purposes.

S. 802. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for vessel ROYAL AFFAIRE.

S. 808. An act to extend the deadline for the conversion of the vessel M/V TWIN DRILL, and for other purposes.

S. 826. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel PRIME TIME, and for other purposes.

S. 869. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel DRAGONESSA, and for other purposes.

S. 889. An act to authorize the Secretary of Transportation to issue a certificate of documentation with the appropriate endorsement for employment in the coastwise trade for the vessel WOLF GANG II, and for other purposes.

S. 911. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for the vessel SEA MISTRESS.

S. 975. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel JAJO, and for other purposes.

S. 1016. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MAGIC CARPET.

S. 1017. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel CHRISSY.

S. 1040. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel ONRUST.

S. 1041. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EXPLORER.

S. 1046. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade of the United States for fourteen former United States Army hovercraft.

S. 1047. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade endorsements for the vessels ENCHANTED ISLES and ENCHANTED SEAS.

S. 1149. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel BABS, and for other purposes.

S. 1272. An Act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel BILLY BUCK.

S. 1281. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SARAH-CHRISTEN.

S. 1281. An Act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TRIAD.

S. 1319. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TOO MUCH FUN, and for other purposes.

S. 1347. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel CAPTAIN DARYL, and for other purposes.

S. 1348. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel ALPHA TANGO, and for other purposes.

S. 1349. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for the vessel OLD HAT, and for other purposes.

S. 1358. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel CAROLYN, and for other purposes.

S. 1362. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel FOCUS.

S. 1383. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel WESTFJORD.

S. 1384. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel GOD'S GRACE II.

S. 1454. An act to authorize the Secretary of Transportation to issue a certification of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel JOAN MARIE, and for other purposes.

S. 1455. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MOVIN ON, and for other purposes.

S. 1456. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel PLAY HARD, and for other purposes.

S. 1457. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel SHOGUN, and for other purposes.

S. 1545. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MOONRAKER, and for other purposes.

S. 1566. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel MARSH GRASS TOO.

S. 1588. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel KALYPSO.

S. 1631. An act to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel EXTREME, and for other purposes.

S. 1648. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel HERCO TYME.

S. 1682. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel LIBERTY.

S. 1825. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel HALCYON.

S. 1826. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel COURIER SERVICE.

S. 1828. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel TOP GUN.

S. 1924. An act to authorize the Secretary of Transportation to issue a certificate of documentation and coastwise trade endorsement for the vessel DAMN YANKEE.

S. 1933. To authorize a certificate of documentation for certain vessels, and for other purposes.

WATER RESOURCES DEVELOPMENT ACT OF 1996

Mr. SHUSTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3592) to provide for conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3592

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Water Resources Development Act of 1996".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Definition.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Small flood control projects.
Sec. 103. Small bank stabilization projects.
Sec. 104. Small navigation projects.
Sec. 105. Small shoreline protection projects.
Sec. 106. Small snagging and sediment removal project, Mississippi River, Little Falls, Minnesota.
Sec. 107. Small projects for improvement of the environment.
Sec. 108. Project to mitigate shore damage.

TITLE II—GENERALLY APPLICABLE PROVISIONS

Sec. 201. Cost sharing for dredged material disposal areas.
Sec. 202. Flood control policy.
Sec. 203. Feasibility study cost-sharing.
Sec. 204. Restoration of environmental quality.
Sec. 205. Environmental dredging.
Sec. 206. Aquatic ecosystem restoration.
Sec. 207. Beneficial uses of dredged material.
Sec. 208. Recreation policy and user fees.
Sec. 209. Recovery of costs.
Sec. 210. Cost sharing of environmental projects.
Sec. 211. Construction of flood control projects by non-Federal interests.
Sec. 212. Engineering and environmental innovations of national significance.
Sec. 213. Lease authority.
Sec. 214. Collaborative research and development.
Sec. 215. Dam safety program.
Sec. 216. Maintenance, rehabilitation, and modernization of facilities.
Sec. 217. Long-term sediment management strategies.
Sec. 218. Dredged material disposal facility partnerships.
Sec. 219. Obstruction removal requirement.
Sec. 220. Small project authorizations.
Sec. 221. Uneconomical cost-sharing requirements.
Sec. 222. Planning assistance to States.
Sec. 223. Corps of Engineers expenses.
Sec. 224. State and Federal agency review period.
Sec. 225. Limitation on reimbursement of non-Federal costs per project.
Sec. 226. Aquatic plant control.
Sec. 227. Sediments decontamination technology.
Sec. 228. Shore protection.
Sec. 229. Project deauthorizations.
Sec. 230. Support of Army Civil Works Program.
Sec. 231. Benefits to navigation.
Sec. 232. Loss of life prevention.
Sec. 233. Scenic and aesthetic considerations.
Sec. 234. Removal of study prohibitions.
Sec. 235. Sense of Congress; requirement regarding notice.
Sec. 236. Reservoir Management Technical Advisory Committee.
Sec. 237. Technical corrections.

TITLE III—PROJECT MODIFICATIONS

Sec. 301. Mobile Harbor, Alabama.
Sec. 302. Alamo Dam, Arizona.
Sec. 303. Nogales Wash and Tributaries, Arizona.
Sec. 304. Phoenix, Arizona.
Sec. 305. San Francisco River at Clifton, Arizona.
Sec. 306. Channel Islands Harbor, California
Sec. 307. Glenn-Colusa, California.
Sec. 308. Los Angeles and Long Beach Harbors, San Pedro Bay, California.
Sec. 309. Oakland Harbor, California.
Sec. 310. Queensway Bay, California.
Sec. 311. San Luis Rey, California.
Sec. 312. Thames River, Connecticut.
Sec. 313. Potomac River, Washington, District Of Columbia.
Sec. 314. Canaveral Harbor, Florida.
Sec. 315. Captiva Island, Florida.
Sec. 316. Central and southern Florida, Canal 51.
Sec. 317. Central and southern Florida, Canal 111 (C-111).
Sec. 318. Jacksonville Harbor (Mill Cove), Florida.
Sec. 319. Panama City Beaches, Florida.
Sec. 320. Tybee Island, Georgia.
Sec. 321. White River, Indiana.
Sec. 322. Chicago, Illinois.
Sec. 323. Chicago Lock and Thomas J. O'Brien Lock, Illinois.
Sec. 324. Kaskaskia River, Illinois.
Sec. 325. Locks and Dam 26, Alton, Illinois and Missouri.
Sec. 326. North Branch of Chicago River, Illinois.
Sec. 327. Illinois and Michigan Canal.
Sec. 328. Halstead, Kansas.
Sec. 329. Levisa and Tug Forks of the Big Sandy River and Cumberland River, Kentucky, West Virginia, and Virginia.
Sec. 330. Prestonburg, Kentucky.
Sec. 331. Comite River, Louisiana.
Sec. 332. Grand Isle and vicinity, Louisiana.
Sec. 333. Lake Pontchartrain, Louisiana.
Sec. 334. Mississippi Delta Region, Louisiana.
Sec. 335. Mississippi River Outlets, Venice, Louisiana.
Sec. 336. Red River Waterway, Louisiana.
Sec. 337. Westwego to Harvey Canal, Louisiana.
Sec. 338. Tolchester Channel, Maryland.
Sec. 339. Saginaw River, Michigan.
Sec. 340. Sault Sainte Marie, Chippewa County, Michigan.
Sec. 341. Stillwater, Minnesota.
Sec. 342. Cape Girardeau, Missouri.
Sec. 343. New Madrid Harbor, Missouri.
Sec. 344. St. John's Bayou—New Madrid Floodway, Missouri.
Sec. 345. Joseph G. Minish Passaic River Park, New Jersey.
Sec. 346. Molly Ann's Brook, New Jersey.
Sec. 347. Passaic River, New Jersey.
Sec. 348. Ramapo River at Oakland, New Jersey and New York.
Sec. 349. Raritan Bay and Sandy Hook Bay, New Jersey.

Sec. 350. Arthur Kill, New York and New Jersey.
Sec. 351. Jones Inlet, New York.
Sec. 352. Kill Van Kull, New York and New Jersey.
Sec. 353. Wilmington Harbor-Northeast Cape Fear River, North Carolina.
Sec. 354. Garrison Dam, North Dakota.
Sec. 355. Reno Beach-Howards Farm, Ohio.
Sec. 356. Wister Lake, Oklahoma.
Sec. 357. Bonneville Lock and Dam, Columbia River, Oregon and Washington.
Sec. 358. Columbia River dredging, Oregon and Washington.
Sec. 359. Grays Landing Lock and Dam, Monongahela River, Pennsylvania.
Sec. 360. Lackawanna River at Scranton, Pennsylvania.
Sec. 361. Mussers Dam, Middle Creek, Snyder County, Pennsylvania.
Sec. 362. Saw Mill Run, Pennsylvania.
Sec. 363. Schuylkill River, Pennsylvania.
Sec. 364. South Central Pennsylvania.
Sec. 365. Wyoming Valley, Pennsylvania.
Sec. 366. San Juan Harbor, Puerto Rico.
Sec. 367. Narragansett, Rhode Island.
Sec. 368. Charleston Harbor, South Carolina.
Sec. 369. Dallas Floodway Extension, Dallas, Texas.
Sec. 370. Upper Jordan River, Utah.
Sec. 371. Haysi Lake, Virginia.
Sec. 372. Rudee Inlet, Virginia Beach, Virginia.
Sec. 373. Virginia Beach, Virginia.
Sec. 374. East Waterway, Washington.
Sec. 375. Bluestone Lake, West Virginia.
Sec. 376. Moorefield, West Virginia.
Sec. 377. Southern West Virginia.
Sec. 378. West Virginia trail head facilities.
Sec. 379. Kickapoo River, Wisconsin.
Sec. 380. Teton County, Wyoming.

TITLE IV—STUDIES

Sec. 401. Corps capability study, Alaska.
Sec. 402. McDowell Mountain, Arizona.
Sec. 403. Nogales Wash and Tributaries, Arizona.
Sec. 404. Garden Grove, California.
Sec. 405. Mugu Lagoon, California.
Sec. 406. Santa Ynez, California.
Sec. 407. Southern California infrastructure.
Sec. 408. Yolo Bypass, Sacramento-San Joaquin Delta, California.
Sec. 409. Chain of Rocks Canal, Illinois.
Sec. 410. Quincy, Illinois.
Sec. 411. Springfield, Illinois.
Sec. 412. Beauty Creek Watershed, Valparaiso City, Porter County, Indiana.
Sec. 413. Grand Calumet River, Hammond, Indiana.
Sec. 414. Indiana Harbor Canal, East Chicago, Lake County, Indiana.
Sec. 415. Koontz Lake, Indiana.
Sec. 416. Little Calumet River, Indiana.
Sec. 417. Tippecanoe River Watershed, Indiana.
Sec. 418. Calcasieu Ship Channel, Hackberry, Louisiana.
Sec. 419. Huron River, Michigan.
Sec. 420. Saco River, New Hampshire.
Sec. 421. Buffalo River Greenway, New York.
Sec. 422. Port of Newburgh, New York.
Sec. 423. Port of New York-New Jersey sediment study.
Sec. 424. Port of New York-New Jersey navigation study.
Sec. 425. Chagrin River, Ohio.
Sec. 426. Cuyahoga River, Ohio.
Sec. 427. Charleston, South Carolina, estuary.
Sec. 428. Mustang Island, Corpus Christi, Texas.
Sec. 429. Prince William County, Virginia.
Sec. 430. Pacific region.
Sec. 431. Financing of infrastructure needs of small and medium ports.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Project deauthorizations.
Sec. 502. Project reauthorizations.
Sec. 503. Continuation of authorization of certain projects.
Sec. 504. Land conveyances.
Sec. 505. Namings.
Sec. 506. Watershed management, restoration, and development.
Sec. 507. Lakes program.
Sec. 508. Maintenance of navigation channels.
Sec. 509. Great Lakes remedial action plans and sediment remediation.
Sec. 510. Great Lakes dredged material testing and evaluation manual.
Sec. 511. Great Lakes sediment reduction.
Sec. 512. Great Lakes confined disposal facilities.
Sec. 513. Chesapeake Bay restoration and protection program.
Sec. 514. Extension of jurisdiction of Mississippi River Commission.
Sec. 515. Alternative to annual passes.
Sec. 516. Recreation partnership initiative.
Sec. 517. Environmental infrastructure.
Sec. 518. Corps capability to conserve fish and wildlife.
Sec. 519. Periodic beach nourishment.
Sec. 520. Control of aquatic plants.
Sec. 521. Hopper dredges.
Sec. 522. Design and construction assistance.
Sec. 523. Field office headquarters facilities.
Sec. 524. Corps of Engineers restructuring plan.
Sec. 525. Lake Superior Center.
Sec. 526. Jackson County, Alabama.
Sec. 527. Earthquake Preparedness Center of Expertise Extension.
Sec. 528. Quarantine facility.
Sec. 529. Benton and Washington Counties, Arkansas.
Sec. 530. Calaveras County, California.
Sec. 531. Farmington Dam, California.
Sec. 532. Prado Dam safety improvements, California.
Sec. 533. Los Angeles County Drainage Area, California.
Sec. 534. Seven Oaks Dam, California.
Sec. 535. Manatee County, Florida.
Sec. 536. Tampa, Florida.
Sec. 537. Watershed management plan for Deep River Basin, Indiana.
Sec. 538. Southern and eastern Kentucky.
Sec. 539. Louisiana coastal wetlands restoration projects.
Sec. 540. Southeast Louisiana.
Sec. 541. Restoration projects for Maryland, Pennsylvania, and West Virginia.
Sec. 542. Cumberland, Maryland.
Sec. 543. Beneficial use of dredged material, Poplar Island, Maryland.
Sec. 544. Erosion control measures, Smith Island, Maryland.
Sec. 545. Duluth, Minnesota, alternative technology project.
Sec. 546. Redwood River Basin, Minnesota.
Sec. 547. Natchez Bluffs, Mississippi.
Sec. 548. Sardis Lake, Mississippi.
Sec. 549. Missouri River management.
Sec. 550. St. Charles County, Missouri, flood protection.
Sec. 551. Durham, New Hampshire.
Sec. 552. Hackensack Meadowlands area, New Jersey.
Sec. 553. Authorization of dredge material containment facility for Port of New York/New Jersey.
Sec. 554. Hudson River habitat restoration, New York.
Sec. 555. Queens County, New York.
Sec. 556. New York Bight and Harbor study.
Sec. 557. New York State Canal System.
Sec. 558. New York City Watershed.
Sec. 559. Ohio River Greenway.
Sec. 560. Northeastern Ohio.
Sec. 561. Grand Lake, Oklahoma.
Sec. 562. Broad Top region of Pennsylvania.
Sec. 563. Curwensville Lake, Pennsylvania.
Sec. 564. Hopper Dredge McFarland.
Sec. 565. Philadelphia, Pennsylvania.
Sec. 566. Upper Susquehanna River Basin, Pennsylvania and New York.
Sec. 567. Seven Points Visitors Center, Raystown Lake, Pennsylvania.
Sec. 568. Southeastern Pennsylvania.
Sec. 569. Wills Creek, Hyndman, Pennsylvania.
Sec. 570. Blackstone River Valley, Rhode Island and Massachusetts.
Sec. 571. East Ridge, Tennessee.
Sec. 572. Murfreesboro, Tennessee.
Sec. 573. Buffalo Bayou, Texas.
Sec. 574. Harris County, Texas.
Sec. 575. San Antonio River, Texas.
Sec. 576. Neabsco Creek, Virginia.
Sec. 577. Tangier Island, Virginia.
Sec. 578. Pierce County, Washington.
Sec. 579. Washington Aqueduct.
Sec. 580. Greenbrier River Basin, West Virginia, flood protection.
Sec. 581. Huntington, West Virginia.
Sec. 582. Lower Mud River, Milton, West Virginia.
Sec. 583. West Virginia and Pennsylvania flood control.
Sec. 584. Evaluation of beach material.
Sec. 585. National Center for Nanofabrication and Molecular Self-Assembly.
Sec. 586. Sense of Congress regarding St. Lawrence Seaway tolls.
Sec. 587. Prado Dam, California.

TITLE VI—EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND

SEC. 2. DEFINITION.

For purposes of this Act, the term "Secretary" means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH CHIEF'S REPORTS.—Except as provided in this section, the following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, described in the respective reports designated in this section:

(1) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction, American and Sacramento Rivers, California: Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $57,300,000, with an estimated Federal cost of $42,975,000 and an estimated non-Federal cost of $14,325,000, consisting of the following:

(i) Approximately 24 miles of slurry wall in the existing levees along the lower American River.

(ii) Approximately 12 miles of levee modifications along the east bank of the Sacramento River downstream from the Natomas Cross Canal.

(iii) 3 telemeter streamflow gages upstream from the Folsom Reservoir.

(iv) Modifications to the existing flood warning system along the lower American River.

(B) CREDIT TOWARD NON-FEDERAL SHARE.—The non-Federal sponsor shall receive credit toward the non-Federal share of the cost of the project for expenses that the sponsor has incurred for design and construction of any of the features authorized pursuant to this paragraph prior to the date on which Federal funds are appropriated for construction of the project. The amount of the credit shall be determined by the Secretary.

(C) OPERATION OF FOLSOM DAM.—The Secretary of the Interior shall continue to operate the Folsom Dam and Reservoir to the variable 400,000/670,000 acre-feet of flood control storage capacity as an interim measure and extend the agreement between the Bureau of Reclamation and the Sacramento Area Flood Control Agency until such date as a comprehensive flood control plan for the American River Watershed has been implemented.

(D) RESPONSIBILITY OF NON-FEDERAL SPONSOR.—The non-Federal sponsor shall be responsible for all operation, maintenance, repair, replacement, and rehabilitation costs associated with the improvements undertaken pursuant to this paragraph, as well as for 25 percent of the costs for the variable flood control operation of the Folsom Dam and Reservoir (including any incremental power and water purchase costs incurred by the Western Area Power Administration or the Bureau of Reclamation and any direction, capital, and operation and maintenance costs borne by either of such agencies). Notwithstanding any contract or other agreement, the remaining 75 percent of the costs for the variable flood control operation of the Folsom Dam and Reservoir shall be the responsibility of the United States and shall be nonreimbursable.

(2) SAN LORENZO RIVER, SANTA CRUZ, CALIFORNIA.—The project for flood control, San Lorenzo River, Santa Cruz, California: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $21,800,000, with an estimated Federal cost of $10,900,000 and an estimated non-Federal cost of $10,900,000.

(3) SANTA BARBARA HARBOR, CALIFORNIA.—The project for navigation, Santa Barbara Harbor, California: Report of the Chief of Engineers, dated April 26, 1994, at a total cost of $5,840,000, with an estimated Federal cost of $4,670,000 and an estimated non-Federal cost of $1,170,000.

(4) SANTA MONICA BREAKWATER, CALIFORNIA.—The project for navigation and storm damage reduction, Santa Monica Breakwater, Santa Monica, California: Report of the Chief of Engineers, dated June 7, 1996, at a total cost of $6,440,000, with an estimated Federal cost of $4,220,000 and an estimated non-Federal cost of $2,220,000.

(5) MARIN COUNTY SHORELINE, SAN RAFAEL, CALIFORNIA.—The project for storm damage reduction, Marin County shoreline, San Rafael, California: Report of the Chief of Engineers, dated January 28, 1994, at a total cost of $28,300,000, with an estimated Federal cost of $18,400,000 and an estimated non-Federal cost of $9,900,000.

(6) HUMBOLDT HARBOR AND BAY, CALIFORNIA.—The project for navigation, Humboldt Harbor and Bay, California: Report of the Chief of Engineers, dated October 30, 1995, at a total cost of $15,180,000, with an estimated Federal cost of $10,000,000 and an estimated non-Federal cost of $5,180,000.

(7) ANACOSTIA RIVER AND TRIBUTARIES, DISTRICT OF COLUMBIA AND MARYLAND.—The project for environmental restoration, Anacostia River and Tributaries, District of Columbia and Maryland: Report of the Chief of Engineers, dated November 15, 1994, at a total cost of $17,144,000, with an estimated Federal cost of $12,858,000 and an estimated non-Federal cost of $4,286,000.

(8) ATLANTIC INTRACOASTAL WATERWAY, ST. JOHNS COUNTY, FLORIDA.—The project for navigation, Atlantic Intracoastal Waterway, St. Johns County, Florida: Report of the Chief of Engineers, dated June 24, 1994, at a total Federal cost of $15,881,000. Operation, maintenance, repair, replacement, and rehabilitation shall be a non-Federal responsibility and the non-Federal interest must assume ownership of the bridge.

(9) LAKE MICHIGAN, ILLINOIS.—The project for storm damage reduction and shoreline erosion protection, Lake Michigan, Illinois, from Wilmette, Illinois, to the Illinois-Indiana State line: Report of the Chief of Engineers, dated April 14, 1994, at a total cost of $204,000,000, with an estimated Federal cost of $110,000,000 and an estimated non-Federal cost of $94,000,000. The project shall include the breakwater near the South Water Filtration Plant described in the report as a separate element of the project, at a total cost of $11,470,000, with an estimated Federal cost of $7,460,000 and an estimated non-Federal cost of $4,010,000. The Secretary shall reimburse the non-Federal interest for the Federal share of any costs incurred by the non-Federal interest—

(A) in reconstructing the revetment structures protecting Solidarity Drive in Chicago, Illinois, if such work is determined by the Secretary to be a component of the project; and

(B) in constructing the breakwater near the South Water Filtration Plant in Chicago, Illinois.

(10) KENTUCKY LOCK AND DAM, TENNESSEE RIVER, KENTUCKY.—The project for navigation, Kentucky Lock and Dam, Tennessee River, Kentucky: Report of the Chief of Engineers, dated June 1, 1992, at a total cost of $393,200,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund.

(11) POND CREEK, JEFFERSON COUNTY, KENTUCKY.—The project for flood control, Pond Creek, Jefferson County, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $16,080,000, with an estimated Federal cost of $10,993,000 and an estimated non-Federal cost of $5,087,000.

(12) WOLF CREEK DAM AND LAKE CUMBERLAND, KENTUCKY.—The project for hydropower, Wolf Creek Dam and Lake Cumberland, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $53,763,000, with an estimated non-Federal cost of $53,763,000. Funds derived by the Tennessee Valley Authority from its power program and funds derived from any private or public entity designated by the Southeastern Power Administration may be used to pay all or part of the costs of the project.

(13) PORT FOURCHON, LAFOURCHE PARISH, LOUISIANA.—A project for navigation, Belle Pass and Bayou Lafourche, Louisiana: Report of the Chief of Engineers, dated April 7, 1995, at a total cost of $4,440,000, with an estimated Federal cost of $2,300,000 and an estimated non-Federal cost of $2,140,000.

(14) WEST BANK OF THE MISSISSIPPI RIVER, NEW ORLEANS (EAST OF HARVEY CANAL), LOUISIANA.—The project for hurricane damage reduction, West Bank of the Mississippi River in the vicinity of New Orleans (East of Harvey Canal), Louisiana: Report of the Chief of Engineers, dated May 1, 1995, at a total cost of $126,000,000, with an estimated Federal cost of $82,200,000 and an estimated non-Federal cost of $43,800,000.

(15) WOOD RIVER, GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River, Grand Island, Nebraska: Report of the Chief of Engineers, dated May 3, 1994, at a total cost of $11,800,000, with an estimated Federal cost of $6,040,000 and an estimated non-Federal cost of $5,760,000.

(16) LAS CRUCES, NEW MEXICO.—The project for flood control, Las Cruces, New Mexico: Report of the Chief of Engineers, dated June 24, 1996, at a total cost of $8,278,000, with an estimated Federal cost of $5,494,000 and an estimated non-Federal cost of $2,784,000.

(17) LONG BEACH ISLAND, NEW YORK.—The project for storm damage reduction, Long Beach Island, New York: Report of the Chief of Engineers, dated April 5, 1996, at a total cost of $72,090,000, with an estimated Federal cost of $46,858,000 and an estimated non-Federal cost of $25,232,000.

(18) WILMINGTON HARBOR, CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Wilmington Harbor, Cape Fear and Northeast Cape Fear Rivers, North Carolina: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $23,953,000, with an estimated Federal cost of $15,032,000 and an estimated non-Federal cost of $8,921,000.

(19) DUCK CREEK, CINCINNATI, OHIO.—The project for flood control, Duck Creek, Cincinnati, Ohio: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $15,947,000, with an estimated Federal cost of $11,960,000 and an estimated non-Federal cost of $3,987,000.

(20) WILLAMETTE RIVER TEMPERATURE CONTROL, MCKENZIE SUBBASIN, OREGON.—The project for environmental restoration, Willamette River Temperature Control, McKenzie Subbasin, Oregon: Report of the Chief of Engineers, dated February 1, 1996, at a total cost of $38,000,000, with an estimated Federal cost of $38,000,000.

(21) RIO GRANDE DE ARECIBO, PUERTO RICO.—The project for flood control, Rio Grande de Arecibo, Puerto Rico: Report of the Chief of Engineers, dated April 5, 1994, at a total cost of $19,951,000, with an estimated Federal cost of $10,557,000 and an estimated non-Federal cost of $9,394,000.

(22) CHARLESTON HARBOR, SOUTH CAROLINA.—The project for navigation, Charleston Harbor Deepening and Widening, South Carolina: Report of the Chief of Engineers, dated July 18, 1996, at a total cost of $116,639,000, with an estimated Federal cost of $72,798,000 and an estimated non-Federal cost of $43,841,000.

(23) BIG SIOUX RIVER AND SKUNK CREEK, SIOUX FALLS, SOUTH DAKOTA.—The project for flood control, Big Sioux River and Skunk Creek, Sioux Falls, South Dakota: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $34,600,000, with an estimated Federal cost of $25,900,000 and an estimated non-Federal cost of $8,700,000.

(24) WATERTOWN, SOUTH DAKOTA.—The project for flood control, Watertown and Vicinity, South Dakota: Report of the Chief of Engineers, dated August 31, 1994, at a total cost of $18,000,000, with an estimated Federal cost of $13,200,000 and an estimated non-Federal cost of $4,800,000.

(25) GULF INTRACOASTAL WATERWAY, ARANSAS NATIONAL WILDLIFE REFUGE, TEXAS.—The project for navigation and environmental preservation, Gulf Intracoastal Waterway, Aransas National Wildlife Refuge, Texas: Report of the Chief of Engineers, dated May 28, 1996, at a total cost of $18,283,000, with an estimated Federal cost of $18,283,000.

(26) HOUSTON-GALVESTON NAVIGATION CHANNELS, TEXAS.—The project for navigation and environmental restoration, Houston-Galveston Navigation Channels, Texas: Report

of the Chief of Engineers, dated May 9, 1996, at a total initial construction cost of $292,797,000, with an estimated Federal cost of $210,891,000 and an estimated non-Federal cost of $81,906,000. The project shall include deferred construction of additional environmental restoration features over the life of the project, at a total average annual cost of $786,000, with an estimated Federal cost of $590,000 and an estimated non-Federal cost of $196,000. The construction of berthing areas and the removal of pipelines and other obstructions that are necessary for the project shall be accomplished at non-Federal expense. Non-Federal interests shall receive credit toward cash contributions required during construction and subsequent to construction for design and construction management work that is performed by non-Federal interests and that the Secretary determines is necessary to implement the project.

(27) MARMET LOCK, KANAWHA RIVER, WEST VIRGINIA.—The project for navigation, Marmet Lock, Kanawha River, West Virginia: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $229,581,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund. In conducting any real estate acquisition activities with respect to the project, the Secretary shall give priority consideration to those individuals who would be directly affected by any physical displacement due to project design and shall consider the financial circumstances of such individuals. The Secretary shall proceed with real estate acquisition in connection with the project expeditiously.

(b) PROJECTS WITH PENDING CHIEF'S REPORTS.—The following projects are authorized to be carried out by the Secretary substantially in accordance with a final report of the Chief of Engineers if such report is completed not later than December 31, 1996:

(1) CHIGNIK, ALASKA.—The project for navigation, Chignik, Alaska, at a total cost of $10,365,000, with an estimated Federal cost of $4,344,000 and an estimated non-Federal cost of $6,021,000.

(2) COOK INLET, ALASKA.—The project for navigation, Cook Inlet, Alaska, at a total cost of $5,342,000, with an estimated Federal cost of $4,006,000 and an estimated non-Federal cost of $1,336,000.

(3) ST. PAUL ISLAND HARBOR, ST. PAUL, ALASKA.—The project for navigation, St. Paul Harbor, St. Paul, Alaska, with an estimated total cost of $18,981,000, with an estimated Federal cost of $12,188,000 and an estimated non-Federal cost of $6,793,000.

(4) NORCO BLUFFS, RIVERSIDE COUNTY, CALIFORNIA.—A project for bluff stabilization, Norco Bluffs, Riverside County, California, with an estimated total cost of $8,600,000, with an estimated Federal cost of $6,450,000 and an estimated non-Federal cost of $2,150,000.

(5) PORT OF LONG BEACH (DEEPENING), CALIFORNIA.—The project for navigation, Port of Long Beach (Deepening), California, at a total cost of $37,288,000, with an estimated Federal cost of $14,318,000 and an estimated non-Federal cost of $22,970,000.

(6) TERMINUS DAM, KAWEAH RIVER, CALIFORNIA.—The project for flood damage reduction and water supply, Terminus Dam, Kaweah River, California, at a total estimated cost of $34,500,000, with an estimated Federal cost of $20,200,000 and an estimated non-Federal cost of $14,300,000.

(7) REHOBOTH BEACH AND DEWEY BEACH, DELAWARE.—A project for storm damage reduction and shoreline protection, Rehoboth Beach and Dewey Beach, Delaware, at a total cost of $9,423,000, with an estimated first Federal cost of $6,125,000, and an estimated first non-Federal cost of $3,298,000, and an average annual cost of $282,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $183,000 and an estimated annual non-Federal cost of $99,000.

(8) BREVARD COUNTY, FLORIDA.—The project for shoreline protection, Brevard County, Florida, at a total first cost of $76,620,000, with an estimated first Federal cost of $36,006,000, and an estimated first non-Federal cost of $40,614,000, and an average annual cost of $2,341,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $1,109,000 and an estimated annual non-Federal cost of $1,232,000.

(9) MIAMI HARBOR CHANNEL, FLORIDA.—The project for navigation, Miami Harbor Channel, Miami, Florida, with an estimated total cost of $3,221,000, with an estimated Federal cost of $1,800,000 and an estimated non-Federal cost of $1,421,000.

(10) NORTH WORTH INLET, FLORIDA.—The project for navigation and shoreline protection, Lake Worth Inlet, Palm Beach Harbor, Florida, at a total cost of $3,915,000, with an estimated Federal cost of $1,762,000 and an estimated non-Federal cost of $2,153,000.

(11) LOWER SAVANNAH RIVER BASIN, SAVANNAH RIVER, GEORGIA AND SOUTH CAROLINA.—The project for navigation and related purposes, Lower Savannah River Basin, Savannah River, Georgia and South Carolina, at a total cost of $3,419,000, with an estimated Federal cost of $2,551,000, and an estimated non-Federal cost of $868,000.

(12) ABSECON ISLAND, NEW JERSEY.—The project for storm damage reduction and shoreline protection, Brigantine Inlet to Great Egg Harbor Inlet, Absecon Island, New Jersey, at a total cost of $52,000,000, with an estimated Federal cost of $34,000,000 and an estimated non-Federal cost of $18,000,000.

(13) CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Cape Fear River deepening, North Carolina, at a total cost of $210,264,000, with an estimated Federal cost of $130,159,000, and an estimated non-Federal cost of $80,105,000.

SEC. 102. SMALL FLOOD CONTROL PROJECTS.

(a) PROJECT DESCRIPTIONS.—The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s):

(1) SOUTH UPLAND, SAN BERNADINO COUNTY, CALIFORNIA.—Project for flood control, South Upland, San Bernadino County, California.

(2) BIRDS, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Birds, Lawrence County, Illinois.

(3) BRIDGEPORT, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Bridgeport, Lawrence County, Illinois.

(4) EMBARRAS RIVER, VILLA GROVE, ILLINOIS.—Project for flood control, Embarras River, Villa Grove, Illinois.

(5) FRANKFORT, WILL COUNTY, ILLINOIS.—Project for flood control, Frankfort, Will County, Illinois.

(6) SUMNER, LAWRENCE COUNTY, ILLINOIS.—Project for flood control, Sumner, Lawrence County, Illinois.

(7) VERMILLION RIVER, DEMANADE PARK, LAFAYETTE, LOUISIANA.—Project for nonstructural flood control, Vermillion River, Demanade Park, Lafayette, Louisiana. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the Lafayette Parish feasibility study and expedite completion of the study under this paragraph.

(8) VERMILLION RIVER, QUAIL HOLLOW SUBDIVISION, LAFAYETTE, LOUISIANA.—Project for nonstructural flood control, Vermillion River, Quail Hollow Subdivision, Lafayette, Louisiana. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the Lafayette Parish feasibility study and expedite completion of the study under this paragraph.

(9) KAWKAWLIN RIVER, BAY COUNTY, MICHIGAN.—Project for flood control, Kawkawlin River, Bay County, Michigan.

(10) WHITNEY DRAIN, ARENAC COUNTY, MICHIGAN.—Project for flood control, Whitney Drain, Arenac County, Michigan.

(11) FESTUS AND CRYSTAL CITY, MISSOURI.—Project for flood control, Festus and Crystal City, Missouri. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the existing reconnaissance study and shall expedite completion of the study under this paragraph.

(12) KIMMSWICK, MISSOURI.—Project for flood control, Kimmswick, Missouri. In carrying out the study and the project (if any) under this paragraph, the Secretary shall use relevant information from the existing reconnaissance study and shall expedite completion of the study under this paragraph.

(13) RIVER DES PERES, ST. LOUIS COUNTY, MISSOURI.—Project for flood control, River Des Peres, St. Louis County, Missouri. In carrying out the study and the project (if any), the Secretary shall determine the feasibility of potential flood control measures, consider potential storm water runoff and related improvements, and cooperate with the Metropolitan St. Louis Sewer District.

(14) BUFFALO CREEK, ERIE COUNTY, NEW YORK.—Project for flood control, Buffalo Creek, Erie County, New York.

(15) CAZENOVIA CREEK, ERIE COUNTY, NEW YORK.—Project for flood control, Cazenovia Creek, Erie County, New York.

(16) CHEEKTOWAGA, ERIE COUNTY, NEW YORK.—Project for flood control, Cheektowaga, Erie County, New York.

(17) FULMER CREEK, VILLAGE OF MOHAWK, NEW YORK.—Project for flood control, Fulmer Creek, Village of Mohawk, New York.

(18) MOYER CREEK, VILLAGE OF FRANKFORT, NEW YORK.—Project for flood control, Moyer Creek, Village of Frankfort, New York.

(19) SAUQUOIT CREEK, WHITESBORO, NEW YORK.—Project for flood control, Sauquoit Creek, Whitesboro, New York.

(20) STEELE CREEK, VILLAGE OF ILION, NEW YORK.—Project for flood control, Steele Creek, Village of Ilion, New York.

(21) WILLAMETTE RIVER, OREGON.—Project for nonstructural flood control, Willamette River, Oregon, including floodplain and ecosystem restoration.

(22) GREENBRIER RIVER BASIN, WEST VIRGINIA.—Project for flood control, consisting of an early flood warning system, Greenbrier River Basin, West Virginia.

(b) COST ALLOCATIONS.—

(1) LAKE ELSINORE, CALIFORNIA.—The maximum amount of Federal funds that may be allotted under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) for the project for flood control, Lake Elsinore, Riverside County, California, shall be $7,500,000.

(2) LOST CREEK, COLUMBUS, NEBRASKA.—The maximum amount of Federal funds that may be allotted under such section 205 for the

project for flood control, Lost Creek, Columbus, Nebraska, shall be $5,500,000.

(3) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the projects referred to in paragraphs (1) and (2) in order to take into account the change in the Federal participation in such projects pursuant to such paragraphs.

(4) COST SHARING.—Nothing in this subsection shall be construed to affect any cost-sharing requirement applicable to the project referred to in paragraph (1) under the Water Resources Development Act of 1986.

SEC. 103. SMALL BANK STABILIZATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r):

(1) ST. JOSEPH RIVER, INDIANA.—Project for bank stabilization, St. Joseph River, South Bend, Indiana, including recreation and pedestrian access features.

(2) ALLEGHENY RIVER AT OIL CITY, PENNSYLVANIA.—Project for bank stabilization to address erosion problems affecting the pipeline crossing the Allegheny River at Oil City, Pennsylvania, including measures to address erosion affecting the pipeline in the bed of the Allegheny River and its adjacent banks.

(3) CUMBERLAND RIVER, NASHVILLE, TENNESSEE.—Project for bank stabilization, Cumberland River, Nashville, Tennessee.

(4) TENNESSEE RIVER, HAMILTON COUNTY, TENNESSEE.—Project for bank stabilization, Tennessee River, Hamilton County, Tennessee; except that the maximum amount of Federal funds that may be allotted for the project shall be $7,500,000.

SEC. 104. SMALL NAVIGATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is feasible, shall carry out the project under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(1) AKUTAN, ALASKA.—Project for navigation, Akutan, Alaska, consisting of a bulkhead and a wave barrier, including application of innovative technology involving use of a permeable breakwater.

(2) GRAND MARAIS HARBOR BREAKWATER, MICHIGAN.—Project for navigation, Grand Marais Harbor breakwater, Michigan.

(3) DULUTH, MINNESOTA.—Project for navigation, Duluth, Minnesota.

(4) TACONITE, MINNESOTA.—Project for navigation, Taconite, Minnesota.

(5) TWO HARBORS, MINNESOTA.—Project for navigation, Two Harbors, Minnesota.

(6) CARUTHERSVILLE HARBOR, PEMISCOT COUNTY, MISSOURI.—Project for navigation, Caruthersville Harbor, Pemiscot County, Missouri, including enlargement of the existing harbor and bank stabilization measures.

(7) NEW MADRID COUNTY HARBOR, MISSOURI.—Project for navigation, New Madrid County Harbor, Missouri, including enlargement of the existing harbor and bank stabilization measures.

(8) BROOKLYN, NEW YORK.—Project for navigation, Brooklyn, New York, including restoration of the pier and related navigation support structures, at the Sixty-Ninth Street Pier.

(9) BUFFALO INNER HARBOR, BUFFALO, NEW YORK.—Project for navigation, Buffalo Inner Harbor, Buffalo, New York.

(10) GLENN COVE CREEK, NEW YORK.—Project for navigation, Glenn Cove Creek, New York, including bulkheading.

(11) UNION SHIP CANAL, BUFFALO AND LACKAWANNA, NEW YORK.—Project for navigation, Union Ship Canal, Buffalo and Lackawanna, New York.

SEC. 105. SMALL SHORELINE PROTECTION PROJECTS.

(a) PROJECT AUTHORIZATIONS.—The Secretary shall conduct a study for each of the following projects, and if the Secretary determines that the project is feasible, shall carry out the project under section 3 of the Shoreline Protection Act of August 13, 1946 (33 U.S.C. 426g):

(1) FAULKNER'S ISLAND, CONNECTICUT.—Project for shoreline protection, Faulkner's Island, Connecticut; except that the maximum amount of Federal funds that may be allotted for the project shall be $4,500,000.

(2) FORT PIERCE, FLORIDA.—Project for 1 mile of additional shoreline protection, Fort Pierce, Florida.

(3) ORCHARD BEACH, BRONX, NEW YORK.—Project for shoreline protection, Orchard Beach, Bronx, New York, New York; except that the maximum amount of Federal funds that may be allotted for the project shall be $5,200,000.

(4) SYLVAN BEACH BREAKWATER, VERONA, ONEIDA COUNTY, NEW YORK.—Project for shoreline protection, Sylvan Beach breakwater, Verona, Oneida County, New York.

(b) COST SHARING AGREEMENT.—In carrying out the project authorized by subsection (a)(1), the Secretary shall enter into an agreement with the property owner to determine the allocation of the project costs.

SEC. 106. SMALL SNAGGING AND SEDIMENT REMOVAL PROJECT, MISSISSIPPI RIVER, LITTLE FALLS, MINNESOTA.

The Secretary shall conduct a study for a project for clearing, snagging, and sediment removal, East Bank of the Mississippi River, Little Falls, Minnesota, including removal of sediment from culverts. The study shall include a determination of the adequacy of culverts to maintain flows through the channel. If the Secretary determines that the project is feasible, the Secretary shall carry out the project under section 3 of the River and Harbor Act of March 2, 1945 (33 U.S.C. 603a; 59 Stat. 23).

SEC. 107. SMALL PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

The Secretary shall conduct a study for each of the following projects and, if the Secretary determines that the project is appropriate, shall carry out the project under section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309(a)):

(1) UPPER TRUCKEE RIVER, EL DORADO COUNTY, CALIFORNIA.—Project for environmental restoration, Upper Truckee River, El Dorado County, California, including measures for restoration of degraded wetlands and wildlife enhancement.

(2) SAN LORENZO RIVER, CALIFORNIA.—Project for habitat restoration, San Lorenzo River, California.

(3) WHITTIER NARROWS DAM, CALIFORNIA.—Project for environmental restoration and remediation of contaminated water sources, Whittier Narrows Dam, California.

(4) UPPER JORDAN RIVER, SALT LAKE COUNTY, UTAH.—Project for channel restoration and environmental improvement, Upper Jordan River, Salt Lake County, Utah.

SEC. 108. PROJECT TO MITIGATE SHORE DAMAGE.

The Secretary shall expedite the Assateague Island restoration feature of the Ocean City, Maryland, and vicinity study and, if the Secretary determines that the Federal navigation project has contributed to degradation of the shoreline, the Secretary shall carry out the project for shoreline restoration under section 111 of the River and Harbor Act of 1968 (82 Stat. 735); except that the maximum amount of Federal funds that may be allotted by the Secretary for the project shall be $35,000,000. In carrying out the project, the Secretary shall coordinate with affected Federal and State agencies and shall enter into an agreement with the Federal property owner to determine the allocation of the project costs.

TITLE II—GENERALLY APPLICABLE PROVISIONS

SEC. 201. COST SHARING FOR DREDGED MATERIAL DISPOSAL AREAS.

(a) CONSTRUCTION.—Section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a); 100 Stat. 4082–4083) is amended—

(1) by striking the last sentence of paragraph (2) and inserting the following: "The value of lands, easements, rights-of-way, and relocations provided under paragraph (3) and the costs of relocations borne by the non-Federal interests under paragraph (4) shall be credited toward the payment required under this paragraph.";

(2) in paragraph (3)—

(A) by inserting "and" after "rights-of-way,";

(B) by striking ", and dredged material disposal areas"; and

(C) by inserting ", including any lands, easements, rights-of-way, and relocations (other than utility relocations accomplished under paragraph (4)) that are necessary for dredged material disposal facilities" before the period at the end of such paragraph; and

(3) by adding at the end the following:

"(5) DREDGED MATERIAL DISPOSAL FACILITIES FOR PROJECT CONSTRUCTION.—For purposes of this subsection, the term 'general navigation features' includes constructed land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for project construction and for which a contract for construction has not been awarded on or before the date of the enactment of this paragraph.".

(b) OPERATION AND MAINTENANCE.—Section 101(b) of such Act (33 U.S.C. 2211(b); 100 Stat. 4083) is amended—

(1) by inserting "(1) IN GENERAL.—" before "The Federal";

(2) by indenting and moving paragraph (1), as designated by paragraph (1) of this subsection, 2 ems to the right;

(3) by striking "pursuant to this Act" and inserting "by the Secretary pursuant to this Act or any other law approved after the date of the enactment of this Act"; and

(4) by adding at the end thereof the following:

"(2) DREDGED MATERIAL DISPOSAL FACILITIES.—The Federal share of the cost of constructing land-based and aquatic dredged material disposal facilities that are necessary for the disposal of dredged material required for the operation and maintenance of a project and for which a contract for construction has not been awarded on or before the date of the enactment of this paragraph shall be determined in accordance with subsection (a). The Federal share of operating and maintaining such facilities shall be determined in accordance with paragraph (1).".

(c) AGREEMENT.—Section 101(e)(1) of such Act (33 U.S.C. 2211(e)(1); 100 Stat. 4083) is amended by striking "and to provide dredged material disposal areas and perform" and inserting "including those necessary for dredged material disposal facilities, and to perform".

(d) CONSIDERATION OF FUNDING REQUIREMENTS AND EQUITABLE APPORTIONMENT.—Section 101 of such Act (33 U.S.C. 2211; 100 Stat. 4082–4084) is further amended by adding at the end the following:

"(f) CONSIDERATION OF FUNDING REQUIREMENTS AND EQUITABLE APPORTIONMENT.—The Secretary shall ensure, to the extent practicable, that—

"(1) funding necessary for operation and maintenance dredging of commercial navigation harbors is provided before Federal funds are obligated for payment of the Federal share of costs associated with construction of dredged material disposal facilities in accordance with subsections (a) and (b);

"(2) funds expended for such construction are equitably apportioned in accordance with regional needs; and

"(3) the Secretary's participation in the construction of dredged material disposal facilities does not result in unfair competition with potential private sector providers of such facilities.".

(e) ELIGIBLE OPERATIONS AND MAINTENANCE DEFINED.—Section 214(2) of such Act (33 U.S.C. 2241; 100 Stat. 4108) is amended—

(1) in subparagraph (A)—

(A) by inserting "Federal" after "means all";

(B) by inserting "(i)" after "including"; and

(C) by inserting before the period at the end the following: "; (ii) the construction of dredged material disposal facilities that are necessary for the operation and maintenance of any harbor or inland harbor; (iii) dredging and disposing of contaminated sediments which are in or which affect the maintenance of Federal navigation channels; (iv) mitigating for impacts resulting from Federal navigation operation and maintenance activities; and (v) operating and maintaining dredged material disposal facilities"; and

(2) in subparagraph (C) by striking "rights-of-way, or dredged material disposal areas," and inserting "or rights-of-way,".

(f) AMENDMENT OF COOPERATION AGREEMENT.—If requested by the non-Federal interest, the Secretary shall amend a project cooperation agreement executed on or before the date of the enactment of this Act to reflect the application of the amendments made by this section to any project for which a contract for construction has not been awarded on or before such date of enactment.

(g) SAVINGS CLAUSE.—Nothing in this section (including the amendments made by this section) shall increase, or result in the increase of, the non-Federal share of the costs of—

(1) any dredged material disposal facility authorized before the date of the enactment of this Act, including any facility authorized by section 123 of the River and Harbor Act of 1970 (84 Stat. 1823); or

(2) any dredged material disposal facility that is necessary for the construction or maintenance of a project authorized before the date of the enactment of this Act.

SEC. 202. FLOOD CONTROL POLICY.

(a) FLOOD CONTROL COST SHARING.—

(1) INCREASED NON-FEDERAL CONTRIBUTIONS.—Subsections (a) and (b) of section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a) and (b)) are each amended by striking "25 percent" each place it appears and inserting "35 percent".

(2) APPLICABILITY.—The amendments made by paragraph (1) shall apply to any project authorized after the date of the enactment of this Act and to any flood control project which is not specifically authorized by Congress for which a Detailed Project Report is approved after such date of enactment or, in the case of a project for which no Detailed Project Report is prepared, construction is initiated after such date of enactment.

(b) ABILITY TO PAY.—

(1) IN GENERAL.—Section 103(m) of such Act (33 U.S.C. 2213(m)) is amended to read as follows:

"(m) ABILITY TO PAY.—

"(1) IN GENERAL.—Any cost-sharing agreement under this section for flood control or agricultural water supply shall be subject to the ability of a non-Federal interest to pay.

"(2) CRITERIA AND PROCEDURES.—The ability of any non-Federal interest to pay shall be determined by the Secretary in accordance with criteria and procedures in effect on the day before the date of the enactment of the Water Resources Development Act of 1996; except that such criteria and procedures shall be revised within 6 months after the date of such enactment to reflect the requirements of paragraph (3).

"(3) REVISION OF PROCEDURES.—In revising procedures pursuant to paragraph (1), the Secretary—

"(A) shall consider—

"(i) per capita income data for the county or counties in which the project is to be located; and

"(ii) the per capita non-Federal cost of construction of the project for the county or counties in which the project is to be located;

"(B) shall not consider criteria (other than criteria described in subparagraph (A)) in effect on the day before the date of the enactment of the Water Resources Development Act of 1996; and

"(C) may consider additional criteria relating to the non-Federal interest's financial ability to carry out its cost-sharing responsibilities, to the extent that the application of such criteria does not eliminate areas from eligibility for a reduction in the non-Federal share as determined under subparagraph (A).

"(4) NON-FEDERAL SHARE.—Notwithstanding subsection (a), the Secretary shall reduce or eliminate the requirement that a non-Federal interest make a cash contribution for any project that is determined to be eligible for a reduction in the non-Federal share under procedures in effect under paragraphs (1), (2), and (3).".

(2) APPLICABILITY.—

(A) GENERALLY.—Subject to subparagraph (C), the amendment made by paragraph (1) shall apply to any project, or separable element thereof, with respect to which the Secretary and the non-Federal interest have not entered into a project cooperation agreement on or before the date of the enactment of this Act.

(B) AMENDMENT OF COOPERATION AGREEMENT.—If requested by the non-Federal interest, the Secretary shall amend a project cooperation agreement executed on or before the date of the enactment of this Act to reflect the application of the amendment made by paragraph (1) to any project for which a contract for construction has not been awarded on or before such date of enactment.

(C) NON-FEDERAL OPTION.—If requested by the non-Federal interest, the Secretary shall apply the criteria and procedures established pursuant to section 103(m) of the Water Resources Development Act of 1986 as in effect on the day before the date of the enactment of this Act for projects that are authorized before the date of the enactment of this Act.

(c) FLOOD PLAIN MANAGEMENT PLANS.—

(1) IN GENERAL.—Section 402 of such Act (33 U.S.C. 701b–12; 100 Stat. 4133) is amended to read as follows:

"SEC. 402. FLOOD PLAIN MANAGEMENT REQUIREMENTS.

"(a) COMPLIANCE WITH FLOOD PLAIN MANAGEMENT AND INSURANCE PROGRAMS.—Before construction of any project for local flood protection or any project for hurricane or storm damage reduction and involving Federal assistance from the Secretary, the non-Federal interest shall agree to participate in and comply with applicable Federal flood plain management and flood insurance programs.

"(b) FLOOD PLAIN MANAGEMENT PLANS.—Within 1 year after the date of signing a project cooperation agreement for construction of a project to which subsection (a) applies, the non-Federal interest shall prepare a flood plain management plan designed to reduce the impacts of future flood events in the project area. Such plan shall be implemented by the non-Federal interest not later than 1 year after completion of construction of the project.

"(c) GUIDELINES.—

"(1) IN GENERAL.—Within 6 months after the date of the enactment of this subsection, the Secretary shall develop guidelines for preparation of flood plain management plans by non-Federal interests under subsection (b). Such guidelines shall address potential measures, practices and policies to reduce loss of life, injuries, damages to property and facilities, public expenditures, and other adverse impacts associated with flooding and to preserve and enhance natural flood plain values.

"(2) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall be construed to confer any regulatory authority upon the Secretary.

"(d) TECHNICAL SUPPORT.—The Secretary is authorized to provide technical support to a non-Federal interest for a project to which subsection (a) applies for the development and implementation of plans prepared under subsection (b).".

(2) APPLICABILITY.—The amendment made by paragraph (1) shall apply to any project or separable element thereof with respect to which the Secretary and the non-Federal interest have not entered into a project cooperation agreement on or before the date of the enactment of this Act.

(d) NON-STRUCTURAL FLOOD CONTROL POLICY.—

(1) REVIEW.—The Secretary shall conduct a review of policies, procedures, and techniques relating to the evaluation and development of flood control measures with a view toward identifying impediments that may exist to justifying non-structural flood control measures as alternatives to structural measures.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the findings on the review conducted under this subsection, together with any recommendations for modifying existing law to remove any impediments identified under such review.

(e) EMERGENCY RESPONSE.—Section 5(a)(1) of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n(a)(1)), is amended by inserting before the first semicolon the following: ", or in implementation of nonstructural alternatives to the repair or restoration of such flood control work if requested by the non-Federal sponsor".

(f) NONSTRUCTURAL ALTERNATIVES.—Section 73 of the Water Resources Development Act of 1974 (33 U.S.C. 701b–11; 88 Stat. 32) is amended by striking subsection (a) and inserting the following:

"(a) In the survey, planning, or design by any Federal agency of any project involving flood protection, such agency, with a view toward formulating the most economically, socially, and environmentally acceptable means of reducing or preventing flood damages, shall consider and address in adequate detail nonstructural alternatives, including measures that may be implemented by others, to prevent or reduce flood damages. Such alternatives may include watershed management, wetlands restoration, elevation or flood proofing of structures, floodplain regulation, relocation, and acquisition of floodplain lands for recreational, fish and wildlife, and other public purposes.".

SEC. 203. FEASIBILITY STUDY COST-SHARING.

(a) NON-FEDERAL SHARE.—Section 105(a)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2215(a)(1)) is amended—

(1) in the first sentence, by striking "during the period of such study";

(2) by inserting after the first sentence the following: "During the period of the study, the non-Federal share of the cost of the study shall be not more than 50 percent of the estimate of the cost of the study as contained in the feasibility cost-sharing agreement. The cost estimate may be amended only by mutual agreement of the Secretary and the non-Federal interests. The non-Federal share of any costs in excess of the cost estimate shall, except as otherwise mutually agreed by the Secretary and the non-Federal interests, be payable after the project has been authorized for construction and on the date on which the Secretary and non-Federal interests enter into an agreement pursuant to section 101(e) or 103(j). In the event the project which is the subject of the study is not authorized within the earlier of 5 years of the date of the final report of the Chief of Engineers concerning such study or 2 years of the date of termination of the study, the non-Federal share of any such excess costs shall be paid to the United States on the last day of such period."; and

(3) in the second sentence, by striking "such non-Federal contribution" and inserting "the non-Federal share required under this paragraph".

(b) APPLICABILITY.—The amendments made by subsection (a) shall apply notwithstanding any feasibility cost-sharing agreement entered into by the Secretary and non-Federal interests. Upon request of the non-Federal interest, the Secretary shall amend any feasibility cost-sharing agreements in effect on the date of enactment of this Act so as to conform the agreements with the amendments.

(c) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section or any amendment made by this section shall require the Secretary to reimburse the non-Federal interests for funds previously contributed for a study.

SEC. 204. RESTORATION OF ENVIRONMENTAL QUALITY.

(a) REVIEW OF PROJECTS.—Section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(a)) is amended—

(1) by striking "the operation of"; and

(2) by inserting before the period at the end the following: "and to determine if the operation of such projects has contributed to the degradation of the quality of the environment".

(b) PROGRAM OF PROJECTS.—Section 1135(b) of such Act is amended by striking the last 2 sentences of subsection (b).

(c) RESTORATION OF ENVIRONMENTAL QUALITY.—Section 1135 of such Act is further amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively;

(2) by inserting after subsection (b) the following new subsections:

"(c) RESTORATION OF ENVIRONMENTAL QUALITY.—If the Secretary determines that construction of a water resource project by the Secretary or operation of a water resources project constructed by the Secretary has contributed to the degradation of the quality of the environment, the Secretary may undertake measures for restoration of environmental quality and measures for enhancement of environmental quality that are associated with the restoration, either through modifications at the project site or at other locations that have been affected by the construction or operation of the project, if such measures do not conflict with the authorized project purposes.

"(d) NON-FEDERAL SHARE; LIMITATION ON MAXIMUM FEDERAL EXPENDITURE.—The non-Federal share of the cost of any modifications or measures carried out or undertaken pursuant to subsection (b) or (c) of this section shall be 25 percent. Not more than 80 percent of the non-Federal share may be in kind, including a facility, supply, or service that is necessary to carry out the modification. No more than $5,000,000 in Federal funds may be expended on any single modification or measure carried out or undertaken pursuant to this section."; and

(3) in subsection (f), as so redesignated, by striking "program conducted under subsection (b)" and inserting "programs conducted under subsections (b) and (c)".

(d) DEFINITION.—Section 1135 of such Act is further amended by adding at the end the following:

"(h) DEFINITION.—In this section the term 'water resources project constructed by the Secretary' includes a water resources project constructed or funded jointly by the Secretary and the head of any other Federal agency (including the Natural Resources Conservation Service).".

SEC. 205. ENVIRONMENTAL DREDGING.

Section 312 of the Water Resources Development Act of 1990 (104 Stat. 4639–4640) is amended—

(1) in each of subsections (a), (b), and (c) by inserting "and remediate" after "remove" each place it appears;

(2) in subsection (b)(1) by inserting "and remediation" after "removal" each place it appears;

(3) in subsection (b)(2) by striking "$10,000,000" and inserting "$30,000,000"; and

(4) by striking subsection (f) and inserting the following:

"(f) In carrying out this section, the Secretary shall give priority to work in the following areas:

"(1) Brooklyn Waterfront, New York.

"(2) Buffalo Harbor and River, New York.

"(3) Ashtabula River, Ohio.

"(4) Mahoning River, Ohio.

"(5) Lower Fox River, Wisconsin.".

SEC. 206. AQUATIC ECOSYSTEM RESTORATION.

(a) GENERAL AUTHORITY.—The Secretary is authorized to carry out aquatic ecosystem restoration and protection projects when the Secretary determines that such projects will improve the quality of the environment and are in the public interest and that the environmental and economic benefits, both monetary and nonmonetary, of the project to be undertaken pursuant to this section justify the cost.

(b) COST SHARING.—Non-Federal interests shall provide 50 percent of the cost of construction of any project carried out under this section, including provision of all lands, easements, rights-of-way, and necessary relocations.

(c) AGREEMENTS.—Construction of a project under this section shall be initiated only after a non-Federal interest has entered into a binding agreement with the Secretary to pay the non-Federal share of the costs of construction required by this section and to pay 100 percent of any operation, maintenance, and replacement and rehabilitation costs with respect to the project in accordance with regulations prescribed by the Secretary.

(d) COST LIMITATION.—Not more than $5,000,000 in Federal funds may be allotted under this section for a project at any single locality.

(e) FUNDING.—There is authorized to be appropriated not to exceed $25,000,000 annually to carry out this section.

SEC. 207. BENEFICIAL USES OF DREDGED MATERIAL.

Section 204 of the Water Resources Development Act of 1992 (106 Stat. 4826) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following:

"(e) SELECTION OF DREDGED MATERIAL DISPOSAL METHOD.—In developing and carrying out a project for navigation involving the disposal of dredged material, the Secretary may select, with the consent of the non-Federal interest, a disposal method that is not the least-cost option if the Secretary determines that the incremental costs of such disposal method are minimal and that the benefits to the aquatic environment to be derived from such disposal method, including the creation of wetlands and control of shoreline erosion, justify its selection. The Federal share of such incremental costs shall be determined in accordance with subsection (c).".

SEC. 208. RECREATION POLICY AND USER FEES.

(a) RECREATION POLICIES.—

(1) IN GENERAL.—The Secretary shall provide increased emphasis on and opportunities for recreation at water resources projects operated, maintained, or constructed by the Corps of Engineers.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on specific measures taken to implement this subsection.

(b) RECREATION USER FEES.—Section 210(b) of the Flood Control Act of 1968 (16 U.S.C. 460d–3(b)) is amended by adding at the end the following:

"(5) USE OF FEES COLLECTED AT FACILITY.—Subject to advance appropriations, the Secretary of the Army shall ensure that at least an amount equal to the total amount of fees collected at any project under this subsection in a fiscal year beginning after September 30, 1996, are expended in the succeeding fiscal year at such project for operation and maintenance of recreational facilities at such project.".

SEC. 209. RECOVERY OF COSTS.

Amounts recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the Army Civil

Works program and any other amounts recovered by the Secretary from a contractor, insurer, surety, or other person to reimburse the Army for any expenditure for environmental response activities in support of the Army civil works program shall be credited to the appropriate trust fund account from which the cost of such response action has been paid or will be charged.

SEC. 210. COST SHARING OF ENVIRONMENTAL PROJECTS.

(a) IN GENERAL.—Section 103(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)) is amended—

(1) by striking "and" at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting "; and"; and

(3) by inserting after paragraph (6) the following new paragraph:

"(7) subject to section 906 of this Act, environmental protection and restoration: 50 percent.".

(b) APPLICABILITY.—The amendments made by subsection (a) apply only to projects authorized after the date of the enactment of this Act.

SEC. 211. CONSTRUCTION OF FLOOD CONTROL PROJECTS BY NON-FEDERAL INTERESTS.

(a) AUTHORITY.—Non-Federal interests are authorized to undertake flood control projects in the United States, subject to obtaining any permits required pursuant to Federal and State laws in advance of actual construction.

(b) STUDIES AND DESIGN ACTIVITIES.—

(1) BY NON-FEDERAL INTERESTS.—A non-Federal interest may prepare, for review and approval by the Secretary, the necessary studies and design documents for any construction to be undertaken pursuant to subsection (a).

(2) BY SECRETARY.—Upon request of an appropriate non-Federal interest, the Secretary may undertake all necessary studies and design activities for any construction to be undertaken pursuant to subsection (a) and provide technical assistance in obtaining all necessary permits for such construction if the non-Federal interest contracts with the Secretary to furnish the United States funds for the studies and design activities during the period that the studies and design activities will be conducted.

(c) COMPLETION OF STUDIES AND DESIGN ACTIVITIES.—In the case of any study or design documents for a flood control project that were initiated before the date of the enactment of this Act, the Secretary is authorized to complete and transmit to the appropriate non-Federal interests the study or design documents or, upon the request of such non-Federal interests, to terminate the study or design activities and transmit the partially completed study or design documents to such non-Federal interests for completion. Studies and design documents subject to this subsection shall be completed without regard to the requirements of subsection (b).

(d) AUTHORITY TO CARRY OUT IMPROVEMENT.—

(1) IN GENERAL.—Any non-Federal interest which has received from the Secretary pursuant to subsection (b) or (c) a favorable recommendation to carry out a flood control project or separable element thereof based on the results of completed studies and design documents for the project or element, may carry out the project or element if a final environmental impact statement has been filed for the project or element.

(2) PERMITS.—Any plan of improvement proposed to be implemented in accordance with this subsection shall be deemed to satisfy the requirements for obtaining the appropriate permits required under the Secretary's authority and such permits shall be granted subject to the non-Federal interest's acceptance of the terms and conditions of such permits if the Secretary determines that the applicable regulatory criteria and procedures have been satisfied.

(3) MONITORING.—The Secretary shall monitor any project for which a permit is granted under this subsection in order to ensure that such project is constructed, operated, and maintained in accordance with the terms and conditions of such permit.

(e) REIMBURSEMENT.—

(1) GENERAL RULE.—Subject to appropriation Acts, the Secretary is authorized to reimburse any non-Federal interest an amount equal to the estimate of the Federal share, without interest, of the cost of any authorized flood control project, or separable element thereof, constructed pursuant to this section—

(A) if, after authorization and before initiation of construction of the project or separable element, the Secretary approves the plans for construction of such project by the non-Federal interest; and

(B) if the Secretary finds, after a review of studies and design documents prepared pursuant to this section, that construction of the project or separable element is economically justified and environmentally acceptable.

(2) SPECIAL RULES.—

(A) REIMBURSEMENT.—For work (including work associated with studies, planning, design, and construction) carried out by a non-Federal interest with respect to a project described in subsection (f), the Secretary shall, subject to amounts being made available in advance in appropriations Acts, reimburse, without interest, the non-Federal interest an amount equal to the estimated Federal share of the cost of such work if such work is later recommended by the Chief of Engineers and approved by the Secretary.

(B) CREDIT.—If the non-Federal interest for a project described in subsection (f) carries out work before completion of a reconnaissance study by the Secretary and if such work is determined by the Secretary to be compatible with the project later recommended by the Secretary, the Secretary shall credit the non-Federal interest for its share of the cost of the project for such work.

(3) MATTERS TO BE CONSIDERED IN REVIEWING PLANS.—In reviewing plans under this subsection, the Secretary shall consider budgetary and programmatic priorities and other factors that the Secretary deems appropriate.

(4) MONITORING.—The Secretary shall regularly monitor and audit any project for flood control approved for construction under this section by a non-Federal interest in order to ensure that such construction is in compliance with the plans approved by the Secretary and that the costs are reasonable.

(5) LIMITATION ON REIMBURSEMENTS.—No reimbursement shall be made under this section unless and until the Secretary has certified that the work for which reimbursement is requested has been performed in accordance with applicable permits and approved plans.

(f) SPECIFIC PROJECTS.—For the purpose of demonstrating the potential advantages and effectiveness of non-Federal implementation of flood control projects, the Secretary shall enter into agreements pursuant to this section with non-Federal interests for development of the following flood control projects by such interests:

(1) BERRYESSA CREEK, CALIFORNIA.—The Berryessa Creek element of the project for flood control, Coyote and Berryessa Creeks, California, authorized by section 101(a)(5) of the Water Resources Development Act of 1990 (104 Stat. 4606); except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to such element.

(2) LOS ANGELES COUNTY DRAINAGE AREA, CALIFORNIA.—The project for flood control, Los Angeles County Drainage Area, California, authorized by section 101(b) of the Water Resources Development Act of 1990 (104 Stat. 4611).

(3) STOCKTON METROPOLITAN AREA, CALIFORNIA.—The project for flood control, Stockton Metropolitan Area, California.

(4) UPPER GUADALUPE RIVER, CALIFORNIA.—The project for flood control, Upper Guadalupe River, California.

(5) BRAYS BAYOU, TEXAS.—Flood control components comprising the Brays Bayou element of the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by section 101(a)(21) of the Water Resources Development Act of 1990 (104 Stat. 4610); except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to the diversion component of such element.

(6) HUNTING BAYOU, TEXAS.—The Hunting Bayou element of the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by such section; except that, subject to the approval of the Secretary as provided by this section, the non-Federal interest may design and construct an alternative to such element.

(7) WHITE OAK BAYOU, TEXAS.—The project for flood control, White Oak Bayou watershed, Texas.

(g) TREATMENT OF FLOOD DAMAGE PREVENTION MEASURES.—For the purposes of this section, flood damage prevention measures at or in the vicinity of Morgan City and Berwick, Louisiana, shall be treated as an authorized element of the Atchafalaya Basin feature of the project for flood control, Mississippi River and Tributaries.

SEC. 212. ENGINEERING AND ENVIRONMENTAL INNOVATIONS OF NATIONAL SIGNIFICANCE.

(a) SURVEYS, PLANS, AND STUDIES.—To encourage innovative and environmentally sound engineering solutions and innovative environmental solutions to problems of national significance, the Secretary may undertake surveys, plans, and studies and prepare reports which may lead to work under existing civil works authorities or to recommendations for authorizations.

(b) FUNDING.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $3,000,000 for each fiscal year beginning after September 30, 1996.

(2) FUNDING FROM OTHER SOURCES.—The Secretary may accept and expend additional funds from other Federal agencies, States, or non-Federal entities for purposes of carrying out this section.

SEC. 213. LEASE AUTHORITY.

Notwithstanding any other provision of law, the Secretary may lease space available in buildings for which funding for construction or purchase was provided from the revolving fund established by the 1st section of the Civil Functions Appropriations Act, 1954 (33 U.S.C. 576; 67 Stat. 199) under such terms and conditions as are acceptable to the Secretary. The proceeds from such leases shall be credited to the revolving fund for the purposes set forth in such Act.

SEC. 214. COLLABORATIVE RESEARCH AND DEVELOPMENT.

(a) Funding From Other Federal Sources.—Section 7 of the Water Resources Development Act of 1988 (102 Stat. 4022–4023) is amended—

(1) in subsection (a) by inserting "civil works" before "mission"; and

(2) by striking subsection (e) and inserting the following:

"(e) Funding From Other Federal Sources.—The Secretary may accept and expend additional funds from other Federal programs, including other Department of Defense programs, to carry out the purposes of this section.".

(b) Pre-Agreement Temporary Protection of Technology.—Such section 7 is further amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f), respectively;

(2) by inserting after subsection (a) the following new subsection:

"(b) Pre-Agreement Temporary Protection of Technology.—

"(1) In general.—If the Secretary determines that information developed as a result of research and development activities conducted by the Corps of Engineers is likely to be subject to a cooperative research and development agreement within 2 years of its development and that such information would be a trade secret or commercial or financial information that would be privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative research and development agreement under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980, the Secretary may provide appropriate protection against the dissemination of such information, including exemption from subchapter II of chapter 5 of title 5, United States Code, until the earlier of the date the Secretary enters into such an agreement with respect to such technology or the last day of the 2-year period beginning on the date of such determination.

"(2) Treatment.—Any technology covered by this section which becomes the subject of a cooperative research and development agreement shall be accorded the protection provided under section 12(c)(7)(B) of such Act (15 U.S.C. 3710a(c)(7)(B)) as if such technology had been developed under a cooperative research and development agreement."; and

(3) in subsection (d), as so redesignated, by striking "(b)" and inserting "(c)".

SEC. 215. DAM SAFETY PROGRAM.

(a) Short Title.—This section may be cited as the "National Dam Safety Program Act of 1996".

(b) Findings.—Congress finds the following:

(1) Dams are an essential part of the national infrastructure. Dams fail from time to time with catastrophic results; thus, dam safety is a vital public concern.

(2) Dam failures have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption.

(3) Some dams are at or near the end of their structural, useful, or operational life. With respect to future dam failures, the loss, destruction, and disruption can be substantially reduced through the development and implementation of dam safety hazard reduction measures, including—

(A) improved design and construction standards and practices supported by a national dam performance resource bank;

(B) safe operations and maintenance procedures;

(C) early warning systems;

(D) coordinated emergency preparedness plans; and

(E) public awareness and involvement programs.

(4) Dam safety problems persist nationwide. The diversity in Federal and State dam safety programs calls for national leadership in a cooperative effort involving Federal and State governments and the private sector. An expertly staffed and adequately financed dam safety hazard reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions, would reduce the risk of such loss, destruction, and disruption from dam failure by an amount far greater than the cost of such program.

(5) There is a fundamental need for a national dam safety program and the need will continue. An effective national program in dam safety hazards reduction will require input from and review by Federal and non-Federal experts in dams design, construction, operation, and maintenance and in the practical application of dam failure hazards reduction measures. At the present time, there is no national dam safety program.

(6) The coordinating authority for national leadership is provided through the Federal Emergency Management Agency's (hereinafter in this section referred to as "FEMA") dam safety program through Executive Order 12148 in coordination with appropriate Federal agencies and the States.

(7) While FEMA's dam safety program shall continue as a proper Federal undertaking and shall provide the foundation for a National Dam Safety Program, statutory authority to meet increasing needs and to discharge Federal responsibilities in national dam safety is needed.

(8) Statutory authority will strengthen FEMA's leadership role, will codify the national dam safety program, and will authorize the Director of FEMA (hereinafter in this section referred to as the "Director") to communicate directly with Congress on authorizations and appropriations and to build upon the hazard reduction aspects of national dam safety.

(c) Purpose.—It is the purpose of this section to reduce the risks to life and property from dam failure in the United States through the establishment and maintenance of an effective national dam safety program which will bring together the Federal and non-Federal communities' expertise and resources to achieve national dam safety hazard reduction. It is not the intent of this section to preempt any other Federal or State authorities nor is the intent of this section to mandate State participation in the grant assistance program to be established under this section.

(d) Definitions.—In this section, the following definitions apply:

(1) Federal agency.—The term "Federal agency" means any Federal agency that designs, finances, constructs, owns, operates, maintains, or regulates the construction, operation, or maintenance of any dam.

(2) Non-federal agency.—The term "non-Federal agency" means any State agency that has regulatory authority over the safety of non-Federal dams.

(3) Federal guidelines for dam safety.—The term "Federal Guidelines for Dam Safety" refers to a FEMA publication number 93, dated June 1979, which defines management practices for dam safety at all Federal agencies.

(4) Program.—The term "program" means the national dam safety program established under subsection (e).

(5) Dam.—The term "dam" means any artificial barrier with the ability to impound water, wastewater, or liquid-borne materials for the purpose of storage or control of water which is—

(A) 25 feet or more in height from (i) the natural bed of the stream or watercourse measured at the downstream toe of the barrier, or (ii) from the lowest elevation of the outside limit of the barrier if the barrier is not across a stream channel or watercourse, to the maximum water storage elevation; or

(B) has an impounding capacity for maximum storage elevation of 50 acre-feet or more.

Such term does not include any such barrier which is not greater than 6 feet in height regardless of storage capacity or which has a storage capacity at maximum water storage elevation not greater than 15 acre-feet regardless of height, unless such barrier, due to its location or other physical characteristics, is likely to pose a significant threat to human life or property in the event of its failure. Such term does not include a levee.

(6) Hazard reduction.—The term "hazard reduction" means those efforts utilized to reduce the potential consequences of dam failure to life and property.

(7) State.—The term "State" means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

(8) Participating state.—The term "participating State" means any State that elects to participate in the grant assistance program established under this Act.

(9) United states.—The term "United States" means, when used in a geographical sense, all of the States.

(10) Model state dam safety program.—The term "Model State Dam Safety Program" refers to a document, published by FEMA (No. 123, dated April 1987) and its amendments, developed by State dam safety officials, which acts as a guideline to State dam safety agencies for establishing a dam safety regulatory program or improving an already-established program.

(e) National Dam Safety Program.—

(1) Authority.—The Director, in consultation with appropriate Federal agencies, State dam safety agencies, and the National Dam Safety Review Board established by paragraph (5)(C), shall establish and maintain, in accordance with the provisions and policies of this Act, a coordinated national dam safety program. This program shall—

(A) be administered by FEMA to achieve the objectives set forth in paragraph (3);

(B) involve, where appropriate, the Departments of Agriculture, Defense, Energy, Interior, and Labor, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission, the International Boundaries Commission (United States section), the Tennessee Valley Authority, and FEMA; and

(C) include each of the components described in paragraph (4), the implementation plan described in paragraph (5), and the assistance for State dam safety programs to be provided under this section.

(2) Duties.—The Director—

(A) within 270 days after the date of the enactment of this Act, shall develop the implementation plan described in paragraph (5);

(B) within 300 days after such date of enactment, shall submit to the appropriate authorizing committees of Congress the implementation plan described in paragraph (5); and

(C) by rule within 360 days after such date of enactment—

(i) shall develop and implement the national dam safety program under this section;

(ii) shall establish goals, priorities, and target dates for implementation of the program; and

(iii) shall provide a method for cooperation and coordination with, and assistance to (as feasible), interested governmental entities in all States.

(3) OBJECTIVES.—The objectives of the national dam safety program are as follows:

(A) To ensure that new and existing dams are safe through the development of technologically and economically feasible programs and procedures for national dam safety hazard reduction.

(B) To encourage acceptable engineering policies and procedures used for dam site investigation, design, construction, operation and maintenance, and emergency preparedness.

(C) To encourage establishment and implementation of effective dam safety programs in each participating State based on State standards.

(D) To develop and encourage public awareness projects to increase public acceptance and support of State dam safety programs.

(E) To develop technical assistance materials for Federal and non-Federal dam safety programs.

(F) To develop mechanisms with which to provide Federal technical assistance for dam safety to the non-Federal sector.

(4) COMPONENTS.—

(A) IN GENERAL.—The national dam safety program shall consist of a Federal element and a non-Federal element and 3 functional activities: leadership, technical assistance, and public awareness.

(B) ELEMENTS.—

(i) FEDERAL ELEMENT.—The Federal element of the program incorporates all the activities and practices undertaken by Federal agencies to implement the Federal Guidelines for Dam Safety.

(ii) NON-FEDERAL ELEMENT.—The non-Federal element of the program involves the activities and practices undertaken by participating States, local governments, and the private sector to safely build, regulate, operate, and maintain dams and Federal activities which foster State efforts to develop and implement effective programs for the safety of dams.

(C) ACTIVITIES.—

(i) LEADERSHIP ACTIVITY.—The leadership activity of the program shall be the responsibility of FEMA. FEMA shall coordinate Federal efforts in cooperation with appropriate Federal agencies and State dam safety agencies.

(ii) TECHNICAL ASSISTANCE ACTIVITY.—The technical assistance activity of the program involves the transfer of knowledge and technical information among the Federal and non-Federal elements.

(iii) PUBLIC AWARENESS ACTIVITY.—The public awareness activity provides for the education of the public, including State and local officials, to the hazards of dam failure and ways to reduce the adverse consequences of dam failure and related matters.

(5) GRANT ASSISTANCE PROGRAM.—The Director shall develop an implementation plan which shall demonstrate dam safety improvements through fiscal year 2001 and shall recommend appropriate roles for Federal agencies and for State and local units of government, individuals, and private organizations. The implementation plan shall provide, at a minimum, for the following:

(A) ASSISTANCE PROGRAM.—In order to encourage the establishment and maintenance of effective programs intended to ensure dam safety to protect human life and property and to improve such existing programs, the Director shall provide, from amounts made available under subsection (g) of this section, assistance to participating States to establish and maintain dam safety programs, first, according to the basic provisions for a dam safety program listed below and, second, according to more advanced requirements and standards authorized by the review board under subparagraph (C) and the Director with the assistance of established criteria such as the Model State Dam Safety Program. Participating State dam safety programs must be working toward meeting the following primary criteria to be eligible for primary assistance or must meet the following primary criteria prior to working toward advanced assistance:

(i) STATE LEGISLATION.—A dam safety program must be authorized by State legislation to include, at a minimum, the following:

(I) PLAN REVIEW AND APPROVAL.—Authority to review and approve plans and specifications to construct, enlarge, modify, remove, or abandon dams.

(II) PERIODIC INSPECTIONS DURING CONSTRUCTION.—Authority to perform periodic inspections during construction for the purpose of ensuring compliance with approved plans and specifications.

(III) STATE APPROVAL.—Upon completion of construction, a requirement that, before operation of the structure, State approval is received.

(IV) SAFETY INSPECTIONS.—Authority to require or perform the inspection of all dams and reservoirs that pose a significant threat to human life and property in the event of failure at least every 5 years to determine their continued safety and a procedure for more detailed and frequent safety inspections.

(V) PROFESSIONAL ENGINEER.—A requirement that all inspections be performed under the supervision of a registered professional engineer with related experience in dam design and construction.

(VI) ORDERS.—Authority to issue orders, when appropriate, to require owners of dams to perform necessary maintenance or remedial work, revise operating procedures, or take other actions, including breaching dams when deemed necessary.

(VII) REGULATIONS.—Rules and regulations for carrying out the provisions of the State's legislative authority.

(VIII) EMERGENCY FUNDS.—Necessary emergency funds to assure timely repairs or other changes to, or removal of, a dam in order to protect human life and property and, if the owner does not take action, to take appropriate action as expeditiously as possible.

(IX) EMERGENCY PROCEDURES.—A system of emergency procedures that would be utilized in the event a dam fails or in the event a dam's failure is imminent, together with an identification of those dams where failure could be reasonably expected to endanger human life and of the maximum area that could be inundated in the event of a failure of the dam, as well as identification of those necessary public facilities that would be affected by such inundation.

(ii) STATE APPROPRIATIONS.—State appropriations must be budgeted to carry out the provisions of the State legislation.

(B) WORK PLAN CONTRACTS.—The Director shall enter into contracts with each participating State to determine a work plan necessary for a particular State dam safety program to reach a level of program performance previously agreed upon in the contract. Federal assistance under this section shall be provided to aid the State dam safety program in achieving its goal.

(C) NATIONAL DAM SAFETY REVIEW BOARD.—

(i) IN GENERAL.—There is authorized to be established a National Dam Safety Review Board (hereinafter in this section referred to as the "Board"), which shall be responsible for monitoring participating State implementation of the requirements of the assistance program. The Board is authorized to utilize the expertise of other agencies of the United States and to enter into contracts for necessary studies to carry out the requirements of this section. The Board shall consist of 11 members selected for their expertise in dam safety as follows:

(I) 5 to represent FEMA, the Federal Energy Regulatory Commission, and the Departments of Agriculture, Defense, and Interior.

(II) 5 members selected by the Director who are dam safety officials of States.

(III) 1 member selected by the Director to represent the United States Committee on Large Dams.

(ii) NO COMPENSATION OF MEMBERS.—Each member of the Board who is an officer or employee of the United States shall serve without compensation in addition to compensation received for the services of the member as an officer or employee of the United States. Each member of the Board who is not an officer or employee of the United States shall serve without compensation.

(iii) TRAVEL EXPENSES.—Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from home or regular place of business of the member in the performance of services for the Board.

(iv) NONAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

(D) MAINTENANCE OF EFFORT.—No grant may be made to a participating State under this subsection in any fiscal year unless the State enters into such agreement with the Director as the Director may require to ensure that the participating State will maintain its aggregate expenditures from all other sources for programs to assure dam safety for the protection of human life and property at or above the average level of such expenditures in its 2 fiscal years preceding the date of the enactment of this Act.

(E) PROCEDURE FOR APPROVAL OF STATE PARTICIPATION.—Any program which is submitted to the Director for participation in the assistance program under this subsection shall be deemed approved 120 days following its receipt by the Director unless the Director determines within such 120-day period that the submitted program fails to reasonably meet the requirements of subparagraphs (A) and (B). If the Director determines the submitted program cannot be approved for participation, the Director shall immediately notify the State in writing, together with his or her reasons and those changes needed to enable the submitted program to be approved.

(F) REVIEW OF STATE PROGRAMS.—Utilizing the expertise of the Board, the Director shall periodically review the approved State dam safety programs. In the event the Board finds that a program of a participating State has proven inadequate to reasonably protect human life and property and the Director agrees, the Director shall revoke approval of the State's participation in the assistance program and withhold assistance under this section, until the State program has been reapproved.

(G) COOPERATION OF FEDERAL AGENCIES.—The head of any Federal agency, when requested by any State dam safety agency, shall provide information on the construction, operation, or maintenance of any dam or allow officials of the State agency to participate in any Federal inspection of any dam.

(H) DAM INSURANCE REPORT.—Within 180 days after the date of the enactment of this Act, the Director shall report to the Congress on the availability of dam insurance and make recommendations.

(f) BIENNIAL REPORT.—Within 90 days after the last day of each odd-numbered fiscal year, the Director shall submit a biennial report to Congress describing the status of the program being implemented under this section and describing the progress achieved by the Federal agencies during the 2 previous years in implementing the Federal Guidelines for Dam Safety. Each such report shall include any recommendations for legislative and other action deemed necessary and appropriate. The report shall also include a summary of the progress being made in improving dam safety by participating States.

(g) AUTHORIZING OF APPROPRIATIONS.—

(1) GENERAL PROGRAM.—

(A) FUNDING.—There are authorized to be appropriated to the Director to carry out the provisions of subsections (e) and (f) (in addition to any authorizations for similar purposes included in other Acts and the authorizations set forth in paragraphs (2) through (5) of this subsection)—

(i) $1,000,000 for fiscal year 1997;

(ii) $2,000,000 for fiscal year 1998;

(iii) $4,000,000 for fiscal year 1999;

(iv) $4,000,000 for fiscal year 2000; and

(v) $4,000,000 for fiscal year 2001.

(B) APPORTIONMENT FORMULA.—

(i) IN GENERAL.—Subject to clause (ii), sums appropriated under this paragraph shall be distributed annually among participating States on the following basis: One-third among those States determined in subsection (e) as qualifying for funding, and two-thirds in proportion to the number of dams and appearing as State-regulated dams on the National Dam Inventory in each participating State that has been determined in subsection (e)(5)(A) as qualifying for funding, to the number of dams in all participating States.

(ii) LIMITATION TO 50 PERCENT OF COST.—In no event shall funds distributed to any State under this paragraph exceed 50 percent of the reasonable cost of implementing an approved dam safety program in such State.

(iii) ALLOCATION BETWEEN PRIMARY AND ADVANCED ASSISTANCE PROGRAMS.— The Director and Review Board shall determine how much of funds appropriated under this paragraph is allotted to participating States needing primary funding and those needing advanced funding.

(2) TRAINING.—

(A) IN GENERAL.—The Director shall, at the request of any State that has or intends to develop a dam safety program under subsection (e)(5)(A), provide training for State dam safety staff and inspectors.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $500,000 for each of fiscal years 1997 through 2001.

(3) RESEARCH.—

(A) IN GENERAL.—The Director shall undertake a program of technical and archival research in order to develop improved techniques, historical experience, and equipment for rapid and effective dam construction, rehabilitation, and inspection, together with devices for the continued monitoring, of dams for safety purposes.

(B) STATE PARTICIPATION; REPORTS.—The Director shall provide for State participation in the research under this paragraph and periodically advise all States and Congress of the results of such research.

(C) FUNDING.—There is authorized to be appropriated to carry out this paragraph $1,000,000 for each of fiscal years 1997 through 2001.

(4) DAM INVENTORY.—

(A) MAINTENANCE AND PUBLICATION.—The Secretary is authorized to maintain and periodically publish updated information on the inventory of dams.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $500,000 for each of fiscal years 1997 through 2001.

(5) PERSONNEL.—

(A) EMPLOYMENT.—The Director is authorized to employ additional staff personnel in numbers sufficient to carry out the provisions of this section.

(B) FUNDING.—There is authorized to be appropriated to carry out this paragraph $400,000 for each of fiscal years 1997 through 2001.

(6) LIMITATION.—No funds authorized by this section shall be used to construct or repair any Federal or non-Federal dams.

(h) CONFORMING AMENDMENTS.—The Act entitled "An Act to authorize the Secretary of the Army to undertake a national program of inspection of dams", approved August 8, 1972 (33 U.S.C 467–467m; Public Law 92–367), is amended—

(1) in the first section by striking "means any artificial barrier" and all that follows through the period at the end and inserting "has the meaning such term has under subsection (d) of the National Dam Safety Program Act of 1996.";

(2) by striking the 2d sentence of section 3;

(3) by striking section 5 and sections 7 through 14; and

(4) by redesignating section 6 as section 5.

SEC. 216. MAINTENANCE, REHABILITATION, AND MODERNIZATION OF FACILITIES.

In accomplishing the maintenance, rehabilitation, and modernization of hydroelectric power generating facilities at water resources projects under the jurisdiction of the Department of the Army, the Secretary is authorized to increase the efficiency of energy production and the capacity of these facilities if, after consulting with other appropriate Federal and State agencies, the Secretary determines that such uprating—

(1) is economically justified and financially feasible;

(2) will not result in significant adverse effects on the other purposes for which the project is authorized;

(3) will not result in significant adverse environmental impacts; and

(4) will not involve major structural or operation changes in the project.

SEC. 217. LONG-TERM SEDIMENT MANAGEMENT STRATEGIES.

(a) DEVELOPMENT.—The Secretary shall enter into cooperative agreements with non-Federal sponsors of navigation projects for development of long-term management strategies for controlling sediments in such projects.

(b) CONTENTS OF STRATEGIES.—Each strategy developed under this section for a navigation project—

(1) shall include assessments of the following with respect to the project: sediment rates and composition, sediment reduction options, dredging practices, long-term management of any dredged material disposal facilities, remediation of such facilities, and alternative disposal and reuse options;

(2) shall include a timetable for implementation of the strategy; and

(3) shall incorporate, as much as possible, relevant ongoing planning efforts, including remedial action planning, dredged material management planning, harbor and waterfront development planning, and watershed management planning.

(c) CONSULTATION.—In developing strategies under this section, the Secretary shall consult with interested Federal agencies, States, and Indian tribes and provide an opportunity for public comment.

SEC. 218. DREDGED MATERIAL DISPOSAL FACILITY PARTNERSHIPS.

(a) ADDITIONAL CAPACITY.—

(1) PROVIDED BY SECRETARY.—At the request of a non-Federal project sponsor, the Secretary may provide additional capacity at a dredged material disposal facility constructed by the Secretary beyond that which would be required for project purposes if the non-Federal project sponsor agrees to pay, during the period of construction, all costs associated with the construction of the additional capacity.

(2) COST RECOVERY AUTHORITY.—The non-Federal project sponsor may recover the costs assigned to the additional capacity through fees assessed on 3rd parties whose dredged material is deposited in the facility and who enter into agreements with the non-Federal sponsor for the use of such facility. The amount of such fees may be determined by the non-Federal sponsor.

(b) NON-FEDERAL USE OF DISPOSAL FACILITIES.—

(1) IN GENERAL.—The Secretary—

(A) may permit the use of any dredged material disposal facility under the jurisdiction of, or managed by, the Secretary by a non-Federal interest if the Secretary determines that such use will not reduce the availability of the facility for project purposes; and

(B) may impose fees to recover capital, operation, and maintenance costs associated with such use.

(2) USE OF FEES.—Notwithstanding section 401(c) of the Federal Water Pollution Control Act but subject to advance appropriations, any monies received through collection of fees under this subsection shall be available to the Secretary, and shall be used by the Secretary, for the operation and maintenance of the disposal facility from which they were collected.

(c) PUBLIC-PRIVATE PARTNERSHIPS.—

(1) IN GENERAL.—The Secretary may carry out a program to evaluate and implement opportunities for public-private partnerships in the design, construction, management, or operation of dredged material disposal facilties in connection with construction or maintenance of Federal navigation projects.

(2) PRIVATE FINANCING.—

(A) AGREEMENTS.—In carrying out this subsection, the Secretary may enter into an agreement with a project sponsor, a private entity, or both for the acquisition, design, construction, management, or operation of a dredged material disposal facility (including any facility used to demonstrate potential beneficial uses of dredged material) using funds provided in whole or in part by the private entity.

(B) REIMBURSEMENT.—If any funds provided by a private entity are used to carry out a project under this subsection, the Secretary may reimburse the private entity over a period of time agreed to by the parties to the agreement through the payment of subsequent user fees. Such fees may include the payment of a disposal or tipping fee for placement of suitable dredged material at the facility.

(C) AMOUNT OF FEES.—User fees paid pursuant to subparagraph (B) shall be sufficient to repay funds contributed by the private entity plus a reasonable return on investment approved by the Secretary in cooperation with the project sponsor and the private entity.

(D) FEDERAL SHARE.—The Federal share of such fee shall be equal to the percentage of the total cost which would otherwise be borne by the Federal Government as required pursuant to existing cost sharing requirements, including section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213) and section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2325).

(E) BUDGET ACT COMPLIANCE.—Any spending authority (as defined in section 401(c)(2) of the Congressional Budget Act of 1974 (2 U.S.C. 651(c)(2)) authorized by this section shall be effective only to such extent and in such amounts as are provided in appropriation Acts.

SEC. 219. OBSTRUCTION REMOVAL REQUIREMENT.

(a) PENALTY.—Section 16 of the Act of March 3, 1899 (33 U.S.C. 411; 30 Stat. 1153), is amended—

(1) by striking "thirteen, fourteen, and fifteen" each place it appears and inserting "13, 14, 15, 19, and 20"; and

(2) by striking "not exceeding twenty-five hundred dollars nor less than five hundred dollars" and inserting "of up to $25,000 per day".

(b) GENERAL AUTHORITY.—Section 20 of the Act of March 3, 1899 (33 U.S.C. 415; 30 Stat. 1154), is amended—

(1) by striking "expense" the first place it appears in subsection (a) and inserting "actual expense, including administrative expenses,";

(2) in subsection (b) by striking "cost" and inserting "actual cost, including administrative costs,";

(3) by redesignating subsection (b) as subsection (c); and

(4) by inserting after subsection (a) the following new subsection:

"(b) REMOVAL REQUIREMENT.—Within 24 hours after the Secretary of the Department in which the Coast Guard is operating issues an order to stop or delay navigation in any navigable waters of the United States because of conditions related to the sinking or grounding of a vessel, the owner or operator of the vessel, with the approval of the Secretary of the Army, shall begin removal of the vessel using the most expeditious removal method available or, if appropriate, secure the vessel pending removal to allow navigation to resume. If the owner or operator fails to begin removal or to secure the vessel pending removal or fails to complete removal as soon as possible, the Secretary of the Army shall remove or destroy the vessel using the summary removal procedures under subsection (a) of this section.".

SEC. 220. SMALL PROJECT AUTHORIZATIONS.

Section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r) is amended—

(1) by striking "$12,500,000" and inserting "$15,000,000"; and

(2) by striking "$500,000" and inserting "$1,500,000".

SEC. 221. UNECONOMICAL COST-SHARING REQUIREMENTS.

Section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b) is amended by striking the period at the end of the first sentence and inserting the following: "; except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agreement would exceed the amount of the contribution required from the non-Federal interest and are less than $25,000.".

SEC. 222. PLANNING ASSISTANCE TO STATES.

Section 22 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d–16) is amended—

(1) in subsection (a) by inserting ", watersheds, or ecosystems" after "basins";

(2) in subsection (b)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) in subsection (c)—

(A) by striking "$6,000,000" and inserting "$10,000,000"; and

(B) by striking "$300,000" and inserting "$500,000".

SEC. 223. CORPS OF ENGINEERS EXPENSES.

Section 211 of the Flood Control Act of 1950 (33 U.S.C. 701u; 64 Stat. 183) is amended—

(1) by striking "continental limits of the"; and

(2) by striking the 2d colon and all that follows through "for this purpose".

SEC. 224. STATE AND FEDERAL AGENCY REVIEW PERIOD.

The 1st section of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes", approved December 22, 1944 (33 U.S.C. 701–1(a); 58 Stat. 888), is amended—

(1) by striking "Within ninety" and inserting "Within 30"; and

(2) by striking "ninety-day period." and inserting "30-day period.".

SEC. 225. LIMITATION ON REIMBURSEMENT OF NON-FEDERAL COSTS PER PROJECT.

Section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5a(a)) is amended—

(1) by striking "$3,000,000" and inserting "$5,000,000"; and

(2) by striking the final period.

SEC. 226. AQUATIC PLANT CONTROL.

(a) ADDITIONAL CONTROLLED PLANTS.—Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended by inserting after "alligatorweed," the following: "melaleuca,".

(b) AUTHORIZATION.—Section 104(b) of such Act (33 U.S.C. 610(b)) is amended by striking "$12,000,000" and inserting "$15,000,000".

SEC. 227. SEDIMENTS DECONTAMINATION TECHNOLOGY.

(a) PROJECT PURPOSE.—Section 405(a) of the Water Resources Development Act of 1992 (33 U.S.C. 2239 note; 106 Stat. 4863) is amended by adding at the end the following:

"(3) PROJECT PURPOSE.—The purpose of the project to be carried out under this section is to provide for the development of 1 or more sediment decontamination technologies on a pilot scale demonstrating a capacity of at least 500,000 cubic yards per year.".

(b) AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 405(c) of such Act is amended to read as follows: "There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1996.".

(c) REPORTS.—Section 405 of such Act is amended by adding at the end the following:

"(d) REPORTS.—Not later than September 30, 1998, and periodically thereafter, the Administrator and the Secretary shall transmit to Congress a report on the results of the project to be carried out under this section, including an assessment of the progress made in achieving the intent of the program set forth in subsection (a)(3).".

SEC. 228. SHORE PROTECTION.

(a) DECLARATION OF POLICY.—Subsection (a) of the first section of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426e; 60 Stat. 1056), is amended—

(1) by striking "damage to the shores" and inserting "damage to the shores and beaches"; and

(2) by striking "the following provisions" and all that follows through the period at the end of subsection (a) and inserting the following: "this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.".

(b) NONPUBLIC SHORES.—Subsection (d) of such section is amended by striking "or from the protection of nearby public property or" and inserting ", if there are sufficient benefits, including benefits to local and regional economic development and to the local and regional ecology (as determined under subsection (e)(2)(B)), or"; and

(c) AUTHORIZATION OF PROJECTS.—Subsection (e) of such section is amended—

(1) by striking "(e) No" and inserting the following:

"(e) AUTHORIZATION OF PROJECTS.—

"(1) IN GENERAL.—No";

(2) by moving the remainder of the text of paragraph (1) (as designated by paragraph (1) of this subsection) 2 ems to the right; and

(3) by adding at the end the following:

"(2) STUDIES.—

"(A) IN GENERAL.—The Secretary shall—

"(i) recommend to Congress studies concerning shore protection projects that meet the criteria established under this Act (including subparagraph (B)(iii)) and other applicable law;

"(ii) conduct such studies as Congress requires under applicable laws; and

"(iii) report the results of the studies to the appropriate committees of Congress.

"(B) RECOMMENDATIONS FOR SHORE PROTECTION PROJECTS.—

"(i) IN GENERAL.—The Secretary shall recommend to Congress the authorization or reauthorization of shore protection projects based on the studies conducted under subparagraph (A).

"(ii) CONSIDERATIONS.—In making recommendations, the Secretary shall consider the economic and ecological benefits of a shore protection project and the ability of the non-Federal interest to participate in the project.

"(iii) CONSIDERATION OF LOCAL AND REGIONAL BENEFITS.—In analyzing the economic and ecological benefits of a shore protection project, or a flood control or other water resource project the purpose of which includes shore protection, the Secretary shall consider benefits to local and regional economic development, and to the local and regional ecology, in calculating the full economic and ecological justifications for the project.

"(C) COORDINATION OF PROJECTS.—In conducting studies and making recommendations for a shore protection project under this paragraph, the Secretary shall—

"(i) determine whether there is any other project being carried out by the Secretary or the head of another Federal agency that may be complementary to the shore protection project; and

"(ii) if there is such a complementary project, describe the efforts that will be made to coordinate the projects.

"(3) SHORE PROTECTION PROJECTS.—

"(A) IN GENERAL.—The Secretary shall construct, or cause to be constructed, any shore protection project authorized by Congress, or separable element of such a project, for which funds have been appropriated by Congress.

"(B) AGREEMENTS.—

"(i) REQUIREMENT.—After authorization by Congress, and before commencement of construction, of a shore protection project or separable element, the Secretary shall enter into a written agreement with a non-Federal interest with respect to the project or separable element.

"(ii) TERMS.—The agreement shall—

"(I) specify the life of the project; and

"(II) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.

"(C) COORDINATION OF PROJECTS.—In constructing a shore protection project or separable element under this paragraph, the Secretary shall, to the extent practicable, coordinate the project or element with any complementary project identified under paragraph (2)(C).

"(4) REPORT TO CONGRESS.—The Secretary shall report biennially to the appropriate committees of Congress on the status of all ongoing shore protection studies and shore protection projects carried out under the jurisdiction of the Secretary.".

(d) REQUIREMENT OF AGREEMENTS PRIOR TO REIMBURSEMENTS.—

(1) SMALL SHORE PROTECTION PROJECTS.—Section 2 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426f; 60 Stat. 1056), is amended—

(A) by striking "SEC. 2. The Secretary of the Army" and inserting the following:

"SEC. 2. REIMBURSEMENTS.

"(a) IN GENERAL.—The Secretary";

(B) in subsection (a) (as so designated)—

(i) by striking "local interests" and inserting "non-Federal interests";

(ii) by inserting "or separable element of the project" after "project"; and

(iii) by inserting "or separable elements" after "projects" each place it appears; and

(C) by adding at the end the following:

"(b) AGREEMENTS.—

"(1) REQUIREMENT.—After authorization of reimbursement by the Secretary under this section, and before commencement of construction, of a shore protection project, the Secretary shall enter into a written agreement with the non-Federal interest with respect to the project or separable element.

"(2) TERMS.—The agreement shall—

"(A) specify the life of the project; and

"(B) ensure that the Federal Government and the non-Federal interest will cooperate in carrying out the project or separable element.".

(2) OTHER SHORELINE PROTECTION PROJECTS.—Section 206(e)(1)(A) of the Water Resources Development Act of 1992 (33 U.S.C. 426i-1(e)(1)(A); 106 Stat. 4829) is amended by inserting before the semicolon the following: "and enters into a written agreement with the non-Federal interest with respect to the project or separable element (including the terms of cooperation)".

(e) STATE AND REGIONAL PLANS.—The Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946, is further amended—

(1) by redesignating section 4 (33 U.S.C. 426h) as section 5; and

(2) by inserting after section 3 (33 U.S.C. 426g) the following:

"SEC. 4. STATE AND REGIONAL PLANS.

"The Secretary may—

"(1) cooperate with any State in the preparation of a comprehensive State or regional plan for the conservation of coastal resources located within the boundaries of the State;

"(2) encourage State participation in the implementation of the plan; and

"(3) submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out the plan.".

(f) DEFINITIONS.—

(1) IN GENERAL.—Section 5 of the Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946 (33 U.S.C. 426h), (as redesignated by subsection (e)(1)) is amended to read as follows:

"SEC. 5. DEFINITIONS.

"In this Act, the following definitions apply:

"(1) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers.

"(2) SEPARABLE ELEMENT.—The term 'separable element' has the meaning provided by section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)).

"(3) SHORE.—The term 'shore' includes each shoreline of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and lakes, estuaries, and bays directly connected therewith.

"(4) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.".

(2) CONFORMING AMENDMENTS.—The Act entitled "An Act authorizing Federal participation in the cost of protecting the shores of publicly owned property", approved August 13, 1946, is amended—

(A) in subsection (b)(3) of the first section (33 U.S.C. 426e(b)(3)) by striking "of the Army, acting through the Chief of Engineers," and by striking the final period; and

(B) in section 3 (33 U.S.C. 426g) by striking "Secretary of the Army" and inserting "Secretary".

(g) OBJECTIVES OF PROJECTS.—Section 209 of the Flood Control Act of 1970 (42 U.S.C. 1962-2; 84 Stat. 1829) is amended by inserting "(including shore protection projects such as projects for beach nourishment, including the replacement of sand)" after "water resource projects".

SEC. 229. PROJECT DEAUTHORIZATIONS.

(a) IN GENERAL.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended—

(1) by striking "Before" at the beginning of the second sentence and inserting "Upon"; and

(2) by inserting "planning, designing, or" before "construction" in the last sentence.

(b) TECHNICAL AMENDMENT.—Section 52 of the Water Resources Development Act of 1988 (33 U.S.C. 579a note; 102 Stat. 4044) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b), (c), (d), and (e) as subsections (a), (b), (c), and (d), respectively.

SEC. 230. SUPPORT OF ARMY CIVIL WORKS PROGRAM.

(a) GENERAL AUTHORITY.—In carrying out research and development in support of the civil works program of the Department of the Army, the Secretary may utilize contracts, cooperative research and development agreements, cooperative agreements, and grants with non-Federal entities, including State and local governments, colleges and universities, consortia, professional and technical societies, public and private scientific and technical foundations, research institutions, educational organizations, and nonprofit organizations.

(b) SPECIAL RULES.—With respect to contracts for research and development, the Secretary may include requirements that have potential commercial application and may also use such potential application as an evaluation factor where appropriate.

SEC. 231. BENEFITS TO NAVIGATION.

In evaluating potential improvements to navigation and the maintenance of navigation projects, the Secretary shall consider, and include for purposes of project justification, economic benefits generated by cruise ships as commercial navigation benefits.

SEC. 232. LOSS OF LIFE PREVENTION.

Section 904 of the Water Resources Development Act of 1986 (33 U.S.C. 2281) is amended by inserting "including the loss of life which may be associated with flooding and coastal storm events," after "costs,".

SEC. 233. SCENIC AND AESTHETIC CONSIDERATIONS.

In conducting studies of potential water resources projects, the Secretary shall consider measures to preserve and enhance scenic and aesthetic qualities in the vicinity of such projects.

SEC. 234. REMOVAL OF STUDY PROHIBITIONS.

Nothing in section 208 of the Urgent Supplemental Appropriations Act, 1986 (100 Stat. 749), section 505 of the Energy and Water Development Appropriations Act, 1993 (106 Stat. 1343), or any other provision of law shall be deemed to limit the authority of the Secretary to undertake studies for the purpose of investigating alternative modes of financing hydroelectric power facilities under the jurisdiction of the Department of the Army with funds appropriated after the date of the enactment of this Act.

SEC. 235. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American-made.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary, to the greatest extent practicable, shall provide to each recipient of the assistance a notice describing the statement made in subsection (a).

SEC. 236. RESERVOIR MANAGEMENT TECHNICAL ADVISORY COMMITTEE.

Section 310 of the Water Resources Development Act of 1990 (33 U.S.C. 2319; 104 Stat. 4639) is amended—

(1) by striking subsection (a); and

(2) by striking "(b) Public Participation.—".

SEC. 237. TECHNICAL CORRECTIONS.

(a) Section 203 of 1992 Act.—Section 203(b) of the Water Resources Development Act of 1992 (106 Stat. 4826) is amended by striking "(8662)" and inserting "(8862)".

(b) Section 225 of 1992 Act.—Section 225(c) of the Water Resources Development Act of 1992 (106 Stat. 4838) is amended by striking "(8662)" in the second sentence and inserting "(8862)".

TITLE III—PROJECT MODIFICATIONS

SEC. 301. MOBILE HARBOR, ALABAMA.

The undesignated paragraph under the heading "MOBILE HARBOR, ALABAMA" in section 201(a) of the Water Resources Development Act of 1986 (100 Stat. 4090) is amended by striking the first semicolon and all that follows and inserting a period and the following: "In disposing of dredged material from such project, the Secretary, after compliance with applicable laws and after opportunity for public review and comment, may consider alternatives to disposal of such material in the Gulf of Mexico, including environmentally acceptable alternatives for beneficial uses of dredged material and environmental restoration.".

SEC. 302. ALAMO DAM, ARIZONA.

The project for flood control and other purposes, Alamo Dam and Lake, Arizona, authorized by section 10 of the River and Harbor Act of December 22, 1944, (58 Stat. 900), is modified to authorize the Secretary to operate the Alamo Dam to provide fish and wildlife benefits both upstream and downstream of the Dam. Such operation shall not reduce flood control and recreation benefits provided by the project.

SEC. 303. NOGALES WASH AND TRIBUTARIES, ARIZONA.

The project for flood control, Nogales Wash and tributaries, Arizona, authorized by section 101(a)(4) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to direct the Secretary to permit the non-Federal contribution for the project to be determined in accordance with sections 103(k) and 103(m) of the Water Resources Development Act of 1986 and to direct the Secretary to enter into negotiations with non-Federal interests pursuant to section 103(l) of such Act concerning the timing of the initial payment of the non-Federal contribution.

SEC. 304. PHOENIX, ARIZONA.

Section 321 of the Water Resources Development Act of 1992 (106 Stat. 4848) is amended—

(1) by striking "control" and inserting "control, ecosystem restoration,"; and

(2) by striking "$6,500,000." and inserting "$17,500,000.".

SEC. 305. SAN FRANCISCO RIVER AT CLIFTON, ARIZONA.

The project for flood control, San Francisco River, Clifton, Arizona, authorized by section 101(a)(3) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to authorize the Secretary to construct the project at a total cost of $21,100,000, with an estimated Federal cost of $13,800,000 and an estimated non-Federal cost of $7,300,000.

SEC. 306. CHANNEL ISLANDS HARBOR, CALIFORNIA.

The project for navigation, Channel Islands Harbor, Port of Hueneme, California, authorized by section 101 of the River and Harbor Act of 1954 (68 Stat. 1252) is modified to direct the Secretary to pay 100 percent of the costs of dredging the Channel Islands Harbor sand trap.

SEC. 307. GLENN-COLUSA, CALIFORNIA.

The project for flood control, Sacramento River, California, authorized by section 2 of the Act entitled "An Act to provide for the control of the floods of the Mississippi River and the Sacramento River, California, and for other purposes", approved March 1, 1917 (39 Stat. 948), and as modified by section 102 of the Energy and Water Development Appropriations Act, 1990 (103 Stat. 649), is further modified to authorize the Secretary to carry out the portion of the project at Glenn-Colusa, California, at a total cost of $14,200,000.

SEC. 308. LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA.

The navigation project for Los Angeles and Long Beach Harbors, San Pedro Bay, California, authorized by section 201(b) of the Water Resources Development Act of 1986 (100 Stat. 4091), is modified to provide that, notwithstanding section 101(a)(4) of such Act, the cost of the relocation of the sewer outfall by the Port of Los Angeles shall be credited toward the payment required from the non-Federal interest by section 101(a)(2) of such Act.

SEC. 309. OAKLAND HARBOR, CALIFORNIA.

The projects for navigation, Oakland Outer Harbor, California, and Oakland Inner Harbor, California, authorized by section 202 of the Water Resources Development Act of 1986 (100 Stat. 4092), are modified by combining the 2 projects into 1 project, to be designated as the Oakland Harbor, California, project. The Oakland Harbor, California, project shall be prosecuted by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the reports designated in such section 202, at a total cost of $90,850,000, with an estimated Federal cost of $59,150,000 and an estimated non-Federal cost of $31,700,000. The non-Federal share of project costs and any available credits toward the non-Federal share shall be calculated on the basis of the total cost of the combined project.

SEC. 310. QUEENSWAY BAY, CALIFORNIA.

Section 4(e) of the Water Resources Development Act of 1988 (102 Stat. 4016) is amended by adding at the end the following sentence: "In addition, the Secretary shall perform advance maintenance dredging in the Queensway Bay Channel, California, at a total cost of $5,000,000.".

SEC. 311. SAN LUIS REY, CALIFORNIA.

The project for flood control of the San Luis Rey River, California, authorized pursuant to section 201 of the Flood Control Act of 1965 (42 U.S.C. 1962d–5; 79 Stat. 1073–1074), is modified to authorize the Secretary to construct the project at a total cost not to exceed $81,600,000 with an estimated Federal cost of $61,100,000 and an estimated non-Federal cost of $20,500,000.

SEC. 312. THAMES RIVER, CONNECTICUT.

(a) Reconfiguration of Turning Basin.—The project for navigation, Thames River, Connecticut, authorized by the first section of the Act entitled "An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 30, 1935 (49 Stat. 1029), is modified to make the turning basin have the following alignment: Starting at a point on the eastern limit of the existing project, N251052.93, E783934.59, thence running north 5 degrees 25 minutes 21.3 seconds east 341.06 feet to a point, N251392.46, E783966.82, thence running north 47 degrees 24 minutes 14.0 seconds west 268.72 feet to a point, N251574.34, E783769.00, thence running north 88 degrees 41 minutes 52.2 seconds west 249.06 feet to a point, N251580.00, E783520.00, thence running south 46 degrees 16 minutes 22.9 seconds west 318.28 feet to a point, N251360.00, E783290.00, thence running south 19 degrees 01 minute 32.2 seconds east 306.76 feet to a point, N251070.00, E783390.00, thence running south 45 degrees 00 minutes 00 seconds east 155.56 feet to a point, N250960.00, E783500.00 on the existing western limit.

(b) Non-Federal Responsibility for Initial Dredging.—Any required initial dredging of the widened portions of the turning basin identified in subsection (a) shall be accomplished at non-Federal expense.

(c) Conforming Deauthorization.—Those portions of the existing turning basin which are not included in the reconfigured turning basin as described in subsection (a) shall no longer be authorized after the date of the enactment of this Act.

SEC. 313. POTOMAC RIVER, WASHINGTON, DISTRICT OF COLUMBIA.

The project for flood protection, Potomac River, Washington, District of Columbia, authorized by section 5 of the Flood Control Act of June 22, 1936 (74 Stat. 1574), is modified to authorize the Secretary to construct the project substantially in accordance with the General Design Memorandum dated May 1992 at a Federal cost of $1,800,000; except that a temporary closure may be used instead of a permanent structure at 17th Street. Operation and maintenance of the project shall be a Federal responsibility.

SEC. 314. CANAVERAL HARBOR, FLORIDA.

The project for navigation, Canaveral Harbor, Florida, authorized by section 101(7) of the Water Resources Development Act of 1992 (106 Stat. 4802), is modified to authorize the Secretary to reclassify the removal and replacement of stone protection on both sides of the channel as general navigation features. The Secretary shall reimburse any costs that are incurred by the non-Federal sponsor in connection with the reclassified work and that the Secretary determines to be in excess of the non-Federal share of costs for general navigation features. The Federal and non-Federal shares of the cost of the reclassified work shall be determined in accordance with section 101 of the Water Resources Development Act of 1986.

SEC. 315. CAPTIVA ISLAND, FLORIDA.

The project for shoreline protection, Captiva Island, Lee County, Florida, authorized pursuant to section 201 of the Flood Control Act of 1965 (79 Stat. 1073), is modified to direct the Secretary to reimburse the non-Federal interest for beach renourishment work accomplished by such interest as if such work occurred after execution of the agreement entered into pursuant to section 215 of the Flood Control Act of 1968 (42 U.S.C. 1962d–5) with respect to such project.

SEC. 316. CENTRAL AND SOUTHERN FLORIDA, CANAL 51.

The project for flood protection of West Palm Beach, Florida (C–51), authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1183), is modified to provide for the construction of an enlarged stormwater detention area, Storm Water Treatment Area 1 East, generally in accordance with the plan of improvements described in the February 15, 1994, report entitled "Everglades Protection Project, Palm Beach County, Florida, Conceptual Design", with such modifications as are approved by the Secretary. The additional work authorized by this subsection shall be accomplished at Federal expense. Operation and maintenance of the stormwater detention area shall be consistent with regulations prescribed by the Secretary for the Central and Southern Florida project, and all costs of such operation and maintenance shall be provided by non-Federal interests.

SEC. 317. CENTRAL AND SOUTHERN FLORIDA, CANAL 111 (C–111).

(a) IN GENERAL.—The project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1948 (62 Stat. 1176) and modified by section 203 of the Flood Control Act of 1968 (82 Stat. 740–741), is modified to authorize the Secretary to implement the recommended plan of improvement contained in a report entitled "Central and Southern Florida Project, Final Integrated General Reevaluation Report and Environmental Impact Statement, Canal 111 (C–111), South Dade County, Florida", dated May 1994, including acquisition by non-Federal interests of such portions of the Frog Pond and Rocky Glades areas as are needed for the project.

(b) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the cost of implementing the plan of improvement shall be 50 percent.

(2) DEPARTMENT OF INTERIOR RESPONSIBILITY.—The Department of the Interior shall pay 25 percent of the cost of acquiring such portions of the Frog Pond and Rocky Glades areas as are needed for the project. The amount paid by the Department of the Interior shall be included as part of the Federal share of the cost of implementing the plan.

(3) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs of the improvements undertaken pursuant to this subsection shall be 100 percent; except that the Federal Government shall reimburse the non-Federal project sponsor 60 percent of the costs of operating and maintaining pump stations that pump water into Taylor Slough in the Everglades National Park.

SEC. 318. JACKSONVILLE HARBOR (MILL COVE), FLORIDA.

The project for navigation, Jacksonville Harbor (Mill Cove), Florida, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4139–4140), is modified to direct the Secretary to carry out a project for flow and circulation improvement within Mill Cove, at a total cost of $2,000,000, with an estimated Federal cost of $2,000,000.

SEC. 319. PANAMA CITY BEACHES, FLORIDA.

(a) IN GENERAL.—The project for shoreline protection, Panama City Beaches, Florida, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4133), is modified to direct the Secretary to enter into an agreement with the non-Federal interest for carrying out such project in accordance with section 206 of the Water Resources Development Act of 1992 (106 Stat. 4828).

(b) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the progress made in carrying out this section.

SEC. 320. TYBEE ISLAND, GEORGIA.

The project for beach erosion control, Tybee Island, Georgia, authorized pursuant to section 201 of the Flood Control Act of 1968 (42 U.S.C. 1962d–5), is modified to include as an integral part of the project the portion of the ocean shore of Tybee Island located south of the existing south terminal groin between 18th and 19th Streets.

SEC. 321. WHITE RIVER, INDIANA.

The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Flood Control Act of June 22, 1936 (49 Stat. 1586), is modified to authorize the Secretary to undertake riverfront alterations as described in the Central Indianapolis Waterfront Concept Master Plan, dated February 1994, at a total cost of $85,975,000, with an estimated first Federal cost of $39,975,000 and an estimated first non-Federal cost of $46,000,000. The cost of work, including relocations undertaken by the non-Federal interest after February 15, 1994, on features identified in the Master Plan shall be credited toward the non-Federal share of project costs.

SEC. 322. CHICAGO, ILLINOIS.

The project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to limit the capacity of the reservoir project not to exceed 11,000,000,000 gallons or 32,000 acre-feet, to provide that the reservoir project may not be located north of 55th Street or west of East Avenue in the vicinity of McCook, Illinois, and to provide that the reservoir project may only be constructed on the basis of a specific plan that has been evaluated by the Secretary under the provisions of the National Environmental Policy Act of 1969.

SEC. 323. CHICAGO LOCK AND THOMAS J. O'BRIEN LOCK, ILLINOIS.

The project for navigation, Chicago Harbor, Lake Michigan, Illinois, for which operation and maintenance responsibility was transferred to the Secretary under chapter IV of title I of the Supplemental Appropriations Act, 1983 (97 Stat. 311) and section 107 of the Energy and Water Development Appropriation Act, 1982 (95 Stat. 1137) is modified to direct the Secretary to conduct a study to determine the feasibility of making such structural repairs as are necessary to prevent leakage through the Chicago Lock and the Thomas J. O'Brien Lock, Illinois, and to determine the need for installing permanent flow measurement equipment at such locks to measure any leakage. The Secretary is authorized to carry out such repairs and installations as are necessary following completion of the study.

SEC. 324. KASKASKIA RIVER, ILLINOIS.

The project for navigation, Kaskaskia River, Illinois, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1175), is modified to add fish and wildlife and habitat restoration as project purposes.

SEC. 325. LOCKS AND DAM 26, ALTON, ILLINOIS AND MISSOURI.

Section 102(l) of the Water Resources Development Act of 1990 (104 Stat. 4613) is amended—

(1) by striking ", that requires no separable project lands and" and inserting "on project lands and other contiguous nonproject lands, including those lands referred to as the Alton Commons. The recreational development";

(2) by inserting "shall be" before "at a Federal construction"; and

(3) by striking ". The recreational development" and inserting ", and".

SEC. 326. NORTH BRANCH OF CHICAGO RIVER, ILLINOIS.

The project for flood protection, North Branch of the Chicago River, Illinois, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated March 1994, at a total cost of $34,228,000, with an estimated Federal cost of $20,905,000 and an estimated non-Federal cost of $13,323,000.

SEC. 327. ILLINOIS AND MICHIGAN CANAL.

Section 314(a) of the Water Resources Development Act of 1992 (106 Stat. 4847) is amended by adding at the end the following: "Such improvements shall include marina development at Lock 14, to be carried out in consultation with the Illinois Department of Natural Resources, at a total cost of $6,374,000.".

SEC. 328. HALSTEAD, KANSAS.

The project for flood control, Halstead, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4116), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated March 19, 1993, at a total cost of $11,100,000, with an estimated Federal cost of $8,325,000 and an estimated non-Federal cost of $2,775,000.

SEC. 329. LEVISA AND TUG FORKS OF THE BIG SANDY RIVER AND CUMBERLAND RIVER, KENTUCKY, WEST VIRGINIA, AND VIRGINIA.

The project for flood control, Levisa and Tug Forks of the Big Sandy River and Cumberland River, Kentucky, West Virginia, and Virginia, authorized by section 202(a) of the Energy and Water Development Appropriation Act, 1981 (94 Stat. 1339), is modified to provide that the minimum level of flood protection to be afforded by the project shall be the level required to provide protection from a 100-year flood or from the flood of April 1977, whichever level of protection is greater.

SEC. 330. PRESTONBURG, KENTUCKY.

Section 109(a) of Public Law 104–46 (109 Stat. 408) is amended by striking "Modification No. 2" and inserting "Modification No. 3".

SEC. 331. COMITE RIVER, LOUISIANA.

The Comite River Diversion project for flood control, authorized as part of the project for flood control, Amite River and Tributaries, Louisiana, by section 101(11) of the Water Resource Development Act of 1992 (106 Stat. 4802–4803), is modified to authorize the Secretary to construct the project at a total cost of $121,600,000, with an estimated Federal cost of $70,577,000 and an estimated non-Federal cost of $51,023,000.

SEC. 332. GRAND ISLE AND VICINITY, LOUISIANA.

The project for hurricane damage prevention, flood control, and beach erosion along Grand Isle and Vicinity, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to authorize the Secretary to construct a permanent breakwater and levee system at a total cost of $17,000,000.

SEC. 333. LAKE PONTCHARTRAIN, LOUISIANA.

The project for hurricane damage prevention and flood control, Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to provide that St. Bernard Parish, Louisiana, and the Lake Borgne Basin Levee District, Louisiana, shall not be required to pay the unpaid balance, including interest, of the non-Federal cost-share of the project.

SEC. 334. MISSISSIPPI DELTA REGION, LOUISIANA.

The Mississippi Delta Region project, Louisiana, authorized as part of the project for hurricane-flood protection project on Lake Pontchartrain, Louisiana, by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to direct the Secretary to provide a credit to the State of Louisiana toward its non-Federal share of the cost of the project. The credit shall be for the cost incurred by the State in developing and relocating oyster beds to offset the adverse impacts on active and productive oyster beds in the Davis Pond project area but shall not exceed $7,500,000.

SEC. 335. MISSISSIPPI RIVER OUTLETS, VENICE, LOUISIANA.

The project for navigation, Mississippi River Outlets, Venice, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (82 Stat. 731), is modified to provide for the extension of the 16-foot deep by 250-foot wide Baptiste Collette Bayou entrance channel to approximately Mile 8 of the Mississippi River-Gulf Outlet navigation channel, at a total estimated Federal cost of $80,000.

SEC. 336. RED RIVER WATERWAY, LOUISIANA.

The project for mitigation of fish and wildlife losses, Red River Waterway, Louisiana, authorized by section 601(a) of the Water Resources and Development Act of 1986 (100 Stat. 4142) and modified by section 102(p) of the Water Resources and Development Act of 1990 (104 Stat. 4613), is further modified—

(1) to authorize the Secretary to carry out the project at a total cost of $10,500,000; and

(2) to provide that lands that are purchased adjacent to the Loggy Bayou Wildlife Management Area may be located in Caddo Parish or Red River Parish.

SEC. 337. WESTWEGO TO HARVEY CANAL, LOUISIANA.

The project West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana, authorized by section 401(f) of the Water Resources Development Act of 1986 (100 Stat. 4128), is modified to include the Lake Cataouatche Area Levee as part of the authorized project, at a total cost of $14,375,000, with an estimated Federal cost of $9,344,000 and an estimated non-Federal cost of $5,031,000.

SEC. 338. TOLCHESTER CHANNEL, MARYLAND.

The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297) is modified to direct the Secretary—

(1) to expedite review of potential straightening of the channel at the Tolchester Channel S-Turn; and

(2) if determined to be feasible and necessary for safe and efficient navigation, to implement such straightening as part of project maintenance.

SEC. 339. SAGINAW RIVER, MICHIGAN.

The project for flood protection, Saginaw River, Michigan, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 311) is modified to include as part of the project the design and construction of an inflatable dam on the Flint River, Michigan, at a total cost of $500,000.

SEC. 340. SAULT SAINTE MARIE, CHIPPEWA COUNTY, MICHIGAN.

(a) IN GENERAL.—The project for navigation, Sault Sainte Marie, Chippewa County, Michigan, authorized by section 1149 of the Water Resources Development Act of 1986 (100 Stat. 4254–4255), is modified as provided by this subsection.

(b) PAYMENT OF NON-FEDERAL SHARE.—The non-Federal share of the cost of the project referred to in subsection (a) shall be paid as follows:

(1) That portion of the non-Federal share which the Secretary determines is attributable to use of the lock by vessels calling at Canadian ports shall be paid by the United States.

(2) The remaining portion of the non-Federal share shall be paid by the Great Lakes States pursuant to an agreement entered into by such States.

(c) PAYMENT TERM OF ADDITIONAL PERCENTAGE.—The amount to be paid by non-Federal interests pursuant to section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a)) and this subsection with respect to the project referred to in subsection (a) may be paid over a period of 50 years or the expected life of the project, whichever is shorter.

(d) GREAT LAKES STATES DEFINED.—For the purposes of this section, the term "Great Lakes States" means the States of Illinois, Indiana, Michigan, Minnesota, New York, Ohio, Pennsylvania, and Wisconsin.

SEC. 341. STILLWATER, MINNESOTA.

Section 363 of the Water Resources Development Act of 1992 (106 Stat. 4861–4862) is amended—

(1) by inserting after "riverfront," the following: "and expansion of such system if the Secretary determines that the expansion is feasible,";

(2) by striking "$3,200,000" and inserting "$11,600,000";

(3) by striking "$2,400,000" and inserting "$8,700,000"; and

(4) by striking "$800,000" and inserting "$2,900,000".

SEC. 342. CAPE GIRARDEAU, MISSOURI.

The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4118–4119), is modified to authorize the Secretary to construct the project, including implementation of nonstructural measures, at a total cost of $45,414,000, with an estimated Federal cost of $33,030,000 and an estimated non-Federal cost of $12,384,000.

SEC. 343. NEW MADRID HARBOR, MISSOURI.

The project for navigation, New Madrid Harbor, Missouri, authorized pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) and modified by section 102(n) of the Water Resources Development Act of 1992 (106 Stat. 4807), is further modified to direct the Secretary to assume responsibility for maintenance of the existing Federal channel referred to in such section 102(n) in addition to maintaining New Madrid County Harbor.

SEC. 344. ST. JOHN'S BAYOU—NEW MADRID FLOODWAY, MISSOURI.

Notwithstanding any other provision of law, Federal assistance made available under the rural enterprise zone program of the Department of Agriculture may be used toward payment of the non-Federal share of the costs of the project for flood control, St. John's Bayou and New Madrid Floodway, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4118).

SEC. 345. JOSEPH G. MINISH PASSAIC RIVER PARK, NEW JERSEY.

Section 101(a)(18)(B) of the Water Resources Development Act of 1990 (104 Stat. 4608) is amended by striking "$25,000,000" and inserting "$75,000,000".

SEC. 346. MOLLY ANN'S BROOK, NEW JERSEY.

The project for flood control, Molly Ann's Brook, New Jersey, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4119), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated April 3, 1996, at a total cost of $40,100,000, with an estimated Federal cost of $22,600,000 and an estimated non-Federal cost of $17,500,000.

SEC. 347. PASSAIC RIVER, NEW JERSEY.

Section 1148 of the Water Resources Development Act of 1986 (100 Stat. 4254) is amended to read as follows:

"SEC. 1148. PASSAIC RIVER BASIN.

"(a) ACQUISITION OF LANDS.—The Secretary is authorized to acquire from willing sellers lands on which residential structures are located and which are subject to frequent and recurring flood damage, as identified in the supplemental floodway report of the Corps of Engineers, Passaic River Buyout Study, September 1995, at an estimated total cost of $194,000,000.

"(b) RETENTION OF LANDS FOR FLOOD PROTECTION.—Lands acquired by the Secretary under this section shall be retained by the Secretary for future use in conjunction with flood protection and flood management in the Passaic River Basin.

"(c) COST SHARING.—The non-Federal share of the cost of carrying out this section shall be 25 percent plus any amount that might result from application of the requirements of subsection (d).

"(d) APPLICABILITY OF BENEFIT-COST RATIO WAIVER AUTHORITY.—In evaluating and implementing the project under this section, the Secretary shall allow the non-Federal interest to participate in the financing of the project in accordance with section 903(c) of this Act, to the extent that the Secretary's evaluation indicates that applying such section is necessary to implement the project.".

SEC. 348. RAMAPO RIVER AT OAKLAND, NEW JERSEY AND NEW YORK.

The project for flood control, Ramapo River at Oakland, New Jersey and New York, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4120), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated May 1994, at a total cost of $11,300,000, with an estimated Federal cost of $8,500,000 and an estimated non-Federal cost of $2,800,000.

SEC. 349. RARITAN BAY AND SANDY HOOK BAY, NEW JERSEY.

Section 102(q) of the Water Resources Development Act of 1992 (106 Stat. 4808) is amended by striking "for Cliffwood Beach".

SEC. 350. ARTHUR KILL, NEW YORK AND NEW JERSEY.

The project for navigation, Arthur Kill, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098), is modified to authorize the Secretary to carry out the project to a depth of not to exceed 45 feet if determined to be feasible by the Secretary at a total cost of $83,000,000.

SEC. 351. JONES INLET, NEW YORK.

The project for navigation, Jones Inlet, New York, authorized by section 2 of the Act entitled "An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 13), is modified to direct the Secretary to place uncontaminated dredged material on beach areas downdrift from the federally maintained channel for the purpose of mitigating the interruption of littoral system natural processes caused by the jetty and continued dredging of the federally maintained channel.

SEC. 352. KILL VAN KULL, NEW YORK AND NEW JERSEY.

The project for navigation, Kill Van Kull, New York and New Jersey, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4095), is modified to authorize the Secretary to carry out the project at a total cost of $750,000,000.

SEC. 353. WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA.

The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4095), is modified to authorize the Secretary to construct the project substantially in accordance with the General Design Memorandum dated April 1990 and the General Design Memorandum Supplement dated February 1994, at a total cost of $52,041,000, with an estimated Federal cost of $25,729,000 and an estimated non-Federal cost of $26,312,000.

SEC. 354. GARRISON DAM, NORTH DAKOTA.

The project for flood control, Garrison Dam, North Dakota, authorized by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 891), is modified to authorize the Secretary to acquire permanent flowage and saturation easements over the lands in Williams County, North Dakota, extending from the riverward margin of the Buford-Trenton Irrigation District main canal to the north bank of the Missouri River, beginning at the Buford-Trenton Irrigation District pumping station located in the northeast quarter of section 17, township 152 north, range 104 west, and continuing northeasterly downstream to the land referred to as the East Bottom, and any other lands outside of the boundaries of the Buford-Trenton Irrigation District which have been adversely affected by rising ground water and surface flooding. Any easement acquired by the Secretary pursuant to this subsection shall include the right, power, and privilege of the Government to submerge, overflow, percolate, and saturate the surface and subsurface of the land. The cost of acquiring such easements shall not exceed 90 percent, or be less than 75 percent, of the unaffected fee value of the lands. The project is further modified to authorize the Secretary to provide a lump sum payment of $60,000 to the Buford-Trenton Irrigation District for power requirements associated with operation of the drainage pumps and to relinquish all right, title, and interest of the United States to the drainage pumps located within the boundaries of the Irrigation District.

SEC. 355. RENO BEACH-HOWARDS FARM, OHIO.

The project for flood protection, Reno Beach-Howards Farm, Ohio, authorized by section 203 of the Flood Control Act, 1948 (62 Stat. 1178), is modified to provide that the value of lands, easements, rights-of-way, and disposal areas that are necessary to carry out the project and are provided by the non-Federal interest shall be determined on the basis of the appraisal performed by the Corps of Engineers and dated April 4, 1985.

SEC. 356. WISTER LAKE, OKLAHOMA.

The flood control project for Wister Lake, LeFlore County, Oklahoma, authorized by section 4 of the Flood Control Act of June 28, 1938 (52 Stat. 1218), is modified to increase the elevation of the conservation pool to 478 feet and to adjust the seasonal pool operation to accommodate the change in the conservation pool elevation.

SEC. 357. BONNEVILLE LOCK AND DAM, COLUMBIA RIVER, OREGON AND WASHINGTON.

(a) IN GENERAL.—The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 20, 1937 (50 Stat. 731), and modified by section 83 of the Water Resources Development Act of 1974 (88 Stat. 35), is further modified to authorize the Secretary to convey to the city of North Bonneville, Washington, at no further cost to the city, all right, title and interest of the United States in and to the following:

(1) Any municipal facilities, utilities fixtures, and equipment for the relocated city, and any remaining lands designated as open spaces or municipal lots not previously conveyed to the city, specifically, Lots M1 through M15, M16 (the "community center lot"), M18, M19, M22, M24, S42 through S45, and S52 through S60.

(2) The "school lot" described as Lot 2, block 5, on the plat of relocated North Bonneville.

(3) Parcels 2 and C, but only upon the completion of any environmental response actions required under applicable law.

(4) That portion of Parcel B lying south of the existing city boundary, west of the sewage treatment plant, and north of the drainage ditch that is located adjacent to the northerly limit of the Hamilton Island landfill, provided the Secretary determines, at the time of the proposed conveyance, that the Army has taken all action necessary to protect human health and the environment.

(5) Such portions of Parcel H which can be conveyed without a requirement for further investigation, inventory or other action by the Department of the Army under the provisions of the National Historic Preservation Act.

(6) Such easements as the Secretary deems necessary for—

(A) sewer and water line crossings of relocated Washington State Highway 14; and

(B) reasonable public access to the Columbia River across those portions of Hamilton Island that remain under the ownership of the United States.

(b) TIME PERIOD FOR CONVEYANCES.—The conveyances referred to in subsections (a)(1), (a)(2), (a)(5), and (a)(6)(A) shall be completed within 180 days after the United States receives the release referred to in subsection (d). All other conveyances shall be completed expeditiously, subject to any conditions specified in the applicable subsection.

(c) PURPOSE.—The purpose of the conveyances authorized by subsection (a) is to resolve all outstanding issues between the United States and the city of North Bonneville.

(d) ACKNOWLEDGEMENT OF PAYMENT; RELEASE OF CLAIMS RELATING TO RELOCATION OF CITY.—As a prerequisite to the conveyances authorized by subsection (a), the city of North Bonneville shall execute an acknowledgement of payment of just compensation and shall execute a release of any and all claims for relief of any kind against the United States growing out of the relocation of the city of North Bonneville, or any prior Federal legislation relating thereto, and shall dismiss, with prejudice, any pending litigation, if any, involving such matters.

(e) RELEASE BY ATTORNEY GENERAL.—Upon receipt of the city's acknowledgment and release referred to in subsection (d), the Attorney General of the United States shall dismiss any pending litigation, if any, arising out of the relocation of the city of North Bonneville, and execute a release of any and all rights to damages of any kind under the February 20, 1987, judgment of the United States Claims Court, including any interest thereon.

(f) ACKNOWLEDGMENT OF ENTITLEMENTS; RELEASE BY CITY OF CLAIMS.—Within 60 days after the conveyances authorized by subsection (a) (other than paragraph (6)(B)) have been completed, the city shall execute an acknowledgement that all entitlements under such paragraph have been completed and shall execute a release of any and all claims for relief of any kind against the United States arising out of this subsection.

(g) EFFECTS ON CITY.—Beginning on the date of the enactment of this Act, the city of North Bonneville, or any successor in interest thereto, shall—

(1) be precluded from exercising any jurisdiction over any lands owned in whole or in part by the United States and administered by the United States Army Corps of Engineers in connection with the Bonneville project; and

(2) be authorized to change the zoning designations of, sell, or resell Parcels S35 and S56, which are presently designated as open spaces.

SEC. 358. COLUMBIA RIVER DREDGING, OREGON AND WASHINGTON.

The project for navigation, Lower Willamette and Columbia Rivers below Vancouver, Washington and Portland, Oregon, authorized by the first section of the River and Harbor Appropriations Act of June 18, 1878 (20 Stat. 152), is modified to direct the Secretary—

(1) to conduct channel simulation and to carry out improvements to the existing deep draft channel between the mouth of the river and river mile 34 at a cost not to exceed $2,400,000; and

(2) to conduct overdepth and advance maintenance dredging that is necessary to maintain authorized channel dimensions.

SEC. 359. GRAYS LANDING LOCK AND DAM, MONONGAHELA RIVER, PENNSYLVANIA.

The project for navigation Grays Landing Lock and Dam, Monongahela River, Pennsylvania, authorized by section 301(a) of the Water Resources Development Act of 1986 (100 Stat. 4110), is modified to authorize the Secretary to construct the project at a total cost of $181,000,000. The costs of construction of the project are to be paid ½ from amounts appropriated from the general fund of the Treasury and ½ from amounts appropriated from the Inland Waterways Trust Fund.

SEC. 360. LACKAWANNA RIVER AT SCRANTON, PENNSYLVANIA.

The project for flood control, Lackawanna River at Scranton, Pennsylvania, authorized by section 101(16) of the Water Resources Development Act of 1992 (106 Stat. 4803), is modified to direct the Secretary to carry out the project for flood control for the Plot and Green Ridge sections of the project.

SEC. 361. MUSSERS DAM, MIDDLE CREEK, SNYDER COUNTY, PENNSYLVANIA.

Section 209(e)(5) of the Water Resources Development Act of 1992 (106 Stat. 4830) is amended by striking "$3,000,000" and inserting "$5,000,000".

SEC. 362. SAW MILL RUN, PENNSYLVANIA.

The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4124), is modified to authorize the Secretary to carry out the project in accordance with the report of the Corps of Engineers dated April 8, 1994, at a total cost of $12,780,000, with an estimated Federal cost of $9,585,000 and an estimated non-Federal cost of $3,195,000.

SEC. 363. SCHUYLKILL RIVER, PENNSYLVANIA.

The navigation project for the Schuylkill River, Pennsylvania, authorized by the first section of the River and Harbor Appropriations Act of August 8, 1917 (40 Stat. 252), is modified to provide for the periodic removal and disposal of sediment to a depth of 6 feet detained within portions of the Fairmount pool between the Fairmount Dam and the Columbia Bridge, generally within the limits of the channel alignments referred to as the Schuylkill River Racecourse and return lane, and the Belmont Water Works intakes and Boathouse Row.

SEC. 364. SOUTH CENTRAL PENNSYLVANIA.

(a) COST SHARING.—Section 313(d)(3)(A) of the Water Resources Development Act of 1992 (106 Stat. 4846; 109 Stat. 407) is amended to read as follows:

"(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for design and construction services and other in-kind work, whether occurring subsequent to, or within 6 years prior to, entering into an agreement with the Secretary. The Federal share may be provided in the form of grants or reimbursements of project costs. Non-Federal interests shall also receive credit for grants and the value of work performed on behalf of such interests by State and local agencies.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 313(g)(1) of such Act (106 Stat. 4846; 109 Stat. 407) is amended by striking "$50,000,000" and inserting "$90,000,000".

SEC. 365. WYOMING VALLEY, PENNSYLVANIA.

The project for flood control, Wyoming Valley, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4124), is modified to authorize the Secretary to undertake as part of the construction of the project mechanical and electrical upgrades to existing stormwater pumping stations in the Wyoming Valley and to undertake mitigation measures.

SEC. 366. SAN JUAN HARBOR, PUERTO RICO.

The project for navigation, San Juan Harbor, Puerto Rico, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4097), is modified to authorize the Secretary to deepen the bar channel to depths varying from 49 feet to 56 feet below mean low water with other modifications to authorized interior channels as generally described in the General Reevaluation Report and Environmental Assessment, dated March 1994, at a total cost of $43,993,000, with an estimated Federal cost of $27,341,000 and an estimated non-Federal cost of $16,652,000.

SEC. 367. NARRAGANSETT, RHODE ISLAND.

Section 361(a) of the Water Resources Development Act of 1992 (106 Stat. 4861) is amended—

(1) by striking "$200,000" and inserting "$1,900,000";

(2) by striking "$150,000" and inserting "$1,425,000"; and

(3) by striking "$50,000" and inserting "$475,000".

SEC. 368. CHARLESTON HARBOR, SOUTH CAROLINA.

The project for navigation, Charleston Harbor, South Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4096), is modified to direct the Secretary to undertake ditching, clearing, spillway replacement, and dike reconstruction of the Clouter Creek Disposal Area, as a part of the operation and maintenance of the Charleston Harbor project.

SEC. 369. DALLAS FLOODWAY EXTENSION, DALLAS, TEXAS.

(a) IN GENERAL.—The project for flood control, Dallas Floodway Extension, Dallas, Texas, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), is modified to provide that flood protection works constructed by the non-Federal interests along the Trinity River in Dallas, Texas, for Rochester Park and the Central Wastewater Treatment Plant shall be included as a part of the project and the cost of such works shall be credited against the non-Federal share of project costs but shall not be included in calculating benefits of the project.

(b) DETERMINATION OF AMOUNT.—The amount to be credited under subsection (a) shall be determined by the Secretary. In determining such amount, the Secretary may permit crediting only for that portion of the work performed by the non-Federal interests which is compatible with the project referred to in subsection (a), including any modification thereof, and which is required for construction of such project.

(c) CASH CONTRIBUTION.—Nothing in this section shall be construed to limit the applicability of the requirement contained in section 103(a)(1)(A) of the Water Resources Development Act of 1986 to the project referred to in subsection (a).

SEC. 370. UPPER JORDAN RIVER, UTAH.

The project for flood control, Upper Jordan River, Utah, authorized by section 101(a)(23) of the Water Resources Development Act of 1990 (104 Stat. 4610), is modified to authorize the Secretary to construct the project at a total cost of $12,870,000, with an estimated Federal cost of $8,580,000 and an estimated non-Federal cost of $4,290,000.

SEC. 371. HAYSI LAKE, VIRGINIA.

The Haysi Lake, Virginia, feature of the project for flood control, Tug Fork of the Big Sandy River, Kentucky, West Virginia, and Virginia, authorized by section 202(a) of the Energy and Water Development Appropriation Act, 1981 (94 Stat. 1339), is modified—

(1) to add recreation and fish and wildlife enhancement as project purposes;

(2) to direct the Secretary to construct the Haysi Dam feature of the project substantially in accordance with Plan A as set forth in the Draft General Plan Supplement Report for the Levisa Fork Basin, Virginia and Kentucky, dated May 1995;

(3) to direct the Secretary to apply section 103(m) of the Water Resources Development Act of 1986 (100 Stat. 4087) to the construction of such feature in the same manner as that section is applied to other projects or project features construed pursuant to such section 202(a); and

(4) to provide for operation and maintenance of recreational facilities on a reimbursable basis.

SEC. 372. RUDEE INLET, VIRGINIA BEACH, VIRGINIA.

The project for navigation and shoreline protection, Rudee Inlet, Virginia Beach, Virginia, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4148), is modified to authorize the Secretary to continue maintenance of the project for 50 years beginning on the date of initial construction of the project. The Federal share of the cost of such maintenance shall be determined in accordance with title I of the Water Resources Development Act of 1986.

SEC. 373. VIRGINIA BEACH, VIRGINIA.

The non-Federal share of the costs of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4136), shall be reduced by $3,120,803, or by such amount as is determined by an audit carried out by the Secretary to be due to the city of Virginia Beach as reimbursement for the Federal share of beach nourishment activities carried out by the city between October 1, 1986, and September 30, 1993, if the Federal Government has not reimbursed the city for the activities prior to the date on which a project cooperative agreement is executed for the project.

SEC. 374. EAST WATERWAY, WASHINGTON.

The project for navigation, East and West waterways, Seattle Harbor, Washington, authorized by the first section of the River and Harbor Appropriations Act of March 2, 1919 (40 Stat. 1275), is modified to direct the Secretary—

(1) to expedite review of potential deepening of the channel in the East waterway from Elliott Bay to Terminal 25 to a depth of up to 51 feet; and

(2) if determined to be feasible, to implement such deepening as part of project maintenance.

In carrying out work authorized by this section, the Secretary shall coordinate with the Port of Seattle regarding use of Slip 27 as a dredged material disposal area.

SEC. 375. BLUESTONE LAKE, WEST VIRGINIA.

Section 102(ff) of the Water Resources Development Act of 1992 (106 Stat. 4810) is amended by inserting "except for that organic matter necessary to maintain and enhance the biological resources of such waters and such nonobtrusive items of debris as may not be economically feasible to prevent being released through such project," after "project," the first place it appears.

SEC. 376. MOOREFIELD, WEST VIRGINIA.

The project for flood control, Moorefield, West Virginia, authorized by section 101(a)(25) of the Water Resources Development Act of 1990 (104 Stat. 4610–4611), is modified to authorize the Secretary to construct the project at a total cost of $22,000,000, with an estimated Federal cost of $17,100,000 and an estimated non-Federal cost of $4,900,000.

SEC. 377. SOUTHERN WEST VIRGINIA.

(a) COST SHARING.—Section 340(c)(3) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended to read as follows:

"(3) COST SHARING.—

"(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for such design work shall not exceed 6 percent of the total construction costs of the project. The Federal share may be in the form of grants or reimbursements of project costs.

"(B) INTEREST.—In the event of delays in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

"(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations toward its share of project costs, including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

"(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.".

(b) FUNDING.—Section 340(g) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended by striking "$5,000,000" and inserting "$25,000,000".

SEC. 378. WEST VIRGINIA TRAIL HEAD FACILITIES.

Section 306 of the Water Resources Development Act of 1992 (106 Stat. 4840–4841) is amended by adding at the end the following: "The Secretary shall enter into an interagency agreement with the Federal entity which provided assistance in the preparation of the study for the purposes of providing ongoing technical assistance and oversight for the trail facilities envisioned by the master plan developed under this section. The Federal entity shall provide such assistance and oversight.".

SEC. 379. KICKAPOO RIVER, WISCONSIN.

(a) IN GENERAL.—The project for flood control and allied purposes, Kickapoo River, Wisconsin, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1190) and modified by section 814 of the Water Resources Development Act of 1986 (100 Stat. 4169), is further modified as provided by this section.

(b) TRANSFER OF PROPERTY.—

(1) IN GENERAL.—Subject to the requirements of this subsection, the Secretary shall transfer to the State of Wisconsin, without consideration, all right, title, and interest of the United States to the lands described in paragraph (3), including all works, structures, and other improvements to such lands.

(2) TRANSFER TO SECRETARY OF THE INTERIOR.—Subject to the requirements of this subsection, on the date of the transfer under paragraph (1), the Secretary shall transfer to the Secretary of the Interior, without consideration, all right, title, and interest of the United States in and to lands that are culturally and religiously significant sites of the Ho-Chunk Nation (a federally recognized Indian tribe) and are located within the lands described in paragraph (3). Such lands shall be specified in accordance with paragraph (4)(C) and may not exceed a total of 1,200 acres.

(3) LAND DESCRIPTION.—The lands to be transferred pursuant to paragraphs (1) and (2) are the approximately 8,569 acres of land associated with the LaFarge Dam and Lake portion of the project referred to in subsection (a) in Vernon County, Wisconsin, in the following sections:

(A) Section 31, Township 14 North, Range 1 West of the 4th Principal Meridian.

(B) Sections 2 through 11, and 16, 17, 20, and 21, Township 13 North, Range 2 West of the 4th Principal Meridian.

(C) Sections 15, 16, 21 through 24, 26, 27, 31, and 33 through 36, Township 14 North, Range 2 West of the 4th Principal Meridian.

(4) TERMS AND CONDITIONS.—

(A) HOLD HARMLESS; REIMBURSEMENT OF UNITED STATES.—The transfer under paragraph (1) shall be made on the condition that the State of Wisconsin enters into a written agreement with the Secretary to hold the United States harmless from all claims arising from or through the operation of the lands and improvements subject to the transfer. If title to the lands described in paragraph (3) is sold or transferred by the State, then the State shall reimburse the United States for the price originally paid by the United States for purchasing such lands.

(B) IN GENERAL.—The Secretary shall make the transfers under paragraphs (1) and (2) only if on or before October 31, 1997, the State of Wisconsin enters into and submits to the Secretary a memorandum of understanding, as specified in subparagraph (C), with the tribal organization (as defined by section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l))) of the Ho-Chunk Nation.

(C) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding referred to in subparagraph (B) shall contain, at a minimum, the following:

(i) A description of sites and associated lands to be transferred to the Secretary of the Interior under paragraph (2).

(ii) An agreement specifying that the lands transferred under paragraphs (1) and (2) shall be preserved in a natural state and developed only to the extent necessary to enhance outdoor recreational and educational opportunities.

(iii) An agreement specifying the terms and conditions of a plan for the management of the lands to be transferred under paragraphs (1) and (2).

(iv) A provision requiring a review of the plan referred to in clause (iii) to be conducted every 10 years under which the State of Wisconsin, acting through the Kickapoo Valley Governing Board, and the Ho-Chunk Nation may agree to revisions of the plan in order to address changed circumstances on the lands transferred under paragraph (2). Such provision may include a plan for the transfer by the State to the Secretary of the Interior of any additional site discovered to be culturally and religiously significant to the Ho-Chunk Nation.

(5) ADMINISTRATION OF LANDS.—The lands transferred to the Secretary of the Interior under paragraph (2), and any lands transferred to the Secretary of the Interior pursuant to the memorandum of understanding entered into under paragraph (3), shall be held in trust for, and added to and administered as part of the reservation of, the Ho-Chunk Nation.

(6) TRANSFER OF FLOWAGE EASEMENTS.—The Secretary shall transfer to the owner of the servient estate, without consideration, all right, title, and interest of the United States in and to each flowage easement acquired as part of the project referred to in subsection (a) within Township 14 North, Range 2 West of the 4th Principal Meridian, Vernon County, Wisconsin.

(7) DEAUTHORIZATION.—Except as provided in subsection (c), the LaFarge Dam and Lake portion of the project referred to in subsection (a) is not authorized after the date of the transfer under this subsection.

(8) INTERIM MANAGEMENT AND MAINTENANCE.—The Secretary shall continue to manage and maintain the LaFarge Dam and Lake portion of the project referred to in subsection (a) until the date of the transfer under this section.

(c) COMPLETION OF PROJECT FEATURES.—

(1) REQUIREMENT.—The Secretary shall undertake the completion of the following features of the project referred to in subsection (a):

(A) The continued relocation of State highway route 131 and county highway routes P and F substantially in accordance with plans contained in Design Memorandum No. 6, Relocation-LaFarge Reservoir, dated June 1970; except that the relocation shall generally follow the existing road rights-of-way through the Kickapoo Valley.

(B) Environmental cleanup and site restoration of abandoned wells, farm sites, and safety modifications to the water control structures.

(C) Cultural resource activities to meet the requirements of Federal law.

(2) PARTICIPATION BY STATE OF WISCONSIN.—In undertaking the completion of the features described in paragraph (1), the Secretary shall determine the requirements of the State of Wisconsin on the location and design of each such feature.

(d) FUNDING.—There is authorized to be appropriated to carry out this section for fiscal years beginning after September 30, 1996, $17,000,000.

SEC. 380. TETON COUNTY, WYOMING.

Section 840 of the Water Resources Development Act of 1986 (100 Stat. 4176) is amended—

(1) by striking ": Provided, That" and inserting "; except that";

(2) by striking "in cash or materials" and inserting ", through providing in-kind services or cash or materials,"; and

(3) by adding at the end the following: "In carrying out this section, the Secretary may enter into agreements with the non-Federal sponsor permitting the non-Federal sponsor to perform operation and maintenance for the project on a cost-reimbursable basis.".

TITLE IV—STUDIES

SEC. 401. CORPS CAPABILITY STUDY, ALASKA.

The Secretary shall review the capability of the Corps of Engineers to plan, design, construct, operate, and maintain rural sanitation projects for rural and Native villages in Alaska. Not later than 18 months after the date of the enactment of this Act, the Secretary shall transmit findings and recommendations on the agency's capability, together with recommendations on the advisability of assuming such a mission.

SEC. 402. MCDOWELL MOUNTAIN, ARIZONA.

The Secretary shall credit the non-Federal share of the cost of the feasibility study on the McDowell Mountain project an amount equivalent to the cost of work performed by the city of Scottsdale, Arizona, and accomplished prior to the city's entering into an agreement with the Secretary if the Secretary determines that the work is necessary for the study.

SEC. 403. NOGALES WASH AND TRIBUTARIES, ARIZONA.

(a) STUDY.—The Secretary shall conduct a study of the relationship of flooding in Nogales, Arizona, and floodflows emanating from Mexico.

(b) REPORT.—The Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), together with recommendations concerning the appropriate level of non-Federal participation in the project for flood control, Nogales Wash and tributaries, Arizona, authorized by section 101(a)(4) of the Water Resources Development Act of 1990 (104 Stat. 4606).

SEC. 404. GARDEN GROVE, CALIFORNIA.

The Secretary shall conduct a study to assess the feasibility of implementing improvements in the regional flood control system within Garden Grove, California.

SEC. 405. MUGU LAGOON, CALIFORNIA.

(a) STUDY.—The Secretary shall conduct a study of the environmental impacts associated with sediment transport, flood flows, and upstream watershed land use practices on Mugu Lagoon, California. The study shall include an evaluation of alternatives for the restoration of the estuarine ecosystem functions and values associated with Mugu Lagoon and the endangered and threatened species inhabiting the area.

(b) CONSULTATION AND COORDINATION.—In conducting the study, the Secretary shall consult with the Secretary of the Navy and shall coordinate with State and local resource agencies to assure that the study is compatible with restoration efforts for the Calleguas Creek watershed.

(c) REPORT.—Not later than 24 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study.

SEC. 406. SANTA YNEZ, CALIFORNIA.

(a) PLANNING.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall prepare a comprehensive river basin management plan addressing the long term ecological, economic, and flood control needs of the Santa Ynez River basin, California. In preparing such plan, the Secretary shall consult the Santa Barbara Flood Control District and other affected local governmental entities.

(b) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to the Santa Barbara Flood Control District with respect to implementation of the plan to be prepared under subsection (a).

SEC. 407. SOUTHERN CALIFORNIA INFRASTRUCTURE.

(a) ASSISTANCE.—Section 116(d)(1) of the Water Resources Development Act of 1990 (104 Stat. 4624) is amended—

(1) in the heading of paragraph (1) by inserting "AND ASSISTANCE" after "STUDY"; and

(2) by adding at the end the following: "In addition, the Secretary shall provide technical, design, and planning assistance to non-Federal interests in developing potential infrastructure projects.".

(b) FUNDING.—Section 116(d)(3) of such Act is amended by striking "$1,500,000" and inserting "$7,500,000".

SEC. 408. YOLO BYPASS, SACRAMENTO-SAN JOAQUIN DELTA, CALIFORNIA.

The Secretary shall study the advisability of acquiring land in the vicinity of the Yolo Bypass in the Sacramento-San Joaquin Delta, California, for the purpose of environmental mitigation for the flood control project for Sacramento, California, and other water resources projects in the area.

SEC. 409. CHAIN OF ROCKS CANAL, ILLINOIS.

The Secretary shall complete a limited reevaluation of the authorized St. Louis Harbor Project in the vicinity of the Chain of Rocks Canal, Illinois, and consistent with the authorized purposes of that project, to include evacuation of waters interior to the Chain of Rocks Canal East Levee.

SEC. 410. QUINCY, ILLINOIS.

(a) STUDY.—The Secretary shall study and evaluate the critical infrastructure of the Fabius River Drainage District, the South Quincy Drainage and Levee District, the Sny Island Levee Drainage District, and the city of Quincy, Illinois—

(1) to determine if additional flood protection needs of such infrastructure should be identified or implemented;

(2) to produce a definition of critical infrastructure;

(3) to develop evaluation criteria; and

(4) to enhance existing geographic information system databases to encompass relevant data that identify critical infrastructure for use in emergencies and in routine operation and maintenance activities.

(b) CONSIDERATION OF OTHER STUDIES.—In conducting the study under this section, the Secretary shall consider the recommendations of the Interagency Floodplain Management Committee Report, the findings of the Floodplain Management Assessment of the Upper Mississippi River and Lower Missouri Rivers and Tributaries, and other relevant studies and findings.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study, together with recommendations regarding each of the purposes of the study described in paragraphs (1) through (4) of subsection (a).

SEC. 411. SPRINGFIELD, ILLINOIS.

The Secretary shall provide technical, planning, and design assistance to the city of Springfield, Illinois, in developing—

(1) an environmental impact statement for the proposed development of a water supply reservoir, including the preparation of necessary documentation in support of the environmental impact statement; and

(2) an evaluation of technical, economic, and environmental impacts of such development.

SEC. 412. BEAUTY CREEK WATERSHED, VALPARAISO CITY, PORTER COUNTY, INDIANA.

The Secretary shall conduct a study to assess the feasibility of implementing streambank erosion control measures and flood control measures within the Beauty Creek watershed, Valparaiso City, Porter County, Indiana.

SEC. 413. GRAND CALUMET RIVER, HAMMOND, INDIANA.

(a) STUDY.—The Secretary shall conduct a study to establish a methodology and schedule to restore the wetlands at Wolf Lake and George Lake in Hammond, Indiana.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a).

SEC. 414. INDIANA HARBOR CANAL, EAST CHICAGO, LAKE COUNTY, INDIANA.

The Secretary shall conduct a study of the feasibility of including environmental and recreational features, including a vegetation buffer, as part of the project for navigation, Indiana Harbor Canal, East Chicago, Lake County, Indiana, authorized by the first section of the Rivers and Harbors Appropriations Act of June 25, 1910 (36 Stat. 657).

SEC. 415. KOONTZ LAKE, INDIANA.

The Secretary shall conduct a study of the feasibility of implementing measures to restore Koontz Lake, Indiana, including measures to remove silt, sediment, nutrients, aquatic growth, and other noxious materials from Koontz Lake, measures to improve public access facilities to Koontz Lake, and measures to prevent or abate the deposit of sediments and nutrients in Koontz Lake.

SEC. 416. LITTLE CALUMET RIVER, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of the impact of the project for flood control, Little Calumet River, Indiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), on flooding and water quality in the vicinity of the Black Oak area of Gary, Indiana.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study conducted under subsection (a), together with recommendations for cost-effective remediation of impacts described in subsection (a).

(c) FEDERAL SHARE.—The Federal share of the cost of the study to be conducted under subsection (a) shall be 100 percent.

SEC. 417. TIPPECANOE RIVER WATERSHED, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of water quality and environmental restoration needs in the Tippecanoe River watershed, Indiana, including measures necessary to reduce siltation in Lake Shafer and Lake Freeman.

(b) ASSISTANCE.—The Secretary shall provide technical, planning, and design assistance to the Shafer Freeman Lakes Environmental Conservation Corporation in addressing potential environmental restoration activities determined as a result of the study conducted under subsection (a).

SEC. 418. CALCASIEU SHIP CHANNEL, HACKBERRY, LOUISIANA.

The Secretary shall conduct a study to determine the need for improved navigation and related support service structures in the vicinity of the Calcasieu Ship Channel, Hackberry, Louisiana.

SEC. 419. HURON RIVER, MICHIGAN.

The Secretary shall conduct a study to determine the need for channel improvements and associated modifications for the purpose of providing a harbor of refuge at Huron River, Michigan.

SEC. 420. SACO RIVER, NEW HAMPSHIRE.

The Secretary shall conduct a study of flood control problems along the Saco River in Hart's Location, New Hampshire, for the purpose of evaluating retaining walls, berms, and other structures with a view to potential solutions involving repair or replacement of existing structures and shall consider other alternatives for flood damage reduction.

SEC. 421. BUFFALO RIVER GREENWAY, NEW YORK.

The Secretary shall conduct a study of a potential greenway trail project along the Buffalo River between the park system of the city of Buffalo, New York, and Lake Erie. Such study shall include preparation of an integrated plan of development that takes into consideration the adjacent parks, nature preserves, bikeways, and related recreational facilities.

SEC. 422. PORT OF NEWBURGH, NEW YORK.

The Secretary shall conduct a study of the feasibility of carrying out improvements for navigation at the port of Newburgh, New York.

SEC. 423. PORT OF NEW YORK-NEW JERSEY SEDIMENT STUDY.

(a) STUDY OF MEASURES TO REDUCE SEDIMENT DEPOSITION.—The Secretary shall conduct a study of measures that could reduce sediment deposition in the vicinity of the Port of New York-New Jersey for the purpose of reducing the volumes to be dredged for navigation projects in the Port.

(b) DREDGED MATERIAL DISPOSAL STUDY.—The Secretary shall conduct a study to determine the feasibility of constructing and operating an underwater confined dredged material disposal site in the Port of New York-New Jersey which could accommodate as much as 250,000 cubic yards of dredged materials for the purpose of demonstrating the feasibility of an underwater confined disposal pit as an environmentally suitable method of containing certain sediments.

(c) REPORT.—The Secretary shall transmit to Congress a report on the results of the studies conducted under this section, together with any recommendations of the Secretary concerning reduction of sediment deposition referred to in subsection (a).

SEC. 424. PORT OF NEW YORK-NEW JERSEY NAVIGATION STUDY.

The Secretary shall conduct a comprehensive study of navigation needs at the Port of New York-New Jersey (including the South Brooklyn Marine and Red Hook Container Terminals, Staten Island, and adjacent areas) to address improvements, including deepening of existing channels to depths of 50 feet or greater, that are required to provide economically efficient and environmentally sound navigation to meet current and future requirements.

SEC. 425. CHAGRIN RIVER, OHIO.

The Secretary shall conduct a study of flooding problems along the Chagrin River in Eastlake, Ohio. In conducting such study, the Secretary shall evaluate potential solutions to flooding from all sources, including that resulting from ice jams, and shall evaluate the feasibility of a sedimentation collection pit and other potential measures to reduce flooding.

SEC. 426. CUYAHOGA RIVER, OHIO.

The Secretary shall conduct a study to evaluate the integrity of the bulkhead system located on the Federal channel along the Cuyahoga River in the vicinity of Cleveland, Ohio, and shall provide to the non-Federal interest an analysis of costs and repairs of the bulkhead system.

SEC. 427. CHARLESTON, SOUTH CAROLINA, ESTUARY.

The Secretary is authorized to conduct a study of the Charleston estuary area located in Charleston, Berkeley, and Dorchester Counties, South Carolina, for the purpose of evaluating environmental conditions in the tidal reaches of the Ashley, Cooper, Stono, and Wando Rivers and the lower portions of Charleston Harbor.

SEC. 428. MUSTANG ISLAND, CORPUS CHRISTI, TEXAS.

The Secretary shall conduct a study of navigation along the south-central coast of Texas near Corpus Christi for the purpose of determining the feasibility of constructing and maintaining the Packery Channel on the southern portion of Mustang Island.

SEC. 429. PRINCE WILLIAM COUNTY, VIRGINIA.

The Secretary shall conduct a study of flooding, erosion, and other water resources problems in Prince William County, Virginia, including an assessment of wetlands protection, erosion control, and flood damage reduction needs of the County.

SEC. 430. PACIFIC REGION.

(a) STUDY.—The Secretary is authorized to conduct studies in the interest of navigation in that part of the Pacific region that includes American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands.

(b) COST SHARING.—The cost sharing provisions of section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215; 100 Stat. 4088–4089) shall apply to studies under this section.

SEC. 431. FINANCING OF INFRASTRUCTURE NEEDS OF SMALL AND MEDIUM PORTS.

(a) STUDY.—The Secretary shall conduct a study of alternative financing mechanisms for ensuring adequate funding for the infrastructure needs of small and medium ports.

(b) MECHANISMS TO BE STUDIED.—Mechanisms to be studied under subsection (a) shall include the establishment of revolving loan funds.

(c) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall transmit to Congress a report containing the results of the study conducted under subsection (a).

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. PROJECT DEAUTHORIZATIONS.

The following projects are not authorized after the date of the enactment of this Act:

(1) BRANFORD HARBOR, CONNECTICUT.—The following portion of the project for navigation, Branford River, Connecticut, authorized by the first section of the Rivers and Harbors Appropriations Act of June 13, 1902 (32 Stat. 333): Starting at a point on the Federal channel line whose coordinates are N156181.32, E581572.38, running south 70 degrees 11 minutes 8 seconds west a distance of 171.58 feet to another point on the Federal channel line whose coordinates are N156123.18, E581410.96.

(2) BRIDGEPORT HARBOR, CONNECTICUT.—The following portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297): A 2.4-acre anchorage area, 9 feet deep, and an adjacent 0.6-acre anchorage, 6 feet deep, located on the west side of Johnsons River.

(3) GUILFORD HARBOR, CONNECTICUT.—The following portion of the project for navigation, Guilford Harbor, Connecticut, authorized by section 2 of the Act entitled "An Act authorizing construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (50 Stat. 13): Starting at a point where the Sluice Creek Channel intersects with the main entrance channel, N159194.63, E623201.07, thence running north 24 degrees 58 minutes 15.2 seconds west 478.40 feet to a point N159628.31, E622999.11, thence running north 20 degrees 18 minutes 31.7 seconds west 351.53 feet to a point N159957.99, E622877.10, thence running north 69 degrees 41 minutes 37.9 seconds east 55.000 feet to a point N159977.08, E622928.69, thence turning and running south 20 degrees 18 minutes 31.0 seconds east 349.35 feet to a point N159649.45, E623049.94, thence turning and running south 24 degrees 58 minutes 11.1 seconds east 341.36 feet to a point N159340.00, E623194.04, thence turning and running south 90 degrees 0 minutes 0 seconds east 78.86 feet to a point N159340.00, E623272.90.

(4) JOHNSONS RIVER CHANNEL, BRIDGEPORT HARBOR, CONNECTICUT.—The following portion of the project for navigation, Johnsons River Channel, Bridgeport Harbor, Connecticut, authorized by the first section of the Rivers and Harbors Act of July 24, 1946 (60 Stat. 634): Northerly of a line across the Federal channel. The coordinates of such line are N 123318.35, E 486301.68 and N 123257.15, E 486380.77.

(5) MYSTIC RIVER, CONNECTICUT.—The following portion of the project for improving the Mystic River, Connecticut, authorized by the River and Harbor Act approved March 4, 1913 (37 Stat. 802):

Beginning in the 15-foot deep channel at coordinates north 190860.82, east 814416.20, thence running southeast about 52.01 feet to the coordinates north 190809.47, east 814424.49, thence running southwest about 34.02 feet to coordinates north 190780.46, east 814406.70, thence running north about 80.91 feet to the point of beginning.

(6) NORWALK HARBOR, CONNECTICUT.—

(A) DEAUTHORIZATION.—The portion of the project for navigation, Norwalk Harbor, Connecticut, authorized by the River and Harbor Act of March 2, 1919 (40 Stat. 1276), that lies northerly of a line across the Federal channel having coordinates N104199.72, E417774.12 and N104155.59, E417628.96, and those portions of the 6-foot deep East Norwalk Channel and Anchorage, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 13), not included in the description of the realignment of the project contained in subparagraph (B).

(B) REALIGNMENT DESCRIPTION.—The realigned 6-foot deep East Norwalk Channel and Anchorage is described as follows: starting at a point on the East Norwalk Channel, N95743.02, E419581.37, thence running northwesterly about 463.96 feet to a point N96197.93, E419490.18, thence running northwesterly about 549.32 feet to a point N96608.49, E419125.23, thence running northwesterly about 384.06 feet to a point N96965.94, E418984.75, thence running northwesterly about 407.26 feet to a point N97353.87, E418860.78, thence running westerly about 58.26 feet to a point N97336.26, E418805.24, thence running northwesterly about 70.99 feet to a point N97390.30, E418759.21, thence running westerly about 71.78 feet to a point on the anchorage limit N97405.26, E418689.01, thence running southerly along the western limits of the existing Federal anchorage until reaching a point N95893.74, E419449.17, thence running in a southwesterly direction about 78.74 feet to a point on the East Norwalk Channel N95815.62, E419439.33.

(C) REDESIGNATION.—All of the realigned channel shall be redesignated as anchorage, with the exception of that portion of the channel which narrows to a width of 100 feet and terminates at a line whose coordinates are N96456.81, E419260.06, and N96390.37, E419185.32, which shall remain as a channel.

(7) SOUTHPORT HARBOR, CONNECTICUT.—

(A) DEAUTHORIZATION PORTION OF PROJECT.—The following portions of the project for navigation, Southport Harbor, Connecticut, authorized by the first section of the Rivers and Harbors Act of August 30, 1935 (49 Stat. 1029):

(i) The 6-foot deep anchorage located at the head of the project.

(ii) The portion of the 9-foot deep channel beginning at a bend in the channel whose coordinates are north 109131.16, east 452653.32 running thence in a northeasterly direction about 943.01 feet to a point whose coordinates are north 109635.22, east 453450.31 running thence in a southeasterly direction about 22.66 feet to a point whose coordinates are north 109617.15, east 453463.98 running thence in a southwesterly direction about 945.18 feet to the point of beginning.

(B) REMAINDER.—The remaining portion of the project referred to in subparagraph (A) northerly of a line whose coordinates are north 108699.15, east 452768.36 and north 108655.66, east 452858.73 shall be redesignated as an anchorage.

(8) STONY CREEK, BRANFORD, CONNECTICUT.—The following portion of the project for navigation, Stony Creek, Connecticut, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577): The 6-foot maneuvering basin starting at a point N157031.91, E599030.79, thence running northeasterly about 221.16 feet to a point N157191.06, E599184.37, thence running northerly about 162.60 feet to a point N157353.56, E599189.99, thence running southwesterly about 358.90 feet to the point of origin.

(9) KENNEBUNK RIVER, MAINE.—That portion of the project for navigation, Kennebunk River, Maine, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173) and consisting of a 6-foot deep channel that lies northerly of a line whose coordinates are N191412.53, E417265.28 and N191445.83, E417332.48.

(10) YORK HARBOR, MAINE.—That portion of the project for navigation, York Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), located in the 8-foot deep anchorage area beginning at coordinates N 109340.19, E 372066.93, thence running north 65 degrees 12 minutes 10.5 seconds E 423.27 feet to a point N 109517.71, E372451.17, thence running north 28 degrees 42 minutes 58.3 seconds west 11.68 feet to a point N 109527.95, E 372445.56, thence running south 63 degrees 37 minutes 24.6 seconds west

422.63 feet returning to the point of beginning and that portion in the 8-foot deep anchorage area beginning at coordinates N 108557.24, E 371645.88, thence running south 60 degrees 41 minutes 17.2 seconds east 484.51 feet to a point N 108320.04, E 372068.36, thence running north 29 degrees 12 minutes 53.3 seconds east 15.28 feet to a point N 108333.38, E 372075.82, thence running north 62 degrees 29 minutes 42.1 seconds west 484.73 feet returning to the point of beginning.

(11) CHELSEA RIVER, BOSTON HARBOR, MASSACHUSETTS.—The following portion of the project for navigation, Boston Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), consisting of a 35-foot deep channel in the Chelsea River: Beginning at a point on the northern limit of the existing project N505357.84, E724519.19, thence running northeasterly about 384.19 feet along the northern limit of the existing project to a bend on the northern limit of the existing project N505526.87, E724864.20, thence running southeasterly about 368.00 feet along the northern limit of the existing project to another point N505404.77, E725211.35, thence running westerly about 594.53 feet to a point N505376.12, E724617.51, thence running southwesterly about 100.00 feet to the point of origin.

(12) COHASSET HARBOR, COHASSET, MASSACHUSETTS.—The following portions of the project for navigation, Cohasset Harbor, Massachusetts, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(A) The portion starting at a point N453510.15, E792664.63, thence running south 53 degrees 07 minutes 05.4 seconds west 307.00 feet to a point N453325.90, E792419.07, thence running north 57 degrees 56 minutes 36.8 seconds west 201.00 feet to a point N453432.58, E792248.72, thence running south 88 degrees 57 minutes 25.6 seconds west 50.00 feet to a point N453431.67, E792198.73, thence running north 01 degree 02 minutes 52.3 seconds west 66.71 feet to a point N453498.37, E792197.51, thence running north 69 degrees 12 minutes 52.3 seconds east 332.32 feet to a point N453616.30, E792508.20, thence running south 55 degrees 50 minutes 24.1 seconds east 189.05 feet to the point of origin.

(B) The portion starting at a point N452886.64, E791287.83, thence running south 00 degrees 00 minutes 00.0 seconds west 56.04 feet to a point N452830.60, E791287.83, thence running north 90 degrees 00 minutes 00.0 seconds west 101.92 feet to a point, N452830.60, E791185.91, thence running north 52 degrees 12 minutes 49.7 seconds east 89.42 feet to a point, N452885.39, E791256.58, thence running north 87 degrees 42 minutes 33.8 seconds east 31.28 feet to the point of origin.

(C) The portion starting at a point, N452261.08, E792040.24, thence running north 89 degrees 07 minutes 19.5 seconds east 118.78 feet to a point, N452262.90, E792159.01, thence running south 43 degrees 39 minutes 06.8 seconds west 40.27 feet to a point, N452233.76, E792131.21, thence running north 74 degrees 33 minutes 29.1 seconds west 94.42 feet to a point, N452258.90, E792040.20, thence running north 01 degree 03 minutes 04.3 seconds east 2.18 feet to the point of origin.

(13) FALMOUTH, MASSACHUSETTS.—

(A) DEAUTHORIZATIONS.—The following portions of the project for navigation, Falmouth Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1948 (62 Stat. 1172):

(i) The portion commencing at a point north 199286.37 east 844394.81 a line running north 73 degrees 09 minutes 29 seconds east 440.34 feet to a point north 199413.99 east 844816.36, thence turning and running north 43 degrees 09 minutes 34.5 seconds east 119.99 feet to a point north 199501.52 east 844898.44, thence turning and running south 66 degrees 52 minutes 03.5 seconds east 547.66 feet returning to a point north 199286.41 east 844394.91.

(ii) The portion commencing at a point north 199647.41 east 845035.25 a line running north 43 degrees 09 minutes 33.1 seconds east 767.15 feet to a point north 200207.01 east 845560.00, thence turning and running north 11 degrees 04 minutes 24.3 seconds west 380.08 feet to a point north 200580.01 east 845487.00, thence turning and running north 22 degrees 05 minutes 50.8 seconds east 1332.36 feet to a point north 201814.50 east 845988.21, thence turning and running north 02 degrees 54 minutes 15.7 seconds east 15.0 feet to a point north 201829.48 east 845988.97, thence turning and running south 24 degrees 56 minutes 42.3 seconds west 1410.29 feet returning to the point north 200550.75 east 845394.18.

(B) REDESIGNATION.—The portion of the project for navigation Falmouth, Massachusetts, referred to in subparagraph (A) upstream of a line designated by the 2 points north 199463.18 east 844496.40 and north 199350.36 east 844544.60 is redesignated as an anchorage area.

(14) MYSTIC RIVER, MASSACHUSETTS.—The following portion of the project for navigation, Mystic River, Massachusetts, authorized by section 101 of the River and Harbor Act of 1950 (64 Stat. 164): The 35-foot deep channel beginning at a point on the northern limit of the existing project, N506243.78, E717600.27, thence running easterly about 1000.00 feet along the northern limit of the existing project to a point, N506083.42, E718587.33, thence running southerly about 40.00 feet to a point, N506043.94, E718580.91, thence running westerly about 1000.00 feet to a point, N506204.29, E717593.85, thence running northerly about 40.00 feet to the point of origin.

(15) RESERVED CHANNEL, BOSTON, MASSACHUSETTS.—That portion of the project for navigation, Reserved Channel, Boston, Massachusetts, authorized by section 101(a)(12) of the Water Resources Development Act of 1990 (104 Stat. 4607), that consists of a 40-foot deep channel beginning at a point along the southern limit of the authorized project, N489391.22, E728246.54, thence running northerly about 54 feet to a point, N489445.53, E728244.97, thence running easterly about 2,926 feet to a point, N489527.38, E731170.41, thence running southeasterly about 81 feet to a point, N489474.87, E731232.55, thence running westerly about 2,987 feet to the point of origin.

(16) WEYMOUTH-FORE AND TOWN RIVERS, MASSACHUSETTS.—The following portions of the project for navigation, Weymouth-Fore and Town Rivers, Boston Harbor, Massachusetts, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1089):

(A) The 35-foot deep channel beginning at a bend on the southern limit of the existing project, N457394.01, E741109.74, thence running westerly about 405.25 feet to a point, N457334.64, E740708.86, thence running southwesterly about 462.60 feet to another bend in the southern limit of the existing project, N457132.00, E740293.00, thence running northeasterly about 857.74 feet along the southern limit of the existing project to the point of origin.

(B) The 15 and 35-foot deep channels beginning at a point on the southern limit of the existing project, N457163.41, E739903.49, thence running northerly about 111.99 feet to a point, N457275.37, E739900.76, thence running westerly about 692.37 feet to a point N457303.40, E739208.96, thence running southwesterly about 190.01 feet to another point on the southern limit of the existing project, N457233.17, E739032.41, thence running easterly about 873.87 feet along the southern limit of the existing project to the point of origin.

(17) COCHECO RIVER, NEW HAMPSHIRE.—The portion of the project for navigation, Cocheco River, New Hampshire, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 19, 1890 (26 Stat. 436), that consists of a 7-foot deep channel that lies northerly of a line the coordinates of which are N255292.31, E713095.36, and N255334.51, E713138.01.

(18) MORRISTOWN HARBOR, NEW YORK.—The following portion of the project for navigation, Morristown Harbor, New York, authorized by the first section of the Rivers and Harbors Act of January 21, 1927 (44 Stat. 1011): The portion that lies north of the north boundary of Morris Street extended.

(19) OSWEGATCHIE RIVER, OGDENSBURG NEW YORK.—The portion of the Federal channel of the project for navigation, Ogdensburg Harbor, New York, authorized by the first section of the Rivers and Harbors Appropriations Act of June 25, 1910 (36 Stat. 635), as modified by the first section of the Rivers and Harbors Act of August 30, 1935 (49 Stat. 1037), that is in the Oswegatchie River in Ogdensburg, New York, from the southernmost alignment of the Route 68 bridge upstream to the northernmost alignment of the Lake Street bridge.

(20) CONNEAUT HARBOR, OHIO.—The most southerly 300 feet of the 1,670-foot long Shore Arm of the project for navigation, Conneaut Harbor, Ohio, authorized by the first section of the Rivers and Harbors Appropriation Act of June 25, 1910 (36 Stat. 653).

(21) LORAIN SMALL BOAT BASIN, LAKE ERIE, OHIO.—The portion of the Federal navigation channel, Lorain Small Boat Basin, Lake Erie, Ohio, authorized pursuant to section 107 of the River and Harbor Act of 1960 (74 Stat. 486) that is situated in the State of Ohio, County of Lorain, Township of Black River and is a part of Original Black River Township Lot Number 1, Tract Number 1, further known as being submerged lands of Lake Erie owned by the State of Ohio and that is more definitely described as follows:

Commencing at a drill hole found on the centerline of Lakeside Avenue (60 feet in width) at the intersection of the centerline of the East Shorearm of Lorain Harbor, said point is known as United States Army Corps of Engineers Monument No. 203 (N658012.20, E208953.88).

Thence, in a line north 75 degrees 26 minutes 12 seconds west, a distance of 387.87 feet to a point (N658109.73, E2089163.47). This point is hereinafter in this paragraph referred to as the "principal point of beginning".

Thence, north 58 degrees 14 minutes 11 seconds west, a distance of 50.00 feet to a point (N658136.05, E2089120.96).

Thence, south 67 degrees 49 minutes 32 seconds west, a distance of 665.16 feet to a point (N657885.00, E2088505.00).

Thence, north 88 degrees 13 minutes 52 seconds west, a distance of 551.38 feet to a point (N657902.02, E2087953.88).

Thence, north 29 degrees 17 minutes 42 seconds east, a distance of 114.18 feet to point (N658001.60, E2088009.75).

Thence, south 88 degrees 11 minutes 40 seconds east, a distance of 477.00 feet to a point (N657986.57, E2088486.51).

Thence, north 68 degrees 11 minutes 06 seconds east, a distance of 601.95 feet to a point (N658210.26, E2089045.35).

Thence, north 35 degrees 11 minutes 34 seconds east, a distance of 89.58 feet to a point (N658283.47, E2089096.98).

Thence, south 20 degrees 56 minutes 30 seconds east, a distance of 186.03 feet to the principal point of beginning (N658109.73, E2089163.47) and containing within such bounds 2.81 acres, more or less, of submerged land.

(22) APPONAUG COVE, WARWICK, RHODE ISLAND.—The following portion of the project for navigation, Apponaug Cove, Rhode Island, authorized under section 101 of the River and Harbor Act of 1960 (74 Stat. 480): The 6-foot channel bounded by coordinates N223269.93, E513089.12; N223348.31, E512799.54; N223251.78, E512773.41; and N223178.0, E513046.0.

(23) PORT WASHINGTON HARBOR, WISCONSIN.—The following portion of the navigation project for Port Washington Harbor, Wisconsin, authorized by the Rivers and Harbors Appropriations Act of July 11, 1870 (16 Stat. 223): Beginning at the northwest corner of project at Channel Pt. No. 36, of the Federal Navigation Project, Port Washington Harbor, Ozaukee County, Wisconsin, at coordinates N513529.68, E2535215.64, thence 188 degrees 31 minutes 59 seconds, a distance of 178.32 feet, thence 196 degrees 47 minutes 17 seconds, a distance of 574.80 feet, thence 270 degrees 58 minutes 25 seconds, a distance of 465.50 feet, thence 178 degrees 56 minutes 17 seconds, a distance of 130.05 feet, thence 87 degrees 17 minutes 05 seconds, a distance of 510.22 feet, thence 104 degrees 58 minutes 31 seconds, a distance of 178.33 feet, thence 115 degrees 47 minutes 55 seconds, a distance of 244.15 feet, thence 25 degrees 12 minutes 08 seconds, a distance of 310.00 feet, thence 294 degrees 46 minutes 50 seconds, a distance of 390.20 feet, thence 16 degrees 56 minutes 16 seconds, a distance of 570.90 feet, thence 266 degrees 01 minutes 25 seconds, a distance of 190.78 feet to Channel Pt. No. 36, point of beginning.

SEC. 502. PROJECT REAUTHORIZATIONS.

(a) GRAND PRAIRIE REGION AND BAYOU METO BASIN, ARKANSAS.—The project for flood control, Grand Prairie Region and Bayou Meto Basin, Arkansas, authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 174) and deauthorized pursuant to section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary; except that the scope of the project includes ground water protection and conservation, agricultural water supply, and waterfowl management.

(b) WHITE RIVER, ARKANSAS.—The project for navigation, White River Navigation to Batesville, Arkansas, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4139) and deauthorized by section 52(b) of the Water Resources Development Act of 1988 (102 Stat. 4045), is authorized to be carried out by the Secretary.

(c) DES PLAINES RIVER, ILLINOIS.—The project for wetlands research, Des Plaines River, Illinois, authorized by section 45 of the Water Resources Development Act of 1988 (102 Stat. 4041) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(d) ALPENA HARBOR, MICHIGAN.—The project for navigation, Alpena Harbor, Michigan, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(e) ONTONAGON HARBOR, ONTONAGON COUNTY, MICHIGAN.—The project for navigation, Ontonagon Harbor, Ontonagon County, Michigan, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1176) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(f) KNIFE RIVER HARBOR, MINNESOTA.—The project for navigation, Knife River Harbor, Minnesota, authorized by section 100 of the Water Resources Development Act of 1974 (88 Stat. 41) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

(g) CLIFFWOOD BEACH, NEW JERSEY.—The project for hurricane-flood protection and beach erosion control on Raritan Bay and Sandy Hook Bay, New Jersey, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 118) and deauthorized pursuant to section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary.

SEC. 503. CONTINUATION OF AUTHORIZATION OF CERTAIN PROJECTS.

(a) GENERAL RULE.—Notwithstanding section 1001 of the Water Resources Development Act of 1986 (33 U.S.C. 579a), the following projects shall remain authorized to be carried out by the Secretary:

(1) CEDAR RIVER HARBOR, MICHIGAN.—The project for navigation, Cedar River Harbor, Michigan, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090).

(2) CROSS VILLAGE HARBOR, MICHIGAN.—The project for navigation, Cross Village Harbor, Michigan, authorized by section 101 of the River and Harbor Act of 1966 (80 Stat. 1405).

(b) LIMITATION.—A project described in subsection (a) shall not be authorized for construction after the last day of the 5-year period that begins on the date of the enactment of this Act unless, during such period, funds have been obligated for the construction (including planning and design) of the project.

SEC. 504. LAND CONVEYANCES.

(a) OAKLAND INNER HARBOR TIDAL CANAL PROPERTY, CALIFORNIA.—Section 205 of the Water Resources Development Act of 1990 (104 Stat. 4633) is amended—

(1) by inserting after paragraph (2) the following new paragraph:

"(3) To adjacent land owners, the United States title to all or portions of that part of the Oakland Inner Harbor Tidal Canal which are located within the boundaries of the city in which such land rests. Such conveyance shall be at fair market value.";

(2) by inserting after "right-of-way" the following: "or other rights deemed necessary by the Secretary"; and

(3) by adding at the end the following: "The conveyances and processes involved will be at no cost to the United States.".

(b) MARIEMONT, OHIO.—

(1) IN GENERAL.—The Secretary shall convey to the village of Mariemont, Ohio, for a sum of $85,000 all right, title, and interest of the United States in and to a parcel of land (including improvements thereto) under the jurisdiction of the Corps of Engineers and known as the "Ohio River Division Laboratory", as such parcel is described in paragraph (4).

(2) TERMS AND CONDITIONS.—The conveyance under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(3) PROCEEDS.—All proceeds from the conveyance under paragraph (1) shall be deposited in the general fund of the Treasury of the United States and credited as miscellaneous receipts.

(4) PROPERTY DESCRIPTION.—The parcel of land referred to in paragraph (1) is the parcel situated in the State of Ohio, County of Hamilton, Township 4, Fractional Range 2, Miami Purchase, Columbia Township, Section 15, being parts of Lots 5 and 6 of the subdivision of the dower tract of the estate of Joseph Ferris as recorded in Plat Book 4, Page 112, of the Plat Records of Hamilton County, Ohio, Recorder's Office, and more particularly described as follows:

Beginning at an iron pin set to mark the intersection of the easterly line of Lot 5 of said subdivision of said dower tract with the northerly line of the right-of-way of the Norfolk and Western Railway Company as shown in Plat Book 27, Page 182, Hamilton County, Ohio, Surveyor's Office, thence with said northerly right-of-way line;

South 70 degrees 10 minutes 13 seconds west 258.52 feet to a point; thence leaving the northerly right-of-way of the Norfolk and Western Railway Company;

North 18 degrees 22 minutes 02 seconds west 302.31 feet to a point in the south line of Mariemont Avenue; thence along said south line;

North 72 degrees 34 minutes 35 seconds east 167.50 feet to a point; thence leaving the south line of Mariemont Avenue;

North 17 degrees 25 minutes 25 seconds west 49.00 feet to a point; thence

North 72 degrees 34 minutes 35 seconds east 100.00 feet to a point; thence

South 17 degrees 25 minutes 25 seconds east 49.00 feet to a point; thence

North 72 degrees 34 minutes 35 seconds east 238.90 feet to a point; thence

South 00 degrees 52 minutes 07 seconds east 297.02 feet to a point in the northerly line of the Norfolk and Western Railway Company; thence with said northerly right-of-way;

South 70 degrees 10 minutes 13 seconds west 159.63 feet to a point of beginning, containing 3.22 acres, more or less.

(c) EUFAULA LAKE, OKLAHOMA.—

(1) IN GENERAL.—The Secretary shall convey to the city of Eufaula, Oklahoma, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 12.5 acres located at the Eufaula Lake project.

(2) CONSIDERATION.—Consideration for the conveyance under paragraph (1) shall be the fair market value of the parcel (as determined by the Secretary) and payment of all costs of the United States in making the conveyance, including the costs of—

(A) the survey required under paragraph (4);

(B) any other necessary survey or survey monumentation;

(C) compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(D) any coordination necessary with respect to requirements relating to endangered species, cultural resources, and clean air (including the costs of agency consultation and public hearings).

(3) LAND SURVEYS.—The exact acreage and description of the parcel to be conveyed under paragraph (1) shall be determined by such surveys as the Secretary considers necessary, which shall be carried out to the satisfaction of the Secretary.

(4) ENVIRONMENTAL BASELINE SURVEY.—Prior to making the conveyance under paragraph (1), the Secretary shall conduct an environmental baseline survey to determine the levels of any contamination (as of the date of the survey) for which the United States would be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and any other applicable law.

(5) CONDITIONS CONCERNING RIGHTS AND EASEMENT.—The conveyance under paragraph (1) shall be subject to existing rights and to retention by the United States of a flowage easement over all portions of the parcel that lie at or below the flowage easement contour for the Eufaula Lake project.

(6) OTHER TERMS AND CONDITIONS.—The conveyance under paragraph (1) shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(d) BOARDMAN, OREGON.—

(1) IN GENERAL.—The Secretary shall convey to the city of Boardman, Oregon, all right, title, and interest of the United States in and to a parcel of land consisting of approximately 141 acres acquired as part of the John Day Lock and Dam project in the vicinity of such city currently under lease to the Boardman Park and Recreation District.

(2) CONSIDERATION.—

(A) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this subsection that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, then title to such property shall revert to the Secretary.

(B) OTHER PROPERTIES.—Properties to be conveyed under this subsection and not described in subparagraph (A) shall be conveyed at fair market value.

(3) CONDITIONS CONCERNING RIGHTS AND EASEMENT.—The conveyance of properties under this subsection shall be subject to existing first rights of refusal regarding acquisition of such properties and to retention of a flowage easement over portions of the properties that the Secretary determines to be necessary for operation of the project.

(4) OTHER TERMS AND CONDITIONS.—The conveyance of properties under this subsection shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(e) TRI-CITIES AREA, WASHINGTON.—

(1) GENERAL AUTHORITY.—As soon as practicable after the date of the enactment of this Act, the Secretary shall make the conveyances to the local governments referred to in paragraph (2) of all right, title, and interest of the United States in and to the property described in paragraph (2).

(2) PROPERTY DESCRIPTIONS.—

(A) BENTON COUNTY.—The property to be conveyed pursuant to paragraph (1) to Benton County, Washington, is the property in such county which is designated "Area D" on Exhibit A to Army Lease No. DACW-68-1-81-43.

(B) FRANKLIN COUNTY, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to Franklin County, Washington, is—

(i) the 105.01 acres of property leased pursuant to Army Lease No. DACW-68-1-77-20 as executed by Franklin County, Washington, on April 7, 1977;

(ii) the 35 acres of property leased pursuant to Supplemental Agreement No. 1 to Army Lease No. DACW-68-1-77-20;

(iii) the 20 acres of property commonly known as "Richland Bend" which is designated by the shaded portion of Lot 1, Section 11, and the shaded portion of Lot 1, Section 12, Township 9 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW-68-1-77-20;

(iv) the 7.05 acres of property commonly known as "Taylor Flat" which is designated by the shaded portion of Lot 1, Section 13, Township 11 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW-68-1-77-20;

(v) the 14.69 acres of property commonly known as "Byers Landing" which is designated by the shaded portion of Lots 2 and 3, Section 2, Township 10 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW-68-1-77-20; and

(vi) all levees within Franklin County, Washington, as of the date of the enactment of this Act, and the property upon which the levees are situated.

(C) CITY OF KENNEWICK, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to the city of Kennewick, Washington, is the property within the city which is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(D) CITY OF RICHLAND, WASHINGTON.—The property to be conveyed pursuant to paragraph (1), to the city of Richland, Washington, is the property within the city which is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the Cities of Kennewick and Richland, Washington.

(E) CITY OF PASCO, WASHINGTON.—The property to be conveyed pursuant to paragraph (1), to the city of Pasco, Washington, is—

(i) the property within the city of Pasco, Washington, which is leased pursuant to Army Lease No. DACW-68-1-77-10; and

(ii) all levees within such city, as of the date of the enactment of this Act, and the property upon which the levees are situated.

(F) PORT OF PASCO, WASHINGTON.—The property to be conveyed pursuant to paragraph (1) to the Port of Pasco, Washington, is—

(i) the property owned by the United States which is south of the Burlington Northern Railroad tracks in Lots 1 and 2, Section 20, Township 9 North, Range 31 East, W.M.; and

(ii) the property owned by the United States which is south of the Burlington Northern Railroad tracks in Lots 1, 2, 3, and 4, in each of Sections 21, 22, and 23, Township 9 North, Range 31 East, W.M.

(G) ADDITIONAL PROPERTIES.—In addition to properties described in subparagraphs (A) through (F), the Secretary may convey to a local government referred to in subparagraphs (A) through (F) such properties under the jurisdiction of the Secretary in the Tri-Cities area as the Secretary and the local government agree are appropriate for conveyance.

(3) TERMS AND CONDITIONS.—

(A) IN GENERAL.—The conveyances under paragraph (1) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(B) SPECIAL RULES FOR FRANKLIN COUNTY.—The property described in paragraph (2)(B)(vi) shall be conveyed only after Franklin County, Washington, has entered into a written agreement with the Secretary which provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out that agreement.

(C) SPECIAL RULE FOR CITY OF PASCO.—The property described in paragraph (2)(E)(ii) shall be conveyed only after the city of Pasco, Washington, has entered into a written agreement with the Secretary which provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out that agreement.

(D) CONSIDERATION.—

(i) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this subsection that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, then title to such property shall revert to the Secretary.

(ii) OTHER PROPERTIES.—Properties to be conveyed under this subsection and not described in clause (i) shall be conveyed at fair market value.

(4) LAKE WALLULA LEVEES.—

(A) DETERMINATION OF MINIMUM SAFE HEIGHT.—

(i) CONTRACT.—Within 30 days after the date of the enactment of this Act, the Secretary shall contract with a private entity agreed to under clause (ii) to determine, within 6 months after such date of enactment, the minimum safe height for the levees of the project for flood control, Lake Wallula, Washington. The Secretary shall have final approval of the minimum safe height.

(ii) AGREEMENT OF LOCAL OFFICIALS.—A contract shall be entered into under clause (i) only with a private entity agreed to by the Secretary, appropriate representatives of Franklin County, Washington, and appropriate representatives of the city of Pasco, Washington.

(B) AUTHORITY.—A local government may reduce, at its cost, the height of any levee of the project for flood control, Lake Wallula, Washington, within the boundaries of such local government to a height not lower than the minimum safe height determined pursuant to subparagraph (A).

(f) APPLICABILITY OF OTHER LAWS.—Any contract for sale, deed, or other transfer of real property under this section shall be carried out in compliance with all applicable provisions of section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act and other environmental laws.

SEC. 505. NAMINGS.

(a) MILT BRANDT VISITORS CENTER, CALIFORNIA.—

(1) DESIGNATION.—The visitors center at Warm Springs Dam, California, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1192), shall be known and designated as the "Milt Brandt Visitors Center".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the visitors center referred to in paragraph (1) shall be deemed to be a reference to the "Milt Brandt Visitors Center".

(b) CARR CREEK LAKE, KENTUCKY.—

(1) DESIGNATION.—Carr Fork Lake in Knott County, Kentucky, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1188), shall be known and designated as the "Carr Creek Lake".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lake referred to in paragraph (1) shall be deemed to be a reference to the "Carr Creek Lake".

(c) WILLIAM H. NATCHER BRIDGE, MACEO, KENTUCKY, AND ROCKPORT, INDIANA.—

(1) DESIGNATION.—The bridge on United States Route 231 which crosses the Ohio River between Maceo, Kentucky, and Rockport, Indiana, shall be known and designated as the "William H. Natcher Bridge".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the bridge referred to in paragraph (1) shall be deemed to be a reference to the "William H. Natcher Bridge".

(d) JOHN T. MYERS LOCK AND DAM, INDIANA AND KENTUCKY.—

(1) DESIGNATION.—Uniontown Lock and Dam, on the Ohio River, Indiana and Kentucky, shall be known and designated as the "John T. Myers Lock and Dam".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) shall be deemed to be a reference to the "John T. Myers Lock and Dam".

(e) J. EDWARD ROUSH LAKE, INDIANA.—

(1) REDESIGNATION.—The lake on the Wabash River in Huntington and Wells Counties, Indiana, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 312), and known as Huntington Lake, shall be known and designated as the "J. Edward Roush Lake".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lake referred to in paragraph (1) shall be deemed to be a reference to the "J. Edward Roush Lake".

(f) RUSSELL B. LONG LOCK AND DAM, RED RIVER WATERWAY, LOUISIANA.—

(1) DESIGNATION.—Lock and Dam 4 of the Red River Waterway, Louisiana, shall be known and designated as the "Russell B. Long Lock and Dam".

(2) LEGAL REFERENCES.—A reference in any law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) shall be deemed to be a reference to the "Russell B. Long Lock and Dam".

(g) WILLIAM L. JESS DAM AND INTAKE STRUCTURE, OREGON.—

(1) DESIGNATION.—The dam located at mile 153.6 on the Rogue River in Jackson County, Oregon, and commonly known as the Lost Creek Dam Lake Project, shall be known and designated as the "William L. Jess Dam and Intake Structure".

(2) LEGAL REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the dam referred to in section 1 shall be deemed to be a reference to the "William L. Jess Dam and Intake Structure".

(h) ABERDEEN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—The lock and dam at Mile 358 of the Tennessee-Tombigbee Waterway is designated as the "Aberdeen Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "Aberdeen Lock and Dam".

(i) AMORY LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock A at Mile 371 of the Tennessee-Tombigbee Waterway is designated as the "Amory Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "Amory Lock".

(j) FULTON LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock C at Mile 391 of the Tennessee-Tombigbee Waterway is designated as the "Fulton Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "Fulton Lock".

(k) HOWELL HEFLIN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 266 of the Tennessee-Tombigbee Waterway, known as the Gainesville Lock and Dam, is redesignated as the "Howell Heflin Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "Howell Heflin Lock and Dam".

(l) G.V. "SONNY" MONTGOMERY LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock E at Mile 407 of the Tennessee-Tombigbee Waterway is designated as the "G.V. 'Sonny' Montgomery Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "G.V. 'Sonny' Montgomery Lock".

(m) JOHN RANKIN LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock D at Mile 398 of the Tennessee-Tombigbee Waterway is designated as the "John Rankin Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock referred to in paragraph (1) is deemed to be a reference to the "John Rankin Lock".

(n) JOHN C. STENNIS LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 335 of the Tennessee-Tombigbee Waterway, known as the Columbus Lock and Dam, is redesignated as the "John C. Stennis Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "John C. Stennis Lock and Dam".

(o) JAMIE WHITTEN LOCK AND DAM, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) REDESIGNATION.—The lock and dam at Mile 412 of the Tennessee-Tombigbee Waterway, known as the Bay Springs Lock and Dam, is redesignated as the "Jamie Whitten Lock and Dam".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the lock and dam referred to in paragraph (1) is deemed to be a reference to the "Jamie Whitten Lock and Dam".

(p) GLOVER WILKINS LOCK, TENNESSEE-TOMBIGBEE WATERWAY.—

(1) DESIGNATION.—Lock B at Mile 376 of the Tennessee-Tombigbee Waterway is designated as the "Glover Wilkins Lock".

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record to the lock referred to in paragraph (1) is deemed to be a reference to the "Glover Wilkins Lock".

SEC. 506. WATERSHED MANAGEMENT, RESTORATION, AND DEVELOPMENT.

(a) IN GENERAL.—The Secretary is authorized to provide technical, planning, and design assistance to non-Federal interests for carrying out watershed management, restoration, and development projects at the locations described in subsection (d).

(b) SPECIFIC MEASURES.—Assistance provided pursuant to subsection (a) may be in support of non-Federal projects for the following purposes:

(1) Management and restoration of water quality.

(2) Control and remediation of toxic sediments.

(3) Restoration of degraded streams, rivers, wetlands, and other waterbodies to their natural condition as a means to control flooding, excessive erosion, and sedimentation.

(4) Protection and restoration of watersheds, including urban watersheds.

(5) Demonstration of technologies for nonstructural measures to reduce destructive impact of flooding.

(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of assistance provided under this section shall be 50 percent.

(d) PROJECT LOCATIONS.—The Secretary may provide assistance under subsection (a) for projects at the following locations:

(1) Gila River and Tributaries, Santa Cruz River, Arizona.

(2) Rio Salado, Salt River, Phoenix and Tempe, Arizona.

(3) Colusa basin, California.

(4) Los Angeles River watershed, California.

(5) Russian River watershed, California.

(6) Sacramento River watershed, California.

(7) San Pablo Bay watershed, California.

(8) Nancy Creek, Utoy Creek, and North Peachtree Creek and South Peachtree Creek basin, Georgia.

(9) Lower Platte River watershed, Nebraska.

(10) Juniata River watershed, Pennsylvania, including Raystown Lake.

(11) Upper Potomac River watershed, Grant and Mineral Counties, West Virginia.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996.

SEC. 507. LAKES PROGRAM.

Section 602(a) of the Water Resources Development Act of 1986 (100 Stat. 4148–4149) is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting a semicolon; and

(3) by adding at the end the following:

"(12) Goodyear Lake, Otsego County, New York, removal of silt and aquatic growth;

"(13) Otsego Lake, Otsego County, New York, removal of silt and aquatic growth and measures to address high nutrient concentration;

"(14) Oneida Lake, Oneida County, New York, removal of silt and aquatic growth;

"(15) Skaneateles and Owasco Lakes, New York, removal of silt and aquatic growth and prevention of sediment deposit; and

"(16) Twin Lakes, Paris, Illinois, removal of silt and excess aquatic vegetation, including measures to address excessive sedimentation, high nutrient concentration, and shoreline erosion.".

SEC. 508. MAINTENANCE OF NAVIGATION CHANNELS.

(a) IN GENERAL.—Upon request of the non-Federal interest, the Secretary shall be responsible for maintenance of the following navigation channels constructed or improved by non-Federal interests if the Secretary determines that such maintenance is economically justified and environmentally acceptable and that the channel was constructed in accordance with applicable permits and appropriate engineering and design standards:

(1) Humboldt Harbor and Bay, Fields Landing Channel, California.

(2) Mare Island Strait, California; except that, for purposes of this section, the navigation channel shall be deemed to have been constructed or improved by non-Federal interests.

(3) Mississippi River Ship Channel, Chalmette Slip, Louisiana.

(4) Greenville Inner Harbor Channel, Mississippi.

(5) Providence Harbor Shipping Channel, Rhode Island.

(6) Matagorda Ship Channel, Point Comfort Turning Basin, Texas.

(7) Corpus Christi Ship Channel, Rincon Canal System, Texas.

(8) Brazos Island Harbor, Texas, connecting channel to Mexico.

(9) Blair Waterway, Tacoma Harbor, Washington.

(b) COMPLETION OF ASSESSMENT.—Within 6 months of receipt of a request from the non-Federal interest for Federal assumption of maintenance of a channel listed in subsection (a), the Secretary shall make a determination as provided in subsection (a) and advise the non-Federal interest of the Secretary's determination.

SEC. 509. GREAT LAKES REMEDIAL ACTION PLANS AND SEDIMENT REMEDIATION.

Section 401 of the Water Resources Development Act of 1990 (104 Stat. 4644) is amended to read as follows:

"SEC. 401. GREAT LAKES REMEDIAL ACTION PLANS AND SEDIMENT REMEDIATION.

"(a) GREAT LAKES REMEDIAL ACTION PLANS.—

"(1) IN GENERAL.—The Secretary is authorized to provide technical, planning, and engineering assistance to State and local governments and nongovernmental entities designated by the State or local government in the development and implementation of remedial action plans for areas of concern in the Great Lakes identified under the Great Lakes Water Quality Agreement of 1978.

"(2) NON-FEDERAL SHARE.—Non-Federal interests shall contribute, in cash or by providing in-kind contributions, 50 percent of costs of activities for which assistance is provided under paragraph (1).

"(b) SEDIMENT REMEDIATION DEMONSTRATION PROJECTS.—

"(1) IN GENERAL.—The Secretary, in consultation with the Administrator of the Environmental Protection Agency (acting through the Great Lakes National Program Office), may conduct pilot- and full-scale demonstration projects of promising techniques to remediate contaminated sediments in freshwater coastal regions in the Great Lakes basin. The Secretary must conduct no fewer than 3 full-scale demonstration projects under this subsection.

"(2) SITE SELECTION FOR DEMONSTRATION PROJECTS.—In selecting the sites for the technology demonstration projects, the Secretary shall give priority consideration to Saginaw Bay, Michigan, Sheboygan Harbor, Wisconsin, Grand Calumet River, Indiana, Ashtabula River, Ohio, Buffalo River, New York, and Duluth/Superior Harbor, Minnesota.

"(3) DEADLINE FOR IDENTIFICATIONS.—Within 18 months after the date of the enactment of this subsection, the Secretary shall identify the sites and technologies to be demonstrated and complete each such full-scale demonstration project within 3 years after such date of enactment.

"(4) NON-FEDERAL SHARE.—Non-Federal interests shall contribute 50 percent of costs of projects under this subsection. Such costs may be paid in cash or by providing in-kind contributions.

"(5) AUTHORIZATIONS.—There is authorized to be appropriated to the Secretary to carry out this section $5,000,000 for each of fiscal years 1997 through 2000.".

SEC. 510. GREAT LAKES DREDGED MATERIAL TESTING AND EVALUATION MANUAL.

The Secretary, in cooperation with the Administrator of the Environmental Protection Agency, shall provide technical assistance to non-Federal interests on testing procedures contained in the Great Lakes Dredged Material Testing and Evaluation Manual developed pursuant to section 230.2(c) of title 40, Code of Federal Regulations.

SEC. 511. GREAT LAKES SEDIMENT REDUCTION.

(a) GREAT LAKES TRIBUTARY SEDIMENT TRANSPORT MODEL.—For each major river system or set of major river systems depositing sediment into a Great Lakes federally authorized commercial harbor, channel maintenance project site, or Area of Concern identified under the Great Lakes Water Quality Agreement of 1978, the Secretary, in consultation and coordination with the Great Lakes States, shall develop a tributary sediment transport model.

(b) REQUIREMENTS FOR MODELS.—In developing a tributary sediment transport model under this section, the Secretary shall—

(1) build upon data and monitoring information generated in earlier studies and programs of the Great Lakes and their tributaries; and

(2) complete models for 30 major river systems, either individually or in combination as part of a set, within the 5-year period beginning on the date of the enactment of this Act.

SEC. 512. GREAT LAKES CONFINED DISPOSAL FACILITIES.

(a) ASSESSMENT.—The Secretary shall conduct an assessment of the general conditions of confined disposal facilities in the Great Lakes.

(b) REPORT.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the assessment conducted under subsection (a), including the following:

(1) A description of the cumulative effects of confined disposal facilities in the Great Lakes.

(2) Recommendations for specific remediation actions for each confined disposal facility in the Great Lakes.

(3) An evaluation of, and recommendations for, confined disposal facility management practices and technologies to conserve capacity at such facilities and to minimize adverse environmental effects at such facilities throughout the Great Lakes system.

SEC. 513. CHESAPEAKE BAY RESTORATION AND PROTECTION PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish a pilot program to provide to non-Federal interests in the Chesapeake Bay watershed technical, planning, design, and construction assistance for water-related environmental infrastructure and resource protection and development projects affecting the Chesapeake Bay, including projects for sediment and erosion control, protection of eroding shorelines, protection of essential public works, wastewater treatment and related facilities, water supply and related facilities, and beneficial uses of dredged material, and other related projects.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned and will be publicly operated and maintained.

(c) COOPERATION AGREEMENT.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement pursuant to section 221 of the Flood Control Act of 1970 (84 Stat. 1818) with a non-Federal interest to provide for technical, planning, design, and construction assistance for the project.

(2) REQUIREMENTS.—Each agreement entered into pursuant to this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal, State, and local officials, of a plan, including appropriate engineering plans and specifications and an estimate of expected benefits.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation and maintenance of the project by the non-Federal interest.

(d) COST SHARING.—

(1) FEDERAL SHARE.—Except as provided in paragraph (2)(B), the Federal share of the total project costs of each local cooperation agreement entered into under this section shall be 75 percent.

(2) NON-FEDERAL SHARE.—

(A) PROVISION OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—The non-Federal interests for a project to which this section applies shall provide the lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the project.

(B) VALUE OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—In determining the non-Federal contribution toward carrying out a local cooperation agreement entered into under this section, the Secretary shall provide credit to a non-Federal interest for the value of lands, easements, rights-of-way, relocations, and dredged material disposal areas provided by the non-Federal interest, except that the amount of credit provided for a project under this paragraph may not exceed 25 percent of total project costs.

(C) OPERATION AND MAINTENANCE COSTS.—The non-Federal share of the costs of operation and maintenance of carrying out the agreement under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS AND AGREEMENTS.—

(1) IN GENERAL.—Nothing in this section waives, limits, or otherwise affects the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(2) COOPERATION.—In carrying out this section, the Secretary shall cooperate with the heads of appropriate Federal agencies.

(f) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with a recommendation concerning whether or not the program should be implemented on a national basis.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000.

SEC. 514. EXTENSION OF JURISDICTION OF MISSISSIPPI RIVER COMMISSION.

The jurisdiction of the Mississippi River Commission, established by the first section of the Act of June 28, 1879 (33 U.S.C. 641; 21 Stat. 37), is extended to include—

(1) all of the area between the eastern side of the Bayou Lafourche Ridge from Donaldsonville, Louisiana, to the Gulf of Mexico and the west guide levee of the Mississippi River from Donaldsonville, Louisiana, to the Gulf of Mexico;

(2) Alexander County, Illinois; and

(3) the area in the State of Illinois from the confluence of the Mississippi and Ohio Rivers northward to the vicinity of Mississippi River mile 39.5, including the Len Small Drainage and Levee District, insofar as such area is affected by the flood waters of the Mississippi River.

SEC. 515. ALTERNATIVE TO ANNUAL PASSES.

(a) IN GENERAL.—The Secretary shall evaluate the feasibility of implementing an alternative to the $25 annual pass that the Secretary currently offers to users of recreation facilities at water resources projects of the Corps of Engineers.

(b) ANNUAL PASS.—The evaluation under subsection (a) shall include the establishment of an annual pass which costs $10 or less for the use of recreation facilities at Raystown Lake, Pennsylvania.

(c) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the project carried out under this section, together with recommendations concerning whether annual passes for individual projects should be offered on a nationwide basis.

SEC. 516. RECREATION PARTNERSHIP INITIATIVE.

(a) IN GENERAL.—The Secretary shall promote Federal, non-Federal, and private sector cooperation in creating public recreation opportunities and developing the necessary supporting infrastructure at water resources projects of the Corps of Engineers.

(b) INFRASTRUCTURE IMPROVEMENTS.—

(1) RECREATION INFRASTRUCTURE IMPROVEMENTS.—In demonstrating the feasibility of the public-private cooperative, the Secretary shall provide, at Federal expense, such infrastructure improvements as are necessary to support a potential private recreational development at the Raystown Lake Project, Pennsylvania, generally in accordance with the Master Plan Update (1994) for the project.

(2) AGREEMENT.—The Secretary shall enter into an agreement with an appropriate non-Federal public entity to ensure that the infrastructure improvements constructed by the Secretary on non-project lands pursuant to paragraph (1) are transferred to and operated and maintained by the non-Federal public entity.

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $4,500,000 for fiscal years beginning after September 30, 1996.

(c) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the cooperative efforts carried out under this section, including the improvements required by subsection (b).

SEC. 517. ENVIRONMENTAL INFRASTRUCTURE.

Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4836-4837) is amended by adding at the end the following new subsection:

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for providing construction assistance under this section—

"(1) $10,000,000 for the project described in subsection (c)(5);

"(2) $2,000,000 for the project described in subsection (c)(6);

"(3) $10,000,000 for the project described in subsection (c)(7);

"(4) $11,000,000 for the project described in subsection (c)(8);

"(5) $20,000,000 for the project described in subsection (c)(16); and

"(6) $20,000,000 for the project described in subsection (c)(17).".

SEC. 518. CORPS CAPABILITY TO CONSERVE FISH AND WILDLIFE.

Section 704(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2263(b); 100 Stat. 4157) is amended—

(1) by striking "$5,000,000"; and inserting "$10,000,000"; and

(2) in paragraph (4) by inserting "and Virginia" after "Maryland".

SEC. 519. PERIODIC BEACH NOURISHMENT.

The Secretary shall carry out periodic beach nourishment for each of the following projects for a period of 50 years beginning on the date of initiation of construction of such project:

(1) BROWARD COUNTY, FLORIDA.—Project for shoreline protection, segments II and III, Broward County, Florida.

(2) FORT PIERCE, FLORIDA.—Project for shoreline protection, Fort Pierce, Florida.

(3) LEE COUNTY, FLORIDA.—Project for shoreline protection, Lee County, Captiva Island segment, Florida.

(4) PALM BEACH COUNTY, FLORIDA.—Project for shoreline protection, Jupiter/Carlin, Ocean Ridge, and Boca Raton North Beach segments, Palm Beach County, Florida.

(5) PANAMA CITY BEACHES, FLORIDA.—Project for shoreline protection, Panama City Beaches, Florida.

(6) TYBEE ISLAND, GEORGIA.—Project for beach erosion control, Tybee Island, Georgia.

SEC. 520. CONTROL OF AQUATIC PLANTS.

The Secretary shall carry out under section 104(b) of the River and Harbor Act of 1958 (33 U.S.C. 610(b))—

(1) a program to control aquatic plants in Lake St. Clair, Michigan; and

(2) program to control aquatic plants in the Schuylkill River, Philadelphia, Pennsylvania.

SEC. 521. HOPPER DREDGES.

Section 3 of the Act of August 11, 1888 (33 U.S.C. 622; 25 Stat. 423), is amended by adding at the end the following:

"(c) PROGRAM TO INCREASE USE OF PRIVATE HOPPER DREDGES.—

"(1) INITIATION.—The Secretary shall initiate a program to increase the use of private industry hopper dredges for the construction and maintenance of Federal navigation channels.

"(2) READY RESERVE STATUS FOR HOPPER DREDGE WHEELER.—In order to carry out the requirements of this subsection, the Secretary shall, not later than the earlier of 90 days after the date of completion of the rehabilitation of the hopper dredge McFarland pursuant to section 564 of the Water Resources Development Act of 1996 or October 1, 1997, place the Federal hopper dredge Wheeler in a ready reserve status.

"(3) TESTING AND USE OF READY RESERVE HOPPER DREDGE.—The Secretary may periodically perform routine tests of the equipment of the vessel placed in a ready reserve status under this subsection to ensure the vessel's ability to perform emergency work. The Secretary shall not assign any scheduled hopper dredging work to such vessel but shall perform any repairs needed to maintain the vessel in a fully operational condition. The Secretary may place the vessel in active status in order to perform any dredging work only in the event the Secretary determines that private industry has failed to submit a responsive and responsible bid for work advertised by the Secretary or to carry out the project as required pursuant to a contract with the Secretary.

"(4) REPAIR AND REHABILITATION.—The Secretary may undertake any repair and rehabilitation of any Federal hopper dredge, including the vessel placed in ready reserve status under paragraph (2) to allow the vessel to be placed into active status as provided in paragraph (3).

"(5) PROCEDURES.—The Secretary shall develop and implement procedures to ensure that, to the maximum extent practicable, private industry hopper dredge capacity is available to meet both routine and time-sensitive dredging needs. Such procedures shall include—

"(A) scheduling of contract solicitations to effectively distribute dredging work throughout the dredging season; and

"(B) use of expedited contracting procedures to allow dredges performing routine work to be made available to meet time-sensitive, urgent, or emergency dredging needs.

"(6) REPORT.—Not later than 2 years after the date of the enactment of this subsection, the Secretary shall report to Congress on whether the vessel placed in ready reserve status pursuant to paragraph (2) is needed to be returned to active status or continued in a ready reserve status or whether another Federal hopper dredge should be placed in a ready reserve status.

"(7) LIMITATIONS.—

"(A) REDUCTIONS IN STATUS.—The Secretary may not further reduce the readiness status of any Federal hopper dredge below a ready reserve status except any vessel placed in such status for not less than 5 years which the Secretary determines has not been used sufficiently to justify retaining the vessel in such status.

"(B) INCREASE IN ASSIGNMENTS OF DREDGING WORK.—For each fiscal year beginning after the date of the enactment of this subsection, the Secretary shall not assign any greater quantity of dredging work to any Federal hopper dredge in an active status than was assigned to that vessel in the average of the 3 prior fiscal years.

"(8) CONTRACTS; PAYMENT OF CAPITAL COSTS.—The Secretary may enter into a contract for the maintenance and crewing of any vessel retained in a ready reserve status. The capital costs (including depreciation costs) of any vessel retained in such status shall be paid for out of funds made available from the Harbor Maintenance Trust Fund and shall not be charged against the Corps of Engineers' Revolving Fund Account or any individual project cost unless the vessel is specifically used in connection with that project.".

SEC. 522. DESIGN AND CONSTRUCTION ASSISTANCE.

The Secretary shall provide design and construction assistance to non-Federal interests for the following projects:

(1) Repair and rehabilitation of the Lower Girard Lake Dam, Girard, Ohio, at an estimated total cost of $2,500,000.

(2) Construction of a multi-purpose dam and reservoir, Bear Valley Dam, Franklin County, Pennsylvania, at an estimated total cost of $15,000,000.

(3) Repair and upgrade of the dam and appurtenant features at Lake Merriweather, Little Calfpasture River, Virginia, at an estimated total cost of $6,000,000.

SEC. 523. FIELD OFFICE HEADQUARTERS FACILITIES.

Subject to amounts being made available in advance in appropriations Acts, the Secretary may use Plant Replacement and Improvement Program funds to design and construct a new headquarters facility for—

(1) the New England Division, Waltham, Massachusetts; and

(2) the Jacksonville District, Jacksonville, Florida.

SEC. 524. CORPS OF ENGINEERS RESTRUCTURING PLAN.

(a) DIVISION OFFICE, CHICAGO, ILLINOIS.—The Secretary shall continue to maintain a division office of the Corps of Engineers in Chicago, Illinois, notwithstanding any plan developed pursuant to title I of the Energy and Water Development Appropriations Act, 1996 (109 Stat. 405) to reduce the number of division offices. Such division office shall be responsible for the 5 district offices for which the division office was responsible on June 1, 1996.

(b) DISTRICT OFFICE, ST. LOUIS, MISSOURI.—The Secretary shall not reassign the St. Louis District of the Corps of Engineers from the operational control of the Lower Mississippi Valley Division.

SEC. 525. LAKE SUPERIOR CENTER.

(a) CONSTRUCTION.—The Secretary, shall assist the Minnesota Lake Superior Center authority in the construction of an educational facility to be used in connection with efforts to educate the public in the economic, recreational, biological, aesthetic, and spiritual worth of Lake Superior and other large bodies of fresh water.

(b) PUBLIC OWNERSHIP.—Prior to providing any assistance under subsection (a), the Secretary shall verify that the facility to be constructed under subsection (a) will be owned by the public authority established by the State of Minnesota to develop, operate, and maintain the Lake Superior Center.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $10,000,000 for the construction of the facility under subsection (a).

SEC. 526. JACKSON COUNTY, ALABAMA.

The Secretary shall provide technical, planning, and design assistance to non-Federal interests for wastewater treatment and related facilities, remediation of point and nonpoint sources of pollution and contaminated riverbed sediments, and related activities in Jackson County, Alabama, including the city of Stevenson. The Federal cost of such assistance may not exceed $5,000,000.

SEC. 527. EARTHQUAKE PREPAREDNESS CENTER OF EXPERTISE EXTENSION.

The Secretary shall establish an extension of the Earthquake Preparedness Center of Expertise for the central United States at an existing district office of the Corps of Engineers near the New Madrid fault.

SEC. 528. QUARANTINE FACILITY.

Section 108(c) of the Water Resources Development Act of 1992 (106 Stat. 4816) is amended by striking "$1,000,000" and inserting "$4,000,000".

SEC. 529. BENTON AND WASHINGTON COUNTIES, ARKANSAS.

Section 220 of the Water Resources Development Act of 1992 (106 Stat. 4836–4837) is amended by adding at the end the following new subsection:

"(c) USE OF FEDERAL FUNDS.—The Secretary may make available to the non-Federal interests funds not to exceed an amount equal to the Federal share of the total project cost to be used by the non-Federal interests to undertake the work directly or by contract.".

SEC. 530. CALAVERAS COUNTY, CALIFORNIA.

(a) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with non-Federal interests to develop and carry out, in cooperation with Federal and State agencies, reclamation and protection projects for the purpose of abating and mitigating surface water quality degradation caused by abandoned mines in the watershed of the lower Mokelume River in Calaveras County, California.

(b) CONSULTATION WITH FEDERAL ENTITIES.—Any project under subsection (a) that is located on lands owned by the United States shall be undertaken in consultation with the Federal entity with administrative jurisdiction over such lands.

(c) FEDERAL SHARE.—The Federal share of the cost of the activities conducted under cooperation agreements entered into under subsection (a) shall be 75 percent; except that, with respect to projects located on lands owned by the United States, the Federal share shall be 100 percent. The non-Federal share of project costs may be provided in the form of design and construction services. Non-Federal interests shall receive credit for the reasonable costs of such services completed by such interests prior to entering an agreement with the Secretary for a project.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for projects undertaken under this section.

SEC. 531. FARMINGTON DAM, CALIFORNIA.

(a) CONJUNCTIVE USE STUDY.—The Secretary is directed to continue participation in the Stockton, California Metropolitan Area Flood Control study to include the evaluation of the feasibility of storage of water at Farmington Dam to implement a conjunctive use plan. In conducting the study, the Secretary shall consult with the Stockton East Water District concerning joint operation or potential transfer of Farmington Dam. The Secretary shall make recommendations on facility transfers and operational alternatives as part of the Secretary's report to Congress.

(b) REPORT.—The Secretary shall report to Congress, no later than 1 year after the date of the enactment of this Act, on the feasibility of a conjunctive use plan using Farmington Dam for water storage.

SEC. 532. LOS ANGELES COUNTY DRAINAGE AREA, CALIFORNIA.

The non-Federal share for a project to add water conservation to the existing Los Angeles County Drainage Area, California, project shall be 100 percent of separable first costs and separable operation, maintenance, and replacement costs associated with the water conservation purpose.

SEC. 533. PRADO DAM SAFETY IMPROVEMENTS, CALIFORNIA.

The Secretary, in coordination with the State of California, shall provide technical assistance to Orange County, California, in developing appropriate public safety and access improvements associated with that portion of California State Route 71 being relocated for the Prado Dam feature of the project authorized as part of the project for flood control, Santa Ana River Mainstem, California, by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4113).

SEC. 534. SEVEN OAKS DAM, CALIFORNIA.

The non-Federal share for a project to add water conservation to the Seven Oaks Dam, Santa Ana River Mainstem, California, project shall be 100 percent of separable first costs and separable operation, maintenance, and replacement costs associated with the water conservation purpose.

SEC. 535. MANATEE COUNTY, FLORIDA.

The project for flood control, Cedar Hammock (Wares Creek), Florida, is authorized to be carried out by the Secretary substantially in accordance with the Final Detailed Project Report and Environmental Assessment, dated April 1995, at a total cost of $13,846,000, with an estimated first Federal cost of $8,783,000 and an estimated non-Federal cost of $5,063,000.

SEC. 536. TAMPA, FLORIDA.

The Secretary may enter into a cooperative agreement under section 230 of this Act with the Museum of Science and Industry, Tampa, Florida, to provide technical, planning, and design assistance to demonstrate the water quality functions found in wetlands, at an estimated total Federal cost of $500,000.

SEC. 537. WATERSHED MANAGEMENT PLAN FOR DEEP RIVER BASIN, INDIANA.

(a) DEVELOPMENT.—The Secretary, in consultation with the Natural Resources Conservation Service of the Department of Agriculture, shall develop a watershed management plan for the Deep River Basin, Indiana, which includes Deep River, Lake George, Turkey Creek, and other related tributaries in Indiana.

(b) CONTENTS.—The plan to be developed by the Secretary under subsection (a) shall address specific concerns related to the Deep River Basin area, including sediment flow into Deep River, Turkey Creek, and other tributaries; control of sediment quality in Lake George; flooding problems; the safety of the Lake George Dam; and watershed management.

SEC. 538. SOUTHERN AND EASTERN KENTUCKY.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program for providing environmental assistance to non-Federal interests in southern and eastern Kentucky. Such assistance may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in southern and eastern Kentucky, including projects for wastewater treatment and related facilities, water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) PROJECT COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with such assistance.

(2) REQUIREMENTS.—Each agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities development plan or resource protection plan, including appropriate plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of each such legal and institutional structures as are necessary to assure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—Total project costs under each agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal, except that the non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest before entry into the agreement with the Secretary. The Federal share may be in the form of grants or reimbursements of project costs.

(B) CREDIT FOR CERTAIN FINANCING COSTS.—In the event of delays in the reimbursement of the non-Federal share of a project, the non-Federal interest shall receive credit for reasonable interest and other associated financing costs necessary for such non-Federal interest to provide the non-Federal share of the project's cost.

(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations provided by the non-Federal interest toward its share of project costs, including for costs associated with obtaining permits necessary for the placement of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs shall be 100 percent non-Federal.

(d) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law which would otherwise apply to a project to be carried out with assistance provided under this section.

(e) REPORT.—Not later than December 31, 1999, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(f) SOUTHERN AND EASTERN KENTUCKY DEFINED.—For purposes of this section, the term "southern and eastern Kentucky" means Morgan, Floyd, Pulaski, Wayne, Laurel, Knox, Pike, Menifee, Perry, Harlan, Breathitt, Martin, Jackson, Wolfe, Clay, Magoffin, Owsley, Johnson, Leslie, Lawrence, Knott, Bell, McCreary, Rockcastle, Whitley, Lee, and Letcher Counties, Kentucky.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000.

SEC. 539. LOUISIANA COASTAL WETLANDS RESTORATION PROJECTS.

Section 303(f) of the Coastal Wetlands Planning, Protection and Restoration Act (16 U.S.C. 3952(f); 104 Stat. 4782–4783) is amended—

(1) in paragraph (4) by striking "and (3)" and inserting "(3), and (5)"; and

(2) by adding at the end the following:

"(5) FEDERAL SHARE IN CALENDAR YEARS 1996 AND 1997.—Notwithstanding paragraphs (1) and (2), amounts made available in accordance with section 306 of this title to carry out coastal wetlands restoration projects under this section in calendar years 1996 and 1997 shall provide 90 percent of the cost of such projects.".

SEC. 540. SOUTHEAST LOUISIANA.

(a) FLOOD CONTROL.—The Secretary is directed to proceed with engineering, design, and construction of projects to provide for flood control and improvements to rainfall drainage systems in Jefferson, Orleans, and St. Tammany Parishes, Louisiana, in accordance with the following reports of the New Orleans District Engineer: Jefferson and Orleans Parishes, Louisiana, Urban Flood Control and Water Quality Management, July 1992; Tangipahoa, Techefuncte, and Tickfaw Rivers, Louisiana, June 1991; St. Tammany Parish, Louisiana, July 1996; and Schneider Canal, Slidell, Louisiana, Hurricane Protection, May 1990.

(b) COST SHARING.—The cost of any work performed by the non-Federal interests subsequent to the reports referred to in subsection (a) and determined by the Secretary to be a compatible and integral part of the projects shall be credited toward the non-Federal share of the projects.

(c) FUNDING.—There is authorized to be appropriated $100,000,000 for the initiation and partial accomplishment of projects described in the reports referred to in subsection (a).

SEC. 541. RESTORATION PROJECTS FOR MARYLAND, PENNSYLVANIA, AND WEST VIRGINIA.

(a) IN GENERAL.—

(1) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with non-Federal interests to develop and carry out, in cooperation with Federal and State agencies, reclamation and protection projects for the purpose of abating and mitigating surface water quality degradation caused by abandoned mines along—

(A) the North Branch of the Potomac River, Maryland, Pennsylvania, and West Virginia; and

(B) the New River, West Virginia, watershed.

(2) ADDITIONAL MEASURES.—Projects under paragraph (1) may also include measures for the abatement and mitigation of surface water quality degradation caused by the lack of sanitary wastewater treatment facilities or the need to enhance such facilities.

(3) CONSULTATION WITH FEDERAL ENTITIES.—Any project under paragraph (1) that is located on lands owned by the United States shall be undertaken in consultation with the Federal entity with administrative jurisdiction over such lands.

(b) FEDERAL SHARE.—The Federal share of the cost of the activities conducted under cooperation agreements entered into under subsection (a)(1) shall be 75 percent; except that, with respect to projects located on lands owned by the United States, the Federal share shall be 100 percent. The non-Federal share of project costs may be provided in the form of design and construction services. Non-Federal interests shall receive credit for the reasonable costs of such services completed by such interests prior to entering an agreement with the Secretary for a project.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for projects undertaken under subsection (a)(1)(A) and $5,000,000 for projects undertaken under subsection (a)(1)(B).

SEC. 542. CUMBERLAND, MARYLAND.

The Secretary is directed to provide technical, planning, and design assistance to State, local, and other Federal entities for the restoration of the Chesapeake and Ohio Canal, in the vicinity of Cumberland, Maryland.

SEC. 543. BENEFICIAL USE OF DREDGED MATERIAL, POPLAR ISLAND, MARYLAND.

The Secretary shall carry out a project for the beneficial use of dredged material at Poplar Island, Maryland, pursuant to section 204 of the Water Resources Development Act of 1992; except that, notwithstanding the limitation contained in subsection (e) of such section, the initial cost of constructing dikes for the project shall be $78,000,000, with an estimated Federal cost of $58,500,000 and an estimated non-Federal cost of $19,500,000.

SEC. 544. EROSION CONTROL MEASURES, SMITH ISLAND, MARYLAND.

(a) IN GENERAL.—The Secretary shall implement erosion control measures in the vicinity of Rhodes Point, Smith Island, Maryland, at an estimated total Federal cost of $450,000.

(b) IMPLEMENTATION ON EMERGENCY BASIS.—The project under subsection (a) shall be carried out on an emergency basis in view of the national, historic, and cultural value of the island and in order to protect the Federal investment in infrastructure facilities.

(c) COST SHARING.—Cost sharing applicable to hurricane and storm damage reduction shall be applicable to the project to be carried out under subsection (a).

SEC. 545. DULUTH, MINNESOTA, ALTERNATIVE TECHNOLOGY PROJECT.

(a) PROJECT AUTHORIZATION.—The Secretary shall develop and implement alternative methods for decontamination and disposal of contaminated dredged material at the Port of Duluth, Minnesota.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, to carry out this section $1,000,000. Such sums shall remain available until expended.

SEC. 546. REDWOOD RIVER BASIN, MINNESOTA.

(a) STUDY AND STRATEGY DEVELOPMENT.—The Secretary, in cooperation with the Secretary of Agriculture and the State of Minnesota, shall conduct a study, and develop a strategy, for using wetland restoration, soil and water conservation practices, and nonstructural measures to reduce flood damages, improve water quality, and create wildlife habitat in the Redwood River basin and the subbasins draining into the Minnesota River, at an estimated Federal cost of $4,000,000.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the study and development of the strategy shall be 25 percent and may be provided through in-kind services and materials.

(c) COOPERATION AGREEMENT.—In conducting the study and developing the strategy under this section, the Secretary shall enter into cooperation agreements to provide financial assistance to appropriate Federal, State, and local government agencies, including activities for the implementation of wetland restoration projects and soil and water conservation measures.

(d) IMPLEMENTATION.—The Secretary shall undertake development and implementation of the strategy authorized by this section in cooperation with local landowners and local government officials.

SEC. 547. NATCHEZ BLUFFS, MISSISSIPPI.

(a) IN GENERAL.—The Secretary shall carry out the project for bluff stabilization, Natchez Bluffs, Natchez, Mississippi, substantially in accordance with (1) the Natchez Bluffs Study, dated September 1985, (2) the Natchez Bluffs Study: Supplement I, dated June 1990, and (3) the Natchez Bluffs Study: Supplement II, dated December 1993, in the portions of the bluffs described in subsection (b), at a total cost of $17,200,000, with an estimated Federal cost of $12,900,000 and an estimated non-Federal cost of $4,300,000.

(b) Description of Project Location.—The portions of the Natchez Bluffs where the project is to be carried out under subsection (a) are described in the studies referred to in subsection (a) as—

(1) Clifton Avenue, area 3;

(2) the bluff above Silver Street, area 6;

(3) the bluff above Natchez Under-the-Hill, area 7; and

(4) Madison Street to State Street, area 4.

SEC. 548. SARDIS LAKE, MISSISSIPPI.

(a) Management.—The Secretary shall work cooperatively with the State of Mississippi and the city of Sardis, Mississippi, to the maximum extent practicable, in the management of existing and proposed leases of land consistent with the Sardis Lake Recreation and Tourism Master Plan prepared by the city for the economic development of the Sardis Lake area.

(b) Flood Control Storage.—The Secretary shall review the study conducted by the city of Sardis, Mississippi, regarding the impact of the Sardis Lake Recreation and Tourism Master Plan prepared by the city on flood control storage in Sardis Lake. The city shall not be required to reimburse the Secretary for the cost of such storage, or the cost of the Secretary's review, if the Secretary finds that the loss of flood control storage resulting from implementation of the master plan is not significant.

SEC. 549. MISSOURI RIVER MANAGEMENT.

(a) Navigation Season Extension.—

(1) Increases.—The Secretary, working with the Secretary of Agriculture and the Secretary of the Interior, shall incrementally increase the length of each navigation season for the Missouri River by 15 days from the length of the previous navigation season and those seasons thereafter, until such time as the navigation season for the Missouri River is increased by 1 month from the length of the navigation season on April 1, 1996.

(2) Application of increases.—Increases in the length of the navigation season under paragraph (1) shall be applied in calendar year 1996 so that the navigation season in such calendar year for the Missouri River begins on April 1, 1996, and ends on December 15, 1996.

(3) Adjustment of navigation levels.—Scheduled full navigation levels shall be incrementally increased to coincide with increases in the navigation season under paragraph (1).

(b) Water Control Policies Affecting Navigation Channels.—The Secretary may not take any action which is inconsistent with a water control policy of the Corps of Engineers in effect on January 1, 1995, if such action would result in—

(1) a reduction of 10 days or more in the total number of days in a year during which vessels are able to use navigation channels; or

(2) a substantial increase in flood damage to lands adjacent to a navigation channel, unless such action is specifically authorized by a law enacted after the date of the enactment of this Act.

(c) Economic and Environmental Impact Evaluation.—Whenever a Federal department, agency, or instrumentality conducts an environmental impact statement with respect to management of the Missouri River system, the head of such department, agency, or instrumentality shall also conduct a cost benefit analysis on any changes proposed in the management of the Missouri River.

SEC. 550. ST. CHARLES COUNTY, MISSOURI, FLOOD PROTECTION.

(a) In General.—Notwithstanding any other provision of law or regulation, no county located at the confluence of the Missouri and Mississippi Rivers or community located in any county located at the confluence of the Missouri and Mississippi Rivers shall have its participation in any Federal program suspended, revoked, or otherwise affected solely due to that county or community permitting the raising of levees by any public-sponsored levee district, along an alignment approved by the circuit court of such county, to a level sufficient to contain a 20-year flood.

(b) Treatment of Existing Permits.—If any public-sponsored levee district has received a Federal permit valid during the Great Flood of 1993 to improve or modify its levee system before the date of the enactment of this Act, such permit shall be considered adequate to allow the raising of the height of levees in such system under subsection (a).

SEC. 551. DURHAM, NEW HAMPSHIRE.

The Secretary may enter into a cooperative agreement under section 230 of this Act with the University of New Hampshire to provide technical assistance for a water treatment technology center addressing the needs of small communities.

SEC. 552. HACKENSACK MEADOWLANDS AREA, NEW JERSEY.

Section 324(b)(1) of the Water Resources Development Act of 1992 (106 Stat. 4849) is amended to read as follows:

"(1) Mitigation, enhancement, and acquisition of significant wetlands that contribute to the Meadowlands ecosystem.".

SEC. 553. AUTHORIZATION OF DREDGE MATERIAL CONTAINMENT FACILITY FOR PORT OF NEW YORK/NEW JERSEY.

(a) In General.—The Secretary is authorized to construct, operate, and maintain a dredged material containment facility with a capacity commensurate with the long-term dredged material disposal needs of port facilities under the jurisdiction of the Port of New York/New Jersey. Such facility may be a near-shore dredged material disposal facility along the Brooklyn waterfront. The costs associated with feasibility studies, design, engineering, and construction shall be shared with the local sponsor in accordance with the provisions of section 101 of the Water Resources Development Act of 1986.

(b) Beneficial Use.—After the facility to be constructed under subsection (a) has been filled to capacity with dredged material, the Secretary shall maintain the facility for the public benefit.

SEC. 554. HUDSON RIVER HABITAT RESTORATION, NEW YORK.

(a) Habitat Restoration Project.—The Secretary shall expedite the feasibility study of the Hudson River Habitat Restoration, Hudson River Basin, New York, and shall carry out no fewer than 4 projects for habitat restoration, to the extent the Secretary determines such work to be technically feasible. Such projects shall be designed to—

(1) provide a pilot project to assess and improve habitat value and environmental outputs of recommended projects;

(2) provide a demonstration project to evaluate various restoration techniques for effectiveness and cost;

(3) fill an important local habitat need within a specific portion of the study area; and

(4) take advantage of ongoing or planned actions by other agencies, local municipalities, or environmental groups that would increase the effectiveness or decrease the overall cost of implementing one of the recommended restoration project sites.

(b) Non-Federal Share.—Non-Federal interests shall provide 25 percent of the cost on each project undertaken under subsection (a). The non-Federal share may be in the form of cash or in-kind contributions.

(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $11,000,000.

SEC. 555. QUEENS COUNTY, NEW YORK.

(a) Description of Nonnavigable Area.—Subject to subsections (b) and (c), the area of Long Island City, Queens County, New York, that—

(1) is not submerged;

(2) lies between the southerly high water line (as of the date of enactment of this Act) of Anable Basin (also known as the "11th Street Basin") and the northerly high water line (as of the date of enactment of this Act) of Newtown Creek; and

(3) extends from the high water line (as of the date of enactment of this Act) of the East River to the original high water line of the East River;

is declared to be nonnavigable waters of the United States.

(b) Requirement That Area Be Improved.—

(1) In general.—The declaration of nonnavigability under subsection (a) shall apply only to those portions of the area described in subsection (a) that are, or will be, bulkheaded, filled, or otherwise occupied by permanent structures or other permanent physical improvements (including parkland).

(2) Applicability of federal law.—Improvements described in paragraph (1) shall be subject to applicable Federal laws, including—

(A) sections 9 and 10 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1899 (33 U.S.C. 401 and 403);

(B) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) Expiration Date.—The declaration of nonnavigability under subsection (a) shall expire with respect to a portion of the area described in subsection (a), if the portion—

(1) is not bulkheaded, filled, or otherwise occupied by a permanent structure or other permanent physical improvement (including parkland) in accordance with subsection (b) by the date that is 20 years after the date of the enactment of this Act; or

(2) requires an improvement described in subsection (b)(2) that is subject to a permit under an applicable Federal law and the improvement is not commenced by the date that is 5 years after the date of issuance of the permit.

SEC. 556. NEW YORK BIGHT AND HARBOR STUDY.

Section 326(f) of the Water Resources Development Act of 1992 (106 Stat. 4851) is amended by striking "$1,000,000" and inserting "$5,000,000".

SEC. 557. NEW YORK STATE CANAL SYSTEM.

(a) In General.—The Secretary is authorized to make capital improvements to the New York State Canal System.

(b) Agreements.—The Secretary shall, with the consent of appropriate local and State entities, enter into such arrangements, contracts, and leases with public and private entities as may be necessary for the purposes of rehabilitation, renovation, preservation, and maintenance of the New York State Canal System and its related facilities, including trailside facilities and other recreational projects along the waterways of the canal system.

(c) NEW YORK STATE CANAL SYSTEM DEFINED.—In this section, the term "New York State Canal System" means the Erie, Oswego, Champlain, and Cayuga-Seneca Canals.

(d) FEDERAL SHARE.—The Federal share of the cost of capital improvements under this section shall be 50 percent.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000.

SEC. 558. NEW YORK CITY WATERSHED.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a program for providing environmental assistance to non-Federal interests in the New York City Watershed.

(2) FORM.—Assistance provided under this section may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in the New York City Watershed, including projects for water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) ELIGIBLE PROJECTS.—

(1) CERTIFICATION.—A project shall be eligible for financial assistance under this section only if the State director for the project certifies to the Secretary that the project will contribute to the protection and enhancement of the quality or quantity of the New York City water supply.

(2) SPECIAL CONSIDERATION.—In certifying projects to the Secretary, the State director shall give special consideration to those projects implementing plans, agreements, and measures which preserve and enhance the economic and social character of the watershed communities.

(3) PROJECT DESCRIPTIONS.—Projects eligible for assistance under this section shall include the following:

(A) Implementation of intergovernmental agreements for coordinating regulatory and management responsibilities.

(B) Acceleration of whole farm planning to implement best management practices to maintain or enhance water quality and to promote agricultural land use.

(C) Acceleration of whole community planning to promote intergovernmental cooperation in the regulation and management of activities consistent with the goal of maintaining or enhancing water quality.

(D) Natural resources stewardship on public and private lands to promote land uses that preserve and enhance the economic and social character of the watershed communities and protect and enhance water quality.

(d) COOPERATION AGREEMENTS.—Before providing assistance under this section, the Secretary shall enter into a project cooperation agreement with the State director for the project to be carried out with such assistance.

(e) COST SHARING.—

(1) IN GENERAL.—Total project costs under each agreement entered into under this section shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into the agreement with the Secretary for a project. The Federal share may be in the form of grants or reimbursements of project costs.

(2) INTEREST.—In the event of delays in the reimbursement of the non-Federal share of a project, the non-Federal interest shall receive credit for reasonable interest costs incurred to provide the non-Federal share of a project's cost.

(3) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations provided by the non-Federal interest toward its share of project costs, including direct costs associated with obtaining permits necessary for the placement of such project on public owned or controlled lands, but not to exceed 25 percent of total project costs.

(4) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.

(f) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed to waive, limit, or otherwise affect the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(g) REPORT.—Not later than December 31, 2000, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with recommendations concerning whether such program should be implemented on a national basis.

(h) NEW YORK CITY WATERSHED DEFINED.—For purposes of this section, the term "New York City Watershed" means the land area within the counties of Delaware, Greene, Schoharie, Ulster, Sullivan, Westchester, Putnam, and Duchess which contributes water to the water supply system of New York City.

(i) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000.

SEC. 559. OHIO RIVER GREENWAY.

(a) EXPEDITED COMPLETION OF STUDY.—The Secretary is directed to expedite the completion of the study for the Ohio River Greenway, Jeffersonville, Clarksville, and New Albany, Indiana.

(b) CONSTRUCTION.—Upon completion of the study, if the Secretary determines that the project is feasible, the Secretary shall participate with the non-Federal interests in the construction of the project.

(c) COST SHARING.—Total project costs under this section shall be shared at 50 percent Federal and 50 percent non-Federal.

(d) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—Non-Federal interests shall be responsible for providing all lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the project.

(e) CREDIT.—The non-Federal interests shall receive credit for those costs incurred by the non-Federal interests that the Secretary determines are compatible with the study, design, and implementation of the project.

SEC. 560. NORTHEASTERN OHIO.

The Secretary is authorized to provide technical assistance to local interests for planning the establishment of a regional water authority in northeastern Ohio to address the water problems of the region. The Federal share of the costs of such planning shall not exceed 75 percent.

SEC. 561. GRAND LAKE, OKLAHOMA.

(a) STUDY.—Not later than 1 year after the date of the enactment of this Act, the Secretary of the Army shall carry out and complete a study of flood control in Grand/Neosho Basin and tributaries in the vicinity of Pensacola Dam in northeastern Oklahoma to determine the scope of the backwater effects of operation of the dam and to identify any lands which the Secretary determines have been adversely impacted by such operation or should have been originally purchased as flowage easement for the project.

(b) ACQUISITION OF REAL PROPERTY.—Upon completion of the study and subject to advance appropriations, the Secretary shall acquire from willing sellers such real property interests in any lands identified in the study as the Secretary determines are necessary to reduce the adverse impacts identified in the study conducted under subsection (a).

(c) IMPLEMENTATION REPORTS.—The Secretary shall transmit to Congress reports on the operation of the Pensacola Dam, including data on and a description of releases in anticipation of flooding (referred to as preoccupancy releases), and the implementation of this section. The first of such reports shall be transmitted not later than 2 years after the date of the enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996.

(2) MAXIMUM FUNDING FOR STUDY.—Of amounts appropriated to carry out this section, not to exceed $1,500,000 shall be available for carrying out the study under subsection (a).

SEC. 562. BROAD TOP REGION OF PENNSYLVANIA.

Section 304 of the Water Resources Development Act of 1992 (106 Stat. 4840) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) COST SHARING.—The Federal share of the cost of the activities conducted under the cooperative agreement entered into under subsection (a) shall be 75 percent. The non-Federal share of project costs may be provided in the form of design and construction services and other in-kind work provided by the non-Federal interests, whether occurring subsequent to, or within 6 years prior to, entering into an agreement with the Secretary. Non-Federal interests shall receive credit for grants and the value of work performed on behalf of such interests by State and local agencies."; and

(2) in subsection (c) by striking "$5,500,000" and inserting "$11,000,000".

SEC. 563. CURWENSVILLE LAKE, PENNSYLVANIA.

The Secretary shall modify the allocation of costs for the water reallocation project at Curwensville Lake, Pennsylvania, to the extent that the Secretary determines that such reallocation will provide environmental restoration benefits in meeting in-stream flow needs in the Susquehanna River basin.

SEC. 564. HOPPER DREDGE MCFARLAND.

(a) PROJECT AUTHORIZATION.—The Secretary is authorized to carry out a project at the Philadelphia Naval Shipyard, Pennsylvania, to make modernization and efficiency improvements to the hopper dredge McFarland.

(b) REQUIREMENTS.—In carrying out the project under subsection (a), the Secretary shall—

(1) determine whether the McFarland should be returned to active service or the reserve fleet after the project is completed; and

(2) establish minimum standards of dredging service to be met in areas served by the McFarland while the drydocking is taking place.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 565. PHILADELPHIA, PENNSYLVANIA.

(a) WATER WORKS RESTORATION.—

(1)) IN GENERAL.—The Secretary shall provide planning, design, and construction assistance for the protection and restoration of the Philadelphia, Pennsylvania Water Works.

(2) COORDINATION.—In providing assistance under this subsection, the Secretary shall coordinate with the Fairmount Park Commission and the Secretary of the Interior.

(3) FUNDING.—There is authorized to be appropriated to carry out this subsection $1,000,000 for fiscal years beginning after September 30, 1996.

(b) COOPERATION AGREEMENT FOR SCHUYLKILL NAVIGATION CANAL.—

(1) IN GENERAL.—The Secretary shall enter into a cooperation agreement with the city of Philadelphia, Pennsylvania, to participate in the operation, maintenance, and rehabilitation of the Schuylkill Navigation Canal at Manayunk.

(2) LIMITATION ON FEDERAL SHARE.—The Federal share of the cost of the operation, maintenance, and rehabilitation under paragraph (1) shall not exceed $300,000 annually.

(3) AREA INCLUDED.—For purposes of this subsection, the Schuylkill Navigation Canal includes the section approximately 10,000 feet long extending between Lock and Fountain Streets, Philadelphia, Pennsylvania.

(c) SCHUYLKILL RIVER PARK.—

(1) ASSISTANCE.—The Secretary is authorized to provide technical, planning, design, and construction assistance for the Schuylkill River Park, Philadelphia, Pennsylvania.

(2) FUNDING.—There is authorized to be appropriated $2,700,000 to carry out this subsection.

(d) PENNYPACK PARK.—

(1) ASSISTANCE.—The Secretary is authorized to provide technical, design, construction, and financial assistance for measures for the improvement and restoration of aquatic habitats and aquatic resources at Pennypack Park, Philadelphia, Pennsylvania.

(2) COOPERATION AGREEMENTS.—In providing assistance under this subsection, the Secretary shall enter into cooperation agreements with the city of Philadelphia, acting through the Fairmount Park Commission.

(3) FUNDING.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $15,000,000 to carry out this subsection.

(e) FRANKFORD DAM.—

(1) COOPERATION AGREEMENTS.—The Secretary shall enter into cooperation agreements with the city of Philadelphia, Pennsylvania, acting through the Fairmount Park Commission, to provide assistance for the elimination of the Frankford Dam, the replacement of the Rhawn Street Dam, and modifications to the Roosevelt Dam and the Verree Road Dam.

(2) FUNDING.—There is authorized to be appropriated for fiscal years beginning after September 30, 1996, $900,000, to carry out this subsection.

SEC. 566. UPPER SUSQUEHANNA RIVER BASIN, PENNSYLVANIA AND NEW YORK.

(a) STUDY AND STRATEGY DEVELOPMENT.—The Secretary, in cooperation with the Secretary of Agriculture, the State of Pennsylvania, and the State of New York, shall conduct a study, and develop a strategy, for using wetland restoration, soil and water conservation practices, and nonstructural measures to reduce flood damages, improve water quality, and create wildlife habitat in the following portions of the Upper Susquehanna River basin:

(1) the Juniata River watershed, Pennsylvania, at an estimated Federal cost of $15,000,000; and

(2) the Susquehanna River watershed upstream of the Chemung River, New York, at an estimated Federal cost of $10,000,000.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the study and development of the strategy shall be 25 percent and may be provided through in-kind services and materials.

(c) COOPERATION AGREEMENTS.—In conducting the study and developing the strategy under this section, the Secretary shall enter into cooperation agreements to provide financial assistance to appropriate Federal, State, and local government agencies, including activities for the implementation of wetland restoration projects and soil and water conservation measures.

(d) IMPLEMENTATION.—The Secretary shall undertake development and implementation of the strategy authorized by this section in cooperation with local landowners and local government officials.

SEC. 567. SEVEN POINTS VISITORS CENTER, RAYSTOWN LAKE, PENNSYLVANIA.

(a) IN GENERAL.—The Secretary shall construct a visitors center and related public use facilities at the Seven Points Recreation Area at Raystown Lake, Pennsylvania, generally in accordance with the Master Plan Update (1994) for the Raystown Lake Project.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000.

SEC. 568. SOUTHEASTERN PENNSYLVANIA.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a pilot program for providing environmental assistance to non-Federal interests in southeastern Pennsylvania. Such assistance may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in southeastern Pennsylvania, including projects for waste water treatment and related facilities, water supply, storage, treatment, and distribution facilities, and surface water resource protection and development.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(c) LOCAL COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with such assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of each such legal and institutional structures as are necessary to assure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—Total project costs under each local cooperation agreement entered into under this subsection shall be shared at 75 percent Federal and 25 percent non-Federal. The non-Federal interest shall receive credit for the reasonable costs of design work completed by such interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for such design work shall not exceed 6 percent of the total construction costs of the project. The Federal share may be in the form of grants or reimbursements of project costs.

(B) INTEREST.—In the event of delays in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

(C) LANDS, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for lands, easements, rights-of-way, and relocations toward its share of project costs, including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of such project on publicly owned or controlled lands, but not to exceed 25 percent of total project costs.

(D) OPERATION AND MAINTENANCE.—Operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent non-Federal.

(d) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law which would otherwise apply to a project to be carried out with assistance provided under this section.

(e) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the pilot program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(f) SOUTHEASTERN PENNSYLVANIA DEFINED.—For purposes of this section, the term "Southeastern Pennsylvania" means Philadelphia, Bucks, Chester, Delaware, and Montgomery Counties, Pennsylvania.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1996. Such sums shall remain available until expended.

SEC. 569. WILLS CREEK, HYNDMAN, PENNSYLVANIA.

The Secretary shall carry out a project for flood control, Wills Creek, Borough of Hyndman, Pennsylvania, at an estimated total cost of $5,000,000. For purposes of section 209 of the Flood Control Act of 1970 (84 Stat. 1829), benefits attributable to the national economic development objectives set forth in such section shall include all primary, secondary, and tertiary benefits attributable to the flood control project authorized by this section regardless of to whom such benefits may accrue.

SEC. 570. BLACKSTONE RIVER VALLEY, RHODE ISLAND AND MASSACHUSETTS.

(a) IN GENERAL.—The Secretary, in coordination with Federal, State, and local interests, shall provide technical, planning, and design assistance in the development and restoration of the Blackstone River Valley National Heritage Corridor, Rhode Island, and Massachusetts.

(b) FEDERAL SHARE.—Funds made available under this section for planning and design of a project may not exceed 75 percent of the total cost of such planning and design.

SEC. 571. EAST RIDGE, TENNESSEE.

The Secretary shall review the flood management study for the East Ridge and Hamilton County area undertaken by the Tennessee Valley Authority and shall carry out the project at an estimated total cost of $25,000,000.

SEC. 572. MURFREESBORO, TENNESSEE.

The Secretary shall carry out a project for environmental enhancement, Murfreesboro, Tennessee, in accordance with the Report and Environmental Assessment, Black Fox, Murfree and Oaklands Spring Wetlands, Murfreesboro, Rutherford County, Tennessee, dated August 1994.

SEC. 573. BUFFALO BAYOU, TEXAS.

The non-Federal interest for the projects for flood control, Buffalo Bayou Basin, Texas, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1258), and Buffalo Bayou and tributaries, Texas, authorized by section 101 of the Water Resources Development Act of 1990 (104 Stat. 4610), may be reimbursed by up to $5,000,000 or may receive a credit of up to $5,000,000 against required non-Federal project cost-sharing contributions for work performed by the non-Federal interest at each of the following locations if such work is compatible with the following authorized projects: White Oak Bayou, Brays Bayou, Hunting Bayou, Garners Bayou, and the Upper Reach on Greens Bayou.

SEC. 574. SAN ANTONIO RIVER, TEXAS.

Notwithstanding the last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5(a)) and the agreement executed on November 7, 1992, by the Secretary and the San Antonio River Authority, Texas, the Secretary shall reimburse the San Antonio River Authority an amount not to exceed $5,000,000 for the work carried out by the Authority under the agreement, including any amounts paid to the Authority under the terms of the agreement before the date of the enactment of this Act.

SEC. 575. NEABSCO CREEK, VIRGINIA.

The Secretary shall carry out a project for flood control, Neabsco Creek Watershed, Prince William County, Virginia, at an estimated total cost of $1,500,000.

SEC. 576. TANGIER ISLAND, VIRGINIA.

The Secretary is directed to design and construct a breakwater at the North Channel on Tangier Island, Virginia, at a total cost of $1,200,000, with an estimated Federal cost of $900,000 and an estimated non-Federal cost of $300,000. Congress finds that in view of the historic preservation benefits resulting from the project authorized by this section, the overall benefits of the project exceed the costs of the project.

SEC. 577. HARRIS COUNTY, TEXAS.

(a) IN GENERAL.—During any evaluation of economic benefits and costs for projects set forth in subsection (b) that occurs after the date of the enactment of this Act, the Secretary shall not consider flood control works constructed by non-Federal interests within the drainage area of such projects prior to the date of such evaluation in the determination of conditions existing prior to construction of the project.

(b) SPECIFIC PROJECTS.—The projects to which subsection (a) apply are—

(1) the project for flood control, Buffalo Bayou and Tributaries, Texas, authorized by section 101(a) of the Water Resources Development Act of 1990 (104 Stat. 4610);

(2) the project for flood control, Cypress Creek, Texas, authorized by section 3(a)(13) of the Water Resources Development Act of 1988 (102 Stat. 4014); and

(3) the project for flood control, Buffalo Bayou Basin, authorized by section 203 of the Flood Control Act of 1954 (68 Stat. 1258).

SEC. 578. PIERCE COUNTY, WASHINGTON.

(a) TECHNICAL ASSISTANCE.—The Secretary shall provide technical assistance to Pierce County, Washington, to address measures that are necessary to assure that non-Federal levees are adequately maintained and satisfy eligibility criteria for rehabilitation assistance under section 5 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n; 55 Stat. 650). Such assistance shall include a review of the requirements of the Puyallup Tribe of Indians Settlement Act of 1989 (Public Law 101–41) and standards for project maintenance and vegetation management used by the Secretary to determine eligibility for levee rehabilitation assistance with a view toward amending such standards as needed to make non-Federal levees eligible for assistance that may be necessary as a result of future flooding.

(b) LEVEE REHABILITATION.—The Secretary shall expedite a review to determine the extent to which requirements of the Puyallup Tribe of Indians Settlement Act of 1989 limited the ability of non-Federal interests to adequately maintain existing non-Federal levees that were damaged by flooding in 1995 and 1996 and, to the extent that such ability was limited by such Act, the Secretary shall carry out the rehabilitation of such levees.

SEC. 579. WASHINGTON AQUEDUCT.

(a) REGIONAL ENTITY.—

(1) IN GENERAL.—Congress encourages the non-Federal public water supply customers of the Washington Aqueduct to establish a non-Federal public or private entity, or to enter into an agreement with an existing non-Federal public or private entity, to receive title to the Washington Aqueduct and to operate, maintain, and manage the Washington Aqueduct in a manner that adequately represents all interests of such customers.

(2) CONSENT OF CONGRESS.—Congress grants consent to the jurisdictions which are customers of the Washington Aqueduct to establish a non-Federal entity to receive title to the Washington Aqueduct and to operate, maintain, and manage the Washington Aqueduct.

(3) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this subsection shall preclude the jurisdictions referred to in this subsection from pursuing alternative options regarding ownership, operation, maintenance, and management of the Washington Aqueduct.

(b) PROGRESS REPORT AND PLAN.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress in achieving the objectives of subsection (a) and a plan for the transfer of ownership, operation, maintenance, and management of the Washington Aqueduct to a non-Federal public or private entity. Such plan shall include a transfer of ownership, operation, maintenance, and management of the Washington Aqueduct that is consistent with the provisions of this section and a detailed consideration of any proposal to transfer such ownership or operation, maintenance, or management to a private entity.

(c) TRANSFER.—

(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall transfer, without consideration but subject to such terms and conditions as the Secretary considers appropriate to protect the interests of the United States and the non-Federal public water supply customers, all right, title, and interest of the United States in the Washington Aqueduct, its real property, facilities, equipment, supplies, and personalty—

(A) to a non-Federal public or private entity established pursuant to subsection (a); or

(B) in the event no entity is established pursuant to subsection (a), a non-Federal public or private entity selected by the Secretary which reflects, to the extent possible, a consensus among the non-Federal public water supply customers.

(2) TRANSFEREE SELECTION CRITERIA.—The selection of a non-Federal public or private entity under paragraph (1)(B) shall be based on technical, managerial, and financial capabilities and on consultation with the non-Federal public water supply customers and after opportunity for public input.

(3) ASSUMPTION OF RESPONSIBILITIES.—The entity to whom transfer under paragraph (1) is made shall assume full responsibility for performing and financing the operation, maintenance, repair, replacement, rehabilitation, and necessary capital improvements of the Washington Aqueduct so as to ensure the continued operation of the Washington Aqueduct consistent with its intended purpose of providing an uninterrupted supply of potable water sufficient to meet the current and future needs of the Washington Aqueduct service area.

(4) EXTENSION.—Notwithstanding the 2-year deadline established in paragraph (1), the Secretary may provide a 1-time 6-month extension of such deadline if the Secretary determines that the non-Federal public water supply customers are making progress in establishing an entity pursuant to subsection (a) and that such an extension would likely result in the establishment of such an entity.

(d) INTERIM BORROWING AUTHORITY.—

(1) IN GENERAL.—Subject to paragraph (2), there is authorized to be appropriated to the Secretary for fiscal years 1997 and 1998 borrowing authority in amounts sufficient to cover those obligations which the Army Corps of Engineers is required to incur in carrying out capital improvements during such fiscal years for the Washington Aqueduct to assure its continued operation until such time as the transfer under subsection (c) has taken place, provided that such amounts do not exceed $16,000,000 for fiscal year 1997 and $54,000,000 for fiscal year 1998.

(2) TERMS AND CONDITIONS.—The borrowing authority under paragraph (1) shall be provided to the Secretary by the Secretary of the Treasury under such terms and conditions as the Secretary of the Treasury determines to be necessary in the public interest and may be provided only after each of the non-Federal public water supply customers of the Washington Aqueduct has entered into a contractual agreement with the Secretary to pay its pro rata share of the costs associated with such borrowing.

(3) IMPACT ON IMPROVEMENT PROGRAM.—Not later than 6 months after the date of the enactment of this Act, the Secretary, in consultation with other Federal agencies, shall transmit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report that assesses the impact of the borrowing authority provided under this subsection on near-term improvement projects

under the Washington Aqueduct Improvement Program, work scheduled during fiscal years 1997 and 1998, and the financial liability to be incurred.

(e) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) WASHINGTON AQUEDUCT.—The term "Washington Aqueduct" means the Washington Aqueduct facilities and related facilities owned by the Federal Government as of the date of the enactment of this Act, including the dams, intake works, conduits, and pump stations that capture and transport raw water from the Potomac River to the Dalecarlia Reservoir, the infrastructure and appurtenances used to treat water taken from the Potomac River by such facilities to potable standards, and related water distributions facilities.

(2) NON-FEDERAL PUBLIC WATER SUPPLY CUSTOMERS.—The term "non-Federal public water supply customers" means the District of Columbia, Arlington County, Virginia, and the city of Falls Church, Virginia.

SEC. 580. GREENBRIER RIVER BASIN, WEST VIRGINIA, FLOOD PROTECTION.

(a) IN GENERAL.—The Secretary is directed to design and implement a flood damage reduction program for the Greenbrier River Basin, West Virginia, in the vicinity of Durbin, Cass, Marlinton, Renick, Ronceverte, and Alderson as generally presented in the District Engineer's draft Greenbrier River Basin Study Evaluation Report, dated July 1994, to the extent provided under subsection (b) to afford those communities a level of protection against flooding sufficient to reduce future losses to these communities from the likelihood of flooding such as occurred in November 1985, January 1996, and May 1996.

(b) FLOOD PROTECTION MEASURES.—The flood damage reduction program referred to in subsection (a) may include the following as the Chief of Engineers determines necessary and advisable in consultation with the communities referred to in subsection (a)—

(1) local protection projects such as levees, floodwalls, channelization, small tributary stream impoundments, and nonstructural measures such as individual flood proofing; and

(2) floodplain relocations and resettlement site developments, floodplain evacuations, and a comprehensive river corridor and watershed management plan generally in accordance with the District Engineer's draft Greenbrier River Corridor Management Plan, Concept Study, dated April 1996.

(c) CONSIDERATIONS.—For purposes of section 209 of the Flood Control Act of 1970 (84 Stat. 1829), benefits attributable to the national economic development objectives set forth therein shall include all primary, secondary, and tertiary benefits attributable to the flood damage reduction program authorized by this section regardless to whomever they might accrue.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 581. HUNTINGTON, WEST VIRGINIA.

The Secretary may enter into a cooperative agreement with Marshall University, Huntington, West Virginia, to provide technical assistance to the Center for Environmental, Geotechnical and Applied Sciences.

SEC. 582. LOWER MUD RIVER, MILTON, WEST VIRGINIA.

The Secretary shall review the watershed plan and the environmental impact statement prepared for the Lower Mud River, Milton, West Virginia by the Natural Resources Conservation Service pursuant to the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.) and shall carry out the project.

SEC. 583. WEST VIRGINIA AND PENNSYLVANIA FLOOD CONTROL.

(a) IN GENERAL.—The Secretary shall design and construct flood control measures in the Cheat and Tygart River Basins, West Virginia, and the Lower Allegheny, Lower Monongahela, West Branch Susquehana, and Juanita River Basins, Pennsylvania, at a level of protection sufficient to prevent any future losses to these communities from flooding such as occurred in January 1996, but no less than 100 year level of protection.

(b) PRIORITY COMMUNITIES.— In implementing this section, the Secretary shall give priority to the communities of Parsons and Rowlesburg, West Virginia, in the Cheat River Basin and Bellington and Phillipi, West Virginia, in the Tygart River Basin, and Connellsville, Pennsylvania, in the Lower Monongahela River Basin, and Benson, Hooversville, Clymer, and New Bethlehem, Pennsylvania, in the Lower Allegheny River Basin, and Patton, Barnesboro, Coalport and Spangler, Pennsylvania, in the West Branch Susquehanna River Basin, and Bedford, Linds Crossings, and Logan Township in the Juniata River Basin.

(c) CONSIDERATIONS.—For purposes of section 209 of the Flood Control Act of 1970, benefits attributable to the national economic development objectives set forth in such section shall include all primary, secondary, and tertiary benefits attributable to the flood control measures authorized by this section regardless of to whom such benefits may accrue.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years beginning after September 30, 1996.

SEC. 584. EVALUATION OF BEACH MATERIAL.

(a) IN GENERAL.—The Secretary and the Secretary of the Interior shall evaluate procedures and requirements used in the selection and approval of materials to be used in the restoration and nourishment of beaches. Such evaluation shall address the potential effects of changing existing procedures and requirements on the implementation of beach restoration and nourishment projects and on the aquatic environment.

(b) CONSULTATION.—In conducting the evaluation under this section, the Secretaries shall consult with appropriate State agencies.

(c) REPORT.—Not later than 6 months after the date of the enactment of this Act, the Secretaries shall transmit a report to Congress on their findings under this section.

SEC. 585. NATIONAL CENTER FOR NANOFABRICATION AND MOLECULAR SELF-ASSEMBLY.

(a) IN GENERAL.—The Secretary is authorized to provide financial assistance for not to exceed 50 percent of the costs of the necessary fixed and movable equipment for a National Center for Nanofabrication and Molecular Self-Assembly to be located in Evansville, Illinois.

(b) TERMS AND CONDITIONS.—No financial assistance may be provided under this section unless an application is made to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for fiscal years beginning after September 30, 1996 .

SEC. 586. SENSE OF CONGRESS REGARDING ST. LAWRENCE SEAWAY TOLLS.

It is the sense of Congress that the President should engage in negotiations with the Government of Canada for the purposes of—

(1) eliminating tolls along the St. Lawrence Seaway system; and

(2) identifying ways to maximize the movement of goods and commerce through the St. Lawrence Seaway.

SEC. 587. PRADO DAM, CALIFORNIA.

(a) SEPARABLE ELEMENT REVIEW.—

(1) REVIEW.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall review, in cooperation with the non-Federal interest, the Prado Dam feature of the project for flood control, Santa Ana River Mainstem, California, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4113), with a view toward determining whether the feature may be considered a separable element, as that term is defined in section 103(f) of such Act.

(2) MODIFICATION OF COST-SHARING REQUIREMENT.—If the Prado Dam feature is determined to be a separable element under paragraph (1), the Secretary shall reduce the non-Federal cost-sharing requirement for such feature in accordance with section 103(a)(3) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a)(3)) and shall enter into a project cooperation agreement with the non-Federal interest to reflect the modified cost-sharing requirement and to carry out construction.

(b) DAM SAFETY ADJUSTMENT.—Not later than 6 months after the date of the enactment of this Act, the Secretary shall determine the estimated costs associated with dam safety improvements that would have been required in the absence of flood control improvements authorized for the Santa Ana River Mainstem project referred to in subsection (a) and shall reduce the non-Federal share for the Prado Dam feature of such project by an amount equal to the Federal share of such dam safety improvements, updated to current price levels.

TITLE VI—EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND

SEC. 601. EXTENSION OF EXPENDITURE AUTHORITY UNDER HARBOR MAINTENANCE TRUST FUND.

Paragraph (1) of section 9505(c) of the Internal Revenue Code of 1986 (relating to expenditures from Harbor Maintenance Trust Fund) is amended to read as follows:

"(1) to carry out section 210 of the Water Resources Development Act of 1986 (as in effect on the date of the enactment of the Water Resources Development Act of 1996),".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Pennsylvania [Mr. BORSKI] will each be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. SHUSTER].

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. SHUSTER asked and was given permission to speak out of order.)

BIPARTISAN COOPERATION CONTRIBUTED TO AVERSION OF NATIONAL RAILROAD STRIKE

Mr. SHUSTER. Mr. Speaker, with the Speaker's permission I will first inform the House of another matter of great importance to the country and to the Congress.

With regard to the potential national railroad strikes, as of early this morning, labor and management have reached agreement on all the outstanding disputes, thereby averting the possibility of a shutdown and averting the need for congressional intervention. We are extremely pleased about this.

The parties reached a voluntary agreement. The House and Senate, the White House, and the Department of Transportation made it very clear that labor and management should work out their differences on their own. They did that. Labor and management deserve great credit for having done it.

Here in the House, certainly the gentlewoman from New York, Ms. MOLINARI, the gentleman from Minnesota, Mr. OBERSTAR, and the gentleman from West Virginia, Mr. WISE, worked diligently with us; in the Senate, Senators KASSEBAUM and KENNEDY; with the White House working very closely, Mr. Panetta and Mr. Ickes, and indeed, the Secretary of Transportation, Mr. Peña.

So we all worked together 6to present a united front. The bipartisan effort created an environment in which this agreement could be reached and a national rail strike averted. I thank the chairman for being able to make these comments on my time before we move to the legislation before us today, the Water Resources Development Act of 1996.

Mr. Speaker, H.R. 3592, the Water Resources Development Act of 1996, is a comprehensive authorization of the water resources programs of the Army Corps of Engineers. It represents 4 years of bipartisan effort to preserve and develop the water infrastructure that is so vital to the Nation's safety and economic well-being.

First, let me thank and congratulate my colleagues on the Committee on Transportation and Infrastructure for their vision and tireless efforts in helping move this legislation. I want to give special thanks to Committee Ranking Member JIM OBERSTAR, Subcommittee Chairman SHERRY BOEHLERT, and Subcommittee Ranking Member BOB BORSKI. Their leadership and contributions have been outstanding.

H.R. 3592 is the end result of 4 years of review and preparation. In the 103d Congress, the House overwhelmingly passed H.R. 4460, a bill that should have become the Water Resources Development Act of 1994. Unfortunately, that bill did not become law, and for the first time since 1986, Congress was unable to enact WRDA legislation.

During the 104th Congress, we committed to restoring certainty to the process and fulfilling our commitment to non-Federal project sponsors, most of whom had already committed substantial funds to projects.

We conducted 4 days of hearings, receiving testimony from over 90 witnesses, including numerous members of congress, the administration, project sponsors, national water resources and environmental organizations, and State and local officials.

The bill we bring to the floor today truly represents a fair and balanced proposal.

Mr. Speaker, H.R. 3592 accomplishes three important objectives:

First, it reflects the committee's continued commitment to improving the Nation's water infrastructure.

Second, it responds to policy initiatives to modernize Corps of Engineers activities and to achieve programmatic reforms.

Third, and this is very important, it takes advantage of Corps capabilities and recognizes evolving national priorities by expanding and creating new authorities for protecting and enhancing the environment.

In developing this bill, we have tried hard to be responsive to Members' requests; however, in today's tight fiscal climate, we simply had to establish and adhere to reasonable criteria. For example, we adhered to the cost-sharing rules established in 1986.

In fact, in the area of flood control, we have actually increased the non-Federal share for future projects. In another area, dredging for navigation projects, we have revised the rules to assure consistency and fairness in selecting methods for the disposal of dredged material.

Another criteria used in preparing this legislation was the availability of a Corps report. We have adhered to the requirement that new projects have a final Corps of Engineers report, or will have one within the next few months. This assures that projects that have undergone the Corps review process receive top priority.

Is the bill perfect? Probably not. We have heard concern about a handful of provisions and intend to address those as the bill progresses. There are some differences between H.R. 3592 and its Senate counterpart that must be resolved. In addition, I understand that the administration, while generally supportive of our approach, will suggest some changes to the bill.

Therefore, as we move forward with this important legislation, I intend to work with all parties to assure that the final product reflects a balance of all interests.

H.R. 3592 is a strong bipartisan bill. It reflects balance in every sense of the word and a responsible approach to developing water infrastructure, preserving and enhancing the environment, and strengthening Federal, State, and local partnerships.

Mr. Speaker, I strongly urge my colleagues to support the bill, and I reserve the balance of my time.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is a pleasure to join with Chairman SHUSTER, Chairman BOEHLERT, and ranking member OBERSTAR in support of the Water Resources Act of 1996.

I want to compliment Chairman SHUSTER and Chairman BOEHLERT for the totally fair and bipartisan manner in which this bill was drafted.

The Transportation and Infrastructure Committee works best when we work together.

I am pleased that this bill marks a return to the bipartisan spirit that existed in the past.

The bill also demonstrates the Transportation and Infrastructure Committee's continuing strong commitment to investment in the Nation's infrastructure.

Harbor deepening, inland waterway improvements and flood control are vital cornerstones of our Nation's economic vitality.

The ports of America are the doors that link our Nation to billions of dollars of international trade.

In the Philadelphia area, our port supports 50,000 jobs—making a vital contribution to our regional economy.

The 11,000 mile inland waterway system provides vital transportation for bulk farm products and coal.

It is essential that we continue to provide funding for port and inland waterway projects.

We are also proposing to continue the expansion of the mission of the Corps of Engineers to improvement of environmental infrastructure.

We should be aggressive in using the talents and abilities of the Corps of Engineers to meet our huge infrastructure needs.

We should also redirect the corps' program to address the infrastructure needs of our Nation's metropolitan areas.

In flood control, this bill makes important changes that I strongly support.

We have proposed to increase the requirements for mitigation planning before structural flood control projects are built.

An upgraded mitigation program will save us money from start to finish. We will be able to reduce the cost of project construction and it is likely that we will reduce disaster relief costs.

We are also proposing an increase in the non-Federal cost sharing for flood control projects from the current minimum of 25 percent to 35 percent.

This increase is a simple recognition of our Federal budget situation.

We have dwindling resources available for these programs.

An increase in the local share will help spread Federal dollars to more projects and will help FOCUS resources on more worthy projects.

The administration proposed a 50 percent non-Federal share which would have done even more to spread scarce Federal dollars and weed out poor quality projects.

The 50 percent cost-share is something to consider in the future.

At a hearing last year, I pointed out that we should be prepared for cuts in the Corps of Engineers programs as part of general spending reductions. Unfortunately, my prediction has become a reality.

The inadequate 602(b) allocation for energy and water development appropriations shows the clear impact of the balanced budget.

We risk lasting, negative impacts on our infrastructure investment programs in the future.

We must work together on a bipartisan basis to ensure that while we are getting our Federal fiscal house in order, programs to invest in critical infrastructure needs are protected.

I hope to work with Chairman SHUSTER, Chairman BOEHLERT, and ranking member OBERSTAR in that effort in the same bipartisan manner in which we drafted the Water Resources Development Act of 1996.

I urge support for the bill.

Mr. Speaker, I want to express my thanks to the people who really made this Bill Happen—Ken Kopocis, Art, Chan, Barbara Rogers, and Pam Keller of the Democratic staff of the Water Resources and Environment Subcommittee, and Mike Strachn and the Republican staff of the subcommittee.

Mr. Speaker, I reserve the balance of my time.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Texas [Mr. DELAY], the majority whip.

Mr. DELAY. Mr. Speaker, I rise in strong support of this legislation. While this bill authorizes a number of much needed projects to address infrastructure needs and environmental restoration throughout the Nation, I am particularly pleased with two provisions in this bill.

One of these is the authorization of funding to deepen and widen the Houston ship channel. These improvements are essential to the economic development not only of the region, but of the country generally.

The Houston ship channel is a critical economic lifeline between our Nation and the rest of the world. The Port of Houston draws cargo from every State in the Nation. It is the No. 1 U.S. port in foreign tonnage and the second busiest in total tonnage.

To remain competitive, however, the ship channel must be improved to permit faster, safer handling of cargo vessels.

The improvements authorized are also consistent with the port's and my enduring commitment to the environment.

By working with 13 Federal and State agencies, the port and the Corps of Engineers arrived at a plan that will use the dredged material from the ship channel project to create over 4,000 acres of additional marsh land to be used in developing bird islands, boater destinations, and shoreline erosion projects.

These beneficial uses have received the very strong support of several key environmental groups in the Galveston Bay area.

The second provision allows certain flood control districts to carry out flood control projects with far greater flexibility than ever before. The Harris County Flood Control District will demonstrate to the Corps of Engineers that it can design and construct flood projects faster and cheaper when it is not burdened by Federal redtape.

For too long, excessive Federal regulation has slowed the design and construction of flood projects. Many Harris County flood control projects currently in the design stage were first authorized for study in the 1940's.

Bringing these projects to the local level has the potential to save the Federal Government hundreds of millions of dollars. Without the unnecessary redtape, there can be greater efficiency and greater input from the affected community. The result will be taxpayer savings and projects being completed much more quickly.

Again, I strongly support this legislation and urge my colleagues to support it, as well.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in today in support of the Water Resources Development Act of 1996 for very important reasons: Shore protection and responsible disposal of contaminated dredged materials. I would like to thank Chairman SHUSTER Ranking Member JIM OBERSTAR, Subcommittee Chairman SHERRY BOEHLERT, and Ranking Member BOB BORSKI for their support on these critical issues—issues that are particularly important for my State, New Jersey.

Included as part of this bill is the Shore Protection Act, a bill sponsored by CLAY SHAW and myself as the cochairs of the Congressional Coastal Caucus. This bill will clarify and reaffirm the role of the Federal Government in shore protection, and—in particular—beach nourishment activities. Congress has repeatedly rejected the administration policy to end Army Corps participation inshore protection projects. By passing this bill, we are taking the additional step of actually mandating the Federal Government's role in shore protection. And for that reason, I am pleased to support this bill.

In addition, WRDA 1996 contains provisions that are greatly significant to the responsible disposal of contaminated dredged material, and by that I mean disposal that does not include ocean dumping. These provisions will allow our ports to be dredged without threatening our ocean environment or our coastal economy. I would like to thank my colleagues from new Jersey who are on the committee—and in particular, BOB FRANKS and BOB MENENDEZ—for their hard work and support on this issue.

The port provisions in this bill will take us a long way to getting out of the ocean for dredged material disposal by providing for Federal/non-federal cost-sharing of confined disposal facilities, it will open up the Harbor Maintenance Trust Fund for use on these disposal facilities, it will allow for tipping fees to be levied for use of these facilities, it authorizes a much needed confined disposal facility for the Port of New York and New Jersey, and it reauthorizes the ongoing sediment decontamination technology demonstration project for the Port of New York and New Jersey.

Mr. Speaker, I really do again want to thank the committee, and the ranking members and the chairman of both the full committee and subcommittee, for their support. This is a very important bill for the State of New Jersey, and does a lot and goes a long way towards protecting our ocean environment.

Mr. SHUSTER. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Illinois [Mr. WELLER].

Mr. WELLER. I thank the chairman of the committee for yielding time to me, Mr. Speaker.

Mr. Speaker, I rise in support of the Water Resources Development Act, 1996, which I note passed unanimously with strong bipartisan support on the Committee on Transportation and Infrastructure. This legislation is essential if we want to improve our Nation's infrastructure by improving and protecting our communities from flood problems and improve water infrastructure. This bipartisan bill will create jobs, protect property, lives, and protect the environment.

I do want to note that approximately one-fourth of the funding authorized in this bill is directly related to preserving and protecting the environment.

□ 1145

Mr. Speaker, I would like to speak very briefly about two provisions in this bill that are very important to my home State of Illinois and also to my congressional district, two provisions that will create jobs, protect property from flooding, and preserve the environment.

First, this bill authorizes a much needed stormwater retention facility in the village of Frankfort. The village experiences constant flooding of the intersections of two strategic regional arterial highways following any significant rain. Construction of this water retention facility will greatly reduce the flow rate during heavy rainfall.

The second provision I would like to touch on would provide for improvements near lock 14 for future development of a marina on the north side of the Illinois River, will bring jobs, promote tourism, and promote recreation. Both projects have bipartisan support locally.

Mr. Speaker, I thank the chairman for his help, and I ask for bipartisan support for this important legislation.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. SHUSTER], the chairman of the Committee on Transportation and Infrastructure, the gentleman from Minnesota [Mr. OBERSTAR], ranking member, the gentleman from New York [Mr. BOEHLERT], subcommittee chairman, and the gentleman from Pennsylvania [Mr. BORSKI] for the opportunity to speak on this important legislation.

Mr. Speaker, the Water Resources Development Act is vital to thousands of Americans that live along our Nation's shores including those in my district. There are two important parts of this bill I would like to recognize. The first is the Houston Ship Channel widening and dredging project which will expand the capabilities of the Port of Houston to meet the challenges of expanding global trade and maintain its competitive edge as a major international port.

This port brings $5 billion annually to our area, providing 200,000 jobs and will be important as it continues to expand. It also is important because of its environmental impact, which my colleague the gentleman from Texas [Mr. DELAY] spoke of which affects Galveston Bay which part of is also in my district.

This legislation also constructively addresses the issue of Federal flood control polity reform. As Congress seeks to balance the budget, the scarcity of Federal dollars for watershed management threatens hundreds of projects in southeast Texas and around the country.

I greatly appreciate that the committee adopted legislative language proposed by myself and the gentleman from Texas [Mr. DELAY], my fellow Texan, the distinguished majority whip, which will give local agencies more control.

Giving these agencies more control, such as the Harris County Flood Control District, with the ability to construct these projects will savė precious time and thus lives and property, cut Federal costs, better protect the environment, and reduce Federal disaster assistance needed to bail out communities in times of floods.

This legislation is important because it designates three test sites in Harris County providing for local control over project design, implementation, and construction. Under this plan the Federal Government would remain a partner in flood control but local governments would gain the authority to respond more quickly and innovatively to their community's flood control needs. Federal flood control policy must adapt to increasing budgetary constraints without sacrificing public safety and environmental protection. The bottom line will be safer communities and savings for the taxpayers.

I thank my colleagues for including this in the bill, and I strongly urge all my colleagues to support the bill.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. FLANAGAN].

Mr. FLANAGAN. Mr. Speaker, this is a great day for America as well as a great day for the residents and businesses of the Chicagoland area. After nearly a decade of fruitless effort, both Houses of Congress are finally approving a plan to preserve and protect the Chicago lakefront which is in serious jeopardy of being washed away due to the severe erosion of its protective seawall.

Included in this WRDA bill is an authorization for the Illinois Erosion Protection Project which will direct the U.S. Army Corps of Engineers to assist the city of Chicago in restoring 8 miles of Lake Michigan shoreline.

The existing shoreline protection system was built between 1910 and 1930, and has outlived its design life by more than 30 years. Significant deterioration of the existing shore structures is obvious to those who live and work in that area or drive alone Chicago's magnificent Lake Shore Drive.

Mr. Speaker, Lake Shore Drive, a Federal highway—US 41—as well as a major local expressway carrying traffic to and from the center of the city, was a victim of the deteriorating seawall this past spring.

On March 19th, high winds caused Lake Michigan waters to overtop the current deteriorated structures, flooding the drive and hurling chunks of the seawall onto the roadway. If the protection project is not authorized, the Army Corps predicts partial failure of the structure supporting the shorelines by 1998.

According to a Chicago Tribune editorial from this past April; "The seawall project, in which Chicago would shoulder a third of the $200 million cost, has nothing to do with pork. It has everything to do with government's responsibility to maintain public-works infrastructure that is crucial to the well-being of its citizens."

I am happy to report that today the Federal Government will not shrink from its responsibility.

Before I close, I want to take a moment to express my appreciation to Chairman SHUSTER and Water Resources Subcommittee Chairman BOEHLERT for their help and leadership in guiding this bill to the floor. My Chicago colleague, BILL LIPINSKI, a member of the Tramsportation and Infrastructure Committee, was instrumental in authorizing the shoreline protection project, and I thank him as well.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE], the distinguished ranking member of the Subcommittee on Railroads.

Mr. WISE. Mr. Speaker, I particularly want to thank Chairman SHUSTER, ranking Member OBERSTAR, Chairman BOEHLERT, and ranking Member BORSKI for getting this bill to the floor and impressively getting it to the floor in this fashion where it can move without controversy and move. That is the important thing.

Mr. Speaker, this bill is about investment. It is about moving coal and chemicals and commerce along our Nation's inland waterway system and through our ports. It is about providing flood protection and preventing soil erosion.

Most important for West Virginia, this bill provides the authorization to build the important Marmet locks, which are at the top of the priority list for the Army Corps of Engineers. It is about ending uncertainty for the almost 200 families in that area that have been waiting and waiting to see whether or not real estate acquisition and appraisal would begin. Not everyone supports the locks in the area but most understand that it is going to happen and the question is when.

Mr. Speaker, this bill is about giving the go to the Huntington District Corps of Engineers to get under way and to get those engineers working now and to get the real estate acquisition project started as soon as possible. It was only last week that this House was not able to fund the real estate acquisition because of the policy that the Committee on Appropriations had of not funding new starts, that is, construction starts that had not been authorized. This bill is the authorization. With this bill, that then gives the ability to begin to seek the funding that is necessary.

Mr. Speaker, with this authorization bill that passes the House today, we now have to go and conference with the Senate and work out differences in that bill. Hopefully in September, we can conference with the Senate and we can also then bring that bill back, get it approved and sent to the President and make it law before the Congress adjourns in October, and then we can begin the process of seeking the funding.

Mr. Speaker, this is an important bill, and I certainly appreciate those that have made it possible. I know a lot of people in the Marmet and Belle areas of West Virginia appreciate it, also.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New Jersey [Mr. MARTINI].

Mr. MARTINI. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support for the Water Resources Development Act of 1996. I want to thank the gentleman from Pennsylvania, Chairman SHUSTER, as well as the gentleman from New York, Mr. BOEHLERT, chairman of the Subcommittee on Water Resources and Environment, who worked tirelessly to put together a fair and economically responsible bill.

This bill has carefully balanced the interests of environmentalists with those in the business community and provided the language that will enable our ports to once again flourish, our citizens to be protected from flooding; our environment to be protected and our taxpayers' dollars to be wisely and not frivolously spent.

Mr. Speaker, I am also pleased to state that this bill includes authorized funds for a buyout alternative to the Passaic River Flood Tunnel. In 1994 when I ran for Congress I recognized the importance of flood protection to the citizens of my district. In addition, I recognized that there must be a more economical and environmentally sound flood control alternative to a $1.9 billion proposed flood tunnel with potential negative effects on area wetlands and the existing ecosystems.

By authorizing $194 million for the buyout alternative, we are taking great strides toward both flood protection for our citizens and environmental protection for the Passaic River, while saving taxpayers money.

The bill also includes authorization for the Molly Ann's Brook flood protection project and I am pleased that the committee treated this project with the urgency and priority that it deserves.

Once again, Mr. Speaker, I extend my thanks to the chairman for his vigorous activity in making this bill a good bill to come to the floor in a bipartisan manner and urge my colleagues to support its passage.

Mr. BORSKI. Mr. Speaker, I yield 3 minutes to the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Speaker, there is a great deal about the Water Resources Development Act of 1996 which is excellent, which is a very positive constructive piece of legislation. I have to join my colleagues, however, the gentleman from Montana [Mr. WILLIAMS] and the gentleman from North Dakota [Mr. POMEROY] in expressing my very strong opposition to one particular provision within this bill which frankly makes a mockery of the Missouri River management process that is currently taking place by the Corps of Engineers.

Currently, Mr. Speaker, we are in the midst of a 6-year, $23 million process in rewriting the Master Manual for the management of the Missouri River. Despite that, however, there is a provision within this legislation which gives priority to navigation, despite the fact that navigation accounts only for 1 percent of the economic benefit that flows from the uses of the Missouri River. It disregards flood control, recreation, drinking water, power production and wildlife, and our opposition is shared not just by the Northern Plains Members but by this administration, by the American Rivers Group, by the National Audubon Society, by the National Wildlife Federation, by the Environmental Defense Fund, by the Sierra Club, by Friends of the Earth, by the Bass Angler Sportsmens Society, the Western Association of Fish and Wildlife Agencies and other recreation, wildlife and conservation organizations.

There is no doubt that this provision, if it remains in place, would threaten water supply by mandating yearly extra releases of water from upstream reservoirs, drawing down water reserves needed in times of drought. It would increase flood risks by mandating releases of water in December after the Missouri River is frozen. It will increase power rates to western area power administration users by lowering water levels, especially during the winter, thus in turn lowering generating capacity. It will be an environmental disaster drawing down reservoir levels, pose a threat to endangered and threatened species of native fisheries, and, frankly, it will waste Federal resources already devoted to the Master Manual design.

This Congress would be better served by allowing the Corps of Engineers to pursue their Master Manual, redesign a $23 million project rather than intervening legislative with no hearings, with no public input on this major change in the management of the Missouri River.

If this bill were not on this calendar, I would be offering an amendment with my colleagues. Since it is not, and no amendments are permitted, I want to share with my colleagues that we will be working with the conference committee very carefully to see to it that this particular provision of this needed legislation is in fact stricken and that the Missouri River management can be conducted on the basis of science and proper management processes rather than by arbitrary legislative effort.

Mr. SHUSTER. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Speaker, I rise in strong support of this legislation because it's going to create new jobs and economic opportunity in Washington State's Third Congressional District.

This bill includes a proposal that settles 20 years of controversy between the city of North Bonneville and the Federal Government. This conflict started after the town was literally moved so that the Government could build a powerhouse at the Bonneville Dam.

A key part of this settlement will free up parcels of land that the city can use for economic development.

This bill will give community leaders a chance to bring in family wage jobs and give the people of Skamania County more hope.

In addition to creating new jobs, this bill will help keep the thousands of jobs supported by international trade on the Columbia River.

This bill ensures that the Corps of Engineers will maintain safe passage on the Columbia by calling for aggressive maintenance work in the channel.

If ports in cities like Vancouver, Kalama, and Longview, are going to remain competitive internationally, they need the certainty that larger shipping vessels will be able to navigate the Columbia River safely and efficiently.

I commend Chairman BOEHLERT and Chairman SHUSTER for their hard work on this bill and I urge my colleagues to support this legislation.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I thank Chairman SHUSTER and his committee for the excellent work they have done on this bill. I want to particularly call to the chairman's attention language in the bill that is extremely vital for safety, health, hurricane protection, and environmental protection matters dealing with the Parish of Terrebonne in the heart of the Third District of Louisiana. Terrebonne in French means good Earth. Yet it is threatened more and more every day by saltwater intrusion. Parish residents' safe drinking water has been threatened by rising levels of salinity. Hurricane threats to the community have been largely accumulating as a result of damage and erosion to its coastal barriers and to its coastal marshlands. One particular problem involves the Houma Navigation Canal which is a direct outlet to the Gulf of Mexico. As salinity levels rush into this canal, some 200,000 acres of sensitive marshlands are being destroyed and salinity levels are increasingly putting at risk the drinking water of the communities.

□ 1200

My understanding is that this bill will allow the corps to separate from its 3-to-5-year work on the entire Morganza, LA, to the Gulf of Mexico feasibility study the central issue of a lock structure, which the corps has already identified, under its reconnaissance and feasibility studies, as a necessary feature in its overall plans; that will permit the independent study of this lock structure in the hopes of hastening its authorization and completion; and that this particular project has been recommended not only by the State of Louisiana but by the Federal task force of the Coastal Wetlands

Planning and Protection Restoration Act, the Federal act designed to protect those sensitive coastal wetlands.

It is my understanding that that language is included. Yet because the corps may not finish this independent study by December, the bill does not yet contain an authorization to proceed with this lock structure; is that correct, Mr. Chairman?

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. TAUZIN. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, I would say to the gentleman that that is correct. Certainly it is our intention to pursue this vigorously to get the job done as quickly as possible.

Mr. TAUZIN. I would also assume that, if and when this independent study is completed, as we expect it will be, that we will have the full cooperation of the chairman of the committee in hastening the completion of this?

Mr. SHUSTER. That would certainly be my intention.

Mr. TAUZIN. I thank the chairman and appreciate his help on this.

Mr. BORSKI. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota [Mr. POMEROY].

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me this time.

As we have heard throughout this debate, this is an important bill. It accomplishes a lot of good for many parts of the country. Unfortunately, this bill contains a poison pill relative to my part of the country, and that is the provision in this legislation that would direct the Corps of Engineers to extend navigation on the Missouri River by 1 month.

The management of our Nation's rivers is a complex thing. The more expertise we get on this issue, the more we begin to understand just how complex it is. The Corps of Engineers, in fact, are looking at the management issues attendant to the management of the Missouri River and will end up investing nearly 10 years in a revision manual effort, an effort that will cost up to $24.5 million. By exhaustive hearings and research, they will weigh and come out with a product that ultimately directs the management of this river.

Now, we are all frustrated that this process has taken so long. Upstream is frustrated, downstream is frustrated. But the way the downstream interests are reacting to their frustration is just to direct with legislative language a management priority for navigation and extend it 1 month while we are at it. It is not that simple.

That directive would shortchange and injure a variety of upstream interests, including irrigation, hydropower, municipal water supply, and flood control. The economic interests in comparison do not even compare, $1 billion of economic activity from the collection of upstream interests compared to the $10 million directly related to downstream navigation.

It is not simply an upstream-downstream deal. In fact, downstream interests are injured as well by this provision. The fact is when we extend navigation on the Missouri through the month of December, we get freeze-up, and freeze-up causes ice jams, and ice jams cause flooding ironically to the areas of the very proponents of this measure. Missouri, Iowa, Nebraska, all would be hit with floods as a result of this provision.

We need to work collectively and collaboratively in developing a plan for the Missouri River, and that effort is underway locally right now. I have a clipping quoting the Governor of Iowa opposing extending the navigation season, even though he is a downstream interest, saying, "I hate to see this become a legislative football. I think there is enough other important issues for Congress to address."

They are working and trying to resolve locally these competing interests. We should not be preempting the upstream interests with a show of legislative clout from downstream interests. That is simply not the way to manage our Nation's precious water issues.

Finally, and of great concern, is the fact that this poison pill does more than cause me heartburn. This poison pill threatens enactment of this legislation. We have assurances from the Senate that this provision will never pass and, if it is insisted in the bill, the bill will never pass. Let us pull this provision out in conference committee and enact this comprehensive very important water bill.

Mr. SHUSTER. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio [Mr. LATOURETTE].

Mr. LATOURETTE. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise today in the strongest support of the Water Resources Development Act of 1996. On behalf of the people that I represent back in Ohio, I want to commend the gentleman from Pennsylvania, Chairman SHUSTER, and chairman of our subcommittee, the gentleman from New York, Congressman BOEHLERT, and also the ranking members of our fine committee, the gentleman from Minnesota, Congressman OBERSTAR, and the gentleman from Pennsylvania, Mr. BORSKI, for making this a truly bipartisan bill that we can all be proud of.

This bill is good for the water resources of the Nation, it is good for the environment, and for the Great Lakes it is great. Many of the ports and harbors within the Great Lakes are suffering from light loading problems, where because of our inability to open late, dispose of dredge spoils, contaminated and otherwise, we have a situation that makes our ports and harbors noncompetitive.

The environmental dredging section of this particular bill will again allow the Great Lakes' ports and harbors to be competitive for areas like Eastlake and Ashtabula and also the City of Cleveland, OH.

I thank the chair and committee for bringing this bill forward today in this manner, and I would urge every Member of this House to vote in favor of its passage.

Mr. BORSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Speaker, I thank the ranking member for yielding me this time.

My colleagues, recognizing the importance of enacting a good Water Resources Development Act and, sadly, recalling that this bill failed to pass into law in the last Congress, and I want to see it pass this Congress, I nonetheless take this opportunity early on here to rely my objection to language in this bill which would create an entirely inappropriate mandated intervention into the proper management of the Missouri-Mississippi system.

I join my colleagues, the gentleman from South Dakota [Mr. JOHNSON] and the gentleman from North Dakota [Mr. POMEROY]. My objection as an upstream Representative is very similar to theirs.

This bill, we have been told, contains congressional directive to the Army Corps of Engineers concerning the regulation of the Missouri's main stem. The Corps of Engineers is, as we have heard, in the process of completing their plan for managing the main flow of the Missouri. This is a 10-year plan. They are in about their 6th year of it. They are very carefully developing that plan by balancing the needs of all the users along the main stem of the Missouri. Now along comes this legislation and, through a kind of a midnight slam dunk of language, we insert the mandate that upsets what the Corps of Engineers has spent all this time and money trying to do, and that is balance the uses of the Missouri.

If this bill became law as is, it would mandate, against the objections of the Corps, a late release of water downstream from the upstream reservoirs, which is greater than the Corps now things should be done.

If that late release of water goes forward, it will threaten water supply in the upstream States in a drought year. It will increase flood risks in the very critical downstream States. It is likely to raise the power rates of consumers who use WAPA. And finally, it will threaten species and native fisheries. That is probably why most of the major conservation groups in this country are opposing this language in this bill.

I urge my colleagues to agree in conference with the Senate to take this language out.

Mr. SHUSTER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Tennessee [Mr. WAMP], vice chairman of the subcommittee.

Mr. WAMP. Mr. Speaker, I thank the chairman and all those involved from both sides of the aisle on a job well done.

As the vice chairman of the Subcommittee on Water Resources and Environment, I strongly encourage our colleagues to support the Water Resources Development Act and remind our colleagues that behind the national defense of our country, as our ranking member, the gentleman from Minnesota [Mr. OBERSTAR] so eloquently reminds us on the Committee on Transportation and Infrastructure, this was the second function of the Federal Government, to meet the basic infrastructure needs of a thankful nation. The natural disasters that we have, flooding, bank stabilization along our riverways and waterways. Very essential function of our Federal Government.

Many of these needs are met by the Army Corps of Engineers. Ladies and gentlemen, my father wore the castles of the Army Corps of Engineers on his lapels. They do good work and we are grateful for their service. The Water Resources Development Act meets real needs in real people's lives all across the country.

Earlier this year I held a field hearing in northeastern Oklahoma, where Kansas and Oklahoma and Missouri all meet. This bill meets real needs in that part of the world, in my part of the world, in the Southeastern United States. This is one of those critical functions that we are here to deliver to the people and they are waiting for this bill. Many people.

Let us come together today with an overwhelming show of support. This bill will save money. I encourage my colleagues to have an impact on the people that we are elected to represent. Vote yes enthusiastically for WRDA.

Mr. BORSKI. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I rise to discuss with the chairman of the committee an issue of great importance concerning a provision in this bill to extend the navigation season on the Missouri River. As my three preceding colleagues on this side of the aisle have said, extending navigation and drawing down the reservoirs in the upper Mississippi basin have the potential to negatively impact irrigation, drinking water, recreation, and hydropower uses of the river.

I am concerned this particular provision was inserted in the bill without the benefit of a hearing or comment with upstream Missouri River interests. I seek the assurances of the chairman that as we work through the conference he will be open to the concerns of the upper basin States.

Mr. SHUSTER. Mr. Speaker, will the gentleman yield?

Mr. BORSKI. I yield to the gentleman from Pennsylvania.

Mr. SHUSTER. Mr. Speaker, it is certainly not the intent of the committee to harm any of the Missouri River interests with this language.

While the provision was put in response to concerns to several of our committee members, clearly all Missouri River interests must be addressed before making significant changes to the management of the Missouri River system.

I certainly will work with all Missouri River interests to bring this matter to resolution.

Mr. BORSKI. Mr. Speaker, I appreciate the assurances of the chairman. This is an important bill to many Members of the body. Many of us were disappointed when the 1994 Water Resources Development Act stalled in the Senate, in part over disputes between upstream and downstream Missouri River interests.

The Senate bill contains no provision to extend Missouri River navigation. It is my sincere desire that such disputes do not prevent passage of the 1996 water resources bill.

Mr. SHUSTER. Mr. Speaker, if the gentleman will continue to yield, I thank him and the other gentlemen who have spoken on this issue for bringing their concerns to our attention. We will certainly take all of the interested parties' concerns into consideration as the bill progresses. Let me assure all of the parties that we intend to resolve this important issue in a mutually agreeable manner.

Mr. BORSKI. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Minnesota, [Mr. OBERSTAR], the ranking member of the Committee on Transportation and Infrastructure.

Mr. OBERSTAR. Mr. Speaker, I want to thank the gentleman from Pennsylvania [Mr. BORSKI] on our side for the splendid work he has done over many, many months in crafting this bill, and the gentleman from New York [Mr. BOEHLERT] for the work that he has contributed, of course to our full committee chairman, the gentleman from Pennsylvania [Mr. SHUSTER], for bringing about a truly inclusive process to bring us to this point where we can bring this massive bill for the first time in my recollection on the suspension calendar on the House floor.

I would also like to express great appreciation to the staff members on both sides, without mentioning names, because I will certainly forget somebody. They have really worked hard and carried the burden of this very complex legislation.

Most of the cities, the great cities of our country, are cities because they were ports. They started out as ports. Seventy-five percent of the population of our Nation lives along the water. We are a Nation inextricably tied to the water as a means of transportation, as a means of commerce, as a means of livelihood, and as a means of enjoyment.

This legislation dates back to the roots of our history as a Nation and as a committee. The earliest works of the Congress were the works that our committee brings to the floor today, those that the gentleman from Tennessee [Mr. WAMP], I thought so very warmly and touchingly described in talking about his father's having served in the corps. The corps has done so much to increase the yield of our Nation by the water resources development that it undertakes in the navigation, the locks and dams, the ports, the harbors, the riverways, and we advance that cause with all of the many provisions that we bring together in this legislation.

For flood control we raise a minimum non-Federal share from 25 to 35 percent. And to help communities in the transition, we applied the new minimum only prospectively. I think that is a reasonable and responsible prudent step to undertake.

□ 1215

We also deal with the matter of dredged disposal material from the Great Lakes by providing for cost sharing and confined disposal facilities vitally important for this one-fifth of all the fresh water on the face of the Earth to provide this protection. There are many other provisions in this legislation.

Suffice it to say, this is one of the finest bills our committee has ever brought forward. I urge its adoption by the House and express my fervent hope that the other body will concur with us and bring this legislation to the President's desk for signature as soon as possible.

Mr. SHUSTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I particularly want to recognize the staff who made such a great contribution to this legislation and the senior staff on both sides of the aisle: Mike Strachn, Lee Forsgren, Ken Kopocis, and Art Chan, as well as the other staff who really performed in an outstanding manner.

Mr. Speaker, I yield the balance of my time to the distinguished gentleman from New York [Mr. BOEHLERT], chairman of the Subcommittee on Water Resources and Environment.

The SPEAKER pro tempore (Mr. EWING). The gentleman from New York [Mr. BOEHLERT] is recognized for 3½ minutes.

Mr. BOEHLERT. Mr. Chairman, let me begin by thanking the gentleman from Pennsylvania [Mr. SHUSTER] and the gentleman from Minnesota [Mr. OBERSTAR], ranking minority member, for their significant input into this legislative process. And, Mr. Speaker, to the gentleman from Pennsylvania [Mr. BORSKI], my good friend, the ranking member of the subcommittee, my special thanks for all that he has done.

Mr. Speaker, this is a product of Members of Congress from all sections of the country, from different political persuasions coming together and working together because it makes good sense for America.

I particularly want to thank Mike Strachn of the professional staff. He came to us from the Corps of Engineers. He had a very distinguished career and he has lent his expertise to us as we fashioned this very important bill. All the staff is good, but Mike is very special in my heart, and I thank him.

This bill reflects regional, environmental and Political balance. Every single American will benefit from the water resources improvements provided for in this legislation.

Our Nation's water infrastructure is critical to both the economic and environmental health of our Nation and the proposal before us today provides for continued improvement in both of these areas.

I am particularly proud of the new course that the Water Resources Development Act of 1996 charts on the environment. WRDA '96 is the "greenest" Corps bill in the history of the republic. Perhaps since the original 1899 Rivers and Harbors Act, no Congress has placed a greater emphasis than the 104th Congress on using the Corps of Engineers' considerable engineering expertise to improve the environmental quality of our Nation's lakes, rivers, and harbors.

Nearly 25 percent of all the funding in this bill will go to environmentally sensitive water infrastructure programs and projects. The legislation before us also seeks to maximize the amount of flood protection we receive for our Federal resources by changing the Federal-local cost share from 75 percent Federal-25 percent local to 65 percent Federal-35 percent local.

This change in cost share is also viewed by members of the environmental community as a step toward ensuring that the wisest path for flood control management is pursued. I strongly support this adjustment and believe it demonstrates this committee's commitment to sensible fiscal and environmental policies.

The Water Resources Development Act of 1996, beyond its impressive environmental mission, also ensures that our Nation's ports and rivers will continue to be efficient conduits for commerce.

Many claim that water transportation is the most efficient form of transportation in this country, and with the passage of WRDA '96, our Nation will enjoy this efficient mode of transportation well into the next century. Though we often take it for granted, most of the fuel we consume and the food we eat has traveled on our Nation's waterways.

I think it is evident from my remarks I am very proud of the bipartisan water resources bill, not just because I am privileged to serve as chairman of the subcommittee of jurisdiction, but because I am privileged to work with people like the gentleman from Pennsylvania [Mr. SHUSTER], and the gentleman from Minnesota [Mr. OBERSTAR], and the gentleman from Pennsylvania [Mr. BORSKI]; Republicans and Democrats alike, taking seriously the people's business and the mission of shaping responsible public policy.

Mr. Speaker, I urge my colleagues to give this bill the overwhelming and enthusiastic support it deserves for all the right reasons.

Mr. DEFAZIO of Oregon. Mr. Speaker, I would like to take a moment to thank the members and staff of the Transportation and Infrastructure Committee for including language in the Water Resources Development Act which will help advance an important project in my district known as the Lower Amazon Creek restoration and protection project.

The project, which received approval previously from the U.S. Army Corps of Engineers under the Water Resources Development Act section 1135 program, is currently moving into the design and cost estimate phases. Yet a small portion of the project, which was originally constructed jointly by the Corps of Engineers and the Soil Conservation Services, now known as the Natural Resources Conservation Service [NRCS], had previously been left out of the project because of an apparent lack of statutory authority by the Corps of Engineers. This portion of the project is critical to the restoration of the Lower Amazon Creek and I am encouraged that this language will foster the necessary cooperation between the Corps and the NRCS to complete this important project.

Again, I thank my colleagues for their support of this critical legislation and urge my counterparts in the Senate to support this provision of the bill.

Mr. WAMP. Mr. Speaker, I applaud the work Chairman SHUSTER and Chairman BOEHLERT, and Transportation Committee Ranking Members OBERSTAR and BORSKI have put into this bill, in a bipartisan manner, and for the excellent support the staff has given us on this bill. Their expertise on the vital issues contained in this bill is something of which the citizens of this country should be proud, and this story of how Congress helps better the lives of every American is too often untold. I'm proud of the work we're doing here.

As I recently expressed to the majority leader, it is important that we deliver on promises to our districts in ways that our constituents tell me are most vital to their everyday health and safety. Poll after poll tells us that these bread-and-butter issues are far more important to average Americans than broad, theoretical policy objectives. This bill accomplishes just that. WRDA will benefit many of our communities.

My district has several pressing needs in flood control, stream bank protection, inland waterway navigation, basic infrastructure, and environmental protection. The fundamental mission of the Corps of Engineers is widely recognized in east Tennessee. Fulfilment of our commitments to these communities, which are faced with both safety and economic concerns, can happen if H.R. 3592 gets passed into law swiftly. Unlike the fate of the WRDA bill from the last Congress, I believe that this work will get done. The other body is poised and ready, and today, we take another huge step forward.

I expect that these vital issues will not get bogged down in Presidential politics or die in conference. Ironically, these are issues in which the other body has taken the lead and House action will bring us tangible results. Mr. Speaker, I encourage our colleagues not to shrink from this task at hand because some may call this bill pork. Our process here has revolved around sound science and engineering, authorizing those projects that fit criteria and pass muster from the Corps of Engineers. My father served in the U.S. Army Corps of Engineers—wore castles on his lapels—and I know the quality of the work done through their civilian works program.

This bill is about responsibly authorizing needed works in a cost-effective manner, not simply allowing Congress to appropriate money without due process. In some cases, this bill will authorize projects at dollar amounts below original estimates because we worked with the involved parties to find better solutions than the most expensive plans out there. We increase local responsibility and expect the Federal Government to be responsive to local needs.

One final note, Mr. Speaker, You will notice that while the Corps of Engineers is very active in Tennessee, in my home State, and the six other Southeastern States served by the Tennessee Valley Authority, which also falls under the jurisdiction of this committee, we have many ongoing projects and needs that are not mentioned in this bill. That is because TVA, in its ongoing mission and existing authorization, carries out projects every year that have to compete for those same scarce appropriations dollars coming out of the energy and water bill. We all know what a squeeze is on for these dollars this year and the situation may bet worse before it gets better, as we balance the Federal budget. I want to remind our colleagues that although you will see no TVA project mentioned in H.R. 3592, the Tennessee Valley region still has needs that TVA is expected to meet in the coming years. Because TVA has ongoing authority, I hope that this committee, the Appropriations Committee, and the Congress will not prejudice any TVA project that meets the same criteria as these projects listed in this bill when it comes time to funding just because it is not listed in this bill.

Thank you, Mr. Speaker, and I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, coming from the beautiful coastal area of southwest Florida, I know that the protection and proper stewardship of our coastal resources is vital. The

Water Resources Development Act authorizes funding for the Army Corps of Engineers. The corps is doing good work in Florida—from its high-profile role in the restoration of our unique Everglades, to assisting local governments like Captiva Island with shoreline protection. I would note that the Clinton administration has tried to end the involvement of the corps in joint shoreline projects. I am pleased this bill includes legislation introduced by my Florida colleague CLAY SHAW that will overturn the President's policy and ensure the continued involvement of the corps in worthwhile beach restoration projects. Overall, this is a responsible authorization bill, and I urge my colleagues to support it.

Mr. WAMP. Mr. Speaker, I applaud the work you, Chairman BOEHLERT and ranking Members OBERSTAR and BORSKI have put into this bill, in a bipartisan manner, and for the excellent support the staff has given us during the hearing process and drafting of this bill. The expertise within this committee on the vital issues contained in this bill is something of which the citizens of this country should be proud, and this story of how Congress helps better the lives of every American is too often untold. I'm proud of the work we're doing here, and it's one of the reasons I asked to serve on this committee and under your leadership, Chairman SHUSTER.

As I recently expressed to our House majority leader, it is important that we deliver on promises to our districts in ways that our constituents tell me are most vital to their everyday health and safety. Poll after poll tells us that these bread-and-butter issues are far more important to average Americans than broad, theoretical policy objectives. This bill accomplishes just that. WRDA will benefit many of our communities.

My district has several pressing needs in flood control, stream bank protection, inland waterway navigation, basic infrastructure, and environmental protection. The fundamental mission of the Corps of Engineers is widely recognized in east Tennessee. Fulfillment of our commitments to these communities, which are faced with both safety and economic concerns, can happen if H.R. 3592 gets passed into law, and I hope that this bill will not suffer the same fate of the WRDA bill from the last Congress. Today, we take another huge step forward.

I hope these vital issues do not get bogged down in Presidential politics or die in conference. Ironically, these are issues in which the Senate has taken the lead and House action will bring us tangible results. Mr. Speaker, I encourage our colleagues not to shrink from this task at hand because some may call this bill pork. Our process here has revolved around sound science and engineering, authorizing those projects that fit criteria and pass muster from the Corps of Engineers. My father served in the U.S. Army Corps of Engineers—wore castles on his lapels—and I know the quality of the work done through their civilian works program.

This bill is about responsibly authorizing needed works in a cost-effective manner, not simply allowing Congress to appropriate money without due process. In some cases, this bill will authorize projects at dollar amounts below original estimates because we worked with the involved parties to find better solutions than the most expensive plans out there. We increase local responsibility and expect the Federal Government to be responsive to local needs.

One final note, Mr. Speaker. You will notice that while the Corps of Engineers is very active in Tennessee, in my home State, and the six other Southeastern States served by the Tennessee Valley Authority, which also falls under the jurisdiction of this committee, we have many ongoing projects and needs that are not mentioned in this bill. That is because TVA, in its ongoing mission and existing authorization, carries out projects every year that have to compete for those same scarce appropriations dollars coming out of the energy and water bill. We all know what a squeeze is on for these dollars this year and the situation may get worse before it gets better, as we balance the Federal budget. I want to remind our colleagues that although you will see no TVA project mentioned in H.R. 3592, the Tennessee Valley region still has needs that TVA is expected to meet in the coming years. Because TVA has ongoing authority, I hope that this committee, the Appropriations Committee, and the Congress will not prejudice any TVA project that meets the same criteria as these projects listed in this bill when it comes time to funding just because it is not listed in this bill.

Mr. EWING. Mr. Speaker, I rise today in support of H.R. 3592, the Water Resources Development Act of 1996. Chairman SHUSTER and Water Resources Subcommittee Chairman BOEHLERT both deserve credit for the bipartisan cooperation they have demonstrated in putting this legislation together. Because of their efforts it is no surprise that H.R. 3592 was unanimously approved by the Transportation and Infrastructure Committee.

H.R. 3592 authorizes the activities of the U.S. Army Corps of Engineers through fiscal year 2000. Many provisions in the bill relate to critical flood control and marine transportation projects that will save lives and property, protect the environment, and improve commerce along many of our Nation's great rivers.

One flood control project of critical importance to my central Illinois district is in the city of Villa Grove. This is the second of the last 3 years that Villa Grove, and Douglas County, have been placed on the State and Federal disaster lists because of flooding. The city faces flooding threats from the Embarras River, which flows north-south through the city; the Jordan Slough, a tributary of the Embarras River; and the West Ditch, which collects storm water runoff from farms west of the city and runs directly though the center of Villa Grove.

The U.S. Army Corps of Engineers has surveyed the latest damage and agreed that corrective action is appropriate. City officials have suggested diverting water from the West Ditch by grading certain runoff areas, installing box culverts in several locations, and possibly modifying the river's path outside of the city. Clearly, Villa Grove's flooding problems will only become more frequent and severe if they are not addressed in the near future.

While the Villa Grove flood control project is only a small portion of this bill, I believe it is illustrative of the kind of flood relief that many communities around the United States desperately need. To the residents of Villa Grove, H.R. 3592 is one of the most important bills this Congress will act on, and I urge all of my colleagues to support its adoption.

Mr. CRANE. Mr. Speaker, I rise today in support of H.R. 3592, the Water Resources Development Act [WRDA] of 1996. Not only is this bill a fiscally responsible approach to America's need for inland waterway and flood control projects, but it will be of substantial benefit to the environment as well. As a matter of fact, almost one quarter of the entire bill is devoted to programs and projects of an environmentally sensitive nature.

An excellent case in point is the 550 acre Des Plaines River Wetlands Demonstration Project [DPRWDP] in northern Illinois which would be reauthorized by section 502 of this bill. Originated in 1983 as a cooperative Federal, State, local, and private venture, the purpose of this project was to produce significant research information on the creation, maintenance, and restoration of wetlands. Since then, almost $9 million has been spent—$1.9 million by the Federal Government, another $1.8 million by the State of Illinois, nearly $1.7 million by local government entities, and $3.4 million by the private sector—in pursuit of that objective. The results speak for themselves, and for the reauthorization of this project so that the $2.2 million in Federal money authorized by the Water Resources Development Act of 1988 can be fully appropriated.

Since its inception 13 years ago, the DPRWDP has become an internationally recognized wetlands research effort that not only features 6 experimental wetlands cells but also a pair of wetlands mitigation banks that are demonstrating just how effectively the pressures of economic development can be reconciled with the need for environmental protection. Land that was once devoted to farming and gravel mining operations has been converted into a carefully monitored and controlled wetlands laboratory in which no less than 12 research teams from 14 different organizations, including 9 universities, have conducted, and continue to conduct, investigations into the way in which wetlands work and how they can affect such things as flooding, water quality, and habitat preservation.

As a result of all this work, over 150 articles, reports, proceedings, book chapters, abstracts, technical papers, theses, and dissertations have been published, not to mention the 50 plus newspaper, magazine, and newsletter articles that have written on the DPRWDP's research and its implications for such important public policy matters as flood control, species preservation, and water quality enhancement. For example, the August 25, 1995 New York Times carried a 2 page feature article on the DPRWDP, and a similar project in St. Charles, IL, which focused on the extent to which the existence of wetlands could prevent flooding.

So that the significance of these findings is not lost upon my colleagues, let me mention several of them specifically. One, based on the determination that a wetland can trap more than 80 percent of the sediments and nutrients contained in incoming river water, concluded that water quality in a given watershed could be improved if as little as 2 to 4 percent of that watershed were converted to wetlands. Another, evidenced by the return of flora, fauna, and four State-endangered birds to the DRPWDP site, speaks to the potential of wetlands for accommodating endangered or threatened species. And then there is the matter of flooding, the indication being that only 2 to 6 percent of a watershed need be devoted to wetlands in order to accommodate floodwaters. However, more work needs to be done before the full benefit of these and other findings can be realized. If we are to understand more fully how wetlands may best be restored and if a detailed "how-to" manual is to become available by the end of the century, then the Federal Government needs to invest more money in this project in the near future.

To achieve those objectives within that timeframe, another $7 million and perhaps more will be needed, sooner rather than later. Revenues realized from the wetlands mitigation banks at the DPRWDP site will account for some of that money and private sources may provide additional financial support. But the funds generated from those sources alone is unlikely to be sufficient to get the job done by the year 2000 unless the remainder of the $2.2 million authorized by the 1988 WRDA is actually appropriated. To date, the U.S. Army Corps of Engineers, whose good works are authorized by WRDA legislation, has only invested a small portion of either the $1.9 million spent by the Federal Government on the DPRWDP or the $1 million earmarked for the project in the 1992 Energy and Water appropriations measure. Not only that, but of the $125,000 or so the Corps has invested to date, none has been devoted to construction work.

Due to that combination of circumstances, the DPRWDP was deauthorized in 1993, even though it had been the recipient of nearly $2 million in Federal money over the years and it had received an appropriation as late as 1992. As a consequence, statutory language reauthorizing the project became necessary, otherwise it would not be in a position to compete effectively for subsequent Federal appropriation. WRDA legislation being the proper place for such language, I was pleased with, and gratified by, its inclusion in the committee-reported version of H.R. 3592. My thanks go to the chairman and members of the Transportation and Infrastructure Committee, and especially to the chairman and members of its Water Resources and Environment Subcommittee, for their consideration in that regard.

In closing, let me just say that enactment of this reauthorization language will pay big dividends in the future. Not only will the research data, instruction manuals, and mitigation banks generated by the DPRWDP enable Americans to conserve, construct, and restore valuable wetlands, but the insights provided will be of great benefit to those interested in controlling flooding or in accommodating necessary economic growth without compromising important environmental values. In short, the DPRWDP is a winner in every sense of the word and I urge my colleagues to give it their support by passing the legislation that contains its statutory reauthorization.

Mr. POMEROY. Mr. Speaker, I rise in strong opposition to a provision in the Water Resources Development Act of 1996 which could potentially cause grave harm to the upper Missouri River basin and at the same time set a dangerous and far-reaching precedent for water management in this Nation. I am speaking of section 545 in the bill before us today. This section proposes to extend the navigation season on the Missouri River by 1 month from the current 8-month season. While seemingly insignificant, extension of the navigation season would impact irrigation, drinking water supplies, hydropower generation, flood control efforts, recreational activities, and native fisheries.

According to the Army Corps of Engineers, the most severe impacts of extending the navigation season would be on water supply upstream and flood control downstream. Extension of navigation service by 1 month would require draining almost 1 million acre feet of drought reserve storage from each of the upper basin reservoirs, including Lake Sakakawea in North Dakota. Under this provision the corps would be required to release that water regardless of upstream weather conditions. During a series of drought years, farmers in Montana, North Dakota, and South Dakota could be caught without needed irrigation water, cities and towns could be left with insufficient clean drinking water supplies, hydropower plants could lose generating capacity, and recreation areas may be left high and dry literally miles from the water. These upstream uses of the river, which result in over $1 billion in economic activity annually, would be sacrificed in a short-sighted attempt to support navigation, a minor use of the river, generating only $10 million each year.

The corps has also indicated that this reckless provision may actually lead to increased flooding risks throughout the Missouri basin. Under section 545 the corps would be required to continue navigation releases throughout December, even after the river freezes at Bismarck, ND, and Pierre, SD, increasing the risk of ice jam floods in those cities. The effects downstream, however, could be even worse. The corps has identified the stretches of the river between northwest Iowa and central Missouri as areas most heavily prone to ice jam formation. With the increased water releases expected from extending the navigation season, floods behind ice jams would be more severe than under normal flows. The ice chunks would also be larger, damaging riverbanks, dikes, and possibly even major structures like the Gavins Point Dam. Clearly, extending the navigation season makes little sense from a flood control standpoint.

Diverse interests have expressed their extreme dismay over inclusion of this provision in WRDA. The administration has asked for its removal from the bill. Eight leading environmental advocacy organizations have sent a letter to Congress opposing this attempt to hijack Missouri River management. American Rivers, National Audubon Society, National Wildlife Federation, Environmental Defense Fund, Sierra Club, Friends of the Earth, Sierra Club Legal Defense Fund, and Bass Anglers Sportsman Society all agree that lengthening the navigation season will negatively impact the entire Missouri River basin. The Western Association of Fish and Wildlife Agencies oppose inclusion of this language in the WRDA bill. Even the Governor of Iowa, a downstream State, recently spoke out against extension of navigation through legislation.

If the resounding opposition to this provision and the potential damages from enactment of this provision do not provide enough evidence for its removal its precedent-setting nature should. Section 545 was slipped into the manager's amendment of the WRDA bill at the full committee markup and only subsequently made public. No hearings were conducted to determine its effect on the Missouri basin and not 1 minute of debate was conducted about the advisability of implementing such a scheme. Now this bill is brought up under suspension with no opportunity to have a standalone vote on this special-interest perk. Never before has Congress spelled out specific water management policy in statute, and it should not be doing so today.

Compare, if you will, that process to the one the corps is currently completing to review and update the Missouri River master manual. The corps has spent 6 years and $23 million to conduct a thorough revision of water management on the Missouri River. Many of us are frustrated by the continual delays in the release of the master manual but that does not mean that Congress should circumvent the process. For decades, the professional engineers of the Army Corps have done their best to manage the waters of the United States to the benefit of all uses. To turn water management over to the whim of special interests and political deal-making should make all members with rivers in their districts shudder. We cannot allow the corps to be placed in a statutory straightjacket when it comes to making sound decision about water management.

Finally, Mr. Speaker, I would like to remind Members that final consideration of the 1994 WRDA stalled over upstream-downstream struggles over flood control and navigation. Many Members have necessary and valuable projects in this bill. We must not allow this provision on the Missouri River to hold up the passage of this bill through conference. I urge the chairman and ranking members of the House and Senate committees to strike this language so this necessary water bill can be enacted without delay. Upstream and downstream interests can work together to solve the vexing differences between our regions over Missouri River management. Local representatives have already begun to discuss these issues on the local level. I fervently believe that we should do everything we can to encourage those efforts and stop trying to direct water policy through congressional fiat.

American Rivers, Bass Anglers Sportsman Society, Environmental Defense Fund, Friends of the Earth, National Audubon Society, National Wildlife Federation, Sierra Club, Sierra Club Legal Defense Fund
July 25, 1996.

Dear Member of Congress: The undersigned conservation groups are deeply concerned that a provision in H.R. 3592, the Water Resources Development Act of 1996, would lead to the extinction of several fish and wildlife species that inhabit the Missouri River and reduce opportunities for recreation. Representatives Earl Pomeroy (D-ND), Tim Johnson (D-SD), and Pat Williams

(D–MT) will offer an amendment to strip H.R. 3592 of this provision, and we urge you to support this amendment.

Section 541 of H.R. 3592 would require the U.S. Army Corps of Engineers to release water from the Missouri's six mainstem dams to support navigation from April 1 to December 15, regardless of the amount of water available to support other river uses. Dam releases designed solely to support navigation would not only have devastating environmental consequence but would also reduce economic benefits from hydropower, recreation and water supply. These industries—which generate more than $1 billion in economic benefits annually—would be sacrificed to support an industry that generates a mere $10 million each year.

Despite the economic and environmental impacts of the provision, the Transportation and Infrastructure Committee added Sec. 541 during full committee mark-up without hearing from a single witness. The two-page provision was included in a 70-page manager's amendment that was released to conservation groups after the Committee had already acted.

The Missouri River has been dramatically altered to support navigation. The river's six dams impound the world's largest reservoir system, blocking fish passage and altering the movement of sediment. The river between Sioux City and St. Louis, channelized to one-third of its original width, has lost more than 90 percent of its wetlands, islands, chutes and sandbars. Three federally endangered species are already jeopardized by current water management, according to the U.S. Fish and Wildlife Service. Many others species, including popular sportfish like blue catfish, have fallen to less than 10 percent of their historic populations. This provision would prevent the Corps of Engineers from taking steps necessary to reverse their decline and prevent their extinction.

This amendment will prevent the Corps of Engineers from reducing flood losses. Landowners farming converted side channels and backwaters are among the most flood-prone in the nation. In the wake of flooding in 1993 and 1995, federal programs rebuilt many levees twice, often spending more federal funds on repairs than the protected land was worth. Section 541 would prohibit the Corps from using the conveyance capacity of floodplain lands acquired from willing sellers to protect other floodplain land owners.

This amendment will also have high economic costs. Originally forecast to carry 12 to 20 million tons annually, commercial navigation on the Missouri River peaked at 3.3 million tons in 1977 and has fallen to just 1.5 million tons, generating $10 million in economic benefits. By contrast, Missouri River recreation generates $75 million in economic benefits, water supply generates $450 million, and hydropower generates $625 million. Missouri River navigation accounts for just 1 percent of the economic benefits produced by the river, and is the means of transportation for only one-tenth of 1 percent of the corn produced in Missouri, Kansas, Iowa and Nebraska. Just 2 percent of the wheat produced in those states is shipped by Missouri River barge.

Despite the economic insignificance of Missouri River navigation, Section 541 would direct the Corps of Engineers to extend the navigation season at enormous expense to other river industries. The provision would prevent the Corps from managing the Missouri's dams to support Mississippi River navigation during periods of low water. Section 541 would also require dam releases to support Missouri River navigation regardless of the amount of water in the system, potentially exacerbating downstream flooding or wasting precious water during droughts.

We urge you to support the amendment offered by Representatives Earl Pomeroy (D–ND), Tim Johnson (D–SD), and Pat Williams (D–MT) to strip H.r. 3592 of this provision.

Sincerely,

SCOTT FABER,
American Rivers.
BRUCE SHUPP,
Bass Anglers Sportsman Society.
TIM SEARCHINGER,
Environmental Defense Fund.
GALWAIN KRIPKE,
Friends of the Earth.
JOHN ECHEVERRIA,
National Audubon Society.
DAVID CONRAD,
National Wildlife Federation.
JONATHAN ELA,
Sierra Club.
AMY MATHEWS-AMOS,
Sierra Club Legal Defense Fund.

STATE OF NORTH DAKOTA,
Bismarck, ND, July 26, 1996.

Hon. BUD SHUSTER,
Chairman, Transportation and Infrastructure Committee, Washington, DC.

DEAR CONGRESSMAN SHUSTER: I am deeply concerned with the obviously flawed provision in H.R. 3592, the Water Resources Development Act of 1996. The bill contains language requiring the U.S. Army Corps of Engineers to extend the navigation season on the Missouri River by one month, regardless of the amount of water available to support the other authorized primary uses. This provision would be devastating, especially during drought periods when system releases are to be reduced to save and ensure water in storage for all users, including navigation. This provision is ill-conceived and irresponsibly allows for abuse of our precious natural resources and is a license to steal water.

The economic and environmental impacts of Section 541 of H.R. 3592 would cause severe economic impacts to all Missouri River Basin states and their stakeholders. The current system operation is already extremely biased and heavily favors a minuscule, dwindling, archaic, heavily subsidized and highly marginal Missouri River navigation. Barge traffic produces only one percent of the annual net economic benefits derived from the management of the Missouri River. A decision by the political winds and pork barrel special interests of Washington should not destroy sensible water management. The Missouri River and its reservoirs are under the care of all of us, not a special interest group. I ask that you strike this language and leave the complicated matters of reservoir operations in the hands of the U.S. Corps of Engineers and the basin states.

Sincerely,

EDWARD T. SCHAFER
Governor.

WESTERN ASSOCIATION OF FISH AND WILDLIFE AGENCIES, RESOLUTION, OPPOSITION TO EXTENDED NAVIGATION ON THE LOWER MISSOURI RIVER

Whereas, the uses of Missouri River water for fish, wildlife, recreation, and other related beneficial purposes have been well documented; and

Whereas, the benefits of these fish, wildlife, and water-based activities have been shown to generate millions of dollars to the citizens of the United States; and

Whereas, the Corps of Engineers is nearing completion of a long-term, $20+ million review of its operating criteria and procedures (Master Manual review process) of six Missouri River impoundments; and

Whereas, all eight Missouri River basin states and all basin tribes have supported the Corps Master Manual review process; and

Whereas, the U.S. Congress is poised to legislatively require a one-month extension of navigation flow which will lower water levels in Missouri River mainstream reservoirs and severely limit the Corps operational flexibility, and this would be in contradiction to the findings of the Corps Master Manual review; and

Whereas, the impacts of lowering the water level in these reservoirs have been shown to be detrimental to fish species including native and endangered species; and

Whereas, the benefits of retaining water in mainstream reservoirs have been shown to far exceed the benefits of moving water downstream for navigation purposes on the lower Missouri: Now, therefore, be it

Resolved, that the Western Association of Fish and Wildlife Agencies, at its annual meeting on July 26, 1996, at Honolulu, Hawaii, supports deletion of Section 541 of the Water Resources Development Act of 1996 (H.R. 3592) which would require a one-month extension of the navigation season on the lower Missouri River, despite accelerating the dewatering of the reservoirs which support fish and wildlife uses, and would circumvent the Corps own review of their operating procedures.

Mrs. KELLY. Mr. Speaker, I rise in very strong support of H.R. 3592, the Water Resources Development Act, which authorizes projects and programs of the civil works program of the Army Corps of Engineers.

Mr. Speaker, this legislation is strongly bipartisan, and places special emphasis on protecting the environment. In fact, I believe it should be stressed that passage of this legislation represents an important environmental accomplishment for this Congress.

Of particular importance to the Hudson Valley, I would like to draw attention to section 551 of the act, which incorporates the provisions of legislation that I have introduced, H.R. 3471, the Hudson River Habitat Restoration Act. The legislation which we are considering today authorizes $11 million for at least four habitat restoration projects along the Hudson River basin.

Mr. Speaker, the Hudson River estuary is an important habitat to a wide range of waterfowl and aquatic species. Many important habitats along the river—wetlands, marshes, and so forth—have been degraded over the past century as industry and agriculture grew along the river. The legislation that I have introduced seeks Federal funding for critical habitat projects identified by the Corps of Engineers and New York's Department of Environmental Conservation.

I recently had the pleasure of touring one of the proposed sites, the Manitou Marsh near Philipstown in my district. Tidal marshes such as this one represent a very productive ecosystem, a wonderful habitat for raptors, waterfowl and fish, and serve to clean pollutants from the river. Road and factory construction dating from the 19th century has adversely affected the tidal flows in and out of the marsh, a problem this legislation seeks to correct.

This legislation supports an ongoing and cooperative effort that has involved various levels of government, including the U.S. Army

Corps of Engineers and the New York Department of Environmental Conservation, local environmental organizations, such as the Museum of the Hudson Highlands, Scenic Hudson, and the Audubon Society, as well as private sector businesses, such as Metro North Railroad.

I urge my colleagues to join me in support of this important and vital environmental legislation.

Mr. SCARBOROUGH. Mr. Speaker, I rise today in support of the Water Resources Development Act of 1996 which is being considered under suspension of the rules. It is my hope that my colleagues will support this bill and that it will be conferenced soon and sent to the President for his prompt signature.

I would like to take this opportunity to commend Chairman SHUSTER and his staff for their work on behalf of a very important project in my district. As my colleagues are aware, last year's hurricane season was especially rough on the beaches of the Florida Panhandle. We took direct hits from two major storms, Hurricanes Opal and Erin. Major damage was inflicted on northwest Florida with the most severe destruction appearing along the beautiful beaches of the Gulf of Mexico.

Panama City Beach sustained a considerable amount of damage to structures along the beach as well as to the beach itself. Since before 1970, Panama City Beach has suffered damage due to storms and erosion, a significant portion due to federally sponsored activities. In October 1995, Hurricane Opal aggravated the deterioration of the beach significantly by washing away millions of cubic yards of sand and destroying over 1,000 homes and exposing upland development to damage from future storms.

The community has been seeking Federal help since 1970 but has yet to see a single dollar. It has, however, received the commitment of over $10 million from the State of Florida as well as the commitment of local funds. Unfortunately, as of yet, the Federal share has not been appropriated even though the project meets all the criteria for Federal assistance.

However, through this bill, we were able to make this project eligible for Federal reimbursement through project modification language. This will give the community a much-needed opportunity to proceed with the project without waiting any longer for the Federal share. The residents of this coastal community cannot afford to wait another year to begin this essential beach protection project. However, it is my sincerest wish that the Panama City Beach project will receive its Federal share as soon as possible to help the community's efforts.

On behalf of the people of Panama City and its surrounding communities, I would like to thank the chairman for his work on this very important piece of legislation.

Mr. SHUSTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. SHUSTER] that the House suspend the rules and pass the bill, H.R. 3592, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 640) to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 640

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Water Resources Development Act of 1996".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Project modifications.
Sec. 103. Project deauthorizations.
Sec. 104. Studies.

TITLE II—PROJECT-RELATED PROVISIONS

Sec. 201. Grand Prairie Region and Bayou Meto Basin, Arkansas.
Sec. 202. Heber Springs, Arkansas.
Sec. 203. Morgan Point, Arkansas.
Sec. 204. White River Basin Lakes, Arkansas and Missouri.
Sec. 205. Central and Southern Florida.
Sec. 206. West Palm Beach, Florida.
Sec. 207. Everglades and South Florida ecosystem restoration.
Sec. 208. Arkansas City and Winfield, Kansas.
Sec. 209. Mississippi River-Gulf Outlet, Louisiana.
Sec. 210. Coldwater River Watershed, Mississippi.
Sec. 211. Periodic maintenance dredging for Greenville Inner Harbor Channel, Mississippi.
Sec. 212. Sardis Lake, Mississippi.
Sec. 213. Yalobusha River Watershed, Mississippi.
Sec. 214. Libby Dam, Montana.
Sec. 215. Small flood control project, Malta, Montana.
Sec. 216. Cliffwood Beach, New Jersey.
Sec. 217. Fire Island Inlet, New York.
Sec. 218. Queens County, New York.
Sec. 219. Buford Trenton Irrigation District, North Dakota and Montana.
Sec. 220. Jamestown Dam and Pipestem Dam, North Dakota.
Sec. 221. Wister Lake project, LeFlore County, Oklahoma.
Sec. 222. Willamette River, McKenzie Subbasin, Oregon.
Sec. 223. Abandoned and wrecked barge removal, Rhode Island.
Sec. 224. Providence River and Harbor, Rhode Island.
Sec. 225. Cooper Lake and Channels, Texas.
Sec. 226. Rudee Inlet, Virginia Beach, Virginia.
Sec. 227. Virginia Beach, Virginia.

TITLE III—GENERAL PROVISIONS

Sec. 301. Cost-sharing for environmental projects.
Sec. 302. Collaborative research and development.
Sec. 303. National dam safety program.
Sec. 304. Hydroelectric power project uprating.
Sec. 305. Federal lump-sum payments for Federal operation and maintenance costs.
Sec. 306. Cost-sharing for removal of existing project features.
Sec. 307. Termination of technical advisory committee.
Sec. 308. Conditions for project deauthorizations.
Sec. 309. Participation in international engineering and scientific conferences.
Sec. 310. Research and development in support of Army civil works program.
Sec. 311. Interagency and international support authority.
Sec. 312. Section 1135 program.
Sec. 313. Environmental dredging.
Sec. 314. Feasibility studies.
Sec. 315. Obstruction removal requirement.
Sec. 316. Levee owners manual.
Sec. 317. Risk-based analysis methodology.
Sec. 318. Sediments decontamination technology.
Sec. 319. Melaleuca tree.
Sec. 320. Faulkner Island, Connecticut.
Sec. 321. Designation of lock and dam at the Red River Waterway, Louisiana.
Sec. 322. Jurisdiction of Mississippi River Commission, Louisiana.
Sec. 323. William Jennings Randolph access road, Garrett County, Maryland.
Sec. 324. Arkabutla Dam and Lake, Mississippi.
Sec. 325. New York State canal system.
Sec. 326. Quonset Point-Davisville, Rhode Island.
Sec. 327. Clouter Creek disposal area, Charleston, South Carolina.
Sec. 328. Nuisance aquatic vegetation in Lake Gaston, Virginia and North Carolina.
Sec. 329. Washington Aqueduct.
Sec. 330. Chesapeake Bay environmental restoration and protection program.
Sec. 331. Research and development program to improve salmon survival.
Sec. 332. Recreational user fees.
Sec. 333. Shore protection.
Sec. 334. Shoreline erosion control demonstration.
Sec. 335. Review period for State and Federal agencies.
Sec. 336. Dredged material disposal facilities.
Sec. 337. Applicability of cost-sharing provisions.
Sec. 338. Section 215 reimbursement limitation per project.
Sec. 339. Waiver of uneconomical cost-sharing requirement.
Sec. 340. Planning assistance to States.
Sec. 341. Recovery of costs for cleanup of hazardous substances.
Sec. 342. City of North Bonneville, Washington.

Sec. 343. Columbia River Treaty Fishing Access.
Sec. 344. Tri-Cities area, Washington.
Sec. 345. Designation of locks and dams on Tennessee-Tombigbee Waterway.
Sec. 346. Designation of J. Bennett Johnston Waterway.
Sec. 347. Technical corrections.

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term "Secretary" means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH REPORTS.—Except as otherwise provided in this subsection, the following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, recommended in the respective reports designated in this subsection:

(1) HUMBOLDT HARBOR AND BAY, CALIFORNIA.—The project for navigation, Humboldt Harbor and Bay, California: Report of the Chief of Engineers, dated October 30, 1995, at a total cost of $15,180,000, with an estimated Federal cost of $10,116,000 and an estimated non-Federal cost of $5,064,000.

(2) MARIN COUNTY SHORELINE, SAN RAFAEL CANAL, CALIFORNIA.—The project for hurricane and storm damage reduction, Marin County Shoreline, San Rafael Canal, California: Report of the Chief of Engineers, dated January 28, 1994, at a total cost of $27,200,000, with an estimated Federal cost of $17,700,000 and an estimated non-Federal cost of $9,500,000.

(3) SAN LORENZO RIVER, CALIFORNIA.—The project for flood control, San Lorenzo River, California: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $16,100,000, with an estimated Federal cost of $8,100,000 and an estimated non-Federal cost of $8,000,000 and the habitat restoration, at a total cost of $4,050,000, with an estimated Federal cost of $3,040,000 and an estimated non-Federal cost of $1,010,000.

(4) SANTA BARBARA HARBOR, SANTA BARBARA COUNTY, CALIFORNIA.—The project for navigation, Santa Barbara Harbor, Santa Barbara, California: Report of the Chief of Engineers, dated April 26, 1994, at a total cost of $5,720,000, with an estimated Federal cost of $4,580,000 and an estimated non-Federal cost of $1,140,000.

(5) ANACOSTIA RIVER AND TRIBUTARIES, DISTRICT OF COLUMBIA AND MARYLAND.—The project for environmental restoration, Anacostia River and tributaries, District of Columbia and Maryland: Report of the Chief of Engineers, dated October 1994, at a total cost of $18,820,000, with an estimated Federal cost of $14,120,000 and an estimated non-Federal cost of $4,700,000.

(6) PALM VALLEY BRIDGE REPLACEMENT, ST. JOHNS COUNTY, FLORIDA.—The project for navigation, Palm Valley Bridge, County Road 210, over the Atlantic Intracoastal Waterway in St. Johns County, Florida: Report of the Chief of Engineers, dated June 24, 1994, at a total Federal cost of $15,312,000. As a condition of receipt of Federal funds, St. Johns County shall assume full ownership of the replacement bridge, including all associated operation, maintenance, repair, replacement, and rehabilitation costs.

(7) ILLINOIS SHORELINE STORM DAMAGE REDUCTION, WILMETTE TO ILLINOIS AND INDIANA STATE LINE.—The project for lake level flooding and storm damage reduction, extending from Wilmette, Illinois, to the Illinois and Indiana State line: Report of the Chief of Engineers, dated April 14, 1994, at a total cost of $204,000,000, with an estimated Federal cost of $110,000,000 and an estimated non-Federal cost of $94,000,000. The Secretary shall reimburse the non-Federal interest for the Federal share of any costs that the non-Federal interest incurs in constructing the breakwater near the South Water Filtration Plant, Chicago, Illinois.

(8) KENTUCKY LOCK ADDITION, KENTUCKY.—The project for navigation, Kentucky Lock Addition, Kentucky: Report of the Chief of Engineers, dated June 1, 1992, at a total cost of $467,000,000. The construction costs of the project shall be paid—

(A) 50 percent from amounts appropriated from the general fund of the Treasury; and

(B) 50 percent from amounts appropriated from the Inland Waterways Trust Fund established by section 9506 of the Internal Revenue Code of 1986.

(9) POND CREEK, KENTUCKY.—The project for flood control, Pond Creek, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $16,865,000, with an estimated Federal cost of $11,243,000 and an estimated non-Federal cost of $5,622,000.

(10) WOLF CREEK HYDROPOWER, CUMBERLAND RIVER, KENTUCKY.—The project for hydropower, Wolf Creek Dam and Lake Cumberland, Kentucky: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $50,230,000. Funds derived by the Tennessee Valley Authority from the power program of the Authority and funds derived from any private or public entity designated by the Southeastern Power Administration may be used for all or part of any cost-sharing requirements for the project.

(11) PORT FOURCHON, LOUISIANA.—The project for navigation, Port Fourchon, Louisiana: Report of the Chief of Engineers, dated April 7, 1995, at a total cost of $2,812,000, with an estimated Federal cost of $2,211,000 and an estimated non-Federal cost of $601,000.

(12) WEST BANK HURRICANE PROTECTION LEVEE, JEFFERSON PARISH, LOUISIANA.—The West Bank Hurricane Protection Levee, Jefferson Parish, Louisiana project, authorized by section 401(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4128), is modified to authorize the Secretary to extend protection to areas east of the Harvey Canal, including an area east of the Algiers Canal: Report of the Chief of Engineers, dated May 1, 1995, at a total cost of $217,000,000, with an estimated Federal cost of $141,400,000 and an estimated non-Federal cost of $75,600,000.

(13) STABILIZATION OF NATCHEZ BLUFFS, MISSISSIPPI.—The project for bluff stabilization, Natchez Bluffs, Natchez, Mississippi: Natchez Bluffs Study, dated September 1985, Natchez Bluffs Study: Supplement I, dated June 1990, and Natchez Bluffs Study: Supplement II, dated December 1993, in the portions of the bluffs described in the reports designated in this paragraph as Clifton Avenue, area 3; Bluff above Silver Street, area 6; Bluff above Natchez Under-the-Hill, area 7; and Madison Street to State Street, area 4, at a total cost of $17,200,000, with an estimated Federal cost of $12,900,000 and an estimated non-Federal cost of $4,300,000.

(14) WOOD RIVER AT GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River at Grand Island, Nebraska: Report of the Chief of Engineers, dated May 3, 1994, at a total cost of $10,500,000, with an estimated Federal cost of $5,250,000 and an estimated non-Federal cost of $5,250,000.

(15) ATLANTIC COAST OF LONG ISLAND, NEW YORK.—The project for hurricane and storm damage reduction, Atlantic Coast of Long Island from Jones Inlet to East Rockaway Inlet, Long Beach Island, New York: Report of the Chief of Engineers, dated April 5, 1996, at a total cost of $72,091,000, with an estimated Federal cost of $46,859,000 and an estimated non-Federal cost of $25,232,000.

(16) WILMINGTON HARBOR, CAPE FEAR-NORTHEAST CAPE FEAR RIVERS, NORTH CAROLINA.—The project for navigation, Wilmington Harbor, Cape Fear-Northeast Cape Fear Rivers, North Carolina: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $23,290,000, with an estimated Federal cost of $16,955,000 and an estimated non-Federal cost of $6,335,000.

(17) DUCK CREEK, OHIO.—The project for flood control, Duck Creek, Cincinnati, Ohio: Report of the Chief of Engineers, dated June 28, 1994, at a total cost of $15,408,000, with an estimated Federal cost of $11,556,000 and an estimated non-Federal cost of $3,852,000.

(18) BIG SIOUX RIVER AND SKUNK CREEK AT SIOUX FALLS, SOUTH DAKOTA.—The project for flood control, Big Sioux River and Skunk Creek at Sioux Falls, South Dakota: Report of the Chief of Engineers, dated June 30, 1994, at a total cost of $31,600,000, with an estimated Federal cost of $23,600,000 and an estimated non-Federal cost of $8,000,000.

(19) HOUSTON-GALVESTON NAVIGATION CHANNELS, TEXAS.—The project for navigation and environmental restoration, Houston-Galveston Navigation Channels, Texas: Report of the Chief of Engineers, dated May 9, 1996, at a total cost of $508,757,000, with an estimated Federal cost of $286,141,000 and an estimated non-Federal cost of $222,616,000.

(20) ATLANTIC INTRACOASTAL WATERWAY BRIDGE REPLACEMENT AT GREAT BRIDGE, CHESAPEAKE, VIRGINIA.—The project for navigation at Great Bridge, Virginia Highway 168, over the Atlantic Intracoastal Waterway in Chesapeake, Virginia: Report of the Chief of Engineers, dated July 1, 1994, at a total cost of $23,680,000, with an estimated Federal cost of $20,341,000 and an estimated non-Federal cost of $3,339,000. The city of Chesapeake shall assume full ownership of the replacement bridge, including all associated operation, maintenance, repair, replacement, and rehabilitation costs.

(21) MARMET LOCK REPLACEMENT, KANAWHA RIVER, WEST VIRGINIA.—The project for navigation, Marmet Lock Replacement, Marmet Locks and Dam, Kanawha River, West Virginia: Report of the Chief of Engineers, dated June 24, 1994, at a total cost of $229,581,000. The construction costs of the project shall be paid—

(A) 50 percent from amounts appropriated from the general fund of the Treasury; and

(B) 50 percent from amounts appropriated from the Inland Waterways Trust Fund established by section 9506 of the Internal Revenue Code of 1986.

(b) PROJECTS SUBJECT TO FAVORABLE REPORT.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, recommended in a favorable final report (or in the case of the project described in paragraph (6), a favorable feasibility report) of the Chief of Engineers, if the report is completed not later than December 31, 1996:

(1) CHIGNIK, ALASKA.—The project for navigation, Chignik, Alaska, at a total cost of $10,365,000, with an estimated Federal cost of $4,344,000 and an estimated non-Federal cost of $6,021,000.

(2) COOK INLET, ALASKA.—The project for navigation, Cook Inlet, Alaska, at a total

cost of $5,342,000, with an estimated Federal cost of $4,006,000 and an estimated non-Federal cost of $1,336,000.

(3) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction, American and Sacramento Rivers, California: Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $57,300,000, with an estimated Federal cost of $42,975,000 and an estimated non-Federal cost of $14,325,000, consisting of—

(i) approximately 24 miles of slurry wall in the levees along the lower American River;

(ii) approximately 12 miles of levee modifications along the east bank of the Sacramento River downstream from the Natomas Cross Canal;

(iii) 3 telemeter streamflow gauges upstream from the Folsom Reservoir; and

(iv) modifications to the flood warning system along the lower American River.

(B) CREDIT TOWARD NON-FEDERAL SHARE.—The non-Federal interest shall receive credit toward the non-Federal share of project costs for expenses that the non-Federal interest incurs for design or construction of any of the features authorized under this paragraph before the date on which Federal funds are made available for construction of the project. The amount of the credit shall be determined by the Secretary.

(C) INTERIM OPERATION.—Until such time as a comprehensive flood control plan for the American River watershed has been implemented, the Secretary of the Interior shall continue to operate the Folsom Dam and Reservoir to the variable 400,000/670,000 acre-feet of flood control storage capacity and shall extend the agreement between the Bureau of Reclamation and the Sacramento Area Flood Control Agency with respect to the watershed.

(D) OTHER COSTS.—The non-Federal interest shall be responsible for—

(i) all operation, maintenance, repair, replacement, and rehabilitation costs associated with the improvements carried out under this paragraph; and

(ii) the costs of the variable flood control operation of the Folsom Dam and Reservoir.

(4) SANTA MONICA BREAKWATER, CALIFORNIA.—The project for hurricane and storm damage reduction, Santa Monica breakwater, California, at a total cost of $6,440,000, with an estimated Federal cost of $4,220,000 and an estimated non-Federal cost of $2,220,000.

(5) LOWER SAVANNAH RIVER BASIN, SAVANNAH RIVER, GEORGIA AND SOUTH CAROLINA.—The project for environmental restoration, Lower Savannah River Basin, Savannah River, Georgia and South Carolina, at a total cost of $3,419,000, with an estimated Federal cost of $2,551,000 and an estimated non-Federal cost of $868,000.

(6) NEW HARMONY, INDIANA.—The project for shoreline erosion protection, Wabash River at New Harmony, Indiana, at a total cost of $2,800,000, with an estimated Federal cost of $2,100,000 and an estimated non-Federal cost of $700,000.

(7) CHESAPEAKE AND DELAWARE CANAL, MARYLAND AND DELAWARE.—The project for navigation and safety improvements, Chesapeake and Delaware Canal, Baltimore Harbor channels, Delaware and Maryland, at a total cost of $33,000,000, with an estimated Federal cost of $25,000,000 and an estimated non-Federal cost of $8,000,000.

(8) POPLAR ISLAND, MARYLAND.—The project for beneficial use of clean dredged material in connection with the dredging of Baltimore Harbor and connecting channels, Poplar Island, Maryland, at a total cost of $307,000,000, with an estimated Federal cost of $230,000,000 and an estimated non-Federal cost of $77,000,000.

(9) LAS CRUCES, NEW MEXICO.—The project for flood damage reduction, Las Cruces, New Mexico, at a total cost of $8,278,000, with an estimated Federal cost of $5,494,000 and an estimated non-Federal cost of $2,784,000.

(10) CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Cape Fear River deepening, North Carolina, at a total cost of $210,264,000, with an estimated Federal cost of $130,159,000 and an estimated non-Federal cost of $80,105,000.

(11) CHARLESTON HARBOR, SOUTH CAROLINA.—The project for navigation, Charleston Harbor, South Carolina, at a total cost of $116,639,000, with an estimated Federal cost of $72,798,000 and an estimated non-Federal cost of $43,841,000.

SEC. 102. PROJECT MODIFICATIONS.

(a) MOBILE HARBOR, ALABAMA.—The undesignated paragraph under the heading "MOBILE HARBOR, ALABAMA" in section 201(a) of the Water Resources Development Act of 1986 (Public 99–662; 100 Stat. 4090) is amended by striking the first semicolon and all that follows and inserting a period and the following: "In disposing of dredged material from the project, the Secretary, after compliance with applicable laws and after opportunity for public review and comment, may consider alternatives to disposal of such material in the Gulf of Mexico, including environmentally acceptable alternatives consisting of beneficial uses of dredged material and environmental restoration.".

(b) SAN FRANCISCO RIVER AT CLIFTON, ARIZONA.—If a favorable final report of the Chief of Engineers is issued not later than December 31, 1996, the project for flood control on the San Francisco River at Clifton, Arizona, authorized by section 101(a)(3) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4606), is modified to authorize the Secretary to construct the project at a total cost of $21,100,000, with an estimated Federal cost of $13,800,000 and an estimated non-Federal cost of $7,300,000.

(c) LOS ANGELES AND LONG BEACH HARBORS, SAN PEDRO BAY, CALIFORNIA.—The project for navigation, Los Angeles and Long Beach Harbors, San Pedro Bay, California, authorized by section 201 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4091), is modified to provide that, for the purpose of section 101(a)(2) of the Act (33 U.S.C. 2211(a)(2)), the sewer outfall relocated over a distance of 4,458 feet by the Port of Los Angeles at a cost of approximately $12,000,000 shall be considered to be a relocation.

(d) OAKLAND HARBOR, CALIFORNIA.—The projects for navigation, Oakland Outer Harbor, California, and Oakland Inner Harbor, California, authorized by section 202(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4092), are modified to combine the 2 projects into 1 project, to be designated as the Oakland Harbor, California, project. The Oakland Harbor, California, project shall be carried out by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the reports designated for the projects in the section, except that the non-Federal share of project cost and any available credits toward the non-Federal share shall be calculated on the basis of the total cost of the combined project. The total cost of the combined project is $102,600,000, with an estimated Federal cost of $64,120,000 and an estimated non-Federal cost of $38,480,000.

(e) BROWARD COUNTY, FLORIDA.—

(1) IN GENERAL.—The Secretary shall provide periodic beach nourishment for the Broward County, Florida, Hillsborough Inlet to Port Everglades (Segment II), shore protection project, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1090), through the year 2020. The beach nourishment shall be carried out in accordance with the recommendations of the section 934 study and reevaluation report for the project carried out under section 156 of the Water Resources Development Act of 1976 (42 U.S.C. 1962d–5f) and approved by the Chief of Engineers by memorandum dated June 9, 1995.

(2) COSTS.—The total cost of the activities required under this subsection shall not exceed $15,457,000, of which the Federal share shall not exceed $9,846,000.

(f) CANAVERAL HARBOR, FLORIDA.—The project for navigation, Canaveral Harbor, Florida, authorized by section 101(7) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4802), is modified to authorize the Secretary to reclassify the removal and replacement of stone protection on both sides of the channel as general navigation features of the project subject to cost sharing in accordance with section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a)). The Secretary may reimburse the non-Federal interests for such costs incurred by the non-Federal interests in connection with the removal and replacement as the Secretary determines are in excess of the non-Federal share of the costs of the project required under the section.

(g) FORT PIERCE, FLORIDA.—The Secretary shall provide periodic beach nourishment for the Fort Pierce beach erosion control project, St. Lucie County, Florida, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1092), through the year 2020.

(h) TYBEE ISLAND, GEORGIA.—The Secretary shall provide periodic beach nourishment for a period of up to 50 years for the project for beach erosion control, Tybee Island, Georgia, constructed under section 201 of the Flood Control Act of 1965 (42 U.S.C. 1962d–5).

(i) NORTH BRANCH OF CHICAGO RIVER, ILLINOIS.—The project for flood control for the North Branch of the Chicago River, Illinois, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4115), is modified to authorize the Secretary to carry out the project substantially in accordance with the post authorization change report for the project dated March 1994, at a total cost of $34,228,000, with an estimated Federal cost of $20,905,000 and an estimated non-Federal cost of $13,323,000.

(j) HALSTEAD, KANSAS.—The project for flood control, Halstead, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4116), is modified to authorize the Secretary to construct the project substantially in accordance with the post authorization change report for the project dated March 1993, at a total cost of $11,100,000, with an estimated Federal cost of $8,325,000 and an estimated non-Federal cost of $2,775,000.

(k) BAPTISTE COLLETTE BAYOU, LOUISIANA.—The project for navigation, Mississippi River Outlets, Venice, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90–483; 82 Stat. 731), is modified to provide for the extension of the 16-

foot deep (mean low gulf) by 250-foot wide Baptiste Collette Bayou entrance channel to approximately mile 8 of the Mississippi River Gulf Outlet navigation channel at a total estimated Federal cost of $80,000, including $4,000 for surveys and $76,000 for Coast Guard aids to navigation.

(l) COMITE RIVER, LOUISIANA.—If a favorable final report of the Chief of Engineers is issued not later than December 31, 1996, the Comite River diversion project for flood control authorized as part of the project for flood control, Amite River and Tributaries, Louisiana, by section 101(11) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4802), is modified to authorize the Secretary to construct the project at a total cost of $121,600,000, with an estimated Federal cost of $70,577,000 and an estimated non-Federal cost of $51,023,000.

(m) MISSISSIPPI RIVER SHIP CHANNEL, GULF TO BATON ROUGE, LOUISIANA.—The project for navigation, Mississippi River Ship Channel, Gulf to Baton Rouge, Louisiana, authorized by the matter under the heading "CORPS OF ENGINEERS—CIVIL" under the heading "DEPARTMENT OF DEFENSE—CIVIL" in chapter IV of title I of the Supplemental Appropriations Act, 1985 (99 Stat. 313), is modified to require the Secretary, as part of the operations and maintenance segment of the project, to assume responsibility for periodic maintenance dredging of the Chalmette Slip to a depth of minus 33 feet mean low gulf, if the Secretary determines that the project modification is economically justified, environmentally acceptable, and consistent with other Federal policies.

(n) RED RIVER WATERWAY, MISSISSIPPI RIVER TO SHREVEPORT, LOUISIANA.—The project for navigation, Red River Waterway, Mississippi River to Shreveport, Louisiana, authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90–483; 82 Stat. 731), is modified to require the Secretary to dredge and perform other related work as required to reestablish and maintain access to, and the environmental value of, the bendway channels designated for preservation in project documentation prepared before the date of enactment of this Act. The work shall be carried out in accordance with the local cooperation requirements for other navigation features of the project.

(o) WESTWEGO TO HARVEY CANAL, LOUISIANA.—If a favorable post authorization change report is issued not later than December 31, 1996, the project for hurricane damage prevention and flood control, Westwego to Harvey Canal, Louisiana, authorized by section 401(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4128), is modified to include the Lake Cataouatche area levee as part of the project at a total cost of $14,375,000, with an estimated Federal cost of $9,344,000 and an estimated non-Federal cost of $5,031,000.

(p) TOLCHESTER CHANNEL, MARYLAND.—The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (Public Law 85–500; 72 Stat. 297), is modified to direct the Secretary—

(1) to expedite review of potential straightening of the channel at the Tolchester Channel S-Turn; and

(2) if before December 31, 1996, it is determined to be feasible and necessary for safe and efficient navigation, to implement the straightening as part of project maintenance.

(q) STILLWATER, MINNESOTA.—Not later than 1 year after the date of enactment of this Act, the Secretary shall prepare a design memorandum for the project authorized by section 363 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4861). The design memorandum shall include an evaluation of the Federal interest in construction of that part of the project that includes the secondary flood wall, but shall not include an evaluation of the reconstruction and extension of the levee system for which construction is scheduled to commence in 1996. If the Secretary determines that there is such a Federal interest, the Secretary shall construct the secondary flood wall, or the most feasible alternative, at a total project cost of not to exceed $11,600,000. The Federal share of the cost shall be 75 percent.

(r) CAPE GIRARDEAU, MISSOURI.—The project for flood control, Cape Girardeau, Jackson Metropolitan Area, Missouri, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4118–4119), is modified to authorize the Secretary to carry out the project, including the implementation of nonstructural measures, at a total cost of $44,700,000, with an estimated Federal cost of $32,600,000 and an estimated non-Federal cost of $12,100,000.

(s) FLAMINGO AND TROPICANA WASHES, NEVADA.—The project for flood control, Las Vegas Wash and Tributaries (Flamingo and Tropicana Washes), Nevada, authorized by section 101(13) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4803), is modified to provide that the Secretary shall reimburse the non-Federal sponsors (or other appropriate non-Federal interests) for the Federal share of any costs that the non-Federal sponsors (or other appropriate non-Federal interests) incur in carrying out the project consistent with the project cooperation agreement entered into with respect to the project.

(t) NEWARK, NEW JERSEY.—The project for flood control, Passaic River Main Stem, New Jersey and New York, authorized by paragraph (18) of section 101(a) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4607) (as amended by section 102(p) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4807)), is modified to separate the project element described in subparagraph (B) of the paragraph. The project element shall be considered to be a separate project and shall be carried out in accordance with the subparagraph.

(u) ACEQUIAS IRRIGATION SYSTEM, NEW MEXICO.—The second sentence of section 1113(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4232) is amended by inserting before the period at the end the following: ", except that the Federal share of scoping and reconnaissance work carried out by the Secretary under this section shall be 100 percent".

(v) WILMINGTON HARBOR-NORTHEAST CAPE FEAR RIVER, NORTH CAROLINA.—The project for navigation, Wilmington Harbor-Northeast Cape Fear River, North Carolina, authorized by section 202(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4095), is modified to authorize the Secretary to construct the project substantially in accordance with the general design memorandum for the project dated April 1990 and the general design memorandum supplement for the project dated February 1994, at a total cost of $50,921,000, with an estimated Federal cost of $25,128,000 and an estimated non-Federal cost of $25,793,000.

(w) BROKEN BOW LAKE, RED RIVER BASIN, OKLAHOMA.—The project for flood control and water supply, Broken Bow Lake, Red River Basin, Oklahoma, authorized by section 203 of the Flood Control Act of 1958 (Public Law 85–500; 72 Stat. 309) and modified by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1187) and section 102(v) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4808), is further modified to provide for the reallocation of a sufficient quantity of water supply storage space in Broken Bow Lake to support the Mountain Fork trout fishery. Releases of water from Broken Bow Lake for the Mountain Fork trout fishery as mitigation for the loss of fish and wildlife resources in the Mountain Fork River shall be carried out at no expense to the State of Oklahoma.

(x) COLUMBIA RIVER DREDGING, OREGON AND WASHINGTON.—The project for navigation, Lower Willamette and Columbia Rivers below Vancouver, Washington and Portland, Oregon, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, preservation, and completion of certain public works on rivers and harbors, and for other purposes", approved June 18, 1878 (20 Stat. 157), is modified to direct the Secretary—

(1) to conduct channel simulation and to carry out improvements to the deep draft channel between the mouth of the river and river mile 34, at a cost not to exceed $2,400,000; and

(2) to conduct overdepth and advance maintenance dredging that is necessary to maintain authorized channel dimensions.

(y) GRAYS LANDING, LOCK AND DAM 7, MONONGAHELA RIVER, PENNSYLVANIA.—The project for navigation, Lock and Dam 7 Replacement, Monongahela River, Pennsylvania, authorized by section 301(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4110), is modified to authorize the Secretary to carry out the project in accordance with the post authorization change report for the project dated September 1, 1995, at a total Federal cost of $181,000,000.

(z) SAW MILL RUN, PENNSYLVANIA.—The project for flood control, Saw Mill Run, Pittsburgh, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4124), is modified to authorize the Secretary to carry out the project substantially in accordance with the post authorization change and general reevaluation report for the project, dated April 1994, at a total cost of $12,780,000, with an estimated Federal cost of $9,585,000 and an estimated non-Federal cost of $3,195,000.

(aa) WYOMING VALLEY, PENNSYLVANIA.—The project for flood control, Wyoming Valley, Pennsylvania, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4124), is modified to authorize the Secretary—

(1) to include as part of the construction of the project mechanical and electrical upgrades to stormwater pumping stations in the Wyoming Valley; and

(2) to carry out mitigation measures that the Secretary is otherwise authorized to carry out but that the general design memorandum for phase II of the project, as approved by the Assistant Secretary of the Army having responsibility for civil works on February 15, 1996, provides will be carried out for credit by the non-Federal interest with respect to the project.

(bb) ALLENDALE DAM, NORTH PROVIDENCE, RHODE ISLAND.—The project for reconstruction of the Allendale Dam, North Providence, Rhode Island, authorized by section

358 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4861), is modified to authorize the Secretary to reconstruct the dam, at a total cost of $350,000, with an estimated Federal cost of $262,500 and an estimated non-Federal cost of $87,500.

(cc) INDIA POINT RAILROAD BRIDGE, SEEKONK RIVER, PROVIDENCE, RHODE ISLAND.—The first sentence of section 1166(c) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4258) is amended—

(1) by striking "$500,000" and inserting "$1,300,000"; and

(2) by striking "$250,000" each place it appears and inserting "$650,000".

(dd) CORPUS CHRISTI SHIP CHANNEL, CORPUS CHRISTI, TEXAS.—The project for navigation, Corpus Christi Ship Channel, Corpus Christi, Texas, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 22, 1922 (42 Stat. 1039), is modified to include the Rincon Canal system as a part of the Federal project that shall be maintained at a depth of 12 feet, if the Secretary determines that the project modification is economically justified, environmentally acceptable, and consistent with other Federal policies.

(ee) DALLAS FLOODWAY EXTENSION, DALLAS, TEXAS.—The flood protection works constructed by the non-Federal interest along the Trinity River in Dallas, Texas, for Rochester Park and the Central Wastewater Treatment Plant shall be included as a part of the plan implemented for the Dallas Floodway Extension component of the Trinity River, Texas, project authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1091). The cost of the works shall be credited toward the non-Federal share of project costs without regard to further economic analysis of the works.

(ff) MATAGORDA SHIP CHANNEL, PORT LAVACA, TEXAS.—The project for navigation, Matagorda Ship Channel, Port Lavaca, Texas, authorized by section 101 of the River and Harbor Act of 1958 (Public Law 85–500; 72 Stat. 298), is modified to require the Secretary to assume responsibility for the maintenance of the Point Comfort Turning Basin Expansion Area to a depth of 36 feet, as constructed by the non-Federal interests. The modification described in the preceding sentence shall be considered to be in the public interest and to be economically justified.

(gg) UPPER JORDAN RIVER, UTAH.—The project for flood control, Upper Jordan River, Utah, authorized by section 101(a)(23) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4610), is modified to authorize the Secretary to carry out the project substantially in accordance with the general design memorandum for the project dated March 1994, and the post authorization change report for the project dated April 1994, at a total cost of $12,870,000, with an estimated Federal cost of $8,580,000 and an estimated non-Federal cost of $4,290,000.

(hh) GRUNDY, VIRGINIA.—The Secretary shall proceed with planning, engineering, design, and construction of the Grundy, Virginia, element of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project, authorized by section 202 of the Energy and Water Development Appropriation Act, 1981 (Public Law 96–367; 94 Stat. 1339), in accordance with Plan 3A as set forth in the preliminary draft detailed project report of the Huntington District Commander, dated August 1993.

(ii) HAYSI DAM, VIRGINIA AND KENTUCKY.—

(1) IN GENERAL.—The Secretary shall construct the Haysi Dam feature of the project authorized by section 202 of the Energy and Water Development Appropriation Act, 1981 (Public Law 96–367; 94 Stat. 1339), substantially in accordance with Plan A as set forth in the preliminary draft general plan supplement report of the Huntington District Engineer for the Levisa Fork Basin, Virginia and Kentucky, dated May 1995.

(2) RECREATIONAL COMPONENT.—The non-Federal interest shall be responsible for not more than 50 percent of the costs associated with the construction and implementation of the recreational component of the Haysi Dam feature.

(3) OPERATION AND MAINTENANCE.—

(A) IN GENERAL.—Subject to subparagraph (B), operation and maintenance of the Haysi Dam feature shall be carried out by the Secretary.

(B) PAYMENT OF COSTS.—The non-Federal interest shall be responsible for 100 percent of all costs associated with the operation and maintenance.

(4) ABILITY TO PAY.—Notwithstanding any other provision of law, the Secretary shall apply section 103(m) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(m)) to the construction of the Haysi Dam feature in the same manner as section 103(m) of the Act is applied to other projects or project features constructed under section 202 of the Energy and Water Development Appropriation Act, 1981 (Public Law 96–367; 94 Stat. 1339).

(jj) PETERSBURG, WEST VIRGINIA.—The project for flood control, Petersburg, West Virginia, authorized by section 101(a)(26) of the Water Resources Development Act of 1990 (Public Law 101–640; 104 Stat. 4611), is modified to authorize the Secretary to construct the project at a total cost of not to exceed $26,600,000, with an estimated Federal cost of $19,195,000 and an estimated non-Federal cost of $7,405,000.

(kk) TETON COUNTY, WYOMING.—Section 840 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4176) is amended—

(1) by striking "Secretary: *Provided*, That" and inserting the following: "Secretary. In carrying out this section, the Secretary may enter into agreements with the non-Federal sponsors permitting the non-Federal sponsors to provide operation and maintenance for the project on a cost-reimbursable basis. The";

(2) by inserting ", through providing in-kind services or" after "$35,000"; and

(3) by inserting a comma after "materials".

SEC. 103. PROJECT DEAUTHORIZATIONS.

(a) BRANFORD HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The 2,267 square foot portion of the project for navigation in the Branford River, Branford Harbor, Connecticut, authorized by the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved June 13, 1902 (32 Stat. 333), lying shoreward of a line described in paragraph (2), is deauthorized.

(2) DESCRIPTION OF LINE.—The line referred to in paragraph (1) is described as follows: beginning at a point on the authorized Federal navigation channel line the coordinates of which are N156,181.32, E581,572.38, running thence south 70 degrees, 11 minutes, 8 seconds west a distance of 171.58 feet to another point on the authorized Federal navigation channel line the coordinates of which are N156,123.16, E581,410.96.

(b) BRIDGEPORT HARBOR, CONNECTICUT.—

(1) ANCHORAGE AREA.—The portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (Public Law 85–500; 72 Stat. 297), consisting of a 2-acre anchorage area with a depth of 6 feet at the head of Johnsons River between the Federal channel and Hollisters Dam, is deauthorized.

(2) JOHNSONS RIVER CHANNEL.—The portion of the project for navigation, Johnsons River Channel, Bridgeport Harbor, Connecticut, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved July 24, 1946 (60 Stat. 634), that is northerly of a line across the Federal channel the coordinates of which are north 123318.35, east 486301.68, and north 123257.15, east 486380.77, is deauthorized.

(c) GUILFORD HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The portion of the project for navigation, Guilford Harbor, Connecticut, authorized by the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 13), that consists of the 6-foot deep channel in Sluice Creek and that is not included in the description of the realigned channel set forth in paragraph (2) is deauthorized.

(2) DESCRIPTION OF REALIGNED CHANNEL.—The realigned channel referred to in paragraph (1) is described as follows: starting at a point where the Sluice Creek Channel intersects with the main entrance channel, N159194.63, E623201.07, thence running north 24 degrees, 58 minutes, 15.2 seconds west 478.40 feet to a point N159628.31, E622999.11, thence running north 20 degrees, 18 minutes, 31.7 seconds west 351.53 feet to a point N159957.99, E622877.10, thence running north 69 degrees, 41 minutes, 37.9 seconds east 55.00 feet to a point N159977.08, E622928.69, thence turning and running south 20 degrees, 18 minutes, 31.0 seconds east 349.35 feet to a point N159649.45, E623049.94, thence turning and running south 24 degrees, 58 minutes, 11.1 seconds east 341.36 feet to a point N159340.00, E623194.04, thence turning and running south 90 degrees, 0 minutes, 0 seconds east 78.86 feet to a point N159340.00, E623272.90.

(d) NORWALK HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The following portions of projects for navigation, Norwalk Harbor, Connecticut, are deauthorized:

(A) The portion authorized by the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1919 (40 Stat. 1276), that lies northerly of a line across the Federal channel having coordinates N104199.72, E417774.12 and N104155.59, E417628.96.

(B) The portions of the 6-foot deep East Norwalk Channel and Anchorage, authorized by the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 13), that are not included in the description of the realigned channel and anchorage set forth in paragraph (2).

(2) DESCRIPTION OF REALIGNED CHANNEL AND ANCHORAGE.—The realigned 6-foot deep East Norwalk Channel and Anchorage referred to in paragraph (1)(B) is described as follows: starting at a point on the East Norwalk Channel, N95743.02, E419581.37, thence running northwesterly about 463.96 feet to a

point N96197.93, E419490.18, thence running northwesterly about 549.32 feet to a point N96608.49, E419125.23, thence running northwesterly about 384.06 feet to a point N96965.94, E418984.75, thence running northwesterly about 407.26 feet to a point N97353.87, E418860.78, thence running westerly about 58.26 feet to a point N97336.26, E418805.24, thence running northwesterly about 70.99 feet to a point N97390.30, E418759.21, thence running westerly about 71.78 feet to a point on the anchorage limit N97405.26, E418689.01, thence running southerly along the western limits of the Federal anchorage in existence on the date of enactment of this Act until reaching a point N95893.74, E419449.17, thence running in a southwesterly direction about 78.74 feet to a point on the East Norwalk Channel N95815.62, E419439.33.

(3) DESIGNATION OF REALIGNED CHANNEL AND ANCHORAGE.—All of the realigned channel shall be redesignated as an anchorage, with the exception of the portion of the channel that narrows to a width of 100 feet and terminates at a line the coordinates of which are N96456.81, E419260.06 and N96390.37, E419185.32, which shall remain as a channel.

(e) SOUTHPORT HARBOR, CONNECTICUT.—

(1) IN GENERAL.—The following portions of the project for navigation, Southport Harbor, Connecticut, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 30, 1935 (49 Stat. 1029), are deauthorized:

(A) The 6-foot deep anchorage located at the head of the project.

(B) The portion of the 9-foot deep channel beginning at a bend in the channel the coordinates of which are north 109131.16, east 452653.32, running thence in a northeasterly direction about 943.01 feet to a point the coordinates of which are north 109635.22, east 453450.31, running thence in a southeasterly direction about 22.66 feet to a point the coordinates of which are north 109617.15, east 453463.98, running thence in a southwesterly direction about 945.18 feet to the point of beginning.

(2) REMAINDER.—The portion of the project referred to in paragraph (1) that is remaining after the deauthorization made by the paragraph and that is northerly of a line the coordinates of which are north 108699.15, east 452768.36, and north 108655.66, east 452858.73, is redesignated as an anchorage.

(f) STONY CREEK, CONNECTICUT.—The following portion of the project for navigation, Stony Creek, Connecticut, authorized under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), located in the 6-foot deep maneuvering basin, is deauthorized: beginning at coordinates N157,031.91, E599,030.79, thence running northeasterly about 221.16 feet to coordinates N157,191.06, E599,184.37, thence running northerly about 162.60 feet to coordinates N157,353.56, E599,189.99, thence running southwesterly about 358.90 feet to the point of beginning.

(g) THAMES RIVER, CONNECTICUT.—

(1) MODIFICATION.—The project for navigation, Thames River, Connecticut, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved August 30, 1935 (49 Stat. 1029), is modified to reconfigure the turning basin in accordance with the following alignment: beginning at a point on the eastern limit of the existing project, N251052.93, E783934.59, thence running north 5 degrees, 25 minutes, 21.3 seconds east 341.06 feet to a point, N251392.46, E783966.82, thence running north 47 degrees, 24 minutes, 14.0 seconds west 268.72 feet to a point, N251574.34, E783769.00, thence running north 88 degrees, 41 minutes, 52.2 seconds west 249.06 feet to a point, N251580.00, E783520.00, thence running south 46 degrees, 16 minutes, 22.9 seconds west 318.28 feet to a point, N251360.00, E783290.00, thence running south 19 degrees, 1 minute, 32.2 seconds east 306.76 feet to a point, N251070.00, E783390.00, thence running south 45 degrees, 0 minutes, 0 seconds, east 155.56 feet to a point, N250960.00, E783500.00 on the existing western limit.

(2) PAYMENT FOR INITIAL DREDGING.—Any required initial dredging of the widened portions identified in paragraph (1) shall be carried out at no cost to the Federal Government.

(3) DEAUTHORIZATION.—The portions of the turning basin that are not included in the reconfigured turning basin described in paragraph (1) are deauthorized.

(h) EAST BOOTHBAY HARBOR, MAINE.—The following portion of the navigation project for East Boothbay Harbor, Maine, authorized by the first section of the Act of June 25, 1910 (36 Stat. 631, chapter 382) (commonly referred to as the "River and Harbor Act of 1910"), containing approximately 1.15 acres and described in accordance with the Maine State Coordinate System, West Zone, is deauthorized:

Beginning at a point noted as point number 6 and shown as having plan coordinates of North 9, 722, East 9, 909 on the plan entitled, "East Boothbay Harbor, Maine, examination, 8-foot area", and dated August 9, 1955, Drawing Number F1251 D–6–2, said point having Maine State Coordinate System, West Zone coordinates of Northing 74514, Easting 698381; and

Thence, North 58 degrees, 12 minutes, 30 seconds East a distance of 120.9 feet to a point; and

Thence, South 72 degrees, 21 minutes, 50 seconds East a distance of 106.2 feet to a point; and

Thence, South 32 degrees, 04 minutes, 55 seconds East a distance of 218.9 feet to a point; and

Thence, South 61 degrees, 29 minutes, 40 seconds West a distance of 148.9 feet to a point; and

Thence, North 35 degrees, 14 minutes, 12 seconds West a distance of 87.5 feet to a point; and

Thence, North 78 degrees, 30 minutes, 58 seconds West a distance of 68.4 feet to a point; and

Thence, North 27 degrees, 11 minutes, 39 seconds West a distance of 157.3 feet to the point of beginning.

(i) YORK HARBOR, MAINE.—The following portions of the project for navigation, York Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (Public Law 86–645; 74 Stat. 480), are deauthorized:

(1) The portion located in the 8-foot deep anchorage area beginning at coordinates N109340.19, E372066.93, thence running north 65 degrees, 12 minutes, 10.5 seconds east 423.27 feet to a point N109517.71, E372451.17, thence running north 28 degrees, 42 minutes, 58.3 seconds west 11.68 feet to a point N109527.95, E372445.56, thence running south 63 degrees, 37 minutes, 24.6 seconds west 422.63 feet to the point of beginning.

(2) The portion located in the 8-foot deep anchorage area beginning at coordinates N108557.24, E371645.88, thence running south 60 degrees, 41 minutes, 17.2 seconds east 484.51 feet to a point N108320.04, E372068.36, thence running north 29 degrees, 12 minutes, 53.3 seconds east 15.28 feet to a point N108333.38, E372075.82, thence running north 62 degrees, 29 minutes, 42.1 seconds west 484.73 feet to the point of beginning.

(j) COHASSET HARBOR, MASSACHUSETTS.—The following portions of the project for navigation, Cohasset Harbor, Massachusetts, authorized by section 2 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 2, 1945 (59 Stat. 12), or carried out pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), are deauthorized: a 7-foot deep anchorage and a 6-foot deep anchorage; beginning at site 1, beginning at a point N453510.15, E792664.63, thence running south 53 degrees 07 minutes 05.4 seconds west 307.00 feet to a point N453325.90, E792419.07, thence running north 57 degrees 56 minutes 36.8 seconds west 201.00 feet to a point N453432.58, E792248.72, thence running south 88 degrees 57 minutes 25.6 seconds west 50.00 feet to a point N453431.67, E792198.73, thence running north 01 degree 02 minutes 52.3 seconds west 66.71 feet to a point N453498.37, E792197.51, thence running north 69 degrees 12 minutes 52.3 seconds east 332.32 feet to a point N453616.30, E792508.20, thence running south 55 degrees 50 minutes 24.1 seconds east 189.05 feet to point of origin; then site 2, beginning at a point, N452886.64, E791287.83, thence running south 00 degrees 00 minutes 00.0 seconds west 56.04 feet to a point, N452830.60, E791287.83, thence running north 90 degrees 00 minutes 00.0 seconds west 101.92 feet to a point, N452830.60, E791185.91, thence running north 52 degrees 12 minutes 49.7 seconds east 89.42 feet to a point, N452885.39, E791256.58, thence running north 87 degrees 42 minutes 33.8 seconds east 31.28 feet to point of origin; and site 3, beginning at a point, N452261.08, E792040.24, thence running north 89 degrees 07 minutes 19.5 seconds east 118.78 feet to a point, N452262.90, E792159.01, thence running south 43 degrees 39 minutes 06.8 seconds west 40.27 feet to a point, N452233.76, E792131.21, thence running north 74 degrees 33 minutes 29.1 seconds west 94.42 feet to a point, N452258.90, E792040.20, thence running north 01 degree 03 minutes 04.3 seconds east 2.18 feet to point of origin.

(k) FALL RIVER HARBOR, MASSACHUSETTS AND RHODE ISLAND.—The project for navigation, Fall River Harbor, Massachusetts and Rhode Island, authorized by section 101 of the River and Harbor Act of 1968 (Public Law 90–483; 82 Stat. 731), is modified to provide that alteration of the drawspan of the Brightman Street Bridge to provide a channel width of 300 feet shall not be required after the date of enactment of this Act.

(l) COCHECO RIVER, NEW HAMPSHIRE.—

(1) IN GENERAL.—The portion of the project for navigation, Cocheco River, New Hampshire, authorized by the first section of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved September 19, 1890 (26 Stat. 436), and consisting of a 7-foot deep channel that lies northerly of a line the coordinates of which are N255292.31, E713095.36, and N255334.51, E713138.01, is deauthorized.

(2) MAINTENANCE DREDGING.—Not later than 18 months after the date of enactment of this Act, the Secretary shall perform maintenance dredging for the remaining authorized portions of the Federal navigation channel under the project described in paragraph (1) to restore authorized channel dimensions.

(m) MORRISTOWN HARBOR, NEW YORK.—The portion of the project for navigation, Morristown Harbor, New York, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved January 21, 1927 (44 Stat. 1014), that lies north of the northern boundary of Morris Street extended is deauthorized.

(n) OSWEGATCHIE RIVER, OGDENSBURG, NEW YORK.—The portion of the Federal channel in the Oswegatchie River in Ogdensburg, New York, from the southernmost alignment of the Route 68 bridge, upstream to the northernmost alignment of the Lake Street bridge, is deauthorized.

(o) APPONAUG COVE, RHODE ISLAND.—The following portion of the project for navigation, Apponaug Cove, Rhode Island, authorized by section 101 of the River and Harbor Act of 1960 (Public Law 86–645; 74 Stat. 480), consisting of the 6-foot deep channel, is deauthorized: beginning at a point, N223269.93, E513089.12, thence running northwesterly to a point N223348.31, E512799.54, thence running southwesterly to a point N223251.78, E512773.41, thence running southeasterly to a point N223178.00, E513046.00, thence running northeasterly to the point of beginning.

(p) KICKAPOO RIVER, WISCONSIN.—

(1) PROJECT MODIFICATION.—The project for flood control and allied purposes, Kickapoo River, Wisconsin, authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1190), as modified by section 814 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4169), is further modified as provided by this subsection.

(2) TRANSFERS OF PROPERTY.—

(A) TRANSFER TO STATE OF WISCONSIN.—Subject to the requirements of this paragraph, the Secretary shall transfer to the State of Wisconsin, without consideration, all right, title, and interest of the United States in and to the lands described in subparagraph (E), including all works, structures, and other improvements to the lands, but excluding lands transferred under subparagraph (B).

(B) TRANSFER TO SECRETARY OF THE INTERIOR.—Subject to the requirements of this paragraph, on the date of the transfer under subparagraph (A), the Secretary shall transfer to the Secretary of the Interior, without consideration, all right, title, and interest of the United States in and to lands that are culturally and religiously significant sites of the Ho-Chunk Nation (a federally recognized Indian tribe) and are located within the lands described in subparagraph (E). The lands shall be described in accordance with subparagraph (C)(ii)(I) and may not exceed a total of 1,200 acres.

(C) TERMS AND CONDITIONS.—

(i) IN GENERAL.—The Secretary shall make the transfers under subparagraphs (A) and (B) only if—

(I) the State of Wisconsin enters into a written agreement with the Secretary to hold the United States harmless from all claims arising from or through the operation of lands and improvements subject to the transfer under subparagraph (A); and

(II) on or before October 30, 1997, the State of Wisconsin enters into and submits to the Secretary a memorandum of understanding, as specified in clause (ii), with the tribal organization (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) of the Ho-Chunk Nation.

(ii) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding referred to in clause (i)(II) shall contain, at a minimum, the following:

(I) A description of sites and associated lands to be transferred to the Secretary of the Interior under subparagraph (B).

(II) An agreement specifying that the lands transferred under subparagraphs (A) and (B) shall be preserved in a natural state and developed only to the extent necessary to enhance outdoor recreational and educational opportunities.

(III) An agreement specifying the terms and conditions of a plan for the management of the lands to be transferred under subparagraphs (A) and (B).

(IV) A provision requiring a review of the plan referred to in subclause (III) to be conducted every 10 years under which the State of Wisconsin, acting through the Kickapoo Valley Governing Board, and the Ho-Chunk Nation may agree to revisions of the plan in order to address changed circumstances on the lands transferred under subparagraphs (A) and (B). The provision may include a plan for the transfer to the Secretary of the Interior of any additional site discovered to be culturally and religiously significant to the Ho-Chunk Nation.

(V) An agreement preventing or limiting the public disclosure of the location or existence of each site of particular cultural or religious significance to the Ho-Chunk Nation, if public disclosure would jeopardize the cultural or religious integrity of the site.

(D) ADMINISTRATION OF LANDS.—The lands transferred to the Secretary of the Interior under subparagraph (B), and any lands transferred to the Secretary of the Interior under the memorandum of understanding entered into under subparagraph (C), or under any revision of the memorandum of understanding agreed to under subparagraph (C)(ii)(IV), shall be held in trust by the United States for, and added to and administered as part of the reservation of, the Ho-Chunk Nation.

(E) LAND DESCRIPTION.—The lands referred to in subparagraphs (A) and (B) are the approximately 8,569 acres of land associated with the LaFarge Dam and Lake portion of the project referred to in paragraph (1) in Vernon County, Wisconsin, in the following sections:

(i) Section 31, Township 14 North, Range 1 West of the 4th Principal Meridian.

(ii) Sections 2 through 11, and 16, 17, 20, and 21, Township 13 North, Range 2 West of the 4th Principal Meridian.

(iii) Sections 15, 16, 21 through 24, 26, 27, 31, and 33 through 36, Township 14 North, Range 2 West of the 4th Principal Meridian.

(3) TRANSFER OF FLOWAGE EASEMENTS.—The Secretary shall transfer to the owner of the servient estate, without consideration, all right, title, and interest of the United States in and to each flowage easement acquired as part of the project referred to in paragraph (1) within Township 14 North, Range 2 West of the 4th Principal Meridian, Vernon County, Wisconsin.

(4) DEAUTHORIZATION.—The LaFarge Dam and Lake portion of the project referred to in paragraph (1) is not authorized after the date of the transfers under paragraph (2).

(5) INTERIM MANAGEMENT AND MAINTENANCE.—The Secretary shall continue to manage and maintain the LaFarge Dam and Lake portion of the project referred to in paragraph (1) until the date of the transfers under paragraph (2).

SEC. 104. STUDIES.

(a) RED RIVER, ARKANSAS.—The Secretary shall—

(1) conduct a study to determine the feasibility of carrying out a project to permit navigation on the Red River in southwest Arkansas; and

(2) in conducting the study, analyze regional economic benefits that were not included in the limited economic analysis contained in the reconnaissance report for the project dated November 1995.

(b) BEAR CREEK DRAINAGE, SAN JOAQUIN COUNTY, CALIFORNIA.—The Secretary shall conduct a review of the Bear Creek Drainage, San Joaquin County, California, flood control project, authorized by section 10 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 901), to develop a comprehensive plan for additional flood damage reduction measures for the city of Stockton, California, and surrounding areas.

(c) LAKE ELSINORE, RIVERSIDE COUNTY, CALIFORNIA.—Not later than 18 months after the date of enactment of this Act, the Secretary shall—

(1) conduct a study of the advisability of modifying, for the purpose of flood control pursuant to section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), the Lake Elsinore, Riverside County, California, flood control project, for water conservation storage up to an elevation of 1,249 feet above mean sea level; and

(2) report to Congress on the study, including making recommendations concerning the advisability of so modifying the project.

(d) LONG BEACH, CALIFORNIA.—The Secretary shall review the feasibility of navigation improvements at Long Beach Harbor, California, including widening and deepening of the navigation channel, as provided for in section 201(b) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4091). The Secretary shall complete the report not later than 1 year after the date of enactment of this Act.

(e) MORMON SLOUGH/CALAVERAS RIVER, CALIFORNIA.—The Secretary shall conduct a review of the Mormon Slough/Calaveras River, California, flood control project, authorized by section 10 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (58 Stat. 902), to develop a comprehensive plan for additional flood damage reduction measures for the city of Stockton, California, and surrounding areas.

(f) MURRIETA CREEK, RIVERSIDE COUNTY, CALIFORNIA.—The Secretary shall review the completed feasibility study of the Riverside County Flood Control and Water Conservation District, including identified alternatives, concerning Murrieta Creek from Temecula to Wildomar, Riverside County, California, to determine the Federal interest in participating in a project for flood control.

(g) PINE FLAT DAM FISH AND WILDLIFE HABITAT RESTORATION, CALIFORNIA.—The Secretary shall study the feasibility of fish and wildlife habitat improvement measures identified for further study by the Pine Flat Dam Fish and Wildlife Habitat Restoration Investigation Reconnaissance Report.

(h) WEST DADE, FLORIDA.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in using the West Dade, Florida, reuse facility to increase the supply of surface water to the Everglades in order to enhance fish and wildlife habitat.

(i) SAVANNAH RIVER BASIN COMPREHENSIVE WATER RESOURCES STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a comprehensive study to address the

current and future needs for flood damage prevention and reduction, water supply, and other related water resources needs in the Savannah River Basin.

(2) SCOPE.—The scope of the study shall be limited to an analysis of water resources issues that fall within the traditional civil works missions of the Army Corps of Engineers.

(3) COORDINATION.—Notwithstanding paragraph (2), the Secretary shall ensure that the study is coordinated with the Environmental Protection Agency and the ongoing watershed study by the Agency of the Savannah River Basin.

(j) BAYOU BLANC, CROWLEY, LOUISIANA.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in the construction of a bulkhead system, consisting of either steel sheet piling with tiebacks or concrete, along the embankment of Bayou Blanc, Crowley, Louisiana, in order to alleviate slope failures and erosion problems in a cost-effective manner.

(k) HACKBERRY INDUSTRIAL SHIP CHANNEL PARK, LOUISIANA.—The Secretary shall incorporate the area of Hackberry, Louisiana, as part of the overall study of the Lake Charles ship channel, bypass channel, and general anchorage area in Louisiana, to explore the possibility of constructing additional anchorage areas.

(l) CITY OF NORTH LAS VEGAS, CLARK COUNTY, NEVADA.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in channel improvements in channel A of the North Las Vegas Wash in the city of North Las Vegas, Nevada, for the purpose of flood control.

(m) LOWER LAS VEGAS WASH WETLANDS, CLARK COUNTY, NEVADA.—The Secretary shall conduct a study to determine the feasibility of the restoration of wetlands in the Lower Las Vegas Wash, Nevada, for the purposes of erosion control and environmental restoration.

(n) NORTHERN NEVADA.—The Secretary shall conduct reconnaissance studies, in the State of Nevada, of—

(1) the Humboldt River, and the tributaries and outlets of the river;

(2) the Truckee River, and the tributaries and outlets of the river;

(3) the Carson River, and the tributaries and outlets of the river; and

(4) the Walker River, and the tributaries and outlets of the river;

in order to determine the Federal interest in flood control, environmental restoration, conservation of fish and wildlife, recreation, water conservation, water quality, and toxic and radioactive waste.

(o) BUFFALO HARBOR, NEW YORK.—The Secretary shall determine the feasibility of excavating the inner harbor and constructing the associated bulkheads in Buffalo Harbor, New York.

(p) COEYMANS, NEW YORK.—The Secretary shall conduct a reconnaissance study to determine the Federal interest in reopening the secondary channel of the Hudson River in the town of Coeymans, New York, which has been narrowed by silt as a result of the construction of Coeymans middle dike by the Army Corps of Engineers.

(q) SHINNECOCK INLET, NEW YORK.—Not later than 2 years after the date of enactment of this Act, the Secretary shall conduct a reconnaissance study in Shinnecock Inlet, New York, to determine the Federal interest in constructing a sand bypass system, or other appropriate alternative, for the purposes of allowing sand to flow in the natural east-to-west pattern of the sand and preventing the further erosion of the beaches west of the inlet and the shoaling of the inlet.

(r) KILL VAN KULL AND NEWARK BAY CHANNELS, NEW YORK AND NEW JERSEY.—The Secretary shall continue engineering and design in order to complete the navigation project at Kill Van Kull and Newark Bay Channels, New York and New Jersey, authorized to be constructed in the Supplemental Appropriations Act, 1985 (Public Law 99–88; 99 Stat. 313), and section 202(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4095), described in the general design memorandum for the project, and approved in the Report of the Chief of Engineers dated December 14, 1981.

(s) COLUMBIA SLOUGH, OREGON.—Not later than 2 years after the date of enactment of this Act, the Secretary shall complete a feasibility study for the ecosystem restoration project at Columbia Slough, Oregon, as reported in the August 1993 Revised Reconnaissance Study. The study shall be a demonstration study done in coordination with the Environmental Protection Agency.

(t) WILLAMETTE RIVER, OREGON.—The Secretary shall conduct a study to determine the Federal interest in carrying out a nonstructural flood control project along the Willamette River, Oregon, for the purposes of floodplain and ecosystem restoration.

(u) LACKAWANNA RIVER AT SCRANTON, PENNSYLVANIA.—Not later than 90 days after the date of enactment of this Act, the Secretary shall—

(1) review the report entitled "Report of the Chief of Engineers: Lackawanna River at Scranton, Pennsylvania", dated June 29, 1992, to determine whether changed conditions in the Diamond Plot and Green Ridge sections, Scranton, Pennsylvania, would result in an economically justified flood damage reduction project at those locations; and

(2) submit to Congress a report on the results of the review.

(v) CHARLESTON, SOUTH CAROLINA.—The Secretary shall conduct a study of the Charleston, South Carolina, estuary area located in Charleston, Berkeley, and Dorchester Counties, South Carolina, for the purpose of evaluating environmental conditions in the tidal reaches of the Ashley, Cooper, Stono, and Wando Rivers and the lower portions of Charleston Harbor.

(w) OAHE DAM TO LAKE SHARPE, SOUTH DAKOTA.—Not later than 2 years after the date of enactment of this Act, the Secretary shall—

(1) conduct a study to determine the feasibility of sediment removal and control in the area of the Missouri River downstream of Oahe Dam through the upper reaches of Lake Sharpe, including the lower portion of the Bad River, South Dakota;

(2) develop a comprehensive sediment removal and control plan for the area—

(A) based on the assessment by the study of the dredging, estimated costs, and time required to remove sediment from affected areas in Lake Sharpe;

(B)(i) based on the identification by the study of high erosion areas in the Bad River channel; and

(ii) including recommendations and related costs for such of the areas as are in need of stabilization and restoration; and

(C)(i) based on the identification by the study of shoreline erosion areas along Lake Sharpe; and

(ii) including recommended options for the stabilization and restoration of the areas;

(3) use other non-Federal engineering analyses and related studies in determining the feasibility of sediment removal and control as described in paragraph (1); and

(4) credit the costs of the non-Federal engineering analyses and studies referred to in paragraphs (2) and (3) toward the non-Federal share of the feasibility study conducted under paragraph (1).

(x) MUSTANG ISLAND, CORPUS CHRISTI, TEXAS.—The Secretary shall conduct a study of navigation along the south-central coast of Texas near Corpus Christi for the purpose of determining the feasibility of constructing and maintaining the Packery Channel on the southern portion of Mustang Island.

(y) ASHLEY CREEK, UTAH.—The Secretary is authorized to study the feasibility of undertaking a project for fish and wildlife restoration at Ashley Creek, near Vernal, Utah.

(z) PRINCE WILLIAM COUNTY, VIRGINIA.—The Secretary shall conduct a study of flooding, erosion, and other water resource problems in Prince William County, Virginia, including an assessment of the wetland protection, erosion control, and flood damage reduction needs of the county.

(aa) PACIFIC REGION.—The Secretary shall conduct studies in the interest of navigation in the part of the Pacific Region that includes American Samoa, Guam, and the Commonwealth of the Northern Mariana Islands. For the purpose of this subsection, the cost-sharing requirements of section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215) shall apply.

(bb) MORGANZA, LOUISIANA TO THE GULF OF MEXICO.—

(1) STUDY.—The Secretary shall conduct a study of the environmental, flood control and navigational impacts associated with the construction of a lock structure in the Houma Navigation Canal as an independent feature of the overall flood damage prevention study currently being conducted under the Morganza, Louisiana to the Gulf of Mexico feasibility study. In preparing such study, the Secretary shall consult the South Terrebonne Tidewater Management and Conservation District and consider the District's Preliminary Design Document, dated February 1994. Further, the Secretary shall evaluate the findings of the Coastal Wetlands Planning, Protection and Restoration Federal Task Force, as authorized by Public Law 101–646, relating to the lock structure.

(2) REPORT.—The Secretary shall transmit to Congress a report on the results of the study conducted under paragraph (1), together with recommendations on immediate implementation not later than 6 months after the enactment of this Act.

TITLE II—PROJECT-RELATED PROVISIONS

SEC. 201. GRAND PRAIRIE REGION AND BAYOU METO BASIN, ARKANSAS.

The project for flood control and water supply, Grand Prairie Region and Bayou Meto Basin, Arkansas, authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 174) and deauthorized under section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary if, not later than 1 year after the date of enactment of this Act, the Secretary submits a report to Congress that—

(1) describes necessary modifications to the project that are consistent with the functions of the Army Corps of Engineers; and

(2) contains recommendations concerning which Federal agencies (such as the Natural Resources Conservation Service, the United States Fish and Wildlife Service, the Bureau of Reclamation, and the United States Geological Survey) are most appropriate to have responsibility for carrying out the project.

SEC. 202. HEBER SPRINGS, ARKANSAS.

(a) IN GENERAL.—The Secretary shall enter into an agreement with the city of Heber Springs, Arkansas, to provide 3,522 acre-feet of water supply storage in Greers Ferry Lake, Arkansas, for municipal and industrial purposes, at no cost to the city.

(b) NECESSARY FACILITIES.—The city of Heber Springs shall be responsible for 100 percent of the costs of construction, operation, and maintenance of any intake, transmission, treatment, or distribution facility necessary for utilization of the water supply.

(c) ADDITIONAL WATER SUPPLY STORAGE.—Any additional water supply storage required after the date of enactment of this Act shall be contracted for and reimbursed by the city of Heber Springs, Arkansas.

SEC. 203. MORGAN POINT, ARKANSAS.

The Secretary shall accept as in-kind contributions for the project at Morgan Point, Arkansas—

(1) the items described as fish and wildlife facilities and land in the Morgan Point Broadway Closure Structure modification report for the project, dated February 1994; and

(2) fish stocking activities carried out by the non-Federal interests for the project.

SEC. 204. WHITE RIVER BASIN LAKES, ARKANSAS AND MISSOURI.

The project for flood control and power generation at White River Basin Lakes, Arkansas and Missouri, authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1218), shall include recreation and fish and wildlife mitigation as purposes of the project, to the extent that the purposes do not adversely impact flood control, power generation, or other authorized purposes of the project.

SEC. 205. CENTRAL AND SOUTHERN FLORIDA.

The project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483; 82 Stat. 740), is modified, subject to the availability of appropriations, to authorize the Secretary to implement the recommended plan of improvement contained in a report entitled "Central and Southern Florida Project, Final Integrated General Reevaluation Report and Environmental Impact Statement, Canal 111 (C–111), South Dade County, Florida", dated May 1994 (including acquisition of such portions of the Frog Pond and Rocky Glades areas as are needed for the project), at a total cost of $156,000,000. The Federal share of the cost of implementing the plan of improvement shall be 50 percent. The Secretary of the Interior shall pay 25 percent of the cost of acquiring such portions of the Frog Pond and Rocky Glades areas as are needed for the project, which amount shall be included in the Federal share. The non-Federal share of the operation and maintenance costs of the improvements undertaken pursuant to this section shall be 100 percent, except that the Federal Government shall reimburse the non-Federal interest in an amount equal to 60 percent of the costs of operating and maintaining pump stations that pump water into Taylor Slough in Everglades National Park.

SEC. 206. WEST PALM BEACH, FLORIDA.

The project for flood protection of West Palm Beach, Florida (C–51), authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1183), is modified to provide for the construction of an enlarged stormwater detention area, Storm Water Treatment Area 1 East, generally in accordance with the plan of improvements described in the February 15, 1994, report entitled "Everglades Protection Project, Palm Beach County, Florida, Conceptual Design", prepared by Burns and McDonnell, and as further described in detailed design documents to be approved by the Secretary. The additional work authorized by this section shall be accomplished at full Federal cost in recognition of the water supply benefits accruing to the Loxahatchee National Wildlife Refuge and the Everglades National Park and in recognition of the statement in support of the Everglades restoration effort set forth in the document signed by the Secretary of the Interior and the Secretary in July 1993. Operation and maintenance of the stormwater detention area shall be consistent with regulations prescribed by the Secretary for the Central and Southern Florida project, with all costs of the operation and maintenance work borne by non-Federal interests.

SEC. 207. EVERGLADES AND SOUTH FLORIDA ECOSYSTEM RESTORATION.

(a) DEFINITIONS.—In this section:

(1) DEVELOP.—The term "develop" means any preconstruction or land acquisition planning activity.

(2) SOUTH FLORIDA ECOSYSTEM.—The term "South Florida ecosystem" means the Florida Everglades restoration area that includes lands and waters within the boundary of the South Florida Water Management District, the Florida Keys, and the near-shore coastal waters of South Florida.

(3) TASK FORCE.—The term "Task Force" means the South Florida Ecosystem Restoration Task Force established by subsection (c).

(b) SOUTH FLORIDA ECOSYSTEM RESTORATION.—

(1) MODIFICATIONS TO CENTRAL AND SOUTHERN FLORIDA PROJECT.—

(A) DEVELOPMENT.—The Secretary shall, if necessary, develop modifications to the project for Central and Southern Florida, authorized by section 203 of the Flood Control Act of 1948 (62 Stat. 1176), to restore, preserve, and protect the South Florida ecosystem and to provide for the water-related needs of the region.

(B) CONCEPTUAL PLAN.—

(i) IN GENERAL.—The modifications under subparagraph (A) shall be set forth in a conceptual plan prepared in accordance with clause (ii) and adopted by the Task Force (referred to in this section as the "conceptual plan").

(ii) BASIS FOR CONCEPTUAL PLAN.—The conceptual plan shall be based on the recommendations specified in the draft report entitled "Conceptual Plan for the Central and Southern Florida Project Restudy", published by the Governor's Commission for a Sustainable South Florida and dated June 4, 1996.

(C) INTEGRATION OF OTHER ACTIVITIES.—Restoration, preservation, and protection of the South Florida ecosystem shall include a comprehensive science-based approach that integrates ongoing Federal and State efforts, including—

(i) the project for the ecosystem restoration of the Kissimmee River, Florida, authorized by section 101 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4802);

(ii) the project for flood protection, West Palm Beach Canal, Florida (canal C–51), authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1183), as modified by section 205 of this Act;

(iii) the project for modifications to improve water deliveries into Everglades National Park authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989 (16 U.S.C. 410r–8);

(iv) the project for Central and Southern Florida authorized by section 203 of the Flood Control Act of 1968 (Public Law 90–483; 82 Stat. 740), as modified by section 204 of this Act;

(v) activities under the Florida Keys National Marine Sanctuary and Protection Act (Public Law 101–65; 16 U.S.C. 1433 note); and

(vi) the Everglades construction project implemented by the State of Florida under the Everglades Forever Act of the State of Florida.

(2) IMPROVEMENT OF WATER MANAGEMENT FOR ECOSYSTEM RESTORATION.—The improvement of water management, including improvement of water quality for ecosystem restoration, preservation, and protection, shall be an authorized purpose of the Central and Southern Florida project referred to in paragraph (1)(A). Project features necessary to improve water management, including features necessary to provide water to restore, protect, and preserve the South Florida ecosystem, shall be included in any modifications to be developed for the project under paragraph (1).

(3) SUPPORT PROJECTS.—The Secretary may develop support projects and other facilities necessary to promote an adaptive management approach to implement the modifications authorized to be developed by paragraphs (1) and (2).

(4) INTERIM IMPLEMENTATION REPORTS.—

(A) IN GENERAL.—Before the Secretary implements a component of the conceptual plan, including a support project or other facility under paragraph (3), the Jacksonville District Engineer shall submit an interim implementation report to the Task Force for review.

(B) CONTENTS.—Each interim implementation report shall document the costs, benefits, impacts, technical feasibility, and cost-effectiveness of the component and, as appropriate, shall include documentation of environmental effects prepared under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(C) ENDORSEMENT BY TASK FORCE.—

(i) IN GENERAL.—If the Task Force endorses the interim implementation report of the Jacksonville District Engineer for a component, the Secretary shall submit the report to Congress.

(ii) COORDINATION REQUIREMENTS.—Endorsement by the Task Force shall be deemed to fulfill the coordination requirements under the first section of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (33 U.S.C. 701–1).

(5) AUTHORIZATION.—

(A) IN GENERAL.—The Secretary shall not initiate construction of a component until such time as a law is enacted authorizing construction of the component.

(B) DESIGN.—The Secretary may continue to carry out detailed design of a component after the date of submission to Congress of the interim implementation report recommending the component.

(6) COST SHARING.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the costs of preparing interim implementation reports under paragraph (4) and implementing the modifications (including the support projects and other facilities) authorized to be developed by this subsection shall be 50 percent.

(B) WATER QUALITY FEATURES.—

(i) IN GENERAL.—Subject to clause (ii), the non-Federal share of the cost of project features necessary to improve water quality under paragraph (2) shall be 100 percent.

(ii) CRITICAL FEATURES.—If the Task Force determines, by resolution accompanying endorsement of an interim implementation report under paragraph (4), that the project features described in clause (i) are critical to ecosystem restoration, the Federal share of the cost of the features shall be 50 percent.

(C) REIMBURSEMENT.—The Secretary shall reimburse the non-Federal interests for the Federal share of any reasonable costs that the non-Federal interests incur in acquiring land for any component authorized by law under paragraph (5) if the land acquisition has been endorsed by the Task Force and supported by the Secretary.

(c) SOUTH FLORIDA ECOSYSTEM RESTORATION TASK FORCE.—

(1) ESTABLISHMENT AND MEMBERSHIP.—There is established the South Florida Ecosystem Restoration Task Force, which shall consist of the following members (or, in the case of the head of a Federal agency, a designee at the level of assistant secretary or an equivalent level):

(A) The Secretary of the Interior, who shall serve as chairperson of the Task Force.

(B) The Secretary of Commerce.

(C) The Secretary.

(D) The Attorney General.

(E) The Administrator of the Environmental Protection Agency.

(F) The Secretary of Agriculture.

(G) The Secretary of Transportation.

(H) 1 representative of the Miccosukee Tribe of Indians of Florida, to be appointed by the Secretary of the Interior from recommendations submitted by the tribal chairman.

(I) 1 representative of the Seminole Tribe of Indians of Florida, to be appointed by the Secretary of the Interior from recommendations submitted by the tribal chairman.

(J) 3 representatives of the State of Florida, to be appointed by the Secretary of the Interior from recommendations submitted by the Governor of the State of Florida.

(K) 2 representatives of the South Florida Water Management District, to be appointed by the Secretary of the Interior from recommendations submitted by the Governor of the State of Florida.

(L) 2 representatives of local governments in the South Florida ecosystem, to be appointed by the Secretary of the Interior from recommendations submitted by the Governor of the State of Florida.

(2) DUTIES.—

(A) IN GENERAL.—The Task Force shall—

(i)(I) coordinate the development of consistent policies, strategies, plans, programs, and priorities for addressing the restoration, protection, and preservation of the South Florida ecosystem; and

(II) develop a strategy and priorities for implementing the components of the conceptual plan;

(ii) review programs, projects, and activities of agencies and entities represented on the Task Force to promote the objectives of ecosystem restoration and maintenance;

(iii) refine and provide guidance concerning the implementation of the conceptual plan;

(iv)(I) periodically review the conceptual plan in light of current conditions and new information and make appropriate modifications to the conceptual plan; and

(II) submit to Congress a report on each modification to the conceptual plan under subclause (I);

(v) establish a Florida-based working group, which shall include representatives of the agencies and entities represented on the Task Force and other entities as appropriate, for the purpose of recommending policies, strategies, plans, programs, and priorities to the Task Force;

(vi) prepare an annual cross-cut budget of the funds proposed to be expended by the agencies, tribes, and governments represented on the Task Force on the restoration, preservation, and protection of the South Florida ecosystem; and

(vii) submit a biennial report to Congress that summarizes the activities of the Task Force and the projects, policies, strategies, plans, programs, and priorities planned, developed, or implemented for restoration of the South Florida ecosystem and progress made toward the restoration.

(B) AUTHORITY TO ESTABLISH ADVISORY SUBCOMMITTEES.—The Task Force and the working group established under subparagraph (A)(v) may establish such other advisory subcommittees as are necessary to assist the Task Force in carrying out its duties, including duties relating to public policy and scientific issues.

(3) DECISIONMAKING.—Each decision of the Task Force shall be made by majority vote of the members of the Task Force.

(4) APPLICATION OF THE FEDERAL ADVISORY COMMITTEE ACT.—

(A) CHARTER; TERMINATION.—The Task Force shall not be subject to sections 9(c) and 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) NOTICE OF MEETINGS.—The Task Force shall be subject to section 10(a)(2) of the Act, except that the chairperson of the Task Force is authorized to use a means other than publication in the Federal Register to provide notice of a public meeting and provide an equivalent form of public notice.

(5) COMPENSATION.—A member of the Task Force shall receive no compensation for the service of the member on the Task Force.

(6) TRAVEL EXPENSES.—Travel expenses incurred by a member of the Task Force in the performance of services for the Task Force shall be paid by the agency, tribe, or government that the member represents.

SEC. 208. ARKANSAS CITY AND WINFIELD, KANSAS.

Notwithstanding any other provision of law, for the purpose of commencing construction of the project for flood control, Arkansas City, Kansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4116), and the project for flood control, Winfield, Kansas, authorized by section 204 of the Flood Control Act of 1965 (Public Law 89–298; 79 Stat. 1078), the project cooperation agreements for the projects, as submitted by the District Office of the Army Corps of Engineers, Tulsa, Oklahoma, shall be deemed to be approved by the Assistant Secretary of the Army having responsibility for civil works and the Tulsa District Commander as of September 30, 1996, if the approvals have not been granted by that date.

SEC. 209. MISSISSIPPI RIVER-GULF OUTLET, LOUISIANA.

Section 844 of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4177) is amended by adding at the end the following:

"(c) COMMUNITY IMPACT MITIGATION PLAN.—Using funds made available under subsection (a), the Secretary shall implement a comprehensive community impact mitigation plan, as described in the evaluation report of the New Orleans District Engineer dated August 1995, that, to the maximum extent practicable, provides for mitigation or compensation, or both, for the direct and indirect social and cultural impacts that the project described in subsection (a) will have on the affected areas referred to in subsection (b).".

SEC. 210. COLDWATER RIVER WATERSHED, MISSISSIPPI.

Not later than 90 days after the date of enactment of this Act, the Secretary shall initiate all remaining work associated with the Coldwater River Watershed Demonstration Erosion Control Project, as authorized by Public Law 98–8 (97 Stat. 13).

SEC. 211. PERIODIC MAINTENANCE DREDGING FOR GREENVILLE INNER HARBOR CHANNEL, MISSISSIPPI.

The Greenville Inner Harbor Channel, Mississippi, is deemed to be a portion of the navigable waters of the United States, and shall be included among the navigable waters for which the Army Corps of Engineers maintains a 10-foot navigable channel. The navigable channel for the Greenville Inner Harbor Channel shall be maintained in a manner that is consistent with the navigable channel to the Greenville Harbor and the portion of the Mississippi River adjacent to the Greenville Harbor that is maintained by the Army Corps of Engineers, as in existence on the date of enactment of this Act.

SEC. 212. SARDIS LAKE, MISSISSIPPI.

The Secretary shall work cooperatively with the State of Mississippi and the city of Sardis to the maximum extent practicable in the management of existing and proposed leases of land consistent with the master tourism and recreational plan for the economic development of the Sardis Lake area prepared by the city.

SEC. 213. YALOBUSHA RIVER WATERSHED, MISSISSIPPI.

The project for flood control at Grenada Lake, Mississippi, shall be extended to include the Yalobusha River Watershed (including the Toposhaw Creek), at a total cost of not to exceed $3,800,000. The Federal share of the cost of flood control on the extended project shall be 75 percent.

SEC. 214. LIBBY DAM, MONTANA.

(a) IN GENERAL.—In accordance with section 103(c)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)(1)), the Secretary shall—

(1) complete the construction and installation of generating units 6 through 8 at Libby Dam, Montana; and

(2) remove the partially constructed haul bridge over the Kootenai River, Montana.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $16,000,000, to remain available until expended.

SEC. 215. SMALL FLOOD CONTROL PROJECT, MALTA, MONTANA.

Not later than 1 year after the date of enactment of this Act, the Secretary is authorized to expend such Federal funds as are necessary to complete the small flood control project begun at Malta, Montana, pursuant to section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s).

SEC. 216. CLIFFWOOD BEACH, NEW JERSEY.

(a) IN GENERAL.—Notwithstanding any other provision of law or the status of the project authorized by section 203 of the Flood Control Act of 1962 (Public Law 87–874; 76 Stat. 1180) for hurricane-flood protection and beach erosion control on Raritan Bay and Sandy Hook Bay, New Jersey, the Secretary shall undertake a project to provide periodic beach nourishment for Cliffwood

Beach, New Jersey, for a 50-year period beginning on the date of execution of a project cooperation agreement by the Secretary and an appropriate non-Federal interest.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of the project authorized by this section shall be 35 percent.

SEC. 217. FIRE ISLAND INLET, NEW YORK.

For the purpose of replenishing the beach, the Secretary shall place sand dredged from the Fire Island Inlet on the shoreline between Gilgo State Park and Tobay Beach to protect Ocean Parkway along the Atlantic Ocean shoreline in Suffolk County, New York.

SEC. 218. QUEENS COUNTY, NEW YORK.

(a) DESCRIPTION OF NONNAVIGABLE AREA.—Subject to subsections (b) and (c), the area of Long Island City, Queens County, New York, that—

(1) is not submerged;

(2) lies between the southerly high water line (as of the date of enactment of this Act) of Anable Basin (also known as the "11th Street Basin") and the northerly high water line (as of the date of enactment of this Act) of Newtown Creek; and

(3) extends from the high water line (as of the date of enactment of this Act) of the East River to the original high water line of the East River;

is declared to be nonnavigable waters of the United States.

(b) REQUIREMENT THAT AREA BE IMPROVED.—

(1) IN GENERAL.—The declaration of nonnavigability under subsection (a) shall apply only to those portions of the area described in subsection (a) that are, or will be, bulkheaded, filled, or otherwise occupied by permanent structures or other permanent physical improvements (including parkland).

(2) APPLICABILITY OF FEDERAL LAW.—Improvements described in paragraph (1) shall be subject to applicable Federal laws, including—

(A) sections 9 and 10 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1899 (33 U.S.C. 401 and 403);

(B) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); and

(C) the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(c) EXPIRATION DATE.—The declaration of nonnavigability under subsection (a) shall expire with respect to a portion of the area described in subsection (a), if the portion—

(1) is not bulkheaded, filled, or otherwise occupied by a permanent structure or other permanent physical improvement (including parkland) in accordance with subsection (b) by the date that is 20 years after the date of enactment of this Act; or

(2) requires an improvement described in subsection (b)(2) that is subject to a permit under an applicable Federal law, and the improvement is not commenced by the date that is 5 years after the date of issuance of the permit.

SEC. 219. BUFORD TRENTON IRRIGATION DISTRICT, NORTH DAKOTA AND MONTANA.

(a) ACQUISITION OF EASEMENTS.—

(1) IN GENERAL.—The Secretary shall acquire, from willing sellers, permanent flowage and saturation easements over—

(A) the land in Williams County, North Dakota, extending from the riverward margin of the Buford Trenton Irrigation District main canal to the north bank of the Missouri River, beginning at the Buford Trenton Irrigation District pumping station located in the NE¼ of section 17, T–152–N, R–104–W, and continuing northeasterly downstream to the land referred to as the East Bottom; and

(B) any other land outside the boundaries of the land described in subparagraph (A) within or contiguous to the boundaries of the Buford-Trenton Irrigation District that has been affected by rising ground water and the risk of surface flooding.

(2) SCOPE.—The easements acquired by the Secretary under paragraph (1) shall include the right, power, and privilege of the Federal Government to submerge, overflow, percolate, and saturate the surface and subsurface of the lands and such other terms and conditions as the Secretary considers appropriate.

(3) PAYMENT.—In acquiring the easements under paragraph (1), the Secretary shall pay an amount based on the unaffected fee value of the lands to be acquired by the Federal Government. For the purpose of this paragraph, the unaffected fee value of the lands is the value of the lands as if the lands had not been affected by rising ground water and the risk of surface flooding.

(b) CONVEYANCE OF DRAINAGE PUMPS.—Notwithstanding any other law, the Secretary shall—

(1) convey to the Buford Trenton Irrigation District all right, title, and interest of the United States in the drainage pumps located within the boundaries of the District; and

(2) provide a lump-sum payment of $60,000 for power requirements associated with the operation of the drainage pumps.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $34,000,000, to remain available until expended.

SEC. 220. JAMESTOWN DAM AND PIPESTEM DAM, NORTH DAKOTA.

(a) REVISIONS TO WATER CONTROL MANUALS.—In consultation with the State of South Dakota and the James River Water Development District, the Secretary shall review and consider revisions to the water control manuals for the Jamestown Dam and Pipestem Dam, North Dakota, to modify operation of the dams so as to reduce the magnitude and duration of flooding and inundation of land located within the 10-year floodplain along the James River in South Dakota.

(b) FEASIBILITY STUDY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary shall—

(A) complete a study to determine the feasibility of providing flood protection for the land referred to in subsection (a); and

(B) submit a report on the study to Congress.

(2) CONSIDERATIONS.—In carrying out paragraph (1), the Secretary shall consider all reasonable project-related and other options.

SEC. 221. WISTER LAKE PROJECT, LEFLORE COUNTY, OKLAHOMA.

The Secretary shall maintain a minimum conservation pool level of 478 feet at the Wister Lake project in LeFlore County, Oklahoma, authorized by section 4 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved June 28, 1938 (52 Stat. 1218). Notwithstanding title I of the Water Resources Development Act of 1986 (33 U.S.C. 2211 et seq.) or any other provision of law, any increase in water supply yield that results from the pool level of 478 feet shall be treated as unallocated water supply until such time as a user enters into a contract for the supply under such applicable laws concerning cost-sharing as are in effect on the date of the contract.

SEC. 222. WILLAMETTE RIVER, MCKENZIE SUBBASIN, OREGON.

The Secretary is authorized to carry out a project to control the water temperature in the Willamette River, McKenzie Subbasin, Oregon, to mitigate the negative impacts on fish and wildlife resulting from the operation of the Blue River and Cougar Lake projects, McKenzie River Basin, Oregon. The cost of the facilities shall be repaid according to the allocations among the purposes of the original projects.

SEC. 223. ABANDONED AND WRECKED BARGE REMOVAL, RHODE ISLAND.

Section 361 of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4861) is amended by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—In order to alleviate a hazard to navigation and recreational activity, the Secretary shall remove a sunken barge from waters off the shore of the Narragansett Town Beach in Narragansett, Rhode Island, at a total cost of $1,900,000, with an estimated Federal cost of $1,425,000, and an estimated non-Federal cost of $475,000. The Secretary shall not remove the barge until title to the barge has been transferred to the United States or the non-Federal interest. The transfer of title shall be carried out at no cost to the United States.".

SEC. 224. PROVIDENCE RIVER AND HARBOR, RHODE ISLAND.

The Secretary shall incorporate a channel extending from the vicinity of the Fox Point hurricane barrier to the vicinity of the Francis Street bridge in Providence, Rhode Island, into the navigation project for Providence River and Harbor, Rhode Island, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1089). The channel shall have a depth of up to 10 feet and a width of approximately 120 feet and shall be approximately 1.25 miles in length.

SEC. 225. COOPER LAKE AND CHANNELS, TEXAS.

(a) ACCEPTANCE OF LANDS.—The Secretary is authorized to accept from a non-Federal interest additional lands of not to exceed 300 acres that—

(1) are contiguous to the Cooper Lake and Channels Project, Texas, authorized by section 301 of the River and Harbor Act of 1965 (Public Law 89–298; 79 Stat. 1091) and section 601(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4145); and

(2) provide habitat value at least equal to the habitat value provided by the lands authorized to be redesignated under subsection (b).

(b) REDESIGNATION OF LANDS TO RECREATION PURPOSES.—Upon the acceptance of lands under subsection (a), the Secretary is authorized to redesignate mitigation lands of not to exceed 300 acres to recreation purposes.

(c) FUNDING.—The cost of all work under this section, including real estate appraisals, cultural and environmental surveys, and all development necessary to avoid net mitigation losses, to the extent required, shall be borne by the non-Federal interest.

SEC. 226. RUDEE INLET, VIRGINIA BEACH, VIRGINIA.

Notwithstanding the limitation set forth in section 107(b) of the River and Harbor Act of 1960 (33 U.S.C. 577(b)), Federal participation in the maintenance of the Rudee Inlet, Virginia Beach, Virginia, project shall continue for the life of the project. Nothing in this section shall alter or modify the non-Federal cost sharing responsibility as specified in the Rudee Inlet, Virginia Beach, Virginia Detailed Project Report, dated October 1983.

SEC. 227. VIRGINIA BEACH, VIRGINIA.

(a) ADJUSTMENT OF NON-FEDERAL SHARE.—Notwithstanding any other provision of law, the non-Federal share of the costs of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (Public Law 99–662; 100 Stat. 4136), shall be reduced by $3,120,803, or by such amount as is determined by an audit carried out by the Department of the Army to be due to the city of Virginia Beach as reimbursement for beach nourishment activities carried out by the city between October 1, 1986, and September 30, 1993, if the Federal Government has not reimbursed the city for the activities prior to the date on which a project cooperation agreement is executed for the project.

(b) EXTENSION OF FEDERAL PARTICIPATION.—

(1) IN GENERAL.—In accordance with section 156 of the Water Resources Development Act of 1976 (42 U.S.C. 1962d–5f), the Secretary shall extend Federal participation in the periodic nourishment of Virginia Beach as authorized by section 101 of the River and Harbor Act of 1954 (68 Stat. 1254) and modified by section 101 of the River and Harbor Act of 1962 (Public Law 87–874; 76 Stat. 1177).

(2) DURATION.—Federal participation under paragraph (1) shall extend until the earlier of—

(A) the end of the 50-year period provided for in section 156 of the Water Resources Development Act of 1976 (42 U.S.C. 1962d–5f); and

(B) the completion of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, as modified by section 102(cc) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4810).

TITLE III—GENERAL PROVISIONS

SEC. 301. COST-SHARING FOR ENVIRONMENTAL PROJECTS.

Section 103(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(c)) is amended—

(1) in paragraph (5), by striking "and" at the end;

(2) in paragraph (6), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(7) environmental protection and restoration: 25 percent.".

SEC. 302. COLLABORATIVE RESEARCH AND DEVELOPMENT.

Section 7 of the Water Resources Development Act of 1988 (33 U.S.C. 2313) is amended—

(1) by striking subsection (e);

(2) by redesignating subsection (d) as subsection (e); and

(3) by inserting after subsection (c) the following:

"(d) TEMPORARY PROTECTION OF TECHNOLOGY.—

"(1) PRE-AGREEMENT.—If the Secretary determines that information developed as a result of a research or development activity conducted by the Army Corps of Engineers is likely to be subject to a cooperative research and development agreement within 2 years after the development of the information, and that the information would be a trade secret or commercial or financial information that would be privileged or confidential if the information had been obtained from a non-Federal party participating in a cooperative research and development agreement under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a), the Secretary may provide appropriate protections against the dissemination of the information, including exemption from subchapter II of chapter 5 of title 5, United States Code, until the earlier of—

"(A) the date on which the Secretary enters into such an agreement with respect to the information; or

"(B) the last day of the 2-year period beginning on the date of the determination.

"(2) POST-AGREEMENT.—Any information subject to paragraph (1) that becomes the subject of a cooperative research and development agreement shall be subject to the protections provided under section 12(c)(7)(B) of the Act (15 U.S.C. 3710a(c)(7)(B)) as if the information had been developed under a cooperative research and development agreement.".

SEC. 303. NATIONAL DAM SAFETY PROGRAM.

(a) FINDINGS.—Congress finds that—

(1)(A) dams are an essential part of the national infrastructure;

(B) dams fail from time to time with catastrophic results; and

(C) dam safety is a vital public concern;

(2) dam failures have caused, and may cause in the future, loss of life, injury, destruction of property, and economic and social disruption;

(3)(A) some dams are at or near the end of their structural, useful, or operational life; and

(B) the loss, destruction, and disruption resulting from dam failures can be substantially reduced through the development and implementation of dam safety hazard reduction measures, including—

(i) improved design and construction standards and practices supported by a national dam performance resource bank located at Stanford University in California;

(ii) safe operation and maintenance procedures;

(iii) early warning systems;

(iv) coordinated emergency preparedness plans; and

(v) public awareness and involvement programs;

(4)(A) dam safety problems persist nationwide;

(B) while dam safety is principally a State responsibility, the diversity in Federal and State dam safety programs calls for national leadership in a cooperative effort involving the Federal Government, State governments, and the private sector; and

(C) an expertly staffed and adequately financed dam safety hazard reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions, would reduce the risk of the loss, destruction, and disruption resulting from dam failure by an amount far greater than the cost of the program;

(5)(A) there is a fundamental need for a national program for dam safety hazards reduction, and the need will continue; and

(B) to be effective, such a national program will require input from, and review by, Federal and non-Federal experts in—

(i) dam design, construction, operation, and maintenance; and

(ii) the practical application of dam failure hazard reduction measures;

(6) as of the date of enactment of this Act—

(A) there is no national dam safety program; and

(B) the coordinating authority for national leadership concerning dam safety is provided through the dam safety program of the Federal Emergency Management Agency established under Executive Order 12148 (50 U.S.C. App. 2251 note) in coordination with members of the Interagency Committee on Dam Safety and with States; and

(7) while the dam safety program of FEMA is a proper Federal undertaking, should continue, and should provide the foundation for a national dam safety program, statutory authority is needed—

(A) to meet increasing needs and to discharge Federal responsibilities in dam safety;

(B) to strengthen the leadership role of FEMA;

(C) to codify the national dam safety program;

(D) to authorize the Director of FEMA to communicate directly with Congress on authorizations and appropriations; and

(E) to build on the hazard reduction aspects of dam safety.

(b) PURPOSE.—The purpose of this section is to reduce the risks to life and property from dam failure in the United States through the establishment and maintenance of an effective national dam safety program to bring together the expertise and resources of the Federal and non-Federal communities in achieving national dam safety hazard reduction.

(c) DAM SAFETY PROGRAM.—Public Law 92–367 (33 U.S.C. 467 et seq.) is amended—

(1) by striking the first section and inserting the following:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'National Dam Safety Program Act'.";

(2) by striking sections 5 and 7 through 14;

(3) by redesignating sections 2, 3, 4, and 6 as sections 3, 4, 5, and 11, respectively;

(4) by inserting after section 1 (as amended by paragraph (1)) the following:

"SEC. 2. DEFINITIONS.

"In this Act:

"(1) BOARD.—The term 'Board' means a National Dam Safety Review Board established under section 8(h).

"(2) DAM.—The term 'dam'—

"(A) means any artificial barrier that has the ability to impound water, wastewater, or any liquid-borne material, for the purpose of storage or control of water, that—

"(i) is 25 feet or more in height from—

"(I) the natural bed of the stream channel or watercourse measured at the downstream toe of the barrier; or

"(II) if the barrier is not across a stream channel or watercourse, from the lowest elevation of the outside limit of the barrier;

to the maximum water storage elevation; or

"(ii) has an impounding capacity for maximum storage elevation of 50 acre-feet or more; but

"(B) does not include—

"(i) a levee; or

"(ii) a barrier described in subparagraph (A) that—

"(I) is 6 feet or less in height regardless of storage capacity; or

"(II) has a storage capacity at the maximum water storage elevation that is 15 acre-feet or less regardless of height;

unless the barrier, because of the location of the barrier or another physical characteristic of the barrier, is likely to pose a significant threat to human life or property if the barrier fails (as determined by the Director).

"(3) DIRECTOR.—The term 'Director' means the Director of FEMA.

"(4) FEDERAL AGENCY.—The term 'Federal agency' means a Federal agency that designs, finances, constructs, owns, operates, maintains, or regulates the construction, operation, or maintenance of a dam.

"(5) FEDERAL GUIDELINES FOR DAM SAFETY.—The term 'Federal Guidelines for Dam Safety' means the FEMA publication, numbered 93 and dated June 1979, that defines management practices for dam safety at all Federal agencies.

"(6) FEMA.—The term 'FEMA' means the Federal Emergency Management Agency.

"(7) HAZARD REDUCTION.—The term 'hazard reduction' means the reduction in the potential consequences to life and property of dam failure.

"(8) ICODS.—The term 'ICODS' means the Interagency Committee on Dam Safety established by section 7.

"(9) PROGRAM.—The term 'Program' means the national dam safety program established under section 8.

"(10) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

"(11) STATE DAM SAFETY AGENCY.—The term 'State dam safety agency' means a State agency that has regulatory authority over the safety of non-Federal dams.

"(12) STATE DAM SAFETY PROGRAM.—The term 'State dam safety program' means a State dam safety program approved and assisted under section 8(f).

"(13) UNITED STATES.—The term 'United States', when used in a geographical sense, means all of the States.";

(5) in section 3 (as redesignated by paragraph (3))—

(A) by striking "SEC. 3. As" and inserting the following:

"SEC. 3. INSPECTION OF DAMS.

"(a) IN GENERAL.—As"; and

(B) by adding at the end the following:

"(b) STATE PARTICIPATION.—On request of a State dam safety agency, with respect to any dam the failure of which would affect the State, the head of a Federal agency shall—

"(1) provide information to the State dam safety agency on the construction, operation, or maintenance of the dam; or

"(2) allow any official of the State dam safety agency to participate in the Federal inspection of the dam.";

(6) in section 4 (as redesignated by paragraph (3)), by striking "SEC. 4. As" and inserting the following:

"SEC. 4. INVESTIGATION REPORTS TO GOVERNORS.

"As";

(7) in section 5 (as redesignated by paragraph (3)), by striking "SEC. 5. For" and inserting the following:

"SEC. 5. DETERMINATION OF DANGER TO HUMAN LIFE AND PROPERTY.

"For";

(8) by inserting after section 5 (as redesignated by paragraph (3)) the following:

"SEC. 6. NATIONAL DAM INVENTORY.

"The Secretary of the Army, acting through the Chief of Engineers, may maintain and periodically publish updated information on the inventory of dams in the United States.

"SEC. 7. INTERAGENCY COMMITTEE ON DAM SAFETY.

"(a) ESTABLISHMENT.—There is established an Interagency Committee on Dam Safety—

"(1) comprised of a representative of each of the Department of Agriculture, the Department of Defense, the Department of Energy, the Department of the Interior, the Department of Labor, FEMA, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission, the Tennessee Valley Authority, and the United States Section of the International Boundary Commission; and

"(2) chaired by the Director.

"(b) DUTIES.—ICODS shall encourage the establishment and maintenance of effective Federal and State programs, policies, and guidelines intended to enhance dam safety for the protection of human life and property through—

"(1) coordination and information exchange among Federal agencies and State dam safety agencies; and

"(2) coordination and information exchange among Federal agencies concerning implementation of the Federal Guidelines for Dam Safety.

"SEC. 8. NATIONAL DAM SAFETY PROGRAM.

"(a) IN GENERAL.—The Director, in consultation with ICODS and State dam safety agencies, and the Board shall establish and maintain, in accordance with this section, a coordinated national dam safety program. The Program shall—

"(1) be administered by FEMA to achieve the objectives set forth in subsection (c);

"(2) involve, to the extent appropriate, each Federal agency; and

"(3) include—

"(A) each of the components described in subsection (d);

"(B) the implementation plan described in subsection (e); and

"(C) assistance for State dam safety programs described in subsection (f).

"(b) DUTIES.—The Director shall—

"(1) not later than 270 days after the date of enactment of this paragraph, develop the implementation plan described in subsection (e);

"(2) not later than 300 days after the date of enactment of this paragraph, submit to the appropriate authorizing committees of Congress the implementation plan described in subsection (e); and

"(3) by regulation, not later than 360 days after the date of enactment of this paragraph—

"(A) develop and implement the Program;

"(B) establish goals, priorities, and target dates for implementation of the Program; and

"(C) to the extent feasible, provide a method for cooperation and coordination with, and assistance to, interested governmental entities in all States.

"(c) OBJECTIVES.—The objectives of the Program are to—

"(1) ensure that new and existing dams are safe through the development of technologically and economically feasible programs and procedures for national dam safety hazard reduction;

"(2) encourage acceptable engineering policies and procedures to be used for dam site investigation, design, construction, operation and maintenance, and emergency preparedness;

"(3) encourage the establishment and implementation of effective dam safety programs in each State based on State standards;

"(4) develop and encourage public awareness projects to increase public acceptance and support of State dam safety programs;

"(5) develop technical assistance materials for Federal and non-Federal dam safety programs; and

"(6) develop mechanisms with which to provide Federal technical assistance for dam safety to the non-Federal sector.

"(d) COMPONENTS.—

"(1) IN GENERAL.—The Program shall consist of—

"(A) a Federal element and a non-Federal element; and

"(B) leadership activity, technical assistance activity, and public awareness activity.

"(2) ELEMENTS.—

"(A) FEDERAL.—The Federal element shall incorporate the activities and practices carried out by Federal agencies under section 7 to implement the Federal Guidelines for Dam Safety.

"(B) NON-FEDERAL.—The non-Federal element shall consist of—

"(i) the activities and practices carried out by States, local governments, and the private sector to safely build, regulate, operate, and maintain dams; and

"(ii) Federal activities that foster State efforts to develop and implement effective programs for the safety of dams.

"(3) FUNCTIONAL ACTIVITIES.—

"(A) LEADERSHIP.—The leadership activity shall be the responsibility of FEMA and shall be exercised by chairing ICODS to coordinate Federal efforts in cooperation with State dam safety officials.

"(B) TECHNICAL ASSISTANCE.—The technical assistance activity shall consist of the transfer of knowledge and technical information among the Federal and non-Federal elements described in paragraph (2).

"(C) PUBLIC AWARENESS.—The public awareness activity shall provide for the education of the public, including State and local officials, in the hazards of dam failure, methods of reducing the adverse consequences of dam failure, and related matters.

"(e) IMPLEMENTATION PLAN.—The Director shall—

"(1) develop an implementation plan for the Program that shall set, through fiscal year 2001, year-by-year targets that demonstrate improvements in dam safety; and

"(2) recommend appropriate roles for Federal agencies and for State and local units of government, individuals, and private organizations in carrying out the implementation plan.

"(f) ASSISTANCE FOR STATE DAM SAFETY PROGRAMS.—

"(1) IN GENERAL.—To encourage the establishment and maintenance of effective State programs intended to ensure dam safety, to protect human life and property, and to improve State dam safety programs, the Director shall provide assistance with amounts made available under section 12 to assist States in establishing and maintaining dam safety programs—

"(A) in accordance with the criteria specified in paragraph (2); and

"(B) in accordance with more advanced requirements and standards established by the Board and the Director with the assistance of established criteria such as the Model State Dam Safety Program published by FEMA, numbered 123 and dated April 1987, and amendments to the Model State Dam Safety Program.

"(2) CRITERIA.—For a State to be eligible for primary assistance under this subsection, a State dam safety program must be working toward meeting the following criteria, and for a State to be eligible for advanced assistance under this subsection, a State dam safety program must meet the following criteria and be working toward meeting the advanced requirements and standards established under paragraph (1)(B):

"(A) AUTHORIZATION.—For a State to be eligible for assistance under this subsection, a

State dam safety program must be authorized by State legislation to include substantially, at a minimum—

"(i) the authority to review and approve plans and specifications to construct, enlarge, modify, remove, and abandon dams;

"(ii) the authority to perform periodic inspections during dam construction to ensure compliance with approved plans and specifications;

"(iii) a requirement that, on completion of dam construction, State approval must be given before operation of the dam;

"(iv)(I) the authority to require or perform the inspection, at least once every 5 years, of all dams and reservoirs that would pose a significant threat to human life and property in case of failure to determine the continued safety of the dams and reservoirs; and

"(II) a procedure for more detailed and frequent safety inspections;

"(v) a requirement that all inspections be performed under the supervision of a State-registered professional engineer with related experience in dam design and construction;

"(vi) the authority to issue notices, when appropriate, to require owners of dams to perform necessary maintenance or remedial work, revise operating procedures, or take other actions, including breaching dams when necessary;

"(vii) regulations for carrying out the legislation of the State described in this subparagraph;

"(viii) provision for necessary funds—

"(I) to ensure timely repairs or other changes to, or removal of, a dam in order to protect human life and property; and

"(II) if the owner of the dam does not take action described in subclause (I), to take appropriate action as expeditiously as practicable;

"(ix) a system of emergency procedures to be used if a dam fails or if the failure of a dam is imminent; and

"(x) an identification of—

"(I) each dam the failure of which could be reasonably expected to endanger human life;

"(II) the maximum area that could be flooded if the dam failed; and

"(III) necessary public facilities that would be affected by the flooding.

"(B) FUNDING.—For a State to be eligible for assistance under this subsection, State appropriations must be budgeted to carry out the legislation of the State under subparagraph (A).

"(3) WORK PLANS.—The Director shall enter into a contract with each State receiving assistance under paragraph (2) to develop a work plan necessary for the State dam safety program of the State to reach a level of program performance specified in the contract.

"(4) MAINTENANCE OF EFFORT.—Assistance may not be provided to a State under this subsection for a fiscal year unless the State enters into such agreement with the Director as the Director requires to ensure that the State will maintain the aggregate expenditures of the State from all other sources for programs to ensure dam safety for the protection of human life and property at or above a level equal to the average annual level of the expenditures for the 2 fiscal years preceding the fiscal year.

"(5) APPROVAL OF PROGRAMS.—

"(A) SUBMISSION.—For a State to be eligible for assistance under this subsection, a plan for a State dam safety program shall be submitted to the Director.

"(B) APPROVAL.—A State dam safety program shall be deemed to be approved 120 days after the date of receipt by the Director unless the Director determines within the 120-day period that the State dam safety program fails to substantially meet the requirements of paragraphs (1) through (3).

"(C) NOTIFICATION OF DISAPPROVAL.—If the Director determines that a State dam safety program does not meet the requirements for approval, the Director shall immediately notify the State in writing and provide the reasons for the determination and the changes that are necessary for the plan to be approved.

"(6) REVIEW OF STATE DAM SAFETY PROGRAMS.—Using the expertise of the Board, the Director shall periodically review State dam safety programs. If the Board finds that a State dam safety program has proven inadequate to reasonably protect human life and property, and the Director concurs, the Director shall revoke approval of the State dam safety program, and withhold assistance under this subsection, until the State dam safety program again meets the requirements for approval.

"(g) DAM SAFETY TRAINING.—At the request of any State that has or intends to develop a State dam safety program, the Director shall provide training for State dam safety staff and inspectors.

"(h) BOARD.—

"(1) ESTABLISHMENT.—The Director may establish an advisory board to be known as the 'National Dam Safety Review Board' to monitor State implementation of this section.

"(2) AUTHORITY.—The Board may use the expertise of Federal agencies and enter into contracts for necessary studies to carry out this section.

"(3) MEMBERSHIP.—The Board shall consist of 11 members selected by the Director for expertise in dam safety, of whom—

"(A) 1 member shall represent the Department of Agriculture;

"(B) 1 member shall represent the Department of Defense;

"(C) 1 member shall represent the Department of the Interior;

"(D) 1 member shall represent FEMA;

"(E) 1 member shall represent the Federal Energy Regulatory Commission;

"(F) 5 members shall be selected by the Director from among dam safety officials of States; and

"(G) 1 member shall be selected by the Director to represent the United States Committee on Large Dams.

"(4) COMPENSATION OF MEMBERS.—

"(A) FEDERAL EMPLOYEES.—Each member of the Board who is an officer or employee of the United States shall serve without compensation in addition to compensation received for the services of the member as an officer or employee of the United States.

"(B) OTHER MEMBERS.—Each member of the Board who is not an officer or employee of the United States shall serve without compensation.

"(5) TRAVEL EXPENSES.—Each member of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of services for the Board.

"(6) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

"SEC. 9. RESEARCH.

"(a) IN GENERAL.—The Director, in cooperation with ICODS, shall carry out a program of technical and archival research to develop—

"(1) improved techniques, historical experience, and equipment for rapid and effective dam construction, rehabilitation, and inspection; and

"(2) devices for the continued monitoring of the safety of dams.

"(b) CONSULTATION.—The Director shall provide for State participation in research under subsection (a) and periodically advise all States and Congress of the results of the research.

"SEC. 10. REPORTS.

"(a) REPORT ON DAM INSURANCE.—Not later than 180 days after the date of enactment of this subsection, the Director shall report to Congress on the availability of dam insurance and make recommendations concerning encouraging greater availability.

"(b) BIENNIAL REPORTS.—Not later than 90 days after the end of each odd-numbered fiscal year, the Director shall submit a report to Congress that—

"(1) describes the status of the Program;

"(2) describes the progress achieved by Federal agencies during the 2 preceding fiscal years in implementing the Federal Guidelines for Dam Safety;

"(3) describes the progress achieved in dam safety by States participating in the Program; and

"(4) includes any recommendations for legislative and other action that the Director considers necessary.";

(9) in section 11 (as redesignated by paragraph (3))—

(A) by striking "SEC. 11. Nothing" and inserting the following:

"SEC. 11. STATUTORY CONSTRUCTION.

"Nothing";

(B) by striking "shall be construed (1) to create" and inserting the following: "shall—

"(1) create";

(C) by striking "or (2) to relieve" and inserting the following:

"(2) relieve"; and

(D) by striking the period at the end and inserting the following: "; or

"(3) preempt any other Federal or State law."; and

(10) by adding at the end the following:

"SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

"(a) FUNDING.—

"(1) NATIONAL DAM SAFETY PROGRAM.—

"(A) ANNUAL AMOUNTS.—There are authorized to be appropriated to FEMA to carry out sections 7, 8, and 10 (in addition to any amounts made available for similar purposes included in any other Act and amounts made available under paragraphs (2) through (5)), $1,000,000 for fiscal year 1997, $2,000,000 for fiscal year 1998, $4,000,000 for fiscal year 1999, $4,000,000 for fiscal year 2000, and $4,000,000 for fiscal year 2001.

"(B) ALLOCATION.—

"(i) IN GENERAL.—Subject to clauses (ii) and (iii), for each fiscal year, amounts made available under this paragraph to carry out section 8 shall be allocated among the States as follows:

"(I) One-third among States that qualify for assistance under section 8(f).

"(II) Two-thirds among States that qualify for assistance under section 8(f), to each such State in proportion to—

"(aa) the number of dams in the State that are listed as State-regulated dams on the inventory of dams maintained under section 6; as compared to

"(bb) the number of dams in all States that are listed as State-regulated dams on the inventory of dams maintained under section 6.

"(ii) MAXIMUM AMOUNT OF ALLOCATION.—The amount of funds allocated to a State under this subparagraph may not exceed 50 percent of the reasonable cost of implementing the State dam safety program.

"(iii) Determination.—The Director and the Board shall determine the amount allocated to States needing primary assistance and States needing advanced assistance under section 8(f).

"(2) National dam inventory.—There is authorized to be appropriated to carry out section 6 $500,000 for each fiscal year.

"(3) Dam safety training.—There is authorized to be appropriated to carry out section 8(g) $500,000 for each of fiscal years 1997 through 2001.

"(4) Research.—There is authorized to be appropriated to carry out section 9 $1,000,000 for each of fiscal years 1997 through 2001.

"(5) Staff.—There is authorized to be appropriated to FEMA for the employment of such additional staff personnel as are necessary to carry out sections 6 through 9 $400,000 for each of fiscal years 1997 through 2001.

"(b) Limitation on Use of Amounts.—Amounts made available under this Act may not be used to construct or repair any Federal or non-Federal dam.".

(d) Conforming Amendment.—Section 3(2) of the Indian Dams Safety Act of 1994 (25 U.S.C. 3802(2)) is amended by striking "the first section of Public Law 92-367 (33 U.S.C. 467)" and inserting "section 2 of the National Dam Safety Program Act".

SEC. 304. HYDROELECTRIC POWER PROJECT UPRATING.

(a) In General.—In carrying out the maintenance, rehabilitation, and modernization of a hydroelectric power generating facility at a water resources project under the jurisdiction of the Department of the Army, the Secretary is authorized, to the extent funds are made available in appropriations Acts, to take such actions as are necessary to increase the efficiency of energy production or the capacity of the facility, or both, if, after consulting with the heads of other appropriate Federal and State agencies, the Secretary determines that the increase—

(1) is economically justified and financially feasible;

(2) will not result in any significant adverse effect on the other purposes for which the project is authorized;

(3) will not result in significant adverse environmental impacts; and

(4) will not involve major structural or operational changes in the project.

(b) Effect on Other Authority.—This section shall not affect the authority of the Secretary and the Administrator of the Bonneville Power Administration under section 2406 of the Energy Policy Act of 1992 (16 U.S.C. 839d-1).

SEC. 305. FEDERAL LUMP-SUM PAYMENTS FOR FEDERAL OPERATION AND MAINTENANCE COSTS.

(a) In General.—In the case of a water resources project under the jurisdiction of the Department of the Army for which the non-Federal interests are responsible for performing the operation, maintenance, replacement, and rehabilitation of the project, or a separable element (as defined in section 103(f) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(f)) of the project, and for which the Federal Government is responsible for paying a portion of the operation, maintenance, replacement, and rehabilitation costs of the project or separable element, the Secretary may make, in accordance with this section and under terms and conditions acceptable to the Secretary, a payment of the estimated total Federal share of the costs to the non-Federal interests after completion of construction of the project or separable element.

(b) Amount of Payment.—The amount that may be paid by the Secretary under subsection (a) shall be equal to the present value of the Federal payments over the life of the project, as estimated by the Federal Government, and shall be computed using an interest rate determined by the Secretary of the Treasury taking into consideration current market yields on outstanding marketable obligations of the United States with maturities comparable to the remaining life of the project.

(c) Agreement.—The Secretary may make a payment under this section only if the non-Federal interests have entered into a binding agreement with the Secretary to perform the operation, maintenance, replacement, and rehabilitation of the project or separable element. The agreement shall—

(1) meet the requirements of section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d-5b); and

(2) specify—

(A) the terms and conditions under which a payment may be made under this section; and

(B) the rights of, and remedies available to, the Federal Government to recover all or a portion of a payment made under this section if a non-Federal interest suspends or terminates the performance by the non-Federal interest of the operation, maintenance, replacement, and rehabilitation of the project or separable element, or fails to perform the activities in a manner that is satisfactory to the Secretary.

(d) Effect of Payment.—Except as provided in subsection (c), a payment provided to the non-Federal interests under this section shall relieve the Federal Government of any obligation, after the date of the payment, to pay any of the operation, maintenance, replacement, or rehabilitation costs for the project or separable element.

SEC. 306. COST-SHARING FOR REMOVAL OF EXISTING PROJECT FEATURES.

After the date of enactment of this Act, any proposal submitted to Congress by the Secretary for modification of an existing authorized water resources development project (in existence on the date of the proposal) by removal of one or more of the project features that would significantly and adversely impact the authorized project purposes or outputs shall include the recommendation that the non-Federal interests shall provide 50 percent of the cost of any such modification, including the cost of acquiring any additional interests in lands that become necessary for accomplishing the modification.

SEC. 307. TERMINATION OF TECHNICAL ADVISORY COMMITTEE.

Section 310 of the Water Resources Development Act of 1990 (33 U.S.C. 2319) is amended—

(1) by striking subsection (a); and

(2) in subsection (b)—

(A) by striking "(b) Public Participation.—"; and

(B) by striking "subsection" each place it appears and inserting "section".

SEC. 308. CONDITIONS FOR PROJECT DEAUTHORIZATIONS.

(a) In General.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended—

(1) in the first sentence, by striking "10" and inserting "5";

(2) in the second sentence, by striking "Before" and inserting "Upon official"; and

(3) in the last sentence, by inserting "the planning, design, or" before "construction".

(b) Conforming Amendments.—Section 52 of the Water Resources Development Act of 1988 (Public Law 100-676; 102 Stat. 4044) is amended—

(1) by striking subsection (a) (33 U.S.C. 579a note);

(2) by redesignating subsections (b) through (e) as subsections (a) through (d), respectively; and

(3) in subsection (d) (as so redesignated), by striking "or subsection (a) of this section".

SEC. 309. PARTICIPATION IN INTERNATIONAL ENGINEERING AND SCIENTIFIC CONFERENCES.

Section 211 of the Flood Control Act of 1950 (33 U.S.C. 701u) is repealed.

SEC. 310. RESEARCH AND DEVELOPMENT IN SUPPORT OF ARMY CIVIL WORKS PROGRAM.

(a) In General.—In carrying out research and development in support of the civil works program of the Department of the Army, the Secretary may utilize contracts, cooperative research and development agreements, and cooperative agreements with, and grants to, non-Federal entities, including State and local governments, colleges and universities, consortia, professional and technical societies, public and private scientific and technical foundations, research institutions, educational organizations, and nonprofit organizations.

(b) Commercial Application.—In the case of a contract for research or development, or both, the Secretary may—

(1) require that the research or development, or both, have potential commercial application; and

(2) use the potential for commercial application as an evaluation factor, if appropriate.

SEC. 311. INTERAGENCY AND INTERNATIONAL SUPPORT AUTHORITY.

(a) In General.—The Secretary may engage in activities in support of other Federal agencies or international organizations to address problems of national significance to the United States. The Secretary may engage in activities in support of international organizations only after consulting with the Secretary of State. The Secretary may use the technical and managerial expertise of the Army Corps of Engineers to address domestic and international problems related to water resources, infrastructure development, and environmental protection.

(b) Funding.—There are authorized to be appropriated $1,000,000 to carry out this section. The Secretary may accept and expend additional funds from other Federal agencies or international organizations to carry this section.

SEC. 312. SECTION 1135 PROGRAM.

(a) Expansion of Program.—Section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a) is amended—

(1) in subsection (a), by inserting before the period at the end the following: "and to determine if the operation of the projects has contributed to the degradation of the quality of the environment";

(2) in subsection (b), by striking the last two sentences;

(3) by redesignating subsections (c), (d), and (e) as subsections (e), (f), and (g), respectively; and

(4) by inserting after subsection (b) the following:

"(c) Measures To Restore Environmental Quality.—If the Secretary determines under subsection (a) that operation of a water resources project has contributed to the degradation of the quality of the environment, the Secretary may carry out, with respect to the project, measures for the restoration of environmental quality, if the measures are feasible and consistent with the authorized purposes of the project.

"(d) Funding.—The non-Federal share of the cost of any modification or measure carried out pursuant to subsection (b) or (c) shall be 25 percent. Not more than $5,000,000 in Federal funds may be expended on any 1 such modification or measure.".

(b) Pine Flat Dam Fish and Wildlife Habitat Restoration, California.—In accordance with section 1135(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(b)), the Secretary shall carry out the construction of a turbine bypass at Pine Flat Dam, Kings River, California.

(c) Lower Amazon Creek Restoration, Oregon.—In accordance with section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a), the Secretary may carry out justified environmental restoration measures with respect to the flood reduction measures constructed by the Army Corps of Engineers, and the related flood reduction measures constructed by the Natural Resources Conservation Service, in the Amazon Creek drainage. The Federal share of the restoration measures shall be jointly funded by the Army Corps of Engineers and the Natural Resources Conservation Service in proportion to the share required to be paid by each agency of the original costs of the flood reduction measures.

SEC. 313. ENVIRONMENTAL DREDGING.

Section 312 of the Water Resources Development Act of 1990 (Public Law 101–640; 33 U.S.C. 1252 note) is amended by striking subsection (f).

SEC. 314. FEASIBILITY STUDIES.

(a) Non-Federal Share.—Section 105(a)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2215(a)(1)) is amended—

(1) in the first sentence, by striking "during the period of such study";

(2) by inserting after the first sentence the following: "During the period of the study, the non-Federal share of the cost of the study shall be not more than 50 percent of the estimate of the cost of the study as contained in the feasibility cost sharing agreement. The cost estimate may be amended only by mutual agreement of the Secretary and the non-Federal interests. The non-Federal share of any costs in excess of the cost estimate shall, except as otherwise mutually agreed by the Secretary and the non-Federal interests, be payable after the project has been authorized for construction and on the date on which the Secretary and non-Federal interests enter into an agreement pursuant to section 101(e) or 103(j)."; and

(3) in the last sentence, by striking "such non-Federal contribution" and inserting "the non-Federal share required under this paragraph".

(b) Applicability.—The amendments made by subsection (a) shall apply notwithstanding any feasibility cost sharing agreement entered into by the Secretary and non-Federal interests, and the Secretary shall amend any feasibility cost sharing agreements in effect on the date of enactment of this Act so as to conform the agreements with the amendments. Nothing in this section or any amendment made by this section shall require the Secretary to reimburse the non-Federal interests for funds previously contributed for a study.

SEC. 315. OBSTRUCTION REMOVAL REQUIREMENT.

(a) Penalty.—Section 16 of the Act entitled "An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved March 3, 1899 (33 U.S.C. 411), is amended—

(1) by striking "sections thirteen, fourteen, and fifteen" and inserting "section 13, 14, 15, 19, or 20"; and

(2) by striking "not exceeding twenty-five hundred dollars nor less than five hundred dollars" and inserting "of not more than $25,000 for each day that the violation continues".

(b) General Authority.—Section 20 of the Act (33 U.S.C. 415) is amended—

(1) in subsection (a)—

(A) by striking "Under emergency" and inserting "Summary Removal Procedures.—Under emergency"; and

(B) by striking "expense" the first place it appears and inserting "actual expense, including administrative expenses,";

(2) in subsection (b)—

(A) by striking "cost" and inserting "actual cost, including administrative costs,"; and

(B) by striking "(b) The" and inserting "(c) Liability of Owner, Lessee, or Operator.—The"; and

(3) by inserting after subsection (a) the following:

"(b) Removal Requirement.—Not later than 24 hours after the Secretary of the Department in which the Coast Guard is operating issues an order to stop or delay navigation in any navigable waters of the United States because of conditions related to the sinking or grounding of a vessel, the owner or operator of the vessel, with the approval of the Secretary of the Army, shall begin removal of the vessel using the most expeditious removal method available or, if appropriate, secure the vessel pending removal to allow navigation to resume. If the owner or operator fails to begin removal or to secure the vessel pending removal in accordance with the preceding sentence or fails to complete removal as soon as possible, the Secretary of the Army shall remove or destroy the vessel using the summary removal procedures under subsection (a).".

SEC. 316. LEVEE OWNERS MANUAL.

Section 5 of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved August 18, 1941 (33 U.S.C. 701n), is amended by adding at the end the following:

"(c) Levee Owners Manual.—

"(1) In general.—Not later than 1 year after the date of enactment of this subsection, in accordance with chapter 5 of title 5, United States Code, the Secretary shall prepare a manual describing the maintenance and upkeep responsibilities that the Army Corps of Engineers requires of a non-Federal interest in order for the non-Federal interest to receive Federal assistance under this section. The Secretary shall provide a copy of the manual at no cost to each non-Federal interest that is eligible to receive Federal assistance under this section.

"(2) Prohibition on delegation.—The preparation of the manual shall be carried out under the personal direction of the Secretary.

"(3) Authorization of appropriations.—There are authorized to be appropriated $1,000,000 to carry out this subsection.

"(4) Definitions.—In this subsection:

"(A) Maintenance and upkeep.—The term 'maintenance and upkeep' means all maintenance and general upkeep of a levee performed on a regular and consistent basis that is not repair and rehabilitation.

"(B) Repair and rehabilitation.—The term 'repair and rehabilitation'—

"(i) except as provided in clause (ii), means the repair or rebuilding of a levee or other flood control structure, after the structure has been damaged by a flood, to the level of protection provided by the structure before the flood; and

"(ii) does not include—

"(I) any improvement to the structure; or

"(II) repair or rebuilding described in clause (i) if, in the normal course of usage, the structure becomes structurally unsound and is no longer fit to provide the level of protection for which the structure was designed.

"(C) Secretary.—The term 'Secretary' means the Secretary of the Army.".

SEC. 317. RISK-BASED ANALYSIS METHODOLOGY.

(a) In General.—Not later than 1 year after the date of enactment of this Act, the Secretary shall obtain the services of an independent consultant to evaluate—

(1) the relationship between—

(A) the Risk-Based Analysis for Evaluation of Hydrology/Hydraulics and Economics in Flood Damage Reduction Studies established in an Army Corps of Engineers engineering circular; and

(B) minimum engineering and safety standards;

(2) the validity of results generated by the studies described in paragraph (1); and

(3) policy impacts related to change in the studies described in paragraph (1).

(b) Task Force.—

(1) In general.—In carrying out the independent evaluation under subsection (a), the Secretary, not later than 90 days after the date of enactment of this Act, shall establish a task force to oversee and review the analysis.

(2) Membership.—The task force shall consist of—

(A) the Assistant Secretary of the Army having responsibility for civil works, who shall serve as chairperson of the task force;

(B) the Administrator of the Federal Emergency Management Agency;

(C) the Chief of the Natural Resources Conservation Service of the Department of Agriculture;

(D) a State representative appointed by the Secretary from among individuals recommended by the Association of State Floodplain Managers;

(E) a local government public works official appointed by the Secretary from among individuals recommended by a national organization representing public works officials; and

(F) an individual from the private sector, who shall be appointed by the Secretary.

(3) Compensation.—

(A) In general.—Except as provided in subparagraph (B), a member of the task force shall serve without compensation.

(B) Expenses.—Each member of the task force shall be allowed—

(i) travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of services for the task force; and

(ii) other expenses incurred in the performance of services for the task force, as determined by the Secretary.

(4) Termination.—The task force shall terminate 2 years after the date of enactment of this Act.

(c) Limitation on Use of Methodology.—During the period beginning on the date of enactment of this Act and ending 2 years after that date, if requested by a non-Federal interest, the Secretary shall refrain from using any risk-based technique required under the studies described in subsection (a) for the evaluation and design of a project carried out in cooperation with the non-Federal interest unless the Secretary, in consultation with the task force, has provided direction for use of the technique after consideration of the independent evaluation required under subsection (a).

(d) Authorization of Appropriations.—There are authorized to be appropriated $500,000 to carry out this section.

SEC. 318. SEDIMENTS DECONTAMINATION TECHNOLOGY.

Section 405 of the Water Resources Development Act of 1992 (Public Law 102–580; 33 U.S.C. 2239 note) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by adding at the end the following: "The goal of the program shall be to make possible the development, on an operational scale, of 1 or more sediment decontamination technologies, each of which demonstrates a sediment decontamination capacity of at least 2,500 cubic yards per day."; and

(B) by adding at the end the following:

"(3) Report to congress.—Not later than September 30, 1996, and September 30 of each year thereafter, the Administrator and the Secretary shall report to Congress on progress made toward the goal described in paragraph (2)."; and

(2) in subsection (c)—

(A) by striking "$5,000,000" and inserting "$10,000,000"; and

(B) by striking "1992" and inserting "1996".

SEC. 319. MELALEUCA TREE.

Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended by inserting "melaleuca tree," after "milfoil,".

SEC. 320. FAULKNER ISLAND, CONNECTICUT.

In consultation with the Director of the United States Fish and Wildlife Service, the Secretary shall design and construct shoreline protection measures for the coastline adjacent to the Faulkner Island Lighthouse, Connecticut, at a total cost of $4,500,000.

SEC. 321. DESIGNATION OF LOCK AND DAM AT THE RED RIVER WATERWAY, LOUISIANA.

(a) Designation.—Lock and Dam numbered 4 of the Red River Waterway, Louisiana, is designated as the "Russell B. Long Lock and Dam".

(b) Legal References.—A reference in any law, regulation, document, map, record, or other paper of the United States to the lock and dam referred to in subsection (a) shall be deemed to be a reference to the "Russell B. Long Lock and Dam".

SEC. 322. JURISDICTION OF MISSISSIPPI RIVER COMMISSION, LOUISIANA.

The jurisdiction of the Mississippi River Commission established by the Act of June 28, 1879 (21 Stat. 37, chapter 43; 33 U.S.C. 641 et seq.), is extended to include all of the area between the eastern side of the Bayou Lafourche Ridge from Donaldsonville, Louisiana, to the Gulf of Mexico and the west guide levee of the Mississippi River from Donaldsonville, Louisiana, to the Gulf of Mexico.

SEC. 323. WILLIAM JENNINGS RANDOLPH ACCESS ROAD, GARRETT COUNTY, MARYLAND.

The Secretary shall transfer up to $600,000 from the funds appropriated for the William Jennings Randolph Lake, Maryland and West Virginia, project to the State of Maryland for use by the State in constructing an access road to the William Jennings Randolph Lake in Garrett County, Maryland.

SEC. 324. ARKABUTLA DAM AND LAKE, MISSISSIPPI.

The Secretary shall repair the access roads to Arkabutla Dam and Arkabutla Lake in Tate County and DeSoto County, Mississippi, at a total cost of not to exceed $1,400,000.

SEC. 325. NEW YORK STATE CANAL SYSTEM.

(a) In General.—In order to make capital improvements to the New York State canal system, the Secretary, with the consent of appropriate local and State entities, shall enter into such arrangements, contracts, and leases with public and private entities as may be necessary for the purposes of rehabilitation, renovation, preservation, and maintenance of the New York State canal system and related facilities, including trailside facilities and other recreational projects along the waterways referred to in subsection (c).

(b) Federal Share.—The Federal share of the cost of capital improvements under this section shall be 50 percent. The total cost is $14,000,000, with an estimated Federal cost of $7,000,000 and an estimated non-Federal cost of $7,000,000.

(c) Definition of New York State Canal System.—In this section, the term "New York State canal system" means the Erie, Oswego, Champlain, and Cayuga-Seneca Canals in New York.

SEC. 326. QUONSET POINT-DAVISVILLE, RHODE ISLAND.

The Secretary shall replace the bulkhead between piers 1 and 2 at the Quonset Point-Davisville Industrial Park, Rhode Island, at a total cost of $1,350,000. The estimated Federal share of the project cost is $1,012,500, and the estimated non-Federal share of the project cost is $337,500. In conjunction with this project, the Secretary shall install high mast lighting at pier 2 at a total cost of $300,000, with an estimated Federal cost of $225,000 and an estimated non-Federal cost of $75,000.

SEC. 327. CLOUTER CREEK DISPOSAL AREA, CHARLESTON, SOUTH CAROLINA.

(a) Transfer of Administrative Jurisdiction.—Notwithstanding any other law, the Secretary of the Navy shall transfer to the Secretary administrative jurisdiction over the approximately 1,400 acres of land under the jurisdiction of the Department of the Navy that comprise a portion of the Clouter Creek disposal area, Charleston, South Carolina.

(b) Use of Transferred Land.—The land transferred under subsection (a) shall be used by the Department of the Army as a dredge material disposal area for dredging activities in the vicinity of Charleston, South Carolina, including the Charleston Harbor navigation project.

(c) Cost Sharing.—Nothing in this section modifies any non-Federal cost-sharing requirement established under title I of the Water Resources Development Act of 1986 (33 U.S.C. 2211 et seq.).

SEC. 328. NUISANCE AQUATIC VEGETATION IN LAKE GASTON, VIRGINIA AND NORTH CAROLINA.

Section 339(b) of the Water Resources Development Act of 1992 (Public Law 102–580; 106 Stat. 4855) is amended by striking "1993 and 1994" and inserting "1995 and 1996".

SEC. 329. WASHINGTON AQUEDUCT.

(a) Definitions.—In this section:

(1) Non-Federal public water supply customer.—The term "non-Federal public water supply customer" means—

(A) the District of Columbia;

(B) Arlington County, Virginia; and

(C) the City of Falls Church, Virginia.

(2) Washington aqueduct.—The term "Washington Aqueduct" means the Washington Aqueduct facilities and related facilities owned by the Federal Government as of the date of enactment of this Act, including—

(A) the dams, intake works, conduits, and pump stations that capture and transport raw water from the Potomac River to the Dalecarlia Reservoir;

(B) the infrastructure and appurtenances used to treat water taken from the Potomac River to potable standards; and

(C) related water distribution facilities.

(b) Regional Entity.—

(1) In general.—Congress encourages and grants consent to the non-Federal public water supply customers to establish a public or private entity or to enter into an agreement with an existing public or private entity to—

(A) receive title to the Washington Aqueduct; and

(B) operate, maintain, and manage the Washington Aqueduct in a manner that adequately represents all interests of non-Federal public water supply customers.

(2) Consideration.—An entity receiving title to the Washington Aqueduct that is not composed entirely of the non-Federal public water supply customers shall receive consideration for providing equity for the Aqueduct.

(3) Priority access.—The non-Federal public water supply customers shall have priority access to any water produced by the Aqueduct.

(4) Consent of congress.—Congress grants consent to the non-Federal public water supply customers to enter into any interstate agreement or compact required to carry out this section.

(5) Statutory construction.—This section shall not preclude the non-Federal public water supply customers from pursuing any option regarding ownership, operation, maintenance, and management of the Washington Aqueduct.

(c) Progress Report and Plan.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report to the Committee on Environment and Public Works in the Senate and the Committee on Transportation and Infrastructure in the House of Representatives on any progress in achieving a plan for the transfer of ownership, operation, maintenance, and management of the Washington Aqueduct to a public or private entity.

(d) Transfer.—

(1) In general.—Subject to subsection (b)(2) and any terms or conditions the Secretary considers appropriate to protect the interests of the United States, the Secretary may, with the consent of the non-Federal public water supply customers and without consideration to the Federal Government, transfer all rights, title, and interest of the United States in the Washington Aqueduct, its real property, facilities, and personalty, to a public or private entity established or contracted with pursuant to subsection (b).

(2) Adequate capabilities.—The Secretary shall transfer ownership to the Washington Aqueduct under paragraph (1) only if the Secretary determines, after opportunity for public input, that the entity to receive ownership of the Aqueduct has the technical, managerial, and financial capability to operate, maintain, and manage the Aqueduct.

(3) Responsibilities.—The Secretary shall not transfer title under this subsection unless the entity to receive title assumes full

responsibility for performing and financing the operation, maintenance, repair, replacement, rehabilitation, and necessary capital improvements of the Washington Aqueduct so as to ensure the continued operation of the Washington Aqueduct consistent with Aqueduct's intended purpose of providing an uninterrupted supply of potable water sufficient to meet the current and future needs of the Aqueduct's service area.

(e) INTERIM BORROWING AUTHORITY.—

(1) BORROWING.—

(A) IN GENERAL.—The Secretary is authorized to borrow from the Treasury of the United States such amounts for fiscal years 1997 and 1998 as is sufficient to cover any obligations that the United States Army Corps of Engineers is required to incur in carrying out capital improvements during fiscal years 1997 and 1998 for the Washington Aqueduct to ensure continued operation of the Aqueduct until such time as a transfer of title of the Aqueduct has taken place.

(B) LIMITATION.—The amount borrowed by the Secretary under subparagraph (A) may not exceed $29,000,000 for fiscal year 1997 and $24,000,000 for fiscal year 1998.

(C) AGREEMENT.—Amounts borrowed under subparagraph (A) may only be used for capital improvements agreed to by the Army Corps of Engineers and the non-Federal public water supply customers.

(D) TERMS OF BORROWING.—

(i) IN GENERAL.—The Secretary of the Treasury shall provide the funds borrowed under subparagraph (A) under such terms and conditions as the Secretary of Treasury determines to be necessary and in the public interest and subject to the contracts required in paragraph (2).

(ii) SPECIFIED TERMS.—The term of any amounts borrowed under subparagraph (A) shall be for a period of not less than 20 years. There shall be no penalty for the prepayment of any amounts borrowed under subparagraph (A).

(2) CONTRACTS WITH PUBLIC WATER SUPPLY CUSTOMERS.—

(A) CONTRACTS TO REPAY CORPS DEBT.—To the extent provided in appropriations Act, and in accordance with paragraph (1), the Chief of Engineers of the Army Corps of Engineers may enter into a series of contracts with each public water supply customer under which the customer commits to repay a pro-rata share (based on water purchase) of the principal and interest owed by the Secretary to the Secretary of the Treasury under paragraph (1). Any customer, or customers, may prepay, at any time, the pro-rata share of the principal and interest then owed by the customer and outstanding, or any portion thereof, without penalty. Under each of the contracts, the customer that enters into the contract shall commit to pay any additional amount necessary to fully offset the risk of default on the contract.

(B) OFFSETTING OF RISK OF DEFAULT.—Each contract under subparagraph (A) shall include such additional terms and conditions as the Secretary of the Treasury may require so that the value to the Government of the contracts is estimated to be equal to the obligational authority used by the Army Corps of Engineers for modernizing the Washington Aqueduct at the time that each series of contracts is entered into.

(C) OTHER CONDITIONS.—Each contract entered into under subparagraph (A) shall—

(i) provide that the public water supply customer pledges future income only from fees assessed to operate and maintain the Washington Aqueduct;

(ii) provide the United States priority in regard to income from fees assessed to operate and maintain the Washington Aqueduct; and

(iii) include other conditions not inconsistent with this section that the Secretary of the Treasury determines to be appropriate.

(3) EXTENSION OF BORROWING AUTHORITY.—If no later than 24 months from the date of enactment of this Act, a written agreement in principle has been reached between the Secretary, the non-Federal public water supply customers, and (if one exists) the public or private entity proposed to own, operate, maintain, and manage the Washington Aqueduct, then it shall be appropriated to the Secretary for fiscal year 1999 borrowing authority, and the Secretary shall borrow, under the same terms and conditions noted in this subsection, in an amount sufficient to cover those obligations which the Army Corps of Engineers is required to incur in carrying out capital improvements that year for the Washington Aqueduct to ensure continued operations until the transfer contemplated in subsection (b) has taken place, provided that this borrowing shall not exceed $22,000,000 in fiscal year 1999; provided also that no such borrowings shall occur once such non-Federal public or private owner shall have been established and achieved the capacity to borrow on its own.

(4) IMPACT ON IMPROVEMENT PROGRAM.—Not later than 6 months after the date of enactment of this Act, the Secretary, in consultation with other Federal agencies, shall transmit to the Committee on Environment and Public Works in the Senate and the Committee on Transportation and Infrastructure in the House of Representatives a report that assesses the impact of the borrowing authority referred to in this subsection on the near term improvement projects in the Washington Aqueduct Improvement Program, work scheduled during this period and the financial liability to be incurred.

(f) DELAYED REISSUANCE OF NPDES PERMIT.—In recognition of more efficient water-facility configurations that might be achieved through various possible ownership transfers of the Washington Aqueduct, the United States Environmental Protection Agency shall delay the reissuance of the NPDES permit for the Washington Aqueduct until Federal fiscal year 1999.

SEC. 330. CHESAPEAKE BAY ENVIRONMENTAL RESTORATION AND PROTECTION PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a pilot program to provide environmental assistance to non-Federal interests in the Chesapeake Bay watershed.

(2) FORM.—The assistance shall be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects affecting the Chesapeake Bay estuary, including projects for sediment and erosion control, protection of eroding shorelines, protection of essential public works, wastewater treatment and related facilities, water supply and related facilities, and beneficial uses of dredged material, and other related projects that may enhance the living resources of the estuary.

(b) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned, and will be publicly operated and maintained.

(c) LOCAL COOPERATION AGREEMENT.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with the assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for—

(A) the development by the Secretary, in consultation with appropriate Federal, State, and local officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications and an estimate of expected resource benefits; and

(B) the establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation and maintenance of the project by the non-Federal interest.

(d) COST SHARING.—

(1) FEDERAL SHARE.—Except as provided in paragraph (2)(B), the Federal share of the total project costs of each local cooperation agreement entered into under this section shall be 75 percent.

(2) NON-FEDERAL SHARE.—

(A) VALUE OF LANDS, EASEMENTS, RIGHTS-OF-WAY, AND RELOCATIONS.—In determining the non-Federal contribution toward carrying out a local cooperation agreement entered into under this section, the Secretary shall provide credit to a non-Federal interest for the value of lands, easements, rights-of-way, and relocations provided by the non-Federal interest, except that the amount of credit provided for a project under this paragraph may not exceed 25 percent of the total project costs.

(B) OPERATION AND MAINTENANCE COSTS.—The non-Federal share of the costs of operation and maintenance of carrying out the agreement under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS AND AGREEMENTS.—

(1) IN GENERAL.—Nothing in this section waives, limits, or otherwise affects the applicability of any provision of Federal or State law that would otherwise apply to a project carried out with assistance provided under this section.

(2) COOPERATION.—In carrying out this section, the Secretary shall cooperate fully with the heads of appropriate Federal agencies, including—

(A) the Administrator of the Environmental Protection Agency;

(B) the Secretary of Commerce, acting through the Administrator of the National Oceanic and Atmospheric Administration;

(C) the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service; and

(D) the heads of such other Federal agencies and agencies of a State or political subdivision of a State as the Secretary determines to be appropriate.

(f) DEMONSTRATION PROJECT.—The Secretary shall establish at least 1 project under this section in each of the States of Maryland, Virginia, and Pennsylvania. A project established under this section shall be carried out using such measures as are necessary to protect environmental, historic, and cultural resources.

(g) REPORT.—Not later than December 31, 1998, the Secretary shall transmit to Congress a report on the results of the program carried out under this section, together with a recommendation concerning whether or not the program should be implemented on a national basis.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000, to remain available until expended.

SEC. 331. RESEARCH AND DEVELOPMENT PROGRAM TO IMPROVE SALMON SURVIVAL.

(a) SALMON SURVIVAL ACTIVITIES.—

(1) IN GENERAL.—The Secretary shall accelerate ongoing research and development activities, and is authorized to carry out or participate in additional research and development activities, for the purpose of developing innovative methods and technologies for improving the survival of salmon, especially salmon in the Columbia River Basin.

(2) ACCELERATED ACTIVITIES.—Accelerated research and development activities referred to in paragraph (1) may include research and development related to—

(A) impacts from water resources projects and other impacts on salmon life cycles;

(B) juvenile and adult salmon passage;

(C) light and sound guidance systems;

(D) surface-oriented collector systems;

(E) transportation mechanisms; and

(F) dissolved gas monitoring and abatement.

(3) ADDITIONAL ACTIVITIES.—Additional research and development activities referred to in paragraph (1) may include research and development related to—

(A) marine mammal predation on salmon;

(B) studies of juvenile salmon survival in spawning and rearing areas;

(C) estuary and near-ocean juvenile and adult salmon survival;

(D) impacts on salmon life cycles from sources other than water resources projects; and

(E) other innovative technologies and actions intended to improve fish survival, including the survival of resident fish.

(4) COORDINATION.—The Secretary shall coordinate any activities carried out under this subsection with appropriate Federal, State, and local agencies, affected Indian tribes, and the Northwest Power Planning Council.

(5) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall transmit to Congress a report on the research and development activities carried out under this subsection, including any recommendations of the Secretary concerning the research and development activities.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $10,000,000 to carry out research and development activities under subparagraphs (A) through (C) of paragraph (3).

(b) ADVANCED TURBINE DEVELOPMENT.—

(1) IN GENERAL.—In conjunction with the Secretary of Energy, the Secretary shall accelerate efforts toward developing innovative, efficient, and environmentally safe hydropower turbines, including design of "fish-friendly" turbines, for use on the Columbia River hydro system.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $12,000,000 to carry out this subsection.

(c) IMPLEMENTATION.—Nothing in this section affects the authority of the Secretary to implement the results of the research and development carried out under this section or any other law.

SEC. 332. RECREATIONAL USER FEES.

(a) IN GENERAL.—Section 210(b)(4) of the Flood Control Act of 1968 (16 U.S.C. 460d-3(b)(4)) is amended by inserting before the period at the end the following: "and, subject to the availability of appropriations, shall be used for the purposes specified in section 4(i)(3) of the Act at the water resources development project at which the fees were collected".

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall prepare and submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report, with respect to fiscal year 1995, on—

(1) the amount of day-use fees collected under section 210(b) of the Flood Control Act of 1968 (16 U.S.C. 460d-3(b)) at each water resources development project; and

(2) the administrative costs associated with the collection of the day-use fees at each water resources development project.

SEC. 333. SHORE PROTECTION.

(a) IN GENERAL.—Subsection (a) of the first section of the Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426e(a)), is amended—

(1) by striking "damage to the shores" and inserting "damage to the shores and beaches"; and

(2) by striking "the following provisions" and all that follows through the period at the end and inserting the following: "this Act, to promote shore protection projects and related research that encourage the protection, restoration, and enhancement of sandy beaches, including beach restoration and periodic beach nourishment, on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprises. In carrying out this policy, preference shall be given to areas in which there has been a Federal investment of funds and areas with respect to which the need for prevention or mitigation of damage to shores and beaches is attributable to Federal navigation projects or other Federal activities.".

(b) DEFINITION OF SHORE PROTECTION PROJECT.—Section 4 of the Act of August 13, 1946 (60 Stat. 1057, chapter 960; 33 U.S.C. 426h), is amended—

(1) by striking "SEC. 4. As used in this Act, the word 'shores' includes all the shorelines" and inserting the following:

"SEC. 4. DEFINITIONS.

"In this Act:

"(1) SHORE.—The term 'shore' includes each shoreline of each"; and

(2) by adding at the end the following:

"(2) SHORE PROTECTION PROJECT.—The term 'shore protection project' includes a project for beach nourishment, including the replacement of sand.".

SEC. 334. SHORELINE EROSION CONTROL DEMONSTRATION.

(a) NATIONAL SHORELINE EROSION CONTROL DEVELOPMENT AND DEMONSTRATION PROGRAM.—The Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426e et seq.), is amended by adding at the end the following:

"SEC. 5. NATIONAL SHORELINE EROSION CONTROL DEVELOPMENT AND DEMONSTRATION PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) EROSION CONTROL PROGRAM.—The term 'erosion control program' means the national shoreline erosion control development and demonstration program established under this section.

"(2) SECRETARY.—The term 'Secretary' means the Secretary of the Army, acting through the Chief of Engineers of the Army Corps of Engineers.

"(b) ESTABLISHMENT OF EROSION CONTROL PROGRAM.—The Secretary shall establish and conduct a national shoreline erosion control development and demonstration program for a period of 8 years beginning on the date that funds are made available to carry out this section.

"(c) REQUIREMENTS.—

"(1) IN GENERAL.—The erosion control program shall include provisions for—

"(A) demonstration projects consisting of planning, designing, and constructing prototype engineered and vegetative shoreline erosion control devices and methods during the first 5 years of the erosion control program;

"(B) adequate monitoring of the prototypes throughout the duration of the erosion control program;

"(C) detailed engineering and environmental reports on the results of each demonstration project carried out under the erosion control program; and

"(D) technology transfers to private property owners and State and local entities.

"(2) EMPHASIS.—The demonstration projects carried out under the erosion control program shall emphasize, to the extent practicable—

"(A) the development and demonstration of innovative technologies;

"(B) efficient designs to prevent erosion at a shoreline site, taking into account the life-cycle cost of the design, including cleanup, maintenance, and amortization;

"(C) natural designs, including the use of vegetation or temporary structures that minimize permanent structural alterations;

"(D) the avoidance of negative impacts to adjacent shorefront communities;

"(E) in areas with substantial residential or commercial interests adjacent to the shoreline, designs that do not impair the aesthetic appeal of the interests;

"(F) the potential for long-term protection afforded by the technology; and

"(G) recommendations developed from evaluations of the original 1974 program established under the Shoreline Erosion Control Demonstration Act of 1974 (section 54 of Public Law 93-251; 42 U.S.C. 1962d-5 note), including—

"(i) adequate consideration of the subgrade;

"(ii) proper filtration;

"(iii) durable components;

"(iv) adequate connection between units; and

"(v) consideration of additional relevant information.

"(3) SITES.—

"(A) IN GENERAL.—Each demonstration project under the erosion control program shall be carried out at a privately owned site with substantial public access, or a publicly owned site, on open coast or on tidal waters.

"(B) SELECTION.—The Secretary shall develop criteria for the selection of sites for the demonstration projects, including—

"(i) a variety of geographical and climatic conditions;

"(ii) the size of the population that is dependent on the beaches for recreation, protection of homes, or commercial interests;

"(iii) the rate of erosion;

"(iv) significant natural resources or habitats and environmentally sensitive areas; and

"(v) significant threatened historic structures or landmarks.

"(C) AREAS.—Demonstration projects under the erosion control program shall be carried out at not fewer than 2 sites on each of the shorelines of—

"(i) the Atlantic, Gulf, and Pacific coasts;

"(ii) the Great Lakes; and

"(iii) the State of Alaska.

"(d) COOPERATION.—

"(1) PARTIES.—The Secretary shall carry out the erosion control program in cooperation with—

"(A) the Secretary of Agriculture, particularly with respect to vegetative means of preventing and controlling shoreline erosion;

"(B) Federal, State, and local agencies;

"(C) private organizations;

"(D) the Coastal Engineering Research Center established under the first section of Public Law 88–172 (33 U.S.C. 426–1); and

"(E) university research facilities.

"(2) AGREEMENTS.—The cooperation described in paragraph (1) may include entering into agreements with other Federal, State, or local agencies or private organizations to carry out functions described in subsection (c)(1) when appropriate.

"(e) REPORT.—Not later than 60 days after the conclusion of the erosion control program, the Secretary shall prepare and submit an erosion control program final report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives. The report shall include a comprehensive evaluation of the erosion control program and recommendations regarding the continuation of the erosion control program.

"(f) FUNDING.—

"(1) IN GENERAL.—Subject to paragraph (2), the Federal share of the cost of a demonstration project under the erosion control program shall be determined in accordance with section 3.

"(2) RESPONSIBILITY.—The cost of and responsibility for operation and maintenance (excluding monitoring) of a demonstration project under the erosion control program shall be borne by non-Federal interests on completion of construction of the demonstration project.".

(b) CONFORMING AMENDMENT.—Subsection (e) of the first section of the Act of August 13, 1946 (60 Stat. 1056, chapter 960; 33 U.S.C. 426e(e)), is amended by striking "section 3" and inserting "section 3 or 5".

SEC. 335. REVIEW PERIOD FOR STATE AND FEDERAL AGENCIES.

Paragraph (a) of the first section of the Act entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", approved December 22, 1944 (33 U.S.C. 701–1(a)), is amended—

(1) in the ninth sentence, by striking "ninety" and inserting "30"; and

(2) in the eleventh sentence, by striking "ninety-day" and inserting "30-day".

SEC. 336. DREDGED MATERIAL DISPOSAL FACILITIES.

(a) IN GENERAL.—Section 101 of the Water Resources Development Act of 1986 (33 U.S.C. 2211) is amended by adding at the end the following:

"(f) DREDGED MATERIAL DISPOSAL FACILITIES.—

"(1) IN GENERAL.—The construction of all dredged material disposal facilities associated with Federal navigation projects for harbors and inland harbors, including diking and other improvements necessary for the proper disposal of dredged material, shall be considered to be general navigation features of the projects and shall be cost-shared in accordance with subsection (a).

"(2) COST SHARING FOR OPERATION AND MAINTENANCE.—

"(A) IN GENERAL.—The Federal share of the cost of operation and maintenance of each disposal facility to which paragraph (1) applies shall be determined in accordance with subsection (b).

"(B) SOURCE OF FEDERAL SHARE.—The Federal share of the cost of construction of dredged material disposal facilities associated with the operation and maintenance of Federal navigation projects for harbors and inland harbors shall be—

"(i) considered to be eligible operation and maintenance costs for the purpose of section 210(a); and

"(ii) paid with sums appropriated out of the Harbor Maintenance Trust Fund established by section 9505 of the Internal Revenue Code of 1986.

"(3) APPORTIONMENT OF FUNDING.—The Secretary shall ensure, to the extent practicable, that—

"(A) funding requirements for operation and maintenance dredging of commercial navigation harbors are considered fully before Federal funds are obligated for payment of the Federal share of costs associated with the construction of dredged material disposal facilities under paragraph (1); and

"(B) funds expended for such construction are equitably apportioned in accordance with regional needs.

"(4) APPLICABILITY.—

"(A) IN GENERAL.—This subsection shall apply to the construction of any dredged material disposal facility for which a contract for construction has not been awarded on or before the date of enactment of this subsection.

"(B) AMENDMENT OF EXISTING AGREEMENTS.—The Secretary may, with the consent of the non-Federal interest, amend a project cooperation agreement executed before the date of enactment of this subsection to reflect paragraph (1) with respect to any dredged material disposal facility for which a contract for construction has not been awarded as of that date.

"(5) NON-FEDERAL SHARE OF COSTS.—Nothing in this subsection shall impose, increase, or result in the increase of the non-Federal share of the costs of any existing dredged material disposal facility authorized to be provided before the date of enactment of this subsection.".

(b) DEFINITION OF ELIGIBLE OPERATIONS AND MAINTENANCE.—Section 214(2)(A) of the Water Resources Development Act of 1986 (33 U.S.C. 2241(2)(A)) is amended by inserting before the period at the end the following: ", dredging and disposal of contaminated sediments that are in or that affect the maintenance of a Federal navigation channel, mitigation for storm damage and environmental impacts resulting from a Federal maintenance activity, and operation and maintenance of a dredged material disposal facility".

SEC. 337. APPLICABILITY OF COST-SHARING PROVISIONS.

Section 103(e)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(e)(1)) is amended by adding at the end the following: "For the purpose of the preceding sentence, physical construction shall be considered to be initiated on the date of the award of a construction contract.".

SEC. 338. SECTION 215 REIMBURSEMENT LIMITATION PER PROJECT.

(a) IN GENERAL.—The last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5a(a)) is amended—

(1) by striking "$3,000,000" and inserting "$5,000,000"; and

(2) by striking the second period at the end.

(b) MODIFICATION OF REIMBURSEMENT LIMITATION FOR SAN ANTONIO RIVER AUTHORITY.—Notwithstanding the last sentence of section 215(a) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5a(a)) and the agreement executed on November 7, 1992, by the Secretary and the San Antonio River Authority, Texas, the Secretary shall reimburse the San Antonio River Authority in an amount not to exceed a total of $5,000,000 for the work carried out by the Authority under the agreement, including any amounts paid to the Authority under the terms of the agreement before the date of enactment of this Act.

SEC. 339. WAIVER OF UNECONOMICAL COST-SHARING REQUIREMENT.

The first sentence of section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(a)) is amended by inserting before the period at the end the following: ", except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agreement would exceed the amount of the contribution required from the non-Federal interest".

SEC. 340. PLANNING ASSISTANCE TO STATES.

Section 22 of the Water Resources Development Act of 1974 (42 U.S.C. 1962d–16) is amended—

(1) in subsection (a), by inserting ", watersheds, and ecosystems" after "basins";

(2) in subsection (b)—

(A) by striking paragraph (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively; and

(3) in subsection (c)—

(A) by striking "$6,000,000" and inserting "$10,000,000"; and

(B) by striking "$300,000" and inserting "$500,000".

SEC. 341. RECOVERY OF COSTS FOR CLEANUP OF HAZARDOUS SUBSTANCES.

Any amount recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the civil works program of the Army Corps of Engineers, and any amount recovered by the Secretary from a contractor, insurer, surety, or other person to reimburse the Secretary for any expenditure for environmental response activities in support of the civil works program, shall be credited to the trust fund account to which the cost of the response action has been or will be charged.

SEC. 342. CITY OF NORTH BONNEVILLE, WASHINGTON.

Section 9147 of the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1940), is amended to read as follows:

"SEC. 9147. CITY OF NORTH BONNEVILLE, WASHINGTON.

"(a) CONVEYANCES.—

"(1) IN GENERAL.—The project for Bonneville Lock and Dam, Columbia River, Oregon and Washington, authorized by the Act of August 20, 1937 (commonly known as the 'Bonneville Project Act of 1937') (50 Stat. 731, chapter 720; 16 U.S.C. 832 et seq.), and modified by section 83 of the Water Resources Development Act of 1974 (Public Law 93–251; 88 Stat. 35), is further modified to authorize the Secretary of the Army to convey to the city of North Bonneville, Washington (referred to in this section as the 'city'), at no further cost to the city, all right, title, and interest of the United States in and to—

"(A) any municipal facilities, utilities, fixtures, and equipment for the relocated city, and any remaining lands designated as open spaces or municipal lots not previously conveyed to the city, specifically Lots M1 through M15, M16 (known as the 'community center lot'), M18, M19, M22, M24, S42 through S45, and S52 through S60, as shown on the plats of Skamania County, Washington;

"(B) the lot known as the 'school lot' and shown as Lot 2, Block 5, on the plats of relocated North Bonneville, recorded in Skamania County, Washington;

"(C) Parcels 2 and C, but only on the completion of any environmental response activities required under applicable law;

"(D) that portion of Parcel B lying south of the city boundary, west of the sewage treatment plant, and north of the drainage ditch that is located adjacent to the northerly limit of the Hamilton Island landfill, if the Secretary of the Army determines, at the time of the proposed conveyance, that the Department of the Army has taken all actions necessary to protect human health and the environment;

"(E) such portions of Parcel H as can be conveyed without a requirement for further investigation, inventory, or other action by the Secretary of the Army under the National Historic Preservation Act (16 U.S.C. 470 et seq.); and

"(F) such easements as the Secretary of the Army considers necessary for—

"(i) sewer and water line crossings of relocated Washington State Highway 14; and

"(ii) reasonable public access to the Columbia River across such portions of Hamilton Island as remain in the ownership of the United States.

"(2) TIMING OF CONVEYANCES.—The conveyances described in subparagraphs (A), (B), (E), and (F)(i) of paragraph (1) shall be completed not later than 180 days after the United States receives the release described in subsection (b)(2). All other conveyances shall be completed expeditiously, subject to any conditions specified in the applicable subparagraph of paragraph (1).

"(b) EFFECT OF CONVEYANCES.—

"(1) CONGRESSIONAL INTENT.—The conveyances authorized by subsection (a) are intended to resolve all outstanding issues between the United States and the city.

"(2) ACTION BY CITY BEFORE CONVEYANCES.—As prerequisites to the conveyances, the city shall—

"(A) execute an acknowledgment of payment of just compensation;

"(B) execute a release of all claims for relief of any kind against the United States arising from the relocation of the city or any Federal statute enacted before the date of enactment of this subparagraph relating to the city; and

"(C) dismiss, with prejudice, any pending litigation involving matters described in subparagraph (B).

"(3) ACTION BY ATTORNEY GENERAL.—On receipt of the city's acknowledgment and release described in paragraph (2), the Attorney General shall—

"(A) dismiss any pending litigation arising from the relocation of the city; and

"(B) execute a release of all rights to damages of any kind (including any interest on the damages) under Town of North Bonneville, Washington v. United States, 11 Cl. Ct. 694, aff'd in part and rev'd in part, 833 F.2d 1024 (Fed. Cir. 1987), cert. denied, 485 U.S. 1007 (1988).

"(4) ACTION BY CITY AFTER CONVEYANCES.—Not later than 60 days after the conveyances authorized by subparagraphs (A) through (F)(i) of subsection (a)(1) have been completed, the city shall—

"(A) execute an acknowledgment that all entitlements to the city under the subparagraphs have been fulfilled; and

"(B) execute a release of all claims for relief of any kind against the United States arising from this section.

"(c) AUTHORITY OF CITY OVER CERTAIN LANDS.—Beginning on the date of enactment of paragraph (1), the city or any successor in interest to the city—

"(1) shall be precluded from exercising any jurisdiction over any land owned in whole or in part by the United States and administered by the Army Corps of Engineers in connection with the Bonneville project; and

"(2) may change the zoning designations of, sell, or resell Parcels S35 and S56, which are designated as open spaces as of the date of enactment of this paragraph.".

SEC. 343. COLUMBIA RIVER TREATY FISHING ACCESS.

Section 401(a) of Public Law 100–581 (102 Stat. 2944) is amended—

(1) by striking "(a) All Federal" and all that follows through "Columbia River Gorge Commission" and inserting the following:

"(a) EXISTING FEDERAL LANDS.—

"(1) IN GENERAL.—All Federal lands that are included within the 20 recommended treaty fishing access sites set forth in the publication of the Army Corps of Engineers entitled 'Columbia River Treaty Fishing Access Sites Post Authorization Change Report', dated April 1995,"; and

(2) by adding at the end the following:

"(2) BOUNDARY ADJUSTMENTS.—The Secretary of the Army, in consultation with affected tribes, may make such minor boundary adjustments to the lands referred to in paragraph (1) as the Secretary determines are necessary to carry out this title.".

SEC. 344. TRI-CITIES AREA, WASHINGTON.

(a) GENERAL AUTHORITY.—As soon as practicable after the date of enactment of this Act, the Secretary shall make the conveyances to the local governments referred to in subsection (b) of all right, title, and interest of the United States in and to the property described in subsection (b).

(b) PROPERTY DESCRIPTIONS.—

(1) BENTON COUNTY, WASHINGTON.—The property to be conveyed under subsection (a) to Benton County, Washington, is the property in the county that is designated "Area D" on Exhibit A to Army Lease No. DACW–68–1–81–43.

(2) FRANKLIN COUNTY, WASHINGTON.—The property to be conveyed under subsection (a) to Franklin County, Washington, is—

(A) the 105.01 acres of property leased under Army Lease No. DACW–68–1–77–20 as executed by Franklin County, Washington, on April 7, 1977;

(B) the 35 acres of property leased under Supplemental Agreement No. 1 to Army Lease No. DACW–68–1–77–20;

(C) the 20 acres of property commonly known as "Richland Bend" that is designated by the shaded portion of Lot 1, Section 11, and the shaded portion of Lot 1, Section 12, Township 9 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20;

(D) the 7.05 acres of property commonly known as "Taylor Flat" that is designated by the shaded portion of Lot 1, Section 13, Township 11 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20;

(E) the 14.69 acres of property commonly known as "Byers Landing" that is designated by the shaded portion of Lots 2 and 3, Section 2, Township 10 North, Range 28 East, W.M. on Exhibit D to Supplemental Agreement No. 2 to Army Lease No. DACW–68–1–77–20; and

(F) all levees in Franklin County, Washington, as of the date of enactment of this Act, and the property on which the levees are situated.

(3) CITY OF KENNEWICK, WASHINGTON.—The property to be conveyed under subsection (a) to the city of Kennewick, Washington, is the property in the city that is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(4) CITY OF RICHLAND, WASHINGTON.—The property to be conveyed under subsection (a) to the city of Richland, Washington, is the property in the city that is subject to the Municipal Sublease Agreement entered into on April 6, 1989, between Benton County, Washington, and the cities of Kennewick and Richland, Washington.

(5) CITY OF PASCO, WASHINGTON.—The property to be conveyed under subsection (a) to the city of Pasco, Washington, is—

(A) the property in the city of Pasco, Washington, that is leased under Army Lease No. DACW–68–1–77–10; and

(B) all levees in the city, as of the date of enactment of this Act, and the property on which the levees are situated.

(6) PORT OF PASCO, WASHINGTON.—The property to be conveyed under subsection (a) to the Port of Pasco, Washington, is—

(A) the property owned by the United States that is south of the Burlington Northern Railroad tracks in Lots 1 and 2, Section 20, Township 9 North, Range 31 East, W.M.; and

(B) the property owned by the United States that is south of the Burlington Northern Railroad tracks in Lots 1, 2, 3, and 4, in each of Sections 21, 22, and 23, Township 9 North, Range 31 East, W.M.

(7) ADDITIONAL PROPERTIES.—In addition to properties described in paragraphs (1) through (6), the Secretary may convey to a local government referred to in any of paragraphs (1) through (6) such properties under the jurisdiction of the Secretary in the Tri-Cities area as the Secretary and the local government agree are appropriate for conveyance.

(c) TERMS AND CONDITIONS.—

(1) IN GENERAL.—The conveyances under subsection (a) shall be subject to such terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(2) SPECIAL RULES FOR FRANKLIN COUNTY.—The property described in subsection (b)(2)(F) shall be conveyed only after Franklin County, Washington, enters into a written agreement with the Secretary that provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out the agreement.

(3) SPECIAL RULE FOR CITY OF PASCO.—The property described in subsection (b)(5)(B) shall be conveyed only after the city of Pasco, Washington, enters into a written agreement with the Secretary that provides that the United States shall continue to operate and maintain the flood control drainage areas and pump stations on the property conveyed and that the United States shall be provided all easements and rights necessary to carry out the agreement.

(4) CONSIDERATION.—

(A) ADMINISTRATIVE COSTS.—A local government to which property is conveyed under this section shall pay all administrative costs associated with the conveyance.

(B) PARK AND RECREATION PROPERTIES.—Properties to be conveyed under this section that will be retained in public ownership and used for public park and recreation purposes shall be conveyed without consideration. If any such property is no longer used for public park and recreation purposes, title to the property shall revert to the United States.

(C) OTHER PROPERTIES.—Properties to be conveyed under this section and not described in subparagraph (B) shall be conveyed at fair market value.

(d) LAKE WALLULA LEVEES.—

(1) DETERMINATION OF MINIMUM SAFE HEIGHT.—

(A) CONTRACT.—Not later than 30 days after the date of enactment of this Act, the Secretary shall contract with a private entity agreed to under subparagraph (B) to determine, not later than 180 days after the date of enactment of this Act, the minimum safe height for the levees of the project for flood control, Lake Wallula, Washington. The Secretary shall have final approval of the minimum safe height.

(B) AGREEMENT OF LOCAL OFFICIALS.—A contract shall be entered into under subparagraph (A) only with a private entity agreed to by the Secretary, appropriate representatives of Franklin County, Washington, and appropriate representatives of the city of Pasco, Washington.

(2) AUTHORITY.—A local government may reduce, at its cost, the height of any levee of the project for flood control, Lake Wallula, Washington, within the boundaries of the area under the jurisdiction of the local government to a height not lower than the minimum safe height determined under paragraph (1).

SEC. 345. DESIGNATION OF LOCKS AND DAMS ON TENNESSEE-TOMBIGBEE WATERWAY.

(a) IN GENERAL.—The following locks, and locks and dams, on the Tennessee-Tombigbee Waterway, located in the States of Alabama, Kentucky, Mississippi, and Tennessee, are designated as follows:

(1) Gainesville Lock and Dam at Mile 266 designated as Howell Heflin Lock and Dam.

(2) Columbus Lock and Dam at Mile 335 designated as John C. Stennis Lock and Dam.

(3) The lock and dam at Mile 358 designated as Aberdeen Lock and Dam.

(4) Lock A at Mile 371 designated as Amory Lock.

(5) Lock B at Mile 376 designated as Glover Wilkins Lock.

(6) Lock C at Mile 391 designated as Fulton Lock.

(7) Lock D at Mile 398 designated as John Rankin Lock.

(8) Lock E at Mile 407 designated as G.V. "Sonny" Montgomery Lock.

(9) Bay Springs Lock and Dam at Mile 412 designated as Jamie Whitten Lock and Dam.

(b) LEGAL REFERENCES.—A reference in any law, regulation, document, map, record, or other paper of the United States to a lock, or lock and dam, referred to in subsection (a) shall be deemed to be a reference to the designation for the lock, or lock and dam, provided in the subsection.

SEC. 346. DESIGNATION OF J. BENNETT JOHNSTON WATERWAY.

(a) IN GENERAL.—The portion of the Red River, Louisiana, from new river mile 0 to new river mile 235 shall be known and designated as the "J. Bennett Johnston Waterway".

(b) REFERENCES.—Any reference in any law, regulation, document, map, record, or other paper of the United States to the portion of the Red River described in subsection (a) shall be deemed to be a reference to the "J. Bennett Johnston Waterway".

SEC. 347. TECHNICAL CORRECTIONS.

(a) CONTRIBUTIONS FOR ENVIRONMENTAL AND RECREATION PROJECTS.—Section 203(b) of the Water Resources Development Act of 1992 (33 U.S.C. 2325(b)) is amended by striking "(8662)" and inserting "(8862)".

(b) CHALLENGE COST-SHARING PROGRAM.—The second sentence of section 225(c) of the Act (33 U.S.C. 2328(c)) is amended by striking "(8662)" and inserting "(8862)".

MOTION OFFERED BY MR. SHUSTER

Mr. SHUSTER. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SHUSTER moves to strike out all after the enacting clause of S. 640 and insert the text of H.R. 3592, as passed the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 3592) was laid on the table.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 3592 and S. 640, the bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

OSCAR GARCIA RIVERA POST OFFICE BUILDING

Mr. McHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 885) to designate the U.S. Post Office building located at 153 East 110th Street, New York, NY, as the "Oscar Garcia Rivera Post Office Building".

The Clerk read as follows:

H.R. 885

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Post Office building located at 153 East 110th Street, New York, New York, shall be known and designated as the "Oscar Garcia Rivera Post Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office building referred to in section 1 shall be deemed to be a reference to the "Oscar Garcia Rivera Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. McHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. McHUGH].

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to report that the legislation before us, H.R. 885, was approved unanimously by the Committee on Government Reform and Oversight. This legislation, designating the U.S. Post Office Building located at 153 East 110th Street, New York, NY as the "Oscar Garcia Rivera Post Office Building," was introduced by the gentleman from New York, [Mr. SERRANO], and was cosponsored by his full State delegation, as required by committee policy.

H.R. 885 honors the first Puerto Rican to be elected to public office in the continental United States. Oscar Garcia Rivera was born in Mayaguez, Puerto Rico on November 6, 1900. He came to the mainland after graduating from high school and worked part time in a Brooklyn factory. He pursued his studies while working and was assigned to the post office in City Hall. He was instrumental in organizing and establishing the Association of Puerto Rican and Hispanic Employees within the post office department. Mr. Garcia Rivera received his law degree from St. John's University, New York in 1930 and was elected assemblyman in the State of New York in March 1937 by the 14th District, which then included Harlem. He was reelected the following year and served until 1940. Soon thereafter, Mr. Garcia Rivera returned to Mayaguez where he continued to be known for his commitment to protecting the rights of manual laborers and remained a role model and a community leader. He dies in his hometown in 1969.

Mr. Speaker, I support the passage of H.R. 885 and urge our colleagues to do the same.

Mr. Speaker, I reserve the balance of my time.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, rather than reiterate the points that my colleague from New York has already made, let me just say that I rise in support of H.R. 885, which designates the U.S. post office in New York City as the Oscar Garcia Rivera Post Office.

This measure was introduced, as the gentleman from New York [Mr. McHUGH] said, by the gentleman from New York [Mr. SERRANO] and the gentleman from New York [Mr. RANGEL] and supported by the whole New York congressional delegation pursuant to the committee rules.

Mr. Speaker, I urge my colleagues to support this tribute to a pioneer whose work marked the beginning of Puerto Rican leadership in the United States.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RANGEL. Mr. Speaker, with passage of this bill, we not only pay tribute to a great American but we recognize in a small way the great culture and tradition of the Puerto Rican people.

This bill is the first step in the process of renaming the Hellgate Post Office in my congressional district in East Harlem after Oscar Garcia Rivera, the first Puerto Rican elected to public office on the mainland of the United States.

Born in Mayaguez, Puerto Rico, Mr. Rivera personified all the virtues of hard work, dedication, and commitment to the service of his country that Americans hold dear. After migrating to New York City, he worked in a factory in Brooklyn while studying at night at my own alma mater, St. John's Law School.

Like so many minorities of his generation and still today, he found work in the post office, where he later helped establish the Association of Puerto Rican and Hispanic Employees of the U.S. Postal Service.

In 1937, he made history by becoming the first Puerto Rican elected to public office in the continental United States. His election to represent what was then the 14th State assembly district was unprecedented. His decision to run was courageous as well in a city in which, in those days, Puerto Ricans were a distinct minority and a Puerto Rican official of any kind was unheard of.

Though he served only until 1940, Mr. Rivera was a trailblazer for the more than 400 Hispanic Members of Congress, State Representatives, and judges who serve today throughout these United States. Today that representation—like that of African Americans—is under attack. But I am confident that the spirit of leaders such as Oscar Garcia Rivera will ultimately prevail.

During his short time of service in the New York State Assembly, Rivera made lasting contributions, not only to the Puerto Rican community but the labor movement. He defended minimum wage laws, fought for regulated work hours, was a dedicated champion of manual laborers. On the national level—he joined with fellow fighters against Jim Crow and racism by supporting a successful campaign for legislation to outlaw lynching.

Oscar Garcia Rivera holds a special place in the hearts of many of my older constituents in East Harlem. While I doubt that many of our younger contemporaries would recognize his name, this simple monument—a post office on east 110th Street—will give him a permanent place in the history of New York.

Oscar Garcia Rivera was a source of pride for his people back in the 1930's and '40's. The recognition that we offer today is well deserved not only by him but by all Puerto Ricans. In wartime they have fought bravely, and many have died to defend our country. They have made contributions large and small to American culture—in the arts, in music, in politics, and in law.

Oscar Garcia Rivera reminds us that like all Americans, the people of Puerto Rico are not only entitled but have earned respect. Their culture, their language, their communities, their choices of political leadership should be embraced and never challenged.

I wish to congratulate Jose Serrano, my dear friend and colleague from New York who has provided the leadership that has made passage of this bill possible. With his commitment and determination, he clearly walks in the footsteps of Oscar Garcia Rivera.

Mr. SERRANO. Mr. Speaker, I rise today to express my strong support for H.R. 885, a bill I introduced with Mr. RANGEL to designate the U.S. Post Office building located at 153 East 110th Street, New York, NY, as the "Oscar Garcia Rivera Post Office Building" and to celebrate the 59th anniversary of the first Puerto Rican elected to public office in the continental United States.

Oscar Garcia Rivera, Esq., was elected Assemblyman in the State of New York from the 14th District, on March 7, 1937.

Born in Mayaguez, Puerto Rico, on November 6, 1900, Oscar Garcia Rivera was raised on a coffee plantation. As a young man, Garcia Rivera demonstrated talent and leadership. He was president of his high school senior class in 1925, and excelled in his studies. After graduation from high school, Garcia came to the United States and began working part time in a factory in Brooklyn, while he continued to take courses to reach his goal of becoming a lawyer. He applied for a job at the U.S. Postal Service, obtained high recommendations, and was assigned to the post office in City Hall. He quickly became involved in union issues, and later encouraged the establishment of the Association of Puerto Rican and Hispanic Employees within the U.S. Postal Service.

Garcia Rivera attended law school at St. John's University, and graduated in 1930. Dedicated and committed to the struggles of Pioneer Puerto Ricans and Hispanics in East Harlem, where poverty and discrimination were rampant, Garcia Rivera announced publicly in 1937 that he would seek a seat in the New York State Assembly.

In March of the same year, he made history by becoming the first Puerto Rican elected to public office in the continental United States. He won re-election the following year and continued in this post until 1940.

During the short time that he served in the Assembly, Oscar Garcia Rivera initiated legislation that offered valuable and lasting contributions to his Puerto Rican community, the labor movement, and the working class. He introduced a bill guaranteeing safeguards against unemployment; this revolutionary piece of legislation was enacted into law in February of 1939. Garcia Rivera defended minimum wage laws, fought for regulated hours of labor, worked to establish tariff agreements, and most importantly, he was committed to protecting the rights of manual laborers and encouraged workers to organize themselves into active unions. He also supported the campaign which established a law which punished lynching throughout the United States.

The legislative career of Oscar Garcia Rivera ended barely 3 years after it began. He returned to Puerto Rico, and died in 1969 in the town where he was born, Mayaguez.

The anniversary of Oscar Garcia Rivera's election as the first Puerto Rican who attained a public office marks a proud moment in our history. Although his career as assemblyman was brief, Oscar Garcia Rivera became a great leader in his community and a role model for young people. His actions transformed the Puerto Rican community, and improved working conditions for all in the State of New York.

Mr. Speaker, I am proud to support this bill to honor Oscar Garcia Rivera and mark the beginning of Puerto Rican leadership in New York and the continental United States.

Mr. MCHUGH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. MCHUGH] that the House suspend the rules and pass the bill, H.R. 885.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 885, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AUGUSTA "GUSTY" HORNBLOWER UNITED STATES POST OFFICE

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3768) to designate a U.S. Post Office to be located in Groton, MA, as the "Augusta 'Gusty' Hornblower United States Post Office".

The Clerk read as follows:

H.R. 3768

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The United States Post Office to be located at 80 Boston Road in Groton, Massachusetts, shall be designated and known as the "Augusta 'Gusty' Hornblower United States Post Office".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the "Augusta 'Gusty' Hornblower United States Post Office".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Committee on Government Reform and Oversight unanimously approved H.R. 3768. This bill before the House today designates the U.S. Post Office building which the Postal Service is constructing at 80 Boston Road in Groton, MA as the "Augusta 'Gusty' Hornblower United States Post Office." The legislation is sponsored by the gentleman from Massachusetts [Mr. BLUTE], and cosponsored by the entire Massachusetts State Delegation as required by procedures established by the Committee on Government Reform and Oversight.

Augusta Hornblower was known to be both outspoken and tough in the political arena, but a kind human being and a real friend on a personal level. "Gusty" Hornblower served many years in public service including as a trustee of the Plimoth Plantation, State chair and national board member of the American Legislative Exchange Council, and member of the Nashoba Community Hospital Board.

"Gusty" was the State Representative to the Massachusetts General Court from the First Middlesex District from 1985 to 1994 where she represented the towns of Groton, Ayer, Dunstable, Lunenberg, Pepperell, Townsend, and Tyngsborough. While in the Massachusetts House, she served on the Joint Committees on Election Reform and Taxation and the Special Commission on Tax Reform. She served as assistant minority whip in 1993–94.

"Gusty" Hornblower championed breast cancer research with great success in the Massachusetts State Legislature but died of the disease in August 1994.

Mr. Speaker, I urge our colleagues to support H.R. 3768.

Mr. Speaker, I reserve the balance of my time.

□ 1230

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also rise in support of H.R. 3768, which designates the Post Office in Groton, MA as the Augusta "Gusty" Hornblower Post Office. It is cosponsored by the entire Massachusetts delegation, particularly my friend and colleague, Mr. BLUTE. It is a fitting honor and duly notes the contributions made by Ms. Hornblower. She is a person well deserving of this honor, and we certainly support the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MCHUGH. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. BLUTE], prime sponsor of this bill.

Mr. BLUTE. Mr. Speaker, I want to thank the chairman of the Subcommittee on Postal Service for helping to move this bill expeditiously through the committee. I thank my good friend from Virginia for his kind words on behalf of this bill, and I would also like to thank my colleague from Massachusetts, Mr. MARTIN MEEHAN, for his cosponsorship, and the entire Massachusetts delegation for getting this bill.

Mr. Speaker, Augusta "Gusty" Hornblower was quite a woman and quite a good friend. She served as a State legislator in Massachusetts general court for 5 terms. She was one of the first women in our State to achieve the post of legislative leader. She was the minority whip for many years. She represented her constituents well on such important issues as the closing of Fort Devens, which is in her district and in my district. By recognizing the tremendous economic impact on her district with its closing, Gusty helped activate and steer the Fort Devens Enterprise Commission in sharing beneficial land use and industrial recovery for the area.

She was also an advocate for lower taxes, increased educational opportunities and tough crime laws. She served on the State House Joint Committee on Election Reform and Taxation as well as the Special Commission on Tax Reform.

In addition to her service on the general court, Gusty served the public interest with numerous groups, such as the Nashoba Community Hospital Board. She was a national board member of the American Legislative Exchange Council. Her love of the Commonwealth of Massachusetts led her to work hard to preserve it. She served on the board of trustees and then the board of overseers of the Plimoth Plantation, founded by her father, Henry Hornblower II. In the historic town of Arlington, MA, she served on the board of trustees of the Schwamb Mill Preservation Trust. She also held a seat on the Martha's Vineyard Commission.

Unfortunately, Massachusetts and many of our friends lost her on August 27, 1994 when she succumbed to breast cancer. However, in her last years she became a vocal and effective advocate for breast cancer research and education and was instrumental in securing an unprecedented $3 million of State dollars for breast cancer research.

She saw the devastating effects of this disease firsthand and helped women across the State with her advocacy. This bill is a fitting tribute to her lasting contributions to not only the people of Groton but to the people of Massachusetts as well.

I thank the chairman of the committee for his leadership, the gentleman from Virginia for supporting this bill and all my colleagues for supporting this important bill, recognizing this extraordinary woman.

Mr. MORAN. Mr. Speaker, I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from New York [Mr. MCHUGH], that the House suspend the rules and pass the bill, H.R. 3768.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 3768.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ROSE Y. CARACAPPA UNITED STATES POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3139) to redesignate the United States Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, NY, as the "Rose Y. Caracappa United States Post Office Building."

The Clerk read as follows:

H.R. 3139

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION.

The United States Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, New York, shall be known and designated as the "Rose Y. Caracappa United States Post Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office building referred to in section 1 shall be deemed to be a reference to the "Rose Y. Caracappa United States Post Office Building."

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MCHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. MCHUGH].

Mr. MCHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Committee on Government Reform and Oversight unanimously approved H.R. 3139. The legislation designates the U.S. Post Office building located at 245 Centereach Mall on Middle Country Road in Centereach, NY, as the "Rose Y. Caracappa United States Post Office Building."

Mr. Speaker, H.R. 3139 was introduced by the gentleman from New York [Mr. FORBES] and, pursuant to committee policy, the legislation has been cosponsored by the House delegation of the State of New York.

H.R. 3139 honors Rose Caracappa of Selden, New York who was elected to the Suffolk County legislature from 1981 until her death in May 1995 at age 56. Ms. Caracappa served on the Suffolk County Sewer Authority and was chairperson of the committees on public works, veterans and senior citizens. She was known as a combative, colorful legislator and was recognized for her tireless work for people. At the time of her death, she was actively working on building a World War II monument to honor those who served in that war. The people whom Rose Caracappa championed—the police, firefighters and veterans—buried her with full honor usually reserved for uniformed personnel.

Mr. Speaker, I have cosponsored H.R. 3139 and urge our colleagues to support the measure.

Mr. Speaker, I reserve the balance of my time.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are also pleased to join the New York congressional delegation supporting H.R. 3139 that designates the post office in Centereach, NY, as the gentleman from New York [Mr. McHUGH] has said, as the Rose Y. Caracappa Post Office. She was a former New York county legislator. She championed the rights of senior citizens and veterans. She deserves this honor. We support giving it to her.

Mr. Speaker, I reserve the balance of my time.

Mr. McHUGH. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. FORBES], who is the sponsor of this legislation.

Mr. FORBES. Mr. Speaker, I thank the distinguished Chair and the ranking member, the gentleman from Virginia, for their courtesies in moving this legislation forward.

Mr. Speaker, I rise today to encourage enactment of H.R. 3139, a bill that I have introduced, which designates the post office at Centereach, Long Island, NY as the "Rose Y. Caracappa U.S. Post Office Building."

Rose Caracappa was one of Suffolk County's most celebrated legislators. Rose was a feisty, outspoken legislator who died suddenly in May of 1995. It was a great loss to all of us on Long Island, Mr. Speaker, because Rose was one of New York's pioneer legislators. In honors usually reserved for uniformed personnel, Rose's funeral procession was led by 13 police motorcycles and followed by half a dozen fire and emergency vehicles with one clanging bell, the symbol of a fallen firefighter.

Before being elected to serve in the Suffolk County Legislature, Rose was really a person of her community. She had volunteered her services to the local Parent-Teacher's Association, to her church, to the Girl Scouts, and to the Cub Scouts, and she had been an active member and supporter of the Salvation Army.

In 1981, after having worked as a legislative aide in the county legislature, Rose decided to run for her own as county legislator in the fourth district and she won. She served as the lone conservative in the Suffolk County Legislature for nearly 15 years.

As a legislator, Rose was responsible for providing Suffolk County police officers with body armor and was also noted for sponsoring the open space acquisition of Camp Barstow, a former Girl Scout camp on Long Island. During her tenure as a county legislator, she served as chairwoman of the public works, veterans, and seniors committees.

She is best known as a tireless champion for the police, for the firefighters, for senior citizens, and veterans. And while chairing the committee on veterans' affairs, Rose was proud to have sponsored legislation for the Armed Services Plaza in Hauppauge. At the time of her death she was working, as has been previously noted, on a World War II monument to be placed at the Armed Forces Plaza in Hauppauge to commemorate all those who have served in that war.

Rose was the key legislator who orchestrated the building of a Korean war veterans monument and a women's veterans monument in Suffolk County. They have both been erected at the same Hauppauge site.

What made Rose so special was not only her leadership in the county legislature, but her genuine concern for all the people of Suffolk County. Everything that she really cared about had to do with people, not buildings, not budgets, not politics. She truly was one of the people. Because the people thought of Rose as one of them, constituents would regularly visit her offices and share their personal problems and concerns with Rose, who was known from time to time to dig into her own purse and help a constituent out when they needed to pay a bill.

Mr. Speaker, I can think of no better way to pay tribute to this feisty loving person, Rose Caracappa, than to designate this post office building in her loving memory. On behalf of the Caracappa family and all the people of Suffolk County, I thank the committee, and I thank this House for taking up this important legislation.

Mr. MORAN. Mr. Speaker, I think the gentleman from New York [Mr. FORBES] has said everything that needs to be said about the person to whom we are dedicating this post office.

Mr. Speaker, I yield back the balance of my time.

Mr. FORBES. Mr. Speaker, I rise today in support of H.R. 3139, a bill I introduced to designate the post office in Centereach, Long Island, NY, the "Rose Y. Caracappa United States Post Office Building."

Rose Caracappa was one of New York's most celebrated legislators. Rose, a feisty, outspoken legislator died suddenly from a heart attack in 1995. It was a great loss for the people of Long Island because Rose was one of New York's pioneer legislators. In honors usually reserved for uniformed personnel, Rose's funeral procession was led by 13 police motorcyclists and followed by a half-dozen fire and emergency vehicles with one clanging a bell, the symbol of a fallen firefighter.

Before being elected to serve in the Suffolk County Legislature, Rose volunteered her services to the local PTA, her church, the Girl and Cub Scouts, and the Salvation Army. In 1981, after having worked as a legislative aide in the Suffolk County Legislature, Rose decided to run for county legislator of the fourth district and won. She served as the lone conservative in the Suffolk County Legislature for nearly 15 years.

As a Suffolk County legislator, Rose was responsible for providing Suffolk County police with body armor and for sponsoring the open-space acquisition of Camp Barstow, a former Girl Scout camp on Long Island. During her tenure as a Suffolk County legislator, she served as chairwoman of the public works, veterans, and seniors committees.

Rose is best known for being a tireless champion for the police, firefighters, senior citizens, and veterans of all of New York. While chairing the Veterans Affairs Committee, Rose was proud to have sponsored legislation for the Armed Forces Plaza in Hauppauge. At the time of her death, Rose was working to build a World War II monument in honor of all those that served. Rose was the key legislator who orchestrated the building of a Korean war veterans monument and a women veterans monument, the first in Suffolk County, which have been erected at the Hauppauge site.

What made Rose so special was not only her leadership in the Suffolk County Legislature, but her genuine concern for the people she served.

Everything that she really cared about had to do with people, not buildings, budgets, or politics. She truly was one of the people. Because the people thought of Rose as one of them, constituents would regularly go to Rose's office with their problems and concerns. Rose would think nothing of digging into her purse to give a constituent money for a bill.

I can think of no better way to pay tribute to one of New York's most lively legislators than to honor her by redesignating the post office in Centereach in her name. Her record of public service deserves this worthy acknowledgement.

ROSE CARACAPPA

Rose was born on October 14, 1938, in Huntington, Long Island. She was appropriately born during an historical month and year, two weeks after the hurricane of 1938, and two weeks before the Orson Wells radio show broadcasting the infamous alien invasion. In 1940, at the age of two, Rose and her family moved to Brooklyn, where she was raised and educated.

In 1964, Rose moved to the hamlet of Selden and still resides in the same home after twenty-seven years, where she raised her three children, Deborah, Nicholas and Joseph. Rose's daughter Deborah now resides in Brunswick, Ohio, with her husband, James.

As a concerned parent and taxpayer, Rose volunteered her services to the local PTA, church and civic organizations, Girl and Cub Scouts, the Salvation Army, the Cancer Fund and the Jerry Lewis MS Fundraising Committee.

Before becoming an elected official in 1982, Rose worked in banking, real estate and as a Legislative Aide in the Suffolk County Legislature under various Presiding Officers. Having a full background in County government, Rose ran for County Legislator of the Fourth District in 1981 and has successfully been re-elected to five terms.

During her tenure as Suffolk County Legislator, Rose has been the recipient of numerous awards and honors in appreciation of her public service. She has gained much experience and an overall knowledge in all levels of government. Rose was Chairperson of the Veterans Affairs Committee for three years, chaired the Public Works and Dredging & Screen Committees for five years, and for the past two years, she has served as Chair of the Legislative, Personnel & Government committee. Rose has also been a member of the Human Services, Ways & Means, Health, Transportation, Hazardous Materials, Senior Citizens, Public Safety, Finance & Education, Environment & Energy, and Education & Youth, Budget Ad Hoc, and Insurance & Risk Management committees, as well as a member of the Health & Safety Grievance Council. Rose also serves as an advisory member for the Suffolk County Council of Boy Scouts, and served on the Development Committee of APPLE.

While chairing the Veterans Affairs Committee, Rose is proud to have sponsored legislation for the Viet Nam Memorial in Farmingville, as well as the Armed Forces Plaza in Hauppauge, and for acquiring land for the American Legion Convention Center in Setauket. Rose also formed two commissions to study proposals for a Korean War Veterans Monument and a Women Veterans Monument, the first in Suffolk County, which have been erected at the Hauppauge site.

On May 28, 1995, Legislator Rose Caracappa passed away.

Mr. LAZIO of New York. Mr. Speaker, I am deeply honored to rise today in support of a bill to redesignate the U.S. Post Office building in Centereach, NY, as the "Rose Y. Caracappa United States Post Office Building." I am proud to be a cosponsor of this bill, and I commend my colleague, MIKE FORBES, for introducing this legislation.

I served with Rose during my 4 years in the Suffolk County legislature. I succeed Rose as the chair of the legislature's Committee on Veterans and Seniors. I knew Rose well. She was a great friend not only to me, but also to Suffolk County's veterans and seniors. Her passing touched local veterans and seniors very deeply.

Yet, her work lives on. She was responsible for the placement of several of the war monuments to both men and women veterans at Veterans Plaza outside the H. Lee Dennison Building in Hauppauge. Rose never missed a parade in honor of veterans and often could be seen marching with them in annual Memorial Day and Veterans Day parades. She was truly a patriot and a great American. We all miss her greatly, and it is fitting that this tribute will endure in her absence.

Mr. McHUGH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. McHUGH] that the House suspend the rules and pass the bill, H.R. 3139.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3139.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ROGER P. McAULIFFE POST OFFICE

Mr. McHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3834) to redesignate the Dunning Post Office in Chicago, IL, as the "Roger P. McAuliffe Post Office".

The Clerk read as follows:

H.R. 3834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION.

The Dunning Post Office, located at 6441 West Irving Park Road, Chicago, Illinois, shall be redesignated and know as the "Roger P. McAuliffe Post Office".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the "Roger P. McAuliffe Post Office".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. McHUGH] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. McHUGH].

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to report that the legislation before us. H.R. 3834, was approved unanimously by the Committee on Government Reform and Oversight. This legislation redesignates the Dunning Post Office located at 6441 West Irving Park Road, Chicago, IL, as the "Roger P. McAuliffe Post Office." The bill was introduced by the gentleman from Illinois [Mr. FLANAGAN], and is cosponsored by his full State delegation, as required by committee policy.

The late Roger McAuliffe was elected to the Illinois House for 24 years. He served the people of the 14th District, Chicago's northwest side and several suburbs, including Park Ridge, Rosemont, Norridge, and Schiller Park. He had previously represented the 16th District.

Mr. McAuliffe served in the U.S. Army from 1961 to 1963. He graduated from the Chicago Police Academy in 1965 and remained on active duty with the Chicago Police Department even as he served in the legislature. He was known as an advocate for senior citizens, tax caps, and fighting crime and successfully enacted stiffer penalties for drunken driving. He also promoted legislation for school reform and pension benefits to families of police officers and firefighters killed in the line of duty. Roger McAuliffe was assistant majority leader of the Illinois House when he died unexpectedly, the day before his 58th birthday, in a fatal boating incident.

Mr. Speaker, I am a cosponsor of this legislation and I urge our colleagues to support H.R. 3834.

Mr. Speaker, I reserve the balance of my time.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we also support this bill redesignating the Dunning Post Office that is located on West Irving Park Road in Chicago as the Roger McAuliffe Post Office. The Illinois delegation has chosen a fitting way to honor a former State representative in this way.

☐ 1245

State Representative McAuliffe was the dean of the Illinois State House Republicans. He recently died in a tragic boating accident over the Fourth of July holiday.

So we would support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. McHUGH. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. FLANAGAN], the sponsor of this legislation.

Mr. FLANAGAN. Mr. Speaker, I thank the gentleman from New York [Mr. McHUGH], chairman of the Subcommittee on Postal Service, and the ranking member, the gentleman from Virginia [Mr. MORAN], as well as the chairman of the full committee, the gentleman from Pennsylvania [Mr. CLINGER], and especially the ranking member of the full committee, the gentlewoman from Illinois [Mrs. COLLINS], who is of the Illinois delegation and a cosponsor of this legislation.

Mr. Speaker, as the sponsor of H.R. 3834 to redesignate the Dunning Post Office at 6441 West Irving Park Road in Chicago the Roger P. McAuliffe Post Office I would like to take this time to tell my colleagues about Roger McAuliffe. Roger was not only my constituent, but also a good personal friend, a wonderful man who was first elected to the Illinois General Assembly in 1972.

At the time of his tragic death in a boating accident on July 5 of this year, the day before his 58th birthday, Roger was the dean of the Illinois State House Republicans, having just completed his 24th year of service there. In the State house, he served as the assistant majority leader. Many Members of our Illinois House congressional delegation, who have cosponsored this legislation along with the chairman of the Subcommittee on Postal Service, served with Roger in the Illinois General Assembly.

Roger represented the people of the 14th State House District, which overlaps in part the Fifth Congressional District of Illinois, and takes in not only the northwest side of Chicago, but also such suburbs as Park Ridge, Rosemont, Norridge, and Schiller Park. Not only did we share some commonality in our district boundaries, but Roger and I were both graduates of Chicago's Lane Technical High School.

Since we were both lifelong Chicagoans, I often relied on Roger for advice on Chicago area matters, and his keen insights were always a help. Other Members have told me that they, too, frequently relied on Roger for his astute wisdom and counsel.

Being a State representative, however, was only one of Roger's public service roles. After serving in the U.S. Army from 1961 to 1963, Roger then became a Chicago police officer. He graduated in 1965 from the Chicago Police Academy and was still a Chicago patrolman at the time of his unfortunate death.

Because he never wanted to take advantage of his elected office, Roger remained a patrolman his whole life. Although the police department on many occasions wanted to promote Roger to higher rank, Roger always refused. Roger also turned down chances to run for mayor, sheriff, and Cook County board president. He thought he would be a better servant of the community if he remained a State legislator. And so he did.

Given his background in law enforcement, Roger promoted legislation for stiffer penalties for drunk drivers and pension benefits to the families of police officers and firefighters killed in the line of duty. Well known for his constituent services, Roger was particularly concerned about senior citizens and, as far back as 1981, he started holding driving seminars for senior citizens. They were so popular that as many as 1,000 at a time attended them.

Known locally as the Monsignor, Roger was well liked and respected by both sides of the aisle. The July 10, 1996, article entitled "A Sense of Loss" by Chicago Sun-Times reporter Steve Neal well describes why Roger is already sorely missed. I will include this article following my remarks.

I can think of no finer tribute to Roger McAuliffe's memory than to honor his dedicated and distinguished long public service by redesignating the Dunning Post Office the Roger P. McAuliffe Post Office. I urge my colleagues to unanimously pass this measure.

The article referred to is as follows:

[From the Chicago Sun-Times, July 10, 1996]

A SENSE OF LOSS

ROGER P. MCAULIFFE WAS A POPULAR MEMBER OF THE ILLINOIS GENERAL ASSEMBLY AND WILL BE MISSED BY HIS NEIGHBORS ON THE NORTHWEST SIDE

(By Steve Neal)

He was a neighborhood guy.

That was the secret of state Rep. Roger P. McAuliffe's success.

McAuliffe, assistant majority leader of the Illinois House and a Chicago police officer, who presumably drowned in a boating accident in Northern Wisconsin, rose to statewide political influence. But the Northwest Sider never forgot that all politics is local.

He promoted legislation for Chicago school reform, property-tax relief, stiffer penalties for drunken drivers, and pension benefits to the families of police officers and firefighters killed in the line of duty.

"He was strong and decisive. The people of Illinois have lost a tremendous legislator and the people of Chicago have lost a strong advocate," said House Speaker Lee A. Daniels (R-Elmhurst), a friend for more than 20 years. "Roger was the best in the state at providing services to his constituents."

McAuliffe may have been the most popular member of the General Assembly. "Everyone liked Roger. He was just one of those guys who was universally liked. His word was good. He loved helping people. He was a grand person to be with on social occasions. He's going to be missed," added former Illinois Senate President Philip J. Rock (D-Oak Park).

"If you knew him as a police officer, you never knew that he was a politician," said Chicago police officer Bill Nelligan, a close friend.

McAuliffe was first elected to the Illinois House in 1972. His district included the 38th and 41st wards, part of the 36th Ward, and neighboring suburbs.

Jack Dorgan, a former aide, said McAuliffe eased tension between the city and suburbs. "He always said that the people in the city and suburbs aren't different except for the ZIP codes," Dorgan said.

"He was a good neighbor to everyone. You could always count on him when there was a problem. When he walked through the neighborhood, everyone knew him as their friend first and an elected official second," said 38th Ward Democratic committeeman Patricia J. Cullerton.

An Irish American who grew up on the Northwest Side, McAuliffe was a second-generation Republican. After graduating from Lane Tech and serving in the U.S. Army, McAuliffe joined the 38th Ward GOP organizations. Through hard work, he became the city's GOP precinct captain.

In his 24-year legislative career, McAuliffe's most notable win was his 1982 re-election. He was told it couldn't be done. In 1980, voters had approved a constitutional amendment that reduced the size of the House and replaced the state's unique system of cumulative voting with single-member districts.

Under the old system, each legislative district elected three representatives, including one from the minority party. McAuliffe was among 17 Chicago GOP representatives. The other 16 members of this group retired or were defeated in 1982.

State Rep. Roman J. Kosinski (D-Chicago), who ran against McAuliffe in 1982, was favored to win. Even though there was a Democratic landslide in the city, McAuliffe won by 607 votes out of 37,000 cast. "Roger wasn't a quitter. He just outworked Kosinski," recalled Fred Rupley, McAuliffe's pal.

McAuliffe never had another close election. He survived by forging alliances with Northwest Side Democrats.

He is the only Chicago Republican elected to the House since the cutback amendment. McAuliffe turned down chances to run for mayor, Cook County Board president and sheriff. "He was very comfortable as a state legislator. He knew that he could control his own destiny," Rupley said.

Mr. PORTER. Mr. Speaker, I rise today in strong support of H.R. 3834, a bill to redesignate the Roger P. McAuliffe Post Office in Chicago as a fitting tribute to my former colleague and friend.

I had the privilege of serving with Roger in the Illinois General Assembly from 1972, when we were in the same freshman class, until my election to Congress. Roger was the only one of our class to continue to serve in the general assembly until his tragic fatal accident—and serve he did.

Roger was known as an advocate for senior citizens, property tax caps, and as a former Chicago Police Officer, for fighting crime. Known particularly for his constituent services, he aided the residents of the neighborhoods of Chicago's northwest side as well as several suburbs including Park Ridge, Rosemont, Norridge and Shiller Park.

Even though he served as assistant majority leader, with a Republican House and Republican Senate, as the only Republican from Chicago in the State House, Roger effectively crossed party lines and worked with Republicans and Democrats alike. He will certainly be missed.

Roger touched many of us, with his warmth and good cheer. He was a dedicated public servant and a dear friend, and I will miss him greatly. I commend my colleague from Illinois [Mr. FLANAGAN] for his fitting tribute to Roger's memory, and for his efforts to expedite consideration of this important measure by the House.

Mr. MORAN. Mr. Speaker, I yield back the balance of my time.

Mr. MCHUGH. Mr. Speaker, I yield back the balance of my time.

Mr. SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from New York [Mr. MCHUGH] that the House suspend the rules and pass the bill, H.R. 3834.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MCHUGH. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on H.R. 3834.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMOS F. LONGORIA POST OFFICE BUILDING

Mr. MCHUGH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2700) to designate the United States Post Office building located at 7980 FM 327, Elmendorf, TX, as the "Amos F. Longoria Post Office Building", as amended.

The Clerk read as follows:

H.R. 2700

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The building located at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, shall be known and designated as the "Amos F. Longoria Post Office Building", and any reference in a law, map, regulation, document, paper, or other record of the United States to such building shall be deemed to be a reference to the "Amos F. Longoria Post Office Building".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. McHugh] and the gentleman from Virginia [Mr. Moran] each will control 20 minutes.

The Chair recognizes the gentleman from New York [Mr. McHugh].

Mr. McHUGH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us, H.R. 2700 was unanimously approved as amended by the Committee on Government Reform and Oversight. H.R. 2700 designates the U.S. Post Office building located at 7980 FM 327, Elmendorf, TX, as the "Amos F. Longoria Post Office Building." The amendment corrects the address to read 8302 FM 327 and modifies the title of the bill to reflect the change. H.R. 2700 was introduced by the gentleman from Texas, [Mr. Tejeda] and was cosponsored by the full Texas House Delegation, pursuant to committee policy.

H.R. 2700 honors Amos F. Longoria who was born in Elmendorf on September 12, 1924. He was one of seven children of Bonaficio and Juanita F. Longoria. Amos Longoria was drafted into the U.S. Army in April 1943 during his last year of high school; he reported for basic training at Fort Sam Houston in San Antonio. He volunteered to serve in the European theater during World War II, was assigned to the 30th Infantry, 3d Division and saw combat in the Italian campaign. Amos Longoria was wounded during the first 6 months of his joining the military but he returned to duty shortly thereafter. He was mortally wounded on November 13, 1943 at the crossing of the Rapido River in Italy and died in an army hospital in Italy on November 19, 1943 at the age of 19.

Mr. Speaker, I urge our colleagues to support H.R. 2700 as amended, a bill naming the Post Office Building in honor of a local, young hero who served when called and died in service to your country.

Mr. Speaker, I reserve the balance of my time.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2700 as introduced by the gentleman from Texas [Mr. Tejeda]. This bill designates the U.S. Post Office in Elmendorf, TX, as the "Amos F. Longoria Post Office." Mr. Longoria was drafted in the U.S. Army and served in the European theater during World War II. He was fatally wounded at the crossing of the Rapido River in Italy and later died on November 19, 1943.

This is a very fitting tribute to a dedicated public servant who paid the ultimate sacrifice for his country, so I am pleased to join my colleagues in support of this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. Tejeda], a very hard-working and courageous Congressman.

Mr. TEJEDA. Mr. Speaker, I am pleased to come to the floor today to urge everyone to support H.R. 2700, legislation to name the Elmendorf Post Office in the name of Amos Longoria.

First I would like to take a minute to thank my colleagues who have spent much of their time in the floor. All 29 of my Texas colleagues who cosponsored the bill have done an outstanding job especially particularly the gentleman from Texas, Mr. Gene Green, and also I would like to thank very much the gentleman from New York, Mr. McHugh and ranking Democrat, the gentlewoman from Michigan, Miss Collins, the gentleman from Pennsylvania, Mr. Clinger and ranking Democrat, the gentlewoman from Illinois Mrs. Collins.

Most of all, Mr. Speaker, I would like to thank the citizens of Elmendorf, TX, for, first of all, circulating and doing everything possible to do, and they did an outstanding job in 1 year to bring in the name. I have known the Longoria family for many years, and I cannot think of a more worthy person for this honor than Amos Longoria.

First of all, it was mentioned before, but first of all let me just say that Amos Longoria was born in Elmendorf, TX, on September 12, 1924, and was one of seven children born of Bonifacio and Juanita Longoria. Amos was drafted into the Army in April 1943 and volunteered to serve in the European theater. On November 13, 1943, shortly after his 19th birthday, Private Longoria was wounded at the famous crossing of the Rapido River in Italy. He died in an Army hospital in Italy 6 days later.

The Elmendorf Post Office will be a lasting tribute to a native son who paid the ultimate price for our country's freedom. I urge my colleagues to join me in supporting H.R. 2700.

Mr. McHUGH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MORAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. McHugh] that the House suspend the rules and pass the bill, H.R. 2700, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to designate the building located at 8302 FM 327, Elmendorf, Texas, which houses operations of the United States Postal Service, as the 'Amos F. Longoria Post Office Building'."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McHUGH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2700, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

VETERANS EMPLOYMENT OPPORTUNITIES ACT OF 1996

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3586) to amend title 5, United States Code, to strengthen veterans' preference, to increase employment opportunities for veterans, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3586

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans Employment Opportunities Act of 1996".

SEC. 2. EQUAL ACCESS FOR VETERANS.

(a) Competitive Service.—Section 3304 of title 5, United States Code, is amended by adding at the end the following:

"(f)(1) No preference eligible, and no individual (other than a preference eligible) who has been separated from the armed forces under honorable conditions after 3 or more years of active service, shall be denied the opportunity to compete for an announced vacant position within an agency, in the competitive service or the excepted service, by reason of—

"(A) not having acquired competitive status; or

"(B) not being an employee of such agency.

"(2) Nothing in this subsection shall prevent an agency from filling a vacant position (whether by appointment or otherwise) solely from individuals on a priority placement list consisting of individuals who have been separated from the agency due to a reduction in force and surplus employees (as defined under regulations prescribed by the Office).".

(b) Civil Service Employment Information.—

(1) Vacant positions.—Section 3327(b) of title 5, United States Code, is amended by striking "and" at the end of paragraph (1), by redesignating paragraph (2) as paragraph (3), and by inserting after paragraph (1) the following:

"(2) each vacant position in the agency for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position under paragraph (1), and".

(2) Additional information.—Section 3327 of title 5, United States Code, is amended by adding at the end the following:

"(c) Any notification provided under this section shall, for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), include a notation as to the applicability of section 3304(f) with respect thereto.

"(d) In consultation with the Secretary of Labor, the Office shall submit to Congress and the President, no less frequently than every 2 years, a report detailing, with respect to the period covered by such report—

"(1) the number of positions listed under this section during such period;

"(2) the number of preference eligibles and other individuals described in section 3304(f)(1) referred to such positions during such period; and

"(3) the number of preference eligibles and other individuals described in section 3304(f)(1) appointed to such positions during such period.".

(c) GOVERNMENTWIDE LISTS.—

(1) VACANT POSITIONS.—Section 3330(b) of title 5, United States Code, is amended to read as follows:

"(b) The Office of Personnel Management shall cause to be established and kept current—

"(1) a comprehensive list of all announcements of vacant positions (in the competitive service and the excepted service, respectively) within each agency that are to be filled by appointment for more than 1 year and for which applications are being or will soon be accepted from outside the agency's work force; and

"(2) a comprehensive list of all announcements of vacant positions within each agency for which applications are being or will soon be accepted and for which competition is restricted to individuals having competitive status or employees of such agency, excluding any position required to be listed under paragraph (1).".

(2) ADDITIONAL INFORMATION.—Section 3330(c) of title 5, United States Code, is amended by striking "and" at the end of paragraph (2), by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following:

"(3) for all positions under subsection (b)(1) as to which section 3304(f) applies and for all positions under subsection (b)(2), a notation as to the applicability of section 3304(f) with respect thereto; and".

(3) CONFORMING AMENDMENT.—Section 3330(d) of title 5, United States Code, is amended by striking "The list" and inserting "Each list under subsection (b)".

SEC. 3. SPECIAL PROTECTIONS FOR PREFERENCE ELIGIBLES IN REDUCTIONS IN FORCE.

Section 3502 of title 5, United States Code, as amended by section 1034 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 430), is amended by adding at the end the following:

"(g)(1) A position occupied by a preference eligible shall not be placed in a single-position competitive level if the preference eligible is qualified to perform the essential functions of any other position at the same grade (or occupational level) in the competitive area. In such cases, the preference eligible shall be entitled to be placed in another competitive level for which such preference eligible is qualified. If the preference eligible is qualified for more than one competitive level, such preference eligible shall be placed in the competitive level containing the most positions.

"(2) For purposes of paragraph (1)—

"(A) a preference eligible shall be considered qualified to perform the essential functions of a position if, by reason of experience, training, or education (and, in the case of a disabled veteran, with reasonable accommodation), a reasonable person could conclude that the preference eligible would be able to perform those functions successfully within a period of 150 days; and

"(B) a preference eligible shall not be considered unqualified solely because such preference eligible does not meet the minimum qualification requirements relating to previous experience in a specified grade (or occupational level), if any, that are established for such position by the Office of Personnel Management or the agency.

"(h) In connection with any reduction in force, a preference eligible whose current or most recent performance rating is at least fully successful (or the equivalent) shall have, in addition to such assignment rights as are prescribed by regulation, the right, in lieu of separation, to be assigned to any position within the agency conducting the reduction in force—

"(1) for which such preference eligible is qualified under subsection (g)(2)—

"(A) that is within the preference eligible's commuting area and at the same grade (or occupational level) as the position from which the preference eligible was released, and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force if, within 12 months prior to the date on which such individual was so placed in such position, such individual had been employed in the same competitive area as the preference eligible; or

"(B) that is within the preference eligible's competitive area and that is then occupied by an individual, other than another preference eligible, who was placed in such position (whether by appointment or otherwise) within 6 months before the reduction in force; or

"(2) for which such preference eligible is qualified that is within the preference eligible's competitive area and that is not more than 3 grades (or pay levels) below that of the position from which the preference eligible was released, except that, in the case of a preference eligible with a compensable service-connected disability of 30 percent or more, this paragraph shall be applied by substituting '5 grades' for '3 grades'.

In the event that a preference eligible is entitled to assignment to more than 1 position under this subsection, the agency shall assign the preference eligible to any such position requiring no reduction (or, if there is no such position, the least reduction) in basic pay. A position shall not, with respect to a preference eligible, be considered to satisfy the requirements of paragraph (1) or (2), as applicable, if it does not last for at least 12 months following the date on which such preference eligible is assigned to such position under this subsection.

"(i) A preference eligible may challenge the classification of any position to which the preference eligible asserts assignment rights (as provided by, or prescribed by regulations described in, subsection (h)) in an action before the Merit Systems Protection Board.

"(j)(1) Not later than 3 months after the date of the enactment of this subsection, each Executive agency shall establish an agencywide priority placement program to facilitate employment placement for employees who—

"(A)(i) are scheduled to be separated from service due to a reduction in force under—

"(I) regulations prescribed under this section; or

"(II) procedures established under section 3595; or

"(ii) are separated from service due to such a reduction in force; and

"(B)(i) have received a rating of at least fully successful (or the equivalent) as the last performance rating of record used for retention purposes; or

"(ii) occupy positions excluded from a performance appraisal system by law, regulation, or administrative action taken by the Office of Personnel Management.

"(2)(A) Each agencywide priority placement program under this subsection shall include provisions under which a vacant position shall not (except as provided in this paragraph or any other statute providing the right of reemployment to any individual) be filled by the appointment or transfer of any individual from outside of that agency (other than an individual described in subparagraph (B)) if—

"(i) there is then available any individual described in subparagraph (B) who is qualified for the position; and

"(ii) the position—

"(I) is at the same grade or pay level (or the equivalent) or not more than 3 grades (or grade intervals) below that of the position last held by such individual before placement in the new position;

"(II) is within the same commuting area as the individual's last-held position (as referred to in subclause (I)) or residence; and

"(III) has the same type of work schedule (whether full-time, part-time, or intermittent) as the position last held by the individual.

"(B) For purposes of an agencywide priority placement program, an individual shall be considered to be described in this subparagraph if such individual—

"(i)(I) is an employee of such agency who is scheduled to be separated, as described in paragraph (1)(A)(i); or

"(II) is an individual who became a former employee of such agency as a result of a separation, as described in paragraph (1)(A)(ii), excluding any individual who separated voluntarily under subsection (f); and

"(ii) satisfies clause (i) or (ii) of paragraph (1)(B).

"(3)(A) If after a reduction in force the agency has no positions of any type within the local commuting areas specified in this subsection, the individual may designate a different local commuting area where the agency has continuing positions in order to exercise reemployment rights under this subsection. An agency may determine that such designations are not in the interest of the Government for the purpose of paying relocation expenses under subchapter II of chapter 57.

"(B) At its option, an agency may administratively extend reemployment rights under this subsection to include other local commuting areas.

"(4)(A) In selecting employees for positions under this subsection, the agency shall place qualified present and former employees in retention order by veterans' preference subgroup and tenure group.

"(B) An agency may not pass over a qualified present or former employee to select an individual in a lower veterans' preference subgroup within the tenure group, or in a lower tenure group.

"(C) Within a subgroup, the agency may select a qualified present or former employee without regard to the individual's total creditable service.

"(5) An individual is eligible for reemployment priority under this subsection for 2 years from the effective date of the reduction in force from which the individual will be, or has been, separated under this section or section 3595, as the case may be.

"(6) An individual loses eligibility for reemployment priority under this subsection when the individual—

"(A) requests removal in writing;

"(B) accepts or declines a bona fide offer under this subsection or fails to accept such an offer within the period of time allowed for such acceptance, or

"(C) separates from the agency before being separated under this section or section 3595, as the case may be.

A present or former employee who declines a position with a representative rate (or equivalent) that is less than the rate of the position from which the individual was separated under this section retains eligibility for positions with a higher representative rate up to the rate of the individual's last position.

"(7) Whenever more than one individual is qualified for a position under this subsection, the agency shall select the most highly qualified individual, subject to paragraph (4).

"(8) The Office of Personnel Management shall issue regulations to implement this subsection.".

SEC. 4. IMPROVED REDRESS FOR VETERANS.

(a) IN GENERAL.—Subchapter I of chapter 33 of title 5, United States Code, is amended by adding at the end the following:

"§ 3330a. Administrative redress

"(a)(1) Any preference eligible or other individual described in section 3304(f)(1) who alleges that an agency has violated such individual's rights under any statute or regulation relating to veterans' preference, or any right afforded such individual by section 3304(f), may file a complaint with the Secretary of Labor.

"(2) A complaint under this subsection must be filed within 60 days after the date of the alleged violation, and the Secretary shall process such complaint in accordance with sections 4322 (a) through (e)(1) and 4326 of title 38.

"(b)(1) If the Secretary of Labor is unable to resolve the complaint within 60 days after the date on which it is filed, the complainant may elect to appeal the alleged violation to the Merit Systems Protection Board in accordance with such procedures as the Merit Systems Protection Board shall prescribe, except that in no event may any such appeal be brought—

"(A) before the 61st day after the date on which the complaint is filed under subsection (a); or

"(B) later than 15 days after the date on which the complainant receives notification from the Secretary of Labor under section 4322(e)(1) of title 38.

"(2) An appeal under this subsection may not be brought unless—

"(A) the complainant first provides written notification to the Secretary of Labor of such complainant's intention to bring such appeal; and

"(B) appropriate evidence of compliance with subparagraph (A) is included (in such form and manner as the Merit Systems Protection Board may prescribe) with the notice of appeal under this subsection.

"(3) Upon receiving notification under paragraph (2)(A), the Secretary of Labor shall not continue to investigate or further attempt to resolve the complaint to which such notification relates.

"(c) This section shall not be construed to prohibit a preference eligible from appealing directly to the Merit Systems Protection Board from any action which is appealable to the Board under any other law, rule, or regulation, in lieu of administrative redress under this section.

"§ 3330b. Judicial redress

"(a) In lieu of continuing the administrative redress procedure provided under section 3330a(b), a preference eligible or other individual described in section 3304(f)(1) may elect, in accordance with this section, to terminate those administrative proceedings and file an action with the appropriate United States district court not later than 60 days after the date of the election.

"(b) An election under this section may not be made—

"(1) before the 121st day after the date on which the appeal is filed with the Merit Systems Protection Board under section 3330a(b); or

"(2) after the Merit Systems Protection Board has issued a judicially reviewable decision on the merits of the appeal.

"(c) An election under this section shall be made, in writing, in such form and manner as the Merit Systems Protection Board shall by regulation prescribe. The election shall be effective as of the date on which it is received, and the administrative proceeding to which it relates shall terminate immediately upon the receipt of such election.

"§ 3330c. Remedy

"(a) If the Merit Systems Protection Board (in a proceeding under section 3330a) or a court (in a proceeding under section 3330b) determines that an agency has violated a right described in section 3330a, the Board or court (as the case may be) shall order the agency to comply with such provisions and award compensation for any loss of wages or benefits suffered by the individual by reason of the violation involved. If the Board or court determines that such violation was willful, it shall award an amount equal to backpay as liquidated damages.

"(b) A preference eligible or other individual described in section 3304(f)(1) who prevails in an action under section 3330a or 3330b shall be awarded reasonable attorney fees, expert witness fees, and other litigation expenses.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 33 of title 5, United States Code, is amended by adding after the item relating to section 3330 the following:

"3330a. Administrative redress.
"3330b. Judicial redress.
"3330c. Remedy.".

SEC. 5. EXTENSION OF VETERANS' PREFERENCE.

(a) AMENDMENT TO TITLE 5, UNITED STATES CODE.—Paragraph (3) of section 2108 of title 5, United States Code, is amended by striking "the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service, or the General Accounting Office;" and inserting "or the Federal Bureau of Investigation and Drug Enforcement Administration Senior Executive Service;".

(b) AMENDMENTS TO TITLE 3, UNITED STATES CODE.—

(1) IN GENERAL.—Chapter 2 of title 3, United States Code, is amended by adding at the end the following:

"§ 115. Veterans' preference

"(a) Subject to subsection (b), appointments under sections 105, 106, and 107 shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5.

"(b) Subsection (a) shall not apply to any appointment to a position the rate of basic pay for which is at least equal to the minimum rate established for positions in the Senior Executive Service under section 5382 of title 5 and the duties of which are comparable to those described in section 3132(a)(2) of such title or to any other position if, with respect to such position, the President makes certification—

"(1) that such position is—

"(A) a confidential or policy-making position; or

"(B) a position for which political affiliation or political philosophy is otherwise an important qualification; and

"(2) that any individual selected for such position is expected to vacate the position at or before the end of the President's term (or terms) of office.

Each individual appointed to a position described in the preceding sentence as to which the expectation described in paragraph (2) applies shall be notified as to such expectation, in writing, at the time of appointment to such position.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 2 of title 3, United States Code, is amended by adding at the end the following:

"115. Veterans' preference.".

(c) LEGISLATIVE BRANCH APPOINTMENTS.—

(1) DEFINITIONS.—For the purposes of this subsection, the terms "employing office", "covered employee", and "Board" shall each have the meaning given such term by section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301).

(2) RIGHTS AND PROTECTIONS.—The rights and protections established under section 2108, sections 3309 through 3312, and subchapter I of chapter 35, of title 5, United States Code, shall apply to covered employees.

(3) REMEDIES.—

(A) IN GENERAL.—The remedy for a violation of paragraph (2) shall be such remedy as would be appropriate if awarded under applicable provisions of title 5, United States Code, in the case of a violation of the relevant corresponding provision (referred to in paragraph (2)) of such title.

(B) PROCEDURE.—The procedure for consideration of alleged violations of paragraph (2) shall be the same as apply under section 401 of the Congressional Accountability Act of 1995 (and the provisions of law referred to therein) in the case of an alleged violation of part A of title II of such Act

(4) REGULATIONS TO IMPLEMENT SUBSECTION.—

(A) IN GENERAL.—The Board shall, pursuant to section 304 of the Congressional Accountability Act of 1995 (2 U.S.C. 1384), issue regulations to implement this subsection.

(B) AGENCY REGULATIONS.—The regulations issued under subparagraph (A) shall be the same as the most relevant substantive regulations (applicable with respect to the executive branch) promulgated to implement the statutory provisions referred to in paragraph (2) except insofar as the Board may determine, for good cause shown and stated together with the regulation, that a modification of such regulations would be more effective for the implementation of the rights and protections under this subsection.

(C) COORDINATION.—The regulations issued under subparagraph (A) shall be consistent with section 225 of the Congressional Accountability Act of 1995 (2 U.S.C. 1361).

(5) APPLICABILITY.—Notwithstanding any other provision of this subsection, the term "covered employee" shall not, for purposes of this subsection, include an employee—

(A) whose appointment is made by the President with the advice and consent of the Senate;

(B) whose appointment is made by a Member of Congress or by a committee or subcommittee of either House of Congress; or

(C) who is appointed to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(6) EFFECTIVE DATE.—Paragraphs (2) and (3) shall be effective as of the effective date of the regulations under paragraph (4).

(d) JUDICIAL BRANCH APPOINTMENTS.—

(1) IN GENERAL.—Subject to paragraph (2), appointments to positions in the judicial branch of the Government shall be made in accordance with section 2108, and sections 3309 through 3312, of title 5, United States Code.

(2) REDUCTIONS IN FORCE.—Subject to paragraph (2), reductions in force in the judicial branch of the Government shall provide preference eligibles with protections substantially similar to those provided under subchapter I of chapter 35 of title 5, United States Code.

(3) EXCLUSIONS.—Paragraphs (1) and (2) shall not apply to—

(A) an appointment made by the President, with the advice and consent of the Senate;

(B) an appointment as a judicial officer;

(C) an appointment as a law clerk or secretary to a justice or judge of the United States; or

(D) an appointment to a position, the duties of which are equivalent to those of a Senior Executive Service position (within the meaning of section 3132(a)(2) of title 5, United States Code).

(4) REDRESS PROCEDURES.—The Judicial Conference of the United States shall prescribe regulations under which redress procedures (substantially similar to the procedures established by the amendments made by section 4) shall be available for alleged violations of any rights provided by this subsection.

(5) DEFINITIONS.—For purposes of this subsection—

(A) the term "judicial officer" means a justice, judge, or magistrate judge listed in subparagraph (A), (B), (F), or (G) of section 376(a)(1) of title 28, United States Code; and

(B) the term "justice or judge of the United States" has the meaning given such term by section 451 of such title 28.

SEC. 6. VETERANS' PREFERENCE REQUIRED FOR REDUCTIONS IN FORCE IN THE FEDERAL AVIATION ADMINISTRATION.

Section 347(b) of the Department of Transportation and Related Agencies Appropriations Act, 1996 (109 Stat. 460) is amended by striking "and" at the end of paragraph (6), by striking the period at the end of paragraph (7) and inserting "; and", and by adding at the end the following:

"(8) sections 3501–3504, as such sections relate to veterans' preference.".

SEC. 7. DEFINITIONAL AMENDMENT.

Subparagraph (A) of section 2108(1) of title 5, United States Code, is amended by inserting "during a military operation in a qualified hazardous duty area (within the meaning of the first 2 sentences of section 1(b) of Public Law 104–117) and in accordance with requirements that may be prescribed in regulations of the Secretary of Defense," after "for which a campaign badge has been authorized,".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. MICA] and the gentleman from Virginia [Mr. MORAN] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as chairman of the House Subcommittee on Civil Service, one of my major concerns during my tenure has been the problem of the status of veterans in our Federal work force and their treatment. Because of that concern, our subcommittee held a hearing on April 30, 1996, to examine the status of veterans' preference in the Federal work force.

Unfortunately, Mr. Speaker, that hearing revealed ample reason for all of us to be concerned about the state of veterans' preference, particularly in our Federal workplace. The testimony at our hearing showed that veterans' preference in the Federal work force is often ignored or circumvented. Its continued viability is in fact threatened by several recent developments, most notably the introduction of single person competition during reductions in force in our Federal Government.

But perhaps most important, Mr. Speaker, the hearing revealed a widespread agreement in the veterans' community that veterans do not have an adequate redress mechanism. In fact, both the American Legion and the Disabled American Veterans identified this as the No. 1 problem, the major problem Congress should solve.

As the House considers this legislation, Mr. Speaker, it is important for us to remember the veterans' preference is not a gift. It is in fact a right and an opportunity that our veterans deserve. Congress has a moral obligation to recognize the sacrifices of the men and women of our Armed Forces who have served their country. We called upon them to serve in war and defend this Nation. Now we offer them this opportunity to serve their Nation in peace.

□ 1300

This bill, the Veterans' Employment Opportunity Act of 1996, is necessary to ensure that this Nation fulfills that moral obligation. That promise of veterans' preference is indeed a reality in our Federal workplace. It is also the product of a lot of hard work by Members on both sides of the aisle, and this in fact is a truly bipartisan effort.

I want to take a moment and thank, first of all, the distinguished gentleman from Virginia [Mr. MORAN], who is the ranking member on the Subcommittee on Civil Service of the Committee on Government Reform and Oversight, for his hard work and efforts in making this bill a reality.

I would also especially like to thank my good friend, the gentleman from Indiana, the Honorable STEVE BUYER, chairman of the Subcommittee on Education, Training, Employment and Housing of the Committee on Veterans' Affairs. He and his staff have worked very hard and long on this bill and cooperated with our subcommittee, and I appreciate their many valuable contributions as well as the outstanding leadership that he and his subcommittee have provided on this and other legislation relating to veterans' issues.

I also want to take a moment and thank Chairman STUMP of the Committee on Veterans' Affairs. The gentleman from Arizona has been outstanding in both his cooperation and leadership of all veterans' issues.

I also want to pay particular attention and due credit to the gentleman from Pennsylvania, Mr. JON FOX. Mr. FOX has been a leader in veterans' legislation, particularly the veterans' preference legislation, and in fact wanted to extend the provisions of this act beyond what we are doing today. I give him full credit.

Mr. Speaker, I would also just take a personal moment and recognize my brother, who served on the other side of the aisle for 10 years on the Veterans' Committee. Dan Mica showed his dedication to veterans. Part of the commitment of both of the Mica brothers is that 24 years ago this month our father died in a crowded veterans' hospital, so we both have a deep commitment to seeing that our veterans are not only remembered, but also that we honor the rights and obligations that they are due.

Mr. Speaker, before I address some of the provisions of this bill in detail, I would like to give a thumbnail sketch of what this bill does for veterans. This bill does in fact provide veterans with an effective, user-friendly redress system. It extends veterans' preference to certain jobs in the legislative branch, also in the judiciary branch, and also at the White House.

This bill removes artificial barriers that often bar our service men and women from competing for Federal jobs. These individuals should be able to compete for jobs for which they qualify, just like other Federal employees. This bill provides enhanced protections to veterans in a reduction in force. This legislation requires Federal agencies to establish priority placement programs for employees affected by a RIF, or reduction in force. Federal agencies must give veterans' preference when rehiring employees.

This legislation also requires the FAA to apply veterans' preference in any reduction in force, and this legislation provides veterans' preference for service in Bosnia, Croatia, and Macedonia while it is a qualified hazardous duty area, by definition.

Mr. Speaker, those are some of the provisions of our bill. I am pleased to present this legislation to the House, and I reserve the balance of my time.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this bill, H.R. 3586. The goal of our veterans' preference laws is very simple. We want to afford individuals who have served our country in times of war an opportunity to continue their public service through Federal employment. Veterans' preference does not entitle a veteran to a Federal job but, rather, it gives him or her an advantage in seeking employment. This has always been a bipartisan goal and it is supported by the Congress and the White House.

It is in this bipartisan spirit that the gentleman from Florida [Mr. MICA] and I have brought forward this bill. Since 1865 the Federal Government has been a leader in offering job opportunities to veterans. This has been true regardless of who has been in the White House.

As a percentage of the work force, there are more veterans in the Federal work force today than there are in the private work force. There is also a higher representation of disabled veterans and a higher representation of veterans who are 30 percent or more disabled in the Federal work force.

Since the Subcommittee on Civil Service of the Committee on Government Reform and Oversight began work on this legislation 3 months ago, we have had some criticism. I do not think that the criticism that was directed at this administration is justified by the facts.

While it is true that the absolute number of veterans in the Federal work force is declining, it is also true that this trend began in 1984. The reduction in the number of federally employed veterans does not represent any insidious effort by any administration to diminish veterans' preference, but it reflects the simple fact that the largest group of veterans, those from World War II and the Korean War, are now ready for retirement.

More than 59 percent of all veterans in this country are between 55 and 64. The number of Americans who served in Vietnam, Grenada, Panama, and the Persian Gulf simply are not large enough to replace their predecessors. We do not have to look farther than the U.S. Senate to see the example of a World War II veteran retiring and replaced by a nonveteran. It is happening all over.

Despite the absolute decrease in the number of veterans, it should be said that the Clinton administration has done an excellent job in recruiting veterans. The percentage of veterans in the Federal work force declined throughout the 1980's, but it stabilized since President Clinton was elected. In fact, the percentages of veterans as new hires is actually increasing. Since 1992, the percentage of veterans hired has gone from 23.6 percent of new hires to 33.3 percent. One out of every three new hires is a veteran.

But the Federal Government is not hiring, it is firing. We are downsizing. Therefore, the focus of veterans' preference has shifted toward ways to protect veterans during a RIF. The focus now is how to give veterans the opportunity to retain their existing Federal jobs when their agency and the Federal Government as a whole is cutting employment.

Again, this is not an entitlement that we are passing today. We do not intend to ensure that no veteran ever gets riffed. Rather, this legislation contains a series of protections that give veterans an advantage over other Federal employees in retaining their jobs. This legislation closes a number of loopholes through which agencies might try to circumvent the current veterans' preference laws.

The bill allows veterans and those who have served in the military the opportunity to compete for a greater number of existing Federal jobs. The bill also gives veterans greater protections in RIF's. It seeks to prevent agencies from manipulating Federal RIF laws to unfairly, improperly target veterans.

While it is important to remember that none of the current flexibilities have ever actually been used to target veterans, in fact, veterans have disproportionately benefited from the Clinton administration's use of flexible hiring and RIF, some in the veterans' community have expressed concerns. So this bill addresses their concerns and ensures that in the future the Clinton administration will maintain its commitment to veterans.

The bill also gives veterans a forum for redress if they believe that their veterans' preference rights have been violated. This new appeals process is more generous than that enjoyed by any other Federal employee and is built around the popular and very successful Uniformed Services Employment and Reemployment Rights Act of 1994. The acronym is USERRA law. It has been working well and we are going to duplicate it.

Finally, the legislation extends for the first time veterans' preference to the nonpolitical jobs in the White House, the Congress, and the judiciary. I had a number of concerns with the legislation as originally drafted. I wanted to ensure that we do not unduly impede the operations of the agencies in getting the most qualified people as we attempt to close loopholes in veterans' preference, but downsizing is always difficult and only can be done correctly if Congress grants the agency a high degree of flexibility.

I also wanted to ensure that the redress system was fair and effective. The last thing we need is an overly burdensome and complicated redress system that encourages frivolous and meritless appeals. No one can be served rightly by such a system.

The chairman of the subcommittee and I have worked closely on this legislation. We have made some significant improvements to the original bill. These changes do not weaken the bill but, rather, they ensure that it will work and that our goals will be administratively achievable. These consensus modifications have been incorporated in the bipartisan substitute offered in committee and the manager's amendment which will be offered here on the floor.

We could not, however, agree on two major amendments offered for inclusion in the manager's amendment. While I appreciate the spirit in which these amendments were offered, I could not accept any proposal that would have watered down the preference that is enjoyed by those who actually served in the Persian Gulf war or reservists who experienced combat.

In addition, I could not accept any amendment that would worsen the already complicated and overly burdensome Federal appeals process. Again, I appreciate Chairman MICA's leadership in bringing this legislation to the floor, and I appreciate his willingness to continue to work on this issue in a bipartisan and a constructive manner.

Mr. Speaker, I reserve the balance of my time.

Mr. MICA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Arizona [Mr. STUMP], chairman of the Committee on Veterans' Affairs.

Mr. STUMP. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to congratulate the subcommittee chairman, the gentleman from Florida, Mr. MICA, and the ranking member, the gentleman from Virginia, JIM MORAN, for bringing this important bill to the floor. Most people have classified this bill as being the best for veterans' employment probably since the 1940's.

As we reorganize government to run in a more businesslike and cost-effective manner, veterans need to receive the protection they are entitled to because of their service. The provisions of this bill will bring veterans' employment enforcement into the sunshine of public scrutiny and make it easier for veterans to obtain justice.

I strongly urge my colleagues to support H.R. 3586.

Mr. MORAN. Mr. Speaker, it is my honor to yield such time as he may consume to the gentleman from Mississippi, the Honorable Major General "SONNY" MONTGOMERY, the representative of America's veterans.

Mr. MONTGOMERY. Mr. Speaker, I do not know what to say, but I want to thank the gentleman from Virginia for his kind remarks, and for yielding me this time.

Mr. Speaker, H.R. 3586 is a bill that would enhance veterans' employment opportunities in the Federal Government. Eligible veterans seeking Federal jobs would be able to compete for jobs that are now closed to them. Those veterans covered by the veterans' preference who already work for the Federal Government would, for the first time, have access to an effective appeals system if they believe their preference rights have been violated.

This bill brings together the efforts of all members and staff of the Civil Service Committee, the Office of Personnel Management, and several veterans' service organizations.

Mr. Speaker, I want to thank the gentleman from Virginia [Mr. MORAN] and the gentleman from Florida [Mr. MICA] for their hard work and their subcommittees' work. The gentleman's brother did serve on our committee for many years. I thank the gentlemen on behalf of our Nation's veterans.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. MICA. Mr. Speaker, it is my pleasure to yield 3 minutes to the distinguished gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules and a real friend of veterans of this Nation.

Mr. SOLOMON. I thank the gentleman for yielding time to me, Mr. Speaker, and I also want to commend him and the gentleman from Virginia [Mr. MORAN], the gentleman for Arizona [Mr. STUMP], the gentleman from Mississippi [Mr. MONTGOMERY], and the gentleman from Indiana [Mr. BUYER].

Mr. Speaker, let me just say to the chairman of the subcommittee that I served with his brother. He and I came here together. He was from the other side of the aisle, but I can say he was an outstanding member. He stood up and fought for the veterans of this Nation. I also served with him on the Committee on Foreign Affairs for 10 years as well, and he was an outstanding member.

Mr. Speaker, let me say there are some disturbing trends going on in this country and within this very Government with regard to veterans' employment. It is hard for me to believe and impossible to understand, but there is even more proof that veterans are being discriminated against when it comes to finding jobs. If Members do not believe it, just go out and ask any number of them.

That is why this bill is so terribly important. It provides some real teeth to the veterans' preference laws when it comes to hiring, when it comes to reductions in force, and promotions within the Federal Government. I commend the chairman of the subcommittee, the gentleman from Florida, Chairman MICA, for taking the time to recognize these real problems.

By defining failure to comply with these laws as a prohibited personnel practice, managers and supervisors who hire and fire throughout this Government will fully understand that this Congress is committed to helping our veterans readjust and reenter civilian life. Not only that, but this Government will finally have the added benefit of capitalizing on the invaluable service and experience American veterans have to offer.

I am also pleased because this bill will apply these veterans' preference laws to hiring within the White House and this Congress as well. I think we can all agree that the perspective of veterans is underrepresented these days. That is why we fought so hard to obtain the Department of Veterans' Affairs as a Cabinet-level secretary, to sit there next to the President when we are discussing these terribly vital issues.

Again, I want to commend the chairman for bringing this vital legislation to the floor. It is badly needed. One more time, I will just say that not only do veterans sacrifice when they put on that uniform, but they suffer financially as well. They are always 4 years behind their peers going to college, stepping into the civilian work force, and all through life they are penalized for that. This simply gives them a job preference to help them catch up a little bit. That is why it is so terribly important. I commend the gentlemen for bringing this to the floor.

□ 1315

Mr. MORAN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. FILNER], from the heartland of America's veterans who has fought his way into the hearts of all those veterans in his district.

Mr. FILNER. Mr. Speaker, I rise in strong support of H.R. 3586, the Veterans' Employment Opportunities Act of 1996. This bill would broaden and strengthen veterans' preference in Federal employment, and I congratulate JOHN MICA, chairman of the Government Reform Subcommittee on Civil Service, and JIM MORAN, the ranking member on that subcommittee, for developing this measure.

For too long our veterans have not had an effective means of redress when they believe their rights under civil service law have been violated. I am particularly pleased that section 4 of H.R. 3586 would correct this problem. I know that representatives from several of the veterans' service organizations, and Office of Personnel Management staff, helped design the appeal mechanism in H.R. 3586, and I want to thank all of them for their good, creative work on this issue.

It is important to point out that the civil service system has worked very well for veterans in recent years. For example, an average of 18.5 percent of new fulltime hires were veterans during fiscal years 1990, 1991, and 1992. During fiscal years 1993, 1994, and 1995, that figure increased by more than 50 percent to 31.1 percent. Nonetheless, even the best, most supportive system can be improved, and I urge my colleagues to support H.R. 3586.

Mr. MICA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Virginia [Mr. DAVIS], also a member of our subcommittee and chairman of the Subcommittee on the District of Columbia of the Committee on Government Reform and Oversight.

Mr. DAVIS. I thank my friend for yielding me this time.

Mr. Speaker, I want to thank the gentleman from Florida [Mr. MICA] and the gentleman from Virginia [Mr. MORAN] for getting this bill in shape to bring it to the floor. This gives equal and expanded access for Federal jobs to veterans. It provides veterans who have been honorably discharged after 3 years equal access to compete for vacant positions. Such has not been the case in the past.

I think President Clinton put it well in his Memorial Day address this year at Arlington National Cemetery when he said: "let us also remember to honor those who served in times of peace, who preserve the peace, protect our interests and project our values. Though they are the best-trained, best-equipped military in the world, they, too face their share of dangers."

This legislation in section 2 will provide for those who are honorably discharged after 3 years of service that they cannot be prevented from competing for Government jobs because they do not have status or are nonemployees of the hiring agency.

This also removes artificial barriers that bar preference eligibles from competing for Federal jobs. It extends veterans preference to nonpolitical jobs at the White House and in the legislative and judicial branches.

It is important that we here set the example in the legislative branch and at the White House as well for the same kind of rules that we are applying throughout the Federal bureaucracy. It requires OPM to create and maintain a comprehensive list of all vacant position announcements inside and outside the employing agency.

There are also some special protections for veterans built into this when agencies are conducting reductions in force. This prevents agencies from stripping veterans of their preference during a RIF. It prohibits agencies from placing preference eligibles in single-position competitive levels. It provides enhanced assignment rights for preference eligibles, and it requires the Federal Aviation Administration to apply veterans preference in a reduction in force.

Finally, for the first time this establishes an effective user-friendly redress system for veterans who believe their rights have been violated. There is one thing we heard in the testimony, that the current system is not working, it is not operating. I think the veterans groups have been working for years to get Congress to establish this system. This year under the leadership of the gentleman from Florida, Chairman MICA, we have brought it to the floor. I rise in support.

Mr. MICA. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BUYER], the distinguished chairman of the Subcommittee on Education, Training, Employment and Housing of the Committee on Veterans' Affairs who has been a national leader for veterans.

Mr. BUYER. Mr. Speaker, I want to thank the chairman personally. There has been work from my subcommittee and his subcommittee on this issue. I want to congratulate the chairman; also Mr. MORAN, the ranking member; and all members of the subcommittee for what I view are magnificent works for this very important piece of legislation.

Mr. Speaker, I had the honor of testifying before the chairman's committee. I am doubly pleased that some of the points brought out from the hearing are in fact in this bill. It was a joy to work with the chairman.

Mr. Speaker, the gentleman from Arizona [Mr. STUMP], the chairman of the Committee on Veterans' Affairs, has already addressed some of the important provisions with regard to discriminated or aggrieved veterans, they need a recourse for their grievances, and that of a new administrative and judicial method for veterans to pursue their employment claims.

I also want to lay out some facts. I know that the gentleman from Virginia [Mr. MORAN] had said that some of those criticisms with regard to the administration are unfounded.

To those who feel that veterans do not need protections provided to them in this bill, let me just quote an internal memo from Postmaster General Mr.. Marvin Runyon to his Board of Governors. Mr. Runyon stated that veterans preference will "have a detrimental impact on the Postal Service." It will "tie our hands"; and it would "be costly and make our personnel decisions more difficult and onerous."

Finally, recognizing the average American's support for veterans, he says, "This is a difficult issue to oppose publicly, especially in an election year."

That is the Postmaster General. We could go down the line, I guess, perhaps, and talk about others.

The Postmaster, though, almost got it right, but I would offer this: I would say that this is an issue that should never be opposed, whether it is an election year or not. Veterans preference must remain the cornerstone of Federal employment simply because it is the right thing to do and it is an earned benefit. Veterans preference knows no color or gender or ethnic origin, whether a person is a Christian, a Jew, a Muslim, or even an atheist. It is based on what is becoming a novel idea in the country, and it should not be, but a willingness to sacrifice one's life for the country.

I challenge anyone to point out a more appropriate group of citizens to receive some small advantage in securing and maintaining Federal employment. This bill will do much to reverse what I call a growing antiveteran culture among the bureaucrats.

There is no doubt that women and minorities have long suffered employment discrimination in both the Federal and private sector. I am proud to note that our military forces have been in the forefront of promoting women and minorities among all ranks. But it is time for Federal hiring managers to put veterans first and stop balancing the scales of the goals of diversity on the backs of veterans.

I would also note that some statistics were quoted for 1990, 1991, and 1992 and we are saying, we have increased veterans hiring in 1993, 1994, and 1995. I think America should recognize that that was over the same time period that we brought down our military forces by over 27 percent. Let us be careful in the cheerleading.

Mr. Speaker, I want to thank both gentlemen for their work on this bill. It is a very good bill.

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume to respond to the gentleman's points.

As I said in my comments, this should not be a political issue. There is bipartisan support for this bill as there always has been for veterans preference and veterans benefits. The point was made that Mr. Runyon, the head of the Postal Service, had criticisms of this bill. But I would inform the gentleman from Indiana that Mr. Runyon is not a presidential appointee. He is not a Clinton appointee. There is no Clinton appointee who has said anything of the like.

The reality is that the decline in veterans preferential hiring occurred during the 1980's. Since the gentleman has brought the issue up, since the Clinton administration took over, it has increased from 26 percent to 33 percent. Those are facts. But the major, overwhelming fact is that there simply are not as many veterans around, the average age is 59, for obvious reasons, because that is when most people fought in World War II and the Korean War; so you are going to have a decline.

What matters is the percentage of new hires. Since the Clinton administration took over, one out of every three new hires is a veteran.

I just do not think we can support those numbers. I feel compelled to take some issue with the point that the gentleman attempted to make.

Mr. Speaker, I reserve the balance of my time.

Mr. MICA. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. BUYER].

Mr. BUYER. Mr. Speaker, just to respond to my colleague from Virginia, I lay the blame for a lot of this at the feet of a culture within the bureaucracy, whether it is a political appointee or not a political appointee. That is what this bill is trying to get at.

I do recall in the hearing in testimony before the gentleman that there were only 4 percent of the hirings of veterans in the Executive Office of the President. When the President makes a decision for powers and influence of positions and they are going not to veterans, then I have a concern and a fear of what that means down range into the bureaucratic culture.

I lay the blame at the bureaucracies, whether it is a political appointee or not. I think this is a good bill, and I appreciate the work on the bill by the gentleman from Virginia [Mr. MORAN].

Mr. MORAN. Mr. Speaker, I yield myself such time as I may consume, just to say I do agree with the gentleman who just spoke that this is a good and appropriate bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing I want to again thank many individuals, the gentleman from Virginia [Mr. MORAN], the gentleman from Indiana [Mr. BUYER], the gentleman from Arizona [Mr. STUMP], the gentleman from New York [Mr. SOLOMON], the gentleman from Pennsylvania [Mr. FOX], and all those others who have provided leadership and cooperation so that we could make this bill a reality.

Mr. Speaker, the Veterans' Employment Opportunities Act of 1996 provides much needed protection to our veterans. It provides an effective redress system, and it expands job opportunities for those who have served this Nation honorably in our Armed Forces. I urge my colleagues to join me in passing this important bill today.

Finally, Mr. Speaker, I would like to recognize the service of the distinguished gentleman from Mississippi, Mr. SONNY MONTGOMERY, who will be leaving this body soon. He has chaired the Committee on Veterans' Affairs over many years and led the Nation's efforts to recognize and serve its veterans.

Mr. Speaker, I urge again the passage of this legislation for all our veterans.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. COLLINS of Illinois. Mr. Speaker, I am very pleased that we can bring this veterans' preference bill to the floor today.

I would like to congratulate Chairman JOHN MICA and ranking Member JIM MORAN of the Subcommittee on Civil Service on their work to craft this bill.

During a hearing held by the subcommittee in April, representatives of the veterans service organizations articulated concerns that the inevitable work force reductions, agency restructurings, and experimentation with more flexible personnel rules have great potential to undermine veterans' preference. The provisions of H.R. 3586, which provide veterans increased protections during reductions-in-force, and which strengthen the administrative redress system should violations of veterans' preference occur, will ensure that those fears are not realized.

Veterans' preference in Federal civil service is a priority which has deserved and received broad bipartisan support in Congress for more than 130 years.

Since the Civil War, there have been statutory preferences in Federal civil service hiring for veterans of armed conflict, including special provisions for veterans disabled in combat and some eligible family members of disabled and deceased veterans.

A number of developments are increasingly affecting the proportion of veterans in the Federal work force and in the private sector. Those who remain of the 15 million veterans of World War II are into or approaching retirement. The youngest Vietnam veterans are already into their 40's and midway thought their careers. Subsequent armed conflicts involving Americans in uniform have been limited in scope. It should be expected that the percentage of veterans in Federal employment will decrease as the percentage of veterans in the general work force decreases.

I am heartened by the reports from the General Accounting Office, the Office of Personnel Management, and from the Merit Systems Protection Board that the percentage of veterans currently in Federal employment and being hired by Federal agencies is significantly higher than in the general work force.

The existing preference rules for hiring and retention are generally working well. It is our hope that this legislation will guarantee that veterans' preference continues to be a central element of our civil service system.

The SPEAKER pro tempore (Mr. EWING). The question is on the motion offered by the gentleman from Florida [Mr. MICA] that the House suspend the rules and pass the bill, H.R. 3586, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3586.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

Mr. STUMP. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3118) to amend title 38, United States Code, to reform eligibility for health care provided by the Department of Veterans Affairs, as amended.

The Clerk read as follows:

H.R. 3118

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Health Care Eligibility Reform Act of 1996".

(b) REFERENCES TO TITLE 38, UNITED STATES CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. HOSPITAL CARE AND MEDICAL SERVICES.

(a) ELIGIBILITY FOR CARE.—Section 1710(a) is amended by striking out paragraphs (1) and (2) and inserting the following:

"(a)(1) The Secretary shall, to the extent and in the amount provided in advance in appropriations Acts for these purposes, provide hospital care and medical services, and may provide nursing home care, which the Secretary determines is needed to any veteran—

"(A) with a compensable service-connected disability;

"(B) whose discharge or release from active military, naval, or air service was for a compensable disability that was incurred or aggravated in the line of duty;

"(C) who is in receipt of, or who, but for a suspension pursuant to section 1151 of this title (or both a suspension and the receipt of retired pay), would be entitled to disability compensation, but only to the extent that such veteran's continuing eligibility for such care is provided for in the judgment or settlement provided for in such section;

"(D) who is a former prisoner of war;

"(E) of the Mexican border period or of World War I;

"(F) who was exposed to a toxic substance, radiation, or environmental hazard, as provided in subsection (e); and

"(G) who is unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

"(2) In the case of a veteran who is not described in paragraph (1), the Secretary may, to the extent resources and facilities are available and subject to the provisions of subsection (f), furnish hospital care, medical services, and nursing home care which the Secretary determines is needed.".

(b) CONFORMING AMENDMENTS.—(1) Section 1710(e) is amended—

(A) in paragraph (1), by striking out "hospital care and nursing home care" in subparagraphs (A), (B), and (C) and inserting in lieu thereof "hospital care, medical services, and nursing home care";

(B) in paragraph (2), by inserting "and medical services" after "Hospital and nursing home care"; and

(C) by striking out "subsection (a)(1)(G) of this section" each place it appears and inserting in lieu thereof "subsection (a)(1)(F)".

(2) Chapter 17 is amended—

(A) by redesignating subsection (g) of section 1710 as subsection (h); and

(B) by transferring subsection (f) of section 1712 to section 1710 so as to appear after subsection (f), redesignating such subsection as subsection (g), and amending such subsection by striking out "section 1710(a)(2) of this title" in paragraph (1) and inserting in lieu thereof "subsection (a)(2) of this section".

(3) Section 1712 is amended—

(A) by striking out subsections (a) and (i); and

(B) by redesignating subsections (b), (c), (d), (h) and (j), as subsections (a), (b), (c), (d), and (e), respectively.

SEC. 3. PROSTHETICS.

(a) ELIGIBILITY FOR PROSTHETICS.—Section 1701(6)(A)(i) is amended—

(1) by striking out "(in the case of a person otherwise receiving care or services under this chapter)" and "(except under the conditions described in section 1712(a)(5)(A) of this title),";

(2) by inserting "(in the case of a person otherwise receiving care or services under this chapter)" before "wheelchairs,"; and

(3) by inserting "except that the Secretary may not furnish sensori-neural aids other than in accordance with guidelines which the Secretary shall prescribe," after "reasonable and necessary,".

(b) REGULATIONS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Veterans Affairs shall prescribe the guidelines required by the amendments made by subsection (a) and shall furnish a copy of those guidelines to the Committees on Veterans' Affairs of the Senate and House of Representatives.

SEC. 4. MANAGEMENT OF HEALTH CARE.

(a) IN GENERAL.—(1) Chapter 17 is amended by inserting after section 1704 the following new sections:

"§ 1705. Management of health care: patient enrollment system

"(a) In managing the provision of hospital care and medical services under section 1710(a)(1) of this title, the Secretary, in accordance with regulations the Secretary shall prescribe, shall establish and operate a system of annual patient enrollment. The Secretary shall manage the enrollment of veterans in accordance with the following priorities, in the order listed:

"(1) Veterans with service-connected disabilities rated 30 percent or greater.

"(2) Veterans who are former prisoners of war and veterans with service-connected disabilities rated 10 percent or 20 percent.

"(3) Veterans who are in receipt of increased pension based on a need of regular aid and attendance or by reason of being permanently housebound and other veterans who are catastrophically disabled.

"(4) Veterans not covered by paragraphs (1) through (3) who are unable to defray the expenses of necessary care as determined under section 1722(a) of this title.

"(5) All other veterans eligible for hospital care, medical services, and nursing home care under section 1710(a)(1) of this title.

"(b) In the design of an enrollment system under subsection (a), the Secretary—

"(1) shall ensure that the system will be managed in a manner to ensure that the provision of care to enrollees is timely and acceptable in quality;

"(2) may establish additional priorities within each priority group specified in subsection (a), as the Secretary determines necessary; and

"(3) may provide for exceptions to the specified priorities where dictated by compelling medical reasons.

"§ 1706. Management of health care: other requirements

"(a) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary shall, to the extent feasible, design, establish and manage health care programs in such a manner as to promote cost-effective delivery of health care services in the most clinically appropriate setting.

"(b) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary—

"(1) may contract for hospital care and medical services when Department facilities are not capable of furnishing such care and services economically, and

"(2) shall make such rules and regulations regarding acquisition procedures or policies as the Secretary considers appropriate to provide such needed care and services.

"(c) In managing the provision of hospital care and medical services under section

1710(a) of this title, the Secretary shall ensure that the Department maintains its capacity to provide for the specialized treatment and rehabilitative needs of disabled veterans described in section 1710(a) of this title (including veterans with spinal cord dysfunction, blindness, amputations, and mental illness) within distinct programs or facilities of the Department that are dedicated to the specialized needs of those veterans in a manner that (1) affords those veterans reasonable access to care and services for those specialized needs, and (2) ensures that overall capacity of the Department to provide such services is not reduced below the capacity of the Department, nationwide, to provide those services, as of the date of the enactment of this section.

"(d) In managing the provision of hospital care and medical services under section 1710(a) of this title, the Secretary shall ensure that any veteran with a service-connected disability is provided all benefits under this chapter for which that veteran was eligible before the date of the enactment of this section.".

(2) The table of sections at the beginning of chapter 17 is amended by inserting after the item relating to section 1704 the following new items:

"1705. Management of health care: patient enrollment system.

"1706. Management of health care: other requirements.".

(b) CONFORMING AMENDMENTS TO SECTION 1703.—(1) Section 1703 is amended—

(A) by striking out subsections (a) and (b); and

(B) in subsection (c) by—

(i) striking out "(c)", and

(ii) striking out "this section, sections" and inserting in lieu thereof "sections 1710,".

(2)(A) The heading of such section is amended to read as follows:

"§1703. Annual report on furnishing of care and services by contract".

(B) The item relating to such section in the table of sections at the beginning of chapter 17 is amended to read as follows:

"1703. Annual report on furnishing of care and services by contract.".

SEC. 5. IMPROVED EFFICIENCY IN HEALTH CARE RESOURCE MANAGEMENT.

(a) REPEAL OF SUNSET PROVISION.—Section 204 of the Veterans Health Care Act of 1992 (Public Law 102-585; 106 Stat. 4950) is repealed.

(b) COST RECOVERY.—Title II of such Act is further amended by adding at the end the following new section:

"SEC. 207. AUTHORITY TO BILL HEALTH-PLAN CONTRACTS.

"(a) RIGHT TO RECOVER.—In the case of a primary beneficiary (as described in section 201(2)(B)) who has coverage under a health-plan contract, as defined in section 1729(i)(1)(A) of title 38, United States Code, and who is furnished care or services by a Department medical facility pursuant to this title, the United States shall have the right to recover or collect charges for such care or services from such health-plan contract to the extent that the beneficiary (or the provider of the care or services) would be eligible to receive payment for such care or services from such health-plan contract if the care or services had not been furnished by a department or agency of the United States. Any funds received from such health-plan contract shall be credited to funds that have been allotted to the facility that furnished the care or services.

"(b) ENFORCEMENT.—The right of the United States to recover under such a beneficiary's health-plan contract shall be enforceable in the same manner as that provided by subsections (a)(3), (b), (c)(1), (d), (f), (h), and (i) of section 1729 of title 38, United States Code.".

SEC. 6. SHARING AGREEMENTS FOR HEALTH CARE RESOURCES.

(a) REPEAL OF SECTION 8151.—(1) Subchapter IV of chapter 81 is amended—

(A) by striking out section 8151; and

(B) by redesignating sections 8152, 8153, 8154, 8155, 8156, 8157, and 8158 as sections 8151, 8152, 8153, 8154, 8155, 8156, and 8157, respectively.

(2) The table of sections at the beginning of such chapter is amended—

(A) by striking out the item relating to section 8151; and

(B) by revising the items relating to sections 8152, 8153, 8154, 8155, 8156, 8157, and 8158 to reflect the redesignations by paragraph (1)(B).

(b) REVISED AUTHORITY FOR SHARING AGREEMENTS.—Section 8152 (as redesignated by subsection (a)(1)(B)) is amended—

(1) in subsection (a)(1)(A)—

(A) by striking out "specialized medical resources" and inserting in lieu thereof "health-care resources"; and

(B) by striking out "other" and all that follows through "medical schools" and inserting in lieu thereof "any medical school, health-care provider, health-care plan, insurer, or other entity or individual";

(2) in subsection (a)(2) by striking out "only" and all that follows through "are not" and inserting in lieu thereof "if such resources are not, or would not be,";

(3) in subsection (b), by striking out "reciprocal reimbursement" in the first sentence and all that follows through the period at the end of that sentence and inserting in lieu thereof "payment to the Department in accordance with procedures that provide appropriate flexibility to negotiate payment which is in the best interest of the Government.";

(4) in subsection (d), by striking out "preclude such payment, in accordance with—" and all that follows through "to such facility therefor" and inserting in lieu thereof "preclude such payment to such facility for such care or services";

(5) by redesignating subsection (e) as subsection (f); and

(6) by inserting after subsection (d) the following new subsection (e):

"(e) The Secretary may make an arrangement that authorizes the furnishing of services by the Secretary under this section to individuals who are not veterans only if the Secretary determines—

"(1) that such an arrangement will not result in the denial of, or a delay in providing access to, care to any veteran at that facility; and

"(2) that such an arrangement—

"(A) is necessary to maintain an acceptable level and quality of service to veterans at that facility; or

"(B) will result in the improvement of services to eligible veterans at that facility.".

(c) CROSS-REFERENCE AMENDMENTS.—(1) Section 8110(c)(3)(A) is amended by striking out "8153" and inserting in lieu thereof "8152".

(2) Subsection (b) of section 8154 (as redesignated by subsection (a)(1)(B)) is amended by striking out "section 8154" and inserting in lieu thereof "section 8153".

(3) Section 8156 (as redesignated by subsection (a)(1)(B)) is amended—

(A) in subsection (a), by striking out "section 8153(a)" and inserting in lieu thereof "section 8152(a)"; and

(B) in subsection (b)(3), by striking out "section 8153" and inserting in lieu thereof "section 8152".

(4) Subsection (a) of section 8157 (as redesignated by subsection (a)(1)(B)) is amended—

(A) in the matter preceding paragraph (1), by striking out "section 8157" and "section 8153(a)" and inserting in lieu thereof "section 8156" and "section 8152(a)", respectively; and

(B) in paragraph (1), by striking out "section 8157(b)(4)" and inserting in lieu thereof "section 8156(b)(4)".

SEC. 7. PERSONNEL FURNISHING SHARED RESOURCES.

Section 712(b)(2) is amended—

(1) by striking out "the sum of—" and inserting in lieu thereof "the sum of the following:";

(2) by capitalizing the first letter of the first word of each of subparagraphs (A) and (B);

(3) by striking out "; and" at the end of subparagraph (A) and inserting in lieu thereof a period; and

(4) by adding at the end the following:

"(C) The number of such positions in the Department during that fiscal year held by persons involved in providing health-care resources under section 8111 or 8152 of this title.".

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated for the Department of Veterans Affairs for the Medical Care account, for the purposes specified for that account in Public Law 103-327 (108 Stat. 2300), including the cost of providing hospital care and medical services under the amendments made by section 2, not to exceed $17,250,000,000 for fiscal year 1997 and not to exceed $17,900,000,000 for fiscal year 1998.

SEC. 9. REPORT ON IMPLEMENTATION AND OPERATION.

(a) REPORT REQUIRED.—In carrying out sections 2, 3, and 4 (including the amendments made by those sections), the Secretary of Veterans Affairs shall establish information systems to assess, and, not later than March 1, 1998, shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives, a report reflecting the experience of the Department during fiscal year 1997 on—

(1) the effect of implementation of, and provision and management of care under, sections 2, 3, and 4, on demand for health care services from the Department of Veterans Affairs by veterans described in section 1710(a)(1), as amended by section 2;

(2) any differing patterns of demand on the part of such veterans relating to such factors as relative distance from Department facilities and prior experience, or lack of experience, as recipients of care from the Department;

(3) the extent to which the Department has met such demand for care; and

(4) changes in health-care delivery patterns in Department facilities and the fiscal impact of such changes.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include detailed information with respect to fiscal year 1997 regarding the following:

(1) The number of veterans enrolled for care at each Department medical facility and, of those veterans, the number enrolled at each such facility who had not received care from the Department during the preceding three fiscal years.

(2) With respect to those veterans who had not received care from the Department during the three preceding fiscal years, the total

cost of providing care to those veterans, shown in total and separately (A) by level of care, and (B) by reference to whether care is furnished in Department facilities or under contract arrangements.

(3) With respect to the number of veterans described in section 1710(a)(1), as amended by this Act, who applied for health care from the Department during fiscal year 1997—

(A) the number who applied for care (shown in total and separately by facility);

(B) the number who were denied enrollment (shown in total and separately by facility); and

(C) the number who were denied care which was considered to be medically necessary but not of an emergency nature (shown in total and separately by facility).

(4)(A) The numbers and characteristics of, and the type and extent of health care furnished to, veterans enrolled for care (shown in total and separately by facility).

(B) The numbers and characteristics of, and the type and extent of health care furnished to, veterans not enrolled for care (shown separately by reference to each class of eligibility, both in total and separately by facility.

(5) The specific fiscal impact (shown in total and by geographic health-care delivery areas) of changes in delivery patterns instituted under the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY] each will control 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. STUMP].

GENERAL LEAVE

Mr. STUMP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996, is hopefully the first step toward overhauling the confusing eligibility requirements currently confronting our veterans. This bipartisan legislation will move the VA away from its expensive focus on inpatient care to a more accessible and cost effective primary and outpatient means of delivering health care. Eligibility reform has been the top priority of the Committee on Veterans' Affairs in the 104th Congress. We have worked very hard to make this bill as budget neutral as possible.

□ 1330

The VA committee, as well as the Department of Veterans Affairs, believes the bill can be implemented without the need for additional funds. However, the Congressional Budget Office disagrees and estimates that if fully funded, H.R. 3118 would result in increased demand for VA health care.

Mr. Speaker, the bill is already subject to annual appropriations since the VA health care is a discretionary spending program. In order to further address CBO estimates and assure members of the Committee on Veterans' Affairs budget-neutral intent, we are adding provisions that will place a ceiling on authorized levels for VA health care for fiscal years 1997 and 1998.

Mr. Speaker, I want to thank the leadership and particularly the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules, the gentleman from Ohio [Mr. KASICH], chairman of the Committee on the Budget, for their assistance in getting this bill to the floor today.

Mr. Speaker, H.R. 3118 may be the final bill brought to the floor of the House by the Committee on Veterans' Affairs during the 104th Congress. I must take just a moment to express my deep appreciation and sincere thanks to my good friend, the gentleman from Mississippi, SONNY MONTGOMERY, the ranking member of the full committee for his work on this committee and on this measure.

Mr. Speaker, without the leadership of SONNY MONTGOMERY on veterans issues over the past 30 years, this country would not have fulfilled its obligations to our veterans of military service the way they have. The commitment and dedication of Mr. MONTGOMERY to the men and women serving in our armed services has rightfully earned him the title "Mr. Veteran".

The members of the Committee on National Security and the Committee on Veterans' Affairs will miss him energetic support for those individuals wearing our country's uniforms and for those who have worn it. I will personally miss his friendship and counsel over the many years that we have served together in this body. We wish this great legislator well in all his future endeavors.

Mr. Speaker, I reserve the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

I certainly want to thank my chairman, the gentleman from Arizona, BOB STUMP, for those very kind and warm words. We have had a wonderful working relationship and great friendship. To BOB STUMP and to the whole committee, we have been nonpartisan, and we are very proud of that, Mr. Speaker. Our bottom line is to help the veterans, and BOB STUMP has been right there with us all the way, and I thank him again for those very, very kind remarks, and I hope that they will remember us some 4 or 5 years from now when we are out somewhere else.

Mr. Speaker, representatives of the major national veterans organizations have told us that their top legislative priority is enactment of legislation to reform the VA health care eligibility rules. Working on a bipartisan basis, we have put a lot of effort into this, Mr. Speaker, and I congratulate, again, the chairman, Mr. STUMP, on bringing an excellent bill to the floor, H.R. 3138. It has been endorsed by virtually all the major veterans organizations.

We know that the reforms the veterans' groups had proposed would go further than we do today, but they do agree that this bill is a big step forward.

I wish, Mr. Speaker, we could do more, but some other committees of the House could object and we need to get what we can on eligibility out for the veterans.

My good friend and our chairman, BOB STUMP, as well as the gentleman from Arkansas, TIM HUTCHINSON, the chairman of the Subcommittee on Hospitals and Health Care, and the gentleman from Texas, CHET EDWARDS, the subcommittee's ranking member, have really put a lot of time into developing this important bill and ensuring that it met the concerns of the veterans.

Our committee's work on eligibility reform actually started before the 104th Congress, and I particularly want to acknowledge the outstanding oversight work on this subject done by my very able colleague, the gentleman from Illinois, LANE EVANS, who chaired our former Subcommittee on Oversight and Investigations.

Mr. Speaker, this bill would reform outdated eligibility laws that would make it easier to go to outpatient clinics and take care of these veterans at less cost and more veterans would be eligible to use our medical facilities. It would simplify rules which are so complex that even the VA doctors are often confused over who is eligible for what. It would give VA for the first time clear authority to plan for and provide treatment to veterans based simply on meeting their medical needs.

This legislation, Mr. Speaker, also has the support of the Department of Veterans Affairs, which recognizes the need for change and has urged us to give them the authority to improve the way they do business. I think this bill would give VA important tools to provide the kind of care we owe our veterans and to do it in an efficient and effective manner.

Mr. Speaker, In adopting eligibility reform legislation, we are remedying longstanding problems and addressing a long-sought need for change. In pursuing eligibility reform as a goal, however, some have had very lofty expectations of what such reform would achieve. Such high expectations have led some advocates to blur the distinction between eligibility reform and funding reform. H.R. 3118 does not attempt to change the manner in which VA medical care is funded. In contrast, committee amendments to H.R. 3600, 103d Congress, the President's national health care reform bill, would have converted funding for VA health care from discretionary to mandatory funding.

H.R. 3118's more modest target does not reflect, on this Member's part, a belief that those broader objectives should be abandoned.

H.R. 3118 has, however, sparked isolated criticism, largely related to what it does not attempt to do. Those criticism warrant acknowledgment.

The most common criticism of this legislation has focused on language which, in amending section 1710(a) of title 38, U.S. Code, qualifies the VA's obligation to provide hospital care and medical services, stating that VA shall provide care "to the extent and in the amount provided in advance in appropriations Acts for these purposes." In essence this language limits VA medical care spending under the bill to the availability of appropriations. VA health care, however, is currently subject to appropriations; this language does not change that fact.

H.R. 3118 aims to improve statutory eligibility rules which have been attacked for years as badly in need of reform. Under those rules, for example, most nonservice-connected veterans are not even eligible for routine outpatient treatment and generally are eligible for home health care or prosthetics only if they have been hospitalized. This bill would remedy these and other barriers to VA's providing medically needed care. The bill's supporters including most veterans organizations, have described H.R. 3118 as an important step forward, but the bill has never been represented as a solution to all the challenges facing VA. For those of us who believe that the wisest legislative strategy is to make as much progress as you can, when you can, achieving substantial, positive reform of VA health care eligibility laws is a good first step.

With respect to funding, the bill has been attacked on the basis that if funding levels are not sufficient, veterans will be denied care. Unfortunately, inadequate funding levels would have that same effect whether or not H.R. 3118 were enacted, just as they have had in the past.

One critic has expressed concerns that veterans would lose access to VA care by virtue of a provision of the bill requiring establishment and implementation of an enrollment system. In fact, the bill does not specify how that system must work, but allows VA to design a workable system. That system should enhance VA's ability to plan for and effectively serve patients, while providing sufficient flexibility so as not to disenfranchise its most vulnerable and needy veterans. The report on the bill clarifies that the provision is flexible and would allow VA "to establish an enrollment system which simply registers patients throughout all or part of a fiscal year." In fact, the aim of this legislation is to improve veterans' access to VA care. Its drafting reflects an understanding that VA is very much a safety net, serving, for example, a substantial population of veterans with serious mental illness. The bill does not envision that such veterans can necessarily be expected to respond to requests to enroll for care within a time-limited registration period; the drafting of the bill assumes that an enrollment system would be designed, whether through provision for exceptions or otherwise, with such patients in mind.

Finally, the bill has also sparked criticism based on a view that the priorities for enrollment reflected in the legislation are inequitable and unacceptable because 10 and 20 percent service-connected veterans are not included in the highest priority classification. This view fails to take account of the fact that under existing law—38 U.S.C. section 1712(i)—less than 30 percent service-connected veterans have been second in line for care since 1988, when Congress moved them up from third in line in a statutory treatment priority system, where they had been since 1976.

Overall, the voices of criticism have been very few, and have been overwhelmingly drowned out by those in support. It is important, nevertheless, to set the record straight. In short, Mr. Speaker, this is an excellent bill.

Mr. Speaker, I include for the RECORD a letter dated July 26, 1996, from an organization entitled the Independent Budget.

THE INDEPENDENT BUDGET,
Washington, DC, July 26, 1996.

Hon. G.V. MONTGOMERY,
House of Representatives, Rayburn House Office Bldg., Washington, DC.

DEAR REPRESENTATIVE MONTGOMERY: We are writing to request your strong support for H.R. 3118, "The Veterans' Health Care Eligibility Reform Act of 1996." The bill is scheduled to be brought to the House Floor on Tuesday, July 30, 1996.

Our organizations represent the authors and endorsers of "The Independent Budget", an annual review of budget and policy matters affecting the benefits and services of the Department of Veterans Affairs. Reforming the VA health care system's arcane and inefficient eligibility rules has been a top priority of our organizations for many years.

Current VA eligibility rules dictate what type of services a veteran will receive based on an overly complex system of categorical classifications, such as degree of disability, income, or type of veteran service or status. These eligibility rules give little regard to what would be the best, the most cost effective or the most appropriate venue required to provide the full range of health services a veteran needs. Such disjointed services are both inconvenient and unwarrantedly expensive.

The reforms provided for in H.R. 3118, would, for the first time, give VA health care providers the ability to provide the full range of appropriate health care services to eligible veterans utilizing the most cost effective and efficient methods of modern medical practice.

We consider passage of H.R. 3118 to be one of our highest priorities for the 104th Congress.

Thank you for your consideration.

Sincerely,

Kenneth E. Wofford, National Commander, AMVETS; Thomas A. McMasters III, National Commander, Disabled American Veterans; Carroll M. Fyffe, National Commander, Military Order of the Purple Heart; Richard Grant, National President, Paralyzed Veterans of America; James L. Brazee, Jr., National President, Vietnam Veterans of America, Inc.; Richard G. Fazakerley, Maj. Gen. (Ret.), National President, Blinded Veterans Association; Neil Goldman, National Commander, Jewish War Veterans of the USA; Charles R. Jackson, President, Non Commissioned Officers Association; Paul A. Spera, Commander-in-Chief, Veterans of Foreign Wars of the United States.

Mr. Speaker, I reserve the balance of my time.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume to also thank the gentleman from Arkansas, TIM HUTCHINSON, Chairman of the Subcommittee on Hospitals and Health Care, and the gentleman from Texas, CHET EDWARDS, the ranking member on that subcommittee, for all their hard work not only on this bill, but for both their cooperation and hard work for carrying the major loads for this committee for this year.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the chairman for yielding me this time, and I want to join the chairman in expressing, once again, to the gentleman from Mississippi, SONNY MONTGOMERY, how much he will be missed in this Chamber and in this House. This is the last bill that the committee will bring to the floor this year and it is an appropriate time.

My predecessor, John Paul Hammerschmidt, regarded no one higher and no one closer to him during his 26 years of service in the House than his relationship with SONNY MONTGOMERY. He would come back to Arkansas many times and lauding the achievements of Chairman MONTGOMERY and his advocacy on behalf of veterans. All I can say today is, the half was not told.

I have enjoyed the last 4 years getting to know the gentleman and I wish to tell him he certainly will be missed.

Mr. Speaker, today is indeed a historic day for America's veterans, for it marks the end of a 10-year quest to streamline eligibility for veterans' health care. Under the leadership of Chairman BOB STUMP and in the true spirit of bipartisanship demonstrated by the ranking members of the full committee and subcommittee, SONNY MONTGOMERY and CHET EDWARDS, the Veterans' Affairs Committee has taken the first major step to move the delivery of veterans' health care into the 21st century.

The Veterans' Health Care Eligibility Reform Act of 1996, while not the panacea for all the ills of VA health care, is the first step in the rational transformation of the arcane eligibility provisions which have literally crippled the delivery of VA health services and have left patients feeling cheated and confused. The bill substitutes a single, streamlined eligibility provision—based on clinical need for care—for the complex array of disparate rules currently governing eligibility for hospital and outpatient care. In doing so, it would lift restrictions on VA's providing ambulatory treatment. Those restrictions currently tie many veterans' eligibility for outpatient treatment to determinations that are medically uninterpretable such as "to obviate the need for hospital admission."

The application of these medically indefinable standards have contributed to relative disparities in different areas of the country as veterans attempted to access VA health care.

Understanding that this bill is the first of many steps to come in improving veterans' health care, it also contains a number of other important provisions. The bill eliminates restrictions on prosthetic devices but does not turn VA into a drugstore for such devices as hearing aids and eyeglasses. It requires VA to manage the provision of hospital care and medical services through an enrollment system according to a series of priorities. The bill refocuses our time-honored commitment to service-connected care while allowing the VA to manage care for those veterans with lesser means who depend upon the VA as their health care safety net.

Other important provisions expand operational flexibility by enabling the VA to contract for hospital care and medical services to increase the cost-effective provision of care and services. The bill expands VA's authority to execute sharing agreements by permitting any medical resource to be provided under a contractual agreement with any entity. It also authorizes flexibility in the establishment of payment levels and exempts the personnel involved in providing services under such arrangements from personnel hiring limits. This exemption should be very helpful as VA seeks to participate to a greater extent with TRICARE and other managed care programs.

An important consideration of this bill is that it offers protection of specialized services by directing the VA to maintain its capacity to provide for the specialized treatment and rehabilitation of disabled veterans within distinct programs and facilities dedicated to the specialized needs of veterans.

In closing I would like to address the controversial cost estimate placed on this bill by the Congressional Budget Office, an estimate that we have strongly refuted with a committee cost estimate. To further ensure budget neutrality of the bill, it has been amended to include not only subject to appropriations language but a 2-year cap on the authorization for the medical care appropriation.

Eligibility reform, in my view, is as significant a piece of legislation as the G.I. bill. I urge my colleagues to show their support of veterans by supporting H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman from Arkansas, TIM HUTCHINSON, for his very, very kind remarks. We have certainly enjoyed having him in the 4 years he has been on our committee. I would ask him to please tell John Paul Hammerschmidt I said hello.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Texas, Mr. CHET EDWARDS.

Mr. EDWARDS. Mr. Speaker, because of our Nation's veterans, America won the cold war; because of our Nation's veterans, today we are the superpower in the world; and because of them our children today live in a safer world. This bill, H.R. 3118, is an effort, a simple but important one, to say thank you to those men and women who have served our Nation in uniform and now need service in our Nation's Va hospitals.

This bill is a win-win. It is a win for veterans who will receive better care because of this legislation, and it is a win for our Nation's taxpayers because it will see that their limited resources are used more efficiently and effectively on behalf of our Nation's veterans.

Basically, this bill does two things. It simplifies rules for VA health care, eligibility rules that perhaps are as complicated as the IRS Tax Code. By simplifying them, we will have a fairer and better system for our veterans. Second, it will facilitate effective and efficient outpatient care for our Nation's veterans.

Mr. Speaker, the Committee on Veterans' Affairs has worked for years to enact legislation that would achieve a comprehensive reform of VA health care laws. H.R. 3118 is not the final answer, but it is a very important first step. It does not remedy the serious funding challenges that the VA has faced. It does not guarantee that every veteran will get the care that they seek.

Comprehensive answers are beyond what we can accomplish in the few remaining days of this session. Nevertheless, this legislation is a bipartisan major step in the positive direction of serving our veterans.

It is important legislation. This bill dismantles the statutory barriers that have interfered with VA efforts to deliver appropriate care. It simplifies an overly complex set of eligibility rules. It expands veterans' access to routine outpatient care, to preventive services and needed prosthetic supplies. And by providing greater latitude for contracting, it gives the VA important new tools to manage care delivery more effectively.

While this bill will help the VA to streamline its health care delivery, it does provide very needed protection for some of the VA's most unique and potentially vulnerable programs. At a time that the VA must make every effort to reduce duplication and unnecessary expenditures, veterans have urged us to be especially vigilant to ensure that the VA maintains its vital specialized treatment and rehabilitation programs.

The bill gives specific recognition to these programs and would provide safeguards to ensure that the VA retains the capacity to serve the specialized needs of the spinal cord injured, the blind, the mentally ill, and other disabled veterans dependent on the VA's specialized care programs.

Our efforts in this bill to help the VA expand veterans' access to primary care services does not signal an intent to abandon needed though sometimes costly specialized treatment missions.

Finally, Mr. Speaker, I want to add to the comments of other colleagues on this floor. I want to add my deep and lasting gratitude to the gentleman from Mississippi [Mr. MONTGOMERY] for his many, many years of service to his country, both in uniform and here as a Member of Congress.

To the gentleman from Arizona, Mr. STUMP, the partner with Mr. MONTGOMERY for so many years now in fighting for our Nation's veterans, this legislation would not be on this floor without his leadership as chairman of the committee.

☐ 1345

To the gentleman from Arkansas [Mr. HUTCHINSON], the subcommittee chair who worked tirelessly with veterans service organizations and Members of this House on both sides of the aisle to help bring this bill to the floor, and finally and not least importantly I want to say thanks to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules who helped see that this bill could come to the floor in a timely fashion, knowing that there is not much time left in this session of Congress and if we are to turn this from a bill into law we must move quickly. So my thanks go out to Chairman SOLOMON for his bringing this together.

Mr. Speaker, as with so much of the legislation for our Nation's veterans heralded and pushed through this House by the gentleman from Mississippi [Mr. MONTGOMERY] and the gentleman from Arizona [Mr. STUMP], there is not a big fight on this floor today. There is not a lot of people in the press gallery. Perhaps some think unless there is a fight, it is not important legislation. But, Mr. Speaker, I would suggest this is some of the most important legislation we have passed on behalf of veterans for a long, long time, and it is a credit to the leaders that I have mentioned in my last few comments that this is coming to the floor on a bipartisan basis.

What a shame it is that the country does not see the headlines, the articles, the news coverage when there is such a cooperative effort made in this House of Representatives. But more important than the news coverage is the fact that this legislation when passed into law will make life better for our Nation's veterans who served all of us.

Mr. STUMP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Texas [Mr. EDWARDS] once again for all of his work and for his very kind remarks on the floor just now.

Mr. COLEMAN. Mr. Speaker, will the gentleman yield?

Mr. STUMP. I yield to the gentleman from Texas.

Mr. COLEMAN. Mr. Speaker, I only wanted to associate myself with the remarks of my colleague from Texas. I think all of us, particularly from that region of the country, as well as the gentleman from Arizona, understand the importance of the statements made by my colleague from Waco, TX, and I wanted to associate myself with his remarks, and I thank the gentleman for yielding.

Mr. STUMP. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I cannot tell you how proud I am to stand up here today as one of the sponsors of this critical veterans legislation. I commend the gentleman from Arizona [Mr. STUMP], the gentleman from Mississippi [Mr. MONTGOMERY], the gentleman from Arkansas [Mr. HUTCHINSON], and the gentleman from Texas [Mr. EDWARDS], and the entire Committee on Veterans' Affairs for their hard work in bringing this legislation to the floor.

Mr. Speaker, I served on that committee for 10 years. It was such a pleasure because it was a committee of comity. Everybody worked together for one common goal, and I commend my colleagues for it.

Mr. Speaker, VA eligibility reform has been a long, long time in the making, and that is why it is such a relief for the veterans community that we take this step here today. Ever since my days back in the Committee on Veterans' Affairs and as a ranking member of that body, alongside my good friend, the gentleman from Mississippi [Mr. MONTGOMERY], and the gentleman from Arizona [Mr. STUMP], eligibility reform has been one of our top priorities.

The reform bill we pass here today is a positive step in preserving the future of the VA and veterans' health care. No matter how you look at it Mr. Speaker, the fact remains that the veterans population is dwindling. That means that it is up to us here today, those of us who understand why it is absolutely critical that we protect the earned contractual benefits of all of our veterans, to pass these protections and to pass them into law.

H.R. 3118 I think is a great step toward streamlining health care delivery within the veterans department. It will provide the basis for constructing a system that will preserve the future of VA health care and continue the all-important guarantee of health care for America's deserving veterans, and that is something we have to guarantee down the road for our all-voluntary military.

Mr. Speaker, I urge my fellow veterans and all Members of Congress to pass this bill and finally put the process of reforming VA health care underway. Americas veterans will thank you.

Mr. Speaker, in closing, let me heap praise on the former chairman of this committee, SONNY MONTGOMERY. As a veteran myself, I know I speak for all of the veterans throughout this entire Nation in saying that we are grateful for everything that the gentleman from Mississippi has done all of these years. He is a great Congressman. He is a great American and, more than that, he is a great friend of mine, and I wish him the best in his retirement.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I apologize to the gentleman from New York for not getting all of those remarks, but thank him very much. I want to point out to my colleagues here today that the gentleman from New York, Mr. SOLOMON, and I did work with him, but he was the leader that got the Department of Veterans Affairs to be implemented and to become law, and I would like to say on account of JERRY and others that the veterans can go in the front door of the White House now where we used to have to go in the back door. In fact, we had an administrator of the veterans department that has to go through an individual in the White House to see what needed to be done for veterans. And now we have the Department of Veterans Affairs and Jesse Brown, who is a strong Secretary and going a good job in my opinion.

I thank CHET EDWARDS for what he said about us.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, H.R. 3118, The Veterans' Health Care Eligibility Reform Act of 1966, is an important step toward improving health care for our Nation's veterans.

The veterans in my congressional district, the leaders of San Diego County's veterans community, and the representatives of national veterans organizations all agree that we need veterans' health care eligibility reform.

This bill will simplify the rules governing VA medical care. It will allow veterans to get outpatient service when that is more appropriate than inpatient care. This bill will allow the VA to treat veterans for less money, with the savings going for expanded services.

Veterans' health care eligibility reform is one of the first issues confronting me when I came to Congress in 1993, and I am proud to be a member of the Veterans Affairs Committee which has worked so hard on this bill.

I appreciate the work of Chairman BOB STUMP, ranking member SONNY MONTGOMERY, chairman of the Subcommittee on Hospitals and Health Care TIM HUTCHINSON, and Subcommittee ranking member CHET EDWARDS for their tireless efforts in developing H.R. 3118.

As you know, similar legislation passed the Senate Veterans' Affairs panel last week, which makes our vote today even more important. I urge my colleagues to join me in support of this bill.

If this is indeed the last bill that SONNY MONTGOMERY will be on the floor for, we also want to add our profuse gratitude for his friendship. I knew SONNY before any of you did, by the way. I worked with him before he was a Member of Congress, when he was a general in Mississippi. He taught us everything, and I think that the lasting, the greatest legacy that SONNY MONTGOMERY will have is that as much work as he did, there is still more work to be done for veterans, and he has trained us all, educated us all, and we will carry on the work that he has been so successful at and we will finish the job that he started.

Mr. STUMP. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. WELLER], a member of the committee.

Mr. WELLER. Mr. Speaker, I come to the well today to speak on behalf of this bipartisan bill, which will enable tens of thousands of rural veterans to have greater access to VA outpatient health care. H.R. 3118 provides much-needed authority and allows the VA for the first time ever to enter into sharing agreements with local health care providers so that rural and suburban veterans can benefit from the convenience of utilizing health care services in their local community, to be treated by local doctors and local hospitals they know and trust.

For example, in my home district in LaSalle County, IL, the closest outpatient center for veterans is 60 miles away. We have 45,000 veterans in the LaSalle County area. Sixty miles is a long way to travel, and for many veterans it requires that they ask friends and family to take off half a day or a full day just to provide transportation.

This past spring, the gentleman from Arkansas [Mr. HUTCHINSON] and the Subcommittee on Hospitals and Health Care held a field hearing in LaSalle County and brought to light the need for some changes in VA authority to be brought forward. Thanks to this hearing, we noted that the VA is currently prohibited from contracting with private, nonprofit health care providers.

This legislation, when passed into law, will not only benefit counties like LaSalle in Illinois, but other rural care areas throughout the Nation. This language was originally in H.R. 3321, a bill

I introduced to allow the VA to enter into contractual agreements with local health care providers, doctors and hospitals in order to provide health care to veterans locally.

Mr. Speaker, it just makes common sense to make it easier and more convenient for veterans to have the opportunity to obtain veterans health care right in their local community, right from their local doctors, right from their local hospitals they know and trust.

I want to note that this legislation has broad-based support in the veterans community; has broad-based bipartisan support amongst local officials and members of this committee. I am proud that we are keeping our commitment to our veterans and doing it in a bipartisan fashion. Let us move forward and provide quality health care for our veterans and meet our commitment to our veterans and give this bill bipartisan support.

Mr. Speaker, I commend the chairman of the committee, the gentleman from Arizona [Mr. STUMP], and the ranking member for their efforts and their bipartisan leadership.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. KENNEDY], who is also a member of the committee, one of our ranking members.

Mr. KENNEDY of Massachusetts. Mr. Speaker, with everything I have to say about the gentleman from Mississippi [Mr. MONTGOMERY], maybe he will want to make it 4 minutes. But let me just say very sincerely, from really the bottom of my heart, how much I have appreciated all of the hard work that SONNY MONTGOMERY has shown.

I think particularly for some of the younger Members of Congress that care very deeply about veterans issues there is no one that has stood up more clearly and strongly on behalf of our Nation's veterans, no one who commands the respect of Members of both sides of the aisle about the issues of concern to our Nation's veterans than SONNY MONTGOMERY, and I know that Chairman STUMP feels the same way.

We have all enjoyed, although not every moment that Chairman STUMP has had the gavel over the course of the last couple of years, I do not think he has enjoyed a couple of moments that I have been speaking in the last couple of years, but I do appreciate his sincere efforts on behalf of SONNY MONTGOMERY and to bring to the former chairman of the committee, Mr. MONTGOMERY, the credit that he deserves for the hard work that he has done on behalf of our Nation's veterans.

Mr. Speaker, despite the fact that every other speaker has talked about the fact that this is SONNY's last bill on the House floor, unless he has some announcement, I hope he is going to be sticking with us through next November. And I know that his spirit will continue to guide us on veterans affairs far into the future.

Mr. Speaker, I join with Chairman STUMP in thanking SONNY MONTGOMERY for all of the guidance, support, and courage that he has shown for our country and for our Nation's veterans. I really appreciate it. In addition, I also support this bill.

Mr. STUMP. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. FLANAGAN].

Mr. FLANAGAN. Mr. Speaker, I rise today in full support of H.R. 3118, the veterans' eligibility reform bill, introduced by the gentleman from Arizona [Mr. STUMP] and the gentleman from Mississippi [Mr. MONTGOMERY].

And, parenthetically, Mr. Speaker, I have enjoyed every moment that the gentleman from Arizona has had the gavel in his hand. And, Mr. Speaker, I would say to Mr. MONTGOMERY, our many great thanks, our many great remarks at his leadership and the warmth that he has shown us all, freshman Member and senior Member alike, over the years.

Mr. Speaker, I believe that this legislation, though not a complete reform of current eligibility standards, is a positive first step toward achieving that goal.

Veterans with service-connected disabilities, former POW's and World War I veterans are eligible under this legislation.

H.R. 3118 will enable the VA to provide all needed hospital and medical services to eligible veterans and expand operational flexibility by enabling VA to contract for hospital care and medical services to increase cost-effectiveness. It will also protect specialized programs, and work to expedite VA's transition from inpatient care to greater use of outpatient care efficiently and effectively. This bill will accomplish these provisions without reducing benefits to other veterans.

Mr. Speaker, we must never forget the sacrifices America's veterans have made for our country and our freedoms. Quality and accessibility of veterans' health care is a priority of this Congress. H.R. 3118 ensures that our veterans receive the very best in health care, and reaffirms our commitment to our veterans. I am very proud to be a cosponsor of H.R. 3118, as it will pave the way for greater reforms in the future.

Mr. STUMP. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. BUYER], chairman of the Subcommittee on Education, Training and Employment.

Mr. BUYER. Mr. Speaker, I thank the gentleman from Arizona [Mr. STUMP], chairman of the Veterans' Affairs Committee, and the gentleman from Mississippi, [Mr. MONTGOMERY], our good friend, for their work on this bill.

Mr. Speaker, this bill represents the culmination of years of hard work on behalf of the most pressing issues facing the Department of Veterans Affairs, that being eligibility reform. Anyone who has been to a VA hospital knows how difficult it can be to access the VA health care system. The patchwork of confusing and complex rules governing accessibility often defy medical common sense.

□ 1400

Madam Speaker, H.R. 3118 goes a long way to change this system while staying within the current budget constraints. This bill requires the VA to manage its medical services through a system of priorities, giving service-connected veterans the top priority. We have some very difficult issues that face us, that being the veterans' community, and I want to thank Chairman STUMP and SONNY MONTGOMERY.

As we have a declining veteran population out there, with a stabilizing VA medical system, this is a transition-type bill. I cannot predict what the VA system is going to look like in year 2010 to 2015, as we begin facing the reality of losing the World War II and Korean veterans, which includes my father, but how we visualize that system into the future is going to require some real leadership. This is a transition bill. It is far from a perfect bill, but I am very pleased with the hard work that the chairman has done. Appreciate it.

Mr. MONTGOMERY. Madam Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Madam Speaker, first of all, I would like to say we are certainly going to miss SONNY MONTGOMERY around here. I served with him for a lot of years, worked on a lot of veterans' legislation. He is to be commended and he will be remembered a long, long time. As long as veterans are around, he will be remembered.

BOB STUMP, my dear friend from Arizona, who has worked very hard on this bill and labored in the vineyard for so many years. I rise in very strong support of this legislation and wish for Mr. MONTGOMERY, as a friend of mine in North Carolina often said, I hope you live as long as you want and never want as long as you live, and rise in strong support of this legislation which is long overdue.

I thank the gentleman from Arizona and the gentleman from Mississippi for bringing it to fruition.

Mr. STUMP. Madam Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. COOLEY].

Mr. COOLEY. Madam Speaker, I rise today in support of H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996.

I represent eastern Oregon, the seventh largest congressional district in the country. Veterans in my district often must drive 4 or 5 hours—over the Cascades to Portland—in order to receive medical care. Veterans who must drive so far for medical service have a strong interest in fair and efficient eligibility standards.

By allowing the VA to contract out for hospital care and medical services, and, by allowing the VA to share health care resources with group providers, H.R. 3118 will potentially bring the VA closer to the veterans of eastern Oregon.

H.R. 3118 also abolishes the complex provisions of law governing eligibility for outpatient care, expanding the array of services that the VA can provide to our Nation's veterans.

I urge all of my colleagues to support this long-overdue reform.

Madam Speaker, I, too, would like to thank the leadership, SONNY MONTGOMERY and his past services to the veterans of this country and, especially now, the reins have been passed over to BOB STUMP, and what a fantastic job he has done to bring forth these issues which I think are very, very critical, especially to our veterans more in the rural areas that really truly have to drive many, many miles to receive this kind of service.

I will tell my colleagues that in the near future I will probably be using these as well. I would certainly like to be able to use the local hospital instead of driving 155 miles to the closest veterans' hospital for my community where I live in Alfalfa, OR. I think that the veterans of the country and Congress should commend BOB STUMP with the cooperation of SONNY MONTGOMERY and the fantastic job they have done for veterans in this country. I think we all are proud of both of these gentlemen.

Mr. STUMP. Madam Speaker, I yield 1 minute to the gentleman from Florida [Mr. WELDON], a Member who has been very active in veterans' affairs for his State.

(Mr. WELDON of Florida, asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Florida. Madam Speaker, I rise in strong support of the bill before us.

As a veteran and a practicing physician, I understand firsthand the needs of veterans in underserved areas. The veterans in east-central Florida have suffered for over a decade and a half for lack of adequate veterans medical facilities. Last year this Congress set us on a sound road toward meeting these needs by providing $25 million to meet the outpatient needs of these veterans.

H.R. 3118 includes provisions that will allow the VA to contract with local hospitals to meet the inpatient needs of veterans who have sacrificed for our great Nation.

Last year, I introduced legislation that would allow the VA to contract in this manner. The bill before us includes similar provisions and I appreciate the chairman for his support of this concept.

This bill will allow veterans in underserved areas, like east-central Florida to receive VA medical care right in their own communities. This is what veterans in my district have been telling me they want and I'm pleased to see it before us.

Let's pass this bill.

Madam Speaker, I rise in strong support for H.R. 3118, the Veterans Health Care Eligibility Reform Act. This bill is long overdue and it will ensure that we fulfill our commitments to our veterans.

I would like to focus on one particular element of this bill that is very important to the veterans in my district. It was more than 14 years ago that a veterans hospital was first proposed for east-central Florida. Since that time, more politics has been played over this hospital than one can recount. While politicians have enjoyed their sport, the veterans in Brevard and surrounding counties have suffered for lack of adequate veterans medical facilities.

Earlier this year the Congress took the right step by providing $25 million for an outpatient clinic. The VA has informed me that this outpatient clinic will meet at least 80 percent of the health care needs of area veterans. This is a good first step in meeting these veteran's needs. I was also pleased that in a letter to me dated July 17, the Secretary of Veterans Affairs committed to issuing a contract for design work by September 1996.

The verdict on a hospital for Brevard County is still out. There are some who have suggested holding up the construction of a veterans outpatient clinic and instead holding out for a full hospital. Anyone remotely familiar with the history of the Brevard medical facility recognizes that this would be playing Russian roulette with the lives of veterans and would likely see the possibility of even an outpatient clinic slip away.

Earlier this year the veterans of east-central Florida received an authorization for a $25 million outpatient clinic, and Congress and the President already set aside the $25 million needed to fully construct this clinic. While an outpatient clinic may not meet 100 percent of the needs, it will meet 80 percent of the needs and it will do so in less than 2 years. Any delay in moving forward with this clinic may see this money and clinic disappear like the hopes that these veterans have seen fade away so many times before.

As a physician who has been put in the unfortunate position of having to refer veterans across the State to a veterans hospital, I understand how critical it is that veterans have access to inpatient care in our own community. That is why I introduced H.R. 2798, the Veterans Health Care Management and Contracting Flexibility Act of 1995. This bill will allow the VA to enter into contracts with local hospitals to meet the inpatient health care needs of area veterans. In other words, while the verdict is still out on Brevard's VA hospital, veterans will be able to receive inpatient care at local hospitals rather than being shipped hours away from home and family. This in no way rules out the possibility of a VA hospital in the future, but it ensures that regardless of what happens, veterans will not continue to suffer for lack of adequate facilities.

I am pleased that the provisions of my bill have been incorporated into H.R. 3118. Quite frankly, broad contracting authority should have been permitted years ago. It was wrong to allow veterans to suffer while politicians played. The outpatient clinic and the inpatient contracting will ensure that veterans in east-central Florida have access to health care facilities. I will continue to work with veterans throughout our community to ensure that their health care needs are met.

I am pleased to be a part of our constructive effort to ensure that we follow through on our promises to those who have given of themselves to protect our liberty.

Mr. STUMP. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOX], a member of the committee.

Mr. FOX of Pennsylvania. Madam Speaker, I rise in strong support of H.R. 3118, the Veterans' Health Care Eligibility Reform Act of 1996.

I would like to commend Chairman STUMP, Ranking Member MONTGOMERY, Chairman HUTCHINSON, and Ranking Member EDWARDS for their joint leadership on this important issue of health care eligibility reform. This bill exemplifies the bipartisan tradition of the House Veterans' Affairs Committee, on which I am proud to serve.

H.R. 3118 continues the efforts of this Congress in honoring our duty to care for those who have risked their lives for our country. This bill provides the comprehensive eligibility reform that has been needed to clarify and correct current law which is complex, confusing, and often inconsistent with sound health care practices. By authorizing and clarifying eligibility without additional limitations, eliminating inpatient restrictions on provision of prosthetic devices, and setting sensible priorities for enrollment and registration, H.R. 3118 significantly improves current law.

I urge adoption of the bill and yield back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I thank my colleagues for their very kind remarks today. I urge my colleagues to support this measure.

Madam Speaker, I yield back the balance of my time.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Once again, as I mentioned, this may be the last time that the VA has an opportunity to bring a bill to the floor of this House. I want to take this opportunity to thank all the members of the committee for their cooperation during this Congress.

Even on a committee that maintained a truly bipartisan work ethic, there were still some scheduling inconveniences and problems that Members were asked to endure and I appreciate very much all their cooperation. I believe we have a good record of accomplishment to show for this Congress.

Additionally, Madam Speaker, I would like to achkowledge the hard work of our committee staff on both sides of the aisle. The bipartisan tradition of this committee may start at the top but it is also practiced by the staff in their work on all of our bills. We greatly appreciate that. I want to thank them very much.

Mrs. KELLY. Mr. Speaker. I rise today in strong support of H.R. 3118, the Veterans' Health Care Eligibility Reform Act. I am a cosponsor of this legislation and urge all Members to support it.

One of the primary responsibilities of our Government is to provide for those who have defended our freedoms. In attempting to meet this responsibility, the Government has developed a complex, and often confusing system of health care eligibility laws. The legislation before the House today will help simplify the eligibility requirements of veterans, thereby ensuring that needed hospital care and medical services will continue to be provided to all veterans who are eligible to receive it.

Mr. Speaker, the issue of veterans health care eligibility is one that is very important to me. I have a particular interest in proposed changes in the VA health care system because there are two VA medical facilities located in the congressional district that I represent. That is why I am supporting this legislation. H.R. 3118 will benefit the thousands of veterans that use the two facilities in New York's 19th Congressional District, and indeed will benefit all veterans around the country who depend on the VA to meet their unique health care needs.

There are a few provisions of the bill that I would like to highlight. First, H.R. 3118 will substitute the current single uniform eligibility standard of eligibility with a new standard which is clinically appropriate and based on a medically sound system of priorities. The bill also extend indefinitely the VA's authority to provide services to dependents of active-duty and retired service-members. It clarifies the VA's authority to collect from insurance plans of Department of Defense [DOD] beneficiaries cared for in VA facilities to the same extent as DOD currently recovers for care rendered in its facilities. Most importantly, however, the bill authorizes the VA to retain these funds, instead of being required to return them to the General Treasury. This will provide the VA with additional resources for its use in continuing to provide health care to veterans.

Mr. Speaker, it is vital that we continue to provide veterans with the health benefits that they have earned. H.R. 3118 is one more step that this Congress has taken to meet this responsibility. I would like to thank Chairman Stump for his tireless leadership on veterans issues and for bringing this measure to the floor, and I would urge all Members to lend H.R. 3118 their support. Thank you.

Mr. HASTERT. Mr. Speaker, I rise today to support a measure that will help provide veterans in Illinois' LaSalle County with outpatient VA services.

LaSalle County veterans have had to travel long distances to receive needed VA medical services. This often requires a family member or friend to travel with or drive them to their appointments. The Veterans Health Care Eligibility Reform Act, will help provide an outpatient VA clinic in LaSalle County which will serve over 13,000 eligible veterans and their families.

At a veterans field hearing this past April, Representatives TIM HUTCHINSON, JERRY WELLER, LANE EVANS, and myself heard the concerns of representatives of several organizations who testified to the need for a closer outpatient care center. The nearest outpatient care facility for eligible LaSalle County veterans is over an hour's drive away, with the nearest VA hospital over 2 hours away.

The measure adopted today authorizes the VA to provide all needed outpatient care services, including preventive care and home health care, and to contract out for those services where a VA facility does not exist.

This important legislation represents the commitment of Veterans' Committee chairman, BOB STUMP, the entire House Veterans' Committee, and this Congress to keep our promises to our Nation's veterans.

Our veterans answered the call when our Nation needed them, so Congress must answer the call when veterans need our help. Today, we've answered that call and I'm proud to support this measure.

Mr. STEARNS. Mr. Speaker, I rise in support of this legislation today which takes the first step toward comprehensive veterans' health care reform. Passage of this bill will ensure changes in the tricky eligibility rules that currently bar access to health care for our Nation's veterans.

The health care eligibility bill accelerates the shift from expensive inpatient care to more cost effective primary and outpatient care. The reform is necessary to ensure that the VA refocuses its efforts toward assisting those who served our country. Under current VA rules, veterans are required to check into hospitals to receive their intended treatment. The savings alone from this switch to outpatient care services will allow more veterans to have access to the health care system.

The legislation continues the path of decentralization and restructures the VA with regard to the management of its health care system. By increasing the number of VA partnerships with community providers, access to outpatient services, and protecting the VA's special disability programs, H.R. 3118 will be a major step in the right direction for veterans' health care reform.

I want to emphasize that this measure is only the first step toward achieving health care reform for our veterans. It is imperative that we meet this challenge and preserve health care for those who have given selflessly to serve our country.

Mr. BILIRAKIS. Mr. Speaker, I rise in support of H.R. 3118, the Veterans' Health Care Eligibility Act. I ask unanimous consent to revise and extend my remarks.

Eligiblity reform is an issue that the Veterans' Affairs Committee, the VA and veterans service organizations have been working on for a long time. I am a cosponsor of the Veterans' Health Care Eligibility Reform Act and am pleased that we are moving this important bill forward through the legislative process.

Today's complex and confusing eligibility criteria represent a continuing source of frustration for both veterans and VA personnel. Moreover, it is often an impediment to providing veterans with the kind of health care they really need.

As most health care providers move toward a new model of care that emphasizes primary and preventive care in outpatient settings, the VA must also shift its focus from inpatient to outpatient care. Without meaningful eligibility reform, it will be extremely difficult for the VA to remain a viable health care provider.

H.R. 3118 is a step in the right direction for the VA and simplifying the VA's eligibility criteria will greatly benefit veterans.

H.R. 3118 will expand veterans' access to VA care, particularly for those with service-connected disabilities or limited means. It will eliminate statutory rules which for years have barred the VA from providing many veterans with routine outpatient treatment, preventive health care services and home care.

Eligibility reform is long overdue and I urge my colleagues to support H.R. 3118.

Mr. EVERETT. Mr. Speaker I rise today to indicate my strong support for H.R. 3118 offered by VA Committee Chairman STUMP and our ranking member, SONNY MONTGOMERY.

Mr. Speaker, this important legislation is a giant first step in improving access to and the quality of health care provided to our veterans. To our many veterans who served in our Armed Forces, who loyally and selflessly gave a portion of their lives and the lives of their families to protect and defend this country, we owe a debt that can never be fully repaid.

Mr. Speaker, we have a responsibility to meet the health care needs of these veterans. H.R. 3118 will enable the VA to restructure and prioritize health care delivery and eligibility criteria. Rather than continuing to focus on inpatient care, which is not only more expensive but is, in most cases, less desirable for the patient, the VA will have the flexibility to expand access to outpatient treatment and preventative services.

Mr. Speaker, this element of the bill is especially important for my constituents. I represent a majority rural part of southeast Alabama. Over 37,000 veterans reside within a 50-mile radius of the city of Dothan, AL. These veterans, whether ill, elderly, disabled, or infirmed must travel over 100 miles, even 200 miles, to reach a VA medical facility. For many, they may wait until their injury or illness has reached a dangerous point before they make the trip.

Mr. Speaker, for years I have worked with the VA to establish an outpatient access point around the Dothan area. Certainly, this legislation reinforces the priority for such a facility. Quality outpatient care, preventative health care services, and reliable home care should be readily available and accessible to our eligible veterans' population. To this end, we must foster relationships with our community health care providers and in turn provide more opportunities to meet the needs of our veterans with expanded ambulatory treatment services.

Mr. Speaker, H.R. 3118 goes a long way to meet these goals. Yes, this legislation is a first step, but a giant step in the right direction. I urge my colleagues to offer their unbridled support for H.R. 3118.

Mr. LONGLEY. Mr. Speaker, I rise in strong support of H.R. 3118, the Veterans Health Care Eligibility Reform Act.

It has become extremely clear that the question of health care eligibility has become extremely clouded as the result of a very complex and difficult to understand process of determining eligibility. In fact, as a country, we probably spend more time and money determining who is eligible, as compared to providing needed care. This must change.

I think that H.R. 3118 is a giant first step in the direction of positive changes in the provision of Veterans Administration health care.

At the same time, I want to commend this committee and Chairman STUMP for the outstanding work on behalf of the Nation's veterans. I hope that the committee will continue to be vigilant and aggressive in examining a system of veterans health care in order to ensure that it continues to provide quality care.

This would include, I hope, careful examination of the use of funds by the Veterans Administration. In the last two appropriations bills, this Congress has made careful provisions to increase funding for the provision of VA medical care. In the fiscal year 1997 budget, we increased funding by $504 million, from $16.6 billion to over $17 billion. In fiscal year 1996, the previous year, we increased funding an additional $400 million.

Sadly, however, although we have increased annual funding by almost $1 billion in the last 2 years, it seems that those additional funds have not made their way to the grass roots. It has certainly not made it to the Veterans Hospital in my district located in Togus, ME. In fact, if anything, as we have increased funding from Washington, the limitations on services, including the discussion of cutbacks on existing services has continued unabated.

It is not uncommon, for instance, to find a Maine veteran being forced to travel to a VA hospital in the Boston area and admit him or herself as an inpatient. He or she could remain in Boston for days, if not weeks, to receive needed medical treatment that could have been provided through a cooperative arrangement at a significantly lower cost with a Maine hospital.

Mr. Speaker, H.R. 3118 is a significant first step in the direction of improving and reforming the delivery of medical care to our Nation's veterans. I hope that, in the course of implementing H.R. 3118, we will see the committee continue to take a vigilant stance in overseeing the administration of the VA system and that it will take whatever action is necessary in order to protect provision of care at existing VA hospitals, such as that hospital located in Togus, ME. Our Nation's veterans, Maine veterans, deserve no less.

Mr. STUMP. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. MYRICK). The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 3118, as amended.

The question was taken.

Mr. SOLOMON. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed until disposition of H.R. 2391.

WORKING FAMILIES FLEXIBILITY ACT OF 1996

The SPEAKER pro tempore. Pursuant to House Resolution 488 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2391.

□ 1409

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Missouri [Mr. CLAY] each will control 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I take these 2 minutes since there was so much disinformation given on Friday. I do not believe that most of those Members read the legislation as it is at present.

We made 20 changes since the legislation was introduced, all supporting the employee. There will be additional, in the manager's amendment today, additional protection for the employee. So let me give my colleagues just a few things to correct the misinformation and the disinformation that was distributed Friday.

First of all, the legislation has no effect on the 40-hour work week in calculating overtime pay. The choice to take overtime compensation in the form of paid time off must be voluntary and must be requested by the employee in a written or otherwise verifiable statement. The selection of comp time may not be a condition of employment.

H.R. 2391 specifically prohibits employers from directly or indirectly threatening, intimidating or coercing an employee into choosing comp time in lieu of cash wages. Employers violating this would be liable to the employee for double time and cash wages for the unused comp time hours accrued by the employee plus attorney fees. Comp time would be considered as wages and treated as unpaid wages in any bankruptcy action.

H.R. 2391 prohibits an employer from coercing, threatening, or intimidating an employee to use accrued comp time. The employee may use accrued comp time at any time he or she requests, if the use is within a reasonable period of time after the request and the use does not unduly disrupt the operation of the employer. Now, the unduly disrupt standard has been part of the law for the public sector for many years and is the same standard used in the Family and Medical Leave Act.

The bill, together with the manager's amendment, makes absolutely clear that all of the current law's remedies, including enforcement by the Department of Labor and through individual lawsuits, would apply if an employer failed to pay cash wages to an employee for accrued compensatory time or refused to allow an employee to use accrued compensatory time.

Mr. Chairman, I reserve the balance of my time.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise to oppose this legislation which will provide an excuse to undermine the living standards of working families. The Republican comp time proposal should be called flimflam flextime.

The rights of employees must be of paramount importance to any proposal affecting their time and compensation. This bill places the rights of bosses above the rights of workers. By its failure to provide employees a real choice, it enables bosses to defer paying employees for the work they perform.

The Republican majority claims it seeks to provide workers with the opportunity to take paid time off instead of being paid for overtime work. But in return, all paid overtime could possibly be eliminated. An employer may arbitrarily decide to offer comp time to some employees while denying it to others. He may also arbitrarily decide to only offer overtime work to employees who choose comp time instead of paid time and a half.

Under this bill, an employer can simply deny the leave on the basis that it will unduly disrupt his business.

The Family and Medical Leave Act grants workers the right to take unpaid leave in the event of a family or medical emergency. Under the Republican bill even where an employee has a right to family leave, an employer may deny the employee the right to use comp time.

Under current law, employers must pay workers in a timely manner for the work they perform. H.R. 2391 permits an employer to defer paying anything for overtime work for up to one year.

This flimflam legislation invites employers to eliminate their paid medical and vacation policies. Why should an employer give paid leave when it can require employees to work overtime in order to earn paid leave instead? My Republican colleagues say they are interested in a voluntary comp time bill, but how voluntary is comp time if the only way an employee can earn paid leave is to take comp time instead of being paid for overtime?

This bill provides no protection for employees when an employer goes bankrupt. It does not prevent an employer from using the payment for a terminated employee's unused comp time to diminish that employee's unemployment compensation. And it does not ensure that comp time will be treated similarly to overtime pay for pension and health benefit purposes.

Mr. Chairman, our overtime laws are already widely violated. The Employment Policy Foundation, an employer-funded think tank, estimates that workers lose $19 billion a year in unpaid, earned overtime. The foundation estimates that fully 10 percent of the workers entitled to overtime are cheated out of it. In industries such as the garment industry, overtime violations are widespread. A Department of Labor investigation in southern California found that 68 percent of the employers were not paying overtime and more than 50 percent were not even paying minimum wages.

Mr. Chairman, I cannot support a bill that will undermine the living standards of American families. I urge defeat of this flimflam legislation.

□ 1415

Mr. Chairman, I reserve the balance of my time.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. MYRICK].

Mrs. MYRICK. Mr. Chairman, the Working Family Flexibility Act is pro-family, pro-worker, pro-women, in its approach to provide relief to the hard-working men and women across our Nation who struggle daily to support their families. These men and women who support families and work, deserve the right to have their work schedules flexible enough to allow them time to devote to family responsibilities.

As a wife and a mother and a grandmother and a former small business owner, I know firsthand how hard it is to balance work and family.

The bill seeks to provide employees a choice and the option to renew and refocus the perilous difficult balance between family and work obligations by allowing flexibility in scheduling the hours they work.

Dads could use the accrued time to make sure they are behind the dugout for that critical Little League game, and mom and dad could use their time to visit their child's school for the parent-teacher conferences, enabling and encouraging parents to participate in their child's education. Comp time allows parents to actively participate in family life, not just hear about the recollection at the dinner table that night or the next day.

In 1994, a U.S. Labor Department survey found that 66 percent of working women with children believed that balancing time between family and work is their No. 1 concern. Even the President and vice President endorse giving workers the option to spend more time with families.

Employees deserve the same rights that Federal, State and local employees have had since 1985.

During my tenure as mayor of Charlotte exempt city employees enjoyed flexibility that comp time allowed in their lives. Simply put, and I know this from management experience, flex time works. It works for the employer, it works for the employee, and most importantly, it works for America's families.

Support this commonsense family-friendly approach. Support the Workers Family Flexibility Act.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from New Jersey [Mr. ANDREWS].

Mr. ANDREWS. Mr. Chairman I rise to oppose this legislation. I fully appreciate the demands of balancing family and work, as my colleague from North Carolina just mentioned. Tonight is my 3-year-old daughter's back to school night at her gymnastics camp. Her mother will be there; I will not because we are not always able to balance our work and time schedules easily.

There are some flaws in this bill, though, that I think do not hold out the promise that my friend just talked about. First of all, is the bill truly voluntary? Is the choice truly voluntary? I believe that in the situation here where an employer systematically grants overtime to the employee who chooses comp time and systematically denies overtime to the employee who chooses cash, that the employee who chooses cash, the employee who chooses to have a few more dollars in his or her paycheck, is going to be denied a truly voluntary choice, and I think that employee has no meaningful or realistic remedy.

I think the employee has a burden of proof that would be almost impossible to sustain. I think there are some legitimate question as to under which specific circumstances that employee could, in fact, recover her attorney fees or his attorney fees.

I do not think this is truly a voluntary choice, and I think an employee who exercises his or her right to choose cash rather than comp time would not be able to achieve an effective remedy if the employer wanted to punish him or her for making that choice.

Second, we hear comparisons about the public sector and the private sector, and we hear how employees in the public sector in many cases have had this situation for many, many years. I would say there is an important difference between the public sector and the private sector, and it is this:

Most public sector employees are under some form of civil service protection, meaning if they are in fact singled out because of the choices they have made or because of some other reason on the job, there is a set body of law that provides for both substantive remedies and meaningful procedures in order to enforce their rights. That does not exist in the private sector.

Finally, I think there are real questions as to what happens here. I think there are very significant questions as to what happens under this bill should it become law. If an employee chooses comp time and her comp time adds up and adds up and adds up, and then the employer files bankruptcy, the employer goes out of business, how realistic is it that that employee is going to be able to recover the cash that she or he is owed in response to having that comp time?

Finally, I would say this to my colleagues. There is no question that working families in this country need help. Working women, in particular, in this country need help. What they really need is paid leave in many cases. They need to be able to take time off if they have a child, or a death in the family, or a need to pursue a family obligation with pay, not without it. What they really need is an assurance of health benefits so that the millions of Americans who go to work every day and have no health insurance coverage will have some.

Now, there are a lot of different theories of proposals of how to accomplish that. I do not know which one is the best. But I would like to implore my friends and colleagues in the Republican leadership that maybe we ought to spend some more time talking about that before we adjourn in October. We ought to bring to this floor some ways that people can have paid leave and health insurance benefits instead of the bill that we see before us today.

I oppose the bill; I urge its defeat.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. BALLENGER] the author of this very fine legislation.

Mr. BALLENGER. Mr. Chairman, let me just say that ever since I introduced H.R. 2391, I have tried to address the concerns that others have had with the legislation. I have tried to accommodate, as much as possible, suggestions to improve the bill since it was introduced in September 1995.

There have been changes made to the bill at each step of the legislative process. The substitute amendment which I offered at subcommittee markup was accepted by voice vote. It included six changes which clarified and improved the protections for employees. Many of the changes were taken directly from recommendations made by the Democrats' witness who testified at a hearing on the bill. And yet, while the Democrats on the subcommittee voiced their opposition to various parts of the bill, there were no Democratic amendments offered.

At full committee markup, I offered a substitute amendment which further strengthened the employee protections and directly addressed a number of the Democrats' concerns with the legislation. While the vote on final passage of the bill was along party lines, the substitute amendment was approved by voice vote. Again, no Democratic amendments were offered to the bill.

And, now on the House floor, I have sponsored an amendment with my distinguished colleague, the gentlewoman from Connecticut [Mrs. JOHNSON] which includes a number of clarifications and additional protections to ensure the voluntary use of comp time and to give employees greater control over their accrued comp time. Yet, many of my colleagues on the other side of the aisle continue to say that they have substantive problems with this bill.

Mr. Chairman, this is commonsense legislation. We support it. Most of all, employees want it. Their counterparts in the public sector, many of whom are unionized, have used comp time for years and strongly support the use of it there. As of recently, President Clinton supports it. Although in May, when this legislation was to be tied to the minimum-wage increase, his chief of staff called it a poison pill. While I am baffled by labor and this administration's objection to the legislation, the opposition appears to be nothing more than election year politics.

American workers want and deserve flexibility in the workplace to better deal with the challenges of balancing work and family obligations. The Working Families Flexibility Act removes obstacles in Federal law which prevent employees and employers from mutually agreeing to use alternative arrangements regarding compensation and scheduling. I urge my colleagues to support this legislation which will allow American men and women to make the choice for themselves between extra money or paid time off.

Mr. CLAY. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Chairman, I rise in strong opposition to this bill that will cut the pay of America's workers. This bill is yet another example of how this Congress continues to sell out working families.

Overtime pay is vitally important to these families because wages have not provided a rising standard of living. The Bureau of Labor Statistics reports that average hourly pay has fallen by 11 percent over the past 17 years, and working families rely on overtime pay to keep up with the costs of feeding their kids and paying the rent.

This bill will take away the opportunity to earn overtime pay. Middle-income families will be hit hardest by this bill because overtime pay is a much larger percentage of their income. In 1994, two-thirds of the workers who earned overtime pay had a total annual family income of less than $40,000.

On behalf of the hard-working families in Connecticut and across this country, I call on my colleagues to vote against this outrageous assault on working Americans.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the very distinguished gentleman from Wisconsin [Mr. GUNDERSON].

(Mr. GUNDERSON asked and was given permission to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Chairman, the gentlewomen who just spoke is one of the leading advocates of choice in the U.S. Congress. Apparently, she is for choice for everyone but the American worker because, and, no, I will not yield, I do not have time; because of the fact that no one in America will have to take comp time unless they choose to. It is automatic that one gets time and a half pay overtime under the Fair Labor Standards Act, and under this bill unless they choose that, they would rather than doing that have some free time.

In Wisconsin, we love to have free time in the summer on weekends to go up north, to go fishing, to go to the son and daughter soccer game, to go to Little League or to go do something else of our choice. That is not allowed today. Under this bill that will happen if the worker wanted it to.

In addition, I want everyone to understand that this legislation in front of us will not affect one unionized collective bargaining agreement unless the leadership of that union in negotiations with the management agrees to add this to the existing collective bargaining agreement.

All we are doing today is we are saying to the American worker in today's economy flexibility is key. It is flexibility for the workplace, flexibility for management, and, yes, flexibility for the worker to decide what works best for them at a particular point in time.

Third, I want everyone to understand that this flex time cannot occur unless there is a written agreement, and, as my colleagues know, interestingly enough we talk about coercion. My good friend from New Jersey said that he does not think that this is really freedom of choice by the worker.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

□ 1430

Ms. WOOLSEY. Mr. Chairman, I know about work schedules and overtime from two perspectives. In fact, I am an expert on this issue. First, as a human resources/personnel manager for over 20 years.

And, second, as a working mother. I have raised four children—now four wonderful adults. I know what its like to have a job and try to find the time to go to a parent/teacher conference or a child's plan or sporting event. I know what it means to get that phone call early in the morning that the babysitter is sick and will not be coming that day.

Believe me, I know how important it is for working parents to have flexible work schedules.

But this bill before us today, H.R. 2391, is not about flex-time for workers. It is about more flexibility for employers.

As a human resources professional, I know how this can work. Like mandatory overtime, comp time can become just as mandatory because it allows the employer to restrict use of comp time to the employer's schedule—when it will not unduly disrupt the business.

Let me tell you that means—plain and simple—the boss will stay the boss, not only in deciding on who works overtime and when, but, also when comp time can be used. That is flex-time for the employer.

If my colleagues on the other side of the aisle are so concerned about working families, they should use their influence as the majority party to make the use of comp time truly voluntary and to get a bill to the President increasing the minimum wage.

In fact, my colleagues should work overtime on getting the minimum wage bill passed, and then take some comp time to get in touch with what working families really need—a livable wage and a truly flexible schedule.

Mr. GOODLING. Mr. Chairman, I am glad we have the "no coercion" part in the bill in the bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. WELDON], a member of the committee.

Mr. WELDON of Florida. Mr. Chairman, I rise in strong support of the Working Families Flexibility Act.

This bill allows private sector employees to have the same opportunities to work flexible hours that Federal, State, and local government workers have enjoyed for more than a decade. Most government workers I have talked to like and want this type of flexibility, and it is wrong to deny private sector employees these same rights.

Back in 1938, when the current law was put in place most families had a parent who worked and another who stayed at home. Today, in 60 percent of homes, both spouses work. This is up by over 36 percent in just the past 25 years.

It is wrong to deny private sector workers the flexibility they want and need. This bill is about allowing parents to choose to spend more time with their children.

Opponents of the bill have raised false claims that the bill does not protect employees. The bill before us offers private sector employees more protections than government workers have today. If the worker protection provisions are inadequate, why did not the opponents of the bill impose more protections for government workers when they were in the majority.

The bill has built-in protections for employees. It is at the employee's discretion whether to take comp time or overtime pay. The employee decides.

Also, the bill makes it illegal for an employer to pressure employees to take comp time rather than overtime pay. Any employer who engages in such pressure or forces an employee to take comp time rather than overtime pay is subject to penalties which include double the amount in wages owed plus attorneys fees and cost. Also, civil and criminal penalties apply.

Clearly workers are protected.

Let us stop denying private sector employees the same privileges that government workers have today.

Let us support equality.

Let us support the bill.

Mr. Chairman, in closing, I would like to quote from Bill Clinton when he said, "You can choose money in the bank or time on the clock. With more Americans working more hours, simply spending more time with the family can be a dream." President Bill Clinton, June 24, 1996.

Mr. CLAY. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I want to correct the gentleman. The President said that about his bill, not about this bill that we are debating now. The President thinks this bill is a disaster.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I support giving working families flexibility in their schedules, but I cannot support the Ballenger comp time bill because it seriously threatens the existence of overtime pay and the 40-hour workweek. This bill is just one part of a series of Republican bills that favor special interests over the public interest.

All across this Nation, millions of working families are facing stagnant wages and the realization that for them the American Dream may be slipping away. Between 1979 and 1989, real wages either fell or were stagnant for the bottom 60 percent of the workforce. Moreover, while corporate profits were increasing during the first half of this decade, wages were continuing to lag far behind.

For many struggling families, receiving overtime pay is often the difference between making ends meet and falling behind on bills. It is no wonder then that 64 percent of Americans oppose eliminating overtime pay.

Equally important for struggling families is maintaining some normalcy in their lives by keeping the 40-hour workweek as our benchmark work schedule. Parents are finding they have less time to spend with their families given the increasing difficulty of staying financially afloat.

Compared to the 1960's, the average person is working about an extra month more a year, and the number of mothers working has nearly tripled from 27.6 to 67.5 percent. As a result, polls show that most Americans believe their free, non-work time has been reduced nearly in half over the last two decades. Consequently, for 58 percent of families, working less the next week is not worth working more this week.

Supporters of the comp time bill argue that their proposal would help these families by making voluntary, flexible work schedules available. But his bill would actually make matters much worse.

There are no enforcement mechanisms in the bill to insure the voluntariness of any comp time arrangement. Workers would also have no power to refuse working longer hours, nor any clear ability to take time off when they need it. There are no recordkeeping requirements, and unscrupulous employers would have a free hand to conveniently miscalculate comp time owed to workers.

Additionally, this bill legalizes sweatshops because there is no exception for vulnerable industries. Under this bill, an unscrupulous employer who is violating wage and hour law will be able to say, "My employees all opted for comp time instead of overtime pay, they just haven't taken their time off yet."

Therefore, under the Ballenger bill, it may be lawful for an employer: to move workers into a comp time arrangement by stressing a preference for that system; to retaliate against workers who insist on receiving overtime pay; to make employees work 60 hours 1 week, and 20 hours the next with very little or no notice; and to effectively eliminate overtime pay all together.

This is not what American families want or need. Workers are asking for higher wages, a predictable work schedule, and more time with their families. The Ballenger bill would not help families achieve those goals, and, in fact, would very likely make matters worse.

Mr. GOODLING. Mr. Chairman, I yield myself 5 seconds, merely to say, his bill? I have not seen any bill from the President. We did not get any amendments in full committee or subcommittee from the minority.

Mr. Chairman, I yield 1 minute to the gentleman from Nebraska [Mr. BARRETT], a member of the committee.

Mr. BARRETT of Nebraska. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as more families have both parents working, families are making painful choices; either work, or risk their jobs and the income the family needs.

H.R. 2391 is an attempt to ease this burden on families. It'll allow the employer to voluntarily offer, and for the employee to voluntarily accept, comp time instead of overtime.

But, those who apparently support Government intrusion are opposing this legislation. They believe employers and employees should be forced to take comp time.

H.R. 2391 does not force employers or employees to offer or accept comp time. It requires that any unused comp time must be made up with overtime pay. And, it maintains the 40-hour workweek.

H.R. 2391 is a win-win for America's families. The House should pass this bill.

Mr. CLAY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas, Mr. GENE GREEN.

(Mr. GENE GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GENE GREEN of Texas. Mr. Chairman, I want to thank my colleague, the gentleman from St. Louis, MO for allowing me to speak today, and for yielding the time to me.

Mr. Chairman, I would like to support the bill. I like the idea of employees being able to decide whether they are going to have overtime pay or comp time. In fact, when the President made his announcement in June, I thought we would see an effort to come out with real flex time and a compromise. In fact, as has been quoted from the majority side, nationwide polls show an overwhelming number of Americans support the concept.

But also, from a different poll, it shows that an overwhelming number of workers expect to be forced by their employer to accept comp time instead of overtime pay. That is what is wrong with the bill. The bill should be addressing both concerns of the workers: First, the need for the flexibility, but also, the fear that they have that they may not be hired if they do not agree beforehand to take comp time instead of the pay.

Before coming to Congress, I helped manage a business. We used comp time. It was successful, both for the business and for the workers. But every time it was the choice of that employee, more so than this bill ever does, because it worked. It was successful. I would hope that if this bill goes down, and if not this Congress, the next Congress we will really be able to come together and come up with one that not only allows the flexibility, but also provides the teeth to the bill that it needs.

It would be so important to have a way to be clear whether it is employee choice or employer mandate. This bill was drafted to expect employers to do what is right and give that choice. Ninety-five percent of our employers will do that. The bill lacks the teeth because the 5 percent of the employers, whether they be in the garment industry or any other industry, are the ones who will take advantage of this and take advantage of those workers. That is why about 60 percent of those workers are afraid they are going to be abused with that.

Mr. Chairman, the Republican comp time proposal is that the employer and not the employee decides who earns the comp time and who will earn the overtime pay. This bill does not contain clear provisions to prevent the employer from forcing workers to take time off in lieu of overtime pay. I know both the bill and the manager's amendment has some effort to try to prevent coercion, but we need more than just the statement in here. We need some real teeth in the law.

In my district people depend on their overtime pay oftentimes to make ends meet. They should not have to live in fear of losing it, particularly some workers who are seasonal workers, who have to earn overtime for the period of time they can work because the rest of the year they cannot practice their trade, whether because of weather or because of whatever conditions.

In H.R. 2391 employers maintain the ultimate control when to grant that worker the comp time. Regardless of the amount of notice the worker provides, employers can deny the use of comp time if the firm claims they would be unduly disrupted. Again, I think this is something we can work out, but we have not been able to. What good is it to earn comp time if the employer does not allow you to use it, or forces you to use it instead of your vacation time that you may have earned?

Additionally, this proposal does not include the protections necessary to make sure workers receive their comp time when a business files bankruptcy. I know we have talked about that, but this bill does not deal with the Bankruptcy Code. Comp time should stay in the same place wages do in the Bankruptcy Code. This bill does not set that up on that level.

H.R. 2391 does not give the employees the full remedies available under the law to an employer who violates the overtime law. Civil fines should be imposed on employers who operate comp time programs in violation of the overtime laws. Instead of this Republican proposal, I would hope we can work on a real bipartisan proposal giving employees real comp time.

Comp time means employees have the choice of taking their time to go to the soccer games. I use it, Mr. Chairman, and I know how important it is, but I also want to make sure it is the employee's choice when to do it. I urge my colleagues to vote "no" on the bill.

Mr. GOODLING. Mr. Chairman, I yield myself 5 seconds.

Bankruptcy certainly is covered in the legislation, Mr. Chairman. Unused comp time is handled the same as unpaid wages, and therefore, is right at the top of the list in any kind of bankruptcy proceeding.

Mr. Chairman, I yield 2 minutes to the gentleman from Georgia [Mr. LINDER].

Mr. LINDER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, this is a fascinating debate, because a week or two ago nobody offered an amendment in committee, nobody showed any opposition to this bill. The President has said he supports this bill. All of a sudden, then, the labor unions jerked the chain and lap dogs become pit bulls to kill an effort, a modest effort, in non-union shops between employers and employees who agree voluntarily to take compensatory time as opposed to time and a half, and it is going to be tried to be stopped on this floor, the same as the TEAM Act in the Senate, because labor union leaders cannot stand it when employers and employees get along. They thrive on conflict. They create conflict. Then they come to the rescue.

Mr. Chairman, this is a modest bill. It merely says if employers and employees want to get together and voluntarily agree on this, this should be legal. I do not understand this debate about adversarial relationships. I have built 7 businesses. If you are building businesses, you soon begin to understand that the most valuable resource you have is your employees. You cannot treat them this brutally as you are implying. They leave. It costs you twice as much to train a new one. You learn as a business owner. But if you get along with your employees and treat them right and reach voluntary agreements with them, they make you money. They are the most valuable things you have.

Mr. Chairman, this is simply not about this bill, this is about big labor bosses jerking the chain, turning lap dogs into pit bulls to try to stop a convenient arrangement that already exists in many union contracts, and, indeed, throughout the Federal Government. Why can they not have, in the private sector, what we have in the Federal Government? This is a good bill and it deserves to be passed for the very reasons President Clinton said so.

☐ 1445

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. I thank the gentleman for yielding me the time.

Mr. Chairman, to the last speaker in the well, there are a lot of reasons why the Democrats have not offered amendments to this bill as it came before us. First, when we do offer amendments, we never get them accepted anyway, so what is the use? Second, he mentions the businesses he was in and how benevolent they were.

I have worked since I was 12 years old. In all that time—my colleagues have to understand that I am 67 now—in all that time, I found very few benevolent employers who had a greater concern for the employee than the bottom line profit. When it comes to the bottom line profit, they are going to do whatever they need to do in order to run that business so it is profitable, and there is nothing wrong with that. I agree with that. A lot of times when it weighs a little bit of profit against a little bit of consideration for the employees, they do not even do that.

I will say that there are some employers who are benevolent, but as far as this bill is concerned, this bill sounds as if it is a wonderful thing, it gives choice to employees. I am for choice. In fact, I am a pro-choice person. I am especially pro-choice when it comes to employees. But the way this bill is written, it will never give that employee that choice.

Let me make Members understand something about workers. Workers generally are not of the aggressive type, that they are going to challenge the employer on any of his decisions, especially when it means their job or long litigation which they may not win because they do not have the wherewithal to hire the kinds of lawyers the employer has. So they usually will take their lumps, go their way and go to another job and hope they are treated better there.

If this were not the fact, there would be no need for organized labor. There would be no need for Government to pass labor laws. The truth of the matter is that there are more people out there who will take advantage of it than less.

Mr. Chairman, this bill as it is written now will give the employer the right to decide whether it will be comp time or pay and when that employee will use that time. That employee would have to depend on the employer being benevolent, to understand his family situation, to be able to allow that employee to take advantage of that time when it would best suit him and his family. I doubt very much that that is going to happen.

We are going to find that if this legislation were to pass and be signed into law, we would have exceeding litigation by those employees who do have the courage to stand up to their employer regardless if they lose their jobs or not. We already have that in a lot of different legislation.

Let me close by saying that if there were not the need to protect that employee, even in this bill as it was written by the other side, they would not have put those kinds of restrictions on employers and those kinds of threats to action by the Department of Labor if they abused or violated the employees' rights. The second we write a piece of legislation like that, I guarantee there are going to be problems. So why write it at all?

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN].

Ms. DUNN of Washington. Mr. Chairman, for too long parents have been forced to make tough choices between work and spending time with their children. In fact, a 1994 U.S. Department of Labor report found that the No. 1 concern for two-thirds of working women with children is the difficulty of balancing work and family.

In two recent surveys, 3 out of 4 parents indicated that they would prefer the option to choose either overtime pay or compensatory time off for working overtime hours. Parents say this would enable them to find a better balance between their work and their family responsibilities.

What are we really talking about? Mr. Chairman, in the late 1970's, when my sons were 6 and 8 years old, I found myself in a position to have to have a full-time job and still juggle the responsibilities to my family. Often I would have taken the choice, with a job that required some evenings and weekends and travel, to simply leave that job for a few hours and go to my children's school, talk with their counselors, or see their school plays. A mother should have that choice, Mr. Chairman.

Under current law, too many working mothers lie awake at night worrying about whether or not they are giving their children enough quality time. We can do something to help those mothers and we ought to do it. This bill addresses exactly that problem. The legislation is balanced, it is commonsense, and it is a solution to the problem facing the hardworking parents of our country.

Mr. Chairman, it is worth noting that Federal workers have long had this option, but the Government does not allow private employees to have this option. They should get the same consideration in the private sector that families in the Government have had since 1985.

Mr. Chairman, I am proud to be a cosponsor of this legislation that supports the value of the family. On behalf of all the working families in this country, and especially the working mothers, I urge my colleagues to support this time legislation.

Mr. CLAY. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Chairman, I rise today to express my strong opposition to H.R. 2391, the so-called Families Flexibility Act. This bad bill is just one more attempt by the Republican-controlled 104th Congress to weaken the rights of working men and women. I am very concerned that permitting employers to compensate hourly employees' overtime work in time off, rather than in cash, will in many workplaces, significantly reduce workers' take home wages.

I oppose this bill because it would significantly weaken labor protections for the people who can least afford to lose them, such as construction workers. It is the carpenters, electricians, pipefitters, and sheet metal workers, in my district, who during the warm spring and summer months, work all the overtime possible so they can accumulate enough money to last them through the cold winter months. They know that in December, January, and February they are going to have more time off than they want. It is this core of the work force that no longer looks at the 40-hour work week as a standard, but rather a necessity.

These are the same people who are the most likely to suffer coercive practices by their employers by being forced to accept compensatory time—which they do not want and can not afford—instead of benefiting from the premium overtime pay they have earned. In a perfect world, all businesses have the financial resources to cash out all employees at the end of every year for their unused compensatory time, as the bill would require. But this is not a perfect world. Many small contractors do not have the cash resources to even-up with their workers, and they would send them into the slow winter months without the money in their bank accounts that they and their families need to survive. My colleagues on the other side of the aisle talk about "pay as you go." A pay as you go policy is the only way companies should be able to pay their workers.

What the authors of this bill would like you to believe is that this bill offers workers more control over their working lives. What it really does is take away an individual's right to choose. Under H.R. 2391, workers do not have the ability to schedule their earned compensatory time when they need. it. In fact an employer can schedule compensatory time anytime he chooses without ever having to consult the worker. I am concerned about the steelworker in northwest Indiana, who has legitimately agreed to compensatory time and has been doubling up on shifts to earn overtime. He's going to approach his boss to request time-off at the end of the summer so he can plan some time together with his kids before they return to school in the fall.

His boss may tell him, "Sorry, but if I gave you your earned time off when you want, it would disrupt my operations. Don't worry I'll schedule your 'comp time' in October when the blast furnace shuts down for a four-week re-line job."

That steelworker would have had that time off anyhow and his kids are already going to be back in school. Thanks a lot.

In essence, H.R. 2391 gives employers a veto over their workers' use of their own earned hours off, opening the door to abuses such as making employees work 60 hours 1 week and then 20 hours the next, with little or no notice.

Mr. Chairman, when the people back home in my district sit down each month to figure out financially how they are going to make it through the upcoming month, they take into account their expected overtime wages. Employers do not just hand out bonuses anymore. Today, you have got to earn them. I am voting against this misguided bill because without overtime pay, many of my constituents cannot afford to send their kids to college, buy a reliable car for work, or provide themselves and their families with adequate health care. This bill guts the protections of the Fair Labor Standards Act and undermines living standards for workers. H.R. 2391 is not designed to give workers more control over their working lives. It is, instead, an attempt to snatch hard won rights out of the hands of this country's workers and deny them basic, simple needs, like respect for their hard work, a decent living wage, and a chance to provide for their families. I urge a "no" vote on H.R. 2391.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. GRAHAM], a member of the committee.

Mr. GRAHAM. Mr. Chairman, to begin with I would like to congratulate the gentleman from North Carolina [Mr. BALLENGER] and our committee chairman for working on some legislation for a long period of time that really will help people.

This Congress has been historic in the sense we have done two good things: We have applied all of the laws in America to the body itself. I think that is going to make the laws in this country better because we have to live under them as an employer, the U.S. Congressmen and their offices themselves. But what we have done here is we have extended to the private sector some options that people that work for the Federal Government have. If you want the time off rather than the money for working overtime, it is your option as an employee. That is a good thing. That is what we do in the Federal Government. The private sector should have that same right. But it is up to the employee.

It is true that when you schedule the compensatory time, that the employee has to work with the employer, just like we do here in the Federal Government. That is the way business works, that is the way it works here, that is the way it works in the private sector. We have extended some benefits to the private sector that we in the Government have had for many years. I think that is a good thing to do. It is time for us to take on the burdens of the private sector. I ask for support for this bill.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. I thank the gentleman for yielding me this time.

Mr. Chairman, last week I said to CASS BALLENGER, the primary sponsor: How could anyone oppose this legislation? The employer makes it available. He does not have to. He makes it available. It does not have to be activated. The employee has the option to activate this proposal. Once he enrolls in it and decides he wants to disenroll, it shuts down. The employee is in control.

This, Mr. Chairman, provides comp time flexibility which may be paid in any time period during the calendar year, and must be paid out at the calendar year's end. I repeat, to my friend from North Carolina, how could reasonable people not agree with this?

They keep talking about employees being afraid. If employees read this bill, they will not be afraid. If they listen to the rhetoric coming from this hall, they will run to the high ground for fear because it is laced with fear. This bill is generous and the employee is the direct beneficiary of the generosity.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Chairman, there is a movie showing in theaters right now called "Multiplicity." It is about a man who has himself cloned several times so that he can meet all the responsibilities of home, family, work, and personal relationships. It's a great idea, but unfortunately, in the real world, we don't have that option.

As a working mother, I learned the hard way that you can't be in two places at once. Whether it is due to a Little League game; a case of chicken pox; a visit to the doctor or caring for an elderly parent—sometimes the needs of a family require a flexible working schedule. With comp time, employees can prepare for the unexpected. H.R. 2391 will make striking a balance between work and family easier, providing increased freedom and empowering workers.

Since the 1930's when the Fair Labor Standards Act was passed, the American workplace has changed tremendously. Today both parents in a family must often work, necessitating a real juggling act between their professional responsibilities and the needs of their families.

If we really want to put families first, this is a good first step. H.R. 2391 does not impose taxes on working Americans; it does not spend taxpayer dollars or add to the deficit; it does not mandate benefits or rely on a one-size-fits-all Washington model; and it does not impose an unfunded mandate on business. It is a commonsense measure that helps working families by adding some flexibility to an outdated law, and I urge my colleagues to support it.

Mr. CLAY. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BECERRA].

Mr. BECERRA. I thank the gentleman for yielding me this time.

Mr. Chairman, I believe everyone would agree that all of us who work would love flexibility at the workplace. Whether you are the employee or you are the employer, you want to know you have a chance to make use of your vacation time, your benefits, and obviously do the best job you can while you are on the job.

With the realities that today's families must face, two working parents, kids off to school, kids trying to be able to participate in recreational activities, it is difficult. Let us give employees that flexibility, but let us give them the flexibility of doing what they wish with their time and the money they have earned through their wages.

The problems I have with this bill are that it does not do that. Let me give some quick examples.

The issue of coercion. We have people who work here who have graduate degrees, who oftentimes find themselves picking up laundry for Members of Congress or shuttling family members to and from offices because the Member says, "I need to have it done."

If we can see that happening here in the halls of this place, think what happens in the workplace where someone is working for $7 an hour and the employer says, "I need you to do this this way. I need you to take comp time versus the overtime pay you could get on Saturday." What is the employee going to say? "Sorry, I think I would rather take my overtime and not agree with you"?

Chances are there is going to be a lot of pressure on that employee to do what the employer wants. This bill gives the employer that kind of leverage.

Slow periods. When I was working my way through college, I worked as a construction worker on highways. It is seasonal work and it is unpredictable work. If it rains, you do not work because you cannot go outside and work in the mud.

What happens in the case of seasonal work, slow periods, where the employer says to himself, "I know I don't need any workers next week, I've got a slowdown in my jobs, in my contracts, so I'm going to tell everyone who has got comp time to use it rather than have them come in to work and not do as much work." It is great for the employer but it is terrible for the employee, because the employee is not expecting necessarily to have to use the comp time on that occasion.

What you do is give employers a way to slough off some of their obligation to their employees where they would otherwise have to pay them to go to work.

Finally, let us just leave it at this. On bankruptcy, the chairman of the committee says that there are provisions in the bill that deal with it. I say to the chairman, he cannot have that in there because this is a bill that deals with the Fair Labor Standards Act. We are not dealing with bankruptcy law, so there is nothing to address the concerns of those who say, "I have got comp time and it is not taken care of because an employer goes out of business, I will not get my money."

There is nothing in the bill that would protect the employee beyond what is in current law, and the changes that we have in this bill do not address the bankruptcy laws that we currently have in effect. Therefore, an employee who finds himself or herself working for someone who goes out of business takes the risk of not getting money from the employer, and that is not fair.

□ 1500

Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Washington [Mrs. SMITH].

Mrs. SMITH of Washington. Mr. Chairman, I stand today in strong support of this legislation and I say it is about time.

For nearly 15 years I worked with mainly middle-aged women trying to juggle family and jobs and build a career, and as I hired them, so often it became real clear that we need to adjust. We needed to be able to let family and work have some latitude, and we find now that with the Fair Labor Standards Act it is very, very difficult.

The flexibility that we need, and yes, gentlemen, I will say, as women, often is stopped by law. I have not in my 15 years of managing a business found that often I could coerce employees very long before they wanted to go somewhere else. I think that that particular argument falls on the fact that we need good employees. We want to make it work for them, not take advantage of them.

I encourage my fellow colleagues to finally give women a chance. Give us the chance to balance work and family, put it all together and work with our employees in a way that makes sense. I urge my colleagues to strongly support this bill. It is about time.

Mr. CLAY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Georgia [Ms. MCKINNEY].

Ms. MCKINNEY. Mr. Chairman, I rise in opposition to this antifamily legislation. Let us face it, the Republican record has been hideous on workers rights, and this bill is just their Medusa of antiworker proposals.

In my 3½ years in Congress, I have never seen a bill more insidious than this attempt to lengthen the workweek with no corresponding increase in pay. Contrary to what the Republicans say, this bill abolishes overtime pay, period.

Does anyone believe for 1 minute that workers were consulted on this bill? The so-called Working Families Flexibility Act allows employers to suddenly coerce workers into taking comp time instead of overtime pay.

Employers will use this legislation to hire workers who agree to accept comp time instead of overtime pay. This bill allows employers to promote workers who acquiesce to comp time in lieu of overtime pay.

Unlike overtime pay, workers can only use their comp time when it is convenient for their employers, not their families. So much for family friendly legislation

Moreover, Mr. Chairman, workers can be forced to 75 hours a week and not see any comp time for 13 months. If the company goes bankrupt in that 13 months, too bad, the worker gets no comp time and no overtime pay. In effect, this bill forces workers to give their employers interest free loans until the boss says it is OK for them to use their accrued comp time.

For families who rely on overtime pay to supplement their low salaries, they will be comforted in knowing that they might get some time off in the next 13 months.

In short, Mr. Chairman, this bill legalizes the extraction of unpaid labor from workers at a time when people are already working longer and harder for less pay.

Finally, employers can already give workers comp time as long as it is used in the same week that the overtime is worked.

Mr. Chairman, I do not mind being a pit bull for the working men and women of this country.

Mr. GOODLING. Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut, [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, I do not believe this debate. I simply do not believe this debate. This is really a debate between union leaders and rank-and-file members. The union leaders tell me they do not want their employees to have the choice, their union workers to have the choice between getting time and a half pay for time and a half vacation. The employees, the union members tell me they want the choice. It just seems to me logically that we would give them the choice.

What this bill does is simply allow for them to get time and a half pay or time and a half off. So, if an individual works 10 days, they would get 15 days off. If they worked 20 days overtime, they would get 30 days off. Their choice. If they chose not to, they could get 10 days of work. They could get 15 days of pay, 20 days of extra work. They could get 30 days of pay.

Tis is basically a choice to the individuals who work to allow them to decide for themselves. They are not idiots. They are not fools. Give them the choice.

What I cannot understand is the protections we have for these employees are the same as we have under the Fair Labor Standards Act, under the Family and Medical Leave. They can go to court directly or they can go to the Labor Department and the Labor Department can go to court against an employer who basically coerces a worker.

We have all the protections. Why should people in the private sector not have the same right that exists in the State, local, and Federal Governments?

Mr. GOODLING. Mr. Chairman, what is the time remaining?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GOODLING] has 8¼ minutes remaining, and the gentleman from Missouri [Mr. CLAY] has 5¼ minutes remaining.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I just want to again make a couple of points. One is that there are adequate employee protections built into the Working Families Flexibility Act and that explicit language in the bill prohibits an employer from compelling an employee to take compensatory time, or time off, in lieu of overtime compensation. So no employee in any occupation in any industry can be compelled to take compensatory time off in lieu of overtime compensation.

This is a good and fair bill. It is balanced. It is a bill that is designed to relieve some of the pressure, some of the strain that working families, particularly two-income families face today in America, and it is a bill that is designed to help families attend to their unique circumstance and needs.

This is a practice that has been working well in the public sector for years and years and years and I can speak to that from personal experience, and I really do not understand when we have the President on record as in favor of this concept, at least in favor of this legislation, conceptually saying, "You can choose money in the bank or time on the clock. With more Americans working more hours, simply spending more time with the family can be a dream in itself."

When you have the President of the United States on record as supporting this legislation conceptually, I cannot understand the kind of reckless claims that have been made about this legislation on this floor. This is sensible legislation.

We are not attacking the 40-hour workweek and we are not intent on eliminating overtime pay. This kind of extreme rhetoric does a disservice to the American people following this debate, and it is flat-out wrong. As I said before, this legislation does not eliminate or change the traditional 40-hour workweek. It simply provides employees with another option in the workplace, time off instead of overtime pay.

Mr. Chairman, today as we consider the Working Families Flexibility Act, we have a unique opportunity to do something good for America's working families. We have the chance to revolutionize an employee's ability to balance the growing demands of work and family.

While the concept of comptime may be revolutionary to some, to America's workers, who are increasingly frustrated about coping with the demands of contemporary life, it is an important and long-awaited reform. In fact, this is an issue that we should have acted on long ago.

Simply put, the Working Families Flexibility Act gives employees more power and control over their lives by allowing them take home pay or time off to help balance work, family, and personal responsibilities.

Surprisingly, because of an outdated labor law which was written in a time when issues such as a two-income family and child care were unheard of, employers and employees today do not have these options.

Common sense dictates that both employees and employers benefit from the ability to make flexible arrangements about compensation. By passing the Working Families Flexibility Act, we will give employers the ability to offer, and workers the ability to choose, either cash wages or paid time off for any overtime worked. At long last, working men and women will be able to achieve the elusive balance between work and family that they have long sought. They will be able to work, make a living, and spend more time with their families.

Unlike the irresponsible claims that opponents of this legislation are espousing, this bill does not attempt to eliminate overtime pay. However, it does provide employee protections to ensure that employees will not be forced to take comptime and to ensure that employers actually pay for any overtime accrued by a worker.

Those same opponents would have you believe that this legislation destroys the 40-hourweek. Wrong. This legislation protects the 40-hour workweek. Employees will continue to receive time-and-a-half pay for hours worked over 40 hours a week. If the employer decides to offer comptime—the employee gets the choice of whether to be paid in time off or cash.

The bottom line is this—working families win with the passage of the Working Families Flexibility Act. Over 60 percent of employees surveyed said that they would like to have the option to choose comptime instead of paid ovetime. Why? To be able to spend precious time with their families. To go to school events with their children, to attend parent-teacher conferences or to even take a long-awaited family vacation. It is as simple as that. Families need more time together. The last thing families need are rigid, inflexible, and outdated Federal laws making basic family activities more difficult.

Working families and working conditions are going through major changes today. At the very least, we can make the simple changes that will allow them to build and enjoy strong and loving families.

We have a rare opportunity here today. I urge my colleagues to ignore the outrageous rhetoric that we have heard here today and listen to working Americans. Support this H.R. 2391 and support America's families.

Mr. Chairman, I include for the RECORD extraneous material on the Working Families Flexibility Act.

The legislation has no effect whatsoever on the 40-hour workweek for the purposes of calculating overtime. Employees who are covered by the Fair Labor Standards Act will continue to receive overtime pay for any hours worked over 40 in a week. If an employer decides to make comp time available as an option, then the employee will have the choice of taking overtime pay in the form of paid time off or overtime wages.

If an employee voluntarily chooses comp time over cash wages, then there must be an express mutual agreement in writing or some other verifiable statement between the employer and the employee, which must be retained by the employer in accordance with the recordkeeping provisions of the Fair Labor Standards Act.

Accrued comp time could be taken by the employee when the employee chooses to take it, so long as reasonable notice is given and its use doesn't unduly disrupt—the same standard used in the public sector and under the Family and Medical Leave Act—the operations of the business. Employers would be prohibited from requiring employees to take their accrued comp time solely at the convenience of the employer.

Employees would be able to accrue up to 240 hours of comp time within a 12-month period; however, employees and employers could agree to set a lower limit. Employers must pay employees in cash wages for any unused, accrued comp time at the end of each year.

Employees may request in writing, at any time, to be paid cash wages for accrued comp time. Employers must comply with the request within 30 days.

Employees may withdraw from a compensatory time agreement with an employer at any time. However, employers are required to provide employees with at least 30 days' notice prior to discontinuing a policy of offering comp time to employees.

Employers must provide at least 30 days notice before cashing out an employee's accrued comp time. However, employer may only cash out accrued comp time in excess of 80 hours.

The legislation allow double damages to be awarded against employers who coerce employees into choosing compensatory time instead of overtime wages or into using accrued comp time.

The legislation would require the Secretary of Labor to revise the Fair Labor Standards Act's posting requirements so that employees are notified of their rights and remedies regarding the use of comp time.

If an employer failed to pay cash wages to an employee for accrued comp time or refused to allow an employee to use accrued comp time, all of the current remedies under the Fair Labor Standards would apply, including enforcement by the Department of Labor and through individual lawsuits.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentlewoman from Colorado [Mrs. SCHROEDER].

The CHAIRMAN. The gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5¼ minutes.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman from Missouri for yielding me this time, and I especially thank the gentleman from Missouri for his long, long, long battle in the trenches with me for real family leave.

The gentleman from Missouri understands this, and I have scars all over our bodies for having been beaten by many on this floor for having introduced over 9 years ago the Family Medical Leave Act, which is now passed and has been very, very positive.

Let me tell my colleagues when we finally got it passed and we finally got a President to sign it into law we only had 40 votes on the other side of the aisle to help us. Everyone else voted against family leave on that side of the aisle. Know what? Family leave has been a phenomenal help for America's families. It has been a phenomenal help in that it has allowed people to have unpaid leave at the time of birth or adoption of a family member or a serious illness of a family member.

So suddenly we have a Presidential election where everybody is talking about working family issues, because people are realizing the incredible strain America's families are under as they are trying to juggle their caregiver roles and their employer-employee roles and that stress is forcing American families every day to run faster and faster and faster, their tongues are hanging out; they feel like a squirrel in the wheel. They are more and more tired and they never get out of the bottom of the wheel.

So now we are getting ready to go into the campaign mode and we have to figure out what we did if we are one of those many people who did not vote for family leave that has become so successful.

We just finished a whole 2-year study showing that none of the terrible things they predicted would happen, happened. So the folks who did not vote for it have to find a way to cover their backsides. This is the bill, and this is a bill that I think any employee who works for the wage and hour provisions understands very seriously that this bill is the wrong way to go.

We hear people saying, oh, employers will not compel employees to say they would rather have time off than pay, time-and-a-half pay. Oh, yeah? Show me the employer that would rather give you money than time off. Employers are going to say, "You want to work here, this is a voluntary decision. If you voluntarily decide you want to work here, then you better bloody well volunteer to sign this thing saying if there is any overtime you will take time off rather than get money."

Let us be real clear about this. When people are working at those kinds of levels of jobs, they cannot negotiate with their employer like Michael Jordan. If they say I am not going to sign that, one of two things will happen: Either they will never get overtime, or they will not get hired at all. And employees know this. Who are we kidding here?

Now, let us go to the next level. So let us say a person has signed one of these and they are adding all this time that they are going to be able to use. The next part of the bill is they only get to use it when it is convenient for the employer. Now, if they have a working family, like I had for many years, let me tell my colleagues that is no good.

What we need is predictability. We need to be able to predict when we have to work and predict when we are going to have time off so that we can tell the school we can be there to help with the kids, or we can tell our mom that we can help her go shop for groceries, or we can do whatever our family's responsibilities are. If we do not have that predictability, we do not have anything that is worth anything.

So basically what this bill does, let us just put it right out there, if you are a minimum-wage worker and you work 47.5 hours a week, this bill mandates you get a 22-percent pay cut and time off whenever the employer finds that you can have it. But we cannot really program it. We cannot really plan it because we do not know when it is going to be.

If this side of the aisle were really serious about doing something, they would get on the bill that the gentleman from Missouri and many of the others of us are now trying to push, and that is let us give family medical leave for people who work for companies of 25 or more. When we passed this bill, we put it at 50. It has worked so well, let us lower the threshold to 25 or more. So people upon the birth of a baby or the adoption of a baby can have that ability to say I get time off to try to stabilize the situation.

Oh, no, they do not want to do that because they still really have not even bought into the family medical leave bill we passed that is working so sell.

This bill also allows people to take uncompensatory time off a couple times a year to work in their child's school or to help in some community institution. It is kind of a community reinvestment kind of thing. This is what the President is for. But this is time the employee controls.

□ 1515

If my child is going on a field trip, that is when I need to have the time off, not 3 weeks later when it is a convenience for the employer. That is why this bill is a joke, and let us be perfectly clear about that.

Mr. GOODLING. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Chairman, if my colleagues want to make the workplace more family friendly, I urge them to vote for the Working Families Flexibility Act. This bill provides working mothers and fathers with the choice of comp time pay or overtime pay. This option empowers employees to balance family needs and career needs.

Mr. Chairman, there are some things that money simply cannot buy: time with your children, your parents, or your spouse. Comp time allows workers to choose more of all these things.

If Members believe that Congress should live under the same laws that govern the private sector, vote for the Working Families Flexibility Act. Since 1985, Federal, State, and local governments have been able to offer their employees comp time. Do not private sector employees have the same option? This bill says yes. Support the Working Families Flexibility Act for our families, our workers, and our children.

Mr. GOODLING. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, first I would say to the gentlewoman that just spoke, yes, in the public sector it can be a condition of employment but in the legislation, if she would read it, she would find that no way can it be a condition of employment.

This is not some wild Republican idea. The President himself endorsed the concept. He has not sent us any legislation but endorsed the concept. Since most people apparently that I have heard speak over there have not read the legislation since we made 20 changes all geared to protect the employee, and there will be some more offered in an amendment to do the same, I would like to just tell my colleagues what is in the bill so if the American public is confused, at least they will know what is in the legislation.

The legislation has no effect whatsoever on the 40-hour workweek for the purpose of calculating overtime. Employers who are covered by the FLSA, the Fair Labor Standards Act, will continue to receive overtime pay for any hours worked over 40 in a week. If an employer decides to make comp time available as an option, then the employee will have the choice of taking overtime pay in the form of paid time off or overtime wages. If the employee voluntarily chooses comp time over cash wages, then there must be an express mutual agreement, in writing, or some other verifiable statement from the employer and the employee which must be retained by the employer in accordance with the recordkeeping provisions of the Fair Labor Standards Act.

Accrued comp time would be taken by the employee when the employee chooses to take it, so long as reasonable notice is given and its use does not unduly disrupt, which is taken from the standard used in the public sector and under the Family and Medical Leave Act, the operation of the business.

Employers would be prohibited from requiring employees to take their accrued comp time solely at the convenience of the employer. Employees would be able to accrue up to 240 hours of comp time within a 12-month period; however, employers and employees could agree to set a larger limit. Employers must pay employees in cash wages for any unused accrued comp time at end of the year.

Employees may request in writing at any time to be paid cash wage for accrued comp time. Employers must comply with the request within 30 days. Employees may withdraw from a compensatory time agreement with an employer at any time. However, employers are required to provide employees with at least 30 days' prior notice to discontinuing a policy of offering comp time to employees. Employers must provide at least 30 days' notice before cashing out an employee's accrued comp time. However, employers may only cash out accrued comp time in excess of 80 hours.

The legislation allows double damages, I repeat double damages to be awarded against employers who coerce employees into choosing compensatory time instead of overtime wages or into using accrued comp time and, I might add, also pay the attorney's fees.

The legislation would require the Secretary of Labor to revise the Fair Labor Standards Act, posting requirements so that employees are notified of their rights and remedies regarding the use of comp time.

If an employer failed to pay cash wages to an employee for accrued comp time or refused to allow an employee to use accrued comp time, all of the current remedies under the Fair Labor Standards Act would apply, including enforcement by the Department of Labor and through individual lawsuits.

It also makes it very clear that unused comp time in the case of bankruptcy is unpaid labor time and, therefore, moves it to the very top of the ladder when dealing with a bankruptcy situation.

The bill states unpaid comp time is considered the same as unpaid wages; accrued comp time has the same priority in bankruptcy as any other unpaid wages.

We have given Members an opportunity to give choice to the American worker, to those who are not members of a union. Of course, the union remains the same as it is. They negotiate whether they get comp time or whether they do not. But for all of the other, which is the largest percentage of the employees, they finally have an opportunity to do what 75 percent of all working Americans said they would like to do: have a choice; have a choice between compensatory time or overtime wages.

Now, I am sorry to hear, secondhandedly, that the Secretary of Labor has indicated that this might be something that he would have the President veto. I think it is very clear the President has to make a choice. He has to make a choice as to whether he represents the 75 percent of the Americans who would like to have this time or whether he wants the $36 to $46 million available for the campaign.

Mrs. MINK of Hawaii. Mr. Chairman, I rise today in opposition to H.R. 2391, the so called Working Family Flexibility Act, which will severely undermine long-standing protections for working men and women in this country.

The overtime requirement in the Fair Labor Standards Act was established to protect workers in this country from being forced to work excessive hours. The development of the right to premium pay—the time-and-a-half standard—for overtime compensation was intended to establish a market incentive to spread work among more employees and prevent employers from assigning excessive work to a fewer number of employees.

Along with the minimum wage this is a basic protection for workers in this country against potential abuses. H.R. 2391 would create a massive loophole for employers, which would allow them to deny employees their right to overtime compensation. Republicans argue that employers only have their employees best interest in mind and want to provide comp time so that employees can take time off to attend to family business. I have no doubt this is the case for many employers in this country. But evidence clearly points out that there are a significant number of employers who would not have such noble objectives.

Even the Employment Policy Foundation, an employer-funded organization, admits that workers are currently cheated out of overtime pay. They estimate that workers lose $19 billion a year in unpaid overtime. The foundation also estimates that 10 percent of workers entitled to overtime are not paid for the overtime. Other organizations believe that estimate is low. H.R. 2391 would make it easier for employers to get around the overtime law.

The majority claims that under this bill comp time would be purely voluntary for employees, yet the provisions of the bill provide no such assurances and in fact would allow employers to coerce workers to accept comp time instead of overtime pay.

The assignment of overtime work is purely at the discretion of the employer, this is the case under current law. This bill goes one step further and allows employers to decide what kind of compensation workers will receive for overtime work, and if such compensation is in the form of leave time, when they can take that leave. Nothing in the bill prohibits an employer from substituting current annual and vacation leave policies with comp time. And nothing in this bill prohibits employers from assigning overtime work on the basis of an employee's willingness to take comp time.

Under H.R. 2391 any employer could deny a worker the use of their comp time if the employer determines that it unduly disrupts the business. Even if the employee provided a month's notice to make a parent-teacher meeting or to attend a school play, the employer could deny the use of comp time. In fact, nothing in the bill assures workers that they can use their comp time to attend such events. It is all in the hands of the employers.

Finally, Mr. Chairman, H.R. 2391 does nothing to assure that the comp time provisions will be applied in a fair and nondiscriminatory manner. Employers can apply the comp time provisions in a purely arbitrary and capricious manner, which could subject employees to discrimination and even coercion by their employers.

We would all love workers to have family-friendly work policies, but this bill is not family-friendly. It seriously erodes long-standing labor protections for working families in this country. Family-friendly means assuring that workers in this country are treated fairly and are compensated adequately so they can provide a decent standard of living for their children and this the core of the Fair Labor Standards Act.

I urge my colleagues to vote "no" on H.R. 2391.

Mr. POMEROY. Mr. Chairman, I rise in opposition to the so-called Working Families Flexibility Act, H.R. 2391. While skillfully titled, this legislation will not, in fact, help today's working families cope with the struggles they face. Instead, this legislation will make life harder for those who toil each week to provide for their families. Perhaps it is unintentional, but unfortunately this bill represents yet another proposal put forth by the majority which will increase the strain on working families and jeopardize our nation's basic workplace protections.

This legislation attempts to offer workers a choice between overtime pay and compensatory time off when they work greater than 40 hours per week. However, the bill does not assure that the employer-employee agreements on this subject will be truly voluntary. Employers who wish to offer compensatory time rather than overtime will find a way to impose this choice on their employees. Today's workers, who face a climate of reduced job security and corporate downsizing, will find it difficult to reject their employers stated preference for time off rather than overtime pay. For example, employers could screen job applicants or assign overtime to employees according to their willingness to accept comp time.

Reducing opportunities for overtime pay in this way is particularly damaging for the many workers in today's economy who depend on overtime to maintain a decent standard of living for themselves and their families. Fully two-thirds of the workers who earned overtime in 1994 had a total family income of less than $40,000. For these many workers at the low end of the wage scale, the extra dollars earned from overtime can mean the difference between family self-sufficiency and government dependence. At a time when we are rightly demanding that people move from welfare to work, we must not remove a basic safeguard—overtime pay for hours worked in excess of 40 per week—that has allowed low-wage workers to stand on their own.

Mr. Chairman, the overtime provisions of the Fair Labor Standards Act have served this Nation well. They protect workers from demands for excessive work, reward, in a financially meaningful way, those who put in extra time for their employer, and by requiring premium pay for overtime, provide an incentive for businesses to create additional jobs. Weakening these overtime provisions and giving employers additional authority over the work schedules of their employees is not the way to help today's working families. I urge my colleagues to oppose this legislation.

Mr. REED. Mr. Chairman, this bill is another example of a good idea gone bad in the hands of the Majority, and that is why I will vote against it.

I support workers choosing compensatory time off instead of overtime. Moreover, I recognize the need to give employees greater flexibility, particularly in light of the number of families in which both parents must work. And, I also support giving workers the opportunity to take care of family issues, and that is why I fought for the Family and Medical Leave Act.

While the legislation before us today may sound like it embraces these concepts, it fails to expand employee options. Indeed, the bill, for all its efforts, would be a false promise to millions of hard-pressed workers, who want time off in lieu of overtime.

First, the bill does not establish universal access to comp time. It would be up to an employer to determine which workers are eligible for compensatory time off. In fact, an unscrupulous manager could deny comp time to an employee on any basis, while offering comp time to another worker performing the same job. Contrary to the protestations of my colleagues on the other side of the aisle, an employee in this situation would have no choice, no resource, and no chance at comp time.

Second, an employee would not sufficiently control the use of their comp time. Unlike overtime, an employee would not have comp time in hand. Instead, an employee would have to ask an employer when they could use their compensation. And, an employer can simply buy this comp time back.

Third, the amount of compensatory time that can be earned or banked is so great that it lessens the likelihood of an employer offering vacation. Currently, there is no law mandating vacation. However, this bill would provide yet another disincentive for paid leave, by allowing managers to tell their employees to earn comp time if they want vacation time. Obviously, an employee would lose out on both vacation and overtime under this scenario.

Finally, this bill fails to address the unique circumstances of certain workers. For example, a carpenter, a temporary employee, or a garmentmaker who works overtime is currently paid time-and-a-half. That is the law, but, under this legislation, if these workers accept comp time, they may never get to use it because of the nature of their industry. Indeed, these kind of workers often move from employer to employer, and I am skeptical if their future employers would honor a previous employers comp time. The same question arises if an employer goes bankrupt.

Simply put, H.R. 2391 is not universal, does not provide choice, jeopardizes existing leave policies, and fails to address the unique circumstances of certain workers.

Mr. Chairman, there is a better way. The President has proposed a sensible alternative to this poor second cousin, and I support the President's plan.

Mr. Chairman, America's hard working families deserve the choice between overtime and comp time. Regrettably, H.R. 2391 fails to deliver it.

Mr. SAWYER. Mr. Chairman, I rise in opposition to the Ballenger comp time bill for many of the reasons that have already been cited during the limited amount of committee and floor debate on this measure. It fails to count used comp time as hours worked as part of a 40-hour week. It lacks any real penalties for employer coercion of workers. And it emphasizes employer, rather than employee, choice in numerous areas, including the critical question of when and if comp time can be used.

Mr. BALLENGER approached me soon after the committee mark-up and asked me why I opposed it. I told him that one of my concerns centered on the provision that allowed employers unilaterally to "cash out" an employee's entire accrued comp time without warning. The bill now before us is much improved in that regard, and I do appreciate both those changes and the gentleman's effort to solicit my views.

However, approaching selected Members after the committee has already considered the bill is decidedly not the same as attempting to work out a compromise that all Members could support. And in this case, there was a real opportunity to do that. Earlier this year, Mr. CLAY began an effort to put forth a genuine counterproposal which would be the basis for negotiations. That process ended, however, when the Republicans on the committee scheduled, and then cancelled, an emergency mark-up of the bill, designed to rush the bill to the floor without substantive debate.

I truly wish that had not happened. This bill is better than the committee bill, which itself was better than the seriously-flawed subcommittee version. But it still has troubling shortcomings.

The concept of comp time seems straightforward. But the practical details and implications of allowing comp time are numerous and complex. If that weren't the case, we could have changed the law long ago.

Forcing workers to work overtime not only keeps them away from their families, it can also diminish the number of jobs available. Time-and-a-half pay for overtime work was intended to limit required overtime for these very reasons. By diminishing that deterrent—by, in effect, selling required overtime work as a positive employee benefit—this bill could actually encourage the very exploitative behavior that the Fair Labor Standards Act was intended to prevent.

It does not have to. But we need to think through carefully the practical details of what this bill would actually do. We have not had the opportunity to do that in an open forum. We owe it to the American people to delay consideration of this proposal until we have done so.

Mr. VENTO. Mr. Chairman, I rise today in strong opposition to this bill which changes the Fair Labor Standards Act.

Today working overtime and the money it provides in pay have become regrettably a necessity, not an option, for many workers. Now some want to take away, the premium and make it flexible for the employer.

For over 50 years these basic rules of the 40 hour workweek have ensured fair treatment and pay for working men and women. There is no need to change them now other than to weaken and undercut workers' rights and benefits. No matter how you package these changes, the bottom line is that workers are shortchanged and pushed to a work schedule in line with the employers' interests. The fact is that the current FLSA is working. Workers don't need the help purported to be extended in this measure.

Once again during this Congress, I come to the floor of this House to oppose the Republican majority's efforts to strip away the longstanding and hard-fought rights of working men and women in this country. The bill before us today is a direct assault on the Fair Labor Standards Act and the traditional 40 hour workweek with premium compensation for work beyond the 8-hour day. Workers don't need to be defined into lower pay checks.

H.R. 2391, the so-called Working Families Flexibility Act, would allow employers to grant compensatory time to workers instead of overtime pay as long as there is a so-called mutual agreement or understanding. Although this may seem like a reasonable concept at first glance, take a good long realistic look at this legislation's predicate. Apparently, my Republican colleagues intend to rely on the good nature of employers and assume an equal authority between employer and employee since this measure does absurdly little to protect workers from obvious pressure and abuse that could and would occur if this measure is implemented. It makes me wonder if the advocates are connected to the real world of work. Many employers are fair and evenhanded. That some are not is or should be readily apparent.

The bill before us today is so deficient as to be considered nothing other than antiworker, antilabor legislation. The bill does precious little to stop employers from coercing their employees to accept compensatory time instead of pay—its anticoercing provisions are weak and unenforceable; it does nothing to stop employers from giving overtime hours only to workers who will choose compensatory time; it even puts restrictions on the use of compensatory time by workers; and it does nothing to prohibit employers from hiring only workers that will accept compensatory time as a condition of their employment. So much for safe guards.

Working families in this country are struggling to make ends meet. Many families depend on the additional income of overtime pay to get by. So when these families are forced to mutually agree to accept compensatory time, they go without. Compensatory time does not pay the bills nor fairly pay for the inconvenience of working beyond the defined day.

Finally, it amazes me how my Republican colleagues can claim this measure is proworking families. Why do you think that every major labor group opposes this measure—if this bill were truly positive for the American workers, that wouldn't be the case, labor groups would favor such. Well, labor unions do not support, they oppose—strongly oppose this legislation. Let's identify this bill for what it is; yet another break for the Republican Party's big corporate friends at the expense of the American working men and women.

I urge my colleagues to defeat this bill.

Mr. CUNNINGHAM. Mr. Chairman, as a cosponsor of H.R. 2391, I thank you for recognizing me in support of this important legislation, the Working Families Flexibility Act.

In San Diego County, families work hard to make ends meet. They have some of the county's longest commutes. They struggle to make time with their children. According to a Yankelovich poll cited in the June 16, 1996, *Wall Street Journal,* 62 percent of parents "believed their families had been hurt by changes they had experienced at work, such as more stress or longer hours." And the Department of Labor finds that 70 percent of working women with children cite balancing work and family responsibilities as their No. 1 concern.

Families want more flexibility in their work schedules, to help accommodate soccer games, school awards, or just time with the children.

That's why the Working Families Flexibility Act is so important. Given the fact that many employees are working overtime, the Working Families Flexibility Act brings the Fair Labor Standards Act into the 1990's. It gives employees a choice: get paid time-and-a-half, or take time-and-a-half off with the family. All that's needed is a mutual agreement between the employer and the employee. Workers can accumulate up to 240 hours of comp time. Any comp time that is not taken must be paid at time-and-a-half. And all comp time must be cashed-out once a year into time-and-a-half pay.

This is the right thing to do. Three out of five workers working overtime would like to take comp time instead of time-and-a-half pay.

Interestingly enough, Congress granted similar flexibility to public sector employers 11 years ago. But the private sector and small businesses are prohibited by the FLSA from offering this kind of family-friendly flexibility to their own employees. If this kind of flexibility is good enough for Government employees, it's good enough for the rest of America.

Last Month, President Clinton joined the bandwagon in support of more flexibility in family work schedules. But the President's proposal does not do the job for America's working families. It creates unnecessary bureaucratic paperworker for employers. And it does not allow employees to bank any sizeable amount of their comp time, as the Working Families Flexibility Act does. Nevertheless, we appreciate the President's interest.

The Working Families Flexibility Act gives working families a better chance to get what they want and what they need: time with their children, with their family, friends and loved ones. It includes important protections for employees and employers. It is a balanced, reasonable approach to the work and family environment of the 1990's. I urge all members to support it, because families support it, too.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule for 2 hours. The committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Working Families Flexibility Act of 1996".

SEC. 2. COMPENSATORY TIME.

Subsection (o) of section 7 of the Fair Labor Standards Act of 1938 (29 U.S.C. 207) is amended—

(1) by striking paragraphs (1) through (5) and inserting the following:

"(1) An employee may receive, in accordance with this subsection and in lieu of monetary overtime compensation, compensatory time off at a rate not less than one and one-half hours for each hour of employment for which overtime compensation is required by this section.

"(2) An employer may provide compensatory time under paragraph (1) only—

"(A) pursuant to—

"(i) applicable provisions of a collective bargaining agreement, memorandum of understanding, or any other agreement between the employer and representatives of such employees, or

"(ii) in the case of employees who are not represented by a collective bargaining agent or other representative designated by the employee, an agreement or understanding arrived at between the employer and employee before the performance of the work if such agreement or understanding was entered into knowingly and voluntarily by such employee;

"(B) in the case of an employee who is not an employee of a public agency, if such employee has affirmed, in a written or otherwise verifiable statement that is made, kept, and preserved in accordance with section 11(c), that the employee has chosen to receive compensatory time in lieu of overtime compensation; and

"(C) if the employee has not accrued compensatory time in excess of the limit applicable to the employee prescribed by paragraph (5).

In the case of employees described in subparagraph (A)(ii) who are employees of a public agency and who were hired before April 15, 1986, the regular practice in effect on such date with respect to compensatory time off for such employees in lieu of the receipt of overtime compensation, shall constitute an agreement or understanding described in such subparagraph. Except as provided in the preceding sentence, the provision of compensatory time off to employees of a public agency for hours worked after April 14, 1986, shall be in accordance with this subsection. An employer may provide compensatory time under paragraph (1) to an employee who is not an employee of a public agency only if such agreement or understanding was not a condition of employment.

"(3) An employer which is not a public agency and which provides compensatory time under paragraph (1) to employees shall not directly or indirectly intimidate, threaten, or coerce or attempt to intimidate, threaten, or coerce any employee for the purpose of—

"(A) interfering with such employee's rights under this subsection to request or not request compensatory time off in lieu of payment of overtime compensation for overtime hours; or

"(B) requiring any employee to use such compensatory time.

"(4)(A) An employee, who is not an employee of a public agency, may accrue not more than 240 hours of compensatory time.

"(B)(i) Not later than January 31 of each calendar year, the employee's employer shall provide monetary compensation for any compensatory time off accrued during the preceding calendar year which was not used prior to December 31 of the preceding year at the rate prescribed by paragraph (6). An employer may designate and communicate to the employer's employees a 12-month period other than the calendar year, in which case such compensation shall be provided not later than 31 days after the end of such 12-month period.

"(ii) The employer may provide monetary compensation for an employee's unused compensatory time at any time. Such compensation shall be provided at the rate prescribed by paragraph (6).

"(C) An employee may also request in writing that monetary compensation be provided, at any time, for all compensatory time accrued which has not yet been used. Within 30 days of receiving the written request, the employer shall provide the employee the monetary compensation due in accordance with paragraph (6).

"(5)(A) If the work of an employee of a public agency for which compensatory time may be provided included work in a public safety activity, an emergency response activity, or a seasonal activity, the employee engaged in such work may accrue not more than 480 hours of compensatory time for hours worked after April 15, 1986. If such work was any other work, the employee engaged in such work may accrue not more than 240 hours of compensatory time for hours worked after April 15, 1986. Any such employee who, after April 15, 1986, has accrued 480 or 240 hours, as the case may be, of compensatory time off shall, for additional overtime hours of work, be paid overtime compensation.

"(B) If compensation is paid to an employee described in subparagraph (A) for accrued compensatory time off, such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment.

"(6)(A) An employee of an employer which is not a public agency who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time at a rate of compensation not less than—

"(i) the average regular rate received by such employee during the period during which the compensatory time was accrued, or

"(ii) the final regular rate received by such employee,

whichever is higher.

"(B) An employee of an employer which is a public agency who has accrued compensatory time off authorized to be provided under paragraph (1) shall, upon the voluntary or involuntary termination of employment, be paid for the unused compensatory time at a rate of compensation not less than—

"(i) the average regular rate received by such employee during the last 3 years of the employee's employment, or

"(ii) the final regular rate received by such employee,

whichever is higher.

"(C) Any payment owed to an employee under this sub-section for unused compensatory time shall, for purposes of section 16(b), be considered unpaid overtime compensation.

"(7) An employee—

"(A) who has accrued compensatory time off authorized to be provided under paragraph (1), and

"(B) who has requested the use of such compensatory time,

shall be permitted by the employee's employer to use such time within a reasonable period after making the request if the use of the compensatory time does not unduly disrupt the operations of the employer."; and

(2) by redesignating paragraphs (6) and (7) as paragraphs (8) and (9), respectively.

SEC. 3. REMEDIES

Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(1) in subsection (b), by striking "(b) Any employer" and inserting "(b) Except as provided in subsection (f), any employer"; and

(2) by adding at the end of the following:

"(f) An employer which is not a public agency and which willfully violates section 7(o)(3) shall be liable to the employee affected in the amount of the rate of compensation (determined in accordance with section 7(o)(6)(A)) for each hour of compensatory time accrued by the employee and in an additional equal amount as liquidated damages reduced by the amount of such rate of compensation for each hour of compensatory time used by such employee.".

The CHAIRMAN. Before consideration of any other amendment it shall be order to consider the amendment printed in House Report 104–704 if offered by the gentleman from Pennsylvania [Mr. GOODLING], or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill for the purpose of further amendment.

No further amendment is in order except those printed in the appropriate place in the CONGRESSIONAL RECORD. Those amendments shall be considered read.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on amendment; and reduce to 5 minutes the minimum time for electronic voting on any postponed question that follows another electric vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes.

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. GOODLING: Page 3, line 20, insert "(4) or" after "paragraph".

Page 5, line 10, insert "in excess of 80 hours" after "time".

Page 5, insert after line 12 the following:

"(iii) An employer which has adopted a policy offering compensatory time to employees may discontinue such policy upon giving employees 30 days notice. An employee who is not an employee of a public agency may withdraw an agreement or understanding described in paragraph (2)(A)(ii) at any time.".

Page 5, line 11, insert before the period the following: "after giving the employee at least 30 days notice".

Page 7, beginning in line 12, strike ", for purposes of section 16(b),".

Page 8, line 9, strike "willfully".

Page 8, insert after line 15 the following:

SEC. 4. NOTICE TO EMPLOYEES.

Not later than 30 days after the date of the enactment of this Act, the Secretary of Labor shall revise the materials the Secretary provides, under regulations published at 29 C.F.R. 516.4, to employers for purposes of a notice explaining the Fair Labor Standards Act of 1938 to employees so that such notice reflects the amendments made to such Act by this Act.

The CHAIRMAN. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I yield 4 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Chairman, this amendment clarifies and adds a number of employee-protections which will ensure that the choice of comp time is truly the employee's choice and to give employees control over when comp time is used or cashed in.

First, the amendment requires a private sector employer to give an employee 30 days notice prior to cashing out the employee's accrued comp time. However, employers may only cash out accrued comp time in excess of 80 hours, unless the cash out is in response to an employee request.

There has been some concern expressed about the fact that would an employer could cash out comp time. But, an employer is not required to offer comp time—so to offer it and then, in effect retract it, in the absence of a very compelling reason to do so, would not be a very sensible policy for an employer. The amendment addresses this concern by assuring that the employer could not cash out the first 80 hours of accrued comp time, unless the employee requests it.

Second, the amendment clarifies that an employee may withdraw from a comp time agreement with an employer at any time. Nothing in the bill currently prohibits an employee from doing so, but I have added language which explicitly gives the employee that right.

Third, the amendment would require employers to provide employees with 30 days notice prior to withdrawing a policy of offering comp time. There may be instances where an employer decides for whatever reason that providing comp time is not a workable option for that particular business. This would accommodate that type of situation by allowing the employer to discontinue the program, so long as the employees are provided with 30 days notice.

Fourth, the amendment requires the Secretary of Labor to revise the posting requirements under the regulations of the Fair Labor Standards Act to reflect the comp time provisions of the bill. This will help to ensure that employees are informed of the circumstances under which comp time may be provided and their rights regarding the use of comp time.

Fifth, the amendment would eliminate language which limited a private sector employee's remedies against an employer to willful violations of the anti-coercion provision. I know that this particular issue was of concern to my colleague on the Economic and Educational Opportunities Committee, Congressman ANDREWS. By removing the willful requirement, the remedies in the bill would be available to an employee who is directly or indirectly coerced by an employer into selecting or using comp time.

Mr. Chairman, I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mrs. SCHROEDER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. SCHROEDER. Mr. Chairman, under rule VIII, which talks about conflicts of interest and members and their votes, my question is, can Members of this body who own substantial parts of businesses that are under the Fair Labor Standards Act vote on this bill, since obviously this would affect very much their bottom line on their balance sheet?

The CHAIRMAN. Rule VIII commends questions of that sort to individual Members. It is under the discretion of individual Members.

Mrs. SCHROEDER. Mr. Chairman, further parliamentary inquiry. The Chairman is saying it would depend on that Member's business.

The CHAIRMAN. The Chair is stating that it is left to the discretion of individual Members.

Mrs. SCHROEDER. Thank you, Mr. Chairman.

Mr. CLAY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am a little puzzled about this debate this afternoon. All during the debate, Members of the other side have been quoting the President as being in favor of this in concept. Now the floor manager quotes the Secretary of Labor as saying he is going to recommend to the President to veto the bill.

I am also confused about Members on the other side getting up talking about what a great thing family and medical leave is, when 190 of them voted against the Family and Medical Leave Act.

So, Mr. Chairman, I rise to oppose this manager's amendment which in my opinion is too little too late. I want to commend my Republican colleagues, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from North Carolina [Mr. BALLENGER] for belatedly recognizing that their bill has many flaws. Frankly, the bill should not have been reported out of committee without basic employee protections in the first place. Mr. BALLENGER says that he has made 6 changes, Mr. GOODLING has referred to 20 some odd changes during this debate, which indicates to us that the bill should have been repaired in committee in a bipartisan agreement.

Apparently, there are more changes still to come if they think that this bill will meet the objections of the President and of the Democrats on this side of the aisle.

While the manager's amendment, Mr. Chairman, makes improvement in the bill, it does not make sufficient improvements to rescue a bill that is fatally flawed. H.R. 2391 still does not provide assurance that employees will be able to use the comp time they earn. The bill still permits employers to administer comp time in an arbitrary and capricious manner. The bill continues to discourage employers from offering paid leave.

□ 1530

The bill continues to encourage employers to work fewer employees for longer hours, and the bill continues to encourage further violations of the overtime law.

Most importantly, H.R. 2391 continues to undermine family income. The manager's amendment is a day late and a dollar short. I urge Members to vote against H.R. 2391 on final passage.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Missouri [Mr. CLAY] has the right to close.

Mr. GOODLING. Mr. Chairman, see all the rights the minority has, and they are always complaining.

Mr. Chairman, I yield the balance of my time to the gentlewoman from Connecticut [Mrs. JOHNSON] who also has cosponsored this amendment.

The CHAIRMAN. The gentlewoman from Connecticut [Mrs. JOHNSON] is recognized for 2½ minutes.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of the Working Families Flexibility Act and to commend the sponsor of the bill, Mr. BALLENGER, for his enlightened leadership in bringing forward this important legislation on behalf of working families. I am pleased to have been able to join him in offering this amendment to fine tune the bill and further clarify the protections for employees. This amendment will give employees greater control over the management of their accrued compensatory time and make clear the choice of compensatory time instead of overtime wages must be voluntary. Thus, the main criticism of this bill by AFL–CIO has been addressed. No one wants management to prevent employees from getting time plus one-half in wages for overtime if the employee needs the money more than time. But as to 70 percent of working women, for some, time is a far more valuable commodity and getting 1½ hours off for every hour of overtime would be blessing. And, this amendment assures that the employee's choice rules.

First, the amendment would require a private employer to give a 30 days notice prior to cashing out accrued comp time in excess of 80 hours, unless the cash out is requested by an employee, preserving the employee's right to access to the cash if an emergency comes up, or they find the sofa they always wanted, or a car, or new eyeglasses, or, as my daughter faces, the high cost of a new hearing aid. There has been some concern expressed about the fact that the bill would allow the employer to cash out comp time. But, an employer is not required to offer comp time—so to offer it and then in effect retract it, in the absence of a very compelling reason to do so, would not be a very sensible policy for an employer. Our amendment addresses this concern by adding a provision which assures that the employer would not be able to cash out the first 80 hours of accrued comp time, unless the cash out is initiated by the employee.

Second, the amendment clarifies that an employee may withdraw from compensatory time agreement with the employer at any time. Nothing in the bill currently prohibits an employee from doing so, but we have added language which explicitly gives the employee that right.

Third, the amendment would require the employer to provide the employees with 30 days notice prior to withdrawing a policy of offering compensatory time. There may be instances where an employer decides for whatever reason that providing comp time is not a workable option for that particular business. This would accommodate that type of situation by allowing the employer to discontinue the program, so long as the employees are provided with 30 days notice.

Finally, the amendment requires the Secretary of Labor to revise the posting requirements under the regulations of the Fair Labor Standards Act to reflect the comp time provisions of the bill. This will help to ensure that employees are informed of the circumstances under which comp time may be provided and their rights regarding the use of comp time.

The changes made by this amendment along with changes which have already been made to the bill by the Economic and Educational Opportunities Committee will ensure that employees are not coerced into selecting time off instead of wages. Employees will be able to decide for themselves what form of compensation best suits their individual needs.

Mr. Chairman, I believe that this is a sound amendment which further clarifies and improves the bill and should resolve many, if not all of the remaining concerns about the bill. The strength of this legislation is that it empowers workers by giving them a choice and it creates an opportunity for working men and women to have additional time with their families or to pursue interest outside of work.

I am pleased to have been able to work with my colleague, Mr. BALLENGER on this legislation. I commend him for the process that has produced this bill. His willingness to listen to all sides and develop a bill that simply offers employees a very desirable option of time plus ½ hours off for overtime work. What a gift for parents? for dental appointments, parent conferences, sick kids, emergencies, or just a little time alone!

Terrific. And how sadly small of the public employees unions to oppose the bill. They have a form of comp time, not as generous only hour for hour, but flexibility. They want to be included in this. But sadly and shortsightedly, AFSME and others oppose this legislation. I guess because they want to do collective bargaining on it. Yet this is simply a benefit, like other FLSA rules, that assures fair treatment of all employees. So I say to unions that oppose this, open up your hearts and support the interest of all working people of America.

I commend and thank Mr. BALLENGER for his perseverance and compassion and his sensitivity to the times we live in and the tough challenges young families and all workers face in todays' workplaces.

I urge my colleagues to support this amendment.

Mr. CLAY. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. BECERRA].

The CHAIRMAN. The gentleman from California [Mr. BECERRA] is recognized for 2½ minutes.

Mr. BECERRA. Mr. Chairman, either this is a good bill or it has got real problems. If it is a good bill, and that is what we were told when it left the committee, then why do we see more than 20 changes being made now at the last moment now that it is on the floor to try to correct all these problems in the bill?

Explain to me and explain to the American worker, who you are going to impose this upon, how a good bill comes out of committee and needs more than 20 changes through amendments that we do not have a chance to read very well because we get it at the last moment and tell American workers that these are good changes.

If they are so good, then why does the Wall Street Journal, which is not your most liberal of publications, and not your employee supporting of publications, make mention of analysis that they show that over 695,000 workers in America won settlements for overtime? Not that they claimed they were due overtime pay, they won settlements from their employers. There are estimates that two-thirds of America's workers deserve overtime and may not get it.

There is no problem in having flex time. No one here disagrees with that. What we are saying is, truly give the flex time to the person who has earned it, the employee. What you have here are too many problems in the bill because it does not give it to the employee. It gives the employer the right to determine who will take time off, how it will be called compensatory time.

Give it to them. Let us give it to them, but let us be honest and let us give them the time, not the employer. Once the employee has worked for that employer, he or she has earned either the salary or the time. But do not confuse the issues and do not deceive the American worker. Let them take the time. Do not let the employer all of a sudden have this leverage of denying overtime pay and saying, compensatory time is what you get whether you want it or not.

This is not a good bill. The 20-some-odd changes that we have had to make proves it. There will be more changes if this passes, and, hopefully, the President will veto it if it gets through here. Let us defeat this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The amendment was agreed to.

Mr. TATE. Mr. Chairman, I ask unanimous consent to strike the last word.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. TATE. I would like to engage in a colloquy with the gentleman from North Carolina [Mr. BALLENGER].

I am concerned that it be absolutely clear that paragraph 3 of H.R. 2391 does not authorize public agencies to intimidation, threaten or coerce working police officers and firefighters in Washington State or anywhere else. Am I correct in understanding that such intimidate, threats or coercion would not be authorized under this provision in paragraph 3?

Mr. BALLENGER. Mr. Chairman, will the gentleman yield?

Mr. TATE. I yield to the gentleman from North Carolina.

Mr. BALLENGER. Yes; the gentleman is correct. The provision in paragraph 3 is not intended to authorize any public agency to intimidate, threaten or coerce any public employee. This bill is specifically designed to deal with compensatory time in the private and not the public sector.

Mr. TATE. Mr. Chairman, do I understand that public sector employees are protected by Section 15(a), the antidiscriminatory provisions of the Fair Labor Standards Act?

Mr. BALLENGER. Mr. Chairman, if the gentleman will continue to yield, yes, section 15(a) of the Fair Labor Standards Act applies to any person who is covered by the act. H.R. 2391 does not change or affect coverage of section 15(a) in any way.

Mr. TATE. Mr. Chairman, do I understand the subcommittee chairman is willing to explore this issue involving public sector use of compensatory time in the next session of Congress and review these matters more fully?

Mr. BALLENGER. The gentleman is correct.

Mr. TATE. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MS. MCKINNEY

Ms. MCKINNEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Ms. MCKINNEY: Page 4, line 22, strike "240" and insert "222".

Page 5, line 23, strike "480" and insert "444".

Page 6, line 1, strike "240" and insert "222".

Page 6, line 3, strike "480 or 240" and insert "444 or 222".

Page 8, insert after line 15 the following:

SEC. 4. OVERTIME.

(a) AMENDMENT.—Section 7(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(a)(1)) is amended by striking "forty" and inserting "thirty-seven".

(b) REVISIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall report to the Committee on Economic and Educational Opportunities of the House of Representatives the revisions required to be made in the employment hours specified in section 7 of the Fair Labor Standards Act of 1938 to conform to the amendment made by subsection (a).

Mr. GOODLING. Mr. Chairman, I reserve a point of order against the amendment.

Ms. MCKINNEY. Mr. Chairman, I rise to offer this amendment because I believe that this is an amendment whose time has come. Unfortunately, I understand that it will be ruled nongermane and, therefore, I offer the amendment but I will withdraw the amendment as well.

I do want to talk about my amendment, which instead of increasing the workweek as this legislation does, my amendment reduces the workweek. In fact, while this is called the comp time bill, some of my friends have said this is the chump time bill because our colleagues on the other side of the aisle are taking the working men and women of this country for chumps.

My amendment reduces the workweek as defined in the Fair Labor Standards Act from 40 hours to 37 hours. That means that overtime pay would start at 37 hours rather than 40 hours and also that comp time would start at 37 hours rather than 40 hours.

Already the United States lags far behind other countries in terms of our time off for our workers. I would like to submit for the RECORD an article from the Atlanta Constitution that documents the fact that we lag behind other industrialized countries in the world with respect to the time off for our men and women who are in the work force.

We do not need to be talking about making our hard-pressed workers work longer hours for even less money. If America's workers had 3 hours less work time, what would we see? I believe we would see more families together. I think we would see more fathers and mothers with quality time with their children. We would see an enhancement in the quality of life for our working men and women, our working fathers and mothers. I think if our colleagues truly supported family time, they would support this amendment.

Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of gentlewoman from Georgia?

There was no objection.

The CHAIRMAN. Are there further amendments? The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. WELLER] having assumed the chair, Mr. LAHOOD, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 2391) to amend the Fair Labor Standards Act of 1938 to provide compensatory time for all employees, pursuant to House Resolution 488, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the Committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the Committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read a third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CLAY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 225, nays 195, not voting 14, as follows:

[Roll No. 370]

YEAS—225

Allard
Archer
Armey
Bachus
Baker (CA)
Baker (LA)
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blute
Boehner
Bonilla
Bono
Brewster
Browder
Brownback
Bryant (TN)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clinger
Coble
Coburn
Collins (GA)
Combest
Cooley
Cox
Crane
Crapo
Cremeans
Cubin
Cunningham
Davis
Deal
DeLay
Dickey
Dooley
Doolittle
Dornan
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Ensign
Everett
Ewing
Fawell
Fields (TX)
Flanagan
Foley
Fowler
Fox
Franks (NJ)
Frelinghuysen
Funderburk
Gallegly
Ganske
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Greene (UT)
Greenwood
Gunderson
Gutknecht
Hall (TX)
Hancock
Hansen
Harman
Hastert
Hayes
Hayworth
Hefley
Heineman
Herger
Hilleary
Hobson
Hoekstra
Hoke
Hostettler
Hunter
Hutchinson
Hyde
Istook
Jacobs
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lightfoot
Linder
Livingston
LoBiondo
Longley
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Meyers
Mica
Miller (FL)
Minge
Molinari
Montgomery
Moorhead
Morella
Myers
Myrick
Nethercutt
Ney
Norwood
Nussle
Oxley
Packard
Parker
Paxon
Peterson (MN)
Petri
Pickett
Pombo
Porter
Portman
Pryce
Quillen
Radanovich
Ramstad
Regula
Riggs
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Royce
Salmon
Sanford
Saxton
Scarborough
Schaefer
Seastrand
Sensenbrenner
Shadegg
Shaw
Shays
Shuster
Skeen
Smith (MI)
Smith (TX)
Smith (WA)
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Tiahrt
Torkildsen
Upton
Vucanovich
Walker
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Zeliff

NAYS—195

Abercrombie
Ackerman
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Beilenson
Bentsen
Berman
Bevill
Bishop
Blumenauer
Boehlert
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TX)
Cardin
Chapman
Clay
Clayton
Clement
Clyburn
Coleman
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
de la Garza
DeFazio
DeLauro
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Doyle
Durbin
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Fields (LA)
Filner
Flake
Forbes
Frank (MA)
Franks (CT)
Frisa
Frost
Furse
Gejdenson
Gibbons
Gilman
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Holden
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (SD)
Johnson, E. B.
Johnston
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
King
Kleczka
Klink
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney
Manton
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McDermott
McHale
McHugh
McKinney
McNulty
Meehan
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Moran
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Orton
Owens
Pallone
Pastor
Payne (NJ)
Payne (VA)
Pelosi
Pomeroy
Poshard
Quinn
Rahall
Rangel
Reed
Rivers
Roemer
Rose
Roybal-Allard
Rush
Sabo
Sanders
Sawyer
Schiff
Schroeder
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Smith (NJ)
Solomon
Spratt
Stark
Stockman
Stokes
Studds
Stupak
Tejeda
Thompson
Thornton
Thurman
Torres
Torricelli
Towns
Traficant
Velazquez
Vento
Visclosky
Volkmer
Ward
Waters
Watt (NC)
Waxman
Williams
Wilson
Wise
Woolsey
Wynn
Yates
Young (AK)

NOT VOTING—14

Foglietta
Ford
Gephardt
Hastings (WA)
Inglis
Lincoln
McDade
Meek
Ortiz
Peterson (FL)
Richardson
Sisisky
Young (FL)
Zimmer

□ 1603

Mr. LIPINSKI and Mr. BEVILL changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. SISISKY. Mr. Speaker, I was unavoidably absent during tests related to my chemotherapy. Had I been present during consideration of H.R. 2391, the Compensatory Time Act, I would have voted against the bill.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the bill just passed.

The SPEAKER pro tempore (Mr. WELLER). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

VETERANS' HEALTH CARE ELIGIBILITY REFORM ACT OF 1996

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3118, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. STUMP] that the House suspend the rules and pass the bill, H.R. 3118, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 416, nays 0, not voting 17, as follows:

[Roll No. 371]

YEAS—416

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chapman
Chenoweth
Christensen
Chrysler
Clay
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Davis
de la Garza
Deal
DeFazio
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
English
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Morella
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schroeder
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velázquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Williams
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zeliff

NOT VOTING—17

Brownback
Cunningham
Danner
Foglietta
Ford
Gephardt
Hastings (WA)
Inglis
Lincoln
McDade
Meek
Ortiz
Peterson (FL)
Richardson
Sisisky
Young (FL)
Zimmer

☐ 1622

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3481

Mr. CHRYSLER. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 3481. My name was included in error.

The SPEAKER pro tempore (Mr. WELLER). Is there objection to the request of the gentleman from Illinois?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3540, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1997

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3540) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. WILSON

Mr. WILSON. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. WILSON moves that in resolving the differences between the House and Senate, the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill H.R. 3540, be instructed to provide funding for the United Nations Children's Fund (UNICEF) at the level specified by the House.

The SPEAKER pro tempore. Under clause 1(b) of rule XXVIII, the gentleman from Texas [Mr. WILSON] and the gentleman from Alabama [Mr. CALLAHAN] each will control 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. WILSON].

Mr. WILSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House provided $100 million for the U.N. Children's Fund, commonly known as UNICEF. This is the same level of funding the UNICEF received in fiscal year 1996 and will allow them to continue their essential work around the world helping needy children.

The Senate has provided only $90 million which would be a cut of $10 million below last year's spending level and would be a setback to UNICEF's ability to make progress against childhood disease and hunger.

I know that the gentleman from Alabama [Mr. CALLAHAN], the chairman of the subcommittee, feels strongly about UNICEF and is prepared to accept this motion. I am taking my opportunity to use the motion to instruct on UNICEF because of its importance to the world's children and to demonstrate to the other body the depths of our commitment on the House side to provide the full $100 million.

Mr. Speaker, I yield back the balance of my time.

Mr. CALLAHAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur with the gentleman from Texas and agree with him that the House should instruct the conferees to protect the $100 million for UNICEF and, therefore, support the motion to instruct.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Texas [Mr. WILSON].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

Messrs. CALLAHAN, PORTER, LIVINGSTON, LIGHTFOOT, WOLF, PACKARD, KNOLLENBERG, FORBES, BUNN of Oregon, WILSON, YATES, Ms. PELOSI, Mr. TORRES, Mrs. LOWEY, and Mr. OBEY.

There was no objection.

GENERAL LEAVE

Mr. CALLAHAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3540 and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 3610, Department of Defense Appropriations Act for Fiscal Year 1997.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 3610, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3610) making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and without objection, appoints the following conferees:

Messrs. YOUNG of Florida, MCDADE, LIVINGSTON, LEWIS of California, SKEEN, HOBSON, BONILLA, NETHERCUTT, ISTOOK, MURTHA, DICKS, WILSON, HEFNER, SABO, and OBEY.

There was no objection.

MOTION TO CLOSE CONFERENCE COMMITTEE MEETINGS ON H.R. 3610, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1997, WHEN CLASSIFIED NATIONAL SECURITY INFORMATION IS UNDER CONSIDERATION

Mr. LIVINGSTON. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. LIVINGSTON moves, pursuant to rule XXVIII, clause 6(a) of the House rules, that the conference meetings between the House and the Senate on the bill, H.R. 3610, making appropriations for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, be closed to the public at such times as classified national security information is under consideration; *provided, however*, that any sitting Member of Congress shall have a right to attend any closed or open meeting.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. LIVINGSTON].

Pursuant to clause 6 of rule XXVIII, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 410, nays 3, not voting 20, as follows:

[Roll No. 372]

YEAS—410

Abercrombie
Ackerman
Allard
Andrews
Archer
Armey
Bachus
Baesler
Baker (CA)
Baker (LA)
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Beilenson
Bentsen
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blute
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Brewster
Browder
Brown (CA)
Brown (FL)
Brown (OH)
Bryant (TN)
Bryant (TX)
Bunn
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Chrysler
Clayton
Clement
Clinger
Clyburn
Coble
Coburn
Coleman
Collins (GA)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooley
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cremeans
Cubin
Cummings
Cunningham
Davis
de la Garza
Deal
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Dornan
Doyle
Dreier
Duncan
Dunn
Durbin
Edwards
Ehlers
Ehrlich
Engel
Ensign
Eshoo
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Fields (LA)
Fields (TX)
Filner
Flake
Flanagan
Foley
Forbes
Fowler
Fox
Frank (MA)
Franks (CT)
Franks (NJ)
Frelinghuysen
Frisa
Frost
Funderburk
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Geren
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Goodling
Gordon
Goss
Graham
Green (TX)
Greene (UT)
Greenwood
Gunderson
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harman
Hastert
Hastings (FL)
Hayes
Hayworth
Hefley
Hefner
Heineman
Herger
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Hoke
Holden
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jacobs
Jefferson
Johnson (CT)
Johnson (SD)
Johnson, E. B.
Johnson, Sam
Johnston
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
King
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Largent
Latham
LaTourette
Laughlin
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lightfoot
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Longley
Lowey
Lucas
Luther
Maloney
Manton
Manzullo
Markey
Martinez
Martini
Mascara
Matsui
McCarthy
McCollum
McCrery
McDermott
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
McNulty
Meehan
Menendez
Metcalf
Meyers
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Moran
Murtha
Myers
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Norwood
Nussle
Oberstar
Obey
Olver
Orton
Owens
Oxley
Packard
Pallone
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Peterson (MN)
Petri
Pickett
Pombo
Pomeroy
Porter
Portman
Poshard
Pryce
Quillen
Quinn
Radanovich
Rahall
Ramstad
Rangel
Reed
Regula
Riggs
Rivers
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Roth
Roukema
Roybal-Allard
Royce
Rush
Sabo
Salmon
Sanders
Sanford
Sawyer
Saxton
Scarborough
Schaefer
Schiff
Schumer
Scott
Seastrand
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solomon
Souder
Spence
Spratt

Stearns
Stenholm
Stockman
Stokes
Studds
Stump
Stupak
Talent
Tanner
Tate
Tauzin
Taylor (MS)
Taylor (NC)
Tejeda
Thomas
Thompson
Thornberry
Thornton
Thurman
Tiahrt
Torkildsen
Torres
Torricelli
Towns
Traficant
Upton
Velazquez
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Wamp
Ward
Waters
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Zeliff

NAYS—3

DeFazio
Schroeder
Stark

NOT VOTING—20

Brownback
Chapman
Clay
Danner
English
Foglietta
Ford
Gibbons
Hastings (WA)
Lincoln
McDade
Meek
Morella
Ortiz
Peterson (FL)
Richardson
Sisisky
Williams
Young (FL)
Zimmer

□ 1702

Messrs. BECERRA, TIAHRT, BOEHNER, and LONGLEY changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3603, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1997

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3517, MILITARY CONSTRUCTION APPROPRIATIONS ACT, 1997

Mr. SKEEN. I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file the conference report on the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Mexico?

There was no objectin.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3754. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 3754) "An Act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1997, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MACK, Mr. BENNETT, Mr. CAMPBELL, Mr. HATFIELD, Mrs. MURRAY, Ms. MIKULSKI, and Mr. BYRD to be the conferees on the part of the Senate.

APPOINTMENT OF CONFEREES ON H.R. 3754, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1997

Mr. PACKARD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3754) making appropriations for the legislative branch for the fiscal year ending September 30, 1997, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. THORNTON.

Mr. THORNTON. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. THORNTON moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 3754, be instructed to concur in the Senate amendments authorizing continuation of and making funds available for the American Folklife Center at the Library of Congress.

The SPEAKER pro tempore. Pursuant to clause 1(b), rule XXVIII, the gentleman from Arkansas [Mr. THORNTON] will be recognized for 30 minutes, and the gentleman from California [Mr. PACKARD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Arkansas [Mr. THORNTON].

Mr. THORNTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not take the time. This is a motion to instruct conferees to carry out the purposes of continuing the American Folklife Center in operation at the Library of Congress as proposed in the Senate legislation.

This is a good motion to instruct.

Mr. Speaker, I yield to the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I thank the gentleman for yielding to me. I appreciate the motion to instruct and accept the motion to instruct and hope that the gentleman will pursue it in conference.

Mr. THORNTON. Mr. Speaker, I yield back the balance of my time.

Mr. PACKARD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Arkansas [Mr. THORNTON].

The motion to instruct was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs: PACKARD, YOUNG of Florida, TAYLOR of North Carolina, MILLER of Florida, WICKER, LIVINGSTON, THORNTON, SERRANO, FAZIO of California, and OBEY.

There was no objection.

COMMUNICATION FROM THE HON. BARBARA-ROSE COLLINS, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from the Hon. BARBARA-ROSE COLLINS, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, July 25, 1996.

Hon. NEWT GINGRICH,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule L (50) of the Rules of the House of Representatives, that the custodian of records in my Washington office has been served with a grand jury subpoena duces tecum issued by the U.S. District Court for the Eastern District of Michigan.

After consultation with the Office of General Counsel, I have determined that compliance with the subpoena may be consistent with the precedents and privileges of the House with respect to some documents sought by the subpoena, but that the subpoena may seek other documents that are privileged from production by the Speech or Debate Clause of the Constitution.

Sincerely,

BARBARA-ROSE COLLINS,
Member of Congress.

THE SAFE MOTHERHOOD REPORT

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks and include extraneous material.)

Mrs. SCHROEDER. Mr. Speaker, today is my 56th birthday. I am very,

very happy to be here because on my 30th birthday, 26 years ago, I spent it in intensive care, getting last rites, suffering from complications due to childbirth. Obviously, safe motherhood has always been a great concern of mine.

I am putting today in the RECORD the report that I asked for from the Department of Health and Human Services on the status of safe motherhood in America. This report goes right at the myths, and it is time we put those myths aside.

I was startled by the findings that almost 25 percent of the deliveries in America, both vaginal and caesarean, have serious maternal complications. I was startled to read that probably maternal deaths are underreported by at least half. It is time we start dealing with this health risk to women very seriously, put the myths aside, and I hope everyone reads this report.

Mr. Speaker, early this century when women were fighting for the right to vote, safe motherhood was a rallying cry for them. In 1913, more women between the age of 15 and 44 died in childbirth than from any other cause except for tuberculosis.

With all the advances in medical treatment and technology, we have moved a long way toward making the goal of safe motherhood a reality. But we are not there yet. Young, healthy women still die in this country because of complications due to pregnancy and childbirth.

I have been amazed at how little American, including Members of Congress, know about what can go wrong during pregnancy. As a woman who almost died in childbirth, I can assure you it can happen. For this reason, earlier this year, I asked the Department of Health and Human Services for a report on the current trends and status of safe motherhood in the United States. Today I am releasing that report.

I was startled by the findings:

More than half of pregnancy-related deaths are probably still unreported. If the U.S. were to improve its surveillance, these deaths, pregnancy mortality ration would more than double.

A quarter of all deliveries—both vaginal and caesarian—are associated with serious maternal complications.

Risks of pregnancy-related deaths vary according to age and race. Women older than 40 have nine times the risk of dying compared with women ages 20–24. African American women are three to four times more likely to die due to pregnancy complications than are white women.

It's time to cut through all the cultural mystique surrounding pregnancy and childbirth and treat it as a serious women's health issue. Pregnancy is not a 9-month cruise. I hope my colleagues will read this report and then join me in introducing the safe motherhood initiative so that we can make every childbirth, a safe one.

Mr. Speaker, I include the report previously referenced. The material referred to as follows:

INFORMATION ON HEALTH ISSUES INVOLVED IN SAFE MOTHERHOOD AND IMPROVING PREGNANCY OUTCOMES

UNINTENDED PREGNANCY

More than one-half of all pregnancies in the United States are unintended. Unintended pregnancy is defined, by the National Survey of Family Growth (NSFG), as a pregnancy which, at the time of conception, was either mistimed (desired at a later time) or unwanted (not desired at any time). The proportion of unintended pregnancies, by age of mother, ranges from 21 percent for women aged 25 to 34 years to 77 percent for women over 40 years of age. It is not really surprising that 82 percent of adolescent (aged 15–19 years) pregnancies—where the young mother is probably unmarried, has not completed her education, and is not able to adequately support her child—are unintended.

The most recent information on unintended pregnancy comes from the 1995 Institute of Medicine (IOM) report The Best Intentions. This report notes that when a pregnancy is unintended, women are more likely to seek prenatal care after the first trimester or not at all.

They are also more likely to use harmful substances, such as tobacco or alcohol, during pregnancy; the newborn is more likely to be of low birth weight. A disproportionate number of women who experience an unintended pregnancy have never been married, are over 40 or under 20 years of age. An unintended pregnancy can also lead to abortion. There are an estimated 1.5 million abortions each year in the United States. If all pregnancies were intended, however, there would be a 45 percent reduction in births to unmarried women and a 90 percent reduction in births to teenagers. The IOM report states: All pregnancies should be intended—that is, they should be consciously and clearly desired at the time of conception.

MATERNAL MORTALITY

Although deaths related to pregnancy have declined dramatically in this century, our ability to fully describe the magnitude of maternal mortality in the United States is still less than optimal. Indeed, there is strong evidence that maternal mortality is underestimated in developed countries, including the United States. Not all developed countries use the same methods for identifying pregnancy-associated deaths. In the United States, although at least six different sources are used to count such deaths, the actual number and rates of maternal death are unknown. It is also difficult to discern which of these deaths are casually related to pregnancy. An understanding of the characteristics of maternal deaths is the first step toward developing appropriate prevention strategies.

The Centers for Disease Control and Prevention (CDC), in collaboration with the American College of Obstetricians and Gynecologists (ACOG), has expanded the definition of maternal mortality to pregnancy-related mortality, which includes any death caused by pregnancy or its complications during or within one year of pregnancy. Pregnancy-associated deaths, on the other hand, are those that occur during or within one year of pregnancy, regardless of the cause.

The pregnancy-related mortality ratio in the United States increased from 7.2 per 100,000 live births in 1987 to 10.0 per 100,000 live births in 1990, probably as a result of improved surveillance (Berg et al., in press). Although relatively rare, a higher risk of pregnancy-related death is observed with increasing maternal age, increasing live birth order, no prenatal care, and among unmarried women. Black women continue to have mortality ratios three to four times that of white women. The major causes of pregnancy-related deaths are hemorrhage, embolism (blood clots or amniotic fluid), pregnancy-included hypertension, and infection. The leading causes of death, however, vary by the outcome of the pregnancy.

For women who die after a spontaneous or induced abortion (6% of all pregnancy-related deaths), the leading causes of death are infection (50%), hemorrhage (19%), and embolism (11%). For women who die of ectopic pregnancy (11% of all pregnancy-related deaths), 95 percent die of hemorrhage. For women who die prior to delivery (8% of all pregnancy-related deaths), the leading causes of death are embolism (34%), hemorrhage (15%), and infection 12%). Most pregnancy-related deaths follow a live birth (55%); of these deaths, the leading causes are pregnancy-induced hypertension and embolism (23%) and hemorrhage (21%).

INTERNATIONAL COMPARISONS

Several special studies done by states using linkage of live birth vital records with deaths of women of reproductive age, as well as studies in Europe, indicate that current methods of counting pregnancy-related deaths only capture one-half to one-third of all such deaths. For example, Berg et al. (in press) describe the results from a study of all deaths to women of reproductive age in France, which found that 1.3 percent of deaths to women in this age group occurred during or within 42 days of pregnancy and were casually related to pregnancy. Assuming that the underlying risk and distribution of death among U.S. women in this same age group is comparable to that in France, Berg et al. observed that if the 1.3 percent mortality estimate is applied to the 70,130 deaths to reproductive age women in the United States, one would expect a pregnancy-related mortality ratio of roughly 23.5 per 100,000 live births. Thus, the magnitude of the problem is several times greater than generally reported.

MATERNAL MORBIDITY

Pregnancy-related morbidity is more difficult to define and is not as well studied as mortality. Pregnancy-related morbidity may occur before, during, or after delivery. Problems which occur may be untreated, treated in some type of ambulatory setting or, less frequently, may lead to hospitalization. Because of these problems, an overall picture of pregnancy-related morbidity has been difficult to assemble. With the current drive in the health care system to avoid hospitalizations, evaluating this issue presents special challenges.

Using hospitalization for pregnancy complications as a measure of serious morbidity, in 1986 and 1987, it was estimated that for every 100 deliveries, there were hospitalizations for pregnancy loss (spontaneous abortions and ectopic pregnancies), and 15 antenatal hospitalizations, mainly for preterm labor, genitourinary tract infection, diabetes mellitus, excessive vomiting, pregnancy-induced hypertension, and early pregnancy hemorrhage. Among pregnant women in the military in 1987 to 1990, complications of pregnancy resulted in about 27 percent of the women being hospitalized antenatally. The leading causes of hospitalization before delivery in this population were preterm labor, pregnancy-induced hypertension, excessive vomiting, genitourinary tract infection, vaginal bleeding, and diabetes mellitus). (See enclosed articles Hospitalization for Pregnancy Complications, United States, 1986 and 1987 and Antenatal Hospitalization Among Enlisted Servicewomen, 1987–1990)

National data on complications during labor and delivery have not yet been published. Based on a preliminary analysis using data from the 1993 National Hospital Discharge Survey, it is estimated that 24.5 percent of all deliveries (both vaginal and caesarean) are associated with a serious maternal complication. These include obstructed labor in 4.7 percent, third or fourth degree perineal lacerations in 4.8 percent, other obstetric trauma in 3.1 percent. diabetes in 2.9 percent, and pregnancy-induced hypertension in 2.6 percent.

IMPROVING SURVEILLANCE

Continuing enhancement of surveillance activities in this area will provide a more complete picture of the factors associated with pregnancy-related deaths. CDC has advocated surveillance of adverse pregnancy outcomes and pregnancy-related mortality to assess the incidence or magnitude of the problem, monitor trends, and identify risk factors and clusters. During the past 10 years, CDC staff have been working with representatives of state and local health departments as well as national organizations in charge of providing care to pregnant women, including American College of Obstetricians and Gynecologists, American College of Nurse Midwives, Association of Maternal and Child Health Programs, CityMatCH and other Federal agencies to develop surveillance activities for pregnancy-related mortality and morbidity. As a result of these collaborations, CDC collected information on over 5,000 maternal deaths for the years 1979 to 1990. CDC also funded research projects to examine issues of maternal mortality and morbidity at several universities and State health departments. Data provided by CDC can be used by other agencies, professional groups, advocacy groups, and practitioners to identify problems, plan clinical studies, and alter practices and develop appropriate interventions.

OPPORTUNITIES FOR INTERVENTION AND PREVENTION

Opportunities for preventing or reducing adverse pregnancy outcomes health status, ensuring access to and use of appropriate care, and improving the content and quality of the care provided. As noted earlier, preconception and prenatal care are important elements in promoting healthy pregnancies and optimal birth outcomes. Preconception are includes risk assessment, diagnosis, and treatment, as well as health promotion activities such as counseling about contraception, pregnancy spacing, early entry into prenatal care, and other health practices and behaviors that should lead to optimal pregnancy outcome. It also provides an opportunity to identify psychosocial and medical risks or conditions before a pregnancy occurs, which facilitates early and appropriate intervention and treatment to address any problems that may complicate pregnancy. Such care initiated prior to pregnancy should continue during prenatal visits and subsequent educational sessions with prenatal care providers. (See attached chapter form Maternal and Child Health Practices, 4th edition, 1994)

EXPERIENCES IN OTHER INDUSTRIALIZED COUNTRIES

In essentially all countries in Europe, pregnancy services are a part of the larger, organized health care delivery system. In almost all of these countries, prenatal and delivery care are provided without any out-of-pocket expense to the woman. Some countries even pay women to attend prenatal care. All of these countries provide paid prenatal and postnatal leave for women, with job reinstatement guaranteed. Other types of financial grants and social benefits are given to pregnant women, including paid leave from work for prenatal care visits, family allowances, transportation and housing benefits, and assured day care. Extra support for single women may also be provided.

The prenatal care systems in almost all European counties include prenatal home visiting, if needed, as well as postnatal home visits. Pre- and post-natal care are viewed not just as medical check-ups but also as social and educational opportunities. Benefits are available to all women and their families in these countries.

Given the challenges of assessing maternal morbidity and mortality in these countries, as outlined above, it would be difficult to determine the impact of these social policies on maternal health.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

NATIONAL PARKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. REGULA] is recognized for 5 minutes.

Mr. REGULA. Mr. Speaker, a special issue of the Wilderness Society's magazine is devoted to Problems and Prospects in the National Parks. The cover of Newsweek reads: "Can We Save Our Parks?" A report to the director of the National Park Service, National Parks for the 21st Century: The Vail Agenda, concludes that the agency is "beset by controversy, concern, weakened morale, and declining effectiveness."

The national and local media have been replete with these horror stories in recent months, but these particular stories were written in 1983, 1986 and 1991 respectively. In short, the problems currently facing the National Park System did not begin the day a Republican majority took over Congress, as some would like to believe. Unfortunately as the election grows closer, the rhetoric surrounding the national parks intensifies.

This campaign of misinformation is not only counterproductive but unfair to the potential visiting public, our constituents, who in effect own these national treasures. The facts do not support the fear mongering. The National Parks need not close their doors this summer because of a lack of funds. In fact, this year's operating budget for the National Park Service increased and Congress initiated a new 3-year fee demonstration program which took effect earlier this year and allows participating parks to keep 80 percent of new fees collected. Why then is the Park Service crying wolf?

For the second year in a row the National Park Service's operating budget will increase. In fiscal year 1997 under both the House and Senate passed budgets every National Park System unit will get an increase in their operating budget. Additional increases have also been recommended to address a critical and growing maintenance backlog in the system. These increases have been offset in part by slowing the growth in new facilities and acreage to help get the Park Service back on their feet and on a path to live within their means.

Operational shortfalls and a backlog of unmet maintenance needs have been perennial problems for the parks. This situation has been exacerbated by the failure of previous Congresses to institute fee and concession reform and by the addition of new units and the expansion of existing sites. In the last decade alone, 36 units and 3.7 million acres were added to the National Park System by previous Congresses.

In 1912 the fee for Yosemite National Park was $5 per vehicle. That same bargain rate is available at Yosemite today and at other crown jewels as well. Currently fees collected in the parks do not stay with the park, but rather they are returned to the Treasury. While permanent, comprehensive fee reform is still needed, this Congress has taken one important step by initiating a pilot program to expand and reform the fee collection program and allow the parks, not the Treasury, to be the beneficiary. We have given the Park Service a potentially invaluable tool to help themselves. It is now up to them to reap the full benefits.

The problems of the National Park Service are complex and longstanding. As these problems did not develop over night, neither will the solutions be immediate. Politicizing the parks, however, only serves to heighten tensions and does nothing to solve the real problems. For those of us who truly care about the health and well-being of our National Park System our mission should not be about placing blame for the situation facing the National Parks, but about working together to find creative solutions to the problems.

We have provided short-term funds and outlined a long-term strategy to accomplish the goals we all share, a National Park System which is truly the crown jewel of our Nation. While the Park Service faces challenges it also has many opportunities and tools at its disposal to meet them. Those of us who share the responsibility for shaping the future of the National Park Service—Congress, the administration, employees of the Park Service, and the parks' many outside partners—must work together to ensure that its future is as distinguished as its past.

□ 1715

Mr. Speaker, I yield to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Speaker, I just wanted to take a second to compliment the gentleman from Ohio [Mr. REGULA], who is the chairman of the subcommittee, the Appropriations Subcommittee; that is, the committee that provides the money to run these parks, and I think we need to make it clear, as the gentleman has, and I want to compliment him on his statement, that Republicans consider the national parks to be one of the real jewels of our Federal Government, that we not only want to maintain the parks as we know them, but we also want to begin to solve the problem of the backlogged maintenance, the fact that a lot of things have not been done over the years because there has not been adequate funding.

At the same time, of course, I think it is landmarked; they were able to let the parks keep more of what they collect, and I think the news to Americans is bipartisan support for our national parks. We believe they are a jewel. We believe we are improving them, and we believe that we are not only improving them, but we are taking care of some of the maintenance that should have been done that has not been done. So I think the word to the American citizens, the American people, are if you are looking for an incredible experience, if you are looking for an opportunity to really enrich your soul and the souls of your children, you got to head out to the national parks because there is not a better investment you can make in America, and I appreciate the gentleman's work.

Mr. REGULA. I thank the gentleman for his comments. He is absolutely right. The parks belong to all the people to be enjoyed by all of the people. We are taking care of them. There is no excuse for them not to be open

I might mention that we put additional funding in on the maintenance. We recognize, as the gentleman pointed out, that we have neglected maintenance in the parks, and we have beefed up the funding for the maintenance programs as well as the operations.

So I want to say to the public:

Do not be afraid. The parks will be open if they are managed well for all of America to enjoy.

IN TRIBUTE TO HIS ROYAL MAJESTY KING TAUFA'AHAU TUPOU OF THE KINGDOM OF TONGA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa [Mr. FALEOMAVAEGA] is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to pay tribute to the outstanding leadership and distinguished service of one of the South Pacific's most honored heads of state, His Majesty King Taufa'Ahau Tupou IV of the Kingdom of Tonga.

His Majesty King Taufa'Ahau Tupou IV, the eldest son in the royal family, was born at the royal palace in Nuku'alofa on July 4, 1918. As crown prince, he studied in Australia at Newington College and the University of Sydney, where he received bachelor of arts and bachelor of law degrees.

His Majesty was the first Tongan ever to receive university degrees. In addition to academic accomplishments, he excelled in athletics, being a member of the university's championship rugby and rowing teams.

Upon concluding academic studies, His Majesty was appointed to the cabinet of the Tongan Government with the portfolio of Minister of Education, and later as Minister of Health. In 1949, he became the premier of Tonga, thus acquiring additional portfolios in foreign affairs, education, and agriculture. From early on, His Majesty has carried the major burden of the kingdom of Tonga's administration as well as development.

During His Majesty's 16 year term as premier, Tonga benefited tremendously from his guiding hand, resulting in steady development and economic advancement of the kingdom. Due to his efforts, education standards were dramatically improved in Tonga with the establishment and expansion of public high school and college systems. In the business sector, His Majesty pushed for the creation of the Tongan copra board, the Tongan produce board, the agricultural council and the government fishing fleet—the backbone of the kingdom's economy. Under his able leadership, public communications and the media were also facilitated, with the establishment of the Tongan broadcasting commission and the local newspaper, the Tonga chronicle, now in its 31st year on publication.

In 1965, with the passage of her late Majesty Queen Salote Tupou III, the crown prince was proclaimed King Taufa'ahau Tupou IV and coronation ceremonies were held in 1967. The remarkable progress achieved in the kingdom of Tonga during His Majesty's years of leadership has gained the respect of overseas nations and contributed to positive relations with international neighbors. His Majesty, in particular, has fostered close relations with the United Kingdom, which provides substantial financial support for Tonga's continued economic improvement.

Mr. Speaker, this Friday in Utah, His Majesty King Taufa'ahau Tupou IV will be honored again—this time by the Seacology Foundation for His Majesty's efforts in protection of the environment.

The Seacology Foundation is a nonprofit foundation founded to help protect island ecosystems and island cultures. Seacology scientists include experts in endangered species, island Flora and Fauna, and island ecosystems. One hundred percent of the money donated to seacology goes directly to building schools, hospitals, installing safe water supplies, and meeting the other needs of the indigenous people who live near the rain forests so that these people will not have to sell off the rain forest to survive. Seacology scientists donate their time as well.

His Majesty King Taufa'ahau Tupou IV has been selected to receive this year's Seacology Foundation award as "indigenous conservationist of the year" for providing royal protection for the peka, or flying fox, colony in Kolovai village in Tongatapu, and for his protection of the primary forests of 'Eua island, and or supporting the establishment of a system of nature preserves throughout the kingdom of Tonga. His Majesty has also spent lifelong service as an interpreter and custondian of Tongan culture, both ancient and modern. The history and culture of the Tongan people are among the most ancient and historical among the Polynesian people. As a letter from the Seacology Foundation to His Majesty notifying him of the award explains, none of these achievements would have occurred without his strong leadership and support.

Mr. Speaker, I deeply congratulate His Majesty King Taufa'ahau Tupou IV and the Seacology Foundation for all their efforts and I would submit for the RECORD a copy of a letter from Dr. Paul Alan Cox, PH.D., chairman of the board of Seacology Foundation to His Majesty. Mr. Speaker, it is indeed an honor to call on my colleagues and our great Nation to join me in recognizing the outstanding and exemplary service of His Majesty King Taufa'ahau Tupou IV on behalf of the good people of Tonga, the Pacific region, and our global community.

Mr. Speaker, I submit for the RECORD a copy of the letter to His Majesty from Dr. Paul Cox of the Seacology Foundation.

DECEMBER 15, 1995.

His Majesty King Taufa'ahau Tupou IV,
The Kingdom of Tonga.

YOUR ROYAL HIGHNESS: It is with deepest respect that I inform your royal highness that you have been selected as the 1996 Indigenous Conservationist of the Year by the Seacology Foundation. This annual award is made to honor those indigenous people who have performed heroic service in preserving their own ecosystems and cultures.

After careful consideration of the activities of your majesty in providing royal protection for the peka or flying fox colony in Kolovai Village in Tongatapu island (which is the oldest flying fox refuge in the world), for your protection of the primary forest of 'Eua island, for your support in establishing a system of nature preserves throughout the Kingdom of Tonga, and for your life-long service as an interpreter and custodian of

> Tongan culture, both ancient and modern, the Scientific Advisory Board of the Seacology Foundation has unanimously voted to honor your majesty with this award, which is the most prestigious conservation award for indigenous people in the world.
>
> The Seacology Foundation invites you, at our expense, to attend an award dinner in your honor and a presentation ceremony in Salt Lake City, Utah to receive your award, which will consist of an engraved plaque and a cash award of $1,000. Fine Nau and I will meet with you personally to arrange a convenient date for this event.
>
> Because of your stellar service, both public and private to conservation, and because of the tremendous example of dedication and courage that you have set for your own people—the Polynesian Islanders—and for indigenous peoples throughout the world, the Seacology Foundation is pleased to bestow upon you the most distinguished award for indigenous conservation in the world by naming you 1996 Indigenous Conservationist of the Year. We offer you our sincere appreciation for your tremendous devotion to protecting this planet.
>
> Warmest personal regards,
>
> NAFANUS PAUL ALAN COX, PH.D,
> *Chairman of the Board.*

Mr. Speaker, I would like to yield at this time to my good friend from the State of Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I appreciate my friend yielding in this very important assignment that you have brought up, and I concur with the gentleman from American Samoa and also would like to add the support of the people from my State who have—many, many of our people have gone to Tonga. In fact, at the school that you graduated from, BYU, there is a number of Tongans there who have shown exemplary type of performance both in athletics and academically, and it is a pleasure that we can give this tribute to His Majesty, and I join you and thank the gentleman for taking this time to bring up this, a very important thing for His Majesty from Tonga.

Mr. FALEOMAVAEGA. Mr. Speaker, I thank my good friend from Utah.

It might be of interest, Mr. Speaker, that it was since 1844 that when the Mormon Church was founded that missionaries were first sent to the South Pacific in the South Seas. So the Polynesian people have had a very long and standing relationship with the Mormon Church since 1844, and because of this, even through His Majesty is not a member of the Mormon faith, but certainly most respectful throughout the region for his energy a and certainly for his outstanding leadership as one of the great leaders in the Pacific region. And for this, Mr. Speaker, I thank my colleagues for this opportunity and want to wish His Majesty a very most welcomed visit here in our country.

NOBODY IN AMERICA WANTS TO CLOSE THE PARKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. HANSEN] is recognized for 5 minutes.

Mr. HANSEN. Mr. Speaker, I was very interested in my friend from Ohio, Mr. REGULA talking about the national parks of America. The gentleman from Ohio is the chairman of the Subcommittee on Appropriations that handles those particular issues, and I am the chairman of the subcommittee that handles the authorization of the parks.

I think in America people should realize we have 368 units of the National Park Service. It costs an awful lot of money, and Mr. REGULA has that responsibility. I have the responsibility to make sure they are run correctly, managed correctly.

We find out, however, that we have a lot of parks that are in dire need of help. Yellowstone, for example, has 28 miles of impassable roads; Yosemite has problems, Everglades have problems. We have got problems in parking, sewer systems and culinary water systems.

We wonder why did we find ourselves in a position such as this. So we are doing everything in our power not only to appropriate money, but to come up with a better management procedure. We are trying to come up with ways to give the superintendent of the park a better way to do it.

The gentleman from Ohio [Mr. REGULA] talked about something is very interesting. We have a rec bill in now that will say: Superintendent of the park, if you will put somebody out at that gate, and they walk in, not only will you take that money and send it to the black hole in Congress, there is no incentive to do it.

So this rec bill we have got says this: You keep 70 percent of the money so the superintendent at Yellowstone can take care of the park without having to come to Mr. REGULA and having to spend the time. So there will be incentive for somebody to be in that park.

I find it interesting that the Secretary of the Interior, Mr. Babbitt, has chosen to take H.R. 260, which passed in the 103d session, 428 to nothing, and turn it into a park closing bill. He has gone around America time after time, literally dozens of places, saying Republicans want to close parks. That is absolutely false. Nothing is further from the truth. We do not want to close parks.

What we want to do is make parks that jewel in the crown Americans want. They want to go to the park and they want service. They want the concessionaire to take care. They want the roads to be right. They do not want to see the mess that we are seeing in parks today.

I cannot understand why he is doing that. In fact, the President of the United States, Mr. Clinton, stood on the Mall and thanked them for defeating this park closing bill, which there never was a park closing bill. In fact, I wrote President Clinton and asked him a question: Where is this park closing bill? Where do you want to perpetuate this myth?

I am still awaiting an answer from the President of the United States.

We find ourselves now working on a number of pieces of legislation, a concessionaire's bill that will bring more money into the Treasury, that will have more competition among concessionaires, a healthy thing for the parks. We found the rec bill that I have talked about, as the gentleman from Ohio mentioned, of Yosemite.

The oldest park is Yellowstone. In 1915, if you had gone into Yellowstone it was $10. Today it is $10 for an entire car. We just cannot afford that any more.

I must ask my friends who fall in the category of having the perpetual thing as they reach 62 they can go in free. I think it is interesting if Americans would go into the Yellowstones, and the Grand Canyons, and the Zions and the Bryces and the Yosemites and see these people going into the parks, and they are over 62, and they drive in with an $80,000 Winnebago pulling behind it a $30,000 Suburban, and they camp for 7 days. They hook up to the electricity, the sewer and the water, and they are free for that entire time.

I have made a time to stumble through those areas and talk to these folks, and I say as I talked to these CEO's and others, a lot of them want to give us money. And they sent us money saying this is the best deal in the world.

We are not in here to rip off the public, but we do want to take care of it. Do folks in America realize how much we are in arrears in the infrastructure of the park? It is literally billions of dollars in inholdings in other areas.

Can we take care of it? Sure we can, but we have to come up with some of these recommendations that the gentleman from Ohio brought up, and those things we are trying to do.

I say to the administration, to Secretary Babbitt and others: Stop playing political games with this stuff. This is too big to be political. Do not try to ingratiate yourselves to this administration. What we want to do is we want to take care of the parks of America.

I am a little sick and tired as every day another report comes to me. They bring in a newspaper thing or radio ad. Well, all these Republicans are trying to close our park. That is nonsense. There is nobody in America who wants to close the parks.

In fact, I brought in—as chairman of the committee I brought in the man by the name of Roger Kennedy, Director of National Parks. I had him put his arm to the square.

Mr. Kennedy, do you solemnly swear to tell the whole truth, nothing but the truth, so help you God? As we have the right to do?

Mr. Kennedy said, yes.

My first question: Is there any bill that closes any parks?

One answer, one word: No.

Second question: Is there anything in H.R. 260 that privatizes any parks?

One answer: No.

The next question: Now, why is it that your Secretary, your boss, is going all over America saying we have parks to close, and he says, "that is above my pay grade."

So we find ourselves in a situation where these things are not happening. We put out the hand of fellowship to our friends on the other side of the aisle, to the administration saying let us work this out and take care of these 368 parks.

All right; the question comes up should we in any way close any parks? Again, let me refer to Mr. Kennedy, who I found to be an honorable man, and he was on C-SPAN with Brian Lamb, and the question came up should you close any? And he said maybe four or five.

Maybe there is four or five they should close. Let me give you an example of which I will not give you, Mr. Speaker, because I see my time is up.

Mr. Speaker, Secretary of the Interior, Bruce Babbitt has spent a great deal of time during his tenure traveling around the country trying to convince the public that our National Parks are doomed and that the Republicans are responsible for all the problems. The truth is that our park system is in trouble. Republicans inherited a park system just 2 years ago that was already in intensive care. While Republicans and Democrats have worked together in the last 2 years to address these problems, they have only been exacerbated through mismanagement by Bruce Babbitt and his inability to stay home and mind the store. Secretary Babbitt is directly responsible for our National Parks waste and misdirected priorities.

While Secretary Babbitt was taking fishing trips around the country, the GAO found that the National Park Service has no idea how it is spending its money, what its assets are and what its needs are. Perhaps, Secretary Babbitt should spend less time politicking and racking up frequent flyer miles and more time fixing the problems this Congress and the GAO pointed out to him over 2 years ago. Having spent 40 percent of his time traveling at taxpayer's expense, Secretary Babbitt has certainly seen the country but is doing very little to manage our national treasures.

Lets compare the records of the Resources Committee and Secretary Babbitt:

Secretary Babbitt has requested cuts in the funding allocation for park operating funds from 47 percent to 44 percent of the total NPS allocations in the past 2 years. While the Republican-controlled Resources Committee has never recommended cuts in basic park operating funds.

Secretary Babbitt has cut 525 Park Service personnel while the Resources Committee has never recommended any cuts in personnel.

Secretary Babbitt unilaterally sought or studied closure or termination of National Park Service involvement at over 30 park units. Secretary Babbitt is studying transferring parks such as Redwoods National Park, Great Basin National Park, and Lake Clark National Park to different Indian tribes. In the mean time, the Resources Committee, on a bipartisan basis, has sought to set up a nonpartisan Commission to study our Park System and make recommendations to help save our Parks.

After Secretary Babbitt's first two choices for Director of the National Park Service—Robert Redford and Tom Brokaw—turned him down, Babbitt has filled more key park service positions with political appointees than the last three administrations combined. These are simply political favors for people who never worked a day in a park. The Resources Committee has moved legislation requiring that the National Park Service Director possess professional qualifications and be subject to Senate approval.

Secretary Babbitt is in charge of the waste, fraud, and abuse that runs rampant in the National Park Service. The Interior inspector general and the General Accounting Office found the Park Service's books unbalanced for 3 years and no method to ensure that the highest priority programs are funded. Instead of taking care of our parks, Secretary Babbitt has spent money on a $1.6 million personality inventory, a multi-million dollar reorganization with no benefit to the parks, and a $20,000 redecoration of the Director's hallway. While Secretary Babbitt is spending money on interior decorating—literally—the Resources Committee initiated these reports by the inspector general and the General Accounting Office to improve the operations of the Park Service, improve accountability and to help prioritize funding. Thus far, Secretary Babbitt has ignored those reports and has made few changes in his management of our Nation's parks.

Recently, Secretary Babbitt has been traveling around the country saying we need concessions reform and that we need to return more to the Federal Government. Unfortunately, the legislation Mr. Babbitt supports would exempt 80 percent of the concessionaires from competition and the Congressional Budget Office says will cost the American taxpayer $79 million over the next 5 years. The Republican proposal would open all 660 National Park Service concessions contracts to competition and will return $12 million back to the parks while providing $84 million to deficit reduction over 5 years. If Secretary Babbitt wants real reform then the Republican proposal is the only alternative.

Housing for Park Service employees has been described as third world conditions in many instances. After a photo-op and the construction of three housing units, the Secretary has dropped any further efforts to resolve this problem. Republicans in the mean time have moved legislation that would encourage private sector solutions and investments for park housing. Secretary Babbitt would rather ignore the problems that don't make political hay for him. I guess taking care of his employees is just not a priority for Secretary Babbitt.

Secretary Babbitt alleges that our National Parks are broke, yet while overall visitation has been level for the past 8 years, appropriations have increased by nearly $300 million over that same period. Where did the money go Mr. Secretary? Where did you spend it? We love our parks and so do the citizens of this country and we expect Secretary Babbitt to manage these treasures in a responsible and protective fashion. Instead, Secretary Babbitt would rather gallivant across the Nation doing political fund raisers, going fishing, and politicizing our National Parks than stay home and manage our national treasures. Our parks need our help and the goal of this Congress is to identify the problems and find creative solutions to solving those problems. Americans don't want to just throw money at the problem, they want the problems fixed. Mr. President, we need a Secretary of Interior will actually work for our National Parks and not just travel around and fish in them.

TRIBUTE TO HECTOR PEREZ GARCIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of California. Mr. Speaker, today I pay tribute to the life of Hector Perez Garcia. Dr. Garcia, a Texas physician who led the fight for equal treatment of Hispanics and who founded one of the Nation's most influential civil rights organizations, the American GI Forum in 1948, passed away on Friday, July 26 at the age of 82 in Corpus Christi, TX.

Dr. Garcia was born in the Mexican village of Llera, Tamaulipas, on Jan. 17, 1914, to a college professor and a school teacher. His family emigrated to Mercedes, in the Rio Grande Valley of Texas, in 1918 to escape the Mexican Revolution. He was one of seven children, six of whom became doctors.

He often told interviewers that he had decided to get an education soon after his family moved across the border where a high school teacher told him, "No Mexican will ever make an 'A' in my class." He graduated from the University of Texas and the University of Texas Medical School in Galveston in 1940. In 1942, he volunteered for Army duty and served in Europe as an infantry officer, a combat engineer, and a medical corps officer before being discharged as a major. He was awarded a Brzone Star with six battle stars. He met his wife, Wanda Fuscillo, in Europe during the war.

Dr. Garcia founded the American G.I. Forum in 1948 to help Mexican-American veterans of World War II gain access to services of the Veterans Administration and admission to V.A. hospitals. His organization first gained widespread attention in 1949, when it took up the cause of Army Pvt. Felix Longoria, a native of the small south Texas town of Three Rivers, whose remains were returned from Luzon, in the Philippines, for burial 4 years after World War II ended. Mr. Longoria's widow had been denied use of a hometown funeral chapel because the Longorias were Mexican-American.

After several stories about Dr. Garcia's efforts were published, Lyndon B. Johnson, then a U.S. Senator, arranged for Mr. Longoria to be buried in Arlington National Cemetery with full military honors.

President John F. Kennedy asked Dr. Garcia to negotiate a defense treaty between the United States and the Federation of the West Indies. In September 1967, Johnson, then President, appointed Dr. Garcia a delegate to the United Nations with the rank of ambassador to focus on promoting better relations with Latin America and Spain. A year later, President Johnson made Dr. Garcia the first Mexican-American to serve on the U.S. Commission on Civil Rights. In 1984, President Ronald Reagan awarded Dr. Garcia the Presidential Medal of Freedom. In 1990, he received the Equestrian Order of Pope Gregory the Great from Pope John Paul II.

Upon hearing about his death, President Clinton released a statement calling Dr. Garcia a national hero who "fought for half a century for civil and educational rights of Mexican-Americans."

I ask my colleagues to join me in extending our condolences to the family of Hector Perez Garcia, his wife Wanda, and his three daughters, Wanda, Cecilia, and Susan. Dr. Garcia was a true American hero whose accomplishments are a testament to his humanitarian spirit.

□ 1730

REPUBLICANS INCREASE SPENDING ON MEDICARE AND VETERANS

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentleman from Florida [Mr. STEARNS] is recognized for 5 minutes.

Mr. STEARNS. Mr. Speaker, our efforts to balance the budget by the year 2002 have been a long and hard-fought process. As a party, we did not choose this fight, Mr. Speaker. The American people sent a message in the 1994 election. They made it perfectly clear that they wanted to change business here in the House, the business that has been going on for 40 years.

This weekend I held town meetings back in my district, in the State of Florida, central Florida. There were two issues that came up continually. The first, of course, was Medicare. We have a lot of seniors there, and a lot of the seniors were confused. They thought we were cutting Medicare. Of course, that is false. I will tell the Members later on why that is false.

They were also concerned about the veterans budget. Of course, we have increased the veterans benefits and the budget for the RECORD. We are not cutting Medicare, and we are not cutting veterans benefits. In both cases, they are going up over last year. President Clinton finally admitted this in an interview with Wolf Blitzer on CNN that Republicans are not cutting Medicare. He is right about that, because spending on this program will increase at twice the rate of inflation, which means that spending will rise from $5,100 this year to $7,000 in the year 2002. So how could spending, which increases from $5,200 a year in 1996 to $7,200 a year in 2002, be a cut? Nowhere also but in Washington.

Perhaps more than any other issue, President Clinton has hammered away at the GOP's reform proposal by falsely accusing us of cutting Medicare.

It is interesting to think about it that the President, when he was talking about his health care bill back in 1993, this is what he said? "Today, Medicare and Medicaid are going up at three times the rate of inflation. We propose to let it go up at two times the rate of inflation. This is not a Medicare or Medicaid cut. We are going to have increases in Medicare and Medicaid, but a reduction in the rate of growth."

On April 3, 1995, the Medicare Board of Trustees, which includes three of President Clinton's Cabinet Secretaries, concluded that the Medicare hospital insurance fund will be running out of money in 1996 and will be bankrupt in the year 2002.

In its 1996 report released on June 5, it showed a $4.2 billion shortfall in this trust fund. This means that the program will be bankrupt in the year 2001 instead of 2002, so that should be a concern for all Americans.

Congress and the President are very close now on the level of increased spending on Medicare. In fact, the Republican proposal and the Democrat proposal are practically the same. So for the President to talk about cuts is incorrect, when he and I and the Republican Party have proposed practically the same thing in the amount it increases.

Not only have our efforts to preserve, protect, and strengthen Medicare been totally misrepresented, but the Speaker has been vilified for a statement which was falsely attributed to him. We hear this repeated on the House floor over and over again. They said he said, "Now we don't get rid of it round one because we don't think that's politically smart. We don't think that's the way to do it through a transition, but we believe it's going to wither on the vine."

He was not talking about Medicare, he was talking about the Health Care Financing Administration. This is more precisely what he said: "Okay, what do you think the Health Care Financing Administration is? It's a centralized government bureaucracy. It's everything we're telling Boris Yeltsin to get rid of. Now, we don't get rid of it in round one."

"We don't think that's politically smart. We don't think that's the way to do it through a transition, but we believe it's going to wither on the vine."

So you see, they took the statement of the Speaker out of context. He was not referring, of course, to the Medicare Program. He was talking to Big Government, a Big Government bureaucratic machine that processes the laws around here that deals ultimately with health care in America but not the Medicare Program.

In fact, this is so true that 19 television stations have pulled or refused to air the AFL–CIO ads that deal with this quote. So I think we should realize that now the media, both the television and radio media, has decided to pull these ads because they are false and totally misleading.

Mr. Speaker, when we look at what the Clinton administration said back when they were running for the Presidency, let us look at their book, "Putting People First." Remember that book? In that book, President Clinton and Vice President GORE said in 1992, "We will scrap the Health Care Financing Administration and replace it with a health standards board made up of consumers, providers, business, labor, and government." That is interesting.

Somehow the press seemed to neglect to report that fact in the book, "Putting People First." The Clinton and GORE team said the same thing which the Speaker said about the Health Care Financing Administration, that ultimately we would like to scrap it. So I do not see how they can actually criticize the Speaker when they said the same thing in their book, "Putting People First."

There is another program in the budget which they have attempted to politicize and misrepresent. I might add, some of the colleagues on this side of the aisle have indicated that we are cutting veterans benefits. This is also false. We have increased veterans benefits. I am a former veteran, my father was a veteran, and I believe that it is important to represent veterans. That is why I am on the Committee on Veterans' Affairs.

There is some talk about cutting veterans back in the district, but I have pointed out to them that we have actually increased the funding for the veterans, and in fact, the VA budget that the Committee on Veterans' Affairs submitted was higher than the administration's budget. That was brought out in a hearing, during the hearing in which I talked to Secretary Brown about the veterans budget. I said to him, "What do you think about your VA budget compared to our VA budget?" And he said, "I just want to be put on the record, Mr. Chairman, that this committee," the Committee on Veterans' Affairs, "is proposing more than the VA is offering." I think the Committee on Veterans' Affairs has shown its integrity even beyond what the Secretary has proposed.

I think it is admirable that he would go on record pointing out that the Committee on Veterans' Affairs has proposed and ultimately passed more money than the administration proposed.

I think that is a credit to the Secretary for being so honest. I thought it was important, Mr. Speaker, to bring these words to the House floor and to present the truth to clear up the misrepresentation on this side of the aisle with talking about reducing Medicare and veterans benefits when actually, in fact, the Republican majority has increased in both cases the amount of money spent on these two programs.

THE OLYMPIC CHALLENGE FOR AMERICA: TO DRAW TOGETHER AGAINST HATRED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think that it is time, as we near the end of the 100-year anniversary of the modern Olympic games, that we rise to the floor of the House to provide perspective. This weekend should have brought Americans together. Many in different cities around the Nation may have initially thought of the Olympic games as Atlanta's games. But I think as we have watched the indomitable spirit of all of those who have participated, we must first acknowledge that these are world games, and that this is an honor bestowed upon America, our Nation, to be able to host this year's event.

The first recorded Olympics were held every 4 years at the ancient sanctuary in Greece from 1776 B.C. until they were abolished in 394 A.D. They were revived in the late 19th century by French baron Pierre de Coubertin with the first modern games held in Athens in 1896. This year, of course, marks the 100th anniversary.

As we have watched the games proceed, and the challenge to America and to the athletes, it stands in sharp contrast to the tragedy of this past weekend. It saddened me that the games were marred by one tragic incident of a sick and criminal act. It sickens me and saddens me that we lost a very lovely lady who had a 14-year-old daughter who loved her, and a family. Now she is gone from them and from the contributions that she has made and would have made; and then to have lost the life of a Turkish photographer because of this tragedy, and the 111 who were victims of this tragedy.

But most of all, I think we should be challenged by this Olympic challenge, if you will, to recognize that we as Americans must draw together against hatred, hateful talk, and those who would claim that they stand for what America believes in, but yet want to undermine and bring down the government of this country.

Over the last 2 years we have heard too much about what this government has not done. We have heard too much about those who want to carry guns on street corners, who want to hole up in places like Montana or bomb buildings in places like Oklahoma. I think the Olympic challenge for America is to develop the Olympic spirit. That spirit is one of a Carl Lewis, a native Houstonian from the community which I represent; someone who said, as he reflected that many said to him, having won several medals, eight, to be exact, before this last one, "Go out in a flare. Do not do this to yourself." Carl Lewis, a great humanitarian, a friend to young people, had first of all determination.

Second of all, he was a good sports person. He knew and understood what sportsmanship was all about. He had pride in himself and in his Nation. He believed, as well, in the fact that if he just simply went one more step he might be successful; 27 feet 10 inches and three-quarters. And he had a can-do attitude.

That is the Olympic challenge for America, to rise to the occasion of the U.S. women's gymnast team, something accomplished that none of us would have ever expected; or to have the strength of personality to accept the pain of a Kerri Strug from Houston, TX; or Michael Johnson, from Baylor University in Texas, who will cast his lot to historically do the 200 meters and then 500 meters; and yes, the U.S. women's basketball team, that recognizes that it is valuable to have men and women understand what sportsmanship is all about; and the gold that was won by Shannon Miller.

We as Americans have so much to be proud of; not to point the finger at Atlanta, a city that has done a very able and wonderful job, a job where it has opened its doors to all citizens around the world, representing over 197 countries. It was not that it had a tragic and terrible act, it was a tragic act of a human being gone wrong. We should embrace our sister city and congratulate them, for on behalf of Americans, they have done us proud.

□ 1745

But more importantly from the Olympic challenge, we should be able to both admire and to accept the challenge given to us by these young athletes from whatever country they have come, that they have shown determination, that they have rejected hatred, that they have embraced each other as brothers and sisters, that they have a can-do attitude, that they worked as a team and, yes, most of all that they have shown the kind of affinity for the law of rules and order that they would respect human life and human dignity. Sadly, someone in this country possibly did not.

And so it behooves this Congress to respond by leadership and recognizing that we disrespect and that we do not hold to violent talk or violent acts and that we join together as a Nation, not dividing, not castigating names but yet recognizing that we stand as one and fall divided. Be proud of Atlanta and what it has done, appreciate the Justice Department, Director Freeh and the FBI for what they have done, know that swift justice and fair justice will be brought to the perpetrator of this terrible act, but the Olympic challenge for America is for us to stand unified behind the Constitution that we all are created equal, that we have inalienable rights to pursue happiness, and that we must stand for equality and the first amendment.

Mr. Speaker, I rise to commend the wonderful work done by several of the athletes who are from my State of Texas who have brought home the gold.

The news of violence at the Olympics over this weekend could not detract from the Olympic Spirit displayed by the fans and the wonderful collection of talented athletes from around the world, nor should it have.

Each of them are heroes in their resolve not to allow terrorists or hatemongers to take away the unity of purpose that has led us to this point in world history.

The first recorded Olympics were held every 4 years at the ancient sanctuary in Greece from 776 B.C. until they were abolished in 394 B.C. They were revived in the late 19th century by French Baron Pierre de Coubertin with the first modern games held in Athens in 1896.

This year marks the 100th-year-anniversary of the modern olympic games. This is also only the fourth time in modern olympic history that the United States has been the host of the Summer Olympic Games.

The Olympic games are about challenges to the height and breadth of human physical, mental, and emotional endurance.

Today, I would like to recognize the wonderful contributions that Kerri Strug of Houston, TX, one of the members of the U.S. Gymnastics Team dubbed Mag 7 by fans of the sport, who showed real team spirit in assisting her teammates win the team gold medal.

Carl Lewis, who upon the completion of his 27 feet 10 and ¾ inches in the long jump, has achieved a record 9 gold medals. He is one of Houston's best known athletic personalities, but he is also a great humanitarian and community supporter of youth athletics.

I will not leave out those who are not from Houston, TX. Michael Johnson of Dallas, TX has also made us all proud as Texans with his gold medal performance in the 400-meter race. I would like to join many well-wishers in extending my hope for a second gold in the 200-meter race to be held later in the games.

I wish all of these fine athletes and their families my warmest congratulations and wish them a speedy and safe return home to Texas.

HOW LONG WILL WE CONTINUE TO WAIT TO SOLVE THE YEAR 2000 PROBLEM?

The SPEAKER pro tempore (Mr. LaTourette). Under a previous order of the House, the gentleman from California [Mr. Horn] is recognized for 5 minutes.

Mr. HORN. Mr. Speaker, a few months ago our Subcommittee on Government Management, Information and Technology held an extensive hearing on what is known as the year 2000 problem. That is a problem for those who have inputted month-day-year in most computers over the last 30 years. Three decades ago, most computers had little capacity for storage. Thus, a 2-digit figure represented the year instead of 4 digits. In other words, instead of 1966, the year was entered 66. So when it comes to the year 2000 and the computer registers 2000, it will only register 00 based on the two spaces for the year software. Thirty years ago it was difficult to find space in a computer and somebody had the bright idea: Let's save at least a few bits of spaces when we put dates in by inputting only the last part of the date, not the century part of the date.

Mr. Speaker, this will be a major problem. It is estimated by Gartner Associates, a major consulting firm, that it will take $600 billion worldwide to solve this problem. America is responsible for half of the computing usage on this planet, and it will take about $300 billion for both private and public entities to make the needed conversions. Gartner Associates believes that conversion by the Federal Government might well cost $30 billion to deal with this matter.

On April 29, I had the staff of the subcommittee send an extensive survey to the 24 Cabinet departments and agencies. We now have the results. In essence, these are some of the results:

1. Major departments are only in the initial planning stages of the Year 2000 effort.

2. Even the most advanced agencies have not reached the final stages of the solution.

3. Only six agencies have any cost estimates.

4. The Department of Defense has not yet completed its inventory of computer software code which needs to be converted.

5. The National Aeronautics and Space Administration does not anticipate having a plan completed until March 1997.

6. The Department of Transportation simply did not respond to the questions as of this date. Some departments started in on this effort the day after our survey arrived. Little attention has been paid to this coming crunch by many in the executive branch.

7. The Department of Energy did not begin to address the Year 2000 issue until a week after they received the subcommittee's survey.

Most of the departments that are in the initial planning stages need to have their systems inventoried and fixed by 1998. If they do not do so by that time, expert resources will be increasingly scarce because the private sector, State and local government will be using those resources to solve their own computer conversion problems.

Various internal codes of our computing equipment need to be changed. Some of it is just reentering the 4-digit year into new software: You would put in 1996, not just 96, so when you hit the year 2000, it is not just 00, but it is 2000 and you can subtract 1996 from 2000.

These Federal departments and agencies must "get with it" over the next year and a half. They need to complete their plans. They need to inventory and fix millions of lines of internal computer code while simultaneously meeting agency goals.

Basically, we asked these agencies if they had a plan, was there a program manager? What was the estimated cost? And were they responsive to our dozen or so questions?

We have had a few stars in this affair that have been working on this problem systematically. We see that the Agency for International Development [AID]—responsible for foreign aid operations, Office of Personnel Management [OPM], Small Business, and, most important, the Social Security Administration received an "A." The Social Security "A" is really the first of the "A"s. Social Security did not need any prod. In Social Security, an able staff has been working on this problem—and rightly so—since 1989. They believe that by 1998 they will complete going through all of the Social Security files which affect people's benefits and pensions. We gave a very strong "A" to them.

These are only two in the "B" category. By the way, I do not grade on a curve. As a professor, I graded on an absolute. Education is in the "B" category. The Nuclear Regulatory Commission is a "B". Then after those six there are 18 below them. The three "C"s, are followed by 10 "D"s and 4 "F"s. And there are dozens of other agencies that comprise all of the rest of the Federal Government.

Serious attention needs to be given to this by the responsible officials in the White House who coordinate management matters within the executive branch. They are a little weak on that. But the Office of Management and Budget needs to give this effort its full attention because both the appropriations and authorizing committees of the House will be expecting them to ask for the needed resources, or have a plan to reprogram the needed resources.

Let's get on with it. It is a serious problem that could affect each of us.

Mr. Speaker, I include for the Record the following material in connection with my remarks:

	Grade	Does the agency have a year 2000 plan?	Is there a year 2000 program manager?	Does the agency have any cost estimates for year 2000 solution?	Did the agency respond to the questions?
International Aid	A	X	X	X	X
Personnel (OPM)	A	X	X	X	X
Small Business	A	X	X	X	X
Social Security	A	X	X	X	X
Education	B	X	X	X	X
Nuclear Regulatory	B	X	X		X
State	B	X	X	X	X
Defense	C		X	X	X
Treasury	C	X	X		X
Science Foundation	C	X			X
Agriculture	D		X		X
Commerce	D		X		X
Environmental Protection	D		X		X
General Services	D		X		X
Health and Human Services	D		X		X
Housing (HUD)	D		X		X
Interior	D		X		X
Justice	D		X		X
NASA	D		X		X
Veterans Affairs	D		X		X
FEMA	F				X
Labor	F				X
Energy	F				
Transportation	F				

Prepared for Subcommittee Chairman Stephen Horn, Subcommittee on Government Management, Information, and Technology.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF A CERTAIN RESOLUTION

Mr. McINNIS, from the Committee on Rules, submitted a privileged report (Rept. No. 104–720) on the resolution (H. Res. 492) waiving a requirement of clause 4(b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules, which was referred to the House Calendar and ordered to be printed.

IN MEMORY OF AUGUSTA HORNBLOWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. TORKILDSEN] is recognized for 5 minutes.

Mr. TORKILDSEN. Mr. Speaker, tonight I rise in affectionate remembrance of a good friend and a great Republican, Augusta "Gusty" Hornblower.

Earlier today the House voted to name the Post Office in Gusty's hometown in her honor. Gusty Hornblower was an unwavering selfless public servant. This post office, this public space, is a fitting tribute to a woman who devoted her life to the citizens of Massachusetts.

As a sophomore on summer break from UMass-Amherst, I first met this courageous woman when we were both working on a congressional campaign. I was awed by her sense of humor, her political acumen, her colorful personality, and, most of all, her sense of commitment. Later we would both be elected to the Massachusetts House in the class of 1984 and serve together in the Committee on Taxation. There was one thing that Gusty could always be counted on to do and that was advocate for a tax cut any time of the year.

In addition to serving five terms in the Massachusetts House, Gusty sat on many boards and community efforts and worked tirelessly to preserve the Commonwealth's rich cultural heritage. She served on the Board of Overseers of the Plimoth Plantation, founded by her father Henry Hornblower II and on the board of trustees of the Schwamb Mill Preservation Trust. She also held a seat on the Martha's Vineyard Commission.

Toward the end of her life, Gusty bravely battled breast cancer, using her increasingly scarce time and energy to advocate for breast cancer education, research and awareness. Those of us who knew Gusty were not surprised by her positive attitude and fighting approach toward the disease. We had seen her tackle every aspect of her life the same way. While the disease finally took Gusty from us, her legendary advocacy continues to reap benefits for people throughout her district, our State and our Nation.

We will always think fondly of Gusty Hornblower.

HEROES ALWAYS STEP FORWARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, in the face of tragedies in America, heroes always step forward. America has faced its share of tragedies lately. The destruction of TWA flight 800, the criminal bombing of Centennial Park at the Atlanta Olympic games, the bombing of the Federal building in Oklahoma City, and the explosion at the World Trade Center in New York are among just a few.

While the Nation reacts in shock and mourns for the victim, a few put aside their grief to do a job they have been trained well to do. They move quickly and efficiently among the chaos to tend to the needs of victims, like phantoms among the smoke and debris in an effort to find a cause. They are emergency personnel, and they have never failed to bring order, provide comfort and extend needed care during our Nation's darkest hours. America's emergency personnel, Federal officers, police, firefighters and emergency medical personnel are all too familiar with crisis management, and in our anger and grief they are easily overlooked.

As I recently watched the events unfold off the coast of Long Island and in Atlanta, I was struck by the fact that there are always great Americans willing to help others in need, and at no small cost. No one can provide adequate comfort to those who have lost loved ones in the explosion of the TWA jumbo jet, but these men and women are there to try.

It is difficult to recapture the spirit of peace and joy which the Olympics are supposed to represent after a terrorist act, but these people helping others may represent the good in humanity just as surely as the young competitors do, as well.

In my own home area, we have seen in Montgomery County, PA, our volunteer firefighters, police, local police, rescue squad operators, emergency medical personnel and ambulance service professionals, how often we turn to them for assistance. How many of us have turned to a police officer for help? How many people stranded during the blizzard of 1996 turned to others for help? When the floods came to our community, our home-grown heroes responded.

Nobody knows what makes an individual respond in the face of tragedy, often without regard to his or her own safety. But that is the American spirit. Perhaps catastrophe sparks the flame, Mr. Speaker, of human compassion in them. Maybe the fires of disaster temper the steel of their resolve.

Whatever the reason, we must remember that they too are affected by such calamities, and we must do everything possible to address their needs when the work is done. Studies indicate that the emergency personnel and law enforcement officers often suffer long after the crisis is over.

Many people who assisted the victims in Oklahoma City are now trying themselves to recover from the horror that they witnessed. Many will never forget the faces of those they could not help, especially the children. Perhaps their long-term suffering is due to the fact that they put their own emotions aside at the time of crisis to help others in greater need. Whatever the reason, it is important to remember that these individuals often represent hope in a sea of despair, and we must be there for them when the crisis is past.

Americans are defiant in the face of terrorism, we are resolved in the wake of natural disasters, and these American heroes ignite the flame of the human spirit and strengthen our will in the face of all adversity. God bless our volunteers, and God bless America.

STATUS OF MEDICARE ON ITS 31ST ANNIVERSARY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, today is the 31st anniversary of the creation of Medicare. On July 30, 1965, President Lyndon Johnson traveled to Independence, MO to sign Medicare into law at the home of President Harry Truman who had been fighting for Medicare for 20 years.

The Democrats today had a birthday celebration for Medicare with senior citizens and Vice President GORE. Basically, what we are celebrating is the 31st anniversary of Medicare because it has been such a success in terms of a Government program that may very well be the most successful Government program. We want to renew our commitment to protecting Medicare from deep cuts and work to continue its solvency for many years to come. That is why the families first agenda that the Democrats have put forward includes the protection of Medicare as a key element of a balanced budget proposal.

□ 1800

This followed the lead of President Clinton, who proved this winter that the budget can be balanced while still extending Medicare solvency into the next century.

Mr. Speaker, I just want to reiterate that the creation of Medicare did not happen overnight. On the contrary, it took 13 years to finally make Medicare a reality for our Nation's seniors. Against staunch Republican opposition, Medicare passed the House and the Senate in 1965.

Since the Republicans took over Congress in 1996, 30 years later, and for the first time since before the creation of Medicare, one of their first acts was to basically make significant changes or suggest significant changes in Medicare so that it would not be Medicare as we know it. A lot of this was done without hearings, without any real input, in my opinion, from the American people, and I think it was the wrong way to go.

Fortunately, Democrats spent most of 1995 and also a good part of 1996 fighting against these Republican proposals, which would have significantly changed Medicare and I think made it into a program that we would not have recognized.

I wanted to stress today, on the 31st anniversary, that prior to Medicare less than 50 percent of all seniors had any health insurance at all. Today, on the other hand, over 99 percent of America's seniors can rely on Medicare's services.

So the reason Medicare was established was primarily because many senior citizens did not have health insurance. It was a need that was very much felt back in 1965.

Prior to Medicare many seniors were faced with the dilemma of choosing between food, shelter, or health care. Now America's seniors are living longer and can be assured they will have quality health care services.

In 1965 there were Republicans in Congress, including most notably then Congressman Bob Dole, who ardently fought the creation of Medicare. In 1965, 93 percent of the House Republicans, including Bob Dole, voted for a substitute that would have killed Medicare as we know it. In 1995, 30 years later, Senator Bob Dole and Speaker GINGRICH attempted to change Medicare as we know it by cutting $270 billion for tax breaks for the wealthy.

Last October, Senator Dole stated, "I was there fighting the fight, voting against Medicare," referring to his opposition to the program in 1965. It is no wonder, then, that many Democrats doubt the Republican leadership when they say that they care about Medicare or they want to fix it. We know that many of them, most of them in fact, in 1965 opposed it, including then Representative Dole, who is of course now the Republican Presidential candidate.

We also quote, and I have quoted many times on this floor, Speaker NEWT GINGRICH, who last year stated, "We don't get rid of it," that is Medicare, "in round one because we don't think that's politically smart, but we think it's going to wither on the vine."

Again I would point out that although Speaker GINGRICH has recently said that perhaps he did not mean what he said in terms of Medicare withering on the vine, if we look at the Republican proposals that have been put forward in this Congress, in effect what they do is they make Medicare wither on the vine because they provide a situation where there is so much money taken out of the program, again primarily to finance tax breaks for wealthy individuals, and they make so many changes in the Medicare program that essentially force seniors to choose managed care where they do not have their choice of doctors or sometimes even their choice of hospitals, so that the changes in the programs and the cuts in the program ultimately will make Medicare as we know it wither on the vine.

Just to reiterate some of the things that would come about under the initial Republican plans, again the changes have been vast. When this Congress started out in January of 1995, there were some drastic changes in Medicare that were proposed then and we have seen the Republican position change a little almost on a monthly basis ever since then. But if we go back to the initial Republican plans, those that were put forward in January of 1995 when this Congress began, when the Republican leadership was in the majority for the first time in 40 years, under that initial Republican plan, seniors would have been faced with additional copayments, increased premiums, increased deductibles, rationed care and a limited choice of doctors. Medicare eligibility would have gone from 65 years of age to 67 years of age, and Medicare availability ultimately would have only been available to the neediest of seniors.

As Democrats began to speak out against these proposals, beginning in the early part of last year, many of these proposals were dropped. But the Gingrich-Dole Medicare plan of 1995 was still a plan to end Medicare as we know it. It did call for a substantial increase in costs to seniors while, at the same time, providing less in terms of quality of service. It called for cuts of $270 billion. Seniors would have to pay more and get less. They would have been forced into managed care with no choice of doctors.

Last year I was here on the House floor on the 30th anniversary of Medicare and Democrats stood with seniors to protect Medicare from Republican raids. One year later we can say that we defeated Republican efforts to enact the Gingrich-Dole Medicare plan, but I need to stress that this war is not over. Although Medicare, because of Democratic opposition, because of President Clinton's opposition, basically these Republican proposals that change it have essentially been dropped and are really not talked about any more, but I have to stress that the war is not over.

The Republican leadership has a new budget blueprint they unveiled in 1996, earlier this year, that calls for $168 billion in cuts for a tax break slush fund. Seniors, again, would be forced to pay more and get less. In addition, this new plan will allow doctors to overcharge seniors for providing health care services. And current law of course protects seniors from these excessive charges.

All I can say is that Republicans are at it again. I think it is very important, Mr. Speaker, on Medicare's 31st anniversary today to affirm that Democrats remain committed to improving Medicare in a common sense fashion. Unlike our Republican counterparts, we are not sorry that hundreds of thousands of seniors rely on Medicare. We think it is a good program. We are pleased that it has doubled the number of seniors who now receive health care and we think it is a proven success story, certainly worth protecting.

Now, Mr. Speaker, I just wanted to make a comparison, if I could, between the Republican proposal on Medicare in 1995 and the one that we have this year, which again we have not been hearing much about anymore, but I think it is worth mentioning because it certainly is going to be an issue for many months and many years to come. I just want to go through, if I could, in a little detail, the effect of some of these proposals.

Again, I am going back to 1995, the last year when, as I said, some of the more radical Republican leadership proposals to change Medicare were brought to the floor of this House. And let me just talk about a few of them.

First of all, there was the proposal to double Medicare part B premiums. Many people know that Medicare has part A and part B. Part B covers the doctors' bills, essentially. The Republican proposal basically increased the amount that seniors would have to pay out-of-pocket every month to get their Medicare part B coverage. Again, the Democrats opposed that. And as a consequence, the actual monthly part B premium actually decreased at the end of the year instead of actually doubling as was proposed by the Republican leadership.

The last year's proposal also attempted to eliminate doctor's choice. Some of my colleagues on the other side of the aisle said, "We want to give you more choices because we want to give you the choice of managed care." But as many seniors know, and most people know, managed care often does not allow you to have the doctor you are used to having.

Senior citizens tell me in my district over and over again that the biggest concern they have about Medicare is they want to be able to choose their own doctor. And how did the Republican proposal move people into managed care? It did not say you had to go into managed care, but what it said was you had to provide a higher reimbursement rate for physicians who were in managed care than for those who were not. So there were financial incentives to make doctors as well as senior citizens effectively be forced into managed care.

Another thing that was done that I think was really terrible was the Republican bill last year actually cut Medicare premium assistance for low-income seniors, and here I want to spend a little time saying that there is a relationship between Medicare, which is the health care insurance program for all seniors, and Medicaid, which is the health care insurance program for poor people, for people of low income.

Under the current Medicare law, if a senior citizen in eligible for Medicaid because of their low income, then their part B premium per month for their doctors bills is actually paid for by Medicaid. Well, the Republican proposal that came before the House last year would have eliminated that and essentially said that there was not going to be any guaranteed coverage to pay for the part B premium if you were a senior that was below a certain income.

There were other Medicaid changes that the Republican leadership had proposed that also would have had a negative impact on senior citizens. First, they suggested repealing the Federal nursing home quality standards, so basically the Federal Government would not have any say over the quality of care in nursing homes. They also put homes and family farms of elderly couples at risk for nursing home care, because under current Medicaid law the home of the senior citizen or the spouse who is in the nursing home is basically insulated from the Government's ability to take it or sell it and use it to pay for their nursing home coverage. Well, they would have changed that. It was one of the proposals they put forward in their change to Medicaid last year.

They also made the change in Medicare that would have forced adult children to be financially liable for their parent's nursing home bills. Right now, under current law, if a parent or grandparent is placed in the nursing home under Medicaid, the Government cannot go after the children or the grandchildren to pay the cost.

Some people may say, well, gee, why not let them pay the cost. But the bottom line oftentimes is that money is used by younger people to pay for their own children's college or their own children's education or other purposes and to say that we want to change the law and that they have to take care of their parents or grandparents I think does a lot of mischief.

Now, those were the proposals, those where the aspects of the Republican Medicare bill and Medicaid bill changes that I though were the most negative and had the most impact in last year's proposal on Medicare and Medicaid. But this year again we have new Republican leadership proposals on Medicare and Medicaid, and I think that the gist of it is essentially the same. Let me just highlight some of the things that I consider the most negative.

First of all, eliminating doctor and hospital choice by forcing seniors into Medicare managed care plans. Now, again, they take a different tact on how to do this. They will say, my colleagues on the other side will say we are not forcing seniors into managed care. They can still choose between the traditional fee-for-service plan, where they have their own doctor and their own hospital or then can go into managed care. They have the choice. But what this new Medicare proposal does is to say if you stay in the traditional Medicare plan, where you choose your own doctor, then you can have unlimited what we call balance billing. In other words, the doctors can charge you an unlimited amount over and above what Medicare pays.

Obviously, we can see that the senior does not really have a choice, because if they have to pay all that extra money they will go to a managed care system because they cannot afford the extra money out of pocket. So again the seniors are forced into managed care, where they do not have a choice of doctors. The way of doing it is different from last year, but the effect is the same, the long-term effect is exactly the same.

I see my colleague from Connecticut, Congresswoman DELAURO, is here to join me, and I know she has been out there every day for the last 18 months basically bringing up how terrible these changes in Medicare are that the Republican leadership has proposed, and I would like to yield to her at this time.

Ms. DELAURO. Mr. Speaker, I want to thank my colleague very, very much for carrying the discussion and the debate on this critically important issue, and I know he shares what I do today, a sense of history, a sense of great accomplishment on the part of this great Nation of ours, when 31 years ago the Medicare system was signed into law by President Johnson.

It truly is a day of real historical value for all of us, and we congratulate those who put their vision, their commitment, their compassion, their view of what the values of this Nation is all about, they put that forward and said what we need to have to do in this Nation is that seniors need to have health insurance. Nation is that seniors need to have health insurance.

The facts spoke for themselves. In 1959, only 46 percent of seniors had any kind of health insurance. We hear the tales all of the time about there being no place to go. Families had to be the sole support for their loved ones if they were ill and that they did not have any help in doing any of that, and so many people's health was put into jeopardy.

Today what we have is a direct reversal of that problem back in 1959.

□ 1815

Today 99 percent of seniors are covered for health insurance and it is a direct result of the Medicare system. So that this is a program, it is more than a program. It is not a program. It says something about what we value in the United States, what our values are, what our priorities are. That in fact, those who reach the age of 65, those people who have played by the rules, who have contributed so much to our society, who have paid their dues, if you will, they need this opportunity to have the benefit of being able to one more time pay again but to get some assistance and have a health insurance system that is available to them, that is guaranteed to them, and that makes them independent; that does not make them dependent on their children, and it gives them a sense of dignity and a sense of security in their retirement years.

That is what is the historical value of this anniversary this, 31st anniversary of truly making health insurance for seniors one of those values on which this Nation stands.

My colleagues from New Jersey joined with me yesterday in the Families First hearing on protecting Medicare, and it was one more instance of that highlighting of the difference that this program makes in the lives of 37 million people. And what we are concerned about and what he has expressed his concern about is one more time we are looking for the second year in a row, quite frankly, though this is not also without a historical past, we have known some folks, including the current candidate for the Presidency in the Republican Party, Bob Dole, who was out there and he goes back, saying he was proud that he cast his vote against Medicare because it was a program that did not work. So he has a history on this issue.

But we have seen the unbelievable attempt to cut the Medicare Program in the last 2 years with this Republican leadership, first to the tune of $270 billion and if you juxtapose that with the $245 billion in a tax cut for the very wealthy that the Republicans wanted to provide, I do not believe that there is a coincidence in those numbers. We are now back again for the second round of cuts that talk about $168 billion and their tax package for the wealthy that runs around $176 billion. So again these numbers are not coincidental.

What I think is interesting to find out is that we have a prelude of what we are talking about in the future, and in the immediate future. The Wall Street Journal yesterday indicated, there is an article there that describes Senator Dole's new tax plan, or at least what they view as his potential new tax plan, which is expected to be released next week.

I want to read this because I think it is important about what portends for the future. Mr. Dole and his advisors now contemplate a tax cut of Reaganesque proportions. Fifteen percent across the board for individuals. That is almost five times as large as what the congressional Republicans included in their latest budget plan. Five times as large. It would cost more than $600 billion over the next 6 years, this 15 percent tax cut.

Now, there was another article in the Wall Street Journal that tried to figure out what happens, where this money begins to come from, and it is without question, I mean what they did not do was to say specifically this is the program that it comes from, but there was no indication from Bob Dole as to how he plans to pay for the massive tax break. And no one knows how he intends to pay for it, because that information is being held very closely. I hope next week, if he introduces the program that in fact what he will do is to let the public know how he intends to pay for it.

But what is clear, and at our hearing yesterday was Lawrence Shimmerin, the managing director and chief economist at the Economic Strategy Institute. He said that you are going to have to take a look at a whole variety of programs from which there will be cuts. And that includes education, it will include infrastructure, roads, bridges, the construction of schools, a whole variety of programs, again which demonstrate some values when you talk about education and the environment and what we want to do to try to put people to work, that the money is going to have to come from there. Then when we asked him, he said in effect that the money is going to have to come from programs like Medicare.

So that, in fact, we are looking at, with the introduction, the potential introduction of this tax plan by Bob Dole, what we are going to see is another round of cuts to the Medicare Program. And when you are looking at $600 billion over the next 6 years, our colleague from the other body, JIM EXON, said that we are potentially looking at $313 billion in cuts in the Medicare Program.

So that this is not something that is an idea that is not being nourished, and not being nurtured and prone to be moved. Bob Dole is going to introduce this plan in the next week or 2 weeks. So what we are going to do is to see an amazing escalation of those costs and cuts in the Medicare Program, because there are not going to be too many places to which you can go to make those kind of cuts.

If we think about future direction and we look at the historical past where we have Bob Dole saying that he was happy to fight the fight and be 1 of 12 and vote against Medicare because it did not work, we can understand the move to this massive tax cut and what that means to the Medicare Program.

Now, I will stand here and tell you as I know my colleague is, I am a believer in tax cuts. Let us make sure that working families are the beneficiary of those tax cuts. If we provide people with the opportunity to take a tax deduction of $10,000 a year in order to finance the education for their children or to have the opportunity themselves to get skills training and education, if they need that in order to further their own job, their career ladder, we ought to target those tax cuts. But if we are looking at using Medicare as the piggy bank to finance those tax breaks, then it really is unconscionable and it is wrong and it is an outrage.

I will just make one or two other points to my colleague, as I say, to say that we have an historical legacy here. We have the Speaker of the House talking about wanting to see the Medicare Program wither on the vine, and that people will voluntarily leave it, though he is trying to walk away from those comments. But you cannot walk away from what you have said. Your actions and your words are there for people to take a look at.

We even have had BILL THOMAS, who is on the Health Subcommittee, refer to Medicare as a socialist program. The kinds of language in which people talk about the Medicare system. DICK ARMEY said he would not want to be a part of such a system in a free world. And these are the folks who come to tell us and to tell the American people, whether they are our seniors or whether they are the families of seniors that trust us, what we want to basically do is to slow the rate of growth. In fact, what they are doing is cutting the Medicare Program, jeopardizing the health care of seniors and putting them in a position where they will have to pay more, or that they will lose the choice of doctors. And in some places in this Nation, we will watch hospitals close down and, in fact, people who deserve to have health insurance and health care at this time of their life will not have the benefit of that.

It is hard, as I said, to walk away from the commentary that people have made over the recent past and the more further past and to have them now come forward and say that they are going to try to make the program a better program. Their goal truly is to dismantle this program which works. My constituents believe it works. They believe it needs to be fixed. Sure they do, and it does.

The trustees said there was $90 billion that we needed in order to, in the short term, make the program solvent. We need to have a bipartisan commission to take a look at the long term, whatever that means. Nobody disagrees with that. What they do disagree with is ending a Medicare Program, of leaving people behind, taking that 99 percent and beginning to move it back to the 46 percent of seniors who had health care in this country. That is what cannot happen.

What we ought to be debating on this floor, what we ought to be talking about is how we make the Medicare system stronger; how, in fact, we do something about long-term care for people in this country; how we do something about the cost of prescription drugs; how we deal with home health care. And that is what direction we ought to be going in.

We ought to be building on what we have, not unraveling what we have in this great country of ours. And as my colleague was talking about, this whole notion of overcharging today, of removing the restrictions on hospitals and doctors that prohibit them today from overcharging Medicare recipients, how can we in good conscience stand here and talk about that as a way to fix this program?

What is wonderfully interesting, though, is that I think in your community, in my community, the folks see through what is going on here. And that in and of itself is rewarding because they are fighting the battle against what the Republican leadership is trying to do. They made that fight last year, and I know they are going to make the fight this year.

But for today, it is happy birthday and it is happy anniversary to a health insurance system that works for the people that it was intended to help. And that is the Medicare system. And we need to once again pledge that we are going to make sure that the system stays here, that it is a better system and it is going to be a good system for people in the future, and I thank my colleague for his leadership on this issue.

Mr. PALLONE. Mr. Speaker, it is not my intention to necessarily use all of our 60 minutes that is allocated tonight, but I do think it is important and I know that the gentlewoman from Connecticut stressed some of these points, but I think that it is very important for us as Democrats to point out that right now in 1996, on July 30, 1996, the Republicans still have a plan out there to cut Medicare and to make the drastic changes in the Medicare Program that effectively would destroy Medicare as we know it.

I am afraid that not only our colleagues but certainly a lot of the American people do not really understand that at this time. There has not been that much discussion about Medicare on the Republican side in the last few weeks or months, but the fact of the matter is that there is a new plan out there to cut Medicare and to change it drastically. And I wondered if

I could reiterate some of these things that are on the table right now because I think it is important to stress it.

The gentlewoman mentioned that although in 1995 we had this Republican proposal that would have cut $270 billion from Medicare primarily to pay for tax breaks for wealthy people in 1996, the budget that we are now operating on that was passed here in the House by the Republicans, without Democratic support for the most parts, calls for essentially the same kind of Medicare overhaul plan that they put forward in 1995.

□ 1830

I think the gentlewoman mentioned that the budget contains $168 billion in cuts in the Medicare Program over 6 years in order to pay for $176 billion in tax cuts, again targeted primarily on the wealthy. So I mean it really is not any different. I want to stress that because I think it is important to make it known.

Ms. DELAURO. The gentleman is absolutely right. If we take a look at it in terms of percentages, they were talking about $270 billion over 7 years. They are now talking about $168 billion over 6 years. It went from a 19-percent cut to 17-percent cut, which is just the same as you have said. So, they are doing the same exact thing that they did last year, when there was such an outcry. People really truly do need to understand that.

I want just one more point which I believe it was the pundit or the journalist Morton Kondracke asked the third person in charge of this Congress, the gentleman from Texas [Mr. DELAY] said: You know, the public thinks that the Republican leadership has been extreme or at least there is the view out there by some that the Republican leadership has truly been extreme over the last 18 or 20 months. If you are back in the majority again, will you be engaged in the same kinds of initiatives that you were in the 104th Congress?

He talked specifically about Medicare, and he said that they would once again do the same thing. So it is 270, it is 168, it is the same thing.

It was not only in this Congress, their intention is, if they get back to the leadership here again, to do the very same thing again in the future. So it is the very, very same argument. My colleague is right to point out that we cannot lose sight of that.

Mr. PALLONE. The other thing, too, that I want to stress is that these cuts are not needed to save the program. Again, we are not hearing much from the other side about Medicare anymore, so we do not hear much about their effort to save the program anymore either. But we know that this level of cuts is not necessary to save the program. Again, it is being used primarily to pay for tax breaks, and those tax breaks are primarily for wealthy Americans.

In fact, according to the Congressional Budget Office, the Medicare cuts, and again not to stress it, but there was a level of cuts much less that was proposed by the Clinton administration. And they would in fact have extended the life of the Medicare trust fund for virtually as long as the GOP Medicare plan.

So, if we simply adopted the suggestions that the Clinton administration made, which would not have made those deep cuts to finance these tax breaks for wealthy people, we would have extended the life of the Medicaid trust fund and eliminated all the questions that have been raised about potential insolvency of Medicare. Those could be brought to the floor today if the other side was willing to accommodate and go along with what the President has said. They do not want to do it because they want to keep out there those tax breaks.

Ms. DELAURO. The trustees, which were, as my colleague will remember, there were so many on the other side of the aisle that held up the trustees report day in and day out. The trustees said $90 billion for the short-term solvency of the program. As I have suggested, I think we need to have a bipartisan commission look at the long-term solvency. We did that on Social Security. We can do that here.

The President, I think he has talked about $116 billion, that you could extend the life of the program, as my colleague pointed out. But they are committed to these tax breaks for the wealthiest Americans, the wealthiest, the most privileged in our society, and they cannot get off that kick. That tax cut was what NEWT GINGRICH called the crown jewel of the Contract With America. And whether you take the $245 billion in the tax cut or you take the $176 billion that they are talking about now, and if you take that a step further and you talk about what BOB DOLE is talking about, which is $600 billion over a 6-year period of time, we all know that we are going to look at another round of cuts to the Medicare Program. There is no doubt about that; no doubt, I think, in anyone's mind.

Not only will it be Medicare, but I can tell my colleague that another area that you have great interest in is education and the environment. We are going to see massive cuts in those areas as well.

I do not happen to think that that is what this Nation is about. I think this speaks, we can balance the budget. We can do that. The question is, what are the values that we espouse in that balanced budget. I think we have been given a very, very good indication of the kinds of values that our Republican leadership here in this House espouses.

Mr. PALLONE. Again, we sort of touched on this again, but I just think it is important to stress that once again the Republicans are talking, leadership is talking right now this year about proposals for Medicare that would cost seniors a lot more out of pocket. I think a lot of people believe that because they have not heard about the increase in the Medicare part B premium.

Last year that was the crying call because so many seniors knew that the Republicans had proposed these big increases in part B premiums that they would have to pay per month. This year with the balanced billing provisions and with the level of cuts in Medicare, we will end up paying a lot more out of pocket. I think the figure right now is that under current law the physician can only charge patients up to 15 percent above what the fees are that Medicare sets. But if you stay in a traditional Medicare, under the current Republican plan that is on the floor now, that figure is unlimited.

In addition, I know that the gentlewoman has pointed out previous times on the floor that with the cuts in the level of services that would come from this level of cuts in Medicare, we are going to see tremendous increases in Medigap insurance because Medigap is going to have to cover more because of the lack of funding available for Medicare. So seniors would be faced with these overcharges by the physicians, higher Medigap premiums, and the list goes on.

Ms. DELAURO. Mr. Speaker, I think there is one point that my colleague made which I think we need to remake. It is not so much sometimes people do not understand the term balanced billing. It is the overcharging. Right now there are prohibitions on hospitals and doctors that they cannot charge the individual recipient for the difference in what Medicare will reimburse to the physician for their service. So that in fact the recipient cannot have that burden of the extra charge as put on them. That is lifted. Those prohibitions are gone, which means that doctors and hospitals can charge the individual, the Medicare recipient, for what they view as what their fee is over and above what Medicare will reimburse them for.

This is direct out-of-pocket costs, direct out-of-pocket costs.

That is real. That is what is in this proposal right now. And we cannot, people cannot lose sight of that, because it is not so much that the part B program is going to double the way they had it going last year. but this is kind of hidden in the language as to what is going on here. People truly do need to be educated and made aware of what risk they are for out-of-pocket costs.

Mr. PALLONE. I yield to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I echo the comments of my friend from

Connecticut, especially when instead of Gingrich Republicans cutting Medicare to pay for tax breaks for the wealthiest people in this country, cutting it to the tune, originally they started out at $270 billion and finally reacted, when the public reacted so much against these major Medicare cuts in order to pay for tax breaks for the wealthy under the Gingrich Medicare plan, instead of letting the Gingrich Republicans make those cuts to do that, we should be going after fraud in Medicare, the whole balanced billing issue that Ms. DELAURO mentioned that will cause more waste in Medicare and will cause more Medicare beneficiaries to have less services at higher cost.

What they tried in the Medicare and the Medicaid bills, what the Gingrich bills on Medicare and Medicaid said last year and this year, that to allow physicians to refer for any kind of services, diagnostic services, MRI's or others to facilities that those physicians own, we have in this body, long before any of the three of us were here, tried to go after some of those fraudulent aspects of Medicare anyway, to make sure that people really were getting their dollars' worth and doctors were paid properly, that hospitals were reimbursed properly and that patients had an opportunity to get good health care at the lowest cost possible.

Now we are opening the floodgates, when there is already, according to the GAO, already something like $100 billion in fraud in Medicare over 7 years that we could recover, they are opening the floodgates more so we could have maybe twice as much fraud.

The fact is, instead of giving these tax breaks, instead of cutting Medicare and giving tax breaks to the wealthiest people in the country, as Speaker GINGRICH and the Republicans want to do, we should be going after these in a variety of different ways, some of these fraudulent practices that have happened in Medicare, go after some of the double billings and some of the problems that we have seen, not opening up the floodgates so there can be more.

It is clear that that is the way to deal with the Medicare, that is the Medicare solution for now, rather than making major cuts and saying, you are trying to save it, when clearly it is almost comical, if it were not so serious, when Speaker GINGRICH and the leaders in the other body stand up and talk about, we are going to cut Medicare $180 or $270 billion, whatever their number of the day is in order to save it, it is almost comical, if it were not so serious, except that in the sense that these are the people that voted against Medicare when it was created. These are the people that have never tried to fix the program when it has needed minor fixing. These are the people that called it a socialist, no-good program. Citizen Dole has said that Medicare, he was proud of being one of 12 people that voted against Medicare because he knew it would not work, he said.

Speaker GINGRICH has said over and over that Medicare will wither on the vine under the Gingrich Republican proposals. It is clear they have never had any interest in this program. They are not trying to save it. They are trying to privatize it and ultimately turn it into a welfare program that simply will not serve the 99 percent of the senior citizen population of this country that Medicare now services.

Mr. PALLONE. I am really pleased that you brought this up because a lot of times when I talk to senior groups they will say to me, why do the Republicans want to make these changes. People generally feel that elected representatives that come down here want to help them. They do not assume the opposite.

And I say, well, on the one hand it is the tax breaks for the wealthy. But on the other hand it is the special interests. There are changes in this legislation that the Republicans proposed, changes in the Medicare program that are strictly special interest oriented for their friends. And one of them you mentioned is with regard to fraud.

One of the things you remember in the Committee on Commerce, one of the things that most upset us last year in 1995 was the weakening of these antifraud and abuse provisions. Instead of using the opportunity to strengthen them, because we know there is a lot of fraud, the Republican leadership proposal actually weakened the antifruad and abuse provisions.

Briefly, and then I will yield to the gentlewoman from Connecticut, there was the example that I could just cite where the GOP bill relieved hospitals and doctors of the legal duty to use reasonable diligence for ensuring that the claims they submit to Medicare are true and accurate. That sounds like a lot of legalese but it is very important, because if you weaken that standard, then it is much easier for doctors or hospitals to abuse the system. That was actually in the bill. We fought very hard to point that out and to stop it from becoming law.

Ms. DELAURO. My colleague is absolutely right. It is a question of who they want to help. We do come here to help, but it is a question of who they want to help. And you will hear the argument over and over again that what they want to do is to save the program, that they want to slow the rate of growth. And nobody suggests that we should not deal with the fraud and abuse pieces because fraud and abuse in the entire health care system is about 10 percent. We spend about $800 billion for health care in this country every year so it is about $80 billion roughly.

There is fraud and abuse in the Medicare system. We ought to go at it and root it out. As both of you have pointed out, what they did was absolutely contrary to that goal by making it easier for people to abuse the system.

☐ 1845

But what I find that is rankling in the argument that is made is that what we want to do is to hold the cost of Medicare down. Noble cause. Noble cause. However, why are we trying to hold the cost down of private insurance? Why are we not trying to hold the cost down of prescription drugs? Why are we not holding the costs down in every other section of our health care system but only want to hold the cost down and stick it to seniors?

We tried in the last session of Congress to pass health care reform and we failed. I think the goal was good, but we may have moved too quickly, too fast, taken on too much. But the issue there, the single biggest issue, was to slow the rate of growth down for the entire health system, not just one piece of it, and everybody agreed that you could not just hold the costs down in one place while everything else was still rising.

Why are we not going after some of the other parts of this health care system in the same way that they would like to go after the Medicare system and particularly the beneficiaries in the Medicare system by increasing their out-of-pocket costs, allowing them to have limited or no choice in their doctors and helping to close down health care facilities in this country, and all, all of that, not to save the system, but to provide a tax cut for those who through their own wherewithal have done very well; nobody takes that away from them, but the most wealthy and the privileged should not increase their wealth at the expense of people who are vulnerable and in the senior years of their lives.

Mr. BROWN of Ohio. I would add, if the gentleman would yield, to what the gentlewoman from Connecticut said about the efforts to hold costs down or to cut the growth in Medicare. I mean I have heard over and over and over again from the most conservative people in this House, who on the Republican side have always opposed any program like Medicare, calling it socialism, saying it is a terrible program, it is big government, all of that.

They have all said we are not cutting Medicare, we are slowing the rate of growth, and that is what they say over and over and over again and try to drum that into the heads of America's elderly, saying we are not threatening Medicare.

The fact is slowing the rate of growth when more people are on Medicare means less money for each older beneficiary. It also means there is a higher cost for medicine which goes up and for health care. It means less per person, and third what it means, as the gentlewoman from Connecticut was alluding to, is as special interests cash in more and more on the Gingrich Medicare plan, it means less monies available.

So you already have a shrinking pot of money for America's ever increasing number of elderly, and that pot shrinks even further when more people are, to mix a metaphor, when more people are at the trough, more special interest groups that have fought to have all of these antifraud provisions taken out.

So we are going to see more fraud. While GINGRICH is trying to cut Medicare, if he is successful, and the number of dollars does not go as far as they do today, we are also going to see more special interests feeding at the trough and taking even more dollars away, which will mean ultimately fewer dollars for Medicare beneficiaries. It will mean fewer services. It will mean higher premiums and copays and deductibles. It will mean ultimately a privatization of Medicare which spells the end, and that is why Speaker GINGRICH talking to that group of insurance executives, talked about Medicare withering on the vine.

If you remember what he said when he was talking to insurance executives who salivate in a sense over what he wants to do with Medicare so insurance companies can get more and more, as Medicare is privatized under the Gingrich plan insurance companies can get more and more involved in it. That is why the Speaker said:

> We didn't get rid of Medicare in round one because we don't think that's politically smart. We don't think that's the right way to go through a transition. But we believe it's going to wither on the vine.

And under his plan he is right. It will wither on the vine as more and more private interests, special interests, get involved in Medicare and take more money out leaving less money for the beneficiaries that have paid into Medicare their entire lives leading up to their retirement and continue to pay into Medicare through their whole lives into part A and part B.

That is in the end; right. The Gingrich plan is bad for older people. It is bad for Medicare; ultimately bad for all of us as a country to just give up on our elderly like that, which is what will happen if it withers on the vine.

Mr. PALLONE. Well, as my colleagues know, the best example I think of that is how they included, the Republican leadership included the provision for Medicare savings accounts. Because as we know, the MSA's is another word for them, I guess, were primarily touted by this one insurance company, Golden Rule Insurance Co., that had contributed over a million dollars to the Republican campaign.

Ms. DELAURO. If my colleague will just yield on that point?

Mr. PALLONE. Sure.

Ms. DELAURO. The third largest contributor to the Republican Party, Golden Rule Insurance.

Mr. BROWN of Ohio. And yield a moment further. Not only did that company give a whole lot of money to the Republican campaign funds, all of their different funds and all of their different guises that Speaker GINGRICH has set up, but the Speaker has absolutely gone to the wall for this concept for this company, medical savings account, time after time after time when we have tried to pass legislation that would deal with preexisting condition.

We have tried to pass legislation that deals with portability so someone can move from one job to another job and without losing their insurance. Every time we have tried to legislatively find a solution to that, which we have been able to do in both Houses in a bipartisan way, the Speaker is always saying we have to have medical savings accounts as part of this deal, and that is how it has failed because medical savings accounts do not work, particularly in Medicare they do not work, and it will ultimately cause the Medicare withering on the vine.

The withering on the vine statement by Speaker GINGRICH is because of medical savings accounts, and the reason that will work that way is Medicare beneficiaries that are particularly healthy, that are 80, 68 years old and in very good health might leave Medicare temporarily to join a medical savings account, will not cost much to insure that person in those years, and the sickest people will stay in Medicare, and the Government will pay more for those people that are the most ill.

Then, when that 68-year-old gets to be 75 and begins to get sicker, that woman or that man would go back into Medicare, and the Government would have to pay more and more money to insure them while the insurance companies—company or companies that write these medical savings accounts will reap all kinds of benefits from the Medicare Program.

So in addition to that $180 billion that GINGRICH wants to cut Medicare, you are going to see more money of what is left going into these insurance companies through these medical savings accounts and the elderly and the beneficiaries for Medicare will have fewer and fewer dollars, will pay more and more for those benefits as they continue to decline and wither.

Mr. PALLONE. I do not have the exact number, but I know that the Congressional Budget Office actually estimated that the medical savings accounts would cost the Medicare system billions, billions and billions, in extra dollars.

So here we have a Republican plan that supposedly is cutting Medicare to save money for whatever reason we know as tax breaks for the wealthy, and the CBO is telling us it is actually going to cost more because of the special interests and the save provision.

Ms. DELAURO. The Consumers Union; those are the people who publish the Consumer Reports that so many people in this country rely on if they are going to buy an automobile or an appliance or, you know, they take a look at that and they can tell you what the best, you know, what the best buy is, has described the medical savings accounts as a time bomb and that it will just, you know—has a potential of skimming off the top the healthy, the healthiest and the wealthiest of seniors out of the system leaving the most frail, the most ill, and thereby driving the costs of premiums up. In addition to that, of shifting, helping to shift once again, the cost shifting argument of people who are in traditional programs having to pick up the costs of some of these, you know, the increased costs and these premiums.

But there again that is all for, you know, the special interest effort of the Golden Rule Insurance Co.

Mr. PALLONE. I know that we are running out of time here tonight, but I just wanted to thank the gentlewoman from Connecticut [Ms. DELAURO] and the gentleman from Ohio [Mr. BROWN] for joining me and again all we are trying to point out on this 31st anniversary of Medicare is how important the program is and how the Republican efforts basically to cut Medicare to pay for these tax breaks for the wealthy and the changes that they are proposing in the Medicare program will essentially do what the Republicans have said they wanted to do from the beginning, either eliminate Medicare or change it so much that it really does not provide the quality of health care services and the level of health care services that senior citizens should have, and I just want to thank both of you for fighting this battle now.

You pointed out to me, Congresswoman DELAURO, that it is actually 20 months now; I am losing track of time. It is not 18 months, it is 20 months that we have been fighting this battle, and, of course, so far we have been winning, but we do not want people to forget that the Republicans are still out there trying to essentially destroy Medicare as we know it.

Ms. DELAURO. And they will tell you that they are trying to save it, but let me just say this is a value, health insurance for seniors, that has stood the test of time. In fact, let us try to make it better. Let us build on the quality that has allowed for 99 percent of our seniors to have health insurance.

Let us look at how we can make sure that we bring down the cost of prescription drugs, that we provide for home health care which can help bring down the cost of health care, look at long-term health care so people get some relief in that area.

Why are we wanting to take the system that is truly working? Let us fix what is wrong, but let us not destroy something that people have come to rely on in their lives.

Mr. PALLONE. You know, it is sort of ironic because when we started our health care task force, which all three of us are part of, our Democratic health care tax force last year, we established two basic principles. One was that we wanted to get more people insured, and the other was that we wanted to improve the quality of care, and it is unfortunate that that is not what the debate has been about. That is what we would like to see, but that is not what the debate has been about.

Mr. BROWN of Ohio. All you have to do is look back 30 years, 31 years in the celebration today of the 31 years since Medicare was signed. Thirty-one years ago half the people in, half the elderly in this country had no health insurance. This is a Government program that works. Ninety-nine percent of America's elderly now have health insurance. We can make it better, but do not dismantle it, do not privatize it, do not turn it over to these special interest groups, these big insurance companies that have given a lot of money to politicians just so they can play with this huge program that has served the American public well.

We have got to deal with costs, we have got to deal with some of the difficulties of Medicare, but it is a program that works. It is a program that has taken care of our parents and our grandparents, and we have got to make sure it takes care of them and it takes care of our generation and the next generation, and we can do that. But it works because it is universal. It works because it insures everybody. It insures black people, and white people, and brown people. It insures Republicans and Democrats. It does not matter, the rich and the poor. It insures everybody, and it works because it is a broad-based insurance program.

Do not let insurance companies peel off the most healthy people and let them benefit from that and leave everybody else in a sinking ship. Medicare works because it is universal, because it helps everybody in this country, and we just should not mess with it that way.

Ms. DELAURO. We know that in order to bring the cost of health care down that more people have to be insured so that the costs are shared, and we are struggling with how we do that. One of the pieces that we have in the families' first agenda is trying to insure children from zero to 13 years old. But we are trying to get to a point where—because when people are not insured, those, when they get sick, the cost of that health care goes someplace. It just does not evaporate, or disappear.

It winds up that everybody else picks up a portion of it. That is this whole cost shifting idea, and sometimes it is mind-boggling to me that the one system that we have that insures 99 percent of the particular population which helps to keep the costs down is the one that they are going after to try to dissipate to break up, to dismantle, when what we ought to be doing is finding out how we can insure children from zero to 13.

How do we get more people insured who are sharing the costs, not getting a free ride? Nobody should get a free ride, but are sharing the cost of picking up their health care costs or a portion of their health care costs so that those who are insured are not having to pay twice, their own and someone else's.

That is what this is about.

Mr. PALLONE. I think you are making a good point. The bottom line is we know if you see these cuts in Medicare that the Republican leadership is proposing, it is going to have a negative impact on the health care system in general. In my district, and I am sure in the gentlewoman's, I have so many hospitals that are over 50 percent, some over 60 percent, Medicare- and Medicaid-dependent. If you make these cuts you are going to hurt the health care system in general.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

AUTHORIZING THE CLERK TO CORRECT SECTION 585 IN ENGROSSMENT OF H.R. 3592, WATER RESOURCES DEVELOPMENT ACT

Mr. BORSKI. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3592, the Clerk be directed to make a correction to section 585 to change the reference from "Evansville, Illinois" to make it "Evanston, Illinois."

Mr. Speaker, this request has been cleared with the majority.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

INCREASES, NOT CUTS, IN MEDICARE, MEDICAID, AND STUDENT LOANS

The Speaker pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Connecticut [Mr. SHAYS] is recognized for 60 minutes as the designee of the majority leader.

Mr. SHAYS. Mr. Speaker, I would say right off that I have tremendous disagreement with the presentation that was just made by my distinguished colleagues on the other side of the aisle. I look forward to filling in some of the missing pieces that I think were left out, to give people a better idea of clearly what happened last year and what we are attempting to have happen this year.

Mr. Speaker, we have three primary objectives in this new Republican majority. Our first objective is to get our financial house in order and balance the Federal budget, not because balancing the Federal budget is the end-all and be-all, it is just the basic commonsense logic that is required before you build on top of it. We want a strong foundation.

But the foundation is not what we want to have as the ultimate. We want to have a stronger economy that has to be built on a strong foundation of getting our financial house in order and balancing the Federal budget.

Our second interest and concern is to save our trust funds, particularly Medicare, for future generations. I will get into great depth about the reason why we need to save this trust fund and the reason why our plan did save this trust fund.

Our third objective is to transform our caretaking social and corporate and, frankly, farming welfare state into a caring opportunity society. We want to teach people how to fish, not just give them the fish. We just do not have that problem in social welfare for welfare mothers, where we have had now three generations of welfare mothers, but we have the same challenge in corporate assistance that is not necessary, that is carved out for special interests, that was created basically during the last 40 years when this majority was in the minority. We see it as well with our effort to reduce the subsidies that exist to our agricultural sector.

Mr. Speaker, getting our financial house is order to us is kind of basic stuff. The challenge is that one-third of the budget is what we call discretionary spending. We vote on a third of the budget each and every year. We do not vote on 50 percent of the budget. Fifty percent of the budget are entitlements: Medicare, which is health care for the elderly and health care for the disabled; Medicaid, which is health care for the poor and nursing care for the elderly poor; and programs like agricultural subsidies, food stamps. You fit the title, you get the money, you get a benefit from the program, even, in fact, without a specific vote each and every year by Congress.

So Congress votes on a third of the budget. Fifty percent of the budget is on automatic pilot. Then there is about 15 percent left, which is interest on the national debt, also on automatic pilot.

What we did was we cut domestic spending. We made Government smaller. In the parts of the budget, the 13 bills that we report out each and every year, we made the Government smaller. We eliminated 240 program. Some of them might have been large programs, some were small, but we eliminated 240 programs in Government and made Government smaller.

We had a freeze on defense spending; not an increase, not a cut. We basically attempted to freeze defense spending last year when we voted out our budget. Then what we looked to do was slow the growth of entitlements.

My colleagues on the other side of the aisle made reference to the fact the Republicans are claiming we are slowing the growth of entitlements. We are not claiming it, that is what we are doing, we are slowing the growth of entitlements. Some entitlements were growing at 10 percent and 11 percent and 12 percent a year. We are allowing them to grow at 7 percent a year. We are going to spend 7 percent more on some entitlements, where before we spent 10 percent. We are slowing the growth of entitlements. That is the reality.

Look at what we did and then tell me if you think it is a cut. Last year we looked to slow the growth of the school lunch program from $5.2 billion to allow it to grow to $6.8 billion. Last year it was $5.2 billion, and in 2002, the 7th year, it would be $6.8 billion.

If Members remember, the President of the United States actually went to schools and told young schoolchildren and the world community that we wanted to cut the student loan program. When I heard the President do that, I was pretty outraged, because I thought, my gosh, what are we doing? Who in my conference, Republican Conference, would do that?

When I got back over the weekend and came back down to Washington, I immediately went to the individuals who were on the committee that would have jurisdiction, pretty unhappy that they would "cut the school lunch program." I learned they were going to allow it to grow from $5.2 billion to $6.8. That is obviously not a cut, that is an increase. What they did do is they slowed its growth ever so slightly, but hen allowed 20 percent of the funds to be reallocated to the most needy areas.

I represent three urban areas. I represent Bridgeport, Connecticut, a middle class community with a lot of poor people and a declining tax base. I represent a community, the city of Norwalk, and another city of Stamford. These cities have young children, in particular, who need school lunches. I represent some very wealthy communities, vibrant, wonderful communities, suburban communities around these cities.

Under our present school lunch program, these students are subsidized. My daughter is subsidized, as all students are in the country, 13 cents per lunch. I am hard-pressed to know why my daughter, who has a father who is a Congressman and a mother who teaches, whose income collectively is quite satisfactory, obviously more than satisfactory, well above the median income, why does my daughter need to be subsidized? She does not. Republicans passed a bill allowing 20 percent of the program to be reallocated to the most needy areas, our urban and rural areas, where we may have young children who need a better school lunch program. So we allowed the program to grow from $5.2 to $6.8 billion, still staying in the school system.

The student loan program last year was $24 billion, $24.5 billion. Members have been told that we cut the student loan program, yet the student loan program under our plan will be, in the seventh year, $36 billion. That is a 50-percent increase in the program in a 7-year period. Only in this place, and frankly, from my colleagues on the other side of the aisle, when you spend 50 percent more do people call it a cut. Every student will be given the same basic grant programs that they had in the past. They will be given the same grant program.

What we did try to do, and we ultimately withdrew this, and I regret that we did, we said that students would pay the interest from when they graduate to the 6-month grace period before they have to start paying the loan. Taxpayers were required in the past to pay for that and presently pay for it. Taxpayers pay that interest.

What we said is the student can pay for it, and it would be amortized during the life of the loan, the 10 to 15 years students are allowed to pay back the loan. That meant for an average student loan, it means $9 more a month. So we were asking students once they were out of school, 6 months later when they were working, to pay $9 more a month. That is the price in my area of a movie and a Coca-Cola, or basically the price of a pizza.

That is what we did. We allowed the program to grow from $24 billion to $36 billion, and then said students would pay the interest after they graduated, 6 months after they graduated, and they could amortize that part of the interest and pay it over the course of the next 10 years. I have no problem looking at any student and saying, for the good of the country, you can afford and should pay that $9 more a month.

Why would we want to ask anyone to make any sacrifice, if it is viewed as even a sacrifice? I view that as an opportunity, because during the last 22 years our national debt has grown 10 times. It has grown from about $480 billion, that is what it was 22 years ago, and now it is over $5,000 billion, or actually it is $5.1 trillion. So we have a situation where during our lifetime, during the last 22 years, during a time of relative peace, we have allowed the national debt to increase tenfold.

What we are trying to do is get our financial house in order. We are trying to balance the budget and we are trying to say to all Americans, if we all do our part, we can eliminate those deficits that are robbing future economic growth and basically bankrupting our children. That is what it is doing, it is basically saying to our children that they have to pay the bill for our expenditures.

Mr. Speaker, we did not cut the student loan program, it grows from $5.2 billion to $6.8 billion, and allow for 20 percent of the program to be reprogrammed, so allow the wealthier kids, basically allow communities to take these sums that go to people like me, who do not need to have our families subsidized, and provide it for children in urban areas and rural areas and some suburban areas, where they simply cannot afford and sometimes actually go hungry at night. We can help them.

We allow the student loan program to grow 50 percent, from $24 billion to $36 billion. Again, I would say, only when you increase 50 percent do people call it a cut. They call it a cut usually on that side of the aisle.

Mr. Speaker, the earned income tax credit is a program that a lot of people believe in. I sure believe in it. The earned income tax credit is a program that basically says, you are working but you do not make enough money to really survive, pay your room and board; basically, to pay your living accommodations, pay for your food. You just simply do not have enough.

What we do is for people who earn so little, they do not pay it. Under the earned income tax credit, they are actually given money from other taxpayers. Taxpayers are giving some taxpayers or some working Americans money. They do not pay a tax, they are given the money. That is called the earned income tax credit for the very poor. We allow that program to grow from $19.9 billion to $25.4 billion in the next 7 years, last year versus now in the year 2002. Only in Washington when you go from $19.9 billion to $25 billion do people call it a cut.

What I want to get into is just two very important programs. They are sure important to me, and I think most Members on both sides of the aisle. Medicaid, under our plan on Medicaid, we allow the program, which is $89 billion of expenditure on health care for the poor and nursing care for the elderly, which also has a State match in addition to that money, to grow from the seventh year to $127 billion, so going from $89 billion to $127 billion. Only when you grow that much do people call it a cut. It is not a cut. It was $89 billion. It is growing to $127 billion, a significant increase in the program.

What I am going to talk about in more detail, though, however, because my colleagues on the other side of the aisle basically totally, frankly, got it all wrong—that is a generous way to say it. The ungenerous way would basically be to say that they simply do not have their facts right, and they do not. I know they would not intentionally mislead people, but the end result of their presentation was misleading.

Because our Medicare program last year, on a basis of $178 billion, grew to $289 billion. So that is a 60 percent increase in our program. Basically what we said was that Medicare would grow at 10 percent a year, the traditional Medicare program would grow at 10 percent a year. We want it to grow a 7 percent a year. Want it to grow 60 percent, from last year to the seventh year, the year 2002. When you grow from $178 billion to $289 billion, my colleagues call it a cut on the other side of the aisle, even though it is a 60 percent increase.

One of my colleagues on the other side of the aisle, said, they may have spent more and are slowing the growth, but there are more people in the system. That is a fair point. There are more people in the system. So what we did is we broke it down on a per person basis to know if we were cutting the program, because the last thing we want to do and can afford to do is literally cut the program. Health care costs more. We are going to need more to pay for additional health care costs.

Last year we spent $4,800 per senior, per senior on Medicare. Under our plan, the plan went to $7,100. That is a 49 percent increase, a 49 percent increase in Medicare. Now, per person, only when you go from $4,800 per person to $7,100 per person do people call it a cut. That is not a cut. By any definition, when you go from $4,800 per person to $7,100 per person, growing at 50 percent per person, that is not a cut. In terms of total dollars, when you go from $178 billion to $289 billion, that is a 60 percent increase. You cannot call it a cut. It is a 60 percent increase in spending.

How were we able to do it? How were we able to have the program grow from $178 billion to $289 billion, and save, our colleagues said $270 billion, which they call a cut, how were we able to save $240 billion? Because that is how CBO scored that number. As one time they said it was $270 billion. Then they rescored it to say it was $240 billion.

☐ 1915

When we allowed the program to grow overall 60 percent, per person 49 percent, we still save $240 billion.

How can it save $240 billion? What happens is, instead of allowing it to grow at 10 percent a year, we allow it to grow at 7 percent a year. How do we do that? How can we provide the same level of service and have it grow at 7 percent a year instead of 10 percent? The fact is we not only do that but we provide a better service. How could that be? How could you have a program that is growing at 10 percent a year, now you say it is going to grow at 7 percent a year, you are going to save $240 billion, and you say it is going to be a better program?

The fact is, it is quite simple to understand. We did not do it, contrary to what my colleague said, by increasing the co-payment. We did not do it by increasing the deductible that seniors pay. We did not do it by increasing the premiums that seniors pay except for the very wealthiest. This is something that some people on my side do not always like to acknowledge. We are asking the wealthiest to pay more on premium, the very wealthy. We are saying that the very wealthy should not get free Medicare services premium without paying more.

So we say that someone who is single that makes over $100,000 should pay all of Medicare Part B. We are saying a married couple that earns $175,000 should pay all of Medicare part B. So we are asking the very wealthiest under our plan to pay more. But the 99.5 percent of the American people, we are not increasing the premium at all. We did not increase the deduction, we did not increase the copayment, we kept the premium at 31.5 percent.

What happened? What was so significant about 31.5 percent? The taxpayer pays 68.5 percent of Medicare Part B. Why would we want to save $240 billion? The reason we want to save $240 billion is that is wasted money. The program is gong bankrupt. Medicare is going bankrupt. The program my colleagues on that side of the aisle and this side of the aisle appreciate, respect, know it is very important for our country, that program is going bankrupt.

Mr. Speaker, the problem is that my colleagues on that side of the aisle choose not to deal with the issue. Our colleagues on this side of the aisle had the courage, frankly, to deal with the issue and deal straight with the American people. We said that the premium should stay at 31.5 percent.

What is significant about that? Taxpayers are paying 68.5 percent. What some may not know is that the premium under the tax plan that President Clinton passed in 1993 had the seniors pay increases up to 31.5 percent by last year, but then in the election year, they allowed it to drop to 25 percent. So seniors last year were paying $46 per month. Now they are paying $42 a month. It dropped $4. We said keep it at 46; not increase it, keep it at the 31.5 percent.

Why would we have wanted to do it? Because the program is literally running out of money. So we kept the copayment the same, the deduction the same, the premium the same. We did not let the premium drop, and we saved $240 billion.

How would we save $240 billion? Because we went to the private sector. Why would we have gone to the private sector? We went to the private sector because we felt that the public sector was providing a plan with too much waste, fraud, and abuse. We said that the Federal Government simply was not policing the system well.

So we asked people in the private sector, if we allowed Medicare to grow at 7 percent a year, could you provide a better program? They said we could provide the same level of program. They said we not only can provide the same level, we can provide a better program at 7 percent. We can provide eye care, dental care, maybe a rebate on the co-payment and the deductible. Some plans said we could even pay all of the premium. Some even went to say we can do a rebate on the co-payment, the deduction, pay all the premium and MediGap, MediGap which is paid by the seniors, the 20 percent paid by seniors for health care services. These plans said we could do it.

How could they do it? They said, if you allow it to grow at 7 percent a year, you are spending 7 percent each year; that is a lot of new money. They know we are going from $178 to $289 billion. We are not spending less, we are spending more. They know, if we spend more they can provide more.

What we did is we devised a plan that my constituents have asked for for a long time. They said you, meaning me, a Member of the Federal Government, a Member of Congress, have many choices of health care. We want the same kind of choices you have. So what we did is we devised a plan to give them choice. Seniors will be allowed under our plan to keep their traditional fee-for-service plan or they can get all these different private health care plans that will provide the eye care, the dental care, a rebate on the co-payment and the deductible, no premium cost or maybe even some reduction or contribution to the MediGap payment. They will get those benefits and get better care.

Mr. Speaker, I was trying to understand how the President of the United States first off would veto that plan. We made, this side of the aisle, a very real mistake. We did not think the President of the United States would veto a plan that did not increase the co-payment on the deductible or the premium, gave seniors a choice. We simply did not think he would veto it. Maybe we should have realized that, this being a political year, it was too tempting not to demagogue the issue and veto it.

This is ultimately what the President did. He vetoed a plan that would have taken that $240 billion and put it into the program so that Medicare parts A and B would have been solvent to 2010. What we have learned subsequent to his veto, that the health care providers, the people who administer the Medicare plan have pointed out, that the plan now goes bankrupt, not in 2002. And by bankrupt I mean there is no money left in the fund. What is that money that goes in the fund? It is the money that every taxpayer pays, the 1.45 percent that the employee pays and the 1.45 percent matching that the employer pays. If you are self-employed, the 2.9 percent that you pay for Medicare goes into a trust fund.

Last year that fund lost $35 million. This year it is losing already over $5 billion, and it is going to go bankrupt by 2001, not the end of 2001, the beginning of 2001, basically at the end of 2000. That plan is going bankrupt. Our plan would have injected into Medicare Part B about half of that $240 billion and saved that fund to 2010 when our big challenge is that we start to have the children that are basically the baby boomers.

Our challenge is quite simple: We passed a plan that did not increase the co-payment, did not increase the deduction, did not increase the premium, allowed the program to grow from $4,800 to $7,100, a 49-percent increase per beneficiary, a 60-percent increase in total cost, gave seniors choice. The President vetoed the plan.

How would I explain the effect of that? The only way I have come up with to explain how stupid it was and how irresponsible it was for that plan to be vetoed is to basically give the following analogy.

If I had, and I would not do this for my daughter, but if I said to my daughter she could have $20,000 to buy a basic, say, Taurus automobile which would not give her bucket seats and leather seats, power windows, and it would not give her basically, say, a sunroof, some of the amenities, I would say: Honey, you cannot buy those things. Here is the money. You are to buy a basic car that will serve you well in the years to come.

I give my daughter $20,000, which I will not do. So I say: Honey, do not think you will get that. But if I did and she went out and she looked at different automobiles and she came back to me with tears in her eyes because she had disobeyed me, and I said: Honey, did you get a car? She said: I bought a car, Dad. And I said: Now, Jeramy, you got the kind of car I asked you to get, right? She said: Well, Dad, not quite. I said: What do you mean not quite? I gave you $20,000 to buy a basic Taurus automobile. And she said: Dad, well, I did not do what you asked; I did not do what you asked. I bought a car with leather seats, a sunroof, and other amenities. I even got not a cassette, but I got a better hi-fi system.

I start to get mad at her. She says: And furthermore, Dad, I did not spend $20,000; here is $2,000 back. She hands me that $2,000. She bought a better automobile, but she disobeyed me.

I say to her: Honey, you did not do what I asked; you cut $2,000.

Well, obviously she did not cut $2,000. She saved $2,000, and obviously I would not be unhappy with it. I would have said that she did the right thing, and I would have congratulated her on saving $2,000 and getting a better product. That is what we did with Medicare.

And so what is the tragedy? The tragedy is that we could have saved $240 billion over the next 7 years. Now we have not. It is an opportunity lost. Our failure to save the Medicare system, slow its growth, provide a better program, and our failure to do that means that we are going to have to make severe reductions in other programs because it is a basic concept of opportunity lost.

If you continue to spend so much money on entitlements, your other programs are going to have to be reduced more. If you can make some savings here, your programs here do not have to be as tightly regulated and cut as much, because we are cutting some programs; not cutting the earned income tax credit, not cutting the school lunch program, not cutting the student loan program, not cutting Medicaid, not cutting Medicare and allowing all those programs to increase.

This get me to a basic point, the third point. We want to get our financial house in order and balance the Federal budget. We cannot allow these gigantic annual deficits to continue at the end of each year to add to our national debt. We want to save our trust funds, particularly Medicare, from bankruptcy, and we did that with our plan. Regrettably the plan was vetoed by the President. But the third thing we want to do is we want to transform this caretaking social and corporate and agricultural welfare state into a caring opportunity society. We want to help people in this country grow the seeds, we want to help people in this country learn how to grow the food, and want to help people in this country to fish rather than to be given the fish, and it seems kind of basic, and I have to say as a centrist or moderate Republican, someone who has voted for some programs that were meant to do good things but ultimately did not accomplish what we wanted to accomplish, I have had to say we have to be up-front with ourselves and with the country. Some of what we have done has been destructive. We do not have 12-year-olds having babies and 13-year-olds and 14-year-olds having babies by accident. We do not have young people selling drugs without some factors contributing to it. We do not have 15-year-olds killing each other without some factors contributing to it. We do not have 18-year-olds who cannot read their diplomas and not recognize that the government has been a contributor to that. Or the fact that 24-year-olds have never held a job, not because jobs do not exist. Jobs exist. The problem is that some people think it is a dead-end job.

If I had ever said to my dad that I did not want that job because it was a dead-end job, my dad would have asked me how long I had worked there and doubled the amount of time I worked. Because my dad would have known that a job teaches you to get up in the morning, it teaches you to be of service to people, it teaches you to recognize that you do something, you make a contribution, and in return you are paid for it. A job that some would call a dead-end job is the beginning to a job of greater opportunity when you learn basic skills.

This Republican majority wants to end welfare as we know it. We do it by providing day care and job training. We just want the job training and the day care to be purposeful to helping get people off welfare.

When I was growing up, my dad used to commute into New York. When he commuted into New York, he would read three papers in the morning and he would read three papers in the evening and he would come back filled with so many wonderful stories. My three older brothers were 11, 8, and 7 years older, so for part of my childhood in junior high school and high school and part of even elementary school, I was really an only child. My dad would come home at night and we would talk about so many different issues. Sometimes he would come back and read something that maybe Ann Landers had said, a crazy question someone asked Ann Landers and her response that usually was quite sensible and we would always try and anticipate what she would say. My dad would say this was the question, what do you think she is going to say?

I was looking at a calendar I have and each day there is a kind of a quote identified with someone who is usually a well-known person.

□ 1930

It is really the quote of that day. On April 3, I was looking at my calendar, thinking about the very things I am talking about now, and there was a quote from Ann Landers. In the quote she said, "In the final analysis, it is not what you do for your children, but what you have taught them to do for themselves that will make them successful human beings."

I want to read that again. This is her quote. She said, "In the final analysis, it is not what you do for your children but what you have taught them to do for themselves that will make them successful human beings."

I began to think about this and think of what I have done in the last few years. Whenever I have someone in my office who talks to me or I am meeting with someone who really started at a lower economic echelon in terms of they just grew, they are not poor now but they were poor, and they did not particularly have a life where their mom and dad had the kind of hopes and dreams that they have, but they have become very successful, I ask them why. What was it that enabled them to be successful?

To a person they had someone who cared about them, someone who loved them, who mentored them, who sometimes basically kicked them in the butt and told them to get off their rear end and get working; who did not give them excuses about maybe they had encountered something and they wanted to feel like a victim. Their mentor got them to stop thinking of themselves as victims and realize they could take control. What a gift to teach someone, that they can take control. They also said they had people who taught them to dream.

Now, we have to wrestle with the fact that we have young kids who basically have a disadvantage because they do not have someone giving them a lift, they do not have good parenting, they do not have the advantage of someone who helps them to realize they are not a victim, that they have the ability. But every one who I have encountered has made it clear to me that in their case they did.

So I have asked them if they would do for their child what government does for so many of our citizens, and they have said there is not a chance that they would ever do that. They know that the kind of welfare system we have now is a caretaking type of system. It makes us feel good because we care for them and we are being caretakers, but we truly are not caring for them because if we cared for them our focus would be on what we have taught them to do for themselves.

We know that is what is going to make them successful human beings. It is not giving, it is teaching, it is guiding, it is helping people dream. That is the motivation, the very caring motivation of this Republican majority.

Out the window goes this caretaking approach. We want a caring society. We want health care, we want day care, we want job training for our poor, but we want to encourage them, push them out a little bit, help them know that they are going to have to get a job, and we are going to have to encourage them and guide them and teach them how to dream. We are going to have to teach parents how to be parents, when we have kids raising kids. We are going to have to do all of that. That is caring.

We have to stop just giving people something and then allowing them to just expect that more is going to be given to them. This is probably the most important thing that can come from this new Republican majority.

Now, I cannot say that this new Republican majority is going to win reelection, because we have had to deal with a tremendous amount of demagoguery. We have had to deal with people who have said we are cutting Medicare and Medicaid and we are cutting welfare when we are not doing those things.

I talked about what happened last year, and what I want to do is just talk about what is in our plan for the next 6 years and use these charts. During the last 6 years we spent $8.7 billion. During the next 6 years we are looking to spend $10.4 billion. We are looking to have basically a $2 billion increase in the total. Trillion, I am sorry. This is $8.7 trillion spent in the last 6 years and this is $10.4 trillion spent in the next 6 years. We are basically looking to spend in the next 6 years $2 trillion more than we spent in the last 6 years.

Now, I talked about what we did with the student loan program in our budget last year. Now we are in the next year of the budget. It is not $24 billion, it is $26 billion, as we expected. This is the student loan program. We are allowing the student loan program, now not in the next 7 years in the next 6 years, it is going to grow 42 percent. In 7 years it would grow more than 50 percent, but in the next 6 years it will grow 42 percent.

Our budget is identical, basically in the turquoise, with the President's budget, which is in the red: $26 billion this year, $37 billion in the 6th year of our program, by the year 2002. Both the President and this Congress want to spend the same amount for the student loans.

The earned income tax credit. During the last 6 years we spent $109 billion on the Earned Income Tax Credit. Now, the earned income tax credit is money that is given to people who work who make very little, so little, in fact, that they do not pay taxes other than social security. They actually get money back from the taxpayers, and it cost us during the last 6 years $109 billion. In the next 6 years it is going to cost us $156 billion.

Only in Washington, when we have spent in the last 6 years $109 billion and then have it grow to $156 billion, do people call it a cut. But some on the other side of the aisle actually call that a cut. And by the way, that program, like the student loan program, grows over 40 percent during that 6-year period.

Welfare spending. We have heard the Republicans are basically cutting welfare spending. But how is it, if welfare spending was for the last 6 years $441 billion and in the next 6 years, under our plan, we are going to spend $576 billion? How is it when it grows 30 percent, we are going to spend 30 percent more dollars, can people call it a cut? It is an increase and, frankly, it is a sizable increase. We are talking about well over $100 billion of new additional dollars being spent.

In our plan what we do is we get welfare recipients off welfare and we get them back into work, and they are provided job training and day care and health care benefits. They are allowed to keep their health care benefits even though they are working. They are allowed to keep some of their welfare benefits, even though they will be working.

Medicaid spending. During the last 6 years we spent $463 billion. During the next 6 years we are going to spend $731 billion. This is the Medicaid program. The Medicaid program was $463 billion. We will be, in terms of the last 6 years and in the next 6 years, it will grow to $731 billion. Only when we grow from $463 billion to $731 billion do people call it a cut, but they call it a cut. It blows my mind. They call it a cut when we are spending so much more.

This gets me now to the Medicare trust fund. The Medicare trust fund is going bankrupt. It is kind of a scary thing to contemplate, because basically this side of the aisle is really the only one who has truly attempted to deal with the issue of making sure that it will not go bankrupt by the year 2001, right here.

Now, we are in the year 1996, and we know that the program is losing billions of dollars. This chart here illustrates how much it is losing. Last year we were told the program was going to grow by $4 billion. Instead of being zero, we were going to add $4 billion to the trust fund. Now, it is kind of hard to see, but there is a small red line here and it amounts to $35 million less money in the fund at the beginning of 1995 until the end of 1995. The fiscal year 1995.

So we ended up with less money, $35 million less. Now, in terms of this fund, that is not a tremendous amount of dollars, considering how many dollars are in the fund. But when we realize we were not supposed to have a $35 million loss, we were supposed to have over a $5 billion increase, and then in this year, when we were told the program was going to begin to go bankrupt already, and I am talking by April, we have $4.2 billion less in the fund than we started out in the beginning of that fiscal year.

We are being told now by the trust fund that in spite of the fact and because of, frankly, the President vetoing our bill, that the trust fund is going to go bankrupt not at the end of the year 2002 but beginning in the year 2001. And that was just a nice political way to say the end of the year 2000. It will go bankrupt 2 years sooner.

I just have two more charts, and I would just love to just point out that our Medicare spending during the last 6 years, we spent $920 billion. In the next 6 years we are going to spend $1.4 trillion. Only in this place, when we have spent $920 billion and then we are going to spend $1.4 trillion, do people call it a cut. It is a 61-percent increase in a 6-year period of more dollars spent.

On a per-person basis, now remembering that this plan is now a 6-year plan instead of a 7, it grows from $5.2 to 7,000.

I have a colleague who would like to join me, but I would just like to touch on one last point. When I was elected in this last election and I was meeting with people from the editorial boards, they asked how could I as a moderate Republican have signed on to the Contract With America. I answered them by asking them a question.

Now, remember, we were many the minority then. We were in the minority. And we came out with a Contract With America which said the eight reforms we wanted to do on opening day and the ten major reforms we wanted to do in the first 100 days. I answered their question by asking a question. I said, "What do you think of the majority party's Contract With America?" Meaning in this case the Democrats who had been in control for 40 years and still were in control.

I just enjoyed the silence, because there was no plan. They had no plan. I said is it not amazing that the minority party then, the Republican Party, had a plan of reforms for the first day, eight reforms, and a plan for the first 100 days, major reforms, balancing the Federal budget, dealing with tort reform, malpractice reform, saving our trust funds, all of those very viable important programs, I said is it not amazing that the minority party has a plan and the majority party does not?

Then I said something that means more to me than almost anything else. First off, there was not a Member who signed that who did not have a role to play in fitting it together, and I am joined now by my colleague who played a major role in making sure that this contract actually came to fruition, who was not an incumbent at the time, who helped us write it. And the exciting thing was that this was put together by over 390 Members of Congress or challengers. This was a positive plan that did not criticize President Clinton, did not criticize Congress, it just said if you elect us, this is what we will do.

I want to emphasize before yielding to my colleague this point. The press is constantly saying why do we always criticize the other side? Why are we so partisan? I am thinking, when we finally had a clear-cut plan that did not criticize the President, did not criticize Congress, then the Democrats in Congress, but just simply said you elect us and this is what we will do, they were critical of it. Then when we started to implement it and do what we said we would do, they started to criticize us again.

It just made me realize that doing the kind of changes that we need to do to save this country are not easy, but I count my blessings each and every day that I have the opportunity to be part of that change.

Mr. Speaker, with that, I would like to recognize my colleague, who I am very pleased has joined me.

Mr. GUTKNECHT. Mr. Speaker, I thank the gentleman for yielding to me, and it is almost like yesterday. In some respects it is like yesterday and in some respects it is like many, many years ago, when we stood on the floor of this House on the very first day of this 104th Congress and I was given the high honor of representing the freshmen and being the freshmen spokesman in leading the debate on the adoption of the rule for the Shays Act.

A lot of people have forgotten how important that was, but I think that was a very, very important act. In it we said that Congress is now going to have to live by the same laws as everybody else. And the interesting thing is, outside of Washington, outside of the circle that we call Washington, DC, beyond the Potomac, that made perfect sense. But here in Washington, that was considered sort of a radical idea.

☐ 1945

Because for many, many years, we had developed this reputation here in Washington, particularly in Congress, that everybody else had to live by this set of rules, but Congress somehow would exempt itself from those same rules. And today we had a vote on a very important bill which allowed for employers and employees to negotiate and work together to say, would you like to have time and a half for overtime or would you like to have compensatory time?

One of the reasons I think that bill passed today and one of the reasons it became an important bill is all of a sudden Congress had to live by the Fair Labor Standards Act. And some weeks our staff work 60 hours and some weeks we are on district work period and they do not have to work quite as many hours. So many of us thought why can we not give our staff some time off in months where the workload is a little lighter around here because we know there are going to be months when we have to work them even harder.

So I was so pleased and honored and privileged to have been an important part of the debate on that very first bill. And frankly, and you know this, Representative SHAYS, that I became the first freshman in over 100 years to be invited to the first bill signing down at the White House. And my staff, I remember that day they thought it was a much bigger deal than I did. But I have had a chance to reflect on that and it was really a very historic moment to have a freshman for the first bill signing.

Mr. SHAYS. I have to say when you brought out the rule on the congressional accountability bill which was to get Congress to live by all the laws that we impose on everyone else, you were not speaking for the freshmen, you were speaking for the majority in this Congress and the vast majority of American people who knew it was ludicrous, immoral, and harmful for Congress not to be under the laws that we impose on the rest of the country.

Our Founding Fathers, as you pointed out in that early debate, and I have used your quote since, our Founding Fathers, Madison in particular, and in his Paper 57, basically said, of course, the protection to the people would be that of course Congress would live under the same laws it imposes on the people and it would not impose laws on itself that it could not live by. Little did Madison know that for about a 30-year period, Congress did not want to live under certain laws but was willing to impose the laws on everyone else.

If the gentleman would allow me to continue, you did a superb job of just making sure that the American people heard the plainness and sensibility of that effort. And I was instantly very proud. I have to tell you, at first my nose was a little out of joint. I have to tell you I thought these freshmen, they are just here and they are taking over. And I said, thank God, because you all did us proud. You took the floor that opening day on every rule, and you spoke for all of us. And I was never more proud to be associated with an effort than when you came and brought this bill to the Chamber and to join you when it was signed and it was a bipartisan effort. It happened under this Republican Congress but it was a bipartisan effort.

The interesting thing, and I am holding the floor probably longer than I should, but you talked about today what we did. What we did today, or what we had not had to do before, was before this bill passed we did not have to give overtime and we did not have to give compensatory time. We did not have to pay someone 40 hours plus time and a half. And we did not have to live under OSHA and a lot other laws. But now all of a sudden we are living under the laws that we impose on others, the 40-hour work week and time and a half.

In the past, there are some employees who are actually behind you, who were unhappy that we had a situation where we were denying them the opportunity to have compensatory time. I am talking generally about employees who worked in Congress. And so today what did we do? We passed a law, with basically very little support from the other side of the aisle, that said if an employer is willing and an employee wants, and the employee has to want this, an employee can get instead of time and a half pay, they can get time and a half overtime. So, if they worked 20 days, they can get 30 days off with pay. Or they can cash in their 20 days of work and get 30 days of pay immediately and continue to work.

We gave that choice to the employee and employer. And amazingly, some of my colleagues on the other side of the aisle just thought that was wrong.

Mr. GUTKNECHT. If the gentleman would yield back, and this is where it began to ring home, when the various agencies started to report to us exactly what we were going to have to live by, and the Fair Labor Standards Act was one of them, I remember in our office I said, why can we not just say that obviously there are some weeks when the legislative business is so rigorous around here that our staff has to work 45, 50, even 60, perhaps even 75 hours. Why in some of these other weeks, can we not give them time off? And frankly, some of my staff said gee, we would love to have some time off to go shopping, or visit our family, or do some other things. And we came right up against the Fair Labor Standards Act that said you cannot do that.

The beauty of the bill that we passed today, and hopefully the President will sign it, I do not know what the President is going to do. I understand there are certain special interest groups who want to block this legislation, but the beauty is that it gives not only us the opportunity to work with our employees, but it gives all Americans, all employers around the country, the same. And the beauty of the Congressional Accountability Act, and I told people, the point was not to punish Congress. The point was to sensitize Congress to what every employer around the United States has to deal with, whether it is an insurance agency or a large corporation, small business, whatever it happens to be. And once you begin to see how difficult it is for us to deal with it, then you realize how difficult it is for that three-person insurance agency, or that large independent company, whatever it happens to be.

The point was not to punish us, the point was to sensitize us to how difficult it is to deal with. That was a very, very important role

I appreciate all the work that you have done on the Shays Act, and making Congress live by the same laws, but one of the things that brought me down to the well, and you were showing in your charts, because I think there are still an awful lot of Americans who do not understand how much under the House-passed plan we are going to increase Medicare spending, a lot of people keep using the term "Medicare cuts." As a matter of fact, we cannot require this by statute, but I would hope that responsible members of the press, every time they hear or quote someone from this body, or Washington, or the administration, or whomever, whenever they use the term "Medicare cuts," I wish they would put "from $4,800 to $7,100." Put that in parentheses: The Republican Medicare cuts from $4,800 to $7,100, whatever the numbers are, or from $5,000 to approximately $7,200.

But the point is, no Americans really believe that when you increase spending from $4,800 to $7,100 over a 6-year period that that is a cut. But if we can do that, we can actually increase the life, make the Medicare trust fund solvent not only for this generation of Americans, but hopefully as we begin to make these reforms we can save the Medicare system for the next generation.

Mr. SHAYS. It is a fair debate to say you are spending $4,800. Let us take what we did last year that the President vetoed. We went from $4,800 per beneficiary to $7,100, a 49-percent increase in terms of per-beneficiary costs. We allowed it to grow 49 percent from $4,800 to $7,100. Now, it is fair to say if someone wants to, well, you are allowing it to increase and you are allowing it to increase quite significantly because that is not enough. We want it to grow to $7,500. That is a debate that is valid and then we have that debate.

But what happened was that I would go back to my district and my constituents would say well, some of your congressional colleagues from around the State said that you have cut Medicare, and I give them the number and they say that is not a cut.

Mr. GUTKNECHT. Please hold up that chart again. I do not think you can hold it up too many times.

Mr. SHAYS. This chart that I have here is what we are doing this year. This is Medicare in terms of what we are spending over the last 6 years versus——

Mr. GUTKNECHT. Those are the gross dollars.

Mr. SHAYS. The collective gross dollars. We are spending $920 billion, or we spent in the last 6 years $920 billion. In the next 6 years, $1,479 billion or $1.4 trillion. This clearly is a significant increase. Now if our colleagues on the other side of the aisle say we should be spending $1.6 trillion, then let us have that debate.

But then the question is why? I ask myself why would we want to spend more when we did not increase the copayment, did not increase the deductible, did not increase the premium except for the very wealthy? And if they do not like the choice programs, they do not have to go to the choice programs. They can stay in the traditional fee-for-service. But if they went to a program that had eye care and dental care and did not like the doctor, they can go right back to their traditional fee-for-service Medicare plan. And we saved $240 billion. If we saved $240 billion, what happened it? What happened is it went into the program to make sure it does not go bankrupt for the next 14 years.

Mr. GUTKNECHT. And the other point that our colleagues sometimes make is they say you are cutting Medicare to offer tax cuts to the rich. And I will tell you, that is one charge that absolutely makes me furious. But they know, we know, and I think everyone in this body knows that that is a separate trust fund and it is completely divorced from whatever happens on the other side of the budget. We cannot use changes in the Medicare system to fund a tax cut. That is absolutely false. And they know it is false because it is a trust fund, and nothing that we do on the other side of the budget can be used to alter the Medicare trust fund. And that really disturbs me when people say that because they absolutely know that that is not true.

Mr. SHAYS. It is inaccurate for two reasons. First off, recognizing that part of it is a trust fund, the Medicare Part A is a trust fund and Medicare Part B is funded out of the taxes. And we tax revenues and the premium that people pay. By our saving $240 billion, half of that goes into the trust fund and the other half basically reduces the burden to the taxpayer of continuing to spend more for a program where we do not have to spend more.

But the other part is that they are not tax cuts for the wealthy. The two-thirds of the tax cut that we proposed was a $500 tax cut basically, not a tax cut, well it was a tax cut, $500 tax credit per child for families making under $100,000. So if you had a family of four children, and you were making under $100,000, you would have in your payroll $2,000 more.

What was the logic of that? It is not a tax cut to the wealthy; it is a tax cut to families. And if you were making $30,000 or $40,000, you may end up paying no taxes because that $2,000 reduction may eliminate all of your Federal taxes except for the Social Security tax. That was a tax cut, a tax credit for families. Not wealthy people, for families.

Mr. GUTKNECHT. And it was based on the basic notion that families can spend this money far more efficiently than the Federal bureaucracy. And I doubt if there is anybody in this room or anybody in Congress or anybody who is watching this at home who doubts the basic wisdom of that. Families are very responsible for the resources that they have.

Let me tell a quick personal story. We have just a couple of minutes and I will close with this. I was raised in a family with three boys. My dad was a life-long member of the AFL–CIO. He worked in a factory. The largest single payment that my family made when I was growing up was their house payment. But for the average family today, the largest payment they make is to the government. The average family trying to raise three kids today spends more for taxes than for food, clothing, and shelter combined, and we believe that they ought to have some tax relief.

Mr. SHAYS. Thirty-eight percent of their income is paid in taxes, where when my parents were raising me it was about 15 percent. And my parents were allowed a much larger deduction per child than families are today.

Let me close and thank my colleagues for joining me by saying that this new Republican majority has three basic objectives: to get our financial house in order and balance the budget; and the second, to save our trust funds particularly Medicare from bankruptcy; and our third effort is to transform our caretaking society into a caring society, to transform our caretaking social and corporate and agricultural welfare state into a caring opportunity society.

We are looking to bring money, power, and influence out of Washington back to people in local communities. And we are going to do this for the good of the children because, as Mr. Rabin said, the former Prime Minister of Israel, politicians are elected by adults to represent the children. And this Republican Congress is looking to represent the children so that they have a brighter future than we had.

With that, Mr. Speaker, I truly thank you for giving us this opportunity, and I am going to yield back the balance of my time.

□ 2000

TEAMWORK FOR EMPLOYEES AND MANAGERS ACT OF 1995—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 104-251)

The SPEAKER pro tempore (Mr. McInnis) laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith without my approval, H.R. 743, the "Teamwork for Employees and Managers Act of 1995." This act would undermine crucial employee protections.

I strongly support workplace practices that promote cooperative labor-management relations. In order for the United States to remain globally competitive into the next century, employees must recognize their stake in their employer's business, employers must value their employees' labor, and each must work in partnership with the other. Cooperative efforts, by promoting mutual trust and respect, can encourage innovation, improve productivity, and enhance the efficiency and performance of American workplaces.

Current law provides for a wide variety of cooperative workplace efforts. It permits employers to work with employees in quality circles to improve quality, efficiency, and productivity. Current law also allows employers to delegate significant managerial responsibilities to employee work teams, sponsor brainstorming sessions, and solicit employee suggestions and criticisms. Today, 30,000 workplaces across the country has employee involvement plans. According to one recent survey, 96 percent of large employers already have established such programs.

I strongly support further labor-management cooperation within the broad parameters allowed under current law. To the extent that recent National Labor Relations Board (NLRB) decisions have created uncertinty as to the scope of permissible cooperation, the NLRB, in the exercise of its independent authority, should provide guidance to clarify the broad legal boundaries of the labor-management teamwork. The Congress rejected a more narrowly defined proposal designed to accomplish that objective.

Instead, this legislation, rather than promoting gueuine teamwork, would undermine the system of collective bargaining that has served this country so well for many decades. It would do this by allowing employers to establish company unions where no union currently exists and permitting company dominated unions where employees are in the process of determining whether to be represented by a union. Rather than encouraging true workplace cooperation, this bill would abolish protections that ensure independent and democratic representation in the workplace.

True cooperative efforts must be based on must partnerships. A context of mutual trust and respect encourages the prospect or achieving workplace innovation, improved productivity, and enhanced efficiency and workplace performance. Any ambiguities in he situation should be resolved, but without weakening or eliminating the fundamental right of employees to collective bargaining.

William J. Clinton.

The White House, *July 30, 1996*.

The SPEAKER pro tempore. The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

Mr. GUTKNECHT. Mr. Speaker, I ask unanimous consent that further consideration of the veto message on the bill, H.R. 743, be postponed until Wednesday, July 31, 1996.

The SPEAKER pro tempore (Mr. McInnis). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

PARTIAL BIRTH ABORTIONS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Minnesota [Mr. Gutknecht] is recognized for 60 minutes.

Mr. GUTKNECHT. Mr. Speaker, I thank the House for the opportunity to spend some time tonight to talk about an issue that has probably generated more mail and more phone calls and more responses from our constituents than virtually any issue since I joined the Congress just 18 months ago. I speak tonight about the issue of partial birth abortions.

I think we need to first of all talk a little bit about what in fact a partial birth abortion is. I had hoped to have some charts to show to my colleagues and those who may be watching on cable TV tonight what exactly a partial birth abortion is. But let me just say that in many respects it is a late term abortion in which the baby is virtually completely delivered and only the head of the baby is allowed to remain inside the womb, and then the doctor, the abortionist I think is a more accurate term, the abortionist takes a scissors and inserts that scissors into the back of the baby's brain, then using a very powerful suction device actually sucks out the brains of the baby. Then the baby is delivered. Of course, the baby is delivered dead.

It is true that in many respects in some of the abortions that are performed using this procedure, the babies are badly deformed and they have very little chance of surviving. I think we have to be honest and say that in some respects that is true. But in many respects, that is not true. Many times this is used just as a simple late term, what I would describe as a late term version of protracted birth control, where the baby is actually being destroyed simply because the baby is inconvenient to the mother at that particular point in her life.

On April 10, 1996, President Bill Clinton used his veto pen to perpetuate a tragedy that results in the destruction of innocent babies. It was on that date that the President vetoed H.R. 1833, the Partial Birth Abortion Ban Act.

I believe that every abortion actually involves two victims, both the baby and the mother, and I believe that every abortion sadly takes the life of an innocent child. I do understand politically that the American people and the Nation has not yet reached a consensus on saying that all abortions should be banned in this country. But I do believe that in late term abortions like this, particularly when they are performed with this grisly procedure, that I think most Americans are prepared to say that this procedure ought to be outlawed and we ought to say that this is one procedure that is not legal under our system of laws.

As I said, in most respects the baby is pulled from the mother's womb legs first, and then a scissors is inserted in the baby's skull, opening them to enlarge a hole so that a suction catheter can then be inserted and the baby's brains are sucked out, causing the skull to collapse. The difference between this heinous procedure and homicide is literally only a matter of inches.

Regardless of one's position on abortion, and I do understand and I try to be empathetic and sympathetic to those who have different views than mine about the whole system of abortion and what should be legal and what should not be legal in this United States, it is clear that a vast majority of Americans supporting banning this particular procedure. In fact, I think the more that the American people learn about this particular procedure, the more that they say that we cannot be a society that tolerates this.

If you look back to our history in our earlier discussions about the budget and other issues, there was some reference to our Founding Fathers. I would like to share with you a couple of things that our Founding Fathers said that I think in some respects reflect upon this particular issue.

Thomas Jefferson said that if you give the American people the truth, the Republic will be saved. I think the more that the American people learn about this particular procedure, the more they learn the truth about this procedure, the more that they will demand that public policymakers take the correct action and make it illegal.

Jefferson also wrote these immortal words when he talked about we the people, he said that we were endowed by our Creator with certain inalienable rights and that among those are the right to life, liberty and the pursuit of happiness.

I for one do not believe that it was purely coincidence that he listed the right to life as chief among them. And I think that he understood, the Founding Fathers understood and, frankly, I think if Americans are honest with themselves they understand, that life is something more than just a biological accident, that it is a gift from a power greater than that of any government.

While I have already admitted that we probably do not have the political consensus to eliminate abortion from our American system today, I think that there is a growing consensus that this particular procedure can be and should be outlawed.

It is not really surprising that the American Medical Association's legislative counsel, a panel consisting of 12 doctors, unanimously voted last year to recommend banning this procedure. One of the doctors, the AMA counsel, described the partial birth abortion procedure as "basically repulsive."

Proponents of this heinous partial birth abortion procedure, including President Clinton, contend that there are legitimate reasons for doctors to use it. But under closer scrutiny, it is clear that their defense of this procedure is akin to infanticide and is based on inaccurate or false information.

First, Mr. Speaker, let me say that partial birth abortion proponents contend that this procedure is primarily used on babies with abnormalities or deformities. Well, Dr. Martin Haskell, who has performed more than 1,000 partial birth abortions told the American Medical News that 80 percent of the partial birth abortions he performed between 20 and 25 weeks, or about 4½ to 5½ months of gestation, were "purely elective."

Second, partial birth abortion proponents claim that babies die in the womb as a result of the anesthesia administered to the mother and therefore they do not feel any pain from the procedure. The American Society of Anesthesiologists set the record straight. When its president, Dr. Norig Ellison, said that those claims have "absolutely no basis in scientific fact."

Third, partial birth abortion proponents argue that this procedure is often necessary to protect the health of the mother. But again, Dr. Pamela Smith, director of medical education in the department of obstetrics and gynecology at Mt. Sinai Hospital in Chicago, says "there are absolutely no obstetrical situations encountered in this country which require a partially delivered human fetus to be destroyed to preserve the life or health of the mother."

I might add, Mr. Speaker, that in the bill that was drafted and sent to the President, we made certain allowances where if in fact the health or the life of the mother was at stake, that these procedures could go forward.

Moreover, though, Dr. Smith says that the partial birth abortion itself poses maternal health risks. Because the procedure involves 3 days of forceful dilation to the cervix, the mother risks damaging her reproductive organs. Uterine rupture is also a documented complication associated with this procedure.

Opponents of the partial birth abortion ban advocate including an exception to the ban of the health of the mother, as I said. Why? Because the ban opponents know that the exception would render these bills meaningless. The U.S. Supreme Court has defined health as including "all factors—physical, psychological, familial, and the women's age—relevant to the well-being of the patient." Therefore, the health exception would allow abortionists to continue to perform these partial birth abortions for reasons such as depression or youth of the mother.

Despite the misinformation campaign being waged by the proponents of this violent procedure, President Clinton and the abortion advocates have placed themselves outside the mainstream of American thinking. In fact, the Roman Catholic Church and the leaders of that church are so upset with the President's veto that they held a press conference to denounce his decision. They also recently distributed over 27 million postcards at churches all across the Nation. They have been mobilizing their parishioners to bombard Congress with one message: "Override the President's veto and outlaw certain late-term abortions."

We checked with the post office here at the U.S. House of Representatives today, and they tell us there is a backlog of over 1.1 million of these cards which are coming to Members of Congress.

I want to talk also tonight a little bit about one particular hero, a gentleman by the name of John Joyce who is the president of the International Union of Bricklayers and Allied Craftsmen. He is one person who broke ranks with the AFL–CIO and rejected its endorsement of President Clinton because of President's veto of partial birth abortions. I want to talk a little bit about that. This is a gentleman I think some Members will remember. We have probably remembered the book that was written by John Kennedy called "Profiles in Courage." And I would say that if a new version of that book were being written, certainly John Joyce, the president of the International Union of Bricklayers and Allied Craftsmen would certainly deserve a chapter because it took an enormous amount of courage for him to stand up and say that President Clinton was wrong because of his veto of partial birth abortions and that he could not support him.

Joyce said that the veto is so, and I quote, he said: It so outraged him that he could not support President Clinton even though he thought the President would be much better for working people than would Bob Dole. I could only go so far as my mind and conscience are willing to take me.

This is one example, and I think there are many examples, of Americans across the country who have said that enough is enough. This is one area where I think the President has gone too far. John Joyce, as I say, should find himself a chapter in the next version of "Profiles in Courage" because he had the courage to stand up and say this is wrong and, despite what my union says, despite what the members say, despite what the labor bosses in Washington say, I cannot support President Clinton because of this particular issue.

I am pleased to have with me tonight and join with me someone who has been a longtime advocate for the rights of the unborn and someone who particularly understands the whole issue of partial birth abortions, probably is much more of an expert in Roman Catholic teaching than I have ever been. I am pleased to have join me tonight the gentleman from Orange County, CA, the Honorable ROBERT K. DORNAN. I would yield to him for a few moments to talk a little bit about this issue, what we can do, where we stand and perhaps where we can go from here.

□ 2015

Mr. DORNAN. Mr. Speaker, I thank the gentleman. If there is anything I know about theology or philosophy or rhetoric or logic or ethics more than you do, it is only because I am years older than you are and you are catching fast on me. Before you are my tender years you will have gone beyond me.

My wife was down in the cellar filing unbelievable reams of mimeographed documents, books, and paperwork, and she came across the House Ethics Manual. You got one a long time ago. They gave you one over a year and a half ago.

Mr. GUTKNECHT. Was not that long ago.

Mr. DORNAN. Right. And this particular one, this current Congress, it is not the last Congress, it is the 102d Congress, April 1992, and it is published by the Committee on Standards of Official Conduct, which is loosely referred to as the Ethics Committee, probably because their manual is called the House Ethics Manual.

Now my wife opened this up because of a recent dust-up around here between Republican Members, and she came to the opening page. It has the committee two Congresses ago. LOU STOKES was the chairman. Half of these people are defeated or left, like Fred Grandy and others. JON KYL has moved on with distinction to the U.S. Senate from his great State of Arizona.

And my wife looked at the first page, and it says: "The code of official conduct, House rule 43," and it is good ethics material. "A member, officer, employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect credibly upon the House of Representatives."

Give me a drum roll; that is a given. Do not seduce a page.

Do not seduce or corrupt the pages or you get kicked out.

Wrong. You can do that; not get kicked out, only get a censor. turn your back on the House, use the Lord's name in vain in the Speakers lobby, and get reelected in one of our original 13 colonies five more times. That was the darkest day in the history of this House in this century.

Then my wife comes to, still in the prologue, those little tiny roman numeral fives and so forth, Roman numeral V: Code of Ethics for Government Service. And this comes to the core of what you were saying about the head of that union. Which union was it; not the Carpenters and Joiners, the——

Mr. GUTKNECHT. Bricklayers.

Mr. DORNAN. Bricklayers Union, where you put principle above everything, faith, family, and freedom. Faith comes first before your country and freedom.

Code of Ethics for Government Service:

"Resolved by the House of Representatives, the Senate concurring", passed 1958. The year I got off active duty I was 24 years old, flying F-100 supersonic Sabres. Fifty-eight. Jim Wright, the former Speaker, was only in his sophomore year here. Ike was still President. Go down to only 143 Republicans from 221 when he got elected. So this is Ike's third to last year:

"Resolved by the House, Senate concurring, that it is the sense of the Congress that the following Code of Ethics should be adhered to by all government employees, including officers."

Mr. GUTKNECHT, Mr. DORNAN are included here.

Code of ethics for Government service; there are 10 of them. Ten commandments.

Any person in service should, colon, 10 things listed.

First, put loyalty to the highest moral principles and to country above loyalty to government persons, to party or to your department, talking to the executive branch out there, but this would apply to the Supreme Court, to every branch of government, every elected person, and it is applicable to the States, the counties and cities: loyalty to the highest moral principles, above everything, and to your country, above loyalty to any government person from a President to a Speaker to a Senate leader to the Chief Justice of the Supreme Court, and ahead of your party certainly and your department. It is high moral principle; that is, the principles of our Creator that was mentioned several times in the Declaration of Independence.

Now what happened with the head of the Bricklayers Union and what happened with the Democratic Governor of one of our biggest States, the Commonwealth of Pennsylvania, with Bob Casey, was they said:

Look, I want to go to heaven.

I hope they thought that. I know Bob Casey did.

I want to go to heaven here. I want to do what is right.

If they are a good Protestant, they say:

Wait a minute. Billy Graham went to the White House on May 1 and told the President you cannot veto something that is passed with a huge majority in the House and Senate that involves delivering a baby into this world four-fifths, and then you stop the birth process, bringing distress to the delivery mother, and hold the head inside the birth canal while you attack it in the back, stab it in the back of that perfectly formed little head formed by God, stab it in the back of its head and remove its brains, suction out that perfect little formed brain. You cannot do that.

What is the gentleman's name, the head of the Bricklayers Union; I want to——

Mr. GUTKNECHT. John, and I am sorry I turned it over to the—John Joyce was the gentleman's name, an American hero. And if the gentleman——

Mr. DORNAN. Bob Casey, John Joyce. American heroes, yes.

Mr. GUTKNECHT. Absolutely, and the world is full of them. But I just want to bring to your attention a quote also from one of the Framers of our Constitution.

John Adams said that our Constitution was intended for a moral and religious people. It would be wholly inadequate for any other.

I think they understood, and I think we understand, and I think the American people understand the morality, principles, values; you cannot separate them from our Constitution or even from our codified law. In fact, I think many Americans forget sometimes that the Founding Fathers believed that the law, the body of law, was the bare minimum of expectation from moral behavior, that there ought to be actually a higher standard, and yet somehow we have been reduced to the lowest common denominator.

And I think one of the reasons this whole issue of the partial-birth abortion, the reason I think it cuts so many people right down to the bone and the reason it has generated so much interest and so many letters and so many calls and so many postcards from our constituents is because I think they begin to understand that there is something happening in this country, and it is not just partial-birth abortion. It is about the basic unraveling of the moral fiber of this culture, and our Constitution was intended for a moral and religious people. It would be wholly inadequate for any other.

Those words were true when John Adams said them almost 200 years ago. They are absolutely true today, and I think—so in many respects partial-birth abortion and the unraveling of our society, the unraveling of the moral fabric, are all sort of symptoms of a greater disease.

That is not to say that I think the American people are turning to the Congress or they are turning to politicians to become the keepers of the moral flame, but I do think that they expect us to be a good example, and I think they do expect us to set certain standards and certain minimum standards, and whether or not we can totally make all abortions illegal or whether we even should, I think is a separate question. We certainly can, and I think the American people are saying loudly and clearly we can and we should make this particular grisly procedure illegal here in the United States.

Mr. DORNAN. Well let me show how the courage of a John Joyce, of a Robert Casey, former Governor of the State where my mother was raised, the beautiful Pennsylvania; let me tell you about a letter dated today that was just given to me by Edward J. O'Hearn, the chairman of the pro-life committee of the Ancient Order of Hibernians.

Look at that beautiful Irish flag with an American flag.

Mr. GUTKNECHT. Are not they Irish? Is that not the ultimate Irish organization?

Mr. DORNAN. Roman name for Ireland, Hibernia; and Caldonia for Scotland.

Now this out of Louisville, KY. Edward O'Hearn is, as I said, chairman of pro-life. Listen to what he writes to NEWT GINGRICH.

Dear Mr. Speaker, since 1992 Republican elected officials and Republican spokespeople have been critical of the Democratic Party for the treatment of Gov. Robert Patrick Casey at the 1992 Democratic Convention because of his refusal to back down on a matter of conscious and religious conviction, the abortion issue.

Well, he says with exclamation points, no more. Your treatment of Congressman CHRIS SMITH of New Jersey, an Irish Catholic, and I am going to leave out the next Irish Catholics because I am cooling my jets here as the conference chairman suggested, on the same issue ranks right up there with the insult to Casey and Catholics in general by the Clinton team in 1992, and that insult continues.

Remember that George Bush was on the ramp of Detroit with the Holy Father when the Pope said, stand up for life. And Barbara and George Bush, then the President and First Lady, went yes, yes, yes. And the last time Clinton stiffed him because he was leaving from Baltimore Airport, I was there, and the Pope said again, we must defend and protect innocent human life.

The Governor sat on his hands, the Catholic Lieutenant Governor, Kathleen Kennedy Townsend, sat on her hands, Polish Catholic BARBARA MIKULSKI sat on her hands. I started applauding with my grandson who is 14, and we made enough noise for all the other VIP's and the whole crowd behind started to cheer. But PAUL SARBANES, a Greek Orthodox Christian, he would not applaud; JOE BIDEN would not applaud, Catholic Senator from Delaware; nobody would applaud the Pope except me in the second row. And then later, the Secret Service brought me up and stood me next to a wonderful lady, Tipper Gore, and we said goodbye to the Pope, and I did not know if he would ever have the health to come back here again. But what a courageous and saintly fight this man has made for life.

And he said this culture of death in Europe and in this country has got to be reversed if we are to survive in this mortal existence of ours. And instead of surviving, we have upped the ante so one Republican and one independent and 65 people in this House a couple of days ago voted for homosexual marriage, and 15 Republicans, 15 out of 236, voted for infanticide.

So I continue from the Ancient Order of Hibernians. In April of this year the Ancient Order of Hibernians rescinded our invitation to President Clinton to address our national convention because he vetoed the partial-birth abortion ban, hereafter known as the partial birth infanticide. Your actions against Representative SMITH are directly related to their refusal—I left somebody else out there—to compromise their convictions on partial-birth abortion.

Not really so in my case. I had known about votes involved at the time.

We would be remiss if we did not also blast your actions as publicly and forthrightly as we condemn the actions of President Clinton. It should come as no surprise that we support the declaration of conscience resolution—this is making the rounds around here now. A copy of our letter is being sent to the American bishops, the American cardinals, the Ancient Order of Hibernian membership, and leaders of other Catholic organizations in America, plus Catholic newspaper in the United States of America. Sincerely Edward J. O'Hearn, chairman, pro-life committee, Ancient Order of Hibernians.

Now, Mr. GUTKNECHT, we do not need to create fights like that. There are votes that above and beyond any votes. As I told all of our leadership today quite respectfully and quite politely why this infanticide vote was different, I pointed out to Speaker GINGRICH, to Majority Leader ARMEY, to Majority Whip DELAY, to conference Chairman JOHN BOEHNER, and to fighting BILL PAXON of New York, chairman of the National Republican Congressional Committee, I said: Mr. PAXON, with all due respect, if your wonderful wife, a fighting Member here, had not broken her unbroken string, and I use their language of pro-choice votes, and if she had not voted to ban partial-birth infanticide abortion, she would not be the keynote speaker at our convention.

□ 2030

He was silent. Some others conceded it. The gentlewoman from New York [Mrs. KELLY], who is the cause of all this controversy, because she is 1 of the 15 that voted for infanticide, she is a polite, wonderful lady. She conceded to me standing right there that if the gentlewoman from New York, Ms. MOLINARI, had not voted with the majority of both parties to ban this infanticide, partial birth abortion, she said, using the verb, concede, "I," this is SUE KELLY, "I concede SUSAN would not be the keynote speaker of the convention."

I said, "Pardon me for using a double entendre, and I do do deliberately, this is a killer vote." In other words, if it can kill your speaking at the convention, then it has an aspect to it that is beyond a 1,000 out of 1,001 votes around here.

It is like the homosexual marriage vote, homosexual marriage. If anybody other than a lame duck or possibly a write-in Member from your neck of the woods, the gentleman from Wisconsin [Mr. GUNDERSON], if anybody but him had voted for this, they would be in deep trouble getting reelected in a Republican primary or even in a Republican or in a general election as a Republican.

We have pushed the envelope here, if I may use a test pilot's term. That is why I said in this well, standing right where you are at that leadership lectern, and the gentleman from Massachusetts, Mr. FRANK, said, if you want this whole debate to be characterized by the last speaker's mention, so be it. Do you know what I said? I predicted in 3 years we would be debating pedophilia.

When I left the floor I started thinking about it. Other Members came up to me and said, how about a year or two from now? How about a year from now? Because there is already a term for it by the activist movements around this country, the hedonist and sodomy movements, transgenerational sex. That is all. That is what they want to call it.

If an adult, as in ancient Greece, which destroyed the Golden Age of Pericles, if an adult can con a child into consensual sex, which is impossible by the laws of all States when you involve a minor, that is what statutory rape is about. But if you can somehow or other act like the child seduced you or it was consensual, then who is to stand in the way of that? And it is now called pedophilia chic, and the movement is beginning.

For anybody whose brain circuits are being short-circuited by me tonight, this is the way we all felt about homosexual marriage last year, certainly 5 years ago, and certainly when I got here. I never thought we would ever debate in this Chamber, after I was sworn in in 1977, delivering a child four-fifths of the way in the birth process, from the birth canal, hold it in the mother's womb—I wish I had had this line in the debate—causing distress of the mother; where is the help to the mother and the relief—causing distress, an interruption in the birth process, so they can stab it in the back with a pair of Mendelson scissors and open up a wound to suction out the brains?

This is unbelievable. And what is absolutely short-circuiting my centers of logic is that in California there should be a 29 percent gap between Clinton, who faced off against Billy Graham, the head of his own Southern Baptist Church; the Pope in Rome; the Greek Orthodox; the folks in all of Islam, that is why they call us the Great Satan; all ethicists around the world worth a farthing, he faces the whole world down and vetoes the majority in both Houses, and does not drop a point in the polls. How do you fathom that, my distinguished colleague?

Mr. GUTKNECHT. Mr. Speaker, I would say to the gentleman from California [Mr. DORNAN], I am afraid I cannot explain that. It is one of the most troubling things we have confronted in this Congress, that we have watched the unraveling of our moral fabric. And somehow the media, and I am not one to point fingers or point blame, because I am not a fault-finder. The bad news is that I think the American people have somewhat become numbed to this kind of thing.

I think there needs to be a reawakening. When the Pope and the Catholic Church, and there have only been a handful of people who have received official condemnation of this Vatican, of the Vatican in general. It is a very short list. It is a rather infamous list. Yet, he now finds himself on that list.

Mr. DORNAN. Let us reconstruct that list that Mr. Clinton finds himself on: Fidel Castro, Bill Clinton, Mu'ammar Qadhafi of Libya, and is Hafez Assad from Syria on there? But Rafsanjani is, the Iranian controlling oligarchy there in Tehran.

Mr. GUTKNECHT. There are only about four or five of some of the most despicable people in the world.

Mr. DORNAN. Pol Pot, Pol Pot, from the Killing Fields. He is on that list that the Pope has condemned. He came into office in 1978 in the killing fields in Cambodia, with the death after 33 days of John Paul I, making him the first. That was in 1978.

I remember I was correcting remarks, I had to intercept them at the general Post Office, and I thought, this is worth reflecting upon. I said, my Lord, the college of cardinals met for days. The puffs of white smoke went up, they picked somebody, and I said, God said no, I am taking him to heaven. Try again. I did not want that. And they picked, instead of the wonderful Italian, the bishop of Venice, the Cardinal of Venice, they picked this Polish Pope.

Mr. GUTKNECHT. Karol Wojtyla.

Mr. DORNAN. Karol Wojtyla. And Ronald Reagan, Margaret Thatcher and a couple of Catholics, Lech Walesa, pulled down the evil empire. It is amazing.

Mr. GUTKNECHT. I will never forget, and I think the American People and the American press did not really pick up on this, but there was a particular pint in history when there was a lot of fear that the Soviets were going to—when Lech Walesa was leading the Solidarity movement in Poland, there was a lot of belief that the Soviets were going to move in with tanks to reoccupy Poland. There was one particular moment in history where a man of enormous courage literally sent a message to the Soviets that if you come to Poland, I will be there to meet you. That is the kind of courage that it took.

Mr. DORNAN. That was the Pope.

Mr. GUTKNECHT. He looked them down. It was a moment in history that, again. I do not think most people realize, or it did not get the kind of publicity it needed. But it took an enormous amount of courage for the Holy Father to say to the Soviet empire that "If you invade my motherland, I will be there to meet you." And I think in some respects, that, and the time that Ronald Reagan went to Berlin and he stood before the wall and he said, "Mr. Gorbachev, if you mean what you say, then tear down this wall."

Mr. DORNAN. It echoed.

Mr. GUTKNECHT. If you look at the story of history, it has been extraordinarily brave people who have had the courage to say, this is wrong and it must stop. And I think we have reached a point, particularly on the issue of partial birth abortions, where people of courage must stand and say, this is wrong and it must stop. And whether it is the gentleman from California, ROBERT K. DORNAN, or the gentleman from Minnesota, GIL GUTKNECHT, or thousands and millions of Americans, saying to this Congress and to this Government that "You've gone too far; that the moral fabric has frayed too far. We must take back our country. We must be a people of moral conscience. We must be a people of moral fiber," because we cannot survive.

We have lots of problems, and a lot of them are economic. We talk about the budget and we talk about the deficit. But if we really boil them down, they really come down to this basic view of morality, and our responsibility not only to ourselves but our responsibility to our fellow human beings.

As someone who came from my State, the late Senator Hubert Humphrey, one of the most famous quotes I remember from Hubert Humphrey was this. He said "If you love your God, you must love his children." If we must love our children, we must love the smallest and the most innocent of them.

We cannot stop all abortions. I will agree, this is a political environment, and we are a nation of laws and not of men. I cannot enforce my morality or my views on other people. But when you have 70 to 80 to 90 percent of the American people saying that partial birth abortion is wrong and it ought to be outlawed in the United States of America, then the Congress ought to respond.

That is the bad news, that we have gone this far. The good news is this: That we are only a few votes away in the House and in the Senate of overriding this terrible veto. I think we are going to be given an opportunity, if not in the next week, then certainly when we come back after the August recess, to correct this wrong.

I think if the American people, and I am not just talking about the Catholic people, I am talking about people of faith of every religion, and I am even talking about people who are not necessarily religious people, but who do have a very deep and abiding sense of fundamental morality, if they will send a clear message to the Congress and to this government here in Washington, I think we have a golden opportunity to reverse the course and begin to say that life is sacred, it is a gift from a power greater than that of any government, and there are some points where we can honestly say that we have gone too far. This certainly is one of them.

I have a deep and abiding faith in the American people, as Ronald Reagan did. Ronald Reagan believed in the honesty and the integrity and the morality of the American people. If you give the people the truth, the Republic will be saved. That is what this debate is about.

This is one point where I think we can made a difference. Frankly, as John Kennedy said, this is one point where we must.

Mr. DORNAN. Mr. Speaker, I just wanted to recall something, if the gentleman will yield further.

On May 2, the day after Rev. Billy Graham, who has given his whole life to preaching morality, ethics, and the good news of our Savior, he met with Clinton in the Oval Office and he said to him, respectfully, you must not let your veto stand. Let them override it, or encourage it. I do not know how we are going to break some hearts over there in the other Chamber.

The next day he came to what I have taken to calling, because it is, the secular nave of our cathedral of government, the rotunda of our Capitol. The first time I went in there as a little kid, it was like a church. I ask that of constituents. They say, "It is like a cathedral. It is like the nave of a beautiful cathedral, St. Paul's in London, St. Peter's in Rome, to a much smaller degree."

In there, with about five rows of international press bleachers built on the east wing, and with Billy Graham and his wife of 53 years, Ruth, with their back to Grant and Lincoln, and a POW-MIA flag, and I want to speak about that for the better part of an hour tonight, how we have sold out our missing-in-action families, he very thoughtfully, to all the leadership, Bob Dole was still there as the leader with his wonderful wife, Elizabeth, TOM DASCHLE, my friend from many years in this House was there as the Democrat leader in the Senate, and there was Senator BYRD looking up with respectful awe as a member of his particular denomination, all the Senate leaders on our side, I did not see Marianne, the First Lady of this House, but I saw Speaker GINGRICH and I saw the gentlemen from Texas, Mr. ARMEY, and Mr. DELAY, right down the line of our leaders, the gentleman from Missouri, DICK GEPHARDT, the Democratic leader, the gentleman from Michigan, DAVID BONIOR, they were all there.

Billy Graham said "This is a Nation on the brink of self-destruction." You could have heard a pin drop, except I involuntarily let out one of these youthful "yeses," "yes," and scared the press, because I was standing back by them. I just kind of looked up and, "That is right." There was this quiet. That was May 2; June 2, July 2. We are coming up on August 2, almost 3 months later.

I honestly feel, I would say to the gentleman, that is went in one ear and went out the other of all of our leaders. Because they understand what I say to them. Billy Graham was not addressing—the occasion was he was getting the Congressional Gold Medal unanimously from both Chambers. He was not talking about a 21st B–2 bomber. He was not even talking about the budget battle, although there are huge moral ramifications to unloading immorally a ton of debt, $5.5 trillion worth of debt on grandchildren not even born yet. He was talking about these social issues: Homosexual marriage and infanticide abortion. He is talking about the unraveling of the family and our social fabric, that we are on the verge of self-destruction.

In a wonderful meeting at 1:30 this afternoon, with those five leaders on our side and the gentleman from New Jersey, CHRIS SMITH and myself, CHRIS said if he were an activist, pro-abortion activist, he would not try to join the Democratic Party. They own that party, temporarily, praise God, we pray. He said "I would come in the Republican party and keep it," and CHRIS SMITH's words were good, he said "Keep our party conflicted and confounded and confused."

I added to it, and nobody wanted to hear this, that if I were a homosexual activist, starting my career, instead of ending it 16 years later under a cloud, I would join the Republican Party to also work within this party, because they open the other temporarily, good Lord, we hope, to come into the Republican Party and create conflict, to conflict us, to use it as a verb, conflict, to confound people and to confuse people. The battleground has become the Republican Party.

□ 2045

That is why, deliberately paraphrasing Billy Graham, now that I have time to say it, I paraphrase Reverend Graham, the Republican party is a party on the brink of self-destruction. We have 99 days, let us make it 98 when we wake up in the morning, 98 days when we wake up to election night.

I saw George Bush, our President, alone in the Oval Office, just the two of us, for 20 minutes, 97 days before the election of 1992 when he lost, November 3, so the date would have been July 27. He had 2 days less to campaign than Bob Dole will have.

I said, "Chief," the only time I addressed President Bush other than "Mr. President" was a term of affection, I said, "Chief, when do we fight? When do we begin to fight back? This guy's ahead of you," meaning Clinton. "You've got to fight. Do you want him walking around the hallowed halls of this White House?"

And George Bush, an honorable 1958 veteran, Navy combat carrier attack pilot, flinched, "Ooh, Bob." He did not want to think about Clinton. I said "We've got to fight."

Now here we are 98 days out in the morning. I am not going to be meeting ex-Senator Bob Dole in any White House, with Air Force One and marshaling the whole impact of the incumbency. Mr. Clinton has got all that going for him. I think in 4 more years of what we have seen in the last 3½ years, we are not just a party on the brink of self-destruction, kick it up to what Billy Graham said, we are a nation on the brink. On the brink.

It is these issues that brought the gentleman to the floor with his wonderful special order tonight that better kick the American people into high gear, and really everybody who understands what family is, even if it is a single mother, because our friend Vice President Dan Quayle was always misunderstood, misquoted.

I had a CEO of one of the biggest communication outfits in the world say, and this was just the other night, and this man is big, Manhattan. He said, "You know, they may have killed the messenger, Dan Quayle, politically but, boy, he changed the landscape of America."

Values is the core of all our issues that we are fighting, and if you do not think so, listen to how many times the Clintons use the word values, values, values, values, over and over. So I am sure certainly happy that the gentleman took this special order tonight.

Mr. GUTKNECHT. Mr. Speaker, I am not nearly as pessimistic as the gentleman from California, because if we look at history, and it was sort of underscored when we talked about what happened with the Polish Pope who warned the Soviets, or when Ronald Reagan went to Berlin and he said that if the Soviets, if Mikhail Gorbachev meant what he said, then he should tear down this wall. I happen to believe that words have meaning, that ideas matter, and that actions have consequences. If you study history, every great movement, every great change in national attitudes has started with one person or a handful of people who had the courage to speak the truth.

There is a book coming out that was written by all of us freshmen. One of the chapters is written by one of my colleagues from Indiana, JOHN HOSTETTLER. He wrote a chapter about a gentleman by the name of Maplethorpe who was a member of the British House of Commons in the late 18th and early 19th century in Great Britain.

One of the things that Mr. Maplethorpe tried to do was to end the slave trade in Europe. Basically he said, "This is morally wrong and it must stop." At first he was laughed out of the House of Commons. Particularly the elites of that particular point in history said that he was ridiculous, they demeaned him in every way they could, but Maplethorpe did not give up.

Mr. Speaker, the one thing that we know is that facts are stubborn things and truth is an incredibly powerful weapon. The more we learn about this partial-birth abortion, the more we realize that the American people can see through this smoke screen, they know that it is wrong, they know that it is morally wrong, they know that it should stop, and if only a handful of us have the courage to say to the American people that partial-birth abortions are wrong and they should be stopped, and we have got to stop unraveling this moral fabric that has made this country the greatest country in the history of the world, then I think we can begin to roll back the clock, because facts are stubborn things. Truth is a powerful weapon. All we have to do is speak the truth.

The gentleman quoted Billy Graham. It is a great quote, that this society is on the brink of destruction. It was barely reported in the next day's press.

Mr. DORNAN. It did not make the evening news at all. It just showed in silent that he got the Gold Medal from Congress.

Mr. GUTKNECHT. But, nonetheless, I believe that words have meaning, that actions have consequences, and that ideas matter. In the long light of history, whether or not it was well reported beyond the dome of this Capitol building, I think the American people believe that Billy Graham was right.

He recently came to Minneapolis and he spoke to I do not know how many hundreds of thousands of people, both directly and indirectly through television. Billy Graham is one who has the courage of his convictions. He, like the Pope, has been willing to stand up and say, this is right, this is wrong, and this should stop.

Mr. DORNAN. Would the gentleman want to add a note of excitement to his special order tonight? My middle daughter of 5 sons and daughters just called in a play. She did not mean to, but she knew it was your special order and I maybe could bolt for the Cloakroom phone booth for just a second.

She told me that it is all over the news, they are speculating on who our good friend Bob Dole's Vice President might be. It is an outsider, never been elected to office, but he wrote a book that had to do with that subject of values, and it is called the Book of Virtues.

Bill Bennett, former Secretary of Labor, for 2 weeks head of the Republican Party, former drug czar, Director of National Drug Policy, and Secretary of Education. He appears at the moment at least, these things may come and go, to be the front runner. He has had a few dustups with the Republican Party of late, but this is a man that knows we are a country on the brink of self-destruction. Billy Graham did not have to tell Bill Bennett that.

He is a son of North Carolina, educated in Massachusetts, and he is traveling around the country right now with Bob Dole. This is a no-nonsense guy, quite frankly he always reminds me of a grizzly bear who has just kind of rubbed his eyes and messed his hair a little, and you are going to get direct from him.

He has this great friendship with this wonderful black American, this lady of African-American descent, Delores Tucker. They have traveled together on the rock lyrics and how it is poisoning a whole generation of white Americans, Hispanic Americans, African-heritage Americans.

This will be very interesting. This could be one heck of a debate, because although the Bible is on one of the two nightstands on either side of our bed, I have to concede the Book of Virtues is on the other one.

I just put him to one test. I said, "Let me ask you something, Bill." He told me the book was coming out. I introduced him at a Christian Coalition meeting 2 or 3 years ago. I said, "What's this new book you've got coming out? Explain it to me." As I am just going up to introduce him, I lean back, I say, "It's got everything in it, Aesop's Fables, everything?"

He says, "Yeah."

I said, "Here is the acid test. My favorite most impressive morality story as a young man, other than all the scriptures I was getting from my family, it was a Disney film but it was from an Italian classic, Pinocchio. Is Pinocchio in that book?"

"Absolutely it is." Lampwick, Pleasure Island, smoking cigars, and shooting pool. Today it is Michael McCurry talking about toking a few joints and doing more than shooting pool, taking your pleasures wherever you may, and all of a sudden you are a jackass and suddenly you are enslaved to something, enslaved to a sex addiction, enslaved to drugs, enslaved to something, but you lose your freedom when you indulge yourself hedonistically to the extreme.

That Pinocchio story is a powerful story because what was it about? A little boy with no feelings who developed feelings and it turned him into a real boy. And whatever happened to Lampwick, the party guy? We do not know. But he said, "It's in there," and sure enough it was. Everything is in there.

What Bill Bennett was trying to respect was the wisdom of the ages, that absolute truth exists. There are certain core values. The 10 Commandments are not new and they are not old. They are just eternal.

So I think that might be an interesting development, and it will certainly keep my classmate AL GORE on his toes, and it may add a dimension, if it turns out to be true, to this race.

The other thing was, get this little play by my daughter Theresa Ann Dornan Cobban, who ran one of the best and cheapest presidential campaigns in the country, mine. She said, "Dad, the jury in Little Rock, AR, is deadlocked, and the judge said you go back in there and you come to a decision."

Deadlock is no good for the Clintons because that means they will call for a new trial and they will just keep going, and it will just take it right into September and October. The prosecution, when they wrapped up down there, said the monkey does not get the monkey grinder to dance to his tune. The monkey grinder, the owner of the banks, spreading all the money illegally into Clinton's gubernatorial races, the junior associate in the bank, that would be the monkey, he danced to the bank president's tune, and he is the one who has plead guilty, turned State's evidence and taken his lumps.

I do not know what is going to happen with that trial, but we may end up with something beyond Nixon. Because when Nixon won in 1972, nobody knew that Watergate was going to come back to cause him to fire his Doberman pinschers, Haldermann and Erlichman, on April 30, 1973. Nobody dreamed it would pull him down on August 9, 1974.

But this time, if Dole cannot save the country, then we are going to have impeachment proceedings in the spring of next year, of 1997, with all of this weight of scandalous material building up, building up, building up, until, as two Democrats told me on the center of the aisle back there, it is kind of dangerous to be a friend of the Clintons because you either end up dead or in jail. So we have got a moral crisis in this country.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCINNIS). The Chair would just remind the gentleman at the microphone that Members are to address their remarks to the Chair and not to the viewing audience, if the gentleman from California could observe that.

Also, as a reminder, the gentleman from Minnesota has 2 minutes remaining.

Mr. DORNAN. I thank the gentleman. I certainly yield back to the distinguished gentleman from Minnesota.

Mr. GUTKNECHT. I thank the gentleman. I just want to close this, and I know that he is going to have an hour to talk about some other issues that are important to us and the American people.

But I wanted to talk a little bit tonight about the partial-birth abortion issue, because I think it is one point where the American people can begin to turn the clock back, that they can begin to recover the lost moral ground that we have already seen.

We have heard some of the quotes from Billy Graham, we have heard some of the quotes from our Founding Fathers. We have talked a little bit about Robert Maplethorpe and what he did in Great Britain in terms of recovering the fumble of slavery and beginning to return Great Britain to a much more morally oriented society. As a result, the British are a much more moral and better society because of that.

I think the news that Bill Bennett may well be the vice presidential nominee of the Republican party is very good news, because I have known Bill Bennett for a number of years. He is one person who has probably the strongest sense of truth and morality and character of any human being that I have met. He is an intellectual. He is a Ph.D., I believe from Harvard, and perhaps Congressman DORNAN can correct me, but he is an intellectual as well as being someone who is well grounded in basic American values.

I would hope that the American people would not lose faith, would not lose hope in this American system that we have, that we can somehow recover this fumble. As I said earlier to Congressman DORNAN, we are only a handful of votes away from overriding the veto of this grisly procedure we call partial-birth abortions. I think if the American people join forces, if they send one loud, clear, demanding signal to the American Congress, that somehow we can find the votes to override that veto and once and for all begin to send a message that there are points beyond which the American people simply will not retreat.

COMPELLING ISSUES OF NATIONAL DEFENSE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN. Mr. Speaker, I want to talk this evening—this evening, it is 6 at night in Los Angeles, Mr. Speaker, and only 4 in the afternoon in Hawaii—I want to speak tonight about one of the most heartbreaking, agonizing, complex stories of American history that has haunted me my entire life and came to another tragic conclusion this evening.

□ 2100

It is the story of the world's greatest Nation, the United States of America, the most noble Nation to ever exist, with all due respect to the mother country, Great Britain, to wonderful little homogeneous nations like Norway or New Zealand, and to a multilingual nation who has avoided war and persecution for almost 500 years, Switzerland.

Given our size, the problems we have overcome, the destructive moral evil that destroyed our morality for our first four score and 7 years, then four score and 10 years, then a century, then another century of neglect, slavery and its aftermath, we have overcome so much. And just in this century, when we could have been isolationists, and were at first, we entered a war called the Great War. And because it broke out again, bringing fathers back into conflict with their own sons, World War II, we put Roman numeral one on the Great War, where my father won three Wound Chevrons, now called Purple Hearts.

World War II, the greatest cataclysm of pain and suffering and evil of all time, with the Communists weighing in with all of the war crimes and tragedy and even greater loss of life inflicted by Stalin and his Communist thugs, as did Hitler and his gang of cutthroats. We entered that. And we probably could have cut an isolationist path in spite of the war in the Pacific brought on us by the warlords of Japan.

We have expended in this century more blood and more treasure than any nation, without any strings attached, with no territorial gain, no economic gain, no oil leases, in spite of what cynics said about our noble cause in trying to keep at least half of Indochina, Vietnam, Cambodia, and Laos, trying to keep them free, part of the free world, as we had kept half of the Korean Peninsula free at great loss of treasure and great loss of young life, it appears that this noble Nation, in this century, in all of those conflicts that we probably could have avoided, as immoral as that would have been, it appears we have left live American heroes behind to the not so tender mercies of their captors.

That is what I want to talk about tonight. And to do it I will take a book that has been absolutely my bible on the POW crisis in Vietnam. It is simply called, "POW," by John Hubbell and published in our bicentennial year, 1976, by Readers Digest Press, and read through you, Mr. Speaker, to 1.3 million, maybe 1.5 million now, listeners to our C-SPAN televised preceedings.

I am afraid that to 99 percent of the audience listening tonight, Mr. Speaker, they will have not heard these facts, because this wonderful book, "POW," that was painful and yet ennobling and uplifting to read was not a best seller. Let me retrieve it.

Last night, at 2 a.m. in the morning, Mr. Speaker, the Armed Services Committee brought down its conference report between the House and the Senate on the 1997 Defense authorization bill. Like most authorization conference reports, or appropriations conference reports, there was much compromise and some gnashing of teeth on both sides.

The POW-MIA issue, frankly, took severe hits, and in this case the gnashing of teeth is by those families that would be described in scripture as "the salt of the earth," who gave us their sons, their young fathers, their husbands to fight for freedom in Korea and Vietnam and were left behind.

First, Mr. Speaker, a recapitulation of what was just proposed to all the conferees from the Senate and the House, of which I was one. And let me put a rumor to rest right now. I was a conferee at every meeting. I did not miss one, right down to the wire at 4:30 tonight. Treated with the ultimate of respect by my chairman, and I return that respect, the gentleman from South Carolina, Navy Captain FLOYD SPENCE, a medical walking miracle and one heck of an American hero.

FLOYD SPENCE treated me with dignity and let me do the lead-off report at all the conference meetings, when my conferee status was in doubt with the media, and because there were so many personnel issues involved, he always let me lead off, as I engaged in the conference discussion tonight at the last lap more than anyone else.

Here is what the Clinton administration said they were going to veto if it was in the final House-Senate product. They said if there was anything in there on demarcation of theater missile defense, they would veto it. They want to get by on the cheap. Even if he gets 4 more years he will leave office without this country being defended from missile attack.

The ABM Treaty. Multilateralization. If the House had prevailed, Clinton said he would veto it. And then two of them, the only two others that are what they called "veto bait" were BOB DORNAN's, mine. HIV-positive discharge. I had a partial victory there. And homosexuals trying to join the military not being asked. Returning to the Ronald Reagan-George Bush policy on homosexuals in the military. Clinton said he would veto that.

I think that is a big bluff. Scared the pants off the other Chamber, not me. Because if he was going to veto something where the conference of the Senate and the House said we are returning to a clear, simple, nonconfusing policy of no homosexuals in the military, to use Senator SAM NUNN's language, homosexuality is incompatible with military service, he would not have dared touch it. But he bluffed and we caved. So all of that is out.

Homosexuals in the military is a tiny little thing. As I told some press people who said, "Did you lose that one?" I said, "Not hardly." If you will go back on a nexus search of everything I said in 1993, that under the Nunn-Skelton-Dornan language we got 95 or 98 percent of what we wanted, and they are putting out more homosexuals now than ever in history. This year we are running at a rate of a thousand this year, if we continue this rate up through July. And last year it was 777 homosexuals were pulled out of the military. The highest in a decade.

So, obviously, whatever Clinton thought he was implementing, what the courts are looking at is the Nunn-Skelton-Dornan language, and that was 98 percent there. All I wanted to do was close that 2 percent gap. And I have been told no because Clinton bluffed on that 2 percent.

The 2 percent was merely saying to a young man or woman, after we had told them, through the recruiter, we do not want to recruit homosexuals and then said to them, here it is in writing, and put it in front of them and got them to sign to it. All the gentleman from California, Congressman DUNCAN HUNTER, and I wanted to do was to merely say, by the way, no Communist days of have you ever been, just are you now a practicing homosexual or do you think you ever will practice if we recruit you into the Army. A "yes" answer to those two simple questions and we could say politely, young man, young lady, we do not want you to join the military.

That way they cannot say I was confused, I do not read too well, I was so scared when I was joining, or misty-eyed because I was going to serve my country that I did not hear all of this. Why did they not tell me they did not want homosexuals, it would have saved them 5 months of training and a waste of all these uniforms and schooling and everything. So I will fight that battle next year.

On the HIV-positive discharge, I am so right on this that it hurts. Here is a letter from the Marine Corps. A letter from the Bureau of the Navy, Headquarters of the Marine Corps, Annex 2 up here. There are no, no Marines on active duty out of 56 who were HIV who got it from tainted blood or any infected tissue or blood product at all. That means that all 56 got it by violating rules and restrictions on off-limit bars or houses of prostitution, which is almost zero to a handful, and all the rest got it by homosexual conduct or dirty drug needles. That means they violated military rules. It is down to about 850 now, not a thousand.

We are going to keep this regiment of people on active duty because of Clinton and the failure of this conference to face up to the truth. I had it passed as law on February 10, when Clinton signed the Defense authorization bill for this year, 5 months late. He dismissed that he had made us, had not bluffed, he had made us take out defending the homeland from one nuclear rogue missile. He had forced us to take out the provisions where we do not want U.S. soldiers under foreign or U.N. command, took that out, and he took out a provision I helped to write that this Congress, House and Senate concurring, decides where American troops serve.

In World War I, in World War II, and it fell apart in Korea, became a U.N. action. It certainly fell apart after the

Tonkin Gulf resolution. No declared war. And we had prisoners being dragged through the streets of Hanoi, July 6, 1966.

The liberal Washington Post had to editorialize on Bastille Day, July 14, that if the North Vietnamese kept continuing to treat our men as criminals and air pirates and were going to put them on trial and possibly even execute them, then the results would be absolutely horrendous.

Senator Russell, who the Russell Building is named after, Senator Russell said we would turn North Vietnam into a desert. A lot of people misquote that as a parking lot. We were not going to pave it, it would be a desert. A moon landscape. And it worked. They never again talked about trying them, but they beat 20 or more to death, they executed 100 in the villages, and they killed lots of civilians that had been captured during the Tet offensive. They kept on torturing our men horribly for 4 or 5 more years, but they never again talked openly about putting them on a public trial. But no declaration of was in Vietnam. It fell apart there.

This House and Senate should lay down the constitutional hard line that the President in article II, section 2 is only referred to by the Framers of our constitution as the Commander in Chief of the forces. And then there is a comment, it says and when the militia, that is the National Guard, is called up, he is the commander there, too.

All of the authority over the armies and the navy, they use plural for armies, armies and the navy, resides under article I, section 8, in this Congress, the House and the Senate. Foreign treaties over on the north side of the beltway, but both of it, and all spending and appropriations and tax bills over here, start here, but we share the authority and the control over our military in every aspect except the commander at the top, where only one person can speak, over the quality, the size of the military, how many people will be on active duty, whether women will or will not go into combat, whether homosexuals will or will not serve, what the colors of the uniform will be, what their weapons will be, their pistols, their rifles, their tanks, their artillery, their ships, their planes, their helicopters, and in how many numbers, and what kind of fuel they will use, and where we will preposition ships, and it should include where they will fight and die under Old Glory.

And it should be whether we decide they will serve under a NATO command with a ratified treaty under SEATO, which died because we could not stand up to communism to the bitter and there, or in CENTO, which fell apart when a good man, Jimmy Carter, inadvertently cut the legs out from under the Shah of Iran, and then he passed away with cancer.

This was all stripped out by Mr. Clinton on February 10. But he only griped about one thing that day, just 5 months and 3 weeks ago, he said the Dornan amendment on HIV, people carrying the fatal venereal disease, AIDS virus, they can disobey the law if they want and I will not order Janet Reno and my Attorney General to defend this law that I am signing into law.

And then a few Republican lameducks around here, and a few Democrats, including a few that I think are utterly corrupt and brought about the death of people, in one case the death of a woman, they gutted this out of the bill, and they did it again.

□ 2115

Well, they did not get a total victory because I won as the Chairman of Military Personnel on something called end strength. I vowed that every time Clinton or any President want to keep this regiment of people, and I said it before and I will say it again, God love them, they are on a track to death. I am fighting to get the money to extend their lives. I want them to have good care. But they have admitted to me, quote, a Navy chief petty officer, "I know I should not hold down this billet." Another said, "I know I am not doing right by the military. I'm going to too many medical appointments, taking too much toxic medicine like AZT. I am not performing my job. I know I caused another man or woman to be fired when I was fired off of my aviation job and I have been retrained into their job."

Whenever Presidents want to keep HIV-positive AIDS-infected personal on active duty, I will always consider them of line. They can stay on active duty and draw pay, but I am always going to add a thousand people, men and women who can as healthy people be trained for combat and be deployed anywhere in the world, even though I do not think we should go there, until we wake up and decide where they should go, people who can be deployed, trained for combat, and do not have to take toxic medicines like AZT. I will keep that thousand on active duty to weight off against this politically protected group of people who need our prayers and super medical aid and should not have to play this game of pretending they can cut it, when in all but a few muscular cases they cannot, and they should be home with their families with as much money as they can make on active duty doing everything they can to extend their lives.

I am always going to add to the end strength more people. And guess what, Mr. Speaker, I did not just add a thousand; I did not add 5,000; I added 20,000 or more over and above what Clinton wanted to cut military down to.

Now, that is HIV and homosexuals in the military. I won two big ones, Mr. Speaker. It looks like this conference has signed off on no Hustler magazines, pornography and soft core pornography, if that is what you want to call Playboy Magazine, or Penthouse, which outsells Playboy, and Hustler outsells them both. This garbage, this direct assault on my mother who has long gone to heaven, my wife who is very much alive, my sisters-in law, my aunt who is alive in her 90's, and my three daughters and five granddaughters and maybe a sixth granddaughter on the way.

Pornography is a frontal, direct, vicious, specific assault upon women. It treats them—well, some homosexual pornography is a direct assault upon boys or young men or ephebes—young men 18, 19, 20—just barely over the age in most States of maturity. Most pornography is a direct assault on women, cheapening down like slavery to a product, meat on a rack. And we have gotten this first behind the counters. Just by ROSCOE BARTLETT of Maryland proposing it, all these PX managers started to hide this stuff and make the young, macho guys who think demeaning women by buying this garbage is manly, and it is not. It is unmanly. They started hiding all of this stuff.

Some of them with guts, practicing Protestants and Christians and observant Jews who work in the PX system saying, Hey, this is enough. Just threaten to take it out, and I want to junk it anyway. But when this is signed into law by Clinton, that is the end of our PX's facilitating pornography.

No freedom of speech problem here. They can get it at the local drug store or they can keep it in their footlocker, but it helps the Navy to tell these guys, stop putting these graphic, gynecological exam shots up on the walls of the carrier hangar deck. Stop that. You can stick it in your footlocker and corrupt yourselves, but you are not going to put it on the walls.

That helps commanders to take that, not puritanical, but strong, manly, decent line, or if it is a female officer, an ethically womanly line, to not have this garbage up. It helps by doing this. So that is a big victory.

And the biggest one of all for me personally, was Clinton signed five Executive Orders, what the Pope called culture of death, Executive Orders on his first day on the job, second day in Office. January 22, 1993, 20th anniversary of the *Roe* v. *Wade* decision; a lying decision based on a gang rape that never took place. There was not a rape that took place or an abortion that took place. Norma McCorvey, the Roe in *Roe* v. *Wade*, is now reconciled with her three daughters. Each one she had threatened to abort, and all of them are alive, praise the Lord. And she has reconciled with them and become a Christian. It took her a couple of steps in how hard to fly in the face of Kate Michaelman and Eleanor Schmiel and

Patricia Ireland. But she has squared herself away with the Lord and that phony decision, *Roe* v. *Wade*, on its 20th anniversary with 35 American babies at various stages of gestation killed in their mother's wombs, on that 20th anniversary, Clinton, with a smile from ear to ear, signed those five Executive death orders. Only one has been reversed.

I do not say this pridefully; I say it so they will know where to come and get me to try to reverse it or put some blame, the pro-abortion movement. I reversed one of his five Executive death orders and he signed it into law on February 10, and the Senate tried to strip out and it went through conference and it is there. Why? I will give away a secret. Because I put in closing that 2 percent gap on homosexuals in the military. I knew I would not win that in this election year, given the complexion of both bodies. But sure enough, it worked. They played off that.

If DORNAN will drop the homosexuals in the military, we will leave his Public Law alone and that is in spite of a vote in the Senate 51 to 45 to take out DORNAN's no abortions in military hospitals. So there are those four.

There are some other things that are kind of strange. Senator BYRD protected two SR-71's. That is fine. We lost our Buy America. To you working Americans out there, DUNCAN HUNTER of San Diego fought hard. Mr. JIM TRAFICANT on this side. Try again next year.

And then there was some other small things. One Senator put in a policy on nondeployables. All the nondeployables; not just those with the AIDS virus, and it was a phony attempt to counter me. Once I said I will accept it, they did not even want their own. They dropped it.

We won on the House side on getting work on four beautiful F-18 Hornet fighter aircraft. We are going to get that work done in depots Funding for depots is a 60/40 split on U.S. versus outside work. And that is the report, except for the House receding to the U.S. Senate on POW/MIA language.

Now, Mr. Speaker, I will not be able to vote for the Defense authorization bill on this floor tomorrow if it comes up or when we come back in September. I will have to vote against it in spite of getting nine out of 11 things in the bill, in spite of being the point man with OWEN PICKETT, my Democratic vice chairman from Virginia, at my side on everything, including the multiple POW/MIA hearings, including one that lasted 11 hours and 45 minutes, half a day, with no breaks. We only used the breaks to come over and vote and ate on the run.

Mr. PICKETT and I stood by our men and women in uniform with pay increases, basic allowance for quarters, health provisions refined. Most of my work was on the grinding routine of the military personnel subcommittee, as DAN COATS of Indiana and now the new chairman, DIRK KEMPTHORNE of Idaho, did so assiduously on the other side.

But now without mentioning any names, here comes the POW/MIA tragedy, and what a tragedy it is.

On February 10, again that same day that Clinton signed the Dornan abortion language, the HIV which was stripped out by my own party 3 months after it was in law, a mistake, against the will of 99 percent of all the men and women who are at the E-1 enlisted level E-2, E-3, the sergeants, the NCOs and most of the field officers, all the junior company grade officers that I have spoken to, this House in a gutless move pulled it out. However we did trade it for two pro-life positions in what was called the continuing appropriations bill a few weeks back.

Now, here is what Clinton signed into law: The Missing Persons Act. The guts of it, the core of it, basically were nine things. I will leave it up, Mr. Speaker, to every American who tracks us in this Chamber and follows the proceedings of this House. If we were debating this right now in the Committee of the Whole for the Armed Services Committee, and I was controlling the debate and yield myself such time as I might consume, I would march down these nine points and I would hope, Mr. Speaker, that all Americans would evaluate these.

I will take them the way they were stripped out or allowed to stay, nine of them. I fought for three, and I held three, but six will be stripped out when Clinton signs this bill.

Section 1902(a) of the 1996 Missing Persons Act designates a period of not longer than 48 hours for a unit commander; that is, a squadron commander, Marine company commander, or higher, to report to the theater commander in the theater. That could be very small. The *Mayaguez*, that was a small theater of action off the main port of Cambodia. When a person is missing, it is 48 hours for the unit commander to say to the theater commander, Two days ago Lieutenant Dornan never came back from that patrol. Only one of his radiomen made it back. It was 2 days ago. Let us move on this.

Now that has been moved to 10 days. I ask any person with any logic, what about Scott O'Grady? Scott O'Grady came up on the radio. He told me this in my own office, Tip O'Neill's old district office, Tom Foley's old district office, Jim Wright's old district office in the Rayburn Building. It is my office now, and in that office he told me, I came up on the radio, Congressman, every night for 6 nights and nobody heard me. Only on the sixth night.

Imagine, he was rescued the sixth night and nobody thought he was alive. I said, "I didn't think you were alive, Scott. I gave up on you." He said, "Don't feel bad, my mom and dad had given up, my sister and my brother, and so had my unit and all but a few of my wingmen."

One close friend that I met in Aviano told me that he diverted from another capping mission, another deny-flight mission over Bosnia, deny flight to the Serbians, that he flew back in the general direction of where Scott went down, and when he came up on the radio, he got so excited. They played the tapes for me there at the fighter squadron headquarters in that front base at Aviano, Italy. And he said, "Is that really you, Scott? What was your call sign in Onsong, Korea?" And he came up with it and he said, "It is you. It is you." He is telling him, "It is you. It is you." Very dramatic.

Day six, now it has been moved to day 10. Ten days not to report that someone is missing? If it is your fault that someone is missing, you have 10 days to cover your tail.

Number 2, section 1502(b), the theater commander after receiving a report from a unit command that a person is missing has 14 days to forward a report to the Secretary concerned, Navy, Air Force, Army, the Navy takes care of the Marine Corps, that all necessary actions were taken, that all appropriate assets were used.

This is called accountability, Mr. Speaker, to resolve the status of the missing person and that all pertinent information was safeguarded. This new gutting of this provision has a unit commander, that can be a company commander on a small ship off the coast, coastal ship, reporting directly to the secretary of some service back in the Pentagon. What kind of an idiotic disconnect is that?

This next one, number 3, is one that I managed to save. But as JIM TALENT of Missouri said, it is worthless without all the other ones that are stripped out of this.

Section 1503.4, a legal counsel will be appointed by the Secretary of the services, or of Defense, to represent a missing person's interest at all boards of inquiry. You know how this is handled most of the time? Go look at that movie "A Few Good Men." Tom Cruise plays a lawyer new on the base. They gave him what they thought was a nothing case and he turned out to be a good lawyer and a big star, but that is what happens. They give to the lowest person in the Judge Advocate office, generally, this nonwinable case.

□ 2130

So a young captain is told, you will help this missing person's interests at all boards of inquiry. And he says, I do not know the issue. I do not know the theater. I have not been overseas yet. And what are the regs here? What do I base all this on?

No teeth to back up this appointed legal counsel. I fought for it and got that one, but I am wondering what it is worth now.

Number 4, 1505(b), for missing persons last known or suspected of being alive, a board of inquiry will be convened every 3 years after the initial report of disappearance. Chairman Dirk Kempthorne of Idaho had a good point. What about if a family does not want to have this brought up every 3 years, that they have made peace. They are convinced their son was killed, died in captivity. They want to let him rest in peace.

I called it the Kempthorne provision. Good, let us have the families opt out. Then we made it better than that. Everybody is considered opted out except for those who do not think that they got justice and that their son, last known alive, and in the case of the gulf war could be a daughter now, a daughter, suspected of being alive or last known alive, you opt in and want to review every 3 years. Killed. Stripped out.

I am telling you, Mr. Speaker, as I stand here and you sit there, the missing in action, POW families in your State of Colorado are distraught. They are enraged. They are heartbroken. They are literally crying angry tears that this is stripped out.

Now, number 5, 1506, penalizes any Government official who knowingly willingly withholds information related to the disappearance, whereabouts or status of a missing person from his case file. Anyone who knowingly and willingly, Duncan Hunter of San Diego wanted to add maliciously, they would not accept that, withholds information from the case files because their tail is on the line, the have done shoddy work about someone, their whereabouts, about their disappearance or their status, stripped out, no accountability.

And they know that I am on the brink of bringing charges against two Americans who are innocent until proven guilty, but I want to bring charges against Robert Destat, French name, and Chuck Trowbridge for I think wrongfully and willfully withholding information from one of my best friends in the Air Force, Carol Hrdlicka over her husband.

Remember, Mr. Speaker, I started the POW bracelet at the inspiration of a young 16-year-old named Kaye Hunter who then left for school in Taiwan the next week. She said, I want to wear a POW bracelet, when I had referred to this Montagnard bracelet, on the debut of the Robert K. Dornan show, February 7, 1970. I said that I would wear this Montagnard bracelet, never take it off until the POW's are accounted for. I have never had it off, since September of 1968. That is 28 years I have had this on.

Out of this round Montagnard bracelet that I got at the little village of Kontum, north of Pleiku, 13,000 of these POW bracelets were born. And here is David Hrdlicka's, May 18, 1965, my best friend from the Air Force. Carol, his wife, called me at midnight last night. His son has gone through a full Naval career flying F-18 Hornets, now a first officer with American Airlines. She said, we have not lost yet. We are going to keep the accountability for people who knowingly and willfully withheld information from me. I have to tell Carol, Mr. Speaker, it is gone, stripped out.

Number 6 prevents a missing person from being declared dead without credible proof that if a body is recovered and is not identifiable through visual means, a certification by a practitioner of an appropriate forensic science, pretty broad, a practitioner of an appropriate forensic science, usually a mortician, says that the body recovered is definitely the missing person. Stripped out. We cannot even get this provision through that says a credible practitioner of a forensic science must say, if a body is not visually identifiable, this is the person we are saying it is.

Now we can go back to this routine of a chip, a bone, without even any DNA material to extract from it, that a little chip of a bone in a mass grave, as happened with the case of a C-130 crew in a terrible rain storm. They buried in a mass grave a bag of 10 bodies mixed together, pieces of bones of bodies where not one piece of one bone was able to identify one person. All the families were rolled on that. So there is number 6, stripped out.

Now, numbers 7 and 8, I held for three out of nine. I held these. Section 1508 permits the primary next of kin to seek judicial review at a U.S. district court but only on the basis that there is information that could affect the status of a missing person, new information that was not adequately considered during the DOD administrative review process. That is pretty new. That means new information. And somebody can block new information from coming forward if it makes it look like he has done a shoddy job and he has nothing to worry about because we took out the penalty provision.

So like the young captain being assigned as legal counsel but without any trail of records that he can base his research on, what is that worth? Now we have judicial review but people can obfuscate this thing.

I have never been into conspiracies on this, but always been suspicious of people who homesteaded in this gut-wrenching tragic area for their whole career, giving up promotion and advancement and confusing the relative sometimes and then holding back information when the enemy was being given the information in Hanoi, but they held it back from the families.

The third out of the three that I managed to hold on to was section 1509(b)(1), which permits retroactive review of the case of missing persons known to be suspected of being alive or whose capture was possible at the end of the Korean war or cold war.

This is an important one. If I had not gotten this back, the POW families from the Korean war, where we left, I always have used the figure in this Chamber, 389 known, healthy prisoners were left behind when others came across Freedom Bridge.

Now in my research, when magazine articles from the Times declassified documents that terrific people at the DMPO, that is the Defense Missing Persons Office, have been finding at the Eisenhower Library and in other research documents, and tell Mr. Gudaboi or whatever your name is over there, you better stay out of the way of these honorable, hot analysts and researchers. I will get your name correct. I am masacring it here, but you know who you are, you are a financial person.

Mr. Speaker, this financial person is not an analyst and he must not stop people from traveling to Russia or to anywhere else or doing their work at the Eisenhower Library and think that he is going to replace them as an analyst, when he has been an obstructionist or like Bob Destat and Chuck Trowbridge, you will find yourself, until this bill is overthrown with Clinton's signature, I am moving on this penalty provision while the sun is shining. I am going to bring some justice to these families.

So I got the Korean war and cold war prisoners back into this because Col. Philip Corso, now in his 80's, I have seen him on film saying that he himself went in the Oval Office to a boyhood hero of mine, Gen. Dwight D. Eisenhower, one of only 8 five-star generals, the man who drove Hitler to suicide in less than 3 years and 5 months, the President of the United States for 8 years, one of our rare two-term Presidents in this century. And he said to Colonel Corso, whose heart is bleeding over this now, I accept your recommendation, declare them all dead, even though we knew, I will accept your recommendation to write off these hundreds, not 389 but 900 people we left behind in Korea. That group just coming up to speed.

They had one 2-hour hearing in the Senate and my long hearing over here in the House. And that is the first time there was a House hearing from this chairman in almost half a century for these people whose young men, their husbands and sons, started going missing when first the North Koreans attacked across the 38th parallel and then when they drove us down to the Pusan pocket and we fought back under General MacArthur with the brilliant Inchon landing in October 1950 and then hit the boarder with China. And then in comes the Chinese, because of cabal of perverts in the British system, perverts that all went to Cambridge, Burgess, MacLean, Andrew Blount, Philby, a gang of homosexual spies gave away our secrets that they learned through the British foreign ministry, gave them to the Russians and the Russians gave them to the Chinese in Beijing and they told the Koreans, keep fighting, the United States will never bomb the allied bridges.

There is a chain of death and treason for you, and now we leave behind hundreds of prisoners, just as they are finding out. This was attempted to be repealed and stripped out by one person in the Congress of the United States.

Then we come to number 9, stripped out, 1513(b), permits the civilian Defense Department employees who serve with or accompany the Armed Forces in the field under orders who become missing as a result of hostile action to be covered by this act. It is stripped out, Mr. Speaker.

Let us clarify this. I will read it slowly and then I will flesh it out with some anecdotal true historical circumstances.

Section 1513(b), now public law since February 10, about to be stripped out if this conference passes tomorrow and is sent and Clinton signs it into law in October. It is in the public law now. All of you, all of these Defense Department employees who back up our men all around the world, civilian tech reps at Aviano right now, some that are accompanying our forces, State Department and/or otherwise AID people, Agency for International Development, all around the world, they were in Somalia, they are in Haiti, they are in Bosnia, listen to this, if you are a wife at home or a husband at home and your wife is overseas as a civilian defense employee under orders, accompanying our Armed Forces in the field and you become missing as a result of hostile action, you are now covered by law since February 10 and you are going to be stripped out of law because people did not listen to what we were doing and saying.

They did not listen to all these letters I have here from the American Legion, Disabled American Veterans, President Dole's Veterans for Dole, the Dole campaign, some Democrat Senators and Congressmen, they listened to nobody. They just deferred to one human being and this is stripped out.

Here are those examples. Wake Island. The then War Department and the Navy Department, each one had its own separate status, answers to Franklin Delano Roosevelt, no overriding Defense Department or Secretary of Defense. They both recruited in the western United States, actually all over the country and brought young college kids, maybe their studies were getting then down, they said, I will go make some good money on a little tiny atoll called Wake Island and Guam and Midway, but Wake Island is the one I am thinking of.

They went out there, hundreds of them, and began to build up the pill boxes, the revetments, the buildings to fortify Wake Island. Before they hardly got started, Wake Island was attacked by the Japanese on December 8.

Wake Island held out miraculously. I was 8 years old and tracked every day of it. They held out until the 23d of December, 2 days before Christmas 1941.

The marine major who served here as a Congressman from Maryland for 10 years, Devereaux, under his commander, who got short shrift, he answered to him but Marines, somehow or other, they earn it most of the time, they get the glory. But Sprig, that was the nickname, Cunningham was the Naval commander in boss of Wake Island. He could have laughed and jumped on the last PBY out. Instead he put some women on it and sent one of his lieutenants to tell the story. They held out. One last F–4F Wildcat pilot sunk a Japanese destroyer, a light cruiser, amazing story, and Sprig Cunningham and his marine commander, Major Devereaux, took all these construction workers and said, if it was the old west it would have been called deputizing them, we make you a part of the U.S. defense force here.

Here is a pot, the old World War I style helmet my Dad wore a couple of decades before. Here is a rifle, Springfield 1903, A–3 bolt action, no M–1 at the time, defend this island. And they fought and died alongside the military, just like a lot AID people in Vietnam, which I am coming to in a minute.

□ 2145

When the island fell the Japanese had hundreds of these civilian War Department or Navy Department workers, hundreds of them. Some died in the hospitals, some were shipped off to Japan to die in the mines in Manchuria, but most were kept to continue doing what they were hired to do, but doing it for the evil war lords of Japan. They started again pouring concrete, building, carpentry, all the skills they were hired for, and they built up Wake Island into a fortress that it never was under us, and we correctly bypassed it, headed for the heartland for islands where we could have B–29 bomber distance to the heartland of Japan. So we went for Saipan, Guam, Tinian, Rota and then up to Okinawa and kept getting closer, and we bypassed Wake. We did hit Guam and liberate Guam.

When we bypassed Wake Island, what happened to all these civilian contract workers? With the war only months from ending, with us only bombarding Wake a couple of times with ships passing on the way to the bigger battles at Leyte and Okinawa, the Japanese lined them all up and murdered them, assassinated them, executed them. They worked as slaves for the imperial war lords of Japan. The Wake Island commandant was executed for this war crime, and they were all executed.

When I brought that case up, when I brought up a friend of mine named Tom Hayden, not the evil Tom Hayden who is a State senator who gave aid and comfort, and this time I use that language because nobody is protected by Rule 18; Tom Hayden of California gave aid and comfort, sustenance, encouragement of morale building strength to the enemy in Vietnam, arrived in Hanoi, received champagne and roses at the airport; not that Tom Hayden. Not the one who betrayed freedom and serves as a State senator in Sacramento against the Constitution of the great State of California which does not require a declared war, which federally we require to use that term, aid and comfort; but in California it just says giving aid and comfort, assistance, sustenance and encouragement to an enemy engaged in conflict with American fighting forces. Not that Tom Hayden. Another Tom Hayden as handsome as a movie star, carried a 45, was the youngest AID, Agency for International Development, person representing the Mekong Delta, Corps IV in Vietnam, and was under combat conditions several times, won a Purple Heart and was given the highest civilian decorations for fighting during the Tet offensive when Communist forces were coming at people. He is now somebody like the good Tom Hayden, and like those people in Wake Island will not be covered as they are covered today since February 10 when this provision is stripped out.

So I saved legal counsel, it is almost meaningless without the rest of this, I saved judicial review, only on new information, allied people, and that is kind of worthless without the rest of this, and then I did save the Korean War, Cold War and Indochina War missing persons known or suspected of being alive.

Mr. Speaker, might I inquire, please, how much time I have left?

The SPEAKER pro tempore (Mr. McINNIS). The gentleman from California has about 11 minutes and 35 seconds.

Mr. DORNAN. Thank you, Mr. Speaker.

I wish that I had a national radio show where the producers or syndication owners would allow me to read for about a week from this great book with a plain brown cover, POW, a definitive history of the American prisoner of war experience in Vietnam, 1964 to 1973, by John G. Hubbell in association with Andrew Jones and Kenneth Y. Tomlinson. I just saw him out in the hall recently. I believe he still works for Readers Digest.

Listen to some of our workers, civilian workers in Vietnam and what happened to them during the Tet offensive. I called this provision of the Missing Service Personnel Act written by Bob Dole and Chairman BEN GILMAN of this House and by liberal Democrat of honor FRANK LAUTENBERG of New Jersey and gutted last night at 2 o'clock in the Senate House conference; I called this last amendment to protect civilians under orders traveling with our Armed Forces in the field, I called it the Mike Benge amendment.

And here is why. Page 424. This chapter has a Latin title. I remember it in my Latin. Jesuit priest taught me. Illegitamae Non Carborundum. Do not let the bastards get you down, talking about these vicious Communist captures.

"After being captured during the Tet offensive, Mike Benge, the Agency for International Development agriculture adviser, Betty Ann Olsen, a missionary nurse, and Hank Blood, a missionary linguist, had walked the jungle trails together for months. At first the three were kept chained.

The first reference in the book to them is their terrible circumstance of capture. Now this book is episodic and comes back to them.

At first the three were kept chained together by their North Vietnamese army escorts who ate well themselves but kept the prisoners on a starvation diet until they were too weak to attempt escape. Then the chains were removed. The diet was not improved, though it was always a small serving of rice, manioc, and only occasionally a piece of fish or meat, terrapin, turtle, iguana or gibbon ape.

The spring of 1968, they were captured on 1 February, throughout the spring of 1968, the party would camp by rivers. Here Benge contracted malaria. For most of 35 days he remained delirious or blind. Betty Ann Olsen cared for him, keeping him warm when the chills took him, feeding him, bathing him. At length the attacks began to subside.

Betty Ann was seized with a fever, headache, severe pains in the joints and muscles.

You ladies across America, you young women, you women analyzing the glory of the Olympics, think about Betty Ann Olsen. For freedom and Jesus Christ she finds herself undergoing the tortures of the damned. She was diagnosed with dengue fever. She rested as much as she was allowed to, increased her fluid intake and recovered within a few weeks.

The party kept moving all summer trending southwesterly toward Cambodia. Betty Ann and Hank both developed malaria. Hank, who is 53, a decade younger than I as this moment, was 16 years older than Mike, who was 37. By the way, Michael Benge survived all of this, and 20 years older than Betty Ann who was 33. He seemed to get much sicker than they did and have more difficulty recovering.

And in addition to the malaria, the terrible jungle skin diseases tore ugly running sores into him, and these itched maddeningly. Their North Vietnamese captors would do nothing for them, and there was little the Americans could do for each other except to huddle together for warmth against the cold monsoon rains which were now upon the land.

One morning Blood complained of chest pains. Betty Ann examined him and told Benge the older man had pneumonia. A short walk away was a Communist base camp, complete with hospital facilities. Mike pleaded with the officer in charge of the group that Blood be taken there. His pleas were denied. It took Hank three days to die. He was buried in a shallow, unmarked grave beside a jungle trail. His earthly remains are still there. Mike and Betty Ann were allowed to say prayers over the grave. Then the party moved on.

They crossed into Cambodia, turned north, then east. By late summer, they were back in the vicinity of Ban Me Thuot, where they had been captured. By now, scurvy had loosened their teeth, and their gums bled constantly. Mike and Betty Ann were covered with running sores; their hair had turned white and came out by the fistful. Betty Ann was anemic and suffering terribly from dysentery. They wondered to what purpose they had traveled and suffered all these months; they seemed to be going nowhere.

Still, they encouraged each other and tried to keep each other's spirits up. Mike told Betty Ann of his family's ranch in Oregon and of his three-year hitch in the Marine Corps. Betty Ann told Mike of growing up in Africa's Ivory Coast, where her American parents were missionaries. They starved. They chewed at pieces of buffalo hide they found on the mountain trails; and they grabbed bamboo shoots and munched at them.

Ill and tired himself, Mike worried more and more about Betty Ann. She seemed to be giving out. Their captors showed her no mercy. When she lagged on the trails, they would slap her, knock her down, pick her up, drag her. She kept getting to her feet, moving on.

The monsoon rains hatched out the worst scourge of the Asian jungle, the bloodsucking leech. By September the jungle foliage was covered with leeches. They were shiny black, and some were enormous. They brushed off by the hundreds onto all who passed. One day Mike found himself following a trail of blood—anemic, dysentery-wracked Betty Ann's. When they made camp that evening, she was too weak to pick off the leeches that covered her. Mike removed them, then tried to carry water from a nearby creek to bathe her. He was not strong enough, though, and could get no help. Again he implored the officer in charge, pointing out that there was a North Vietnamese battalion encamped close by. Surely, it would have a doctor or a medic who could help Betty Ann. Perhaps he would have some medicine, some food for her, something. She was dying. The officer in charge was not interested.

Betty Ann was five days dying. Like Hank Blood, she was laid in a shallow, unmarked grave near a jungle trail. Mike prayed over her. Then the party moved on.

Mike developed beriberi. His legs swelled so that he could barely lift them. When he came to a log he had to sit down and lift one leg at a time over it with his hands; and he dared not sit down unless there was a tree close by, so he could pull himself up again. His captors continued to do nothing for him but to keep him moving and to feed him a small ration of rice daily. It occurred to him that they were waiting for him to die. But, suddenly, he knew something they did not know; he was not going to die. Someone had to survive, to make it known what had happened to Hank Blood and Betty Ann Olsen. It was up to him and he would do it, no matter what it took. He would do it by putting one foot ahead of the other, living one hour at a time, for as many steps and years as it took. He was going to do it.

They walked on, into a village near the Cambodian border. The wretched prisoner was displayed to the locals. "Look at this American," his guards shouted. "He's been riding in cars and airplanes too long. He can't even walk."

Benge, who was fluent in Vietnamese, spoke up in reply: "It is not true," he shouted. "I have walked halfway across your country. These men have starved me almost to death. I have beriberi and dysentery and malaria, and they have given me no medicine, no care of any kind. And yet I am alive, and I go wherever they take me."

The villagers muttered among themselves. The soldiers hustled Mike Benge out of the place. They took him back into Cambodia, which they called the Land of Milk and Honey.

And the story goes on and on. They take him into a village. Here Mike was ushered to a cage-like hut in a stockade area of the base. U.S. Army Lieutenant Stephen R. Leopold, captured on May 9 of 1968, 3 months after Mike, a green beret officer who occupied a cage of his own, he watched Benge approach. He guessed him to be over 60 with his white-haired beard and the way he used a stick to limp along. Soon the two were communicating.

Benge discovered that Leopold learned new Latin and asked to learn the language. Leopold's presence in a Communist cage was ironic. Only 24, he was not long from the campus of Stanford where in 1965 and 1966 he had been editor of the Daily, the Stanford newspaper.

In that capacity he had mounted cogent stands, like I was doing at the time on a television show, I, BOB DORNAN, against the conduct of the war under LBJ and had favored restricting American involvement only to military advisers, only to trained South Vietnamese to fight their own war, and like so many other editorialists at the time, BOB DORNAN on television and radio, he had not had his way. I always had what I call the Dornan pipeline: air power, sea power, and nobody on the ground in Vietnam until they could speak Vietnamese, and that would choke it down through the language schools at Monterey and what eventually became Rosslyn, and yes, I was not just a willing person to sign off on this undeclared war.

The point I am making here, Mr. Speaker, is that although Hank Blood and Betty Ann Olsen were civilian missionaries, Michael Benge, if he had died on that trail with them was a worker for the United States Government sent into a combat area working in the field with our men under orders, and someone said to me:

"Who cares about these civilians? They all make $100,000 a month while I, flying naval aircraft, was only making 5,000.''

□ 2200

Wait a minute. Wait a minute. Michael Benge was not making $100,000 a month. He was making a GS salary lower than probably an Army major or Navy lieutenant commander. No. Just this one civilian aspect is treacherous.

Let me tell the Members about this book. There are passages in here of such medieval, unholy, vicious torture, with 20 of our men beaten to death by three Cubans, that the fact that someone who had dodged the draft three times, the third time actually giving up an induction date of July 28, 1969, to have an administration led under those circumstances, removing the trade restrictions, normalizing relations, removing the combat status, so if we located live Americans we could not even pull off a covert raid, although I would hope somebody would do something like that, direct action; and now we are driving for the Vietnamese to get an ambassador appointed, and then the battle starts for most-favored-nation status.

The people who gave the orders to torture to death our military men, like Ron Stewart, Norm Schmidt, Ed Attergerry, J.J. Connell, ''Freddy'' Frederick, Ken Cameron, a man called, in the forefront of the book, ''the faker'', who now we know was Major Earl Cobiel, beaten insensate, lashed across his face with a strip of rubber from a tire, and would not even blink, and this foul-mouthed Cuban who became a brigadier general and was sent to the U.N. named Fernandez, and nobody in my country had the guts to arrest him. These people were tortured to death: Tom Benson, Roberts, and then it is dedicated to Betty Olsen and Hank Blood. I will read again from this book.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the House stands in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 1 minute p.m.), the House stood in recess subject to the call of the Chair.

□ 2355

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. McINNIS] at 11 o'clock and 55 minutes p.m.

CONFERENCE REPORT ON H.R. 3230, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

Mr. KASICH submitted the following conference report and statement on the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year for the Armed Forces, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–724)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Defense Authorization Act for Fiscal Year 1997''.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical Demilitarization Program.
Sec. 108. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Repeal of limitation on procurement of Armed Kiowa Warrior helicopters.
Sec. 112. Multiyear procurement authority for Army programs.
Sec. 113. Bradley TOW 2 Test Program sets.

Subtitle C—Navy Programs

Sec. 121. Nuclear attack submarine programs.
Sec. 122. Arleigh Burke class destroyer program.
Sec. 123. EA–6B aircraft reactive jammer program.
Sec. 124. T–39N trainer aircraft for the Navy.
Sec. 125. Penguin missile program.

Subtitle D—Air Force Programs

Sec. 131. Repeal of limitation on procurement of F–15E aircraft.
Sec. 132. Modification to multiyear procurement authority for C–17 aircraft program.

Subtitle E—Other Matters

Sec. 141. Assessments of modernization priorities of the reserve components.
Sec. 142. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 143. Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Dual-use technology programs.
Sec. 204. Defense Special Weapons Agency.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Space launch modernization.
Sec. 212. Space-Based Infrared System program.
Sec. 213. Clementine 2 micro-satellite development program.
Sec. 214. Live-fire survivability testing of V–22 Osprey aircraft.
Sec. 215. Live-fire survivability testing of F–22 aircraft.
Sec. 216. Limitation on funding for F–16 tactical manned reconnaissance aircraft.
Sec. 217. Cost analysis of F–22 aircraft program.
Sec. 218. F–22 aircraft program reports.
Sec. 219. Cost-benefit analysis of F/A–18E/F aircraft program.
Sec. 220. Joint Advanced Strike Technology (JAST) program.
Sec. 221. Unmanned aerial vehicles.
Sec. 222. High altitude endurance unmanned aerial reconnaissance system.
Sec. 223. Cyclone class patrol craft self-defense.
Sec. 224. One-year extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG–M) system.
Sec. 225. Hydra–70 rocket product improvement program.
Sec. 226. Federally funded research and development centers.
Sec. 227. Demilitarization of conventional munitions, rockets, and explosives.
Sec. 228. Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology.
Sec. 229. Certification of capability of United States to prevent illegal importation of nuclear, biological, or chemical weapons.
Sec. 230. Nonlethal weapons and technologies programs.
Sec. 231. Counterproliferation support program.

Subtitle C—Ballistic Missile Defense Programs

Sec. 241. Funding for ballistic missile defense programs for fiscal year 1997.
Sec. 242. Certification of capability of United States to defend against single ballistic missile.

Sec. 243. Report on ballistic missile defense and proliferation.
Sec. 244. Revision to annual report on ballistic missile defense program.
Sec. 245. Report on Air Force National Missile Defense Plan.
Sec. 246. Capability of National Missile Defense system.
Sec. 247. Actions to limit adverse effects on private sector employment of establishment of National Missile Defense Joint Program Office.
Sec. 248. ABM Treaty defined.

Subtitle D—Other Matters

Sec. 261. Maintenance and repair at Air Force installations.
Sec. 262. Report relating to Small Business Innovation Research Program.
Sec. 263. Amendment to University Research Initiative Support program.
Sec. 264. Amendments to Defense Experimental Program To Stimulate Competitive Research.
Sec. 265. Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities.
Sec. 266. Pilot program for transfer of defense technology information to private industry.
Sec. 267. Research under transactions other than contracts and grants.
Sec. 268. Desalting technologies.
Sec. 269. Evaluation of digital video network equipment used in Olympic games.
Sec. 270. Annual joint warfighting science and technology plan.

Subtitle E—National Oceanographic Partnership Program

Sec. 281. Findings.
Sec. 282. National Oceanographic Partnership Program.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Civil Air Patrol Corporation.
Sec. 306. Availability of additional funds for antiterrorism activities.
Sec. 307. Nonlethal weapons capabilities.
Sec. 308. SR–71 contingency reconnaissance force.

Subtitle B—Depot-Level Activities

Sec. 311. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 312. Test programs for modernization-through-spares.

Subtitle C—Environmental Provisions

Sec. 321. Defense contractors covered by requirement for reports on contractor reimbursement costs for response actions.
Sec. 322.Establishment of separate environmental restoration accounts for each military department.
Sec. 323. Payment of stipulated penalties assessed under CERCLA.
Sec. 324. Shipboard solid waste control.
Sec. 325. Authority to develop and implement land use plans for defense environmental restoration program.
Sec. 326. Pilot program to test alternative technology for limiting air emissions during shipyard blasting and coating operations.
Sec. 327. Agreements for services of other agencies in support of environmental technology certification.
Sec. 328. Repeal of redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws.
Sec. 329. Authority for agreements with Indian tribes for services under environmental restoration program.
Sec. 330. Authority to withhold listing of Federal facilities on National Priorities List.
Sec. 331. Clarification of meaning of uncontaminated property for purposes of transfer by the United States.
Sec. 332. Conservation and cultural activities.
Sec. 333. Navy program to monitor ecological effects of organotin.
Sec. 334. Authority to transfer contaminated Federal property before completion of required response actions.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 341. Contracts with other agencies to provide or obtain goods and services to promote efficient operation and management of exchanges and morale, welfare, and recreation activities.
Sec. 342. Noncompetitive procurement of brand-name commercial items for resale in commissary stores.
Sec. 343. Prohibition of sale or rental of sexually explicit material.

Subtitle E—Performance of Functions by Private-Sector Sources

Sec. 351. Extension of requirement for competitive procurement of printing and duplication services.
Sec. 352. Reporting requirements under demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.

Subtitle F—Other Matters

Sec. 361. Authority for use of appropriated funds for recruiting functions.
Sec. 362. Training of members of the uniformed services at non-government facilities.
Sec. 363. Requirement for preparation of plan for improved operation of working-capital funds and effect of failure to produce an approved plan.
Sec. 364. Increase in capital asset threshold under Defense Business Operations Fund.
Sec. 365. Expansion of authority to donate unusable food.
Sec. 366. Assistance to committees involved in inauguration of the President.
Sec. 367. Department of Defense support for sporting events.
Sec. 368. Storage of motor vehicle in lieu of transportation.
Sec. 369. Security protections at Department of Defense facilities in National Capital Region.
Sec. 370. Administration of midshipmen's store and other naval academy support activities as nonappropriated fund instrumentality.
Sec. 371. Reimbursement under agreement for instruction of civilian students at Foreign Language Institute of the Defense Language Institute.
Sec. 372. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 373. Renovation of building for Defense Finance and Accounting Service Center, Fort Benjamin Harrison, Indiana.
Sec. 374. Food donation pilot program at service academies.
Sec. 375. Authority of Air National Guard to provide certain services at Lincoln Municipal Airport, Lincoln, Nebraska.
Sec. 376. Technical amendment regarding Impact Aid program.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Permanent end strength levels to support two major regional contingencies.
Sec. 403. Authorized strengths for commissioned officers on active duty in grades of major, lieutenant colonel, and colonel and navy grades of lieutenant commander, commander, and captain.
Sec. 404. Extension of requirement for recommendations regarding appointments to joint 4-star officer positions.
Sec. 405. Increase in authorized number of general officers on active duty in the Marine Corps.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for reserves on active duty in support of the Reserves.
Sec. 413. End strengths for military technicians.
Sec. 414. Assurance of continued assignment of military personnel to serve in Selective Service System.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Grade of Chief of Naval Research.
Sec. 502. Chief and assistant chief of Army Nurse Corps and Air Force Nurse Corps.
Sec. 503. Navy spot promotion authority for certain lieutenants with critical skills.
Sec. 504. Time for award of degrees by unaccredited educational institutions for graduates to be considered educationally qualified for appointment as Reserve officers in grade O–3.
Sec. 505. Exception to baccalaureate degree requirement for appointment in the Naval Reserve in grades above O–2.
Sec. 506. Chief warrant officer promotions.
Sec. 507. Service credit for senior ROTC cadets and midshipmen in simultaneous membership program.

Sec. 508. Continuation on active status for certain Reserve officers of the Air Force.
Sec. 509. Reports on response to recommendations concerning improvements to Department of Defense joint manpower process.
Sec. 510. Frequency of reports to Congress on joint officer management policies.

Subtitle B—Enlisted Personnel Policy

Sec. 511. Career service reenlistments for members with at least 10 years of service.
Sec. 512. Authority to extend period for entry on active duty under the delayed entry program.

Subtitle C—Activation and Recall

Sec. 521. Limitations on recall of retired members to active duty.
Sec. 522. Clarification of definition of active status.
Sec. 523. Limitation of requirement for physical examinations of members of National Guard called into Federal service.

Subtitle D—Reserve Component Retirement

Sec. 531. Increase in annual limit on days of inactive duty training creditable toward reserve retirement.
Sec. 532. Retirement of reserve enlisted members who qualify for active duty retirement after administrative reduction in enlisted grade.
Sec. 533. Authority for a Reserve on active duty to waive retirement sanctuary.
Sec. 534. Eligibility of Reserves for disability retirement.

Subtitle E—Other Reserve Component Matters

Sec. 541. Training for Reserves on active duty in support of the Reserves.
Sec. 542. Eligibility for enrollment in Ready Reserve mobilization income insurance program.
Sec. 543. Reserve credit for participation in Health Professions Scholarship and Financial Assistance Program.
Sec. 544. Amendments to Reserve Officer Personnel Management Act provisions.
Sec. 545. Report on number of advisers in active component support of Reserves pilot program.
Sec. 546. Sense of Congress and report regarding reemployment rights for mobilized reservists employed in foreign countries.
Sec. 547. Payment of premiums under Mobilization Income Insurance Program.

Subtitle F—Officer Education Programs

Sec. 551. Oversight and management of Senior Reserve Officers' Training Corps program.
Sec. 552. Prohibition on reorganization of Army ROTC cadet command or termination of senior ROTC units pending report on ROTC.
Sec. 553. Pilot program to test expansion of ROTC program to include graduate students.
Sec. 554. Demonstration project for instruction and support of Army ROTC units by members of the Army Reserve and National Guard.
Sec. 555. Extension of maximum age for appointment as a cadet or midshipman in the Senior Reserve Officers' Training Corps and the service academies.
Sec. 556. Expansion of eligibility for education benefits to include certain Reserve Officers' Training Corps (ROTC) participants.
Sec. 557. Comptroller General report on cost and policy implications of permitting up to five percent of service academy graduates to be assigned directly to Reserve duty upon graduation.

Subtitle G—Decorations and Awards

Sec. 561. Authority for award of Medal of Honor to certain African American soldiers who served during World War II.
Sec. 562. Waiver of time limitations for award of certain decorations to specified persons.
Sec. 563. Replacement of certain American Theater Campaign Ribbons.

Subtitle H—Other Matters

Sec. 571. Hate crimes in the military.
Sec. 572. Disability coverage for members granted excess leave for educational or emergency purposes.
Sec. 573. Clarification of authority of a reserve judge advocate to act as a military notary public when not in a duty status.
Sec. 574. Panel on jurisdiction of courts-martial for the National Guard when not in Federal service.
Sec. 575. Authority to expand law enforcement placement program to include firefighters.
Sec. 576. Improvements to program to assist separated military and civilian personnel to obtain employment as teachers or teachers' aides.
Sec. 577. Retirement at grade to which selected for promotion when a physical disability is found at any physical examination.
Sec. 578. Revisions to missing persons authorities.

Subtitle I—Commissioned Corps of the Public Health Service

Sec. 581. Applicability to Public Health Service of prohibition on crediting cadet or midshipmen service at the service academies.
Sec. 582. Exception to strength limitations for Public Health Service officers assigned to the Department of Defense.
Sec. 583. Authority to provide legal assistance to Public Health Service officers.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1997.
Sec. 602. Adjustment of rate of cadet and midshipman pay.
Sec. 603. Pay of senior noncommissioned officers while hospitalized.
Sec. 604. Availability of basic allowance for quarters for certain members without dependents who serve on sea duty.
Sec. 605. Uniform applicability of discretion to deny an election not to occupy Government quarters.
Sec. 606. Establishment of minimum monthly amount of variable housing allowance for high housing cost areas.
Sec. 607. Family separation allowance for members separated by military orders from spouses who are members.
Sec. 608. Waiver of time limitations for claim for pay and allowances.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. One-year extension of certain bonuses and special pay authorities for reserve forces.
Sec. 612. One-year extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. One-year extension of authorities relating to payment of other bonuses and special pays.
Sec. 614. Special pay for certain Public Health Service officers.
Sec. 615. Special incentives to recruit and retain dental officers.
Sec. 616. Foreign language proficiency pay for Public Health Service and National Oceanic and Atmospheric Administration officers.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Allowance in connection with shipping motor vehicle at Government expense.
Sec. 622. Dislocation allowance at a rate equal to two and one-half months basic allowance for quarters.
Sec. 623. Allowance for travel performed in connection with leave between consecutive overseas tours.
Sec. 624. Funding for transportation of household effects of Public Health Service officers.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 631. Effective date for military retiree cost-of-living adjustment for fiscal year 1998.
Sec. 632. Clarification of initial computation of retiree COLAs after retirement.
Sec. 633. Suspension of payment of retired pay of members who are absent from the United States to avoid prosecution.
Sec. 634. Nonsubstantive restatement of Survivor Benefit Plan statute.
Sec. 635. Increases in Survivor Benefit Plan contributions to be effective concurrently with payment of retired pay cost-of-living increases.
Sec. 636. Amendments to the Uniformed Services Former Spouses' Protection Act.
Sec. 637. Prevention of circumvention of court order by waiver of retired pay to enhance civil service retirement annuity.
Sec. 638. Administration of benefits for so-called minimum income widows.

Subtitle E—Other Matters

Sec. 651. Discretionary allotment of pay, including retired or retainer pay.
Sec. 652. Reimbursement for adoption expenses incurred in adoptions through private placements.
Sec. 653. Waiver of recoupment of amounts withheld for tax purposes from certain separation pay.

Sec. 654. Technical correction clarifying limitation on furnishing clothing or allowances for enlisted National Guard technicians.
Sec. 655. Technical correction to prior authority for payment of back pay to certain persons.
Sec. 656. Compensation for persons awarded prisoner of war medal who did not previously receive compensation as a prisoner of war.
Sec. 657. Payments to certain persons captured and interned by North Vietnam.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Preventive health care screening for colon and prostate cancer.
Sec. 702. Implementation of requirement for Selected Reserve dental insurance plan.
Sec. 703. Dental insurance plan for military retirees and unremarried surviving spouses and certain other dependents of military retirees.
Sec. 704. Plan for health care coverage for children with medical conditions caused by parental exposure to chemical munitions while serving as members of the Armed Forces.

Subtitle B—TRICARE Program

Sec. 711. CHAMPUS payment limits for TRICARE prime enrollees.
Sec. 712. Improved information exchange between military treatment facilities and TRICARE program contractors.
Sec. 713. Plans for medicare subvention demonstration programs.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Definitions.
Sec. 722. Inclusion of designated providers in uniformed services health care delivery system.
Sec. 723. Provision of uniform benefit by designated providers.
Sec. 724. Enrollment of covered beneficiaries.
Sec. 725. Application of CHAMPUS payment rules.
Sec. 726. Payments for services.
Sec. 727. Repeal of superseded authorities.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Authority to waive CHAMPUS exclusion regarding nonmedically necessary treatment in connection with certain clinical trials.
Sec. 732. Exception to maximum allowable payments to individual health-care providers under CHAMPUS.
Sec. 733. Codification of annual authority to credit CHAMPUS refunds to current year appropriation.
Sec. 734. Exceptions to requirements regarding obtaining nonavailability-of-health-care statements.
Sec. 735. Enhancement of third-party collection and secondary payer authorities under CHAMPUS.

Subtitle E—Other Matters

Sec. 741. Alternatives to active duty service obligation under Armed Forces Health Professions Scholarship and Financial Assistance program and Uniformed Services University of the Health Sciences.
Sec. 742. External peer review for defense health program extramural medical research involving human subjects.
Sec. 743. Independent research regarding Gulf War syndrome.
Sec. 744. Comptroller General review of health care activities of Department of Defense relating to Gulf War illnesses.
Sec. 745. Report regarding specialized treatment facility program.
Sec. 746. Study of means of ensuring uniformity in provision of medical and dental care for members of reserve components.
Sec. 747. Sense of Congress regarding tax treatment of Armed Forces Health Professions Scholarship and Financial Assistance program.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Management

Sec. 801. Procurement technical assistance programs.
Sec. 802. Extension of pilot mentor-protege program.
Sec. 803. Authority to waive certain requirements for defense acquisition pilot programs.
Sec. 804. Modification of authority to carry out certain prototype projects.
Sec. 805. Increase in threshold amounts for major systems.
Sec. 806. Revisions in information required to be included in selected acquisition reports.
Sec. 807. Increase in simplified acquisition threshold for humanitarian or peacekeeping operations.
Sec. 808. Expansion of audit reciprocity among Federal agencies to include post-award audits.
Sec. 809. Excessive compensation of certain contractor personnel.
Sec. 810. Exception to prohibition on procurement of foreign goods.

Subtitle B—Other Matters

Sec. 821. Prohibition on release of contractor proposals under Freedom of Information Act.
Sec. 822. Amendments relating to reports on procurement regulatory activity.
Sec. 823. Amendment of multiyear limitation on contracts for inspection, maintenance, and repair.
Sec. 824. Streamlined notice requirements to contractors and employees regarding termination or substantial reduction in contracts under major defense programs.
Sec. 825. Repeal of notice requirements for substantially or seriously affected parties in downsizing efforts.
Sec. 826. Study of effectiveness of defense mergers.
Sec. 827. Annual report relating to Buy American Act.
Sec. 828. Foreign environmental technology.
Sec. 829. Assessment of national defense technology and industrial base and dependency of base on supplies available only from foreign countries.
Sec. 830. Expansion of report on implementation of automated information systems to include additional matters regarding information resources management.
Sec. 831. Year 2000 software conversion.
Sec. 832. Procurement from firms in industrial base for production of small arms.
Sec. 833. Cable television franchise agreements.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

Sec. 901. Repeal of previously enacted reduction in number of statutory positions in Office of the Secretary of Defense.
Sec. 902. Additional required reduction in defense acquisition workforce.
Sec. 903. Reduction of personnel assigned to Office of the Secretary of Defense.
Sec. 904. Report on military department headquarters staffs.
Sec. 905. Matters to be considered in next assessment of current missions, responsibilities, and force structure of the unified combatant commands.
Sec. 906. Transfer of authority to control transportation systems in time of war.
Sec. 907. Codification of requirements relating to continued operation of the Uniformed Services University of the Health Sciences.
Sec. 908. Joint Requirements Oversight Council.
Sec. 909. Membership of the Ammunition Storage Board.
Sec. 910. Removal of Secretary of the Army from membership on the Foreign Trade Zone Board.
Sec. 911. Composition of aircraft accident investigation boards.
Sec. 912. Mission of the White House Communications Agency.

Subtitle B—Force Structure Review

Sec. 921. Short title.
Sec. 922. Findings.
Sec. 923. Quadrennial Defense Review.
Sec. 924. National Defense Panel.
Sec. 925. Postponement of deadlines.
Sec. 926. Definitions.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Incorporation of classified annex.
Sec. 1003. Authority for obligation of certain unauthorized fiscal year 1996 defense appropriations.
Sec. 1004. Authorization of prior emergency supplemental appropriations for fiscal year 1996.
Sec. 1005. Format for budget requests for Navy/Marine Corps and Air Force ammunition accounts.
Sec. 1006. Format for annual budget requests for Defense Airborne Reconnaissance Program.
Sec. 1007. Limitation on use of Department of Defense funds transferred to the Coast Guard.
Sec. 1008. Fisher House Trust Fund for the Department of the Navy.
Sec. 1009. Designation and liability of disbursing and certifying officials for the Coast Guard.
Sec. 1010. Authority to suspend or terminate collection actions against deceased members of the Coast Guard.
Sec. 1011. Department of Defense disbursing official check cashing and exchange transactions.

Subtitle B—Naval Vessels and Shipyards

Sec. 1021. Repeal of requirement for continuous applicability of contracts for phased maintenance of AE class ships.
Sec. 1022. Funding for second and third maritime prepositioning ships out of National Defense Sealift Fund.
Sec. 1023. Transfer of certain obsolete tugboats of the Navy.
Sec. 1024. Transfer of U.S.S. Drum to city of Vallejo, California.
Sec. 1025. Sense of Congress concerning USS LCS 102 (LSSL 102).

Subtitle C—Counter-Drug Activities

Sec. 1031. Authority to provide additional support for counter-drug activities of Mexico.
Sec. 1032. Availability of funds for certain drug interdiction and counter-drug activities.
Sec. 1033. Transfer of excess personal property to support law enforcement activities.
Sec. 1034. Sale by Federal departments or agencies of chemicals used to manufacture controlled substances.

Subtitle D—Reports and Studies

Sec. 1041. Annual report on Operation Provide Comfort and Operation Enhanced Southern Watch.
Sec. 1042. Annual report on emerging operational concepts.
Sec. 1043. Report on Department of Defense military child care programs.
Sec. 1044. Report on Department of Defense military youth programs.
Sec. 1045. Quarterly reports regarding coproduction agreements.
Sec. 1046. Report on witness interview procedures for Department of Defense criminal investigations.
Sec. 1047. Report on military readiness requirements of the Armed Forces.
Sec. 1048. Report on NATO enlargement.

Subtitle E—Management of Armed Forces Retirement Home

Sec. 1051. Retirement Home Boards of Directors.
Sec. 1052. Acceptance of uncompensated services.
Sec. 1053. Disposal of tract of real property in the District of Columbia.

Subtitle F—Other Matters

Sec. 1061. Policy on protection of national information infrastructure against strategic attack.
Sec. 1062. Information systems security program.
Sec. 1063. Authority to accept services from foreign governments and international organizations for defense purposes.
Sec. 1064. Prohibition on collection and release of detailed satellite imagery relating to Israel.
Sec. 1065. George C. Marshall European Center for Strategic Security Studies.
Sec. 1066. Authority to award to civilian participants in the defense of Pearl Harbor the Congressional Medal previously authorized only for military participants in the defense of Pearl Harbor.
Sec. 1067. Assimilative crimes authority for traffic offenses on military installations.
Sec. 1068. Uniform Code of Military Justice amendments.
Sec. 1069. Punishment of interstate stalking.
Sec. 1070. Participation of members, dependents, and other persons in crime prevention efforts at installations.
Sec. 1071. Display of State flags at installations and facilities of the Department of Defense.
Sec. 1072. Treatment of excess operational support airlift aircraft.
Sec. 1073. Correction to statutory references to certain Department of Defense organizations.
Sec. 1074. Technical and clerical amendments.
Sec. 1075. Modification to third-party liability to United States for tortious infliction of injury or disease on members of the uniformed services.
Sec. 1076. Chemical Stockpile Emergency Preparedness Program.
Sec. 1077. Exemption from requirements applicable to savings associations for certain savings institutions serving military personnel.
Sec. 1078. Improvements to National Security Education Program.
Sec. 1079. Aviation and vessel war risk insurance.
Sec. 1080. Designation of memorial as National D-Day Memorial.
Sec. 1081. Sense of Congress regarding semiconductor trade agreement between United States and Japan.
Sec. 1082. Agreements for exchange of defense personnel between the United States and foreign countries.
Sec. 1083. Sense of Senate regarding Bosnia and Herzegovina.
Sec. 1084. Defense burdensharing.

TITLE XI—NATIONAL IMAGERY AND MAPPING AGENCY

Sec. 1101. Short title.
Sec. 1102. Findings.
Sec. 1103. Role of Director of Central Intelligence in appointment and evaluation of certain intelligence officials.

Subtitle A—Establishment of Agency

Sec. 1111. Establishment.
Sec. 1112. Missions and authority.
Sec. 1113. Transfers of personnel and assets.
Sec. 1114. Compatibility with authority under the National Security Act of 1947.
Sec. 1115. Creditable civilian service for career conditional employees of the Defense Mapping Agency.
Sec. 1116. Saving provisions.
Sec. 1117. Definitions.
Sec. 1118. Authorization of appropriations.

Subtitle B—Conforming Amendments and Effective Dates

Sec. 1121. Redesignation and repeals.
Sec. 1122. Reference amendments.
Sec. 1123. Headings and clerical amendments.
Sec. 1124. Effective date.

TITLE XII—RESERVE FORCES REVITALIZATION

Sec. 1201. Short title.
Sec. 1202. Purpose.

Subtitle A—Reserve Component Structure

Sec. 1211. Reserve component commands.
Sec. 1212. Reserve component chiefs.
Sec. 1213. Review of active duty and reserve general and flag officer authorizations.
Sec. 1214. Guard and reserve technicians.

Subtitle B—Reserve Component Accessibility

Sec. 1231. Report to Congress on measures to improve National Guard and reserve ability to respond to emergencies.
Sec. 1232. Report to Congress concerning tax incentives for employers of members of reserve components.
Sec. 1233. Report to Congress concerning income insurance program for activated reservists.
Sec. 1234. Report to Congress concerning small business loans for members released from reserve service during contingency operations.

Subtitle C—Reserve Forces Sustainment

Sec. 1251. Report concerning tax deductibility of nonreimbursable expenses.
Sec. 1252. Authority to pay transient housing charges for members performing active duty for training.
Sec. 1253. Sense of Congress concerning quarters allowance during service on active duty for training.
Sec. 1254. Sense of Congress concerning military leave policy.
Sec. 1255. Reserve Forces Policy Board.
Sec. 1256. Report on parity of benefits for active duty service and reserve service.
Sec. 1257. Information on proposed funding for the Guard and Reserve components in future-years defense programs.

TITLE XIII—ARMS CONTROL AND RELATED MATTERS

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

Sec. 1301. Extension of counterproliferation authorities.
Sec. 1302. Limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1303. Strengthening certain sanctions against nuclear proliferation activities.
Sec. 1304. Authority to pay certain expenses relating to humanitarian and civic assistance for clearance of landmines.
Sec. 1305. Report on military capabilities of People's Republic of China.
Sec. 1306. Presidential report regarding weapons proliferation and policies of the People's Republic of China.
Sec. 1307. United States-People's Republic of China Joint Defense Conversion Commission.
Sec. 1308. Sense of Congress concerning export controls.
Sec. 1309. Counterproliferation Program Review Committee.
Sec. 1310. Sense of Congress concerning assisting other countries to improve security of fissile material.
Sec. 1311. Review by Director of Central Intelligence of National Intelligence Estimate 95–19.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

Sec. 1321. Establishment of Commission.
Sec. 1322. Duties of Commission.
Sec. 1323. Report.
Sec. 1324. Powers.
Sec. 1325. Commission procedures.

Sec. 1326. Personnel matters.
Sec. 1327. Miscellaneous administrative provisions.
Sec. 1328. Funding.
Sec. 1329. Termination of the Commission.

TITLE XIV—DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

Sec. 1401. Short title.
Sec. 1402. Findings.
Sec. 1403. Definitions.

Subtitle A—Domestic Preparedness

Sec. 1411. Response to threats of terrorist use of weapons of mass destruction.
Sec. 1412. Emergency response assistance program.
Sec. 1413. Nuclear, chemical, and biological emergency response.
Sec. 1414. Chemical-biological emergency response team.
Sec. 1415. Testing of preparedness for emergencies involving nuclear, radiological, chemical, and biological weapons.
Sec. 1416. Military assistance to civilian law enforcement officials in emergency situations involving biological or chemical weapons.
Sec. 1417. Rapid response information system.

Subtitle B—Interdiction of Weapons of Mass Destruction and Related Materials

Sec. 1421. Procurement of detection equipment United States border security.
Sec. 1422. Extension of coverage of International Emergency Economic Powers Act.
Sec. 1423. Sense of Congress concerning criminal penalties.
Sec. 1424. International border security.

Subtitle C—Control and Disposition of Weapons of Mass Destruction and Related Materials Threatening the United States

Sec. 1431. Coverage of weapons-usable fissile materials in Cooperative Threat Reduction programs on elimination or transportation of nuclear weapons.
Sec. 1432. Elimination of plutonium production.

Subtitle D—Coordination of Policy and Countermeasures Against Proliferation of Weapons of Mass Destruction

Sec. 1441. National Coordinator on Nonproliferation.
Sec. 1442. National Security Council Committee on Nonproliferation.
Sec. 1443. Comprehensive preparedness program.
Sec. 1444. Termination.

Subtitle E—Miscellaneous

Sec. 1451. Sense of Congress concerning contracting policy.
Sec. 1452. Transfers of allocations among Cooperative Threat Reduction programs.
Sec. 1453. Sense of Congress concerning assistance to states of former Soviet Union.
Sec. 1454. Purchase of low-enriched uranium derived from Russian highly enriched uranium.
Sec. 1455. Sense of Congress concerning purchase, packaging, and transportation of fissile materials at risk of theft.

TITLE XV—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

Sec. 1501. Specification of Cooperative Threat Reduction programs.
Sec. 1502. Fiscal year 1997 funding allocations.
Sec. 1503. Prohibition on use of funds for specified purposes.
Sec. 1504. Limitation on use of funds until specified reports are submitted.
Sec. 1505. Availability of funds.

TITLE XVI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

Sec. 1601. Modification of requirement for conversion of military positions to civilian positions.
Sec. 1602. Retention of civilian employee positions at military training bases transferred to National Guard.
Sec. 1603. Clarification of applicability of certain management constraints on major range and test facility base structure.
Sec. 1604. Travel expenses and health care for civilian employees of the Department of Defense abroad.
Sec. 1605. Travel, transportation, and relocation allowances for certain former nonappropriated fund employees.
Sec. 1606. Employment and salary practices applicable to Department of Defense overseas teachers.
Sec. 1607. Employment and compensation of civilian faculty members at certain Department of Defense schools.
Sec. 1608. Reimbursement of Department of Defense domestic dependent school board members for certain expenses.
Sec. 1609. Modification of authority for civilian employees of Department of Defense to participate voluntarily in reductions in force.
Sec. 1610. Wage-board compensatory time off.
Sec. 1611. Liquidation of restored annual leave that remains unused upon transfer of employee from installation being closed or realigned.
Sec. 1612. Waiver of requirement for repayment of Voluntary Separation Incentive pay by former Department of Defense employees reemployed by the Government without pay.
Sec. 1613. Simplification of rules relating to the observance of certain holidays.
Sec. 1614. Revision of certain travel management authorities.
Sec. 1615. Failure to comply with veterans' preference requirements to be treated as a prohibited personnel practice.
Sec. 1616. Pilot programs for defense employees converted to contractor employees due to privatization at closed military installations.

Subtitle B—Department of Defense Intelligence Personnel Policy

Sec. 1631. Short title.
Sec. 1632. Management of civilian intelligence personnel.
Sec. 1633. Repeal of superseded sections and clerical and conforming amendments.
Sec. 1634. Other personnel management authorities.
Sec. 1635. Effective date.

TITLE XVII—FEDERAL EMPLOYEE TRAVEL REFORM

Sec. 1701. Short title.

Subtitle A—Relocation Benefits

Sec. 1711. Allowance for seeking permanent residence quarters.
Sec. 1712. Temporary quarters subsistence expenses allowance.
Sec. 1713. Modification of residence transaction expenses allowance.
Sec. 1714. Authority to pay for property management services.
Sec. 1715. Authority to transport a privately owned motor vehicle within the continental United States.
Sec. 1716. Authority to pay limited relocation allowances to an employee who is performing an extended assignment.
Sec. 1717. Authority to pay a home marketing incentive.
Sec. 1718. Revision and reenactment of additional provisions relating to relocation expenses.

Subtitle B—Miscellaneous Provisions

Sec. 1721. Repeal of the long-distance telephone call certification requirement.
Sec. 1722. Transfer of authority to prescribe regulations.
Sec. 1723. Conforming and clerical amendments.
Sec. 1724. Assessment of cost savings.
Sec. 1725. Effective date and issuance of regulations.

TITLE XVIII—FEDERAL CHARTER FOR THE FLEET RESERVE ASSOCIATION

Sec. 1801. Recognition and grant of Federal charter.
Sec. 1802. Powers.
Sec. 1803. Purposes.
Sec. 1804. Service of process.
Sec. 1805. Membership.
Sec. 1806. Board of directors.
Sec. 1807. Officers.
Sec. 1808. Restrictions.
Sec. 1809. Liability.
Sec. 1810. Maintenance and inspection of books and records.
Sec. 1811. Audit of financial transactions.
Sec. 1812. Annual report.
Sec. 1813. Reservation of right to alter, amend, or repeal charter.
Sec. 1814. Tax-exempt status required as condition of charter.
Sec. 1815. Termination.
Sec. 1816. Definition of State.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Land acquisition, National Ground Intelligence Center, Charlottesville, Virginia.

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Beach replenishment, Naval Air Station, North Island, California.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.

Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Elimination of authority to carry out fiscal year 1995 project, Spangdahlem Air Force Base, Germany.

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Military housing planning and design.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Military housing improvement program.
Sec. 2405. Energy conservation projects.
Sec. 2406. Authorization of appropriations, Defense Agencies.
Sec. 2407. Reduction in amounts authorized to be appropriated for fiscal year 1996 Defense Agencies military construction, land acquisition, and military family housing functions.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Authorization and funding for construction and improvement of Naval Reserve Centers.
Sec. 2603. Upgrade Air National Guard facilities, Bangor International Airport, Maine.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 1994 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1993 projects.
Sec. 2704. Extension of authorizations of certain fiscal year 1992 projects.
Sec. 2705. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Increase in certain thresholds for unspecified minor construction projects.
Sec. 2802. Redesignation of North Atlantic Treaty Organization Infrastructure program.
Sec. 2803. Improvements to family housing units.
Sec. 2804. Availability of funds for planning, execution, and administration of contracts for family housing and unaccompanied housing.

Subtitle B—Defense Base Closure and Realignment

Sec. 2811. Restoration of authority for certain intragovernment transfers under 1988 base closure law.
Sec. 2812. Contracting for certain services at facilities remaining on closed installations.
Sec. 2813. Authority to compensate owners of manufactured housing.
Sec. 2814. Additional purpose for which adjustment and diversification assistance is authorized.
Sec. 2815. Payment of stipulated penalties assessed under CERCLA in connection with Loring Air Force Base, Maine.
Sec. 2816. Plan for utilization, reutilization, or disposal of Mississippi Army Ammunition Plant.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2821. Transfer of lands, Arlington National Cemetery, Arlington, Virginia.
Sec. 2822. Land transfer, Fort Sill, Oklahoma.
Sec. 2823. Land conveyance, Army Reserve Center, Rushville, Indiana.
Sec. 2824. Land conveyance, Army Reserve Center, Anderson, South Carolina.
Sec. 2825. Land conveyance, Army Reserve Center, Montpelier, Vermont.
Sec. 2826. Land conveyance, Crafts Brothers Reserve Training Center, Manchester, New Hampshire.
Sec. 2827. Land conveyance, Pine Bluff Arsenal, Arkansas.
Sec. 2828. Reaffirmation of land conveyances, Fort Sheridan, Illinois.

PART II—NAVY CONVEYANCES

Sec. 2831. Land transfer, Potomac Annex, District of Columbia.
Sec. 2832. Land exchange, St. Helena Annex, Norfolk Naval Shipyard, Virginia.
Sec. 2833. Land conveyance, Calverton Pine Barrens, Naval Weapons Industrial Reserve Plant, Calverton, New York.
Sec. 2834. Land conveyance, former naval reserve facility, Lewes, Delaware.
Sec. 2835. Modification of land conveyance authority, Naval Reserve Center, Seattle, Washington.
Sec. 2836. Release of condition on reconveyance of transferred land, Guam.
Sec. 2837. Lease to facilitate construction of reserve center, Naval Air Station, Meridian, Mississippi.

PART III—AIR FORCE CONVEYANCES

Sec. 2841. Land conveyance, Radar Bomb Scoring Site, Belle Fourche, South Dakota.
Sec. 2842. Conveyance of primate research complex and Air Force-owned chimpanzees, Holloman Air Force Base, New Mexico.

PART IV—OTHER CONVEYANCES

Sec. 2851. Land conveyance, Tatum Salt Dome Test Site, Mississippi.
Sec. 2852. Land conveyance, William Langer Jewel Bearing Plant, Rolla, North Dakota.
Sec. 2853. Land conveyance, Air Force Plant No. 85, Columbus, Ohio.
Sec. 2854. Modification of boundaries of White Sands National Monument and White Sands Missile Range.

Subtitle D—Other Matters

Sec. 2861. Authority to grant easements for rights-of-way.
Sec. 2862. Authority to enter into cooperative agreements for the management of cultural resources on military installations.
Sec. 2863. Demonstration project for installation and operation of electric power distribution system at Youngstown Air Reserve Station, Ohio.
Sec. 2864. Renovation of the Pentagon reservation.
Sec. 2865. Plan for repairs and stabilization of the historic district at the Forest Glen Annex of Walter Reed Medical Center, Maryland.
Sec. 2866. Naming of range at Camp Shelby, Mississippi.
Sec. 2867. Designation of Michael O'Callaghan military hospital.
Sec. 2868. Naming of building at the Uniformed Services University of the Health Sciences.

TITLE XXIX—MILITARY LAND WITHDRAWALS

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

Sec. 2901. Short title.
Sec. 2902. Withdrawal and reservation of lands at Fort Carson Military Reservation.
Sec. 2903. Withdrawal and reservation of lands at Pinon Canyon Maneuver Site.
Sec. 2904. Maps and legal descriptions.
Sec. 2905. Management of withdrawn lands.
Sec. 2906. Management of withdrawn and acquired mineral resources.
Sec. 2907. Hunting, fishing, and trapping.
Sec. 2908. Termination of withdrawal and reservation.
Sec. 2909. Determination of presence of contamination and effect of contamination.
Sec. 2910. Delegation.
Sec. 2911. Hold harmless.
Sec. 2912. Amendment to Military Lands Withdrawal Act of 1986.
Sec. 2913. Authorization of appropriations.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

Sec. 2921. Short title and definitions.
Sec. 2922. Withdrawal and reservation of lands for El Centro.
Sec. 2923. Maps and legal descriptions.
Sec. 2924. Management of withdrawn lands.
Sec. 2925. Duration of withdrawal and reservation.
Sec. 2926. Continuation of ongoing decontamination activities.
Sec. 2927. Requirements for extension.
Sec. 2928. Early relinquishment of withdrawal.
Sec. 2929. Delegation of authority.
Sec. 2930. Hunting, fishing, and trapping.
Sec. 2931. Hold harmless.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. Weapons activities.
Sec. 3102. Environmental restoration and waste management.
Sec. 3103. Defense fixed asset acquisition/privatization.
Sec. 3104. Other defense activities.
Sec. 3105. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on general plant projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Fund transfer authority.
Sec. 3125. Authority for conceptual and construction design.

Sec. 3126. Authority for emergency planning, design, and construction activities.
Sec. 3127. Funds available for all national security programs of the Department of Energy.
Sec. 3128. Availability of funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Stockpile stewardship program.
Sec. 3132. Manufacturing infrastructure for nuclear weapons stockpile.
Sec. 3133. Tritium production.
Sec. 3134. Modernization and consolidation of tritium recycling facilities.
Sec. 3135. Production of high explosives.
Sec. 3136. Limitation on use of funds for certain research and development purposes.
Sec. 3137. Prohibition on funding nuclear weapons activities with People's Republic of China.
Sec. 3138. International cooperative stockpile stewardship programs.
Sec. 3139. Temporary authority relating to transfers of defense environmental management funds.
Sec. 3140. Management structure for nuclear weapons production facilities and nuclear weapons laboratories.
Sec. 3141. Accelerated schedule for isolating high-level nuclear waste at the defense waste processing facility, Savannah River Site.
Sec. 3142. Processing and treatment of high-level nuclear waste and spent nuclear fuel rods.
Sec. 3143. Projects to accelerate closure activities at defense nuclear facilities.
Sec. 3144. Payment of costs of operation and maintenance of infrastructure at Nevada Test Site.

Subtitle D—Other Matters

Sec. 3151. Report on plutonium pit production and remanufacturing plans.
Sec. 3152. Amendments relating to baseline environmental management reports.
Sec. 3153. Requirement to develop future use plans for environmental management program.
Sec. 3154. Report on Department of Energy liability at Department superfund sites.
Sec. 3155. Requirement for annual five-year budget for the national security programs of the Department of Energy.
Sec. 3156. Requirements for Department of Energy weapons activities budgets for fiscal years after fiscal year 1997.
Sec. 3157. Repeal of requirement relating to accounting procedures for Department of Energy funds.
Sec. 3158. Update of report on nuclear test readiness postures.
Sec. 3159. Reports on critical difficulties at nuclear weapons laboratories and nuclear weapons production plants.
Sec. 3160. Extension of applicability of notice-and-wait requirement regarding proposed cooperation agreements.
Sec. 3161. Sense of Senate relating to redesignation of defense environmental restoration and waste management program.
Sec. 3162. Commission on maintaining United States nuclear weapons expertise.
Sec. 3163. Sense of Congress regarding reliability and safety of remaining nuclear forces.
Sec. 3164. Study on worker protection at the Mound facility.
Sec. 3165. Fiscal year 1998 funding for Greenville Road Improvement Project, Livermore, California.
Sec. 3166. Fellowship program for development of skills critical to Department of Energy nuclear weapons complex.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

Sec. 3171. Purpose.
Sec. 3172. Applicability.
Sec. 3173. Site manager.
Sec. 3174. Department of Energy orders.
Sec. 3175. Deployment of technology for remediation of defense nuclear waste.
Sec. 3176. Performance-based contracting.
Sec. 3177. Designation of covered facilities as environmental cleanup demonstration areas.
Sec. 3178. Definitions.
Sec. 3179. Termination.
Sec. 3180. Report.

Subtitle F—Waste Isolation Pilot Plant Land Withdrawal Act Amendments

Sec. 3181. Short title.
Sec. 3182. Definitions.
Sec. 3183. Management plan.
Sec. 3184. Repeal of test phase and retrieval plans.
Sec. 3185. Test phase activities.
Sec. 3186. Disposal operations.
Sec. 3187. Environmental Protection Agency disposal regulations.
Sec. 3188. Compliance with environmental laws and regulations.
Sec. 3189. Sense of Congress on commencement of emplacement of transuranic waste.
Sec. 3190. Decommissioning of WIPP.
Sec. 3191. Authorizations for economic assistance and miscellaneous payments.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

Sec. 3301. Definitions.
Sec. 3302. Authorized uses of stockpile funds.
Sec. 3303. Disposal of certain materials in National Defense Stockpile.

Subtitle B—Programmatic Change

Sec. 3311. Biennial report on stockpile requirements.
Sec. 3312. Notification requirements.
Sec. 3313. Importation of strategic and critical materials.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.
Sec. 3402. Price requirement on sale of certain petroleum during fiscal year 1997.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

Sec. 3501. Short title.
Sec. 3502. Authorization of expenditures.
Sec. 3503. Purchase of vehicles.
Sec. 3504. Expenditures only in accordance with treaties.

Subtitle B—Amendments to Panama Canal Act of 1979

Sec. 3521. Short title; references.
Sec. 3522. Definitions and recommendation for legislation.
Sec. 3523. Administrator.
Sec. 3524. Deputy Administrator and Chief Engineer.
Sec. 3525. Office of Ombudsman.
Sec. 3526. Appointment and compensation; duties.
Sec. 3527. Applicability of certain benefits.
Sec. 3528. Travel and transportation.
Sec. 3529. Clarification of definition of agency.
Sec. 3530. Panama Canal Employment System; merit and other employment requirements.
Sec. 3531. Employment standards.
Sec. 3532. Repeal of obsolete provision regarding interim application of Canal Zone Merit System.
Sec. 3533. Repeal of provision relating to recruitment and retention remuneration.
Sec. 3534. Benefits based on basic pay.
Sec. 3535. Vesting of general administrative authority of commission.
Sec. 3536. Applicability of certain laws.
Sec. 3537. Repeal of provision relating to transferred or reemployed employees.
Sec. 3538. Administration of special disability benefits.
Sec. 3539. Panama Canal Revolving Fund.
Sec. 3540. Printing.
Sec. 3541. Accounting policies.
Sec. 3542. Interagency services; reimbursements.
Sec. 3543. Postal service.
Sec. 3544. Investigation of accidents or injury giving rise to claim.
Sec. 3545. Operations regulations.
Sec. 3546. Miscellaneous repeals.
Sec. 3547. Exemption from Metric Conversion Act of 1975.
Sec. 3548. Conforming and clerical amendments.
Sec. 3549. Repeal of Panama Canal Code.

SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means—

(1) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

(2) the Committee on National Security and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical Demilitarization Program.
Sec. 108. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Repeal of limitation on procurement of Armed Kiowa Warrior helicopters.
Sec. 112. Multiyear procurement authority for Army programs.
Sec. 113. Bradley TOW 2 Test Program sets.

Subtitle C—Navy Programs

Sec. 121. Nuclear attack submarine programs.
Sec. 122. Arleigh Burke class destroyer program.

Sec. 123. EA-6B aircraft reactive jammer program.
Sec. 124. T-39N trainer aircraft for the Navy.
Sec. 125. Penguin missile program.

Subtitle D—Air Force Programs

Sec. 131. Repeal of limitation on procurement of F-15E aircraft.
Sec. 132. Modification to multiyear procurement authority for C-17 aircraft program.

Subtitle E—Other Matters

Sec. 141. Assessments of modernization priorities of the reserve components.
Sec. 142. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 143. Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative.

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Army as follows:

(1) For aircraft, $1,314,015,000.

(2) For missiles, $1,031,829,000.

(3) For weapons and tracked combat vehicles, $1,409,514,000.

(4) For ammunition, $1,003,028,000.

(5) For other procurement, $2,990,240,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Navy as follows:

(1) For aircraft, $7,034,926,000.

(2) For weapons, including missiles and torpedoes, $1,345,408,000.

(3) For shipbuilding and conversion, $6,193,330,000.

(4) For other procurement, $2,893,840,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Marine Corps in the amount of $560,148,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $293,239,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Air Force as follows:

(1) For aircraft, $6,764,420,000.

(2) For missiles, $2,525,875,000.

(3) For ammunition, $278,302,000.

(4) For other procurement, $5,814,419,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1997 for Defense-wide procurement in the amount of $2,008,261,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $171,000,000.

(2) For the Air National Guard, $234,000,000.

(3) For the Army Reserve, $98,000,000.

(4) For the Naval Reserve, $116,000,000.

(5) For the Air Force Reserve, $94,000,000.

(6) For the Marine Corps Reserve, $67,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Inspector General of the Department of Defense in the amount of $2,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1997 the amount of $759,847,000 for—

(1) the destruction of lethal chemical agents and munitions in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521); and

(2) the destruction of chemical warfare materiel of the United States that is not covered by section 1412 of such Act.

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $269,470,000.

Subtitle B—Army Programs

SEC. 111. REPEAL OF LIMITATION ON PROCUREMENT OF ARMED KIOWA WARRIOR HELICOPTERS.

Section 133 the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1383) is repealed.

SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR ARMY PROGRAMS.

(a) AVENGER AIR DEFENSE MISSILE SYSTEM.—Notwithstanding the limitation in subsection (k) of section 2306b of title 10, United States Code, relating to the maximum duration of a multiyear contract under the authority of that section, the Secretary of the Army may extend the multiyear contract in effect during fiscal year 1996 for the Avenger Air Defense Missile system through fiscal year 1997 and may award such an extension.

(b) ARMY TACTICAL MISSILE SYSTEM.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract, beginning with the fiscal year 1997 program year, for procurement of the Army Tactical Missile System (Army TACMS).

(c) JAVELIN MISSILE SYSTEM.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for the procurement of the Javelin missile system.

SEC. 113. BRADLEY TOW 2 TEST PROGRAM SETS.

Of the funds authorized to be appropriated under section 101(3) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 204), $6,000,000 is available for the procurement of Bradley TOW 2 Test Program sets.

Subtitle C—Navy Programs

SEC. 121. NUCLEAR ATTACK SUBMARINE PROGRAMS.

(a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—(1) Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 1997—

(A) $699,071,000 is available for continued construction of the third vessel (designated SSN–23) in the Seawolf attack submarine class, which shall be the final vessel in that class;

(B) $296,186,000 is available for long-lead and advance construction and procurement of components for construction of a submarine (previously designated by the Navy as the New Attack Submarine) beginning in fiscal year 1998 to be built by Electric Boat Division; and

(C) $701,000,000 is available for long-lead and advance construction and procurement of components for construction of a second submarine (previously designated by the Navy as the New Attack Submarine) beginning in fiscal year 1999 to be built by Newport News Shipbuilding.

(2) In addition to the purposes for which the amounts under subparagraphs (B) and (C) of paragraph (1) are available, such amounts are also available for contracts with Electric Boat Division and Newport News Shipbuilding to carry out the provisions of the "Memorandum of Agreement Among the Department of the Navy, Electric Boat Corporation (EB) and Newport News Shipbuilding and Drydock Company (NNS) Concerning the New Attack Submarine", dated April 5, 1996, relating to design data transfer, design improvements, integrated process teams, and updated design base.

(b) AMOUNTS AUTHORIZED FROM NAVY RDT&E ACCOUNT.—(1) Of the amount authorized to be appropriated by section 201(2), $487,611,000 is available for the design of the submarine previously designated by the Navy as the New Attack Submarine.

(2)(A) Of the amount authorized to be appropriated by section 201(2), $60,000,000 is available for obligation under contracts with Electric Boat Division and Newport News Shipbuilding and other entities to address the inclusion on future nuclear attack submarines of the core advanced technologies that are identified by the Secretary of Defense (in the report of the Secretary entitled "Report on Nuclear Attack Submarine Procurement and Submarine Technology", submitted to Congress on March 26, 1996) as those technologies the maturation of which the Submarine Technology Assessment Panel recommended be addressed in its March 15, 1996, final report to the Assistant Secretary of the Navy for Research, Development, and Acquisition, as follows: hydrodynamics, alternative sail designs, advanced arrays, electric drive, external weapons, and active controls and mounts.

(B) Of the amount available under subparagraph (A), $20,000,000 shall be equally divided between Electric Boat Division and Newport News Shipbuilding for the purpose of ensuring that those shipbuilders are principal participants in the process of addressing the inclusion of technologies referred to in subparagraph (A) on future nuclear attack submarines. Contracts with the shipbuilders under this subparagraph shall provide the shipbuilders with wide latitude to pursue submarine-wide, integrated systems approaches to the inclusion of such technologies. The Secretary of the Navy shall ensure that those shipbuilders have access for such purpose (under procedures prescribed by the Secretary) to the Navy laboratories and the Office of Naval Intelligence and (in accordance with arrangements to be made by the Secretary) to the Defense Advanced Research Projects Agency.

(3) Of the amount authorized to be appropriated by section 201(2), $38,000,000 is available to begin funding those Category I and Category II advanced technologies described in Appendix C of the report of the Secretary of Defense referred to in paragraph (2)(A). The Secretary of the Navy shall ensure that Electric Boat Division and Newport News Shipbuilding are also principal participants in the technology initiatives pursued with such funds to ensure submarine-wide, integrated systems approaches to the inclusion of such technologies on future nuclear attack submarines.

(4) In addition to the purposes for which the amounts under paragraphs (1), (2), and (3) are available, such amounts are also available for contracts with Electric Boat Division and Newport News Shipbuilding to carry

out the provisions of the memorandum of agreement referred to in subsection (a)(2) for research and development activities under that memorandum of agreement.

(c) Amount From Fiscal Year 1996 Funds for National Defense Sealift Fund.—(1) Section 132 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 210) is repealed.

(2) The amount referred to in section 132 of the National Defense Authorization Act for Fiscal Year 1996 (as in effect immediately before the repeal by paragraph (1)) shall be available to the Secretary of the Navy for activities relating only to advanced submarine technology that involve the construction of large scale vehicles for purposes of hydrodynamic and hydroacoustic research on developmental designs for hulls and propulsion systems.

(d) Contracts Authorized.—(1) The Secretary of the Navy is authorized, using funds available pursuant to subparagraphs (B) and (C) of subsection (a)(1), to enter into contracts with Electric Boat Division and Newport News Shipbuilding, and suppliers of components, during fiscal year 1997 for—

(A) the procurement of long-lead components for the fiscal year 1998 submarine and the fiscal year 1999 submarine under this section; and

(B) advance construction of such components and other components for such submarines.

(2) The Secretary may enter into a contract or contracts under this section with the shipbuilder of the fiscal year 1998 submarine only if the Secretary enters into a contract or contracts under this section with the shipbuilder of the fiscal year 1999 submarine.

(e) Limitations.—(1)(A) Of the amounts specified in subsection (a)(1), not more than $100,000,000 may be obligated until the Secretary of Defense certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that procurement of nuclear attack submarines described in subparagraph (B) will be under one or more contracts that are entered into after competition between Electric Boat Division and Newport News Shipbuilding in which the Secretary of the Navy solicits competitive proposals and awards the contract or contracts on the basis of price.

(B) The submarines referred to in subparagraph (A) are nuclear attack submarines that are to be constructed beginning—

(i) after fiscal year 1999; or

(ii) if four submarines are to be procured as provided for in the plan required under section 131(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 208), after fiscal year 2001.

(2) Of the amounts specified in subsection (a)(1), not more than $675,000,000 may be obligated until the Under Secretary of Defense for Acquisition and Technology submits to the congressional committees specified in paragraph (1) a report in writing detailing the following:

(A) The Under Secretary's oversight activities to date, and plans for the future, for the development and improvement of the nuclear attack submarine program of the Navy as required by section 131(b)(2)(C) of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 207).

(B) The implementation of, and activities conducted under, the program required to be established by the Director of the Defense Advanced Research Projects Agency by section 131(i) of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 210) for the development and demonstration of advanced submarine technologies and a rapid prototype acquisition strategy for both land-based and at-sea subsystem and system demonstrations of such technologies.

(C) A description of all research, development, test, and evaluation programs, projects, or activities within the Department of Defense which, in the opinion of the Under Secretary, are designed to contribute to the development and demonstration of advanced submarine technologies leading to a more capable, more affordable nuclear attack submarine, specifically identifying ongoing involvement, and plans for future involvement, in any such program, project, or activity by either Electric Boat Division or Newport News Shipbuilding, or by both.

(3) Of the amount specified in subsection (b)(1), not more than $100,000,000 may be obligated or expended until the Under Secretary of Defense (Comptroller) certifies in writing to the congressional committees specified in paragraph (1) that—

(A) funds specified in subsection (c)(2) have been made available for obligation; and

(B) to the extent that funds specified in paragraphs (2) and (3) of subsection (b) have been appropriated for the purposes specified in such paragraphs, such funds have been made available for obligation.

(f) Acquisition Simplification.—In furtherance of the direction provided by subsection (d) of section 131 of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 209) to the Secretary of Defense regarding the application of acquisition reform policies and procedures to the submarine program under that section, the Secretary shall direct the Secretary of the Navy to implement for the submarine programs of the Navy acquisition reform initiatives similar in intent and approach to the initiatives begun by the Secretary of the Air Force in May 1995 and referred to as the "Lightning Bolt" initiatives. The Secretary of the Navy shall, not later than March 31, 1997, submit to the congressional committees specified in subsection (e)(1) a report on the results of the implementation of such initiatives.

(g) Design Responsibility.—(1) The Secretary of the Navy shall carry out the submarine program described in section 131 of the National Defense Authorization Act for Fiscal Year 1996 in a manner that ensures that each of the two shipbuilders involved in the design and construction of the four submarines described in that section be allowed to propose to the Secretary any design improvement that the shipbuilder considers appropriate for the submarines to be built by that shipbuilder as part of those four submarines. The Secretary shall ensure that both shipbuilders have full and open access to all design data concerning the design of the submarine previously designated by the Navy as the New Attack Submarine.

(2) The designs proposed by the shipbuilders should proceed from, but not be limited to, the specific advanced technologies referred to in subsection (b)(2)(A), especially technologies involving hydrodynamics and hydroacoustics concepts.

(3) The Secretary shall require both shipbuilders to submit to the Secretary an annual report on the progress of the design work on the submarines referred to in paragraph (1) and shall transmit each such report to the committees specified in subsection (e)(1).

(4) The Secretary shall also submit an annual report to the committees specified in subsection (e)(1) on the design improvements proposed by the two shipbuilders under paragraph (1) for incorporation on any of the four submarines and on the degree to which design information on the base design and design improvements has been shared between the shipbuilders. Each annual report shall set forth each design improvement proposed and whether that proposal was—

(A) reviewed, approved, and funded by the Navy;

(B) reviewed and approved, but not funded; or

(C) not approved, in which case the report shall include the reasons therefor and any views of the shipyard making the proposal.

(5) The reports referred to in paragraphs (3) and (4) shall be submitted concurrently with the annual revisions to the Secretary of Defense's nuclear attack submarine plan required by section 131(e) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 209).

(h) Serial Production.—The Secretary of Defense shall modify the plan relating to development of a program leading to production of a more capable and less expensive submarine than the New Attack Submarine that was submitted to Congress pursuant to section 131(c) of the National Defense Authorization Act for Fiscal Year 1996 in order to provide in such plan the option for selection of a design for a next submarine for serial production not earlier than fiscal year 2002 (rather than fiscal year 2003, as provided in paragraph (3)(B) of such section 131(c)).

(i) References to Shipbuilders.—For purposes of this section—

(1) the shipbuilder referred to as "Electric Boat Division" is the Electric Boat Division of the General Dynamics Corporation; and

(2) the shipbuilder referred to as "Newport News Shipbuilding" is the Newport News Shipbuilding and Drydock Company.

(j) Submarines Defined by Reference to Fiscal Year.—For purposes of this section—

(1) the term "fiscal year 1998 submarine" means the submarine referred to in subsection (a)(1)(B); and

(2) the term "fiscal year 1999 submarine" means the submarine referred to in subsection (a)(1)(C).

SEC. 122. ARLEIGH BURKE CLASS DESTROYER PROGRAM.

(a) Funding.—(1) Subject to paragraph (3), funds authorized to be appropriated by section 102(a)(3) may be made available for contracts entered into during fiscal year 1996 under subsection (b)(1) of section 135 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 211) for construction for the third of the three Arleigh Burke class destroyers covered by that subsection. Such funds are in addition to amounts made available for such contracts by the second sentence of subsection (a) of that section.

(2) Subject to paragraph (3), funds authorized to be appropriated by section 102(a)(3) may be made available for contracts entered into during fiscal year 1997 under subsection (b)(2) of such section 135 for construction (including advance procurement) for the Arleigh Burke class destroyers covered by such subsection (b)(2).

(3) The aggregate amount of funds available under paragraphs (1) and (2) for contracts referred to in such paragraphs may not exceed $3,483,030,000.

(4) Within the amount authorized to be appropriated by section 102(a)(3), $525,000,000 is authorized to be appropriated for advance procurement for construction for the Arleigh Burke class destroyers authorized by subsection (b).

(b) AUTHORITY FOR MULTIYEAR PROCUREMENT OF TWELVE VESSELS.—The Secretary of the Navy is authorized, pursuant to section 2306b of title 10, United States Code, to enter into multiyear contracts for the procurement of a total of 12 Arleigh Burke class destroyers at a procurement rate of three ships in each of fiscal years, 1998, 1999, 2000, and 2001 in accordance with this subsection and subsection (a)(4), subject to the availability of appropriations for such destroyers. A contract for construction of one or more vessels that is entered into in accordance with this subsection shall include a clause that limits the liability of the Government to the contractor for any termination of the contract.

SEC. 123. EA-6B AIRCRAFT REACTIVE JAMMER PROGRAM.

(a) LIMITATION.—None of the funds appropriated pursuant to section 102(a)(1) for modifications or upgrades of EA-6B aircraft may be obligated, other than for a reactive jammer program for such aircraft, until 30 days after the date on which the Secretary of the Navy submits to the congressional defense committees in writing—

(1) a certification that some or all of such funds have been obligated for a reactive jammer program for EA-6B aircraft; and

(2) a report that sets forth a detailed, well-defined program for—

(A) developing a reactive jamming capability for EA-6B aircraft; and

(B) upgrading the EA-6B aircraft of the Navy to incorporate the reactive jamming capability.

(b) CONTINGENT TRANSFER OF FUNDS TO AIR FORCE.—(1) If the Secretary of the Navy has not submitted the certification and report described in subsection (a) to the congressional defense committees before June 1, 1997, then, on that date, the Secretary of Defense shall transfer to Air Force, out of appropriations available to the Navy for fiscal year 1997 for procurement of aircraft, the amount equal to the amount appropriated to the Navy for fiscal year 1997 for modifications and upgrades of EA-6B aircraft.

(2) Funds transferred to the Air Force pursuant to paragraph (1) shall be available for maintaining and upgrading the jamming capability of EF-111 aircraft.

SEC. 124. T-39N TRAINER AIRCRAFT FOR THE NAVY.

The Secretary of the Navy may, using funds appropriated for fiscal year 1996 for procurement of T-39N trainer aircraft for the Navy that remain available for obligation for such purpose, enter into a contract for the acquisition of T-39N aircraft for naval flight officer training that are suitable for low-level training flights. Such a contract may be entered into only after the Secretary complies with section 137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 212).

SEC. 125. PENGUIN MISSILE PROGRAM.

(a) MULTIYEAR PROCUREMENT AUTHORITY.—The Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for the procurement of not more than 106 Penguin missile systems.

(b) LIMITATION ON TOTAL COST.—The total amount obligated or expended for procurement of Penguin missile systems under contracts under subsection (a) may not exceed $84,800,000.

Subtitle D—Air Force Programs

SEC. 131. REPEAL OF LIMITATION ON PROCUREMENT OF F-15E AIRCRAFT.

Section 134 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1383) is repealed.

SEC. 132. MODIFICATION TO MULTIYEAR PROCUREMENT AUTHORITY FOR C-17 AIRCRAFT PROGRAM.

(a) MULTIYEAR CONTRACTS AUTHORIZED.—The Secretary of the Air Force may enter into one or more multiyear contracts for the procurement of C-17 aircraft (including the section 2703 contract entered into before the date of the enactment of this Act under the authority of section 2703 of the Supplemental Appropriations Act of 1996 (title II of Public Law 104-134)). The total number of aircraft contracted to be procured under such multiyear contracts may not exceed 80. Any such contract shall be entered into in accordance with section 2306b of title 10, United States Code (and subject to such modifications as may be authorized by law in the maximum period for such contracts specified in subsection (k) of such section).

(b) REQUIREMENT TO NEGOTIATE OPTION TO CONVERT EXISTING CONTRACT TO SIX PROGRAM YEARS.—The Secretary of the Air Force shall negotiate with the prime contractor for the C-17 aircraft program so as to achieve a contract option for the United States under the section 2703 contract to convert the multiyear procurement period under that contract to a period of six program years based upon the level of funding for that program for fiscal year 1997.

(c) CONTRACT PERIOD.—A contract entered into after the date of the enactment of this Act on a multiyear basis under the authority of subsection (a) may (notwithstanding section 2306b(k) of title 10, United States Code) be for a period of six program years.

(d) SECTION 2703 CONTRACT DEFINED.—For purposes of this section, the term "section 2703 contract" means the contract entered into by the Secretary of the Air Force on May 31, 1996, with the prime contractor for the C-17 aircraft program under the authority of section 2703 of the Supplemental Appropriations Act of 1996 (title II of Public Law 104-134) providing for a multiyear procurement of C-17 aircraft over seven program years with an option for the Secretary to convert that period to six program years.

Subtitle E—Other Matters

SEC. 141. ASSESSMENTS OF MODERNIZATION PRIORITIES OF THE RESERVE COMPONENTS.

(a) ASSESSMENTS REQUIRED.—Not later than December 1, 1996, each officer referred to in subsection (b) shall submit to the congressional defense committees an assessment of the modernization priorities established for the reserve component or reserve components for which that officer is responsible.

(b) RESPONSIBLE OFFICERS.—The officers required to submit a report under subsection (a) are as follows:

(1) The Chief of the National Guard Bureau.

(2) The Chief of Army Reserve.

(3) The Chief of Air Force Reserve.

(4) The Director of Naval Reserve.

(5) The Commanding General, Marine Forces Reserve.

SEC. 142. DESTRUCTION OF EXISTING STOCKPILE OF LETHAL CHEMICAL AGENTS AND MUNITIONS.

Section 152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 214; 50 U.S.C. 1521 note) is amended by adding at the end the following new subsections:

"(e) ASSESSMENT OF ALTERNATIVE TECHNOLOGIES FOR DEMILITARIZATION OF ASSEMBLED CHEMICAL MUNITIONS.—(1) In addition to the assessment required by subsection (c), the Secretary of Defense shall conduct an assessment of the chemical demilitarization program for destruction of assembled chemical munitions and of the alternative demilitarization technologies and processes (other than incineration) that could be used for the destruction of the lethal chemical agents that are associated with these munitions, while ensuring maximum protection for the general public, the personnel involved in the demilitarization program, and the environment. The measures considered shall be limited to those that would minimize the risk to the public and reduce the total cost of the chemical agents and munitions destruction program. The assessment shall be conducted without regard to any limitation that would otherwise apply to the conduct of such assessment under any provision of law.

"(2) The assessment shall be conducted in coordination with the National Research Council.

"(3) Among the alternatives, the assessment shall include a determination of the cost of incineration of the current chemical munitions stockpile by building incinerators at each existing facility compared to the proposed cost of dismantling those same munitions, neutralizing them at each storage site (other than Tooele Army Depot or Johnston Atoll), and transporting the neutralized remains and all munitions parts to a treatment, storage, and disposal facility within the United States that has the necessary environmental permits to undertake incineration of the material.

"(4) Based on the results of the assessment, the Secretary shall develop appropriate recommendations for revision of the chemical demilitarization program.

"(5) Not later than December 31, 1997, the Secretary of Defense shall submit to Congress a report on the assessment conducted in accordance with paragraph (1) and any recommendations for revision of the chemical demilitarization program, including the continued development of alternative demilitarization technologies and processes other than incineration that could be used for the destruction of the lethal chemical agents that are associated with these assembled chemical munitions and the chemical munitions demilitarization sites for which the selected technologies should be developed.

"(f) PILOT PROGRAM FOR DEMILITARIZATION OF CHEMICAL AGENTS FOR ASSEMBLED MUNITIONS.—(1) If the Secretary of Defense makes a decision to continue the development of an alternative demilitarization technology or process (other than incineration) that could be used for the destruction of the lethal chemical agents that are associated with assembled chemical munitions, $25,000,000 shall be available from the funds authorized to be appropriated in section 107 of the National Defense Authorization Act for Fiscal Year 1997 for the chemical agents and munitions destruction program, in order to initiate a pilot program using the selected alternative technology or process for the destruction of chemical agents that are stored at these sites.

"(2) Not less than 30 days before using funds to initiate the pilot program under paragraph (1), the Secretary shall submit notice in writing to Congress of the Secretary's intent to do so.

"(3) The pilot program shall be conducted at the selected chemical agent and munitions stockpile storage site for which the alternative technology or process is recommended.".

SEC. 143. EXTENSION OF AUTHORITY TO CARRY OUT ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE.

Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102–484; 10 U.S.C. 2501 note) is amended by striking out "During fiscal years 1993 through 1996", and inserting in lieu thereof "During fiscal years 1993 through 1998".

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Dual-use technology programs.
Sec. 204. Defense Special Weapons Agency.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Space launch modernization.
Sec. 212. Space-Based Infrared System program.
Sec. 213. Clementine 2 micro-satellite development program.
Sec. 214. Live-fire survivability testing of V–22 Osprey aircraft.
Sec. 215. Live-fire survivability testing of F–22 aircraft.
Sec. 216. Limitation on funding for F–16 tactical manned reconnaissance aircraft.
Sec. 217. Cost analysis of F–22 aircraft program.
Sec. 218. F–22 aircraft program reports.
Sec. 219. Cost-benefit analysis of F/A–18E/F aircraft program.
Sec. 220. Joint Advanced Strike Technology (JAST) program.
Sec. 221. Unmanned aerial vehicles.
Sec. 222. High altitude endurance unmanned aerial reconnaissance system.
Sec. 223. Cyclone class patrol craft self-defense.
Sec. 224. One-year extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG–M) system.
Sec. 225. Hydra–70 rocket product improvement program.
Sec. 226. Federally funded research and development centers.
Sec. 227. Demilitarization of conventional munitions, rockets, and explosives.
Sec. 228. Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology.
Sec. 229. Certification of capability of United States to prevent illegal importation of nuclear, biological, or chemical weapons.
Sec. 230. Nonlethal weapons and technologies programs.
Sec. 231. Counterproliferation support program.

Subtitle C—Ballistic Missile Defense Programs

Sec. 241. Funding for ballistic missile defense programs for fiscal year 1997.
Sec. 242. Certification of capability of United States to defend against single ballistic missile.
Sec. 243. Report on ballistic missile defense and proliferation.
Sec. 244. Revision to annual report on ballistic missile defense program.
Sec. 245. Report on Air Force National Missile Defense Plan.
Sec. 246. Capability of National Missile Defense system.
Sec. 247. Actions to limit adverse effects on private sector employment of establishment of National Missile Defense Joint Program Office.
Sec. 248. ABM Treaty defined.

Subtitle D—Other Matters

Sec. 261. Maintenance and repair at Air Force installations.
Sec. 262. Report relating to Small Business Innovation Research Program.
Sec. 263. Amendment to University Research Initiative Support program.
Sec. 264. Amendments to Defense Experimental Program To Stimulate Competitive Research.
Sec. 265. Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities.
Sec. 266. Pilot program for transfer of defense technology information to private industry.
Sec. 267. Research under transactions other than contracts and grants.
Sec. 268. Desalting technologies.
Sec. 269. Evaluation of digital video network equipment used in Olympic games.
Sec. 270. Annual joint warfighting science and technology plan.

Subtitle E—National Oceanographic Partnership Program

Sec. 281. Findings.
Sec. 282. National Oceanographic Partnership Program.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,780,615,000.

(2) For the Navy, $8,068,299,000.

(3) For the Air Force, $14,756,366,000.

(4) For Defense-wide activities, $9,691,293,000, of which—

(A) $269,038,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $21,968,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1997.—Of the amounts authorized to be appropriated by section 201, $4,031,343,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term "basic research and applied research" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. DUAL-USE TECHNOLOGY PROGRAM.

(a) ALLOCATION OF FUNDS.—Of the amount appropriated pursuant to the authorization in section 201(4), $85,000,000 shall be available for the dual-use technology program under this section.

(b) DESIGNATION OF OFFICIAL FOR DUAL-USE PROGRAM.—(1) The Secretary of Defense shall designate a senior official in the Office of the Secretary of Defense to have as that official's sole responsibilities developing policy relating to, and ensuring effective implementation of, the dual-use technology program of the Department of Defense. In carrying out such responsibilities, the official shall ensure—

(A) that commercial technologies are integrated into current and future military systems to the maximum extent practicable;

(B) that dual-use projects are coordinated with the joint warfighting science and technology plan referred to in section 270; and

(C) that dual-use projects of the military departments and the defense agencies are coordinated and avoid unnecessary duplication.

(2) The senior official designated under paragraph (1) shall carry out such responsibilities during the period beginning on October 1, 1996, and ending on September 30, 2000. Such official shall report directly to the Under Secretary of Defense for Acquisition and Technology.

(c) FUNDING REQUIREMENT.—Of the amounts appropriated pursuant to the authorizations in section 201 for the Department of Defense for science and technology programs for fiscal year 1997, at least 5 percent of such amounts shall be available only for dual-use projects of the Department of Defense. The funds made available under the preceding sentence are in addition to the funds made available under subsection (a).

(d) LIMITATION ON OBLIGATIONS.—Funds made available pursuant to subsections (a) and (c) may be used for a dual-use project only if the contract, cooperative agreement, or other transaction by which the project is carried out is entered into through the use of competitive procedures.

(e) TRANSFER AUTHORITY.—In addition to the transfer authority provided in section 1001, the Secretary of Defense may transfer funds made available pursuant to subsections (a) and (c) for a dual-use project from a military department or defense agency to another military department or defense agency to ensure efficient implementation of the dual-use technology program. The Secretary may delegate the authority provided in the preceding sentence to the senior official designated under subsection (b).

(f) FEDERAL COST SHARE.—The share contributed by the Secretary of a military department or the head of a defense agency for the cost of a dual-use project during fiscal year 1997 may not be greater than 50 percent of the cost of the project for that fiscal year.

(g) REPORT.—At the same time the President submits to Congress the budget for fiscal year 1998 pursuant to section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report that specifies the investment strategy for the dual-use technology program to be conducted during fiscal years 1998, 1999, and 2000.

(h) DEFINITIONS.—In this section:

(1) The term "dual-use technology program" means the program of the Department of Defense under which research or development of a dual-use technology (as defined in section 2491 of title 10, United States Code) is carried out and the costs of which are shared between the Department of Defense and non-Government entities. The term includes the dual-use critical technology program established pursuant to section 2511 of title 10, United States Code.

(2) The term "dual-use project" means a project under the dual-use technology program.

(3) The term "science and technology program" means a program of a military department under which basic research, applied research, or advanced technology development is carried out.

SEC. 204. DEFENSE SPECIAL WEAPONS AGENCY.

There is hereby authorized to be appropriated for fiscal year 1997 the amount of $314,313,000 for the Defense Special Weapons Agency, of which—

(1) $7,900,000 is for procurement;

(2) $218,330,000 is for research, development, test, and evaluation; and

(3) $88,083,000 is for operations and maintenance.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. SPACE LAUNCH MODERNIZATION.

(a) FUNDING.—Funds appropriated pursuant to the authorization of appropriations in section 201(3) are authorized to be made available for space launch modernization for purposes and in amounts as follows:

(1) For the Evolved Expendable Launch Vehicle program, $44,457,000.

(2) For a competitive reusable launch vehicle program (program element 63401F), $25,000,000.

(b) LIMITATIONS.—(1) Of the funds made available for the reusable launch vehicle program pursuant to subsection (a)(2), the total amount obligated for such purpose may not exceed the total amount allocated in the fiscal year 1997 current operating plan of the National Aeronautics and Space Administration for the Reusable Space Launch program of the National Aeronautics and Space Administration.

(2) Of the funds made available for the Evolved Expendable Launch Vehicle program pursuant to subsection (a)(1), the total amount obligated for such purpose may not exceed $20,000,000 until the Secretary of Defense certifies to Congress that the Secretary has made available for obligation the funds, if any, that are made available for the reusable launch vehicle program pursuant to subsection (a)(2).

(c) COORDINATION OF ENGINE TESTING.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration shall submit to Congress a joint plan for coordinating and eliminating unnecessary duplication in the operations and planned improvements of rocket engine and rocket engine component test facilities managed by the Department of the Air Force and the National Aeronautics and Space Administration. The plan shall provide, to the extent practical, for the development of commonly funded and commonly operated facilities.

SEC. 212. SPACE-BASED INFRARED SYSTEM PROGRAM.

(a) FUNDING.—Funds appropriated pursuant to the authorization of appropriations in section 201(3) are authorized to be made available for the Space-Based Infrared System program for purposes and in amounts as follows:

(1) For Space Segment High, $173,290,000.

(2) For Space Segment Low (the Space and Missile Tracking System), $247,221,000.

(3) For Cobra Brass, $6,930,000.

(b) LIMITATION.—Not more than $100,000,000 of the funds authorized to be made available under subsection (a)(1) may be obligated or expended until the Secretary of Defense certifies to Congress that the Secretary has made available the funds authorized to be made available under subsection (a)(2) for the purpose of accelerating the deployment of the Space Segment Low (the Space and Missile Tracking System).

(c) PROGRAM MANAGEMENT.—Before the submission of the President's budget for fiscal year 1998, the Secretary of Defense shall conduct a review of the appropriate management responsibilities for the Space and Missile Tracking System, including whether transferring such management responsibility from the Air Force to the Ballistic Missile Defense Organization would result in improved program efficiencies and support.

SEC. 213. CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM.

(a) AMOUNT FOR PROGRAM.—Of the amount authorized to be appropriated under section 201(3), $50,000,000 shall be available for the Clementine 2 micro-satellite near-Earth asteroid interception mission.

(b) LIMITATION.—Of the funds authorized to be appropriated pursuant to this Act for the global positioning system (GPS) Block II F Satellite system, not more than $25,000,000 may be obligated until the Secretary of Defense certifies to Congress that—

(1) funds appropriated for fiscal year 1996 for the Clementine 2 Micro-Satellite development program have been obligated in accordance with Public Law 104–106 and the Joint Explanatory Statement of the Committee of Conference accompanying S. 1124 (House Report 104–450 (104th Congress, second session)); and

(2) the Secretary has made available for obligation the funds appropriated for fiscal year 1997 for the purpose specified in subsection (a).

SEC. 214. LIVE-FIRE SURVIVABILITY TESTING OF V-22 OSPREY AIRCRAFT.

(a) AUTHORITY FOR RETROACTIVE WAIVER.—The Secretary of Defense may, in accordance with section 2366(c) of title 10, United States Code, waive for the V–22 Osprey aircraft program the survivability tests required by that section, notwithstanding that such program has entered engineering and manufacturing development.

(b) REPORT TO CONGRESS.—In exercising the waiver authority in section 2366(c) of title 10, United States Code, the Secretary shall submit to Congress a report explaining how the Secretary plans to evaluate the survivability of the V–22 Osprey aircraft system and assessing possible alternatives to realistic survivability testing of the system.

(c) ALTERNATIVE SURVIVABILITY TEST REQUIREMENTS.—If the Secretary of Defense submits in accordance with section 2366(c)(1) of title 10, United States Code, a certification that live-fire testing of the V–22 Osprey aircraft would be unreasonably expensive and impractical, the Secretary shall require that components critical to the survivability of the V–22 Osprey aircraft be subjected to live-fire testing under an alternative live-fire testing program that, by reason of the number of such components tested and the realism of the threat environments under which the components are tested, will yield test results that provide a sufficient basis for drawing meaningful conclusions about the survivability of V–22 Osprey aircraft.

(d) FUNDING.—The funds required to carry out any alternative live-fire testing of the V–22 Osprey aircraft system shall be made available from amounts appropriated for the V–22 Osprey program.

SEC. 215. LIVE-FIRE SURVIVABILITY TESTING OF F-22 AIRCRAFT.

(a) AUTHORITY FOR RETROACTIVE WAIVER.—The Secretary of Defense may, in accordance with section 2366(c) of title 10, United States Code, waive for the F–22 aircraft program the survivability tests required by that section, notwithstanding that such program has entered engineering and manufacturing development.

(b) ALTERNATIVE SURVIVABILITY TEST REQUIREMENTS.—If the Secretary of Defense submits in accordance with section 2366(c)(1) of title 10, United States Code, a certification that live-fire testing of the F–22 aircraft would be unreasonably expensive and impractical, the Secretary shall require that components and subsystems critical to the survivability of the F–22 aircraft be subjected to live-fire testing under an alternative live-fire testing program that, by reason of the number of such components and subsystems tested and the realism of the threat environments under which the components and subsystems are tested, will yield test results that provide a sufficient basis for drawing meaningful conclusions about the survivability of F–22 aircraft.

(c) FUNDING.—The funds required to carry out any alternative live-fire testing of the F–22 aircraft system shall be made available from amounts appropriated for the F–22 program.

SEC. 216. LIMITATION ON FUNDING FOR F-16 TACTICAL MANNED RECONNAISSANCE AIRCRAFT.

(a) LIMITATION.—Effective on the date of the enactment of this Act, not more than $50,000,000 (in fiscal year 1997 constant dollars) may be obligated or expended for—

(1) research, development, test, and evaluation for, and acquisition and modification of, the F–16 tactical manned reconnaissance aircraft program; and

(2) costs associated with the termination of such program.

(b) EXCEPTION.—The limitation in subsection (a) shall not apply to obligations required for improvements planned before the date of the enactment of this Act to incorporate the common data link into the F–16 tactical manned reconnaissance aircraft.

SEC. 217. COST ANALYSIS OF F-22 AIRCRAFT PROGRAM.

(a) REVIEW AND REPORT.—The Secretary of Defense shall direct the Cost Analysis Improvement Group in the Office of the Secretary of Defense to review the F–22 aircraft program, analyze and estimate the production costs of the program, and submit to the Secretary a report on the results of the review.

(b) CONTENT OF REPORT.—The report shall include—

(1) a comparison of—

(A) the results of the review, with

(B) the results of the last independent estimate of production costs of the program that was prepared by the Cost Analysis Improvement Group in July 1991; and

(2) a description of any major changes in programmatic assumptions that have occurred since the estimate referred to in paragraph (1)(B) was made, including any major change in assumptions regarding the program schedule, the quantity of aircraft to be developed and acquired, and the annual rates of production, together with an assessment of the effects of such changes on the program.

(c) SUBMISSION OF REPORT.—Not later than March 30, 1997, the Secretary shall submit the report to the congressional defense committees, together with the Secretary's views on the matters covered by the report.

(d) LIMITATION ON USE OF FUNDS PENDING SUBMISSION OF REPORT.—Not more than 92 percent of the funds appropriated for the F–22 aircraft program pursuant to the authorization of appropriations in section 103(1) may be expended until the Secretary of Defense submits the report required under this section.

SEC. 218. F-22 AIRCRAFT PROGRAM REPORTS.

(a) ANNUAL REPORT.—(1) At the same time that the President submits the budget for a fiscal year to Congress pursuant to section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report on event-based decision-making for the F–22 aircraft program for that fiscal year. The Secretary shall submit the report for fiscal year 1997 not later than October 1, 1996.

(2) The report for a fiscal year shall include the following:

(A) A discussion of each decision known within the Department of Defense as an "event-based decision" that is expected to be made during that fiscal year regarding whether the F-22 program is to proceed into a new phase or into a new administrative subdivision of a phase.

(B) The criteria known within the Department of Defense as "exit criteria" to be applied, for purposes of making the event-based decision, in determining whether the F-22 aircraft program has demonstrated the specific progress necessary for proceeding into the new phase or administrative subdivision of a phase.

(b) REPORT ON EVENT-BASED DECISIONS.—Not later than 30 days after an event-based decision has been made for the F-22 aircraft program, the Secretary of Defense shall submit to Congress a report on the decision. The report shall include the following:

(1) A discussion of the commitments made, and the commitments to be made, under the program as a result of the decision.

(2) The exit criteria applied for purposes of the decision.

(3) How, in terms of the exit criteria, the program demonstrated the specific progress justifying the decision.

SEC. 219. COST-BENEFIT ANALYSIS OF F/A-18E/F AIRCRAFT PROGRAM.

(a) REPORT ON PROGRAM.—Not later than March 30, 1997, the Secretary of Defense shall submit to the congressional defense committees a report on the F/A-18E/F aircraft program.

(b) CONTENT OF REPORT.—The report shall contain the following:

(1) A review of the F/A-18E/F aircraft program.

(2) An analysis and estimate of the production costs of the program for the total number of aircraft realistically expected to be procured at each of three annual production rates as follows:

(A) 18 aircraft.

(B) 24 aircraft.

(C) 36 aircraft.

(3) A comparison of the costs and benefits of the program with the costs and benefits of the F/A-18C/D aircraft program taking into account the operational combat effectiveness of the aircraft.

(c) LIMITATION ON USE OF FUNDS PENDING SUBMISSION OF REPORT.—Not more than 90 percent of the funds authorized to be appropriated by this Act for the procurement of F/A-18E/F aircraft may be obligated or expended for procurement of such aircraft before the date that is 30 days after the date on which the congressional defense committees receive the report required under subsection (a).

SEC. 220. JOINT ADVANCED STRIKE TECHNOLOGY (JAST) PROGRAM.

(a) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated pursuant to the authorizations in section 201, $602,069,000 shall be available only for advanced technology development for the Joint Advanced Strike Technology (JAST) program. Of that amount—

(1) $259,833,000 shall be available only for program element 63800N in the budget of the Department of Defense for fiscal year 1997;

(2) $263,836,000 shall be available only for program element 63800F in the budget of the Department of Defense for fiscal year 1997; and

(3) $78,400,000 shall be available only for program element 63800E in the budget of the Department of Defense for fiscal year 1997.

(b) ANALYSIS OF FORCE STRUCTURE.—Of the amounts authorized to be appropriated by section 201 for the Joint Advanced Strike Technology program, up to $10,000,000 shall be available for the conduct of an analysis by the Institute for Defense Analyses of the following:

(1) The weapon systems force structure required to meet the anticipated range of threats projected by the intelligence community for the period 2000 through 2025.

(2) Alternative force mixes, including, at a minimum, the following force mixes:

(A) Joint Strike Fighter derivative aircraft; remanufactured AV-8 aircraft; F-18C/D, F-18E/F, AH-64, AH-1W, RAH-66, F-14, F-16, F-15, F-117, F-22, B-1, B-2, and B-52 aircraft; and air-to-surface and surface-to-surface weapons systems.

(B) Joint Strike Fighter derivative aircraft; remanufactured AV-8 aircraft; F-18C/D, F-18E/F, F-14, F-16, F-15, F-117, and F-22 aircraft; and air-to-surface and surface-to-surface weapons systems.

(3) Cost and operational effectiveness of the alternative force mixes analyzed under paragraph (2), including sensitivity analyses related to system performance, costs, threats, and force employment scenarios.

(4) Required operational capability dates of systems not yet in production for the force mixes analyzed under paragraph (2).

(5) Affordability, commonality, and roles and missions considerations related to the alternative force mixes analyzed under paragraph (2).

(c) COST REVIEW OF FORCE STRUCTURE ANALYSIS.—The Secretary of Defense shall direct the Cost Analysis Improvement Group in the Office of the Secretary of Defense to review cost estimates made under the analysis conducted under subsection (b) and submit to the Secretary a report on the results of the review. The report may include comments and additional cost sensitivity analyses.

(d) BRIEFING AND REPORT.—(1) Not later than November 15, 1996, the Secretary of Defense shall make available to the congressional defense committees a briefing on the plan and assumptions for the analysis to be conducted under subsection (b).

(2) Not later than May 15, 1997, the Secretary of Defense shall submit to the congressional defense committees a report containing a copy of the analysis conducted under subsection (b) and of the cost review conducted under subsection (c), together with the views of the Secretary on such analysis and cost review.

SEC. 221. UNMANNED AERIAL VEHICLES.

(a) PROCUREMENT FUNDING REQUEST.—The funding request for procurement for unmanned aerial vehicles for any fiscal year shall be set forth under the funding requests for the military departments in the budget of the Department of Defense.

(b) TRANSFER OF PROGRAM MANAGEMENT.—Program management for the Predator Unmanned Aerial Vehicle, and programmed funding for such vehicle for fiscal years 1998, 1999, 2000, 2001, and 2002 (as set forth in the future-years defense program), shall be transferred to the Department of the Air Force, effective October 1, 1996, or the date of the enactment of this Act, whichever is later.

(c) PROHIBITION ON PROVIDING OPERATING CAPABILITY FROM NAVAL VESSELS.—No funds authorized to be appropriated by this Act may be obligated for purposes of providing the capability of the Predator Unmanned Aerial Vehicle to operate from naval vessels.

SEC. 222. HIGH ALTITUDE ENDURANCE UNMANNED AERIAL RECONNAISSANCE SYSTEM.

Any concepts for an improved Tier III Minus (High Altitude Endurance Unmanned Aerial Reconnaissance) system, developed using funds authorized to be appropriated under this title, that would increase the unit flyaway cost for such system to an amount greater than the unit flyaway cost established in either of the original contracts for such system, may not be carried out under the original contracts, but must instead be carried out under another contract that is awarded using competitive procedures.

SEC. 223. CYCLONE CLASS PATROL CRAFT SELF-DEFENSE.

(a) STUDY REQUIRED.—The Secretary of Defense shall perform a study of the operational requirements for vessel self-defense for the Cyclone class patrol craft and a comparative evaluation of the potential means for meeting the operational requirements for self-defense of the craft. The study shall consider the range of operational scenarios in which the craft is expected to be employed.

(b) SYSTEMS TO BE EVALUATED.—The study under subsection (a) shall consider those self-defense systems that could be employed aboard the Cyclone class patrol craft, including the Barak ship self-defense missile system.

(c) REPORT.—Not later than March 31, 1997, the Secretary shall submit to Congress a report containing the results of the study under subsection (a).

SEC. 224. ONE-YEAR EXTENSION OF DEADLINE FOR DELIVERY OF ENHANCED FIBER OPTIC GUIDED MISSILE (EFOG-M) SYSTEM.

Section 272(a)(2) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 239) is amended by striking out "September 30, 1998," and inserting in lieu thereof "September 30, 1999,".

SEC. 225. HYDRA-70 ROCKET PRODUCT IMPROVEMENT PROGRAM.

(a) FUNDING AUTHORIZATION.—Of the amount authorized to be appropriated under section 201(1) for the Army for Other Missile Product Improvement Programs, $9,000,000 is authorized as specified in subsection (b) for completion of the Hydra-70 product improvement program authorized for fiscal year 1996.

(b) AUTHORIZED ACTIONS.—Funding is authorized to be appropriated for the following:

(1) Procurement for test and flight qualification of at least one nondevelopmental item 2.75-inch composite rocket motor propellant type, along with other nondevelopmental item candidate motors that use composite propellant as the propulsion component.

(2) Platform integration, including additional quantities of the motor chosen for operational certification on the Apache attack helicopter.

(c) DEFINITION.—In this section, the term "nondevelopmental item" has the meaning provided in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

SEC. 226. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) CENTERS COVERED.—Funds authorized to be appropriated for the Department of Defense for fiscal year 1997 under section 201 may be obligated to procure work from a federally funded research and development center (in this section referred to as an "FFRDC") only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing—

(A) the name of each FFRDC from which work is proposed to be procured for the Department of Defense for fiscal year 1997;

(B) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1997; and

(C) for each such center, an unambiguous definition of the unique core competencies required to be maintained for fiscal year 1997.

(2) The total of the proposed funding levels set forth in the report for all FFRDCs may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—Not more than 15 percent of the funds authorized to be appropriated for the Department of Defense for fiscal year 1997 for FFRDCs under section 201 may be obligated to procure work from an FFRDC until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—(1) Subject to paragraph (2), of the amounts authorized to be appropriated by section 201, not more than a total of $1,214,650,000 may be obligated to procure services from the FFRDCs named in the report required by subsection (b).

(2) The limitation in paragraph (1) does not apply to funds obligated for the procurement of equipment for FFRDCs.

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to an FFRDC. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies those committees of that determination and the reasons for the determination.

SEC. 227. DEMILITARIZATION OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES.

(a) ESTABLISHMENT OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES DEMILITARIZATION PROGRAM.—The Secretary of Defense shall establish an integrated program for the development and demonstration of technologies for the demilitarization and disposal of conventional munitions, rockets, and explosives in a manner that complies with applicable environmental laws.

(b) DURATION OF PROGRAM.—The program established pursuant to subsection (a) shall be in effect for a period of at least five years, beginning with fiscal year 1997.

(c) FUNDING.—Of the amount authorized to be appropriated in section 201, $15,000,000 is authorized to be appropriated for the program established pursuant to subsection (a). The funding request for the program shall be set forth separately in the budget justification documents for the budget of the Department of Defense for each fiscal year during which the program is in effect.

(d) REPORTS.—The Secretary of Defense shall submit to Congress a report on the plan for the program established pursuant to subsection (a) at the same time the President submits to Congress the budget for fiscal year 1998. The Secretary shall submit an updated version of such report, setting forth in detail the progress of the program, at the same time the President submits the budget for each fiscal year after fiscal year 1998 during which the program is in effect.

SEC. 228. RESEARCH ACTIVITIES OF THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY RELATING TO CHEMICAL AND BIOLOGICAL WARFARE DEFENSE TECHNOLOGY.

(a) AUTHORITY.—Section 1701(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1853; 50 U.S.C. 1522) is amended—

(1) by inserting "(1)" before "The Secretary"; and

(2) by adding at the end the following new paragraph:

"(2) The Director of the Defense Advanced Research Projects Agency may conduct a program of basic and applied research and advanced technology development on chemical and biological warfare defense technologies and systems. In conducting such program, the Director shall seek to avoid unnecessary duplication of the activities under the program with chemical and biological warfare defense activities of the military departments and defense agencies and shall coordinate the activities under the program with those of the military departments and defense agencies.".

(b) FUNDING.—Section 1701(d) of such Act is amended—

(1) in paragraph (1), by striking out "military departments" and inserting in lieu thereof "Department of Defense";

(2) in paragraph (2), by inserting after "requests for the program" in the first sentence the following: "(other than for activities under the program conducted by the Defense Advanced Research Projects Agency under subsection (c)(2))";

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following new paragraph (3):

"(3) The program conducted by the Defense Advanced Research Projects Agency under subsection (c)(2) shall be set forth as a separate program element in the budget of that agency.".

SEC. 229. CERTIFICATION OF CAPABILITY OF UNITED STATES TO PREVENT ILLEGAL IMPORTATION OF NUCLEAR, BIOLOGICAL, AND CHEMICAL WEAPONS.

Not later than 15 days after the date of the enactment of this Act, the President shall submit to Congress a certification in writing stating specifically whether or not the United States has the capability (as of the date of the certification) to prevent the illegal importation of nuclear, biological, and chemical weapons into the United States and its possessions.

SEC. 230. NONLETHAL WEAPONS AND TECHNOLOGIES PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 201(2), $15,000,000 shall be available for joint service research, development, test, and evaluation of nonlethal weapons and nonlethal technologies under the program element established pursuant to subsection (b).

(b) NEW PROGRAM ELEMENT REQUIRED.—The Secretary of Defense shall establish a new program element for the funds authorized to be appropriated under subsection (a). The funds within that program element shall be administered by the executive agent designated for joint service research, development, test, and evaluation of nonlethal weapons and nonlethal technologies.

SEC. 231. COUNTERPROLIFERATION SUPPORT PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Defense under section 201(4), $186,200,000 shall be available for the Counterproliferation Support Program, of which $75,000,000 shall be available for a tactical antisatellite technologies program.

(b) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1001, upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1997 to counterproliferation programs, projects, and activities identified as areas for progress by the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations transferred under the authority of this subsection may not exceed $50,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

(c) LIMITATION ON USE OF FUNDS FOR TECHNICAL STUDIES AND ANALYSES PENDING RELEASE OF FUNDS.—(1) None of the funds authorized to be appropriated to the Department of Defense for fiscal year 1997 for program element 605104D, relating to technical studies and analyses, may be obligated or expended until the funds referred to in paragraph (2) have been released to the program manager of the tactical anti-satellite technology program for implementation of that program.

(2) The funds for release referred to in paragraph (1) are as follows:

(A) Funds authorized to be appropriated by section 218(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 222) that are available for the program referred to in paragraph (1).

(B) Funds authorized to be appropriated to the Department for fiscal year 1997 by this Act for the Counterproliferation Support Program that are to be made available for that program.

Subtitle C—Ballistic Missile Defense Programs

SEC. 241. FUNDING FOR BALLISTIC MISSILE DEFENSE PROGRAMS FOR FISCAL YEAR 1997.

(a) PROGRAM AMOUNTS.—Of the amount appropriated pursuant to section 201(4), the following amounts may be obligated for the following systems managed by the Ballistic Missile Defense Organization:

(1) For the Theater High Altitude Area Defense (THAAD) System, $621,798,000.

(2) For the Navy Upper Tier (Theater Wide) system, $304,171,000.

(3) For the National Missile Defense System, $858,437,000.

(4) For the Corps Surface-to-Air Missile (SAM)/Medium Extended Air Defense System (MEADS) sytem, $56,200,000.

(b) LIMITATION.—None of the funds appropriated or otherwise made available for the Department of Defense pursuant to this or any other Act may be obligated or expended by the Office of the Under Secretary of Defense for Acquisition and Technology for official representation activities, or related activities, until the Secretary of Defense certifies to Congress that—

(1) the Secretary has made available for obligation the funds provided under subsection (a) for the purposes specified in that subsection and in the amounts appropriated pursuant to that subsection; and

(2) the Secretary has included the Navy Upper Tier theater missile defense system in the theater missile defense core program.

(c) LIMITATIONS.—Not more than $15,000,000 of the amount available for the Corps SAM/MEADS program under subsection (a) may be obligated until the Secretary of Defense submits to the congressional defense committees the following:

(1) An initial program estimate for the Corps SAM/MEADS program, including a tentative schedule of major milestones and an estimate of the total program cost through initial operational capability.

(2) A report on the options associated with the use of existing systems, technologies, and program management mechanisms to satisfy the requirement for the Corps surface-to-air missile, including an assessment of cost and schedule implications in relation to the program estimate submitted under paragraph (1).

(3) A certification that there will be no increase in overall United States funding commitment to the project definition and validation phase of the Corps SAM/MEADS program as a result of the withdrawal of France from participation in the program.

SEC. 242. CERTIFICATION OF CAPABILITY OF UNITED STATES TO DEFEND AGAINST SINGLE BALLISTIC MISSILE.

Not later than 15 days after the date of the enactment of this Act, the President shall submit to Congress a certification in writing stating specifically whether or not the United States has the military capability (as of the time of the certification) to intercept and destroy a single ballistic missile launched at the territory of the United States.

SEC. 243. REPORT ON BALLISTIC MISSILE DEFENSE AND PROLIFERATION.

The Secretary of Defense shall submit to Congress a report on ballistic missile defense and the proliferation of weapons of mass destruction, including nuclear, chemical, and biological weapons, and the missiles that can be used to deliver them. The report shall be submitted not later than December 31, 1996, and shall include the following:

(1) An assessment of how United States theater missile defenses contribute to United States efforts to prevent proliferation, including an evaluation of the specific effect United States theater missile defense systems can have on dissuading other states from acquiring ballistic missiles.

(2) An assessment of how United States national missile defenses contribute to United States efforts to prevent proliferation.

(3) An assessment of the effect of the lack of national missile defenses on the desire of other states to acquire ballistic missiles and an evaluation of the types of missiles other states might seek to acquire as a result.

(4) A detailed review of the linkages between missile defenses (both theater and national) and each of the categories of counterproliferation activities identified by the Secretary of Defense as part of the Defense Counterproliferation Initiative announced by the Secretary in December 1993.

(5) A description of how theater and national ballistic missile defenses can augment the effectiveness of other counterproliferation tools.

SEC. 244. REVISION TO ANNUAL REPORT ON BALLISTIC MISSILE DEFENSE PROGRAM.

Section 224(b) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (10 U.S.C. 2431 note) is amended—

(1) by striking out paragraphs (3), (4), and (10);

(2) by redesignating paragraphs (5) and (6) as paragraphs (3) and (4), respectively;

(3) by redesignating paragraph (7) as paragraph (5) and in that paragraph by striking out "of the Soviet Union" and "for the Soviet Union";

(4) by redesignating paragraph (8) as paragraph (6); and

(5) by redesignating paragraph (9) as paragraph (7) and in that paragraph—

(A) by striking out "of the Soviet Union" in subparagraph (A);

(B) by striking out subparagraphs (C) through (F); and

(C) by redesignating subparagraph (G) as subparagraph (C).

SEC. 245. REPORT ON AIR FORCE NATIONAL MISSILE DEFENSE PLAN.

Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the following matters regarding the National Missile Defense Plan of the Air Force:

(1) The cost and operational effectiveness of a system that could be developed pursuant to that plan.

(2) The arms control implications of such a system.

(3) The growth potential of such a system to meet future threats.

(4) The recommendations of the Secretary for improvements to that plan.

SEC. 246. CAPABILITY OF NATIONAL MISSILE DEFENSE SYSTEM.

The Secretary of Defense shall ensure that any National Missile Defense system deployed by the United States is capable of defeating the threat posed by the Taepo Dong II missile of North Korea.

SEC. 247. ACTIONS TO LIMIT ADVERSE EFFECTS ON PRIVATE SECTOR EMPLOYMENT OF ESTABLISHMENT OF NATIONAL MISSILE DEFENSE JOINT PROGRAM OFFICE.

The Secretary of Defense shall take such actions as are necessary in connection with the establishment of the National Missile Defense Joint Program Office within the Ballistic Missile Defense Organization to ensure that the establishment of that office does not make it necessary for a Federal Government contractor to reduce significantly the number of persons employed by that contractor for supporting the national missile defense development program at any particular location outside the National Capital Region (as defined in section 2674(f)(2) of title 10, United States Code).

SEC. 248. ABM TREATY DEFINED.

For purposes of this subtitle, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, and signed at Moscow on May 26, 1972, and includes the Protocols to that Treaty, signed at Moscow on July 3, 1974.

Subtitle D—Other Matters

SEC. 261. MAINTENANCE AND REPAIR AT AIR FORCE INSTALLATIONS.

(a) ALLOCATION OF FUNDS.—The Secretary of the Air Force shall allocate funds authorized to be appropriated by this title and title III of this Act for maintenance and repair of real property at military installations of the Department of the Air Force without regard to whether the installation is supported with funds authorized by this title or title III of this Act.

(b) MIXING OF FUNDS PROHIBITED ON INDIVIDUAL PROJECTS.—The Secretary of the Air Force may not combine funds authorized to be appropriated by this title and funds authorized to be appropriated by title III for an individual project for maintenance and repair of real property at a military installation of the Department of the Air Force.

SEC. 262. REPORT RELATING TO SMALL BUSINESS INNOVATION RESEARCH PROGRAM.

Not later than March 30, 1997, the Comptroller General shall submit to Congress and to the Secretary of Defense a report setting forth the following with respect to the Small Business Innovation Research Program (as defined by section 2491(11) of title 10, United States Code):

(1) An assessment of whether there has been a demonstrable reduction in the quality of research performed under funding agreements awarded by the Department of Defense under the program since fiscal year 1995.

(2) An assessment of the degree to which competitive procedures are being followed throughout the military departments and defense agencies in awarding funding agreements under the program.

(3) An assessment of the degree to which technologies developed through the program are or are likely to be used in military projects and programs.

SEC. 263. AMENDMENT TO UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Section 802(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1701; 10 U.S.C. 2358 note) is amended by striking out "fiscal years before the fiscal year in which the institution submits a proposal" and inserting in lieu thereof "most recent fiscal years for which complete statistics are available when proposals are requested".

SEC. 264. AMENDMENTS TO DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Section 257(d) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2705; 10 U.S.C. 2358 note) is amended—

(1) in paragraph (1)—

(A) by striking out "Director of the National Science Foundation" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(B) by striking out "and shall notify the Director of Defense Research and Engineering of the States so designated"; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A)—

(i) by striking out "Director of the National Science Foundation" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(ii) by striking out "as determined by the Director" and inserting in lieu thereof "as determined by the Under Secretary";

(B) in subparagraph (A), by striking out "(to be determined in consultation with the Secretary of Defense);" and inserting in lieu thereof "; and";

(C) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(D) by striking out subparagraph (C).

SEC. 265. ELIMINATION OF REPORT ON THE USE OF COMPETITIVE PROCEDURES FOR THE AWARD OF CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Section 2361 of title 10, United States Code, is amended by striking out subsection (c).

SEC. 266. PILOT PROGRAM FOR TRANSFER OF DEFENSE TECHNOLOGY INFORMATION TO PRIVATE INDUSTRY.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a pilot program to demonstrate online transfers of information on defense technologies to businesses in the private sector through an interactive data network involving Small Business Development Centers of institutions of higher education.

(b) COMPUTERIZED DATA BASE OF DEFENSE TECHNOLOGIES.—(1) Under the pilot program, the Secretary shall enter into an agreement with the head of an eligible institution of higher education that provides for such institution—

(A) to develop and maintain a computerized data base of information on defense technologies;

(B) to make such information available online to—

(i) businesses; and

(ii) other institutions of higher education entering into partnerships with the Secretary under subsection (c).

(2) The online accessibility may be established by means of any of, or any combination of, the following:

(A) Digital teleconferencing.

(B) International Signal Digital Network lines.

(C) Direct modem hookup.

(c) PARTNERSHIP NETWORK.—Under the pilot program, the Secretary shall seek to enter into agreements with the heads of several eligible institutions of higher education having strong business education programs to provide for the institutions of higher education entering into such agreements—

(1) to establish interactive computer links with the data base developed and maintained under subsection (b); and

(2) to assist the Secretary in making information on defense technologies available online to the broadest practicable number, types, and sizes of businesses.

(d) ELIGIBLE INSTITUTIONS.—For the purposes of this section, an institution of higher education is eligible to enter into an agreement under subsection (b) or (c) if the institution has a Small Business Development Center.

(e) DEFENSE TECHNOLOGIES COVERED.—(1) The Secretary shall designate the technologies to be covered by the pilot program from among the existing and experimental technologies that the Secretary determines—

(A) are useful in meeting Department of Defense needs; and

(B) should be made available under the pilot program to facilitate the satisfaction of such needs by private sector sources.

(2) Technologies covered by the program should include technologies useful for defense purposes that can also be used for nondefense purposes (without or without modification).

(f) DEFINITIONS.—In this section:

(1) The term "Small Business Development Center" means a small business development center established pursuant to section 21 of the Small Business Act (15 U.S.C. 648).

(2) The term "defense technology" means a technology designated by the Secretary of Defense under subsection (d).

(3) The term "partnership" means an agreement entered into under subsection (c).

(g) TERMINATION OF PILOT PROGRAM.—The pilot program shall terminate one year after the Secretary enters into an agreement under subsection (b).

(h) AUTHORIZATION OF APPROPRIATIONS.—Of the amount authorized to be appropriated under section 201(4) for university research initiatives, $3,000,000 is available for the pilot program.

SEC. 267. RESEARCH UNDER TRANSACTIONS OTHER THAN CONTRACTS AND GRANTS.

(a) CONDITIONS FOR USE OF AUTHORITY.—Subsection (e) of section 2371 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

(2) by inserting "and" after the semicolon at the end of subparagraph (A), as so redesignated;

(3) by striking out "; and" at the end of subparagraph (B), as so redesignated, and inserting in lieu thereof a period;

(4) by inserting "(1)" after "(e) CONDITIONS.—"; and

(5) by striking out paragraph (3) and inserting in lieu thereof the following:

"(2) A cooperative agreement containing a clause under subsection (d) or a transaction authorized by subsection (a) may be used for a research project when the use of a standard contract, grant, or cooperative agreement for such project is not feasible or appropriate.".

(b) REVISED REQUIREMENT FOR ANNUAL REPORT.—Section 2371 of such title is amended by striking out subsection (h) and inserting in lieu thereof the following:

"(h) ANNUAL REPORT.—(1) Not later than 90 days after the end of each fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the use by the Department of Defense during such fiscal year of—

"(A) cooperative agreements authorized under section 2358 of this title that contain a clause under subsection (d); and

"(B) transactions authorized by subsection (a).

"(2) The report shall include, with respect to the cooperative agreements and other transactions covered by the report, the following:

"(A) The technology areas in which research projects were conducted under such agreements or other transactions.

"(B) The extent of the cost-sharing among Federal Government and non-Federal sources.

"(C) The extent to which the use of the cooperative agreements and other transactions—

"(i) has contributed to a broadening of the technology and industrial base available for meeting Department of Defense needs; and

"(ii) has fostered within the technology and industrial base new relationships and practices that support the national security of the United States.

"(D) The total amount of payments, if any, that were received by the Federal Government during the fiscal year covered by the report pursuant to a clause described in subsection (d) that was included in the cooperative agreements and other transactions, and the amount of such payments, if any, that were credited to each account established under subsection (f).".

(c) DIVISION OF SECTION INTO DISTINCT PROVISIONS BY SUBJECT MATTER.—(1) Chapter 139 of title 10, United States Code, is amended—

(A) by inserting before the last subsection of section 2371 (relating to cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980) the following:

"§2371a. Cooperative research and development agreements under Stevenson-Wydler Technology Innovation Act of 1980";

(B) in section 2371a (as designated by the amendment made by subparagraph (A)), by striking out "(1) COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS UNDER STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980.—"; and

(C) in the table of sections at the beginning of such chapter, by inserting after the item relating to section 2371 the following:

"2371a. Cooperative research and development agreements under Stevenson-Wydler Technology Innovation Act of 1980.".

(2) Section 2358(d) of such title is amended by striking out "section 2371" and inserting in lieu thereof "sections 2371 and 2371a".

SEC. 268. DESALTING TECHNOLOGIES.

(a) FINDINGS.—Congress makes the following findings:

(1) Access to scarce fresh water is likely to be a cause of future military conflicts in the Middle East and has a direct impact on stability and security in the region.

(2) The Middle East is an area of vital and strategic importance to the United States.

(3) The United States has played a military role in the Middle East, most recently in the Persian Gulf War, and may likely be called upon again to deter aggression in the region.

(4) United States troops have used desalting technologies to guarantee the availability of fresh water in past deployments in the Middle East.

(5) Adequate, efficient, and cheap access to high-quality fresh water will be vital to maintaining the readiness and sustainability of troops of both the United States and its allies.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, as improved access to fresh water will be an important factor in helping prevent future conflicts in the Middle East, the United States should, in cooperation with its allies, promote and invest in technologies to reduce the costs of converting saline water into fresh water.

(c) FUNDING FOR RESEARCH AND DEVELOPMENT.—Of the amounts authorized to be appropriated by this title, the Secretary shall place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water into fresh water.

SEC. 269. EVALUATION OF DIGITAL VIDEO NETWORK EQUIPMENT USED IN OLYMPIC GAMES.

(a) Evaluation.—The Secretary of Defense shall evaluate the digital video network equipment used in the 1996 Olympic games to determine whether such equipment would be the most appropriate equipment for use as a test bed for the military application of commercial off-the-shelf advanced technology linking multiple continents, multiple satellites, and multiple theaters of operations by compressed digital audio and visual broadcasting technology.

(b) Report.—Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report on the results of the evaluation conducted under subsection (a).

SEC. 270. ANNUAL JOINT WARFIGHTING SCIENCE AND TECHNOLOGY PLAN.

(a) Annual Plan Required.—On March 1 of each year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan for ensuring that the science and technology program of the Department of Defense supports the development of the future joint warfighting capabilities identified as priority requirements for the Armed Forces.

(b) First Plan.—The first plan under subsection (a) shall be submitted not later than March 1, 1997.

Subtitle E—National Oceanographic Partnership Program

SEC. 281. FINDINGS.

Congress finds the following:

(1) The oceans and coastal areas of the United States are among the Nation's most valuable natural resources, making substantial contributions to economic growth, quality of life, and national security.

(2) Oceans drive global and regional climate. Hence, they contain information affecting agriculture, fishing, and the prediction of severe weather.

(3) Understanding of the oceans through basic and applied research is essential for using the oceans wisely and protecting their limited resources. Therefore, the United States should maintain its world leadership in oceanography as one key to its competitive future.

(4) Ocean research and education activities take place within Federal agencies, academic institutions, and industry. These entities often have similar requirements for research facilities, data, and other resources (such as oceanographic research vessels).

(5) The need exists for a formal mechanism to coordinate existing partnerships and establish new partnerships for the sharing of resources, intellectual talent, and facilities in the ocean sciences and education, so that optimal use can be made of this most important natural resource for the well-being of all Americans.

SEC. 282. NATIONAL OCEANOGRAPHIC PARTNERSHIP PROGRAM.

(a) Program Required.—(1) Subtitle C of title 10, United States Code, is amended by adding after chapter 663 the following new chapter:

"CHAPTER 665—NATIONAL OCEANOGRAPHIC PARTNERSHIP PROGRAM

"Sec.
"7901. National Oceanographic Partnership Program.
"7902. National Ocean Research Leadership Council.
"7903. Ocean Research Advisory Panel.

"§ 7901. National Oceanographic Partnership Program

"(a) Establishment.—The Secretary of the Navy shall establish a program to be known as the 'National Oceanographic Partnership Program'.

"(b) Purposes.—The purposes of the program are as follows:

"(1) To promote the national goals of assuring national security, advancing economic development, protecting quality of life, and strengthening science education and communication through improved knowledge of the ocean.

"(2) To coordinate and strengthen oceanographic efforts in support of those goals by—

"(A) identifying and carrying out partnerships among Federal agencies, academia, industry, and other members of the oceanographic scientific community in the areas of data, resources, education, and communication; and

"(B) reporting annually to Congress on the program.

"§ 7902. National Ocean Research Leadership Council

"(a) Council.—There is a National Ocean Research Leadership Council (hereinafter in this chapter referred to as the 'Council').

"(b) Membership.—The Council is composed of the following members:

"(1) The Secretary of the Navy.

"(2) The Administrator of the National Oceanic and Atmospheric Administration.

"(3) The Director of the National Science Foundation.

"(4) The Administrator of the National Aeronautics and Space Administration.

"(5) The Deputy Secretary of Energy.

"(6) The Administrator of the Environmental Protection Agency.

"(7) The Commandant of the Coast Guard.

"(8) The Director of the Geological Survey of the Department of the Interior.

"(9) The Director of the Defense Advanced Research Projects Agency.

"(10) The Director of the Minerals Management Service of the Department of the Interior.

"(11) The President of the National Academy of Sciences, the President of the National Academy of Engineering, and the President of the Institute of Medicine.

"(12) The Director of the Office of Science and Technology.

"(13) The Director of the Office of Management and Budget.

"(14) One member appointed by the chairman from among individuals who will represent the views of ocean industries.

"(15) One member appointed by the chairman from among individuals who will represent the views of State governments.

"(16) One member appointed by the chairman from among individuals who will represent the views of academia.

"(17) One member appointed by the chairman from among individuals who will represent such other views as the chairman considers appropriate.

"(c) Chairman and Vice Chairman.—(1) Except as provided in paragraph (2), the chairman and vice chairman of the Council shall be appointed every two years by a selection committee of the Council composed of, at a minimum, the Secretary of the Navy, the Administrator of the National Oceanic and Atmospheric Administration, and the Director of the National Science Foundation. The term of office of the chairman and vice chairman shall be two years. A person who has previously served as chairman or vice chairman may be reappointed.

"(2) The first chairman of the Council shall be the Secretary of the Navy. The first vice chairman of the Council shall be the Administrator of the National Oceanic and Atmospheric Administration.

"(d) Term of Office.—The term of office of a member of the Council appointed under paragraph (14), (15), (16), or (17) of subsection (b) shall be two years, except that any person appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(e) Responsibilities.—The Council shall have the following responsibilities:

"(1) To prescribe policies and procedures to implement the National Oceanographic Partnership Program.

"(2) To review, select, and identify and allocate funds for partnership projects for implementation under the program, based on the following criteria:

"(A) Whether the project addresses critical research objectives or operational goals, such as data accessibility and quality assurance, sharing of resources, education, or communication.

"(B) Whether the project has, or is designed to have, broad participation within the oceanographic community.

"(C) Whether the partners have a long-term commitment to the objectives of the project.

"(D) Whether the resources supporting the project are shared among the partners.

"(E) Whether the project has been subjected to adequate peer review.

"(3) To assess whether there is a need for a facility (or facilities) to provide national centralization of oceanographic data, and to establish such a facility or facilities if determined necessary. In conducting the assessment, the Council shall review, at a minimum, the following:

"(A) The need for a national oceanographic data center.

"(B) The need for a national coastal data center.

"(C) Accessibility by potential users of such centers.

"(D) Preexisting facilities and expertise.

"(f) Annual Report.—Not later than March 1 of each year, the Council shall submit to Congress a report on the National Oceanographic Partnership Program. The report shall contain the following:

"(1) A description of activities of the program carried out during the fiscal year before the fiscal year in which the report is prepared, together with a list of the members of the Ocean Research Advisory Panel and any working groups in existence during the fiscal year covered.

"(2) A general outline of the activities planned for the program during the fiscal year in which the report is prepared.

"(3) A summary of projects continued from the fiscal year before the fiscal year in which the report is prepared and projects expected to be started during the fiscal year in which the report is prepared and during the following fiscal year.

"(4) A description of the involvement of the program with Federal interagency coordinating entities.

"(5) The amounts requested, in the budget submitted to Congress pursuant to section 1105(a) of title 31, for the fiscal year following the fiscal year in which the report is prepared, for the programs, projects, and activities of the program and the estimated expenditures under such programs, projects, and activities during such following fiscal year.

"(g) PARTNERSHIP PROGRAM OFFICE.—(1) The Council shall establish a partnership program office for the National Oceanographic Partnership Program. The Council shall use competitive procedures in selecting an operator for the partnership program office.

"(2) The Council shall assign the following duties to the partnership program office:

"(A) To establish and oversee working groups to propose partnership projects to the Council and advise the Council on such projects.

"(B) To manage the process for proposing partnership projects to the Council, including managing peer review of such projects.

"(C) To submit to the Council an annual report on the status of all partnership projects and activities of the office.

"(D) Any additional duties for the administration of the National Oceanographic Partnership Program that the Council considers appropriate.

"(3) The Council shall supervise the performance of duties by the partnership program office.

"(h) CONTRACT AND GRANT AUTHORITY.—The Council may authorize one or more of the departments or agencies represented on the Council to enter into contracts and make grants, using funds appropriated pursuant to an authorization of appropriations for the National Oceanographic Partnership Program, for the purpose of implementing the program and carrying out the responsibilities of the Council.

"(i) ESTABLISHMENT AND FORMS OF PARTNERSHIP PROJECTS.—(1) A partnership project under the National Oceanographic Partnership Program may be established by any instrument that the Council considers appropriate, including a memorandum of understanding, a cooperative research and development agreement, and any similar instrument.

"(2) Projects under the program may include demonstration projects.

"§ 7903. Ocean Research Advisory Panel

"(a) ESTABLISHMENT.—The Council shall establish an Ocean Research Advisory Panel consisting of not less than 10 and not more than 18 members appointed by the Council from among persons eminent in the fields of marine science or marine policy, or related fields, and who are representative, at a minimum, of the interests of government, academia, and industry.

"(b) RESPONSIBILITIES.—The Council shall assign to the Advisory Panel responsibilities that the Council considers appropriate.".

(2) The table of chapters at the beginning of subtitle C of title 10, United States Code, and the table of chapters at the beginning of part IV of such subtitle, are each amended by inserting after the item relating to chapter 663 the following:

"665. National Oceanographic Partnership Program .... 7901".

(b) INITIAL APPOINTMENTS OF COUNCIL MEMBERS.—The Secretary of the Navy shall make the appointments required by section 7902(b) of title 10, United States Code, as added by subsection (a)(1), not later than December 1, 1996.

(c) INITIAL APPOINTMENTS OF ADVISORY PANEL MEMBERS.—The National Ocean Research Leadership Council established by section 7902 of title 10, United States Code, as added by subsection (a)(1), shall make the appointments required by section 7903 of such title not later than January 1, 1997.

(d) FIRST ANNUAL REPORT OF NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.—The first annual report required by section 7902(f) of title 10, United States Code, as added by subsection (a)(1), shall be submitted to Congress not later than March 1, 1997. The first report shall include, in addition to the information required by such section, information about the terms of office, procedures, and responsibilities of the Ocean Research Advisory Panel established by the Council.

(e) AUTHORIZATION.—(1) Of the amount authorized to be appropriated to the Department of the Navy by section 201(2), $13,000,000 shall be available for the National Oceanographic Partnership Program established pursuant to section 7901 of title 10, United States Code, as added by subsection (a)(1).

(2) Of the amount authorized to be appropriated to the Department of the Navy by section 301(2), $7,500,000 shall be available for such program.

(f) FUNDING FOR PROGRAM OFFICE.—Of the amount appropriated for the National Oceanographic Partnership Program for fiscal year 1997, at least $500,000, or 3 percent of the amount appropriated, whichever is greater, shall be available for operations of the partnership program office established pursuant to section 7902(g) of title 10, United States Code, as added by subsection (a)(1), for such fiscal year.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Civil Air Patrol Corporation.
Sec. 306. Availability of additional funds for antiterrorism activities.
Sec. 307. Nonlethal weapons capabilities.
Sec. 308. SR-71 contingency reconnaissance force.

Subtitle B—Depot-Level Activities

Sec. 311. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 312. Test programs for modernization-through-spares.

Subtitle C—Environmental Provisions

Sec. 321. Defense contractors covered by requirement for reports on contractor reimbursement costs for response actions.
Sec. 322. Establishment of separate environmental restoration accounts for each military department.
Sec. 323. Payment of stipulated penalties assessed under CERCLA.
Sec. 324. Shipboard solid waste control.
Sec. 325. Authority to develop and implement land use plans for defense environmental restoration program.
Sec. 326. Pilot program to test alternative technology for limiting air emissions during shipyard blasting and coating operations.
Sec. 327. Agreements for services of other agencies in support of environmental technology certification.
Sec. 328. Repeal of redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws.
Sec. 329. Authority for agreements with Indian tribes for services under environmental restoration program.
Sec. 330. Authority to withhold listing of Federal facilities on National Priorities List.
Sec. 331. Clarification of meaning of uncontaminated property for purposes of transfer by the United States.
Sec. 332. Conservation and cultural activities.
Sec. 333. Navy program to monitor ecological effects of organotin.
Sec. 334. Authority to transfer contaminated Federal property before completion of required response actions.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 341. Contracts with other agencies to provide or obtain goods and services to promote efficient operation and management of exchanges and morale, welfare, and recreation activities.
Sec. 342. Noncompetitive procurement of brand-name commercial items for resale in commissary stores.
Sec. 343. Prohibition of sale or rental of sexually explicit material.

Subtitle E—Performance of Functions by Private-Sector Sources

Sec. 351. Extension of requirement for competitive procurement of printing and duplication services.
Sec. 352. Reporting requirements under demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.

Subtitle F—Other Matters

Sec. 361. Authority for use of appropriated funds for recruiting functions.
Sec. 362. Training of members of the uniformed services at non-government facilities.
Sec. 363. Requirement for preparation of plan for improved operation of working-capital funds and effect of failure to produce an approved plan.
Sec. 364. Increase in capital asset threshold under Defense Business Operations Fund.
Sec. 365. Expansion of authority to donate unusable food.
Sec. 366. Assistance to committees involved in inauguration of the President.
Sec. 367. Department of Defense support for sporting events.
Sec. 368. Storage of motor vehicle in lieu of transportation.
Sec. 369. Security protections at Department of Defense facilities in National Capital Region.
Sec. 370. Administration of midshipmen's store and other naval academy support activities as nonappropriated fund instrumentality.
Sec. 371. Reimbursement under agreement for instruction of civilian students at Foreign Language Institute of the Defense Language Institute.
Sec. 372. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.

Sec. 373. Renovation of building for Defense Finance and Accounting Service Center, Fort Benjamin Harrison, Indiana.
Sec. 374. Food donation pilot program at service academies.
Sec. 375. Authority of Air National Guard to provide certain services at Lincoln Municipal Airport, Lincoln, Nebraska.
Sec. 376. Technical amendment regarding Impact Aid program.

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $18,264,406,000.

(2) For the Navy, $20,387,737,000.

(3) For the Marine Corps, $2,421,007,000.

(4) For the Air Force, $17,635,335,000.

(5) For Defense-wide activities, $9,912,962,000.

(6) For the Army Reserve, $1,136,436,000.

(7) For the Naval Reserve, $858,927,000.

(8) For the Marine Corps Reserve, $113,367,000.

(9) For the Air Force Reserve, $1,499,553,000.

(10) For the Army National Guard, $2,277,477,000.

(11) For the Air National Guard, $2,711,173,000.

(12) For the Defense Inspector General, $136,501,000.

(13) For the United States Court of Appeals for the Armed Forces, $6,797,000.

(14) For Environmental Restoration, Army, $356,916,000.

(15) For Environmental Restoration, Navy, $302,900,000.

(16) For Environmental Restoration, Air Force, $414,700,000.

(17) For Environmental Restoration, Defense-wide, $258,500,000.

(18) For Overseas Humanitarian, Disaster, and Civic Aid programs, $54,544,000.

(19) For Drug Interdiction and Counter-drug Activities, Defense-wide, $796,524,000.

(20) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $10,000,000.

(21) For Medical Programs, Defense, $9,833,288,000.

(22) For Cooperative Threat Reduction programs, $364,900,000.

(23) For Domestic Emergency Assistance programs, $97,000,000.

(24) For OPLAN 34A–35 P.O.W. payments, $20,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Business Operations Fund, $947,900,000.

(2) For the National Defense Sealift Fund, $1,118,002,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1997 from the Armed Forces Retirement Home Trust Fund the sum of $57,300,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1997 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

SEC. 305. CIVIL AIR PATROL CORPORATION.

(a) FUNDING.—Of the amount authorized to be appropriated pursuant to section 301 for operation and maintenance, $14,526,000 shall be available for the Civil Air Patrol Corporation.

(b) AMOUNT FOR CERTAIN OPERATIONS.—Of the amount made available to the Civil Air Patrol Corporation pursuant to subsection (a), not less than 25 percent of such amount shall be reserved to cover the costs of search and rescue missions and disaster relief missions.

SEC. 306. AVAILABILITY OF ADDITIONAL FUNDS FOR ANTITERRORISM ACTIVITIES.

Of the amount authorized to be appropriated pursuant to section 301 for operation and maintenance, $14,000,000 shall be available to the Secretary of Defense for activities designed to meet the antiterrorism responsibilities of the Department of Defense, including activities related to intelligence support, physical security measures, and education and training regarding antiterrorism. The amount made available by this section is in addition to amounts otherwise made available by this Act for antiterrorism activities.

SEC. 307. NONLETHAL WEAPONS CAPABILITIES.

Of the amount authorized to be appropriated pursuant to section 301, $5,000,000 shall be available for the immediate procurement of nonlethal weapons capabilities to meet existing deficiencies in inventories of such capabilities, of which—

(1) $2,000,000 shall be available for the Army; and

(2) $3,000,000 shall be available for the Marine Corps.

SEC. 308. SR–71 CONTINGENCY RECONNAISSANCE FORCE.

Of the funds authorized to be appropriated by section 301(4), $30,000,000 is authorized to be made available for the SR–71 contingency reconnaissance force.

Subtitle B—Depot-Level Activities

SEC. 311. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

Section 1425(e) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1684) is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 1997".

SEC. 312. TEST PROGRAMS FOR MODERNIZATION-THROUGH-SPARES.

Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the steps that the Secretary has taken to ensure that each program included in the modernization-through-spares program of the Army is conducted in accordance with—

(1) the competition requirements in section 2304 of title 10, United States, Code;

(2) the core logistics requirements in section 2464 of such title;

(3) the public-private competition requirements in section 2469 of such title; and

(4) requirements relating to contract bundling and spare parts breakout in subsections (a) and (l) of section 15 of the Small Business Act (15 U.S.C. 644) and regulations implementing such subsections in the Defense Federal Acquisition Regulation Supplement.

Subtitle C—Environmental Provisions

SEC. 321. DEFENSE CONTRACTORS COVERED BY REQUIREMENT FOR REPORTS ON CONTRACTOR REIMBURSEMENT COSTS FOR RESPONSE ACTIONS.

Section 2706(d)(1)(A) of title 10, United States Code, is amended by striking out "100" and inserting in lieu thereof "20".

SEC. 322. ESTABLISHMENT OF SEPARATE ENVIRONMENTAL RESTORATION ACCOUNTS FOR EACH MILITARY DEPARTMENT.

(a) ESTABLISHMENT.—(1) Section 2703 of title 10, United States Code, is amended to read as follows:

"§ 2703. Environmental restoration accounts

"(a) ESTABLISHMENT OF ACCOUNTS.—There are hereby established in the Department of Defense the following accounts:

"(1) An account to be known as the 'Environmental Restoration Account, Defense'.

"(2) An account to be known as the 'Environmental Restoration Account, Army'.

"(3) An account to be known as the 'Environmental Restoration Account, Navy'.

"(4) An account to be known as the 'Environmental Restoration Account, Air Force'.

"(b) OBLIGATION OF AUTHORIZED AMOUNTS.—Funds authorized for deposit in an account under subsection (a) may be obligated or expended from the account only in order to carry out the environmental restoration functions of the Secretary of Defense and the Secretaries of the military departments under this chapter and under any other provision of law. Funds so authorized shall remain available until expended.

"(c) BUDGET REPORTS.—In proposing the budget for any fiscal year pursuant to section 1105 of title 31, the President shall set forth separately the amounts requested for environmental restoration programs of the Department of Defense and of each of the military departments under this chapter and under any other Act.

"(d) CREDIT OF AMOUNTS RECOVERED.—The following amounts shall be credited to the appropriate environmental restoration account:

"(1) Amounts recovered under CERCLA for response actions.

"(2) Any other amounts recovered from a contractor, insurer, surety, or other person to reimburse the Department of Defense or a military department for any expenditure for environmental response activities.

"(e) PAYMENTS OF FINES AND PENALTIES.—None of the funds appropriated to the Environmental Restoration Account, Defense, for fiscal years 1995 through 1999, or to any environmental restoration account of a military department for fiscal years 1997 through 1999, may be used for the payment of a fine or penalty (including any supplemental environmental project carried out as part of such penalty) imposed against the Department of Defense or a military department unless the act or omission for which the fine or penalty is imposed arises out of an activity funded by the environmental restoration account concerned and the payment of the fine or penalty has been specifically authorized by law.".

(2) The table of sections at the beginning of chapter 160 of title 10, United States Code, is amended by striking out the item relating to section 2703 and inserting in lieu thereof the following new item:

"2703. Environmental restoration accounts.".

(b) REFERENCES.—Any reference to the Defense Environmental Restoration Account in any Federal law, Executive Order, regulation, delegation of authority, or document shall be deemed to refer to the appropriate environmental restoration account established under section 2703(a)(1) of title 10, United States Code (as amended by subsection (a)(1)).

(c) CONFORMING AMENDMENT.—Section 2705(g)(1) of title 10, United States Code, is amended by striking out "the Defense Environmental Restoration Account established" and inserting in lieu thereof "the environmental restoration account concerned".

(d) TREATMENT OF UNOBLIGATED BALANCES.—Any unobligated balances that remain in the Defense Environmental Restoration Account under section 2703(a) of title 10, United States Code, as of the effective date specified in subsection (e) shall be transferred on such date to the Environmental Restoration Account, Defense, established under section 2703(a)(1) of title 10, United States Code (as amended by subsection (a)(1)).

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of this Act.

SEC. 323. PAYMENTS OF STIPULATED PENALTIES ASSESSED UNDER CERCLA.

(a) AUTHORITY.—The Secretary of Defense may pay the following:

(1) Stipulated civil penalties, to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986, in amounts, and using funds, as follows:

(A) Using funds authorized to be appropriated to the Environmental Restoration Account, Army, established under section 2703(a)(2) of title 10, United States Code (as amended by section 322 of this Act)—

(i) not more than $34,000 assessed against Fort Riley, Kansas, under CERCLA; and

(ii) not more than $37,500 assessed against Lake City Army Ammunition Plant, Missouri, under CERCLA.

(B) Using funds authorized to be appropriated to the Environmental Restoration Account, Navy, established under section 2703(a)(3) of that title, as so amended, not more than $30,000 assessed against the Naval Education and Training Center, Newport, Rhode Island, under CERCLA.

(C) Using funds authorized to be appropriated to the Environmental Restoration Account, Air Force, established under section 2703(a)(4) of that title, as so amended—

(i) not more than $55,000 assessed against the Massachusetts Military Reservation, Massachusetts, under CERCLA; and

(ii) not more than $10,000 assessed against F.E. Warren Air Force Base, Wyoming, under CERCLA.

(2) Using funds authorized to be appropriated to the Environmental Restoration Account, Air Force, established under section 2703(a)(4) of that title, as so amended, not more than $500,000 to carry out one environmental restoration project, as part of a negotiated agreement in lieu of stipulated penalties assessed under CERCLA against the Massachusetts Military Reservation, Massachusetts.

(b) CERCLA DEFINED.—In this section, the term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 324. SHIPBOARD SOLID WASTE CONTROL.

(a) IN GENERAL.—Section 3(c) of the Act to Prevent Pollution from Ships (33 U.S.C. 1902(c)) is amended—

(1) in paragraph (1), by striking out "Not later than" and inserting in lieu thereof "Except as provided in paragraphs (2) and (3), not later than"; and

(2) by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2)(A) Subject to subparagraph (B), any ship described in subparagraph (C) may discharge, without regard to the special area requirements of Regulation 5 of Annex V to the Convention, the following non-plastic, non-floating garbage:

"(i) A slurry of seawater, paper, cardboard, or food waste that is capable of passing through a screen with openings no larger than 12 millimeters in diameter.

"(ii) Metal and glass that have been shredded and bagged so as to ensure negative buoyancy.

"(B)(i) Garbage described in subparagraph (A)(i) may not be discharged within 3 nautical miles of land.

"(ii) Garbage described in subparagraph (A)(ii) may not be discharged within 12 nautical miles of land.

"(C) This paragraph applies to any ship that is owned or operated by the Department of the Navy that, as determined by the Secretary of the Navy—

"(i) has unique military design, construction, manning, or operating requirements; and

"(ii) cannot fully comply with the special area requirements of Regulation 5 of Annex V to the Convention because compliance is not technologically feasible or would impair the operations or operational capability of the ship.

"(3)(A) Not later than December 31, 2000, the Secretary of the Navy shall prescribe and publish in the Federal Register standards to ensure that each ship described in subparagraph (B) is, to the maximum extent practicable without impairing the operations or operational capabilities of the ship, operated in a manner that is consistent with the special area requirements of Regulation 5 of Annex V to the Convention.

"(B) Subparagraph (A) applies to surface ships that are owned or operated by the Department of the Navy that the Secretary plans to decommission during the period beginning on January 1, 2001, and ending on December 31, 2005.

"(C) At the same time that the Secretary publishes standards under subparagraph (A), the Secretary shall publish in the Federal Register a list of the ships covered by subparagraph (B).".

(b) SENSE OF CONGRESS.—(1) It is the sense of Congress that it should be an objective of the Navy to achieve full compliance with Annex V to the Convention as part of the Navy's development of ships that are environmentally sound.

(2) In this subsection, the terms "Convention" and "ship" have the meanings given such terms in section 2(a) of the Act to Prevent Pollution from Ships (33 U.S.C. 1901(a)).

(c) REPORT ON COMPLIANCE WITH ANNEX V TO THE CONVENTION.—The Secretary of Defense shall include in each report on environmental compliance activities submitted to Congress under section 2706(b) of title 10, United States Code, the following information:

(1) A list of the ship types, if any, for which the Secretary of the Navy has made the determination referred to in paragraph (2)(C) of section 3(c) of the Act to Prevent Pollution from Ships, as amended by subsection (a)(2) of this section.

(2) A list of ship types which the Secretary of the Navy has determined can comply with Regulation 5 of Annex V to the Convention.

(3) A summary of the progress made by the Navy in implementing the requirements of paragraphs (2) and (3) of such section 3(c), as so amended.

(4) A description of any emerging technologies offering the potential to achieve full compliance with Regulation 5 of Annex V to the Convention.

(5) The amount and nature of the discharges in special areas, not otherwise authorized under the Act to Prevent Pollution from Ships (33 U.S.C. 1901 et seq.), during the preceding year from ships referred to in section 3(b)(1)(A) of such Act owned or operated by the Department of the Navy.

(d) PUBLICATION REGARDING SPECIAL AREA DISCHARGES.—Subparagraph (A) of section 3(e)(4) of the Act to Prevent Pollution from Ships (33 U.S.C. 1902(e)(4)) is amended to read as follows:

"(A) Each year, the amount and nature of the discharges in special areas, not otherwise authorized under this Act, during the preceding year from ships referred to in subsection (b)(1)(A) of this section owned or operated by the Department of the Navy.".

SEC. 325. AUTHORITY TO DEVELOP AND IMPLEMENT LAND USE PLANS FOR DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.

(a) AUTHORITY.—The Secretary of Defense may, to the extent possible and practical, develop and implement, as part of the Defense Environmental Restoration Program provided for in chapter 160 of title 10, United States Code, a land use plan for any defense site selected by the Secretary under subsection (b).

(b) SELECTION OF SITES.—The Secretary may select up to 10 defense sites, from among sites where the Secretary is planning or implementing environmental restoration activities, for which land use plans may be developed under this section.

(c) REQUIREMENT TO CONSULT WITH REVIEW COMMITTEE OR ADVISORY BOARD.—In developing a land use plan under this section, the Secretary shall consult with a technical review committee established pursuant to section 2705(c) of title 10, United States Code, a restoration advisory board established pursuant to section 2705(d) of such title, a local land use redevelopment authority, or another appropriate State agency.

(d) 50-YEAR PLANNING PERIOD.—A land use plan developed under this section shall cover a period of at least 50 years.

(e) IMPLEMENTATION.—For each defense site for which the Secretary develops a land use plan under this section, the Secretary shall take into account the land use plan in selecting and implementing, in accordance with applicable law, environmental restoration activities at the site.

(f) DEADLINES.—For each defense site for which the Secretary intends to develop a land use plan under this section, the Secretary shall develop a draft land use plan by October 1, 1997, and a final land use plan by March 15, 1998.

(g) DEFINITION OF DEFENSE SITE.—For purposes of this section, the term "defense site" means (A) any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft under the jurisdiction of the Department of Defense, or (B) any site or area under the jurisdiction of the Department of Defense where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located; but does not include any consumer product in consumer use or any vessel.

(h) REPORT.—In the annual report required under section 2706(a) of title 10, United States Code, the Secretary shall include information on the land use plans developed under this section and the effect such plans have had on environmental restoration activities at the defense sites where they have been implemented. The annual report submitted in 1999 shall include recommendations on whether such land use plans should be developed and implemented throughout the Department of Defense.

(i) SAVINGS PROVISIONS.—(1) Nothing in this section, or in a land use plan developed under this section with respect to a defense site, shall be construed as requiring any modification to a land use plan that was developed before the date of the enactment of this Act.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 326. PILOT PROGRAM TO TEST ALTERNATIVE TECHNOLOGY FOR LIMITING AIR EMISSIONS DURING SHIPYARD BLASTING AND COATING OPERATIONS.

(a) DETERMINATION BY SECRETARY OF THE NAVY.—(1) The Secretary of the Navy shall make a determination whether the alternative technology described in paragraph (2) has the clear potential for significant benefit to the Navy. The Secretary shall submit to Congress a notification in writing of the determination not later than 60 days after the date of the enactment of this Act.

(2) The technology referred to in paragraph (1) is an alternative technology designed to capture and destroy or remove particulate emissions and volatile air pollutants that occur during abrasive blasting and coating operations at naval shipyards.

(b) PILOT PROGRAM.—If the determination made under subsection (a)(1) is in the affirmative, the Secretary shall establish a pilot program to test the alternative technology. In conducting the test, the Secretary shall seek to demonstrate whether the technology is valid, cost effective, and in compliance with environmental laws and regulations.

(c) REPORT.—Upon completion of the test conducted under the pilot program, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth in detail the results of the test. The report shall include recommendations on whether the alternative technology merits implementation at naval shipyards and such other recommendations as the Secretary considers appropriate.

SEC. 327. AGREEMENTS FOR SERVICES OF OTHER AGENCIES IN SUPPORT OF ENVIRONMENTAL TECHNOLOGY CERTIFICATION.

(a) AUTHORITY.—Subject to subsection (b), the Secretary of Defense may enter into a cooperative agreement with an agency of a State or local government to obtain assistance in certifying environmental technologies.

(b) LIMITATIONS.—The Secretary of Defense may enter into a cooperative agreement with respect to an environmental technology under subsection (a) only if the Secretary determines—

(1) that the technology has clear potential to be of significant value to the Department of Defense in carrying out its environmental restoration activities; and

(2) that there is no reasonably available market in the private sector for the technology without a certification by the Department of Defense, the Environmental Protection Agency, or a State environmental agency.

(c) TYPES OF ASSISTANCE.— The types of assistance that may be obtained under subsection (a) include the following:

(1) Data collection and analysis.

(2) Technical assistance in conducting a demonstration of an environmental technology, including the implementation of quality assurance and quality control programs.

(d) REPORT.—In the annual report required under section 2706(a) of title 10, United States Code, the Secretary of Defense shall include the following information with respect to cooperative agreements entered into under this section:

(1) The number of such agreements.

(2) The number of States in which such agreements have been entered into.

(3) A description of the nature of the technology involved in each such agreement.

(4) The amount of funds obligated or expended by the Department of Defense for each such agreement during the year covered by the report.

(e) TERMINATION OF AUTHORITY.—The authority provided under subsection (a) shall terminate five years after the date of the enactment of this Act.

SEC. 328. REPEAL OF REDUNDANT NOTIFICATION AND CONSULTATION REQUIREMENTS REGARDING REMEDIAL INVESTIGATIONS AND FEASIBILITY STUDIES AT CERTAIN INSTALLATIONS TO BE CLOSED UNDER THE BASE CLOSURE LAWS.

Section 334 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102-190; 105 Stat. 1340; 10 U.S.C. 2687 note) is repealed.

SEC. 329. AUTHORITY FOR AGREEMENTS WITH INDIAN TRIBES FOR SERVICES UNDER ENVIRONMENTAL RESTORATION PROGRAM.

Section 2701(d) of title 10, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking out ", or with any State or local government agency," and inserting in lieu thereof ", with any State or local government agency, or with any Indian tribe,"; and

(2) by adding at the end the following:

"(3) DEFINITION.—In this subsection, the term 'Indian tribe' has the meaning given such term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).".

SEC. 330. AUTHORITY TO WITHHOLD LISTING OF FEDERAL FACILITIES ON NATIONAL PRIORITIES LIST.

Section 120(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(d)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking out "Not later than 18 months after the enactment of the Superfund Amendments and Reauthorization Act of 1986, the Administrator" and inserting in lieu thereof the following:

"(1) IN GENERAL.—The Administrator";

(3) by moving the remainder of the text of paragraph (1), as designated by paragraph (2) of this section (including subparagraphs (A) and (B), as redesignated by paragraph (1) of this section) 2 ems to the right; and

(4) by striking out "Such criteria" and all that follows through the end of the subsection and inserting in lieu thereof the following:

"(2) APPLICATION OF CRITERIA.—

"(A) IN GENERAL.—Subject to subparagraph (B), the criteria referred to in paragraph (1) shall be applied in the same manner as the criteria are applied to facilities that are owned or operated by persons other than the United States.

"(B) RESPONSE UNDER OTHER LAW.—It shall be an appropriate factor to be taken into consideration for the purposes of section 105(a)(8)(A) that the head of the department, agency, or instrumentality that owns or operates a facility has arranged with the Administrator or appropriate State authorities to respond appropriately, under authority of a law other than this Act, to a release or threatened release of a hazardous substance.

"(3) COMPLETION.—Evaluation and listing under this subsection shall be completed in accordance with a reasonable schedule established by the Administrator.".

SEC. 331. CLARIFICATION OF MEANING OF UNCONTAMINATED PROPERTY FOR PURPOSES OF TRANSFER BY THE UNITED STATES.

Section 120(h)(4)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(4)(A)) is amended in the first sentence by striking out "stored for one year or more, known to have been released," and inserting in lieu thereof "known to have been released".

SEC. 332. CONSERVATION AND CULTURAL ACTIVITIES.

(a) IN GENERAL.—(1) Chapter 159 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2694. Conservation and cultural activities

"(a) ESTABLISHMENT.—The Secretary of Defense may establish and carry out a program to conduct and manage in a coordinated manner the conservation and cultural activities described in subsection (b).

"(b) ACTIVITIES.—(1) A conservation or cultural activity eligible for the program that the Secretary establishes under subsection (a) is any activity—

"(A) that has regional or Department of Defense-wide significance and that involves more than one military department;

"(B) that is necessary to meet legal requirements or to support military operations;

"(C) that can be more effectively managed at the Department of Defense level; and

"(D) for which no executive ageny has been designated responsible by the Secretary.

"(2) Such activities include the following:

"(A) The development of ecosystem-wide land management plans.

"(B) The conduct of wildlife studies to ensure the safety of military operations.

"(C) The identification and return of Native American human remains and cultural items in the possession or control of the Department of Defense, or discovered on land under the jurisdiction of the Department, to the appropriate Native American tribes.

"(D) The control of invasive species that may hinder military activities or degrade military training ranges.

"(E) The establishment of a regional curation system for artifacts found on military installations.

"(c) COOPERATIVE AGREEMENTS.—The Secretary may negotiate and enter into cooperative agreements with public and private agencies, organizations, institutions, individuals, or other entities to carry out the program established under subsection (a).

"(d) EFFECT ON OTHER LAWS.—Nothing in this section shall be construed or interpreted as preempting any otherwise applicable Federal, State, or local law or regulation relating to the management of natural and cultural resources on military installations.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2694. Conservation and cultural activities.".

(b) EFFECTIVE DATE.—Section 2694 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

SEC. 333. NAVY PROGRAM TO MONITOR ECOLOGICAL EFFECTS OF ORGANOTIN.

(a) MONITORING REQUIREMENT.—The Secretary of the Navy shall, in consultation with the Administrator of the Environmental Protection Agency, develop and implement a program to monitor the concentrations of organotin in the water column, sediments, and aquatic organisms of representative estuaries and near-coastal waters in the United States, as described in section 7(a) of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2406(a)). The program shall be designed to produce high-quality data to enable the Environmental Protection Agency to develop water quality criteria concerning organotin compounds.

(b) FUNDING.—The Administrator of the Environmental Protection Agency shall provide, in advance, such sums as are necessary to the Secretary of the Navy for the costs of developing and implementing the program under subsection (a).

(c) WRITTEN AGREEMENT.—The Secretary of the Navy and the Administrator of the Environmental Protection Agency shall enter into a written agreement setting forth the actions that the Secretary plans to take under subsection (a) and the funding that the Administrator agrees to provide under subsection (b). If the Secretary determines that the Administrator will not enter into such an agreement, the Secretary shall notify the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate not later than 30 days after such determination.

(d) NONIMPAIRMENT OF MISSION.—Compliance with subsection (a) shall be conducted in such a manner so as not to impair the ability of the Department of the Navy to meet its operational requirements.

(e) REPORT.—Not later than June 1, 1997, the Secretary of the Navy shall submit to Congress a report containing the following:

(1) A description of the monitoring program developed pursuant to subsection (a).

(2) An analysis of the results of the monitoring program as of the date of the submission of the report.

(3) Information about the progress of Navy programs, referred to in section 7(c) of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2406(c)), for evaluating the laboratory toxicity and environmental risks associated with the use of antifouling paints containing organotin.

(4) An assessment, developed in consultation with the Administrator of the Environmental Protection Agency, of the effectiveness of existing laws and rules concerning organotin compounds in ensuring protection of human health and the environment.

(f) SENSE OF CONGRESS.—(1) It is the sense of Congress that the Administrator of the Environmental Protection Agency, in consultation with the Secretary of the Navy, should develop, for purposes of the national pollutant discharge elimination system, a model permit for the discharge of organotin compounds at shipbuilding and ship repair facilities.

(2) For purposes of this subsection, the term "organotin" has the meaning provided in section 3 of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2402).

(g) TERMINATION.—The program required by subsection (a) shall terminate five years after the date of the enactment of this Act.

SEC. 334. AUTHORITY TO TRANSFER CONTAMINATED FEDERAL PROPERTY BEFORE COMPLETION OF REQUIRED RESPONSE ACTIONS.

(a) IN GENERAL.—Section 120(h)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(3)) is amended—

(1) by redesignating subparagraph (A) as clause (i) and clauses (i), (ii), and (iii) of that subparagraph as subclauses (I), (II), and (III), respectively;

(2) by striking out "After the last day" and inserting in lieu thereof the following:

"(A) IN GENERAL.—After the last day";

(3) by redesignating subparagraph (B) as clause (ii) and clauses (i) and (ii) of that subparagraph as subclauses (I) and (II), respectively;

(4) by redesignating subparagraph (C) as clause (iii);

(5) by moving the remainder of the text of subparagraph (A), as designated by paragraph (2) of this subsection (including the clauses and subclauses redesignated by paragraphs (1), (3), and (4) of this subsection) 2 ems to the right;

(6) by striking "For purposes of subparagraph (B)(i)" and inserting the following:

"(B) COVENANT REQUIREMENTS.—For purposes of subparagraphs (A)(ii)(I) and (C)(iii)";

(7) in subparagraph (B), as designated by paragraph (5), by striking "subparagraph (B)" each place it appears and inserting "subparagraph (A)(ii)"; and

(8) by adding at the end the following:

"(C) DEFERRAL.—

"(i) IN GENERAL.—The Administrator, with the concurrence of the Governor of the State in which the facility is located (in the case of real property at a Federal facility that is listed on the National Priorities List), or the Governor of the State in which the facility is located (in the case of real property at a Federal facility not listed on the National Priorities List) may defer the requirement of subparagraph (A)(ii)(I) with respect to the property if the Administrator or the Governor, as the case may be, determines that the property is suitable for transfer, based on a finding that—

"(I) the property is suitable for transfer for the use intended by the transferee, and the intended use is consistent with protection of human health and the environment;

"(II) the deed or other agreement proposed to govern the transfer between the United States and the transferee of the property contains the assurances set forth in clause (ii);

"(III) the Federal agency requesting deferral has provided notice, by publication in a newspaper of general circulation in the vicinity of the property, of the proposed transfer and of the opportunity for the public to submit, within a period of not less than 30 days after the date of the notice, written comments on the suitability of the property for transfer; and

"(IV) the deferral and the transfer of the property will not substantially delay any necessary response action at the property.

"(ii) RESPONSE ACTION ASSURANCES.—With regard to a release or threatened release of a hazardous substance for which a Federal agency is potentially responsible under this section, the deed or other agreement proposed to govern the transfer shall contain assurances that—

"(I) provide for any necessary restrictions on the use of the property to ensure the protection of human health and the environment;

"(II) provide that there will be restrictions on use necessary to ensure that required remedial investigations, response action, and oversight activities will not be disrupted;

"(III) provide that all necessary response action will be taken and identify the schedules for investigation and completion of all necessary response action as approved by the appropriate regulatory agency; and

"(IV) provide that the Federal agency responsible for the property subject to transfer will submit a budget request to the Director of the Office of Management and Budget that adequately addresses schedules for investigation and completion of all necessary response action, subject to congressional authorizations and appropriations.

"(iii) WARRANTY.—When all response action necessary to protect human health and the environment with respect to any substance remaining on the property on the date of transfer has been taken, the United States shall execute and deliver to the transferee an appropriate document containing a warranty that all such response action has been taken, and the making of the warranty shall be considered to satisfy the requirement of subparagraph (A)(ii)(I).

"(iv) FEDERAL RESPONSIBILITY.—A deferral under this subparagraph shall not increase, diminish, or affect in any manner any rights or obligations of a Federal agency (including any rights or obligations under sections 106, 107, and 120 existing prior to transfer) with respect to a property transferred under this subparagraph.".

(b) CONTINUED APPLICATION OF STATE LAW.—The first sentence of section 120(a)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(a)(4)) is amended by inserting "or facilities that are the subject of a deferral under subsection (h)(3)(C)" after "United States".

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 341. CONTRACTS WITH OTHER AGENCIES TO PROVIDE OR OBTAIN GOODS AND SERVICES TO PROMOTE EFFICIENT OPERATION AND MANAGEMENT OF EXCHANGES AND MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) CONTRACTS TO PROMOTE EFFICIENT OPERATION AND MANAGEMENT.—(1) Chapter 147 of title 10, United States Code, is amended by inserting after section 2482 the following new section:

"§2482a. Nonappropriated fund instrumentalities: contracts with other agencies and instrumentalities to provide and obtain goods and services

"An agency or instrumentality of the Department of Defense that supports the operation of the exchange system, or the operation of a morale, welfare, and recreation system, of the Department of Defense may enter into a contract or other agreement with another element of the Department of Defense or with another Federal department, agency, or instrumentality to provide or obtain goods and services beneficial to the efficient management and operation of the exchange system or that morale, welfare, and recreation system.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2482 the following new item:

"2482a. Nonappropriated fund instrumentalities: contracts with other agencies and instrumentalities to provide and obtain goods and services.".

(b) CONFORMING AMENDMENT REGARDING COMMISSARY SYSTEM.—Section 2482(b)(1) of such title is amended by striking out "another department" and all that follows through "provide services" and inserting in lieu thereof "another element of the Department of Defense or with another Federal department, agency, or instrumentality to provide or obtain services".

SEC. 342. NONCOMPETITIVE PROCUREMENT OF BRAND-NAME COMMERCIAL ITEMS FOR RESALE IN COMMISSARY STORES.

(a) CLARIFICATION OF EXCEPTION TO COMPETITIVE PROCUREMENT.—Section 2486 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) The Secretary of Defense may not use the exception provided in section 2304(c)(5) of this title regarding the procurement of a brand-name commercial item for resale in commissary stores unless the commercial item is regularly sold outside of commissary stores under the same brand name as the name by which the commercial item will be sold in commissary stores.".

(b) EFFECT ON EXISTING CONTRACTS OR OTHER AGREEMENTS.—Section 2486(e) of title 10, United States Code, as added by subsection (a), shall not affect the terms, conditions, or duration of any contract or other agreement entered into by the Secretary of Defense before the date of the enactment of this Act for the procurement of commercial items for resale in commissary stores.

SEC. 343. PROHIBITION OF SALE OR RENTAL OF SEXUALLY EXPLICIT MATERIAL.

(a) IN GENERAL.—(1) Chapter 147 of title 10, United States Code, is amended by inserting after section 2489 the following new section:

"§2489a. Sale or rental of sexually explicit material prohibited

"(a) PROHIBITION OF SALE OR RENTAL.—The Secretary of Defense may not permit the sale or rental of sexually explicit material on property under the jurisdiction of the Department of Defense.

"(b) PROHIBITION OF OFFICIALLY PROVIDED SEXUALLY EXPLICIT MATERIAL.—A member of the armed forces or a civilian officer or employee of the Department of Defense acting in an official capacity may not provide for sale, remuneration, or rental sexually explicit material to another person.

"(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations to implement this section.

"(d) DEFINITIONS.—In this section:

"(1) The term 'sexually explicit material' means an audio recording, a film or video recording, or a periodical with visual depictions, produced in any medium, the dominant theme of which depicts or describes nudity, including sexual or excretory activities or organs, in a lascivious way.

"(2) The term 'property under the jurisdiction of the Department of Defense' includes commissaries, all facilities operated by the Army and Air Force Exchange Service, the Navy Exchange Service Command, the Navy Resale and Services Support Office, Marine Corps exchanges, and ships' stores.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2489 the following new item:

"2489a. Sale or rental of sexually explicit material prohibited.".

(b) EFFECTIVE DATE.—Subsection (a) of section 2489a of title 10, United States Code, as added by subsection (a) of this section, shall take effect 90 days after the date of the enactment of this Act.

Subtitle E—Performance of Functions by Private-Sector Sources

SEC. 351. EXTENSION OF REQUIREMENT FOR COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES.

(a) EXTENSION.—Section 351(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266) is amended by striking out "fiscal year 1996" and inserting in lieu thereof "fiscal years 1996 and 1997".

(b) REPORTING REQUIREMENTS.—Such section is further amended by adding at the end the following new subsection:

"(c) REPORTING REQUIREMENTS.—(1) Not later than 90 days after the end of each fiscal year in which the requirement of subsection (a) applies, the Secretary of Defense shall submit to Congress a report—

"(A) describing the extent of the compliance of the Secretary with the requirement during that fiscal year;

"(B) specifying the total volume of printing and duplication services procured by Department of Defense during that fiscal year—

"(i) from sources within the Department of Defense;

"(ii) from private-sector sources; and

"(iii) from other sources in the Federal Government; and

"(C) specifying the total volume of printed and duplicated material during that fiscal year covered by the exception in subsection (b).

"(2) The report required for fiscal year 1996 shall also include the plans of the Secretary for further implementation of the requirement of subsection (a) during fiscal year 1997.".

SEC. 352. REPORTING REQUIREMENTS UNDER DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

Section 816(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2820) is amended by striking out ", 1996" and inserting in lieu thereof "of each of the years 1997 and 1998".

Subtitle F—Other Matters

SEC. 361. AUTHORITY FOR USE OF APPROPRIATED FUNDS FOR RECRUITING FUNCTIONS.

(a) AUTHORITY.—Chapter 31 of title 10, United States Code, is amended by adding at the end the following new section:

"§520c. Recruiting functions: use of funds

"(a) PROVISION OF MEALS AND REFRESHMENTS.—Under regulations prescribed by the Secretary concerned, funds appropriated to the Department of Defense for recruitment of military personnel may be expended for small meals and refreshments during recruiting functions for the following persons:

"(1) Persons who have enlisted under the Delayed Entry Program authorized by section 513 of this title.

"(2) Persons who are objects of armed forces recruiting efforts.

"(3) Persons whose assistance in recruiting efforts of the military departments is determined to be influential by the Secretary concerned.

"(4) Members of the armed forces and Federal employees when attending recruiting events in accordance with a requirement to do so.

"(5) Other persons whose presence at recruiting efforts will contribute to recruiting efforts.

"(b) ANNUAL REPORT.—Not later than February 1 of each of the years 1998 through 2002, the Secretary of Defense shall submit to Congress a report on the extent to which the authority under subsection (a) was exercised during the fiscal year ending in the preceding year.

"(c) TERMINATION OF AUTHORITY.—The authority in subsection (a) may not be exercised after September 30, 2001.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"520c. Recruiting functions: use of funds.".

SEC. 362. TRAINING OF MEMBERS OF THE UNIFORMED SERVICES AT NON-GOVERNMENT FACILITIES.

(a) AUTHORITY TO ENTER INTO AGREEMENTS FOR TRAINING AT NON-GOVERNMENT FACILITIES.—(1) Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

"§2013. Training at non-Government facilities

"(a) AUTHORITY TO ENTER INTO AGREEMENTS.—(1) The Secretary concerned, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), may make agreements or other arrangements for the training of members of the uniformed services under the jurisdiction of that Secretary by, in, or through non-Government facilities.

"(2) In this section, the term 'non-Government facility' means any of the following:

"(A) The government of a State or of a territory or possession of the United States, including the Commonwealth of Puerto Rico, an interstate governmental organization, and a unit, subdivision, or instrumentality of any of the foregoing.

"(B) A foreign government or international organization, or instrumentality of either, which is designated by the President as eligible to provide training under this section.

"(C) A medical, scientific, technical, educational, research, or professional institution, foundation, or organization.

"(D) A business, commercial, or industrial firm, corporation, partnership, proprietorship, or other organization.

"(E) Individuals other than civilian or military personnel of the Government.

"(F) The services and property of any of the foregoing providing the training.

"(b) EXPENSES.—The Secretary concerned, from appropriations or other funds available to the Secretary, may—

"(1) pay all or a part of the pay of a member of a uniformed service who is selected and assigned for training under this section, for the period of training; and

"(2) pay, or reimburse the member of a uniformed service for, all or a part of the necessary expenses of the training (without regard to subsections (a) and (b) of section 3324 of title 31), including among those expenses the necessary costs of the following:

"(A) Travel and per diem instead of subsistence under sections 404 and 405 of title 37 and the Joint Travel Regulations for the Uniformed Services.

"(B) Transportation of immediate family, household goods and personal effects, packing, crating, temporarily storing, draying, and unpacking under sections 406 and 409 of title 37 and the Joint Travel Regulations for the Uniformed Services when the estimated costs of transportation and related services are less than the estimated aggregate per diem payments for the period of training.

"(C) Tuition and matriculation fees.

"(D) Library and laboratory services.

"(E) Purchase or rental of books, materials, and supplies.

"(F) Other services or facilities directly related to the training of the member.

"(c) CERTAIN EXPENSES EXCLUDED.—The expenses of training do not include membership fees except to the extent that the fee is a necessary cost directly related to the training itself or that payment of the fee is a condition precedent to undergoing the training.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2013. Training at non-Government facilities.".

(b) EFFECTIVE DATE.—Section 2013 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

SEC. 363. REQUIREMENT FOR PREPARATION OF PLAN FOR IMPROVED OPERATION OF WORKING-CAPITAL FUNDS AND EFFECT OF FAILURE TO PRODUCE AN APPROVED PLAN.

(a) PLAN FOR IMPROVED OPERATION OF WORKING-CAPITAL FUNDS.—Not later than September 30, 1997, the Secretary of Defense shall submit to Congress a plan to improve the management and performance of the industrial, commercial, and support type activities of the military departments or the Defense Agencies that are currently managed through the Defense Business Operations Fund.

(b) ELEMENTS OF PLAN.—The plan required by subsection (a) shall address the following issues:

(1) The ability of each military department or Defense Agency to set working capital requirements and set charges at its own industrial and supply activities.

(2) The desirability of separate business accounts for the management of both industrial and supply activities for each military department or Defense Agency.

(3) Liability for operation losses at industrial and supply activities.

(4) Reimbursement to the Department of Defense by each military department or Defense Agency of its fair share of the costs of legitimate common business support services (such as accounting and financial services and central logistics services) provided by the Department of Defense.

(5) The role of the Department of Defense in setting charges or imposing surcharges for activities managed by the business accounts of a military department or Defense Agency (except for the common business support cost described in paragraph (4)), and what such charges should properly reflect.

(6) The appropriate use of operating profits arising from the operations of the industrial and supply activities of a military department or Defense Agency.

(7) The ability of a military department or Defense Agency to purchase industrial and supply services from, and provide such services to, other military departments or Defense Agencies.

(8) Standardization of financial management and accounting practices employed by the business accounts of a military department or Defense Agency.

(9) Reporting requirements related to actual and projected performance of business management account activities of a military department or Defense Agency.

(c) EFFECT OF FAILURE TO SUBMIT OR APPROVE OF PLAN.—(1) Unless, before October 1, 1999, the Secretary of Defense submits the plan required by subsection (a) and Congress enacts a provision of law described in paragraph (2) that approves of the plan as submitted or in an amended form, then section 2216a of title 10, United States Code, regarding the Defense Business Operations Fund (as redesignated by section 1074(a)(10) of this Act), shall be repealed effective as of that date.

(2) The provision of law referred to in paragraph (1) is a provision of law that—

(A) is enacted after the submission of the plan required by subsection (a);

(B) specifically refers to the plan and this section; and

(C) specifically states that the plan required by subsection (a) is approved as submitted or with such amendments as may be contained in such law.

(d) BASIS FOR CHARGES FOR GOODS AND SERVICES; COMPTROLLER GENERAL REVIEW.—(1) In the development of the proposed budget for the Defense Business Operations Fund for a fiscal year, the Secretary of Defense shall ensure that accurate and realistic pricing and quantity estimates are used regarding the goods and services to be provided by working-capital funds and industrial, commercial, and support type activities managed through the Fund.

(2) The Secretary of Defense shall make available to the Comptroller General information used to establish the charges for goods and services to be provided by working-capital funds and industrial, commercial, and support type activities managed through the Fund. The Comptroller General shall conduct an annual review of the adequacy of the basis for the charges. Not later than 30 days after the date on which the Secretary submits the annual report and proposed budget for the Fund under subsection (h) of section 2216a of title 10, United States Code, as redesignated by section 1074(a)(10) of this Act, the Comptroller General shall submit to Congress a report containing the results of the review.

SEC. 364. INCREASE IN CAPITAL ASSET THRESHOLD UNDER DEFENSE BUSINESS OPERATIONS FUND.

Section 2216a of title 10, United States Code, as redesignated by section 1074(a)(10) of this Act, is amended in subsection (i)(1) by striking out "$50,000" and inserting in lieu thereof "$100,000".

SEC. 365. EXPANSION OF AUTHORITY TO DONATE UNUSABLE FOOD.

(a) AUTHORITY FOR DONATIONS FROM DEFENSE AGENCIES.—Section 2485 of title 10, United States Code, is amended by striking out "Secretary of a military department" in subsections (a) and (b) and inserting in lieu thereof "Secretary of Defense".

(b) EXPANSION OF ELIGIBLE RECIPIENTS.—Such section is further amended—

(1) in subsection (a), by striking out "authorized charitable nonprofit food banks" and inserting in lieu thereof "entities specified under subsection (d)"; and

(2) in subsection (d), by striking out "may only be made" and all that follows and inserting in lieu thereof the following: "may only be made to an entity that is one of the following:

"(1) A charitable nonprofit food bank that is designated by the Secretary of Defense or the Secretary of Health and Human Services as authorized to receive such donations.

"(2) A State or local agency that is designated by the Secretary of Defense or the Secretary of Health and Human Services as authorized to receive such donations.

"(3) A chapter or other local unit of a recognized national veterans organization that provides services to persons without adequate shelter and is designated by the Secretary of Veterans Affairs as authorized to receive such donations.

"(4) A not-for-profit organization that provides care for homeless veterans and is designated by the Secretary of Veterans Affairs as authorized to receive such donations.".

(c) CLARIFICATION OF FOOD THAT MAY BE DONATED.—Subsection (b) of such section is further amended by inserting "rations known as humanitarian daily rations (HDRs)," after "(MREs),".

SEC. 366. ASSISTANCE TO COMMITTEES INVOLVED IN INAUGURATION OF THE PRESIDENT.

(a) IN GENERAL.—Section 2543 of title 10, United States Code, is amended to read to read as follows:

"§ 2543. Equipment and services: Presidential inaugural ceremonies

"(a) ASSISTANCE AUTHORIZED.—The Secretary of Defense may, with respect to the ceremonies relating to the inauguration of a President, provide the assistance referred to in subsection (b) to—

(1) the Presidential Inaugural Committee; and

(2) the congressional Joint Inaugural Committee.

"(b) ASSISTANCE.—Assistance that may be provided under subsection (a) is the following:

"(1) Planning and carrying out activities relating to security and safety.

"(2) Planning and carrying out ceremonial activities.

"(3) Loan of property.

"(4) Any other assistance that the Secretary considers appropriate.

"(c) REIMBURSEMENT.—(1) The Presidential Inaugural Committee shall reimburse the Secretary for any costs incurred in connection with the provision to the committee of assistance referred to in subsection (b)(4).

"(2) Costs reimbursed under paragraph (1) shall be credited to the appropriations from which the costs were paid. The amount credited to an appropriation shall be proportionate to the amount of the costs charged to that appropriation.

"(d) LOANED PROPERTY.—With respect to property loaned for a presidential inauguration under subsection (b)(3), the Presidential Inaugural Committee shall—

"(1) return that property within nine days after the date of the ceremony inaugurating the President;

"(2) give good and sufficient bond for the return in good order and condition of that property;

"(3) indemnify the United States for any loss of, or damage to, that property; and

"(4) defray any expense incurred for the delivery, return, rehabilitation, replacement, or operation of that property.

"(e) DEFINITIONS.—In this section:

"(1) The term 'Presidential Inaugural Committee' means the committee referred to in subsection (b)(2) of the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721) that is appointed with respect to the inauguration of a President-elect and Vice President-elect.

"(2) The term 'congressional Joint Inaugural Committee' means the joint committee of the Senate and House of Representatives referred to in the proviso in section 9 of the Presidential Inaugural Ceremonies Act (36 U.S.C. 729) that is appointed with respect to the inauguration of a President-elect and Vice President-elect.".

(b) CLERICAL AMENDMENT.—The item relating to section 2543 in the table of sections at the beginning of chapter 152 of such title is amended to read as follows:

"2543. Equipment and services: Presidential inaugural ceremonies.".

SEC. 367. DEPARTMENT OF DEFENSE SUPPORT FOR SPORTING EVENTS.

(a) AUTHORITY TO PROVIDE SUPPORT.—Subchapter II of chapter 152 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2554. Provision of support for certain sporting events

"(a) SECURITY AND SAFETY ASSISTANCE.—At the request of a Federal, State, or local government agency responsible for providing law enforcement services, security services, or safety services, the Secretary of Defense may authorize the commander of a military installation or other facility of the Department of Defense or the commander of a specified or unified combatant command to provide assistance for the World Cup Soccer Games, the Goodwill Games, the Olympics, and any other civilian sporting event in support of essential security and safety at such event, but only if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs.

"(b) OTHER ASSISTANCE.—The Secretary of Defense may authorize a commander referred to in subsection (a) to provide assistance for a sporting event referred to in that subsection in support of other needs relating to such event, but only—

"(1) to the extent that such needs cannot reasonably be met by a source other than the Department;

"(2) to the extent that the provision of such assistance does not adversely affect the military preparedness of the armed forces; and

"(3) if the organization requesting such assistance agrees to reimburse the Department for amounts expended by the Department in providing the assistance in accordance with the provisions of section 377 of this title and other applicable provisions of law.

"(c) INAPPLICABILITY TO CERTAIN EVENTS.—Subsections (a) and (b) do not apply to the following sporting events:

"(1) Sporting events for which funds have been appropriated before the date of the enactment of this Act.

"(2) The Special Olympics.

"(3) The Paralympics.

"(d) TERMS AND CONDITIONS.—The Secretary of Defense may require such terms and conditions in connection with the provision of assistance under this section as the Secretary considers necessary and appropriate to protect the interests of the United States.

"(e) REPORT ON ASSISTANCE.—Not later than January 30 of each year following a year in which the Secretary of Defense provides assistance under this section, the Secretary shall submit to Congress a report on the assistance provided. The report shall set forth—

"(1) a description of the assistance provided;

"(2) the amount expended by the Department in providing the assistance;

"(3) if the assistance was provided under subsection (a), the certification of the Attorney General with respect to the assistance under that subsection; and

"(4) if the assistance was provided under subsection (b)—

"(A) an explanation why the assistance could not reasonably be met by a source other than the Department; and

"(B) the amount the Department was reimbursed under that subsection.

"(f) RELATIONSHIP TO OTHER LAWS.—Assistance provided under this section shall be subject to the provisions of sections 375 and 376 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

"2554. Provision of support for certain sporting events.".

SEC. 368. STORAGE OF MOTOR VEHICLE IN LIEU OF TRANSPORTATION.

(a) STORAGE AUTHORIZED.—(1) Section 2634 of title 10, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (g);

(B) by transferring subsection (g), as so redesignated, to the end of such section; and

(C) by inserting after subsection (a) the following new subsection:

"(b)(1) In lieu of transportation authorized by this section, if a member is ordered to make a change of permanent station to a foreign country and the laws, regulations, or other restrictions imposed by the foreign country or the United States preclude entry of a motor vehicle described in subsection (a) into that country, or would require extensive modification of the vehicle as a condition to entry, the member may elect to have the vehicle stored at the expense of the United States at a location approved by the Secretary concerned.

"(2) If a member is transferred or assigned in connection with a contingency operation to duty at a location other than the permanent station of the member for a period of more than 30 consecutive days, but the transfer or assignment is not considered a change of permanent station, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned.

"(3) Authorized expenses under this subsection include costs associated with the delivery of the motor vehicle for storage and removal of the vehicle for delivery to a destination approved by the Secretary concerned.".

(2)(A) The heading of such section is amended to read as follows:

"§ 2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment".

(B) The item relating to such section in the table of sections at the beginning of chapter 157 of title 10, United States Code, is amended to read as follows:

"2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment.".

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 406(h)(1) of title 37, United States Code, is amended to read as follows:

"(B) in the case of a member described in paragraph (2)(A), authorize the transportation of one motor vehicle, which is owned or leased by the member (or a dependent of the member) and is for the personal use of a dependent of the member, to that location by means of transportation authorized under section 2634 of title 10 or authorize the storage of the motor vehicle pursuant to subsection (b) of such section.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on April 1, 1997.

SEC. 369. SECURITY PROTECTIONS AT DEPARTMENT OF DEFENSE FACILITIES IN NATIONAL CAPITAL REGION.

(a) EXPANSION OF AUTHORITY.—Subsection (b) of section 2674 of title 10, United States Code, is amended by striking out "at the Pentagon Reservation" and inserting in lieu thereof "in the National Capital Region".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region".

(2) The item relating to such section in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

"2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region.".

SEC. 370. ADMINISTRATION OF MIDSHIPMEN'S STORE AND OTHER NAVAL ACADEMY SUPPORT ACTIVITIES AS NONAPPROPRIATED FUND INSTRUMENTALITY.

(a) IN GENERAL.—Section 6971 of title 10, United States Code, is amended to read as follows:

"§ 6971. Midshipmen's store trade shops, dairy, and laundry: nonappropriated fund instrumentality and accounts

"(a) OPERATION AS NONAPPROPRIATED FUND INSTRUMENTALITY.—The Superintendent of the Naval Academy shall operate the Naval Academy activities referred to in subsection (b) as a nonappropriated fund instrumentality under the jurisdiction of the Navy.

"(b) COVERED ACTIVITIES.—The nonappropriated fund instrumentality required under subsection (a) shall consist of the following Naval Academy activities:

"(1) The midshipmen's store.

"(2) The barber shop.

"(3) The cobbler shop.

"(4) The tailor shop.

"(5) The dairy.

"(6) The laundry.

"(c) NONAPPROPRIATED FUND ACCOUNTS.—The Superintendent of the Naval Academy shall administer a separate nonappropriated fund account for each of the Naval Academy activities included in the nonappropriated fund instrumentality required under subsection (a).

"(d) CREDITING OF REVENUE.—The Superintendent shall credit all revenue received from a Naval Academy activity referred to in subsection (b) to the account administered with respect to that activity under subsection (c), and amounts so credited shall be available for operating expenses of that activity.

"(e) Regulations.—This section shall be carried out under regulations prescribed by the Secretary of the Navy.".

(b) Civil Service Employment Status of Employees of Covered Activities.—Section 2105(b) of title 5, United States Code, is amended—

(1) by inserting "who is" after "An individual"; and

(2) by inserting "and whose employment in such a position began before October 1, 1996, and has been uninterrupted in such a position since that date" after "Academy dairy,".

(c) Conforming Repeal.—Section 6970 of title 10, United States Code, is repealed.

(d) Clerical Amendments.—The table of sections at the beginning of chapter 603 of title 10, United States Code, is amended by striking out the items relating to sections 6970 and 6971 and inserting in lieu thereof the following new item:

"6971. Midshipmen's store, trade shops, dairy, and laundry: nonappropriated fund instrumentality and accounts.".

(e) Effective Date.—The amendments made by this section shall take effect on October 1, 1996.

SEC. 371. REIMBURSEMENT UNDER AGREEMENT FOR INSTRUCTION OF CIVILIAN STUDENTS AT FOREIGN LANGUAGE INSTITUTE OF THE DEFENSE LANGUAGE INSTITUTE.

(a) Authority to Accept Reimbursement In Kind.—Section 559(a)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2776; 10 U.S.C. 4411 note) is amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) Reimbursement Options for Certain Instruction.—In the case of instruction provided to students described in subsection (a)(1), the Secretary may provide the instruction on a cost-reimbursable basis, a reimbursement-in-kind basis, or a combination of both options. Regardless of the reimbursement option, the value of the reimbursement received under this subsection may not be less than the amount charged for providing language instruction to Federal employees who are not Department of Defense employees. The Secretary may not delegate the authority to accept an offer for in-kind reimbursement below the level of the Assistant Secretary of the Army.".

(b) Conforming Amendments.—Such section is further amended—

(1) in subsection (a)(1), by striking out "cost-reimbursable,"; and

(2) in subsection (d), as redesignated by subsection (a)(1) of this section, by striking out "subsection (a)" the first place it appears and inserting in lieu thereof "subsection (a) or (c)".

SEC. 372. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) Continuation of Department of Defense Program for Fiscal Year 1997.—Of the amounts authorized to be appropriated in section 301(5)—

(1) $30,000,000 shall be available for providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies; and

(2) $5,000,000 shall be available for making educational agencies payments (as defined in subsection (d)(2)) to local educational agencies.

(b) Notification.—Not later than June 30, 1997, the Secretary of Defense shall—

(1) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1997 of that agency's eligibility for such assistance and the amount of such assistance for which that agency is eligible; and

(2) notify each local educational agency that is eligible for an educational agencies payment for fiscal year 1997 of that agency's eligibility for such payment and the amount of the payment for which that agency is eligible.

(c) Disbursement of Funds.—The Secretary of Defense shall disburse funds made available under paragraphs (1) and (2) of subsection (a) not later than 30 days after the date on which notification to the eligible local educational agencies is provided pursuant to subsection (b).

(d) Definitions.—In this section:

(1) The term "educational agencies assistance" means assistance authorized under section 386(b) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(2) The term "educational agencies payments" means payments authorized under section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(3) The term "local educational agency" has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

SEC. 373. RENOVATION OF BUILDING FOR DEFENSE FINANCE AND ACCOUNTING SERVICE CENTER, FORT BENJAMIN HARRISON, INDIANA.

(a) Transfer Authority.—To pay the costs of planning, design, and renovation of Building One, Fort Benjamin Harrison, Indiana, for use as a Defense Finance and Accounting Service Center, the Secretary of Defense may transfer to the Administrator of General Services in the manner provided in subsection (b) funds available to the Department of Defense for the Defense Finance and Accounting Service for a fiscal year for operation and maintenance.

(b) Authority Subject to Authorizations and Appropriations.—To the extent provided in appropriations Acts—

(1) of funds described in subsection (a) and appropriated for fiscal year 1997, $9,000,000 may be transferred under such subsection; and

(2) of funds described in subsection (a) and appropriated for fiscal years 1998, 1999, 2000, and 2001, funds may be transferred under such subsection in such amounts as are authorized to be transferred in an Act enacted after the date of the enactment of this Act.

(c) Authority Subject To Agreement Between Department of Defense and General Services Administration.—The transfer authority provided in subsection (a) shall not take effect until the date on which the Secretary of Defense and the Administrator of General Services enter into an agreement that provides for the Department of Defense to receive a full reimbursement for the funds transferred under such subsection. Such reimbursement may include reimbursement in the form of reduced or static rental rates for Building One.

SEC. 374. FOOD DONATION PILOT PROGRAM AT SERVICE ACADEMIES.

(a) Program Authorized.—The Secretaries of the military departments and the Secretary of Transportation may each carry out a food donation pilot program at the service academy under the jurisdiction of such Secretary.

(b) Donations and Collections of Food and Grocery Products.—Under the pilot program, the Secretary concerned may donate to, and permit others to collect for, a nonprofit organization any food or grocery product that—

(1) is—

(A) an apparently wholesome food;

(B) an apparently fit grocery product; or

(C) a food or grocery product that is donated in accordance with section 402(e) of the National and Community Service Act of 1990 (42 U.S.C. 12672(e));

(2) is owned by the United States;

(3) is located at a service academy under the jurisdiction of such Secretary; and

(4) is excess to the requirements of the academy.

(c) Program Commencement.—The Secretary concerned shall commence carrying out the pilot program, if at all, during fiscal year 1997.

(d) Applicability of Good Samaritan Food Donation Act.—Section 402 of the National and Community Service Act of 1990 (42 U.S.C. 12672) shall apply to donations and collections of food and grocery products under the pilot program without regard to section 403 of such Act (42 U.S.C. 12673).

(e) Reports.—(1) Each Secretary that carries out a pilot program at a service academy under this section shall submit to Congress an interim report and a final report on the pilot program.

(2) The Secretary concerned shall submit the interim report not later than one year after the date on which the Secretary commences the pilot program at a service academy.

(3) The Secretary concerned shall submit the final report not later than 90 days after the Secretary completes the pilot program at a service academy.

(4) Each report shall include the following:

(A) A description of the conduct of the pilot program.

(B) A discussion of the experience under the pilot program.

(C) An evaluation of the extent to which section 402 of the National and Community Service Act of 1990 (42 U.S.C. 12672) has been effective in protecting the United States and others from liabilities associated with actions taken under the pilot program.

(D) Any recommendations for legislation to facilitate donations or collections of excess food and grocery products of the United States or others for nonprofit organizations.

(f) Definitions.—For purposes of this section:

(1) The term "service academy" means each of the following:

(A) The United States Military Academy.

(B) The United States Naval Academy.

(C) The United States Air Force Academy.

(D) The United States Coast Guard Academy.

(2) The term "Secretary concerned" means the following:

(A) The Secretary of the Army, with respect to the United States Military Academy.

(B) The Secretary of the Navy, with respect to the United States Naval Academy.

(C) The Secretary of the Air Force, with respect to the United States Air Force Academy.

(D) The Secretary of Transportation, with respect to the United States Coast Guard Academy.

(3) The terms "apparently fit grocery product", "apparently wholesome food", "donate", "food", and "grocery product" have the meanings given those terms in section

402(b) of the National and Community Service Act of 1990 (42 U.S.C. 12672(b)).

SEC. 375. AUTHORITY OF AIR NATIONAL GUARD TO PROVIDE CERTAIN SERVICES AT LINCOLN MUNICIPAL AIRPORT, LINCOLN, NEBRASKA.

(a) AUTHORITY.—The Nebraska Air National Guard may provide fire protection services and rescue services relating to aircraft at Lincoln Municipal Airport, Lincoln, Nebraska, on behalf of the Lincoln Municipal Airport Authority, Lincoln, Nebraska.

(b) AGREEMENT.—The Nebraska Air National Guard may not provide services under subsection (a) until the Nebraska Air National Guard and the authority enter into an agreement under which the authority agrees—

(1) to reimburse the Nebraska Air National Guard for the cost of the services provided; and

(2) to hold harmless and indemnify the United States, except in cases of willful misconduct or gross negligence, from any claim for damages or injury to any person or property arising out of the provision of, or the failure to provide, such services.

(c) EFFECT ON MILITARY PREPAREDNESS.—Services may only be provided under subsection (a) to the extent that the provision of such services does not adversely affect the military preparedness of the Armed Forces.

SEC. 376. TECHNICAL AMENDMENT REGARDING IMPACT AID PROGRAM.

Paragraph (3) of section 8003(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)) is amended by striking out "2,000 and such number equals or exceeds 15" and inserting in lieu thereof "1,000 or such number equals or exceeds 10"

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Permanent end strength levels to support two major regional contingencies.
Sec. 403. Authorized strengths for commissioned officers on active duty in grades of major, lieutenant colonel, and colonel and navy grades of lieutenant commander, commander, and captain.
Sec. 404. Extension of requirement for recommendations regarding appointments to joint 4-star officer positions.
Sec. 405. Increase in authorized number of general officers on active duty in the Marine Corps.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for reserves on active duty in support of the Reserves.
Sec. 413. End strengths for military technicians.
Sec. 414. Assurance of continued assignment of military personnel to serve in Selective Service System.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1997, as follows:

(1) The Army, 495,000.

(2) The Navy, 407,318.

(3) The Marine Corps, 174,000.

(4) The Air Force, 381,100.

SEC. 402. PERMANENT END STRENGTH LEVELS TO SUPPORT TWO MAJOR REGIONAL CONTINGENCIES.

(a) REQUIREMENT TO BUDGET FOR AND MAINTAIN STATUTORY END STRENGTH LEVELS.—Section 691 of title 10, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by striking out subsection (c) and inserting in lieu thereof the following:

"(c) The budget for the Department of Defense for any fiscal year as submitted to Congress shall include amounts for funding for each of the armed forces (other than the Coast Guard) at least in the amounts necessary to maintain the active duty end strengths prescribed in subsection (b), as in effect at the time that such budget is submitted.

"(d) No funds appropriated to the Department of Defense may be used to implement a reduction of the active duty end strength for any of the armed forces (other than the Coast Guard) for any fiscal year below the level specified in subsection (b) unless the reduction in end strength for that armed force for that fiscal year is specifically authorized by law.".

(b) TEMPORARY FLEXIBILITY RELATING TO PERMANENT END STRENGTH LEVELS.—Subsection (e) of such section, as redesignated by subsection (a)(1), is amended by striking out "not more than 0.5 percent" and inserting in lieu thereof "not more than 1 percent".

SEC. 403. AUTHORIZED STRENGTHS FOR COMMISSIONED OFFICERS ON ACTIVE DUTY IN GRADES OF MAJOR, LIEUTENANT COLONEL, AND COLONEL AND NAVY GRADES OF LIEUTENANT COMMANDER, COMMANDER, AND CAPTAIN.

(a) REVISION IN ARMY, AIR FORCE, AND MARINE CORPS LIMITATIONS.—The table in paragraph (1) of section 523(a) of title 10, United States Code, is amended to read as follows:

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
Army:			
20,000	6,848	5,253	1,613
25,000	7,539	5,642	1,796
30,000	8,231	6,030	1,980
35,000	8,922	6,419	2,163
40,000	9,614	6,807	2,347
45,000	10,305	7,196	2,530
50,000	10,997	7,584	2,713
55,000	11,688	7,973	2,897
60,000	12,380	8,361	3,080
65,000	13,071	8,750	3,264
70,000	13,763	9,138	3,447
75,000	14,454	9,527	3,631
80,000	15,146	9,915	3,814
85,000	15,837	10,304	3,997
90,000	16,529	10,692	4,181
95,000	17,220	11,081	4,364
100,000	17,912	11,469	4,548
110,000	19,295	12,246	4,915
120,000	20,678	13,023	5,281
130,000	22,061	13,800	5,648
170,000	27,593	16,908	7,116
Air Force:			
35,000	9,216	7,090	2,125
40,000	10,025	7,478	2,306
45,000	10,835	7,866	2,487
50,000	11,645	8,253	2,668
55,000	12,454	8,641	2,849
60,000	13,264	9,029	3,030
65,000	14,073	9,417	3,211
70,000	14,883	9,805	3,392
75,000	15,693	10,193	3,573
80,000	16,502	10,582	3,754
85,000	17,312	10,971	3,935

“Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
90,000	18,121	11,360	4,115
95,000	18,931	11,749	4,296
100,000	19,741	12,138	4,477
105,000	20,550	12,527	4,658
110,000	21,360	12,915	4,838
115,000	22,169	13,304	5,019
120,000	22,979	13,692	5,200
125,000	23,789	14,081	5,381
Marine Corps:			
10,000	2,525	1,480	571
12,500	2,900	1,600	592
15,000	3,275	1,720	613
17,500	3,650	1,840	633
20,000	4,025	1,960	654
22,500	4,400	2,080	675
25,000	4,775	2,200	695.”

(b) REVISION IN NAVY LIMITATIONS.—The table in paragraph (2) of such section is amended to read as follows:

“Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in grade of:		
	Lieutenant commander	Commander	Captain
Navy:			
30,000	7,331	5,018	2,116
33,000	7,799	5,239	2,223
36,000	8,267	5,460	2,330
39,000	8,735	5,681	2,437
42,000	9,203	5,902	2,544
45,000	9,671	6,123	2,651
48,000	10,139	6,343	2,758
51,000	10,606	6,561	2,864
54,000	11,074	6,782	2,971
57,000	11,541	7,002	3,078
60,000	12,009	7,222	3,185
63,000	12,476	7,441	3,292
66,000	12,944	7,661	3,398
70,000	13,567	7,954	3,541
90,000	16,683	9,419	4,254.”

(c) REPEAL OF TEMPORARY AUTHORITY FOR VARIATIONS IN END STRENGTHS.—The following provisions of law are repealed:

(1) Section 402 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1639; 10 U.S.C. 523 note).

(2) Section 402 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2743; 10 U.S.C. 523 note).

(3) Section 402 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 286; 10 U.S.C. 523 note).

(d) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect on September 1, 1997.

SEC. 404. EXTENSION OF REQUIREMENT FOR RECOMMENDATIONS REGARDING APPOINTMENTS TO JOINT 4-STAR OFFICER POSITIONS.

(a) SERVICE SECRETARY RECOMMENDATION REQUIRED.—Section 604(c) of title 10, United States Code, is amended by striking out “September 30, 1997” and inserting in lieu thereof “September 30, 2000”.

(b) GRADE RELIEF WHEN RECOMMENDATION MADE.—Section 525(b)(5)(C) of such title is amended by striking out “September 30, 1997” and inserting in lieu thereof “September 30, 2000”.

SEC. 405. INCREASE IN AUTHORIZED NUMBER OF GENERAL OFFICERS ON ACTIVE DUTY IN THE MARINE CORPS.

Section 526(a)(4) of title 10, United States Code, is amended by striking out “68” and inserting in lieu thereof “80”.

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1997, as follows:

(1) The Army National Guard of the United States, 366,758.

(2) The Army Reserve, 215,179.

(3) The Naval Reserve, 96,304.

(4) The Marine Corps Reserve, 42,000.

(5) The Air National Guard of the United States, 109,178.

(6) The Air Force Reserve, 73,311.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary the end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for a fiscal year shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1997, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 22,798.

(2) The Army Reserve, 11,729.

(3) The Naval Reserve, 16,603.

(4) The Marine Corps Reserve, 2,559.

(5) The Air National Guard of the United States, 10,403.

(6) The Air Force Reserve, 655.

SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS.

(a) AUTHORIZATION FOR FISCAL YEAR 1997.—The minimum number of military technicians as of the last day of fiscal year 1997 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 6,799.

(2) For the Army National Guard of the United States, 25,500.

(3) For the Air Force Reserve, 9,802.

(4) For the Air National Guard of the United States, 23,299.

(b) INFORMATION TO BE PROVIDED WITH FUTURE AUTHORIZATION REQUESTS.—Section 10216 of title 10, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) INFORMATION REQUIRED TO BE SUBMITTED WITH ANNUAL END STRENGTH AUTHORIZATION REQUEST.—(1) The Secretary of Defense shall include as part of the budget justification documents submitted to Congress with the budget of the Department of Defense for any fiscal year the following information with respect to the end strengths for military technicians requested in that budget pursuant to section 115(g) of this title, shown separately for each of the Army and Air Force reserve components:

"(A) The number of dual-status technicians in the high priority units and organizations specified in subsection (a)(1).

"(B) The number of technicians other than dual-status technicians in the high priority units and organizations specified in subsection (a)(1).

"(C) The number of dual-status technicians in other than high priority units and organizations specified in subsection (a)(1).

"(D) The number of technicians other than dual-status technicians in other than high priority units and organizations specified in subsection (a)(1).

"(2)(A) If the budget submitted to Congress for any fiscal year requests authorization for that fiscal year under section 115(g) of this title of a military technician end strength for a reserve component of the Army or Air Force in a number that constitutes a reduction from the end strength minimum established by law for that reserve component for the fiscal year during which the budget is submitted, the Secretary of Defense shall submit to the congressional defense committees with that budget a justification providing the basis for that requested reduction in technician end strength.

"(B) Any justification submitted under subparagraph (A) shall clearly delineate—

"(i) in the case of a reduction that includes a reduction in technicians described in subparagraph (A) or (C) of paragraph (1), the specific force structure reductions forming the basis for such requested technician reduction (and the numbers related to those force structure reductions); and

"(ii) in the case of a reduction that includes reductions in technicians described in subparagraphs (B) or (D) of paragraph (1), the specific force structure reductions, Department of Defense civilian personnel reductions, or other reasons forming the basis for such requested technician reduction (and the numbers related to those reductions).".

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking out "section 115" and inserting in lieu thereof "section 115(g)"; and

(2) in subsection (c), as redesignated by subsection (b)(1), by striking out "after the date of the enactment of this section" both places it appears and inserting in lieu thereof "after February 10, 1996,".

SEC. 414. ASSURANCE OF CONTINUED ASSIGNMENT OF MILITARY PERSONNEL TO SERVE IN SELECTIVE SERVICE SYSTEM.

(a) NUMBER OF MILITARY PERSONNEL TO BE ASSIGNED.—Section 10 of the Military Selective Service Act (50 U.S.C. App. 460) is amended—

(1) in subsection (b)(2), by inserting ", subject to subsection (e)," after "to employ such number of civilians, and"; and

(2) by inserting after subsection (d) the following new subsection:

"(e) The total number of armed forces personnel assigned to the Selective Service System under subsection (b)(2) at any time may not be less than the number of such personnel determined by the Director of Selective Service to be necessary, but not to exceed 745 persons, except that the President may assign additional armed forces personnel to the Selective Service System during a time of war or a national emergency declared by Congress or the President.".

(b) STYLISTIC AMENDMENTS.—Subsection (b) of such section is amended—

(1) by striking out "authorized—" in the matter preceding paragraph (1) and inserting in lieu thereof "authorized to undertake the following:";

(2) by striking out "to" at the beginning of paragraphs (1) through (7) and inserting in lieu thereof "To";

(3) by striking out "subject" at the beginning of paragraphs (8), (9), and (10) and inserting in lieu thereof "Subject"; and

(4) by striking out the semicolon at the end of paragraphs (1) through (9) and inserting in lieu thereof a period.

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1997 a total of $70,056,130,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1997.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Grade of Chief of Naval Research.
Sec. 502. Chief and assistant chief of Army Nurse Corps and Air Force Nurse Corps.
Sec. 503. Navy spot promotion authority for certain lieutenants with critical skills.
Sec. 504. Time for award of degrees by unaccredited educational institutions for graduates to be considered educationally qualified for appointment as Reserve officers in grade O–3.
Sec. 505. Exception to baccalaureate degree requirement for appointment in the Naval Reserve in grades above O–2.
Sec. 506. Chief warrant officer promotions.
Sec. 507. Service credit for senior ROTC cadets and midshipmen in simultaneous membership program.
Sec. 508. Continuation on active status for certain Reserve officers of the Air Force.
Sec. 509. Reports on response to recommendations concerning improvements to Department of Defense joint manpower process.
Sec. 510. Frequency of reports to Congress on joint officer management policies.

Subtitle B—Enlisted Personnel Policy

Sec. 511. Career service reenlistments for members with at least 10 years of service.
Sec. 512. Authority to extend period for entry on active duty under the delayed entry program.

Subtitle C—Activation and Recall

Sec. 521. Limitations on recall of retired members to active duty.
Sec. 522. Clarification of definition of active status.
Sec. 523. Limitation of requirement for physical examinations of members of National Guard called into Federal service.

Subtitle D—Reserve Component Retirement

Sec. 531. Increase in annual limit on days of inactive duty training creditable toward reserve retirement.
Sec. 532. Retirement of reserve enlisted members who qualify for active duty retirement after administrative reduction in enlisted grade.
Sec. 533. Authority for a Reserve on active duty to waive retirement sanctuary.
Sec. 534. Eligibility of Reserves for disability retirement.

Subtitle E—Other Reserve Component Matters

Sec. 541. Training for Reserves on active duty in support of the Reserves.
Sec. 542. Eligibility for enrollment in Ready Reserve mobilization income insurance program.
Sec. 543. Reserve credit for participation in Health Professions Scholarship and Financial Assistance Program.
Sec. 544. Amendments to Reserve Officer Personnel Management Act provisions.
Sec. 545. Report on number of advisers in active component support of Reserves pilot program.
Sec. 546. Sense of Congress and report regarding reemployment rights for mobilized reservists employed in foreign countries.
Sec. 547. Payment of premiums under Mobilization Income Insurance Program.

Subtitle F—Officer Education Programs

Sec. 551. Oversight and management of Senior Reserve Officers' Training Corps program.
Sec. 552. Prohibition on reorganization of Army ROTC cadet command or termination of senior ROTC units pending report on ROTC.
Sec. 553. Pilot program to test expansion of ROTC program to include graduate students.
Sec. 554. Demonstration project for instruction and support of Army ROTC units by members of the Army Reserve and National Guard.
Sec. 555. Extension of maximum age for appointment as a cadet or midshipman in the Senior Reserve Officers' Training Corps and the service academies.

Sec. 556. Expansion of eligibility for education benefits to include certain Reserve Officers' Training Corps (ROTC) participants.
Sec. 557. Comptroller General report on cost and policy implications of permitting up to five percent of service academy graduates to be assigned directly to Reserve duty upon graduation.

Subtitle G—Decorations and Awards

Sec. 561. Authority for award of Medal of Honor to certain African American soldiers who served during World War II.
Sec. 562. Waiver of time limitations for award of certain decorations to specified persons.
Sec. 563. Replacement of certain American Theater Campaign Ribbons.

Subtitle H—Other Matters

Sec. 571. Hate crimes in the military.
Sec. 572. Disability coverage for members granted excess leave for educational or emergency purposes.
Sec. 573. Clarification of authority of a reserve judge advocate to act as a military notary public when not in a duty status.
Sec. 574. [H531-539 SR w/am] Panel on jurisdiction of courts-martial for the National Guard when not in Federal service.
Sec. 575. Authority to expand law enforcement placement program to include firefighters.
Sec. 576. Improvements to program to assist separated military and civilian personnel to obtain employment as teachers or teachers' aides.
Sec. 577. Retirement at grade to which selected for promotion when a physical disability is found at any physical examination.
Sec. 578. [S537 HR w/am] Revisions to missing persons authorities.

Subtitle I—Commissioned Corps of the Public Health Service

Sec. 581. Applicability to Public Health Service of prohibition on crediting cadet or midshipmen service at the service academies.
Sec. 582. Exception to strength limitations for Public Health Service officers assigned to the Department of Defense.
Sec. 583. Authority to provide legal assistance to Public Health Service officers.

Subtitle A—Officer Personnel Policy

SEC. 501. GRADE OF CHIEF OF NAVAL RESEARCH.

(a) REAR ADMIRAL (UPPER HALF).—Section 5022(a) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) Unless appointed to higher grade under another provision of law, an officer, while serving in the Office of Naval Research as Chief of Naval Research, has the rank of rear admiral (upper half).".

(b) EFFECTIVE DATE.—Paragraph (2) of section 5022(a) of title 10, United States Code, as added by subsection (a), shall take effect upon the occurrence of the first vacancy in the position of Chief of Naval Research after the date of the enactment of this Act.

SEC. 502. CHIEF AND ASSISTANT CHIEF OF ARMY NURSE CORPS AND AIR FORCE NURSE CORPS.

(a) ARMY NURSE CORPS.—(1) Subsection (b) of section 3069 of title 10, United States Code, is amended—

(A) in the first sentence, by striking out "major" and inserting in lieu thereof "lieutenant colonel";

(B) by inserting after the first sentence the following: "An appointee who holds a lower regular grade shall be appointed in the regular grade of brigadier general."; and

(C) in the last sentence, by inserting "to the same position" before the period at the end.

(2) Subsection (c) of such section is amended by striking out "major" in the first sentence and inserting in lieu thereof "lieutenant colonel".

(3) The heading of such section is amended to read as follows:

"§3069. Army Nurse Corps: composition; Chief and assistant chief; appointment; grade

(b) AIR FORCE NURSE CORPS.—Chapter 807 of such title is amended by inserting after section 8067 the following new section:

"§8069. Air Force nurses: Chief and assistant chief; appointment; grade

"(a) POSITIONS OF CHIEF AND ASSISTANT CHIEF.—There are a Chief and assistant chief of the Air Force Nurse Corps.

"(b) CHIEF.—The Secretary of the Air Force shall appoint the Chief from the officers of the Regular Air Force designated as Air Force nurses whose regular grade is above lieutenant colonel and who are recommended by the Surgeon General. An appointee who holds a lower regular grade shall be appointed in the regular grade of brigadier general. The Chief serves during the pleasure of the Secretary, but not for more than three years, and may not be reappointed to the same position.

"(c) ASSISTANT CHIEF.—The Surgeon General shall appoint the assistant chief from the officers of the Regular Air Force designated as Air Force nurses whose regular grade is above lieutenant colonel.".

(c) CLERICAL AMENDMENTS.—(1) The item relating to section 3069 in the table of sections at the beginning of chapter 307 of such title is amended to read as follows:

"3069. Army Nurse Corps: composition; Chief and assistant chief; appointment; grade.".

(2) The table of sections at the beginning of chapter 807 of such title is amended by inserting after the item relating to section 8067 the following new item:

"8069. Air Force Nurse Corps: Chief and assistant chief; appointment; grade.".

SEC. 503. NAVY SPOT PROMOTION AUTHORITY FOR CERTAIN LIEUTENANTS WITH CRITICAL SKILLS.

(a) ADVICE-AND-CONSENT APPOINTMENTS.—Subsection (a) of section 5721 of title 10, United States Code, is amended by striking out "the President alone" and inserting in lieu thereof "the President, by and with the advice and consent of the Senate".

(b) REPEAL OF TERMINATION OF AUTHORITY.—Such section is further amended by striking out subsection (g).

(c) CLERICAL AMENDMENT.—The caption for subsection (a) is amended to read as follows: "PROMOTION AUTHORITY FOR CERTAIN OFFICERS WITH CRITICAL SKILLS.—".

SEC. 504. TIME FOR AWARD OF DEGREES BY UNACCREDITED EDUCATIONAL INSTITUTIONS FOR GRADUATES TO BE CONSIDERED EDUCATIONALLY QUALIFIED FOR APPOINTMENT AS RESERVE OFFICERS IN GRADE O-3.

Section 12205(c)(2)(C) of title 10, United States Code, is amended by striking out "three years" and inserting in lieu thereof "eight years".

SEC. 505. EXCEPTION TO BACCALAUREATE DEGREE REQUIREMENT FOR APPOINTMENT IN THE NAVAL RESERVE IN GRADES ABOVE O-2.

Section 12205(b)(3) of title 10, United States Code, is amended by inserting "or the Seaman to Admiral program" after "(NAVCAD) program".

SEC. 506. CHIEF WARRANT OFFICER PROMOTIONS.

(a) REDUCTION OF MINIMUM TIME IN GRADE REQUIRED FOR CONSIDERATION FOR PROMOTION.—Section 574(e) of title 10, United States Code, is amended by striking out "three years of service" and inserting in lieu thereof "two years of service".

(b) BELOW-ZONE SELECTION.—Section 575(b)(1) of such title is amended by inserting "chief warrant officer, W-3," in the first sentence after "to consider warrant officers for selection for promotion to the grade of".

SEC. 507. SERVICE CREDIT FOR SENIOR ROTC CADETS AND MIDSHIPMEN IN SIMULTANEOUS MEMBERSHIP PROGRAM.

(a) AMENDMENTS TO TITLE 10.—(1) Section 2106(c) of title 10, United States Code, is amended by striking out "while serving on active duty other than for training after July 31, 1990, while a member of the Selected Reserve" and inserting in lieu thereof "performed on or after August 1, 1979, as a member of the Selected Reserve".

(2) Section 2107(g) of such title is amended by striking out "while serving on active duty other than for training after July 31, 1990, while a member of the Selected Reserve" and inserting in lieu thereof "performed on or after August 1, 1979, as a member of the Selected Reserve".

(3) Section 2107a(g) of such title is amended by inserting ", other than enlisted service performed after August 1, 1979, as a member of Selected Reserve" after "service as a cadet or with concurrent enlisted service".

(b) AMENDMENT TO TITLE 37.—Section 205(d) of title 37, United States Code, is amended by striking out "that service after July 31, 1990, that the officer performed while serving on active duty" and inserting in lieu thereof "for service that the officer performed on or after August 1, 1979.".

(c) BENEFITS NOT TO ACCRUE FOR PRIOR PERIODS.—No increase in pay or retired or retainer pay shall accrue for periods before the date of the enactment of this Act by reason of the amendments made by this section.

SEC. 508. CONTINUATION ON ACTIVE STATUS FOR CERTAIN RESERVE OFFICERS OF THE AIR FORCE.

(a) AUTHORITY.—Section 14507 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) TEMPORARY AUTHORITY TO RETAIN CERTAIN OFFICERS DESIGNATED AS JUDGE ADVOCATES.—(1) Notwithstanding the provisions of subsections (a) and (b), the Secretary of the Air Force may retain on the reserve active-status list any reserve officer of the Air Force who is designated as a judge advocate and who obtained the first professional degree in law while on an educational delay program subsequent to being commissioned through the Reserve Officers' Training Corps.

"(2) No more than 50 officers may be retained on the reserve active-status list under the authority of paragraph (1) at any time.

"(3) No officer may be retained on the reserve active-status list under the authority of paragraph (1) for a period exceeding three years from the date on which, but for that authority, that officer would have been removed from the reserve active-status list under subsection (a) or (b).

"(4) The authority of the Secretary of the Air Force under paragraph (1) expires on September 30, 2003.".

(b) EFFECTIVE DATE.—Subsection (c) of section 14507 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

SEC. 509. REPORTS ON RESPONSE TO RECOMMENDATIONS CONCERNING IMPROVEMENTS TO DEPARTMENT OF DEFENSE JOINT MANPOWER PROCESS.

(a) SEMIANNUAL REPORT.—The Secretary of Defense shall submit to Congress a semiannual report on the status of actions taken by the Secretary to implement the recommendations made by the Department of Defense Inspector General in the report of November 29, 1995, entitled "Inspection of the Department of Defense Joint Manpower Process" (Report No. 96-029). The first such report shall be submitted not later than February 1, 1997. The requirement to submit such reports terminates after the fourth such report is submitted.

(b) ADDITIONAL MATTER FOR FIRST REPORT.—As part of the first report under subsection (a), the Secretary shall include the following:

(1) The Secretary's assessment as to the need to establish a joint, centralized permanent organization in the Department of Defense to determine, validate, approve, and manage military and civilian manpower requirements resources at joint organizations.

(2) The Secretary's assessment of the Department of Defense timeline and plan to increase the capability of the joint professional military education system (including the Armed Forces Staff College) to overcome the capacity limitations cited in the report referred to in subsection (a).

(3) The Secretary's plan and timeline to provide the necessary training and education of reserve component officers.

(c) GAO ASSESSMENT.—The Comptroller General of the United States shall assess the completeness and adequacy of the corrective actions taken by the Secretary with respect to the matters covered in the Inspector General report referred to in subsection (a). Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report, based on the assessment under this subsection, providing the Comptroller General's findings and recommendations.

SEC. 510. FREQUENCY OF REPORTS TO CONGRESS ON JOINT OFFICER MANAGEMENT POLICIES.

(a) CHANGE FROM SEMIANNUAL TO ANNUAL REPORT.—Section 662(b) of title 10, United States Code, is amended by striking out "REPORT.—The Secretary of Defense shall periodically (and not less often than every six months) report to Congress on the promotion rates" and inserting in lieu thereof "ANNUAL REPORT.—Not later than January 1 of each year, the Secretary of Defense shall submit to Congress a report on the promotion rates during the preceding fiscal year".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—Such section is further amended—

(1) in the first sentence, by striking out "clauses" and inserting in lieu thereof "paragraphs"; and

(2) in the second sentence—

(A) by inserting "for any fiscal year" after "such objectives"; and

(B) by striking out "periodic report required by this subsection" and inserting in lieu thereof "report for that fiscal year".

Subtitle B—Enlisted Personnel Policy

SEC. 511. CAREER SERVICE REENLISTMENTS FOR MEMBERS WITH AT LEAST 10 YEARS OF SERVICE.

Subsection (d) of section 505 of title 10, United States Code, is amended to read as follows:

"(d)(1) The Secretary concerned may accept a reenlistment in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, or Regular Coast Guard, as the case may be, for a period determined under this subsection.

"(2) In the case of a member who has less than 10 years of service in the armed forces as of the day before the first day of the period for which reenlisted, the period for which the member reenlists shall be at least two years but not more than six years.

"(3) In the case of a member who has at least 10 years of service in the armed forces as of the day before the first day of the period for which reenlisted, the Secretary concerned may accept a reenlistment for either—

"(A) a specified period of at least two years but not more than six years; or

"(B) an unspecified period.

"(4) No enlisted member is entitled to be reenlisted for a period that would expire before the end of the member's current enlistment.".

SEC. 512. AUTHORITY TO EXTEND PERIOD FOR ENTRY ON ACTIVE DUTY UNDER THE DELAYED ENTRY PROGRAM.

(a) AUTHORITY.—Section 513(b) of title 10, United States Code, is amended by inserting after the first sentence the following: "The Secretary concerned may extend the 365-day period for any person for up to an additional 180 days if the Secretary determines that it is in the best interests of the armed force of which that person is a member to do so.".

(b) TECHNICAL AMENDMENTS.—Section 513(b) of such title, as amended by subsection (a), is further amended—

(1) by inserting "(1)" after "(b)";

(2) by designating the third sentence as paragraph (2); and

(3) in paragraph (2), as so designated, by striking out "the preceding sentence" and inserting in lieu thereof "paragraph (1)".

Subtitle C—Activation and Recall

SEC. 521. LIMITATIONS ON RECALL OF RETIRED MEMBERS TO ACTIVE DUTY.

(a) REVISION AND RECODIFICATION OF AUTHORITIES RELATING TO RETIRED MEMBERS ORDERED TO ACTIVE DUTY.—Chapter 39 of title 10, United States Code, is amended by striking out section 688 and inserting in lieu thereof the following:

"§ 688. Retired members: authority to order to active duty; duties

"(a) AUTHORITY.—Under regulations prescribed by the Secretary of Defense, a member described in subsection (b) may be ordered to active duty by the Secretary of the military department concerned at any time.

"(b) COVERED MEMBERS.—Except as provided in subsection (d), subsection (a) applies to the following members of the armed forces:

"(1) A retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps.

"(2) A member of the Retired Reserve who was retired under section 1293, 3911, 3914, 6323, 8911, or 8914 of this title.

"(3) A member of the Fleet Reserve or Fleet Marine Corps Reserve.

"(c) DUTIES OF MEMBER ORDERED TO ACTIVE DUTY.—The Secretary concerned may, to the extent consistent with other provisions of law, assign a member ordered to active duty under this section to such duties as the Secretary considers necessary in the interests of national defense.

"(d) EXCLUSION OF OFFICERS RETIRED ON SELECTIVE EARLY RETIREMENT BASIS.—The following officers may not be ordered to active duty under this section:

"(1) An officer who retired under section 638 of this title.

"(2) An officer who—

"(A) after having been notified that the officer was to be considered for early retirement under section 638 of this title by a board convened under section 611(b) of this title and before being considered by that board, requested retirement under section 3911, 6323, or 8911 of this title; and

"(B) was retired pursuant to that request.

"(e) LIMITATION OF PERIOD OF RECALL SERVICE.—A member ordered to active duty under subsection (a) may not serve on active duty pursuant to orders under that subsection for more than 12 months within the 24 months following the first day of the active duty to which ordered under that subsection.

"(f) WAIVER FOR PERIODS OF WAR OR NATIONAL EMERGENCY.—Subsections (d) and (e) do not apply in time of war or of national emergency declared by Congress or the President.

"§ 689. Retired members: grade in which ordered to active duty and upon release from active duty

"(a) GENERAL RULE FOR GRADE IN WHICH ORDERED TO ACTIVE DUTY.—Except as provided in subsections (b) and (c), a retired member ordered to active duty under section 688 of this title shall be ordered to active duty in the member's retired grade.

"(b) MEMBERS RETIRED IN O-9 AND O-10 GRADES.—A retired member ordered to active duty under section 688 of this title whose retired grade is above the grade of major general or rear admiral shall be ordered to active duty in the highest permanent grade held by such member while serving on active duty.

"(c) MEMBERS WHO PREVIOUSLY SERVED IN GRADE HIGHER THAN RETIRED GRADE.—(1) A retired member ordered to active duty under section 688 of this title who has previously served on active duty satisfactorily, as determined by the Secretary of the military department concerned, in a grade higher than that member's retired grade may be ordered to active duty in the highest grade in which the member had so served satisfactorily, except that such a member may not be so ordered to active duty in a grade above major general or rear admiral.

"(2) A retired member ordered to active duty in a grade that is higher than the member's retired grade pursuant to subsection (a) shall be treated for purposes of section 690 of this title as if the member was promoted to that higher grade while on that tour of active duty.

"(3) If, upon being released from that tour of active duty, such a retired member has served on active duty satisfactorily, as determined by the Secretary concerned, for not less than a total of 36 months in a grade that is a higher grade than the member's retired grade, the member is entitled to placement on the retired list in that grade.

"(d) GRADE UPON RELEASE FROM ACTIVE DUTY.—A member ordered to active duty under section 688 of this title who, while on active duty, is promoted to a grade that is higher than that member's retired grade is entitled, upon that member's release from that tour of active duty, to placement on the retired list in the highest grade in which the member served on active duty satisfactorily, as determined by the Secretary of the military department concerned, for not less than six months.

"§690. Retired members ordered to active duty: limitation on number

"(a) GENERAL AND FLAG OFFICERS.—Not more than 15 retired general officers of the Army, Air Force, or Marine Corps, and not more than 15 retired flag officers of the Navy, may be on active duty at any one time. For the purposes of this subsection a retired officer ordered to active duty for a period of 60 days or less is not counted.

"(b) LIMITATION BY SERVICE.—(1) Not more than 25 officers of any one armed force may be serving on active duty concurrently pursuant to orders to active duty issued under section 688 of this title.

"(2) In the administration of paragraph (1), the following officers shall not be counted:

"(A) A chaplain who is assigned to duty as a chaplain for the period of active duty to which ordered.

"(B) A health care professional (as characterized by the Secretary concerned) who is assigned to duty as a health care professional for the period of the active duty to which ordered.

"(C) Any officer assigned to duty with the American Battle Monuments Commission for the period of active duty to which ordered.

"(c) WAIVER FOR PERIODS OF WAR OR NATIONAL EMERGENCY.—Subsection (a) does not apply in time of war or of national emergency declared by Congress or the President after November 30, 1980. Subsection (b) does not apply in time of war or of national emergency declared by Congress or the President.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 30, 1997.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 688 and inserting in lieu thereof the following:

"688. Retired members: authority to order to active duty; duties.
"689. Retired members: grade in which ordered to active duty and upon release from active duty.
"690. Retired members ordered to active duty: limitation on number.".

(d) CROSS REFERENCE AMENDMENT.—Section 6151(a) of title 10, United States Code, is amended by striking out "688" and inserting in lieu thereof "689".

SEC. 522. CLARIFICATION OF DEFINITION OF ACTIVE STATUS.

Section 101(d)(4) of title 10, United States Code, is amended by striking out "a reserve commissioned officer, other than a commissioned warrant officer," and inserting in lieu thereof the following: "a member of a reserve component".

SEC. 523. LIMITATION OF REQUIREMENT FOR PHYSICAL EXAMINATIONS OF MEMBERS OF NATIONAL GUARD CALLED INTO FEDERAL SERVICE.

Section 12408(a) of title 10, United States Code, is amended by inserting "under section 12301(a), 12302, or 12304 of this title" after "called into Federal service".

Subtitle D—Reserve Component Retirement

SEC. 531. INCREASE IN ANNUAL LIMIT ON DAYS OF INACTIVE DUTY TRAINING CREDITABLE TOWARD RESERVE RETIREMENT.

(a) INCREASE IN LIMIT.—Section 12733(3) is amended by inserting before the period at the end the following: "of service before the year of service in which the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997 occurs and not more than 75 days in any subsequent year of service".

(b) TRACKING SYSTEM FOR AWARD OF RETIREMENT POINTS.—To better enable the Secretary of Defense and Congress to assess the cost and the effect on readiness of the amendment made by subsection (a) and of other potential changes to the Reserve retirement system under chapter 1223 of title 10, United States Code, the Secretary of Defense shall require the Secretary of each military department to implement a system to monitor the award of retirement points for purposes of that chapter by categories in accordance with the recommendation set forth in the August 1988 report of the Sixth Quadrennial Review of Military Compensation.

(c) RECOMMENDATIONS TO CONGRESS.—The Secretary shall submit to Congress, not later than one year after the date of the enactment of this Act, the recommendations of the Secretary with regard to the adoption of the following Reserve retirement initiatives recommended in the August 1988 report of the Sixth Quadrennial Review of Military Compensation:

(1) Elimination of membership points under subparagraph (C) of section 12732(a)(2) of title 10, United States Code, in conjunction with a decrease from 50 to 35 in the number of points required for a satisfactory year under that section.

(2) Limitation to 60 in any year on the number of points that may be credited under subparagraph (B) of section 12732(a)(2) of such title at two points per day.

(3) Limitation to 360 in any year on the total number of retirement points countable for purposes of section 12733 of such title.

SEC. 532. RETIREMENT OF RESERVE ENLISTED MEMBERS WHO QUALIFY FOR ACTIVE DUTY RETIREMENT AFTER ADMINISTRATIVE REDUCTION IN ENLISTED GRADE.

(a) ARMY.—(1) Chapter 369 of title 10, United States Code, is amended by inserting after section 3962 the following new section:

"§3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Army described in subsection (b) who is retired under section 3914 of this title shall be retired in the highest enlisted grade in which the member served on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time National Guard duty satisfactorily), as determined by the Secretary of the Army.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time National Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Army.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 3914 of this title after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3962 the following new item:

"3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(b) NAVY AND MARINE CORPS.—(1) Chapter 571 of title 10, United States Code, is amended by adding at the end the following new section:

"§6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A member of the Naval Reserve or Marine Corps Reserve described in subsection (b) who is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve under section 6330 of this title shall be transferred in the highest enlisted grade in which the member served on active duty satisfactorily, as determined by the Secretary of the Navy.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of transfer to the Fleet Reserve or Fleet Marine Corps Reserve is serving on active duty in a grade lower than the highest enlisted grade held by the member while on active duty; and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Navy.

"(c) This section applies with respect to enlisted members of the Naval Reserve and Marine Corps Reserve who are transferred to the Fleet Reserve or the Fleet Marine Corps Reserve after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(c) AIR FORCE.—(1) Chapter 869 of title 10, United States Code, is amended by inserting after section 8962 the following new section:

"§8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Air Force described in subsection (b) who is retired under section 8914 of this title shall be retired in the highest enlisted grade in which the member served on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time National Guard duty satisfactorily), as determined by the Secretary of the Air Force.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time National Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Air Force.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 8914 of this title after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8962 the following new item:

"8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(d) Computation of Retired and Retainer Pay Based Upon Retired Grade.—(1) Section 3991 of such title is amended by adding at the end the following new subsection:

"(c) Special Rule for Retired Reserve Enlisted Members Covered by Section 3963.—In the case of a Reserve enlisted member retired under section 3914 of this title whose retired grade is determined under section 3963 of this title and who first became a member of a uniformed service before September 8, 1980, the retired pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the member's retired grade (determined based upon the rates of basic pay applicable on the date of the member's retirement), and that amount shall be used for the purposes of subsection (a)(1)(A) rather than the amount computed under section 1406(c) of this title.".

(2) Section 6333 of such title is amended by adding at the end the following new subsection:

"(c) In the case of a Reserve enlisted member whose grade upon transfer to the Fleet Reserve or Fleet Marine Corps Reserve is determined under section 6336 of this title and who first became a member of a uniformed service before September 8, 1980, the retainer pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the grade in which the member is so transferred (determined based upon the rates of basic pay applicable on the date of the member's transfer), and that amount shall be used for the purposes of the table in subsection (a) rather than the amount computed under section 1406(d) of this title.".

(3) Section 8991 of such title is amended by adding at the end the following new subsection:

"(c) Special Rule for Retired Reserve Enlisted Members Covered by Section 8963.—In the case of a Reserve enlisted member retired under section 8914 of this title whose retired grade is determined under section 8963 of this title and who first became a member of a uniformed service before September 8, 1980, the retired pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the member's retired grade (determined based upon the rates of basic pay applicable on the date of the member's retirement), and that amount shall be used for the purposes of subsection (a)(1)(A) rather than the amount computed under section 1406(e) of this title.".

SEC. 533. AUTHORITY FOR A RESERVE ON ACTIVE DUTY TO WAIVE RETIREMENT SANCTUARY.

Section 12686 of title 10, United States Code, is amended—

(1) by inserting "(a) Limitation.—" before "Under regulations"; and

(2) by adding at the end the following:

"(b) Waiver.—With respect to a member of a reserve component who is to be ordered to active duty (other than for training) under section 12301 of this title pursuant to an order to active duty that specifies a period of less than 180 days and who (but for this subsection) would be covered by subsection (a), the Secretary concerned may require, as a condition of such order to active duty, that the member waive the applicability of subsection (a) to the member for the period of active duty covered by that order. In carrying out this subsection, the Secretary concerned may require that a waiver under the preceding sentence be executed before the period of active duty begins.".

SEC. 534. ELIGIBILITY OF RESERVES FOR DISABILITY RETIREMENT.

Paragraph (2) of section 1204 of title 10, United States Code, is amended to read as follows:

"(2) the disability is the proximate result of, or was incurred in line of duty after the date of the enactment of this Act as a result of—

"(A) performing active duty or inactive-duty training;

"(B) traveling directly to or from the place at which such duty is performed; or

"(C) an injury, illness, or disease incurred or aggravated while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive duty training, if the site is outside reasonable commuting distance of the member's residence;".

Subtitle E—Other Reserve Component Matters

SEC. 541. TRAINING FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Subsection (b) of section 12310 of title 10, United States Code, is amended to read as follows:

"(b) A Reserve on active duty as described in subsection (a) may be provided training consistent with training provided to other members on active duty, as the Secretary concerned sees fit.".

SEC. 542. ELIGIBILITY FOR ENROLLMENT IN READY RESERVE MOBILIZATION INCOME INSURANCE PROGRAM.

Section 12524 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) Members of Individual Ready Reserve.—Notwithstanding any other provision of this section, and pursuant to regulations issued by the Secretary, a member of the Individual Ready Reserve who becomes a member of the Selected Reserve shall not be denied eligibility to purchase insurance under this chapter upon becoming a member of the Selected Reserve unless the member previously declined to enroll in the program of insurance under this chapter while a member of the Selected Reserve.".

SEC. 543. RESERVE CREDIT FOR PARTICIPATION IN HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) Credit Authorized.—Section 2126 of title 10, United States Code, is amended—

(1) by striking out "Service performed" and inserting in lieu thereof "(a) Service Not Creditable.—Except as provided in subsection (b), service performed"; and

(2) by adding at the end the following:

"(b) Service Creditable for Certain Purposes.—(1) The Secretary concerned may authorize service performed by a member of the program in pursuit of a course of study under this subchapter to be counted in accordance with this subsection if the member—

"(A) completes the course of study;

"(B) completes the active duty obligation imposed under section 2123(a) of this title; and

"(C) possesses a specialty designated by the Secretary concerned as critically needed in wartime.

"(2) Service credited under paragraph (1) counts only for the following purposes:

"(A) Award of retirement points for computation of years of service under section 12732 of this title and for computation of retired pay under section 12733 of this title.

"(B) Computation of years of service creditable under section 205 of title 37.

"(3) For purposes of paragraph (2)(A), a member may be credited in accordance with paragraph (1) with not more than 50 points for each year of participation in a course of study that the member satisfactorily completes as a member of the program.

"(4) Service may not be counted under paragraph (1) for more than four years of participation in a course of study as a member of the program.

"(5) A member is not entitled to any retroactive award of, or increase in, pay or allowances under title 37 by reason of an award of service credit under paragraph (1).".

(b) Award of Retirement Points.—(1) Section 12732(a)(2) of such title is amended—

(A) by inserting after clause (C) the following:

"(D) Points credited for the year under section 2126(b) of this title."; and

(B) in the matter following clause (D), as inserted by paragraph (1), by striking out "and (C)" and inserting in lieu thereof "(C), and (D)".

(2) Section 12733(3) of such title is amended by striking out "or (C)" and inserting in lieu thereof "(C), or (D)".

SEC. 544. AMENDMENTS TO RESERVE OFFICER PERSONNEL MANAGEMENT ACT PROVISIONS.

(a) Service Requirement for Retirement in Highest Grade Held.—Section 1370(d) of title 10, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) in paragraph (2)(A), by striking out "(A)";

(3) by redesignating paragraph (2)(B) as paragraph (3); and

(4) in paragraph (3), as so redesignated—

(A) by designating the first sentence as subparagraph (A);

(B) by designating the second sentence as subparagraph (B);

(C) in subparagraph (B), as so redesignated, by striking out "the preceding sentence" and inserting in lieu thereof "subparagraph (A)"; and

(D) by adding at the end the following:

"(C) If a person covered by subparagraph (A) has completed at least six months of satisfactory service in grade, the person was serving in that grade while serving in a position of adjutant general required under section 314 of title 32 or while serving in a position of assistant adjutant general subordinate to such a position of adjutant general, and the person has failed to complete three years of service in that grade solely because the person's appointment to such position has been terminated or vacated as described in section 324(b) of such title, then such person may be credited with satisfactory service in that grade, notwithstanding the failure to complete three years of service in that grade.

"(D) To the extent authorized by the Secretary of the military department concerned, a person who, after having been recommended for promotion in a report of a promotion board but before being promoted to the recommended grade, served in a position for which that grade is the minimum authorized grade may be credited for purposes of subparagraph (A) as having served in that grade for the period for which the person served in that position while in the next lower grade. The period credited may not include any period before the date on which the Senate provides advice and consent for the appointment of that person in the recommended grade.

"(E) To the extent authorized by the Secretary of the military department concerned, a person who, after having been extended temporary Federal recognition as a reserve officer of the Army National Guard in a particular grade under section 308 of title 32 or temporary Federal recognition as a reserve officer of the Air National Guard in a particular grade under such section, served in a position for which that grade is the minimum authorized grade may be credited for purposes of subparagraph (A) as having served in that grade for the period for which the person served in that position while extended the temporary Federal recognition, but only if the person was subsequently extended permanent Federal recognition as a reserve officer in that grade and also served in that position after being extended the permanent Federal recognition.".

(b) EXCEPTION TO REQUIREMENT FOR RETENTION OF RESERVE OFFICERS UNTIL COMPLETION OF REQUIRED SERVICE.—Section 12645(b)(2) of such title is amended by inserting "or a reserve active-status list" after "active-duty list".

(c) TECHNICAL CORRECTION.—Section 14314(b)(2)(B) of such title is amended by striking out "of the Air Force".

SEC. 545. REPORT ON NUMBER OF ADVISERS IN ACTIVE COMPONENT SUPPORT OF RESERVES PILOT PROGRAM.

(a) REPORT ON NUMBER OF ACTIVE COMPONENT ADVISERS.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth the Secretary's determination as to the appropriate number of active component personnel to be assigned to serve as advisers to reserve components under section 414 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note). If the Secretary's determination is that such number should be a number other than the required minimum number in effect under subsection (c) of such section, the Secretary shall include in the report an explanation providing the Secretary's justification for the number recommended.

(b) TECHNICAL AMENDMENT.—Section 414(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note) is amended by striking out "During fiscal years 1992 and 1993, the Secretary of the Army shall institute" and inserting in lieu thereof "The Secretary of the Army shall carry out".

SEC. 546. SENSE OF CONGRESS AND REPORT REGARDING REEMPLOYMENT RIGHTS FOR MOBILIZED RESERVISTS EMPLOYED IN FOREIGN COUNTRIES.

(a) SENSE OF CONGRESS.—Congress is concerned about the lack of reemployment rights afforded Reserve component members who reside in foreign countries and either work for United States companies that maintain offices or operations in foreign countries or work for foreign employers. Being outside the jurisdiction of the United States, these employers are not subject to the provisions of chapter 43 of title 38, United States Code, known as the Uniformed Services Employment and Reemployment Rights Act (USERRA). The purpose of that Act is to provide statutory employment protections that include reinstatement, seniority, status, and rate of pay coverage for Reservists who are ordered to active duty for a specified period of time, including involuntary active duty in support of an operational contingency. While most Reserve members are afforded the protections of that Act (which covers reemployment rights in their civilian jobs upon completion of military service), approximately 2,000 members of the Selected Reserve reside outside the United States and its territories and, not being guaranteed the job protection envisioned by the USERRA, are potentially subject to reemployment problems after release from active duty. This situation poses a continuing personnel management challenge for the reserve components.

(b) RECOGNITION OF PROBLEM.—Congress, while recognizing that foreign governments and companies located abroad, not being within the jurisdiction of the United States, cannot be required to comply with the provisions of the Uniformed Services Employment and Reemployment Rights Act, also recognizes that there is a need to provide assistance to Reservists in the situation described in subsection (a), both in the near term and the long term.

(c) REPORT REQUIREMENT.—Not later than April 1, 1997, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that sets forth recommended actions to help alleviate reemployment problems for Reservists who are employed outside the United States and its territories by United States companies that maintain offices or operations in foreign countries or by foreign employers. The report shall include recommendations on the assistance and support that may be required by other organizations of the Government, including the Defense Attaché Offices, the Department of Labor, and the Department of State. The report shall be prepared in consultation with the Secretary of State and the Secretary of Labor.

SEC. 547. PAYMENT OF PREMIUMS UNDER MOBILIZATION INCOME INSURANCE PROGRAM.

Section 12527(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "of the Selected Reserve" after "a member"; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The Secretary of Defense, in consultation with the Secretary of Transportation, shall prescribe regulations which specify the procedures for payment of premiums by members of the Individual Ready Reserve and other members who do not receive pay on a monthly basis.".

Subtitle F—Officer Education Programs

SEC. 551. OVERSIGHT AND MANAGEMENT OF SENIOR RESERVE OFFICERS' TRAINING CORPS PROGRAM.

(a) ENROLLMENT PRIORITY TO BE CONSISTENT WITH PURPOSE OF PROGRAM.—(1) Section 2103 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) An educational institution at which a unit of the program has been established shall give priority for enrollment in the program to students who are eligible for advanced training under section 2104 of this title.".

(2) Section 2109 of such title is amended by adding at the end the following new subsection:

"(c)(1) A person who is not qualified for, and (as determined by the Secretary concerned) will not be able to become qualified for, advanced training by reason of one or more of the requirements prescribed in paragraphs (1) through (3) of section 2104(b) of this title shall not be permitted to participate in—

"(A) field training or a practice cruise under section 2106(b)(6) of this title; or

"(B) practical military training under subsection (a).

"(2) The Secretary of the military department concerned may waive the limitation in paragraph (1) under procedures prescribed by the Secretary. Such procedures shall ensure uniform application of limitations and restrictions without regard to the reason for disqualification for advanced training.".

(b) WEAR OF THE MILITARY UNIFORM.—Section 772(h) of such title is amended by inserting before the period at the end the following: "if the wear of such uniform is specifically authorized under regulations prescribed by the Secretary of the military department concerned".

SEC. 552. PROHIBITION ON REORGANIZATION OF ARMY ROTC CADET COMMAND OR TERMINATION OF SENIOR ROTC UNITS PENDING REPORT ON ROTC.

(a) PROHIBITION.—(1) The Secretary of the Army may not reorganize or restructure the Reserve Officers Training Corps Cadet Command, and may not terminate any Senior Reserve Officer Training Corps unit identified in the document referred to in paragraph (2), until 180 days after the date on which the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the report described in subsection (b).

(2) The document referred to in paragraph (1) is the Department of Defense document dated May 20, 1996, entitled "Information for Members of Congress concerning Senior Reserve Officer Training Corps (ROTC) Unit Closures".

(b) REPORT CONTENTS.—The report referred to in subsection (a) is a report by the Secretary of the Army in which the Secretary—

(1) describes the selection process used to identify the Reserve Officer Training Corps units of the Army to be terminated;

(2) lists the criteria used by the Army to select Reserve Officer Training Corps units for termination;

(3) sets forth the specific ranking of each unit of the Reserve Officer Training Corps of the Army to be terminated as against all other such units;

(4) sets forth the authorized and actual cadre staffing of each such unit for each fiscal year of the 10-fiscal year period ending with fiscal year 1996;

(5) sets forth the production goals and performance evaluations of each such unit for each fiscal year of the 10-fiscal year period ending with fiscal year 1996;

(6) describes how cadets currently enrolled in the units referred to in paragraph (5) will be accommodated after the closure of such units;

(7) describes the incentives to enhance the Reserve Officer Training Corps program that are provided by each of the colleges on the closure list;

(8) includes the projected officer accession plan by source of commission for the active-duty Army, the Army Reserve, and the Army National Guard; and

(9) describes whether the closure of any ROTC unit will adversely affect the recruitment of minority officer candidates.

SEC. 553. PILOT PROGRAM TO TEST EXPANSION OF ROTC PROGRAM TO INCLUDE GRADUATE STUDENTS.

(a) TEST PROGRAM.—Section 2107(c) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(c)"; and

(2) by adding at the end the following:

"(2) The Secretary of Defense shall authorize the Secretaries of the military departments to carry out a test program to determine the desirability of enabling graduate students to participate in the financial assistance program under this section. As part of such test program, the Secretary of a military department may provide financial assistance, as described in paragraph (1), to a student enrolled in an advanced education program beyond the baccalaureate degree level if the student also is a cadet or midshipman in an advanced training program. Not more than 15 percent of the total number of scholarships awarded under this section in any year may be awarded under the test program. No scholarship may be awarded under the test program after September 30, 1999.".

(b) Authority To Enroll in Advanced Training Program.—Paragraph (3) of section 2101 of title 10, United States Code, is amended by inserting "students enrolled in an advanced education program beyond the baccalaureate degree level or to" after 'instruction offered in the Senior Reserve Officers' Training Corps to".

(c) Report to Congress.—Not later than December 31, 1998, the Secretary of Defense shall submit to Congress a report on the experience to that date under the test program authorized under the amendment made by subsection (a)(2). The report shall include the Secretary's assessment of the effect of the test program on the Senior ROTC program and the Secretary's recommendation as to whether the authority under the test program should be made permanent.

SEC. 554. DEMONSTRATION PROJECT FOR INSTRUCTION AND SUPPORT OF ARMY ROTC UNITS BY MEMBERS OF THE ARMY RESERVE AND NATIONAL GUARD.

(a) Demonstration Project Required.—The Secretary of the Army shall carry out a demonstration project in order to assess the feasibility and advisability of providing instruction and similar support to units of the Senior Reserve Officers Training Corps of the Army through members of the Army Reserve (including members of the Individual Ready Reserve) and members of the Army National Guard.

(b) Project Requirements.—(1) The Secretary shall carry out the demonstration project at at least one institution of higher education.

(2) In order to enhance the value of the project, the Secretary may take actions to ensure that members of the Army Reserve and the Army National Guard provide instruction and support under the project in a variety of innovative ways.

(c) Inapplicability of Limitation on Reserves in Support of ROTC.—The assignment of a member of the Army Reserve or the Army National Guard to provide instruction or support under the demonstration project shall not be treated as an assignment of the member to duty with a unit of a Reserve Officer Training Corps program for purposes of section 12321 of title 10, United States Code.

(d) Reports to Congress.—Not later than February 1 in each of 1998 and 1999, the Secretary shall submit to Congress a report assessing the activities under the demonstration project during the preceding year. The report submitted in 1999 shall include the Secretary's recommendation as to the advisability of continuing or expanding the authority for the project.

(e) Termination.—The authority of the Secretary to carry out the demonstration project shall expire three years after the date of the enactment of this Act.

SEC. 555. EXTENSION OF MAXIMUM AGE FOR APPOINTMENT AS A CADET OR MIDSHIPMAN IN THE SENIOR RESERVE OFFICERS' TRAINING CORPS AND THE SERVICE ACADEMIES.

(a) Senior Reserve Officers' Training Corps.—Sections 2107(a) and 2107a(a) of title 10, United States Code, are amended—

(1) by striking out "25 years of age" and inserting in lieu thereof "27 years of age"; and

(2) by striking out "29 years of age" and inserting in lieu thereof "30 years of age".

(b) United States Military Academy.—Section 4346(a) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

(c) United States Naval Academy.—Section 6958(a)(1) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

(d) United States Air Force Academy.—Section 9346(a) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

SEC. 556. EXPANSION OF ELIGIBILITY FOR EDUCATION BENEFITS TO INCLUDE CERTAIN RESERVE OFFICERS' TRAINING CORPS (ROTC) PARTICIPANTS.

(a) Active Duty Service.—Section 3011(c) of title 38, United States Code, is amended—

(1) by striking out "or upon completion of a program of educational assistance under section 2107 of title 10" in paragraph (2); and

(2) by adding at the end the following:

"(3) An individual who after December 31, 1976, receives a commission as an officer in the Armed Forces upon completion of a program of educational assistance under section 2107 of title 10 is not eligible for educational assistance under this section if the individual enters on active duty—

"(A) before October 1, 1996; or

"(B) after September 30, 1996, and while participating in such program received more than $2,000 for each year of such participation.".

(b) Selected Reserve.—Section 3012(d) of title 38, United States Code, is amended—

(1) by striking out "or upon completion of a program of educational assistance under section 2107 of title 10" in paragraph (2); and

(2) by adding at the end the following:

"(3) An individual who after December 31, 1976, receives a commission as an officer in the Armed Forces upon completion of a program of educational assistance under section 2107 of title 10 is not eligible for educational assistance under this section if the individual enters on active duty—

"(A) before October 1, 1996; or

"(B) after September 30, 1996, and while participating in such program received more than $2,000 for each year of such participation.".

SEC. 557. COMPTROLLER GENERAL REPORT ON COST AND POLICY IMPLICATIONS OF PERMITTING UP TO FIVE PERCENT OF SERVICE ACADEMY GRADUATES TO BE ASSIGNED DIRECTLY TO RESERVE DUTY UPON GRADUATION.

(a) Report Required.—The Comptroller General of the United States shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report providing an analysis of the cost implications, and the policy implications, of permitting up to 5 percent of each graduating class of each of the service academies to be placed, upon graduation and commissioning, in an active status in the appropriate reserve component (without a minimum period of obligated active duty service), with a corresponding increase in the number of ROTC graduates each year who are permitted to serve on active duty upon commissioning.

(b) Information on Current Academy Graduates in Reserve Components.—The Comptroller General shall include in the report information (shown in the aggregate and separately for each of the Armed Forces and for graduates of each service academy) on—

(1) the number of academy graduates who at the time of the report are serving in an active status in a reserve component; and

(2) within the number under paragraph (1), the number for each reserve component and, of those, the number within each reserve component who are on active duty under section 12301(d) of title 10, United States Code, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components.

(c) Submission of Report.—The report shall be submitted not later than six months after the date of the enactment of this Act.

(d) Service Academies.—For purposes of this section, the term "service academies" means—

(1) the United States Military Academy;

(2) the United States Naval Academy; and

(3) the United States Air Force Academy.

Subtitle G—Decorations and Awards

SEC. 561. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO CERTAIN AFRICAN AMERICAN SOLDIERS WHO SERVED DURING WORLD WAR II.

(a) Inapplicability of Time Limitations.—Notwithstanding the time limitations in section 3744(b) of title 10, United States Code, or any other time limitation, the President may award the Medal of Honor to the persons specified in subsection (b), each of whom has been found by the Secretary of the Army to have distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty while serving in the United States Army during World War II.

(b) Persons Eligible To Receive the Medal of Honor.—The persons referred to in subsection (a) are the following:

(1) Vernon J. Baker, who served as a first lieutenant in the 370th Infantry Regiment, 92nd Infantry Division.

(2) Edward A. Carter, who served as a staff sergeant in the 56th Armored Infantry Battalion, Twelfth Armored Division.

(3) John R. Fox, who served as a first lieutenant in the 366th Infantry Regiment, 92nd Infantry Division.

(4) Willy F. James, Jr., who served as a private first class in 413th Infantry Regiment, 104th Infantry Division.

(5) Ruben Rivers, who served as a staff sergeant in the 761st Tank Battalion.

(6) Charles L. Thomas, who served as a first lieutenant in the 614th Tank Destroyer Battalion.

(7) George Watson, who served as a private in the 29th Quartermaster Regiment.

(c) Posthumous Award.—The Medal of Honor may be awarded under this section posthumously, as provided in section 3752 of title 10, United States Code.

(d) Prior Award.—The Medal of Honor may be awarded under this section for service for which a Distinguished-Service Cross, or other award, has been awarded.

SEC. 562. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO SPECIFIED PERSONS.

(a) Waiver of Time Limitation.—Any limitation established by law or policy for the time within which a recommendation for the award of a military decoration or award must be submitted shall not apply in the case of awards of decorations as described in subsection (b), the award of each such decoration having been determined by the Secretary of the Navy to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to awards of the Distinguished Flying Cross for service during World War II as follows:

(1) FIRST AWARD.—First award, for completion of at least 20 qualifying combat missions, to the following members and former members of the Armed Forces:

Vernard V. Aiken of Wilmington, Vermont.

Ira V. Babcock of Dothan, Georgia.

George S. Barlow of Grafton, Virginia.

Earl A. Bratton of Bodega Bay, California.

Travis C. Cork of Leesburg, Florida.

Herman C. Edwards of Johns Island, South Carolina.

Norman J. Ehr of Kiel, Wisconsin.

James M. Fitzgerald of Anchorage, Alaska.

Raymond C. Gordon of Sherborn, Massachusetts.

Paul L. Hitchcock of Raleigh, North Carolina.

Harold H. Hottle of Hillsboro, Ohio.

Samuel M. Keith of Anderson, South Carolina.

Stanley J. Ksiadz of Cheektowaga, New York.

Otis Lancaster of Wyoming, Michigan.

Robert W. Lorette of Wilton, New Hampshire.

John B. McCabe of Biglerville, Pennsylvania.

James P. Merriman of Midland, Texas.

The late Michael L. Michalak, formerly of Akron, New York.

The late Edward J. Naparkowsky, formerly of Hartford, Connecticut.

Pete G. Nicora of Warren, Ohio.

Stanley J. Orlowski of Jackson, Michigan.

Raymond A. Peischl of Allentown, Pennsylvania.

A. Jerome Pfeiffer of Racine, Wisconsin.

Duane L. Rhodes of Earp, California.

Frank V. Roach of Bloomfield, New Jersey.

Arnold V. Rosekrans of Horseheads, New York.

Joseph E. Seaman, Jr. of Bordentown, New Jersey.

Richard F. Shumaker of Hilliard, Ohio.

Luther E. Thomas of Panama City, Florida.

Merton S. Ward of South Hamilton, Massachusetts.

Simon L. Webb of Magnolia, Mississippi.

Jerry W. Webster of Leander, Texas.

(2) SECOND AWARD.—Second award, for completion of at least 40 qualifying combat missions, to the following members and former members of the Armed Forces:

Arthur C. Adair of Grants Pass, Oregon.

Robert B. Carnes of West Yarmouth, Massachusetts.

Daniel K. Connors of Hampton, New Hampshire.

Glen E. Danielson of Whittier, California.

Ralph J. Deceuster of Dover, Ohio.

Albert P. Emsley of Bothell, Washington.

Urbain J. Fournier of Houma, Louisiana.

Prescott C. Jernegan of Hemet, California.

Stephen K. Johnson of Englewood, Florida.

Warren E. Johnson of Vista, California.

Elbert J. Kimble of San Francisco, California.

George W. Knauff of Monument, Colorado.

John W. Lincoln of Rockland, Massachusetts.

Alan D. Marker of Sonoma, California.

Joseph J. Oliver of White Haven, Pennsylvania.

Shefield Phelps of Seattle, Washington.

John B. Tagliapiri of St. Helena, California.

Dewilles A.H.W. Schwartz of Watertown, South Dakota.

Ray B. Stiltner of Centralia, Washington.

(3) THIRD AWARD.—Third award, for completion of at least 60 qualifying combat missions, to the following members and former members of the Armed Forces:

Glenn Bowers of Dillsburg, Pennsylvania.

Arthur C. Casey of Irving, California.

Robert J. Larsen of Gulf Breeze, Florida.

David Mendoza of McAllen, Texas.

William A. Nickerson of Portland, Oregon.

Maurice F. Smith of Sequim, Washington.

(4) FOURTH AWARD.—Fourth award, for completion of at least 80 qualifying combat missions, to the following members and former members of the Armed Forces:

Robert Bair of Ontario, California.

Arvid L. Kretz of Santa Rosa, California.

George E. McClane of Cocoa Beach, Florida.

Orville R. Swick of Issaquah, Washington.

(5) FIFTH AWARD.—Fifth award, for completion of at least 100 qualifying combat missions, to the following members and former members of the Armed Forces:

William A. Baldwin of San Clemente, California.

George Bobb of Blackwood, New Jersey.

John R. Conrad of Hot Springs, Arkansas.

Herbert R. Hetrick of Roaring Springs, Pennsylvania.

William L. Wells of Cordele, Georgia.

(6) SIXTH AWARD.—Sixth award, for completion of at least 120 qualifying combat missions, to Richard L. Murray of Dallas, Texas.

SEC. 563. REPLACEMENT OF CERTAIN AMERICAN THEATER CAMPAIGN RIBBONS.

(a) REPLACEMENT RIBBONS.—The Secretary of the Army, pursuant to section 3751 of title 10, United States Code, may replace any World War II decoration known as the American Theater Campaign Ribbon that was awarded to a person listed in the order described in subsection (b).

(b) RIBBONS PROPERLY AWARDED.—Any person listed in the document titled "General Order Number 1", issued by the Third Auxiliary Surgical Group, APO 647, United States Army, dated February 1, 1943, shall be considered to have been properly awarded the American Theater Campaign Ribbon for service during World War II.

Subtitle H—Other Matters

SEC. 571. HATE CRIMES IN THE MILITARY.

(a) HUMAN RELATIONS TRAINING.—(1) The Secretary of Defense shall ensure that the Secretary of each military department conducts ongoing programs for human relations training for all members of the Armed Forces under the jurisdiction of the Secretary. Matters to be covered by such training include race relations, equal opportunity, opposition to gender discrimination, and sensitivity to "hate group" activity. Such training shall be provided during basic training (or other initial military training) and on a regular basis thereafter.

(2) The Secretary of Defense shall also ensure that unit commanders are aware of their responsibilities in ensuring that impermissible activity based upon discriminatory motives does not occur in units under their command.

(b) INFORMATION TO BE PROVIDED TO PROSPECTIVE RECRUITS.—The Secretary of Defense shall ensure that each individual preparing to enter an officer accession program or to execute an original enlistment agreement is provided information concerning the meaning of the oath of office or oath of enlistment for service in the Armed Forces in terms of the equal protection and civil liberties guarantees of the Constitution, and each such individual shall be informed that if supporting those guarantees is not possible personally for that individual, then that individual should decline to enter the Armed Forces.

(c) ANNUAL SURVEY.—(1) Section 451 of title 10, United States Code, is amended to read as follows:

"§451. Race relations, gender discrimination, and hate group activity: annual survey and report

"(a) ANNUAL SURVEY.—The Secretary of Defense shall carry out an annual survey to measure the state of racial, ethnic, and gender issues and discrimination among members of the armed forces serving on active duty and the extent (if any) of activity among such members that may be seen as so-called 'hate group' activity. The survey shall solicit information on the race relations and gender relations climate in the armed forces, including—

"(1) indicators of positive and negative trends of relations among all racial and ethnic groups and between the sexes;

"(2) the effectiveness of Department of Defense policies designed to improve race, ethnic, and gender relations; and

"(3) the effectiveness of current processes for complaints on and investigations into racial, ethnic, and gender discrimination.

"(b) IMPLEMENTING ENTITY.—The Secretary shall carry out each annual survey through the entity in the Department of Defense known as the Armed Forces Survey on Race/Ethnic Issues.

"(c) REPORTS TO CONGRESS.—Upon completion of each annual survey under subsection (a), the Secretary shall submit to Congress a report containing the results of the survey.".

(2) The item relating to such section in the table of sections at the beginning of chapter 22 of such title is amended to read as follows:

"451. Race relations, gender discrimination, and hate group activity: annual survey and report.".

SEC. 572. DISABILITY COVERAGE FOR MEMBERS GRANTED EXCESS LEAVE FOR EDUCATIONAL OR EMERGENCY PURPOSES.

(a) ELIGIBILITY FOR RETIREMENT.—Section 1201 of title 10, United States Code, is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) RETIREMENT.—Upon a determination by the Secretary concerned that a member described in subsection (c) is unfit to perform the duties of the member's office, grade, rank, or rating because of physical disability incurred while entitled to basic pay or while absent as described in subsection (c)(3), the Secretary may retire the member, with retired pay computed under section 1401 of this title, if the Secretary also makes the determinations with respect to the member and that disability specified in subsection (b).

"(b) REQUIRED DETERMINATIONS OF DISABILITY.—Determinations referred to in subsection (a) are determinations by the Secretary that—"; and

(2) by adding at the end the following:

"(c) ELIGIBLE MEMBERS.—This section and sections 1202 and 1203 of this title apply to the following members:

"(1) A member of a regular component of the armed forces entitled to basic pay.

"(2) Any other member of the armed forces entitled to basic pay who has been called or ordered to active duty (other than for training under section 10148(a) of this title) for a period of more than 30 days.

"(3) Any other member of the armed forces who is on active duty but is not entitled to basic pay by reason of section 502(b) of title 37 due to authorized absence (A) to participate in an educational program, or (B) for an emergency purpose, as determined by the Secretary concerned.".

(b) ELIGIBILITY FOR PLACEMENT ON TEMPORARY DISABILITY RETIREMENT LIST.—Section 1202 of title 10, United States Code, is amended by striking out "a member of a regular component" and all that follows through "more than 30 days," and inserting in lieu thereof "a member described in section 1201(c) of this title".

(c) ELIGIBILITY FOR SEPARATION.—Section 1203 of title 10, United States Code, is amended by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) SEPARATION.—Upon a determination by the Secretary concerned that a member described in section 1201(c) of this title is unfit to perform the duties of the member's office, grade, rank, or rating because of physical disability incurred while entitled to basic pay or while absent as described in section 1201(c)(3) of this title, the member may be separated from the member's armed force, with severance pay computed under section 1212 of this title, if the Secretary also makes the determinations with respect to the member and that disability specified in subsection (b).

"(b) REQUIRED DETERMINATIONS OF DISABILITY.—Determinations referred to in subsection (a) are determinations by the Secretary that—".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply with respect to physical disabilities incurred on or after such date.

SEC. 573. CLARIFICATION OF AUTHORITY OF A RESERVE JUDGE ADVOCATE TO ACT AS A MILITARY NOTARY PUBLIC WHEN NOT IN A DUTY STATUS.

Section 1044a(b) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "on active duty or performing inactive-duty training" and inserting in lieu thereof ", including reserve judge advocates when not in a duty status";

(2) in paragraph (3), by striking out "adjutants on active duty or performing inactive-duty training" and inserting in lieu thereof "adjutants, including reserve members when not in a duty status"; and

(3) in paragraph (4), by striking out "persons on active duty or performing inactive-duty training" and inserting in lieu thereof "members of the armed forces, including reserve members when not in a duty status,".

SEC. 574. PANEL ON JURISDICTION OF COURTS-MARTIAL FOR THE NATIONAL GUARD WHEN NOT IN FEDERAL SERVICE.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a panel to review the various authorities for court-martial and nonjudicial punishment jurisdiction for the National Guard not in Federal service and the use of those authorities.

(b) MEMBERSHIP.—The Secretary shall appoint the members of the panel so as to ensure representation of the following:

(1) The State Adjutants General of the National Guard.

(2) The State Attorneys General.

(3) The Joint Service Committee on Military Justice of the Department of Defense.

(c) DUTIES.—Matters reviewed by the panel shall include the following:

(1) The extent of the use of court-martial and nonjudicial punishment authority for the National Guard not in Federal service.

(2) The extent to which the authority used is—

(A) authority under title 32, United States Code; or

(B) authority under State law.

(d) REPORT.—(1) Not later than February 1, 1997, the panel shall submit a report on the panel's findings and conclusions to the Secretary of Defense.

(2) The report shall include recommended legislation for amending title 32, United States Code—

(A) to increase the uniformity in State use of courts-martial and nonjudicial punishment for the National Guard when not in Federal service; and

(B) to achieve increased comparability between the court-martial and nonjudicial punishment procedures that are applicable to the National Guard not in Federal service and the court-martial and nonjudicial punishment procedures that are applicable under the Uniform Code of Military Justice to the National Guard in Federal service.

(e) SUBMISSION OF REPORT TO CONGRESS.—Not later than March 1, 1997, the Secretary of Defense shall submit to Congress the report of the panel under subsection (d) together with the views of the Secretary regarding the report and the matters covered in the report.

SEC. 575. AUTHORITY TO EXPAND LAW ENFORCEMENT PLACEMENT PROGRAM TO INCLUDE FIREFIGHTERS.

Section 1152(g) of title 10, United States Code, is amended—

(1) by striking out "(g) CONDITIONAL EXPANSION OF PLACEMENT TO INCLUDE FIREFIGHTERS.—(1) Subject to paragraph (2), the" and inserting in lieu thereof "(g) AUTHORITY TO EXPAND PLACEMENT TO INCLUDE FIREFIGHTERS.—The"; and

(2) in paragraph (2)—

(A) by striking out the first sentence; and

(B) in the second sentence, by inserting "authorized by this subsection" after "expansion".

SEC. 576. IMPROVEMENTS TO PROGRAM TO ASSIST SEPARATED MILITARY AND CIVILIAN PERSONNEL TO OBTAIN EMPLOYMENT AS TEACHERS OR TEACHERS' AIDES.

(a) PROGRAM FOR SEPARATED MEMBERS.—(1) Section 1151 of title 10, United States Code, is amended—

(A) in subsection (f)(2), by striking out "five school years" in subparagraphs (A) and (B) and inserting in lieu thereof "two school years"; and

(B) in subsection (h)(3)(A), by striking out "five consecutive school years" and inserting in lieu thereof "two consecutive school years".

(2) Subsection (g)(2) of such section is amended—

(A) by striking out the comma after "section 1174a of this title" and inserting in lieu thereof "or"; and

(B) by striking out ", or retires pursuant to the authority provided in section 4403 of the National Defense Authorization Act for fiscal year 1993 (Public Law 102–484; 10 U.S.C. 1293 note)".

(3) Subsection (h)(3)(B) of such section is amended—

(A) in clause (i), by striking out "$25,000" and inserting in lieu thereof "$17,000";

(B) in clause (ii)—

(i) by striking out "40 percent" and inserting in lieu thereof "25 percent"; and

(ii) by striking out "$10,000" and inserting in lieu thereof "$8,000"; and

(C) by striking out clauses (iii), (iv), and (v).

(b) SEPARATED CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.—Section 1598(d)(2) of such title is amended by striking out "five school years" in subparagraphs (A) and (B) and inserting in lieu thereof "two school years".

(c) DISPLACED DEPARTMENT OF DEFENSE CONTRACTOR EMPLOYEES.—Section 2410j(f)(2) of such title is amended by striking out "five school years" in subparagraphs (A) and (B) and inserting in lieu thereof "two school years".

(d) SAVINGS PROVISION.—The amendments made by this section do not affect obligations under agreements entered into in accordance with section 1151, 1598, or 2410j of title 10, United States Code, before the date of the enactment of this Act.

SEC. 577. RETIREMENT AT GRADE TO WHICH SELECTED FOR PROMOTION WHEN A PHYSICAL DISABILITY IS FOUND AT ANY PHYSICAL EXAMINATION.

Section 1372 of title 10, United States Code, is amended by striking out "his physical examination for promotion" in paragraphs (3) and (4) and inserting in lieu thereof "a physical examination".

SEC. 578. REVISIONS TO MISSING PERSONS AUTHORITIES.

(a) REPEAL OF APPLICABILITY OF AUTHORITIES TO DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES AND CONTRACTOR EMPLOYEES.—(1) Section 1501 of title 10, United States Code, is amended—

(A) in subsection (c)—

(i) by striking out "applies in the case of" and all that follows through "(1) Any member" and inserting in lieu thereof "applies in the case of any member"; and

(ii) by striking out paragraph (2); and

(B) by striking out subsection (f).

(2) Section 1503(c) of such title is amended—

(A) in paragraph (1), by striking out "one individual described in paragraph (2)" and inserting in lieu thereof "one military officer";

(B) by striking out paragraph (2); and

(C) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(3) Section 1504(d) of such title is amended—

(A) by striking out the text of paragraph (1) and inserting in lieu thereof the following new text: "A board appointed under this section shall be composed of at least three members who are officers having the grade of major or lieutenant commander or above."; and

(B) in paragraph (4), by striking out "section 1503(c)(4)" and inserting in lieu thereof "section 1503(c)(3)".

(4) Paragraph (1) of section 1513 of such title is amended to read as follows:

"(1) The term 'missing person' means a member of the armed forces on active duty who is in a missing status.".

(b) REPORT ON PRELIMINARY ASSESSMENT OF STATUS.—(1) Section 1502 of such title is amended—

(A) in subsection (a)(2)—

(i) by striking out "48 hours" and inserting in lieu thereof "10 days"; and

(ii) by striking out "theater component commander with jurisdiction over the missing person" and inserting in lieu thereof "Secretary concerned";

(B) by striking out subsection (b);

(C) by redesignating subsection (c) as subsection (b); and

(D) in subsection (b), as so redesignated, by striking out the second sentence.

(2) Section 1503(a) of such title is amended by striking out "section 1502(b)" and inserting in lieu thereof "section 1502(a)".

(3) Section 1513 of such title is amended by striking out paragraph (8).

(c) FREQUENCY OF SUBSEQUENT REVIEWS.—Subsection (b) of section 1505 of such title is amended to read as follows:

"(b) FREQUENCY OF SUBSEQUENT REVIEWS.—The Secretary concerned shall conduct inquiries into the whereabouts and status of a person under subsection (a) upon receipt of information that may result in a change of status of the person. The Secretary concerned shall appoint a board to conduct such inquiries.".

(d) REPEAL OF STATUTORY PENALTIES FOR WRONGFUL WITHHOLDING OF INFORMATION.—Section 1506 of such title is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(e) INFORMATION TO ACCOMPANY RECOMMENDATION OF STATUS OF DEATH.—Section 1507(b) of such title is amended by striking out paragraphs (3) and (4).

(f) SCOPE OF PREENACTMENT REVIEW.—(1) Section 1509 of such title is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(2)(A) The heading of such section is amended by striking out "**, special interest**".

(B) The item relating to such section in the table of sections at the beginning of chapter 76 of such title is amended by striking out ", special interest".

Subtitle I—Commissioned Corps of the Public Health Service

SEC. 581. APPLICABILITY TO PUBLIC HEALTH SERVICE OF PROHIBITION ON CREDITING CADET OR MIDSHIPMEN SERVICE AT THE SERVICE ACADEMIES.

(a) PROHIBITION ON COUNTING ENLISTED SERVICE PERFORMED WHILE AT SERVICE ACADEMY.—Subsection (a) of section 971 of title 10, United States Code, is amended by inserting before the period at the end the following: "or an officer in the Commissioned Corps of the Public Health Service".

(b) PROHIBITION ON COUNTING SERVICE AS A CADET OR MIDSHIPMAN.—Subsection (b) of such section is amended to read as follows:

"(b) PROHIBITION ON COUNTING SERVICE AS A CADET OR MIDSHIPMAN.—In computing length of service for any purpose, service as a cadet or midshipman may not be credited to any of the following officers:

"(1) An officer of the Navy or Marine Corps.

"(2) A commissioned officer of the Army or Air Force.

"(3) An officer of the Coast Guard.

"(4) An officer in the commissioned corps of the Public Health Service.".

(c) TECHNICAL AMENDMENTS.—(1) Such section is further amended by adding at the end the following new subsection:

"(c) SERVICE AS A CADET OR MIDSHIPMAN DEFINED.—In this section, the term 'service as a cadet or midshipman' means—

"(1) service as a cadet at the United States Military Academy, United States Air Force Academy, or United States Coast Guard Academy; or

"(2) service as a midshipman at the United States Naval Academy.".

(2) Subsection (a) of such section is further amended—

(A) by inserting "PROHIBITION ON COUNTING ENLISTED SERVICE PERFORMED WHILE AT SERVICE ACADEMY OR IN NAVAL RESERVE.—" after "(a)"; and

(B) by striking out "while also serving" and all that follows through "Naval Academy or" and inserting in lieu thereof "while also performing service as a cadet or midshipman or serving as a midshipman".

(3) The heading of such section, and the item relating to such section in the table of sections at the beginning of chapter 49 of such title, are amended by striking out the seventh word.

SEC. 582. EXCEPTION TO STRENGTH LIMITATIONS FOR PUBLIC HEALTH SERVICE OFFICERS ASSIGNED TO THE DEPARTMENT OF DEFENSE.

Section 206 of the Public Health Service Act (42 U.S.C. 207) is amended by adding at the end the following new subsection:

"(f) In computing the maximum number of commissioned officers of the Public Health Service authorized by law or administrative determination to serve on active duty, there may be excluded from such computation officers who are assigned to duty in the Department of Defense.".

SEC. 583. AUTHORITY TO PROVIDE LEGAL ASSISTANCE TO PUBLIC HEALTH SERVICE OFFICERS.

(a) LEGAL ASSISTANCE AVAILABLE.—Subsection (a) of section 1044 of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) Officers of the commissioned corps of the Public Health Service who are on active duty or entitled to retired or equivalent pay.

"(4) Dependents of members and former members described in paragraphs (1), (2), and (3).".

(b) LIMITATION ON ASSISTANCE.—Subsection (c) of such section is amended—

(1) by striking out "armed forces" and inserting in lieu thereof "uniformed services described in subsection (a)"; and

(2) by inserting "such" after "dependent of".

(c) CLARIFYING AMENDMENTS.—Subsection (a) of such section is further amended by striking out "under his jurisdiction" in paragraphs (1) and (2).

(d) STYLISTIC AMENDMENTS.—Subsection (a) of such section is further amended—

(1) in the matter preceding paragraph (1), by striking out "to—" and inserting in lieu thereof "to the following persons:";

(2) by capitalizing the first letter of the first word of paragraphs (1) and (2);

(3) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period; and

(4) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1997.
Sec. 602. Adjustment of rate of cadet and midshipman pay.
Sec. 603. Pay of senior noncommissioned officers while hospitalized.
Sec. 604. Availability of basic allowance for quarters for certain members without dependents who serve on sea duty.
Sec. 605. Uniform applicability of discretion to deny an election not to occupy Government quarters.
Sec. 606. Establishment of minimum monthly amount of variable housing allowance for high housing cost areas.
Sec. 607. Family separation allowance for members separated by military orders from spouses who are members.
Sec. 608. Waiver of time limitations for claim for pay and allowances.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. One-year extension of certain bonuses and special pay authorities for reserve forces.
Sec. 612. One-year extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. One-year extension of authorities relating to payment of other bonuses and special pays.
Sec. 614. Special pay for certain Public Health Service officers.
Sec. 615. Special incentives to recruit and retain dental officers.
Sec. 616. Foreign language proficiency pay for Public Health Service and National Oceanic and Atmospheric Administration officers.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Allowance in connection with shipping motor vehicle at Government expense.
Sec. 622. Dislocation allowance at a rate equal to two and one-half months basic allowance for quarters.
Sec. 623. Allowance for travel performed in connection with leave between consecutive overseas tours.
Sec. 624. Funding for transportation of household effects of Public Health Service officers.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 631. Effective date for military retiree cost-of-living adjustment for fiscal year 1998.
Sec. 632. Clarification of initial computation of retiree COLAs after retirement.
Sec. 633. Suspension of payment of retired pay of members who are absent from the United States to avoid prosecution.
Sec. 634. Nonsubstantive restatement of Survivor Benefit Plan statute.
Sec. 635. Increases in Survivor Benefit Plan contributions to be effective concurrently with payment of retired pay cost-of-living increases.
Sec. 636. Amendments to the Uniformed Services Former Spouses' Protection Act.
Sec. 637. Prevention of circumvention of court order by waiver of retired pay to enhance civil service retirement annuity.
Sec. 638. Administration of benefits for so-called minimum income widows.

Subtitle E—Other Matters

Sec. 651. Discretionary allotment of pay, including retired or retainer pay.
Sec. 652. Reimbursement for adoption expenses incurred in adoptions through private placements.
Sec. 653. Waiver of recoupment of amounts withheld for tax purposes from certain separation pay.
Sec. 654. Technical correction clarifying limitation on furnishing clothing or allowances for enlisted National Guard technicians.

Sec. 655. Technical correction to prior authority for payment of back pay to certain persons.
Sec. 656. Compensation for persons awarded prisoner of war medal who did not previously receive compensation as a prisoner of war.
Sec. 657. Payments to certain persons captured and interned by North Vietnam.

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1997.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1997 shall not be made.

(b) INCREASE IN BASIC PAY AND BAS.—Effective on January 1, 1997, the rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 3.0 percent.

(c) INCREASE IN BAQ.—Effective on January 1, 1997, the rates of basic allowance for quarters of members of the uniformed services are increased by 4.6 percent.

SEC. 602. ADJUSTMENT OF RATE OF CADET AND MIDSHIPMAN PAY.

Section 203(c) of title 37, United States Code, is amended—

(1) by striking out paragraph (2); and

(2) in paragraph (1), by striking out "(1)".

SEC. 603. PAY OF SENIOR NONCOMMISSIONED OFFICERS WHILE HOSPITALIZED.

(a) PAY DURING HOSPITALIZATION.—Section 210 of title 37, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) A noncommissioned officer of an armed force who is hospitalized and who, during or immediately before such hospitalization, completed service as the senior enlisted member of that armed force, shall continue to be entitled, for not more than 180 days while so hospitalized, to the rate of basic pay authorized for the senior enlisted member of that armed force.".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 210. Pay of senior enlisted members during terminal leave and while hospitalized".

(2) The item relating to such section in the table of sections at the beginning of chapter 3 of title 37, United States Code, is amended to read as follows:

"210. Pay of senior enlisted members during terminal leave and while hospitalized.".

SEC. 604. AVAILABILITY OF BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN MEMBERS WITHOUT DEPENDENTS WHO SERVE ON SEA DUTY.

(a) ENTITLEMENT OF SINGLE MEMBERS ABOVE GRADE E–5.—Section 403(c)(2) of title 37, United States Code, is amended—

(1) by striking out "A member" in the first sentence and inserting in lieu thereof "(A) Except as provided in subparagraphs (B) and (C), a member"; and

(2) by striking out the second sentence.

(b) ENTITLEMENT OF CERTAIN SINGLE MEMBERS IN GRADE E–5.—Such section is further amended by adding at the end the following new subparagraph:

"(B) Under regulations prescribed by the Secretary concerned, the Secretary may authorize the payment of a basic allowance for quarters to a member of a uniformed service without dependents who is serving in pay grade E–5 and is assigned to sea duty. In prescribing regulations under this subparagraph, the Secretary concerned shall consider the availability of quarters for members serving in pay grade E–5.".

(c) ENTITLEMENT WHEN BOTH SPOUSES IN GRADES BELOW GRADE E–6 ARE ASSIGNED TO SEA DUTY.—Such section is further amended by inserting after subparagraph (B), as added by subsection (b), the following new subparagraph:

"(C) Notwithstanding section 421 of this title, two members of the uniformed services in a pay grade below pay grade E–6 who are married to each other, have no other dependents, and are simultaneously assigned to sea duty are jointly entitled to one basic allowance for quarters during the period of such simultaneous sea duty. The amount of the allowance shall be based on the without dependents rate for the pay grade of the senior member of the couple. However, this subparagraph shall not apply to a couple if one or both of the members are entitled to a basic allowance for quarters under subparagraph (B).".

(d) CONFORMING AMENDMENT REGARDING VARIABLE HOUSING ALLOWANCE.—Section 403a(b)(2)(C) of title 37, United States Code, is amended by striking out "E–6" and inserting in lieu thereof "E–4".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on July 1, 1997.

SEC. 605. UNIFORM APPLICABILITY OF DISCRETION TO DENY AN ELECTION NOT TO OCCUPY GOVERNMENT QUARTERS.

Section 403(b)(3) of title 37, United States Code, is amended by striking out "A member" and inserting in lieu thereof "Subject to the provisions of subsection (j), a member".

SEC. 606. ESTABLISHMENT OF MINIMUM MONTHLY AMOUNT OF VARIABLE HOUSING ALLOWANCE FOR HIGH HOUSING COST AREAS.

(a) MINIMUM MONTHLY AMOUNT OF ALLOWANCE.—Subsection (c) of section 403a of title 37, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) The monthly amount of a variable housing allowance under this section for a member of a uniformed service with respect to an area is equal to the greater of the following amounts:

"(A) An amount equal to the difference between—

"(i) the median monthly cost of housing in that area for members of the uniformed services serving in the same pay grade and with the same dependency status as that member; and

"(ii) 80 percent of the median monthly cost of housing in the United States for members of the uniformed services serving in the same pay grade and with the same dependency status as that member.

"(B) An amount equal to the difference between—

"(i) the adequate housing allowance floor determined by the Secretary of Defense for all members of the uniformed services in that area entitled to a variable housing allowance under this section; and

"(ii) the monthly basic allowance for quarters for members of the uniformed services serving in the same pay grade and with the same dependency status as that member.".

(b) ADEQUATE HOUSING ALLOWANCE FLOOR.—Such subsection is further amended by adding at the end the following new paragraph:

"(7)(A) For purposes of paragraph (1)(B)(i), the Secretary of Defense shall establish an adequate housing allowance floor for members of the uniformed services in an area as a selected percentage, not to exceed 85 percent, of the cost of adequate housing in that area based on an index of housing costs selected by the Secretary of Defense from among the following:

"(i) The fair market rentals established annually by the Secretary of Housing and Urban Development under section 8(c)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(1)).

"(ii) An index developed in the private sector that the Secretary of Defense determines is comparable to the fair market rentals referred to in clause (i) and is appropriate for use to determine the adequate housing allowance floor.

"(B) The Secretary of Defense shall carry out this paragraph in consultation with the Secretary of Transportation, the Secretary of Commerce, and the Secretary of Health and Human Services.".

(c) EFFECT ON TOTAL AMOUNT AVAILABLE FOR ALLOWANCE.—Subsection (d)(3) of such section is amended in the second sentence by striking out "the second sentence of subsection (c)(3)" and inserting in lieu thereof "paragraph (1)(B) of subsection (c) and the second sentence of paragraph (3) of that subsection".

(d) CONFORMING AMENDMENTS.—Subsection (c) of such section is further amended—

(1) in paragraph (3), by striking out "this subsection" in the first sentence and inserting lieu thereof "paragraph (1)(A) or the minimum amount of a variable housing allowance under paragraph (1)(B)"; and

(2) in paragraph (5), by inserting "or minimum amount of a variable housing allowance" after "costs of housing".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997, except that the Secretary of Defense may delay implementation of the requirements imposed by the amendments to such later date as the Secretary considers appropriate upon publication of notice to that effect in the Federal Register.

SEC. 607. FAMILY SEPARATION ALLOWANCE FOR MEMBERS SEPARATED BY MILITARY ORDERS FROM SPOUSES WHO ARE MEMBERS.

(a) ADDITIONAL BASIS FOR ALLOWANCE.—Paragraph (1) of section 427(b) of title 37, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new subparagraph:

"(D) the member is married to a member of a uniformed service, the member has no dependent other than the spouse, the two members are separated by reason of the execution of military orders, and the two members were residing together immediately before being separated by reason of execution of military orders.".

(b) CONFORMING AMENDMENT.—Such section is further amended by adding at the end the following new paragraph:

"(5) Section 421 of this title does not apply to bar an entitlement to an allowance under paragraph (1)(D). However, not more than one monthly allowance may be paid with respect to a married couple under paragraph (1)(D) for any month.".

SEC. 608. WAIVER OF TIME LIMITATIONS FOR CLAIM FOR PAY AND ALLOWANCES.

Section 3702 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) Upon the request of the Secretary concerned (as defined in section 101 of title 37), the Comptroller General may waive the time limitations set forth in subsection (b) or (c) in the case of a claim for pay or allowances provided under title 37 and, subject to paragraph (2), settle the claim.

"(2) Payment of a claim settled under paragraph (1) shall be subject to the availability of appropriations for payment of that particular claim.

"(3) This subsection does not apply to a claim in excess of $25,000.".

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) Special Pay for Critically Short Wartime Health Specialists.—Section 302g(f) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(b) Selected Reserve Reenlistment Bonus.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) Selected Reserve Enlistment Bonus.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(d) Special Pay for Enlisted Members Assigned to Certain High Priority Units.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(e) Selected Reserve Affiliation Bonus.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(f) Ready Reserve Enlistment and Reenlistment Bonus.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(g) Prior Service Enlistment Bonus.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) Nurse Officer Candidate Accession Program.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(b) Accession Bonus for Registered Nurses.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) Incentive Special Pay for Nurse Anesthetists.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

SEC. 613. ONE-YEAR EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) Aviation Officer Retention Bonus.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998,".

(b) Reenlistment Bonus for Active Members.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) Enlistment Bonuses for Critical Skills.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(d) Special Pay for Nuclear Qualified Officers Extending Period of Active Service.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(e) Nuclear Career Accession Bonus.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(f) Nuclear Career Annual Incentive Bonus.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1997" and inserting in lieu thereof "October 1, 1998".

(g) Repayment of Education Loans for Certain Health Professionals Who Serve in the Selected Reserve.—Section 16302(d) of title 10, United States Code, is amended by striking out "October 1, 1997" and inserting in lieu thereof "October 1, 1998".

SEC. 614. SPECIAL PAY FOR CERTAIN PUBLIC HEALTH SERVICE OFFICERS.

(a) Optometrists.—Section 302a(b) of title 37, United States Code, is amended—

(1) in paragraph (2)—

(A) by striking out "an armed force" in the matter preceding subparagraph (A) and inserting in lieu thereof "a uniformed service"; and

(B) by striking out "of the military department" in subparagraph (C); and

(2) in paragraph (4), by striking out "of the military department".

(b) Nonphysician Health Care Providers.—Section 302c(d) of title 37, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking out "Secretary of Defense" and inserting in lieu thereof "Secretary concerned"; and

(2) in paragraph (1)—

(A) by striking out "or" the third place it appears; and

(B) by inserting before the period at the end the following: ", or an officer in the Regular or Reserve Corps of the Public Health Service".

SEC. 615. SPECIAL INCENTIVES TO RECRUIT AND RETAIN DENTAL OFFICERS.

(a) Variable, Additional, and Board Certified Special Pays for Active Duty Dental Officers.—Section 302b(a) of title 37, United States Code is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking out "$1,200" and inserting in lieu thereof "$3,000";

(B) in subparagraph (B), by striking out "$2,000" and inserting in lieu thereof "$7,000"; and

(C) in subparagraph (C), by striking out "$4,000" and inserting in lieu thereof "$7,000";

(2) in paragraph (4), by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

"(A) $4,000 per year, if the officer has less than three years of creditable service.

"(B) $6,000 per year, if the officer has at least three but less than 14 years of creditable service.

"(C) $8,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(D) $10,000 per year, if the officer has at least 18 or more years of creditable service."; and

(3) in paragraph (5), by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

"(A) $2,500 per year, if the officer has less than 10 years of creditable service.

"(B) $3,500 per year, if the officer has at least 10 but less than 12 years of creditable service.

"(C) $4,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(D) $5,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(E) $6,000 per year, if the officer has 18 or more years of creditable service.".

(b) Reserve Dental Officers Special Pay.—Section 302b of title 37, United States Code, is amended by adding at the end the following new subsection:

"(h) Reserve Dental Officers Special Pay.—(1) A reserve dental officer described in paragraph (2) is entitled to special pay at the rate of $350 a month for each month of active duty, including active duty in the form of annual training, active duty for training, and active duty for special work.

"(2) A reserve dental officer referred to in paragraph (1) is a reserve officer who—

"(A) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer; and

"(B) is on active duty under a call or order to active duty for a period of less than one year.".

(c) Accession Bonus for Dental School Graduates Who Enter the Armed Forces.—(1) Chapter 5 of title 37, United States Code, is amended by inserting after section 302g the following new section:

"§ 302h. Special pay: accession bonus for dental officers

"(a) Accession Bonus Authorized.—(1) A person who is a graduate of an accredited dental school and who, during the period beginning on the date of the enactment of this section, and ending on September 30, 2002, executes a written agreement described in subsection (c) to accept a commission as an officer of the armed forces and remain on active duty for a period of not less than four years may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(2) The amount of an accession bonus under paragraph (1) may not exceed $30,000.

"(b) Limitation on Eligibility for Bonus.—A person may not be paid a bonus under subsection (a) if—

"(1) the person, in exchange for an agreement to accept an appointment as an officer, received financial assistance from the Department of Defense to pursue a course of study in dentistry; or

"(2) the Secretary concerned determines that the person is not qualified to become and remain certified and licensed as a dentist.

"(c) Agreement.—The agreement referred to in subsection (a) shall provide that, consistent with the needs of the armed service concerned, the person executing the agreement will be assigned to duty, for the period of obligated service covered by the agreement, as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

"(d) Repayment.—(1) An officer who receives a payment under subsection (a) and who fails to become and remain certified or licensed as a dentist during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

"(2) An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under subsection (a) shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

"(3) An obligation to reimburse the United States imposed under paragraph (1) or (2) is for all purposes a debt owed to the United States.

"(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or this subsection. This paragraph applies to any case commenced under title 11 after the date of the enactment of this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302g the following new item:

"302h. Special pay: accession bonus for dental officers.".

(3) Section 303a of title 37, United States Code, is amended by striking out "302g" each place it appears and inserting in lieu thereof "302h".

(d) Report on Additional Activities to Increase Recruitment of Dentists.—Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report describing the feasibility of increasing the number of persons enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance program who are pursuing a course of study in dentistry in anticipation of service as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

(e) Stylistic Amendments.—Section 302b of title 37, United States Code, is amended—

(1) in subsection (a), by inserting "Variable, Additional, and Board Certification Special Pay.—" after "(a)";

(2) in subsection (b), by inserting "Active-Duty Agreement.—" after "(b)";

(3) in subsection (c), by inserting "Regulations.—" after "(c)";

(4) in subsection (d), by inserting "Frequency of Payments.—" after "(d)";

(5) in subsection (e), by inserting "Refund for Period of Unserved Obligated Service.—" after "(e)";

(6) in subsection (f), by inserting "Effect of Discharge in Bankruptcy.—" after "(f)"; and

(7) in subsection (g), by inserting "Determination of Creditable Service.—" after "(g)".

SEC. 616. FOREIGN LANGUAGE PROFICIENCY PAY FOR PUBLIC HEALTH SERVICE AND NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OFFICERS.

(a) Eligibility.—Subsection (a) of section 316 of title 37, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking out "armed forces" and inserting in lieu thereof "uniformed services";

(2) in paragraph (2)—

(A) by striking out "Secretary of Defense" and inserting in lieu thereof "Secretary concerned"; and

(B) by inserting "or public health" after "national defense"; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking out "military" and inserting in lieu thereof "uniformed services";

(B) in subparagraph (C), by striking out "military"; and

(C) in subparagraph (D)—

(i) by striking out "Department of Defense" and inserting in lieu thereof "uniformed service"; and

(ii) by striking out "Secretary of Defense" and inserting in lieu thereof "Secretary concerned".

(b) Administration.—Subsection (d) of such section is amended—

(1) by striking out "his jurisdiction and" and inserting in lieu thereof "the jurisdiction of the Secretary,"; and

(2) by inserting before the period at the end the following: ", by the Secretary of Health and Human Services for the Commissioned Corps of the Public Health Service, and by the Secretary of Commerce for the National Oceanic and Atmospheric Administration".

(c) Effective Date.—The amendments made by this section shall take effect on October 1, 1996, and apply with respect to months beginning on or after such date.

Subtitle C—Travel and Transportation Allowances

SEC. 621. ALLOWANCE IN CONNECTION WITH SHIPPING MOTOR VEHICLE AT GOVERNMENT EXPENSE.

(a) Allowance Authorized.—Section 406(b)(1)(B) of title 37, United States Code, is amended by adding at the end the following: "If clause (i)(I) applies to the transportation by the member of a motor vehicle from the old duty station, the monetary allowance under this subparagraph shall also cover return travel to the old duty station by the member or other person transporting the vehicle. In the case of transportation described in clause (ii), the monetary allowance shall also cover travel from the new duty station to the port of debarkation to pick up the vehicle.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on January 1, 1997.

SEC. 622. DISLOCATION ALLOWANCE AT A RATE EQUAL TO TWO AND ONE-HALF MONTHS BASIC ALLOWANCE FOR QUARTERS.

(a) Allowance Authorized.—Section 407(a) of title 37, United States Code, is amended in the matter preceding paragraph (1) by striking out "two months" and inserting in lieu thereof "two and one-half months".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on January 1, 1997.

SEC. 623. ALLOWANCE FOR TRAVEL PERFORMED IN CONNECTION WITH LEAVE BETWEEN CONSECUTIVE OVERSEAS TOURS.

(a) Authority for Additional Deferral of Travel.—Section 411b(a)(2) of title 37, United States Code, is amended by adding at the end the following: "If the member is unable to undertake the travel before the end of such one-year period as a result of duty in connection with a contingency operation, the member may defer the travel for one additional year beginning on the date the duty of the member in connection with the contingency operation ends.".

(b) Effective Date.—The amendment made by subsection (a) shall take effect as of November 1, 1995.

SEC. 624. FUNDING FOR TRANSPORTATION OF HOUSEHOLD EFFECTS OF PUBLIC HEALTH SERVICE OFFICERS.

Section 406(j) of title 37, United States Code, is amended—

(1) in the first sentence of paragraph (1)—

(A) by striking out "Appropriations available" and all that follows through "to a member" and inserting in lieu thereof "The Secretary concerned may pay a monetary allowance to a member of the armed forces or a member of the Commissioned Corps of the Public Health Service"; and

(B) by striking out "of the military department"; and

(2) by adding at the end the following new paragraph:

"(3) Appropriations available to the Department of Defense for providing transportation of household effects of members of the armed forces under subsection (b) shall be available to pay the monetary allowance authorized under paragraph (1) to such members. Appropriations available to the Department of Health and Human Services for providing transportation of household effects of members of the Commissioned Corps of the Public Health Service under subsection (b) shall be available to pay the monetary allowance authorized under paragraph (1) to such members.".

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

SEC. 631. EFFECTIVE DATE FOR MILITARY RETIREE COST-OF-LIVING ADJUSTMENT FOR FISCAL YEAR 1998.

(a) Repeal of Adjustment of Effective Date for Fiscal Year 1998.—Section 1401a(b)(2)(B) of title 10, United States Code, is amended—

(1) by striking out "(B) Special rules" and all that follows through "In the case of" in clause (i) and inserting in lieu thereof "(B) Special rule for fiscal year 1996.—In the case of"; and

(2) by striking out clause (ii).

(b) Repeal of Contingent Alternative Date for Fiscal Year 1998.—Section 631 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 364) is amended by striking out subsection (b).

SEC. 632. CLARIFICATION OF INITIAL COMPUTATION OF RETIREE COLAS AFTER RETIREMENT.

(a) In General.—Section 1401a of title 10, United States Code, is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following new subsections:

"(c) First COLA Adjustment for Members With Retired Pay Computed Using Final Basic Pay.—

"(1) First adjustment with intervening increase in basic pay.—Notwithstanding subsection (b), if a person described in paragraph (3) becomes entitled to retired pay based on rates of monthly basic pay that became effective after the last day of the calendar quarter of the base index, the retired pay of the member or former member shall be increased on the effective date of the next adjustment of retired pay under subsection (b) only by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

"(A) the price index for the base quarter of that year, exceeds

"(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

"(2) First adjustment with no intervening increase in basic pay.—If a person described in paragraph (3) becomes entitled to retired pay on or after the effective date of an adjustment in retired pay under subsection (b) but before the effective date of the next increase in the rates of monthly basic pay, the retired pay of the member or former member shall be increased, effective on the date the member becomes entitled to that pay, by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

"(A) the base index, exceeds

"(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

"(3) MEMBERS COVERED.—Paragraphs (1) and (2) apply to a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, and whose retired pay base is determined under section 1406 of this title.

"(d) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING HIGH-THREE.—Notwithstanding subsection (b), the retired pay of a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, and whose retired pay base is determined under section 1407 of this title shall be increased on the effective date of the first adjustment of retired pay under subsection (b) after the member or former member becomes entitled to retired pay by the percent (adjusted to the nearest one-tenth of 1 percent) equal to the difference between the percent by which—

"(1) the price index for the base quarter of that year, exceeds

"(2) the price index for the calendar quarter immediately before the calendar quarter during which the member became entitled to retired pay.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only to adjustments of retired and retainer pay effective after the date of the enactment of this Act.

SEC. 633. SUSPENSION OF PAYMENT OF RETIRED PAY OF MEMBERS WHO ARE ABSENT FROM THE UNITED STATES TO AVOID PROSECUTION.

(a) DEVELOPMENT OF PROCEDURES FOR SUSPENSION.—The Secretary of Defense shall develop uniform procedures under which the Secretary of a military department may suspend the payment of the retired pay of a member or former member of the Armed Forces during periods in which the member willfully remains outside the United States to avoid criminal prosecution or civil liability. The procedures shall address the types of criminal offenses and civil proceedings for which the procedures may be used, including the offenses specified in section 8312 of title 5, United States Code, and the manner by which a member, upon the return of the member to the United States, may obtain retired pay withheld during the member's absence.

(b) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress a report describing the procedures developed under subsection (a). The report shall include recommendations regarding changes to existing provisions of law (including section 8313 of title 5, United States Code) that the Secretary determines are necessary to fully implement the procedures.

(c) RETIRED PAY DEFINED.—For purposes of this section, the term "retired pay" means retired pay, retirement pay, retainer pay, or equivalent pay, payable under a statute to a member or former member of a uniformed service.

(d) EFFECTIVE DATE.—The uniform procedures required by subsection (a) shall be developed not later than 30 days after the date of the enactment of this Act.

SEC. 634. NONSUBSTANTIVE RESTATEMENT OF SURVIVOR BENEFIT PLAN STATUTE.

Subchapter II of chapter 73 of title 10, United States Code, is amended to read as follows:

"SUBCHAPTER II—SURVIVOR BENEFIT PLAN

"Sec.
"1447. Definitions.
"1448. Application of Plan.
"1449. Mental incompetency of member.
"1450. Payment of annuity: beneficiaries.
"1451. Amount of annuity.
"1452. Reduction in retired pay.
"1453. Recovery of amounts erroneously paid.
"1454. Correction of administrative errors.
"1455. Regulations.

"§ 1447. Definitions

"In this subchapter:

"(1) PLAN.—The term 'Plan' means the Survivor Benefit Plan established by this subchapter.

"(2) STANDARD ANNUITY.—The term 'standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(3) RESERVE-COMPONENT ANNUITY.—The term 'reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.

"(4) RETIRED PAY.—The term 'retired pay' includes retainer pay paid under section 6330 of this title.

"(5) RESERVE-COMPONENT RETIRED PAY.—The term 'reserve-component retired pay' means retired pay under chapter 1223 of this title (or under chapter 67 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act).

"(6) BASE AMOUNT.—The term 'base amount' means the following:

"(A) FULL AMOUNT UNDER STANDARD ANNUITY.—In the case of a person who dies after becoming entitled to retired pay, such term means the amount of monthly retired pay (determined without regard to any reduction under section 1409(b)(2) of this title) to which the person—

"(i) was entitled when he became eligible for that pay; or

"(ii) later became entitled by being advanced on the retired list, performing active duty, or being transferred from the temporary disability retired list to the permanent disability retired list.

"(B) FULL AMOUNT UNDER RESERVE-COMPONENT ANNUITY.—In the case of a person who would have become eligible for reserve-component retired pay but for the fact that he died before becoming 60 years of age, such term means the amount of monthly retired pay for which the person would have been eligible—

"(i) if he had been 60 years of age on the date of his death, for purposes of an annuity to become effective on the day after his death in accordance with a designation made under section 1448(e) of this title; or

"(ii) upon becoming 60 years of age (if he had lived to that age), for purposes of an annuity to become effective on the 60th anniversary of his birth in accordance with a designation made under section 1448(e) of this title.

"(C) REDUCED AMOUNT.—Such term means any amount less than the amount otherwise applicable under subparagraph (A) or (B) with respect to an annuity provided under the Plan but which is not less than $300 and which is designated by the person (with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title) providing the annuity on or before—

"(i) the first day for which he becomes eligible for retired pay, in the case of a person providing a standard annuity, or

"(ii) the end of the 90-day period beginning on the date on which he receives the notification required by section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, in the case of a person providing a reserve-component annuity.

"(7) WIDOW.—The term 'widow' means the surviving wife of a person who, if not married to the person at the time he became eligible for retired pay—

"(A) was married to him for at least one year immediately before his death; or

"(B) is the mother of issue by that marriage.

"(8) WIDOWER.—The term 'widower' means the surviving husband of a person who, if not married to the person at the time she became eligible for retired pay—

"(A) was married to her for at least one year immediately before her death; or

"(B) is the father of issue by that marriage.

"(9) SURVIVING SPOUSE.—The term 'surviving spouse' means a widow or widower.

"(10) FORMER SPOUSE.—The term 'former spouse' means the surviving former husband or wife of a person who is eligible to participate in the Plan.

"(11) DEPENDENT CHILD.—

"(A) IN GENERAL.—The term 'dependent child' means a person who—

"(i) is unmarried;

"(ii) is (I) under 18 years of age, (II) at least 18, but under 22, years of age and pursuing a full-time course of study or training in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution, or (III) incapable of self support because of a mental or physical incapacity existing before the person's eighteenth birthday or incurred on or after that birthday, but before the person's twenty-second birthday, while pursuing such a full-time course of study or training; and

"(iii) is the child of a person to whom the Plan applies, including (I) an adopted child, and (II) a stepchild, foster child, or recognized natural child who lived with that person in a regular parent-child relationship.

"(B) SPECIAL RULES FOR COLLEGE STUDENTS.—For the purpose of subparagraph (A), a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while regularly pursuing such a course of study or training, is considered to have become 22 years of age on the first day of July after that birthday. A child who is a student is considered not to have ceased to be a student during an interim between school years if the interim is not more than 150 days and if the child shows to the satisfaction of the Secretary of Defense that the child has a bona fide intention of continuing to pursue a course of study or training in the same or a different school during the school semester (or other period into which the school year is divided) immediately after the interim.

"(C) FOSTER CHILDREN.—A foster child, to qualify under this paragraph as the dependent child of a person to whom the Plan applies, must, at the time of the death of that person, also reside with, and receive over one-half of his support from, that person, and not be cared for under a social agency contract. The temporary absence of a foster child from the residence of that person, while a student as described in this paragraph, shall not be considered to affect the residence of such a foster child.

"(12) COURT.—The term 'court' has the meaning given that term by section 1408(a)(1) of this title.

"(13) COURT ORDER.—

"(A) IN GENERAL.—The term 'court order' means a court's final decree of divorce, dissolution, or annulment or a court ordered, ratified, or approved property settlement incident to such a decree (including a final decree modifying the terms of a previously issued decree of divorce, dissolution, annulment, or legal separation, or of a court ordered, ratified, or approved property settlement agreement incident to such previously issued decree).

"(B) FINAL DECREE.—The term 'final decree' means a decree from which no appeal may be taken or from which no appeal has been taken within the time allowed for the taking of such appeals under the laws applicable to such appeals, or a decree from which timely appeal has been taken and such appeal has been finally decided under the laws applicable to such appeals.

"(C) REGULAR ON ITS FACE.—The term 'regular on its face', when used in connection with a court order, means a court order that meets the conditions prescribed in section 1408(b)(2) of this title.

"§ 1448. Application of plan

"(a) GENERAL RULES FOR PARTICIPATION IN THE PLAN.—

"(1) NAME OF PLAN; ELIGIBLE PARTICIPANTS.—The program established by this subchapter shall be known as the Survivor Benefit Plan. The following persons are eligible to participate in the Plan:

"(A) Persons entitled to retired pay.

"(B) Persons who would be eligible for reserve-component retired pay but for the fact that they are under 60 years of age.

"(2) PARTICIPANTS IN THE PLAN.—The Plan applies to the following persons, who shall be participants in the Plan:

"(A) STANDARD ANNUITY PARTICIPANTS.—A person who is eligible to participate in the Plan under paragraph (1)(A) and who is married or has a dependent child when he becomes entitled to retired pay, unless he elects (with his spouse's concurrence, if required under paragraph (3)) not to participate in the Plan before the first day for which he is eligible for that pay.

"(B) RESERVE-COMPONENT ANNUITY PARTICIPANTS.—A person who (i) is eligible to participate in the Plan under paragraph (1)(B), (ii) is married or has a dependent child when he is notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, and (iii) elects to participate in the Plan (and makes a designation under subsection (e)) before the end of the 90-day period beginning on the date he receives such notification.

A person described in clauses (i) and (ii) of subparagraph (B) who does not elect to participate in the Plan before the end of the 90-day period referred to in that clause remains eligible, upon reaching 60 years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).

"(3) ELECTIONS.—

"(A) SPOUSAL CONSENT FOR CERTAIN ELECTIONS RESPECTING STANDARD ANNUITY.—A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) SPOUSAL CONSENT FOR CERTAIN ELECTIONS RESPECTING RESERVE-COMPONENT ANNUITY.—A married person who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) EXCEPTION WHEN SPOUSE UNAVAILABLE.—A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) CONSTRUCTION WITH FORMER SPOUSE ELECTION PROVISIONS.—This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) NOTICE TO SPOUSE OF ELECTION TO PROVIDE FORMER SPOUSE ANNUITY.—If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.

"(4) IRREVOCABILITY OF ELECTIONS.—

"(A) STANDARD ANNUITY.—An election under paragraph (2)(A) not to participate in the Plan is irrevocable if not revoked before the date on which the person first becomes entitled to retired pay.

"(B) RESERVE-COMPONENT ANNUITY.—An election under paragraph (2)(B) to participate in the Plan is irrevocable if not revoked before the end of the 90-day period referred to in that paragraph.

"(5) PARTICIPATION BY PERSON MARRYING AFTER RETIREMENT, ETC.—

"(A) ELECTION TO PARTICIPATE IN PLAN.—A person who is not married and has no dependent child upon becoming eligible to participate in the Plan but who later marries or acquires a dependent child may elect to participate in the Plan.

"(B) MANNER AND TIME OF ELECTION.—Such an election must be written, signed by the person making the election, and received by the Secretary concerned within one year after the date on which that person marries or acquires that dependent child.

"(C) LIMITATION ON REVOCATION OF ELECTION.—Such an election may not be revoked except in accordance with subsection (b)(3).

"(D) EFFECTIVE DATE OF ELECTION.—The election is effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

"(E) DESIGNATION IF RCSBP ELECTION.—In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(6) ELECTION OUT OF PLAN BY PERSON WITH SPOUSE COVERAGE WHO REMARRIES.—

"(A) GENERAL RULE.—A person—

"(i) who is a participant in the Plan and is providing coverage under the Plan for a spouse (or a spouse and child);

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect not to provide coverage under the Plan for the person's spouse.

"(B) EFFECT OF ELECTION ON RETIRED PAY.—If such an election is made, reductions in the retired pay of that person under section 1452 of this title shall not be made.

"(C) TERMS AND CONDITIONS OF ELECTION.—An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's remarriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(D) NOTICE TO SPOUSE.—If a person makes an election under this paragraph—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse,

the person's spouse shall be notified of that election.

"(E) CONSTRUCTION WITH FORMER SPOUSE ELECTION PROVISIONS.—This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).

"(b) INSURABLE INTEREST AND FORMER SPOUSE COVERAGE.—

"(1) COVERAGE FOR PERSON WITH INSURABLE INTEREST.—

"(A) GENERAL RULE.—A person who is not married and does not have a dependent child upon becoming eligible to participate in the Plan may elect to provide an annuity under the Plan to a natural person with an insurable interest in that person. In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(B) TERMINATION OF COVERAGE.—An election under subparagraph (A) for a beneficiary who is not the former spouse of the person providing the annuity may be terminated. Any such termination shall be made by a participant by the submission to the Secretary concerned of a request to discontinue participation in the Plan, and such participation in the Plan shall be discontinued effective on the first day of the first month following the month in which the request is received by the Secretary concerned. Effective on such date, the Secretary concerned shall discontinue the reduction being made in such person's retired pay on account of participation in the Plan or, in the case of a person who has been required to make deposits in the Treasury on account of participation in the Plan, such person may discontinue making such deposits effective on such date.

"(C) FORM FOR DISCONTINUATION.—A request under subparagraph (B) to discontinue participation in the Plan shall be in such form and shall contain such information as may be required under regulations prescribed by the Secretary of Defense.

"(D) WITHDRAWAL OF REQUEST FOR DISCONTINUATION.—The Secretary concerned shall furnish promptly to each person who submits a request under subparagraph (B) to discontinue participation in the Plan a written statement of the advantages and disadvantages of participating in the Plan and the possible disadvantages of discontinuing participation. A person may withdraw the request to discontinue participation if withdrawn within 30 days after having been submitted to the Secretary concerned.

"(E) CONSEQUENCES OF DISCONTINUATION.—Once participation is discontinued, benefits may not be paid in conjunction with the earlier participation in the Plan and premiums paid may not be refunded. Participation in the Plan may not later be resumed except through a qualified election under paragraph (5) of subsection (a).

"(2) FORMER SPOUSE COVERAGE UPON BECOMING A PARTICIPANT IN THE PLAN.—

"(A) GENERAL RULE.—A person who has a former spouse upon becoming eligible to participate in the Plan may elect to provide an annuity to that former spouse.

"(B) EFFECT OF FORMER SPOUSE ELECTION ON SPOUSE OR DEPENDENT CHILD.—In the case of a person with a spouse or a dependent child, such an election prevents payment of an annuity to that spouse or child (other than a child who is a beneficiary under an election under paragraph (4)), including payment under subsection (d).

"(C) DESIGNATION IF MORE THAN ONE FORMER SPOUSE.—If there is more than one former spouse, the person shall designate which former spouse is to be provided the annuity.

"(D) DESIGNATION IF RCSBP ELECTION.—In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(3) FORMER SPOUSE COVERAGE BY PERSONS ALREADY PARTICIPATING IN PLAN.—

"(A) ELECTION OF COVERAGE.—

"(i) AUTHORITY FOR ELECTION.—A person—

"(I) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child (even though there is no beneficiary currently eligible for such coverage), and

"(II) who has a former spouse who was not that person's former spouse when that person became eligible to participate in the Plan,

may (subject to subparagraph (B)) elect to provide an annuity to that former spouse.

"(ii) TERMINATION OF PREVIOUS COVERAGE.—Any such election terminates any previous coverage under the Plan.

"(iii) MANNER AND TIME OF ELECTION.—Any such election must be written, signed by the person making the election, and received by the Secretary concerned within one year after the date of the decree of divorce, dissolution, or annulment.

"(B) LIMITATION ON ELECTION.—A person may not make an election under subparagraph (A) to provide an annuity to a former spouse who that person married after becoming eligible for retired pay unless—

"(i) the person was married to that former spouse for at least one year, or

"(ii) that former spouse is the parent of issue by that marriage.

"(C) IRREVOCABILITY, EFFECTIVE DATE, ETC.—An election under this paragraph may not be revoked except in accordance with section 1450(f) of this title. Such an election is effective as of the first day of the first calendar month following the month in which it is received by the Secretary concerned. This paragraph does not provide the authority to change a designation previously made under subsection (e).

"(D) NOTICE TO SPOUSE.—If a person who is married makes an election to provide an annuity to a former spouse under this paragraph, that person's spouse shall be notified of the election.

"(4) FORMER SPOUSE AND CHILD COVERAGE.—A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.

"(5) DISCLOSURE OF WHETHER ELECTION OF FORMER SPOUSE COVERAGE IS REQUIRED.—A person who elects to provide an annuity to a former spouse under paragraph (2) or (3) shall, at the time of making the election, provide the Secretary concerned with a written statement (in a form to be prescribed by that Secretary and signed by such person and the former spouse) setting forth—

"(A) whether the election is being made pursuant to the requirements of a court order; or

"(B) whether the election is being made pursuant to a written agreement previously entered into voluntarily by such person as a part of, or incident to, a proceeding of divorce, dissolution, or annulment and (if so) whether such voluntary written agreement has been incorporated in, or ratified or approved by, a court order.

"(c) PERSONS ON TEMPORARY DISABILITY RETIRED LIST.—The application of the Plan to a person whose name is on the temporary disability retired list terminates when his name is removed from that list and he is no longer entitled to disability retired pay.

"(d) COVERAGE FOR SURVIVORS OF RETIREMENT-ELIGIBLE MEMBERS WHO DIE ON ACTIVE DUTY.—

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) DEPENDENT CHILD ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if there is no surviving spouse or if the member's surviving spouse subsequently dies.

"(3) MANDATORY FORMER SPOUSE ANNUITY.—If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) PRIORITY.—An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be provided under any other provision of this subchapter on account of service of the same member.

"(5) COMPUTATION.—The amount of an annuity under this subsection is computed under section 1451(c) of this title.

"(e) DESIGNATION FOR COMMENCEMENT OF RESERVE-COMPONENT ANNUITY.—In any case in which a person electing to participate in the Plan is required to make a designation under this subsection, the person making such election shall designate whether, in the event he dies before becoming 60 years of age, the annuity provided shall become effective on—

"(1) the day after the date of his death; or

"(2) the 60th anniversary of his birth.

"(f) COVERAGE OF SURVIVORS OF PERSONS DYING WHEN ELIGIBLE TO ELECT RESERVE-COMPONENT ANNUITY.—

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay; or

"(B) during the 90-day period beginning on the date he receives notification under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) DEPENDENT CHILD ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if there is no surviving spouse or if the person's surviving spouse subsequently dies.

"(3) MANDATORY FORMER SPOUSE ANNUITY.—If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) COMPUTATION.—The amount of an annuity under this subsection is computed under section 1451(c) of this title.

"(g) ELECTION TO INCREASE COVERAGE UPON REMARRIAGE.—

"(1) ELECTION.—A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) PAYMENT REQUIRED.—Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) AMOUNT TO BE PAID.—The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) MANNER OF MAKING ELECTION.—An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) DISPOSITION OF PAYMENTS.—A payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.

"§ 1449. Mental incompetency of member

"(a) ELECTION BY SECRETARY CONCERNED ON BEHALF OF MENTALLY INCOMPETENT MEMBER.—If a person to whom section 1448 of this title applies is determined to be mentally incompetent by medical officers of the armed force concerned or of the Department of Veterans Affairs, or by a court of competent jurisdiction, an election described in subsection (a)(2) or (b) of section 1448 of this title may be made on behalf of that person by the Secretary concerned.

"(b) REVOCATION OF ELECTION BY MEMBER.—

"(1) AUTHORITY UPON SUBSEQUENT DETERMINATION OF MENTAL COMPETENCE.—If a person for whom the Secretary has made an election under subsection (a) is later determined to be mentally competent by an authority named in that subsection, that person may, within 180 days after that determination, revoke that election.

"(2) DEDUCTIONS FROM RETIRED PAY NOT TO BE REFUNDED.—Any deduction made from retired pay by reason of such an election may not be refunded.

"§ 1450. Payment of annuity: beneficiaries

"(a) IN GENERAL.—Effective as of the first day after the death of a person to whom section 1448 of this title applies (or on such other day as that person may provide under subsection (j)), a monthly annuity under section 1451 of this title shall be paid to the person's beneficiaries under the Plan, as follows:

"(1) SURVIVING SPOUSE OR FORMER SPOUSE.—The eligible surviving spouse or the eligible former spouse.

"(2) SURVIVING CHILDREN.—The surviving dependent children in equal shares, if the eligible surviving spouse or the eligible former spouse is dead, dies, or otherwise becomes ineligible under this section.

"(3) DEPENDENT CHILDREN.—The dependent children in equal shares if the person to whom section 1448 of this title applies (with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title) elected to provide an annuity for dependent children but not for the spouse or former spouse.

"(4) NATURAL PERSON DESIGNATED UNDER 'INSURABLE INTEREST' COVERAGE.—The natural person designated under section 1448(b)(1) of this title, unless the election to provide an annuity to the natural person has been changed as provided in subsection (f).

"(b) TERMINATION OF ANNUITY FOR DEATH, REMARRIAGE BEFORE AGE 55, ETC.—

"(1) GENERAL RULE.—An annuity payable to the beneficiary terminates effective as of the first day of the month in which eligibility is lost.

"(2) TERMINATION OF SPOUSE ANNUITY UPON DEATH OR REMARRIAGE BEFORE AGE 55.—An annuity for a surviving spouse or former spouse shall be paid to the surviving spouse or former spouse while the surviving spouse or former spouse is living or, if the surviving spouse or former spouse remarries before reaching age 55, until the surviving spouse or former spouse remarries.

"(3) EFFECT OF TERMINATION OF SUBSEQUENT MARRIAGE BEFORE AGE 55.—If the surviving spouse or former spouse remarries before reaching age 55 and that marriage is terminated by death, annulment, or divorce, payment of the annuity shall be resumed effective as of the first day of the month in which the marriage is so terminated. However, if the surviving spouse or former spouse is also entitled to an annuity under the Plan based upon the marriage so terminated, the surviving spouse or former spouse may not receive both annuities but must elect which to receive.

"(c) OFFSET FOR AMOUNT OF DEPENDENCY AND INDEMNITY COMPENSATION.—

"(1) REQUIRED OFFSET.—If, upon the death of a person to whom section 1448 of this title applies, the surviving spouse or former spouse of that person is also entitled to dependency and indemnity compensation under section 1311(a) of title 38, the surviving spouse or former spouse may be paid an annuity under this section, but only in the amount that the annuity otherwise payable under this section would exceed that compensation.

"(2) EFFECTIVE DATE OF OFFSET.—A reduction in an annuity under this section required by paragraph (1) shall be effective on the date of the commencement of the period of payment of such dependency and indemnity compensation under title 38.

"(d) LIMITATION ON PAYMENT OF ANNUITIES WHEN COVERAGE UNDER CIVIL SERVICE RETIREMENT ELECTED.—If, upon the death of a person to whom section 1448 of this title applies, that person had in effect a waiver of that person's retired pay for the purposes of subchapter III of chapter 83 of title 5, an annuity under this section shall not be payable unless, in accordance with section 8339(j) of title 5, that person notified the Office of Personnel Management that he did not desire any spouse surviving him to receive an annuity under section 8341(b) of that title.

"(e) REFUND OF AMOUNTS DEDUCTED FROM RETIRED PAY WHEN DIC OFFSET IS APPLICABLE.—

"(1) FULL REFUND WHEN DIC GREATER THAN SBP ANNUITY.—If an annuity under this section is not payable because of subsection (c), any amount deducted from the retired pay of the deceased under section 1452 of this title shall be refunded to the surviving spouse or former spouse.

"(2) PARTIAL REFUND WHEN SBP ANNUITY REDUCED BY DIC.—If, because of subsection (c), the annuity payable is less than the amount established under section 1451 of this title, the annuity payable shall be recalculated under that section. The amount of the reduction in the retired pay required to provide that recalculated annuity shall be computed under section 1452 of this title, and the difference between the amount deducted before the computation of that recalculated annuity and the amount that would have been deducted on the basis of that recalculated annuity shall be refunded to the surviving spouse or former spouse.

"(f) CHANGE IN ELECTION OF INSURABLE INTEREST OR FORMER SPOUSE BENEFICIARY.—

"(1) AUTHORIZED CHANGES.—

"(A) ELECTION IN FAVOR OF SPOUSE OR CHILD.—A person who elects to provide an annuity to a person designated by him under section 1448(b) of this title may, subject to paragraph (2), change that election and provide an annuity to his spouse or dependent child.

"(B) NOTICE.—The Secretary concerned shall notify the former spouse or other natural person previously designated under section 1448(b) of this title of any change of election under subparagraph (A).

"(C) PROCEDURES, EFFECTIVE DATE, ETC.—Any such change of election is subject to the same rules with respect to execution, revocation, and effectiveness as are set forth in section 1448(a)(5) of this title (without regard to the eligibility of the person making the change of election to make such an election under that section).

"(2) LIMITATION ON CHANGE IN BENEFICIARY WHEN FORMER SPOUSE COVERAGE IN EFFECT.—A person who, incident to a proceeding of divorce, dissolution, or annulment, is required by a court order to elect under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child), or who enters into a written agreement (whether voluntary or required by a court order) to make such an election, and who makes an election pursuant to such order or agreement, may not change that election under paragraph (1) unless, of the following requirements, whichever are applicable in a particular case are satisfied:

"(A) In a case in which the election is required by a court order, or in which an agreement to make the election has been incorporated in or ratified or approved by a court order, the person—

"(i) furnishes to the Secretary concerned a certified copy of a court order which is regular on its face and which modifies the provisions of all previous court orders relating to such election, or the agreement to make such election, so as to permit the person to change the election; and

"(ii) certifies to the Secretary concerned that the court order is valid and in effect.

"(B) In a case of a written agreement that has not been incorporated in or ratified or approved by a court order, the person—

"(i) furnishes to the Secretary concerned a statement, in such form as the Secretary concerned may prescribe, signed by the former spouse and evidencing the former spouse's agreement to a change in the election under paragraph (1); and

"(ii) certifies to the Secretary concerned that the statement is current and in effect.

"(3) REQUIRED FORMER SPOUSE ELECTION TO BE DEEMED TO HAVE BEEN MADE.—

"(A) DEEMED ELECTION UPON REQUEST BY FORMER SPOUSE.—If a person described in paragraph (2) or (3) of section 1448(b) of this title is required (as described in subparagraph (B)) to elect under section 1448(b) of this title to provide an annuity to a former spouse and such person then fails or refuses to make such an election, such person shall be deemed to have made such an election if the Secretary concerned receives the following:

"(i) REQUEST FROM FORMER SPOUSE.—A written request, in such manner as the Secretary shall prescribe, from the former spouse concerned requesting that such an election be deemed to have been made.

"(ii) COPY OF COURT ORDER OR OTHER OFFICIAL STATEMENT.—Either—

"(I) a copy of the court order, regular on its face, which requires such election or incorporates, ratifies, or approves the written agreement of such person; or

"(II) a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law.

"(B) PERSONS REQUIRED TO MAKE ELECTION.—A person shall be considered for purposes of subparagraph (A) to be required to elect under section 1448(b) of this title to provide an annuity to a former spouse if—

"(i) the person enters, incident to a proceeding of divorce, dissolution, or annulment, into a written agreement to make such an election and the agreement (I) has been incorporated in or ratified or approved by a court order, or (II) has been filed with the court of appropriate jurisdiction in accordance with applicable State law; or

"(ii) the person is required by a court order to make such an election.

"(C) TIME LIMIT FOR REQUEST BY FORMER SPOUSE.—An election may not be deemed to have been made under subparagraph (A) in the case of any person unless the Secretary concerned receives a request from the former spouse of the person within one year of the date of the court order or filing involved.

"(D) EFFECTIVE DATE OF DEEMED ELECTION.—An election deemed to have been made under subparagraph (A) shall become effective on the first day of the first month which begins after the date of the court order or filing involved.

"(4) FORMER SPOUSE COVERAGE MAY BE REQUIRED BY COURT ORDER.—A court order may require a person to elect (or to enter into an agreement to elect) under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child).

"(g) LIMITATION ON CHANGING OR REVOKING ELECTIONS.—

"(1) IN GENERAL.—An election under this section may not be changed or revoked.

"(2) EXCEPTIONS.—Paragraph (1) does not apply to—

"(A) a revocation of an election under section 1449(b) of this title; or

"(B) a change in an election under subsection (f).

"(h) TREATMENT OF ANNUITIES UNDER OTHER LAWS.—Except as provided in section 1451 of this title, an annuity under this section is in addition to any other payment to which a person is entitled under any other provision of law. Such annuity shall be considered as income under laws administered by the Secretary of Veterans Affairs.

"(i) ANNUITIES EXEMPT FROM CERTAIN LEGAL PROCESS.—Except as provided in subsection (l)(3)(B), an annuity under this section is not assignable or subject to execution, levy, attachment, garnishment, or other legal process.

"(j) EFFECTIVE DATE OF RESERVE-COMPONENT ANNUITIES.—

"(1) PERSONS MAKING SECTION 1448(e) DESIGNATION.—An annuity elected by a person providing a reserve-component annuity shall be effective in accordance with the designation made by such person under section 1448(e) of this title.

"(2) PERSONS DYING BEFORE MAKING SECTION 1448(e) DESIGNATION.—An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.

"(k) ADJUSTMENT OF SPOUSE OR FORMER SPOUSE ANNUITY UPON LOSS OF DEPENDENCY AND INDEMNITY COMPENSATION.—

"(1) READJUSTMENT IF BENEFICIARY 55 YEARS OF AGE OR MORE.—If a surviving spouse or former spouse whose annuity has been adjusted under subsection (c) subsequently loses entitlement to dependency and indemnity compensation under section 1311(a) of title 38 because of the remarriage of the surviving spouse, or former spouse, and if at the time of such remarriage the surviving spouse or former spouse is 55 years of age or more, the amount of the annuity of the surviving spouse or former spouse shall be readjusted, effective on the effective date of such loss of dependency and indemnity compensation, to the amount of the annuity which would be in effect with respect to the surviving spouse or former spouse if the adjustment under subsection (c) had never been made.

"(2) REPAYMENT OF AMOUNTS PREVIOUSLY REFUNDED.—

"(A) GENERAL RULE.—A surviving spouse or former spouse whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c).

"(B) INTEREST REQUIRED IF REPAYMENT NOT A LUMP SUM.—If the repayment is not made in a lump sum, the surviving spouse or former spouse shall pay interest on the amount to be repaid. Such interest shall commence on the date on which the first such payment is due and shall be applied over the period during which any part of the repayment remains to be paid.

"(C) MANNER OF REPAYMENT; RATE OF INTEREST.—The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title.

"(D) DEPOSIT OF AMOUNTS REPAID.—An amount repaid under this paragraph (including any such interest) received by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.

"(l) PARTICIPANTS IN THE PLAN WHO ARE MISSING.—

"(1) AUTHORITY TO PRESUME DEATH OF MISSING PARTICIPANT.—

"(A) IN GENERAL.—Upon application of the beneficiary of a participant in the Plan who is missing, the Secretary concerned may determine for purposes of this subchapter that the participant is presumed dead.

"(B) PARTICIPANT WHO IS MISSING.—A participant in the Plan is considered to be missing for purposes of this subsection if—

"(i) the retired pay of the participant has been suspended on the basis that the participant is missing; or

"(ii) in the case of a participant in the Plan who would be eligible for reserve-component retired pay but for the fact that he is under 60 years of age, his retired pay, if he were entitled to retired pay, would be suspended on the basis that he is missing.

"(C) REQUIREMENTS APPLICABLE TO PRESUMPTION OF DEATH.—Any such determination shall be made in accordance with regulations prescribed under section 1455 of this title. The Secretary concerned may not make a determination for purposes of this subchapter that a participant who is missing is presumed dead unless the Secretary finds that—

"(i) the participant has been missing for at least 30 days; and

"(ii) the circumstances under which the participant is missing would lead a reasonably prudent person to conclude that the participant is dead.

"(2) COMMENCEMENT OF ANNUITY.—Upon a determination under paragraph (1) with respect to a participant in the Plan, an annuity otherwise payable under this subchapter shall be paid as if the participant died on the date as of which the retired pay of the participant was suspended.

"(3) EFFECT OF PERSON NOT BEING DEAD.—

"(A) TERMINATION OF ANNUITY.—If, after a determination under paragraph (1), the Secretary concerned determines that the participant is alive—

"(i) any annuity being paid under this subchapter by reason of this subsection shall be terminated; and

"(ii) the total amount of any annuity payments made by reason of this subsection shall constitute a debt to the United States.

"(B) COLLECTION FROM PARTICIPANT OF ANNUITY AMOUNTS ERRONEOUSLY PAID.—A debt under subparagraph (A)(ii) may be collected or offset—

"(i) from any retired pay otherwise payable to the participant;

"(ii) if the participant is entitled to compensation under chapter 11 of title 38, from that compensation; or

"(iii) if the participant is entitled to any other payment from the United States, from that payment.

"(C) COLLECTION FROM BENEFICIARY.—If the participant dies before the full recovery of the amount of annuity payments described in subparagraph (A)(ii) has been made by the United States, the remaining amount of such annuity payments may be collected from the participant's beneficiary under the Plan if that beneficiary was the recipient of the annuity payments made by reason of this subsection.

"§ 1451. Amount of annuity

"(a) COMPUTATION OF ANNUITY FOR A SPOUSE, FORMER SPOUSE, OR CHILD.—

"(1) STANDARD ANNUITY.—In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the beneficiary is under 62 years of age or is a dependent child when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the beneficiary (other than a dependent child) is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount.

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(2) RESERVE-COMPONENT ANNUITY—In the case of a reserve-component annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the beneficiary is under 62 years of age or is a dependent child when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the beneficiary (other than a dependent child) is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount that—

"(I) is less than 35 percent; and

"(II) is determined under subsection (f).

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(b) INSURABLE INTEREST BENEFICIARY.—

"(1) STANDARD ANNUITY.—In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) RESERVE-COMPONENT ANNUITY.—In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f).

"(3) COMPUTATION OF RESERVE-COMPONENT ANNUITY WHEN PARTICIPANT DIES BEFORE AGE 60.—For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c) ANNUITIES FOR SURVIVORS OF CERTAIN PERSONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY FOR SBP.—

"(1) IN GENERAL.—In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the person receiving the annuity is under 62 years of age or is a dependent child when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the person receiving the annuity (other than a dependent child) is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(2) DIC OFFSET.—An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 1311(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(3) SERVICEMEMBERS NOT YET GRANTED RETIRED PAY.—In the case of an annuity provided by reason of the service of a member described in section 1448(d)(1)(B) or 1448(d)(1)(C) of this title who first became a member of a uniformed service before September 8, 1980, the retired pay to which the member would have been entitled when he died shall be determined for purposes of paragraph (1) based upon the rate of basic pay in effect at the time of death for the grade in which the member was serving at the time of death, unless (as determined by the Secretary concerned) the member would have been entitled to be retired in a higher grade.

"(4) RATE OF PAY TO BE USED IN COMPUTING ANNUITY.—In the case of an annuity paid under section 1448(f) of this title by reason of the service of a person who first became a member of a uniformed service before September 8, 1980, the retired pay of the person providing the annuity shall for the purposes of paragraph (1) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d) REDUCTION OF ANNUITIES AT AGE 62.—

"(1) REDUCTION REQUIRED.—The annuity of a person whose annuity is computed under subparagraph (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age.

"(2) AMOUNT OF ANNUITY AS REDUCED.—

"(A) 35 PERCENT ANNUITY.—Except as provided in subparagraph (B), the reduced amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity had initially been computed under subparagraph (B) of that subsection.

"(B) SAVINGS PROVISION FOR BENEFICIARIES ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—In the case of a person eligible to have an annuity computed under subsection (e) and for whom, at the time the person becomes 62 years of age, the annuity computed with a reduction under subsection (e)(3) is more favorable than the annuity with a reduction described in subparagraph (A), the reduction in the annuity shall be computed in the same manner as a reduction under subsection (e)(3).

"(e) SAVINGS PROVISION FOR CERTAIN BENEFICIARIES.—

"(1) PERSONS COVERED.—The following beneficiaries under the Plan are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the surviving spouse or former spouse of the person providing the annuity.

"(B) A spouse or former spouse beneficiary of a person who on October 1, 1985—

"(i) was a participant in the Plan;

"(ii) was entitled to retired pay or was qualified for that pay except that he had not applied for and been granted that pay; or

"(iii) would have been eligible for reserve-component retired pay but for the fact that he was under 60 years of age.

"(2) AMOUNT OF ANNUITY.—Subject to paragraph (3), an annuity computed under this subsection is determined as follows:

"(A) STANDARD ANNUITY.—In the case of the beneficiary of a standard annuity, the annuity shall be the amount equal to 55 percent of the base amount.

"(B) RESERVE COMPONENT ANNUITY.—In the case of the beneficiary of a reserve-component annuity, the annuity shall be the percentage of the base amount that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) BENEFICIARIES OF PERSONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY FOR SBP.—In the case of the beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) SOCIAL SECURITY OFFSET.—An annuity computed under this subsection shall be reduced by the lesser of the following:

"(A) SOCIAL SECURITY COMPUTATION.—The amount of the survivor benefit, if any, to which the surviving spouse (or the former spouse, in the case of a former spouse beneficiary who became a former spouse under a divorce that became final after November 29, 1989) would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(l)(1) of such Act (42 U.S.C. 410(l)(1)) and calculated assuming that the person concerned lives to age 65.

"(B) MAXIMUM AMOUNT OF REDUCTION.—40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4) SPECIAL RULES FOR SOCIAL SECURITY OFFSET COMPUTATION.—

"(A) TREATMENT OF DEDUCTIONS MADE ON ACCOUNT OF WORK.—For the purpose of paragraph (3), a surviving spouse (or a former spouse, in the case of a person who becomes a former spouse under a divorce that becomes final after November 29, 1989) shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) TREATMENT OF CERTAIN PERIODS FOR WHICH SOCIAL SECURITY REFUNDS ARE MADE.—In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(l)(1) of the Social Security Act (42 U.S.C. 410(l)(1))—

"(i) which was performed after December 1, 1980; and

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1986 of the social security tax which the person had paid.

"(f) DETERMINATION OF PERCENTAGES APPLICABLE TO COMPUTATION OF RESERVE-COMPONENT ANNUITIES.—The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration the following:

"(1) The age of the person electing to provide the annuity at the time of such election.

"(2) The difference in age between such person and the beneficiary of the annuity.

"(3) Whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth.

"(4) Appropriate group annuity tables.

"(5) Such other factors as the Secretary considers relevant.

"(g) ADJUSTMENTS TO ANNUITIES.—

"(1) PERIODIC ADJUSTMENTS FOR COST-OF-LIVING.—

"(A) INCREASES IN ANNUITIES WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time.

"(B) PERCENTAGE OF INCREASE.—The increase shall, in the case of any annuity, be by the same percent as the percent by which the retired pay of the person providing the annuity would have been increased at such time if the person were alive (and otherwise entitled to such pay).

"(C) CERTAIN REDUCTIONS TO BE DISREGARDED.—The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) ROUNDING DOWN.—The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.

"(h) ADJUSTMENTS TO BASE AMOUNT.—

"(1) PERIODIC ADJUSTMENTS FOR COST-OF-LIVING.—

"(A) INCREASES IN BASE AMOUNT WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the base amount applicable to each participant in the Plan shall be increased at the same time.

"(B) PERCENTAGE OF INCREASE.—The increase shall be by the same percent as the percent by which the retired pay of the participant is so increased.

"(2) RECOMPUTATION AT AGE 62.—When the retired pay of a person who first became a member of a uniformed service on or after August 1, 1986, and who is a participant in the Plan is recomputed under section 1410 of this title upon the person's becoming 62 years of age, the base amount applicable to that person shall be recomputed (effective on the effective date of the recomputation of such retired pay under section 1410 of this title) so as to be the amount equal to the amount of the base amount that would be in effect on that date if increases in such base amount under paragraph (1) had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"(3) DISREGARDING OF RETIRED PAY REDUCTIONS FOR RETIREMENT BEFORE 30 YEARS OF SERVICE.—Computation of a member's retired pay for purposes of this section shall be made without regard to any reduction under section 1409(b)(2) of this title.

"(i) RECOMPUTATION OF ANNUITY FOR CERTAIN BENEFICIARIES.—In the case of an annuity under the Plan which is computed on the basis of the retired pay of a person who would have been entitled to have that retired pay recomputed under section 1410 of this title upon attaining 62 years of age, but who dies before attaining that age, the annuity shall be recomputed, effective on the first day of the first month beginning after the date on which the member or former member would have attained 62 years of age, so as to be the amount equal to the amount of the annuity that would be in effect on that date if increases under subsection (h)(1) in the base amount applicable to that annuity to the time of the death of the member or former member, and increases in such annuity under subsection (g)(1), had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"§ 1452. Reduction in retired pay

"(a) SPOUSE AND FORMER SPOUSE ANNUITIES.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—Except as provided in subsection (b), the retired pay of a participant in the Plan who is providing spouse coverage (as described in paragraph (5)) shall be reduced as follows:

"(A) STANDARD ANNUITY.—If the annuity coverage being providing is a standard annuity, the reduction shall be as follows:

"(i) DISABILITY AND NONREGULAR SERVICE RETIREES.—In the case of a person who is entitled to retired pay under chapter 61 or chapter 1223 of this title, the reduction shall be in whichever of the alternative reduction amounts is more favorable to that person.

"(ii) MEMBERS AS OF ENACTMENT OF FLAT-RATE REDUCTION.—In the case of a person who first became a member of a uniformed service before March 1, 1990, the reduction shall be in whichever of the alternative reduction amounts is more favorable to that person.

"(iii) NEW ENTRANTS AFTER ENACTMENT OF FLAT-RATE REDUCTION.—In the case of a person who first becomes a member of a uniformed service on or after March 1, 1990, and who is entitled to retired pay under a provision of law other than chapter 61 or chapter 1223 of this title, the reduction shall be in an amount equal to 6½ percent of the base amount.

"(iv) ALTERNATIVE REDUCTION AMOUNTS.—For purposes of clauses (i) and (ii), the alternative reduction amounts are the following:

"(I) FLAT-RATE REDUCTION.—An amount equal to 6½ percent of the base amount.

"(II) AMOUNT UNDER PRE-FLAT-RATE REDUCTION.—An amount equal to 2½ percent of the first $337 (as adjusted after November 1, 1989, under paragraph (4)) of the base amount plus 10 percent of the remainder of the base amount.

"(B) RESERVE-COMPONENT ANNUITY.—If the annuity coverage being provided is a reserve-component annuity, the reduction shall be in whichever of the following amounts is more favorable to that person:

"(i) FLAT-RATE REDUCTION.—An amount equal to 6½ percent of the base amount plus an amount determined in accordance with regulations prescribed by the Secretary of Defense as a premium for the additional coverage provided through reserve-component annuity coverage under the Plan.

"(ii) AMOUNT UNDER PRE-FLAT-RATE REDUCTION.—An amount equal to 2½ percent of the first $337 (as adjusted after November 1, 1989, under paragraph (4)) of the base amount plus 10 percent of the remainder of the base amount plus an amount determined in accordance with regulations prescribed by the Secretary of Defense as a premium for the additional coverage provided through reserve-component annuity coverage under the Plan.

"(2) ADDITIONAL REDUCTION FOR CHILD COVERAGE.—If there is a dependent child as well as a spouse or former spouse, the amount prescribed under paragraph (1) shall be increased by an amount prescribed under regulations of the Secretary of Defense.

"(3) NO REDUCTION WHEN NO BENEFICIARY.—The reduction in retired pay prescribed by paragraph (1) shall not be applicable during any month in which there is no eligible spouse or former spouse beneficiary.

"(4) PERIODIC ADJUSTMENTS.—

"(A) ADJUSTMENTS FOR INCREASES IN RATES OF BASIC PAY.—Whenever there is an increase in the rates of basic pay of members of the uniformed services effective on or after October 1, 1985, the amounts under paragraph (1) with respect to which the percentage factor of 2½ is applied shall be increased by the overall percentage of such increase in the rates of basic pay. The increase under the preceding sentence shall apply only with respect to persons whose retired pay is computed based on the rates of basic pay in effect on or after the date of such increase in rates of basic pay.

"(B) ADJUSTMENTS FOR RETIRED PAY COLAS.—In addition to the increase under subparagraph (A), the amounts under paragraph (1) with respect to which the percentage factor of 2½ is applied shall be further increased at the same time and by the same percentage as an increase in retired pay under section 1401a of this title effective on or after October 1, 1985. Such increase under the preceding sentence shall apply only with respect to a person who initially participates in the Plan on a date which is after both the effective date of such increase under section 1401a and the effective date of the rates of basic pay upon which that person's retired pay is computed.

"(5) SPOUSE COVERAGE DESCRIBED.—For the purposes of paragraph (1), a participant in the Plan who is providing spouse coverage is a participant who—

"(A) has (i) a spouse or former spouse, or (ii) a spouse or former spouse and a dependent child; and

"(B) has not elected to provide an annuity to a person designated by him under section 1448(b)(1) of this title or, having made such an election, has changed his election in favor of his spouse under section 1450(f) of this title.

"(b) CHILD-ONLY ANNUITIES.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—The retired pay of a participant in the Plan who is providing child-only coverage (as described in paragraph (4)) shall be reduced by an amount prescribed under regulations by the Secretary of Defense.

"(2) NO REDUCTION WHEN NO CHILD.—There shall be no reduction in retired pay under paragraph (1) for any month during which the participant has no eligible dependent child.

"(3) SPECIAL RULE FOR CERTAIN RCSBP PARTICIPANTS.—In the case of a participant in the Plan who is participating in the Plan under an election under section 1448(a)(2)(B) of this title and who provided child-only coverage during a period before the participant becomes entitled to receive retired pay, the retired pay of the participant shall be reduced by an amount prescribed under regulations by the Secretary of Defense to reflect the coverage provided under the Plan during the period before the participant became entitled to receive retired pay. A reduction under this paragraph is in addition to any reduction under paragraph (1) and is made without regard to whether there is an eligible dependent child during a month for which the reduction is made.

"(4) CHILD-ONLY COVERAGE DEFINED.—For the purposes of this subsection, a participant in the Plan who is providing child-only coverage is a participant who has a dependent child and who—

"(A) does not have an eligible spouse or former spouse; or

"(B) has a spouse or former spouse but has elected to provide an annuity for dependent children only.

"(c) REDUCTION FOR INSURABLE INTEREST COVERAGE.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—The retired pay of a person who has elected to provide an annuity to a person designated by him under section 1450(a)(4) of this title shall be reduced as follows:

"(A) STANDARD ANNUITY.—In the case of a person providing a standard annuity, the reduction shall be by 10 percent plus 5 percent for each full five years the individual designated is younger than that person.

"(B) RESERVE COMPONENT ANNUITY.—In the case of a person providing a reserve-component annuity, the reduction shall be by an amount prescribed under regulations of the Secretary of Defense.

"(2) LIMITATION ON TOTAL REDUCTION.—The total reduction under paragraph (1) may not exceed 40 percent.

"(3) DURATION OF REDUCTION.—The reduction in retired pay prescribed by this subsection shall continue during the lifetime of the person designated under section 1450(a)(4) of this title or until the person receiving retired pay changes his election under section 1450(f) of this title.

"(4) RULE FOR COMPUTATION.—Computation of a member's retired pay for purposes of this subsection shall be made without regard to any reduction under section 1409(b)(2) of this title.

"(d) DEPOSITS TO COVER PERIODS WHEN RETIRED PAY NOT PAID.—

"(1) REQUIRED DEPOSITS.—If a person who has elected to participate in the Plan has been awarded retired pay and is not entitled to that pay for any period, that person must deposit in the Treasury the amount that would otherwise have been deducted from his pay for that period.

"(2) DEPOSITS NOT REQUIRED WHEN PARTICIPANT ON ACTIVE DUTY.—Paragraph (1) does not apply to a person with respect to any period when that person is on active duty under a call or order to active duty for a period of more than 30 days.

"(e) DEPOSITS NOT REQUIRED FOR CERTAIN PARTICIPANTS IN CSRS.—When a person who has elected to participate in the Plan waives that person's retired pay for the purposes of subchapter III of chapter 83 of title 5, that person shall not be required to make the deposit otherwise required by subsection (d) as long as that waiver is in effect unless, in accordance with section 8339(i) of title 5, that person has notified the Office of Personnel Management that he does not desire a spouse surviving him to receive an annuity under section 8331(b) of title 5.

"(f) REFUNDS OF DEDUCTIONS NOT ALLOWED.—

"(1) GENERAL RULE.—A person is not entitled to refund of any amount deducted from retired pay under this section.

"(2) EXCEPTIONS.—Paragraph (1) does not apply—

"(A) in the case of a refund authorized by section 1450(e) of this title; or

"(B) in case of a deduction made through administrative error.

"(g) DISCONTINUATION OF PARTICIPATION BY PARTICIPANTS WHOSE SURVIVING SPOUSES WILL BE ENTITLED TO DIC.—

"(1) DISCONTINUATION.—

"(A) CONDITIONS.—Notwithstanding any other provision of this subchapter but subject to paragraphs (2) and (3), a person who has elected to participate in the Plan and who is suffering from a service-connected disability rated by the Secretary of Veterans Affairs as totally disabling and has suffered from such disability while so rated for a continuous period of 10 or more years (or, if so rated for a lesser period, has suffered from such disability while so rated for a continuous period of not less than 5 years from the date of such person's last discharge or release from active duty) may discontinue participation in the Plan by submitting to the Secretary concerned a request to discontinue participation in the Plan.

"(B) EFFECTIVE DATE.—Participation in the Plan of a person who submits a request under subparagraph (A) shall be discontinued effective on the first day of the first month following the month in which the request under subparagraph (A) is received by the Secretary concerned. Effective on such date, the Secretary concerned shall discontinue the reduction being made in such person's retired pay on account of participation in the Plan or, in the case of a person who has been required to make deposits in the Treasury on account of participation in the Plan, such person may discontinue making such deposits effective on such date.

"(C) FORM FOR REQUEST FOR DISCONTINUATION.—Any request under this paragraph to discontinue participation in the Plan shall be in such form and shall contain such information as the Secretary concerned may require by regulation.

"(2) CONSENT OF BENEFICIARIES REQUIRED.—A person described in paragraph (1) may not discontinue participation in the Plan under such paragraph without the written consent of the beneficiary or beneficiaries of such person under the Plan.

"(3) INFORMATION ON PLAN TO BE PROVIDED BY SECRETARY CONCERNED.—

"(A) INFORMATION TO BE PROVIDED PROMPTLY TO PARTICIPANT.—The Secretary concerned shall furnish promptly to each person who files a request under paragraph (1) to discontinue participation in the Plan a written statement of the advantages of participating in the Plan and the possible disadvantages of discontinuing participation.

"(B) RIGHT TO WITHDRAW DISCONTINUATION REQUEST.—A person may withdraw a request made under paragraph (1) if it is withdrawn within 30 days after having been submitted to the Secretary concerned.

"(4) REFUND OF DEDUCTIONS FROM RETIRED PAY.—Upon the death of a person described in paragraph (1) who discontinued participation in the Plan in accordance with this subsection, any amount deducted from the retired pay of that person under this section shall be refunded to the person's surviving spouse.

"(5) RESUMPTION OF PARTICIPATION IN PLAN.—

"(A) CONDITIONS FOR RESUMPTION.—A person described in paragraph (1) who discontinued participation in the Plan may elect to participate again in the Plan if—

"(i) after having discontinued participation in the Plan the Secretary of Veterans Affairs reduces that person's service-connected disability rating to a rating of less than total; and

"(ii) that person applies to the Secretary concerned, within such period of time after the reduction in such person's service-connected disability rating has been made as the Secretary concerned may prescribe, to again participate in the Plan and includes in such application such information as the Secretary concerned may require.

"(B) EFFECTIVE DATE OF RESUMED COVERAGE.—Such person's participation in the Plan under this paragraph is effective beginning on the first day of the month after the month in which the Secretary concerned receives the application for resumption of participation in the Plan.

"(C) RESUMPTION OF CONTRIBUTIONS.—When a person elects to participate in the Plan under this paragraph, the Secretary concerned shall begin making reductions in that person's retired pay, or require such person to make deposits in the Treasury under subsection (d), as appropriate, effective on the effective date of such participation under subparagraph (B).

"(h) INCREASES IN REDUCTION WITH INCREASES IN RETIRED PAY.—

"(1) GENERAL RULE.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the amount of the reduction to be made under subsection (a) or (b) in the retired pay of any person shall be increased at the same time and by the same percentage as such retired pay is so increased.

"(i) RECOMPUTATION OF REDUCTION UPON RECOMPUTATION OF RETIRED PAY.—When the retired pay of a person who first became a member of a uniformed service on or after August 1, 1986, and who is a participant in the Plan is recomputed under section 1410 of this title upon the person's becoming 62 years of age, the amount of the reduction in such retired pay under this section shall be recomputed (effective on the effective date of the recomputation of such retired pay under section 1410 of this title) so as to be the amount equal to the amount of such reduction that would be in effect on that date if increases in such retired pay under section 1401a(b) of this title, and increases in reductions in such retired pay under subsection (h), had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"§1453. Recovery of amounts erroneously paid

"(a) RECOVERY.—In addition to any other method of recovery provided by law, the Secretary concerned may authorize the recovery of any amount erroneously paid to a person under this subchapter by deduction from later payments to that person.

"(b) AUTHORITY TO WAIVE RECOVERY.—Recovery of an amount erroneously paid to a person under this subchapter is not required if, in the judgment of the Secretary concerned and the Comptroller General—

"(1) there has been no fault by the person to whom the amount was erroneously paid; and

"(2) recovery of such amount would be contrary to the purposes of this subchapter or against equity and good conscience.

"§1454. Correction of administrative errors

"(a) AUTHORITY.—The Secretary concerned may, under regulations prescribed under section 1455 of this title, correct or revoke any election under this subchapter when the Secretary considers it necessary to correct an administrative error.

"(b) FINALITY.—Except when procured by fraud, a correction or revocation under this section is final and conclusive on all officers of the United States.

"§1455. Regulations

"(a) IN GENERAL.—The President shall prescribe regulations to carry out this subchapter. Those regulations shall, so far as practicable, be uniform for the uniformed services.

"(b) NOTICE OF ELECTIONS.—Regulations prescribed under this section shall provide that before the date on which a member becomes entitled to retired pay—

"(1) if the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(2) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections.

"(c) Procedure for Depositing Certain Receipts.—Regulations prescribed under this section shall establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.

"(d) Payments to Guardians and Fiduciaries.—

"(1) In general.—Regulations prescribed under this section shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(A) a person for whom a guardian or other fiduciary has been appointed; and

"(B) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(2) Authorized procedures.—The regulations under paragraph (1) may include provisions for the following:

"(A) In the case of an annuitant referred to in paragraph (1)(A), payment of the annuity to the appointed guardian or other fiduciary.

"(B) In the case of an annuitant referred to in paragraph (1)(B), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(C) Subject to subparagraphs (D) and (E), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(D) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(E) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(F) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(G) In the case of an annuitant referred to in paragraph (1)(B)—

"(i) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(ii) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(H) Provisions for any other matter that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in paragraph (1).

"(3) Legal effect of payment to guardian or fiduciary.—An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to paragraph (1) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

SEC. 635. INCREASES IN SURVIVOR BENEFIT PLAN CONTRIBUTIONS TO BE EFFECTIVE CONCURRENTLY WITH PAYMENT OF RETIRED PAY COST-OF-LIVING INCREASES.

(a) Survivor Benefit Plan.—Section 1452(h) of title 10, United States Code, as amended by section 634, is amended by adding at the end the following new paragraph:

"(2) Coordination when payment of increase in retired pay is delayed by law.—

"(A) In general.—Notwithstanding paragraph (1), when the initial payment of an increase in retired pay under section 1401a of this title (or any other provision of law) to a person is for a month that begins later than the effective date of that increase by reason of the application of subsection (b)(2)(B) of such section (or section 631(b) of Public Law 104–106 (110 Stat. 364)), then the amount of the reduction in the person's retired pay shall be effective on the date of that initial payment of the increase in retired pay rather than the effective date of the increase in retired pay.

"(B) Delay not to affect computation of annuity.—Subparagraph (A) may not be construed as delaying, for purposes of determining the amount of a monthly annuity under section 1451 of this title, the effective date of an increase in a base amount under subsection (h) of such section from the effective date of an increase in retired pay under section 1401a of this title to the date on which the initial payment of that increase in retired pay is made in accordance with subsection (b)(2)(B) of such section.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to retired pay payable for months beginning on or after the date of the enactment of this Act.

SEC. 636. AMENDMENTS TO THE UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT.

(a) Manner of Service of Process.—Subsection (b)(1)(A) of section 1408 of title 10, United States Code, is amended by striking out "certified or registered mail, return receipt requested" and inserting in lieu thereof "facsimile or electronic transmission or by mail".

(b) Subsequent Court Order From Another State.—Subsection (d) of such section is amended by adding at the end the following new paragraph:

"(6)(A) The Secretary concerned may not accept service of a court order that is an out-of State modification, or comply with the provisions of such a court order, unless the court issuing that order has jurisdiction in the manner specified in subsection (c)(4) over both the member and the spouse or former spouse involved.

"(B) A court order shall be considered to be an out-of-State modification for purposes of this paragraph if the order—

"(i) modifies a previous court order under this section upon which payments under this subsection are based; and

"(ii) is issued by a court of a State other than the State of the court that issued the previous court order.".

SEC. 637. PREVENTION OF CIRCUMVENTION OF COURT ORDER BY WAIVER OF RETIRED PAY TO ENHANCE CIVIL SERVICE RETIREMENT ANNUITY.

(a) Civil Service Retirement and Disability System.—(1) Subsection (c) of section 8332 of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(4) If, after January 1, 1997, an employee or Member waives retired pay that is subject to a court order for which there has been effective service on the Secretary concerned for purposes of section 1408 of title 10, the military service on which the retired pay is based may be credited as service for purposes of this subchapter only if the employee or Member authorizes the Director to deduct and withhold from the annuity payable to the employee or Member under this subchapter an amount equal to the amount that, if the annuity payment was instead a payment of the employee's or Member's retired pay, would have been deducted and withheld and paid to the former spouse covered by the court order under such section 1408. The amount deducted and withheld under this paragraph shall be paid to that former spouse. The period of civil service employment by the employee or Member shall not be taken into consideration in determining the amount of the deductions and withholding or the amount of the payment to the former spouse. The Director of the Office of Personnel Management shall prescribe regulations to carry out this paragraph.".

(2) Paragraph (1) of such subsection is amended by striking out "Except as provided in paragraph (2)" and inserting in lieu thereof "Except as provided in paragraphs (2) and (4)".

(b) Federal Employees' Retirement System.—(1) Subsection (c) of section 8411 of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(5) If, after January 1, 1997, an employee or Member waives retired pay that is subject to a court order for which there has been effective service on the Secretary concerned for purposes of section 1408 of title 10, the military service on which the retired pay is based may be credited as service for purposes of this chapter only if the employee or Member authorizes the Director to deduct and withhold from the annuity payable to the employee or Member under this subchapter an amount equal to the amount that, if the annuity payment was instead a payment of the employee's or Member's retired pay, would have been deducted and withheld and paid to the former spouse covered by the court order under such section 1408. The amount deducted and withheld under this paragraph shall be paid to that former spouse. The period of civil service employment by the employee or Member shall not be taken into consideration in determining the amount of the deductions and withholding or the amount of the payment to the former spouse. The Director of the Office of Personnel Management shall prescribe regulations to carry out this paragraph.".

(2) Paragraph (1) of such subsection is amended by striking "Except as provided in paragraph (2) or (3)" and inserting "Except as provided in paragraphs (2), (3), and (5)".

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on January 1, 1997.

SEC. 638. ADMINISTRATION OF BENEFITS FOR SO-CALLED MINIMUM INCOME WIDOWS.

(a) Adjusted Annual Income Limitation Appliable to Eligibility for Income Supplement.—(1) Section 4 of Public Law 92–425 (10 U.S.C. 1448 note) is amended—

(A) in subsection (a)(3), by striking out "$2,340" and inserting in lieu thereof "the maximum annual rate of pension in effect under section 1541(b) of title 38, United States Code"; and

(B) in in the first sentence of subsection (b), by striking out "$2,340 a year" and and inserting in lieu thereof "the maximum annual rate of pension in effect under section 1541(b) of title 38, United States Code".

(2) Subsection (c) of such section is repealed.

(b) PAYMENTS TO BE MADE BY SECRETARY OF VETERANS AFFAIRS.—Such section is further amended by adding at the end the following new subsection:

"(e)(1) Payment of annuities under this section shall be made by the Secretary of Veterans Affairs. If appropriate for administrative convenience (or otherwise determined appropriate by the Secretary of Veterans Affairs), that Secretary may combine a payment to any person for any month under this section with any other payment for that month under laws administered by the Secretary so as to provide that person with a single payment for that month.

"(2) The Secretary concerned shall annually transfer to the Secretary of Veterans Affairs such amounts as may be necessary for payments by the Secretary of Veterans Affairs under this section and for costs of the Secretary of Veterans Affairs in administering this section. Such transfers shall be made from amounts that would otherwise be used for payment of annuities by the Secretary concerned under this section. The authority to make such a transfer is in addition to any other authority of the Secretary concerned to transfer funds for a purpose other than the purpose for which the funds were originally made available. In the case of a transfer by the Secretary of a military department, the provisions of section 2215 of title 10, United States Code, do not apply.

"(3) The Secretary concerned shall promptly notify the Secretary of Veterans Affairs of any change in beneficiaries under this section.".

(c) CLARIFICATION OF CONTINUING ELIGIBLITY FOR DEPARTMENT OF VETERANS AFFAIRS PENSION.—Such section, as amended by subsection (a)(2), is further amended by inserting after subsection (b) the following new subsection (c):

"(c) The amount of an annuity payable under this section, although counted as income in determining the amount of any pension described in subsection (a)(2) of this section, shall not be considered to affect the eligiblity of the recipient of such annuity for such pension, even though, as a result of including the amount of the annuity as income, no amount of such pension is due.".

(d) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1997, and apply with respect to payments of benefits for any month after June 1997.

Subtitle E—Other Matters

SEC. 651. DISCRETIONARY ALLOTMENT OF PAY, INCLUDING RETIRED OR RETAINER PAY.

(a) ALLOTMENTS AUTHORIZED.—Section 701 of title 37, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following new subsections:

"(d) Under regulations prescribed by the Secretary of Defense, a member of the Army, Navy, Air Force, or Marine Corps and a contract surgeon of the Army, Navy, or Air Force may make allotments from the pay of the member or surgeon for the purpose of supporting relatives or for any other purpose that the Secretary considers proper. Such allotments may include a maximum of six allotments considered to be discretionary under such regulations. For a member or former member entitled to retired or retainer pay, a maximum of six discretionary allotments authorized during active military service may be continued into retired status, and new discretionary allotments may be authorized so long as the total number of discretionary allotments does not exceed six.

"(e) If an allotment made under subsection (d) is paid to the allottee before the disbursing officer receives a notice of discontinuance from the officer required by regulation to furnish the notice, the amount of the allotment shall be credited to the disbursing officer. If an allotment is erroneously paid because the officer required by regulation to so report failed to report the death of the allotter or any other fact that makes the allotment not payable, the amount of the payment not recovered from the allottee shall, if practicable, be collected by the Secretary concerned from the officer who failed to make the report.".

(b) ISSUANCE OF REGULATIONS.—The Secretaries of the military departments shall prescribe regulations under subsection (d) of section 701 of title 37, United States Code, as added by subsection (a), not later than October 1, 1997.

SEC. 652. REIMBURSEMENT FOR ADOPTION EXPENSES INCURRED IN ADOPTIONS THROUGH PRIVATE PLACEMENTS.

(a) DEPARTMENT OF DEFENSE.—Section 1052(g) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "State or local government" and all that follows through the period at the end of the first sentence and inserting in lieu thereof "qualified adoption agency."; and

(2) by adding at the end the following new paragraph:

"(3) The term 'qualified adoption agency' means any of the following:

"(A) A State or local government agency which has responsibility under State or local law for child placement through adoption.

"(B) A nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption.

"(C) Any other source authorized by a State to provide adoption placement if the adoption is supervised by a court under State or local law.".

(b) COAST GUARD.—Section 514(g) of title 14, United States Code, is amended—

(1) in paragraph (1), by striking out "State or local government" and all that follows through the period at the end of the first sentence and inserting in lieu thereof "qualified adoption agency."; and

(2) by adding at the end the following new paragraph:

"(3) The term 'qualified adoption agency' means any of the following:

"(A) A State or local government agency which has responsibility under State or local law for child placement through adoption.

"(B) A nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption.

"(C) Any other source authorized by a State to provide adoption placement if the adoption is supervised by a court under State or local law.".

SEC. 653. WAIVER OF RECOUPMENT OF AMOUNTS WITHHELD FOR TAX PURPOSES FROM CERTAIN SEPARATION PAY.

(a) IN GENERAL.—Section 1174(h)(2) of title 10, United States Code, is amended by inserting before the period at the end of the first sentence the following: ", less the amount of Federal income tax withheld from such pay (such withholding being at the flat withholding rate for Federal income tax withholding, as in effect pursuant to regulations prescribed under chapter 24 of the Internal Revenue Code of 1986)".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996, and shall apply to payments of separation pay, severance pay, or readjustment pay that are made after September 30, 1996.

SEC. 654. TECHNICAL CORRECTION CLARIFYING LIMITATION ON FURNISHING CLOTHING OR ALLOWANCES FOR ENLISTED NATIONAL GUARD TECHNICIANS.

Section 418(c) of title 37, United States Code, is amended by striking out "for which a uniform allowance is paid under section 415 or 416 of this title" and inserting in lieu thereof "for which clothing is furnished or a uniform allowance is paid under this section".

SEC. 655. TECHNICAL CORRECTION TO PRIOR AUTHORITY FOR PAYMENT OF BACK PAY TO CERTAIN PERSONS.

Section 634 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 366) is amended—

(1) in subsection (b)(1), by striking out "Island of Bataan" and inserting in lieu thereof "peninsula of Bataan or island of Corregidor"; and

(2) in subsection (c), by inserting after the first sentence the following: "For the purposes of this subsection, the Secretary of War shall be deemed to have determined that conditions in the Philippines during the specified period justified payment under applicable regulations of quarters and subsistence allowances at the maximum special rate for duty where emergency conditions existed.".

SEC. 656. COMPENSATION FOR PERSONS AWARDED PRISONER OF WAR MEDAL WHO DID NOT PREVIOUSLY RECEIVE COMPENSATION AS A PRISONER OF WAR.

(a) AUTHORITY TO MAKE PAYMENTS.—The Secretary of the military department concerned shall make payments in the manner provided in section 6 of the War Claims Act of 1948 (50 U.S.C. App. 2005) to (or on behalf of) any person described in subsection (b) who submits an application for such payment in accordance with subsection (d).

(b) ELIGIBLE PERSONS.—This section applies with respect to a member or former member of the Armed Forces who—

(1) has received the prisoner of war medal under section 1128 of title 10, United States Code; and

(2) has not previously received a payment under section 6 of the War Claims Act of 1948 (50 U.S.C. App. 2005) with respect to the period of internment for which the person received the prisoner of war medal.

(c) AMOUNT OF PAYMENT.—The amount of the payment to any person under this section shall be determined based upon the provisions of section 6 of the War Claims Act of 1948 that are applicable with respect to the period of time during which the internment occurred for which the person received the prisoner of war medal.

(d) ONE-YEAR PERIOD FOR SUBMISSION OF APPLICATIONS.—A payment may be made by reason of this section only in the case of a person who submits an application to the Secretary concerned for such payment during the one-year period beginning on the date of the enactment of this Act. Any such application shall be submitted in such form and manner as the Secretary may require.

SEC. 657. PAYMENTS TO CERTAIN PERSONS CAPTURED AND INTERNED BY NORTH VIETNAM.

(a) PAYMENT AUTHORIZED TO ELIGIBLE PERSONS.—(1) Using amounts made available under subsection (g), the Secretary of Defense shall make a payment under this section to a person who demonstrates to the satisfaction of the Secretary of Defense that the person was captured and incarcerated by the Democratic Republic of Vietnam as a result of the participation by the person in operations conducted under OPLAN 34A or its predecessor.

(2) Using amounts made available under subsection (g), the Secretary of Defense shall also make a payment under this section to a person who demonstrates to the satisfaction of the Secretary of Defense that the person—

(A) served as a Vietnamese operative pursuant to OPLAN 35;

(B) was captured and incarcerated by North Vietnamese forces as a result of the participation by the person in operations in Laos or along the Lao-Vietnamese border pursuant to OPLAN 35;

(C) remained in captivity after 1973 (or died in captivity); and

(D) has not previously received payment from the United States for the period spent in captivity.

(3) A payment may not be made under this section to, or with respect to, a person who the Secretary of Defense determines, based on the available evidence, served in the Peoples Army of Vietnam or provided active assistance to the Government of the Democratic Republic of Vietnam during the period from 1958 through 1975.

(b) EFFECT OF DEATH OF ELIGIBLE PERSON.—In the case of a decedent who would have been eligible for a payment under this section if alive, the documentation required under subsection (a) may be provided by survivors of the decedent, and the payment under this section shall be made to survivors of the decedent in the following order:

(1) To the surviving spouse.

(2) If there is no surviving spouse, to the surviving children (including natural children and adopted children) of the decedent, in equal shares.

(c) AMOUNT PAYABLE.—The amount payable to, or with respect to, a person under this section is $40,000. If a person can demonstrate to the Secretary of Defense that confinement or incarceration exceeded 20 years, the Secretary may pay an additional $2,000 for each full year in excess of 20 (and a proportionate amount for a partial year), but the total amount paid to, or with respect to, a person under this section may not exceed $50,000.

(d) TIME LIMITATIONS.—(1) To be eligible for a payment under this section, a claimant must file a claim for such payment with the Secretary of Defense within 18 months of the effective date of the regulations implementing this section.

(2) Not later than 18 months after receiving a claim for payment under this section, the Secretary shall determine the eligibility of the claimant for payment of the claim. Subject to subsection (f), if the Secretary determines that the claimant is eligible for the payment, the Secretary shall promptly pay the claim.

(e) REGULATIONS.—(1) The Secretary of Defense shall prescribe regulations to carry out this section. Such regulations shall include procedures by which persons may submit claims for payment under this section. Such regulations shall be prescribed not later than six months after the date of the enactment of this Act.

(2) The Secretary of Defense may establish guidelines regarding what constitutes adequate documentation for determining whether a person satisfies the requirements specified in subsection (a) regarding eligibility for a payment under this section. Such guidelines shall be established in consultation with the heads of other agencies of the Government involved with OPLAN 34A or its predecessor or OPLAN 35.

(f) LIMITATION ON DISBURSEMENT.—(1) The actual disbursement of a payment under this section may be made only to the person who is eligible for the payment under subsection (a) or (b) and only—

(A) upon the appearance of that person, in person, at any designated disbursement office in the United States or its territories; or

(B) at such other location or in such other manner as that person may request in writing.

(2) In the case of a claim approved for payment but not disbursed as a result of operation of paragraph (1), the Secretary of Defense shall hold the funds in trust for the person in an interest bearing account until such time as the person makes an election under such paragraph.

(g) FUNDING.—To the extent provided in advance for this section in appropriations Acts, of amounts authorized to be appropriated under section 301(24) for this purpose, $20,000,000 shall be available until expended for payments under this section.

(h) PAYMENT IN FULL SATISFACTION OF CLAIMS AGAINST THE UNITED STATES.—The acceptance of payment by, or with respect to, a person under this section shall be in full satisfaction of all claims by or on behalf of that individual against the United States arising from operations under OPLAN 34A or its predecessor or OPLAN 35.

(i) ATTORNEY FEES.—Notwithstanding any contract, the representative of a person may not receive, for services rendered in connection with the claim of, or with respect to, a person under this section, more than 10 percent of a payment made under this section on that claim.

(j) NO RIGHT TO JUDICIAL REVIEW.—All determinations by the Secretary of Defense pursuant to this section are final and conclusive, notwithstanding any other provision of law. Claimants under this section have no right to judicial review, and such review is specifically precluded.

(k) REPORTS TO CONGRESS.—(1) Not later than 24 months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the payment of claims under this section.

(2) After the submission of the report under paragraph (1), the Secretary shall periodically submit to Congress a report on the status of payment of claims under this section.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Preventive health care screening for colon and prostate cancer.
Sec. 702. Implementation of requirement for Selected Reserve dental insurance plan.
Sec. 703. Dental insurance plan for military retirees and unremarried surviving spouses and certain other dependents of military retirees.
Sec. 704. Plan for health care coverage for children with medical conditions caused by parental exposure to chemical munitions while serving as members of the Armed Forces.

Subtitle B—TRICARE Program

Sec. 711. CHAMPUS payment limits for TRICARE prime enrollees.
Sec. 712. Improved information exchange between military treatment facilities and TRICARE program contractors.
Sec. 713. Plans for medicare subvention demonstration programs.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Definitions.
Sec. 722. Inclusion of designated providers in uniformed services health care delivery system.
Sec. 723. Provision of uniform benefit by designated providers.
Sec. 724. Enrollment of covered beneficiaries.
Sec. 725. Application of CHAMPUS payment rules.
Sec. 726. Payments for services.
Sec. 727. Repeal of superseded authorities.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Authority to waive CHAMPUS exclusion regarding nonmedically necessary treatment in connection with certain clinical trials.
Sec. 732. Exception to maximum allowable payments to individual health-care providers under CHAMPUS.
Sec. 733. Codification of annual authority to credit CHAMPUS refunds to current year appropriation.
Sec. 734. Exceptions to requirements regarding obtaining nonavailability-of-health-care statements.
Sec. 735. Enhancement of third-party collection and secondary payer authorities under CHAMPUS.

Subtitle E—Other Matters

Sec. 741. Alternatives to active duty service obligation under Armed Forces Health Professions Scholarship and Financial Assistance program and Uniformed Services University of the Health Sciences.
Sec. 742. External peer review for defense health program extramural medical research involving human subjects.
Sec. 743. Independent research regarding Gulf War syndrome.
Sec. 744. Comptroller General review of health care activities of Department of Defense relating to Gulf War illnesses.
Sec. 745. Report regarding specialized treatment facility program.
Sec. 746. Study of means of ensuring uniformity in provision of medical and dental care for members of reserve components.
Sec. 747. Sense of Congress regarding tax treatment of Armed Forces Health Professions Scholarship and Financial Assistance program.

Subtitle A—Health Care Services

SEC. 701. SPREVENTIVE HEALTH CARE SCREENING FOR COLON AND PROSTATE CANCER.

(a) MEMBERS AND FORMER MEMBERS.—(1) Section 1074d of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by inserting "(1)" before "Female"; and

(ii) by adding at the end the following new paragraph:

"(2) Male members and former members of the uniformed services entitled to medical care under section 1074 or 1074a of this title shall also be entitled to preventive health care screening for colon or prostate cancer at such intervals and using such screening methods as the administering Secretaries consider appropriate."; and

(B) in subsection (b), by adding at the end the following new paragraph:

"(8) Colon cancer screening, at the intervals and using the screening methods prescribed under subsection (a)(2).".

(2)(A) The heading of such section is amended to read as follows:

"§ 1074d. Certain primary and preventive health care services

(B) The item relating to such section in the table of sections at the beginning of chapter 55 of such title is amended to read as follows:

"1074d. Certain primary and preventive health care services.".

(b) DEPENDENTS.—(1) Section 1077(a) of such title is amended by adding at the end the following new paragraph:

"(14) Preventive health care screening for colon or prostate cancer, at the intervals and using the screening methods prescribed under section 1074d(a)(2) of this title.".

(2) Section 1079(a)(2) of such title is amended—

(A) in the matter preceding subparagraph (A), by inserting "the schedule and method of colon and prostate cancer screenings," after "pap smears and mammograms,"; and

(B) in subparagraph (B), by inserting "or colon and prostate cancer screenings" after "pap smears and mammograms".

SEC. 702. IMPLEMENTATION OF REQUIREMENT FOR SELECTED RESERVE DENTAL INSURANCE PLAN.

(a) IMPLEMENTATION BY CONTRACT.—Subsection (a) of section 1076b of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a) AUTHORITY TO ESTABLISH PLAN.—";

(2) by designating the third sentence as paragraph (3); and

(3) by inserting after paragraph (1), as designated by paragraph (1) of this subsection, the following new paragraph:

"(2) The Secretary shall provide benefits under the plan through one or more contracts awarded after full and open competition.".

(b) COLLECTION OF PREMIUMS OF MEMBERS NOT RECEIVING BASIC PAY.—Subsection (b)(3) of such section is amended by adding at the end the following: "In the case of a member who does not receive basic pay, the Secretary of Defense shall establish procedures for the collection of the member's share of the premium for coverage.".

(c) SCHEDULE FOR IMPLEMENTATION.—Section 705(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 373; 10 U.S.C. 1076b note) is amended—

(1) in the first sentence, by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997"; and

(2) by striking out "fiscal year 1996" both places it appears and inserting in lieu thereof "fiscal years 1996 and 1997".

SEC. 703. DENTAL INSURANCE PLAN FOR MILITARY RETIREES AND UNREMARRIED SURVIVING SPOUSES AND CERTAIN OTHER DEPENDENTS OF MILITARY RETIREES.

(a) ESTABLISHMENT OF DENTAL PLAN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076b the following new section:

"§ 1076c. Dental insurance plan: certain retirees and their surviving spouses and other dependents

"(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall establish a dental insurance plan for military retirees, certain unremarried surviving spouses, and dependents in accordance with this section.

"(b) PERSONS ELIGIBLE FOR PLAN.—The following persons are eligible to enroll in the dental insurance plan established under subsection (a):

"(1) Members of the armed forces who are entitled to retired pay.

"(2) Members of the Retired Reserve who would be entitled to retired pay under chapter 1223 of this title but for being under 60 years of age.

"(3) Eligible dependents of a member described in paragraph (1) or (2) who are covered by the enrollment of the member in the plan.

"(4) The unremarried surviving spouse and eligible child dependents of a deceased member—

"(A) who dies while in a status described in paragraph (1) or (2); or

"(B) who is described in section 1448(d)(1) of this title.

"(c) PREMIUMS.—(1) A member enrolled in the dental insurance plan established under subsection (a) shall pay the premiums charged for the insurance coverage.

"(2) The amount of the premiums payable by a member entitled to retired pay shall be deducted and withheld from the retired pay and shall be disbursed to pay the premiums. The regulations prescribed under subsection (h) shall specify the procedures for payment of the premiums by other enrolled members and by enrolled surviving spouses.

"(d) BENEFITS AVAILABLE UNDER THE PLAN.—The dental insurance plan established under subsection (a) shall provide benefits for basic dental care and treatment, including diagnostic services, preventative services, basic restorative services (including endodontics), surgical services, and emergency services.

"(e) COVERAGE.—(1) The Secretary shall prescribe a minimum required period for enrollment by a member or surviving spouse in the dental insurance plan established under subsection (a).

"(2) The dental insurance plan shall provide for voluntary enrollment of participants and shall authorize a member or eligible unremarried surviving spouse to enroll for self only or for self and eligible dependents.

"(f) TERMINATION OF ENROLLMENT.—The Secretary shall terminate the enrollment of any enrollee, and any eligible dependents of the enrollee covered by the enrollment, in the dental insurance plan established under subsection (a) upon the occurrence of the following:

"(1) In the case of an enrollment under subsection (b)(1), termination of the member's entitlement to retired pay.

"(2) In the case of an enrollment under subsection (b)(2), termination of the member's status as a member of the Retired Reserve.

"(3) In the case of an enrollment under subsection (b)(4), remarriage of the surviving spouse.

"(g) CONTINUATION OF DEPENDENTS' ENROLLMENT UPON DEATH OF ENROLLEE.—Coverage of a dependent in the dental insurance plan established under subsection (a) under an enrollment of a member or a surviving spouse who dies during the period of enrollment shall continue until the end of that period and may be renewed by (or for) the dependent, so long as the premium paid is sufficient to cover continuation of the dependent's enrollment. The Secretary may terminate coverage of the dependent when the premiums paid are no longer sufficient to cover continuation of the enrollment. The Secretary shall prescribe in regulations under subsection (h) the parties responsible for paying the remaining premiums due on the enrollment and the manner for collection of the premiums.

"(h) REGULATIONS.—The dental insurance plan established under subsection (a) shall be administered under regulations prescribed by the Secretary of Defense, in consultation with the Secretary of Transportation.

"(i) DEFINITIONS.—In this section:

"(1) The term 'eligible dependent' means a dependent described in subparagraph (A), (D), or (I) of section 1072(2) of this title.

"(2) The term 'eligible child dependent' means a dependent described in subparagraph (D) or (I) of section 1072(2) of this title.

"(3) The term 'retired pay' includes retainer pay.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076b the following new item:

"1076c. Dental insurance plan: certain retirees and their surviving spouses and other dependents.".

(b) IMPLEMENTATION.—Beginning not later than October 1, 1997, the Secretary of Defense shall—

(1) offer members of the Armed Forces and other persons described in subsection (b) of section 1076c of title 10, United States Code (as added by subsection (a)(1) of this section), the opportunity to enroll in the dental insurance plan required under that section; and

(2) begin to provide benefits under the plan.

SEC. 704. PLAN FOR HEALTH CARE COVERAGE FOR CHILDREN WITH MEDICAL CONDITIONS CAUSED BY PARENTAL EXPOSURE TO CHEMICAL MUNITIONS WHILE SERVING AS MEMBERS OF THE ARMED FORCES.

(a) PLAN REQUIRED.—The Secretary of Defense, in coordination with the Secretary of Veterans Affairs, shall develop a plan for ensuring the provision of medical care to any natural child of a member of the Armed Forces (including former members and members discharged or otherwise separated from active duty) who has a congenital defect or catastrophic illness, proven to a reasonable degree of scientific certainty on the basis of scientific research to have resulted from exposure of the member to a chemical warfare agent or other hazardous material to which the member was exposed during active military service.

(b) SUBMISSION TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit the plan developed under subsection (a) to Congress.

(c) DEFINITIONS OF CONGENITAL DEFECT AND CATASTROPHIC ILLNESS.—The Secretary of Defense shall prescribe in regulations a definition of the terms "congenital defect" and "catastrophic illness" for the purposes of this section.

Subtitle B—TRICARE Program

SEC. 711. CHAMPUS PAYMENT LIMITS FOR TRICARE PRIME ENROLLEES.

Section 1079(h)(4) of title 10, United States Code, is amended in the second sentence by striking out "emergency".

SEC. 712. IMPROVED INFORMATION EXCHANGE BETWEEN MILITARY TREATMENT FACILITIES AND TRICARE PROGRAM CONTRACTORS.

(a) UNIFORM INTERFACES.—The Secretary of Defense shall ensure that the automated medical information system being developed by the Department of Defense (known as the Composite Health Care System) provides for uniform interfaces between information systems of military treatment facilities and private contractors under managed care programs of the TRICARE program. The uniform interface shall provide for a full electronic two-way exchange of health care information between the military treatment facilities and contractor information systems, including enrollment information, information regarding eligibility determinations, provider network information, appointment information, and information regarding the existence of third-party payers.

(b) AMENDMENT OF EXISTING CONTRACTS.—To assure a single consistent source of information throughout the health care delivery system of the uniformed services, the Secretary of Defense shall amend each TRICARE program contract, with the consent of the TRICARE program contractor and notwithstanding any requirement for competition, to require the contractor—

(1) to use software furnished under the Composite Health Care System to record military treatment facility provider appointments; and

(2) to record TRICARE program enrollment through direct use of the Composite Health Care System software or through the uniform two-way interface between the contractor and military treatment facilities systems, where applicable.

(c) DEFINITION OF TRICARE PROGRAM.—For purposes of this section, the term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 713. PLANS FOR MEDICARE SUBVENTION DEMONSTRATION PROGRAMS.

(a) PROGRAM FOR ENROLLMENT IN TRICARE MANAGED CARE OPTION.—Not later than September 6, 1996, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report containing a specific plan (including the recommendations of the Secretaries required under subsection (b)) regarding the establishment of a demonstration program under which—

(1) covered beneficiaries under chapter 55 of title 10, United States Code, who are also entitled to benefits under part A of the medicare program are permitted to enroll in the managed care option of the TRICARE program; and

(2) the Secretary of Health and Human Services reimburses the Secretary of Defense from the medicare program on a capitated basis for the costs of providing health care services to military retirees who enroll.

(b) SPECIFIC ELEMENTS OF REPORT.—The report shall include the following:

(1) The number of covered beneficiaries described in subsection (a) who are projected to participate in the demonstration program and the minimum number of such participants necessary to conduct the demonstration program effectively.

(2) A plan for notifying such covered beneficiaries of their eligibility for enrollment in the demonstration program and for any other matters connected with enrollment.

(3) A recommendation for the duration of the demonstration program.

(4) A recommendation for the geographic regions in which the demonstration program should be conducted.

(5) The appropriate level of capitated reimbursement, and a schedule for such reimbursement, from the medicare program to the Department of Defense for health care services provided enrollees in the demonstration program.

(6) An estimate of the amounts that, in the absence of the demonstration program, would be required to be allocated by the Department of Defense for the provision of health care services to covered beneficiaries described in subsection (a) who reside in the regions in which the demonstration program is proposed to be conducted.

(7) An assessment of revisions to the allocation estimated under paragraph (6) that would result from the conduct of the demonstration program in such regions.

(8) An estimate of the cost to the Department of Defense and to the medicare program of providing health care services to covered beneficiaries described in subsection (a) who enroll in the demonstration program.

(9) An assessment of the likelihood of cost shifting among the Department of Defense and the medicare program under the demonstration program.

(10) A proposal for mechanisms for reconciling and reimbursing any improper payments among the Department of Defense and the medicare program under the demonstration program.

(11) A methodology for evaluating the demonstration program, including cost analyses.

(12) As assessment of the extent to which the TRICARE program is prepared to meet requirements of the medicare program for purposes of the demonstration program and the provisions of law or regulation that would have to be waived in order to facilitate the carrying out of the demonstration program.

(13) An assessment of the impact of the demonstration program on military readiness.

(14) Contingency plans for the provision of health care services under the demonstration program in the event of the mobilization of health care personnel.

(15) A recommendation of the reports that the Department of Defense and the Department of Health and Human Services should submit to Congress describing the conduct of the demonstration program.

(c) PROGRAM FOR ENROLLMENT IN TRICARE FEE-FOR-SERVICE OPTION.—Not later than January 3, 1997, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report on the feasibility and advisability of expanding the demonstration program referred to in subsection (a) so as to provide the Department of Defense with reimbursement from the medicare program on a fee-for-service basis for health care services provided covered beneficiaries described in subsection (a) who enroll in the demonstration program. The report shall include a proposal for the expansion of the program if the expansion is determined to be advisable.

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. DEFINITIONS.

In this subtitle:

(1) The term "administering Secretaries" means the Secretary of Defense, the Secretary of Transportation, and the Secretary of Health and Human Services.

(2) The term "agreement" means the agreement required under section 722(b) between the Secretary of Defense and a designated provider.

(3) The term "capitation payment" means an actuarially sound payment for a defined set of health care services that is established on a per enrollee per month basis.

(4) The term "covered beneficiary" means a beneficiary under chapter 55 of title 10, United States Code, other than a beneficiary under section 1074(a) of such title.

(5) The term "designated provider" means a public or nonprofit private entity that was a transferee of a Public Health Service hospital or other station under section 987 of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35; 42 U.S.C. 248b) and that, before the date of the enactment of this Act, was deemed to be a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code. The term includes any legal successor in interest of the transferee.

(6) The term "enrollee" means a covered beneficiary who enrolls with a designated provider.

(7) The term "health care services" means the health care services provided under the health plan known as the "TRICARE PRIME" option under the TRICARE program.

(8) The term "Secretary" means the Secretary of Defense.

(9) The term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 722. INCLUSION OF DESIGNATED PROVIDERS IN UNIFORMED SERVICES HEALTH CARE DELIVERY SYSTEM.

(a) INCLUSION IN SYSTEM.—The health care delivery system of the uniformed services shall include the designated providers.

(b) AGREEMENTS TO PROVIDE MANAGED HEALTH CARE SERVICES.—(1) After consultation with the other administering Secretaries, the Secretary of Defense shall negotiate and enter into an agreement with each designated provider under which the designated provider will provide health care services in or through managed care plans to covered beneficiaries who enroll with the designated provider.

(2) The agreement shall be entered into on a sole source basis. The Federal Acquisition Regulation, except for those requirements regarding competition, issued pursuant to section 25(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)) shall apply to the agreements as acquisitions of commercial items.

(3) The implementation of an agreement is subject to availability of funds for such purpose.

(c) EFFECTIVE DATE OF AGREEMENTS.—(1) Unless an earlier effective date is agreed upon by the Secretary and the designated provider, the agreement shall take effect upon the later of the following:

(A) The date on which a managed care support contract under the TRICARE program is implemented in the service area of the designated provider.

(B) October 1, 1997.

(2) Notwithstanding paragraph (1), the designated provider whose service area includes Seattle, Washington, shall implement its agreement as soon as the agreement permits.

(d) TEMPORARY CONTINUATION OF EXISTING PARTICIPATION AGREEMENTS.—The Secretary shall extend the participation agreement of a designated provider in effect immediately before the date of the enactment of this Act under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 42 U.S.C. 248c) until the agreement required by this section takes effect under subsection (c).

(e) SERVICE AREA.—The Secretary may not reduce the size of the service area of a designated provider below the size of the service area in effect as of September 30, 1996.

(f) COMPLIANCE WITH ADMINISTRATIVE REQUIREMENTS.—(1) Unless otherwise agreed upon by the Secretary and a designated provider, the designated provider shall comply with necessary and appropriate administrative requirements established by the Secretary for other providers of health care services and requirements established by the Secretary of Health and Human Services for risk-sharing contractors under section 1876 of the Social Security Act (42 U.S.C. 1395mm). The Secretary and the designated provider shall determine and apply only such administrative requirements as are minimally necessary and appropriate. A designated provider shall not be required to comply with a law or regulation of a State government requiring licensure as a health insurer or health maintenance organization.

(2) A designated provider may not contract out more than five percent of its primary care enrollment without the approval of the Secretary, except in the case of primary care contracts between a designated provider and a primary care contractor in force on the date of the enactment of this Act.

SEC. 723. PROVISION OF UNIFORM BENEFIT BY DESIGNATED PROVIDERS.

(a) UNIFORM BENEFIT REQUIRED.—A designated provider shall offer to enrollees the health benefit option prescribed and implemented by the Secretary under section 731 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 1073 note), including accompanying cost-sharing requirements.

(b) TIME FOR IMPLEMENTATION OF BENEFIT.—A designated provider shall offer the health benefit option described in subsection (a) to enrollees upon the later of the following:

(1) The date on which health care services within the health care delivery system of the uniformed services are rendered through the TRICARE program in the region in which the designated provider operates.

(2) October 1, 1997.

(c) ADJUSTMENTS.—The Secretary may establish a later date under subsection (b)(2) or prescribe reduced cost-sharing requirements for enrollees.

SEC. 724. ENROLLMENT OF COVERED BENEFICIARIES.

(a) FISCAL YEAR 1997 LIMITATION.—(1) During fiscal year 1997, the number of covered beneficiaries who are enrolled in managed care plans offered by designated providers may not exceed the number of such enrollees as of October 1, 1995.

(2) The Secretary may waive the limitation under paragraph (1) if the Secretary determines that additional enrollment authority for a designated provider is required to accommodate covered beneficiaries who are dependents of members of the uniformed services entitled to health care under section 1074(a) of title 10, United States Code.

(b) PERMANENT LIMITATION.—For each fiscal year beginning after September 30, 1997, the number of enrollees in managed care plans offered by designated providers may not exceed 110 percent of the number of such enrollees as of the first day of the immediately preceding fiscal year. The Secretary may waive this limitation as provided in subsection (a)(2).

(c) RETENTION OF CURRENT ENROLLEES.—An enrollee in the managed care plan of a designated provider as of September 30, 1997, or such earlier date as the designated provider and the Secretary may agree upon, shall continue receiving services from the designated provider pursuant to the agreement entered into under section 722 unless the enrollee disenrolls from the designated provider. Except as provided in subsection (e), the administering Secretaries may not disenroll such an enrollee unless the disenrollment is agreed to by the Secretary and the designated provider.

(d) ADDITIONAL ENROLLMENT AUTHORITY.—Other covered beneficiaries may also receive health care services from a designated provider, except that the designated provider may market such services to, and enroll, only those covered beneficiaries who—

(1) do not have other primary health insurance coverage (other than medicare coverage) covering basic primary care and inpatient and outpatient services; or

(2) are enrolled in the direct care system under the TRICARE program, regardless of whether the covered beneficiaries were users of the health care delivery system of the uniformed services in prior years.

(e) SPECIAL RULE FOR MEDICARE-ELIGIBLE BENEFICIARIES.—If a covered beneficiary who desires to enroll in the managed care program of a designated provider is also entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.), the covered beneficiary shall elect whether to receive health care services as an enrollee or under part A of title XVIII of the Social Security Act. The Secretary may disenroll an enrollee who subsequently violates the election made under this subsection and receives benefits under part A of title XVIII of the Social Security Act.

(f) INFORMATION REGARDING ELIGIBLE COVERED BENEFICIARIES.—The Secretary shall provide, in a timely manner, a designated provider with an accurate list of covered beneficiaries within the marketing area of the designated provider to whom the designated provider may offer enrollment.

SEC. 725. APPLICATION OF CHAMPUS PAYMENT RULES.

(a) APPLICATION OF PAYMENT RULES.—Subject to subsection (b), the Secretary shall require a private facility or health care provider that is a health care provider under the Civilian Health and Medical Program of the Uniformed Services to apply the payment rules described in section 1074(c) of title 10, United States Code, in imposing charges for health care that the private facility or provider provides to enrollees of a designated provider.

(b) AUTHORIZED ADJUSTMENTS.—The payment rules imposed under subsection (a) shall be subject to such modifications as the Secretary considers appropriate. The Secretary may authorize a lower rate than the maximum rate that would otherwise apply under subsection (a) if the lower rate is agreed to by the designated provider and the private facility or health care provider.

(c) REGULATIONS.—The Secretary shall prescribe regulations to implement this section after consultation with the other administering Secretaries.

(d) CONFORMING AMENDMENT.—Section 1074 of title 10, United States Code, is amended by striking out subsection (d).

SEC. 726. PAYMENTS FOR SERVICES.

(a) FORM OF PAYMENT.—Unless otherwise agreed to by the Secretary and a designated provider, the form of payment for health care services provided by a designated provider shall be on a full risk capitation payment basis. The capitation payments shall be negotiated and agreed upon by the Secretary and the designated provider. In addition to such other factors as the parties may agree to apply, the capitation payments shall be based on the utilization experience of enrollees and competitive market rates for equivalent health care services for a comparable population to such enrollees in the area in which the designated provider is located.

(b) LIMITATION ON TOTAL PAYMENTS.—Total capitation payments for health care services to a designated provider shall not exceed an amount equal to the cost that would have been incurred by the Government if the enrollees had received such health care services through a military treatment facility, the TRICARE program, or the medicare program, as the case may be.

(c) ESTABLISHMENT OF PAYMENT RATES ON ANNUAL BASIS.—The Secretary and a designated provider shall establish capitation payments on an annual basis, subject to periodic review for actuarial soundness and to adjustment for any adverse or favorable selection reasonably anticipated to result from the design of the program under this subtitle.

(d) ALTERNATIVE BASIS FOR CALCULATING PAYMENTS.—After September 30, 1999, the Secretary and a designated provider may mutually agree upon a new basis for calculating capitation payments.

SEC. 727. REPEAL OF SUPERSEDED AUTHORITIES.

(a) REPEALS.—The following provisions of law are repealed:

(1) Section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c).

(2) Section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d).

(3) Section 718(c) of the National Defense Authorization Act for Fiscal year 1991 (Public Law 101–510; 42 U.S.C. 248c note).

(4) Section 726 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 42 U.S.C. 248c note).

(b) EFFECTIVE DATE.—The amendments made by paragraphs (1), (2), and (3) of subsection (a) shall take effect on October 1, 1997.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. AUTHORITY TO WAIVE CHAMPUS EXCLUSION REGARDING NONMEDICALLY NECESSARY TREATMENT IN CONNECTION WITH CERTAIN CLINICAL TRIALS.

(a) WAIVER AUTHORITY.—Paragraph (13) of section 1079(a) of title 10, United States Code, is amended—

(1) by striking out "any service" and inserting in lieu thereof "Any service";

(2) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(3) by adding at the end the following: "Pursuant to an agreement with the Secretary of Health and Human Services and under such regulations as the Secretary of Defense may prescribe, the Secretary of Defense may waive the operation of this paragraph in connection with clinical trials sponsored or approved by the National Institutes of Health if the Secretary of Defense determines that such a waiver will promote access by covered beneficiaries to promising new treatments and contribute to the development of such treatments.".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in the matter preceding paragraph (1), by striking out "except that—" and inserting in lieu thereof "except as follows:";

(2) by capitalizing the first letter of the first word of each of paragraphs (1) through (17);

(3) by striking out the semicolon at the end of each of paragraphs (1) through (12) and paragraphs (14) and (15) and inserting in lieu thereof a period; and

(4) in paragraph (16), by striking out "; and" and inserting in lieu thereof a period.

SEC. 732. EXCEPTION TO MAXIMUM ALLOWABLE PAYMENTS TO INDIVIDUAL HEALTH-CARE PROVIDERS UNDER CHAMPUS.

Section 1079(h) of title 10, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

(2) by inserting after paragraph (4) the following new paragraph:

"(5) In addition to the authority provided under paragraph (4), the Secretary may authorize the commander of a facility of the uniformed services, the lead agent (if other than the commander), and the health care contractor to modify the payment limitations under paragraph (1) for certain health care providers when necessary to ensure both the availability of certain services for covered beneficiaries and lower costs than would otherwise be incurred to provide the services.".

SEC. 733. CODIFICATION OF ANNUAL AUTHORITY TO CREDIT CHAMPUS REFUNDS TO CURRENT YEAR APPROPRIATION.

(a) CREDITS TO CHAMPUS ACCOUNTS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1079 the following new section:

"§ 1079a. CHAMPUS: treatment of refunds and other amounts collected

"All refunds and other amounts collected in the administration of the Civilian Health and Medical Program of the Uniformed Services shall be credited to the appropriation available for that program for the fiscal year in which the refund or amount is collected.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1079 the following new item:

"1079a. CHAMPUS: treatment of refunds and other amounts collected.".

(b) CONFORMING REPEAL.—Section 8094 of the Department of Defense Appropriations Act, 1996 (Public Law 104-61; 109 Stat. 671), is repealed.

SEC. 734. EXCEPTIONS TO REQUIREMENTS REGARDING OBTAINING NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS.

(a) REFERENCE TO INPATIENT MEDICAL CARE.—(1) Section 1080(a) of title 10, United States Code, is amended by inserting "inpatient" before "medical care" in the first sentence.

(2) Section 1086(e) of such title is amended in the first sentence by striking out "benefits" and inserting in lieu thereof "inpatient medical care".

(b) WAIVERS AND EXCEPTIONS TO REQUIREMENTS.—(1) Section 1080 of such title is amended by adding at the end the following new subsection:

"(c) WAIVERS AND EXCEPTIONS TO REQUIREMENTS.—(1) A covered beneficiary enrolled in a managed care plan offered pursuant to any contract or agreement under this chapter for the provision of health care services shall not be required to obtain a nonavailability-of-health-care statement as a condition for the receipt of health care.

"(2) The Secretary of Defense may waive the requirement to obtain nonavailability-of-health-care statements following an evaluation of the effectiveness of such statements in optimizing the use of facilities of the uniformed services.".

(2) Section 1086(e) of such title is amended in the last sentence by striking out "section 1080(b)" and inserting in lieu thereof "subsections (b) and (c) of section 1080".

(c) CONFORMING AMENDMENTS.—Section 1080(b) of such title is amended—

(1) by striking out "NONAVAILABILITY OF HEALTH CARE STATEMENTS" and inserting in lieu thereof "NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS; and

(2) by striking out "nonavailability of health care statement" and inserting in lieu thereof "nonavailability-of-health-care statement".

SEC. 735. ENHANCEMENT OF THIRD-PARTY COLLECTION AND SECONDARY PAYER AUTHORITIES UNDER CHAMPUS.

(a) RETENTION AND USE BY TREATMENT FACILITIES OF AMOUNTS COLLECTED.—Subsection (g)(1) of section 1095 of title 10, United States Code, is amended by inserting "or through" after "provided at".

(b) EXPANSION OF DEFINITION OF THIRD-PARTY PAYER.—Subsection (h) of such section is amended—

(1) in the first sentence of paragraph (1), by inserting "and a workers' compensation program or plan" before the period; and

(2) in paragraph (2)—

(A) by striking out "organization and" and inserting in lieu thereof a "organization,"; and

(B) by inserting before the period at the end the following: ", and a personal injury protection plan or medical payments benefit plan for personal injuries resulting from the operation of a motor vehicle".

(c) APPLICABILITY OF SECONDARY PAYER REQUIREMENT.—Section 1079(j)(1) of such title is amended by inserting after "or health plan" the following: ", including any plan offered by a third-party payer (as defined in section 1095(h)(1) of this title),".

Subtitle E—Other Matters

SEC. 741. ALTERNATIVES TO ACTIVE DUTY SERVICE OBLIGATION UNDER ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM AND UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.—Subsection (e) of section 2123 of title 10, United States Code, is amended to read as follows:

"(e)(1) A member of the program who is relieved of the member's active duty obligation under this subchapter before the completion of that active duty obligation may be given, with or without the consent of the member, any of the following alternative obligations, as determined by the Secretary of the military department concerned:

"(A) A service obligation in another armed force for a period of time not less than the member's remaining active duty service obligation.

"(B) A service obligation in a component of the Selected Reserve for a period not less than twice as long as the member's remaining active duty service obligation.

"(C) Repayment to the Secretary of Defense of a percentage of the total cost incurred by the Secretary under this subchapter on behalf of the member equal to the percentage of the member's total active duty service obligation being relieved, plus interest.

"(2) In addition to the alternative obligations specified in paragraph (1), if the member is relieved of an active duty obligation by reason of the separation of the member because of a physical disability, the Secretary of the military department concerned may give the member a service obligation as a civilian employee employed as a health care professional in a facility of the uniformed services for a period of time equal to the member's remaining active duty service obligation.

"(3) The Secretary of Defense shall prescribe regulations describing the manner in which an alternative obligation may be given under this subsection.".

(b) UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.—Section 2114 of title 10, United States Code is amended by adding at the end the following new subsection:

"(h) A graduate of the University who is relieved of the graduate's active-duty service obligation under subsection (b) before the completion of that active-duty service obligation may be given, with or without the consent of the graduate, an alternative obligation in the same manner as provided in subparagraphs (A) and (B) of paragraph (1) of section 2123(e)(1) of this title or paragraph (2) of such section for members of the Armed Forces Health Professions Scholarship and Financial Assistance program.".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to individuals who first become members of the Armed Forces Health Professions Scholarship and Financial Assistance program or students of the Uniformed Services University of the Health Sciences on or after October 1, 1996.

(d) TRANSITION PROVISION.—(1) In the case of any member of the Armed Forces Health Professions Scholarship and Financial Assistance program who, as of October 1, 1996, is serving an active duty obligation under the program or is incurring an active duty obligation as a participant in the program, and who is subsequently relieved of the active duty obligation before the completion of the obligation, the alternative obligations authorized by the amendment made by subsection (a) may be used by the Secretary of the military department concerned with the agreement of the member.

(2) In the case of any person who, as of October 1, 1996, is serving an active-duty service obligation as a graduate of the Uniformed Services University of the Health Sciences or is incurring an active-duty service obligation as a student of the University, and who is subsequently relieved of the active-duty service obligation before the completion of the obligation, the alternative obligations authorized by the amendment made by subsection (b) may be implemented by the Secretary of Defense with the agreement of the person.

(e) REPORT ON UTILIZATION OF GRADUATES OF UNIVERSITY.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the utilization by the Department of Defense of graduates of the Uniformed Services University of the Health Sciences. The report shall include a discussion of means of ensuring that graduates of the University have received training in medical specialties for which the Department has particular need.

SEC. 742. EXTERNAL PEER REVIEW FOR DEFENSE HEALTH PROGRAM EXTRAMURAL MEDICAL RESEARCH INVOLVING HUMAN SUBJECTS.

(a) ESTABLISHMENT OF EXTERNAL PEER REVIEW PROCESS.—The Secretary of Defense shall establish a peer review process that will use persons who are not officers or employees of the Government to review the research protocols of medical research projects.

(b) PEER REVIEW REQUIREMENTS.—Funds of the Department of Defense may not be obligated or expended for any medical research project unless the research protocol for the project has been approved by the external peer review process established under subsection (a).

(c) MEDICAL RESEARCH PROJECT DEFINED.—For purposes of this section, the term "medical research project" means a research project that—

(1) involves the participation of human subjects;

(2) is conducted solely by a non-Federal entity; and

(3) is funded through the Defense Health Program account.

(d) EFFECTIVE DATE.—The peer review requirements of subsection (b) shall take effect on October 1, 1996, and, except as provided in subsection (e), shall apply to all medical research projects proposed funded on or after that date, including medical research projects funded pursuant to any requirement of law enacted before, on, or after that date.

(e) EXCEPTIONS.—Only the following medical research projects shall be exempt from the peer review requirements of subsection (b):

(1) A medical research project that the Secretary determines has been substantially completed by October 1, 1996.

(2) A medical research project funded pursuant to any provision of law enacted on or after that date if the provision of law specifically refers to this section and specifically states that the peer review requirements do not apply.

SEC. 743. INDEPENDENT RESEARCH REGARDING GULF WAR SYNDROME.

(a) DEFINITIONS.—For purposes of this section:

(1) The term "Gulf War service" means service on active duty as a member of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(2) The term "Gulf War syndrome" means the complex of illnesses and symptoms commonly known as Gulf War syndrome.

(3) The term "Persian Gulf War" has the meaning given that term in section 101(33) of title 38, United States Code.

(b) RESEARCH.—The Secretary of Defense shall provide, by contract, grant, or other transaction, for scientific research to be carried out by entities independent of the Federal Government on possible causal relationships between Gulf War syndrome and—

(1) the possible exposures of members of the Armed Forces to chemical warfare agents or other hazardous materials during Gulf War service; and

(2) the use by the Department of Defense during the Persian Gulf War of combinations of various inoculations and investigational new drugs.

(c) PROCEDURES FOR AWARDING GRANTS.—The Secretary shall prescribe the procedures to be used to make research awards under subsection (b). The procedures shall—

(1) include a comprehensive, independent peer-review process for the evaluation of proposals for scientific research that are submitted to the Department of Defense; and

(2) provide for the final selection of proposals for award to be based on the scientific merit and program relevance of the proposed research.

(d) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated under section 301(21) for defense medical programs, $10,000,000 is available for research under subsection (b).

SEC. 744. COMPTROLLER GENERAL REVIEW OF HEALTH CARE ACTIVITIES OF DEPARTMENT OF DEFENSE RELATING TO GULF WAR ILLNESSES.

(a) MEDICAL RESEARCH AND CLINICAL CARE PROGRAMS.—The Comptroller General shall analyze the effectiveness of the medical research programs and clinical care programs of the Department of Defense that relate to illnesses that might have been contracted by members of the Armed Forces as a result of service in the Southwest Asia theater of operations during the Persian Gulf War.

(b) POLICIES REGARDING INVESTIGATIONAL NEW DRUGS.—The Comptroller General shall analyze the scope and effectiveness of the policies of the Department of Defense with respect to—

(1) the use of investigational new drugs during the Persian Gulf War to treat members of the Armed Forces who served in the Southwest Asia theater of operations; and

(2) the current use of investigational new drugs to treat illnesses referred to in subsection (a).

(c) ADMINISTRATION OF MEDICAL RECORDS.—The Comptroller General shall analyze the administration of medical records by the military departments in order to assess the extent to which such records accurately reflect the pre-deployment medical assessments, immunization records, informed consent releases, complaints during routine sick call, emergency room visits, visits with unit medics during deployment, and other relevant medical information relating to the members and former members referred to in subsection (a) with respect to the illnesses referred to in that subsection.

(d) REPORTS.—Not later than March 1, 1997, the Comptroller General shall submit to Congress a separate report on each of the analyses required under subsections (a), (b), and (c).

SEC. 745. REPORT REGARDING SPECIALIZED TREATMENT FACILITY PROGRAM.

Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report evaluating the impact on the military health care system of limiting the service area of a facility designated as part of the specialized treatment facility program under section 1105 of title 10, United States Code, to not more than 100 miles from the facility.

SEC. 746. STUDY OF MEANS OF ENSURING UNIFORMITY IN PROVISION OF MEDICAL AND DENTAL CARE FOR MEMBERS OF RESERVE COMPONENTS.

(a) STUDY.—(1) In consultation with the Secretary of Transportation, the Secretary of Defense shall conduct a study of means of improving the provision of medical and dental care to members of the reserve components referred to in paragraph (2) in order to ensure uniformity and consistency in the provision of such care to such members.

(2) The members of the reserve components referred to in paragraph (1) are the following:

(A) Members on active duty, including active duty for training and annual training duty.

(B) Members on full-time National Guard duty.

(C) Members on inactive-duty training, regardless of whether such members are in a pay or nonpay status.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the study conducted under subsection (a). The report shall include such recommendations (including recommendations for legislation) as the Secretary considers appropriate.

SEC. 747. SENSE OF CONGRESS REGARDING TAX TREATMENT OF ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

It is the sense of Congress that the Secretary of Defense should work with the Secretary of the Treasury to interpret section 117 of the Internal Revenue Code of 1986 so that the limitation on the amount of a qualified scholarship or qualified tuition reduction excluded from gross income does not apply to any portion of a scholarship or financial assistance provided by the Secretary of Defense to a person enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of title 10, United States Code.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

Subtitle A—Acquisition Management

Sec. 801. Procurement technical assistance programs.
Sec. 802. Extension of pilot mentor-protege program.
Sec. 803. Authority to waive certain requirements for defense acquisition pilot programs.
Sec. 804. Modification of authority to carry out certain prototype projects.
Sec. 805. Increase in threshold amounts for major systems.
Sec. 806. Revisions in information required to be included in selected acquisition reports.
Sec. 807. Increase in simplified acquisition threshold for humanitarian or peacekeeping operations.
Sec. 808. Expansion of audit reciprocity among Federal agencies to include post-award audits.
Sec. 809. Excessive compensation of certain contractor personnel.
Sec. 810. Exception to prohibition on procurement of foreign goods.

Subtitle B—Other Matters

Sec. 821. Prohibition on release of contractor proposals under Freedom of Information Act.
Sec. 822. Amendments relating to reports on procurement regulatory activity.
Sec. 823. Amendment of multiyear limitation on contracts for inspection, maintenance, and repair.
Sec. 824. Streamlined notice requirements to contractors and employees regarding termination or substantial reduction in contracts under major defense programs.
Sec. 825. Repeal of notice requirements for substantially or seriously affected parties in downsizing efforts.
Sec. 826. Study of effectiveness of defense mergers.
Sec. 827. Annual report relating to Buy American Act.
Sec. 828. Foreign environmental technology.
Sec. 829. Assessment of national defense technology and industrial base and dependency of base on supplies available only from foreign countries.
Sec. 830. Expansion of report on implementation of automated information systems to include additional matters regarding information resources management.
Sec. 831. Year 2000 software conversion.
Sec. 832. Procurement from firms in industrial base for production of small arms.
Sec. 833. Cable television franchise agreements.

Subtitle A—Acquisition Management

SEC. 801. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 301(5),

$12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1997 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 802. EXTENSION OF PILOT MENTOR-PROTEGE PROGRAM.

Section 831(j) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2302 note) is amended—

(1) in paragraph (1), by striking out "1995" and inserting in lieu thereof "1998"; and

(2) in paragraph (2), by striking out "1996" and inserting in lieu thereof "1999".

SEC. 803. AUTHORITY TO WAIVE CERTAIN REQUIREMENTS FOR DEFENSE ACQUISITION PILOT PROGRAMS.

(a) AUTHORITY.—The Secretary of Defense may waive sections 2399, 2403, 2432, and 2433 of title 10, United States Code, in accordance with this section for any defense acquisition program designated by the Secretary of Defense for participation in the defense acquisition pilot program authorized by section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2430 note).

(b) OPERATIONAL TEST AND EVALUATION.—The Secretary of Defense may waive the requirements for operational test and evaluation for such a defense acquisition program as set forth in section 2399 of title 10, United States Code, if the Secretary—

(1) determines (without delegation) that such test would be unreasonably expensive or impractical;

(2) develops a suitable alternate operational test program for the system concerned;

(3) describes in the test and evaluation master plan, as approved by the Director of Operational Test and Evaluation, the method of evaluation that will be used to evaluate whether the system will be effective and suitable for combat; and

(4) submits to the congressional defense committees a report containing the determination that was made under paragraph (1), a justification for that determination, and a copy of the plan required by paragraph (3).

(c) CONTRACTOR GUARANTEES FOR MAJOR WEAPONS SYSTEMS.—The Secretary of Defense may waive the requirements of section 2403 of title 10, United States Code, for such a defense acquisition program if an alternative guarantee is used that ensures high quality weapons systems.

(d) SELECTED ACQUISITION REPORTS.—The Secretary of Defense may waive the requirements of sections 2432 and 2433 of title 10, United States Code, for such a defense acquisition program if the Secretary provides a single annual report to Congress at the end of each fiscal year that describes the status of the program in relation to the baseline description for the program established under section 2435 of such title.

SEC. 804. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

(a) AUTHORIZED OFFICIALS.—(1) Subsection (a) of section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1721; 10 U.S.C. 2371 note) is amended by inserting ", the Secretary of a military department, or any other official designated by the Secretary of Defense" after "Agency".

(2) Subsection (b)(2) of such section is amended to read as follows:

"(2) To the maximum extent practicable, competitive procedures shall be used when entering into agreements to carry out projects under subsection (a).".

(b) EXTENSION OF AUTHORITY.—Subsection (c) of such section is amended by striking out "terminate" and all that follows and inserting in lieu thereof "terminate at the end of September 30, 1999.".

(c) CONFORMING AND TECHNICAL AMENDMENTS.—Section 845 of such Act is further amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking out "(c)(2) and (c)(3) of such section 2371, as redesignated by section 827(b)(1)(B)," and inserting in lieu thereof "(e)(2) and (e)(3) of such section 2371"; and

(B) in paragraph (2), by inserting after "Director" the following: ", Secretary, or other official"; and

(2) in subsection (c), by striking out "of the Director".

SEC. 805. INCREASE IN THRESHOLD AMOUNTS FOR MAJOR SYSTEMS.

(a) INCREASE AND ADJUSTMENT.—Chapter 137 of title 10, United States Code, is amended—

(1) in section 2302(5), by striking out the third sentence and inserting in lieu thereof the following: "A system shall be considered a major system if (A) the conditions of section 2302d of this title are satisfied, or (B) the system is designated a 'major system' by the head of the agency responsible for the system."; and

(2) by inserting after section 2302c the following:

"§ 2302d. Major system: definitional threshold amounts

"(a) DEPARTMENT OF DEFENSE SYSTEMS.—For purposes of section 2302(5) of this title, a system for which the Department of Defense is responsible shall be considered a major system if—

"(1) the total expenditures for research, development, test, and evaluation for the system are estimated to be more than $115,000,000 (based on fiscal year 1990 constant dollars); or

"(2) the eventual total expenditure for procurement of more than $540,000,000 (based on fiscal year 1990 constant dollars).

"(b) CIVILIAN AGENCY SYSTEMS.—For purposes of section 2302(5) of this title, a system for which a civilian agency is responsible shall be considered a major system if total expenditures for the system are estimated to exceed the greater of—

"(1) $750,000 (based on fiscal year 1980 constant dollars); or

"(2) the dollar threshold for a 'major system' established by the agency pursuant to Office of Management and Budget (OMB) Circular A–109, entitled 'Major Systems Acquisitions'.

"(c) ADJUSTMENT AUTHORITY.—(1) The Secretary of Defense may adjust the amounts and the base fiscal year provided in subsection (a) on the basis of Department of Defense escalation rates.

"(2) An amount, as adjusted under paragraph (1), that is not evenly divisible by $5,000,000 shall be rounded to the nearest multiple of $5,000,000. In the case of an amount that is evenly divisible by $2,500,000 but not evenly divisible by $5,000,000, the amount shall be rounded to the next higher multiple of $5,000,000.

"(3) An adjustment under this subsection shall be effective after the Secretary transmits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a written notification of the adjustment.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2302c the following:

"2302d. Major system: definitional threshold amounts.".

SEC. 806. REVISIONS IN INFORMATION REQUIRED TO BE INCLUDED IN SELECTED ACQUISITION REPORTS.

Section 2432 of title 10, United States Code, is amended—

(1) in subsection (c)(1)—

(A) by striking out "and" at the end of subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) the current procurement unit cost for each major defense acquisition program included in the report and the history of that cost from the date the program was first included in a Selected Acquisition Report to the end of the quarter for which the current report is submitted; and"; and

(2) in subsection (e), by striking out paragraph (8) and redesignating paragraph (9) as paragraph (8).

SEC. 807. INCREASE IN SIMPLIFIED ACQUISITION THRESHOLD FOR HUMANITARIAN OR PEACEKEEPING OPERATIONS.

(a) ARMED SERVICES ACQUISITIONS.—Section 2302(7) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(7)";

(2) by inserting after "contingency operation" the following: "or a humanitarian or peacekeeping operation"; and

(3) by adding at the end the following:

"(B) In subparagraph (A), the term 'humanitarian or peacekeeping operation' means a military operation in support of the provision of humanitarian or foreign disaster assistance or in support of a peacekeeping operation under chapter VI or VII of the Charter of the United Nations. The term does not include routine training, force rotation, or stationing.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 309(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(d)) is amended—

(1) by inserting "(1)" after "(d)";

(2) by inserting after "contingency operation" the following: "or a humanitarian or peacekeeping operation"; and

(3) by adding at the end the following:

"(2) In paragraph (1):

"(A) The term 'contingency operation' has the meaning given such term in section 101(a) of title 10, United States Code.

"(B) The term 'humanitarian or peacekeeping operation' means a military operation in support of the provision of humanitarian or foreign disaster assistance or in support of a peacekeeping operation under chapter VI or VII of the Charter of the United Nations. The term does not include routine training, force rotation, or stationing.".

SEC. 808. EXPANSION OF AUDIT RECIPROCITY AMONG FEDERAL AGENCIES TO INCLUDE POST-AWARD AUDITS.

(a) ARMED SERVICES ACQUISITIONS.—Subsection (d) of section 2313 of title 10, United States Code, is amended to read as follows:

"(d) LIMITATION ON AUDITS RELATING TO INDIRECT COSTS.—The head of an agency may not perform an audit of indirect costs under a contract, subcontract, or modification before or after entering into the contract, subcontract, or modification in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit that was conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Subsection (d) of section 304C of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254d) is amended to read as follows:

"(d) LIMITATION ON AUDITS RELATING TO INDIRECT COSTS.—An executive agency may not perform an audit of indirect costs under a contract, subcontract, or modification before or after entering into the contract, subcontract, or modification in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit that was conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.".

(c) GUIDELINES FOR ACCEPTANCE OF AUDITS BY STATE AND LOCAL GOVERNMENTS RECEIVING FEDERAL ASSISTANCE.—The Director of the Office and Management and Budget shall issue guidelines to ensure that an audit of indirect costs performed by the Federal Government is accepted by State and local governments that receive Federal funds under contracts, grants, or other Federal assistance programs.

SEC. 809. COMPENSATION OF CERTAIN CONTRACTOR PERSONNEL.

(a) ARMED SERVICES PROCUREMENTS.—(1) During fiscal year 1997, the head of an agency shall treat the costs described in paragraph (2) as not allowable under a covered contract, in the same manner as costs listed in section 2324(e)(1) of title 10, United States Code.

(2) The costs covered by paragraph (1) are costs of compensation paid with respect to services of any one officer to the extent that the total amount of the compensation paid in a fiscal year exceeds $250,000.

(b) CIVILIAN AGENCY PROCUREMENTS.—(1) During fiscal year 1997, an executive agency shall treat the costs described in paragraph (2) as not allowable under a covered contract, in the same manner as costs listed in section 306(e)(1) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256(e)(1)).

(2) The costs covered by paragraph (1) are costs of compensation paid with respect to services of any one officer to the extent that the total amount of the compensation paid in a fiscal year exceeds $250,000.

(c) DEFINITIONS.—In this section:

(1) The term "head of an agency" has the meaning provided in section 2302 of title 10, United States Code.

(2) The term "executive agency" has the meaning provided in section 3 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472).

(3) The term "covered contract"—

(A) with respect to procurements subject to chapter 137 of title 10, United States Code, has the meaning provided by section 2324(l) of such title; and

(B) with respect to procurements subject to title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), has the meaning provided by section 306(l) of such Act (41 U.S.C. 256(l)).

(4) The term "compensation" means—

(A) the total amount of wages as defined in section 3401(a) of the Internal Revenue Code of 1986 for the year concerned; and

(B) the total amount of elective deferrals (within the meaning of section 402(g)(3) of such Code) for the year concerned.

(5) The term "officer" means a person who is determined to be in a senior management position as established by regulation.

(d) REVIEW.—The Administrator for Federal Procurement Policy, in consultation with the Secretary of Defense, shall conduct a comprehensive review of the levels of compensation received by senior executives of corporations performing a significant amount of business with the Federal Government in order to determine the appropriate cost allowability policy in this area. Such a review should include the following:

(1) In consultation with the Secretary of the Treasury, an examination of the appropriate definition and treatment of compensation, including deferred compensation.

(2) An examination of the appropriate definition of senior executive positions and any other positions that should be covered under the cost allowability policy.

(3) An examination of how to apply the cost allowability policy to individual contracts and aggregations of contracts within a corporation.

(4) Any other matter related to the cost allowability of executive compensation that the Administrator considers appropriate.

(e) LEGISLATIVE PROPOSAL.—Not later than March 1, 1997, the President shall submit to Congress a legislative proposal incorporating the conclusions reached by the review conducted under subsection (d) and establishing a statutory Government standard on the cost allowability of executive compensation.

SEC. 810. EXCEPTION TO PROHIBITION ON PROCUREMENT OF FOREIGN GOODS.

Section 2534(d)(3) of title 10, United States Code, is amended by inserting "or would impede the reciprocal procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items that is entered into under section 2531 of this title," after "a foreign country,".

Subtitle B—Other Matters

SEC. 821. PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS UNDER FREEDOM OF INFORMATION ACT.

(a) ARMED SERVICES ACQUISITIONS.—Section 2305 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS.—(1) Except as provided in paragraph (2), a proposal in the possession or control of the Department of Defense may not be made available to any person under section 552 of title 5.

"(2) Paragraph (1) does not apply to any proposal that is set forth or incorporated by reference in a contract entered into between the Department and the contractor that submitted the proposal.

"(3) In this subsection, the term 'proposal' means any proposal, including a technical, management, or cost proposal, submitted by a contractor in response to the requirements of a solicitation for a competitive proposal.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended by adding at the end the following new subsection:

"(m) PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS.—(1) Except as provided in paragraph (2), a proposal in the possession or control of an executive agency may not be made available to any person under section 552 of title 5, United States Code.

"(2) Paragraph (1) does not apply to any proposal that is set forth or incorporated by reference in a contract entered into between the agency and the contractor that submitted the proposal.

"(3) In this subsection, the term 'proposal' means any proposal, including a technical, management, or cost proposal, submitted by a contractor in response to the requirements of a solicitation for a competitive proposal.".

SEC. 822. AMENDMENTS RELATING TO REPORTS ON PROCUREMENT REGULATORY ACTIVITY.

Subsection (g) of section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) is amended—

(1) in paragraph (1)—

(A) by striking out "within 6 months after the date of enactment of this section and every 6 months thereafter" and inserting in lieu thereof "every 12 months"; and

(B) by inserting "and" after the semicolon at the end;

(2) in paragraph (2)(H), by striking out "; and" and inserting in lieu thereof a period; and

(3) by striking out paragraph (3).

SEC. 823. AMENDMENT OF MULTIYEAR LIMITATION ON CONTRACTS FOR INSPECTION, MAINTENANCE, AND REPAIR.

Paragraph (14) of section 210(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(a)) is amended by striking out "for periods not exceeding three years" and inserting in lieu thereof "for periods not exceeding five years".

SEC. 824. STREAMLINED NOTICE REQUIREMENTS TO CONTRACTORS AND EMPLOYEES REGARDING TERMINATION OR SUBSTANTIAL REDUCTION IN CONTRACTS UNDER MAJOR DEFENSE PROGRAMS.

(a) ELIMINATION OF UNNECESSARY REQUIREMENTS.—Section 4471 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102-484; 10 U.S.C. 2501 note) is amended—

(1) by striking out subsection (a);

(2) by striking out subsection (f), except paragraph (4);

(3) by redesignating subsections (b), (c), (d), (e), and (g) as subsections (a), (b), (c), (d), and (f), respectively; and

(4) by redesignating such paragraph (4) as subsection (e).

(b) NOTICE TO CONTRACTORS.—Subsection (a) of such section, as redesignated by subsection (a)(3), is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) shall identify each contract (if any) under major defense programs of the Department of Defense that will be terminated or substantially reduced as a result of the funding levels provided in that Act; and

"(2) shall ensure that notice of the termination of, or substantial reduction in, the funding of the contract is provided—

"(A) directly to the prime contractor under the contract; and

"(B) directly to the Secretary of Labor.".

(c) NOTICE TO SUBCONTRACTORS.—Subsection (b) of such section, as redesignated by subsection (a)(3), is amended—

(1) by striking out "As soon as" and all that follows through "prime contractor shall—" in the matter preceding paragraph (1) and inserting in lieu thereof "Not later than 60 days after the date on which the prime contractor for a contract under a major defense program receives notice under subsection (a), the prime contractor shall—";

(2) in paragraph (1)—

(A) by striking out "for that program under a contract" and inserting in lieu thereof "under that prime contract for subcontracts"; and

(B) by striking out "for the program"; and

(3) in paragraph (2)(A), by striking out "for the program under a contract" and inserting in lieu thereof "for subcontracts".

(d) Notice to Employees and State Dislocated Worker Unit.—Subsection (c) of such section, as redesignated by subsection (a)(3), is amended by striking out "under subsection (a)(1)" and all that follows through "a defense program," in the matter preceding paragraph (1) and inserting in lieu thereof "under subsection (a),".

(e) Cross References and Conforming Amendments.—(1) Subsection (d) of such section, as redesignated by subsection (a)(3), is amended—

(A) by striking out "a major defense program provided under subsection (d)(1)" and inserting in lieu thereof "a defense contract provided under subsection (c)(1)"; and

(B) by striking out "the program" and inserting in lieu thereof "the contract".

(2) Subsection (e) of such section, as redesignated by subsection (a)(4), is amended—

(A) by striking out "ELIGIBILITY" and inserting in lieu thereof "Eligibility"; and

(B) by striking out "under paragraph (3)" and inserting in lieu thereof "or cancellation of the termination of, or substantial reduction in, contract funding".

(3) Subsection (f) of such section, as redesignated by subsection (a)(3), is amended in paragraph (2)—

(A) by inserting "a defense contract under" before "a major defense program"; and

(B) by striking out "contracts under the program" and inserting in lieu thereof "the funds obligated by the contract".

SEC. 825. REPEAL OF NOTICE REQUIREMENTS FOR SUBSTANTIALLY OR SERIOUSLY AFFECTED PARTIES IN DOWNSIZING EFFORTS.

Sections 4101 and 4201 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1850, 1851; 10 U.S.C. 2391 note) are repealed.

SEC. 826. STUDY OF EFFECTIVENESS OF DEFENSE MERGERS.

(a) Study.—The Secretary of Defense shall conduct a study on mergers and acquisitions in the defense sector. The study shall address the following:

(1) The effectiveness of defense mergers and acquisitions in eliminating excess capacity within the defense industry.

(2) The degree of change in the dependence by defense contractors on defense-related Federal contracts within their overall business after mergers.

(3) The effect on defense industry employment resulting from defense mergers and acquisitions occurring during the three years preceding the date of the enactment of this Act.

(4) The effect on competition for defense contracts.

(b) Report.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of the study conducted under subsection (a).

SEC. 827. ANNUAL REPORT RELATING TO BUY AMERICAN ACT.

The Secretary of Defense shall submit to Congress, not later than 120 days after the end of each fiscal year, a report on the amount of purchases by the Department of Defense from foreign entities in that fiscal year. Such report shall separately indicate the dollar value of items for which the Buy American Act (41 U.S.C. 10a et seq.) was waived pursuant to any of the following:

(1) Any reciprocal defense procurement memorandum of understanding described in section 849(c)(2) of Public Law 103–160 (41 U.S.C. 10b–2 note).

(2) The Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.)

(3) Any international agreement to which the United States is a party.

SEC. 828. FOREIGN ENVIRONMENTAL TECHNOLOGY.

Subsection (b) of section 2536 of title 10, United States Code, is amended to read as follows:

"(b) Waiver Authority.—(1) The Secretary concerned may waive the application of subsection (a) to a contract award if—

"(A) the Secretary concerned determines that the waiver is essential to the national security interests of the United States; or

"(B) in the case of a contract awarded for environmental restoration, remediation, or waste management at a Department of Defense or Department of Energy facility—

"(i) the Secretary concerned determines that the waiver will advance the environmental restoration, remediation, or waste management objectives of the department concerned and will not harm the national security interests of the United States; and

"(ii) the entity to which the contract is awarded is controlled by a foreign government with which the Secretary concerned is authorized to exchange Restricted Data under section 144 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2164(c)).

"(2) The Secretary concerned shall notify Congress of any decision to grant a waiver under paragraph (1)(B) with respect to a contract. The contract may be awarded only after the end of the 45-day period beginning on the date the notification is received by the committees.".

SEC. 829. ASSESSMENT OF NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE AND DEPENDENCY OF BASE ON SUPPLIES AVAILABLE ONLY FROM FOREIGN COUNTRIES.

(a) National Security Objectives for National Technology and Industrial Base.—Section 2501(a) of title 10, United States Code, is amended by adding at the end the following:

"(5) Providing for the development, manufacture, and supply of items and technologies critical to the production and sustainment of advanced military weapon systems within the national technology and industrial base.".

(b) National Defense Program for Analysis of the Technology and Industrial Base.—Section 2503 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(1) The Secretary of Defense, in consultation with the National Defense Technology and Industrial Base Council," in paragraph (1) and inserting in lieu thereof "The Secretary of Defense"; and

(B) by striking out paragraphs (2), (3), and (4); and

(2) in subsection (c)(3)(A)—

(A) by striking out "the National Defense Technology and Industrial Base Council in" and inserting in lieu thereof "the Secretary of Defense for"; and

(B) by striking out "and the periodic plans required by section 2506 of this title".

(c) Periodic Defense Capability Assessments, Including Foreign Dependency.—(1) Section 2505 of title 10, United States Code, is amended to read as follows:

"§2505. National technology and industrial base: periodic defense capability assessments

"(a) Periodic Assessment.—Each fiscal year, the Secretary of Defense shall prepare selected assessments of the capability of the national technology and industrial base to attain the national security objectives set forth in section 2501(a) of this title. The Secretary of Defense shall prepare such assessments in consultation with the Secretary of Commerce and the Secretary of Energy.

"(b) Assessment Process.—The Secretary of Defense shall ensure that technology and industrial capability assessments—

"(1) describe sectors or capabilities, their underlying infrastructure and processes;

"(2) analyze present and projected financial performance of industries supporting the sectors or capabilities in the assessment; and

"(3) identify technological and industrial capabilities and processes for which there is potential for the national industrial and technology base not to be able to support the achievement of national security objectives.

"(c) Assessment of Extent of Dependency on Foreign Source Items.—Each assessment under subsection (a) shall include a separate discussion and presentation regarding the extent to which the national technology and industrial base is dependent on items for which the source of supply, manufacture, or technology is outside of the United States and Canada and for which there is no immediately available source in the United States or Canada. The discussion and presentation regarding foreign dependency shall—

"(1) identify cases that pose an unacceptable risk of foreign dependency, as determined by the Secretary; and

"(2) present actions being taken or proposed to be taken to remedy the risk posed by the cases identified under paragraph (1), including efforts to develop a domestic source for the item in question.

"(d) Integrated Process.—The Secretary of Defense shall ensure that consideration of the technology and industrial base assessments is integrated into the overall budget, acquisition, and logistics support decision processes of the Department of Defense.".

(2) Section 2502(b) of title 10, United States Code, is amended—

(A) by striking out "the following responsibilities:" and all that follows through "effective cooperation" and inserting in lieu thereof "the responsibility to ensure effective cooperation"; and

(B) by striking out paragraph (2); and

(3) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively, and adjusting the margin of such paragraphs two ems to the left.

(d) Repeal of Requirement for Periodic Defense Capability Plan; Development of Policy Guidance.—Section 2506 of title 10, United States Code, is amended to read as follows:

"§2506. Department of Defense technology and industrial base policy guidance

"(a) Departmental Guidance.—The Secretary of Defense shall prescribe departmental guidance for the attainment of each of the national security objectives set forth in section 2501(a) of this title. Such guidance shall provide for technological and industrial capability considerations to be integrated into the budget allocation, weapons acquisition, and logistics support decision processes.

"(b) REPORT TO CONGRESS.—The Secretary of Defense shall report on the implementation of the departmental guidance in the annual report to Congress submitted pursuant to section 2504 of this title.".

(e) ANNUAL REPORT TO CONGRESS.—Subchapter II of chapter 148 of title 10, United States Code, is amended by inserting after section 2503 the following new section:

"§ 2504. Annual report to Congress

"The Secretary of Defense shall transmit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives by March 1 of each year a report which shall include the following information:

"(1) A description of the departmental guidance prepared pursuant to section 2506 of this title.

"(2) A description of the methods and analyses being undertaken by the Department of Defense alone or in cooperation with other Federal agencies, to identify and address concerns regarding technological and industrial capabilities of the national technology and industrial base.

"(3) A description of the assessments prepared pursuant to section 2505 of this title and other analyses used in developing the budget submission of the Department of Defense for the next fiscal year.

"(4) Identification of each program designed to sustain specific essential technological and industrial capabilities and processes of the national technology and industrial base.".

(f) REPEAL OF REQUIREMENT TO COORDINATE THE ENCOURAGEMENT OF TECHNOLOGY TRANSFER WITH THE COUNCIL.—Subsection 2514(c) of title 10, United States Code, is amended by striking out paragraph (5).

(g) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of subchapter II of chapter 148 of title 10, United States Code, is amended by inserting after the item relating to section 2503 the following new item:

"2504. Annual report to Congress.".

(2) Such table of sections is further amended by striking out the item relating to section 2506 and inserting in lieu thereof the following new item:

"2506. Department of Defense technology and industrial base policy guidance.".

(h) REPEAL OF SUPERSEDED AND EXECUTED LAW.—Sections 4218, 4219, and 4220 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 2505 note and 2506 note) are repealed.

SEC. 830. EXPANSION OF REPORT ON IMPLEMENTATION OF AUTOMATED INFORMATION SYSTEMS TO INCLUDE ADDITIONAL MATTERS REGARDING INFORMATION RESOURCES MANAGEMENT.

(a) EXPANDED REPORT.—The Secretary of Defense shall include in the report submitted in 1997 under section 381(f) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 113 note) a discussion of the following matters relating to information resources management:

(1) The progress made in implementing the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 679; 40 U.S.C. 1401 et seq.) and the amendments made by that Act.

(2) The progress made in implementing the strategy for the development or modernization of automated information systems for the Department of Defense, as required by section 366 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 275; 10 U.S.C. 113 note).

(3) Plans of the Department of Defense for establishing an integrated framework for management of information resources within the department.

(b) SPECIFIC ELEMENTS OF REPORT.—The presentation of matters under subsection (a) shall specifically include a discussion of the following:

(1) The status of the implementation of performance measures.

(2) The specific actions being taken to link the proposed performance measures to the planning, programming, and budgeting system of the Department of Defense and to the life-cycle management processes of the department.

(3) The results of pilot program testing of proposed performance measures.

(4) The additional training necessary for the implementation of performance-based information management.

(5) The department-wide actions that are necessary to comply with the requirements of the following provisions of law:

(A) The amendments made by the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285).

(B) The Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 679; 40 U.S.C. 1401 et seq.) and the amendments made by that Act.

(C) Title V of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3349) and the amendments made by that title.

(D) The Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838) and the amendments made by that Act.

SEC. 831. YEAR 2000 SOFTWARE CONVERSION.

(a) YEAR 2000 SOFTWARE CONVERSION.—The Secretary of Defense shall ensure that, as soon as practicable, all information technology acquired by the Department of Defense pursuant to contracts entered into after September 30, 1996, has the capabilities to process date and date-related data in 2000.

(b) ASSESSMENT.—The Secretary, acting through the chief information officers within the department (as designated pursuant to section 3506 of title 44, United States Code), shall assess all information technology within the Department of Defense to determine the extent to which such technology has the capabilities to operate effectively.

(c) PLAN.—Not later than January 1, 1997, the Secretary shall submit to Congress a detailed plan for eliminating any deficiencies identified pursuant to subsection (b). The plan shall include—

(1) a list of affected major systems;

(2) a description of how the deficiencies could affect the national security of the United States; and

(3) an estimate and prioritization of the resources that are necessary to eliminate the deficiencies.

SEC. 832. PROCUREMENT FROM FIRMS IN INDUSTRIAL BASE FOR PRODUCTION OF SMALL ARMS.

(a) REQUIREMENT.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2473. Procurements from the small arms production industrial base

"(a) AUTHORITY TO LIMIT PROCUREMENTS TO CERTAIN SOURCES.—To the extent that the Secretary of Defense determines necessary to preserve the small arms production industrial base, the Secretary may require that any procurement of property or services described in subsection (b) for the Department of Defense be made only from a firm in the small arms production industrial base.

"(b) COVERED PROPERTY AND SERVICES.—Subsection (a) applies to the following:

"(1) Repair parts for small arms.

"(2) Modifications of parts to improve small arms used by the armed forces.

"(c) SMALL ARMS PRODUCTION INDUSTRIAL BASE.—In this section, the term 'small arms production industrial base' means the firms comprising the small arms production industrial base, as described in the plan entitled 'Preservation of Critical Elements of the Small Arms Industrial Base', dated January 8, 1994, that was prepared by an independent assessment panel of the Army Science Board.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2473. Procurements from the small arms production industrial base.".

SEC. 833. CABLE TELEVISION FRANCHISE AGREEMENTS.

Based on the advisory opinion from the United States Court of Federal Claims, In the Matter of the Department of Defense Cable Television Franchise Agreements, National Defense Authorization Act for Fiscal Year 1996, Section 823, No. 96–133X (July 11, 1996)—

(1) cable television franchise agreements for the construction, installation, or capital improvement of cable systems at military installations shall be considered contracts for purposes of the Federal Acquisition Regulation;

(2) cable television operators are entitled to recovery of their investments at such installations to the extent authorized in part 49 of the Federal Acquisition Regulation; and

(3) the appropriate official of the Department of Defense shall promptly issue a written notice of the termination for the convenience of the Government of the contracts described in such advisory opinion and commence settlement negotiations pursuant to the requirements of part 49 of the Federal Acquisition Regulation.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

Sec. 901. Repeal of previously enacted reduction in number of statutory positions in Office of the Secretary of Defense.
Sec. 902. Additional required reduction in defense acquisition workforce.
Sec. 903. Reduction of personnel assigned to Office of the Secretary of Defense.
Sec. 904. Report on military department headquarters staffs.
Sec. 905. Matters to be considered in next assessment of current missions, responsibilities, and force structure of the unified combatant commands.
Sec. 906. Transfer of authority to control transportation systems in time of war.
Sec. 907. Codification of requirements relating to continued operation of the Uniformed Services University of the Health Sciences.
Sec. 908. Joint Requirements Oversight Council.
Sec. 909. Membership of the Ammunition Storage Board.
Sec. 910. Removal of Secretary of the Army from membership on the Foreign Trade Zone Board.

Sec. 911. Composition of aircraft accident investigation boards.
Sec. 912. Mission of the White House Communications Agency.

Subtitle B—Force Structure Review

Sec. 921. Short title.
Sec. 922. Findings.
Sec. 923. Quadrennial Defense Review.
Sec. 924. National Defense Panel.
Sec. 925. Postponement of deadlines.
Sec. 926. Definitions.

Subtitle A—General Matters

SEC. 901. REPEAL OF PREVIOUSLY ENACTED REDUCTION IN NUMBER OF STATUTORY POSITIONS IN OFFICE OF THE SECRETARY OF DEFENSE.

Section 903 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 401) is repealed.

SEC. 902. ADDITIONAL REQUIRED REDUCTION IN DEFENSE ACQUISITION WORKFORCE.

(a) Additional Reductions for Fiscal Year 1997.—Section 906(d) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 405) is amended in paragraph (1) by striking out "positions during fiscal year 1996" and all that follows and inserting in lieu thereof "so that—

"(A) the total number of defense acquisition personnel as of October 1, 1996, is less than the baseline number by at least 15,000; and

"(B) the total number of defense acquisition personnel as of October 1, 1997, is less than the baseline number by at least 30,000.".

(b) Baseline Number.—Such section is further amended by adding at the end the following new paragraph:

"(3) For purposes of this subsection, the term 'baseline number' means the total number of defense acquisition personnel as of October 1, 1995.".

SEC. 903. REDUCTION OF PERSONNEL ASSIGNED TO OFFICE OF THE SECRETARY OF DEFENSE.

(a) Permanent Limitation on OSD Personnel.—Effective October 1, 1999, the number of OSD personnel may not exceed 75 percent of the baseline number.

(b) Phased Reduction.—The number of OSD personnel—

(1) as of October 1, 1997, may not exceed 85 percent of the baseline number; and

(2) as of October 1, 1998, may not exceed 80 percent of the baseline number.

(c) Baseline Number.—For purposes of this section, the term "baseline number" means the number of OSD personnel as of October 1, 1994.

(d) OSD Personnel Defined.—For purposes of this section, the term "OSD personnel" means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in the Office of the Secretary of Defense (including Direct Support Activities of that Office and the Washington Headquarters Services of the Department of Defense).

(e) Limitation on Reassignment of Functions.—In carrying out reductions in the number of personnel assigned to, or employed in, the Office of the Secretary of Defense in order to comply with this section, the Secretary of Defense may not reassign functions solely in order to evade the requirements contained in this section.

(f) Flexibility.—If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (b) with respect to any fiscal year would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (a) during fiscal year 1999 would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. The authority under this subsection may be used only once, with respect to a single fiscal year.

(g) Repeal of Prior Requirement.—Section 901(d) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 401) is repealed.

SEC. 904. REPORT ON MILITARY DEPARTMENT HEADQUARTERS STAFFS.

(a) Review by Secretary of Defense.—The Secretary of Defense shall conduct a review of the size, mission, organization, and functions of the military department headquarters staffs. This review shall include the following:

(1) An assessment on the adequacy of the present organization structure to efficiently and effectively support the mission of the military departments.

(2) An assessment of options to reduce the number of personnel assigned to the military department headquarters staffs.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the military department headquarters staffs.

(4) An assessment of the possible benefits that could be derived from further functional consolidation between the civilian secretariat of the military departments and the staffs of the military service chiefs.

(5) An assessment of the possible benefits that could be derived from reducing the number of civilian officers in the military departments who are appointed by and with the advice and consent of the Senate.

(b) Report.—Not later than March 1, 1997, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) the findings and conclusions of the Secretary resulting from the review under subsection (a); and

(2) a plan for implementing resulting recommendations, including proposals for legislation (with supporting rationale) that would be required as a result of the review.

(c) Reduction in Total Number of Personnel Assigned.—In developing the plan under subsection (b)(2), the Secretary shall make every effort to provide for significant reductions in the overall number of military and civilian personnel assigned to or serving in the military department headquarters staffs.

(d) Military Department Headquarters Staffs Defined.—For the purposes of this section, the term "military department headquarters staffs" means the offices, organizations, and other elements of the Department of Defense comprising the following:

(1) The Office of the Secretary of the Army.

(2) The Army Staff.

(3) The Office of the Secretary of the Air Force.

(4) The Air Staff.

(5) The Office of the Secretary of the Navy.

(6) The Office of the Chief of Naval Operations.

(7) Headquarters, Marine Corps.

SEC. 905. MATTERS TO BE CONSIDERED IN NEXT ASSESSMENT OF CURRENT MISSIONS, RESPONSIBILITIES, AND FORCE STRUCTURE OF THE UNIFIED COMBATANT COMMANDS.

The Chairman of the Joint Chiefs of Staff shall consider, as part of the next periodic review by the Chairman of the missions, responsibilities, and force structure of the unified combatant commands pursuant to section 161(b) of title 10, United States Code, the following matters:

(1) Whether there exists an adequate distribution of threats, mission requirements, and responsibilities for geographic areas among the regional unified combatant commands.

(2) Whether reductions in the overall force structure of the Armed Forces permit the United States to better execute its warfighting plans through fewer or differently configured unified combatant commands, including—

(A) a total of five or fewer commands, all of which are regional;

(B) a total of three commands consisting of an eastward-oriented command, a westward-oriented command, and a central command;

(C) a purely functional command structure, involving (for example) a first theater command, a second theater command, a logistics command, a special contingencies command, and a strategic command; or

(D) any other command structure or configuration the Chairman finds appropriate.

(3) Whether any missions, staff, facilities, equipment, training programs, or other assets or activities of the unified combatant commands are redundant.

(4) Whether warfighting requirements are adequate to justify the current functional commands.

(5) Whether the exclusion of certain nations from the Areas of Responsibility of the unified combatant commands presents difficulties with respect to the achievement of United States national security objectives in those areas.

(6) Whether the current geographic boundary between the United States Central Command and the United States European Command through the Middle East could create command conflicts in the context of a major regional conflict in the Middle East region.

SEC. 906. TRANSFER OF AUTHORITY TO CONTROL TRANSPORTATION SYSTEMS IN TIME OF WAR.

(a) Authority of Secretary of Defense.—Section 4742 of title 10, United States Code, is amended by striking out "Secretary of the Army" and inserting in lieu thereof "Secretary of Defense".

(b) Transfer of Section.—Such section, as amended by subsection (a), is transferred to the end of chapter 157 of such title and is redesignated as section 2644.

(c) Conforming Repeal.—Section 9742 of such title is repealed.

(d) Clerical Amendments.—(1) The table of sections at the beginning of chapter 157 of such title is amended by adding at the end the following new item:

"2644. Control of transportation systems in time of war.".

(2) The table of sections at the beginning of chapter 447 of such title is amended by striking out the item relating to section 4742.

(3) The table of sections at the beginning of chapter 947 of such title is amended by striking out the item relating to section 9742.

SEC. 907. CODIFICATION OF REQUIREMENTS RELATING TO CONTINUED OPERATION OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) Codification of Existing Law.—(1) Chapter 104 of title 10, United States Code, is amended by inserting after section 2112 the following new section:

"§ 2112a. Continued operation of University

"(a) Closure Prohibited.—The University may not be closed.

"(b) PERSONNEL STRENGTH.—During the five-year period beginning on October 1, 1996, the personnel staffing levels for the University may not be reduced below the personnel staffing levels for the University as of October 1, 1993.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2112 the following new item:

"2112a. Continued operation of University.".

(b) REPEAL OF SUPERSEDED LAW.—(1) Section 922 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2829; 10 U.S.C. 2112 note) is amended by striking out subsection (a).

(2) Section 1071 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 445; 10 U.S.C. 2112 note) is amended by striking out subsection (b).

SEC. 908. JOINT REQUIREMENTS OVERSIGHT COUNCIL.

Section 181 of title 10, United States Code, as added effective January 31, 1997, is amended by adding at the end the following new subsection:

"(d) AVAILABILITY OF OVERSIGHT INFORMATION TO CONGRESSIONAL DEFENSE COMMITTEES.—(1) The Secretary of Defense shall ensure that, in the case of a recommendation by the Chairman to the Secretary that is approved by the Secretary, oversight information with respect to such recommendation that is produced as a result of the activities of the Joint Requirements Oversight Council is made available in a timely fashion to the congressional defense committees.

"(2) In this subsection:

"(A) The term 'oversight information' means information and materials comprising analysis and justification that are prepared to support a recommendation that is made to, and approved by, the Secretary of Defense.

"(B) The term 'congressional defense committees' means—

"(i) the Committee on Armed Services and the Committee on Appropriations of the Senate; and

"(ii) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

SEC. 909. MEMBERSHIP OF THE AMMUNITION STORAGE BOARD.

Section 172(a) of title 10, United States Code, is amended by striking out "a joint board of officers selected by them" and inserting in lieu thereof "a joint board selected by them composed of officers, civilian officers and employees of the Department of Defense, or both".

SEC. 910. REMOVAL OF SECRETARY OF THE ARMY FROM MEMBERSHIP ON THE FOREIGN TRADE ZONE BOARD.

The first section of the Act of June 18, 1934 (Public Law Numbered 397, Seventy-third Congress; 48 Stat. 998) (19 U.S.C. 81a), popularly known as the "Foreign Trade Zones Act", is amended—

(1) in subsection (b), by striking out "the Secretary of the Treasury, and the Secretary of War" and inserting in lieu thereof "and the Secretary of the Treasury"; and

(2) in subsection (c), by striking out "Alaska, Hawaii,".

SEC. 911. COMPOSITION OF AIRCRAFT ACCIDENT INVESTIGATION BOARDS.

(a) SELECTION OF BOARD MEMBERS.—(1) Chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2255. Aircraft accident investigation boards: composition requirements

"(a) REQUIRED MEMBERSHIP OF BOARDS.—Whenever the Secretary of a military department convenes an aircraft accident investigation board to conduct an accident investigation (as described in section 2254(a)(2) of this title) with respect to a Class A accident involving an aircraft under the jurisdiction of the Secretary, the Secretary shall select the membership of the board so that—

"(1) a majority of the members (or in the case of a board consisting of a single member, the member) is selected from units other than the mishap unit or a unit subordinate to the mishap unit; and

"(2) in the case of a board consisting of more than one member, at least one member of the board is a member of the armed forces or an officer or an employee of the Department of Defense who possesses knowledge and expertise relevant to aircraft accident investigations.

"(b) EXCEPTION.—(1) The Secretary of the military department concerned may waive the requirement of subsection (a)(1) in the case of an aircraft accident if the Secretary determines that—

"(A) it is not practicable to meet the requirement because of—

"(i) the remote location of the aircraft accident;

"(ii) an urgent need to promptly begin the investigation; or

"(iii) a lack of available persons outside of the mishap unit who have adequate knowledge and expertise regarding the type of aircraft involved in the accident; and

"(B) the objectivity and independence of the aircraft accident investigation board will not be compromised.

"(2) The Secretary shall notify Congress of a waiver exercised under this subsection and the reasons therefor.

"(c) CONSULTATION REQUIREMENT.—In the case of an aircraft accident investigation board consisting of a single member, the member shall consult with a member of the armed forces or an officer or an employee of the Department of Defense who possesses knowledge and expertise relevant to aircraft accident investigations.

"(d) DESIGNATION OF CLASS A ACCIDENTS.—Not later than 60 days after an aircraft accident involving an aircraft under the jurisdiction of the Secretary of a military department, the Secretary shall determine whether the aircraft accident should be designated as a Class A accident for purposes of this section.

"(e) DEFINITIONS.—In this section:

"(1) The term 'Class A accident' means an accident involving an aircraft that results in—

"(A) the loss of life or permanent disability;

"(B) damages to the aircraft, other property, or a combination of both, in an amount in excess of the amount specified by the Secretary of Defense for purposes of determining Class A accidents; or

"(C) the destruction of the aircraft.

"(2) The term 'mishap unit', with respect to an aircraft accident investigation, means the unit of the armed forces (at the squadron or battalion level or equivalent) to which was assigned the flight crew of the aircraft that sustained the accident that is the subject of the investigation.".

(2) The table of sections at the beginning of subchapter II of such chapter is amended by adding at the end the following new item:

"2255. Aircraft accident investigation boards: composition requirements.".

(b) EFFECTIVE DATE.—Section 2255 of title 10, United States Code, as added by subsection (a), shall apply with respect to any aircraft accident investigation board convened by the Secretary of a military department after the end of the six-month period beginning on the date of the enactment of this Act.

SEC. 912. MISSION OF THE WHITE HOUSE COMMUNICATIONS AGENCY.

(a) TELECOMMUNICATIONS SUPPORT.—The Secretary of Defense shall ensure that the activities of the White House Communications Agency in providing support services on a nonreimbursable basis for the President from funds appropriated for the Department of Defense for any fiscal year are limited to the provision of telecommunications support to the President and Vice President and to related elements (as defined in regulations of that agency and specified by the President with respect to particular individuals within those related elements).

(b) OTHER SUPPORT.—Support services other than telecommunications support services described in subsection (a) may be provided by the Department of Defense for the President through the White House Communications Agency on a reimbursable basis.

(c) WHITE HOUSE COMMUNICATIONS AGENCY.—For purposes of this section, the term "White House Communications Agency" means the element of the Department of Defense within the Defense Communications Agency that is known on the date of the enactment of this Act as the White House Communications Agency and includes any successor agency.

(d) REPORT ON ISSUES RAISED BY DOD INSPECTOR GENERAL REVIEW OF WHITE HOUSE COMMUNICATIONS AGENCY.—Not later than October 1, 1996, or 30 days after the date of the enactment of this Act, whichever is later, the Secretary of Defense shall submit to Congress a report setting forth the actions taken by the Secretary to address the issues raised by the report of the Department of Defense Inspector General reviewing the mission of the White House Communications Agency.

(e) QUARTERLY REPORTS DURING FISCAL YEAR 1997.—Not later than 30 days after the end of each quarter of fiscal year 1997, the Secretary of Defense shall submit to Congress a report describing the support services other than telecommunications support services described in subsection (a) that were provided during the preceding quarter by the Department of Defense for the President through the White House Communications Agency.

(f) EFFECTIVE DATE.—This section takes effect on October 1, 1997, and applies to funds appropriated for the Department of Defense for any fiscal year after fiscal year 1997.

Subtitle B—Force Structure Review

SEC. 921. SHORT TITLE.

This subtitle may be cited as the "Military Force Structure Review Act of 1996".

SEC. 922. FINDINGS.

Congress makes the following findings:

(1) Since the collapse of the Soviet Union in 1991, the United States has conducted two substantial assessments of the force structure of the Armed Forces necessary to meet United States defense requirements.

(2) The assessment by the Bush Administration (known as the "Base Force" assessment) and the assessment by the Clinton Administration (known as the "Bottom-Up Review") were intended to reassess the force structure of the Armed Forces in light of the changing realities of the post-Cold War world.

(3) Both assessments served an important purpose in focusing attention on the need to reevaluate the military posture of the

United States, but the pace of global change necessitates a new, comprehensive assessment of the defense strategy of the United States and the force structure of the Armed Forces required to meet the threats to the United States in the twenty-first century.

(4) The Bottom-Up Review has been criticized on several points, including—

(A) the assumptions underlying the strategy of planning to fight and win two nearly simultaneous major regional conflicts;

(B) the force levels recommended to carry out that strategy; and

(C) the funding proposed for such recommended force levels.

(5) In response to the recommendations of the Commission on Roles and Missions of the Armed Forces, the Secretary of Defense endorsed the concept of conducting a quadrennial review of the defense program at the beginning of each newly elected Presidential administration, and the Department intends to complete the first such review in 1997.

(6) The review is to involve a comprehensive examination of defense strategy, the force structure of the active, guard, and reserve components, force modernization plans, infrastructure, and other elements of the defense program and policies in order to determine and express the defense strategy of the United States and to establish a revised defense program through the year 2005.

(7) In order to ensure that the force structure of the Armed Forces is adequate to meet the challenges to the national security interests of the United States in the twenty-first century, to assist the Secretary of Defense in conducting the review referred to in paragraph (5), and to assess the appropriate force structure of the Armed Forces through the year 2010 and beyond (if practicable), it is important to provide for the conduct of an independent, nonpartisan review of the force structure that is more comprehensive than prior assessments of the force structure, extends beyond the quadrennial defense review, and explores innovative and forward-thinking ways of meeting such challenges.

SEC. 923. QUADRENNIAL DEFENSE REVIEW.

(a) REQUIREMENT IN 1997.—The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall complete in 1997 a review of the defense program of the United States intended to satisfy the requirements for a Quadrennial Defense Review as identified in the recommendations of the Commission on Roles and Missions of the Armed Forces. The review shall include a comprehensive examination of the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United States and establishing a revised defense program through the year 2005.

(b) INVOLVEMENT OF NATIONAL DEFENSE PANEL.—(1) The Secretary shall apprise the National Defense Panel established under section 924, on an ongoing basis, of the work undertaken in the conduct of the review.

(2) Not later than March 14, 1997, the Chairman of the National Defense Panel shall submit to the Secretary the Panel's assessment of work undertaken in the conduct of the review as of that date and shall include in the assessment the recommendations of the Panel for improvements to the review, including recommendations for additional matters to be covered in the review.

(c) ASSESSMENTS OF REVIEW.—Upon completion of the review, the Chairman of the Joint Chiefs of Staff and the Chairman of the National Defense Panel, on behalf of the Panel, shall each prepare and submit to the Secretary such chairman's assessment of the review in time for the inclusion of the assessment in its entirety in the report under subsection (d).

(d) REPORT.—Not later than May 15, 1997, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a comprehensive report on the review. The report shall include the following:

(1) The results of the review, including a comprehensive discussion of the defense strategy of the United States and the force structure best suited to implement that strategy.

(2) The threats examined for purposes of the review and the scenarios developed in the examination of such threats.

(3) The assumptions used in the review, including assumptions relating to the cooperation of allies and mission-sharing, levels of acceptable risk, warning times, and intensity and duration of conflict.

(4) The effect on the force structure of preparations for and participation in peace operations and military operations other than war.

(5) The effect on the force structure of the utilization by the Armed Forces of technologies anticipated to be available by the year 2005, including precision guided munitions, stealth, night vision, digitization, and communications, and the changes in doctrine and operational concepts that would result from the utilization of such technologies.

(6) The manpower and sustainment policies required under the defense strategy to support engagement in conflicts lasting more than 120 days.

(7) The anticipated roles and missions of the reserve components in the defense strategy and the strength, capabilities, and equipment necessary to assure that the reserve components can capably discharge those roles and missions.

(8) The appropriate ratio of combat forces to support forces (commonly referred to as the "tooth-to-tail" ratio) under the defense strategy, including, in particular, the appropriate number and size of headquarter units and Defense Agencies for that purpose.

(9) The air-lift and sea-lift capabilities required to support the defense strategy.

(10) The forward presence, pre-positioning, and other anticipatory deployments necessary under the defense strategy for conflict deterrence and adequate military response to anticipated conflicts.

(11) The extent to which resources must be shifted among two or more theaters under the defense strategy in the event of conflict in such theaters.

(12) The advisability of revisions to the Unified Command Plan as a result of the defense strategy.

(13) Any other matter the Secretary considers appropriate.

SEC. 924. NATIONAL DEFENSE PANEL.

(a) ESTABLISHMENT.—Not later than December 1, 1996, the Secretary of Defense shall establish a nonpartisan, independent panel to be known as the National Defense Panel (in this section referred to as the "Panel"). The Panel shall have the duties set forth in this section.

(b) MEMBERSHIP.—The Panel shall be composed of a chairman and eight other individuals appointed by the Secretary, in consultation with the chairman and ranking member of the Committee on Armed Services of the Senate and the chairman and ranking member of the Committee on National Security of the House of Representatives, from among individuals in the private sector who are recognized experts in matters relating to the national security of the United States.

(c) DUTIES.—The Panel shall—

(1) conduct and submit to the Secretary the assessment of the review under section 923 that is required by subsection (b)(2) of that section;

(2) conduct and submit to the Secretary the comprehensive assessment of the review that is required by subsection (c) of that section upon completion of the review; and

(3) conduct the assessment of alternative force structures for the Armed Forces required under subsection (d).

(d) ALTERNATIVE FORCE STRUCTURE ASSESSMENT.—(1) The Panel shall submit to the Secretary an independent assessment of a variety of possible force structures of the Armed Forces through the year 2010 and beyond, including the force structure identified in the report on the review under section 923(d). The purpose of the assessment is to develop proposals for an "above the line" force structure of the Armed Forces and to provide the Secretary and Congress recommendations regarding the optimal force structure to meet anticipated threats to the national security of the United States through the time covered by the assessment.

(2) In conducting the assessment, the Panel shall examine a variety of potential threats (including near-term threats and long-term threats) to the national security interests of the United States, including the following:

(A) Conventional threats across a spectrum of conflicts.

(B) The proliferation of weapons of mass destruction and the means of delivering such weapons, and the illicit transfer of technology relating to such weapons.

(C) The vulnerability of United States technology to nontraditional threats, including information warfare.

(D) Domestic and international terrorism.

(E) The emergence of a major potential adversary having military capabilities similar to those of the United States.

(F) Any other significant threat, or combination of threats, identified by the Panel.

(3) For purposes of the assessment, the Panel shall develop a variety of scenarios requiring a military response by the United States, including the following:

(A) Scenarios developed in light of the threats examined under paragraph (2).

(B) Scenarios developed in light of a continuum of conflicts ranging from a conflict of lesser magnitude than the conflict described in the Bottom-Up Review to a conflict of greater magnitude than the conflict so described.

(4) As part of the assessment, the Panel shall also—

(A) develop recommendations regarding a variety of force structures for the Armed Forces that permit the forward deployment of sufficient air, land, and sea-based forces to provide an effective deterrent to conflict and to permit a military response by the United States to the scenarios developed under paragraph (3);

(B) to the extent practicable, estimate the funding required by fiscal year, in constant fiscal year 1997 dollars, to organize, equip, and support the forces contemplated under the force structures assessed in the assessment; and

(C) comment on each of the matters also to be included by the Secretary in the report required by section 923(d).

(e) REPORT.—(1) Not later than December 1, 1997, the Panel shall submit to the Secretary a report setting forth the activities and the findings and recommendations of the Panel under subsection (d), including any recommendations for legislation that the Panel considers appropriate.

(2) Not later than December 15, 1997, the Secretary shall, after consultation with the Chairman of the Joint Chiefs of Staff, submit to the committees referred to in subsection (b) a copy of the report under paragraph (1), together with the Secretary's comments on the report.

(f) Information From Federal Agencies.—The Panel may secure directly from the Department of Defense and any of its components and from any other Federal department and agency such information as the Panel considers necessary to carry out its duties under this section. The head of the department or agency concerned shall ensure that information requested by the Panel under this subsection is promptly provided.

(g) Personnel Matters.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Panel.

(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Panel.

(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director, and a staff of not more than four additional individuals, if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.

(B) The chairman may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) Any Federal Government employee may be detailed to the Panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.

(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

(h) Administrative Provisions.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.

(3) The Panel may accept, use, and dispose of gifts or donations of services or property.

(i) Payment of Panel Expenses.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.

(j) Termination.—The Panel shall terminate 30 days after the date on which the Panel submits its report to the Secretary under subsection (e).

SEC. 925. POSTPONEMENT OF DEADLINES.

If the Presidential election in 1996 results in the election of a new President, each deadline set forth in this subtitle shall be postponed by three months.

SEC. 926. DEFINITIONS.

In this subtitle:

(1) The term "'above the line' force structure of the Armed Forces" means the force structure (including numbers, strengths, and composition and major items of equipment) for the Armed Forces at the following unit levels:

(A) In the case of the Army, the division.

(B) In the case of the Navy, the battle group.

(C) In the case of the Air Force, the wing.

(D) In the case of the Marine Corps, the expeditionary force.

(E) In the case of special operations forces of the Army, Navy, or Air Force, the major operating unit.

(F) In the case of the strategic forces, the ballistic missile submarine fleet, the heavy bomber force, and the intercontinental ballistic missile force.

(2) The term "Commission on Roles and Missions of the Armed Forces" means the Commission on Roles and Missions of the Armed Forces established by subtitle E of title IX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1738; 10 U.S.C. 111 note).

(3) The term "military operation other than war" means any operation other than war that requires the utilization of the military capabilities of the Armed Forces, including peace operations, humanitarian assistance operations and activities, counterterrorism operations and activities, disaster relief activities, and counter-drug operations and activities.

(4) The term "peace operations" means military operations in support of diplomatic efforts to reach long-term political settlements of conflicts and includes peacekeeping operations and peace enforcement operations.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Incorporation of classified annex.
Sec. 1003. Authority for obligation of certain unauthorized fiscal year 1996 defense appropriations.
Sec. 1004. Authorization of prior emergency supplemental appropriations for fiscal year 1996.
Sec. 1005. Format for budget requests for Navy/Marine Corps and Air Force ammunition accounts.
Sec. 1006. Format for annual budget requests for Defense Airborne Reconnaissance Program.
Sec. 1007. Limitation on use of Department of Defense funds transferred to the Coast Guard.
Sec. 1008. Fisher House Trust Fund for the Department of the Navy.
Sec. 1009. Designation and liability of disbursing and certifying officials for the Coast Guard.
Sec. 1010. Authority to suspend or terminate collection actions against deceased members of the Coast Guard.
Sec. 1011. Department of Defense disbursing official check cashing and exchange transactions.

Subtitle B—Naval Vessels and Shipyards

Sec. 1021. Repeal of requirement for continuous applicability of contracts for phased maintenance of AE class ships.
Sec. 1022. Funding for second and third maritime prepositioning ships out of National Defense Sealift Fund.
Sec. 1023. Transfer of certain obsolete tugboats of the Navy.
Sec. 1024. Transfer of U.S.S. Drum to city of Vallejo, California.
Sec. 1025. Sense of Congress concerning USS LCS 102 (LSSL 102).

Subtitle C—Counter-Drug Activities

Sec. 1031. Authority to provide additional support for counter-drug activities of Mexico.
Sec. 1032. Availability of funds for certain drug interdiction and counter-drug activities.
Sec. 1033. Transfer of excess personal property to support law enforcement activities.
Sec. 1034. Sale by Federal departments or agencies of chemicals used to manufacture controlled substances.

Subtitle D—Reports and Studies

Sec. 1041. Annual report on Operation Provide Comfort and Operation Enhanced Southern Watch.
Sec. 1042. Annual report on emerging operational concepts.
Sec. 1043. Report on Department of Defense military child care programs.
Sec. 1044. Report on Department of Defense military youth programs.
Sec. 1045. Quarterly reports regarding coproduction agreements.
Sec. 1046. Report on witness interview procedures for Department of Defense criminal investigations.
Sec. 1047. Report on military readiness requirements of the Armed Forces.
Sec. 1048. Report on NATO enlargement.

Subtitle E—Management of Armed Forces Retirement Home

Sec. 1051. Retirement Home Boards of Directors.
Sec. 1052. Acceptance of uncompensated services.
Sec. 1053. Disposal of tract of real property in the District of Columbia.

Subtitle F—Other Matters

Sec. 1061. Policy on protection of national information infrastructure against strategic attack.
Sec. 1062. Information systems security program.
Sec. 1063. Authority to accept services from foreign governments and international organizations for defense purposes.
Sec. 1064. Prohibition on collection and release of detailed satellite imagery relating to Israel.

Sec. 1065. George C. Marshall European Center for Strategic Security Studies.
Sec. 1066. Authority to award to civilian participants in the defense of Pearl Harbor the Congressional Medal previously authorized only for military participants in the defense of Pearl Harbor.
Sec. 1067. Assimilative crimes authority for traffic offenses on military installations.
Sec. 1068. Uniform Code of Military Justice amendments.
Sec. 1069. Punishment of interstate stalking.
Sec. 1070. Participation of members, dependents, and other persons in crime prevention efforts at installations.
Sec. 1071. Display of State flags at installations and facilities of the Department of Defense.
Sec. 1072. Treatment of excess operational support airlift aircraft.
Sec. 1073. Correction to statutory references to certain Department of Defense organizations.
Sec. 1074. Technical and clerical amendments.
Sec. 1075. Modification to third-party liability to United States for tortious infliction of injury or disease on members of the uniformed services.
Sec. 1076. Chemical Stockpile Emergency Preparedness Program.
Sec. 1077. Exemption from requirements applicable to savings associations for certain savings institutions serving military personnel.
Sec. 1078. Improvements to National Security Education Program.
Sec. 1079. Aviation and vessel war risk insurance.
Sec. 1080. Designation of memorial as National D-Day Memorial.
Sec. 1081. Sense of Congress regarding semiconductor trade agreement between United States and Japan.
Sec. 1082. Agreements for exchange of defense personnel between the United States and foreign countries.
Sec. 1083. Sense of Senate regarding Bosnia and Herzegovina.
Sec. 1084. Defense burdensharing.

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1997 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. INCORPORATION OF CLASSIFIED ANNEX.

(a) STATUS OF CLASSIFIED ANNEX.—The Classified Annex prepared by the committee of conference to accompany the conference report on the bill H.R. 3230 of the One Hundred Fourth Congress and transmitted to the President is hereby incorporated into this Act.

(b) CONSTRUCTION WITH OTHER PROVISIONS OF ACT.—The amounts specified in the Classified Annex are not in addition to amounts authorized to be appropriated by other provisions of this Act.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated pursuant to an authorization contained in this Act that are made available for a program, project, or activity referred to in the Classified Annex may only be expended for such program, project, or activity in accordance with such terms, conditions, limitations, restrictions, and requirements as are set out for that program, project, or activity in the Classified Annex.

(d) DISTRIBUTION OF CLASSIFIED ANNEX.—The President shall provide for appropriate distribution of the Classified Annex, or of appropriate portions of the annex, within the executive branch of the Government.

SEC. 1003. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1996 DEFENSE APPROPRIATIONS.

(a) AUTHORITY.—The amounts described in subsection (b) may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1996 defense appropriations.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1996 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1996 defense authorizations.

(c) DEFINITIONS.—For the purposes of this section:

(1) FISCAL YEAR 1996 DEFENSE APPROPRIATIONS.—The term "fiscal year 1996 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1996 in the Department of Defense Appropriations Act, 1996 (Public Law 104–61).

(2) FISCAL YEAR 1996 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1996 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1996 in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

SEC. 1004. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1996.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1996 in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134).

SEC. 1005. FORMAT FOR BUDGET REQUESTS FOR NAVY/MARINE CORPS AND AIR FORCE AMMUNITION ACCOUNTS.

Section 114 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) In each budget submitted by the President to Congress under section 1105 of title 31, amounts requested for procurement of ammunition for the Navy and Marine Corps, and for procurement of ammunition for the Air Force, shall be set forth separately from other amounts requested for procurement.".

SEC. 1006. FORMAT FOR ANNUAL BUDGET REQUESTS FOR DEFENSE AIRBORNE RECONNAISSANCE PROGRAM.

(a) SEPARATE DISPLAY REQUIRED.—The Secretary of Defense shall ensure that in the budget justification documents for any fiscal year there are set forth separately the amount requested for research, development, test, and evaluation, and the amount requested for procurement, for each program area within the Defense Airborne Reconnaissance Program.

(b) PROGRAM AREAS WITHIN DEFENSE AIRBORNE RECONNAISSANCE PROGRAM.—For purposes of subsection (a), the programs of the Defense Airborne Reconnaissance Program shall be categorized as being within one of the following areas:

(1) Tactical unmanned aerial vehicles.
(2) Endurance unmanned aerial vehicles.
(3) Airborne reconnaissance systems.
(4) Manned reconnaissance systems.
(5) Distributed common ground systems.
(6) Any additional program area established by the Secretary of Defense.

(c) BUDGET JUSTIFICATION DOCUMENTS.—For purposes of subsection (a), the term "budget justification documents" means the supporting budget documentation submitted to the congressional defense committees in support of the budget of the Department of Defense for a fiscal year as included in the budget of the President submitted under section 1105 of title 31, United States Code, for that fiscal year.

SEC. 1007. LIMITATION ON USE OF DEPARTMENT OF DEFENSE FUNDS TRANSFERRED TO THE COAST GUARD.

(a) LIMITATION TO NATIONAL SECURITY FUNCTIONS.—Funds appropriated to the Department of Defense for fiscal year 1997 that are transferred pursuant to law to the Coast Guard may be used only for the performance of national security functions of the Coast Guard in support of the Department of Defense.

(b) CERTIFICATION REQUIRED.—Funds appropriated to the Department of Defense for fiscal year 1997 may not be transferred to the Coast Guard until the Secretary of Defense and the Secretary of Transportation jointly certify to Congress that the funds so transferred will be used only in accordance with the limitation in subsection (a).

(c) PERIODIC GAO AUDITS.—The Comptroller General of the United States shall—

(1) audit, from time to time, the use of funds transferred to the Coast Guard from appropriations for the Department of Defense for fiscal year 1997 in order to verify that those funds are being used in accordance with the limitation in subsection (a); and

(2) notify the congressional defense committees of any use of those funds that, in the judgment of the Comptroller General, is a violation of that limitation.

SEC. 1008. FISHER HOUSE TRUST FUND FOR THE DEPARTMENT OF THE NAVY.

(a) AUTHORITY.—Section 2221 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (a) the following:

"(3) The Fisher House Trust Fund, Department of the Navy.";

(2) in subsection (c)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the following new paragraph (3):

"(3) Amounts in the Fisher House Trust Fund, Department of the Navy, that are attributable to earnings or gains realized from investments shall be available for the operation and maintenance of Fisher houses that are located in proximity to medical treatment facilities of the Navy."; and

(3) in subsection (d)(1), by striking out "or the Air Force" and inserting in lieu thereof ", the Air Force, or the Navy".

(b) CORPUS OF TRUST FUNDS.—The Secretary of the Navy shall transfer to the Fisher House Trust Fund, Department of the Navy, established by section 2221(a)(3) of title 10, United States Code (as added by subsection (a)(1)), all amounts in the accounts for Navy installations and other facilities that, as of the date of the enactment of this Act, are available for operation and maintenance of Fisher houses, as defined in section 2221(d) of such title.

(c) CONFORMING AMENDMENTS.—Section 1321 of title 31, United States Code, is amended—

(1) by adding at the end of subsection (a) the following:

"(94) Fisher House Trust Fund, Department of the Navy."; and

(2) by adding at the end of subsection (b)(2) the following:

"(D) Fisher House Trust Fund, Department of the Navy.".

SEC. 1009. DESIGNATION AND LIABILITY OF DISBURSING AND CERTIFYING OFFICIALS FOR THE COAST GUARD.

(a) DISBURSING OFFICIALS.—(1) Section 3321(c) of title 31, United States Code, is amended by adding at the end the following:

"(3) The Department of Transportation (with respect to public money available for expenditure by the Coast Guard when it is not operating as a service in the Navy).".

(2)(A) Chapter 17 of title 14, United States Code, is amended by adding at the end the following new section:

"§ 673. Designation, powers, and accountability of deputy disbursing officials

"(a)(1) Subject to paragraph (3), a disbursing official of the Coast Guard may designate a deputy disbursing official—

"(A) to make payments as the agent of the disbursing official;

"(B) to sign checks drawn on disbursing accounts of the Secretary of the Treasury; and

"(C) to carry out other duties required under law.

"(2) The penalties for misconduct that apply to a disbursing official apply to a deputy disbursing official designated under this subsection.

"(3) A disbursing official may make a designation under paragraph (1) only with the approval of the Secretary of Transportation (when the Coast Guard is not operating as a service in the Navy).

"(b)(1) If a disbursing official of the Coast Guard dies, becomes disabled, or is separated from office, a deputy disbursing official may continue the accounts and payments in the name of the former disbursing official until the last day of the second month after the month in which the death, disability, or separation occurs. The accounts and payments shall be allowed, audited, and settled as provided by law. The Secretary of the Treasury shall honor checks signed in the name of the former disbursing official in the same way as if the former disbursing official had continued in office.

"(2) The deputy disbursing official, and not the former disbursing official or the estate of the former disbursing official, is liable for the actions of the deputy disbursing official under this subsection.

"(c)(1) Except as provided in paragraph (2), this section does not apply to the Coast Guard when section 2773 of title 10 applies to the Coast Guard by reason of the operation of the Coast Guard as a service in the Navy.

"(2) A designation of a deputy disbursing official under subsection (a) that is made while the Coast Guard is not operating as a service in the Navy continues in effect for purposes of section 2773 of title 10 while the Coast Guard operates as a service in the Navy unless and until the designation is terminated by the disbursing official who made the designation or an official authorized to approve such a designation under subsection (a)(3) of such section.".

(B) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"673. Designation, powers, and accountability of deputy disbursing officials.".

(b) DESIGNATION OF MEMBERS OF THE ARMED FORCES TO HAVE AUTHORITY TO CERTIFY VOUCHERS.—Section 3325(b) of title 31, United States Code, is amended by striking out "members of the armed forces under the jurisdiction of the Secretary of Defense may certify vouchers when authorized, in writing, by the Secretary to do so" and inserting in lieu thereof "members of the armed forces may certify vouchers when authorized, in writing, by the Secretary of Defense or, in the case of the Coast Guard when it is not operating as a service in the Navy, by the Secretary of Transportation".

(c) CONFORMING AMENDMENTS.—(1) Section 1007(a) of title 37, United States Code, is amended by inserting after "Secretary of Defense" the following: "(or the Secretary of Transportation, in the case of an officer of the Coast Guard when the Coast Guard is not operating as a service in the Navy)".

(2) Section 3527(b)(1) of title 31, United States Code, is amended—

(A) in subparagraph (A)(i), by inserting after "Department of Defense" the following: "(or the Secretary of Transportation, in the case of a disbursing official of the Coast Guard when the Coast Guard is not operating as a service in the Navy)"; and

(B) in subparagraph (B), by inserting after "or the Secretary of the appropriate military department" the following: "(or the Secretary of Transportation, in the case of a disbursing official of the Coast Guard when the Coast Guard is not operating as a service in the Navy)".

SEC. 1010. AUTHORITY TO SUSPEND OR TERMINATE COLLECTION ACTIONS AGAINST DECEASED MEMBERS OF THE COAST GUARD.

Section 3711(g) of title 31, United States Code, is amended—

(1) in paragraph (1), by striking out "or Marine Corps" and inserting in lieu thereof "Marine Corps, or Coast Guard during a period when the Coast Guard is operating as a service in the Navy";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph (2):

"(2) The Secretary of Transportation may suspend or terminate an action by the Secretary under subsection (a) to collect a claim against the estate of a person who died while serving on active duty as a member of the Coast Guard if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.".

SEC. 1011. DEPARTMENT OF DEFENSE DISBURSING OFFICIAL CHECK CASHING AND EXCHANGE TRANSACTIONS.

Section 3342(b) of title 31, United States Code, is amended—

(1) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon;

(2) by striking out "and" at the end of paragraph (5);

(3) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; or"; and

(4) by adding at the end the following new paragraph:

"(7) a Federal credit union (as defined in section 101(1) of the Federal Credit Union Act (12 U.S.C. 1752(1)) that at the request of the Secretary of Defense is operating on a United States military installation in a foreign country, but only if that country does not permit contractor-operated military banking facilities to operate on such installations.".

Subtitle B—Naval Vessels and Shipyards

SEC. 1021. REPEAL OF REQUIREMENT FOR CONTINUOUS APPLICABILITY OF CONTRACTS FOR PHASED MAINTENANCE OF AE CLASS SHIPS.

Section 1016 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 425) is repealed.

SEC. 1022. FUNDING FOR SECOND AND THIRD MARITIME PREPOSITIONING SHIPS OUT OF NATIONAL DEFENSE SEALIFT FUND.

(a) NATIONAL DEFENSE SEALIFT FUND.—To the extent provided in appropriations Acts, funds in the National Defense Sealift Fund may be obligated and expended for the purchase and conversion, or construction, of a total of three ships for the purpose of enhancing Marine Corps prepositioning ship squadrons.

(b) AUTHORIZATION OF APPROPRIATIONS.—Of the amount authorized to be appropriated under section 302(2), $240,000,000 is authorized to be appropriated for the purpose stated in subsection (a).

SEC. 1023. TRANSFER OF CERTAIN OBSOLETE TUGBOATS OF THE NAVY.

(a) REQUIREMENT TO TRANSFER VESSELS.—The Secretary of the Navy shall transfer the six obsolete tugboats of the Navy specified in subsection (b) to the Northeast Wisconsin Railroad Transportation Commission, an instrumentality of the State of Wisconsin, if the Secretary determines that the tugboats are not needed for transfer, donation, or other disposal under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.).

(b) VESSELS COVERED.—The requirement in subsection (a) applies to the six decommissioned Cherokee class tugboats, listed as of the date of the enactment of this Act as being surplus to the Navy, that are designated as ATF–105, ATF–110, ATF–149, ATF–158, ATF–159, and ATF–160.

(c) CONDITION RELATING TO ENVIRONMENTAL COMPLIANCE.—The Secretary shall require as a condition of the transfer of a vessel under subsection (a) that use of the vessel by the Commission not commence until the terms of any necessary environmental compliance letter or agreement with respect to that vessel have been complied with.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions (including a requirement that the transfer be at no cost to the Government) in connection with the transfers required by subsection (a) as the Secretary considers appropriate.

SEC. 1024. TRANSFER OF U.S.S. DRUM TO CITY OF VALLEJO, CALIFORNIA.

(a) TRANSFER.—The Secretary of the Navy shall transfer the U.S.S. Drum (SSN–677) to the city of Vallejo, California, in accordance with this section and upon satisfactory completion of a ship donation application. Before making such transfer, the Secretary of the Navy shall remove from the vessel the reactor compartment and other classified and sensitive military equipment.

(b) FUNDING.—As provided in section 7306(c) of title 10, United States Code, the transfer of the vessel authorized by this section shall be made at no cost to the United States (beyond the cost which the United States would otherwise incur for dismantling and recycling of the vessel).

(c) APPLICABLE LAW.—The transfer under this section shall be subject to subsection (b) of section 7306 of title 10, United States Code, but the provisions of subsection (d) of such section shall not be applicable to such transfer.

SEC. 1025. SENSE OF CONGRESS CONCERNING USS LCS 102 (LSSL 102).

It is the sense of Congress that the Secretary of Defense should use existing authorities in law to seek the expeditious return, upon completion of service, of the former USS LCS 102 (LSSL 102) from the Government of Thailand in order for the ship to be transferred to the United States Shipbuilding Museum in Quincy, Massachusetts.

Subtitle C—Counter-Drug Activities

SEC. 1031. AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES OF MEXICO.

(a) AUTHORITY TO PROVIDE ADDITIONAL SUPPORT.—Subject to subsection (e), during fiscal year 1997, the Secretary of Defense may provide the Government of Mexico with the support described in subsection (b) for the counter-drug activities of the Government of Mexico. The support provided under the authority of this subsection shall be in addition to support provided to the Government of Mexico under any other provision of law.

(b) TYPES OF SUPPORT.—The authority under subsection (a) is limited to the provision of the following types of support:

(1) The transfer of non-lethal protective and utility personnel equipment.

(2) The transfer of the following nonlethal specialized equipment:

(A) Navigation equipment.

(B) Secure and nonsecure communications equipment.

(C) Photo equipment.

(D) Radar equipment.

(E) Night vision systems.

(F) Repair equipment and parts for equipment referred to in subparagraphs (A), (B), (C), (D), and (E).

(3) The transfer of nonlethal components, accessories, attachments, parts (including ground support equipment), firmware, and software for aircraft or patrol boats, and related repair equipment.

(4) The maintenance and repair of equipment of the Government of Mexico that is used for counter-drug activities.

(c) APPLICABILITY OF OTHER SUPPORT AUTHORITIES.—Except as otherwise provided in this section, the provisions of section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 374 note) shall apply to the provision of support under this section.

(d) FUNDING.—Of the amount authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than $8,000,000 shall be available for the provision of support under this section.

(e) LIMITATIONS.—(1) The Secretary may not obligate or expend funds to provide support under this section until 15 days after the date on which the Secretary submits to the committees referred to in paragraph (3) the certification described in paragraph (2).

(2) The certification referred to in paragraph (1) is a written certification of the following:

(A) That the provision of support under this section will not adversely affect the military preparedness of the United States Armed Forces.

(B) That the equipment and materiel provided as support will be used only by officials and employees of the Government of Mexico who have undergone a background check by that government.

(C) That the Government of Mexico has certified to the Secretary that—

(i) the equipment and material provided as support will be used only by the officials and employees referred to in subparagraph (B);

(ii) none of the equipment or materiel will be transferred (by sale, gift, or otherwise) to any person or entity not authorized by the United States to receive the equipment or materiel; and

(iii) the equipment and materiel will be used only for the purposes intended by the United States Government.

(D) That the Government of Mexico has implemented, to the satisfaction of the Secretary, a system that will provide an accounting and inventory of the equipment and materiel provided as support.

(E) That the departments, agencies, and instrumentalities of the Government of Mexico will grant United States Government personnel access to any of the equipment or materiel provided as support, or to any of the records relating to such equipment or materiel, under terms and conditions similar to the terms and conditions imposed with respect to such access under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(F) That the Government of Mexico will provide security with respect to the equipment and materiel provided as support that is substantially the same degree of security that the United States Government would provide with respect to such equipment and materiel.

(G) That the Government of Mexico will permit continuous observation and review by United States Government personnel of the use of the equipment and materiel provided as support under terms and conditions similar to the terms and conditions imposed with respect to such observation and review under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(3) The committees referred to in this paragraph are the following:

(A) The Committee on Armed Services and the Committee on Foreign Relations of the Senate.

(B) The Committee on National Security and the Committee on International Relations of the House of Representatives.

SEC. 1032. AVAILABILITY OF FUNDS FOR CERTAIN DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.

(a) P–3B AIRCRAFT.—Of the funds authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than $98,000,000 may be used for the purpose of procuring or modifying two P–3B aircraft for use by departments and agencies of the United States outside the Department of Defense for drug interdiction and counter-drug activities. However, funds may not be obligated for such purpose until the Secretary of Defense submits to the congressional defense committees a certification that the procurement or modification of such aircraft and the use of such aircraft by other departments or agencies of the United States will significantly reduce the level of support that would otherwise be required of E–3 AWACS aircraft as part of the drug interdiction and counter-drug mission of the Department of Defense.

(b) NONINTRUSIVE INSPECTION DEVICES.—Of the funds authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than $10,000,000 may be used to procure three nonintrusive inspection devices for use by departments and agencies of the United States outside the Department of Defense for drug interdiction and counter-drug activities.

(c) AUTHORITY TO TRANSFER EQUIPMENT.—The Secretary of Defense may transfer to the head of any department or agency of the United States outside the Department of Defense any equipment procured or modified under this section with funds referred to in this section.

SEC. 1033. TRANSFER OF EXCESS PERSONAL PROPERTY TO SUPPORT LAW ENFORCEMENT ACTIVITIES.

(a) TRANSFER AUTHORITY.—(1) Chapter 153 of title 10, United States Code, is amended by inserting after section 2576 the following new section:

"§ 2576a. Excess personal property: sale or donation for law enforcement activities

"(a) TRANSFER AUTHORIZED.—(1) Notwithstanding any other provision of law and subject to subsection (b), the Secretary of Defense may transfer to Federal and State agencies personal property of the Department of Defense, including small arms and ammunition, that the Secretary determines is—

"(A) suitable for use by the agencies in law enforcement activities, including counter-drug and counter-terrorism activities; and

"(B) excess to the needs of the Department of Defense.

"(2) The Secretary shall carry out this section in consultation with the Attorney General and the Director of National Drug Control Policy.

"(b) CONDITIONS FOR TRANSFER.—The Secretary of Defense may transfer personal property under this section only if—

"(1) the property is drawn from existing stocks of the Department of Defense;

"(2) the recipient accepts the property on an as-is, where-is basis;

"(3) the transfer is made without the expenditure of any funds available to the Department of Defense for the procurement of defense equipment; and

"(4) all costs incurred subsequent to the transfer of the property are borne or reimbursed by the recipient.

"(c) CONSIDERATION.—Subject to subsection (b)(4), the Secretary may transfer personal property under this section without charge to the recipient agency.

"(d) PREFERENCE FOR CERTAIN TRANSFERS.—In considering applications for the transfer of personal property under this section, the Secretary shall give a preference to those applications indicating that the transferred property will be used in the counter-drug or counter-terrorism activities of the recipient agency.".

(2) The table of sections at the beginning of such chapter is amended by inserting after

the item relating to section 2576 the following new item:

"2576a. Excess personal property: sale or donation for law enforcement activities.".

(b) CONFORMING AMENDMENTS.—(1) Section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 10 U.S.C. 372 note) is repealed.

(2) Section 1005 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1630) is amended by striking out "section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (10 U.S.C. 372 note) and section 372" and inserting in lieu thereof "sections 372 and 2576a".

SEC. 1034. SALE BY FEDERAL DEPARTMENTS OR AGENCIES OF CHEMICALS USED TO MANUFACTURE CONTROLLED SUBSTANCES.

(a) DEA CERTIFICATION.—The Controlled Substances Act is amended by inserting after section 519 (21 U.S.C. 889) the following new section:

"SEC. 520. REVIEW OF FEDERAL SALES OF CHEMICALS USABLE TO MANUFACTURE CONTROLLED SUBSTANCES.

"A Federal department or agency may not sell from the stocks of the department or agency any chemical which, as determined by the Administrator of the Drug Enforcement Administration, could be used in the manufacture of a controlled substance unless the Administrator certifies in writing to the head of the department or agency that there is no reasonable cause to believe that the sale of the chemical would result in the illegal manufacture of a controlled substance.".

(b) CLERICAL AMENDMENT.—The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (84 Stat. 1236) is amended by inserting after the item relating to section 519 the following new item:

"Sec. 520. Review of Federal sales of chemicals usable to manufacture controlled substances.".

Subtitle D—Reports and Studies

SEC. 1041. ANNUAL REPORT ON OPERATION PROVIDE COMFORT AND OPERATION ENHANCED SOUTHERN WATCH.

(a) ANNUAL REPORT.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report on Operation Provide Comfort and Operation Enhanced Southern Watch.

(b) MATTERS RELATING TO OPERATION PROVIDE COMFORT.—Each report under subsection (a) shall include, with respect to Operation Provide Comfort, the following:

(1) A detailed presentation of the projected costs to be incurred by the Department of Defense for that operation during the fiscal year in which the report is submitted and projected for the following fiscal year, together with a discussion of missions and functions expected to be performed by the Department as part of that operation during each of those fiscal years.

(2) A detailed presentation of the projected costs to be incurred by other departments and agencies of the Federal Government participating in or providing support to that operation during each of those fiscal years.

(3) A discussion of options being pursued to reduce the involvement of the Department of Defense in those aspects of that operation that are not directly related to the military mission of the Department of Defense.

(4) A discussion of the exit strategy for United States involvement in, and support for, that operation.

(5) A description of alternative approaches to accomplishing the mission of that operation that are designed to limit the scope and cost to the Department of Defense of accomplishing that mission while maintaining mission success.

(6) The contributions (both in-kind and actual) by other nations to the costs of conducting that operation.

(7) A detailed presentation of significant Iraqi military activity (including specific violations of the no-fly zone) determined to jeopardize the security of the Kurdish population in northern Iraq.

(c) MATTERS RELATING TO OPERATION ENHANCED SOUTHERN WATCH.—Each report under subsection (a) shall include, with respect to Operation Enhanced Southern Watch, the following:

(1) The expected duration and annual costs of the various elements of that operation.

(2) The political and military objectives associated with that operation.

(3) The contributions (both in-kind and actual) by other nations to the costs of conducting that operation.

(4) A description of alternative approaches to accomplishing the mission of that operation that are designed to limit the scope and cost of accomplishing that mission while maintaining mission success.

(5) A comprehensive discussion of the political and military objectives and initiatives that the Department of Defense has pursued, and intends to pursue, in order to reduce United States involvement in that operation.

(6) A detailed presentation of significant Iraqi military activity (including specific violations of the no-fly zone) determined to jeopardize the security of the Shiite population by air attack in southern Iraq or to jeopardize the security of Kuwait.

(d) TERMINATION OF REPORT REQUIREMENT.—The requirement under subsection (a) shall cease to apply with respect to an operation named in that subsection upon the termination of United States involvement in that operation.

(e) DEFINITIONS.—For purposes of this section:

(1) OPERATION ENHANCED SOUTHERN WATCH.—The term "Operation Enhanced Southern Watch" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Enhanced Southern Watch.

(2) OPERATION PROVIDE COMFORT.—The term "Operation Provide Comfort" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Provide Comfort.

SEC. 1042. ANNUAL REPORT ON EMERGING OPERATIONAL CONCEPTS.

(a) REPORT REQUIRED.—Not later than March 1 of each year through 2000, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on emerging operational concepts. Each such report shall be prepared by the Secretary in consultation with the Chairman of the Joint Chiefs of Staff.

(b) MATTERS TO BE INCLUDED.—Each such report shall contain a description, for the year preceding the year in which the report is submitted, of the following:

(1) The process undertaken in the Department of Defense, and in each of the Army, Navy, Air Force, and Marine Corps, to define and develop doctrine, operational concepts, organizational concepts, and acquisition strategies to address—

(A) the potential of emerging technologies for significantly improving the operational effectiveness of the Armed Forces;

(B) changes in the international order that may necessitate changes in the operational capabilities of the Armed Forces;

(C) emerging capabilities of potential adversary states; and

(D) changes in defense budget projections.

(2) The manner in which the processes described in paragraph (1) are harmonized to ensure that there is a sufficient consideration of the development of joint doctrine, operational concepts, and acquisition strategies.

(3) The manner in which the processes described in paragraph (1) are coordinated through the Joint Requirements Oversight Council and reflected in the planning, programming, and budgeting process of the Department of Defense.

SEC. 1043. REPORT ON DEPARTMENT OF DEFENSE MILITARY CHILD CARE PROGRAMS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense should be congratulated on the successful implementation of the Military Child Care Act of 1989 (originally enacted as title XV of Public Law 101-189 and subsequently codified as subchapter II of chapter 88 of title 10, United States Code).

(2) The actions taken by the Department as a result of that Act have dramatically improved the availability, affordability, quality, and consistency of the child-care services provided to members of the Armed Forces.

(3) Child care is important to the readiness of members of the Armed Forces since single parents and couples in military service must have access to affordable child care of good quality if they are to perform their jobs and respond effectively to long work hours or deployments.

(4) Child care is important to the retention of members of the Armed Forces in military service because the dissatisfaction of the families of such members with military life is a primary reason for the departure of such members from military service.

(b) SENSE OF CONGRESS RELATED TO MILITARY-CIVILIAN CHILD-CARE PARTNERSHIP PROGRAMS.—It is the sense of Congress that—

(1) the civilian and military child-care communities, Federal, State, and local agencies, and businesses and communities involved in the provision of child-care services could benefit from the development of partnerships to foster an exchange of ideas, information, and materials relating to their experiences with the provision of such services and to encourage closer relationships between military installations and the communities that support them;

(2) such partnerships would be beneficial to all families by helping providers of child-care services exchange ideas about innovative ways to address barriers to the effective provision of such services; and

(3) there are many ways that such partnerships could be developed, including—

(A) cooperation between the directors and curriculum specialists of military child development centers and civilian child development centers in assisting such centers in the accreditation process;

(B) use of family support staff to conduct parent and family workshops for new parents and parents with young children in family housing on military installations and in communities in the vicinity of such installations;

(C) internships in Department of Defense child-care programs for civilian child-care providers to broaden the base of good-quality child-care services in communities in the vicinity of military installations; and

(D) attendance by civilian child-care providers at Department child-care training classes on a space-available basis.

(c) REPORT.—Not later than June 30, 1997, the Secretary of Defense shall submit to Congress a report on the status of any partnerships and other initiatives undertaken by the Department of Defense as described in subsection (b), including recommendations for additional ways to improve the child-care programs of the Department of Defense and to improve such programs so as to benefit civilian child-care providers in communities in the vicinity of military installations.

SEC. 1044. REPORT ON DEPARTMENT OF DEFENSE MILITARY YOUTH PROGRAMS.

(a) FINDINGS.—Congress makes the following findings:

(1) Programs of the Department of Defense for youth who are dependents of members of the Armed Forces have not received the same level of attention and resources as have child care programs of the Department since the passage of the Military Child Care Act of 1989 (originally enacted as title XV of Public Law 101–189 and subsequently codified as subchapter II of chapter 88 of title 10, United States Code).

(2) Older children deserve as much attention to their developmental needs as do younger children.

(3) The Department has started to direct more attention to programs for youths who are dependents of members of the Armed Forces by providing funds for the implementation of 20 model community programs to address the needs of such youths.

(4) The lessons learned from such programs could apply to civilian youth programs as well.

(b) SENSE OF CONGRESS RELATED TO MILITARY-CIVILIAN YOUTH PARTNERSHIP PROGRAMS.—It is the sense of Congress that—

(1) the Department of Defense, Federal, State, and local agencies, and businesses and communities involved in conducting youth programs could benefit from the development of partnerships to foster an exchange of ideas, information, and materials relating to such programs and to encourage closer relationships between military installations and the communities that support them;

(2) such partnerships could be beneficial to all families by helping the providers of services for youths exchange ideas about innovative ways to address barriers to the effective provision of such services; and

(3) there are many ways that such partnerships could be developed, including—

(A) cooperation between the Department and Federal and State educational agencies in exploring the use of public school facilities for child care programs and youth programs that are mutually beneficial to the Department and civilian communities and complement programs of the Department carried out at its facilities; and

(B) improving youth programs that enable adolescents to relate to new peer groups when families of members of the Armed Forces are relocated.

(c) REPORT.—Not later than June 30, 1997, the Secretary of Defense shall submit to Congress a report on the status of any partnerships and other initiatives undertaken by the Department as described in subsection (b), including recommendations for additional ways to improve the youth programs of the Department of Defense and to improve such programs so as to benefit communities in the vicinity of military installations.

SEC. 1045. QUARTERLY REPORTS REGARDING COPRODUCTION AGREEMENTS.

(a) QUARTERLY REPORTS ON COPRODUCTION AGREEMENTS.—Section 36(a) of the Arms Export Control Act (22 U.S.C. 2776(a)) is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (11) the following new paragraph:

"(12) a report on all concluded government-to-government agreements regarding foreign coproduction of defense articles of United States origin and all other concluded agreements involving coproduction or licensed production outside of the United States of defense articles of United States origin (including coproduction memoranda of understanding or agreement) that have not been previously reported under this subsection, which shall include—

"(A) the identity of the foreign countries, international organizations, or foreign firms involved;

"(B) a description and the estimated value of the articles authorized to be produced, and an estimate of the quantity of the articles authorized to be produced;

"(C) a description of any restrictions on third party transfers of the foreign-manufactured articles; and

"(D) if any such agreement does not provide for United States access to and verification of quantities of articles produced overseas and their disposition in the foreign country, a description of alternative measures and controls incorporated in the coproduction or licensing program to ensure compliance with restrictions in the agreement on production quantities and third party transfers.".

(b) EFFECTIVE DATE.—Paragraph (12) of section 36(a) of the Arms Export Control Act, as added by subsection (a)(3), does not apply with respect to an agreement described in such paragraph entered into before the date of the enactment of this Act.

SEC. 1046. REPORT ON WITNESS INTERVIEW PROCEDURES FOR DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS.

(a) SURVEY OF MILITARY DEPARTMENT POLICIES AND PRACTICES.—The Comptroller General of the United States shall conduct a survey of the policies and practices of the Naval Criminal Investigative Service with respect to the manner in which interviews of suspects and witnesses are conducted in connection with criminal investigations of allegations of contractor fraud. The purpose of the survey shall be to ascertain whether or not investigators and agents of the Naval Criminal Investigative Service conduct investigations of contractor fraud in accordance with generally accepted Federal law enforcement standards and applicable law.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report concerning the survey under subsection (a). The report shall specifically address the following:

(1) The extent to which investigators of the Naval Criminal Investigative Service investigators and agents of the Naval Criminal Investigative Service conduct investigations of contractor fraud in accordance with generally accepted federal law enforcement standards and applicable law.

(2) The extent to which the interview policies established by Department of Defense directives or Navy regulations are adequate to instruct and guide investigators in the proper conduct of subject and witness interviews.

(3) The desirability and feasibility of providing for video and audio recording of interviews and, if recording is desirable, the circumstances under which recordings should be made.

(4) The desirability and feasibility of making such recordings or written transcriptions of interviews, or both, available on demand to the subject or witness interviewed.

(5) The extent to which existing Department of Defense directives and Navy regulations address the carrying and display of weapons by agents, together with an assessment of whether any change in any such directive or regulation is necessary.

(6) The extent to which existing Department of Defense directives and Navy regulations provide guidance to agents to ensure that the agents' conduct and demeanor is in accordance with generally accepted federal law enforcement standards and applicable law.

(7) Any recommendation for legislation to ensure that investigators and agents of the Naval Criminal Investigative Service use legal and proper tactics during interviews in connection with criminal investigations of allegations of contractor fraud.

SEC. 1047. REPORT ON MILITARY READINESS REQUIREMENTS OF THE ARMED FORCES.

(a) REPORT REQUIRED.—Not later than January 31, 1997, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the military readiness requirements of the active and reserve components of the Armed Forces, including specific combat units, combat support units, and combat service support units. Based on the assessment scenario described in subsection (c), the report shall assess such readiness requirements under a tiered readiness and response system that categorizes a given unit of the Armed Forces according to the likelihood that the unit will be required to respond to a military conflict and the time in which the unit will be required to respond.

(b) PREPARATION OF REPORT.—The Chairman of the Joint Chiefs of Staff, together with the other members of the Joint Chiefs of Staff specified in section 151(a) of title 10, United States Code, shall prepare the report required by subsection (a). The Chairman of the Joint Chiefs of Staff shall consult with the Commander of the Special Operations Command in the preparation of the report.

(c) ASSESSMENT SCENARIO.—The report shall assess readiness requirements in a scenario based on the following assumptions:

(1) The conflict is in a generic theater of operations located anywhere in the world and does not exceed the notional limits for a major regional conflict.

(2) The forces available for deployment include the forces described in the Bottom Up Review force structure, including all planned force enhancements.

(3) Assistance is not available from allies.

(d) ASSESSMENT ELEMENTS.—The report shall identify by unit type and component, and assess the readiness requirements of, all active and reserve component units. Each such unit shall be categorized within one of the following classifications:

(1) Forward-deployed and crisis response forces, or "Tier I" forces, that possess limited internal sustainment capability and do not require immediate access to regional air

bases or ports or overflight rights, including the following:

(A) Force units that are routinely deployed forward at sea or on land outside the United States.

(B) Combat-ready crises response forces that are capable of mobilizing and deploying within 10 days after receipt of orders.

(C) Forces that are supported by prepositioning equipment afloat or are capable of being inserted into a theater upon the capture of a port or airfield by forcible entry forces.

(2) Combat-ready follow-on forces, or "Tier II" forces, that can be mobilized and deployed to a theater within approximately 60 days after receipt of orders.

(3) Combat-ready conflict resolution forces, or "Tier III" forces, that can be mobilized and deployed to a theater within approximately 180 days after receipt of orders.

(4) All other active and reserve component force units which are not categorized within a classification described in paragraph (1), (2), or (3).

(e) ADDITIONAL INFORMATION REGARDING CERTAIN UNITS.—With regard to each unit that is not categorized within a classification described in paragraph (1), (2), or (3) of subsection (d), the report shall include—

(1) a description of the mission and mobilization or deployment schedule (or both) of the unit in connection with the requirements of the assessment scenario and the combat readiness requirements of the Armed Forces; or

(2) an identification of the unit as excess to the needs of the national military strategy and the reasons therefor.

(f) FORM OF REPORT.—The report under this section shall be submitted in unclassified form but may contain a classified annex.

SEC. 1048. REPORT ON NATO ENLARGEMENT.

(a) REPORT.—Not later than February 1, 1997, the President shall transmit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on National Security and the Committee on International Relations of the House of Representatives a report on the enlargement of the North Atlantic Treaty Organization. The report shall contain a comprehensive discussion of the following:

(1) Geopolitical and financial costs and benefits, including financial savings, associated with—

(A) enlargement of the North Atlantic Treaty Organization;

(B) further delays in the process of enlargement of the North Atlantic Treaty Organization; and

(C) a failure to enlarge the North Atlantic Treaty Organization.

(2) Additional North Atlantic Treaty Organization and United States military expenditures requested by prospective members of the North Atlantic Treaty Organization to facilitate their admission into the North Atlantic Treaty Organization.

(3) Modifications necessary in the military strategy of the North Atlantic Treaty Organization and force structure required by the inclusion of new members and steps necessary to integrate new members, including the role of nuclear and conventional capabilities, reinforcement, force deployments, prepositioning of equipment, mobility, and headquarter locations.

(4) The relationship between enlargement of the North Atlantic Treaty Organization and transatlantic stability and security.

(5) The state of military preparedness and interoperability of Central and Eastern European nations as it relates to the responsibilities of membership of the North Atlantic Treaty Organization and additional security costs or benefits that may accrue to the United States from enlargement of the North Atlantic Treaty Organization.

(6) The state of democracy and free market development as it affects the preparedness of Central and Eastern European nations for the responsibilities of membership of the North Atlantic Treaty Organization, including civilian control of the military, the rule of law, human rights, and parliamentary oversight.

(7) The state of relations between prospective members of the North Atlantic Treaty Organization and their neighbors, steps taken by prospective members to reduce tensions, and mechanisms for the peaceful resolution of border disputes.

(8) The commitment of prospective members of the North Atlantic Treaty Organization to the principles of the North Atlantic Treaty and the security of the North Atlantic area.

(9) The effect of enlargement of the North Atlantic Treaty Organization on the political, economic, and security conditions of European Partnership for Peace nations not among the first new members of the North Atlantic Treaty Organization.

(10) The relationship between enlargement of the North Atlantic Treaty Organization and EU enlargement and the costs and benefits of both.

(11) The relationship between enlargement of the North Atlantic Treaty Organization and treaties relevant to United States and European security, such as the Conventional Armed Forces in Europe Treaty.

(12) The anticipated impact both of enlargement of the North Atlantic Treaty Organization and further delays of enlargement on Russian foreign and defense policies and the costs and benefits of a security relationship between the North Atlantic Treaty Organization and Russia.

(b) INTERPRETATION.—Nothing in this section shall be interpreted or construed to affect the implementation of the NATO Participation Act of 1994 (title II of Public Law 103-447; 22 U.S.C. 1928 note), or any other program or activity which facilitates or assists prospective members of the North Atlantic Treaty Organization.

Subtitle E—Management of Armed Forces Retirement Home

SEC. 1051. RETIREMENT HOME BOARDS OF DIRECTORS.

(a) ADDITIONAL TERM OF OFFICE.—Subsection (e) of section 1515 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 415) is amended by adding at the end the following new paragraph:

"(3) The chairman of the Retirement Home Board may appoint a member of the Retirement Home Board for a second consecutive term. The chairman of a Local Board may appoint a member of that Local Board for a second consecutive term.".

(b) EARLY EXPIRATION OF TERM.—(1) Subsection (f) of such section is amended to read as follows:

"(f) EARLY EXPIRATION OF TERM.—A member of the Armed Forces or Federal civilian employee who is appointed as a member of the Retirement Home Board or a Local Board may serve as a board member only so long as the member of the Armed Forces or Federal civilian employee is assigned to or serving in the duty position that gave rise to the appointment as a board member.".

(2) The amendment made by this subsection shall not affect the staggered terms of members of the Armed Forces Retirement Home Board or a Local Board of the Retirement Home under section 1515(f) of such Act, as such section is in effect before the date of the enactment of this Act.

(c) ANNUAL EVALUATION OF DIRECTORS.—Section 1517 of such Act (24 U.S.C. 417) is amended by striking out subsection (f) and inserting in lieu thereof the following:

"(f) ANNUAL EVALUATION OF DIRECTORS.—The chairman of the Retirement Home Board shall annually evaluate the performance of the Directors and shall make such recommendations to the Secretary of Defense as the chairman considers appropriate in light of the evaluation.".

SEC. 1052. [S582 HR] ACCEPTANCE OF UNCOMPENSATED SERVICES.

(a) AUTHORITY.—Part A of the Armed Forces Retirement Home Act of 1991 (title XV of Public Law 101-510; 24 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"SEC. 1522. AUTHORITY TO ACCEPT CERTAIN UNCOMPENSATED SERVICES.

"(a) AUTHORITY TO ACCEPT SERVICES.—Subject to subsection (b) and notwithstanding section 1342 of title 31, United States Code, the Chairman of the Retirement Home Board or the Director of each establishment of the Retirement Home may accept from any person voluntary personal services or gratuitous services unless the acceptance of the voluntary services is disapproved by the Retirement Home Board.

"(b) REQUIREMENTS AND LIMITATIONS.—(1) The Chairman of the Retirement Home Board or the Director of the establishment accepting the services shall notify the person of the scope of the services accepted.

"(2) The Chairman or Director shall—

"(A) supervise the person providing the services to the same extent as that official would supervise a compensated employee providing similar services; and

"(B) ensure that the person is licensed, privileged, has appropriate credentials, or is otherwise qualified under applicable laws or regulations to provide such services.

"(3) A person providing services accepted under subsection (a) may not—

"(A) serve in a policymaking position of the Retirement Home; or

"(B) be compensated for the services by the Retirement Home.

"(c) AUTHORITY TO RECRUIT AND TRAIN PERSONS PROVIDING SERVICES.—The Chairman of the Retirement Home Board or the Director of an establishment of the Retirement Home may recruit and train persons to provide services authorized to be accepted under subsection (a).

"(d) STATUS OF PERSONS PROVIDING SERVICES.—(1) Subject to paragraph (3), while providing services accepted under subsection (a) or receiving training under subsection (c), a person shall be considered to be an employee of the Federal Government only for purposes of the following provisions of law:

"(A) Subchapter I of chapter 81 of title 5, United States Code (relating to compensation for work-related injuries).

"(B) Chapter 171 of title 28, United States Code (relating to claims for damages or loss).

"(2) A person providing services accepted under subsection (a) shall be considered to be an employee of the Federal Government under paragraph (1) only with respect to services that are within the scope of the services accepted.

"(3) For purposes of determining the compensation for work-related injuries payable under chapter 81 of title 5, United States Code (pursuant to this subsection) to a person providing services accepted under subsection (a), the monthly pay of the person for such services shall be deemed to be the amount determined by multiplying—

"(A) the average monthly number of hours that the person provided the services, by

"(B) the minimum wage determined in accordance with section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).

"(e) Reimbursement of Incidental Expenses.—The Chairman of the Retirement Board or the Director of the establishment accepting services under subsection (a) may provide for reimbursement of a person for incidental expenses incurred by the person in providing the services accepted under subsection (a). The Chairman or Director shall determine which expenses qualify for reimbursement under this subsection.".

(b) Federal Status of Residents Paid for Part-Time or Intermittent Services.—Paragraph (2) of section 1521(b) of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 421(b)) is amended to read as follows:

"(2) being an employee of the United States for any purpose other than—

"(A) subchapter I of chapter 81 of title 5, United States Code (relating to compensation for work-related injuries); and

"(B) chapter 171 of title 28, United States Code (relating to claims for damages or loss).".

SEC. 1053. DISPOSAL OF TRACT OF REAL PROPERTY IN THE DISTRICT OF COLUMBIA.

(a) Disposal Authorized.—Notwithstanding title II the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.), title VIII of such Act (40 U.S.C. 531 et seq.), section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), or any other provision of law relating to the management and disposal of real property by the United States, the Armed Forces Retirement Home Board may convey, by sale or otherwise, all right, title, and interest of the United States in a parcel of real property, including improvements thereon, consisting of approximately 49 acres located in Washington, District of Columbia, east of North Capitol Street, and recorded as District Parcel 121/19.

(b) Manner, Terms, and Conditions of Disposal.—The Armed Forces Retirement Home Board may determine—

(1) the manner for the disposal of the real property under subsection (a); and

(2) the terms and conditions for the conveyance of that property, including any terms and conditions that the Board considers necessary to protect the interests of the United States.

(c) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Armed Forces Retirement Home Board. The cost of the survey shall be borne by the party or parties to which the property is to be conveyed.

(d) Congressional Notification.—(1) Before disposing of real property under subsection (a), the Armed Forces Retirement Home Board shall notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of the proposed disposal. The Board may not dispose of the real property until the later of—

(A) the date that is 60 days after the date on which the notification is received by the committees; or

(B) the date of the next day following the expiration of the first period of 30 days of continuous session of Congress that follows the date on which the notification is received by the committees.

(2) For the purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of any period of time in which Congress is in continuous session.

Subtitle F—Other Matters

SEC. 1061. POLICY ON PROTECTION OF NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACK.

(a) Report Requirement.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth a national policy on protecting the national information infrastructure against strategic attack.

(b) Matters To Be Included.—The policy described in the report shall include the following:

(1) Plans to meet essential Government and civilian needs during a national security emergency associated with a strategic attack on elements of the national information infrastructure the functioning of which depend on networked computer systems.

(2) The identification of information infrastructure functions that must be performed during such an emergency.

(3) The assignment of responsibilities to Federal departments and agencies, and a description of the roles of Government and industry, relating to indications and warning of, assessment of, response to, and reconstitution after, potential strategic attacks on the elements of the national information infrastructure described under paragraph (1).

(c) Unresolved Issues.—The report shall also identify—

(1) matters relating to the national policy described in the report that, as of the submission of the report, are in need of further study and resolution, such as technology and funding shortfalls; and

(2) legal and regulatory considerations relating to the national policy.

(d) Update of Earlier Report.—The report shall include an update of the report required to be submitted to Congress pursuant to section 1053 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 440).

SEC. 1062. INFORMATION SYSTEMS SECURITY PROGRAM.

(a) Allocation.—Of the amounts appropriated for the Department of Defense for the Defense Information Infrastructure for each of fiscal years 1999 through 2002, the Secretary of Defense shall allocate to the information systems security program (program element 0303140K) amounts as follows:

(1) For fiscal year 1999, 2.5 percent.

(2) For fiscal year 2000, 3.0 percent.

(3) For fiscal year 2001, 3.5 percent.

(4) For fiscal year 2002, 4.0 percent.

(b) Relationship to Other Amounts.—Amounts allocated under subsection (a) are in addition to amounts appropriated to the National Security Agency and the Defense Advanced Research Projects Agency for development of information security systems, acquisition of information security systems, and operation of information security systems.

(c) Report.—Not later than November 15, 1997, the Secretary of Defense shall submit to the congressional defense committees and the congressional intelligence committees a report on information security activities of the Department of Defense. The report shall describe—

(1) the objectives of the Secretary with respect to information security and the strategy of the Secretary (including the strategy with respect to funding) during fiscal years 1999 through 2002 to achieve those objectives;

(2) how the Secretary intends to manage and allocate the funds required by subsection (a) to be allocated to the information systems security program; and

(3) if the Secretary determines that a funding plan for the information systems security program for fiscal years 1999 through 2002 other than that specified in subsection (a) is appropriate, the alternative funding plan proposed by the Secretary.

(d) Defense Information Infrastructure.—For purposes of this section, the Defense Information Infrastructure is the web of communications networks, computers, software, databases, applications, data security services, and other capabilities that meets the information processing and transport needs of Department of Defense users.

SEC. 1063. AUTHORITY TO ACCEPT SERVICES FROM FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS FOR DEFENSE PURPOSES.

Section 2608(a) of title 10, United States Code, is amended by inserting before the period at the end the following: "and may accept from any foreign government or international organization any contribution of services made by such foreign government or international organization for use by the Department of Defense".

SEC. 1064. PROHIBITION ON COLLECTION AND RELEASE OF DETAILED SATELLITE IMAGERY RELATING TO ISRAEL.

(a) Collection and Dissemination.—A department or agency of the United States may issue a license for the collection or dissemination by a non-Federal entity of satellite imagery with respect to Israel only if such imagery is no more detailed or precise than satellite imagery of Israel that is available from commercial sources.

(b) Declassification and Release.—A department or agency of the United States may declassify or otherwise release satellite imagery with respect to Israel only if such imagery is no more detailed or precise than satellite imagery of Israel that is available from commercial sources.

SEC. 1065. GEORGE C. MARSHALL EUROPEAN CENTER FOR STRATEGIC SECURITY STUDIES.

(a) Authority To Accept Foreign Gifts and Donations.—(1) The Secretary of Defense may, on behalf of the George C. Marshall European Center for Strategic Security Studies (in this section referred to as the "Marshall Center"), accept foreign gifts or donations in order to defray the costs of, or enhance the operation of, the Marshall Center.

(2) Funds received by the Secretary under paragraph (1) shall be credited to appropriations available for the Department of Defense for the Marshall Center. Funds so credited shall be merged with the appropriations to which credited and shall be available for the Marshall Center for the same purposes and same period as the appropriations with which merged.

(3) The Secretary of Defense shall notify Congress if the total amount of money accepted under paragraph (1) exceeds $2,000,000 in any fiscal year. Any such notice shall list each of the contributors of such amounts and the amount of each contribution in such fiscal year.

(4) For purposes of this subsection, a foreign gift or donation is a gift or donation of funds, materials (including research materials), property, or services (including lecture services and faculty services) from a

foreign government, a foundation or other charitable organization in a foreign country, or an individual in a foreign country.

(b) MARSHALL CENTER PARTICIPATION BY FOREIGN NATIONS.—(1) Notwithstanding any other provision of law, the Secretary of Defense may authorize participation by a European or Eurasian nation in Marshall Center programs if the Secretary determines, after consultation with the Secretary of State, that such participation is in the national interest of the United States.

(2) Not later than January 31 of each year, the Secretary of Defense shall submit to Congress a report setting forth the names of the foreign nations permitted to participate in programs of the Marshall Center during the preceding year under paragraph (1). Each such report shall be prepared by the Secretary with the assistance of the Director of the Marshall Center.

(c) EXEMPTIONS FOR MEMBERS OF MARSHALL CENTER BOARD OF VISITORS FROM CERTAIN REQUIREMENTS.—(1) In the case of any person invited to serve without compensation on the Marshall Center Board of Visitors, the Secretary of Defense may waive any requirement for financial disclosure that would otherwise apply to that person solely by reason of service on such Board.

(2) Notwithstanding any other provision of law, a member of the Marshall Center Board of Visitors may not be required to register as an agent of a foreign government solely by reason of service as a member of the Board.

(3) Notwithstanding section 219 of title 18, United States Code, a non-United States citizen may serve on the Marshall Center Board of Visitors even though registered as a foreign agent.

SEC. 1066. AUTHORITY TO AWARD TO CIVILIAN PARTICIPANTS IN THE DEFENSE OF PEARL HARBOR THE CONGRESSIONAL MEDAL PREVIOUSLY AUTHORIZED ONLY FOR MILITARY PARTICIPANTS IN THE DEFENSE OF PEARL HARBOR.

(a) AUTHORITY.—The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized jointly to present, on behalf of Congress, a bronze medal provided for under section 1492 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101-510; 104 Stat. 1721) to any person who meets the eligibility requirements set forth in subsection (d) of that section other than the requirement for membership in the Armed Forces, as certified under subsection (e) of that section or under subsection (b) of this section.

(b) CERTIFICATION.—The Secretary of Defense shall, not later than 12 months after the date of the enactment of this Act, certify to the Speaker of the House of Representatives and the President pro tempore of the Senate the names of persons who are eligible for award of the medal under this Act and have not previously been certified under section 1492(e) of the National Defense Authorization Act for Fiscal Year 1991.

(c) APPLICATIONS.—Subsections (d)(2) and (f) of section 1492 of the National Defense Authorization Act for Fiscal Year 1991 shall apply in the administration of this section.

(d) ADDITIONAL STRIKING AUTHORITY.—The Secretary of the Treasury shall strike such additional medals as may be necessary for presentation under the authority of subsection (a).

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sum as may be necessary to carry out this section.

(f) RETROACTIVE EFFECTIVE DATE.—The authority under subsection (a) shall be effective as of November 5, 1990.

SEC. 1067. ASSIMILATIVE CRIMES AUTHORITY FOR TRAFFIC OFFENSES ON MILITARY INSTALLATIONS.

Section 4 of the Act of June 1, 1948 (40 U.S.C. 318c), is amended—

(1) by striking out "Whoever shall violate" and inserting in lieu thereof "(a) Except as provided in subsection (b), whoever violates";

(2) by inserting "than" after "not more"; and

(3) by adding at the end the following:

"(b)(1) Whoever violates any military traffic regulation shall be fined an amount not to exceed the amount of the maximum fine for a like or similar offense under the criminal or civil law of the State, territory, possession, or district where the military installation in which the violation occurred is located, or imprisoned for not more than 30 days, or both.

"(2) For purposes of this subsection, the term 'military traffic regulation' means a rule or regulation for the control of vehicular or pedestrian traffic on military installations that is promulgated by the Secretary of Defense, or the designee of the Secretary, under the authority delegated pursuant to section 2.".

SEC. 1068. UNIFORM CODE OF MILITARY JUSTICE AMENDMENTS.

(a) TECHNICAL AMENDMENT REGARDING FORFEITURES DURING CONFINEMENT ADJUDGED BY A COURT-MARTIAL.—(1) Section 858b(a)(1) of title 10, United States Code (article 58b(a)(1) of the Uniform Code of Military Justice), is amended—

(A) in the first sentence, by inserting "(if adjudged by a general court-martial)" after "all pay and"; and

(B) in the third sentence, by striking out "two-thirds of all pay and allowances" and inserting in lieu thereof "two-thirds of all pay".

(2) The amendments made by paragraph (1) shall take effect as of April 1, 1996, and shall apply to any case in which a sentence is adjudged by a court-martial on or after that date.

(b) EXCEPTED SERVICE APPOINTMENTS TO CERTAIN NONATTORNEY POSITIONS OF THE UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES.—(1) Subsection (c) of section 943 of title 10, United States Code (article 143(c) of the Uniform Code of Military Justice) is amended in paragraph (1) by inserting after the first sentence the following: "A position of employment under the Court that is provided primarily for the service of one judge of the court, reports directly to the judge, and is a position of a confidential character is excepted from the competitive service.".

(2) The caption for such subsection is amended by striking out "ATTORNEY" and inserting in lieu thereof "CERTAIN".

(c) REPEAL OF 13-YEAR SPECIAL LIMIT ON TERM OF TRANSITIONAL JUDGE OF UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES.—(1) Subsection (d)(2) of section 1301 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1575; 10 U.S.C. 942 note) is amended by striking out "to the judges who are first appointed to the two new positions of the court created as of October 1, 1990—" and all that follows and inserting in lieu thereof "to the judge who is first appointed to one of the two new positions of the court created as of October 1, 1990, as designated by the President at the time of appointment, the anniversary referred to in subparagraph (A) of that paragraph shall be treated as being the seventh anniversary and the number of years referred to in subparagraph (B) of that paragraph shall be treated as being seven.".

(2) Subsection (e)(1) of such section is amended by striking out "each judge" and inserting in lieu thereof "a judge".

SEC. 1069. PUNISHMENT OF INTERSTATE STALKING.

(a) IN GENERAL.—Chapter 110A of title 18, United States Code, is amended by inserting after section 2261 the following new section:

"§ 2261A. Interstate stalking

"Whoever travels across a State line or within the special maritime and territorial jurisdiction of the United States with the intent to injure or harass another person, and in the course of, or as a result of, such travel places that person in reasonable fear of the death of, or serious bodily injury (as defined in section 1365(g)(3) of this title) to, that person or a member of that person's immediate family (as defined in section 115 of this title) shall be punished as provided in section 2261 of this title.".

(b) CONFORMING AMENDMENTS.—Title 18, United States Code, is amended as follows:

(1) Section 2261(b) is amended by inserting "or section 2261A" after "this section".

(2) Sections 2261(b) and 2262(b) are each amended by striking "offender's spouse or intimate partner" each place it appears and inserting "victim".

(3) The chapter heading for chapter 110A is amended by inserting "AND STALKING" after "VIOLENCE".

(4) The item relating to chapter 110A in the table of chapters at the beginning of part I is amended to read as follows:

"110A. Domestic violence and stalking .... 2261".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110A of such title is amended by inserting after the item relating to section 2261 the following new item:

"2261A. Interstate stalking.".

SEC. 1070. PARTICIPATION OF MEMBERS, DEPENDENTS, AND OTHER PERSONS IN CRIME PREVENTION EFFORTS AT INSTALLATIONS.

(a) CRIME PREVENTION PLAN.—The Secretary of Defense shall prepare and implement an incentive-based plan to encourage members of the Armed Forces, dependents of members, civilian employees of the Department of Defense, and employees of defense contractors performing work at military installations to report to an appropriate military law enforcement agency any crime or criminal activity that the person reasonably believes occurred on a military installation or involves a member of the Armed Forces.

(b) INCENTIVES TO REPORT CRIMINAL ACTIVITY.—The Secretary of Defense shall include in the plan developed under subsection (a) incentives for members and other persons described in such subsection to provide information to appropriate military law enforcement agencies regarding any crime or criminal activity occurring on a military installation or involving a member of the Armed Forces.

(c) REPORT REGARDING IMPLEMENTATION.—Not later than February 1, 1997, the Secretary shall submit to Congress a report describing the plan being developed under subsection (a).

SEC. 1071. DISPLAY OF STATE FLAGS AT INSTALLATIONS AND FACILITIES OF THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2249b. Display of State flags: prohibition on use of funds to arbitrarily exclude flag; position and manner of display

"(a) PROHIBITION ON USE OF FUNDS.—Funds available to the Department of Defense may not be used to prescribe or enforce any rule that arbitrarily excludes the official flag of any State, territory, or possession of the United States from any display of the flags of the States, territories, and possessions of the United States at an official ceremony of the Department of Defense.

"(b) POSITION AND MANNER OF DISPLAY.—The display of an official flag of a State, territory, or possession of the United States at an installation or other facility of the Department shall be governed by the provisions of section 3 of the Joint Resolution of June 22, 1942 (56 Stat. 378, chapter 435; 36 U.S.C. 175), and any modification of such provisions under section 8 of that Joint Resolution (36 U.S.C. 178).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter I of such chapter is amended by adding at the end the following new item:

"2249b. Display of State flags: prohibition on use of funds to arbitrarily exclude flag; position and manner of display.".

SEC. 1072. TREATMENT OF EXCESS OPERATIONAL SUPPORT AIRLIFT AIRCRAFT.

(a) REUTILIZATION OR SALE BEFORE TRANSFER.—An operational support airlift aircraft that is excess to the requirements of the United States shall be placed in an inactive status and stored at Davis-Monthan Air Force Base, Arizona, only upon the determination of the Secretary of Defense that all reasonable efforts for the reutilization of the aircraft by, or sale of the aircraft to, Federal agencies or other persons have been completed. The Secretary shall ensure that attempts to reutilize or sell the entire aircraft are given precedence over any reutilization or sale of individual parts or components of the aircraft.

(b) OPERATIONAL SUPPORT AIRLIFT AIRCRAFT DEFINED.—In this section, the term "operational support airlift aircraft" has the meaning given such term in section 1086(f) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 458).

SEC. 1073. CORRECTION TO STATUTORY REFERENCES TO CERTAIN DEPARTMENT OF DEFENSE ORGANIZATIONS.

(a) NORTH AMERICAN AEROSPACE DEFENSE COMMAND.—Section 162(a) of title 10, United States Code, is amended by striking out "North American Air Defense Command" in paragraphs (1), (2), and (3) and inserting in lieu thereof "North American Aerospace Defense Command".

(b) FORMER NAVAL RECORDS AND HISTORY OFFICE AND FUND.—(1) Section 7222 of title 10, United States Code, is amended by striking out "Office of Naval Records and History" each place it appears in subsections (a) and (c) and inserting in lieu thereof "Naval Historical Center".

(2)(A) The heading of such section is amended to read as follows:

"§ 7222. Naval Historical Center Fund".

(B) The item relating to such section in the table of sections at the beginning of chapter 631 of title 10, United States Code, is amended to read as follows:

"7222. Naval Historical Center Fund.".

(3) Section 2055(g) of the Internal Revenue Code of 1986 is amended by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) For treatment of gifts and bequests for the benefit of the Naval Historical Center as gifts or bequests to or for the use of the United States, see section 7222 of title 10, United States Code.".

(c) DEFENSE DISTRIBUTION CENTER, ANNISTON.—The Corporation for the Promotion of Rifle Practice and Firearms Safety Act (title XVI of Public Law 104–106; 110 Stat. 515; 36 U.S.C. 5501 et seq.) is amended by striking out "Anniston Army Depot" each place it appears in the following provisions and inserting in lieu thereof "Defense Distribution Depot, Anniston":

(1) Section 1615(a)(3) (36 U.S.C. 5505(a)(3)).

(2) Section 1616(b) (36 U.S.C. 5506(b)).

(3) Section 1619(a)(1) (36 U.S.C. 5509(a)(1)).

(d) CHEMICAL DEMILITARIZATION CITIZENS ADVISORY COMMISSIONS.—Section 172 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2341; 50 U.S.C. 1521 note) is amended by striking out "Assistant Secretary of the Army (Installations, Logistics, and Environment)" in subsections (b) and (f) and inserting in lieu thereof "Assistant Secretary of the Army (Research, Development and Acquisition)".

(e) DEFENSE ADVANCED RESEARCH PROJECTS AGENCY.—(1) Each of the following provisions of law is amended by inserting "Defense" before "Advanced Research Projects Agency" each place it appears:

(A) Section 5316 of title 5, United States Code.

(B) Subsections (b), (f), and (i) of section 2371 of title 10, United States Code.

(C) Section 822(c)(1)(D) of Public Law 101–510 (42 U.S.C. 6686).

(D) Section 845(a) of Public Law 103–160 (10 U.S.C. 2371 note).

(E) Section 243(a) of Public Law 103–160 (10 U.S.C. 2431 note).

(F) Sections 1352(c)(2), 1353, and 1354(a) of Public Law 103–160 (10 U.S.C. 2501 note).

(2) The section headings of each of the following sections are amended by inserting "defense" before "advanced":

(A) Section 845 of Public Law 103–160 (10 U.S.C. 2371 note).

(B) Sections 1353 and 1354 of Public Law 103–160 (10 U.S.C. 2501 note).

(3) The heading for subsection (a) of section 1354 of Public Law 103–160 (10 U.S.C. 2501 note) is amended by striking out "ARPA" and inserting in lieu thereof "DARPA'.

SEC. 1074. TECHNICAL AND CLERICAL AMENDMENTS.

(a) MISCELLANEOUS AMENDMENTS TO TITLE 10, United States Code.—Title 10, United States Code, is amended as follows:

(1) Section 129(a) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1996,".

(2) Section 401 is amended—

(A) in subsection (a)(4), by striking out "Armed Forces" both places it appears and inserting in lieu thereof "armed forces"; and

(B) in subsection (e), by inserting "any of the following" after "means".

(3) Section 528(b) is amended by striking out "(1)" after "(b)" and inserting "(1)" before "The limitation".

(4) Section 1078a(a) is amended by striking out "Beginning on October 1, 1994, the" and inserting in lieu thereof "The".

(5) Section 1161(b)(2) is amended by striking out "section 1178" and inserting in lieu thereof "section 1167".

(6) Section 1167 is amended by striking out "person" and inserting in lieu thereof "member".

(7) The table of sections at the beginning of chapter 81 is amended by striking out "Sec." in the item relating to section 1599a.

(8) Section 1588(d)(1)(C) is amended by striking out "Section 522a" and inserting in lieu thereof "Section 552a".

(9) Chapter 87 is amended—

(A) in section 1723(a), by striking out the second sentence;

(B) in section 1724—

(i) in subsection (a), by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold"; and

(ii) in subsections (a) and (b), by striking out ", beginning on October 1, 1993,";

(C) in section 1733(a), by striking out "On and after October 1, 1993, a" and inserting in lieu thereof "A"; and

(D) in section 1734—

(i) in subsection (a)(1), by striking out ", on and after October 1, 1993,"; and

(ii) in subsection (b)(1)(A), by striking out ", on and after October 1, 1991,".

(10) Section 2216, as added by section 371 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 107 Stat. 277), is redesignated as section 2216a, and the item relating to that section in the table of sections at the beginning of chapter 131 is revised so as to reflect such redesignation.

(11) Section 2305(b)(6) is amended—

(A) in subparagraph (B), by striking out "of this section" and "of this paragraph";

(B) in subparagraph (C), by striking out "this subsection" and inserting in lieu thereof "subparagraph (A)"; and

(C) in subparagraph (D), by striking out "pursuant to this subsection" and inserting in lieu thereof "under subparagraph (A)".

(12) Section 2306a(h)(3) is amended by inserting "(41 U.S.C. 403(12))" before the period at the end.

(13) Section 2323a(a) is amended by striking out "section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note)" and inserting in lieu thereof "section 2323 of this title".

(14) Section 2534(c)(4) is amended by striking out "the date occurring two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1998".

(15) The table of sections at the beginning of chapter 155 is amended by striking out the item relating to section 2609.

(16) Section 2610(e) is amended by striking out "two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "on February 10, 1998".

(17) Sections 2824(c) and 2826(i)(1) are amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1996".

(18) Section 3036(d)(3) is amended by striking out "For purposes of this subsection," and inserting in lieu thereof "In this subsection,".

(19) The table of sections at the beginning of chapter 641 is amended by striking out the item relating to section 7434.

(20) Section 7863 is amended by inserting "were" in the first sentence after "the stores".

(21) Section 10542(b)(21) is amended by striking out "261" and inserting in lieu thereof "12001".

(22) Section 12205(a) is amended by striking out "After September 30, 1995, no person" and inserting in lieu thereof "No person".

(b) Amendments to Public Law 104–106.—The National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 186 et seq.) is amended as follows:

(1) Section 561(d)(1) (110 Stat. 322) is amended by inserting "of such title" after "Section 1405(c)".

(2) Section 1092(b)(2) (110 Stat. 460) is amended by striking out the period at the end and inserting in lieu thereof "; and".

(3) Section 4301(a)(1) (110 Stat. 656) is amended by inserting "of subsection (a)" after "in paragraph (2)".

(4) Section 5601 (110 Stat. 699) is amended—

(A) in subsection (a), by inserting "of title 10, United States Code," before "is amended"; and

(B) in subsection (c), by striking out "use of equipment or services if," in the second quoted matter therein and inserting in lieu thereof "use of the equipment or services".

(5) Section 3403 (110 Stat. 631) is amended by striking out "Act of Fiscal" and inserting in lieu thereof "Act for Fiscal".

(6) Section 4202(c)(1) (110 Stat. 653) is amended, effective as of February 10, 1996, by striking out "purchases of" " in the first quoted matter therein and inserting in lieu thereof "contracts for" ".

(7) Section 5607(c) (110 Stat. 701) is amended, effective as of February 10, 1996—

(A) by striking out "303B(h)" and by inserting in lieu thereof "303B(k)"; and

(B) by striking out "253b(h)" and by inserting in lieu thereof "253b(k)".

(c) Provisions Executed Before Enactment of Public Law 104–106.—

(1) Section 533(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 315) shall apply as if enacted as of December 31, 1995.

(2) The authority provided under section 942(f) of title 10, United States Code, shall be effective as if section 1142 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 467) had been enacted on September 29, 1995.

(d) Amendments to Other Acts.—

(1) The last section of the Office of Federal Procurement Policy Act (41 U.S.C. 434), as added by section 5202 of Public Law 104–106 (110 Stat. 690), is redesignated as section 38, and the item appearing after section 34 in the table of contents in the first section of that Act is transferred to the end of such table of contents and revised so as to reflect such redesignation.

(2) Section 1412(g)(2) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)), is amended—

(A) in the matter preceding subparagraph (A), by striking out "shall contain—" and inserting in lieu thereof "shall include the following:";

(B) in subparagraph (A)—

(i) by striking out "a" before "site-by-site" and inserting in lieu thereof "A"; and

(ii) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(C) in subparagraphs (B) and (C), by striking out "an" at the beginning of the subparagraph and inserting in lieu thereof "An".

(3) Section 3131 of Public Law 99–570 (19 U.S.C. 2081; 100 Stat. 3207–91) is amended in clause (v) of subsection (a)(1)(A) by striking out "and (c)" both places it appears.

(e) Coordination With Other Amendments.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

(f) Amendments to the Office of Federal Procurement Policy Act.—The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) is amended as follows:

(1) Section 6(f) (41 U.S.C. 405(f)) is amended by striking out "the policies set forth in section 2 or".

(2) Section 15(a) (41 U.S.C. 413(a)) is amended by striking out the second sentence.

(3) Section 25 (41 U.S.C. 421) is amended—

(A) in subsection (c)—

(i) in paragraph (3), by striking out "the policies set forth in section 2 of this Act or"; and

(ii) in paragraph (5), by striking out "or the policies set forth in section 2 of this Act"; and

(B) in subsection (e), by striking out "the policies of section 2 and".

SEC. 1075. MODIFICATION TO THIRD-PARTY LIABILITY TO UNITED STATES FOR TORTIOUS INFLICTION OF INJURY OR DISEASE ON MEMBERS OF THE UNIFORMED SERVICES.

(a) Recovery of Pay and Allowances.—The first section of Public Law 87–693 (42 U.S.C. 2651) is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting "or pay for" after "required by law to furnish"; and

(B) by striking out "or to be furnished" both places it appears and inserting in lieu thereof ", to be furnished, paid for, or to be paid for";

(2) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively;

(3) by inserting after subsection (a), the following new subsections:

"(b) If a member of the uniformed services is injured, or contracts a disease, under circumstances creating a tort liability upon a third person (other than or in addition to the United States and except employers of seamen referred to in subsection (a)) for damages for such injury or disease and the member is unable to perform the member's regular military duties as a result of the injury or disease, the United States shall have a right (independent of the rights of the member) to recover from the third person or an insurer of the third person, or both, the amount equal to the total amount of the pay that accrues and is to accrue to the member for the period for which the member is unable to perform such duties as a result of the injury or disease and is not assigned to perform other military duties.

"(c)(1) If, pursuant to the laws of a State that are applicable in a case of a member of the uniformed services who is injured or contracts a disease as a result of tortious conduct of a third person, there is in effect for such a case (as a substitute or alternative for compensation for damages through tort liability) a system of compensation or reimbursement for expenses of hospital, medical, surgical, or dental care and treatment or for lost pay pursuant to a policy of insurance, contract, medical or hospital service agreement, or similar arrangement, the United States shall be deemed to be a third-party beneficiary of such a policy, contract, agreement, or arrangement.

"(2) For the purposes of paragraph (1)—

"(A) the expenses incurred or to be incurred by the United States for care and treatment for an injured or diseased member as described in subsection (a) shall be deemed to have been incurred by the member;

"(B) the cost to the United States of the pay of the member as described in subsection (b) shall be deemed to have been pay lost by the member as a result of the injury or disease; and

"(C) the United States shall be subrogated to any right or claim that the injured or diseased member or the member's guardian, personal representative, estate, dependents, or survivors have under a policy, contract, agreement, or arrangement referred to in paragraph (1) to the extent of the reasonable value of the care and treatment and the total amount of the pay deemed lost under subparagraph (B).";

(4) in subsection (d), as redesignated by paragraph (2), by inserting "or paid for" after "treatment is furnished"; and

(5) by adding at the end the following:

"(f)(1) Any amount recovered under this section for medical care and related services furnished by a military medical treatment facility or similar military activity shall be credited to the appropriation or appropriations supporting the operation of that facility or activity, as determined under regulations prescribed by the Secretary of Defense.

"(2) Any amount recovered under this section for the cost to the United States of pay of an injured or diseased member of the uniformed services shall be credited to the appropriation that supports the operation of the command, activity, or other unit to which the member was assigned at the time of the injury or illness, as determined under regulations prescribed by the Secretary concerned.

"(g) For the purposes of this section:

"(1) The term 'uniformed services' has the meaning given such term in section 101 of title 10, United States Code.

"(2) The term 'tortious conduct' includes any tortious omission.

"(3) The term 'pay', with respect to a member of the uniformed services, means basic pay, special pay, and incentive pay that the member is authorized to receive under title 37, United States Code, or any other law providing pay for service in the uniformed services.

"(4) The term 'Secretary concerned' means—

"(A) the Secretary of Defense, with respect to the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard (when it is operating as a service in the Navy);

"(B) the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(C) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(D) the Secretary of Commerce, with respect to the commissioned corps of the National Oceanic and Atmospheric Administration.".

(b) Conforming Amendments.—The first section of Public Law 87–693 (42 U.S.C. 2651) is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting "(independent of the rights of the injured or diseased person)" after "a right to recover"; and

(B) by inserting ", or that person's insurer," after "from said third person";

(2) in subsection (d), as redesignated by subsection (a)(2)—

(A) by striking out "such right," and inserting in lieu thereof "a right under subsections (a), (b), and (c)"; and

(B) by inserting "or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay" after "the third person who is liable for the injury or disease" each place it appears.

(c) Effective Date.—The authority to collect pursuant to the amendments made by this section shall apply to expenses described in the first section of Public Law 87–693 (as amended by this section) that are incurred, or are to be incurred, by the United States on or after the date of the enactment of this Act, whether the event from which the claim arises occurs before, on, or after that date.

SEC. 1076. CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM.

(a) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report assessing the implementation and success of the establishment of site-specific Integrated Product and Process Teams as a management tool for the Chemical Stockpile Emergency Preparedness Program.

(b) CONTINGENT MANDATED REFORMS.—If at the end of the 120-day period beginning on the date of the enactment of this Act the Secretary of the Army and the Director of the Federal Emergency Management Agency have been unsuccessful in implementing a site-specific Integrated Product and Process Team with each of the affected States, the Secretary of the Army shall—

(1) assume full control and responsibility for the Chemical Stockpile Emergency Preparedness Program (eliminating the role of the Director of the Federal Emergency Management Agency as joint manager of the program);

(2) establish programmatic agreement with each of the affected States regarding program requirements, implementation schedules, training and exercise requirements, and funding (to include direct grants for program support);

(3) clearly define the goals of the program; and

(4) establish fiscal constraints for the program.

SEC. 1077. EXEMPTION FROM REQUIREMENTS APPLICABLE TO SAVINGS ASSOCIATIONS FOR CERTAIN SAVINGS INSTITUTIONS SERVING MILITARY PERSONNEL.

Section 10(m)(3)(F) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(3)(F)) is amended—

(1) in the subparagraph caption, by striking out "ASSOCIATION SERVING TRANSIENT" and inserting in lieu thereof "ASSOCIATIONS SERVING CERTAIN";

(2) by striking out "company if—" and all that follows through "90 percent" and inserting in lieu thereof "company if at least 90 percent"; and

(3) by striking out "officers" both places it appears and inserting in lieu thereof "members".

SEC. 1078. IMPROVEMENTS TO NATIONAL SECURITY EDUCATION PROGRAM.

(a) TEMPORARY REQUIREMENT RELATING TO EMPLOYMENT.—Title VII of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 650), is amended in the paragraph under the heading "NATIONAL SECURITY EDUCATION TRUST FUND" by striking out the proviso.

(b) GENERAL PROGRAM REQUIREMENTS.—(1) Subparagraph (A) of subsection (a)(1) of section 802 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902) is amended to read as follows:

"(A) awarding scholarships to undergraduate students who—

"(i) are United States citizens in order to enable such students to study, for at least one academic semester or equivalent term, in foreign countries that are critical countries (as determined under section 803(d)(4)(A)) in those languages and study areas where deficiencies exist (as identified in the assessments undertaken pursuant to section 806(d)); and

"(ii) pursuant to subsection (b)(2)(A), enter into an agreement to work in a national security position or work in the field of higher education in the area of study for which the scholarship was awarded;"; and

(2) Subparagraph (B) of that subsection is amended—

(A) in clause (i), by inserting "relating to the national security interests of the United States" after "international fields"; and

(B) in clause (ii)—

(i) by striking out "subsection (b)(2)" and inserting in lieu thereof "subsection (b)(2)(B)"; and

(ii) by striking out "work for an agency or office of the Federal Government or in" and inserting in lieu thereof "work in a national security position or work in".

(c) SERVICE AGREEMENT.—(1) Subsection (b) of that section is amended in the matter preceding paragraph (1) by striking out ", or of scholarships" and all that follows through "12 months or more," and inserting in lieu thereof "or any scholarship".

(2) Paragraph (2) of that subsection is amended to read as follows:

"(2) will—

"(A) not later than eight years after such recipient's completion of the study for which scholarship assistance was provided under the program, and in accordance with regulations issued by the Secretary—

"(i) work in a national security position for a period specified by the Secretary, which period shall be no longer than the period for which scholarship assistance was provided; or

"(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no national security position is available, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the scholarship was awarded, for a period specified by the Secretary, which period shall be determined in accordance with clause (i); or

"(B) upon completion of such recipient's education under the program, and in accordance with such regulations—

"(i) work in a national security position for a period specified by the Secretary, which period shall be not less than one and not more than three times the period for which the fellowship assistance was provided; or

"(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no national security position is available upon the completion of the degree, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the fellowship was awarded, for a period specified by the Secretary, which period shall be established in accordance with clause (i); and".

(d) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—Such section is further amended—

(1) by redesignating subsections (c), (d), and (e) as subsections (d), (e), and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection (c):

"(c) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—The Secretary shall, through the National Security Education Program office, administer a test of the foreign language skills of each recipient of a scholarship or fellowship under this title before the commencement of the study or education for which the scholarship or fellowship is awarded and after the completion of such study or education. The purpose of these tests is to evaluate the progress made by recipients of scholarships and fellowships in developing foreign language skills as a result of assistance under this title.".

(e) FUNCTIONS OF THE NATIONAL SECURITY EDUCATION BOARD.—Section 803(d) of that Act (50 U.S.C. 1903(d)) is amended—

(1) in paragraph (1), by inserting ", including an order of priority in such awards that favors individuals expressing an interest in national security issues or pursuing a career in a national security position" before the period;

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking out "Make recommendations" and inserting in lieu thereof "After taking into account the annual analyses of trends in language, international, and area studies under section 806(b)(1), make recommendations";

(B) in subparagraph (A), by inserting "and countries which are of importance to the national security interests of the United States" after "are studying"; and

(C) in subparagraph (B), by inserting "relating to the national security interests of the United States" after "section 802(a)(1)(B)";

(3) by redesignating paragraph (5) as paragraph (8); and

(4) by inserting after paragraph (4) the following new paragraphs:

"(5) Encourage applications for fellowships under this title from graduate students having an educational background in any academic discipline, particularly in the areas of science or technology.

"(6) Provide the Secretary biennially with a list of scholarship recipients and fellowship recipients, including an assessment of their foreign area and language skills, who are available to work in a national security position.

"(7) Not later than 30 days after a scholarship or fellowship recipient completes the study or education for which assistance was provided under the program, provide the Secretary with a report fully describing the foreign area and language skills obtained by the recipient as a result of the assistance.".

(f) NATIONAL SECURITY POSITION DEFINED.—(1) Section 808 of that Act (50 U.S.C. 1908) is amended by adding at the end the following new paragraph:

"(4) The term 'national security position' means a position—

"(A) having national security responsibilities in a agency or office of the Federal Government that has national security responsibilities, as determined under section 802(g); and

"(B) in which the individual in such position makes their foreign language skills available to such agency or office.".

(2) Section 802 of that Act (50 U.S.C. 1902), as amended by subsection (d)(1) of this section, is further amended by adding at the end the following new subsection:

"(g) DETERMINATION OF AGENCIES AND OFFICES OF THE FEDERAL GOVERNMENT HAVING NATIONAL SECURITY RESPONSIBILITIES.—(1) The Secretary, in consultation with the Board, shall annually determine and develop a list identifying each agency or office of the Federal Government having national security responsibilities at which a recipient of a fellowship or scholarship under this title will be able to make the recipient's foreign area and language skills available to such agency or office. The Secretary shall submit the first such list to the Congress and include each subsequent list in the annual report to the Congress, as required by section 806(b)(6).

"(2) Notwithstanding section 804, funds may not be made available from the Fund to carry out this title for fiscal year 1997 until 30 days after the date on which the Secretary of Defense submits to the Congress the first such list required by paragraph (1).".

(3) Section 806(b) of that Act (50 U.S.C. 1906(b)) is amended by striking out "and" at the end of paragraph (5), redesignating paragraph (6) as paragraph (7), and inserting after paragraph (5) the following new paragraph (6):

"(6) the current list of agencies and offices of the Federal Government required to be developed by section 802(g); and".

(g) REPORT ON PROGRAM.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report assessing the improvements to the program established under the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1901 et seq.) that result from the amendments made by this section.

(2) The report shall include an assessment of the contribution of the program, as so improved, in meeting the national security objectives of the United States.

SEC. 1079. AVIATION AND VESSEL WAR RISK INSURANCE.

(a) AVIATION RISK INSURANCE.—(1) Chapter 931 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance

"(a) PROMPT INDEMNIFICATION REQUIRED.—(1) In the event of a loss that is covered by defense-related aviation insurance, the Secretary of Defense shall promptly indemnify the Secretary of Transportation for the amount of the loss consistent with the indemnification agreement between the two Secretaries that underlies such insurance. The Secretary of Defense shall make such indemnification—

"(A) in the case of a claim for the loss of an aircraft hull, not later than 30 days after the date on which the Secretary of Transportation determines the claim to be payable or that amounts are due under the policy that provided the defense-related aviation insurance; and

"(B) in the case of any other claim, not later than 180 days after the date on which the Secretary of Transportation determines the claim to be payable.

"(2) When there is a loss of an aircraft hull that is (or may be) covered by defense-related aviation insurance, the Secretary of Transportation may make, during the period when a claim for such loss is pending with the Secretary of Transportation, any required periodic payments owed by the insured party to a lessor or mortgagee of such aircraft. Such payments shall commence not later than 30 days following the date of the presentment of the claim for the loss of the aircraft hull to the Secretary of Transportation. If the Secretary of Transportation determines that the claim is payable, any amount paid under this paragraph arising from such claim shall be credited against the amount payable under the aviation insurance. If the Secretary of Transportation determines that the claim is not payable, any amount paid under this paragraph arising from such claim shall constitute a debt to the United States, payable to the insurance fund. Any such amounts so returned to the United States shall be promptly credited to the fund or account from which the payments were made under this paragraph.

"(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary of Defense may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

"(c) NOTICE TO CONGRESS.—In the event of a loss that is covered by defense-related aviation insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

"(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

"(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of those funds, pending litigation, and estimated total cost to the Government.

"(d) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

"(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

"(e) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

"(f) ANNUAL REPORT ON CONTINGENT LIABILITIES.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report setting forth the current amount of the contingent outstanding liability of the United States under the insurance program under chapter 443 of title 49.

"(g) DEFINITIONS.—In this section:

"(1) DEFENSE-RELATED AVIATION INSURANCE.—The term 'defense-related aviation insurance' means aviation insurance and reinsurance provided through policies issued by the Secretary of Transportation under chapter 443 of title 49 that pursuant to section 44305(b) of that title is provided by that Secretary without premium at the request of the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

"(2) LOSS.—The term 'loss' includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the defense-related aviation insurance.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance.".

(b) VESSEL WAR RISK INSURANCE.—(1) Chapter 157 of title 10, United States Code, is amended by adding after section 2644, as redesignated by section 906, the following new section:

"§ 2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance

"(a) PROMPT INDEMNIFICATION REQUIRED.—(1) In the event of a loss that is covered by vessel war risk insurance, the Secretary of Defense shall promptly indemnify the Secretary of Transportation for the amount of the loss consistent with the indemnification agreement between the two Secretaries that underlies such insurance. The Secretary of Defense shall make such indemnification—

"(A) in the case of a claim for the loss of a vessel, not later than 90 days after the date on which the Secretary of Transportation determines the claim to be payable or that amounts are due under the policy that provided the vessel war risk insurance; and

"(B) in the case of any other claim, not later than 180 days after the date on which on which the Secretary of Transportation determines the claim to be payable.

"(2) When there is a loss of a vessel that is (or may be) covered by vessel war risk insurance, the Secretary of Transportation may make, during the period when a claim for such loss is pending with the Secretary of Transportation, any required periodic payments owed by the insured party to a lessor or mortgagee of such vessel. Such payments shall commence not later than 30 days following the date of the presentment of the claim for the loss of the vessel to the Secretary of Transportation. If the Secretary of Transportation determines that the claim is payable, any amount paid under this paragraph arising from such claim shall be credited against the amount payable under the vessel war risk insurance. If the Secretary of Transportation determines that the claim is not payable, any amount paid under this paragraph arising from such claim shall constitute a debt to the United States, payable to the insurance fund. Any such amounts so returned to the United States shall be promptly credited to the fund or account from which the payments were made under this paragraph.

"(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary of Defense may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

"(c) DEPOSIT OF FUNDS.—Any amount transferred to the Secretary of Transportation under this section shall be deposited in, and merged with amounts in, the Vessel War Risk Insurance Fund as provided in the second sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a)).

"(d) NOTICE TO CONGRESS.—In the event of a loss that is covered by vessel war risk insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

"(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

"(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of such funds, pending litigation, and estimated total cost to the Government.

"(e) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

"(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

"(f) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

"(f) ANNUAL REPORT ON CONTINGENT LIABILITIES.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report setting forth the current amount of the contingent outstanding liability of the United States under the vessel war risk insurance program under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.).

"(h) DEFINITIONS.—In this section:

"(1) VESSEL WAR RISK INSURANCE.—The term 'vessel war risk insurance' means insurance and reinsurance provided through policies issued by the Secretary of Transportation under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.), that is provided by that Secretary without premium at the request of the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

"(2) VESSEL WAR RISK INSURANCE FUND.—The term 'Vessel War Risk Insurance Fund' means the insurance fund referred to in the first sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a)).

"(3) LOSS.—The term 'loss' includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the vessel war risk insurance.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2644, as added by section 906, the following new item:

"2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance.".

SEC. 1080. DESIGNATION OF MEMORIAL AS NATIONAL D-DAY MEMORIAL.

(a) DESIGNATION.—The memorial to be constructed by the National D-Day Memorial Foundation in Bedford, Virginia, is hereby designated as a national memorial to be known as the "National D-Day Memorial". The memorial shall serve to honor the members of the Armed Forces of the United States who served in the liberation of Normandy, France, in June 1944.

(b) PUBLIC PROCLAMATION.—The President is requested and urged to issue a public proclamation acknowledging the designation of the memorial to be constructed by the National D-Day Memorial Foundation in Bedford, Virginia, as the National D-Day Memorial.

(c) MAINTENANCE OF MEMORIAL.—All expenses for maintenance and care of the memorial shall be paid for with non-Federal funds, including funds provided by the National D-Day Memorial Foundation. The United States shall not be liable for any expense incurred for the maintenance and care of the memorial.

SEC. 1081. SENSE OF CONGRESS REGARDING SEMICONDUCTOR TRADE AGREEMENT BETWEEN UNITED STATES AND JAPAN.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States and Japan share a long and important bilateral relationship which serves as an anchor of peace and stability in the Asia Pacific region, an alliance which was reaffirmed at the recent summit meeting between President Clinton and Prime Minister Hashimoto in Tokyo.

(2) The Japanese economy has experienced difficulty over the past few years, demonstrating that it is no longer possible for Japan, the world's second largest economy, to use exports as the sole engine of economic growth, but that the Government of Japan must promote deregulation of its domestic economy in order to increase economic growth.

(3) Deregulation of the Japanese economy requires government attention to the removal of barriers to imports of manufactured goods.

(4) The United States-Japan Semiconductor Trade Agreement has begun the process of deregulation in the semiconductor sector and is opening the Japanese market to competitive foreign products.

(5) The United States-Japan Semiconductor Trade Agreement has put in place both government-to-government and industry-to-industry mechanisms which have played a vital role in allowing cooperation to replace conflict in this important high technology sector.

(6) The mechanisms include joint calculation of foreign market share, deterrence of dumping, and promotion of industrial cooperation in the design of foreign semiconductor devices.

(7) Because of these actions under the United States-Japan Semiconductor Trade Agreement, the United States and Japan today enjoy trade in semiconductors which is mutually beneficial, harmonious, and free from the friction that once characterized the semiconductor industry.

(8) Because of structural barriers in Japan, a gap still remains between the share of the world market for semiconductor products outside Japan that the United States and other foreign semiconductor sources are able to capture through competitiveness and the share of the Japanese semiconductor market that the United States and those other sources are able to capture through competitiveness, and that gap is consistent across the full range of semiconductor products as well as a full range of end-use applications.

(9) The competitiveness and health of the United States semiconductor industry is of critical importance to the overall economic well-being and high technology defense capabilities of the United States.

(10) The economic interests of both the United States and Japan are best served by well functioning, open markets, deterrence of dumping, and continuing good cooperative relationships in all sectors, including semiconductors.

(11) A strong and healthy and military and political alliance between the United States and Japan requires continuation of the industrial and economic cooperation promoted by the United States-Japan Semiconductor Trade Agreement.

(12) President Clinton has called on the Government of Japan to agree to a continuation of the United States-Japan Semiconductor Trade Agreement beyond the current agreement's expiration on July 31, 1996.

(13) The Government of Japan has opposed any continuation of the United States-Japan Semiconductor Trade Agreement to promote cooperation in United States-Japan semiconductor trade.

(b) SENSE OF CONGRESS.—On the basis of the findings contained in subsection (a), it is the sense of Congress that—

(1) it is regrettable that the Government of Japan has refused to consider continuation of the United States-Japan Semiconductor Trade Agreement to ensure that cooperation continues in the semiconductor sector beyond the expiration of the agreement on July 31, 1996; and

(2) the President should take all necessary and appropriate actions to ensure the resumption and extension of the United States-Japan Semiconductor Trade Agreement beyond July 31, 1996.

(c) DEFINITION.—For purposes of this section, the term "United States-Japan Semiconductor Trade Agreement" refers to the agreement between the United States and Japan concerning trade in semiconductor products, with arrangement, done by exchange of letters at Washington on June 11, 1991.

SEC. 1082. AGREEMENTS FOR EXCHANGE OF DEFENSE PERSONNEL BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES.

(a) AUTHORITY TO ENTER INTO INTERNATIONAL EXCHANGE AGREEMENTS.—(1) The Secretary of Defense may enter into international defense personnel exchange agreements.

(2) For purposes of this section, an international defense personnel exchange agreement is an agreement with the government of an ally of the United States or another friendly foreign country for the exchange of—

(A) military and civilian personnel of the Department of Defense; and

(B) military and civilian personnel of the defense ministry of that foreign government.

(b) ASSIGNMENT OF PERSONNEL.—(1) Pursuant to an international defense personnel exchange agreement, personnel of the defense ministry of a foreign government may be assigned to positions in the Department of Defense and personnel of the Department of Defense may be assigned to positions in the defense ministry of such foreign government. Positions to which exchanged personnel are assigned may include positions of instructors.

(2) An agreement for the exchange of personnel engaged in research and development activities may provide for assignment of Department of Defense personnel to positions in private industry that support the defense ministry of the host foreign government.

(3) An individual may not be assigned to a position pursuant to an international defense personnel exchange agreement unless the assignment is acceptable to both governments.

(c) RECIPROCITY OF PERSONNEL QUALIFICATIONS REQUIRED.—Each government shall be required under an international defense personnel exchange agreement to provide personnel with qualifications, training, and skills that are essentially equal to those of the personnel provided by the other government.

(d) PAYMENT OF PERSONNEL COSTS.—(1) Each government shall pay the salary, per diem, cost of living, travel costs, cost of language or other training, and other costs for its own personnel in accordance with the applicable laws and regulations of such government.

(2) Paragraph (1) does not apply to the following costs:

(A) The cost of temporary duty directed by the host government.

(B) The cost of training programs conducted to familiarize, orient, or certify exchanged personnel regarding unique aspects of the assignments of the exchanged personnel.

(C) Costs incident to the use of the facilities of the host government in the performance of assigned duties.

(e) PROHIBITED CONDITIONS.—No personnel exchanged pursuant to an agreement under this section may take or be required to take an oath of allegiance to the host country or to hold an official capacity in the government of such country.

(f) RELATIONSHIP TO OTHER AUTHORITY.—The requirements in subsections (c) and (d) shall apply in the exercise of any authority of the Secretaries of the military departments to enter into an agreement with the government of a foreign country to provide for the exchange of members of the armed forces and military personnel of the foreign country. The Secretary of Defense may prescribe regulations for the application of such subsections in the exercise of such authority.

SEC. 1083. SENSE OF SENATE REGARDING BOSNIA AND HERZEGOVINA.

It is the sense of the Senate that, notwithstanding any other provision of law, in order to maximize the amount of equipment provided to the Government of Bosnia and Herzegovina under the authority contained in section 540 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104–107; 110 Stat. 737), the price of the transferred equipment shall not exceed the lowest level at which the same or similar equipment has been transferred to any other country under any other United States Government program.

SEC. 1084. DEFENSE BURDENSHARING.

(a) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations) take one or more of the following actions:

(1) Increase its financial contributions to the payment of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving by September 30, 2000, 75 percent of such costs. An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(3) Increase its annual budgetary outlays for foreign assistance (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights) by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(4) Increase the amount of military assets (including personnel, equipment, logistics, support and other resources) that it contributes, or would be prepared to contribute, to multinational military activities worldwide.

(b) AUTHORITIES TO ENCOURAGE ACTIONS BY UNITED STATES ALLIES.—In seeking the actions described in subsection (a) with respect to any nation, or in response to a failure by any nation to undertake one or more of such actions, the President may take any of the following measures to the extent otherwise authorized by law:

(1) Reduce the end strength level of members of the Armed Forces assigned to permanent duty ashore in that nation.

(2) Impose on that nation fees or other charges similar to those that such nation imposes on United States forces stationed in that nation.

(3) Reduce (through rescission, impoundment, or other appropriate procedures as authorized by law) the amount the United States contributes to the NATO Civil Budget, Military Budget, or Security Investment Program.

(4) Suspend, modify, or terminate any bilateral security agreement the United States has with that nation, consistent with the terms of such agreement.

(5) Reduce (through rescission, impoundment or other appropriate procedures as authorized by law) any United States bilateral assistance appropriated for that nation.

(6) Take any other action the President determines to be appropriate as authorized by law.

(c) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1997, the Secretary of Defense shall submit to Congress a report on—

(1) steps taken by other nations to complete the actions described in subsection (a);

(2) all measures taken by the President, including those authorized in subsection (b), to achieve the actions described in subsection (a); and

(3) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).

(d) REPORT ON NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—(1) In order to ensure the best allocation of budgetary resources, the President shall undertake a review of the status of elements of the United States Armed Forces that are permanently stationed outside the United States. The review shall include an assessment of the following:

(A) The alliance requirements that are to be found in agreements between the United States and other countries.

(B) The national security interests that support permanently stationing elements of the United States Armed Forces outside the United States.

(C) The stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(D) The alternatives available to forward deployment (such as material prepositioning, enhanced airlift and sealift, or joint training operations) to meet such alliance requirements or national security interests, with such alternatives identified and described in detail.

(E) The costs and force structure configurations associated with such alternatives to forward deployment.

(F) The financial contributions that allies of the United States make to common defense efforts (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights).

(G) The contributions that allies of the United States make to meeting the stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(H) The annual expenditures of the United States and its allies on national defense, and the relative percentages of each nation's gross domestic product constituted by those expenditures.

(2) The President shall submit to Congress a report on the review under paragraph (1). The report shall be submitted not later than March 1, 1997, in classified and unclassified form.

(e) REPORT DATE.—Section 1003(c) of Public Law 98–515 is amended by striking out "each year" and inserting "by March 1, 1998, and every other year thereafter".

TITLE XI—NATIONAL IMAGERY AND MAPPING AGENCY

Sec. 1101. Short title.
Sec. 1102. Findings.
Sec. 1103. Role of Director of Central Intelligence in appointment and evaluation of certain intelligence officials.

Subtitle A—Establishment of Agency

Sec. 1111. Establishment.
Sec. 1112. Missions and authority.
Sec. 1113. Transfers of personnel and assets.
Sec. 1114. Compatibility with authority under the National Security Act of 1947.
Sec. 1115. Creditable civilian service for career conditional employees of the Defense Mapping Agency.
Sec. 1116. Saving provisions.
Sec. 1117. Definitions.
Sec. 1118. Authorization of appropriations.

Subtitle B—Conforming Amendments and Effective Dates

Sec. 1121. Redesignation and repeals.
Sec. 1122. Reference amendments.
Sec. 1123. Headings and clerical amendments.
Sec. 1124. Effective date.

SEC. 1101. SHORT TITLE.

This title may be cited as the "National Imagery and Mapping Agency Act of 1996".

SEC. 1102. FINDINGS.

Congress makes the following findings:

(1) There is a need within the Department of Defense and the Intelligence Community of the United States to provide a single agency focus for the growing number and diverse types of customers for imagery and geospatial information resources within the Government, to ensure visibility and accountability for those resources, and to harness, leverage, and focus rapid technological developments to serve the imagery, imagery intelligence, and geospatial information customers.

(2) There is a need for a single Government agency to solicit and advocate the needs of that growing and diverse pool of customers.

(3) A single combat support agency dedicated to imagery, imagery intelligence, and geospatial information could act as a focal point for support of all imagery intelligence and geospatial information customers, including customers in the Department of Defense, the Intelligence Community, and related agencies outside of the Department of Defense.

(4) Such an agency would best serve the needs of the imagery, imagery intelligence, and geospatial information customers if it were organized—

(A) to carry out its mission responsibilities under the authority, direction, and control of the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff; and

(B) to carry out its responsibilities to national intelligence customers in accordance with policies and priorities established by the Director of Central Intelligence.

SEC. 1103. ROLE OF DIRECTOR OF CENTRAL INTELLIGENCE IN APPOINTMENT AND EVALUATION OF CERTAIN INTELLIGENCE OFFICIALS.

(a) IN GENERAL.—Section 201 of title 10, United States Code, is amended to read as follows:

"§ 201. Certain intelligence officials: consultation and concurrence regarding appointments; evaluation of performance

"(a) CONSULTATION REGARDING APPOINTMENT.—Before submitting a recommendation to the President regarding the appointment of an individual to the position of Director of the Defense Intelligence Agency, the Secretary of Defense shall consult with the Director of Central Intelligence regarding the recommendation.

"(b) CONCURRENCE IN APPOINTMENT.—(1) Before submitting a recommendation to the President regarding the appointment of an individual to a position referred to in paragraph (2), the Secretary of Defense shall seek the concurrence of the Director of Central Intelligence in the recommendation. If the Director does not concur in the recommendation, the Secretary may make the recommendation to the President without the Director's concurrence, but shall include in the recommendation a statement that the Director does not concur in the recommendation.

"(2) Paragraph (1) applies to the following positions:

"(A) The Director of the National Security Agency.

"(B) The Director of the National Reconnaissance Office.

"(C) The Director of the National Imagery and Mapping Agency.".

"(c) PERFORMANCE EVALUATIONS.—(1) The Director of Central Intelligence shall provide annually to the Secretary of Defense, for the Secretary's consideration, an evaluation of the performance of the individuals holding the positions referred to in paragraph (2) in fulfilling their respective responsibilities with regard to the National Foreign Intelligence Program.

"(2) The positions referred to in paragraph (1) are the following:

"(A) The Director of the National Security Agency.

"(B) The Director of the National Reconnaissance Office.

"(C) The Director of the National Imagery and Mapping Agency.".

(b) CLERICAL AMENDMENT.—The item relating to section 201 in the table of sections at the beginning of subchapter II of chapter 8 of such title is amended to read as follows:

"201. Certain intelligence officials: consultation and concurrence regarding appointments; evaluation of performance.".

Subtitle A—Establishment of Agency

SEC. 1111. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is hereby established in the Department of Defense a Defense Agency to be known as the National Imagery and Mapping Agency.

(b) TRANSFER OF FUNCTIONS FROM DEPARTMENT OF DEFENSE ENTITIES.—The missions and functions of the following elements of the Department of Defense are transferred to the National Imagery and Mapping Agency:

(1) The Defense Mapping Agency.

(2) The Central Imagery Office.

(3) Other elements of the Department of Defense as specified in the classified annex to this Act.

(c) TRANSFER OF FUNCTIONS FROM CENTRAL INTELLIGENCE AGENCY.—The missions and functions of the following elements of the Central Intelligence Agency are transferred to the National Imagery and Mapping Agency:

(1) The National Photographic Interpretation Center.

(2) Other elements of the Central Intelligence Agency as specified in the classified annex to this Act.

(d) PRESERVATION OF LEVEL AND QUALITY OF IMAGERY INTELLIGENCE SUPPORT TO ALL-SOURCE ANALYSIS AND PRODUCTION.—In managing the establishment of the National Imagery and Mapping Agency, the Secretary of Defense, in consultation with the Director of Central Intelligence, shall ensure that imagery intelligence support provided to all-source analysis and production is in no way degraded or compromised.

SEC. 1112. MISSIONS AND AUTHORITY.

(a) AGENCY CHARTER.—Part I of subtitle A of title 10, United States Code, is amended—

(1) by redesignating chapter 22 as chapter 23; and

(2) by inserting after chapter 21 the following new chapter 22:

"CHAPTER 22—NATIONAL IMAGERY AND MAPPING AGENCY

"Subchapter	Sec.
"I. Missions and Authority	441
"II. Maps, Charts, and Geodetic Products	451
"III. Personnel Management	461
"IV. Definitions	467

"SUBCHAPTER I—MISSIONS AND AUTHORITY

"Sec.
"441. Establishment.
"442. Missions.
"443. Imagery intelligence and geospatial information: support for foreign countries
"444. Support from Central Intelligence Agency.
"445. Protection of agency identifications and organizational information.

"§ 441. Establishment

"(a) ESTABLISHMENT.—The National Imagery and Mapping Agency is a combat support agency of the Department of Defense and has significant national missions.

"(b) DIRECTOR.—(1) The Director of the National Imagery and Mapping Agency is the head of the agency.

"(2) Upon a vacancy in the position of Director, the Secretary of Defense shall recommend to the President an individual for appointment to the position.

"(3) If an officer of the armed forces on active duty is appointed to the position of Director, the position shall be treated as having been designated by the President as a position of importance and responsibility for purposes of section 601 of this title and shall carry the grade of lieutenant general, or, in the case of an officer of the Navy, vice admiral.

"(c) DIRECTOR OF CENTRAL INTELLIGENCE COLLECTION TASKING AUTHORITY.—Unless otherwise directed by the President, the Director of Central Intelligence shall have authority (except as otherwise agreed by the Director and the Secretary of Defense) to—

"(1) approve collection requirements levied on national imagery collection assets;

"(2) determine priorities for such requirements; and

"(3) resolve conflicts in such priorities.

"(d) AVAILABILITY AND CONTINUED IMPROVEMENT OF IMAGERY INTELLIGENCE SUPPORT TO ALL-SOURCE ANALYSIS AND PRODUCTION FUNCTION.—The Secretary of Defense, in consultation with the Director of Central Intelligence, shall take all necessary steps to ensure the full availability and continued improvement of imagery intelligence support for all-source analysis and production.

"§ 442. Missions

"(a) NATIONAL SECURITY MISSIONS.—(1) The National Imagery and Mapping Agency shall, in support of the national security objectives of the United States, provide the following:

"(A) Imagery.

"(B) Imagery intelligence.

"(C) Geospatial information.

"(2) Imagery, intelligence, and information provided in carrying out paragraph (1) shall be timely, relevant, and accurate.

"(b) NAVIGATION INFORMATION.—The National Imagery and Mapping Agency shall improve means of navigating vessels of the Navy and the merchant marine by providing, under the authority of the Secretary of Defense, accurate and inexpensive nautical charts, sailing directions, books on navigation, and manuals of instructions for the use of all vessels of the United States and of navigators generally.

"(c) MAPS, CHARTS, ETC.—The National Imagery and Mapping Agency shall prepare and distribute maps, charts, books, and geodetic products as authorized under subchapter II of this chapter.

"(d) NATIONAL MISSIONS.—The National Imagery and Mapping Agency also has national missions as specified in section 120(a) of the National Security Act of 1947.

"(e) SYSTEMS.—The National Imagery and Mapping Agency may, in furtherance of a mission of the Agency, design, develop, deploy, operate, and maintain systems related to the processing and dissemination of imagery intelligence and geospatial information that may be transferred to, accepted or used by, or used on behalf of—

"(1) the armed forces, including any combatant command, component of a combatant command, joint task force, or tactical unit; or

"(2) any other department or agency of the United States.

"§ 443. Imagery intelligence and geospatial information: support for foreign countries

"(a) USE OF APPROPRIATED FUNDS.—The Director of the National Imagery and Mapping Agency may use appropriated funds available to the National Imagery and Mapping Agency to provide foreign countries with imagery intelligence and geospatial information support.

"(b) USE OF FUNDS OTHER THAN APPROPRIATED FUNDS.—The Director may use funds other than appropriated funds to provide foreign countries with imagery intelligence and geospatial information support, notwithstanding provisions of law relating to the expenditure of funds of the United States, except that—

"(1) no such funds may be expended, in whole or in part, by or for the benefit of the National Imagery and Mapping Agency for a purpose for which Congress had previously denied funds.

"(2) proceeds from the sale of imagery intelligence or geospatial information items may be used only to purchase replacement items similar to the items that are sold; and

"(3) the authority provided by this subsection may not be used to acquire items or services for the principal benefit of the United States.

"(c) ACCOMMODATION PROCUREMENTS.—The authority under this section may be exercised to conduct accommodation procurements on behalf of foreign countries.

"(d) COORDINATION WITH DIRECTOR OF CENTRAL INTELLIGENCE.—The Director of the Agency shall coordinate with the Director of Central Intelligence any action under this section that involves imagery intelligence or intelligence products or involves providing support to an intelligence or security service of a foreign country.

"§ 444. Support from Central Intelligence Agency

"(a) SUPPORT AUTHORIZED.—The Director of Central Intelligence may provide support in accordance with this section to the Director of the National Imagery and Mapping Agency. The Director of the National Imagery and Mapping Agency may accept support provided under this section.

"(b) ADMINISTRATIVE AND CONTRACT SERVICES.—(1) In furtherance of the national intelligence effort, the Director of Central Intelligence may provide administrative and contract services to the National Imagery and Mapping Agency as if that agency were an organizational element of the Central Intelligence Agency.

"(2) Services provided under paragraph (1) may include the services of security police. For purposes of section 15 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403o), an installation of the National Imagery and Mapping Agency that is provided security police services under this section shall be considered an installation of the Central Intelligence Agency.

"(3) Support provided under this subsection shall be provided under terms and conditions agreed upon by the Secretary of Defense and the Director of Central Intelligence.

"(c) DETAIL OF PERSONNEL.—The Director of Central Intelligence may detail personnel of the Central Intelligence Agency indefinitely to the National Imagery and Mapping Agency without regard to any limitation on the duration of interagency details of Federal Government personnel.

"(d) REIMBURSABLE OR NONREIMBURSABLE SUPPORT.—Support under this section may be provided and accepted on either a reimbursable basis or a nonreimbursable basis.

"(e) AUTHORITY TO TRANSFER FUNDS.—(1) The Director of the National Imagery and Mapping Agency may transfer funds available for that agency to the Director of Central Intelligence for the Central Intelligence Agency.

"(2) The Director of Central Intelligence—

"(A) may accept funds transferred under paragraph (1); and

"(B) shall expend such funds, in accordance with the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.), to provide administrative and contract services or detail personnel to the National Imagery and Mapping Agency under this section.

"§ 445. Protection of agency identifications and organizational information

"(a) UNAUTHORIZED USE OF AGENCY NAME, INITIALS, OR SEAL.—(1) Except with the written permission of the Secretary of Defense, no person may knowingly use, in connection with any merchandise, retail product, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression that such use is approved, endorsed, or authorized by the Secretary of Defense, any of the following:

"(A) The words 'National Imagery and Mapping Agency', the initials 'NIMA', or the seal of the National Imagery and Mapping Agency.

"(B) The words 'Defense Mapping Agency', the initials 'DMA', or the seal of the Defense Mapping Agency.

"(C) Any colorable imitation of such words, initials, or seals.

"(2) Whenever it appears to the Attorney General that any person is engaged or about to engage in an act or practice which constitutes or will constitute conduct prohibited by paragraph (1), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to a hearing and determination of such action and may, at any time before such final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.

"SUBCHAPTER II—MAPS, CHARTS, AND GEODETIC PRODUCTS

"Sec.

"451. Maps, charts, and books.

"452. Pilot charts.

"453. Prices of maps, charts, and navigational publications.

"454. Exchange of mapping, charting, and geodetic data with foreign countries and international organizations

"455. Maps, charts, and geodetic data: public availability; exceptions.

"456. Civil actions barred.

"SUBCHAPTER III—PERSONNEL MANAGEMENT

"Sec.

"461. Management rights.

"§ 461. Management rights

"(a) SCOPE.—If there is no obligation under the provisions of chapter 71 of title 5 for the head of an agency of the United States to consult or negotiate with a labor organization on a particular matter by reason of that matter being covered by a provision of law or a Governmentwide regulation, the Director of the National Imagery and Mapping Agency is not obligated to consult or negotiate with a labor organization on that matter even if that provision of law or regulation is inapplicable to the National Imagery and Mapping Agency.

"(b) BARGAINING UNITS.—The National Imagery and Mapping Agency shall accord exclusive recognition to a labor organization under section 7111 of title 5 only for a bargaining unit that was recognized as appropriate for the Defense Mapping Agency on the day before the date on which employees and positions of the Defense Mapping Agency in that bargaining unit became employees and positions of the National Imagery and Mapping Agency under the National Imagery and Mapping Agency Act of 1996 (title XI of the National Defense Authorization Act for Fiscal Year 1997).

"(c) TERMINATION OF BARGAINING UNIT COVERAGE OF POSITION MODIFIED TO AFFECT NATIONAL SECURITY DIRECTLY.—(1) If the Director of the National Imagery and Mapping Agency determines that the responsibilities of a position within a collective bargaining unit should be modified to include intelligence, counterintelligence, investigative, or security duties not previously assigned to that position and that the performance of the newly assigned duties directly affects the national security of the United States, then, upon such a modification of the responsibilities of that position, the position shall cease to be covered by the collective bargaining unit and the employee in that position shall cease to be entitled to representation by a labor organization accorded exclusive recognition for that collective bargaining unit.

"(2) A determination described in paragraph (1) that is made by the Director of the National Imagery and Mapping Agency may not be reviewed by the Federal Labor Relations Authority or any court of the United States.

"SUBCHAPTER IV—DEFINITIONS

"Sec.

"467. Definitions.

"§ 467. Definitions

"In this chapter:

"(1) The term 'function' means any duty, obligation, responsibility, privilege, activity, or program.

"(2)(A) The term 'imagery' means, except as provided in subparagraph (B), a likeness or presentation of any natural or manmade feature or related object or activity and the positional data acquired at the same time the likeness or representation was acquired, including—

"(i) products produced by space-based national intelligence reconnaissance systems; and

"(ii) likenesses or presentations produced by satellites, airborne platforms, unmanned aerial vehicles, or other similar means.

"(B) Such term does not include handheld or clandestine photography taken by or on behalf of human intelligence collection organizations.

"(3) The term 'imagery intelligence' means the technical, geographic, and intelligence information derived through the interpretation or analysis of imagery and collateral materials.

"(4) The term 'geospatial information' means information that identifies the geographic location and characteristics of natural or constructed features and boundaries on the earth and includes—

"(A) statistical data and information derived from, among other things, remote sensing, mapping, and surveying technologies;

"(B) mapping, charting, and geodetic data; and

"(C) geodetic products, as defined in section 455(c) of this title.".

(b) TRANSFER OF DEFENSE MAPPING AGENCY PROVISIONS.—(1) Sections 2792, 2793, 2794, 2795, 2796, and 2798 of title 10, United States Code, are transferred to subchapter II of chapter 22 of such title, as added by subsection (a), inserted in that sequence in such subchapter following the table of sections, and redesignated in accordance with the following table:

Section transferred	**Section as redesignated**
2792	451
2793	452
2794	453
2795	454
2796	455
2798	456.

(2) Sections 451(1), 452, 453, 454, and 455 (in subsections (a) and (b)(1)(C)), and 456 of title 10, United States Code, as transferred and redesignated by paragraph (1), are amended by striking out "Defense Mapping Agency" each place it appears and inserting in lieu thereof "National Imagery and Mapping Agency".

(c) OVERSIGHT OF AGENCY AS A COMBAT SUPPORT AGENCY.—Section 193 of title 10, United States Code, is amended—

(1) in subsection (d)—

(A) by striking out the caption and inserting in lieu thereof "REVIEW OF NATIONAL SECURITY AGENCY AND NATIONAL IMAGERY AND MAPPING AGENCY.—";

(B) in paragraph (1)—

(i) by inserting "and the National Imagery and Mapping Agency" after "the National Security Agency"; and

(ii) by striking out "the Agency" and inserting in lieu thereof "that the agencies"; and

(C) in paragraph (2), by inserting "and the National Imagery and Mapping Agency" after "the National Security Agency";

(2) in subsection (e)—

(A) by striking out "DIA AND NSA" in the caption and inserting in lieu thereof the following: "DIA, NSA, AND NIMA"; and

(B) by striking out "and the National Security Agency" and inserting in lieu thereof ", the National Security Agency, and the National Imagery and Mapping Agency"; and

(3) in subsection (f), by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) The National Imagery and Mapping Agency.".

(d) CONSOLIDATION AND STANDARDIZATION OF EXEMPTIONS FROM DISCLOSURE OF ORGANIZATIONAL AND PERSONNEL INFORMATION.—Chapter 21 of title 10, United States Code, is amended by striking out sections 424 and 425 and inserting in lieu thereof the following:

"§ 424. Disclosure of organizational and personnel information: exemption for Defense Intelligence Agency, National Reconnaissance Office, and National Imagery and Mapping Agency

"(a) EXEMPTION FROM DISCLOSURE.—Except as required by the President or as provided in subsection (c), no provision of law shall be construed to require the disclosure of—

"(1) the organization or any function of an organization of the Department of Defense named in subsection (b); or

"(2) the number of persons employed by or assigned or detailed to any such organization or the name, official title, occupational series, grade, or salary of any such person.

"(b) COVERED ORGANIZATIONS.—This section applies to the following organizations of the Department of Defense:

"(1) The Defense Intelligence Agency.

"(2) The National Reconnaissance Office.

"(3) The National Imagery and Mapping Agency.

"(c) PROVISION OF INFORMATION TO CONGRESS.—Subsection (a) does not apply with respect to the provision of information to Congress.".

(e) SPECIAL PRINTING AUTHORITY FOR AGENCY.—(1) Section 207(a)(2)(B) of the Legislative Branch Appropriations Act, 1993 (Public Law 102–392; 44 U.S.C. 501 note), is amended by inserting "National Imagery and Mapping Agency," after "Defense Intelligence Agency,".

(2) Section 1336 of title 44, United States Code, is amended—

(A) by striking out "Secretary of the Navy" and inserting in lieu thereof "Director of the National Imagery and Mapping Agency"; and

(B) by striking out "United States Naval Oceanographic Office" and inserting in lieu thereof "National Imagery and Mapping Agency".

SEC. 1113. TRANSFERS OF PERSONNEL AND ASSETS.

(a) PERSONNEL AND ASSETS.—Subject to subsections (b) and (c), the personnel, assets, unobligated balances of appropriations and authorizations of appropriations, and, to the extent jointly determined appropriate by the Secretary of Defense and Director of Central Intelligence, obligated balances of appropriations and authorizations of appropriations employed, used, held, arising from, or available in connection with the missions and functions transferred under section 1111(b) or section 1111(c) are transferred to the National Imagery and Mapping Agency. Transfers of appropriations from the Central Intelligence Agency under this subsection shall be made in accordance with section 1531 of title 31, United States Code.

(b) DETERMINATION OF CIA POSITIONS TO BE TRANSFERRED.—Not earlier than two years after the effective date of this subtitle, the Secretary of Defense and the Director of Central Intelligence shall determine which, if any, positions and personnel of the Central Intelligence Agency are to be transferred to the National Imagery and Mapping Agency. The positions to be transferred, and the employees serving in such positions, shall be transferred to the National Imagery and Mapping Agency under terms and conditions prescribed by the Secretary of Defense and the Director of Central Intelligence.

(c) RULE FOR CIA IMAGERY ACTIVITIES ONLY PARTIALLY TRANSFERRED.—If the National Photographic Interpretation Center of the Central Intelligence Agency or any imagery-related activity of the Central Intelligence Agency authorized to be performed by the National Imagery and Mapping Agency is not completely transferred to the National Imagery and Mapping Agency, the Secretary of Defense and the Director of Central Intelligence shall—

(1) jointly determine which, if any, contracts, leases, property, and records employed, used, held, arising from, available to, or otherwise relating to such Center or activity is to be transferred to the National Imagery and Intelligence Agency; and

(2) provide by written agreement for the transfer of such items.

SEC. 1114. COMPATIBILITY WITH AUTHORITY UNDER THE NATIONAL SECURITY ACT OF 1947.

(a) AGENCY FUNCTIONS.—Paragraph (2) of section 105(b) of the National Security Act of 1947 (50 U.S.C. 403–5(b)) is amended to read as follows:

"(2) through the National Imagery and Mapping Agency (except as otherwise directed by the President or the National Security Council), with appropriate representation from the intelligence community, the continued operation of an effective unified organization within the Department of Defense—

"(A) for carrying out tasking of imagery collection;

"(B) for the coordination of imagery processing and exploitation activities;

"(C) for ensuring the dissemination of imagery in a timely manner to authorized recipients; and

"(D) notwithstanding any other provision of law, for—

"(i) prescribing technical architecture and standards related to imagery intelligence and geospatial information and ensuring compliance with such architecture and standards; and

"(ii) developing and fielding systems of common concern related to imagery intelligence and geospatial information;".

(b) NATIONAL MISSION.—Title I of such Act (50 U.S.C. 402 et seq.) is amended by adding at the end the following new section:

"NATIONAL MISSION OF NATIONAL IMAGERY AND MAPPING AGENCY

"SEC. 120. (a) IN GENERAL.—In addition to the Department of Defense missions set forth in section 442 of title 10, United States Code, the National Imagery and Mapping Agency shall support the imagery requirements of the Department of State and other departments and agencies of the United States outside the Department of Defense.

"(b) REQUIREMENTS AND PRIORITIES.—The Director of Central Intelligence shall establish requirements and priorities governing the collection of national intelligence by the National Imagery and Mapping Agency under subsection (a).

"(c) CORRECTION OF DEFICIENCIES.—The Director of Central Intelligence shall develop and implement such programs and policies as the Director and the Secretary of Defense jointly determine necessary to review and correct deficiencies identified in the capabilities of the National Imagery and Mapping Agency to accomplish assigned national missions, including support to the all-source analysis and production process. The Director shall consult with the Secretary of Defense on the development and implementation of such programs and policies. The Secretary shall obtain the advice of the Chairman of the Joint Chiefs of Staff regarding the matters on which the Director and the Secretary are to consult under the preceding sentence.".

(c) TASKING OF IMAGERY ASSETS.—Title I of such Act is further amended by adding at the end the following new section:

"COLLECTION TASKING AUTHORITY

"SEC. 121. Unless otherwise directed by the President, the Director of Central Intelligence shall have authority (except as otherwise agreed by the Director and the Secretary of Defense) to—

"(1) approve collection requirements levied on national imagery collection assets;

"(2) determine priorities for such requirements; and

"(3) resolve conflicts in such priorities.".

(d) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 109 the following new items:

"Sec. 120. National mission of National Imagery and Mapping Agency.
"Sec. 121. Collection tasking authority.".

SEC. 1115. CREDITABLE CIVILIAN SERVICE FOR CAREER CONDITIONAL EMPLOYEES OF THE DEFENSE MAPPING AGENCY.

In the case of an employee of the National Imagery and Mapping Agency who, on the day before the effective date of this title, was an employee of the Defense Mapping Agency in a career-conditional status, the continuous service of that employee as an employee of the National Imagery and Mapping Agency on and after such date shall be considered creditable service for the purpose of any determination of the career status of the employee.

SEC. 1116. SAVING PROVISIONS.

(a) CONTINUING EFFECT ON LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, international agreements, grants, contracts, leases, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in connection with any of the functions which are transferred under this title or any function that the National Imagery and Mapping Agency is authorized to perform by law, and

(2) which are in effect at the time this title takes effect, or were final before the effective date of this title and are to become effective on or after the effective date of this title, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance

with law by the President, the Secretary of Defense, the Director of the National Imagery and Mapping Agency or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—This title and the amendments made by this title shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before an element of the Department of Defense or Central Intelligence Agency at the time this title takes effect, with respect to function of that element transferred by section 1122, but such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this section shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

SEC. 1117. DEFINITIONS.

In this subtitle, the terms "function", "imagery", "imagery intelligence", and "geospatial information" have the meanings given those terms in section 467 of title 10, United States Code, as added by section 1112.

SEC. 1118. AUTHORIZATION OF APPROPRIATIONS.

Funds are authorized to be appropriated for the National Imagery and Mapping Agency for fiscal year 1997 in amounts and for purposes, and subject to the terms, conditions, limitations, restrictions, and requirements, that are set forth in the Classified Annex to this Act.

Subtitle B—Conforming Amendments and Effective Dates

SEC. 1121. REDESIGNATION AND REPEALS.

(a) REDESIGNATION.—Chapter 23 of title 10, United States Code (as redesignated by section 1112(a)(1)) is amended by redesignating the sections in that chapter as sections 481 and 482, respectively.

(b) REPEAL OF SUPERSEDED LAW.—Chapter 167 of such title, as amended by section 1112(b), is repealed.

SEC. 1122. REFERENCE AMENDMENTS.

(a) TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended as follows:

(1) CENTRAL IMAGERY OFFICE.—Sections 2302(a)(2)(C)(ii), 3132(a)(1)(B), 4301(1) (in clause (ii)), 4701(a)(1)(B), 5102(a)(1) (in clause (xi)), 5342(a)(1)(L), 6339(a)(1)(E), and 7323(b)(2)(B)(i)(XIII) are amended by striking out "Central Imagery Office" and inserting in lieu thereof "National Imagery and Mapping Agency".

(2) DIRECTOR, CENTRAL IMAGERY OFFICE.—Section 6339(a)(2)(E) is amended by striking out "Central Imagery Office, the Director of the Central Imagery Office" and inserting in lieu thereof "National Imagery and Mapping Agency, the Director of the National Imagery and Mapping Agency".

(b) OTHER LAWS.—The following provisions of law are amended by striking out "Central Imagery Office" and inserting in lieu thereof "National Imagery and Mapping Agency":

(1) NATIONAL SECURITY ACT OF 1947.—Section 3(4)(E) of the National Security Act of 1947 (50 U.S.C. 401a(4)(E).

(2) ETHICS IN GOVERNMENT ACT OF 1978.—Section 105(a) of the Ethics in Government Act of 1978 (Public Law 95–521; 5 U.S.C. App. 4).

(3) EMPLOYEE POLYGRAPH PROTECTION ACT.—Section 7(b)(2)(A)(i) of the Employee Polygraph Protection Act of 1988 (Public Law 100–347; 29 U.S.C. 2006(b)(2)(A)(i)).

(c) CROSS REFERENCE.—Section 82 of title 14, United States Code, is amended by striking out "chapter 167" and inserting in lieu thereof "subchapter II of chapter 22".

SEC. 1123. HEADINGS AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—

(1) The table of chapters at the beginning of subtitle A of title 10, United States Code, is amended—

(A) by striking out the item relating to chapter 22 and inserting in lieu thereof the following:

"22. National Imagery and Mapping Agency 441
"23. Miscellaneous Studies and Reports .... 471";

and

(B) by striking out the item relating to chapter 167.

(2) The table of chapters at the beginning of part I of such subtitle is amended by striking out the item relating to chapter 22 and inserting in lieu thereof the following:

"22. National Imagery and Mapping Agency 441
"23. Miscellaneous Studies and Reports .... 471";

(3) The table of chapters at the beginning of part IV of such subtitle is amended by striking out the item relating to chapter 167.

(4) The items in the table of sections at the beginning of chapter 23 of title 10, United States Code (as redesignated by section 1112(a)(1)), are revised so as to reflect the redesignations made by section 1121(a).

(b) TITLE 44, UNITED STATES CODE.—

(1) The heading of section 1336 of title 44, United States Code, is amended to read as follows:

"§ 1336. National Imagery and Mapping Agency: special publications".

(2) The item relating to that section in the tables of sections at the beginning of chapter 13 of such title is amended to read as follows:

"1336. National Imagery and Mapping Agency: special publications.".

SEC. 1124. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on October 1, 1996, or the date of the enactment of this Act, whichever is later.

TITLE XII—RESERVE FORCES REVITALIZATION

TITLE XII—RESERVE FORCES REVITALIZATION

Sec. 1201. Short title.
Sec. 1202. Purpose.

Subtitle A—Reserve Component Structure

Sec. 1211. Reserve component commands.
Sec. 1212. Reserve component chiefs.
Sec. 1213. Review of active duty and reserve general and flag officer authorizations.
Sec. 1214. Guard and reserve technicians.

Subtitle B—Reserve Component Accessibility

Sec. 1231. Report to Congress on measures to improve National Guard and reserve ability to respond to emergencies.
Sec. 1232. Report to Congress concerning tax incentives for employers of members of reserve components.
Sec. 1233. Report to Congress concerning income insurance program for activated reservists.
Sec. 1234. Report to Congress concerning small business loans for members released from reserve service during contingency operations.

Subtitle C—Reserve Forces Sustainment

Sec. 1251. Report concerning tax deductibility of nonreimbursable expenses.
Sec. 1252. Authority to pay transient housing charges for members performing active duty for training.
Sec. 1253. Sense of Congress concerning quarters allowance during service on active duty for training.
Sec. 1254. Sense of Congress concerning military leave policy.
Sec. 1255. Reserve Forces Policy Board.
Sec. 1256. Report on parity of benefits for active duty service and reserve service.
Sec. 1257. Information on proposed funding for the Guard and Reserve components in future-years defense programs.

SEC. 1201. SHORT TITLE.

This title may be cited as the "Reserve Forces Revitalization Act of 1996".

SEC. 1202. PURPOSE.

The purpose of this title is to revise the basic statutory authorities governing the organization and administration of the reserve components of the Armed Forces in order to recognize the realities of reserve component partnership in the Total Force and to better prepare the American citizen-soldier, sailor, airman, and Marine in time of peace for duties in war.

Subtitle A—Reserve Component Structure

SEC. 1211. RESERVE COMPONENT COMMANDS.

(a) ESTABLISHMENT.—(1) Part I of subtitle E of title 10, United States Code, is amended by inserting after chapter 1005 the following new chapter:

"CHAPTER 1006—RESERVE COMPONENT COMMANDS

"Sec.
"10171. United States Army Reserve Command.
"10172. Naval Reserve Force.
"10173. Marine Forces Reserve.
"10174. Air Force Reserve Command.

"§ 10171. United States Army Reserve Command

"(a) COMMAND.—The United States Army Reserve Command is a separate command of the Army commanded by the Chief of Army Reserve.

"(b) CHAIN OF COMMAND.—Except as otherwise prescribed by the Secretary of Defense, the Secretary of the Army shall prescribe the chain of command for the United States Army Reserve Command.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Army—

"(1) shall assign to the United States Army Reserve Command all forces of the Army Reserve in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Army specified in section 3013 of this title, shall assign all such forces of the Army Reserve to the commander of the United States Atlantic Command.

"§ 10172. Naval Reserve Force

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Navy, with the advice and assistance of the Chief of Naval Operations, shall establish a Naval Reserve Force. The Naval Reserve Force shall be operated as a separate command of the Navy.

"(b) COMMANDER.—The Chief of Naval Reserve shall be the commander of the Naval Reserve Force. The commander of the Naval Reserve Force reports directly to the Chief of Naval Operations.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Navy—

"(1) shall assign to the Naval Reserve Force specified portions of the Naval Reserve other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Navy specified in section 5013 of this title, shall assign to the combatant commands all such forces assigned to the Naval Reserve Force under paragraph (1) in the manner specified by the Secretary of Defense.

"§ 10173. Marine Forces Reserve

"(a) ESTABLISHMENT.—The Secretary of the Navy, with the advice and assistance of the Commandant of the Marine Corps, shall establish in the Marine Corps a command known as the Marine Forces Reserve.

"(b) COMMANDER.—The Marine Forces Reserve is commanded by the Commander, Marine Forces Reserve. The Commander, Marine Forces Reserve, reports directly to the Commandant of the Marine Corps.

"(c) ASSIGNMENT OF FORCES.—The Commandant of the Marine Corps—

"(1) shall assign to the Marine Forces Reserve the forces of the Marine Corps Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Navy specified in section 5013 of this title, shall assign to the combatant commands (through the Marine Corps component commander for each such command) all such forces assigned to the Marine Forces Reserve under paragraph (1) in the manner specified by the Secretary of Defense.

"§ 10174. Air Force Reserve Command

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Air Force, with the advice and assistance of the Chief of Staff of the Air Force, shall establish an Air Force Reserve Command. The Air Force Reserve Command shall be operated as a separate command of the Air Force.

"(b) COMMANDER.—The Chief of Air Force Reserve is the Commander of the Air Force Reserve Command. The commander of the Air Force Reserve Command reports directly to the Chief of Staff of the Air Force.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Air Force—

"(1) shall assign to the Air Force Reserve Command all forces of the Air Force Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Air Force specified in section 8013 of this title, shall assign to the combatant commands all such forces assigned to the Air Force Reserve Command under paragraph (1) in the manner specified by the Secretary of Defense.".

(2) The tables of chapters at the beginning of part I of such subtitle and at the beginning of such subtitle are each amended by inserting after the item relating to chapter 1005 the following new item:

"1006. Reserve Component Commands 10171".

(b) CONFORMING REPEAL.—Section 903 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 3074 note) is repealed.

(c) IMPLEMENTATION SCHEDULE.—Implementation of chapter 1006 of title 10, United States Code, as added by subsection (a), shall begin not later than 90 days after the date of the enactment of this Act and shall be completed not later than one year after such date.

SEC. 1212. RESERVE COMPONENT CHIEFS.

(a) CHIEF OF ARMY RESERVE.—Section 3038 of title 10, United States Code, is amended by adding at the end the following new subsections:

"(d) BUDGET.—The Chief of Army Reserve is the official within the executive part of the Department of the Army who, subject to the authority, direction, and control of the Secretary of the Army and the Chief of Staff, is responsible for justification and execution of the personnel, operation and maintenance, and construction budgets for the Army Reserve. As such, the Chief of Army Reserve is the director and functional manager of appropriations made for the Army Reserve in those areas.

"(e) FULL TIME SUPPORT PROGRAM.—The Chief of Army Reserve manages, with respect to the Army Reserve, the personnel program of the Department of Defense known as the Full Time Support Program.

"(f) ANNUAL REPORT.—(1) The Chief of Army Reserve shall submit to the Secretary of Defense, through the Secretary of the Army, an annual report on the state of the Army Reserve and the ability of the Army Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Staff of the Army and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Army Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(b) CHIEF OF NAVAL RESERVE.—(1) Chapter 513 of such title is amended by inserting after section 5142a the following new section:

"§ 5143. Office of Naval Reserve: appointment of Chief

"(a) ESTABLISHMENT OF OFFICE: CHIEF OF NAVAL RESERVE.—There is in the executive part of the Department of the Navy, on the staff of the Chief of Naval Operations, an Office of the Naval Reserve, which is headed by a Chief of Naval Reserve. The Chief of Naval Reserve—

"(1) is the principal adviser on Naval Reserve matters to the Chief of Naval Operations; and

"(2) is the commander of the Naval Reserve Force.

"(b) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Chief of Naval Reserve from officers who—

"(1) have had at least 10 years of commissioned service;

"(2) are in a grade above captain; and

"(3) have been recommended by the Secretary of the Navy.

"(c) GRADE.—(1) The Chief of Naval Reserve holds office for a term determined by the Chief of Naval Operations, normally four years, but may be removed for cause at any time. He is eligible to succeed himself.

"(2) The Chief of Naval Reserve, while so serving, has a grade above rear admiral (lower half), without vacating the officer's permanent grade.

"(d) BUDGET.—The Chief of Naval Reserve is the official within the executive part of the Department of the Navy who, subject to the authority, direction, and control of the Secretary of the Navy and the Chief of Naval Operations, is responsible for preparation, justification, and execution of the personnel, operation and maintenance, and construction budgets for the Naval Reserve. As such, the Chief of Naval Reserve is the director and functional manager of appropriations made for the Naval Reserve in those areas.

"(e) ANNUAL REPORT.—(1) The Chief of Naval Reserve shall submit to the Secretary of Defense, through the Secretary of the Navy, an annual report on the state of the Naval Reserve and the ability of the Naval Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Naval Operations and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Naval Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5142a the following new item:

"5143. Office of Naval Reserve: appointment of Chief.".

(c) CHIEF OF MARINE FORCES RESERVE.—(1) Chapter 513 of such title is amended by inserting after section 5143 (as added by subsection (b)) the following new section:

"§ 5144. Office of Marine Forces Reserve: appointment of Commander

"(a) ESTABLISHMENT OF OFFICE; COMMANDER, MARINE FORCES RESERVE.—There is in the executive part of the Department of the Navy an Office of the Marine Forces Reserve, which is headed by the Commander, Marine Forces Reserve. The Commander, Marine Forces Reserve, is the principal adviser to the Commandant on Marine Forces Reserve matters.

"(b) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Commander, Marine Forces Reserve, from officers of the Marine Corps who—

"(1) have had at least 10 years of commissioned service;

"(2) are in a grade above colonel; and

"(3) have been recommended by the Secretary of the Navy.

"(c) TERM OF OFFICE; GRADE.—(1) The Commander, Marine Forces Reserve, holds office for a term determined by the Commandant of the Marine Corps, normally four years, but may be removed for cause at any time. He is eligible to succeed himself.

"(2) The Commander, Marine Forces Reserve, while so serving, has a grade above brigadier general, without vacating the officer's permanent grade.

"(d) Annual Report.—(1) The Commander, Marine Forces Reserve, shall submit to the Secretary of Defense, through the Secretary of the Navy, an annual report on the state of the Marine Corps Reserve and the ability of the Marine Corps Reserve to meet its missions. The report shall be prepared in conjunction with the Commandant of the Marine Corps and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Commander, Marine Forces Reserve, under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5143 (as added by subsection (b)) the following new item:

"5144. Office of Marine Forces Reserve: appointment of Commander.".

(d) Chief of Air Force Reserve.—Section 8038 of such title is amended by adding at the end the following new subsections:

"(d) Budget.—The Chief of Air Force Reserve is the official within the executive part of the Department of the Air Force who, subject to the authority, direction, and control of the Secretary of the Air Force and the Chief of Staff, is responsible for preparation, justification, and execution of the personnel, operation and maintenance, and construction budgets for the Air Force Reserve. As such, the Chief of Air Force Reserve is the director and functional manager of appropriations made for the Air Force Reserve in those areas.

"(e) Full Time Support Program.—(1) The Chief of Air Force Reserve manages, with respect to the Air Force Reserve, the personnel program of the Department of Defense known as the Full Time Support Program.

"(f) Annual Report.—(1) The Chief of Air Force Reserve shall submit to the Secretary of Defense, through the Secretary of the Air Force, an annual report on the state of the Air Force Reserve and the ability of the Air Force Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Staff of the Air Force and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Air Force Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(e) Conforming Amendment.—Section 641(1)(B) of such title is amended by inserting "5143, 5144," after "3038,".

SEC. 1213. REVIEW OF ACTIVE DUTY AND RESERVE GENERAL AND FLAG OFFICER AUTHORIZATIONS.

(a) Report to Congress.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing any recommendations of the Secretary (together with the rationale of the Secretary for the recommendations) concerning the following:

(1) Revision of the limitations on general and flag officer grade authorizations and distribution in grade prescribed by sections 525, 526, and 12004 of title 10, United States Code.

(2) Statutory designation of the positions and grades of any additional general and flag officers in the commands and offices created by sections 1211 and 1212.

(b) Matters To Be Included.—The Secretary shall include in the report under subsection (a) the Secretary's views on whether current limitations referred to in subsection (a)—

(1) permit the Secretaries of the military departments, in view of increased requirements for assignment of general and flag officers in positions external to their organic services, to meet adequately both internal and external requirements for general and flag officers;

(2) adequately recognize the significantly increased role of the reserve components in both service-specific and joint operations; and

(3) permit the Secretaries of the military departments and the reserve components to assign general and flag officers to active and reserve component positions with grades commensurate with the scope of duties and responsibilities of the position.

(c) Exemptions From Active-Duty Ceilings.—(1) The Secretary shall include in the report under subsection (a) the Secretary's recommendations regarding the merits of exempting from any active-duty ceiling (established by law or administrative action) the following officers:

(A) Reserve general and flag officers assigned to positions specified in the organizations created by this title.

(B) Reserve general and flag officers serving on active duty, but who are excluded from the active-duty list.

(2) If the Secretary determines under paragraph (1) that any Reserve general or flag officers should be exempt from active duty limits, the Secretary shall include in the report under subsection (a) the Secretary's recommendations for—

(A) the effective management of those Reserve general and flag officers; and

(B) revision of active duty ceilings so as to prevent an increase in the numbers of active general and flag officers authorizations due solely to the removal of Reserve general and flag officers from under the active duty authorizations.

(3) If the Secretary determines under paragraph (1) that active and reserve general officers on active duty should continue to be managed under a common ceiling, the Secretary shall make recommendations for the appropriate apportionment of numbers for general and flag officers among active and reserve officers.

(d) Reserve Forces Policy Board Participation.—The Secretary of Defense shall ensure that the Reserve Forces Policy Board participates in the internal Department of Defense process for development of the recommendations of the Secretary contained in the report under subsection (a). If the Board submits to the Secretary any comments or recommendations for inclusion in the report, the Secretary shall transmit them to Congress, with the report, in the same form as that in which they were submitted to the Secretary.

(e) GAO Review.—The Comptroller General of the United States shall assess the criteria used by the Secretary of Defense to develop recommendations for purposes of the report under this section and shall submit to Congress, not later than 30 days after the date on which the report of the Secretary under this section is submitted, a report setting forth the Comptroller General's conclusions concerning the adequacy and completeness of the recommendations made by the Secretary in the report.

SEC. 1214. GUARD AND RESERVE TECHNICIANS.

Section 10216 of title 10, United States Code, as amended by section 413, is amended—

(1) by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (d), respectively;

(2) by inserting after the section heading the following new subsection (a):

"(a) In General.—Military technicians are Federal civilian employees hired under title 5 and title 32 who are required to maintain dual-status as drilling reserve component members as a condition of their Federal civilian employment. Such employees shall be authorized and accounted for as a separate category of dual-status civilian employees, exempt as specified in subsection (b)(3) from any general or regulatory requirement for adjustments in Department of Defense civilian personnel."; and

(3) in paragraph (3) of subsection (b), as redesignated by paragraph (1), by striking out "in high-priority units and organizations specified in paragraph (1)".

Subtitle B—Reserve Component Accessibility

SEC. 1231. REPORT TO CONGRESS ON MEASURES TO IMPROVE NATIONAL GUARD AND RESERVE ABILITY TO RESPOND TO EMERGENCIES.

(a) Report.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report regarding reserve component responsiveness to both domestic emergencies and national contingency operations. The report shall set forth the measures taken, underway, and projected to be taken to improve the timeliness, adequacy, and effectiveness of reserve component responses to such emergencies and operations.

(b) Matters Related to Responsiveness to Domestic Emergencies.—The report shall address the following:

(1) The need to expand the time period set by section 12301(b) of title 10, United States Code, which permits the involuntary recall at any time to active duty of units and individuals for up to 15 days per year.

(2) The recommendations of the 1995 report of the RAND Corporation entitled "Assessing the State and Federal Missions of the National Guard", as follows:

(A) That Federal law be clarified and amended to authorize Presidential use of the Federal reserves of all military services for domestic emergencies and disasters without any time constraint.

(B) That the Secretary of Defense develop and support establishment of an appropriate national level compact for interstate sharing of resources, including the domestic capabilities of the national guards of the States, during emergencies and disasters.

(C) That Federal level contingency stocks be created to support the National Guard in domestic disasters.

(D) That Federal funding and regulatory support be provided for Federal-State disaster emergency response planning exercises.

(c) Matters Related to Presidential Reserve Call-Up Authority.—The report under this section shall specifically address matters related to the authority of the President to activate for service on active duty units and members of reserve components under sections 12301, 12302, and 12304 of title 10, United States Code, including—

(1) whether such authority is adequate to meet the full range of reserve component missions for the 21st century, particularly with regard to the time periods for which

such units and members may be on active duty under those authorities and the ability to activate both units and individual members; and

(2) whether the three-tiered set of statutory authorities (under such sections 12301, 12302, and 12304) should be consolidated, modified, or in part eliminated in order to facilitate current and future use of Reserve units and individual reserve component members for a broader range of missions, and, if so, in what manner.

(d) MATTERS RELATED TO RELEASE FROM ACTIVE DUTY.—The report under this section shall include findings and recommendations (based upon a review of current policies and procedures) concerning procedures for release from active duty of units and members of reserve components who have been involuntarily called or ordered to active duty under section 12301, 12302, or 12304 of title 10, United States Code, with specific recommendations concerning the desirability of statutory provisions to—

(1) establish specific guidelines for when it is appropriate (or inappropriate) to retain on active duty such reserve component units when active component units are available to perform the mission being performed by the reserve component unit;

(2) minimize the effects of frequent mobilization of the civilian employers, as well as the effects of frequent mobilization on recruiting and retention in the reserve components; and

(3) address other matters relating to the needs of such members of reserve components, their employers, and (in the case of such members who own businesses) their employees, while such members are on active duty.

(e) RESERVE FORCES POLICY BOARD PARTICIPATION.—The Secretary of Defense shall ensure that the Reserve Forces Policy Board participates in the internal Department of Defense process for development of the recommendations of the Secretary contained in the report under subsection (a). If the Board submits to the Secretary any comments or recommendations for inclusion in the report, the Secretary shall transmit them to Congress, with the report, in the same form as that in which they were submitted to the Secretary.

(f) GAO REVIEW.—The Comptroller General of the United States shall assess the criteria used by the Secretary of Defense to develop recommendations for purposes of the report under this section and shall submit to Congress, not later than 30 days after the date on which the report of the Secretary under this section is submitted, a report setting forth the Comptroller General's conclusions concerning the adequacy and completeness of the recommendations made by the Secretary in the report.

SEC. 1232. REPORT TO CONGRESS CONCERNING TAX INCENTIVES FOR EMPLOYERS OF MEMBERS OF RESERVE COMPONENTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to provide tax incentives to employers of members of reserve components in order to compensate employers for absences of those employees due to required training and for absences due to performance of active duty.

SEC. 1233. REPORT TO CONGRESS CONCERNING INCOME INSURANCE PROGRAM FOR ACTIVATED RESERVISTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth legislative recommendations for changes to chapter 1214 of title 10, United States Code. Such recommendations shall in particular provide, in the case of a mobilized member who owns a business, income replacement for that business and for employees of that member or business who have a loss of income during the period of such activation attributable to the activation of the member.

SEC. 1234. REPORT TO CONGRESS CONCERNING SMALL BUSINESS LOANS FOR MEMBERS RELEASED FROM RESERVE SERVICE DURING CONTINGENCY OPERATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to establish a small business loan program to provide members of reserve components who are ordered to active duty or active Federal service (other than for training) during a contingency operation (as defined in section 101 of title 10, United States Code) low-cost loans to assist those members in retaining or rebuilding businesses that were affected by their service on active duty or in active Federal service.

Subtitle C—Reserve Forces Sustainment

SEC. 1251. REPORT CONCERNING TAX DEDUCTIBILITY OF NONREIMBURSABLE EXPENSES.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to restore the tax deductibility of nonreimbursable expenses incurred by members of reserve components in connection with military service.

SEC. 1252. AUTHORITY TO PAY TRANSIENT HOUSING CHARGES FOR MEMBERS PERFORMING ACTIVE DUTY FOR TRAINING.

Section 404(j)(1) of title 37, United States Code, is amended by striking out "annual training duty" and inserting in lieu thereof "active duty for training".

SEC. 1253. SENSE OF CONGRESS CONCERNING QUARTERS ALLOWANCE DURING SERVICE ON ACTIVE DUTY FOR TRAINING.

It is the sense of Congress that the United States should continue to pay members of reserve components appropriate quarters allowances during periods of service on active duty for training.

SEC. 1254. SENSE OF CONGRESS CONCERNING MILITARY LEAVE POLICY.

It is the sense of Congress that military leave policies in effect as of the date of the enactment of this Act with respect to members of the reserve components should not be changed.

SEC. 1255. RESERVE FORCES POLICY BOARD.

(a) COMMENDATION.—The Congress commends the Reserve Forces Policy Board, created by the Armed Forces Reserve Act of 1952 (Public Law 82-476), for its fine work in the past as an independent source of advice to the Secretary of Defense on all matters pertaining to the reserve components.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Reserve Forces Policy Board and the reserve forces policy committees for the individual branches of the Armed Forces should continue to perform the vital role of providing the civilian leadership of the Department of Defense with independent advice on matters pertaining to the reserve components.

(c) ANNUAL REPORT OF RESERVE FORCES POLICY BOARD.—Section 113(c) of title 10, United States Code, is amended—

(1) by striking out paragraph (3);

(2) by redesignating paragraphs (1), (2), and (4) as subparagraphs (A), (B), and (C), respectively;

(3) by inserting "(1)" after "(c)";

(4) by inserting "and" at the end of subparagraph (B), as redesignated by paragraph (2); and

(5) by adding at the end the following:

"(2) At the same time that the Secretary submits the annual report under paragraph (1), the Secretary shall transmit to the President and Congress a separate report from the Reserve Forces Policy Board on the reserve programs of the Department of Defense and on any other matters that the Reserve Forces Policy Board considers appropriate to include in the report.".

SEC. 1256. REPORT ON PARITY OF BENEFITS FOR ACTIVE DUTY SERVICE AND RESERVE SERVICE.

No later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report providing recommendations for changes in law that the Secretary considers necessary, feasible, and affordable to reduce the disparities in pay and benefits that occur between active component members of the Armed Forces and reserve component members as a result of eligibility based on length of time on active duty.

SEC. 1257. INFORMATION ON PROPOSED FUNDING FOR THE GUARD AND RESERVE COMPONENTS IN FUTURE-YEARS DEFENSE PROGRAMS.

(a) IN GENERAL.—(1) Chapter 1013 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 10543. National Guard and reserve component equipment procurement and military construction funding: inclusion in future-years defense program

"The Secretary of Defense shall specify in each future-years defense program submitted to Congress under section 221 of this title the estimated expenditures and the proposed appropriations, for each fiscal year of the period covered by that program, for the procurement of equipment and for military construction for each of the reserve components of the armed forces.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"10543. National Guard and reserve component equipment procurement and military construction funding: inclusion in future-years defense program.".

(b) EFFECTIVE DATE.—Section 10543 of title 10, United States Code, as added by subsection (a), shall apply with respect to each future-years defense program submitted to Congress after the date of the enactment of this Act.

TITLE XIII—ARMS CONTROL AND RELATED MATTERS

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

Sec. 1301. Extension of counterproliferation authorities.

Sec. 1302. Limitation on retirement or dismantlement of strategic nuclear delivery systems.

Sec. 1303. Strengthening certain sanctions against nuclear proliferation activities.

Sec. 1304. Authority to pay certain expenses relating to humanitarian and civic assistance for clearance of landmines.

Sec. 1305. Report on military capabilities of People's Republic of China.
Sec. 1306. Presidential report regarding weapons proliferation and policies of the People's Republic of China.
Sec. 1307. United States-People's Republic of China Joint Defense Conversion Commission.
Sec. 1308. Sense of Congress concerning export controls.
Sec. 1309. Counterproliferation Program Review Committee.
Sec. 1310. Sense of Congress concerning assisting other countries to improve security of fissile material.
Sec. 1311. Review by Director of Central Intelligence of National Intelligence Estimate 95–19.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

Sec. 1321. Establishment of Commission.
Sec. 1322. Duties of Commission.
Sec. 1323. Report.
Sec. 1324. Powers.
Sec. 1325. Commission procedures.
Sec. 1326. Personnel matters.
Sec. 1327. Miscellaneous administrative provisions.
Sec. 1328. Funding.
Sec. 1329. Termination of the Commission.

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

SEC. 1301. EXTENSION OF COUNTERPROLIFERATION AUTHORITIES.

(a) ONE-YEAR EXTENSION OF AUTHORITY.—Section 1505 of the Weapons of Mass Destruction Control Act of 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a) is amended—

(1) in subsection (d)(3), by striking out "or" after "fiscal year 1995," and by inserting ", or $15,000,000 for fiscal year 1997" before the period at the end; and

(2) in subsection (f), by striking out "1996" and inserting in lieu thereof "1997".

(b) FUNDING FLEXIBILITY.—Subsection (d) of such section is further amended by adding at the end the following new paragraph:

"(4)(A) In the event of a significant unforeseen development related to the activities of the United Nations Special Commission on Iraq for which the Secretary of Defense determines that financial assistance under this section is required at a level which would result in the total amount of assistance provided under this section during the then-current fiscal year exceeding the amount specified with respect to that year under paragraph (3), the Secretary of Defense may provide such assistance notwithstanding the limitation with respect to that fiscal year under paragraph (3). Funds for such purpose may be derived from any funds available to the Department of Defense for that fiscal year.

"(B) Financial assistance may be provided under subparagraph (A) only after the Secretary of Defense provides notice in writing to the committees of Congress named in subsection (e)(2) of the significant unforeseen development and of the Secretary's intent to provide assistance in excess of the limitation for that fiscal year under paragraph (3). However, if the Secretary determines in any case that under the specific circumstances of that case advance notice is not possible, such notice shall be provided as soon as possible and not later than 15 days after the date on which the assistance is provided. Any notice under this subparagraph shall include a description of the development, the amount of assistance provided or to be provided, and the source of the funds for that assistance.".

SEC. 1302. LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

(a) FUNDING LIMITATION.—Funds available to the Department of Defense may not be obligated or expended during fiscal year 1997 for retiring or dismantling, or for preparing to retire or dismantle, any of the following strategic nuclear delivery systems:

(1) B–52H bomber aircraft.

(2) Trident ballistic missile submarines.

(3) Minuteman III intercontinental ballistic missiles.

(4) Peacekeeper intercontinental ballistic missiles.

(b) WAIVER AUTHORITY.—If the START II Treaty enters into force during fiscal year 1996 or fiscal year 1997, the Secretary of Defense may waive the application of the limitation under paragraphs (2), (3), and (4) of subsection (a) to Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles, and Peacekeeper intercontinental ballistic missiles, respectively, to the extent that the Secretary determines necessary in order to implement the treaty.

(c) FUNDING LIMITATION ON EARLY DEACTIVATION.—(1) If the limitation under paragraphs (2), (3), and (4) of subsection (a) ceases to apply by reason of a waiver under subsection (b), funds available to the Department of Defense may nevertheless not be obligated or expended during fiscal year 1997 to implement any agreement or understanding to undertake substantial early deactivation of a strategic nuclear delivery system specified in subsection (b) until 30 days after the date on which the President submits to Congress a report concerning such actions.

(2) For purposes of this subsection, a substantial early deactivation is an action during fiscal year 1997 to deactivate a substantial number of strategic nuclear delivery systems specified in subsection (b) by—

(A) removing nuclear warheads from those systems; or

(B) taking other steps to remove those systems from combat status.

(3) A report under this subsection shall include the following:

(A) The text of any understanding or agreement between the United States and the Russian Federation concerning substantial early deactivation of strategic nuclear delivery systems under the START II Treaty.

(B) The plan of the Department of Defense for implementing the agreement.

(C) An assessment of the Secretary of Defense of the adequacy of the provisions contained in the agreement for monitoring and verifying compliance of Russia with the terms of the agreement.

(D) A determination by the President as to whether the deactivations to occur under the agreement will be carried out in a symmetrical, reciprocal, or equivalent manner.

(E) An assessment by the President of the effect of the proposed early deactivation on the stability of the strategic balance and relative strategic nuclear capabilities of the United States and the Russian Federation at various stages during deactivation and upon completion.

(d) START II TREATY DEFINED.—For purposes of this section, the term "START II Treaty" means the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms, signed at Moscow on January 3, 1993, including the following protocols and memorandum of understanding, all such documents being integral parts of and collectively referred to as the "START II Treaty" (contained in Treaty Document 103–1):

(1) The Protocol on Procedures Governing Elimination of Heavy ICBMs and on Procedures Governing Conversion of Silo Launchers of Heavy ICBMs Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the "Elimination and Conversion Protocol").

(2) The Protocol on Exhibitions and Inspections of Heavy Bombers Relating to the Treaty Between the United States and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the "Exhibitions and Inspections Protocol").

(3) The Memorandum of Understanding on Warhead Attribution and Heavy Bomber Data Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the "Memorandum on Attribution").

(e) RETENTION OF B–52H AIRCRAFT ON ACTIVE STATUS.—(1) The Secretary of the Air Force shall maintain in active status (including the performance of standard maintenance and upgrades) the current fleet of B–52H bomber aircraft.

(2) For purposes of carrying out upgrades of B–52H bomber aircraft during fiscal year 1997, the Secretary shall treat the entire current fleet of such aircraft as aircraft expected to be maintained in active status during the six-year period beginning on October 1, 1996.

SEC. 1303. STRENGTHENING CERTAIN SANCTIONS AGAINST NUCLEAR PROLIFERATION ACTIVITIES.

(a) SANCTIONS.—Section 2(b)(4) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)) is amended to read as follows:

"(4)(A) If the Secretary of State determines that—

"(i) any country that has agreed to International Atomic Energy Agency nuclear safeguards materially violates, abrogates, or terminates, after October 26, 1977, such safeguards;

"(ii) any country that has entered into an agreement for cooperation concerning the civil use of nuclear energy with the United States materially violates, abrogates, or terminates, after October 26, 1977, any guarantee or other undertaking to the United States made in such agreement;

"(iii) any country that is not a nuclear-weapon state detonates, after October 26, 1977, a nuclear explosive device;

"(iv) any country willfully aids or abets, after June 29, 1994, any non-nuclear-weapon state to acquire any such nuclear explosive device or to acquire unsafeguarded special nuclear material; or

"(v) any person knowingly aids or abets, after the date of enactment of the National Defense Authorization Act for Fiscal Year 1997, any non-nuclear-weapon state to acquire any such nuclear explosive device or to acquire unsafeguarded special nuclear material, then the Secretary of State shall submit a report to the appropriate committees of the Congress and to the Board of Directors of the Bank stating such determination and identifying each country or person the Secretary determines has so acted.

"(B)(i) If the Secretary of State makes a determination under subparagraph (A)(v) with respect to a foreign person, the Congress urges the Secretary to initiate consultations immediately with the government with primary jurisdiction over that person with respect to the imposition of the prohibition contained in subparagraph (C).

"(ii) In order that consultations with that government may be pursued, the Board of Directors of the Bank shall delay imposition of the prohibition contained in subparagraph (C) for up to 90 days if the Secretary of State requests the Board to make such delay. Following these consultations, the prohibition contained in subparagraph (C) shall apply immediately unless the Secretary determines and certifies to the Congress that that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subparagraph (A)(v). The Board of Directors of the Bank shall delay the imposition of the prohibition contained in subparagraph (C) for up to an additional 90 days if the Secretary requests the Board to make such additional delay and if the Secretary determines and certifies to the Congress that that government is in the process of taking the actions described in the preceding sentence.

"(iii) Not later than 90 days after making a determination under subparagraph (A)(v), the Secretary of State shall submit to the appropriate committees of the Congress a report on the status of consultations with the appropriate government under this subparagraph, and the basis for any determination under clause (ii) that such government has taken specific corrective actions.

"(C) The Board of Directors of the Bank shall not give approval to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to any country, or to or by any person, identified in the report described in subparagraph (A).

"(D) The prohibition in subparagraph (C) shall not apply to approvals to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to a country with respect to which a determination is made under clause (i), (ii), (iii), or (iv) of subparagraph (A) regarding any specific event described in such clause if the President determines and certifies in writing to the Congress not less than 45 days prior to the date of the first approval following the determination that it is in the national interest for the Bank to give such approvals.

"(E) The prohibition in subparagraph (C) shall not apply to approvals to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to or by a person with respect to whom a determination is made under clause (v) of subparagraph (A) regarding any specific event described in such clause if—

"(i) the Secretary of State determines and certifies to the Congress that the appropriate government has taken the corrective actions described in subparagraph (B)(ii); or

"(ii) the President determines and certifies in writing to the Congress not less than 45 days prior to the date of the first approval following the determination that—

"(I) reliable information indicates that—

"(aa) such person has ceased to aid or abet any non-nuclear-weapon state to acquire any nuclear explosive device or to acquire unsafeguarded special nuclear material; and

"(bb) steps have been taken to ensure that the activities described in item (aa) will not resume; or

"(II) the prohibition would have a serious adverse effect on vital United States interests.

"(F) For purposes of this paragraph:

"(i) The term 'country' has the meaning given to 'foreign state' in section 1603(a) of title 28, United States Code.

"(ii) The term 'knowingly' is used within the meaning of the term 'knowing' in section 104(h)(3) of the Foreign Corrupt Practices Act (15 U.S.C. 78dd-2(h)(3)).

"(iii) The term 'person' means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity.

"(iv) The term 'nuclear-weapon state' has the meaning given the term in Article IX(3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968.

"(v) The term 'non-nuclear-weapon state' has the meaning given the term in section 830(5) of the Nuclear Proliferation Prevention Act of 1994 (Public Law 103–236; 108 Stat. 521).

"(vi) The term 'nuclear explosive device' has the meaning given the term in section 830(4) of the Nuclear Proliferation Prevention Act of 1994 (Public Law 103–236; 108 Stat. 521).

"(vii) The term 'unsafeguarded special nuclear material' has the meaning given the term in section 830(8) of the Nuclear Proliferation Prevention Act of 1994.".

(b) RECOMMENDATIONS TO MAKE NONPROLIFERATION LAWS MORE EFFECTIVE.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the Congress his recommendations on ways to make the laws of the United States more effective in controlling and preventing the proliferation of weapons of mass destruction and missiles. The report shall identify all sources of Government funds used for such nonproliferation activities.

SEC. 1304. AUTHORITY TO PAY CERTAIN EXPENSES RELATING TO HUMANITARIAN AND CIVIC ASSISTANCE FOR CLEARANCE OF LANDMINES.

(a) AUTHORITY TO PAY EXPENSES.—Section 401(c) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (4); and

(2) by inserting after paragraph (1) the following new paragraphs:

"(2) Expenses covered by paragraph (1) include the following expenses incurred in providing assistance described in subsection (e)(5):

"(A) Travel, transportation, and subsistence expenses of Department of Defense personnel providing such assistance.

"(B) The cost of any equipment, services, or supplies acquired for the purpose of carrying out or supporting the activities described in subsection (e)(5), including any nonlethal, individual, or small-team landmine clearing equipment or supplies that are to be transferred or otherwise furnished to a foreign country in furtherance of the provision of assistance under this section.

"(3) The cost of equipment, services, and supplies provided in any fiscal year under paragraph (2)(B) may not exceed $5,000,000.".

(b) COORDINATION WITH OTHER LAWS.—Section 401(b) of such title is amended—

(1) by inserting "(1)" after "(b)"; and

(2) by adding at the end the following:

"(2) Any authority provided under any other provision of law to provide assistance that is described in subsection (e)(5) to a foreign country shall be carried out in accordance with, and subject to the limitations prescribed in, this section. Any such provision may be construed as superseding a provision of this section only if, and to the extent that, such provision specifically refers to this section and specifically identifies the provision of this section that is to be considered superseded or otherwise inapplicable under such provision.".

SEC. 1305. REPORT ON MILITARY CAPABILITIES OF PEOPLE'S REPUBLIC OF CHINA.

(a) REPORT.—The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the future pattern of military modernization of the People's Republic of China. The report shall address both the probable course of military-technological development in the People's Liberation Army and the development of Chinese military strategy and operational concepts.

(b) MATTERS TO BE INCLUDED.—The report shall include analyses and forecasts of the following:

(1) Trends that would lead the People's Republic of China toward advanced intelligence, surveillance, and reconnaissance capabilities, either through a development program or by gaining access to commercial or third-party systems with militarily significant capabilities.

(2) Efforts by the People's Republic of China to develop highly accurate and low-observable ballistic and cruise missiles, and the investments in infrastructure that would allow for production of such weapons in militarily significant quantities, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the region.

(3) Development by the People's Republic of China of enhanced command and control networks, particularly those capable of battle management that would include long-range precision strikes.

(4) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times.

(5) Exploitation by the People's Republic of China of the Global Positioning System or other similar systems, including commercial land surveillance satellites, for significant military purposes, including particularly for increasing the accuracy of weapons or the situational awareness of operating forces.

(6) Development by the People's Republic of China of capabilities for denial of sea control, such as advanced sea mines or improved submarine capabilities.

(7) Continued development by the People's Republic of China of follow-on forces, particularly those capable of rapid air or amphibious assault.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than February 1, 1997.

SEC. 1306. PRESIDENTIAL REPORT REGARDING WEAPONS PROLIFERATION AND POLICIES OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS.—The Congress finds that—

(1) the People's Republic of China acceded to the Treaty on the Non-Proliferation of Nuclear Weapons (hereafter in this section referred to as the "NPT") on March 9, 1992;

(2) the People's Republic of China is not a member of the Nuclear Suppliers Group and remains the only major nuclear supplier that continues to transfer nuclear technology, equipment, and materials to countries that have not agreed to the application of safeguards of the International Atomic Energy Agency (hereafter in this section referred to as the "IAEA") over all of their nuclear materials;

(3) on June 30, 1995, the United States and 29 other members of the Nuclear Suppliers

Group notified the Director General of the IAEA that the Government of each respective country has decided that the controls of that Group should not be defeated by the transfer of component parts;

(4) a state-owned entity in the People's Republic of China, the China Nuclear Energy Industry Corporation, has knowingly transferred specially designed ring magnets to an unsafeguarded uranium enrichment facility in the Islamic Republic of Pakistan;

(5) ring magnets are identified on the Trigger List of the Nuclear Suppliers Group as a component of magnetic suspension bearings which are to be exported only to countries that have safeguards of the IAEA over all of their nuclear materials;

(6) these ring magnets could contribute significantly to the ability of the Islamic Republic of Pakistan to produce additional unsafeguarded enriched uranium, a nuclear explosive material;

(7) the Government of the People's Republic of China has transferred nuclear equipment and technology to the Islamic Republic of Iran, despite repeated claims by the Government of the United States that the Islamic Republic of Iran is engaged in clandestine efforts to acquire a nuclear explosive device;

(8) representatives of the Government of the People's Republic of China have repeatedly assured the Government of the United States that the People's Republic of China would abide by the guidelines of the Missile Technology Control Regime (hereafter in this section referred to as the "MTCR");

(9) the Government of China has transferred M-11 missiles to the Islamic Republic of Pakistan; and

(10) the M-11 missile conforms to the definition of a nuclear-capable missile under the MTCR.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the assistance that the People's Republic of China has provided to the Islamic Republic of Iran and to the Islamic Republic of Pakistan could contribute to the ability of such countries to manufacture nuclear weapons;

(2) the recent transfer by the People's Republic of China of ring magnets to an unsafeguarded uranium enrichment facility in the Islamic Republic of Pakistan conflicts with China's obligations under Articles I and III of the NPT, as well as the official nonproliferation policies and assurances by the People's Republic of China and the Islamic Republic of Pakistan with respect to the nonproliferation of nuclear weapons and nuclear-capable missiles;

(3) the transfer of M-11 missiles from the People's Republic of China to the Islamic Republic of Pakistan is inconsistent with longstanding United States Government interpretations of assurances from the Government of the People's Republic of China with respect to that country's intent to abide by the guidelines of the MTCR;

(4) violations by the People's Republic of China of the standards and objectives of the MTCR and global nuclear nonproliferation regimes have jeopardized the credibility of the MTCR and such regimes;

(5) the MTCR and global nuclear nonproliferation regimes require collective international action to impose costs against and to withhold benefits from any country, including the People's Republic of China, that engages in activities that are contrary to the objectives of those regimes;

(6) the President should explore with the governments of other countries new opportunities for collective action in response to activities of any country, including the People's Republic of China, that aid or abet the global proliferation of weapons of mass destruction or their means of delivery; and

(7) the President should communicate to the Government of the People's Republic of China the sense of the Congress that the stability and growth of future relations between the people, the economies, and the Governments of the United States and the People's Republic of China will significantly depend upon substantive evidence of cooperation by the Government of the People's Republic of China in efforts to halt the global proliferation of weapons of mass destruction and their means of delivery.

(c) REPORT.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to the Congress a report, in both classified and unclassified form, concerning the transfer from the People's Republic of China to the Islamic Republic of Pakistan of technology, equipment, or materials important to the production of nuclear weapons and their means of delivery. The President shall include in the report the following:

(1) The specific justification of the Secretary of State for determining that there was not a sufficient basis for imposing sanctions under section 2(b)(4) of the Export-Import Bank Act of 1945, as amended by section 825 of the Nuclear Proliferation Prevention Act of 1994, by reason of the transfer of ring magnets and other technology, equipment, or materials from the People's Republic of China to the Islamic Republic of Pakistan.

(2) What commitment the United States Government is seeking from the People's Republic of China to ensure that the People's Republic of China establishes a fully effective export control system that will prevent transfers (such as the Pakistan sale) from taking place in the future.

(3) A description of the pledges, assurances, and other commitments made by representatives of the Governments of the People's Republic of China and the Islamic Republic of Pakistan to the Government of the United States since January 1, 1991, with respect to the nonproliferation of nuclear weapons or nuclear-capable missiles, and an assessment of the record of compliance with such undertakings.

(4) Whether, in light of the recent assurances provided by the People's Republic of China, the President intends to make the certification and submit the report required by section 902(a)(6)(B) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 2151 note), and make the certification and submit the report required by Public Law 99-183, relating to the approval and implementation of the agreement for nuclear cooperation between the United States and the People's Republic of China, and, if not, why not.

(5) Whether the Secretary of State considers the recent assurances and clarifications provided by the People's Republic of China to have provided sufficient information to allow the United States to determine that the People's Republic of China is not in violation of paragraph (2) of section 129 of the Atomic Energy Act of 1954, as required by Public Law 99-183.

(6) If the President is unable or unwilling to make the certifications and reports referred to in paragraph (4), a description of what the President considers to be the significance of the clarifications and assurances provided by the People's Republic of China in the course of the recent discussions regarding the transfer by the People's Republic of China of nuclear-weapon-related equipment to the Islamic Republic of Pakistan.

(7) A description of the laws, regulations, and procedures currently used by the People's Republic of China to regulate exports of nuclear technology, equipment, or materials, including dual-use goods, and an assessment of the effectiveness of such arrangements.

(8) A description of the current policies and practices of other countries in response to the transfer of nuclear and missile technology by the People's Republic of China to the Islamic Republic of Pakistan and the Islamic Republic of Iran.

SEC. 1307. UNITED STATES-PEOPLE'S REPUBLIC OF CHINA JOINT DEFENSE CONVERSION COMMISSION.

None of the funds appropriated or otherwise available for the Department of Defense for fiscal year 1997 or any prior fiscal year may be obligated or expended for any activity associated with the United States-People's Republic of China Joint Defense Conversion Commission until 15 days after the date on which the first semiannual report required by section 1343 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 487) is received by Congress.

SEC. 1308. SENSE OF CONGRESS CONCERNING EXPORT CONTROLS.

(a) FINDINGS.—The Congress makes the following findings:

(1) Export controls are a part of a comprehensive response to national security threats. The export of a United States commodity or technology should be restricted in cases in which the export of the commodity or technology would increase the threat to the national security of the United States or would be contrary to the nonproliferation goals or foreign policy interests of the United States.

(2) The export of certain commodities and technology may adversely affect the national security and foreign policy of the United States by making a significant contribution to the military potential of countries or by enhancing the capability of countries to design, develop, test, produce, stockpile, or use weapons of mass destruction and missile delivery systems, and other significant military capabilities. Therefore, the administration of export controls should emphasize the control of these exports.

(3) The acquisition of sensitive commodities and technologies by those countries and end users whose actions or policies run counter to United States national security or foreign policy interests may enhance the military capabilities of those countries, particularly their ability to design, develop, test, produce, stockpile, use, and deliver nuclear, chemical, and biological weapons and missile delivery systems, and other significant military capabilities. This enhancement threatens the security of the United States and its allies. The availability to countries and end users of items that contribute to military capabilities or the proliferation of weapons of mass destruction is a fundamental concern of the United States and should be eliminated through deterrence, negotiations, and other appropriate means whenever possible.

(4) The national security of the United States depends not only on wise foreign policies and a strong defense, but also a vibrant national economy. To be truly effective, export controls should be applied uniformly by all suppliers.

(5) On November 8, 1995, the President continued the national emergency declared in

Executive Order No. 12938 of November 14, 1994, "with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States posed by the proliferation of nuclear, biological, and chemical weapons and the means of delivering such weapons".

(6) A successor regime to COCOM (the Coordinating Committee for Multilateral Export Controls) has not been established. Currently, each nation is determining independently which dual-use military items, if any, will be controlled for export.

(7) The United States should play a leading role in promoting transparency and responsibility with regard to the transfers of sensitive dual-use goods and technologies.

(b) Sense of Congress.—It is the sense of the Congress that—

(1) establishing an international export control regime, empowered to control exports of dual-use technology, is critically important and should be a top priority for the United States; and

(2) the United States should strongly encourage its allies and other friendly countries to—

(A) adopt export controls that are the same or similar to the export controls imposed by the United States on items on the Commerce Control List;

(B) strengthen enforcement of their export controls; and

(C) explore the use of unilateral export controls where the possibility exists that an export could contribute to the enhancement of military capabilities or proliferation described in paragraphs (3) and (5) of subsection (a).

SEC. 1309. COUNTERPROLIFERATION PROGRAM REVIEW COMMITTEE.

(a) Composition of the Committee.—Subsection (a) of section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended by adding at the end the following new paragraph:

"(5) The Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs shall serve as executive secretary to the committee.".

(b) Additional Purpose of the Committee.—Subsection (b)(1)(A) of such section is amended by inserting "and efforts, including efforts to stem the proliferation of weapons of mass destruction and to negate paramilitary and terrorist threats involving weapons of mass destruction" after "counterproliferation policy".

(c) Four-Year Extension of the Committee.—Subsection (f) of such section is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 2000".

(d) Reports on Counterproliferation Activities and Programs.—Section 1503 of the National Defense Authorization Act for Fiscal Year 1995 (22 U.S.C. 2751 note) is amended—

(1) in subsection (a)—

(A) by striking out "Report Required.—(1) Not later than May 1, 1995 and May 1, 1996, the Secretary" and inserting in lieu thereof "Annual Report Required.—Not later than May 1 of each year, the Secretary"; and

(B) by striking out paragraph (2); and

(2) by adding at the end the following new subsections:

"(d) Review Committee Charter Defined.—For purposes of this section, the term 'Review Committee charter' means section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note).

"(e) Termination of Requirement.—The final report required under subsection (a) is the report for the year following the year in which the Counterproliferation Program Review Committee established under the Review Committee Charter ceases to exist.".

SEC. 1310. SENSE OF CONGRESS CONCERNING ASSISTING OTHER COUNTRIES TO IMPROVE SECURITY OF FISSILE MATERIAL.

(a) Findings.—Congress finds the following:

(1) With the end of the Cold War, the world is faced with the need to manage the dismantling of vast numbers of nuclear weapons and the disposition of the fissile materials that they contain.

(2) If recently agreed reductions in nuclear weapons are fully implemented, tens of thousands of nuclear weapons, containing a hundred tons or more of plutonium and many hundreds of tons of highly enriched uranium, will no longer be needed for military purposes.

(3) Plutonium and highly enriched uranium are the essential ingredients of nuclear weapons.

(4) Limits on access to plutonium and highly enriched uranium are the primary technical barrier to acquiring nuclear weapons capability in the world today.

(5) Several kilograms of plutonium, or several times that amount of highly enriched uranium, are sufficient to make a nuclear weapon.

(6) Plutonium and highly enriched uranium will continue to pose a potential threat for as long as they exist.

(7) Action is required to secure and account for plutonium and highly enriched uranium.

(8) It is in the national interest of the United States to—

(A) minimize the risk that fissile materials could be obtained by unauthorized parties;

(B) minimize the risk that fissile materials could be reintroduced into the arsenals from which they came, halting or reversing the arms reduction process; and

(C) strengthen the national and international control mechanisms and incentives designed to ensure continued arms reductions and prevent the spread of nuclear weapons.

(b) Sense of Congress.—In light of the findings contained in subsection (a), it is the sense of Congress that the United States has a national security interest in assisting other countries to improve the security of their stocks of fissile material.

SEC. 1311. REVIEW BY DIRECTOR OF CENTRAL INTELLIGENCE OF NATIONAL INTELLIGENCE ESTIMATE 95-19.

(a) Review.—The Director of Central Intelligence shall conduct a review of the underlying assumptions and conclusions of the National Intelligence Estimate designated as NIE 95-19 and entitled "Emerging Missile Threats to North America During the Next 15 Years", released by the Director in November 1995.

(b) Methodology for Review.—The Director shall carry out the review under subsection (a) through a panel of independent, nongovernmental individuals with appropriate expertise and experience. Such a panel shall be convened by the Director not later than 45 days after the date of the enactment of this Act.

(c) Report.—The Director shall submit the findings resulting from the review under subsection (a), together with any comments of the Director on the review and the findings, to Congress not later than three months after the appointment of the Commission under section 1321.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

SEC. 1321. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is hereby established a commission to be known as the "Commission to Assess the Ballistic Missile Threat to the United States" (hereinafter in this subtitle referred to as the "Commission").

(b) Composition.—The Commission shall be composed of nine members appointed by the Director of Central Intelligence. In selecting individuals for appointment to the Commission, the Director should consult with—

(1) the Speaker of the House of Representatives concerning the appointment of three of the members of the Commission;

(2) the majority leader of the Senate concerning the appointment of three of the members of the Commission; and

(3) the minority leader of the House of Representatives and the minority leader of the Senate concerning the appointment of three of the members of the Commission.

(c) Qualifications.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in the political and military aspects of proliferation of ballistic missiles and the ballistic missile threat to the United States.

(d) Chairman.—The Speaker of the House of Representatives, after consultation with the majority leader of the Senate and the minority leaders of the House of Representatives and the Senate, shall designate one of the members of the Commission to serve as chairman of the Commission.

(e) Period of Appointment; Vacancies.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(f) Security Clearances.—All members of the Commission shall hold appropriate security clearances.

(g) Initial Organization Requirements.—(1) All appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting not later than 30 days after the date as of which all members of the Commission have been appointed, but not earlier than October 15, 1996.

SEC. 1322. DUTIES OF COMMISSION.

(a) Review of Ballistic Missile Threat.—The Commission shall assess the nature and magnitude of the existing and emerging ballistic missile threat to the United States.

(b) Cooperation From Government Officials.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense, the Director of Central Intelligence, and any other United States Government official responsible for providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

SEC. 1323. REPORT.

The Commission shall, not later than six months after the date of its first meeting, submit to the Congress a report on its findings and conclusions.

SEC. 1324. POWERS.

(a) Hearings.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this subtitle, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this subtitle.

SEC. 1325. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum other than for the purpose of holding hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(c) COMMISSION.—The Commission may establish panels composed of less than full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this subtitle.

SEC. 1326. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS-15 of the General Schedule.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 1327. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Director of Central Intelligence shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 1328. FUNDING.

Funds for activities of the Commission shall be provided from amounts appropriated for the Department of Defense for operation and maintenance for Defense-wide activities for fiscal year 1997. Upon receipt of a written certification from the Chairman of the Commission specifying the funds required for the activities of the Commission, the Secretary of Defense shall promptly disburse to the Commission, from such amounts, the funds required by the Commission as stated in such certification.

SEC. 1329. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its report under section 1323.

TITLE XIV—DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

Sec. 1401. Short title.
Sec. 1402. Findings.
Sec. 1403. Definitions.

Subtitle A—Domestic Preparedness

Sec. 1411. Response to threats of terrorist use of weapons of mass destruction.
Sec. 1412. Emergency response assistance program.
Sec. 1413. Nuclear, chemical, and biological emergency response.
Sec. 1414. Chemical-biological emergency response team.
Sec. 1415. Testing of preparedness for emergencies involving nuclear, radiological, chemical, and biological weapons.
Sec. 1416. Military assistance to civilian law enforcement officials in emergency situations involving biological or chemical weapons.
Sec. 1417. Rapid response information system.

Subtitle B—Interdiction of Weapons of Mass Destruction and Related Materials

Sec. 1421. Procurement of detection equipment United States border security.
Sec. 1422. Extension of coverage of International Emergency Economic Powers Act.
Sec. 1423. Sense of Congress concerning criminal penalties.
Sec. 1424. International border security.

Subtitle C—Control and Disposition of Weapons of Mass Destruction and Related Materials Threatening the United States

Sec. 1431. Coverage of weapons-usable fissile materials in Cooperative Threat Reduction programs on elimination or transportation of nuclear weapons.
Sec. 1432. Elimination of plutonium production.

Subtitle D—Coordination of Policy and Countermeasures Against Proliferation of Weapons of Mass Destruction

Sec. 1441. National Coordinator on Nonproliferation.
Sec. 1442. National Security Council Committee on Nonproliferation.
Sec. 1443. Comprehensive preparedness program.
Sec. 1444. Termination.

Subtitle E—Miscellaneous

Sec. 1451. Sense of Congress concerning contracting policy.
Sec. 1452. Transfers of allocations among Cooperative Threat Reduction programs.
Sec. 1453. Sense of Congress concerning assistance to states of former Soviet Union.
Sec. 1454. Purchase of low-enriched uranium derived from Russian highly enriched uranium.
Sec. 1455. Sense of Congress concerning purchase, packaging, and transportation of fissile materials at risk of theft.

SEC. 1401. SHORT TITLE.

This title may be cited as the "Defense Against Weapons of Mass Destruction Act of 1996".

SEC. 1402. FINDINGS.

Congress makes the following findings:

(1) Weapons of mass destruction and related materials and technologies are increasingly available from worldwide sources. Technical information relating to such weapons is readily available on the Internet, and raw materials for chemical, biological, and radiological weapons are widely available for legitimate commercial purposes.

(2) The former Soviet Union produced and maintained a vast array of nuclear, biological, and chemical weapons of mass destruction.

(3) Many of the states of the former Soviet Union retain the facilities, materials, and technologies capable of producing additional quantities of weapons of mass destruction.

(4) The disintegration of the former Soviet Union was accompanied by disruptions of command and control systems, deficiencies in accountability for weapons, weapons-related materials and technologies, economic hardships, and significant gaps in border control among the states of the former Soviet Union. The problems of organized crime and corruption in the states of the former Soviet Union increase the potential for proliferation of nuclear, radiological, biological, and chemical weapons and related materials.

(5) The conditions described in paragraph (4) have substantially increased the ability of potentially hostile nations, terrorist groups, and individuals to acquire weapons of mass destruction and related materials and technologies from within the states of the former Soviet Union and from unemployed scientists who worked on those programs.

(6) As a result of such conditions, the capability of potentially hostile nations and terrorist groups to acquire nuclear, radiological, biological, and chemical weapons is greater than any time in history.

(7) The President has identified North Korea, Iraq, Iran, and Libya as hostile states which already possess some weapons of mass destruction and are developing others.

(8) The acquisition or the development and use of weapons of mass destruction is well within the capability of many extremist and terrorist movements, acting independently or as proxies for foreign states.

(9) Foreign states can transfer weapons to or otherwise aid extremist and terrorist movements indirectly and with plausible deniability.

(10) Terrorist groups have already conducted chemical attacks against civilian targets in the United States and Japan, and a radiological attack in Russia.

(11) The potential for the national security of the United States to be threatened by nuclear, radiological, chemical, or biological terrorism must be taken seriously.

(12) There is a significant and growing threat of attack by weapons of mass destruction on targets that are not military targets in the usual sense of the term.

(13) Concomitantly, the threat posed to the citizens of the United States by nuclear, radiological, biological, and chemical weapons delivered by unconventional means is significant and growing.

(14) Mass terror may result from terrorist incidents involving nuclear, radiological, biological, or chemical materials.

(15) Facilities required for production of radiological, biological, and chemical weapons are much smaller and harder to detect than nuclear weapons facilities, and biological, and chemical weapons can be deployed by alternative delivery means other than long-range ballistic missiles.

(16) Covert or unconventional means of delivery of nuclear, radiological, biological, and chemical weapons include cargo ships, passenger aircraft, commercial and private vehicles and vessels, and commercial cargo shipments routed through multiple destinations.

(17) Traditional arms control efforts assume large state efforts with detectable manufacturing programs and weapons production programs, but are ineffective in monitoring and controlling smaller, though potentially more dangerous, unconventional proliferation efforts.

(18) Conventional counterproliferation efforts would do little to detect or prevent the rapid development of a capability to suddenly manufacture several hundred chemical or biological weapons with nothing but commercial supplies and equipment.

(19) The United States lacks adequate planning and countermeasures to address the threat of nuclear, radiological, biological, and chemical terrorism.

(20) The Department of Energy has established a Nuclear Emergency Response Team which is available in case of nuclear or radiological emergencies, but no comparable units exist to deal with emergencies involving biological, or chemical weapons or related materials.

(21) State and local emergency response personnel are not adequately prepared or trained for incidents involving nuclear, radiological, biological, or chemical materials.

(22) Exercises of the Federal, State, and local response to nuclear, radiological, biological, or chemical terrorism have revealed serious deficiencies in preparedness and severe problems of coordination.

(23) The development of, and allocation of responsibilities for, effective countermeasures to nuclear, radiological, biological, or chemical terrorism in the United States requires well-coordinated participation of many Federal agencies, and careful planning by the Federal Government and State and local governments.

(24) Training and exercises can significantly improve the preparedness of State and local emergency response personnel for emergencies involving nuclear, radiological, biological, or chemical weapons or related materials.

(25) Sharing of the expertise and capabilities of the Department of Defense, which traditionally has provided assistance to Federal, State, and local officials in neutralizing, dismantling, and disposing of explosive ordnance, as well as radiological, biological, and chemical materials, can be a vital contribution to the development and deployment of countermeasures against nuclear, biological, and chemical weapons of mass destruction.

(26) The United States lacks effective policy coordination regarding the threat posed by the proliferation of weapons of mass destruction.

SEC. 1403. DEFINITIONS.

In this title:

(1) The term "weapon of mass destruction" means any weapon or device that is intended, or has the capability, to cause death or serious bodily injury to a significant number of people through the release, dissemination, or impact of—

(A) toxic or poisonous chemicals or their precursors;

(B) a disease organism; or

(C) radiation or radioactivity.

(2) The term "independent states of the former Soviet Union" has the meaning given that term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

(3) The term "highly enriched uranium" means uranium enriched to 20 percent or more in the isotope U-235.

Subtitle A—Domestic Preparedness

SEC. 1411. RESPONSE TO THREATS OF TERRORIST USE OF WEAPONS OF MASS DESTRUCTION.

(a) ENHANCED RESPONSE CAPABILITY.—In light of the potential for terrorist use of weapons of mass destruction against the United States, the President shall take immediate action—

(1) to enhance the capability of the Federal Government to prevent and respond to terrorist incidents involving weapons of mass destruction; and

(2) to provide enhanced support to improve the capabilities of State and local emergency response agencies to prevent and respond to such incidents at both the national and the local level.

(b) REPORT REQUIRED.—Not later than January 31, 1997, the President shall transmit to Congress a report containing—

(1) an assessment of the capabilities of the Federal Government to prevent and respond to terrorist incidents involving weapons of mass destruction and to support State and local prevention and response efforts;

(2) requirements for improvements in those capabilities; and

(3) the measures that should be taken to achieve such improvements, including additional resources and legislative authorities that would be required.

SEC. 1412. EMERGENCY RESPONSE ASSISTANCE PROGRAM.

(a) PROGRAM REQUIRED.—(1) The Secretary of Defense shall carry out a program to provide civilian personnel of Federal, State, and local agencies with training and expert advice regarding emergency responses to a use or threatened use of a weapon of mass destruction or related materials.

(2) The President may designate the head of an agency other than the Department of Defense to assume the responsibility for carrying out the program on or after October 1, 1999, and relieve the Secretary of Defense of that responsibility upon the assumption of the responsibility by the designated official.

(3) In this section, the official responsible for carrying out the program is referred to as the "lead official".

(b) COORDINATION.—In carrying out the program, the lead official shall coordinate with each of the following officials who is not serving as the lead official:

(1) The Director of the Federal Emergency Management Agency.

(2) The Secretary of Energy.

(3) The Secretary of Defense.

(4) The heads of any other Federal, State, and local government agencies that have an expertise or responsibilities relevant to emergency responses described in subsection (a)(1).

(c) ELIGIBLE PARTICIPANTS.—The civilian personnel eligible to receive assistance under the program are civilian personnel of Federal, State, and local agencies who have emergency preparedness responsibilities.

(d) INVOLVEMENT OF OTHER FEDERAL AGENCIES.—(1) The lead official may use personnel and capabilities of Federal agencies outside the agency of the lead official to provide training and expert advice under the program.

(2)(A) Personnel used under paragraph (1) shall be personnel who have special skills relevant to the particular assistance that the personnel are to provide.

(B) Capabilities used under paragraph (1) shall be capabilities that are especially relevant to the particular assistance for which the capabilities are used.

(3) If the lead official is not the Secretary of Defense, and requests assistance from the Department of Defense that, in the judgment of the Secretary of Defense would affect military readiness or adversely affect national security, the Secretary of Defense may appeal the request for Department of Defense assistance by the lead official to the President.

(e) AVAILABLE ASSISTANCE.—Assistance available under this program shall include the following:

(1) Training in the use, operation, and maintenance of equipment for—

(A) detecting a chemical or biological agent or nuclear radiation;

(B) monitoring the presence of such an agent or radiation;

(C) protecting emergency personnel and the public; and

(D) decontamination.

(2) Establishment of a designated telephonic link (commonly referred to as a "hot line") to a designated source of relevant data and expert advice for the use of State or local officials responding to emergencies involving a weapon of mass destruction or related materials.

(3) Use of the National Guard and other reserve components for purposes authorized under this section that are specified by the lead official (with the concurrence of the Secretary of Defense if the Secretary is not the lead official).

(4) Loan of appropriate equipment.

(f) LIMITATIONS ON DEPARTMENT OF DEFENSE ASSISTANCE TO LAW ENFORCEMENT AGENCIES.—Assistance provided by the Department of Defense to law enforcement agencies under this section shall be provided under the authority of, and subject to the restrictions provided in, chapter 18 of title 10, United States Code.

(g) ADMINISTRATION OF DEPARTMENT OF DEFENSE ASSISTANCE.—The Secretary of Defense shall designate an official within the Department of Defense to serve as the executive agent of the Secretary for the coordination of the provision of Department of Defense assistance under this section.

(h) FUNDING.—(1) Of the total amount authorized to be appropriated under section 301, $35,000,000 is available for the program required under this section.

(2) Of the amount available for the program pursuant to paragraph (1), $10,500,000 is available for use by the Secretary of Defense to assist the Secretary of Health and Human Services in the establishment of metropolitan emergency medical response teams (commonly referred to as "Metropolitan Medical Strike Force Teams") to provide medical services that are necessary or potentially necessary by reason of a use or threatened use of a weapon of mass destruction.

(3) The amount available for the program under paragraph (1) is in addition to any other amounts authorized to be appropriated for the program under section 301.

SEC. 1413. NUCLEAR, CHEMICAL, AND BIOLOGICAL EMERGENCY RESPONSE.

(a) DEPARTMENT OF DEFENSE.—The Secretary of Defense shall designate an official within the Department of Defense as the executive agent for—

(1) the coordination of Department of Defense assistance to Federal, State, and local officials in responding to threats involving biological or chemical weapons or related materials or technologies, including assistance in identifying, neutralizing, dismantling, and disposing of biological and chemical weapons and related materials and technologies; and

(2) the coordination of Department of Defense assistance to the Department of Energy in carrying out that department's responsibilities under subsection (b).

(b) DEPARTMENT OF ENERGY.—The Secretary of Energy shall designate an official within the Department of Energy as the executive agent for—

(1) the coordination of Department of Energy assistance to Federal, State, and local officials in responding to threats involving nuclear, chemical, and biological weapons or related materials or technologies, including assistance in identifying, neutralizing, dismantling, and disposing of nuclear weapons and related materials and technologies; and

(2) the coordination of Department of Energy assistance to the Department of Defense in carrying out that department's responsibilities under subsection (a).

(c) FUNDING.—Of the total amount authorized to be appropriated under section 301, $15,000,000 is available for providing assistance described in subsection (a).

SEC. 1414. CHEMICAL-BIOLOGICAL EMERGENCY RESPONSE TEAM.

(a) DEPARTMENT OF DEFENSE RAPID RESPONSE TEAM.—The Secretary of Defense shall develop and maintain at least one domestic terrorism rapid response team composed of members of the Armed Forces and employees of the Department of Defense who are capable of aiding Federal, State, and local officials in the detection, neutralization, containment, dismantlement, and disposal of weapons of mass destruction containing chemical, biological, or related materials.

(b) ADDITION TO FEDERAL RESPONSE PLAN.—Not later than December 31, 1997, the Director of the Federal Emergency Management Agency shall develop and incorporate into existing Federal emergency response plans and programs prepared under section 611(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(b)) guidance on the use and deployment of the rapid response teams established under this section to respond to emergency involving weapons of mass destruction. The Director shall carry out this subsection in consultation with the Secretary of Defense and the heads of other Federal agencies involved with the emergency response plans.

SEC. 1415. TESTING OF PREPAREDNESS FOR EMERGENCIES INVOLVING NUCLEAR, RADIOLOGICAL, CHEMICAL, AND BIOLOGICAL WEAPONS.

(a) EMERGENCIES INVOLVING CHEMICAL OR BIOLOGICAL WEAPONS.—(1) The Secretary of Defense shall develop and carry out a program for testing and improving the responses of Federal, State, and local agencies to emergencies involving biological weapons and related materials and emergencies involving chemical weapons and related materials.

(2) The program shall include exercises to be carried out during each of five successive fiscal years beginning with fiscal year 1997.

(3) In developing and carrying out the program, the Secretary shall coordinate with the Director of the Federal Bureau of Investigation, the Director of the Federal Emergency Management Agency, the Secretary of Energy, and the heads of any other Federal, State, and local government agencies that have an expertise or responsibilities relevant to emergencies described in paragraph (1).

(b) EMERGENCIES INVOLVING NUCLEAR AND RADIOLOGICAL WEAPONS.—(1) The Secretary of Energy shall develop and carry out a program for testing and improving the responses of Federal, State, and local agencies to emergencies involving nuclear and radiological weapons and related materials.

(2) The program shall include exercises to be carried out during each of five successive fiscal years beginning with fiscal year 1997.

(3) In developing and carrying out the program, the Secretary shall coordinate with the Director of the Federal Bureau of Investigation, the Director of the Federal Emergency Management Agency, the Secretary of Defense, and the heads of any other Federal, State, and local government agencies that have an expertise or responsibilities relevant to emergencies described in paragraph (1).

(c) ANNUAL REVISIONS OF PROGRAMS.—The official responsible for carrying out a program developed under subsection (a) or (b) shall revise the program not later than June 1 in each fiscal year covered by the program. The revisions shall include adjustments that the official determines necessary or appropriate on the basis of the lessons learned from the exercise or exercises carried out under the program in the fiscal year, including lessons learned regarding coordination problems and equipment deficiencies.

(d) OPTION TO TRANSFER RESPONSIBILITY.—(1) The President may designate the head of an agency outside the Department of Defense to assume the responsibility for carrying out the program developed under subsection (a) beginning on or after October 1, 1999, and relieve the Secretary of Defense of that responsibility upon the assumption of the responsibility by the designated official.

(2) The President may designate the head of an agency outside the Department of Energy to assume the responsibility for carrying out the program developed under subsection (b) beginning on or after October 1, 1999, and relieve the Secretary of Energy of that responsibility upon the assumption of the responsibility by the designated official.

(e) FUNDING.—Of the total amount authorized to be appropriated under section 301, $15,000,000 is available for the development and execution of the programs required by this section, including the participation of State and local agencies in exercises carried out under the programs.

SEC. 1416. MILITARY ASSISTANCE TO CIVILIAN LAW ENFORCEMENT OFFICIALS IN EMERGENCY SITUATIONS INVOLVING BIOLOGICAL OR CHEMICAL WEAPONS.

(a) ASSISTANCE AUTHORIZED.—(1) Chapter 18 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 382. Emergency situations involving chemical or biological weapons of mass destruction

"(a) IN GENERAL.—The Secretary of Defense, upon the request of the Attorney General, may provide assistance in support of Department of Justice activities relating to the enforcement of section 175 or 2332c of title 18 during an emergency situation involving a biological or chemical weapon of mass destruction. Department of Defense resources, including personnel of the Department of Defense, may be used to provide such assistance if—

"(1) the Secretary of Defense and the Attorney General jointly determine that an emergency situation exists; and

"(2) the Secretary of Defense determines that the provision of such assistance will not adversely affect the military preparedness of the United States.

"(b) EMERGENCY SITUATIONS COVERED.—In this section, the term 'emergency situation involving a biological or chemical weapon of mass destruction' means a circumstance involving a biological or chemical weapon of mass destruction—

"(1) that poses a serious threat to the interests of the United States; and

"(2) in which—

"(A) civilian expertise and capabilities are not readily available to provide the required assistance to counter the threat immediately posed by the weapon involved;

"(B) special capabilities and expertise of the Department of Defense are necessary and critical to counter the threat posed by the weapon involved; and

"(C) enforcement of section 175 or 2332c of title 18 would be seriously impaired if the Department of Defense assistance were not provided.

"(c) FORMS OF ASSISTANCE.—The assistance referred to in subsection (a) includes the operation of equipment (including equipment made available under section 372 of this title) to monitor, contain, disable, or dispose of the weapon involved or elements of the weapon.

"(d) REGULATIONS.—(1) The Secretary of Defense and the Attorney General shall jointly prescribe regulations concerning the types of assistance that may be provided under this section. Such regulations shall also describe the actions that Department of Defense personnel may take in circumstances incident to the provision of assistance under this section.

"(2)(A) Except as provided in subparagraph (B), the regulations may not authorize the following actions:

"(i) Arrest.

"(ii) Any direct participation in conducting a search for or seizure of evidence related to a violation of section 175 or 2332c of title 18.

"(iii) Any direct participation in the collection of intelligence for law enforcement purposes.

"(B) The regulations may authorize an action described in subparagraph (A) to be taken under the following conditions:

"(i) The action is considered necessary for the immediate protection of human life, and civilian law enforcement officials are not capable of taking the action.

"(ii) The action is otherwise authorized under subsection (c) or under otherwise applicable law.

"(e) REIMBURSEMENTS.—The Secretary of Defense shall require reimbursement as a condition for providing assistance under this section to the extent required under section 377 of this title.

"(f) DELEGATIONS OF AUTHORITY.—(1) Except to the extent otherwise provided by the Secretary of Defense, the Deputy Secretary of Defense may exercise the authority of the Secretary of Defense under this section. The Secretary of Defense may delegate the Secretary's authority under this section only to an Under Secretary of Defense or an Assistant Secretary of Defense and only if the Under Secretary or Assistant Secretary to whom delegated has been designated by the Secretary to act for, and to exercise the general powers of, the Secretary.

"(2) Except to the extent otherwise provided by the Attorney General, the Deputy Attorney General may exercise the authority of the Attorney General under this section. The Attorney General may delegate that authority only to the Associate Attorney General or an Assistant Attorney General and only if the Associate Attorney General or Assistant Attorney General to whom delegated has been designated by the Attorney General to act for, and to exercise the general powers of, the Attorney General.

"(g) RELATIONSHIP TO OTHER AUTHORITY.—Nothing in this section shall be construed to restrict any executive branch authority regarding use of members of the armed forces or equipment of the Department of Defense that was in effect before the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"382. Emergency situations involving chemical or biological weapons of mass destruction.".

(b) CONFORMING AMENDMENT TO CONDITION FOR PROVIDING EQUIPMENT AND FACILITIES.—Section 372(b)(1) of title 10, United States Code, is amended by adding at the end the following new sentence: "The requirement for a determination that an item is not reasonably available from another source does not apply to assistance provided under section 382 of this title pursuant to a request of the Attorney General for the assistance.".

(c) CONFORMING AMENDMENTS RELATING TO AUTHORITY TO REQUEST ASSISTANCE.—(1)(A) Chapter 10 of title 18, United States Code, is amended by inserting after section 175 the following new section:

"§ 175a. Requests for military assistance to enforce prohibition in certain emergencies

"The Attorney General may request the Secretary of Defense to provide assistance under section 382 of title 10 in support of Department of Justice activities relating to the enforcement of section 175 of this title in an emergency situation involving a biological weapon of mass destruction. The authority to make such a request may be exercised by another official of the Department of Justice in accordance with section 382(f)(2) of title 10.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 175 the following new item:

"175a. Requests for military assistance to enforce prohibition in certain emergencies.".

(2)(A) The chapter 133B of title 18, United States Code, that relates to terrorism is amended by inserting after section 2332c the following new section:

"§ 2332d. Requests for military assistance to enforce prohibition in certain emergencies

"The Attorney General may request the Secretary of Defense to provide assistance under section 382 of title 10 in support of Department of Justice activities relating to the enforcement of section 2332c of this title during an emergency situation involving a chemical weapon of mass destruction. The authority to make such a request may be exercised by another official of the Department of Justice in accordance with section 382(f)(2) of title 10.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2332c the following new item:

"2332d. Requests for military assistance to enforce prohibition in certain emergencies.".

(d) CIVILIAN EXPERTISE.—The President shall take reasonable measures to reduce the reliance of civilian law enforcement officials on Department of Defense resources to counter the threat posed by the use or potential use of biological and chemical weapons of mass destruction within the United States. The measures shall include—

(1) actions to increase civilian law enforcement expertise to counter such a threat; and

(2) actions to improve coordination between civilian law enforcement officials and other civilian sources of expertise, within and outside the Federal Government, to counter such a threat.

(e) REPORTS.—The President shall submit to Congress the following reports:

(1) Not later than 90 days after the date of the enactment of this Act, a report describing the respective policy functions and operational roles of Federal agencies in countering the threat posed by the use or potential use of biological and chemical weapons of mass destruction within the United States.

(2) Not later than one year after such date, a report describing—

(A) the actions planned to be taken to carry out subsection (d); and

(B) the costs of such actions.

(3) Not later than three years after such date, a report updating the information provided in the reports submitted pursuant to paragraphs (1) and (2), including the measures taken pursuant to subsection (d).

SEC. 1417. RAPID RESPONSE INFORMATION SYSTEM.

(a) INVENTORY OF RAPID RESPONSE ASSETS.—(1) The head of each Federal Response Plan agency shall develop and maintain an inventory of physical equipment and assets under the jurisdiction of that agency that could be made available to aid State and local officials in search and rescue and other disaster management and mitigation efforts associated with an emergency involving weapons of mass destruction. The agency head shall submit a copy of the inventory, and any updates of the inventory, to the Director of the Federal Emergency Management Agency for inclusion in the master inventory required under subsection (b).

(2) Each inventory shall include a separate listing of any equipment that is excess to the needs of that agency and could be considered for disposal as excess or surplus property for use for response and training with regard to emergencies involving weapons of mass destruction.

(b) MASTER INVENTORY.—The Director of the Federal Emergency Management Agency shall compile and maintain a comprehensive listing of all inventories prepared under subsection (a). The first such master list shall be completed not later than December 31, 1997, and shall be updated annually thereafter.

(c) ADDITION TO FEDERAL RESPONSE PLAN.—Not later than December 31, 1997, the Director of the Federal Emergency Management Agency shall develop and incorporate into existing Federal emergency response plans and programs prepared under section 611(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(b)) guidance on accessing and using the physical equipment and assets included in the master list developed under subsection to respond to emergencies involving weapons of mass destruction.

(d) DATABASE ON CHEMICAL AND BIOLOGICAL MATERIALS.—The Director of the Federal Emergency Management Agency, in consultation with the Secretary of Defense, shall prepare a database on chemical and biological agents and munitions characteristics and safety precautions for civilian use. The initial design and compilation of the database shall be completed not later than December 31, 1997.

(e) ACCESS TO INVENTORY AND DATABASE.—The Director of the Federal Emergency Management Agency shall design and maintain a system to give Federal, State, and local officials access to the inventory listing and database maintained under this section in the event of an emergency involving weapons of mass destruction or to prepare and train to respond to such an emergency. The system shall include a secure but accessible emergency response hotline to access information and request assistance.

Subtitle B—Interdiction of Weapons of Mass Destruction and Related Materials

SEC. 1421. PROCUREMENT OF DETECTION EQUIPMENT UNITED STATES BORDER SECURITY.

Of the amount authorized to be appropriated by section 301, $15,000,000 is available for the procurement of—

(1) equipment capable of detecting the movement of weapons of mass destruction and related materials into the United States;

(2) equipment capable of interdicting the movement of weapons of mass destruction and related materials into the United States; and

(3) materials and technologies related to use of equipment described in paragraph (1) or (2).

SEC. 1422. EXTENSION OF COVERAGE OF INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended—

(1) in subsection (a), by inserting ", or attempts to violate," after "violates"; and

(2) in subsection (b), by inserting ", or willfully attempts to violate," after "violates".

SEC. 1423. SENSE OF CONGRESS CONCERNING CRIMINAL PENALTIES.

(a) SENSE OF CONGRESS CONCERNING INADEQUACY OF SENTENCING GUIDELINES.—It is the sense of Congress that the sentencing guidelines prescribed by the United States Sentencing Commission for the offenses of importation, attempted importation, exportation, and attempted exportation of nuclear, biological, and chemical weapons materials constitute inadequate punishment for such offenses.

(b) URGING OF REVISON TO GUIDELINES.—Congress urges the United States Sentencing Commission to revise the relevant sentencing guidelines to provide for increased penalties for offenses relating to importation, attempted importation, exportation, and attempted exportation of nuclear, biological, or chemical weapons or related materials or technologies under the following provisions of law:

(1) Section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410).

(2) Sections 38 and 40 the Arms Export Control Act (22 U.S.C. 2778 and 2780).

(3) The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(4) Section 309(c) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 2156a(c).

SEC. 1424. INTERNATIONAL BORDER SECURITY.

(a) SECRETARY OF DEFENSE RESPONSIBILITY.—The Secretary of Defense, in consultation and cooperation with the Commissioner of Customs, shall carry out programs for assisting customs officials and border guard officials in the independent states of the former Soviet Union, the Baltic states, and other countries of Eastern Europe in preventing unauthorized transfer and transportation of nuclear, biological, and chemical weapons and related materials. Training, expert advice, maintenance of equipment, loan of equipment, and audits may be provided under or in connection with the programs.

(b) FUNDING.—Of the total amount authorized to be appropriated by section 301, $15,000,000 is available for carrying out the programs referred to in subsection (a).

(c) ASSISTANCE TO STATES OF THE FORMER SOVIET UNION.—Assistance under programs referred to in subsection (a) may (notwithstanding any provision of law prohibiting the extension of foreign assistance to any of the newly independents state of the former Soviet Union) be extended to include an independent state of the former Soviet Union if the President certifies to Congress that it is in the national interest of the United States to extend assistance under this section to that state.

Subtitle C—Control and Disposition of Weapons of Mass Destruction and Related Materials Threatening the United States

SEC. 1431. COVERAGE OF WEAPONS-USABLE FISSILE MATERIALS IN COOPERATIVE THREAT REDUCTION PROGRAMS ON ELIMINATION OR TRANSPORTATION OF NUCLEAR WEAPONS.

Section 1201(b)(1) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 469; 22 U.S.C. 5955 note) is amended by inserting ", fissile material suitable for use in nuclear weapons," after "other weapons".

SEC. 1432. ELIMINATION OF PLUTONIUM PRODUCTION.

(a) REPLACEMENT PROGRAM.—The Secretary of Energy, in consultation with the Secretary of Defense, shall develop a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium by modifying or replacing the reactor cores at Tomsk-7 and Krasnoyarsk-26 with reactor cores that are less suitable for the production of weapons-grade plutonium.

(b) PROGRAM REQUIREMENTS.—(1) The program shall be designed to achieve completion of the modifications or replacements of the reactor cores within three years after the modification or replacement activities under the program are begun.

(2) The plan for the program shall—

(A) specify—

(i) successive steps for the modification or replacement of the reactor cores; and

(ii) clearly defined milestones to be achieved; and

(B) include estimates of the costs of the program.

(c) SUBMISSION OF PROGRAM PLAN TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress—

(1) a plan for the program under subsection (a);

(2) an estimate of the United States funding that is necessary for carrying out the activities under the program for each fiscal year covered by the program; and

(3) a comparison of the benefits of the program with the benefits of other nonproliferation programs.

Subtitle D—Coordination of Policy and Countermeasures Against Proliferation of Weapons of Mass Destruction

SEC. 1441. NATIONAL COORDINATOR ON NONPROLIFERATION.

(a) DESIGNATION OF POSITION.—The President shall designate an individual to serve in the Executive Office of the President as the National Coordinator for Nonproliferation Matters.

(b) DUTIES.—The Coordinator, under the direction of the National Security Council, shall advise and assist the President by—

(1) advising the President on nonproliferation of weapons of mass destruction, including issues related to terrorism, arms control, and international organized crime.

(2) chairing the Committee on Nonproliferation established under section 1342; and

(3) taking such actions as are necessary to ensure that there is appropriate emphasis in, cooperation on, and coordination of, nonproliferation research efforts of the United States, including activities of Federal agencies as well as activities of contractors funded by the Federal Government.

(c) ALLOCATION OF FUNDS.—Of the total amount authorized to be appropriated under section 301, $2,000,000 is available to the Department of Defense for carrying out research referred to in subsection (b)(3).

SEC. 1442. NATIONAL SECURITY COUNCIL COMMITTEE ON NONPROLIFERATION.

(a) ESTABLISHMENT.—The Committee on Nonproliferation (in this section referred to as the "Committee") is established as a committee of the National Security Council.

(b) MEMBERSHIP.—(1) The Committee shall be composed of representatives of the following:

(A) The Secretary of State.

(B) The Secretary of Defense.

(C) The Director of Central Intelligence.

(D) The Attorney General.

(E) The Secretary of Energy.

(F) The Administrator of the Federal Emergency Management Agency.

(G) The Secretary of the Treasury.

(H) The Secretary of Commerce.

(I) Such other members as the President may designate.

(2) The National Coordinator for Nonproliferation Matters shall chair the Committee on Nonproliferation.

(c) RESPONSIBILITIES.—The Committee has the following responsibilities:

(1) To review and coordinate Federal programs, policies, and directives relating to the proliferation of weapons of mass destruction and related materials and technologies, including matters relating to terrorism and international organized crime.

(2) To make recommendations through the National Security Council to the President regarding the following:

(A) Integrated national policies for countering the threats posed by weapons of mass destruction.

(B) Options for integrating Federal agency budgets for countering such threats.

(C) Means to ensure that the Federal, State, and local governments have adequate capabilities to manage crises involving nuclear, radiological, biological, or chemical weapons or related materials or technologies, and to manage the consequences of a use of such a weapon or related materials or technologies, and that use of those capabilities is coordinated.

(D) Means to ensure appropriate cooperation on, and coordination of, the following:

(i) Preventing the smuggling of weapons of mass destruction and related materials and technologies.

(ii) Promoting domestic and international law enforcement efforts against proliferation-related efforts.

(iii) Countering the involvement of organized crime groups in proliferation-related activities.

(iv) Safeguarding weapons of mass destruction materials and related technologies.

(v) Improving coordination and cooperation among intelligence activities, law enforcement, and the Departments of Defense, State, Commerce, and Energy in support of nonproliferation and counterproliferation efforts.

(vi) Improving export controls over materials and technologies that can contribute to the acquisition of weapons of mass destruction.

(vii) Reducing proliferation of weapons of mass destruction and related materials and technologies.

SEC. 1443. COMPREHENSIVE PREPAREDNESS PROGRAM.

(a) PROGRAM REQUIRED.—The President, acting through the Committee on Nonproliferation established under section 1442, shall develop a comprehensive program for carrying out this title.

(b) CONTENT OF PROGRAM.—The program set forth in the report shall include specific plans as follows:

(1) Plans for countering proliferation of weapons of mass destruction and related materials and technologies.

(2) Plans for training and equipping Federal, State, and local officials for managing a crisis involving a use or threatened use of a weapon of mass destruction, including the consequences of the use of such a weapon.

(3) Plans for providing for regular sharing of information among intelligence, law enforcement, and customs agencies.

(4) Plans for training and equipping law enforcement units, customs services, and border security personnel to counter the smuggling of weapons of mass destruction and related materials and technologies.

(5) Plans for establishing appropriate centers for analyzing seized nuclear, radiological, biological, and chemical weapons, and related materials and technologies.

(6) Plans for establishing in the United States appropriate legal controls and authorities relating to the exporting of nuclear, radiological, biological, and chemical weapons, and related materials and technologies.

(7) Plans for encouraging and assisting governments of foreign countries to implement and enforce laws that set forth appropriate penalties for offenses regarding the smuggling of weapons of mass destruction and related materials and technologies.

(8) Plans for building the confidence of the United States and Russia in each other's controls over United States and Russian nuclear weapons and fissile materials, including plans for verifying the dismantlement of nuclear weapons.

(9) Plans for reducing United States and Russian stockpiles of excess plutonium, reflecting—

(A) consideration of the desirability and feasibility of a United States-Russian agreement governing fissile material disposition and the specific technologies and approaches to be used for disposition of excess plutonium; and

(B) an assessment of the options for United States cooperation with Russia in the disposition of Russian plutonium.

(10) Plans for studying the merits and costs of establishing a global network of means for detecting and responding to terroristic or other criminal use of biological agents against people or other forms of life in the United States or any foreign country.

(c) REPORT.—(1) At the same time that the President submits the budget for fiscal year 1998 to Congress pursuant to section 1105(a) of title 31, United States Code, the President shall submit to Congress a report that sets forth the comprehensive program developed under subsection (a).

(2) The report shall include the following:

(A) The specific plans for the program that are required under subsection (b).

(B) Estimates of the funds necessary, by agency or department, for carrying out such plans in fiscal year 1998 and the following five fiscal years.

(3) The report shall be in an unclassified form. If there is a classified version of the report, the President shall submit the classified version at the same time.

SEC. 1444. TERMINATION.

After September 30, 1999, the President—

(1) is not required to maintain a National Coordinator for Nonproliferation Matters under section 1341; and

(2) may terminate the Committee on Nonproliferation established under section 1342.

Subtitle E—Miscellaneous

SEC. 1451. SENSE OF CONGRESS CONCERNING CONTRACTING POLICY.

It is the sense of Congress that the Secretary of Defense, the Secretary of Energy, the Secretary of the Treasury, and the Secretary of State, to the extent authorized by law, should—

(1) contract directly with suppliers in independent states of the former Soviet Union when such action would—

(A) result in significant savings of the programs referred to in subtitle C; and

(B) substantially expedite completion of the programs referred to in subtitle C; and

(2) seek means to use innovative contracting approaches to avoid delay and increase the effectiveness of such programs and of the exercise of such authorities.

SEC. 1452. TRANSFERS OF ALLOCATIONS AMONG COOPERATIVE THREAT REDUCTION PROGRAMS.

Congress finds that—

(1) the various Cooperative Threat Reduction programs are being carried out at different rates in the various countries covered by such programs; and.

(2) it is necessary to authorize transfers of funding allocations among the various programs in order to maximize the effectiveness of United States efforts under such programs.

SEC. 1453. SENSE OF CONGRESS CONCERNING ASSISTANCE TO STATES OF FORMER SOVIET UNION.

It is the sense of Congress that—

(1) the Cooperative Threat Reduction programs and other United States programs authorized in the National Defense Authorization Act for Fiscal Years 1993 and 1994 should be expanded by offering assistance under those programs to other independent states of the former Soviet Union in addition to Russia, Ukraine, Kazakstan, and Belarus; and

(2) the President should offer assistance to additional independent states of the former Soviet Union in each case in which the participation of such states would benefit national security interests of the United States by improving border controls and safeguards over materials and technology associated with weapons of mass destruction.

SEC. 1454. PURCHASE OF LOW-ENRICHED URANIUM DERIVED FROM RUSSIAN HIGHLY ENRICHED URANIUM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the allies of the United States and other nations should participate in efforts to ensure that stockpiles of weapons-grade nuclear material are reduced.

(b) ACTIONS BY THE SECRETARY OF STATE.—Congress urges the Secretary of State to encourage, in consultation with the Secretary of Energy, other countries to purchase low-enriched uranium that is derived from highly enriched uranium extracted from Russian nuclear weapons.

SEC. 1455. SENSE OF CONGRESS CONCERNING PURCHASE, PACKAGING, AND TRANSPORTATION OF FISSILE MATERIALS AT RISK OF THEFT.

It is the sense of Congress that—

(1) the Secretary of Defense, the Secretary of Energy, the Secretary of the Treasury, and the Secretary of State should purchase, package, and transport to secure locations weapons-grade nuclear materials from a stockpile of such materials if such officials determine that—

(A) there is a significant risk of theft of such materials; and

(B) there is no reasonable and economically feasible alternative for securing such materials; and

(2) if it is necessary to do so in order to secure the materials, the materials should be imported into the United States, subject to the laws and regulations that are applicable to the importation of such materials into the United States.

TITLE XV—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

Sec. 1501. Specification of Cooperative Threat Reduction programs.
Sec. 1502. Fiscal year 1997 funding allocations.
Sec. 1503. Prohibition on use of funds for specified purposes.
Sec. 1504. Limitation on use of funds until specified reports are submitted.
Sec. 1505. Availability of funds.

SEC. 1501. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) IN GENERAL.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in subsection (b).

(b) SPECIFIED PROGRAMS.—The programs referred to in subsection (a) are the following programs with respect to states of the former Soviet Union:

(1) Programs to facilitate the elimination, and the safe and secure transportation and storage, of nuclear, chemical, and other weapons and their delivery vehicles.

(2) Programs to facilitate the safe and secure storage of fissile materials derived from the elimination of nuclear weapons.

(3) Programs to prevent the proliferation of weapons, weapons components, and weapons-related technology and expertise.

(4) Programs to expand military-to-military and defense contacts.

SEC. 1502. FISCAL YEAR 1997 FUNDING ALLOCATIONS.

(a) IN GENERAL.—Of the amount appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For planning and design of a chemical weapons destruction facility in Russia, $78,500,000.

(2) For elimination of strategic offensive arms in Russia, $52,000,000.

(3) For strategic nuclear arms elimination in Ukraine, $47,000,000.

(4) For planning and design of a storage facility for Russian fissile material, $66,000,000.

(5) For fissile material containers in Russia, $38,500,000.

(6) For weapons storage security in Russia, $15,000,000.

(7) For activities designated as Defense and Military-to-Military Contacts in Russia, Ukraine, Belarus, and Kazakhstan, $10,000,000.

(8) For activities designated as Other Assessments/Administrative Support $20,900,000.

(9) For materials protection, control, and accounting assistance or for destruction of nuclear, radiological, biological, or chemical weapons or related materials at any site within the former Soviet Union, $10,000,000.

(10) For transfer to the Secretary of Energy to develop a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium at Russian reactors, $10,000,000.

(11) For dismantlement of biological and chemical weapons facilities in the former Soviet Union, $15,000,000.

(12) For expanding military-to-military programs of the United States that focus on countering the threat of proliferation of weapons of mass destruction to include the security forces of the independent states of the former Soviet Union, particularly states in the Caucasus region and Central Asia, $2,000,000.

(b) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) If the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may, subject to paragraph (2), obligate amounts for the purposes stated in any of the paragraphs of subsection (a) in excess of the amount specified for those purposes in that paragraph, but not in excess of 115 percent of that amount. However, the total amount obligated for the purposes stated in the paragraphs in subsection (a) may not by reason of the use of the authority provided in the preceding sentence exceed the sum of the amounts specified in those paragraphs.

(2) An obligation for the purposes stated in any of the paragraphs in subsection (a) in excess of the amount specified in that paragraph may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress a notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

SEC. 1503. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

(a) IN GENERAL.—None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs, or appropriated for such programs for any prior fiscal year and remaining available for obligation, may be obligated or expended for any of the following purposes:

(1) Conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

(2) Provision of housing.

(3) Provision of assistance to promote environmental restoration.

(4) Provision of assistance to promote job retraining.

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated to the Department of Defense for fiscal year 1997 may be obligated or expended for defense conversion.

SEC. 1504. LIMITATION ON USE OF FUNDS UNTIL SPECIFIED REPORTS ARE SUBMITTED.

None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs may be obligated or expended until 15 days after the date which is the latest of the following:

(1) The date on which the President submits to Congress the determinations required under subsection (c) of section 211 of Public Law 102–228 (22 U.S.C. 2551 note) with respect to any certification transmitted to Congress under subsection (b) of that section before the date of the enactment of this Act.

(2) The date on which the Secretary of Defense submits to Congress the first report under section 1206(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 471).

(3) The date on which the Secretary of Defense submits to Congress the report for fiscal year 1996 required under section 1205(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2883).

SEC. 1505. AVAILABILITY OF FUNDS.

Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

TITLE XVI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

Sec. 1601. Modification of requirement for conversion of military positions to civilian positions.
Sec. 1602. Retention of civilian employee positions at military training bases transferred to National Guard.
Sec. 1603. Clarification of applicability of certain management constraints on major range and test facility base structure.
Sec. 1604. Travel expenses and health care for civilian employees of the Department of Defense abroad.
Sec. 1605. Travel, transportation, and relocation allowances for certain former nonappropriated fund employees.
Sec. 1606. Employment and salary practices applicable to Department of Defense overseas teachers.
Sec. 1607. Employment and compensation of civilian faculty members at certain Department of Defense schools.
Sec. 1608. Reimbursement of Department of Defense domestic dependent school board members for certain expenses.
Sec. 1609. Modification of authority for civilian employees of Department of Defense to participate voluntarily in reductions in force.
Sec. 1610. Wage-board compensatory time off.
Sec. 1611. Liquidation of restored annual leave that remains unused upon transfer of employee from installation being closed or realigned.
Sec. 1612. Waiver of requirement for repayment of Voluntary Separation Incentive pay by former Department of Defense employees reemployed by the Government without pay.
Sec. 1613. Simplification of rules relating to the observance of certain holidays.
Sec. 1614. Revision of certain travel management authorities.
Sec. 1615. Failure to comply with veterans' preference requirements to be treated as a prohibited personnel practice.
Sec. 1616. Pilot programs for defense employees converted to contractor employees due to privatization at closed military installations.

Subtitle B—Department of Defense Intelligence Personnel Policy

Sec. 1631. Short title.
Sec. 1632. Management of civilian intelligence personnel.
Sec. 1633. Repeal of superseded sections and clerical and conforming amendments.
Sec. 1634. Other personnel management authorities.
Sec. 1635. Effective date.

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

SEC. 1601. MODIFICATION OF REQUIREMENT FOR CONVERSION OF MILITARY POSITIONS TO CIVILIAN POSITIONS.

(a) ELIMINATION OF REQUIREMENT FOR FISCAL YEAR 1997 CONVERSIONS.—Paragraph (1) of section 1032(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 429; 10 U.S.C. 129a note) is amended—

(1) by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1996"; and

(2) by striking out "10,000" and inserting in lieu thereof "3,000".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking out paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall take effect 30 days after the date on which the Secretary of Defense submits to Congress a certification that at least 3,000 military positions have been converted to civilian positions during fiscal year 1996 as required by section 1032(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 429).

(2) The Secretary shall publish in the Federal Register a notice of the submission of any certification to Congress under paragraph (1), including the date on which the certification was submitted to Congress.

SEC. 1602. RETENTION OF CIVILIAN EMPLOYEE POSITIONS AT MILITARY TRAINING BASES TRANSFERRED TO NATIONAL GUARD.

(a) RETENTION OF EMPLOYEE POSITIONS.—In the case of a military training installation described in subsection (b), the Secretary of Defense shall retain civilian employee positions of the Department of Defense at the installation after transfer to the National Guard to facilitate active and reserve component training at the installation. The Secretary shall determine the extent to which positions at the installation are to be retained as positions of the Department of Defense in consultation with the Adjutant General of the National Guard of the State in which the installation is located,.

(b) MILITARY TRAINING INSTALLATIONS AFFECTED.—This section applies with respect to each military training installation that—

(1) was approved for closure in 1995 under the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note);

(2) is scheduled for transfer to National Guard operation and control; and

(3) will continue to be used, after such transfer, to provide training support to active and reserve components of the Armed Forces.

(c) MAXIMUM POSITIONS RETAINED.—The number of civilian employee positions retained at an installation under this section may not exceed 20 percent of the Federal civilian workforce employed at the installation as of September 8, 1995.

(d) REMOVAL OF POSITION.—The requirement to maintain a civilian employee position at an installation under this section terminates upon the later of the following:

(1) The date of the departure or retirement from that position by the civilian employee initially employed or retained in the position as a result of this section.

(2) The date on which the Secretary certifies to Congress that the position is no longer required to ensure that effective support is provided at the installation for active and reserve component training.

SEC. 1603. CLARIFICATION OF APPLICABILITY OF CERTAIN MANAGEMENT CONSTRAINTS ON MAJOR RANGE AND TEST FACILITY BASE STRUCTURE.

Section 129 of title 10, United States Code, is amended—

(1) in subsection (c)(1), by inserting ", the Major Range and Test Facility Base," after "industrial-type activities"; and

(2) by adding at the end the following:

"(e) Subsections (a), (b), and (c) apply to the Major Range and Test Facility Base (MRTFB) at the installation level. With respect to the MRTFB structure, the term 'funds made available' includes both direct appropriated funds and funds provided by MRTFB customers.".

SEC. 1604. TRAVEL EXPENSES AND HEALTH CARE FOR CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE ABROAD.

(a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by adding at the end the following **new section**:

"§ 1599b. Employees abroad: travel expenses; health care

"(a) IN GENERAL.—The Secretary of Defense may provide civilian employees, and members of their families, abroad with benefits that are comparable to certain benefits that are provided by the Secretary of State to members of the Foreign Service and their families abroad as described in subsections (b) and (c). The Secretary may designate the employees and members of families who are eligible to receive the benefits.

"(b) TRAVEL AND RELATED EXPENSES.—The Secretary of Defense may pay travel expenses and related expenses for purposes and in amounts that are comparable to the purposes for which, and the amounts in which, travel and related expenses are paid by the Secretary of State under section 901 of the Foreign Service Act of 1980 (22 U.S.C. 4081).

"(c) HEALTH CARE PROGRAM.—The Secretary of Defense may establish a health care program that is comparable to the health care program established by the Secretary of State under section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4084).

"(d) ASSISTANCE.—The Secretary of Defense may enter into agreements with the heads of other departments and agencies of the Government in order to facilitate the payment of expenses authorized by subsection (b) and to carry out a health care program authorized by subsection (c).

"(e) ABROAD DEFINED.—In this section, the term 'abroad' means outside—

"(1) the United States; and

"(2) the territories and possessions of the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1599b. Employees abroad: travel expenses; health care.".

SEC. 1605. TRAVEL, TRANSPORTATION, AND RELOCATION ALLOWANCES FOR CERTAIN FORMER NONAPPROPRIATED FUND EMPLOYEES.

(a) IN GENERAL.—(1) Subchapter II of chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 5736. Travel, transportation, and relocation expenses of certain nonappropriated fund employees

"An employee of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard described in section 2105(c) of this title who moves, without a break in service of more than 3 days, to a position in the Department of Defense or the Coast Guard, respectively, may be authorized travel, transportation, and relocation expenses and allowances under the same conditions and to the same extent authorized by this subchapter for transferred employees.".

(2) The table of sections at the beginning of chapter 57 of such title is amended by inserting after the item relating to section 5735 the following new item:

"5736. Travel, transportation, and relocation expenses of certain nonappropriated fund employees.".

(b) APPLICABILITY.—Section 5736 of title 5, United States Code (as added by subsection (a)(1)), shall apply to moves between positions as described in such section that are effective on or after October 1, 1996.

SEC. 1606. EMPLOYMENT AND SALARY PRACTICES APPLICABLE TO DEPARTMENT OF DEFENSE OVERSEAS TEACHERS.

(a) EXPANSION OF SCOPE OF EDUCATORS COVERED.—Section 2 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 901) is amended—

(1) in subparagraph (A) of paragraph (1), by inserting ", or are performed by an individual who carried out certain teaching activities identified in regulations prescribed by the Secretary of Defense" after "Defense,"; and

(2) by striking out subparagraph (C) of paragraph (2) and inserting in lieu thereof the following:

"(C) who is employed in a teaching position described in paragraph (1).".

(b) TRANSFER OF RESPONSIBILITY FOR EMPLOYMENT AND SALARY PRACTICES.—Section 5 of such Act (20 U.S.C. 903) is amended—

(1) in subsection (a)—

(A) by striking out "secretary of each military department in the Department of Defense" and inserting in lieu thereof "Secretary of Defense"; and

(B) by striking out "his military department" and inserting in lieu thereof "the Department of Defense";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking out "secretary of each military department—" and inserting in lieu thereof "Secretary of Defense—"; and

(B) in paragraph (1), by striking out "his military department," and inserting in lieu thereof "the Department of Defense";

(3) in subsection (c)—

(A) by striking out "Secretary of each military department" and inserting in lieu thereof "Secretary of Defense"; and

(B) by striking out "his military department" and inserting in lieu thereof "the Department of Defense"; and

(4) in subsection (d), by striking out "Secretary of each military department" and inserting in lieu thereof "Secretary of Defense".

SEC. 1607. EMPLOYMENT AND COMPENSATION OF CIVILIAN FACULTY MEMBERS AT CERTAIN DEPARTMENT OF DEFENSE SCHOOLS.

(a) FACULTIES.—Subsection (c) of section 1595 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

"(4) The English Language Center of the Defense Language Institute.

"(5) The Asia-Pacific Center for Security Studies.".

(b) CERTAIN ADMINISTRATORS.—Such section is further amended by adding at the end the following new subsection:

"(f) APPLICATION TO DIRECTOR AND DEPUTY DIRECTOR AT ASIA-PACIFIC CENTER FOR SECURITY STUDIES.—In the case of the Asia-Pacific Center for Security Studies, this section also applies with respect to the Director and the Deputy Director.".

SEC. 1608. REIMBURSEMENT OF DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOL BOARD MEMBERS FOR CERTAIN EXPENSES.

Section 2164(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(7) The Secretary may provide for reimbursement of a school board member for expenses incurred by the member for travel, transportation, lodging, meals, program fees, activity fees, and other appropriate expenses that the Secretary determines are reasonable and necessary for the performance of school board duties by the member.".

SEC. 1609. MODIFICATION OF AUTHORITY FOR CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE TO PARTICIPATE VOLUNTARILY IN REDUCTIONS IN FORCE.

Subsection (f) of section 3502 of title 5, United States Code, is amended to read as follows:

"(f)(1) The Secretary of Defense or the Secretary of a military department may—

"(A) separate from service any employee who volunteers to be separated under this subparagraph even though the employee is not otherwise subject to separation due to a reduction in force; and

"(B) for each employee voluntarily separated under subparagraph (A), retain an employee in a similar position who would otherwise be separated due to a reduction in force.

"(2) The separation of an employee under paragraph (1)(A) shall be treated as an involuntary separation due to a reduction in force.

"(3) An employee with critical knowledge and skills (as defined by the Secretary concerned) may not participate in a voluntary separation under paragraph (1)(A) if the Secretary concerned determines that such participation would impair the performance of the mission of the Department of Defense or the military department concerned.

"(4) The regulations prescribed under this section shall incorporate the authority provided in this subsection.

"(5) No authority under paragraph (1) may be exercised after September 30, 2001.".

SEC. 1610. WAGE-BOARD COMPENSATORY TIME OFF.

(a) IN GENERAL.—Section 5543 of title 5, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b) The head of an agency may, on request of an employee, grant the employee compensatory time off from the employee's scheduled tour of duty instead of payment under section 5544 or section 7 of the Fair Labor Standards Act of 1938 for an equal amount of time spent in irregular or occasional overtime work. An agency head may not require an employee to be compensated for overtime work with an equivalent amount of compensatory time-off from the employee's tour of duty.".

(b) CONFORMING AMENDMENT.—Section 5544(c) of title 5, United States Code, is amended by inserting "and the provisions of section 5543(b)" after "the last two sentences of subsection (a)".

SEC. 1611. LIQUIDATION OF RESTORED ANNUAL LEAVE THAT REMAINS UNUSED UPON TRANSFER OF EMPLOYEE FROM INSTALLATION BEING CLOSED OR REALIGNED.

(a) LUMP-SUM PAYMENT REQUIRED.—Section 5551 of title 5, United States Code, is amended by adding at the end the following:

"(c)(1) Annual leave that is restored to an employee of the Department of Defense under section 6304(d) of this title by reason of the operation of paragraph (3) of such section and remains unused upon the transfer of the employee to a position described in paragraph (2) shall be liquidated by payment of a lump-sum for such leave to the employee upon the transfer.

"(2) A position referred to in paragraph (1) is a position in a department or agency of the Federal Government outside the Department of Defense or a Department of Defense position that is not located at a Department of Defense installation being closed or realigned as described in section 6304(d)(3) of this title.".

(b) APPLICABILITY.—Subsection (c) of section 5551 of title 5, United States Code (as added by subsection (a)), shall apply with respect to transfers described in such subsection (c) that take effect on or after the date of the enactment of this Act.

SEC. 1612. WAIVER OF REQUIREMENT FOR REPAYMENT OF VOLUNTARY SEPARATION INCENTIVE PAY BY FORMER DEPARTMENT OF DEFENSE EMPLOYEES REEMPLOYED BY THE GOVERNMENT WITHOUT PAY.

(a) IN GENERAL.—Section 5597(g) of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(5) If the employment is without compensation, the appointing official may waive the repayment.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to employment accepted on or after the date of the enactment of this Act.

SEC. 1613. SIMPLIFICATION OF RULES RELATING TO THE OBSERVANCE OF CERTAIN HOLIDAYS.

Section 6103 of title 5, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) For purposes of this subsection—

"(A) the term 'compressed schedule' has the meaning given such term by section 6121(5); and

"(B) the term 'adverse agency impact' has the meaning given such term by section 6131(b).

"(2) An agency may prescribe rules under which employees on a compressed schedule may, in the case of a holiday that occurs on a regularly scheduled non-workday for such employees, and notwithstanding any other provision of law or the terms of any collective bargaining agreement, be required to observe such holiday on a workday other than as provided by subsection (b), if the agency head determines that it is necessary to do so in order to prevent an adverse agency impact.".

SEC. 1614. REVISION OF CERTAIN TRAVEL MANAGEMENT AUTHORITIES.

(a) REPEAL OF REQUIREMENTS RELATING TO FIRE-SAFE ACCOMMODATIONS.—(1) Section 5707 of title 5, United States Code, is amended by striking out subsection (d).

(2) Subsection (b) of section 5 of the Hotel and Motel Fire Safety Act of 1990 (Public Law 101–391; 104 Stat. 751; 5 U.S.C. 5707 note) is repealed.

(b) REPEAL OF PROHIBITION ON PAYMENT OF LODGING EXPENSES OF DEPARTMENT OF DEFENSE EMPLOYEES AND OTHER CIVILIANS WHEN ADEQUATE GOVERNMENT QUARTERS ARE AVAILABLE.—(1) Section 1589 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to such section.

SEC. 1615. FAILURE TO COMPLY WITH VETERANS' PREFERENCE REQUIREMENTS TO BE TREATED AS A PROHIBITED PERSONNEL PRACTICE.

(a) IN GENERAL.—(1) Chapter 81 of title 10, United States Code, as amended by section 1604, is further amended by adding at the end the following new section:

"§ 1599c. Veterans' preference requirements: Department of Defense failure to comply treated as a prohibited personnel practice

"(a) PROHIBITED PERSONNEL PRACTICE.—It is a prohibited personnel practice for a person referred to in subsection (b) who has authority described in that subsection—

"(1) knowingly to take, recommend, or approve any personnel action with respect to such authority if the taking of such action violates a veterans' preference; or

"(2) knowingly to fail to take, recommend, or approve any personnel action with respect to such authority, if the failure to take such action violates a veterans' preference.

"(b) PERSONS COVERED.—Subsection (a) applies with respect to—

"(1) an officer or employee of the Department of Defense who has authority to take, direct others to take, recommend, or approve a personnel action with respect to an employee of the Department of Defense; and

"(2) a member of the armed forces who has such authority.

"(c) VETERANS' PREFERENCE DEFINED.—(1) In this section, the term 'veterans' preference' means any of the following provisions of law:

"(A) Sections 2108, 3305(b), 3309, 3310, 3311, 3312, 3313, 3314, 3315, 3316, 3317(b), 3318, 3320, 3351, 3352, 3363, 3501, 3502(b), 3504, and 4303(e) of title 5 and (with respect to a preference eligible referred to in section 7511(a)(1)(B) of such title) subchapter II of chapter 75 and section 7701 of such title.

"(B) Sections 943(c)(2) and 1784(c) of this title.

"(C) Section 1308(b) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3198(b)).

"(D) Section 301(c) of the Foreign Service Act of 1980 (22 U.S.C. 3941(c)).

"(E) Section 3(a)(11) of the Administrative Office of the United States Courts Personnel Act of 1990 (28 U.S.C. 602 note).

"(F) Sections 106(f), 7281(e), and 7802(5) of title 38.

"(G) Section 1005(a) of title 39.

"(H) Any other provision of law that the Director of the Office of Personnel Management designates in regulations as being a veterans' preference for the purposes of this section.

"(2) For the purposes of this section, such term includes any regulation prescribed under subsection (b) or (c) of section 1302 of title 5 and any other regulation that implements a provision of law referred to in paragraph (1).

"(d) PERSONNEL ACTION DEFINED.—In this section, the term 'personnel action' has the meaning given that term in section 2302 of title 5.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1599c. Veterans' preference requirements: Department of Defense failure to comply treated as a prohibited personnel practice.".

(b) APPLICABILITY OF TITLE 5 PROCEDURES AND SANCTIONS.—Paragraph (1) of section 2302(a) of title 5, United States Code, is amended to read as follows:

"(1) For purposes of this title, 'prohibited personnel practice' means the following:

"(A) Any action described in subsection (b) of this section.

"(B) Any action or failure to act that is designated as a prohibited personnel action under section 1599c(a) of title 10.".

(c) REPORTING REQUIREMENT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a written report on—

(1) the implementation of—

(A) section 1599c of title 10, United States Code, as added by subsection (a); and

(B) subparagraph (B) of section 2302(a)(1) of title 5, United States Code, as added by subsection (b); and

(2) the administration of veterans' preference requirements by the Department of Defense generally.

SEC. 1616. PILOT PROGRAMS FOR DEFENSE EMPLOYEES CONVERTED TO CONTRACTOR EMPLOYEES DUE TO PRIVATIZATION AT CLOSED MILITARY INSTALLATIONS.

(a) PILOT PROGRAMS AUTHORIZED.—(1) The Secretary of Defense, after consultation with the Director of the Office of Personnel Management, may establish one or more pilot programs under which Federal retirement benefits are provided in accordance with this section to persons who convert from Federal employment to employment by a Department of Defense contractor in connection with the privatization of the performance of functions at selected military installations being closed under the base closure and realignment process.

(2) The Secretary of Defense shall select the military installations to be covered by a pilot program under this section.

(b) ELIGIBLE CONVERTED EMPLOYEES.—(1) A person is a converted employee eligible for Federal retirement benefits under this section if the person is a former employee of the Department of Defense (other than a temporary employee) who—

(A) while employed by the Department of Defense at a military installation selected to participate in a pilot program, performed a function that was recommended, in a report of the Defense Base Closure and Realignment Commission submitted to the President under the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), to be privatized for performance by a defense contractor at the same installation or in the vicinity of the installation;

(B) while so employed, separated from Federal service after being notified that the employee would be separated in a reduction in force resulting from such privatization;

(C) at the time separated from Federal service, was covered under the Civil Service Retirement System, but was not eligible for an immediate annuity under the Civil Service Retirement System;

(D) does not withdraw retirement contributions under section 8342 of title 5, United States Code;

(E) within 60 days following such separation, is employed by the defense contractor selected to privatize the function to perform substantially the same function performed by the person before the separation; and

(F) remains employed by the defense contractor (or a successor defense contractor) or subcontractor of the defense contractor (or successor defense contractor) until attaining early deferred retirement age (unless the employment is sooner involuntarily terminated for reasons other than performance or conduct of the employee).

(2) A person who, under paragraph (1), would otherwise be eligible for an early deferred annuity under this section shall not be eligible for such benefits if the person received separation pay or severance pay due to a separation described in subparagraph (B) of that paragraph unless the person repays the full amount of such pay with interest (computed at a rate determined appropriate by the Director of the Office of Personnel Management) to the Department of Defense before attaining early deferred retirement age.

(c) RETIREMENT BENEFITS OF CONVERTED EMPLOYEES.—In the case of a converted employee covered by a pilot program, payment of a deferred annuity for which the converted employee is eligible under section 8338(a) of title 5, United States Code, shall commence on the first day of the first month that begins after the date on which the converted employee attains early deferred retirement age, notwithstanding the age requirement under that section. If the employment of a converted employee is involuntarily terminated by the defense contractor or subcontractor as described in subsection (b)(1)(F) and the converted employee resumes Federal service before the converted employee attains early deferred retirement age, the converted employee shall once again be covered under the Civil Service Retirement System instead of the pilot program.

(d) COMPUTATION OF AVERAGE PAY.—(1)(A) This paragraph applies to a converted employee who was employed in a position classified under the General Schedule immediately before the employee's covered separation from Federal service.

(B) Subject to subparagraph (C), for purposes of computing the deferred annuity for a converted employee referred to in subparagraph (A), the average pay of the converted employee, computed under section 8331(4) of title 5, United States Code, as of the date of the employee's covered separation from Federal service, shall be adjusted at the same time and by the same percentage that rates of basic pay are increased under section 5303 of such title during the period beginning on that date and ending on the date on which the converted employee attains early deferred retirement age.

(C) The average pay of a converted employee, as adjusted under subparagraph (B), may not exceed the amount to which an annuity of the converted employee could be increased under section 8340 of title 5, United States Code, in accordance with the limitation in subsection (g)(1) of such section (relating to maximum pay, final pay, or average pay).

(2)(A) This paragraph applies to a converted employee who was a prevailing rate employee (as defined under section 5342(2) of title 5, United States Code) immediately before the employee's covered separation from Federal service.

(B) For purposes of computing the deferred annuity for a converted employee referred to in subparagraph (A), the average pay of the converted employee, computed under section 8331(4) of title 5, United States Code, as of the date of the employee's covered separation from Federal service, shall be adjusted at the same time and by the same percentage that pay rates for positions that are in the same area as, and are comparable to, the last position the converted employee held as a prevailing rate employee, are increased under section 5343(a) of such title during the period beginning on that date and ending on the date on which the converted employee attains early deferred retirement age.

(e) PAYMENT OF UNFUNDED LIABILITY.—(1) The military department concerned shall be liable for that portion of any estimated increase in the unfunded liability of the Civil Service Retirement and Disability Fund established under section 8348 of title 5, United States Code, which is attributable to any benefits payable from such Fund to a converted employee, and any survivor of a converted employee, when the increase results from—

(A) an increase in the average pay of the converted employee under subsection (d) upon which such benefits are computed; and

(B) the commencement of an early deferred annuity in accordance with this section before the attainment of 62 years of age by the converted employee.

(2) The estimated increase in the unfunded liability for each department referred to in paragraph (1) shall be determined by the Director of the Office of Personnel Management. In making the determination, the Director shall consider any savings to the Fund as a result of a pilot program established under this section. The Secretary of the military department concerned shall pay the amount so determined to the Director in 10 equal annual installments with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System, with the first payment thereof due at the end of the fiscal year in which an increase in average pay under subsection (d) becomes effective.

(f) CONTRACTOR SERVICE NOT CREDITABLE.—Service performed by a converted employee for a defense contractor after the employee's covered separation from Federal service is not creditable service for purposes of subchapter III of chapter 83 of title 5, United States Code.

(g) RECEIPT OF BENEFITS WHILE EMPLOYED BY A DEFENSE CONTRACTOR.—A converted employee may commence receipt of an early deferred annuity in accordance with this section while continuing to work for a defense contractor.

(h) LUMP-SUM CREDIT PAYMENT.—If a converted employee dies before attaining early deferred retirement age, such employee shall be treated as a former employee who dies not retired for purposes of payment of the lump-sum credit under section 8342(d) of title 5, United States Code.

(i) CONTINUED FEDERAL HEALTH BENEFITS COVERAGE.—Notwithstanding section 8905a(e)(1)(A) of title 5, United States Code, the continued coverage of a converted employee for health benefits under chapter 89 of such title by reason of the application of section 8905a of such title to such employee shall terminate 90 days after the date of the employee's covered separation from Federal employment. For the purposes of the preceding sentence, a person who, except for subsection (b)(2), would be a converted employee shall be considered a converted employee.

(j) REPORT BY GENERAL ACCOUNTING OFFICE.—The Comptroller General shall conduct a study of each pilot program, if any, established under this section and submit a report on the pilot program to Congress not later than two years after the date on which the program is established. The report shall contain the following:

(1) A review and evaluation of the program, including—

(A) an evaluation of the success of the privatization outcomes of the program;

(B) a comparison and evaluation of such privatization outcomes with the privatization outcomes with respect to facilities at other military installations closed or realigned under the base closure laws;

(C) an evaluation of the impact of the program on the Federal workforce and whether the program results in the maintenance of a skilled workforce for defense contractors at an acceptable cost to the military department concerned; and

(D) an assessment of the extent to which the program is a cost-effective means of facilitating privatization of the performance of Federal activities.

(2) Recommendations relating to the expansion of the program to other installations and employees.

(3) Any other recommendation relating to the program.

(k) IMPLEMENTING REGULATIONS.—Not later than 30 days after the Secretary of Defense notifies the Director of the Office of Personnel Management of a decision to establish a pilot program under this section, the Director shall prescribe regulations to carry out the provisions of this section with respect to that pilot program. Before prescribing the regulations, the Director shall consult with the Secretary.

(l) DEFINITIONS.—In this section:

(1) The term "converted employee" means a person who, pursuant to subsection (b), is eligible for benefits under this section.

(2) The term "covered separation from Federal service" means a separation from Federal service as described under subsection (b)(1)(B).

(3) The term "Civil Service Retirement System" means the retirement system under subchapter III of chapter 83 of title 5, United States Code.

(4) The term "defense contractor" means any entity that—

(A) contracts with the Department of Defense to perform a function previously performed by Department of Defense employees;

(B) performs that function at the same installation at which such function was previously performed by Department of Defense employees or in the vicinity of that installation; and

(C) is the employer of one or more converted employees.

(5) The term "early deferred retirement age" means the first age at which a converted employee would have been eligible for immediate retirement under subsection (a) or (b) of section 8336 of title 5, United States Code, if such converted employee had remained an employee within the meaning of section 8331(1) of such title continuously until attaining such age.

(6) The term "severance pay" means severance pay payable under section 5595 of title 5, United States Code.

(7) The term "separation pay" means separation pay payable under section 5597 of title 5, United States Code.

(m) APPLICATION OF PILOT PROGRAM.—In the event that a pilot program is established for a military installation, the pilot program shall apply to a covered separation from Federal service by an employee of the Department of Defense at the installation occurring on or after August 1, 1996.

Subtitle B—Department of Defense Intelligence Personnel Policy

SEC. 1631. SHORT TITLE.

This subtitle may be cited as the "Department of Defense Civilian Intelligence Personnel Policy Act of 1996".

SEC. 1632. MANAGEMENT OF CIVILIAN INTELLIGENCE PERSONNEL.

(a) CONSOLIDATION AND STANDARDIZATION OF CIVILIAN PERSONNEL POLICY.—Chapter 83 of title 10, United States Code, is amended—

(1) by redesignating section 1602 as section 1621 and transferring that section so as to appear after section 1605;

(2) by redesignating sections 1606 and 1608 as section 1622 and 1623, respectively; and

(3) by striking out the chapter heading, the table of sections, and sections 1601, 1603, and 1604 and inserting in lieu thereof the following:

"CHAPTER 83—CIVILIAN DEFENSE INTELLIGENCE EMPLOYEES

"Subchapter	Sec.
"I. Defense-Wide Intelligence Personnel Policy	1601
"II. Defense Intelligence Agency Personnel	1621

"SUBCHAPTER I—DEFENSE-WIDE INTELLIGENCE PERSONNEL POLICY

"Sec.
"1601. Civilian intelligence personnel: general authority to establish excepted positions, appoint personnel, and fix rates of pay.
"1602. Basic pay.
"1603. Additional compensation, incentives, and allowances.
"1605. Benefits for certain employees assigned outside the United States.
"1606. Defense Intelligence Senior Executive Service.
"1607. Intelligence Senior Level positions.
"1608. Time-limited appointments.
"1609. Termination of defense intelligence employees.
"1610. Reductions and other adjustments in force.
"1611. Postemployment assistance: certain terminated intelligence employees.
"1612. Merit system principles and civil service protections: applicability.
"1613. Miscellaneous provisions.
"1614. Definitions.

"§ 1601. Civilian intelligence personnel: general authority to establish excepted positions, appoint personnel, and fix rates of pay

"(a) GENERAL AUTHORITY.—The Secretary of Defense may—

"(1) establish, as positions in the excepted service, such defense intelligence positions in the intelligence components of the Department of Defense and the military departments as the Secretary determines necessary to carry out the intelligence functions of those components and departments, including—

"(A) Intelligence Senior Level positions designated under section 1607 of this title; and

"(B) positions in the Defense Intelligence Senior Executive Service;

"(2) appoint individuals to those positions (after taking into consideration the availability of preference eligibles for appointment to those positions); and

"(3) fix the compensation of such individuals for service in those positions.

"(b) CONSTRUCTION WITH OTHER LAWS.—The authority of the Secretary of Defense under subsection (a) applies without regard to the provisions of any other law relating to the appointment, number, classification, or compensation of employees.

"§ 1602. Basic pay

"(a) AUTHORITY TO FIX RATES OF BASIC PAY.—The Secretary of Defense (subject to the provisions of this section) shall fix the rates of basic pay for positions established under section 1601 of this title in relation to the rates of basic pay provided in subpart D of part III of title 5 for positions subject to that subpart which have corresponding levels of duties and responsibilities.

"(b) MAXIMUM RATES.—A rate of basic pay fixed under subsection (a) for a position established under section 1601 of this title may not (except as otherwise provided by law) exceed—

"(1) in the case of a Defense Intelligence Senior Executive Service position, the maximum rate provided in section 5382 of title 5;

"(2) in the case of an Intelligence Senior Level position, the maximum rate provided in section 5382 of title 5; and

"(3) in the case of any other position, the maximum rate provided in section 5306(e) of title 5.

"(c) PREVAILING RATE SYSTEMS.—The Secretary of Defense may, consistent with section 5341 of title 5, adopt such provisions of that title as provide for prevailing rate systems of basic pay and may apply those provisions to positions for civilian employees in or under which the Department of Defense may employ individuals described by section 5342(a)(2)(A) of that title.

"§ 1603. Additional compensation, incentives, and allowances

"(a) ADDITIONAL COMPENSATION BASED ON TITLE 5 AUTHORITIES.—The Secretary of Defense may provide employees in defense intelligence positions compensation (in addition to basic pay), including benefits, incentives, and allowances, consistent with, and not in excess of the level authorized for, comparable positions authorized by title 5.

"(b) ALLOWANCES BASED ON LIVING COSTS AND ENVIRONMENT.—(1) In addition to basic pay, employees in defense intelligence positions who are citizens or nationals of the United States and are stationed outside the continental United States or in Alaska may be paid an allowance, in accordance with regulations prescribed by the Secretary of Defense, while they are so stationed.

"(2) An allowance under this subsection shall be based on—

"(A) living costs substantially higher than in the District of Columbia;

"(B) conditions of environment which (i) differ substantially from conditions of environment in the continental United States, and (ii) warrant an allowance as a recruitment incentive; or

"(C) both of the factors specified in subparagraphs (A) and (B).

"(3) An allowance under this subsection may not exceed the allowance authorized to be paid by section 5941(a) of title 5 for employees whose rates of basic pay are fixed by statute.".

(b) MATTERS OTHER THAN PAY AND BENEFITS.—Such chapter is further amended by inserting after section 1605 the following new sections:

"§ 1606. Defense Intelligence Senior Executive Service

"(a) ESTABLISHMENT.—The Secretary of Defense may establish a Defense Intelligence Senior Executive Service for defense intelligence positions established pursuant to section 1601(a) of this title that are equivalent to Senior Executive Service positions. The number of positions in the Defense Intelligence Senior Executive Service may not exceed 492.

"(b) REGULATIONS CONSISTENT WITH TITLE 5 PROVISIONS.—The Secretary of Defense shall prescribe regulations for the Defense Intelligence Senior Executive Service which are consistent with the requirements set forth in sections 3131, 3132(a)(2), 3396(c), 3592, 3595(a), 5384, and 6304 of title 5, subsections (a), (b), and (c) of section 7543 of such title (except that any hearing or appeal to which a member of the Defense Intelligence Senior Executive Service is entitled shall be held or decided pursuant to those regulations), and subchapter II of chapter 43 of such title. To the extent that the Secretary determines it practicable to apply to members of, or applicants for, the Defense Intelligence Senior Executive Service other provisions of title 5 that apply to members of, or applicants for, the Senior Executive Service, the Secretary shall also prescribe regulations to implement those provisions with respect to the Defense Intelligence Senior Executive Service.

"(c) AWARD OF RANK TO MEMBERS OF THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.—The President, based on the recommendations of the Secretary of Defense, may award a rank referred to in section 4507 of title 5 to members of the Defense Intelligence Senior Executive Service. The award of such rank shall be made in a manner consistent with the provisions of that section.

"§ 1607. Intelligence Senior Level positions

"(a) DESIGNATION OF POSITIONS.—The Secretary of Defense may designate as an Intelligence Senior Level position any defense intelligence position that, as determined by the Secretary—

"(1) is classifiable above grade GS–15 of the General Schedule;

"(2) does not satisfy functional or program management criteria for being designated a Defense Intelligence Senior Executive Service position; and

"(3) has no more than minimal supervisory responsibilities.

"(b) REGULATIONS.—Subsection (a) shall be carried out in accordance with regulations prescribed by the Secretary of Defense.

"§ 1608. Time-limited appointments

"(a) AUTHORITY FOR TIME-LIMITED APPOINTMENTS.—The Secretary of Defense may by regulation authorize appointing officials to make time-limited appointments to defense intelligence positions specified in the regulations.

"(b) REVIEW OF USE OF AUTHORITY.—The Secretary of Defense shall review each time-limited appointment in a defense intelligence position at the end of the first year of the period of the appointment and determine whether the appointment should be continued for the remainder of the period. The continuation of a time-limited appointment after the first year shall be subject to the approval of the Secretary.

"(c) CONDITION ON PERMANENT APPOINTMENT TO DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.—An employee serving in a defense intelligence position pursuant to a time-limited appointment is not eligible for a permanent appointment to a Defense Intelligence Senior Executive Service position (including a position in which the employee is serving) unless the employee is selected for the permanent appointment on a competitive basis.

"(d) TIME-LIMITED APPOINTMENT DEFINED.—In this section, the term 'time-limited appointment' means an appointment (subject to the condition in subsection (b)) for a period not to exceed two years.

"§ 1609. Termination of defense intelligence employees

"(a) TERMINATION AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Defense may terminate the employment of any employee in a defense intelligence position if the Secretary—

"(1) considers that action to be in the interests of the United States; and

"(2) determines that the procedures prescribed in other provisions of law that authorize the termination of the employment of such employee cannot be invoked in a manner consistent with the national security.

"(b) FINALITY.—A decision by the Secretary of Defense to terminate the employment of an employee under this section is final and may not be appealed or reviewed outside the Department of Defense.

"(c) NOTIFICATION TO CONGRESSIONAL COMMITTEES.—Whenever the Secretary of Defense terminates the employment of an employee under the authority of this section, the Secretary shall promptly notify the congressional oversight committees of such termination.

"(d) PRESERVATION OF RIGHT TO SEEK OTHER EMPLOYMENT.—Any termination of employment under this section does not affect the right of the employee involved to seek or accept employment with any other department or agency of the United States if that employee is declared eligible for such employment by the Director of the Office of Personnel Management.

"(e) LIMITATION ON DELEGATION.—The authority of the Secretary of Defense under this section may be delegated only to the Deputy Secretary of Defense, the head of an intelligence component of the Department of Defense (with respect to employees of that component), or the Secretary of a military department (with respect to employees of that department). An action to terminate employment of such an employee by any such official may be appealed to the Secretary of Defense.

"§ 1610. Reductions and other adjustments in force

"(a) IN GENERAL.—The Secretary of Defense shall prescribe regulations for the separation of employees in defense intelligence positions, including members of the Defense Intelligence Senior Executive Service and employees in Intelligence Senior Level positions, during a reduction in force or other adjustment in force. The regulations shall apply to such a reduction in force or other adjustment in force notwithstanding sections 3501(b) and 3502 of title 5.

"(b) MATTERS TO BE GIVEN EFFECT.—The regulations shall give effect to the following:

"(1) Tenure of employment.

"(2) Military preference, subject to sections 3501(a)(3) and 3502(b) of title 5.

"(3) The veteran's preference under section 3502(b) of title 5.

"(4) Performance.

"(5) Length of service computed in accordance with the second sentence of section 3502(a) of title 5.

"(c) REGULATIONS RELATING TO DEFENSE INTELLIGENCE SES.—The regulations relating to removal from the Defense Intelligence Senior Executive Service in a reduction in force or other adjustment in force shall be consistent with section 3595(a) of title 5.

"(d) RIGHT OF APPEAL.—(1) The regulations shall provide a right of appeal regarding a personnel action under the regulations. The appeal shall be determined within the Department of Defense. An appeal determined at the highest level provided in the regulations shall be final and not subject to review outside the Department of Defense. A personnel action covered by the regulations is not subject to any other provision of law that provides appellate rights or procedures.

"(2) Notwithstanding paragraph (1), a preference eligible referred to in section 7511(a)(1)(B) of title 5 may elect to have an appeal of a personnel action taken against the preference eligible under the regulation determined by the Merit Systems Protection Board instead of having the appeal determined within the Department of Defense. Section 7701 of title 5 shall apply to any such appeal to the Merit Systems Protection Board.

"(e) CONSULTATION WITH OPM.—Regulations under this section shall be prescribed in consultation with the Director of the Office of Personnel Management.".

(c) TRANSFER OF SECTION 1599.—Subtitle A of title 10, United States Code, is amended by transferring section 1599 to chapter 83 of such title, inserting such section after section 1610 (as added by subsection (b)), redesignating such section as section 1611, and in subsection (f) striking out "means" and all that follows and inserting in lieu thereof "includes the National Reconnaissance Office and any intelligence component of a military department.".

(d) ADDITIONAL PROVISIONS.—Such chapter is further amended by inserting after section 1611 (as so transferred and redesignated) the following new sections:

"§ 1612. Merit system principles and civil service protections: applicability

"(a) APPLICABILITY OF MERIT SYSTEM PRINCIPLES.—Section 2301 of title 5 shall apply to the exercise of authority under this subchapter (other than sections 1605 and 1611).

"(b) CIVIL SERVICE PROTECTIONS.—(1) If, in the case of a position established under authority other than section 1601(a)(1) of this title that is reestablished as an excepted service position under that section, the provisions of law referred to in paragraph (2) applied to the person serving in that position immediately before the position is so reestablished and such provisions of law would not otherwise apply to the person while serving in the position as so reestablished, then such provisions of law shall, subject to paragraph (3), continue to apply to the person with respect to service in that position for as long as the person continues to serve in the position without a break in service.

"(2) The provisions of law referred to in paragraph (1) are the following provisions of title 5:

"(A) Section 2302, relating to prohibited personnel practices.

"(B) Chapter 75, relating to adverse actions.

"(3)(A) Notwithstanding any provision of chapter 75 of title 5, an appeal of an adverse action by an individual employee covered by paragraph (1) shall be determined within the Department of Defense if the employee so elects.

"(B) The Secretary of Defense shall prescribe the procedures for initiating and determining appeals of adverse actions pursuant to elections made under subparagraph (A).

"§ 1613. Miscellaneous provisions

"(a) COLLECTIVE BARGAINING AGREEMENTS.—Nothing in sections 1601 through 1604 and 1606 through 1610 may be construed to impair the continued effectiveness of a collective bargaining agreement with respect to an agency or office that is a successor to an agency or office covered by the agreement before the succession.

"(b) NOTICE TO CONGRESS OF REGULATIONS.—The Secretary of Defense shall notify Congress of any regulations prescribed to carry out this subchapter (other than sections 1605 and 1611). Such notice shall be provided by submitting a copy of the regulations to the congressional oversight committees not less than 60 days before such regulations take effect.

"§ 1614. Definitions

"In this subchapter:

"(1) The term 'defense intelligence position' means a civilian position as an intelligence officer or intelligence employee of an intelligence component of the Department of Defense or of a military department.

"(2) The term 'intelligence component of the Department of Defense' means any of the following:

"(A) The National Security Agency.

"(B) The Defense Intelligence Agency.

"(C) The National Imagery and Mapping Agency.

"(D) Any other component of the Department of Defense that performs intelligence functions and is designated by the Secretary of Defense as an intelligence component of the Department of Defense.

"(E) Any successor to a component specified in, or designated pursuant to, this paragraph.

"(3) The term 'congressional oversight committees' means—

"(A) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

"(B) the Committee on National Security and the Permanent Select Committee on Intelligence of the House of Representatives.

"(4) The term 'excepted service' has the meaning given such term in section 2103 of title 5.

"(5) The term 'preference eligible' has the meaning given such term in section 2108(3) of title 5.

"(6) The term 'Senior Executive Service position' has the meaning given such term in section 3132(a)(2) of title 5.

"(7) The term 'collective bargaining agreement' has the meaning given such term in section 7103(8) of title 5.".

(e) DESIGNATION OF NEW SUBCHAPTER II.—Chapter 83 of such title is further amended by inserting after section 1614 (as added by subsection (d)) the following:

"SUBCHAPTER II—DEFENSE INTELLIGENCE AGENCY PERSONNEL

"Sec.

"1621. Defense Intelligence Agency merit pay system.

"1622. Uniform allowance: civilian employees.

"1623. Financial assistance to certain employees in acquisition of critical skills.".

SEC. 1633. REPEAL OF SUPERSEDED SECTIONS AND CLERICAL AND CONFORMING AMENDMENTS.

(a) REPEAL OF SEPARATE MILITARY DEPARTMENT AUTHORITIES.—Section 1590 of title 10, United States Code, is repealed.

(b) REPEAL OF SEPARATE NATIONAL SECURITY AGENCY AUTHORITIES.—The following provisions of law are repealed:

(1) Sections 2 and 4 of the National Security Agency Act of 1959 (50 U.S.C. 402 note).

(2) Section 303 of the Internal Security Act of 1950 (50 U.S.C. 833).

(c) CLERICAL AMENDMENTS.—Title 10, United States Code, is amended as follows:

(1) The heading for section 1605 is amended to read as follows:

"§ 1605. Benefits for certain employees assigned outside the United States".

(2) The table of sections at the beginning of chapter 81 is amended by striking out the items relating to sections 1590 and 1599.

(3) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, are amended by striking out the item relating to chapter 83 and inserting in lieu thereof the following:

"83. Civilian Defense Intelligence Employees .... 1601".

(d) CONFORMING AMENDMENT.—Section 1621 of such title, as transferred and redesignated by section 1632(a)(1), is amended by striking out "and Central Imagery Office".

(e) CROSS REFERENCE AMENDMENTS.—Chapter 81 of title 10, United States Code, is amended as follows:

(1) Section 1593(a)(3) is amended by striking out "section 1606" and inserting in lieu thereof "section 1622".

(2) Section 1596(c) is amended by striking out "section 1604(b)" and inserting in lieu thereof "section 1602".

SEC. 1634. OTHER PERSONNEL MANAGEMENT AUTHORITIES.

(a) APPLICABILITY OF FEDERAL LABOR-MANAGEMENT RELATIONS SYSTEM.—Section 7103(a)(3) of title 5, United States Code is amended—

(1) by inserting "or" at the end of subparagraph (F);

(2) by striking out "; or" at the end of subparagraph (G) and inserting in lieu thereof a period; and

(3) by striking out subparagraph (H).

(b) APPLICABILITY OF AUTHORITY AND PROCEDURES FOR IMPOSING CERTAIN ADVERSE ACTIONS.—Section 7511(b)(8) of such title is amended by striking out "the National Security Agency" and all that follows through "title 10" and inserting in lieu thereof "an intelligence component of the Department of Defense (as defined in section 1614 of title 10), or an intelligence activity of a military department covered under subchapter I of chapter 83 of title 10".

SEC. 1635. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect on October 1, 1996.

TITLE XVII—FEDERAL EMPLOYEE TRAVEL REFORM

Sec. 1701. Short title.

Subtitle A—Relocation Benefits

Sec. 1711. Allowance for seeking permanent residence quarters.

Sec. 1712. Temporary quarters subsistence expenses allowance.

Sec. 1713. Modification of residence transaction expenses allowance.

Sec. 1714. Authority to pay for property management services.

Sec. 1715. Authority to transport a privately owned motor vehicle within the continental United States.

Sec. 1716. Authority to pay limited relocation allowances to an employee who is performing an extended assignment.

Sec. 1717. Authority to pay a home marketing incentive.

Sec. 1718. Revision and reenactment of additional provisions relating to relocation expenses.

Subtitle B—Miscellaneous Provisions

Sec. 1721. Repeal of the long-distance telephone call certification requirement.

Sec. 1722. Transfer of authority to prescribe regulations.

Sec. 1723. Conforming and clerical amendments.

Sec. 1724. Assessment of cost savings.

Sec. 1725. Effective date and issuance of regulations.

SEC. 1701. SHORT TITLE.

This title may be cited as the "Federal Employee Travel Reform Act of 1996".

Subtitle A—Relocation Benefits

SEC. 1711. ALLOWANCE FOR SEEKING PERMANENT RESIDENCE QUARTERS.

Section 5724a of title 5, United States Code, is amended to read as follows:

"§ 5724a. Relocation expenses of employees transferred or reemployed

"(a) An agency shall pay to or on behalf of an employee who transfers in the interest of the Government, a per diem allowance or the actual subsistence expenses, or a combination thereof, of the immediate family of the employee for en route travel of the immediate family between the employee's old and new official stations.

"(b)(1) An agency may pay to or on behalf of an employee who transfers in the interest of the Government between official stations located within the United States—

"(A) the expenses of transportation of the employee and the employee's spouse for travel to seek permanent residence quarters at a new official station; and

"(B) either—

"(i) a per diem allowance or the actual subsistence expenses (or a combination of both); or

"(ii) an amount for subsistence expenses.

"(2) Expenses may be allowed under paragraph (1) only for one round trip in connection with each change of station of the employee.".

SEC. 1712. TEMPORARY QUARTERS SUBSISTENCE EXPENSES ALLOWANCE.

Section 5724a of title 5, United States Code, as amended by section 1712, is further amended by adding at the end the following new subsection:

"(c)(1) An agency may pay to or on behalf of an employee who transfers in the interest of the Government—

"(A) actual subsistence expenses of the employee and the employee's immediate family for a period of up to 60 days while the employee or family is occupying temporary quarters when the new official station is located within the United States; or

"(B) an amount for subsistence expenses instead of the actual subsistence expenses authorized in subparagraph (A) of this paragraph.

"(2) The period authorized in paragraph (1) of this subsection for payment of expenses for residence in temporary quarters may be extended up to an additional 60 days if the head of the agency concerned or the designee of such head of the agency determines that there are compelling reasons for the continued occupancy of temporary quarters.

"(3) The regulations implementing paragraph (1)(A) shall prescribe daily rates and amounts for subsistence expenses per individual.".

SEC. 1713. MODIFICATION OF RESIDENCE TRANSACTION EXPENSES ALLOWANCE.

(a) EXPENSES OF SALE.—Section 5724a of title 5, United States Code, as amended by section 1712, is further amended by adding at the end the following new subsection:

"(d)(1) An agency shall pay to or on behalf of an employee who transfers in the interest of the Government, expenses of the sale of the residence (or the settlement of an unexpired lease) of the employee at the old official station and purchase of a residence at the new official station that are required to be paid by the employee, when the old and new official stations are located within the United States.

"(2) An agency shall pay to or on behalf of an employee who transfers in the interest of the Government from a post of duty located outside the United States to an official station within the United States (other than the official station within the United States from which the employee was transferred when assigned to the foreign tour of duty)—

"(A) expenses required to be paid by the employee for the sale of the residence (or the settlement of an unexpired lease) of the employee at the old official station from which the employee was transferred when the employee was assigned to the post of duty located outside the United States; and

"(B) expenses required to be paid by the employee for the purchase of a residence at the new official station within the United States.

"(3) Reimbursement of expenses under paragraph (2) of this subsection shall not be allowed for any sale (or settlement of an unexpired lease) or purchase transaction that occurs prior to official notification that the employee's return to the United States would be to an official station other than the official station from which the employee was transferred when assigned to the post of duty outside the United States.

"(4) Reimbursement for brokerage fees on the sale of the residence and other expenses under this subsection may not exceed those customarily charged in the locality where the residence is located.

"(5) Reimbursement may not be made under this subsection for losses incurred by the employee on the sale of the residence.

"(6) This subsection applies regardless of whether title to the residence or the unexpired lease is—

"(A) in the name of the employee alone;

"(B) in the joint names of the employee and a member of the employee's immediate family; or

"(C) in the name of a member of the employee's immediate family alone.

"(7)(A) In connection with the sale of the residence at the old official station, reimbursement under this subsection shall not exceed 10 percent of the sale price.

"(B) In connection with the purchase of a residence at the new official station, reimbursement under this subsection shall not exceed 5 percent of the purchase price.".

(b) RELOCATION SERVICES.—Section 5724c of title 5, United State Code, is amended to read as follows:

"§ 5724c. Relocation services

"Under regulations prescribed under section 5738 of this title, each agency may enter into contracts to provide relocation services to agencies and employees for the purpose of carrying out this subchapter. An agency may pay a fee for such services. Such services include arranging for the purchase of a transferred employee's residence.".

SEC. 1714. AUTHORITY TO PAY FOR PROPERTY MANAGEMENT SERVICES.

Section 5724a of title 5, United States Code, as amended by section 1713, is further amended—

(1) in subsection (d), by adding at the end the following:

"(8) An agency may pay to or on behalf of an employee who transfers in the interest of the Government expenses of property management services, instead of expenses under paragraph (2) or (3) of this subsection for sale of the employee's residence, when the agency determines that such transfer is advantageous and cost-effective for the Government."; and

(2) by adding at the end the following new subsection:

"(e) An agency may pay to or on behalf of an employee who transfers in the interest of the Government, the expenses of property management services when the employee transfers to a post of duty outside the United States. Such payment shall terminate upon return of the employee to an official station within the United States.".

SEC. 1715. AUTHORITY TO TRANSPORT A PRIVATELY OWNED MOTOR VEHICLE WITHIN THE CONTINENTAL UNITED STATES.

(a) IN GENERAL.—Section 5727 of title 5, United States Code, is amended—

(1) by redesignating subsections (c) through (e) as subsections (d) through (f), respectively;

(2) by inserting after subsection (b) the following new subsection:

"(c) Under regulations prescribed under section 5738 of this title, the privately owned motor vehicle or vehicles of an employee, including a new appointee or a student trainee for whom travel and transportation expenses are authorized under section 5723 of this title, may be transported at Government expense to a new official station of the employee when the agency determines that such transport is advantageous and cost-effective to the Government."; and

(3) in subsection (e) (as so redesignated), by inserting "or (c)" after "subsection (b)".

(b) AVAILABILITY OF APPROPRIATIONS.—(1) Section 5722(a) of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(3) the expenses of transporting a privately owned motor vehicle as authorized under section 5727(c) of this title.".

(2) Section 5723(a) of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by inserting "and" after the semicolon at the end of paragraph (2); and

(C) by adding at the end the following:

"(3) the expenses of transporting a privately owned motor vehicle as authorized under section 5727(c) of this title;".

SEC. 1716. AUTHORITY TO PAY LIMITED RELOCATION ALLOWANCES TO AN EMPLOYEE WHO IS PERFORMING AN EXTENDED ASSIGNMENT.

Subchapter II of chapter 57 of title 5, United States Code, as amended by section 1605, is further amended by adding at the end the following new section:

"§ 5737. Relocation expenses of an employee who is performing an extended assignment

"(a) Under regulations prescribed under section 5738 of this title, an agency may pay to or on behalf of an employee assigned from the employee's official station to a duty station for a period of not less than six months and not greater than 30 months, the following expenses in lieu of payment of expenses authorized under subchapter I of this chapter:

"(1) Travel expenses to and from the assignment location in accordance with section 5724 of this title.

"(2) Transportation expenses of the immediate family and household goods and personal effects to and from the assignment location in accordance with section 5724 of this title.

"(3) A per diem allowance for en route travel of the employee's immediate family to and from the assignment location in accordance with section 5724a(a) of this title.

"(4) Travel and transportation expenses of the employee and spouse to seek new residence quarters at the assignment location in accordance with section 5724a(b) of this title.

"(5) Subsistence expenses of the employee and the employee's immediate family while occupying temporary quarters upon commencement and termination of the assignment in accordance with section 5724a(c) of this title.

"(6) An amount, in accordance with section 5724a(f), to be used by the employee for miscellaneous expenses of this title.

"(7) The expenses of transporting a privately owned motor vehicle or vehicles to the assignment location in accordance with section 5727 of this title.

"(8) An allowance as authorized under section 5724b of this title for Federal, State, and local income taxes incurred on reimbursement of expenses paid under this section or on services provided in kind under this section.

"(9) Expenses of nontemporary storage of household goods and personal effects as defined in section 5726(a) of this title, subject to the limitation that the weight of the household goods and personal effects stored, together with the weight of property transported under section 5724(a) of this title, may not exceed the total maximum weight which could be transported in accordance with section 5724(a) of this title.

"(10) Expenses of property management services.

"(b) An agency shall not make payment under this section to or on behalf of the employee for expenses incurred after termination of the temporary assignment.".

SEC. 1717. AUTHORITY TO PAY A HOME MARKETING INCENTIVE.

Subchapter IV of chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 5756. Home marketing incentive payment

"(a) Under regulations prescribed under subsection (b), an agency may pay to an employee who transfers in the interest of the Government an amount to encourage the employee to aggressively market the employee's residence at the official station from which transferred when—

"(1) the residence is entered into a relocation services program established under a contract in accordance with section 5724c of this title to arrange for the purchase of the residence;

"(2) the employee finds a buyer who completes the purchase of the residence through the program; and

"(3) the sale of the residence results in a reduced cost to the Government.

"(b)(1) The Administrator of General Services shall prescribe regulations to carry out this section.

"(2) The regulations shall include a limitation on the maximum amount payable with respect to an employee's residence. The Administrator shall establish the limitation in consultation with the Director of the Office of Management and Budget. For fiscal years 1997 and 1998, the maximum amount shall be the amount equal to five percent of the sale price of the residence.".

SEC. 1718. REVISION AND REENACTMENT OF ADDITIONAL PROVISIONS RELATING TO RELOCATION EXPENSES.

Section 5724a of title 5, United States Code, as amended by section 1714, is further amended by adding at the end the following new subsections:

"(f)(1) Subject to paragraph (2), an employee who is reimbursed under subsections (a) through (e) of this section or section 5724(a) of this title is entitled to an amount for miscellaneous expenses—

"(A) not to exceed two weeks' basic pay, if such employee has an immediate family; or

"(B) not to exceed one week's basic pay, if such employee does not have an immediate family.

"(2) Amounts paid under paragraph (1) may not exceed amounts determined at the maximum rate payable for a position at GS–13 of the General Schedule.

"(g) A former employee separated by reason of reduction in force or transfer of function who within one year after the separation is reemployed by a nontemporary appointment at a different geographical location from that where the separation occurred, may be allowed and paid the expenses authorized by sections 5724, 5725, 5726(b), and 5727 of this title, and may receive the benefits authorized by subsections (a) through (f) of this section, in the same manner as though the employee had been transferred in the interest of the Government without a break in service to the location of reemployment from the location where separated.

"(h) Payments for subsistence expenses, including amounts in lieu of per diem or actual subsistence expenses or a combination thereof, authorized under this section may not exceed the maximum payment allowed under regulations which implement section 5702 of this title.

"(i) Subsections (a), (b), and (c) shall be implemented under regulations issued under section 5738 of this title.

"(j) For purposes of subsections (c), (d), and (e), the term 'United States' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the territories and possessions of the United States, and the areas and installations in the Republic of Panama that are made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979 (22 U.S.C. 3602(a))).".

Subtitle B—Miscellaneous Provisions

SEC. 1721. REPEAL OF THE LONG-DISTANCE TELEPHONE CALL CERTIFICATION REQUIREMENT.

Section 1348 of title 31, United States Code, is amended—

(1) by striking the last sentence of subsection (a)(2);

(2) by striking subsection (b); and

(3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

SEC. 1722. TRANSFER OF AUTHORITY TO PRESCRIBE REGULATIONS.

Subchapter II of chapter 57 of title 5, United States Code, as amended by section 1716, is further amended by adding at the end the following new section:

"§ 5738. Regulations

"(a)(1) Except as specifically provided in this subchapter, the Administrator of General Services shall prescribe regulations necessary for the administration of this subchapter.

"(2) The Administrator of General Services shall include in the regulations authority for the head of an agency or his designee to waive any limitation of this subchapter or in any implementing regulation for any employee relocating to or from a remote or isolated location who would suffer hardship if the limitation were not waived. A waiver of a limitation under authority provided in the regulations pursuant to this paragraph shall be effective notwithstanding any other provision of this subchapter.

"(b) In prescribing regulations for the implementation of section 5724b of this title, the Administrator of General Services shall consult with the Secretary of the Treasury.

"(c) The Secretary of Defense shall prescribe regulations necessary for the implementation of section 5735 of this title.".

SEC. 1723. CONFORMING AND CLERICAL AMENDMENTS.

(a) CROSS REFERENCES.—(1) Title 5, United States Code, is amended as follows:

(A) Section 3375 is amended—

(i) in subsection (a)(3), by striking out "section 5724a(a)(1)" and inserting in lieu thereof "section 5724a(a)";

(ii) in subsection (a)(4), by striking out "section 5724a(a)(3)" and inserting in lieu thereof "section 5724a(c)"; and

(iii) in subsection (a)(5), by striking out "section 5724a(b)" and inserting in lieu thereof "section 5724a(g)"; and

(B) Section 5724(e) is amended by striking out "section 5724a(a), (b)" and inserting in lieu thereof "section 5724a(a) through (f)".

(2) Section 707 of title 38, United States Code, is amended—

(A) in subsection (a)(6), by striking out "Section 5724a(a)(3)" and inserting in lieu thereof "Section 5724a(c)"; and

(B) in subsection (a)(7), by striking out "Section 5724a(a)(4)" and inserting in lieu thereof "Section 5724a(d)".

(3) The Public Health Service Act is amended as follows:

(A) Section 501(g)(2)(A) (42 U.S.C. 290aa(g)(2)(A)) is amended by striking out "5724a(a)(1), 5724a(a)(3)" and inserting in lieu thereof "5724a(a), 5724a(c)".

(B) Section 925(f)(2)(A) (42 U.S.C. 299c–4(f)(2)(A)) is amended by striking out "5724a(a)(1), 5724a(a)(3)" and inserting in lieu thereof "5724a(a), 5724a(c)".

(b) REGULATIONS.—Title 5, United States Code, is amended as follows:

(1) Sections 5722, 5723, 5724, (in subsections (a), (b), and (c)), 5724b, 5726 (in subsections (b) and (c)), 5727(b), 5728 (in subsections (a), (b), and (c)(1)), and 5729 (in subsections (a) and (b)) of title 5, United States Code, are amended by striking out "Under such regulations as the President may prescribe", and inserting in lieu thereof "Under regulations prescribed under section 5738 of this title".

(2) Section 5724 of title 5, United States Code, is amended—

(A) by striking out "under regulations prescribed by the President" each place it appears in subsections (c) and (e) and inserting in lieu thereof "under regulations prescribed under section 5738 of this title"; and

(B) in subsection (f), by striking out "under the regulations of the President" and inserting in lieu thereof "under regulations prescribed under section 5738 of this title".

(3) Section 5726(a) of title 5, United States Code, is amended by striking out "as the President may by regulation authorize" and inserting in lieu thereof "as authorized under regulations prescribed under section 5738 of this title".

(4) Section 5731(a) of title 5, United States Code, is amended by striking out "in accordance with regulations prescribed by the President" and inserting in lieu thereof "in accordance with regulations prescribed under section 5738 of this title".

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 57 of title 5, United States Code, as amended by section 1605, is further amended—

(1) by inserting after the item relating to section 5736 the following:

"5737. Relocation expenses of an employee who is performing an extended assignment.

"5738. Regulations.";

and

(2) by inserting at the end the following:

"5756. Home marketing incentive payment.".

SEC. 1724. ASSESSMENT OF COST SAVINGS.

No later than one year after the effective date set forth in section 1725(a), the Comptroller General shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives an assessment of the costs of Federal travel administration that are saved as a result of the amendments made by this title and the regulations prescribed to carry out the amendments.

SEC. 1725. EFFECTIVE DATE AND ISSUANCE OF REGULATIONS.

(a) EFFECTIVE DATE.—The amendments made by this title shall take effect 180 days after the date of the enactment of this Act.

(b) REGULATIONS.—The Administrator of General Services shall, not later than the effective date set forth under subsection (a), issue final regulations implementing the amendments made by this title.

TITLE XVIII—FEDERAL CHARTER FOR THE FLEET RESERVE ASSOCIATION

Sec. 1801. Recognition and grant of Federal charter.
Sec. 1802. Powers.
Sec. 1803. Purposes.
Sec. 1804. Service of process.
Sec. 1805. Membership.
Sec. 1806. Board of directors.
Sec. 1807. Officers.
Sec. 1808. Restrictions.
Sec. 1809. Liability.
Sec. 1810. Maintenance and inspection of books and records.
Sec. 1811. Audit of financial transactions.
Sec. 1812. Annual report.
Sec. 1813. Reservation of right to alter, amend, or repeal charter.
Sec. 1814. Tax-exempt status required as condition of charter.
Sec. 1815. Termination.
Sec. 1816. Definition of State.

SEC. 1801. RECOGNITION AND GRANT OF FEDERAL CHARTER.

The Fleet Reserve Association, a nonprofit corporation organized under the laws of the State of Delaware, is recognized as such and granted a Federal charter.

SEC. 1802. POWERS.

The Fleet Reserve Association (in this title referred to as the "association") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State of Delaware and subject to the laws of that State.

SEC. 1803. PURPOSES.

The purposes of the association are those provided in its bylaws and articles of incorporation and shall include the following:

(1) Upholding and defending the Constitution of the United States.

(2) Aiding and maintaining an adequate naval defense for the United States.

(3) Assisting the recruitment of the best personnel available for the United States Navy, United States Marine Corps, and United States Coast Guard.

(4) Providing for the welfare of the personnel who serve in the United States Navy, United States Marine Corps, and United States Coast Guard.

(5) Continuing to serve loyally the United States Navy, United States Marine Corps, and United States Coast Guard.

(6) Preserving the spirit of shipmanship by providing assistance to shipmates and their families.

(7) Instilling love of the United States and the flag and promoting soundness of mind and body in the youth of the United States.

SEC. 1804. SERVICE OF PROCESS.

With respect to service of process, the association shall comply with the laws of the State of Delaware and those States in which it carries on its activities in furtherance of its corporate purposes.

SEC. 1805. MEMBERSHIP.

Except as provided in section 1808(g), eligibility for membership in the association and the rights and privileges of members shall be as provided in the bylaws and articles of incorporation of the association.

SEC. 1806. BOARD OF DIRECTORS.

Except as provided in section 1808(g), the composition of the board of directors of the association and the responsibilities of the board shall be as provided in the bylaws and articles of incorporation of the association and in conformity with the laws of the State of Delaware.

SEC. 1807. OFFICERS.

Except as provided in section 1808(g), the positions of officers of the association and the election of members to such positions shall be as provided in the bylaws and articles of incorporation of the association and in conformity with the laws of the State of Delaware.

SEC. 1808. RESTRICTIONS.

(a) INCOME AND COMPENSATION.—No part of the income or assets of the association may inure to the benefit of any member, officer, or director of the association or be distributed to any such individual during the life of this charter. Nothing in this subsection may be construed to prevent the payment of reasonable compensation to the officers and employees of the association or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

(b) LOANS.—The association may not make any loan to any member, officer, director, or employee of the association.

(c) ISSUANCE OF STOCK AND PAYMENT OF DIVIDENDS.—The association may not issue any shares of stock or declare or pay any dividends.

(d) DISCLAIMER OF CONGRESSIONAL OR FEDERAL APPROVAL.—The association may not claim the approval of the Congress or the authorization of the Federal Government for any of its activities by virtue of this title.

(e) CORPORATE STATUS.—The association shall maintain its status as a corporation organized and incorporated under the laws of the State of Delaware.

(f) CORPORATE FUNCTION.—The association shall function as an educational, patriotic, civic, historical, and research organization under the laws of the State of Delaware.

(g) NONDISCRIMINATION.—In establishing the conditions of membership in the association and in determining the requirements for serving on the board of directors or as an officer of the association, the association may not discriminate on the basis of race, color, religion, sex, handicap, age, or national origin.

SEC. 1809. LIABILITY.

The association shall be liable for the acts of its officers, directors, employees, and agents whenever such individuals act within the scope of their authority.

SEC. 1810. MAINTENANCE AND INSPECTION OF BOOKS AND RECORDS.

(a) BOOKS AND RECORDS OF ACCOUNT.—The association shall keep correct and complete books and records of account and minutes of any proceeding of the association involving any of its members, the board of directors, or any committee having authority under the board of directors.

(b) NAMES AND ADDRESSES OF MEMBERS.—The association shall keep at its principal office a record of the names and addresses of all members having the right to vote in any proceeding of the association.

(c) RIGHT TO INSPECT BOOKS AND RECORDS.—All books and records of the association may be inspected by any member having the right to vote in any proceeding of the association, or by any agent or attorney of such member, for any proper purpose at any reasonable time.

(d) APPLICATION OF STATE LAW.—This section may not be construed to contravene any applicable State law.

SEC. 1811. AUDIT OF FINANCIAL TRANSACTIONS.

The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end the following:

"(77) Fleet Reserve Association.".

SEC. 1812. ANNUAL REPORT.

The association shall annually submit to Congress a report concerning the activities of the association during the preceding fiscal year. The annual report shall be submitted on the same date as the report of the audit required by reason of the amendment made in section 1811. The annual report shall not be printed as a public document.

SEC. 1813. RESERVATION OF RIGHT TO ALTER, AMEND, OR REPEAL CHARTER.

The right to alter, amend, or repeal this title is expressly reserved to Congress.

SEC. 1814. TAX-EXEMPT STATUS REQUIRED AS CONDITION OF CHARTER.

If the association fails to maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986 the charter granted in this title shall terminate.

SEC. 1815. TERMINATION.

The charter granted in this title shall expire if the association fails to comply with any of the provisions of this title.

SEC. 1816. DEFINITION OF STATE.

For purposes of this title, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1997".

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Land acquisition, National Ground Intelligence Center, Charlottesville, Virginia.

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), and, in the case of the projects described in paragraphs (2) and (3) of section 2104(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Total
Alabama	Fort Rucker	$3,250,000
California	Army project, Naval Weapons Station, Concord	$27,000,000
	Camp Roberts	$5,500,000
Colorado	Fort Carson	$17,550,000
District of Columbia	Fort McNair	$6,900,000
Georgia	Fort Benning	$53,400,000
	Fort McPherson	$3,500,000
	Fort Stewart, Hunter Army Air Field	$6,000,000
Hawaii	Schofield Barracks	$16,500,000
Kansas	Fort Riley	$26,000,000
Kentucky	Fort Campbell	$51,100,000
	Fort Knox	$45,000,000
New Jersey	Picatinny Arsenal	$5,000,000
New Mexico	White Sands Missile Range	$41,000,000
New York	Fort Drum	$11,400,000
North Carolina	Fort Bragg	$14,000,000
Texas	Fort Hood	$47,300,000
	Fort Sam Houston	$3,100,000
Virginia	Fort Eustis	$3,550,000
	National Ground Intelligence Center, Charlottesville	$1,000,000
Washington	Fort Lewis	$54,600,000
CONUS Classified	Classified Locations	$4,600,000
	Total:	$447,250,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Total
Germany	Lincoln Village, Darmstadt	$7,300,000
	Spinelli Barracks, Mannheim	$8,100,000
	Taylor Barracks, Mannheim	$9,300,000
Italy	Camp Ederle	$3,100,000
Korea	Camp Casey	$16,000,000
	Camp Red Cloud	$14,000,000
Overseas Classified	Classified Locations	$64,000,000
	Total:	$121,800,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation	Purpose	Total
Hawaii	Schofield Barracks	54 Units	$10,000,000
North Carolina	Fort Bragg	88 Units	$9,800,000

Army: Family Housing—Continued

State	Installation	Purpose	Total
Pennsylvania	Tobyhanna Army Depot	200 Units	$890,000
Texas	Fort Bliss	64 Units	$11,000,000
	Fort Hood	140 Units	$18,500,000
		Total:	$50,190,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $2,963,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $105,350,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,942,557,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $394,250,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $121,800,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $5,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $50,538,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $158,503,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,212,466,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $31,000,000 (the balance of the amount authorized under section 2101(a) for the construction of the National Range Control Center at White Sands Missile Range, New Mexico); and

(3) $22,000,000 (the balance of the amount authorized under section 2101(a) for the whole barracks complex renewal at Fort Knox, Kentucky).

SEC. 2105. LAND ACQUISITION, NATIONAL GROUND INTELLIGENCE CENTER, CHARLOTTESVILLE, VIRGINIA.

(a) ACQUISITION AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may acquire real property for the National Ground Intelligence Center, Charlottesville, Virginia.

(b) REQUIREMENT RELATING TO ACQUISITION.—The Secretary may not acquire real property pursuant to the authorization in subsection (a) until the Secretary certifies to the congressional defense committees, based on the results of an assessment of property currently owned or operated by the Federal Government in the vicinity of Charlottesville, Virginia, that the acquisition of the property would provide the most cost-effective means of securing a location for the National Ground Intelligence Center that satisfies the mission requirements of the center.

(c) FUNDING.—Of the amounts authorized to be appropriated by section 2104(a)(1), $1,000,000 shall be available for the acquisition of real property pursuant to the authorization in subsection (a).

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Beach replenishment, Naval Air Station, North Island, California.

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), and, in the case of the projects described in paragraphs (2) and (3) of section 2204(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Navy Detachment, Camp Navajo	$3,920,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	$4,020,000
	Marine Corps Air Station, Camp Pendleton	$6,240,000
	Marine Corps Base, Camp Pendleton	$51,630,000
	Marine Corps Recruit Detachment, San Diego	$8,150,000
	Naval Air Station, North Island	$86,502,000
	Naval Command Control & Ocean Surveillance Center, San Diego	$1,960,000
	Naval Facility, San Clemente Island	$17,000,000
	Naval Station, San Diego	$7,050,000
Connecticut	Naval Submarine Base, New London	$13,830,000
District of Columbia	Naval District, Washington	$19,300,000
Florida	Naval Air Station, Key West	$2,250,000
	Naval Station, Mayport	$2,800,000
Georgia	Naval Submarine Base, Kings Bay	$1,550,000
Hawaii	Marine Corps, Air Station, Kaneohe Bay	$20,080,000
	Naval Station, Pearl Harbor	$19,600,000
	Naval Submarine Base, Pearl Harbor	$35,890,000
Idaho	Naval Surface Warfare Center, Bayview	$7,150,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Illinois	Naval Hospital, Great Lakes	$15,200,000
	Naval Training Center, Great Lakes	$22,900,000
Indiana	Naval Surface Warfare Center, Crane	$5,000,000
Maryland	Naval Air Warfare Center, Patuxent River	$1,270,000
	United States Naval Academy	$10,480,000
Mississippi	Navy Project, Stennis Space Center	$7,960,000
Nevada	Naval Air Station, Fallon	$21,630,000
North Carolina	Marine Corps Air Station, Cherry Point	$1,630,000
	Marine Corps Air Station, New River	$20,290,000
	Marine Corps Base, Camp Lejeune	$20,750,000
Pennsylvania	Philadelphia Naval Shipyard	$8,300,000
South Carolina	Marine Corps Recruit Depot, Parris Island	$2,540,000
Texas	Naval Air Station, Kingsville	$1,810,000
	Naval Station, Ingleside	$16,850,000
Virginia	Armed Forces Staff College, Norfolk	$12,900,000
	Marine Corps Combat Development Command, Quantico	$14,570,000
	Naval Station, Norfolk	$56,120,000
	Naval Surface Warfare Center, Dahlgren	$8,030,000
Washington	Naval Station, Everett	$25,740,000
	Naval Undersea Warfare Center, Keyport	$6,800,000
CONUS Various	Defense access roads	$300,000
	Total:	$589,992,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), and, in the case of the project described in section 2204(b)(4), other amounts appropriated pursuant to authorizations enacted after this Act for the project, the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Administrative Support Unit, Bahrain	$5,980,000
Greece	Naval Support Activity, Souda Bay	$7,050,000
Italy	Naval Air Station, Sigonella	$15,700,000
	Naval Support Activity, Naples	$8,620,000
Puerto Rico	Naval Station, Roosevelt Roads	$23,600,000
United Kingdom	Joint Maritime Communications Center, St. Mawgan	$4,700,000
	Total:	$65,650,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation	Purpose	Amount
Arizona	Marine Corps Air Station, Yuma	Ancillary Facility	$709,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	Ancillary Facilities	$2,938,000
	Marine Corps Base, Camp Pendleton	202 Units	$29,483,000
	Naval Air Station, Lemoore	276 Units	$39,837,000
	Navy Public Works Center, San Diego	366 Units	$48,719,000
Florida	Naval Station, Mayport	100 Units	$10,000,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	54 Units	$11,676,000
	Navy Public Works Center, Pearl Harbor	264 Units	$52,586,000
Maine	Naval Air Station Brunswick	92 Units	$10,925,000

Navy: Family Housing—Continued

State	Installation	Purpose	Amount
Maryland	Naval Air Warfare Center, Patuxent River	Ancillary Facility	$1,233,000
North Carolina	Marine Corps Base, Camp Lejeune	Ancillary Facility	$845,000
	Marine Corps Base, Camp Lejeune	94 Units	$10,110,000
South Carolina	Marine Corps Air Station, Beaufort	140 Units	$14,000,000
Texas	Corpus Christi Naval Complex	104 Units	$11,675,000
	Naval Air Station, Kingsville	48 Units	$7,550,000
Virginia	AEGIS Combat Systems Center, Wallops Island	20 Units	$2,975,000
	Naval Security Group Activity, Northwest	Ancillary Facility	$741,000
Washington	Naval Station, Everett	100 Units	$15,015,000
	Naval Submarine Base, Bangor	Ancillary Facility	$934,000
		Total:	$281,951,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $22,552,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $205,383,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,213,731,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $579,312,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $51,550,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $5,115,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $49,927,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $499,886,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $1,014,241,000.

(6) For the construction of a bachelor enlisted quarters at the Naval Construction Battalion Center, Port Hueneme, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 525), $7,700,000.

(7) For the construction of a Strategic Maritime Research Center at the Naval War College, Newport, Rhode Island, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3031), $8,000,000.

(8) For the construction of the large anachoic chamber facility at the Patuxent River Naval Warfare Center, Aircraft Division, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,000,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $5,200,000 (the balance of the amount authorized under section 2201(a) for the construction of a bachelors enlisted quarters at Naval Hospital, Great Lakes, Illinois);

(3) $5,480,000 (the balance of the amount authorized under section 2201(a) for the construction of a chiller system upgrade at the United States Naval Academy, Maryland); and

(4) $14,100,000 (the balance of the amount authorized under section 2201(b) for the construction of a bachelor enlisted quarters at Naval Station, Roosevelt Roads, Puerto Rico).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (8) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $12,000,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. BEACH REPLENISHMENT, NAVAL AIR STATION, NORTH ISLAND, CALIFORNIA.

(a) COST-SHARING AGREEMENT.—With regard to the portion of the military construction project for Naval Air Station, North Island, California, authorized by section 2201(a) and involving on-shore and near-shore beach replenishment, the Secretary of the Navy shall enter into an agreement with the State of California and local governments in the vicinity of the project, under which the State and local governments agree to cover not less than 50 percent of the cost incurred by the Secretary to carry out the beach replenishment portion of the project. Within amounts appropriated for the project, Federal expenditures may not exceed $9,630,000 for beach replenishment.

(b) ACTIVITIES PENDING AGREEMENT.—The Secretary shall not delay commencement of, or activities under, the construction project described in subsection (a), including the beach replenishment portion of the project, pending the execution of the cost-sharing agreement.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Elimination of authority to carry out fiscal year 1995 project, Spangdahlem Air Force Base, Germany.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$7,875,000
Alaska	Elmendorf Air Force Base	$21,530,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
	Eielson Air Force Base	$3,900,000
	King Salmon Air Force Base	$5,700,000
Arizona	Davis-Monthan Air Force Base	$9,920,000
	Luke Air Force Base	$6,700,000
Arkansas	Little Rock Air Force Base	$18,105,000
California	Beale Air Force Base	$14,425,000
	Edwards Air Force Base	$20,080,000
	Travis Air Force Base	$14,980,000
	Vandenberg Air Force Base	$3,290,000
Colorado	Buckley Air National Guard Base	$17,960,000
	Falcon Air Force Station	$2,095,000
	Peterson Air Force Base	$20,720,000
	United States Air Force Academy	$12,165,000
Delaware	Dover Air Force Base	$19,980,000
Florida	Eglin Air Force Base	$4,590,000
	Eglin Auxiliary Field 9	$6,825,000
	Patrick Air Force Base	$2,595,000
	Tyndall Air Force Base	$3,600,000
Georgia	Moody Air Force Base	$3,350,000
	Robins Air Force Base	$25,045,000
Idaho	Mountain Home Air Force Base	$15,945,000
Kansas	McConnell Air Force Base	$19,130,000
Louisiana	Barksdale Air Force Base	$4,890,000
Maryland	Andrews Air Force Base	$8,140,000
Mississippi	Keesler Air Force Base	$14,465,000
Montana	Malstrom Air Force Base	$6,300,000
Nevada	Indian Springs Air Force Auxiliary Air Field	$4,690,000
	Nellis Air Force Base	$9,900,000
New Mexico	Cannon Air Force Base	$7,100,000
	Kirtland Air Force Base	$10,000,000
New Jersey	McGuire Air Force Base	$8,080,000
North Carolina	Pope Air Force Base	$5,915,000
	Seymour Johnson Air Force Base	$11,280,000
North Dakota	Grand Forks Air Force Base	$12,470,000
	Minot Air Force Base	$3,940,000
Ohio	Wright-Patterson Air Force Base	$7,400,000
Oklahoma	Tinker Air Force Base	$9,880,000
South Carolina	Charleston Air Force Base	$37,410,000
	Shaw Air Force Base	$14,465,000
South Dakota	Ellsworth Air Force Base	$4,150,000
Tennessee	Arnold Engineering Development Center	$12,481,000
Texas	Brooks Air Force Base	$5,400,000
	Dyess Air Force Base	$12,295,000
	Kelly Air Force Base	$3,250,000
	Lackland Air Force Base	$9,413,000
	Sheppard Air Force Base	$9,400,000
Utah	Hill Air Force Base	$3,690,000
Virginia	Langley Air Force Base	$8,005,000
Washington	Fairchild Air Force Base	$18,155,000
	McChord Air Force Base	$57,065,000
Wyoming	F.E. Warren Air Force Base	$3,700,000
	Total:	$603,834,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Ramstein Air Force Base	$5,370,000
	Spangdahlem Air Base	$1,890,000
Italy	Aviano Air Base	$10,060,000
Korea	Osan Air Base	$9,780,000
Turkey	Incirlik Air Base	$7,160,000
United Kingdom	Croughton Royal Air Force Base	$1,740,000
	Lakenheath Royal Air Force Base	$17,525,000
	Mildenhall Royal Air Force Base	$6,195,000
Overseas Classified	Classified Locations	$18,395,000
	Total:	$78,115,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Air Force: Family Housing

State	Installation	Purpose	Amount
Alaska	Eielson Air Force Base	72 units	$21,127,000
	Eielson Air Force Base	Ancillary Facility	$2,950,000
California	Beale Air Force Base	56 Units	$8,893,000
	Los Angeles Air Force Base	25 units	$6,425,000
	Travis Air Force Base	70 Units	$8,631,000
	Vandenberg Air Force Base	112 Units	$20,891,000
District of Columbia	Bolling Air Force Base	40 units	$5,000,000
Florida	Eglin Auxiliary Field 9	1 Unit	$249,000
	MacDill Air Force Base	56 Units	$8,822,000
	Patrick Air Force Base	Ancillary Facility	$2,430,000
	Tyndall Air Force Base	42 Units	$6,000,000
Georgia	Robins Air Force Base	46 Units	$5,252,000
Louisiana	Barksdale Air Force Base	80 Units	$9,570,000
Massachusetts	Hanscom Air Force Base	32 Units	$5,100,000
Missouri	Whiteman Air Force Base	68 Units	$9,600,000
Montana	Malstrom Air Force Base	98 Units	$15,688,000
Nevada	Nellis Air Force Base	50 Units	$7,955,000
New Mexico	Kirtland Air Force Base	50 Units	$5,450,000
North Dakota	Grand Forks Air Force Base	66 Units	$7,784,000
	Minot Air Force Base	46 Units	$8,740,000
Texas	Lackland Air Force Base	82 Units	$11,500,000
	Lackland Air Force Base	Ancillary Facility	$800,000
Washington	McChord Air Force Base	50 Units	$5,659,000
		Total:	$184,516,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $9,590,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $123,650,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,894,594,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $603,834,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $78,115,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,328,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $50,687,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $317,756,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $829,474,000.

(6) For the construction of a corrosion control facility at Tinker Air Force Base, Oklahoma, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 530), $5,400,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2305. ELIMINATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1995 PROJECT, SPANGDAHLEM AIR FORCE BASE, GERMANY.

(a) ELIMINATION OF PROJECT.—The table in section 2301(b) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3037) is amended in the item relating to Spangdahlem Air Base, Germany, by striking out "$9,473,000" in the amount column and inserting in lieu thereof "$7,373,000", such reduction corresponding to the project to upgrade the sewage and storm water system at the installation.

(b) CONFORMING AMENDMENT TO AUTHORIZATION OF APPROPRIATIONS.—Section 2304(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3038) is amended—

(1) in the matter preceding paragraph (1), by striking out "$1,601,602,000" and inserting in lieu thereof "$1,599,502,000"; and

(2) in paragraph (2), by striking out "$38,273,000" and inserting in lieu thereof "$36,173,000".

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Military housing planning and design.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Military housing improvement program.
Sec. 2405. Energy conservation projects.
Sec. 2406. Authorization of appropriations, Defense Agencies.
Sec. 2407. Reduction in amounts authorized to be appropriated for fiscal year 1996 Defense Agencies military construction, land acquisition, and military family housing functions.

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(1), and, in the case of the projects described in paragraphs (2) and (3) of section 2406(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization Program	Pueblo Chemical Activity, Colorado	$179,000,000
Defense Finance & Accounting Service	Charleston, South Carolina	$6,200,000
	Fort Sill, Oklahoma	$12,864,000
	Gentile Air Force Station, Ohio	$11,400,000
	Griffiss Air Force Base, New York	$10,200,000
	Loring Air Force Base, Maine	$6,900,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Naval Training Center, Orlando, Florida	$2,600,000
	Norton Air Force Base, California	$13,800,000
	Offutt Air Force Base, Nebraska	$7,000,000
	Rock Island Arsenal, Illinois	$14,400,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	$6,790,000
Defense Logistics Agency	Altus Air Force Base, Oklahoma	$3,200,000
	Andrews Air Force Base, Maryland	$12,100,000
	Barksdale Air Force Base, Louisiana	$4,300,000
	Defense Construction Supply Center, Columbus, Ohio	$600,000
	Defense Distribution, San Diego, California	$15,700,000
	Elmendorf Air Force Base, Alaska	$21,000,000
	McConnell Air Force Base, Kansas	$2,200,000
	Naval Air Facility, El Centro, California	$5,700,000
	Naval Air Station, Fallon, Nevada	$2,100,000
	Naval Air Station, Oceana, Virginia	$1,500,000
	Shaw Air Force Base, South Carolina	$2,900,000
	Travis Air Force Base, California	$15,200,000
Defense Medical Facility Office	Andrews Air Force Base, Maryland	$15,500,000
	Charleston Air Force Base, South Carolina	$1,800,000
	Fort Bliss, Texas	$6,600,000
	Fort Bragg, North Carolina	$11,400,000
	Fort Hood, Texas	$1,950,000
	Marine Corps Base, Camp Pendleton, California	$3,300,000
	Maxwell Air Force Base, Alabama	$25,000,000
	Naval Air Station, Key West, Florida	$15,200,000
	Naval Air Station, Norfolk, Virginia	$1,250,000
	Naval Air Station, Lemoore, California	$38,000,000
Special Operations Command	Fort Bragg, North Carolina	$14,000,000
	Fort Campbell, Kentucky	$4,200,000
	MacDill Air Force Base, Florida	$9,600,000
	Naval Amphibious Base, Coronado, California	$7,700,000
	Naval Station, Ford Island, Pearl Harbor, Hawaii	$12,800,000
	Total	$525,454,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Defense Logistics Agency	Moron Air Base, Spain	$12,958,000
	Naval Air Station, Sigonella, Italy	$6,100,000
Defense Medical Facility Office	Administrative Support Unit, Bahrain, Bahrain	$4,600,000
	Total	$23,658,000

SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.

Using amounts appropriated pursuant to the authorization of appropriation in section 2406(a)(14)(A), the Secretary of Defense may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $500,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriation in section 2406(a)(14)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $3,871,000.

SEC. 2404. MILITARY HOUSING IMPROVEMENT PROGRAM.

(a) AVAILABILITY OF FUNDS FOR CREDIT TO FAMILY HOUSING IMPROVEMENT FUND.—(1) Of the amount authorized to be appropriated pursuant to section 2406(a)(14)(C), $25,000,000 shall be available for credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code.

(2) Of the amount authorized to be appropriated pursuant to section 2406(a)(14)(D), $5,000,000 shall be available for credit to the Department of Defense Military Unaccompanied Housing Improvement Fund established by section 2883(a)(2) of such title.

(b) USE OF FUNDS.—(1) The Secretary of Defense may use funds credited to the Department of Defense Family Housing Improvement Fund under subsection (a)(1) to carry out any activities authorized by subchapter IV of chapter 169 of such title with respect to military family housing.

(2) The Secretary of Defense may use funds credited to the Department of Defense Military Unaccompanied Housing Improvement Fund under subsection (a)(2) to carry out any activities authorized by subchapter IV of chapter 169 of such title with respect to military unaccompanied housing.

SEC. 2405. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(12), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2406. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $3,379,703,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $344,854,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $23,658,000.

(3) For military construction projects at Naval Hospital, Portsmouth, Virginia, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1640), $24,000,000.

(4) For military construction projects at Walter Reed Army Institute of Research, Maryland, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $72,000,000.

(5) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the

Military Construction Authorization Act for Fiscal Year 1993 (106 Stat. 2599), $89,000,000.

(6) For military construction projects at Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of the Public Law 103–337; 108 Stat. 3040), $46,000,000.

(7) For military construction projects at Umatilla Army Depot, Oregon, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (108 Stat. 3040), $64,000,000.

(8) For military construction projects at the Defense Finance and Accounting Service, Columbus, Ohio, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 535), $20,822,000.

(9) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $4,500,000.

(10) For unspecified minor construction projects under section 2805 of title 10, United States Code, $21,874,000.

(11) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $12,239,000.

(12) For energy conservation projects under section 2865 of title 10, United States Code, $47,765,000.

(13) For base closure and realignment activities as authorized by the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $2,507,476,000.

(14) For military family housing functions:

(A) For improvement and planning of military family housing and facilities, $4,371,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $30,963,000, of which not more than $25,637,000 may be obligated or expended for the leasing of military family housing units worldwide.

(C) For credit to the Department of Defense Family Housing Improvement Fund as authorized by section 2404(a)(1) of this Act, $25,000,000.

(D) For credit to the Department of Defense Military Unaccompanied Housing Improvement Fund as authorized by section 2404(a)(2) of this Act, $5,000,000.

(E) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $36,181,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $179,000,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a chemical demilitarization facility at Pueblo Army Depot, Colorado); and

(3) $1,600,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a replacement facility for the medical and dental clinic, Key West Naval Air Station, Florida).

SEC. 2407. REDUCTION IN AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR FISCAL YEAR 1996 DEFENSE AGENCIES MILITARY CONSTRUCTION, LAND ACQUISITION, AND MILITARY FAMILY HOUSING FUNCTIONS.

Section 2405 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 537) is amended by adding at the end the following new subsection:

"(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (11) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $7,000,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.".

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Sec. 2501. Authorized NATO construction and land acquisition projects.
Sec. 2502. Authorization of appropriations, NATO.

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Security Investment program as authorized by section 2501, in the amount of $172,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Authorization and funding for construction and improvement of Naval Reserve Centers.
Sec. 2603. Upgrade Air National Guard facilities, Bangor International Airport, Maine.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1996, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $59,194,000; and

(B) for the Army Reserve, $55,543,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $32,779,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $188,505,000; and

(B) for the Air Force Reserve, $52,805,000.

SEC. 2602. AUTHORIZATION AND FUNDING FOR CONSTRUCTION AND IMPROVEMENT OF NAVAL RESERVE CENTERS.

(a) ARMY RESERVE CENTERS.—Using amounts appropriated under the heading "MILITARY CONSTRUCTION, NAVAL RESERVE" in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1661), for the construction of a Naval Reserve Center in Seattle, Washington, the Secretary of the Army may carry out a military construction project for the construction of an Army Reserve Center at Fort Lawton, Washington, in the total amount of $5,200,000, of which $700,000 may be used for program and design activities relating to such construction.

(b) NAVAL RESERVE FACILITIES.—Using amounts appropriated under the heading "MILITARY CONSTRUCTION, NAVAL RESERVE" in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1661), for the construction of a Naval Reserve Center in Seattle, Washington, the Secretary of the Navy may carry out—

(1) a military construction project for the construction of an addition to the Naval Reserve Center in Tacoma, Washington, in the total amount of $4,200,000;

(2) unspecified minor construction at Naval Reserve facilities in the total amount of $500,000; and

(3) planning and design activities with respect to improvements at Naval Reserve facilities in the total amount of $500,000.

SEC. 2603. UPGRADE AIR NATIONAL GUARD FACILITIES, BANGOR INTERNATIONAL AIRPORT, MAINE.

(a) PROJECT AUTHORIZED.—Using amounts appropriated pursuant to the authorization of appropriations in section 2601(3)(A) and amounts appropriated pursuant to authorizations of appropriations enacted after the date of the enactment of this Act, the Secretary of the Air Force may carry out a construction project to upgrade Air National Guard base and support facilities at Bangor International Airport, Maine. The Secretary may contract for architectural and engineering services and construction design services in connection with the construction project.

(b) LIMITATION ON TOTAL COST OF PROJECT.—The total cost of the construction project authorized by subsection (a) may not exceed $13,000,000.

(c) FISCAL YEAR 1997 FUNDING.—Of the amount authorized to be appropriated in section 2601(3)(A), $7,000,000 shall be available to carry out the construction project authorized by subsection (a).

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 1994 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1993 projects.
Sec. 2704. Extension of authorizations of certain fiscal year 1992 projects.
Sec. 2705. Effective date.

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 1999; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2000.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 1999; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2000 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1994 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1880), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2102, 2201, 2301, or 2601 of that Act, shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1994 Project Authorizations

State	Installation or location	Project	Amount
New Jersey	Picatinny Arsenal	Advance Warhead Development Facility	$4,400,000
North Carolina	Fort Bragg	Land Acquisition	$15,000,000
Wisconsin	Fort McCoy	Family Housing Construction (16 units)	$2,950,000

Navy: Extension of 1994 Project Authorizations

State or Location	Installation or location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Facility	$7,930,000
Connecticut	New London Naval Submarine Base	Hazardous Waste Transfer Facility	$1,450,000
New Jersey	Earle Naval Weapons Station	Explosives Holding Yard	$1,290,000
Virginia	Oceana Naval Air Station	Jet Engine Test Cell Replacement	$5,300,000
Various Locations	Various Locations	Land Acquisition Inside the United States	$540,000
Various Locations	Various Locations	Land Acquisition Outside the United States	$800,000

Air Force: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
Alaska	Eielson Air Force Base	Upgrade Water Treatment Plant	$3,750,000
	Elmendorf Air Force Base	Corrosion Control Facility	$5,975,000
California	Beale Air Force Base	Educational Center	$3,150,000
Florida	Tyndall Air Force Base	Base Supply Logistics Center	$2,600,000
Mississippi	Keesler Air Force Base	Upgrade Student Dormitory	$4,500,000
North Carolina	Pope Air Force Base	Add To and Alter Dormitories	$4,300,000
Virginia	Langley Air Force Base	Fire Station	$3,850,000

Army National Guard: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Birmingham	Aviation Support Facility	$4,907,000
Arizona	Marana	Organizational Maintenance Shop	$553,000
	Marana	Dormitory/Dining Facility	$2,919,000
California	Fresno	Organizational Maintenance Shop Modification	$905,000
	Van Nuys	Armory Addition	$6,518,000
New Mexico	White Sands Missile Range	Organizational Maintenance Shop	$2,940,000
		Tactical Site	$1,995,000
		MATES	$3,570,000
Pennsylvania	Indiantown Gap	State Military Building	$9,200,000
	Johnstown	Armory Addition/Flight Facility	$5,004,000
	Johnstown	Armory	$3,000,000
South Carolina	Summerville	Organizational Maintenance Shop	$834,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1993 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2602), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 1601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 541), shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1993 Project Authorization

State	Installation or location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility	$15,000,000

Air Force: Extension of 1993 Project Authorization

Country	Installation or location	Project	Amount
Portugal	Lajes Field	Water Wells	$865,000

Army National Guard: Extension of 1993 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Tuscaloosa	Armory	$2,273,000
	Union Springs	Armory	$813,000
New Mexico	Clayton	Armory	$1,400,000

SEC. 2704. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), authorizations for the projects set forth in the table in subsection (b), as provided in section 2201 of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047) and section 2703(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 543), shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Army: Extension of 1992 Project Authorizations

State	Installation or location	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Army Depot	Ammunition Demilitarization Utilities	$7,500,000

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Increase in certain thresholds for unspecified minor construction projects.
Sec. 2802. Redesignation of North Atlantic Treaty Organization Infrastructure program.
Sec. 2803. Improvements to family housing units.
Sec. 2804. Availability of funds for planning, execution, and administration of contracts for family housing and unaccompanied housing.

Subtitle B—Defense Base Closure and Realignment

Sec. 2811. Restoration of authority for certain intragovernment transfers under 1988 base closure law.
Sec. 2812. Contracting for certain services at facilities remaining on closed installations.
Sec. 2813. Authority to compensate owners of manufactured housing.
Sec. 2814. Additional purpose for which adjustment and diversification assistance is authorized.
Sec. 2815. Payment of stipulated penalties assessed under CERCLA in connection with Loring Air Force Base, Maine.
Sec. 2816. Plan for utilization, reutilization, or disposal of Mississippi Army Ammunition Plant.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2821. Transfer of lands, Arlington National Cemetery, Arlington, Virginia.
Sec. 2822. Land transfer, Fort Sill, Oklahoma.
Sec. 2823. Land conveyance, Army Reserve Center, Rushville, Indiana.
Sec. 2824. Land conveyance, Army Reserve Center, Anderson, South Carolina.
Sec. 2825. Land conveyance, Army Reserve Center, Montpelier, Vermont.
Sec. 2826. Land conveyance, Crafts Brothers Reserve Training Center, Manchester, New Hampshire.
Sec. 2827. Land conveyance, Pine Bluff Arsenal, Arkansas.
Sec. 2828. Reaffirmation of land conveyances, Fort Sheridan, Illinois.

PART II—NAVY CONVEYANCES

Sec. 2831. Land transfer, Potomac Annex, District of Columbia.
Sec. 2832. Land exchange, St. Helena Annex, Norfolk Naval Shipyard, Virginia.
Sec. 2833. Land conveyance, Calverton Pine Barrens, Naval Weapons Industrial Reserve Plant, Calverton, New York.
Sec. 2834. Land conveyance, former naval reserve facility, Lewes, Delaware.
Sec. 2835. Modification of land conveyance authority, Naval Reserve Center, Seattle, Washington.
Sec. 2836. Release of condition on reconveyance of transferred land, Guam.
Sec. 2837. Lease to facilitate construction of reserve center, Naval Air Station, Meridian, Mississippi.

PART III—AIR FORCE CONVEYANCES

Sec. 2841. Land conveyance, Radar Bomb Scoring Site, Belle Fourche, South Dakota.
Sec. 2842. Conveyance of primate research complex and Air Force-owned chimpanzees, Holloman Air Force Base, New Mexico.

PART IV—OTHER CONVEYANCES

Sec. 2851. Land conveyance, Tatum Salt Dome Test Site, Mississippi.
Sec. 2852. Land conveyance, William Langer Jewel Bearing Plant, Rolla, North Dakota.
Sec. 2853. Land conveyance, Air Force Plant No. 85, Columbus, Ohio.
Sec. 2854. Modification of boundaries of White Sands National Monument and White Sands Missile Range.

Subtitle D—Other Matters

Sec. 2861. Authority to grant easements for rights-of-way.
Sec. 2862. Authority to enter into cooperative agreements for the management of cultural resources on military installations.
Sec. 2863. Demonstration project for installation and operation of electric power distribution system at Youngstown Air Reserve Station, Ohio.
Sec. 2864. Renovation of the Pentagon reservation.
Sec. 2865. Plan for repairs and stabilization of the historic district at the Forest Glen Annex of Walter Reed Medical Center, Maryland.
Sec. 2866. Naming of range at Camp Shelby, Mississippi.
Sec. 2867. Designation of Michael O'Callaghan military hospital.

Sec. 2868. Naming of building at the Uniformed Services University of the Health Sciences.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. INCREASE IN CERTAIN THRESHOLDS FOR UNSPECIFIED MINOR CONSTRUCTION PROJECTS.

(a) O&M FUNDING FOR PROJECTS.—Section 2805(c)(1)(B) of title 10, United States Code, is amended by striking out "$300,000" and inserting in lieu thereof "$500,000".

(b) O&M FUNDING FOR RESERVE COMPONENT FACILITIES.—Subsection (b) of section 18233a of such title is amended by striking out "$300,000" and inserting in lieu thereof "$500,000".

(c) NOTIFICATION FOR EXPENDITURES AND CONTRIBUTIONS FOR RESERVE COMPONENT FACILITIES.—Subsection (a)(1) of such section 18233a is amended by striking out "$400,000" and inserting in lieu thereof "$1,500,000".

SEC. 2802. REDESIGNATION OF NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE PROGRAM.

(a) REDESIGNATION.—Subsection (b) of section 2806 of title 10, United States Code, is amended by striking out "North Atlantic Treaty Organization Infrastructure program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment program".

(b) REFERENCES.—Any reference to the North Atlantic Treaty Organization Infrastructure program in any Federal law, Executive order, regulation, delegation of authority, or document of or pertaining to the Department of Defense shall be deemed to refer to the North Atlantic Treaty Organization Security Investment program.

(c) CLERICAL AMENDMENTS.—(1) The section heading of such section is amended to read as follows:

"§ 2806. Contributions for North Atlantic Treaty Organizations Security Investment".

(2) The table of sections at the beginning of subchapter I of chapter 169 of title 10, United States Code, is amended by striking out the item relating to section 2806 and inserting in lieu thereof the following new item:

"2806. Contributions for North Atlantic Treaty Organizations Security Investment.".

(d) CONFORMING AMENDMENTS.—(1) Section 2861(b)(3) of title 10, United States Code, is amended by striking out "North Atlantic Treaty Organization Infrastructure program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment program".

(2) Section 21(h)(1)(B) of the Arms Export Control Act (22 U.S.C. 2761(h)(1)(B)) is amended by striking out "North Atlantic Treaty Organization Infrastructure Program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment program".

SEC. 2803. IMPROVEMENTS TO FAMILY HOUSING UNITS.

(a) AUTHORIZED IMPROVEMENTS.—Subsection (a)(2) of section 2825 of title 10, United States Code, is amended—

(1) by inserting "major" before "maintenance"; and

(2) by adding at the end the following: "Such term does not include day-to-day maintenance and repair work.".

(b) LIMITATION.—Subsection (b) of such section is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) In determining the applicability of the limitation contained in paragraph (1), the Secretary concerned shall include as part of the cost of the improvement of the unit or units concerned the following:

"(A) The cost of major maintenance or repair work undertaken in connection with the improvement.

"(B) Any cost, other than the cost of activities undertaken beyond a distance of five feet from the unit or units concerned, in connection with—

"(i) the furnishing of electricity, gas, water, and sewage disposal;

"(ii) the construction or repair of roads, drives, and walks; and

"(iii) grading and drainage work.".

SEC. 2804. AVAILABILITY OF FUNDS FOR PLANNING, EXECUTION, AND ADMINISTRATION OF CONTRACTS FOR FAMILY HOUSING AND UNACCOMPANIED HOUSING.

(a) CONTRACTS FOR FAMILY HOUSING.—Paragraph (1) of section 2883(d) of title 10, United States Code, is amended by adding at the end the following: "The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.".

(b) CONTRACTS FOR UNACCOMPANIED HOUSING.—Paragraph (2) of such section is amended by adding at the end the following: "The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.".

Subtitle B—Defense Base Closure and Realignment

SEC. 2811. RESTORATION OF AUTHORITY FOR CERTAIN INTRAGOVERNMENT TRANSFERS UNDER 1988 BASE CLOSURE LAW.

Section 204(b)(2) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), is amended—

(1) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph (D):

"(D) The Secretary of Defense may transfer real property or facilities located at a military installation to be closed or realigned under this title, with or without reimbursement, to a military department or other entity (including a nonappropriated fund instrumentality) within the Department of Defense or the Coast Guard.".

SEC. 2812. CONTRACTING FOR CERTAIN SERVICES AT FACILITIES REMAINING ON CLOSED INSTALLATIONS.

(a) 1988 LAW.—Section 204(b)(8)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by inserting ", or at facilities not yet transferred or otherwise disposed of in the case of installations closed under this title," after "under this title".

(b) 1990 LAW.—Section 2905(b)(8)(A) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note) is amended by inserting ", or at facilities not yet transferred or otherwise disposed of in the case of installations closed under this part," after "under this part".

SEC. 2813. AUTHORITY TO COMPENSATE OWNERS OF MANUFACTURED HOUSING.

(a) 1988 LAW.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), is amended by adding at the end the following new subsection:

"(f) ACQUISITION OF MANUFACTURED HOUSING.—(1) In closing or realigning any military installation under this title, the Secretary may purchase any or all right, title, and interest of a member of the Armed Forces and any spouse of the member in manufactured housing located at a manufactured housing park established at an installation closed or realigned under this title, or make a payment to the member to relocate the manufactured housing to a suitable new site, if the Secretary determines that—

"(A) it is in the best interests of the Federal Government to eliminate or relocate the manufactured housing park; and

"(B) the elimination or relocation of the manufactured housing park would result in an unreasonable financial hardship to the owners of the manufactured housing.

"(2) Any payment made under this subsection shall not exceed 90 percent of the purchase price of the manufactured housing, as paid by the member or any spouse of the member, plus the cost of any permanent improvements subsequently made to the manufactured housing by the member or spouse of the member.

"(3) The Secretary shall dispose of manufactured housing acquired under this subsection through resale, donation, trade or otherwise within one year of acquisition.".

(b) 1990 LAW.—Section 2905 of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), is amended by adding at the end the following new subsection:

"(g) ACQUISITION OF MANUFACTURED HOUSING.—(1) In closing or realigning any military installation under this part, the Secretary may purchase any or all right, title, and interest of a member of the Armed Forces and any spouse of the member in manufactured housing located at a manufactured housing park established at an installation closed or realigned under this part, or make a payment to the member to relocate the manufactured housing to a suitable new site, if the Secretary determines that—

"(A) it is in the best interests of the Federal Government to eliminate or relocate the manufactured housing park; and

"(B) the elimination or relocation of the manufactured housing park would result in an unreasonable financial hardship to the owners of the manufactured housing.

"(2) Any payment made under this subsection shall not exceed 90 percent of the purchase price of the manufactured housing, as paid by the member or any spouse of the member, plus the cost of any permanent improvements subsequently made to the manufactured housing by the member or spouse of the member.

"(3) The Secretary shall dispose of manufactured housing acquired under this subsection through resale, donation, trade or otherwise within one year of acquisition.".

SEC. 2814. ADDITIONAL PURPOSE FOR WHICH ADJUSTMENT AND DIVERSIFICATION ASSISTANCE IS AUTHORIZED.

Section 2391(b)(5) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(5)"; and

(2) by adding at the end the following new subparagraph:

"(B) The Secretary of Defense may also make grants, conclude cooperative agreements, and supplement other Federal funds in order to assist a State in enhancing its capacities—

"(i) to assist communities, businesses, and workers adversely affected by an action described in paragraph (1);

"(ii) to support local adjustment and diversification initiatives; and

"(iii) to stimulate cooperation between statewide and local adjustment and diversification efforts.".

SEC. 2815. PAYMENT OF STIPULATED PENALTIES ASSESSED UNDER CERCLA IN CONNECTION WITH LORING AIR FORCE BASE, MAINE.

From amounts in the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), the Secretary of Defense may expend not more than $50,000 to pay stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against Loring Air Force Base, Maine.

SEC. 2816. PLAN FOR UTILIZATION, REUTILIZATION, OR DISPOSAL OF MISSISSIPPI ARMY AMMUNITION PLANT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the congressional defense committees a plan for the utilization, reutilization, or disposal of the Mississippi Army Ammunition Plant, Hancock County, Mississippi.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2821. TRANSFER OF LANDS, ARLINGTON NATIONAL CEMETERY, ARLINGTON, VIRGINIA.

(a) REQUIREMENT FOR SECRETARY OF INTERIOR TO TRANSFER CERTAIN SECTION 29 LANDS.—(1) Subject to paragraph (2), the Secretary of the Interior shall transfer to the Secretary of the Army administrative jurisdiction over the following lands located in section 29 of the National Park System at Arlington National Cemetery, Virginia:

(A) The lands known as the Arlington National Cemetery Interment Zone.

(B) All lands in the Robert E. Lee Memorial Preservation Zone, other than those lands in the Preservation Zone that the Secretary of the Interior determines must be retained because of the historical significance of such lands or for the maintenance of nearby lands or facilities.

(2)(A) The Secretary of the Interior may not make the transfer referred to in paragraph (1)(B) until 60 days after the date on which the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives—

(i) a summary of the document entitled "Cultural Landscape and Archaeological Study, Section 29, Arlington House, The Robert E. Lee Memorial";

(ii) a summary of any environmental analysis required with respect to the transfer under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(iii) an accounting of the effect of the transfer that satisfies the requirements of section 106 of the National Historic Preservation Act (16 U.S.C. 470f); and

(iv) the proposal of the Secretary and the Secretary of the Army setting forth the lands to be transferred and the general manner in which the Secretary of the Army will develop such lands after transfer.

(B) The Secretary of the Interior shall submit the information required under subparagraph (A) not later than October 31, 1997.

(3) The transfer of lands under paragraph (1) shall be carried out in accordance with the Interagency Agreement Between the Department of the Interior, the National Park Service, and the Department of the Army, dated February 22, 1995.

(4) The exact acreage and legal descriptions of the lands to be transferred under paragraph (1) shall be determined by surveys satisfactory to the Secretary of the Interior and the Secretary of the Army.

(b) REQUIREMENT FOR ADDITIONAL TRANSFERS.—(1) The Secretary of the Interior shall transfer to the Secretary of the Army administrative jurisdiction over a parcel of land, including any improvements thereon, consisting of approximately 2.43 acres, located in the Memorial Drive entrance area to Arlington National Cemetery.

(2)(A) The Secretary of the Army shall transfer to the Secretary of the Interior administrative jurisdiction over a parcel of land, including any improvements thereon, consisting of approximately 0.17 acres, located at Arlington National Cemetery, and known as the Old Administrative Building site. The site is part of the original reservation of Arlington National Cemetery.

(B) In connection with the transfer under subparagraph (A), the Secretary of the Army shall grant to the Secretary of the Interior a perpetual right of ingress and egress to the parcel transferred under that subparagraph.

(3) The exact acreage and legal descriptions of the lands to be transferred pursuant to this subsection shall be determined by surveys satisfactory to the Secretary of the Interior and the Secretary of the Army. The costs of such surveys shall be borne by the Secretary of the Army.

SEC. 2822. LAND TRANSFER, FORT SILL, OKLAHOMA.

(a) TRANSFER OF LAND FOR NATIONAL CEMETERY.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property, including any improvements thereon, consisting of approximately 400 acres and comprising a portion of Fort Sill, Oklahoma.

(b) USE OF PROPERTY.—The Secretary of Veterans Affairs shall use the real property transferred under subsection (a) as a national cemetery under chapter 24 of title 38, United States Code.

(c) RETURN OF UNUSED PORTION.—If the Secretary of Veterans Affairs determines that any portion of the real property transferred under subsection (a) is not needed for use as a national cemetery, the Secretary shall return such portion to the administrative jurisdiction of the Secretary of the Army.

(d) LEGAL DESCRIPTION.—The exact acreage and legal description of the real property to be transferred under this section shall be determined by a survey satisfactory to the Secretary of the Army. The cost of the survey shall be borne by the Secretary of Veterans Affairs.

SEC. 2823. LAND CONVEYANCE, ARMY RESERVE CENTER, RUSHVILLE, INDIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Rushville, Indiana (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of excess real property, including improvements thereon, that is located in Rushville, Indiana, and contains the Rushville Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the City retain the conveyed property for the use and benefit of the Rushville Police Department.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. LAND CONVEYANCE, ARMY RESERVE CENTER, ANDERSON, SOUTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the County of Anderson, South Carolina (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 805 East Whitner Street in Anderson, South Carolina, and contains an Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the County retain the conveyed property for the use and benefit of the Anderson County Department of Education.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. LAND CONVEYANCE, ARMY RESERVE CENTER, MONTPELIER, VERMONT.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Montpelier, Vermont (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4.3 acres and located on Route 2 in Montpelier, Vermont, the site of the Army Reserve Center, Montpelier, Vermont.

(b) CONDITION.—The conveyance authorized under subsection (a) shall be subject to the condition that the City agree to lease to the Civil Air Patrol, at no rental charge to the Civil Air Patrol, the portion of the real property and improvements located on the parcel to be conveyed that the Civil Air Patrol leases from the Secretary as of the date of the enactment of this Act.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2826. LAND CONVEYANCE, CRAFTS BROTHERS RESERVE TRAINING CENTER, MANCHESTER, NEW HAMPSHIRE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Saint Anselm College, Manchester, New Hampshire, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 3.5 acres and located on Rockland Avenue in Manchester, New Hampshire, the site of the Crafts Brothers Reserve Training Center.

(b) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not make the conveyance authorized by subsection (a) until the Army Reserve units currently housed at the Crafts Brothers Reserve Training Center are relocated to the Joint Service Reserve Center to be constructed at the Manchester Airport, New Hampshire.

(c) REQUIREMENT FOR FEDERAL SCREENING OF PROPERTY.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2827. LAND CONVEYANCE, PINE BLUFF ARSENAL, ARKANSAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Economic Development Alliance of Jefferson County, Arkansas (in this section referred to as the "Alliance"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 1,500 acres and comprising a portion of the Pine Bluff Arsenal, Arkansas.

(b) REQUIREMENTS RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance of property authorized under subsection (a) until—

(1) the completion by the Secretary of any environmental restoration and remediation that is required with the respect to the property under applicable law;

(2) the Secretary secures all permits required under law applicable regarding the conduct of the proposed chemical demilitarization mission at the arsenal; and

(3) the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a certification that the conveyance will not adversely affect the ability of the Department of Defense to conduct that chemical demilitarization mission.

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) That the Alliance agree not to carry out any activities on the property to be conveyed that interfere with the construction, operation, and decommissioning of the chemical demilitarization facility to be constructed at Pine Bluff Arsenal. If the Alliance fails to comply with its agreement in paragraph (1) the property conveyed under this section, all rights, title, and interest in and to the property shall revert to the United States, and the United States shall have immediate rights of entry thereon.

(2) That the property be used during the 25-year period beginning on the date of the conveyance only as the site of the facility known as the "Bioplex", and for activities related thereto.

(d) COSTS OF CONVEYANCE.—The Alliance shall be responsible for any costs of the Army associated with the conveyance of property under this section, including administrative costs, the costs of an environmental baseline survey with respect to the property, and the cost of any protection services required by the Secretary in order to secure operations of the chemical demilitarization facility from activities on the property after the conveyance.

(e) REVERSIONARY INTERESTS.—If the Secretary determines at any time during the 25-year period referred to in subsection (c)(2) that the property conveyed under this section is not being used in accordance with that subsection, all right, title, and interest in and to the property shall revert to the United States, and the United States shall have immediate right of entry thereon.

(f) SALE OF PROPERTY BY ALLIANCE.—If at any time during the 25-year period referred to in subsection (c)(2) the Alliance sells all or a portion of the property conveyed under this section, the Alliance shall pay the United States an amount equal to the lesser of—

(1) the amount of the sale of the property sold; or

(2) the fair market value of the property sold at the time of the sale, excluding the value of any improvements to the property sold that have been made by the Alliance.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Alliance.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2828. REAFFIRMATION OF LAND CONVEYANCES, FORT SHERIDAN, ILLINOIS.

As soon as practicable after the date of the enactment of this Act, the Secretary of the Army shall complete the land conveyances involving Fort Sheridan, Illinois, required or authorized under section 125 of the Military Construction Appropriations Act, 1996 (Public Law 104–32; 109 Stat. 290).

PART II—NAVY CONVEYANCES

SEC. 2831. LAND TRANSFER, POTOMAC ANNEX, DISTRICT OF COLUMBIA.

(a) TRANSFER AUTHORIZED.—The Secretary of the Navy may transfer, without consideration other than the reimbursement provided for in subsection (d), to the United States Institute of Peace (in this section referred to as the "Institute") administrative jurisdiction over a parcel of real property, including any improvements thereon, consisting of approximately 3 acres, at the northwest corner of Twenty-third Street and Constitution Avenue, Northwest, District of Columbia, the site of the Potomac Annex.

(b) CONDITION.—The Secretary may not make the transfer specified in subsection (a) unless the Institute agrees to provide the Navy a number of parking spaces at or in the vicinity of the headquarters to be constructed on the parcel transferred equal to the number of parking spaces available to the Navy on the parcel as of the date of the transfer.

(c) REQUIREMENT RELATING TO TRANSFER.—The transfer specified in subsection (a) may not occur until the Institute obtains all permits, approvals, and site plan reviews required by law with respect to the construction on the parcel of a headquarters for operations of the Institute.

(d) COSTS.—The Institute shall reimburse the Secretary for the costs incurred by the Secretary in carrying out the transfer specified in subsection (a).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be transferred under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the Institute.

SEC. 2832. LAND EXCHANGE, ST. HELENA ANNEX, NORFOLK NAVAL SHIPYARD, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey to such private person as the Secretary considers appropriate (in this section referred to as the "transferee") all right, title, and interest of the United States in and to a parcel of real property that is located at the Norfolk Naval Shipyard, Virginia, and, as of the date of the enactment of this Act, is a portion of the property leased to the Norfolk Shipbuilding and Drydock Company pursuant to the Department of the Navy lease N00024–84–L–0004, effective October 1, 1984, as extended.

(2) Pending completion of the conveyance authorized by paragraph (1), the Secretary may lease the real property to the transferee upon such terms as the Secretary considers appropriate.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), including any interim lease authorized by such subsection, the transferee shall—

(1) convey to the United States all right, title, and interest to a parcel or parcels of real property, together with any improvements thereon, located in the area of Portsmouth, Virginia, which are determined to be acceptable to the Secretary; and

(2) pay to the Secretary an amount equal to the amount, if any, by which the fair market value of the parcel conveyed by the Secretary under subsection (a) exceeds the fair market value of the parcel conveyed to the United States under paragraph (1).

(c) USE OF RENTAL AMOUNTS.—The Secretary may use the amounts received as rent from any lease entered into under the authority of subsection (a)(2) to fund environmental studies of the parcels of real property to be conveyed under this section.

(d) IN-KIND CONSIDERATION.—The Secretary and the transferee may agree that, in lieu of all or any part of the consideration required by subsection (b)(2), the transferee may provide and the Secretary may accept the improvement, maintenance, protection, repair, or restoration of real property under the control of the Secretary in the area of Hampton Roads, Virginia.

(e) DETERMINATION OF FAIR MARKET VALUE AND PROPERTY DESCRIPTION.—The Secretary shall determine the fair market value of the parcels of real property to be conveyed under subsections (a) and (b)(1). The exact acreage and legal description of the parcels shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyances under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2833. LAND CONVEYANCE, CALVERTON PINE BARRENS, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, CALVERTON, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the Department of Environmental Conservation of the State of New

York (in this section referred to as the "Department"), all right, title, and interest of the United States in and to the Calverton Pine Barrens located at the Naval Weapons Industrial Reserve Plant, Calverton, New York.

(b) EFFECT ON OTHER CONVEYANCE AUTHORITY.—The conveyance authorized by this subsection shall not affect the transfer of jurisdiction of a portion of the Calverton Pine Barrens authorized by section 2865 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 576).

(c) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the Department agree—

(1) to maintain the conveyed property as a nature preserve, as required by section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626), as amended by section 2823 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3058);

(2) to designate the conveyed property as the "Otis G. Pike Preserve"; and

(3) to continue to allow the level of sporting activities on the conveyed property as permitted at the time of the conveyance.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Department.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(f) CALVERTON PINE BARRENS DEFINED.—In this section, the term "Calverton Pine Barrens" has the meaning given that term in section 2854(d)(1) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626).

SEC. 2834. LAND CONVEYANCE, FORMER NAVAL RESERVE FACILITY, LEWES, DELAWARE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the State of Delaware (in this section referred to as the "State"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 16.8 acres at the site of the former Naval Reserve Facility, Lewes, Delaware.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the State use the real property conveyed under that subsection in perpetuity solely for public park or recreational purposes.

(c) REVERSION.—If the Secretary of the Navy determines at any time that the real property conveyed pursuant to this section is not being used for a purpose specified in subsection (b), all right, title, and interest in and to such real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed pursuant to this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of such survey shall be borne by the State.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. MODIFICATION OF LAND CONVEYANCE AUTHORITY, NAVAL RESERVE CENTER, SEATTLE, WASHINGTON.

Paragraph (2) of section 127(d) of the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1666), is amended to read as follows:

"(2) Before commencing construction of a facility to be the replacement facility for the Naval Reserve Center under paragraph (1), the Secretary shall comply with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to such facility.".

SEC. 2836. RELEASE OF CONDITION ON RECONVEYANCE OF TRANSFERRED LAND, GUAM.

(a) IN GENERAL.—Section 818(b)(2) of the Military Construction Authorization Act, 1981 (Public Law 96–418; 94 Stat. 1782), relating to a condition on disposal by Guam of lands conveyed to Guam by the United States, shall have no force or effect and is repealed.

(b) EXECUTION OF INSTRUMENTS.—The Secretary of the Navy and the Administrator of General Services shall execute all instruments necessary to implement this section.

SEC. 2837. LEASE TO FACILITATE CONSTRUCTION OF RESERVE CENTER, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) LEASE OF PROPERTY FOR CONSTRUCTION OF RESERVE CENTER.—(1) The Secretary of the Navy may lease, without reimbursement, to the State of Mississippi (in this section referred to as the "State"), approximately five acres of real property located at Naval Air Station, Meridian, Mississippi. The State shall use the property to construct a reserve center of approximately 22,000 square feet and ancillary supporting facilities.

(2) The term of the lease under this subsection shall expire on the same date that the lease authorized by subsection (b) expires.

(b) LEASEBACK OF RESERVE CENTER.—(1) The Secretary may lease from the State the property and improvements constructed pursuant to subsection (a) for a five-year period. The term of the lease shall begin on the date on which the improvements are available for occupancy, as determined by the Secretary.

(2) Rental payments under the lease under paragraph (1) may not exceed $200,000 per year, and the total amount of the rental payments for the entire period may not exceed 20 percent of the total cost of constructing the reserve center and ancillary supporting facilities.

(3) Subject to the availability of appropriations for this purpose, the Secretary may use funds appropriated pursuant to an authorization of appropriations for the operation and maintenance of the Naval Reserve to make rental payments required under this subsection.

(c) EFFECT OF TERMINATION OF LEASES.—At the end of the lease term under subsection (b), the State shall convey, without reimbursement, to the United States all right, title, and interest of the State in the reserve center and ancillary supporting facilities subject to the lease.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the leases under this section as the Secretary considers appropriate to protect the interests of the United States.

PART III—AIR FORCE CONVEYANCES

SEC. 2841. LAND CONVEYANCE, RADAR BOMB SCORING SITE, BELLE FOURCHE, SOUTH DAKOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Belle Fourche School District, Belle Fourche, South Dakota (in this section referred to as the "District"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 37 acres located in Belle Fourche, South Dakota, which has served as the location of a support complex and housing facilities for Detachment 21 of the 554th Range Squadron, an Air Force Radar Bomb Scoring Site located in Belle Fourche, South Dakota. The conveyance may not include any portion of the radar bomb scoring site located in the State of Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the District—

(1) use the property and facilities conveyed under such subsection for education, economic development, and housing purposes; or

(2) enter into an agreement with an appropriate public or private entity to sell or lease the property and facilities to such entity for such purposes.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2842. CONVEYANCE OF PRIMATE RESEARCH COMPLEX AND AIR FORCE-OWNED CHIMPANZEES, HOLLOMAN AIR FORCE BASE, NEW MEXICO.

(a) DISPOSAL AUTHORIZED.—Notwithstanding any provision of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), or any regulations prescribed thereunder, the Secretary of the Air Force may dispose of all right, title, and interest of the United States in and to the primate research complex at Holloman Air Force Base, New Mexico. The disposal may include the chimpanzees owned by the Air Force that are housed at or managed from the primate research complex. The disposal shall not include the underlying real property on which the primate research complex is located. The disposal of the primate research complex shall be at no cost to the Air Force.

(b) COMPETITIVE, NEGOTIATED DISPOSAL PROCESS REQUIRED.—The Secretary shall select the persons or entities to which the primate research complex and chimpanzees are to be disposed of under subsection (a) using a competitive, negotiated process.

(c) STANDARDS TO BE USED IN SOLICITATION OF BIDS.—The Secretary shall develop standards for the care and use of the primate research complex, and of the chimpanzees, to be used in soliciting bids for the disposal authorized by subsection (a). The Secretary shall develop such standards in consultation with the Secretary of Agriculture and the Director of the National Institutes of Health.

(d) CONDITIONS OF DISPOSAL.—The disposal authorized by subsection (a) shall be subject to the followings conditions:

(1) That a recipient of any chimpanzees—

(A) utilize such chimpanzees only for scientific research or medical research purposes; or

(B) retire and provide adequate care for such chimpanzees.

(2) That any recipient of chimpanzees, or the primate research complex, take such chimpanzees, or the primate research complex, subject to any existing leases or other encumbrances at the time of the disposal.

(e) Description of Complex and Chimpanzees.—The exact legal description of the primate research complex and chimpanzees to be disposed of under subsection (a) shall be determined by a survey or other means satisfactory to the Secretary. The cost of any survey or other services performed at the direction of the Secretary under the authority in the preceding sentence shall be borne by the recipient of the property concerned.

(f) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the disposal under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PART IV—OTHER CONVEYANCES

SEC. 2851. LAND CONVEYANCE, TATUM SALT DOME TEST SITE, MISSISSIPPI.

(a) Conveyance Authorized.—The Secretary of Energy may convey, without compensation, to the State of Mississippi (in this section referred to as the "State") the property known as the Tatum Salt Dome Test Site, as generally depicted on the map of the Department of Energy numbered 301913.104.02 and dated June 25, 1993.

(b) Condition on Conveyance.—The conveyance under this section shall be subject to the condition that the State use the conveyed property as a wildlife refuge and working demonstration forest.

(c) Designation.—The property to be conveyed is hereby designated as the "Jamie Whitten Forest Management Area".

(d) Retained Rights.—The conveyance under this section shall be subject to each of the following rights to be retained by the United States:

(1) Retention by the United States of subsurface estates below the property conveyed.

(2) Retention by the United States of rights of access, by easement or otherwise, for such purposes as the Secretary considers appropriate, including access to monitoring wells for sampling.

(3) Retention by the United States of the right to install wells additional to those identified in the remediation plan for the property to the extent such additional wells are considered necessary by the Secretary to monitor potential pathways of contaminant migration. Such wells shall be in such locations as specified by the Secretary.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2852. LAND CONVEYANCE, WILLIAM LANGER JEWEL BEARING PLANT, ROLLA, NORTH DAKOTA.

(a) Conveyance Authorized.—The Administrator of General Services may convey, without consideration, to the Job Development Authority of the City of Rolla, North Dakota (in this section referred to as the "Authority"), all right, title, and interest of the United States in and to a parcel of real property, with improvements thereon and all associated personal property, consisting of approximately 9.77 acres and comprising the William Langer Jewel Bearing Plant in Rolla, North Dakota.

(b) Condition of Conveyance.—The conveyance authorized under subsection (a) shall be subject to the condition that the Authority—

(1) use the real and personal property and improvements conveyed under that subsection for economic development relating to the jewel bearing plant;

(2) enter into an agreement with an appropriate public or private entity or person to lease such property and improvements to that entity or person for such economic development; or

(3) enter into an agreement with an appropriate public or private entity or person to sell such property and improvements to that entity or person for such economic development.

(c) Preference for Domestic Disposal of Jewel Bearings.—(1) In offering to enter into agreements pursuant to any provision of law for the disposal of jewel bearings from the National Defense Stockpile, the President shall give a right of first refusal on all such offers to the Authority or to the appropriate public or private entity or person with which the Authority enters into an agreement under subsection (b).

(2) For the purposes of this section, the term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98(c)).

(d) Availability of Funds for Maintenance and Conveyance of Plant.—Notwithstanding any other provision of law, funds available under the Department of Defense Appropriations Act, 1995 (Public Law 103-335), in fiscal year 1995 for the maintenance of the William Langer Jewel Bearing Plant shall be available for the maintenance of the plant pending the conveyance of the plant and for the conveyance of the plant under this section.

(e) Description of Property.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Administrator. The cost of the survey shall be borne by the Administrator.

(f) Additional Terms and Conditions.—The Administrator may require such additional terms and conditions in connection with the conveyance under this section as the Administrator determines appropriate to protect the interests of the United States.

SEC. 2853. LAND CONVEYANCE, AIR FORCE PLANT NO. 85, COLUMBUS, OHIO.

(a) Conveyance Authorized.—Notwithstanding any other provision of law, the Secretary of the Air Force may instruct the Administrator of General Services to convey, without consideration, to the Columbus Municipal Airport Authority (in this section referred to as the "Authority") all right, title, and interest of the United States in and to a parcel of real property, together with improvements thereon, at Air Force Plant No. 85, Columbus, Ohio, consisting of approximately 240 acres that—

(1) contains the land and buildings referred to as the "airport parcel" in the correspondence from the General Services Administration to the Authority dated April 30, 1996; and

(2) is located adjacent to the Port Columbus International Airport.

(b) Effect of Change in Administrative Jurisdiction.—If, on the date of the enactment of this Act, the Secretary of the Air Force does not have administrative jurisdiction over the property to be conveyed, the conveyance shall be made by the Federal official who has administrative jurisdiction over the parcel as of that date.

(c) Requirement for Federal Screening.—The Federal official responsible for making the conveyance authorized in subsection (a) may not convey the property unless the Federal official determines, in consultation with the Administrator of General Services, that no department or agency of the Federal Government will accept the transfer of the property.

(d) Condition of Conveyance.—The conveyance authorized under subsection (a) shall be subject to the condition that the Authority use the conveyed property for public airport purposes.

(e) Reversion.—If the Federal official making the conveyance under subsection (a) determines that any portion of the conveyed property is not being utilized in accordance with the condition in subsection (d), all right, title, and interest in and to such portion shall revert to the United States, and the United States shall have immediate right of entry thereon.

(f) Description of Property.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Federal official responsible for making the conveyance. The cost of the survey shall be borne by the Authority.

(g) Additional Terms and Conditions.—The Federal official responsible for making the conveyance of property under subsection (a) may require such additional terms and conditions in connection with the conveyance as such official considers appropriate to protect the interests of the United States.

SEC. 2854. MODIFICATION OF BOUNDARIES OF WHITE SANDS NATIONAL MONUMENT AND WHITE SANDS MISSILE RANGE.

(a) Transfer of Lands by Secretary of Army.—The Secretary of the Army may transfer to the administrative jurisdiction of the Secretary of the Interior the following lands as generally depicted on the map entitled "White Sands National Monument, Boundary Proposal", numbered 142/80,061, and dated January 1994:

(1) Lands consisting of approximately 2,524 acres located within White Sands National Monument, New Mexico.

(2) Lands consisting of approximately 5,758 acres located within White Sands Missile Range, New Mexico, and abutting White Sands National Monument.

(b) Transfer of Lands by Secretary of Interior.—The Secretary of the Interior may transfer to the administrative jurisdiction of the Secretary of the Army lands consisting of approximately 4,277 acres located in White Sands National Monument, which lands are generally depicted on the map referred to in subsection (a).

(c) Boundary Modifications.—(1) The Secretary of the Army and the Secretary of the Interior shall jointly modify the boundary of White Sands National Monument so as to include within the national monument the lands transferred under subsection (a) and to exclude from the national monument the lands transferred under subsection (b).

(2) The Secretary of the Army and the Secretary of the Interior shall jointly modify the boundary of White Sands Missile Range as to include within the missile range the lands transferred under subsection (b) and exclude from the missile range the lands transferred under subsection (a).

(d) Administration of Transferred Lands.—(1) The Secretary of the Interior shall administer the lands transferred to that Secretary under subsection (a) in accordance with the laws applicable to the White Sands National Monument.

(2) The Secretary of the Army shall administer the lands transferred to that Secretary under subsection (b) as part of White Sands Missile Range.

(3) The Secretary of the Army shall maintain control of the airspace above the lands transferred to that Secretary under subsection (b) and administer that airspace in a manner consistent with the use of such lands as part of White Sands Missile Range.

(e) PUBLIC AVAILABILITY OF MAP OF MONUMENT.—The Secretary of the Interior and the Secretary of the Army shall jointly prepare, and the Secretary of the Interior shall keep on file for public inspection in the headquarters of White Sands National Monument, a map showing the boundary of White Sands National Monument as modified by this section.

(f) WAIVER OF LIMITATION UNDER PRIOR LAW.—Notwithstanding section 303(b)(1) of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3476), land or an interest in land that was deleted from White Sands National Monument by section 301(19) of the Act (92 Stat. 3475) may, at the election of the Secretary of the Interior, be—

(1) exchanged for land owned by the State of New Mexico within the boundaries of any unit of the National Park System in the State of New Mexico;

(2) transferred to the jurisdiction of any other Federal agency without monetary consideration; or

(3) administered as public land.

Subtitle D—Other Matters

SEC. 2861. AUTHORITY TO GRANT EASEMENTS FOR RIGHTS-OF-WAY.

(a) EASEMENTS FOR ELECTRIC POLES AND LINES AND FOR COMMUNICATIONS LINES AND FACILITIES.—Section 2668(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (9);

(2) by redesignating paragraph (10) as paragraph (13); and

(3) by inserting after paragraph (9) the following new paragraphs:

"(10) poles and lines for the transmission or distribution of electric power;

"(11) poles and lines for the transmission or distribution of communications signals (including telephone and telegraph signals);

"(12) structures and facilities for the transmission, reception, and relay of such signals; and".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in paragraph (3), by striking out ", telephone lines, and telegraph lines,"; and

(2) in paragraph (13), as redesignated by subsection (a)(2), by striking out "or by the Act of March 4, 1911 (43 U.S.C. 961)".

SEC. 2862. AUTHORITY TO ENTER INTO COOPERATIVE AGREEMENTS FOR THE MANAGEMENT OF CULTURAL RESOURCES ON MILITARY INSTALLATIONS.

(a) AGREEMENTS AUTHORIZED.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2683 the following new section:

"§ 2684. Cooperative agreements for management of cultural resources

"(a) AUTHORITY.—The Secretary of Defense or the Secretary of a military department may enter into a cooperative agreement with a State or local government or other entity for the preservation, management, maintenance, and improvement of cultural resources on military installations and for the conduct of research regarding the cultural resources. Activities under the cooperative agreement shall be subject to the availability of funds to carry out the cooperative agreement.

"(b) APPLICATION OF OTHER LAWS.—Section 1535 and chapter 63 of title 31 shall not apply to a cooperative agreement entered into under this section.

"(c) CULTURAL RESOURCE DEFINED.—In this section, the term 'cultural resource' means any of the following:

"(1) A building, structure, site, district, or object eligible for or included in the National Register of Historic Places maintained under section 101(a) of the National Historic Preservation Act (16 U.S.C. 470a(a)).

"(2) Cultural items, as that term is defined in section 2(3) of the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001(3)).

"(3) An archaeological resource, as that term is defined in section 3(1) of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470bb(1)).

"(4) An archaeological artifact collection and associated records covered by section 79 of title 36, Code of Federal Regulations.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2683 the following new item:

"2684. Cooperative agreements for management of cultural resources.".

SEC. 2863. DEMONSTRATION PROJECT FOR INSTALLATION AND OPERATION OF ELECTRIC POWER DISTRIBUTION SYSTEM AT YOUNGSTOWN AIR RESERVE STATION, OHIO.

(a) AUTHORITY.—The Secretary of the Air Force may carry out a demonstration project to assess the feasibility and advisability of permitting private entities to install, operate, and maintain electric power distribution systems at military installations. The Secretary shall carry out the demonstration project through an agreement under subsection (b).

(b) AGREEMENT.—(1) In order to carry out the demonstration project, the Secretary shall enter into an agreement with an electric utility or other company in the Youngstown, Ohio, area, consistent with State law, under which the utility or company installs, operates, and maintains (in a manner satisfactory to the Secretary and the utility or company) an electric power distribution system at Youngstown Air Reserve Station, Ohio.

(2) The Secretary may not enter into an agreement under this subsection until—

(A) the Secretary submits to Congress a report on the agreement to be entered into, including the costs to be incurred by the United States under the agreement; and

(B) a period of 30 days has elapsed from the date of the receipt of the report by the committees.

(c) LICENSES AND EASEMENTS.—In order to facilitate the installation, operation, and maintenance of the electric power distribution system under the agreement under subsection (b), the Secretary may grant the utility or company with which the Secretary enters into the agreement such licenses, easements, and rights-of-way, consistent with State law, as the Secretary and the utility or company jointly determine necessary for such purposes.

(d) OWNERSHIP OF SYSTEM.—The agreement between the Secretary and the utility or company under subsection (b) may provide that the utility or company shall own the electric power distribution system installed under the agreement.

(e) RATE.—The rate charged by the utility or company for providing or distributing electric power at Youngstown Air Reserve Station through the electric power distribution system installed under the agreement under subsection (b) shall be the rate established by the appropriate Federal or State regulatory authority.

(f) REPORTS.—Not later than February 1, 1997, and February 1 of each year following a year in which the Secretary carries out the demonstration project under this section, the Secretary shall submit to Congress a report on the project. The report shall include the Secretary's current assessment of the project and the recommendations, if any, of the Secretary of extending the authority with respect to the project to other facilities and installations of the Department of Defense.

(g) FUNDING.—In order to pay the costs of the United States under the agreement under subsection (b), the Secretary may use funds authorized to be appropriated by section 2601(3)(B) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 540) for the purpose of rebuilding the electric power distribution system at the Youngstown Air Reserve Station that were appropriated for that purpose by the Military Construction Appropriations Act, 1996 (Public Law 104–32; 109 Stat. 283), and that remain available for obligation for that purpose as of the date of the enactment of this Act.

(h) APPLICATION OF OTHER LAW.—Nothing in this section shall authorize actions which are inconsistent with Federal or State law.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in the agreement under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2864. RENOVATION OF THE PENTAGON RESERVATION.

The Secretary of Defense shall take such actions as are necessary to ensure that the total cost of the renovation of the Pentagon Reservation does not exceed $1,118,000,000.

SEC. 2865. PLAN FOR REPAIRS AND STABILIZATION OF THE HISTORIC DISTRICT AT THE FOREST GLEN ANNEX OF WALTER REED MEDICAL CENTER, MARYLAND.

Not later than 120 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the congressional defense committees a comprehensive plan for basic repairs and stabilization measures throughout the historic district at the Forest Glen Annex of Walter Reed Army Medical Center, Maryland, together with funding options for the implementation of the plan.

SEC. 2866. NAMING OF RANGE AT CAMP SHELBY, MISSISSIPPI.

(a) NAME.—The Multi Purpose Range Complex (Heavy) at Camp Shelby, Mississippi, shall after the date of the enactment of this Act be known and designated as the "G.V. (Sonny) Montgomery Range". Any reference to such range in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the G. V. (Sonny) Montgomery Range.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997, or the first day on which G. V. (Sonny) Montgomery otherwise ceases to be a Member of the House of Representatives.

SEC. 2867. DESIGNATION OF MICHAEL O'CALLAGHAN MILITARY HOSPITAL.

(a) DESIGNATION.—The Nellis Federal Hospital, a Federal building located at 4700

North Las Vegas Boulevard, Las Vegas, Nevada, shall be known and designated as the "Michael O'Callaghan Military Hospital".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in subsection (a) shall be deemed to be a reference to the "Michael O'Callaghan Military Hospital".

SEC. 2868. NAMING OF BUILDING AT THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

It is the sense of Congress that the Secretary of Defense should name Building A at the Uniformed Services University of the Health Sciences as the "David Packard Building".

TITLE XXIX—MILITARY LAND WITHDRAWALS

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

Sec. 2901. Short title.
Sec. 2902. Withdrawal and reservation of lands at Fort Carson Military Reservation.
Sec. 2903. Withdrawal and reservation of lands at Pinon Canyon Maneuver Site.
Sec. 2904. Maps and legal descriptions.
Sec. 2905. Management of withdrawn lands.
Sec. 2906. Management of withdrawn and acquired mineral resources.
Sec. 2907. Hunting, fishing, and trapping.
Sec. 2908. Termination of withdrawal and reservation.
Sec. 2909. Determination of presence of contamination and effect of contamination.
Sec. 2910. Delegation.
Sec. 2911. Hold harmless.
Sec. 2912. Amendment to Military Lands Withdrawal Act of 1986.
Sec. 2913. Authorization of appropriations.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

Sec. 2921. Short title and definitions.
Sec. 2922. Withdrawal and reservation of lands for El Centro.
Sec. 2923. Maps and legal descriptions.
Sec. 2924. Management of withdrawn lands.
Sec. 2925. Duration of withdrawal and reservation.
Sec. 2926. Continuation of ongoing decontamination activities.
Sec. 2927. Requirements for extension.
Sec. 2928. Early relinquishment of withdrawal.
Sec. 2929. Delegation of authority.
Sec. 2930. Hunting, fishing, and trapping.
Sec. 2931. Hold harmless.

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

SEC. 2901. SHORT TITLE.

This subtitle may be cited as the "Fort Carson-Pinon Canyon Military Lands Withdrawal Act".

SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS AT FORT CARSON MILITARY RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this subtitle, the lands at the Fort Carson Military Reservation, Colorado, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering, training and weapons firing; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise 3,133.02 acres of public land and 11,415.16 acres of federally-owned minerals in El Paso, Pueblo, and Fremont Counties, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Base", dated February 6, 1992, and published in accordance with section 2904.

SEC. 2903. WITHDRAWAL AND RESERVATION OF LANDS AT PINON CANYON MANEUVER SITE.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this subtitle, the lands at the Pinon Canyon Maneuver Site, Colorado, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering and training; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise 2,517.12 acres of public lands and 130,139 acres of federally-owned minerals in Las Animas County, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Maneuver Area—Pinon Canyon site", dated February 6, 1992, and published in accordance with section 2904.

SEC. 2904. MAPS AND LEGAL DESCRIPTIONS.

(a) PREPARATION OF MAPS AND LEGAL DESCRIPTION.—As soon as practicable after the date of the enactment of this subtitle, the Secretary of the Interior shall prepare maps depicting the lands withdrawn and reserved by this subtitle and publish in the Federal Register a notice containing the legal description of such lands.

(b) LEGAL EFFECT.—Such maps and legal descriptions shall have the same force and effect as if they were included in this subtitle, except that the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(c) AVAILABILITY OF MAPS AND LEGAL DESCRIPTION.—Copies of such maps and legal descriptions shall be available for public inspection in the offices of the Colorado State Director and the Canon City District Manager of the Bureau of Land Management and in the offices of the Commander of Fort Carson, Colorado.

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs of implementing this section.

SEC. 2905. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT GUIDELINES.—

(1) MANAGEMENT BY SECRETARY OF THE ARMY.—Except as provided in section 2906, during the period of withdrawal, the Secretary of the Army shall manage for military purposes the lands covered by this subtitle and may authorize use of the lands by the other military departments and agencies of the Department of Defense, and the National Guard, as appropriate.

(2) ACCESS RESTRICTIONS.—When military operations, public safety, or national security, as determined by the Secretary of the Army, require the closure of roads and trails on the lands withdrawn by this subtitle commonly in public use, the Secretary of the Army is authorized to take such action, except that such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. Appropriate warning notices shall be kept posted during closures.

(3) SUPPRESSION OF FIRES.—The Secretary of the Army shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in suppressing such fires. The memorandum of understanding required by this section shall provide for Bureau of Land Management assistance in the suppression of such fires, and for a transfer of funds from the Department of the Army to the Bureau of Land Management as compensation for such assistance.

(b) MANAGEMENT PLAN.—

(1) DEVELOPMENT REQUIRED.—The Secretary of the Army, with the concurrence of the Secretary of the Interior, shall develop a plan for the management of acquired lands and lands withdrawn under sections 2902 and 2903 for the period of withdrawal. The plan shall—

(A) be consistent with applicable law;

(B) include such provisions as may be necessary for proper resource management and protection of the natural, cultural, and other resources and values of such lands; and

(C) identify those withdrawn and acquired lands, if any, which are to be open to mining or mineral and geothermal leasing, including mineral materials disposal.

(2) TIME FOR DEVELOPMENT.—The management plan required by this subsection shall be developed not later than 5 years after the date of the enactment of this subtitle.

(c) IMPLEMENTATION OF MANAGEMENT PLAN.—

(1) MEMORANDUM OF UNDERSTANDING REQUIRED.—The Secretary of the Army and the Secretary of the Interior shall enter into a memorandum of understanding to implement the management plan developed under subsection (b).

(2) DURATION.—The duration of any such memorandum of understanding shall be the same as the period of withdrawal specified in section 2908(a).

(3) AMENDMENT.—The memorandum of understanding may be amended by agreement of both Secretaries.

(d) USE OF CERTAIN RESOURCES.—The Secretary of the Army is authorized to utilize sand, gravel, or similar mineral or mineral material resources from the lands withdrawn by this subtitle when the use of such resources is required for construction needs of the Fort Carson Reservation or Pinon Canyon Maneuver Site.

SEC. 2906. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in section 2905(d), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Fort Carson Military Reservation and Pinon Canyon Maneuver Site in the same manner as provided in section 12 of the Military Lands Withdrawal Act of 1986 (Public Law 99-606; 100 Stat. 3466) for mining and mineral leasing on certain lands withdrawn by that Act from all forms of appropriation under the public land laws.

SEC. 2907. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2908. TERMINATION OF WITHDRAWAL AND RESERVATION.

(a) Termination Date.—The withdrawal and reservation made by this subtitle shall terminate 15 years after the date of the enactment of this subtitle.

(b) Determination of Continuing Military Need.—

(1) Determination required.—At least three years before the termination under subsection (a) of the withdrawal and reservation established by this subtitle, the Secretary of the Army shall advise the Secretary of the Interior as to whether or not the Department of the Army will have a continuing military need for any of the lands after the termination date.

(2) Method of making determination.—If the Secretary of the Army concludes under paragraph (1) that there will be a continuing military need for any of the lands after the termination date established by subsection (a), the Secretary of the Army, in accordance with applicable law, shall—

(A) evaluate the environmental effects of renewal of such withdrawal and reservation;

(B) hold at least one public hearing in Colorado concerning such evaluation; and

(C) file, after completing the requirements of subparagraphs (A) and (B), an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals for military uses.

(3) Notification.—The Secretary of the Interior shall notify the Congress concerning a filing under paragraph (3)(C).

(c) Early Relinquishment of Withdrawal.—If the Secretary of the Army concludes under subsection (b) that before the termination date established by subsection (a) there will be no military need for all or any part of the lands withdrawn and reserved by this subtitle, or if, during the period of withdrawal, the Secretary of the Army otherwise decides to relinquish any or all of the lands withdrawn and reserved under this subtitle, the Secretary of the Army shall file with the Secretary of the Interior a notice of intention to relinquish such lands.

(d) Acceptance of Lands Proposed for Relinquishment.—Notwithstanding any other provision of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jurisdiction over the lands proposed for relinquishment, may revoke the withdrawal and reservation established by this subtitle as it applies to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws if appropriate.

SEC. 2909. DETERMINATION OF PRESENCE OF CONTAMINATION AND EFFECT OF CONTAMINATION.

(a) Determination of Presence of Contamination.—

(1) Before relinquishment notice.—Before filing a relinquishment notice under section 2908(c), the Secretary of the Army shall prepare a written determination as to whether and to what extent the lands to be relinquished are contaminated with explosive, toxic, or other hazardous materials. A copy of the determination made by the Secretary of the Army shall be supplied with the relinquishment notice. Copies of both the relinquishment notice and the determination under this subsection shall be published in the Federal Register by the Secretary of the Interior.

(2) Upon termination of withdrawal.—At the expiration of the withdrawal period made by this Act, the Secretary of the Interior shall determine whether and to what extent the lands withdrawn by this subtitle are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws.

(b) Program of Decontamination.—

(1) In general.—Throughout the duration of the withdrawal and reservation made by this subtitle, the Secretary of the Army, to the extent funds are made available, shall maintain a program of decontamination of the lands withdrawn by this subtitle at least at the level of effort carried out during fiscal year 1992.

(2) Decontamination of lands to be relinquished.—In the case of lands subject to a relinquishment notice under section 2908(c) that are contaminated, the Secretary of the Army shall decontaminate the land to the extent that funds are appropriated for such purpose if the Secretary of the Interior, in consultation with the Secretary of the Army, determines that—

(A) decontamination of the lands is practicable and economically feasible, taking into consideration the potential future use and value of the land; and

(B) upon decontamination, the land could be opened to the operation of some or all of the public land laws, including the mining laws.

(c) Authority of Secretary of the Interior To Refuse Contaminated Lands.—The Secretary of the Interior shall not be required to accept lands proposed for relinquishment if the Secretary of the Army and the Secretary of the Interior conclude that—

(1) decontamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible;

(2) the lands cannot be decontaminated sufficiently to allow them to be opened to the operation of the public land laws; or

(3) insufficient funds are appropriated for the purpose of decontaminating the lands.

(d) Effect of Continued Contamination.—If the Secretary of the Interior declines under subsection (c) to accept jurisdiction of lands proposed for relinquishment or if the Secretary of the Interior determines under subsection (a)(2) that some of the lands withdrawn by this subtitle are contaminated to an extent that prevents opening the contaminated lands to operation of the public land laws—

(1) the Secretary of the Army shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(2) after the expiration of the withdrawal, the Secretary of the Army shall undertake no activities on such lands except in connection with decontamination of such lands; and

(3) the Secretary of the Army shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken under paragraphs (1) and (2).

(e) Effect of Subsequent Decontamination.—If the lands described in subsection (d) are subsequently decontaminated, upon certification by the Secretary of the Army that the lands are safe for all nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(f) Effect on Other Laws.—Nothing in this subtitle shall affect, or be construed to affect, the obligations of the Secretary of the Army, if any, to decontaminate lands withdrawn by this subtitle pursuant to applicable law, including the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

SEC. 2910. DELEGATION.

The functions of the Secretary of the Army under this subtitle may be delegated. The functions of the Secretary of the Interior under this subtitle may be delegated, except that the order referred to in section 2908(d) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 2911. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands comprising the Fort Carson Reservation or Pinon Canyon Maneuver Site shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising under the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Solid Waste Disposal Act, or otherwise.

SEC. 2912. AMENDMENT TO MILITARY LANDS WITHDRAWAL ACT OF 1986.

(a) Use of Certain Resources.—Section 3(f) of the Military Lands Withdrawal Act of 1986 (Public Law 99-606; 100 Stat. 3461) is amended by adding at the end the following new paragraph:

"(2) Subject to valid existing rights, the Secretary of the military department concerned may utilize sand, gravel, or similar mineral or material resources when the use of such resources is required for construction needs on the respective lands withdrawn by this Act.".

(b) Technical Correction.—Section 9(b) of the Military Lands Withdrawal Act of 1986 (Public Law 99-606; 100 Stat. 3466) is amended by striking "section 7(f)" and inserting in lieu thereof "section 8(f)".

SEC. 2913. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this subtitle.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

SEC. 2921. SHORT TITLE AND DEFINITIONS.

(a) Short Title.—This subtitle may be cited as the "El Centro Naval Air Facility Ranges Withdrawal Act".

(b) Definitions.—In this subtitle:

(1) The term "El Centro" means the Naval Air Facility, El Centro, California.

(2) The term "cooperative agreement" means the cooperative agreement entered into between the Bureau of Land Management, the Bureau of Reclamation, and the Department of the Navy, dated June 29, 1987, with regard to the defense-related uses of Federal lands to further the mission of El Centro.

(3) The term "relinquishment notice" means a notice of intention by the Secretary of the Navy under section 2928(a) to relinquish, before the termination date specified in section 2925, the withdrawal and reservation of certain lands withdrawn under this subtitle.

SEC. 2922. WITHDRAWAL AND RESERVATION OF LANDS FOR EL CENTRO.

(a) Withdrawals.—Subject to valid existing rights, and except as otherwise provided in this subtitle, the Federal lands utilized in the mission of the Naval Air Facility, El Centro, California, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, but not the mineral leasing or geothermal leasing laws or the mineral materials sales laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for the use by the Secretary of the Navy—

(1) for defense-related purposes in accordance with the cooperative agreement; and

(2) subject to notice to the Secretary of the Interior under section 2924(e), for other defense-related purposes determined by the Secretary of the Navy.

(c) DESCRIPTION OF WITHDRAWN LANDS.—The lands withdrawn and reserved under subsection (a) are—

(1) the Federal lands comprising approximately 46,600 acres in Imperial County, California, as generally depicted in part on a map entitled "Exhibit A, Naval Air Facility, El Centro, California, Land Acquisition Map, Range 2510 (West Mesa)" and dated March 1993 and in part on a map entitled "Exhibit B, Naval Air Facility, El Centro, California, Land Acquisition Map Range 2512 (East Mesa)" and dated March 1993; and

(2) and all other areas within the boundaries of such lands as depicted on such maps that may become subject to the operation of the public land laws.

SEC. 2923. MAPS AND LEGAL DESCRIPTIONS.

(a) PUBLICATION AND FILING REQUIREMENTS.—As soon as practicable after the date of the enactment of this subtitle, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved under this subtitle; and

(2) file maps and the legal description of the lands withdrawn and reserved under this subtitle with the Committee on Energy and Natural Resources of the Senate and with the Committee on Resources of the House of Representatives.

(b) LEGAL EFFECT.—The maps and legal description prepared under subsection (a) shall have the same force and effect as if they were included in this subtitle, except that the Secretary of the Interior may correct clerical and typographical errors in the maps and legal description.

(c) AVAILABILITY FOR PUBLIC INSPECTION.—Copies of the maps and legal description prepared under subsection (a) shall be available for public inspection in—

(1) the Office of the State Director, California State Office of the Bureau of Land Management, Sacramento, California;

(2) the Office of the District Manager, California Desert District of the Bureau of Land Management, Riverside, California; and

(3) the Office of the Commanding Officer, Marine Corps Air Station, Yuma, Arizona.

(d) REIMBURSEMENT.—The Secretary of Navy shall reimburse the Secretary of the Interior for the cost of implementing this section.

SEC. 2924. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT CONSISTENT WITH COOPERATIVE AGREEMENT.—The lands and resources shall be managed in accordance with the cooperative agreement, revised as necessary to conform to the provisions of this subtitle. The parties to the cooperative agreement shall review the cooperative agreement for conformance with this subtitle and amend the cooperative agreement, if appropriate, within 120 days after the date of the enactment of this subtitle. The term of the cooperative agreement shall be amended so that its duration is at least equal to the duration of the withdrawal made by section 2925. The cooperative agreement may be reviewed and amended by the managing agencies as necessary.

(b) MANAGEMENT BY SECRETARY OF THE INTERIOR.—

(1) GENERAL MANAGEMENT AUTHORITY.—During the period of withdrawal, the Secretary of the Interior shall manage the lands withdrawn and reserved under this subtitle pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable laws, including this subtitle.

(2) SPECIFIC AUTHORITIES.—To the extent consistent with applicable laws, Executive orders, and the cooperative agreement, the lands withdrawn and reserved under this subtitle may be managed in a manner permitting—

(A) protection of wildlife and wildlife habitat;

(B) control of predatory and other animals;

(C) the prevention and appropriate suppression of brush and range fires resulting from nonmilitary activities; and

(D) geothermal leasing and development and related power production, mineral leasing and development, and mineral material sales.

(3) EFFECT OF WITHDRAWAL.—The Secretary of the Interior shall manage the lands withdrawn and reserved under this subtitle, in coordination with the Secretary of the Navy, such that all nonmilitary use of such lands, including the uses described in paragraph (2), shall be subject to such conditions and restrictions as may be necessary to permit the military use of such lands for the purposes specified in the cooperative agreement or authorized pursuant to this subtitle.

(c) CERTAIN ACTIVITIES SUBJECT TO CONCURRENCE OF NAVY.—The Secretary of the Interior may issue a lease, easement, right-of-way, or other authorization with respect to the nonmilitary use of the withdrawn lands only with the concurrence of the Secretary of the Navy and under the terms of the cooperative agreement.

(d) ACCESS RESTRICTIONS.—If the Secretary of the Navy determines that military operations, public safety, or national security require the closure to public use of any road, trail, or other portion of the lands withdrawn under this subtitle, the Secretary may take such action as the Secretary determines necessary or desirable to effect and maintain such closure. Any such closure shall be limited to the minimum areas and periods which the Secretary of the Navy determines are required to carry out this subsection. Before and during any closure under this subsection, the Secretary of the Navy shall keep appropriate warning notices posted and take appropriate steps to notify the public concerning such closures.

(e) ADDITIONAL MILITARY USES.—Lands withdrawn under this subtitle may be used for defense-related uses other than those specified in the cooperative agreement. The Secretary of the Navy shall promptly notify the Secretary of the Interior in the event that the lands withdrawn under this subtitle will be used for additional defense-related purposes. Such notification shall indicate the additional use or uses involved, the proposed duration of such uses, and the extent to which such additional military uses of the withdrawn lands will require that additional or more stringent conditions or restrictions be imposed on otherwise-permitted nonmilitary uses of all or any portion of the withdrawn lands.

SEC. 2925. DURATION OF WITHDRAWAL AND RESERVATION.

The withdrawal and reservation made under this subtitle shall terminate 25 years after the date of the enactment of this subtitle.

SEC. 2926. CONTINUATION OF ONGOING DECONTAMINATION ACTIVITIES.

Throughout the duration of the withdrawal and reservation made under this subtitle, and subject to the availability of funds, the Secretary of the Navy shall maintain a program of decontamination of the lands withdrawn under this subtitle at least at the level of decontamination activities performed on such lands in fiscal year 1995. Such activities shall be subject to applicable laws, such as the amendments made by the Federal Facility Compliance Act of 1992 (Public Law 102-386; 106 Stat. 1505) and the Defense Environmental Restoration Program established under section 2701 of title 10, United States Code.

SEC. 2927. REQUIREMENTS FOR EXTENSION.

(a) NOTICE OF CONTINUED MILITARY NEED.—Not later than five years before the termination date specified in section 2925, the Secretary of the Navy shall advise the Secretary of the Interior as to whether or not the Navy will have a continuing military need for any or all of the lands withdrawn and reserved under this subtitle after the termination date.

(b) APPLICATION FOR EXTENSION.—If the Secretary of the Navy determines that there will be a continuing military need for any or all of the withdrawn lands after the termination date specified in section 2925, the Secretary of the Navy shall file an application for extension of the withdrawal and reservation of the lands in accordance with the then existing regulations and procedures of the Department of the Interior applicable to extension of withdrawal of lands for military purposes and that are consistent with this subtitle. Such application shall be filed with the Department of the Interior not later than four years before the termination date.

(c) EXTENSION PROCESS.—The withdrawal and reservation established by this subtitle may not be extended except by an Act or Joint Resolution of Congress.

SEC. 2928. EARLY RELINQUISHMENT OF WITHDRAWAL.

(a) FILING OF RELINQUISHMENT NOTICE.—If, during the period of withdrawal and reservation specified in section 2925, the Secretary of the Navy decides to relinquish all or any portion of the lands withdrawn and reserved under this subtitle, the Secretary of the Navy shall file a notice of intention to relinquish with the Secretary of the Interior.

(b) DETERMINATION OF PRESENCE OF CONTAMINATION.—Before transmitting a relinquishment notice under subsection (a), the Secretary of the Navy, in consultation with the Secretary of the Interior, shall prepare a written determination concerning whether and to what extent the lands to be relinquished are contaminated with explosive, toxic, or other hazardous wastes and substances. A copy of such determination shall be transmitted with the relinquishment notice.

(c) DECONTAMINATION AND REMEDIATION.—In the case of contaminated lands which are the subject of a relinquishment notice, the Secretary of the Navy shall decontaminate or remediate the land to the extent that funds are appropriated for such purpose if the Secretary of the Interior, in consultation with the Secretary of the Navy, determines that—

(1) decontamination or remediation of the lands is practicable and economically feasible, taking into consideration the potential future use and value of the land; and

(2) upon decontamination or remediation, the land could be opened to the operation of some or all of the public land laws, including the mining laws.

(d) DECONTAMINATION AND REMEDIATION ACTIVITIES SUBJECT TO OTHER LAWS.—The activities of the Secretary of the Navy under subsection (c) are subject to applicable laws and regulations, including the Defense Environmental Restoration Program established under section 2701 of title 10, United States Code, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(e) AUTHORITY OF SECRETARY OF THE INTERIOR TO REFUSE CONTAMINATED LANDS.—The Secretary of the Interior shall not be required to accept lands specified in a relinquishment notice if the Secretary of the Interior, after consultation with the Secretary of the Navy, concludes that—

(1) decontamination or remediation of any land subject to the relinquishment notice is not practicable or economically feasible;

(2) the land cannot be decontaminated or remediated sufficiently to be opened to operation of some or all of the public land laws; or

(3) a sufficient amount of funds are not appropriated for the decontamination of the land.

(f) STATUS OF CONTAMINATED LANDS.—If, because of the condition of the lands, the Secretary of the Interior declines to accept jurisdiction of lands proposed for relinquishment or, if at the expiration of the withdrawal made under this subtitle, the Secretary of the Interior determines that some of the lands withdrawn under this subtitle are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws—

(1) the Secretary of the Navy shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(2) after the expiration of the withdrawal, the Secretary of the Navy shall retain jurisdiction over the withdrawn lands, but shall undertake no activities on such lands except in connection with the decontamination or remediation of such lands; and

(3) the Secretary of the Navy shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken under paragraphs (1) and (2).

(g) SUBSEQUENT DECONTAMINATION OR REMEDIATION.—If lands covered by subsection (f) are subsequently decontaminated or remediated and the Secretary of the Navy certifies that the lands are safe for nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(h) REVOCATION AUTHORITY.—Notwithstanding any other provision of law, upon deciding that it is in the public interest to accept jurisdiction over lands specified in a relinquishment notice, the Secretary of the Interior may revoke the withdrawal and reservation made under this subtitle as it applies to such lands. If the decision be made to accept the relinquishment and to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws, if appropriate.

SEC. 2929. DELEGATION OF AUTHORITY.

(a) DEPARTMENT OF THE NAVY.—The functions of the Secretary of the Navy under this subtitle may be delegated.

(b) DEPARTMENT OF INTERIOR.—The functions of the Secretary of the Interior under this subtitle may be delegated, except that an order described in section 2928(h) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 2930. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2931. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn and reserved under this subtitle shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising under the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Solid Waste Disposal Act, or otherwise.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. Weapons activities.
Sec. 3102. Environmental restoration and waste management.
Sec. 3103. Defense fixed asset acquisition/privatization.
Sec. 3104. Other defense activities.
Sec. 3105. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on general plant projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Fund transfer authority.
Sec. 3125. Authority for conceptual and construction design.
Sec. 3126. Authority for emergency planning, design, and construction activities.
Sec. 3127. Funds available for all national security programs of the Department of Energy.
Sec. 3128. Availability of funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Stockpile stewardship program.
Sec. 3132. Manufacturing infrastructure for nuclear weapons stockpile.
Sec. 3133. Tritium production.
Sec. 3134. Modernization and consolidation of tritium recycling facilities.
Sec. 3135. Production of high explosives.
Sec. 3136. Limitation on use of funds for certain research and development purposes.
Sec. 3137. Prohibition on funding nuclear weapons activities with People's Republic of China.
Sec. 3138. International cooperative stockpile stewardship programs.
Sec. 3139. Temporary authority relating to transfers of defense environmental management funds.
Sec. 3140. Management structure for nuclear weapons production facilities and nuclear weapons laboratories.
Sec. 3141. Accelerated schedule for isolating high-level nuclear waste at the defense waste processing facility, Savannah River Site.
Sec. 3142. Processing and treatment of high-level nuclear waste and spent nuclear fuel rods.
Sec. 3143. Projects to accelerate closure activities at defense nuclear facilities.
Sec. 3144. Payment of costs of operation and maintenance of infrastructure at Nevada Test Site.

Subtitle D—Other Matters

Sec. 3151. Report on plutonium pit production and remanufacturing plans.
Sec. 3152. Amendments relating to baseline environmental management reports.
Sec. 3153. Requirement to develop future use plans for environmental management program.
Sec. 3154. Report on Department of Energy liability at Department superfund sites.
Sec. 3155. Requirement for annual five-year budget for the national security programs of the Department of Energy.
Sec. 3156. Requirements for Department of Energy weapons activities budgets for fiscal years after fiscal year 1997.
Sec. 3157. Repeal of requirement relating to accounting procedures for Department of Energy funds.
Sec. 3158. Update of report on nuclear test readiness postures.
Sec. 3159. Reports on critical difficulties at nuclear weapons laboratories and nuclear weapons production plants.
Sec. 3160. Extension of applicability of notice-and-wait requirement regarding proposed cooperation agreements.
Sec. 3161. Sense of Senate relating to redesignation of defense environmental restoration and waste management program.
Sec. 3162. Commission on maintaining United States nuclear weapons expertise.
Sec. 3163. Sense of Congress regarding reliability and safety of remaining nuclear forces.
Sec. 3164. Study on worker protection at the Mound facility.
Sec. 3165. Fiscal year 1998 funding for Greenville Road Improvement Project, Livermore, California.
Sec. 3166. Fellowship program for development of skills critical to Department of Energy nuclear weapons complex.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

Sec. 3171. Purpose.
Sec. 3172. Applicability.
Sec. 3173. Site manager.
Sec. 3174. Department of Energy orders.
Sec. 3175. Deployment of technology for remediation of defense nuclear waste.

Sec. 3176. Performance-based contracting.
Sec. 3177. Designation of covered facilities as environmental cleanup demonstration areas.
Sec. 3178. Definitions.
Sec. 3179. Termination.
Sec. 3180. Report.

Subtitle F—Waste Isolation Pilot Plant Land Withdrawal Act Amendments

Sec. 3181. Short title.
Sec. 3182. Definitions.
Sec. 3183. Management plan.
Sec. 3184. Repeal of test phase and retrieval plans.
Sec. 3185. Test phase activities.
Sec. 3186. Disposal operations.
Sec. 3187. Environmental Protection Agency disposal regulations.
Sec. 3188. Compliance with environmental laws and regulations.
Sec. 3189. Sense of Congress on commencement of emplacement of transuranic waste.
Sec. 3190. Decommissioning of WIPP.
Sec. 3191. Authorizations for economic assistance and miscellaneous payments.

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) STOCKPILE STEWARDSHIP.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $1,661,767,000, to be allocated as follows:

(1) For core stockpile stewardship, $1,235,907,000, to be allocated as follows:

(A) For operation and maintenance, $1,147,570,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $88,337,000, to be allocated as follows:

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $19,250,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $15,100,000.

Project 96–D–104, processing and environmental technology laboratory (PETL), Sandia National Laboratories, Albuquerque, New Mexico, $14,100,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $17,100,000.

Project 95–D–102, Chemical and Metallurgy Research Building upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $15,000,000.

Project 94–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $7,787,000.

(2) For inertial fusion, $366,460,000, to be allocated as follows:

(A) For operation and maintenance, $234,560,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $131,900,000 to be allocated as follows:

Project 96–D–111, national ignition facility, location to be determined, $131,900,000.

(3) For technology transfer and education, $59,400,000.

(b) STOCKPILE MANAGEMENT.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $1,962,831,000, to be allocated as follows:

(1) For operation and maintenance, $1,868,470,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $94,361,000, to be allocated as follows:

Project 97–D–121, consolidated pit packaging system, Pantex Plant, Amarillo, Texas, $870,000.

Project 97–D–122, nuclear materials storage facility renovation, Los Alamos National Laboratory, Los Alamos, New Mexico, $4,000,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $1,400,000.

Project 97–D–124, steam plant wastewater treatment facility upgrade, Y–12 Plant, Oak Ridge, Tennessee, $600,000.

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $100,000.

Project 96–D–123, retrofit heating, ventilation, and air conditioning and chillers for ozone protection, Y–12 Plant, Oak Ridge, Tennessee, $7,000,000.

Project 96–D–125, Washington measurements operations facility, Andrews Air Force Base, Camp Springs, Maryland, $3,825,000.

Project 95–D–122, sanitary sewer upgrade, Y–12 Plant, Oak Ridge, Tennessee, $10,900,000.

Project 94–D–124, hydrogen fluoride supply system, Y–12 Plant, Oak Ridge, Tennessee, $4,900,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $5,200,000.

Project 94–D–127, emergency notification system, Pantex Plant, Amarillo, Texas, $2,200,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $7,200,000.

Project 93–D–123, complex-21, various locations, $14,487,000.

Project 88–D–122, facilities capability assurance program, various locations, $21,940,000.

Project 88–D–123, security enhancement, Pantex Plant, Amarillo, Texas, $9,739,000.

(c) PROGRAM DIRECTION.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for program direction in carrying out weapons activities necessary for national security programs in the amount of $313,404,000.

(d) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (c) reduced by $20,000,000 for use of prior year balances.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ENVIRONMENTAL RESTORATION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for environmental restoration in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,762,194,000, of which $376,648,000 shall be allocated to the uranium enrichment decontamination and decommissioning fund.

(b) WASTE MANAGEMENT.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,578,653,000, to be allocated as follows:

(1) For operation and maintenance, $1,490,326,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $88,327,000, to be allocated as follows:

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $7,584,000.

Project 96–D–408, waste management upgrades, various locations, $11,246,000.

Project 95–D–402, install permanent electrical service, Waste Isolation Pilot Plant, Carlsbad, New Mexico, $752,000.

Project 95–D–405, industrial landfill V and construction/demolition landfill VII, Y–12 Plant, Oak Ridge, Tennessee, $200,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $6,345,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $12,600,000.

Project 93–D–182, replacement of cross-site transfer system, Richland, Washington, $8,100,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $20,000,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River Site, Aiken, South Carolina, $11,500,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $10,000,000.

(c) NUCLEAR MATERIALS AND FACILITIES STABILIZATION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for nuclear materials and facilities stabilization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,291,290,000 to be allocated as follows:

(1) For operation and maintenance, $1,173,718,000.

(2) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $117,572,000, to be allocated as follows:

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $7,900,000.

Project 97–D–451, B-Plant safety class ventilation upgrades, Richland, Washington, $1,500,000.

Project 97–D–470, environmental monitoring laboratory, Savannah River Site, Aiken, South Carolina, $2,500,000.

Project 97–D–473, health physics site support facility, Savannah River Site, Aiken, South Carolina, $2,000,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $60,672,000.

Project 96–D–461, electrical distribution upgrade, Idaho National Engineering Laboratory, Idaho, $6,790,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $10,440,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,541,000.

Project 95–E–600, hazardous materials management and emergency response training center, Richland, Washington, $7,900,000.

Project 95–D–155, upgrade site road infrastructure, Savannah River Site, South Carolina, $4,137,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $4,645,000.

Project 94–D–401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $547,000.

(d) PROGRAM DIRECTION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $411,511,000.

(e) TECHNOLOGY DEVELOPMENT.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $303,771,000.

(f) POLICY AND MANAGEMENT.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for policy and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $23,155,000.

(g) ENVIRONMENTAL SCIENCE PROGRAM.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for the environmental science program in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $62,136,000.

(h) ENVIRONMENTAL MANAGEMENT PRIVATIZATION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for environmental management privatization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $185,000,000.

(i) CLOSURE PROJECTS.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for closure projects selected under section 3143 in the amount of $50,000,000.

(j) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (i) reduced by the sum of—

(1) $150,400,000, for use of prior year balances; and

(2) $8,000,000, for Savannah River Pension Refund.

SEC. 3103. DEFENSE FIXED ASSET ACQUISITION/PRIVATIZATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for the defense fixed asset acquisition/privatization program in the amount of $182,000,000.

SEC. 3104. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for other defense activities in carrying out programs necessary for national security in the amount of $1,590,231,000, to be allocated as follows:

(1) For verification and control technology, $456,348,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $204,919,000.

(B) For arms control, $216,244,000.

(C) For intelligence, $35,185,000.

(2) For nuclear safeguards and security, $47,208,000.

(3) For security investigations, $22,000,000.

(4) For emergency management, $16,794,000.

(5) For program direction, $88,122,000.

(6) For international nuclear safety, $15,200,000.

(7) For environment, safety, and health, defense, $63,800,000.

(8) For worker and community transition assistance, $67,000,000.

(9) For fissile materials disposition, $93,796,000, to be allocated as follows:

(A) For operation and maintenance, $76,796,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto):

Project 97–D–140, consolidated special nuclear materials storage facility, site to be determined, $17,000,000.

(10) For nuclear security/Russian production reactor shutdown, $6,000,000.

(11) For naval reactors development, $681,932,000, to be allocated as follows:

(A) For operation and infrastructure, $649,330,000.

(B) For program direction, $18,902,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $13,700,000, to be allocated as follows:

Project 97–D–201, advanced test reactor secondary coolant refurbishment, Idaho National Engineering Laboratory, Idaho, $400,000.

Project 95–D–200, laboratory systems and hot cell upgrades, various locations, $4,800,000.

Project 95–D–201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $8,000,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in paragraphs (1) through (10) of subsection (a) reduced by $25,500,000 for use of prior year balances.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $200,000,000.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects authorized by this title if the total estimated cost of the construction project does not exceed $2,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

(c) REPORT ON PERMANENT AUTHORIZATION OF APPROPRIATIONS FOR GENERAL PLANT PROJECTS.—(1) Not later than February 1, 1997, the Secretary of Energy shall submit to the congressional defense committees a report on the desirability of a permanent authorization of appropriations for the defense general plant projects and civilian general plant projects of the Department of Energy.

(2) If the Secretary determines for purposes of the report under paragraph (1) that a permanent authorization of appropriations is desirable, the report shall include—

(A) recommendations for legislation to provide for a permanent authorization of appropriations, including a formula for adjusting for inflation the amount authorized to be appropriated for the projects to be covered by such authorization of appropriations; and

(B) a description of the actions to be undertaken by the Secretary to control costs with respect to such projects, including any actions that may depend on the size, nature, or scope of the project concerned.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY; LIMITATIONS.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(3) The authority provided by this section to transfer authorizations—

(A) may only be used to provide funds for items relating to weapons activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(B) may not be used to provide authority for an item that has been denied funds by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project. The Secretary shall submit to Congress a report on each conceptual design completed under this paragraph.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $2,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any construction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. STOCKPILE STEWARDSHIP PROGRAM.

(a) PURPOSE.—The purpose of this section is to provide for the enhanced implementation of the Department of Energy stockpile stewardship and management program, in order to provide greater confidence in the safety and continuing reliability of the nuclear weapons stockpile.

(b) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, $85,000,000 shall be available to enhance the Department's stockpile stewardship and management program for activities determined appropriate by the Secretary of Energy, including the following:

(1) Enhanced surveillance of the nuclear weapons stockpile.

(2) Dual revalidation of the warheads in the nuclear weapons stockpile.

(3) Stockpile life extension programs.

(4) Production capability assurance programs for critical non-nuclear components.

(5) Accelerating capability to produce prototype war reserve-quality plutonium pits.

(6) Conducting subcritical tests.

(c) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a report on the obligations the Secretary has incurred, and plans to incur, during fiscal year 1997 for the funds made available by subsection (b).

SEC. 3132. MANUFACTURING INFRASTRUCTURE FOR NUCLEAR WEAPONS STOCKPILE.

(a) GENERAL PROGRAM REQUIREMENTS.—Subsection (a) of section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 620; 42 U.S.C. 2121 note) is amended—

(1) by inserting "(1)" before "The Secretary of Energy";

(2) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively; and

(3) by adding at the end the following:

"(2) The purpose of the program carried out under paragraph (1) shall also be to develop manufacturing capabilities and capacities necessary to meet the requirements specified in the annual Nuclear Weapons Stockpile Review.".

(b) REQUIRED CAPABILITIES.—Subsection (b)(3) of such section is amended to read as follows:

"(3) The capabilities of the Savannah River Site relating to tritium recycling and fissile materials components processing and fabrication.".

(c) PLAN AND REPORT.—Not later than March 1, 1997, the Secretary of Energy shall submit to Congress a report containing a plan for carrying out the program established under section 3137(a) of the National Defense Authorization Act for Fiscal Year 1996, as amended by this section. The report shall set forth the obligations that the Secretary has incurred, and proposes to incur, during fiscal year 1997 in carrying out the program.

(d) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3101, $90,000,000 shall be available for carrying out the program established under section 3137(a) of the National Defense Authorization Act for Fiscal Year 1996, as so amended.

SEC. 3133. TRITIUM PRODUCTION.

(a) ACCELERATION OF TRITIUM PRODUCTION.—(1) The Secretary of Energy shall, during fiscal year 1997, make a final decision on the technologies to be utilized, and the accelerated schedule to be adopted, for tritium production in order to meet the requirements of the Nuclear Weapons Stockpile Memorandum relating to tritium production, including the new tritium production date of 2005 specified in the Nuclear Weapons Stockpile Memorandum.

(2) In making the final decision, the Secretary shall take into account the following:

(A) The requirements for tritium production specified in the Nuclear Weapons Stockpile Memorandum, including, in particular, the requirements for the "upload hedge" component of the nuclear weapons stockpile.

(B) The ongoing activities of the Department of Energy relating to the evaluation and demonstration of technologies under the accelerator reactor program and the commercial light water reactor program.

(b) REPORT.—(1) Not later than April 15, 1997, the Secretary shall submit to Congress a report that sets forth the final decision of the Secretary under subsection (a)(1). The report shall set forth in detail—

(A) the technologies decided on under that subsection; and

(B) the accelerated schedule for the production of tritium decided on under that subsection.

(2) If the Secretary determines that it is not possible to make the final decision by the date specified in paragraph (1), the Secretary shall submit to Congress on that date a report that explains in detail why the final decision cannot be made by that date.

(c) NEW TRITIUM PRODUCTION FACILITY.—The Secretary shall commence planning and design activities and infrastructure development for a new tritium production facility.

(d) IN-REACTOR TESTS.—The Secretary may perform in-reactor tests of tritium target rods as part of the activities carried out under the commercial light water reactor program.

(e) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101(b)(1), $160,000,000 shall be available for activities related to tritium production.

SEC. 3134. MODERNIZATION AND CONSOLIDATION OF TRITIUM RECYCLING FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall carry out activities at the Savannah River Site, South Carolina, to—

(1) modernize and consolidate the facilities for recycling tritium for weapons; and

(2) provide a modern tritium extraction facility so as to ensure that such facilities have a capacity to recycle tritium from weapons that is adequate to meet the requirements for tritium for weapons specified in the Nuclear Weapons Stockpile Memorandum.

(b) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, not more than $9,000,000 shall be available for activities under subsection (a).

SEC. 3135. PRODUCTION OF HIGH EXPLOSIVES.

No funds appropriated or otherwise made available to the Department of Energy for fiscal year 1997 or any prior fiscal year may be used to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant, Amarillo, Texas, to any other site or facility.

SEC. 3136. LIMITATION ON USE OF FUNDS FOR CERTAIN RESEARCH AND DEVELOPMENT PURPOSES.

(a) LIMITATION.—No funds authorized to be appropriated or otherwise made available to the Department of Energy for fiscal year 1997 under section 3101 may be obligated or expended for activities under the Department of Energy Laboratory Directed Research and Development Program, or under any Department of Energy technology transfer program or cooperative research and development agreement, unless such activities support the national security mission of the Department of Energy.

(b) ANNUAL REPORT.—(1) The Secretary of Energy shall annually submit to the congressional defense committees a report on the funds expended during the preceding fiscal year on activities under the Department of Energy Laboratory Directed Research and Development Program. The purpose of the report is to permit an assessment of the extent to which such activities support the national security mission of the Department of Energy.

(2) Each report shall be prepared by the officials responsible for Federal oversight of the funds expended on activities under the program.

(3) Each report shall set forth the criteria utilized by the officials preparing the report in determining whether or not the activities reviewed by such officials support the national security mission of the Department.

SEC. 3137. PROHIBITION ON FUNDING NUCLEAR WEAPONS ACTIVITIES WITH PEOPLE'S REPUBLIC OF CHINA.

(a) FUNDING PROHIBITION.—No funds authorized to be appropriated or otherwise available to the Department of Energy for fiscal year 1997 may be obligated or expended for any activity associated with the conduct of cooperative programs relating to nuclear weapons or nuclear weapons technology, including stockpile stewardship, safety, and use control, with the People's Republic of China.

(b) REPORT.—(1) The Secretary of Energy shall prepare, in consultation with the Secretary of Defense, a report containing a description of all discussions and activities between the United States and the People's Republic of China regarding nuclear weapons matters that have occurred before the date of the enactment of this Act and that are planned to occur after such date. For each such discussion or activity, the report shall include—

(A) the authority under which the discussion or activity took or will take place;

(B) the subject of the discussion or activity;

(C) participants or likely participants;

(D) the source and amount of funds used or to be used to pay for the discussion or activity; and

(E) a description of the actions taken or to be taken to ensure that no classified information or unclassified controlled information was or will be revealed, and a determination of whether classified information or unclassified controlled information was revealed in previous discussions.

(2) The report shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than January 15, 1997.

SEC. 3138. INTERNATIONAL COOPERATIVE STOCKPILE STEWARDSHIP PROGRAMS.

(a) FUNDING PROHIBITION.—No funds authorized to be appropriated or otherwise available to the Department of Energy for fiscal year 1997 may be obligated or expended to conduct any activities associated with international cooperative stockpile stewardship.

(b) EXCEPTION.—Subsection (a) does not apply—

(1) with respect to such activities conducted between the United States and the United Kingdom and between the United States and France; and

(2) to activities carried out under title XV of this Act (relating to cooperative threat reduction with states of the former Soviet Union).

SEC. 3139. TEMPORARY AUTHORITY RELATING TO TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project. Any such transfer may be made only once in a fiscal year to or from a program or project, and the amount transferred to or from a program or project may not exceed $5,000,000 in a fiscal year.

(b) DETERMINATION.—A transfer may not be carried out by a manager of a field office pursuant to the authority provided under subsection (a) unless the manager determines that such transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at that field office.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such a transfer occurs.

(e) LIMITATION.—Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(f) DEFINITIONS.—In this section:

(1) The term "program or project" means, with respect to a field office of the Department of Energy, any of the following:

(A) A project listed in subsection (b) or (c) of section 3102 being carried out by the office.

(B) A program referred to in subsection (a), (b), (c), (e), (g), or (h) of section 3102 being carried out by the office.

(C) A project or program not described in subparagraph (A) or (B) that is for environmental restoration or waste management activities necessary for national security programs of the Department of Energy, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of the enactment of this Act.

(2) The term "defense environmental management funds" means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(g) DURATION OF AUTHORITY.—The authority provided under subsection (a) to a manager of a field office shall be in effect from the date of the enactment of this Act to September 30, 1997.

(h) REPORT.—Not later than September 1, 1997, the Secretary of Energy shall submit to the congressional defense committees a report on the effectiveness of the authority provided under subsection (a) in meeting an objective specified in subsection (b). The report shall include recommendations on whether the duration of the authority, as provided in subsection (g), should be extended.

SEC. 3140. MANAGEMENT STRUCTURE FOR NUCLEAR WEAPONS PRODUCTION FACILITIES AND NUCLEAR WEAPONS LABORATORIES.

(a) LIMITATION ON DELEGATION OF AUTHORITY.—(1) The Secretary of Energy, in carrying out national security programs, may delegate specific management and planning authority over matters relating to site operation of the facilities and laboratories covered by this section only to the Assistant

Secretary of Energy for Defense Programs. Such Assistant Secretary may redelegate such authority only to managers of area offices of the Department of Energy located at such facilities and laboratories.

(2) Nothing in this section may be construed as affecting the delegation by the Secretary of Energy of authority relating to reporting, management, and oversight of matters relating to the Department of Energy generally, or safety, environment, and health at such facilities and laboratories.

(b) REQUIREMENT TO CONSULT WITH AREA OFFICES.—The Assistant Secretary of Energy for Defense Programs, in exercising any delegated authority to oversee management of matters relating to site operation of a facility or laboratory, shall exercise such authority only after direct consultation with the manager of the area office of the Department of Energy located at the facility or laboratory.

(c) REQUIREMENT FOR DIRECT COMMUNICATION FROM AREA OFFICES.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Defense Programs, shall require the head of each area office of the Department of Energy located at each facility and laboratory covered by this section to report on matters relating to site operation other than those matters set forth in subsection (a)(2) directly to the Assistant Secretary of Energy for Defense Programs, without obtaining the approval or concurrence of any other official within the Department of Energy.

(d) DEFENSE PROGRAMS REORGANIZATION PLAN AND REPORT.—(1) The Secretary of Energy shall develop a plan to reorganize the field activities and management of the national security functions of the Department of Energy.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the plan developed under paragraph (1). The report shall specifically identify all significant functions performed by the operations offices relating to any of the facilities and laboratories covered by this section and which of those functions could be performed—

(A) by the area offices of the Department of Energy located at the facilities and laboratories covered by this section; or

(B) by the Assistant Secretary of Energy for Defense Programs.

(3) The report also shall address and make recommendations with respect to other internal streamlining and reorganization initiatives that the Department could pursue with respect to military or national security programs.

(e) DEFENSE PROGRAMS MANAGEMENT COUNCIL.—The Secretary of Energy shall establish a council to be known as the "Defense Programs Management Council". The Council shall advise the Secretary on policy matters, operational concerns, strategic planning, and development of priorities relating to the national security functions of the Department of Energy. The Council shall be composed of the directors of the facilities and laboratories covered by this section and shall report directly to the Assistant Secretary of Energy for Defense Programs.

(f) COVERED SITE OPERATIONS.—For purposes of this section, matters relating to site operation of a facility or laboratory include matters relating to personnel, budget, and procurement in national security programs.

(g) COVERED FACILITIES AND LABORATORIES.—This section applies to the following facilities and laboratories of the Department of Energy:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Pantex Plant, Amarillo, Texas.

(3) The Y-12 Plant, Oak Ridge, Tennessee.

(4) The Savannah River Site, Aiken, South Carolina.

(5) Los Alamos National Laboratory, Los Alamos, New Mexico.

(6) Sandia National Laboratories, Albuquerque, New Mexico.

(7) Lawrence Livermore National Laboratory, Livermore, California.

(8) The Nevada Test Site, Nevada.

SEC. 3141. ACCELERATED SCHEDULE FOR ISOLATING HIGH-LEVEL NUCLEAR WASTE AT THE DEFENSE WASTE PROCESSING FACILITY, SAVANNAH RIVER SITE.

The Secretary of Energy shall accelerate the schedule for the isolation of high-level nuclear waste in glass canisters at the Defense Waste Processing Facility at the Savannah River Site, South Carolina, if the Secretary determines that the acceleration of such schedule—

(1) will achieve long-term cost savings to the Federal Government; and

(2) could accelerate the removal and isolation of high-level nuclear waste from long-term storage tanks at the site.

SEC. 3142. PROCESSING AND TREATMENT OF HIGH-LEVEL NUCLEAR WASTE AND SPENT NUCLEAR FUEL RODS.

(a) IN GENERAL.—(1) In order to provide for an effective response to requirements for managing the spent nuclear fuel described in paragraph (2), there shall be available to the Secretary of Energy, from amounts authorized to be appropriated pursuant to section 3102(c), the following amounts for the purposes stated:

(A) Not more than $43,000,000 for the development and implementation of a program to accelerate the receipt, processing (including the H-canyon restart operations), reprocessing, separation, reduction, deactiviation, stabilization, isolation, and interim storage of high-level nuclear waste associated with Department of Energy aluminum clad spent fuel rods, foreign spent fuel rods, and other nuclear materials.

(B) Not more than $15,000,000 for the development and implementation of a program for the receipt, treatment, preparation, conditioning, interim storage, and final disposition of high-level nuclear waste and spent nuclear fuel (including naval spent nuclear fuel), non-aluminum clad fuel rods, and foreign fuel rods.

(2) The spent nuclear fuel referred to in paragraph (1) is the following:

(A) Spent nuclear fuel that is sent to Department of Energy consolidation sites pursuant to the Department of Energy Programmatic Spent Nuclear Fuel Management and Idaho National Engineering Laboratory Environmental Restoration and Waste Management Programs Final Environmental Impact Statement, dated April 1995.

(B) Spent nuclear fuel described in the Interim Management of Nuclear Materials Environmental Impact Statement, dated October 1995.

(C) Other spent nuclear fuel located at the Savannah River Site as of the date of the enactment of this Act.

(3) The amounts made available under paragraph (1) are in addition to other amounts authorized to be appropriated by section 3102(c) for the purposes stated in subparagraphs (A) and (B) of that paragraph.

(b) USE OF FUNDS FOR SETTLEMENT AGREEMENT.—Funds made available pursuant to subsection (a)(1)(B) for the Idaho National Engineering Laboratory shall be considered to be funds made available in partial fulfillment of the terms and obligations set forth in the settlement agreement entered into by the United States with the State of Idaho in the actions captioned Public Service Co. of Colorado v. Batt, Civil No. 91-0035-S-EJL, and United States v. Batt, Civil No. 91-0054-S-EJL, in the United States District Court for the District of Idaho and the consent order of the United States District Court for the District of Idaho, dated October 17, 1995, that effectuates the settlement agreement.

(c) AMENDMENTS TO IMPLEMENTATION PLAN FOR MANAGING SPENT NUCLEAR FUEL AT CERTAIN SITES.—Section 3142(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 622) is amended—

(1) by striking out "April 30, 1996" and inserting in lieu thereof "September 30, 1996";

(2) by striking out "and" at the end of paragraph (3);

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

(4) by adding at the end the following new paragraph:

"(5) an assessment of the progress made in implementing the programs.".

(d) NEAR-TERM PLAN FOR PROCESSING SPENT FUEL RODS AT SAVANNAH RIVER SITE.—(1) Not later than March 15, 1997, the Secretary of Energy shall submit to Congress a plan for a near-term program to process, treat, package, and dispose of spent nuclear fuel rods described in paragraph (2) at the Savannah River Site. The plan shall include cost projections and resource requirements for the program and identify program milestones for the program.

(2) The spent nuclear fuel rods to be included in the program referred to in paragraph (1) are the following:

(A) Spent nuclear fuel rods produced at the Savannah River Site.

(B) Spent nuclear fuel rods being sent to the site from other Department of Energy facilities for processing, interim storage, and other treatment.

(C) Foreign spent nuclear fuel rods being sent to the site for processing, interim storage, and other treatment.

(e) MULTI-YEAR PLAN FOR CLEAN-UP AT SAVANNAH RIVER SITE.—The Secretary shall develop and implement a multi-year plan for the clean-up of nuclear waste at the Savannah River Site that results, or has resulted, from the following:

(1) Nuclear weapons activities carried out at the site.

(2) The processing, treating, packaging, and disposal of Department of Energy domestic and foreign spent nuclear fuel rods at the site.

(f) REQUIREMENT FOR CONTINUING OPERATIONS AT SAVANNAH RIVER SITE.—The Secretary shall continue operations and maintain a high state of readiness at the H-canyon facility and the F-canyon facility at the Savannah River Site, and shall provide technical staff necessary to operate and so maintain such facilities, pending the development and implementation of the plan referred to in subsection (e).

SEC. 3143. PROJECTS TO ACCELERATE CLOSURE ACTIVITIES AT DEFENSE NUCLEAR FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall select and carry out closure-acceleration projects in accordance with this section.

(b) PURPOSE.—The purpose of a closure-acceleration project shall be, within a fixed period of time, to clean up or decommission a

Department of Energy defense nuclear facility or portion thereof and to make the facility safe by stabilizing, consolidating, treating, or removing nuclear materials from the facility in order to reduce significantly or eliminate future costs at the facility.

(c) ELIGIBLE PROJECTS.—(1) The Secretary of Energy may establish a closure-acceleration project as eligible for selection under subsection (e) by—

(A) developing a plan for the project that meets the criteria under paragraph (2); and

(B) determining that the project will achieve significant long-term cost savings to the Federal Government from the baseline cost estimate made by the Department of Energy for the project.

(2) A plan for a closure-acceleration project under this section shall—

(A) define a clear, delineated scope of work for completion of the project;

(B) demonstrate that, with respect to the site of the proposed project, there is a regulatory agreement between the Department of Energy and other appropriate authorities for the implementation of environmental remediation requirements that would allow for successful completion of the project;

(C) demonstrate, to the maximum extent possible, the support of State and local elected officials and the public for the project;

(D) contain performance-based provisions to be included in the contract for the project, including—

(i) clearly stated and results-oriented performance criteria and measures;

(ii) appropriate incentives for the contractor to meet and exceed the performance criteria effectively and efficiently;

(iii) appropriate criteria and incentives for the contractor to seek and engage subcontractors who may more effectively and efficiently perform either unique and technologically challenging tasks or routine and interchangeable services;

(iv) specific incentives for cost savings;

(v) financial accountability; and

(vi) when appropriate, reduction of fee for failure to meet minimum performance criteria and standards;

(E) demonstrate that the project will use new and innovative cleanup and waste management technology with potential for application to other locations and facilities without requiring the development of new technologies; and

(F) demonstrate that the project can be completed within 10 years from the date of its selection.

(d) PROGRAM ADMINISTRATION.—The Secretary of Energy, acting through the Assistant Secretary for Environmental Management, shall implement a program to carry out the provisions of this section.

(e) SELECTION OF PROJECTS.—(1) The Secretary of Energy shall select closure-acceleration projects to be carried out under this section from among those projects established as eligible under subsection (c) that will result in the most significant long-term costs savings to the Government and the most significant reduction of imminent risk.

(2) For each project selected, the Secretary shall submit to Congress a report setting forth the reasons why the project was selected, based on the criteria under subsection (c)(2) and paragraph (1) of this subsection.

(f) MULTIYEAR CONTRACTS.—Notwithstanding section 304B(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C.254c(d)), the Secretary of Energy may enter into multiyear contracts to carry out projects selected under this section for up to 10 program years.

(g) FUNDING.—(1) In the budget submitted to Congress under section 1105(a) of title 31, United States Code, each year, the President shall set forth funds for carrying out closure-acceleration projects under this section as a separate item in the environmental restoration and waste management account of the Department of Energy budget.

(2) Funds appropriated for purposes of carrying out projects under this section shall remain available until expended.

(3) If a closure-acceleration project is being carried out at a defense nuclear facility with funds appropriated for such projects, the Secretary of Energy may not reduce the funds otherwise allocated to that defense nuclear facility for environmental restoration and waste management by reason of the funds being used for the project at that facility.

(4) Funds appropriated for purposes of carrying out projects under this section may not be used for an item for which Congress has specifically denied funds or for a new program or project that has not been authorized by Congress.

(h) ANNUAL REPORT.—The Secretary of Energy shall submit each year to Congress a report on the status of each closure-acceleration project being carried out under this section. The report shall include, for each such project, the following:

(1) A description of the funding already provided for the project.

(2) A description of the extent of the cleanup, decommissioning, stabilization, consolidation, treatment, or removal activities completed.

(3) A comparison of the actual results of the project to the original proposal and the actual cost of the project to the originally proposed cost.

(4) A description of the funding needed in future fiscal years for completion of the project.

(i) DURATION OF PROGRAM.—No closure-acceleration project selected under this section may be carried out after the expiration of the 15-year period beginning on the date of the enactment of this Act.

(j) SAVINGS PROVISION.—Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 3144. PAYMENT OF COSTS OF OPERATION AND MAINTENANCE OF INFRASTRUCTURE AT NEVADA TEST SITE.

Notwithstanding any other provision of law and effective as of September 30, 1996, the costs associated with operating and maintaining the infrastructure at the Nevada Test Site, Nevada, with respect to any activities initiated at the site after that date by the Department of Defense pursuant to a work-for-others agreement may be paid for from funds authorized to be appropriated to the Department of Energy for activities at the Nevada Test Site.

Subtitle D—Other Matters

SEC. 3151. REPORT ON PLUTONIUM PIT PRODUCTION AND REMANUFACTURING PLANS.

(a) REPORT REQUIREMENT.—The Secretary of Energy shall submit to the congressional defense committees a report on plans for achieving the capability to produce and remanufacture plutonium pits. The report shall include a description of the baseline plan of the Department of Energy for achieving such capability, including the following:

(1) The funding necessary, by fiscal year, to achieve the capability.

(2) The schedule necessary to achieve the capability, including important technical and programmatic milestones.

(3) Siting, capacity for expansion, and other issues included in the baseline plan.

(b) DEADLINE.—The report required by subsection (a) shall be submitted not later than 60 days after the date of the enactment of this Act.

SEC. 3152. AMENDMENTS RELATING TO BASELINE ENVIRONMENTAL MANAGEMENT REPORTS.

Section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 7274k) is amended—

(1) in subsection (b)—

(A) by striking out the first word in the heading and inserting in lieu thereof "BIENNIAL"; and

(B) in paragraph (2)(B), by inserting before "year after 1995" the following: "odd-numbered"; and

(2) in subsection (d)—

(A) by striking out the first word in the heading and inserting in lieu thereof "BIENNIAL";

(B) in paragraph (1)(B), by striking out "in each year thereafter" and inserting in lieu thereof "in each odd-numbered year thereafter"; and

(C) in paragraph (2)(A)—

(i) in the matter preceding clause (i), by striking out "fiscal year immediately" and inserting in lieu thereof "two fiscal years immediately"; and

(ii) in clause (ii), by striking out "prior fiscal year" and inserting in lieu thereof "prior fiscal years".

SEC. 3153. REQUIREMENT TO DEVELOP FUTURE USE PLANS FOR ENVIRONMENTAL MANAGEMENT PROGRAM.

(a) AUTHORITY TO DEVELOP FUTURE USE PLANS.—The Secretary of Energy may develop future use plans for any defense nuclear facility at which environmental restoration and waste management activities are occurring.

(b) REQUIREMENT TO DEVELOP FUTURE USE PLANS.—The Secretary shall develop a future use plan for each of the following defense nuclear facilities:

(1) Hanford Site, Richland, Washington.

(2) Rocky Flats Plant, Golden, Colorado.

(3) Savannah River Site, Aiken, South Carolina.

(4) Idaho National Engineering Laboratory, Idaho.

(c) CITIZEN ADVISORY BOARD.—(1) At each defense nuclear facility for which the Secretary of Energy intends or is required to develop a future use plan under this section and for which no citizen advisory board has been established, the Secretary shall establish a citizen advisory board.

(2) The Secretary may authorize the manager of a defense nuclear facility for which a future use plan is developed under this section (or, if there is no such manager, an appropriate official of the Department of Energy designated by the Secretary) to pay routine administrative expenses of a citizen advisory board established for that facility. Such payments shall be made from funds available to the Secretary for program direction in carrying out environmental restoration and waste management activities necessary for national security programs.

(d) Requirement To Consult With Citizen Advisory Board.—In developing a future use plan under this section with respect to a defense nuclear facility, the Secretary of Energy shall consult with a citizen advisory board established pursuant to subsection (c) or a similar advisory board already in existence as of the date of the enactment of this Act for such facility, affected local governments (including any local future use redevelopment authorities), and other appropriate State agencies.

(e) 50-Year Planning Period.—A future use plan developed under this section shall cover a period of at least 50 years.

(f) Deadlines.—For each facility listed in subsection (b), the Secretary of Energy shall develop a draft future use plan by October 1, 1997, and a final future use plan by March 15, 1998.

(g) Report.—Not later than 60 days after completing development of a final plan for a site listed in subsection (b), the Secretary of Energy shall submit to Congress a report on the plan. The report shall describe the plan and contain such findings and recommendations with respect to the site as the Secretary considers appropriate.

(h) Savings Provisions.—(1) Nothing in this section, or in a future use plan developed under this section with respect to a defense nuclear facility, shall be construed as requiring any modification to a future use plan with respect to a defense nuclear facility that was developed before the date of the enactment of this Act.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 3154. REPORT ON DEPARTMENT OF ENERGY LIABILITY AT DEPARTMENT SUPERFUND SITES.

(a) Study.—The Secretary of Energy shall, using funds authorized to be appropriated to the Department of Energy by section 3102, carry out a study to determine the extent and valuation of the injury to, destruction of, or loss of natural resources under section 107(a)(4)(C) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)(4)(C)) at each site controlled or operated by the Department that is or is anticipated to become subject to the provisions of that Act.

(b) Conduct of Study.—(1) The Secretary shall carry out the study using personnel of the Department or by contract with an appropriate private entity.

(2) In determining the extent and valuation of the injury to, destruction of, or loss of natural resources for purposes of the study, the Secretary shall—

(A) treat the Department as a private person liable for response, removal, and remediation costs and damages under section 107(a)(4) of that Act (42 U.S.C. 9607(a)(4)) and subject to an action for damages by public trustees of natural resources under section 107(f) of that Act (42 U.S.C. 9607(f)) or by any other person pursuant to section 107(e) or 113(f) of that Act (42 U.S.C. 9607(e) and 9613(f)); and

(B) determine the value of natural resource damages associated with each site in accordance with all regulations promulgated under section 301(c) of that Act (42 U.S.C. 9651(c)).

(c) Report.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit a report on the study carried out under subsection (a) to the following committees:

(1) The Committees on Environment and Public Works, Armed Services, and Energy and Natural Resources of the Senate.

(2) The Committees on Commerce, National Security, Transportation and Infrastructure, and Resources of the House of Representatives.

SEC. 3155. REQUIREMENT FOR ANNUAL FIVE-YEAR BUDGET FOR THE NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

(a) Requirement.—The Secretary of Energy shall prepare each year a budget for the national security programs of the Department of Energy for the five-year period beginning in the year the budget is prepared. Each budget shall contain the estimated expenditures and proposed appropriations necessary to support the programs, projects, and activities of the national security programs during the five-year period covered by the budget and shall be at a level of detail comparable to that contained in the budget submitted by the President to Congress under section 1105 of title 31, United States Code.

(b) Submittal.—The Secretary shall submit each year to the congressional defense committees the budget required under subsection (a) in that year at the same time as the President submits to Congress the budget for the coming fiscal year pursuant to such section 1105.

SEC. 3156. REQUIREMENTS FOR DEPARTMENT OF ENERGY WEAPONS ACTIVITIES BUDGETS FOR FISCAL YEARS AFTER FISCAL YEAR 1997.

(a) In General.—The weapons activities budget of the Department of Energy for any fiscal year after fiscal year 1997 shall—

(1) set forth with respect to each of the activities under the budget (including stockpile stewardship, stockpile management, and program direction) the funding requested to carry out each project or activity that is necessary to meet the requirements of the Nuclear Weapons Stockpile Memorandum; and

(2) identify specific infrastructure requirements arising from the Nuclear Posture Review, the Nuclear Weapons Stockpile Memorandum, and the programmatic and technical requirements associated with the review and memorandum.

(b) Required Detail.—The Secretary of Energy shall include in the materials that the Secretary submits to Congress in support of the budget for any fiscal year after fiscal year 1997 that is submitted by the President pursuant to section 1105 of title 31, United States Code, the following:

(1) A long-term program plan, and a near-term program plan, for the certification and stewardship of the nuclear weapons stockpile.

(2) An assessment of the effects of the plans referred to in paragraph (1) on each nuclear weapons laboratory and each nuclear weapons production plant.

(c) Definitions.—In this section:

(1) The term "Nuclear Posture Review" means the Department of Defense Nuclear Posture Review as contained in the report of the Secretary of Defense to the President and Congress dated February 19, 1995, or in subsequent such reports.

(2) The term "nuclear weapons laboratory" means the following:

(A) Lawrence Livermore National Laboratory, California.

(B) Los Alamos National Laboratory, New Mexico.

(C) Sandia National Laboratories.

(3) The term "nuclear weapons production plant" means the following:

(A) The Pantex Plant, Texas.

(B) The Savannah River Site, South Carolina.

(C) The Kansas City Plant, Missouri.

(D) The Y-12 Plant, Oak Ridge, Tennessee.

SEC. 3157. REPEAL OF REQUIREMENT RELATING TO ACCOUNTING PROCEDURES FOR DEPARTMENT OF ENERGY FUNDS.

Section 3151 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103-337; 108 Stat. 3089) is repealed.

SEC. 3158. UPDATE OF REPORT ON NUCLEAR TEST READINESS POSTURES.

Not later than June 1, 1997, the Secretary of Energy shall submit to Congress a report which updates the report submitted by the Secretary under section 3152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 623). The updated report shall include the matters specified under such section, current as of the date of the updated report.

SEC. 3159. REPORTS ON CRITICAL DIFFICULTIES AT NUCLEAR WEAPONS LABORATORIES AND NUCLEAR WEAPONS PRODUCTION PLANTS.

(a) Reports by Heads of Laboratories and Plants.—In the event of a difficulty at a nuclear weapons laboratory or a nuclear weapons production plant that has a significant bearing on confidence in the safety or reliability of a nuclear weapon or nuclear weapon type, the head of the laboratory or plant, as the case may be, shall submit to the Assistant Secretary of Energy for Defense Programs a report on the difficulty. The head of the laboratory or plant shall submit the report as soon as practicable after discovery of the difficulty.

(b) Transmittal by Assistant Secretary.—As soon as practicable after receipt of a report under subsection (a), the Assistant Secretary shall transmit the report (together with the comments of the Assistant Secretary) to the congressional defense committees and to the Secretary of Energy and the Secretary of Defense.

(c) Reports by Nuclear Weapons Council.—Section 179 of title 10, United States Code, is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection (e):

"(e) In addition to the responsibilities set forth in subsection (d), the Council shall also submit to Congress a report on any analysis conducted by the Council with respect to difficulties at nuclear weapons laboratories or nuclear weapons production plants that have significant bearing on confidence in the safety or reliability of nuclear weapons or nuclear weapon types.".

(d) Definitions.—In this section:

(1) The term "nuclear weapons laboratory" means the following:

(A) Lawrence Livermore National Laboratory, California.

(B) Los Alamos National Laboratory, New Mexico.

(C) Sandia National Laboratories.

(2) The term "nuclear weapons production plant" means the following:

(A) The Pantex Plant, Texas.

(B) The Savannah River Site, South Carolina.

(C) The Kansas City Plant, Missouri.

(D) The Y-12 Plant, Oak Ridge, Tennessee.

SEC. 3160. EXTENSION OF APPLICABILITY OF NOTICE-AND-WAIT REQUIREMENT REGARDING PROPOSED COOPERATION AGREEMENTS.

Section 3155(b) of the National Defense Authorization Act for Fiscal Year 1995 (42 U.S.C. 2153 note) is amended by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997".

SEC. 3161. SENSE OF SENATE RELATING TO REDESIGNATION OF DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.

(a) SENSE OF SENATE.—It is the sense of the Senate that the program of the Department of Energy known as the Defense Environmental Restoration and Waste Management Program, and also known as the Environmental Management Program, be redesignated as the Defense Nuclear Waste Management Program of the Department of Energy.

(b) REPORT ON REDESIGNATION.—Not later than January 31, 1997, the Secretary of Energy shall submit to the congressional defense committees a report on the costs and other difficulties, if any, associated with the following:

(1) The redesignation of the program known as the Defense Environmental Restoration and Waste Management Program, and also known as the Environmental Management Program, as the Defense Nuclear Waste Management Program of the Department of Energy.

(2) The redesignation of the Defense Environmental Restoration and Waste Management Account as the Defense Nuclear Waste Management Account.

SEC. 3162. COMMISSION ON MAINTAINING UNITED STATES NUCLEAR WEAPONS EXPERTISE.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Commission on Maintaining United States Nuclear Weapons Expertise" (in this section referred to as the "Commission").

(b) ORGANIZATIONAL MATTERS.—(1)(A) The Commission shall be composed of eight members appointed from among individuals in the public and private sectors who have significant experience in matters relating to nuclear weapons, as follows:

(i) Two shall be appointed by the majority leader of the Senate (in consultation with the minority leader of the Senate).

(ii) One shall be appointed by the minority leader of the Senate (in consultation with the majority leader of the Senate).

(iii) Two shall be appointed by the Speaker of the House of Representatives (in consultation with the minority leader of the House of Representatives).

(iv) One shall be appointed by the minority leader of the House of Representatives (in consultation with the Speaker of the House of Representatives).

(v) Two shall be appointed by the Secretary of Energy.

(B) Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(C) The chairman of the Commission shall be designated from among the members of the Commission appointed under subparagraph (A) by the majority leader of the Senate, in consultation with the Speaker of the House of Representatives, the minority leader of the Senate, and the minority leader of the House of Representatives.

(D) Members shall be appointed not later than 60 days after the date of the enactment of this Act.

(2) The members of the Commission shall establish procedures for the activities of the Commission, including procedures for calling meetings, requirements for quorums, and the manner of taking votes.

(c) DUTIES.—(1) The Commission shall develop a plan for recruiting and retaining within the Department of Energy nuclear weapons complex such scientific, engineering, and technical personnel as the Commission determines appropriate in order to permit the Department to maintain over the long term a safe and reliable nuclear weapons stockpile without engaging in underground testing.

(2) In developing the plan, the Commission shall—

(A) identify actions that the Secretary may undertake to attract qualified scientific, engineering, and technical personnel to the nuclear weapons complex of the Department; and

(B) review and recommend improvements to the on-going efforts of the Department to attract such personnel to the nuclear weapons complex.

(d) REPORT.—Not later than March 15, 1998, the Commission shall submit to the Secretary and to Congress a report containing the plan developed under subsection (c). The report may include recommendations for legislation and administrative action.

(e) COMMISSION PERSONNEL MATTERS.—(1) Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) The Commission may, without regard to the civil service laws and regulations, appoint and terminate such personnel as may be necessary to enable the Commission to perform its duties. The Commission may fix the compensation of the personnel of the Commission without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(4) Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(f) TERMINATION.—The Commission shall terminate 30 days after the date on which the Commission submits its report under subsection (d).

(g) APPLICABILITY OF FACA.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the activities of the Commission.

(h) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 3101, not more than $1,000,000 shall be available for the activities of the Commission under this section. Funds made available to the Commission under this section shall remain available until expended.

SEC. 3163. SENSE OF CONGRESS REGARDING RELIABILITY AND SAFETY OF REMAINING NUCLEAR FORCES.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States is committed to proceeding with a robust, science-based stockpile stewardship program with respect to production of nuclear weapons, and to maintaining nuclear weapons production capabilities and capacities, that are adequate—

(A) to ensure the safety, reliability, and performance of the United States nuclear arsenal; and

(B) to meet such changing national security requirements as may result from international developments or technical problems with nuclear warheads.

(2) The United States is committed to reestablishing and maintaining production facilities for nuclear weapons components at levels that are sufficient—

(A) to satisfy requirements for the safety, reliability, and performance of United States nuclear weapons; and

(B) to demonstrate and sustain production capabilities and capacities.

(3) The United States is committed to maintaining the nuclear weapons laboratories and protecting core nuclear weapons competencies.

(4) The United States is committed to ensuring rapid access to a new production source of tritium within the next decade, as it currently has no meaningful capability to produce tritium, a component that is essential to the performance of modern nuclear weapons.

(5) The United States reserves the right, consistent with United States law, to resume underground nuclear testing to maintain confidence in the United States stockpile of nuclear weapons if warhead design flaws or aging of nuclear weapons result in problems that a robust stockpile stewardship program cannot solve.

(6) The United States is committed to funding the Nevada Test Site at a level that maintains the ability of the United States to resume underground nuclear testing within one year after a national decision to do so is made.

(7) The United States reserves the right to invoke the supreme national interest of the United States and withdraw from any future arms control agreement to limit underground nuclear testing.

(b) SENSE OF CONGRESS REGARDING PRESIDENTIAL CONSULTATION WITH CONGRESS.—It is the sense of Congress that the President should consult closely with Congress regarding United States policy and practices to ensure confidence in the safety, reliability, and performance of the nuclear stockpile of the United States.

(c) SENSE OF CONGRESS REGARDING NOTIFICATION AND CONSULTATION.—It is the sense of Cpongress that, upon a determination by the President that a problem with the safety, reliability, or performance of the nuclear stockpile has occurred and that the problem cannot be corrected within the stockpile stewardship program, the President shall—

(1) immediately notify Congress of the problem; and

(2) submit to Congress in a timely manner a plan for corrective action with respect to the problem, including—

(A) a technical description of the activities required under the plan; and

(B) if underground testing of nuclear weapons would assist in such corrective action, an assessment of the advisability of withdrawing from any treaty that prohibits underground testing of nuclear weapons.

SEC. 3164. STUDY ON WORKER PROTECTION AT THE MOUND FACILITY.

(a) REPORT.—Not later than March 15, 1997, the Secretary of Energy shall submit to the congressional defense committees a report regarding the status of projects and programs to improve worker safety and health at the Mound Facility in Miamisburg, Ohio.

(b) MATTERS COVERED.—The report shall include the following:

(1) The status of actions completed in fiscal year 1996.

(2) The status of actions completed or proposed to be completed in fiscal years 1997 and 1998.

(3) A description of the fiscal year 1998 budget request for worker safety and health at the Mound Facility.

(4) An accounting of expenditures for worker safety and health at the Mound Facility by fiscal year from fiscal year 1994 through and including fiscal year 1996.

SEC. 3165. FISCAL YEAR 1998 FUNDING FOR GREENVILLE ROAD IMPROVEMENT PROJECT, LIVERMORE, CALIFORNIA.

(a) FUNDING.—The Secretary of Energy shall include in the budget for fiscal year 1998 submitted by the Secretary of Energy to the Office of Management and Budget a request for sufficient funds to pay the United States portion of the cost of transportation improvements under the Greenville Road Improvement Project, Livermore, California.

(b) COOPERATION WITH LIVERMORE, CALIFORNIA.—The Secretary shall work with the city of Livermore, California, to determine the cost of the transportation improvements referred to in subsection (a).

SEC. 3166. FELLOWSHIP PROGRAM FOR DEVELOPMENT OF SKILLS CRITICAL TO DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX.

(a) FUNDING.—Subject to subsection (b), of the funds authorized to be appropriated pursuant to section 3101(b), $5,000,000 may be used for conducting the fellowship program for the development of skills critical to the ongoing mission of the Department of Energy nuclear weapons complex required by section 3140 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 621; 42 U.S.C. 2121 note).

(b) NOTICE AND WAIT.—The Secretary of Energy may not obligate or expend funds under subsection (a) for the fellowship program referred to in that subsection until—

(1) the Secretary submits to Congress a report setting forth—

(A) the actions the Department has taken to implement the fellowship program;

(B) the amount the Secretary proposes to obligate;

(C) the purposes for which such amount will be obligated; and

(2) a period of 21 days elapses from the date of the receipt of the report by Congress.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

SEC. 3171. PURPOSE.

The purpose of this subtitle is to provide for the expedited environmental restoration and waste management of defense nuclear facilities through the use of cost-effective management mechanisms and innovative technologies.

SEC. 3172. APPLICABILITY.

(a) IN GENERAL.—The provisions of this subtitle shall apply to the following defense nuclear facilities:

(1) Any defense nuclear facility for which the fiscal year 1996 environmental management budget was $350,000,000 or more.

(2) Any other defense nuclear facility if—

(A) the chief executive officer of the State in which the facility is located submits to the Secretary a request that the facility be covered by the provisions of this subtitle; and

(B) the Secretary approves the request.

(b) LIMITATION.—The Secretary may not approve a request under subsection (a)(2) until 60 days after the date on which the Secretary notifies Congress of the Secretary's receipt of the request.

SEC. 3173. SITE MANAGER.

(a) APPOINTMENT.—(1) Subject to paragraph (2), the Secretary shall expeditiously appoint a Site Manager for each defense nuclear facility (in this subtitle referred to as the "Site Manager").

(2) In the case of a defense nuclear facility at which another program, in addition to environmental management operations, is carried out, and such other program is subject to management by a site manager, field office manager, or operations office manager, the Secretary shall appoint such manager to be the Site Manager for such facility for purposes of this subtitle.

(b) AUTHORITY.—(1) In addition to other authorities provided for in this Act, the Secretary may delegate to the Site Manager of a defense nuclear facility authority to oversee and direct environmental management operations at the facility, including the authority to—

(A) enter into and modify contractual agreements to enhance environmental restoration and waste management at the facility;

(B) request that the Department headquarters submit to Congress a reprogramming package shifting funds among accounts in order to facilitate the most efficient and timely environmental restoration and waste management of the facility, and, in the event that the Department headquarters does not act upon the request within 60 days, submit such request to the appropriate congressional committees for review;

(C) subject to paragraph (2), negotiate amendments to environmental agreements for the Department;

(D) manage Department personnel at the facility;

(E) consider the costs, risk reduction benefits, and other benefits for the purposes of ensuring protection of human health and the environment or safety, with respect to any environmental remediation activity the cost of which exceeds $25,000,000; and

(F) have assessments prepared for environmental restoration activities (in several documents or a single document, as determined by the Site Manager).

(2) In using the authority described in paragraph (1)(C), a Site Manager may not negotiate an amendment that is expected to result in additional life cycle costs to the Department without the approval of the Secretary.

(3) In using any authority described in paragraph (1), a Site Manager of a facility shall consult with the State where the facility is located and the advisory board for the facility.

(4) The delegation of any authority pursuant to this subsection shall not be construed as restricting the Secretary's authority to delegate other authorities as necessary.

(c) INFORMATION TO SECRETARY.—The Site Manager of a defense nuclear facility shall regularly inform the Secretary, Congress, and the advisory board for the facility of the progress made by the Site Manager to achieve the expedited environmental restoration and waste management of the facility.

SEC. 3174. DEPARTMENT OF ENERGY ORDERS.

An order imposed after the date of the enactment of this Act relating to the execution of environmental restoration, waste management, or technology development activities at a defense nuclear facility under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) may be imposed by the Secretary at the defense nuclear facility only if the Secretary finds that the order is necessary for the protection of human health and the environment or safety, the fulfillment of current legal requirements, or the conduct of critical administrative functions.

SEC. 3175. DEPLOYMENT OF TECHNOLOGY FOR REMEDIATION OF DEFENSE NUCLEAR WASTE.

(a) IN GENERAL.—The Site Manager of each defense nuclear facility shall promote the deployment of innovative environmental technologies for remediation of defense nuclear waste at the facility.

(b) CRITERIA.—To carry out subsection (a), the Site Manager of a defense nuclear facility shall establish a program at the facility for the testing and deployment of innovative environmental technologies for the remediation of defense nuclear waste at the facility. In establishing such a program, the Site Manager may—

(1) establish a simplified, standardized, and timely process for the testing, verification, certification, and deployment of environmental technologies;

(2) solicit applications to test and deploy environmental technologies suitable for environmental restoration and waste management activities at the facility, including prevention, control, characterization, treatment, and remediation of contamination;

(3) consult and cooperate with the heads of existing programs at the facility for the verification and certification of environmental technologies at the facility;

(4) pay the costs of the demonstration of such technologies;

(5) enter into contracts and other agreements with other public and private entities to deploy environmental technologies at the facility; and

(6) include incentives, such as product performance specifications, in contracts to encourage the implementation of innovative environmental technologies.

(c) FOLLOW-ON CONTRACTS.—(1) If the Secretary and a person demonstrating a technology under the program enter into a contract for remediation of nuclear waste at a defense nuclear facility covered by this subtitle, or at any other Department facility, as a follow-on to the demonstration of the technology, the Secretary shall ensure that the contract provides for the Secretary to recoup from the contractor the costs incurred by the Secretary pursuant to subsection (b)(6) for the demonstration.

(2) No contract between the Department and a contractor for the demonstration of technology under subsection (b) may provide for reimbursement of the costs of the contractor on a cost plus fee basis.

(d) SAFE HARBORS.—In the case of an environmental technology tested, verified, certified, and deployed at a defense nuclear facility under a program established under subsection (b), the site manager of another defense nuclear facility may request the Secretary to waive or limit contractual or Department regulatory requirements that would otherwise apply in implementing the same environmental technology at such other facility.

SEC. 3176. PERFORMANCE-BASED CONTRACTING.

(a) PROGRAM.—The Secretary shall develop and implement a program for performance-based contracting for contracts entered into for environmental remediation at defense nuclear facilities. The program shall ensure that, to the maximum extent practicable and appropriate, such contracts include the following:

(1) Clearly stated and results oriented performance criteria and measures.

(2) Appropriate incentives for contractors to meet or exceed the performance criteria effectively and efficiently.

(3) Appropriate criteria and incentives for contractors to seek and engage subcontractors who may more effectively and efficiently perform either unique and technologically challenging tasks or routine and interchangeable services.

(4) Specific incentives for cost savings.

(5) Financial accountability.

(6) When appropriate, reduction of fee for failure to meet minimum performance criteria and standards.

(b) CRITERIA AND MEASURES.—Performance criteria and measures should take into consideration, at a minimum, the following: managerial control; elimination or reduction of risk to public health and the environment; workplace safety; financial control; goal-oriented work scope; use of innovative and alternative technologies and techniques that result in cleanups being performed less expensively, more quickly, and within quality parameters; and performing within benchmark cost estimates.

(c) CONSULTATION.—In implementing this section, the Secretary shall consult with interested parties.

(d) DEADLINE.—The Secretary shall implement this section not later than October 1, 1997, unless the Secretary submits to Congress before that date a report with a schedule for completion of action under this section.

SEC. 3177. DESIGNATION OF COVERED FACILITIES AS ENVIRONMENTAL CLEANUP DEMONSTRATION AREAS.

(a) DESIGNATION.—Each defense nuclear facility is hereby designated as an environmental cleanup demonstration area to carry out the purposes of this subtitle, including the utilization and evaluation of new technologies to be used in environmental restoration and remediation at other defense nuclear facilities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Federal and State regulatory agencies, members of the communities surrounding any defense nuclear facility, and other affected parties with respect to the facility should continue to—

(1) develop expedited and streamlined processes and systems for cleaning up such facility;

(2) eliminate unnecessary administrative complexity and unnecessary duplication of regulation with respect to the clean up of such facility;

(3) proceed expeditiously and cost-effectively with environmental restoration and remediation activities at such facility;

(4) consider future land use in selecting environmental clean up remedies at such facility; and

(5) identify and recommend to Congress changes in law needed to expedite the clean up of such facility.

SEC. 3178. DEFINITIONS.

In this subtitle:

(1) The term "Secretary" means the Secretary of Energy.

(2) The term "Department" means the Department of Energy.

(3) The term "defense nuclear facility" has the meaning given the term "Department of Energy defense nuclear facility" in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

SEC. 3179. TERMINATION.

This subtitle is repealed effective September 30, 2001.

SEC. 3180. REPORT.

Not later than September 30, 2000, the Secretary shall submit to Congress a report on the effectiveness of this subtitle in expediting environmental restoration and waste management of defense nuclear facilities. The report shall include recommendations on whether this subtitle should remain in effect beyond September 30, 2001.

Subtitle F—Waste Isolation Pilot Plant Land Withdrawal Act Amendments

SEC. 3181. SHORT TITLE.

This subtitle may be cited as the "Waste Isolation Pilot Plant Land Withdrawal Amendment Act".

SEC. 3182. DEFINITIONS.

Section 2 of the Waste Isolation Pilot Plant Land Withdrawal Act (Public Law 102-579; 106 Stat. 4777) is amended—

(1) by striking paragraphs (18) and (19); and

(2) by redesignating paragraphs (20), (21), and (22), as paragraphs (18), (19), and (20), respectively.

SEC. 3183. MANAGEMENT PLAN.

Section 4(b)(5)(B) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4781) is amended by striking "or with the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.)".

SEC. 3184. REPEAL OF TEST PHASE AND RETRIEVAL PLANS.

(a) REPEAL.—Section 5 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4782) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act (106 Stat. 4777) is amended by striking out the item relating to section 5.

SEC. 3185. TEST PHASE ACTIVITIES.

Section 6 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4783) is amended—

(1) by repealing subsections (a) and (b);

(2) by repealing paragraph (1) of subsection (c);

(3) by redesignating subsection (c) as subsection (a) and in that subsection—

(A) by repealing subparagraph (A) of paragraph (2);

(B) by striking the subsection heading and the matter immediately following the subsection heading and inserting "STUDY.—The following study shall be conducted:";

(C) by striking "(2) REMOTE-HANDLED WASTE.—";

(D) by striking "(B) STUDY.—";

(E) by redesignating clauses (i), (ii), and (iii) as paragraphs (1), (2), and (3), respectively; and

(F) by realigning the margins of such clauses to be margins of paragraphs;

(4) in subsection (d), by striking ", during the test phase, a biennial" and inserting "a" and by striking ", consisting of a documented analysis of" and inserting "as necessary to demonstrate"; and

(5) by redesignating subsection (d) as subsection (b).

SEC. 3186. DISPOSAL OPERATIONS.

Subsection (b) of section 7 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4785) is amended to read as follows:

"(b) REQUIREMENTS FOR COMMENCEMENT OF DISPOSAL OPERATIONS.—The Secretary may commence emplacement of transuranic waste underground for disposal at WIPP only upon completion of—

"(1) the Administrator's certification under section 8(d)(1) that the WIPP facility will comply with the final disposal regulations;

"(2) the acquisition by the Secretary (whether by purchase, condemnation, or otherwise) of Federal Oil and Gas Leases No. NMNM 02953 and No. NMNM 02953C, unless the Administrator determines under section 4(b)(5) that such acquisition is not required; and

"(3) the 30-day period beginning on the date on which the Secretary notifies Congress that the requirements of section 9(a)(1) have been met.".

SEC. 3187. ENVIRONMENTAL PROTECTION AGENCY DISPOSAL REGULATIONS.

(a) SECTION 8(d)(1).—Section 8(d)(1) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4786) is amended—

(1) by amending subparagraph (A) to read as follows:

"(A) APPLICATION FOR COMPLIANCE.—Within 30 days after the date of the enactment of the Waste Isolation Pilot Plant Land Withdrawal Amendment Act, the Secretary shall provide to Congress a schedule for the incremental submission of chapters of the application to the Administrator beginning no later than 30 days after the date of the submittal of the schedule. The Administrator shall review the submitted chapters and provide requests for additional information from the Secretary as needed for completeness within 45 days of the receipt of each chapter. The Administrator shall notify Congress of such requests. The schedule shall call for the Secretary to submit all chapters to the Administrator no later than October 31, 1996. The Administrator may at any time request additional information from the Secretary as needed to certify, pursuant to subparagraph (B), whether the WIPP facility will comply with the final disposal regulations."; and

(2) in subparagraph (D), by striking "after the application is" and inserting "after the full application has been".

(b) SECTION 8(d) (2) and (3).—Section 8(d) of such Act is amended by striking paragraphs (2) and (3), by striking "(1) COMPLIANCE WITH DISPOSAL REGULATIONS.—" and by redesignating subparagraphs (A), (B), (C), and (D) of paragraph (1) as paragraph (1), (2), (3), and (4), respectively.

(c) SECTION 8(g).—Section 8(g) of such Act is amended to read as follows:

"(g) ENGINEERED AND NATURAL BARRIERS, ETC.—The Secretary shall use both engineered and natural barriers and any other measures (including waste form modifications) to the extent necessary at WIPP to comply with the final disposal regulations.".

SEC. 3188. COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS.

(a) SECTION 9(a)(1).—Section 9(a)(1) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4788) is amended by adding after and below subparagraph (H) the following: "With respect to transuranic mixed waste designated by the Secretary for disposal at WIPP, such waste is exempt from treatment standards promulgated pursuant to section 3004(m) of the Solid Waste Disposal Act (42 U.S.C. 6924(m)) and shall not be subject to the land disposal prohibitions in section 3004 (d), (e), (f), and (g) of the Solid Waste Disposal Act.".

(b) SECTION 9(b).—Subsection (b) of section 9 of such Act is repealed.

(c) SECTION 9(c)(2).—Subsection (c)(2) of section 9 of such Act is repealed.

(d) SECTION 14.—Section 14 of such Act (106 Stat. 4791) is amended—

(1) in subsection (a), by striking "No provision" and inserting "Except for the exemption from the land disposal restrictions described in section 9(a)(1), no provision"; and

(2) in subsection (b)(2), by striking "including all terms and conditions of the No-Migration Determination" and inserting "except that the transuranic mixed waste designated by the Secretary for disposal at WIPP is exempt from the land disposal restrictions described in section 9(a)(1)".

SEC. 3189. SENSE OF CONGRESS ON COMMENCEMENT OF EMPLACEMENT OF TRANSURANIC WASTE.

(a) IN GENERAL.—Section 10 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4789) is amended to read as follows:

"SEC. 10. SENSE OF CONGRESS ON COMMENCEMENT OF EMPLACEMENT OF TRANSURANIC WASTE.

"It is the sense of Congress that the Secretary should complete all actions required under section 7(b) to commence emplacement of transuranic waste underground for disposal at WIPP not later than November 30, 1997, provided that before that date all applicable health and safety standards have been met and all applicable laws have been complied with.".

(b) CLERICAL AMENDMENT.—The item relating to section 10 in the table of contents in section 1 is amended to read as follows:

"Sec. 10. Sense of Congress on commencement of emplacement of transuranic waste.".

SEC. 3190. DECOMMISSIONING OF WIPP.

Section 13 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4791) is amended—

(1) by striking subsection (a); and

(2) by striking "(b) MANAGEMENT PLAN FOR THE WITHDRAWAL AFTER DECOMMISSIONING.—Within 5 years after the date of the enactment of this Act, the" and inserting "The".

SEC. 3191. AUTHORIZATIONS FOR ECONOMIC ASSISTANCE AND MISCELLANEOUS PAYMENTS.

(a) AUTHORIZATION AMENDMENT.—Section 15(a) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4791) is amended—

(1) in the subsection caption, by striking "15-YEAR" and inserting "14-YEAR"; and

(2) by striking "15 fiscal years beginning with the fiscal year in which the transport of transuranic waste to WIPP is initiated" and inserting "14 fiscal years beginning with fiscal year 1998".

(b) REQUIREMENT FOR SEPARATE AUTHORIZATIONS.—Such section 15(a) is further amended by adding at the end the following: "The authorization of appropriations for funds for payments to the State under the preceding sentence shall be separate from any authorization of appropriations of funds for WIPP.".

(c) FISCAL YEAR 1997 FUNDING.—Of the amount authorized to be appropriated for the Department of Energy by section 3102(b), $20,000,000 shall be available for the purpose of a payment by the Secretary of Energy to the State of New Mexico for road improvements in connection with the Waste Isolation Pilot Plant.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1997, $17,000,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Subtitle A—Authorization of Disposals and Use of Funds

Sec. 3301. Definitions.
Sec. 3302. Authorized uses of stockpile funds.
Sec. 3303. Disposal of certain materials in National Defense Stockpile.

Subtitle B—Programmatic Change

Sec. 3311. Biennial report on stockpile requirements.
Sec. 3312. Notification requirements.
Sec. 3313. Importation of strategic and critical materials.

Subtitle A—Authorization of Disposals and Use of Funds

SEC. 3301. DEFINITIONS.

In this title:

(1) The term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term "National Defense Stockpile Transaction Fund" means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1997, the National Defense Stockpile Manager may obligate up to $60,000,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)).

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. DISPOSAL OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in amounts equal to—

(1) $81,000,000 during fiscal year 1997; and

(2) $612,000,000 during the ten-fiscal year period ending September 30, 2006.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Aluminum	62,881 short tons
Cobalt	26,000,000 pounds contained
Columbium Ferro	930,911 pounds contained
Germanium Metal	40,000 kilograms
Indium	35,000 troy ounces
Palladium	15,000 troy ounces
Platinum	10,000 troy ounces
Rubber, Natural	125,138 long tons
Tantalum, Carbide Powder	6,000 pounds contained
Tantalum, Minerals	750,000 pounds contained
Tantalum, Oxide	40,000 pounds contained

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be—

(1) deposited into the general fund of the Treasury; and

(2) to the extent necessary, used to offset the revenues that will be lost as a result of execution of the amendments made by section 4303(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 658).

(e) QUALIFYING OFFSETTING LEGISLATION.—This section is specifically enacted as qualifying offsetting legislation for the purpose of offsetting fully the estimated revenues lost as a result of the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106; 110 Stat. 658), and as such is deemed to satisfy the conditions in subsection (b) of such section.

(f) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

Subtitle B—Programmatic Change

SEC. 3311. BIENNIAL REPORT ON STOCKPILE REQUIREMENTS.

(a) NATIONAL EMERGENCY PLANNING ASSUMPTIONS.—Section 14 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-5) is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Each report under this section shall set forth the national emergency planning assumptions used by the Secretary in making the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements. The Secretary shall base the national emergency planning assumptions on a military conflict scenario consistent with the scenario used by the Secretary in budgeting and defense planning purposes. The assumptions to be set forth include assumptions relating to each of the following:

"(1) The length and intensity of the assumed military conflict.

"(2) The military force structure to be mobilized.

"(3) The losses anticipated from enemy action.

"(4) The military, industrial, and essential civilian requirements to support the national emergency.

"(5) The availability of supplies of strategic and critical materials from foreign sources during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

"(6) The domestic production of strategic and critical materials during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

"(7) Civilian austerity measures required during the mobilization period and military conflict.

"(c) The stockpile requirements shall be based on those strategic and critical materials necessary for the United States to replenish or replace, within three years of the end of the military conflict scenario required under subsection (b), all munitions, combat support items, and weapons systems that would be required after such a military conflict.

"(d) The Secretary shall also include in each report under this section an examination of the effect that alternative mobilization periods under the military conflict scenario required under subsection (b), as well as a range of other military conflict scenarios addressing potentially more serious threats to national security, would have on the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements.".

(b) CONFORMING AMENDMENT.—Section 2 of such Act (50 U.S.C. 98a) is amended by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) The purpose of the National Defense Stockpile is to serve the interest of national defense only. The National Defense Stockpile is not to be used for economic or budgetary purposes.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996.

SEC. 3312. NOTIFICATION REQUIREMENTS.

(a) PROPOSED CHANGES IN STOCKPILE QUANTITIES.—Section 3(c)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(c)(2)) is amended—

(1) by striking out "effective on or after the 30th legislative day following" and inserting in lieu thereof "after the end of the 45-day period beginning on"; and

(2) by striking out the last sentence.

(b) WAIVER OF ACQUISITION AND DISPOSAL REQUIREMENTS.—Section 6(d)(1) of such Act (50 U.S.C. 98e(d)(1)) is amended by striking out "thirty days" and inserting in lieu thereof "45 days".

(c) TIME TO BEGIN DISPOSAL.—Section 6(d)(2) of such Act (50 U.S.C. 98e(d)(2)) is amended by striking out "thirty days" and inserting in lieu thereof "45 days".

SEC. 3313. IMPORTATION OF STRATEGIC AND CRITICAL MATERIALS.

Section 13 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-4) is amended—

(1) by striking out "as a Communist-dominated country or area"; and

(2) by striking out "such Communist-dominated countries or areas" and inserting in lieu thereof "a country or area listed in such general note".

TITLE XXXIV—NAVAL PETROLEUM RESERVES

Sec. 3401. Authorization of appropriations.
Sec. 3402. Price requirement on sale of certain petroleum during fiscal year 1997.

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated to the Secretary of Energy $149,500,000 for fiscal year 1997 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title). Funds appropriated pursuant to such authorization shall remain available until expended.

SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PETROLEUM DURING FISCAL YEAR 1997.

Notwithstanding section 7430(b)(2) of title 10, United States Code, during fiscal year 1997, any sale of any part of the United States share of petroleum produced from Naval Petroleum Reserves Numbered 1, 2, and 3 shall be made at a price not less than 90 percent of the current sales price, as estimated by the Secretary of Energy, of comparable petroleum in the same area.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

Sec. 3501. Short title.
Sec. 3502. Authorization of expenditures.
Sec. 3503. Purchase of vehicles.
Sec. 3504. Expenditures only in accordance with treaties.

Subtitle B—Amendments to Panama Canal Act of 1979

Sec. 3521. Short title; references.
Sec. 3522. Definitions and recommendation for legislation.
Sec. 3523. Administrator.
Sec. 3524. Deputy Administrator and Chief Engineer.
Sec. 3525. Office of Ombudsman.
Sec. 3526. Appointment and compensation; duties.
Sec. 3527. Applicability of certain benefits.
Sec. 3528. Travel and transportation.
Sec. 3529. Clarification of definition of agency.
Sec. 3530. Panama Canal Employment System; merit and other employment requirements.
Sec. 3531. Employment standards.
Sec. 3532. Repeal of obsolete provision regarding interim application of Canal Zone Merit System.
Sec. 3533. Repeal of provision relating to recruitment and retention remuneration.
Sec. 3534. Benefits based on basic pay.
Sec. 3535. Vesting of general administrative authority of commission.
Sec. 3536. Applicability of certain laws.
Sec. 3537. Repeal of provision relating to transferred or reemployed employees.
Sec. 3538. Administration of special disability benefits.
Sec. 3539. Panama Canal Revolving Fund.
Sec. 3540. Printing.
Sec. 3541. Accounting policies.
Sec. 3542. Interagency services; reimbursements.
Sec. 3543. Postal service.
Sec. 3544. Investigation of accidents or injury giving rise to claim.
Sec. 3545. Operations regulations.
Sec. 3546. Miscellaneous repeals.
Sec. 3547. Exemption from Metric Conversion Act of 1975.
Sec. 3548. Conforming and clerical amendments.
Sec. 3549. Repeal of Panama Canal Code.

Subtitle A—Authorization of Appropriations

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the "Panama Canal Commission Authorization Act for Fiscal Year 1997".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Revolving Fund to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 1997.

(b) LIMITATIONS.—For fiscal year 1997, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $73,000 for reception and representation expenses, of which—

(1) not more than $18,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $10,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $45,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provisions of law, the funds available to the Commission shall be available for the purchase and transportation to the Republic of Panama of passenger motor vehicles, including large, heavy-duty vehicles.

SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH TREATIES.

Expenditures authorized under this subtitle may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

Subtitle B—Amendments to Panama Canal Act of 1979

SEC. 3521. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the "Panama Canal Act Amendments of 1996".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

SEC. 3522. DEFINITIONS AND RECOMMENDATION FOR LEGISLATION.

Section 3 (22 U.S.C. 3602) is amended—

(1) in subsection (b), by inserting "and" after the semicolon at the end of paragraph (4), by striking the semicolon at the end of

paragraph (5) and inserting a period, and striking paragraphs (6) and (7); and

(2) by striking subsection (d).

SEC. 3523. ADMINISTRATOR.

(a) IN GENERAL.—Section 1103 (22 U.S.C. 3613) is amended to read as follows:

"ADMINISTRATOR

"SEC. 1103. (a) There shall be an Administrator of the Commission who shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President.

"(b) The Administrator shall be paid compensation in an amount, established by the Board, not to exceed level III of the Executive Schedule.".

(b) SAVINGS PROVISIONS.—Nothing in this section (or section 3549(3)) shall be considered to affect—

(1) the tenure of the individual serving as Administrator of the Commission on the day before subsection (a) takes effect; or

(2) until modified under section 1103(b) of the Panama Canal Act of 1979, as amended by subsection (a), the compensation of the individual so serving.

SEC. 3524. DEPUTY ADMINISTRATOR AND CHIEF ENGINEER.

(a) IN GENERAL.—Section 1104 (22 U.S.C. 3614) is amended to read as follows:

"DEPUTY ADMINISTRATOR

"SEC. 1104. (a) There shall be a Deputy Administrator of the Commission who shall be appointed by the President. The Deputy Administrator shall perform such duties as may be prescribed by the Board.

"(b) The Deputy Administrator shall be paid compensation at a rate of pay, established by the Board, which does not exceed the rate of basic pay in effect for level IV of the Executive Schedule, and, if eligible, shall be paid the overseas recruitment and retention differential provided for in section 1217 of this Act.".

(b) SAVINGS PROVISIONS.—Nothing in this section shall be considered to affect—

(1) the tenure of the individual serving as Deputy Administrator of the Commission on the day before subsection (a) takes effect; or

(2) until modified under section 1104(b) of the Panama Canal Act of 1979, as amended by subsection (a), the compensation of the individual so serving.

SEC. 3525. OFFICE OF OMBUDSMAN.

Section 1113 (22 U.S.C. 3623) is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

SEC. 3526. APPOINTMENT AND COMPENSATION; DUTIES.

Section 1202 (22 U.S.C. 3642) is amended to read as follows:

"APPOINTMENT AND COMPENSATION; DUTIES

"SEC. 1202. (a) In accordance with this chapter, the Commission may appoint, fix the compensation of, and define the authority and duties of officers and employees (other than the Administrator and Deputy Administrator) necessary for the management, operation, and maintenance of the Panama Canal and its complementary works, installations, and equipment.

"(b) Individuals serving in any Executive agency (other than the Commission) or the Smithsonian Institution, including individuals in the uniformed services, may, if appointed under this section or section 1104 of this Act, serve as officers or employees of the Commission.".

SEC. 3527. APPLICABILITY OF CERTAIN BENEFITS.

Section 1209 (22 U.S.C. 3649) is amended to read as follows:

"APPLICABILITY OF CERTAIN BENEFITS

"SEC. 1209. Chapter 81 of title 5, United States Code, relating to compensation for work injuries, chapters 83 and 84 of such title 5, relating to retirement, chapter 87 of such title 5, relating to life insurance, and chapter 89 of such title 5, relating to health insurance, are applicable to Commission employees, except any individual—

"(1) who is not a citizen of the United States;

"(2) whose initial appointment by the Commission occurs after October 1, 1979; and

"(3) who is covered by the Social Security System of the Republic of Panama pursuant to any provision of the Panama Canal Treaty of 1977 and related agreements.".

SEC. 3528. TRAVEL AND TRANSPORTATION.

Section 1210 (22 U.S.C. 3650) is amended to read as follows:

"TRAVEL AND TRANSPORTATION

"SEC. 1210. (a) Subject to subsections (b) and (c), the Commission may pay travel and transportation expenses for employees in accordance with subchapter II of chapter 57 of title 5, United States Code.

"(b) For an employee to whom section 1206 applies, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding periods of service established by subchapter II of chapter 57 of title 5, United States Code, or the regulations promulgated thereunder.

"(c) For an employee to whom section 1206 does not apply, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding a written agreement concerning the duration of a continuing service obligation established by subchapter II of chapter 57 of title 5, United States Code, or the regulations promulgated thereunder.

"(d)(1) Notwithstanding any other provision of law (except paragraph (2)), the Commission may contract with Panamanian carriers registered under the laws of the Republic of Panama to provide air transportation to officials and employees of the Commission who are citizens of the Republic of Panama.

"(2) Notwithstanding paragraph (1), an official or employee of the Commission referred to in paragraph (1) may elect, for security or other reasons, to travel by an air carrier holding a certificate under section 41102 of title 49, United States Code.".

SEC. 3529. CLARIFICATION OF DEFINITION OF AGENCY.

Subparagraph (B) of section 1211(1) (22 U.S.C. 3651(1)(B)) is amended to read as follows:

"(B) any other Executive agency or the Smithsonian Institution, to the extent of any election in effect under section 1212(b) of this Act;".

SEC. 3530. PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER EMPLOYMENT REQUIREMENTS.

(a) IN GENERAL.—Section 1212 (22 U.S.C. 3652) is amended to read as follows:

"PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER EMPLOYMENT REQUIREMENTS

"SEC. 1212. (a) The Commission shall establish a Panama Canal Employment System and prescribe the regulations necessary for its administration. The Panama Canal Employment System shall—

"(1) be established in accordance with and be subject to the provisions of the Panama Canal Treaty of 1977 and related agreements, the provisions of this chapter, and any other applicable provision of law;

"(2) be based on the consideration of the merit of each employee or candidate for employment and the qualifications and fitness of the employee to hold the position concerned;

"(3) conform, to the extent practicable and consistent with the provisions of this Act, to the policies, principles, and standards applicable to the competitive service;

"(4) in the case of employees who are citizens of the United States, provide for the appropriate interchange of those employees between positions under the Panama Canal Employment System and positions in the competitive service; and

"(5) not be subject to the provisions of title 5, United States Code, unless specifically made applicable by this Act.

"(b)(1) The head of any Executive agency (other than the Commission) and the Smithsonian Institution may elect to have the Panama Canal Employment System made applicable in whole or in part to personnel of that agency in the Republic of Panama.

"(2) Any Executive agency (other than the Commission) and the Smithsonian Institution, to the extent of any election under paragraph (1), shall conduct its employment and pay practices relating to employees in accordance with the Panama Canal Employment System.

"(3) Notwithstanding any other provision of this Act or the Panama Canal Act Amendments of 1996, this subchapter, as last in effect before the effective date of section 3530 of the Panama Canal Act Amendments of 1996, shall continue to apply to an Executive agency or the Smithsonian Institution to the extent of an election under paragraph (1) by the head of agency or the Institution, respectively.

"(c) The Commission may exclude any employee or position from coverage under any provision of this subchapter, other than the interchange rights extended under subsection (a)(4).".

(b) SAVINGS PROVISIONS.—The Panama Canal Employment System and all elections, rules, regulations, and orders relating thereto, as last in effect before the amendment made by subsection (a) takes effect, shall continue in effect, according to their terms, until modified, terminated, or superseded under section 1212 of the Panama Canal Act of 1979, as amended by subsection (a).

SEC. 3531. EMPLOYMENT STANDARDS.

Section 1213 (22 U.S.C. 3653) is amended in the first sentence by striking "The head of each agency" and inserting "The Commission".

SEC. 3532. REPEAL OF OBSOLETE PROVISION REGARDING INTERIM APPLICATION OF CANAL ZONE MERIT SYSTEM.

Section 1214 (22 U.S.C. 3654) is repealed.

SEC. 3533. REPEAL OF PROVISION RELATING TO RECRUITMENT AND RETENTION REMUNERATION.

Section 1217(d) (22 U.S.C. 3657(d)) is repealed.

SEC. 3534. BENEFITS BASED ON BASIC PAY.

Section 1218(2) (22 U.S.C. 3658(2)) is amended to read as follows:

"(2) benefits under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, relating to retirement;".

SEC. 3535. VESTING OF GENERAL ADMINISTRATIVE AUTHORITY OF COMMISSION.

Section 1223 (22 U.S.C. 3663) is amended to read as follows:

"CENTRAL EXAMINING OFFICE

"SEC. 1223. The Commission shall establish a Central Examining Office. The purpose of the office shall be to implement the provisions of the Panama Canal Treaty of 1977 and related agreements with respect to recruitment, examination, determination of qualification standards, and similar matters relating to employment of the Commission.".

SEC. 3536. APPLICABILITY OF CERTAIN LAWS.

Section 1224 (22 U.S.C. 3664) is amended to read as follows:

"APPLICABILITY OF TITLE 5, UNITED STATES CODE

"SEC. 1224. The following provisions of title 5, United States Code, apply to the Panama Canal Commission:

"(1) Part I of title 5 (relating to agencies generally).

"(2) Chapter 21 (relating to employee definitions).

"(3) Section 2302(b)(8) (relating to whistleblower protection) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

"(4) All provisions relating to preference eligibles.

"(5) Section 5514 (relating to offset from salary).

"(6) Section 5520a (relating to garnishments).

"(7) Sections 5531-5535 (relating to dual pay and employment).

"(8) Subchapter VI of chapter 55 (relating to accumulated and accrued leave).

"(9) Subchapter IX of chapter 55 (relating to severance and back pay).

"(10) Chapter 57 (relating to travel, transportation, and subsistence).

"(11) Chapter 59 (relating to allowances).

"(12) Chapter 63 (relating to leave for CONUS employees).

"(13) Section 6323 (relating to military leave; Reserves and National Guardsmen).

"(14) Chapter 71 (relating to labor relations).

"(15) Subchapters II and III of chapter 73 (relating to employment limitations and political activities, respectively) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

"(16) Chapter 81 (relating to compensation for work injuries).

"(17) Chapters 83 and 84 (relating to retirement).

"(18) Chapter 85 (relating to unemployment compensation).

"(19) Chapter 87 (relating to life insurance).

"(20) Chapter 89 (relating to health insurance).".

SEC. 3537. REPEAL OF PROVISION RELATING TO TRANSFERRED OR REEMPLOYED EMPLOYEES.

Section 1231(a)(3) (22 U.S.C. 3671(a)(3)) is repealed.

SEC. 3538. ADMINISTRATION OF SPECIAL DISABILITY BENEFITS.

Section 1245 (22 U.S.C. 3682) is amended by striking so much as precedes subsection (b) and inserting the following:

"ADMINISTRATION OF CERTAIN DISABILITY BENEFITS

"SEC. 1245. (a)(1) The Commission, or any other United States Government agency or private entity acting pursuant to an agreement with the Commission, under the Act entitled 'An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act', approved July 8, 1937 (50 Stat. 478; 68 Stat. 17), may continue the payments of cash relief to those individual former employees of the Canal Zone Government or Panama Canal Company or their predecessor agencies not coming within the scope of the former Canal Zone Retirement Act whose services were terminated prior to October 5, 1958, because of unfitness for further useful service by reason of mental or physical disability resulting from age or disease.

"(2) Subject to subsection (b), cash relief under this subsection may not exceed $1.50 per month for each year of service of the employees so furnished relief, with a maximum of $45 per month, plus the amount of any cost-of-living increases in such cash relief granted before October 1, 1979, pursuant to section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), nor be paid to any employee who, at the time of termination for disability prior to October 5, 1958, had less than 10 years' service with the Canal Zone Government, the Panama Canal Company, or their predecessor agencies on the Isthmus of Panama.".

SEC. 3539. PANAMA CANAL REVOLVING FUND.

Section 1302 of the Panama Canal Act of 1979 (22 U.S.C. 3712) is amended to read as follows:

"PANAMA CANAL REVOLVING FUND

"SEC. 1302. (a) There is established in the Treasury of the United States a revolving fund to be known as 'Panama Canal Revolving Fund'. The Panama Canal Revolving Fund shall, subject to subsection (b), be available to the Commission to carry out the purposes, functions, and powers authorized by this Act, including for—

"(1) the hire of passenger motor vehicles and aircraft;

"(2) uniforms or allowances therefor;

"(3) official receptions and representation expenses of the Board, the Secretary of the Commission, and the Administrator;

"(4) the operation of guide services;

"(5) a residence for the Administrator;

"(6) disbursements by the Administrator for employee and community projects;

"(7) the procurement of expert and consultant services;

"(8) promotional activities, including the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, film, or other media presentation designed to promote the Panama Canal as a resource of the world shipping industry; and

"(9) the purchase and transportation to the Republic of Panama of passenger motor vehicles, including large, heavy-duty vehicles.

"(b)(1) There shall be deposited in the Panama Canal Revolving Fund, on a continuing basis, toll receipts (other than amounts of toll receipts deposited into the Panama Canal Commission Dissolution Fund under section 1305) and all other receipts of the Commission. Except as provided in section 1303, no funds may be obligated or expended by the Commission in any fiscal year unless such obligation or expenditure has been specifically authorized by law.

"(2) No funds may be authorized for the use of the Commission, or obligated or expended by the Commission in any fiscal year, in excess of—

"(A) the amount of revenues deposited in the Panama Canal Revolving Fund and the Panama Canal Commission Dissolution Fund during such fiscal year, plus

"(B) the amount of revenues deposited in the Panama Canal Revolving Fund before such fiscal year and remaining unobligated at the beginning of such fiscal year; plus

"(C) the $100,000,000 borrowing authority provided for in section 1304 of this Act. Not later than 30 days after the end of each fiscal year, the Secretary of the Treasury shall report to the Congress the amount of revenues deposited in the Panama Canal Revolving Fund during such fiscal year.

"(c) With the approval of the Secretary of the Treasury, the Commission may deposit amounts in the Panama Canal Revolving Fund in any Federal Reserve bank, any depositary for public funds, or such other place and in such manner as the Commission and the Secretary may agree.

"(d)(1) It is the sense of the Congress that the additional costs resulting from the implementation of the Panama Canal Treaty of 1977 and related agreements should be kept to the absolute minimum level. To this end, the Congress declares appropriated costs of implementation to be borne by the taxpayers over the life of such Treaty should be kept to a level no greater than the March 1979 estimate of those costs ($870,700,000) presented to the Congress by the executive branch during consideration of this Act by the Congress, less personnel retirement costs of $205,000,000, which were subtracted and charged to tolls, therefore resulting in net taxpayer cost of approximately $665,700,000, plus appropriate adjustments for inflation.

"(2) It is further the sense of the Congress that the actual costs of implementation be consistent with the obligations of the United States to operate the Panama Canal safely and efficiently and keep it secure.".

SEC. 3540. PRINTING.

Title I is amended in chapter 3 (22 U.S.C. 3711 et seq.) by adding at the end of subchapter I the following new section:

"PRINTING

"SEC. 1306. (a) Section 501 of title 44, United States Code, shall not apply to direct purchase by the Commission for its use of printing, binding, and blank-book work in the Republic of Panama when the Commission determines that such direct purchase is in the best interest of the Government.

"(b) This section shall not affect the Commission's authority, under chapter 5 of title 44, United States Code, to operate a field printing plant.".

SEC. 3541. ACCOUNTING POLICIES.

(a) SECTION 1311.—Section 1311(a) (22 U.S.C. 3721(a)) is amended by striking out "the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)" in the first sentence and inserting in lieu thereof "chapter 91 of title 31, United States Code,".

(b) SECTION 1313.—Section 1313 (22 U.S.C. 3723) is amended by striking out "the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)" in subsections (a) and (c) and inserting in lieu thereof "chapter 91 of title 31, United States Code,".

SEC. 3542. INTERAGENCY SERVICES; REIMBURSEMENTS.

Section 1321(e) (22 U.S.C. 3731(e)) is amended by adding at the end the following sentence:

"Notwithstanding the provisions relating to the availability of adequate schools contained in section 5924(4)(A) of title 5, United States Code, the Commission shall by regulation determine the extent to which costs of educational services may be defrayed under this subsection.".

SEC. 3543. POSTAL SERVICE.

Section 1331 (22 U.S.C. 3741) is amended to read as follows:

"POSTAL SERVICE

"SEC. 1331. (a) The Commission shall take possession of and administer the funds of the Canal Zone postal service and shall assume its obligations.

"(b) Effective December 1, 1999, neither the Commission nor the United States Government shall be responsible for the distribution of any accumulated unpaid balances relating to Canal Zone postal-savings deposits, postal-savings certificates, and postal money orders.

"(c) Mail addressed to the Canal Zone from or through the continental United States may be routed by the United States Postal Service to the military post offices of the United States Armed Forces in the Republic of Panama. Such military post offices shall provide the required directory services and shall accept such mail to the extent permitted under the Panama Canal Treaty of 1977 and related agreements. The Commission shall furnish personnel, records, and other services to such military post offices to assure wherever appropriate the distribution, rerouting, or return of such mail.".

SEC. 3544. INVESTIGATION OF ACCIDENTS OR INJURY GIVING RISE TO CLAIM.

Section 1417(1) (22 U.S.C. 3777(1)) is amended to read as follows:

"(1) an investigation of the accident or injury giving rise to the claim has been completed, which shall include a hearing by the Board of Local Inspectors of the Commission; and".

SEC. 3545. OPERATIONS REGULATIONS.

Section 1801 (22 U.S.C. 3811) is amended by striking "President" and inserting "Commission".

SEC. 3546. MISCELLANEOUS REPEALS.

(a) Repeals.—The following provisions are repealed:

(1) Section 1605 (22 U.S.C. 3795), relating to interim toll adjustment.

(2) Section 1701 (22 U.S.C. 3801), relating to the authority of the President to prescribe certain regulations.

(3) Section 1702 (22 U.S.C. 3802), relating to the authority of the Panama Canal Commission to prescribe certain regulations.

(4) Title II (22 U.S.C. 3841–3852), relating to the Treaty transition period.

(5) Chapter 1 of title III (22 U.S.C. 3861), relating to cemeteries.

(6) Section 1246, relating to appliances for certain injured employees.

(7) Section 1251, relating to leave for jury or witness service.

(8) Section 1301, relating to Canal Zone Government funds.

(9) Section 1313(c), relating to audits.

(b) Conforming Amendments.—Section 1313 is further amended by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 3547. EXEMPTION FROM METRIC CONVERSION ACT OF 1975.

Section 3302 is amended to read as follows:

"EXEMPTION FROM METRIC CONVERSION ACT OF 1975

"Sec. 3302. The Commission is exempt from the provisions of the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.).".

SEC. 3548. CONFORMING AND CLERICAL AMENDMENTS.

(a) Title 5 Employment Law.—Title 5, United States Code, is amended as follows:

(1) Section 3401(1) is amended—

(A) by striking out clause (v); and

(B) by redesignating clauses (vi), (vii), and (viii) as clauses (v), (vi), and (vii), respectively.

(2) Section 5102 is amended—

(A) in subsection (a)(1)—

(i) by striking out clause (vi); and

(ii) by redesignating clauses (vii), (viii), (ix), (x), and (xi) as clauses (vi), (vii), (viii), (ix), and (x), respectively; and

(B) in subsection (c), by striking out paragraph (12).

(3) Subchapter IV of chapter 53 is amended—

(A) in section 5342(a)(1)—

(i) by striking out subparagraph (G); and

(ii) by redesignating subparagraphs (H), (I), (J), (K), and (L) as subparagraphs (G), (H), (I), (J), and (K), respectively;

(B) in section 5343(a)(5), by striking out "the areas and installations in the Republic of Panama" and all that follows through "Panama Canal Act of 1979),"; and

(C) in section 5348—

(i) by striking out subsection (b);

(ii) by redesignating subsection (c) as subsection (b); and

(iii) in subsection (a), by striking out "subsections (b) and (c)" and inserting in lieu thereof "subsection (b)".

(4) Section 5373 is amended—

(A) by striking out paragraph (1); and

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(5) Section 5537(c) is amended by striking out "the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands." and inserting in lieu thereof "the District Court of Guam and the District Court of the Virgin Islands.".

(6) Section 5541(2)(xii) is amended—

(A) by inserting "or" after "Services Administration,"; and

(B) by striking out ", or a vessel employee of the Panama Canal Commission";

(7) Section 5924(3) is amended by striking out the last sentence.

(8) Section 6322(a) is amended—

(A) by striking out "Puerto Rico," and inserting in lieu thereof "Puerto Rico or"; and

(B) by striking out ", or the Republic of Panama".

(9) Section 7901(f) is amended to read as follows:

"(f) The health programs conducted by the Tennessee Valley Authority are not affected by this section.".

(b) Cross References in Panama Canal Act.—

(1) Section 1211(1)(B) (22 U.S.C. 3651(1)(B)) is amended by striking out "section 1212(B)(2)" and inserting in lieu thereof "section 1212(b)".

(2) Section 1303 (22 U.S.C. 3713) is amended by striking out "section 1302(c)(1)" both places it appears and inserting in lieu thereof "section 1302(b)(1)".

(3) Section 1341(f) (22 U.S.C. 3751(f)) is amended by striking out "section 1302(c)" and inserting in lieu thereof "section 1302(b)".

(c) Section Headings.—

(1) The heading of section 3 (22 U.S.C. 3602) is amended to read as follows:

"DEFINITIONS".

(2) The heading of section 1245 (22 U.S.C. 3682) is amended to read as follows:

"ADMINISTRATION OF CERTAIN DISABILITY BENEFITS".

(d) Table of Contents.—The table of contents in section 1 is amended as follows:

(1) The items relating to sections 1101, 1102a, 1102b, and 1313 are amended by inserting "Sec." before the section number.

(2) The item relating to section 3 is amended to read as follows:

"Sec. 3. Definitions.".

(3) The item relating to section 1104 is amended to read as follows:

"Sec. 1104. Deputy Administrator.".

(4) The items relating to sections 1209 and 1210 are amended to read as follows:

"Sec. 1209. Applicability of certain benefits.
"Sec. 1210. Travel and transportation.".

(5) The items relating to sections 1223 and 1224 are amended to read as follows:

"Sec. 1223. Central Examining Office.
"Sec. 1224. Applicability of title 5, United States Code.".

(6) The item relating to section 1245 is amended to read as follows:

"Sec. 1245. Administration of certain disability benefits.".

(7) The item relating to section 3302 is amended to read as follows:

"Sec. 3302. Exemption from Metric Conversion Act of 1975.".

(8) Such table of contents is further amended by inserting after the item relating to section 1305 the following new item:

"Sec. 1306. Printing.".

(9) Such table of contents is further amended—

(A) by striking out the items relating to sections 1214, 1246, 1251, 1301, 1605, 1701, 1702, 2101, 2201, 2202, 2203, 2204, 2205, 2206, 2301, 2401, 2402, and 3101; and

(B) by striking out the items relating to the heading of title II, the headings of chapters 1, 2, 3, and 4 of such title, and the heading of chapter 1 of title III.

SEC. 3549. REPEAL OF PANAMA CANAL CODE.

The Panama Canal Code is repealed.

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

Floyd Spence,
Bob Stump,
Duncan Hunter,
John R. Kasich,
Herbert H. Bateman,
James V. Hansen,
Curt Weldon,
Joel Hefley,
Jim Saxton,
Randy "Duke" Cunningham,
Stephen E. Buyer,
Peter G. Torkildsen,
Tillie K. Fowler,
John M. McHugh,
J.C. Watts, Jr.,
John N. Hostettler,
Saxby Chambliss,
Van Hilleary,
Alcee L. Hastings,
G.V. Montgomery,
Ike Skelton,
John M. Spratt, Jr.,
Solomon P. Ortiz,
Owen Pickett,
Glen Browder,
Gene Taylor,
Frank Tejeda,
Paul McHale,
Patrick J. Kennedy,
Rosa L. DeLauro,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

Larry Combest,
Jerry Lewis,
Norm Dicks,

As additional conferees from the Committee on Banking and Financial Services, for consideration of sections 1085 and 1089 of the Senate amendment, and modifications committed to conference:

Michael N. Castle,
Spencer Bachus,
Henry Gonzalez,

As additional conferees from the Committee on Commerce, for consideration of sections 601, 741, 742, 2863, 3154, and 3402 of the House bill, and sections 345–47, 561, 562, 601, 1080, 2827, 3174, 3175, and 3181–91 of the Senate amendment, and modifications committed to conference:

Thomas Bliley,
Michael Bilirakis,

Provided that Mr. Richardson is appointed in lieu of Mr. Dingell and Mr. Schaefer is appointed in lieu of Mr. Bilirakis for consideration of sections 3181–91 of the Senate amendment:

Dan Schaefer,

Provided that Mr. Oxley is appointed in lieu of Mr. Bilirakis for the consideration of section 3154 of the House bill, and sections 345–47, 3174, and 3175 of the Senate amendment:

Michael G. Oxley,

Provided that Mr. Schaefer is appointed in lieu of Mr. Bilirakis for the consideration of sections 2863 and 3402 of the House bill, and section 2827 of the Senate amendment:

Dan Schaefer,

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–36, 362, 366, 807, 821–25, 1047, 3523–39, 3542, and 3548 of the House bill, and sections 636, 809(b), 921, 924, 925, 1081, 1082, 1101, 1102, 1104, 1105, 1109–34, 1401–34, and 2826 of the Senate amendment, and modifications committed to conference:

W. F. Clinger,

Provided that Mr. Horn is appointed in lieu of Mr. Mica for consideration of sections 362, 366, 807, and 821–25 of the House bill, and sections 809(b), 1081, 1401–34, and 2826 of the Senate amendment:

Stephen Horn,

Provided that Mr. Zeliff is appointed in lieu of Mr. Mica for consideration of section 1082 of the Senate amendment:

Bill Zeliff,

As additional conferees from the Committee on International Relations, for consideration of sections 233–34, 237, 1041, 1043, 1052, 1101–05, 1301, 1307, and 1501–53 of the House bill, and sections 234, 1005, 1021, 1031, 1041–43, 1045, 1323, 1332–35, 1337, 1341–44, and 1352–54 of the Senate amendment, and modifications committee to conference:

Benjamin A. Gilman,
Doug Bereuter,

As additional conferees from the Committee on the Judiciary, for consideration of sections 537, 543, 1066, 1080, 1088, 1201–16, and 1313 of the Senate amendment, and modifications committed to conference:

Henry Hyde,
Bill McCollum,
John Conyers, Jr.,

Provided that Mr. Moorhead is appointed in lieu of Mr. McCollum for consideration of sections 537 and 1080 of the Senate amendment:

Carlos J. Moorhead,

Provided that Mr. Smith of Texas is appointed in lieu of Mr. McCollum for consideration of sections 1066 and 1201–16 of the Senate amendment:

Lamar Smith,

As additional conferees from the Committee on Resources, for consideration of sections 247, 601, 2821, 1401–14, 2901–13, and 2921–31 of the House bill, and sections 251–52, 351, 601, 1074, 2821, 2836, and 2837 of the Senate amendment, and modifications committed to conference:

James V. Hansen,
Jim Saxton,

As additional conferees from the Committee on Science, for consideration of sections 203, 211, 245, and 247 of the House bill, and sections 211, 251–52, and 1044 of the Senate amendment, and modifications committed to conference:

Robert S. Walker,
James Sensenbrenner,
Jr.,
Jane Harman,

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 324, 327, 501, and 601 of the House bill, and sections 345–48, 536, 601, 641, 1004, 1009, 1010, 1311, 1314, and 3162 of the Senate amendment, and modifications committed to conference:

Bud Shuster,
Managers on the Part of the House.

Bob Stump,
Christopher H. Smith,
G.V. Montgomery,
Strom Thurmond,
John Warner,
Bill Cohen,
John McCain,
Dan Coats
Bob Smith,
Dirk Kempthorne,
Jim Inhofe,
Rick Santorum,
Sheila Frahm,
Sam Nunn,
Carl Levin,
Ted Kennedy,
Jeff Bingaman,
Robert C. Byrd,
Chuck Robb,
J. Lieberman,
Richard H. Bryan,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for defense activities of the Department of Defense, for military construction, and for defense programs of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTION

The conferees recommend authorizations for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and civil defense that have a budget authority implication of $265.6 billion.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not generally provide budget authority. Budget authority is generally provided in appropriation acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this bill must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, this authorization bill would establish personnel levels and include a number of legislative provisions affecting military compensation.

The following table summarizes authorizations included in the bill for fiscal year 1997 and, in addition, summarizes the implication of the conference action for the budget totals for national defense (budget function 050).

Summary of National Defense Authorization for FY 1997

(In Thousands of $'s)

DIVISION A
TITLE I
PROCUREMENT

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
Aircraft Procurement, Army	970,815	1,556,615	1,508,515	343,200	1,314,015	970,815	1,556,615	1,508,515	1,314,015
Missile Procurement, Army	766,329	1,027,829	1,160,829	265,500	1,031,829	766,329	1,027,829	1,160,829	1,031,829
Procurement of Weapons and Tracked Combat Vehicles, Army	1,102,014	1,334,814	1,460,115	307,500	1,409,514	1,102,014	1,334,814	1,460,115	1,409,514
Procurement of Ammunition, Army	853,428	1,160,728	1,156,728	149,600	1,003,028	853,428	1,160,728	1,156,728	1,003,028
Other Procurement, Army	2,627,440	2,802,240	3,298,940	362,800	2,990,240	2,627,440	2,812,240	3,298,940	2,990,240
Aircraft Procurement, Navy	5,881,952	6,668,952	6,911,352	1,152,974	7,034,926	5,881,952	6,668,952	6,911,352	7,034,926
Weapons Procurement, Navy	1,400,363	1,305,308	1,513,263	(54,955)	1,345,408	1,400,363	1,305,308	1,513,263	1,345,408
Procurement of Ammunition, Navy and Marine Corps	0	599,239	0	293,239	293,239	0	599,239	0	293,239
Shipbuilding and Conversion, Navy	4,911,930	5,479,930	6,567,330	1,281,400	6,193,330	4,911,930	5,479,930	6,567,330	6,193,330
Other Procurement, Navy	2,714,195	2,871,495	3,005,040	179,645	2,893,840	2,714,195	2,871,495	3,005,040	2,893,840
Procurement, Marine Corps	555,507	546,748	816,107	4,641	560,148	555,507	546,748	816,107	560,148
Aircraft Procurement, Air Force	5,779,228	7,271,928	7,023,528	985,192	6,764,420	5,779,228	7,271,928	7,023,528	6,764,420
Missile Procurement, Air Force	2,733,877	4,341,178	2,847,177	(208,002)	2,525,875	2,733,877	4,341,178	2,847,177	2,525,875
Procurement of Ammunition, Air Force	0	303,899	0	278,302	278,302	0	303,899	0	278,302
Other Procurement, Air Force	5,998,819	6,117,419	5,889,519	(184,400)	5,814,419	5,998,819	6,117,419	5,889,519	5,814,419
Procurement, Defense-wide	1,841,212	1,890,212	1,908,012	167,049	2,008,261	1,841,212	1,890,212	1,908,012	2,008,261
Procurement, National Guard and Reserve Equipment	0	805,000	759,800	780,000	780,000	0	805,000	759,800	780,000
Chemical Agents and Munitions Destruction, Army									
Operation & Maintenance	477,947	477,947	477,947		477,947	477,947	477,947	477,947	477,947
Procurement	273,600	273,600	273,600	(40,000)	233,600	273,600	273,600	273,600	233,600
Research, Development, Test & Evaluation	48,300	48,300	51,300		48,300	48,300	48,300	51,300	48,300
Procurement, Defense Health Program	269,470	269,470	269,470		269,470	0	0	0	0
Procurement, Office of the Inspector General	2,000	2,000	2,000		2,000	0	0	0	0
Total Procurement	39,208,426	47,154,851	46,900,572	6,063,685	45,272,111	38,936,956	46,893,381	46,629,102	45,000,641

TITLE II
RESEARCH, DEVELOPMENT, TEST & EVALUATION

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
Research, Development, Test & Evaluation, Army	4,320,640	4,669,979	4,958,240	459,975	4,780,615	4,320,640	4,669,979	4,958,240	4,780,615
Research, Development, Test & Evaluation, Navy	7,334,734	8,189,957	8,891,534	733,565	8,068,299	7,334,734	8,189,957	8,891,534	8,068,299
Research, Development, Test & Evaluation, Air Force	14,417,456	13,271,087	14,786,356	338,910	14,756,366	14,417,456	13,271,087	14,786,356	14,756,366
Research, Development, Test & Evaluation, Defense-wide	8,398,836	9,132,371	9,388,536	1,001,451	9,400,287	8,398,836	9,132,371	9,388,536	9,400,287
Operational Test & Evaluation, Defense	21,968	21,968	21,968		21,968	21,968	21,968	21,968	21,968

Summary of National Defense Authorization for FY 1997

(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications		
							House	Senate	Conference
Developmental Test & Evaluation, Defense	252,038	252,038	269,038	17,000	269,038	252,038	252,038	269,038	269,038
Total Research, Development, Test & Evaluation	34,745,672	35,547,400	38,315,672	2,550,901	37,296,573	34,745,672	35,537,400	38,315,672	37,296,573
TITLE III									
OPERATION AND MAINTENANCE & WORKING CAPITAL FUNDS									
Operation and Maintenance, Army	18,114,479	18,436,929	18,147,623	149,927	18,264,406	18,114,479	18,436,929	18,147,623	18,264,406
Operation and Maintenance, Navy	20,196,197	20,433,797	20,298,339	191,540	20,387,737	20,196,197	20,433,797	20,298,339	20,387,737
Operation and Maintenance, Marine Corps	2,203,777	2,524,677	2,279,477	217,230	2,421,007	2,203,777	2,524,677	2,279,477	2,421,007
Operation and Maintenance, Air Force	17,913,455	17,982,955	17,949,339	(278,120)	17,635,335	17,913,455	17,982,955	17,949,339	17,635,335
Operation and Maintenance, Defense-wide	10,156,468	10,375,368	9,778,942	(243,506)	9,912,962	10,156,468	10,375,368	9,778,942	9,912,962
Office of the Inspector General	136,501	136,501	136,501	0	136,501	138,501	138,501	138,501	138,501
Defense Health Program	9,358,288	9,831,288	9,375,988	475,000	9,833,288	9,627,758	10,100,758	9,645,458	10,102,758
Operation and Maintenance, Army Reserve	1,084,436	1,155,436	1,094,436	52,000	1,136,436	1,084,436	1,155,436	1,094,436	1,136,436
Operation and Maintenance, Navy Reserve	843,927	858,927	851,027	15,000	858,927	843,927	858,927	851,027	858,927
Operation and Maintenance, Marine Corps Reserve	99,667	106,467	110,367	13,700	113,367	99,667	106,467	110,367	113,367
Operation and Maintenance, Air Force Reserve	1,488,553	1,504,553	1,493,553	11,000	1,499,553	1,488,553	1,504,553	1,493,553	1,499,553
Operation and Maintenance, Army National Guard	2,208,477	2,297,477	2,218,477	69,000	2,277,477	2,208,477	2,297,477	2,218,477	2,277,477
Operation and Maintenance, Air National Guard	2,654,473	2,688,473	2,699,173	56,700	2,711,173	2,654,473	2,688,473	2,699,173	2,711,173
United States Court of Appeals for the Armed Forces	6,797	6,797	6,797		6,797	6,797	6,797	6,797	6,797
Environmental Restoration, Army	356,916	0	356,916		356,916	356,916	0	356,916	356,916
Environmental Restoration, Navy	302,900	0	302,900		302,900	302,900	0	302,900	302,900
Environmental Restoration, Air Force	414,700	0	414,700		414,700	414,700	0	414,700	414,700
Environmental Restoration, Defense-Wide	258,500	0	258,500		258,500	258,500	0	258,500	258,500
Environmental Restoration, Defense	0	1,333,016	0		0		1,333,016		0
Drug Interdiction and Counter-drug Activities, Defense	642,724	682,724	793,824	153,800	796,524	642,724	682,724	793,824	796,524
Former Soviet Union Threat Reduction	327,900	302,900	327,900	37,000	364,900	327,900	302,900	327,900	364,900
Overseas Military Investment Recovery	0	0	0		0	1,700	1,700	1,700	1,700
Disposal of DoD Real Property	0	0	0		0	9,740	9,740	9,740	9,740
Lease of DoD Real Property	0	0	0		0	16,825	16,825	16,825	16,825
Payment to Kaho' Olawe Island Fund	10,000	10,000	0		10,000	10,000	10,000	0	10,000
Kaho' Olawe Island Conveyance	0	0	0		0	10,000	10,000	10,000	10,000
Restoration of Rocky Mountain Arsenal	0	0	0		0	1,000	1,000	1,000	1,000
Overseas Humanitarian, Disaster, & Civic Aid	80,544	60,544	49,000	(26,000)	54,544	80,544	60,544	49,000	54,544
National Science Center, Army	0	0	0		0	120	120	120	120
Defense against Weapons of Mass Destruction Act (Title XIII)	0	0	150,000	97,000	97,000	0	0	150,000	97,000

Summary of National Defense Authorization for FY 1997

(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
Vietnamese Commandos Payments	0	0	20,000	20,000	20,000	0	0	20,000	20,000
Subtotal Operation and Maintenance	88,859,679	90,728,829	89,113,779	1,011,271	89,870,950	89,170,534	91,039,684	89,424,634	90,181,805
REVOLVING FUNDS									
Defense Business Operations Fund (DECA)	947,900	947,900	947,900		947,900	947,900	947,900	947,900	947,900
National Defense Sealift Fund	963,002	1,123,002	1,268,002	155,000	1,118,002	963,002	1,123,002	1,268,002	1,118,002
National Defense Stockpile Transaction Fund (Routine & Ongoing Sales)						(150,000)	(150,000)	(150,000)	(150,000)
National Defense Stockpile Transaction Fund (Excess of Routine Sales)						(126,000)	(126,000)	(126,000)	(126,000)
National Defense Stockpile Transaction Fund (Proposed Sale)						(79,000)		(79,000)	(81,000)
Subtotal Working Capital Funds	1,910,902	2,070,902	2,215,902	155,000	2,065,902	1,555,902	1,794,902	1,860,902	1,708,902
Total Operation and Maintenance & Working Capital Funds	90,770,581	92,799,731	91,329,681	1,166,271	91,936,852	90,726,436	92,834,586	91,285,536	91,890,707
TITLES IV-V-VI-VII MILITARY PERSONNEL									
Total Military Personnel	0	70,206,030	69,880,430	273,300	70,056,130	69,782,830	70,206,030	69,880,430	70,056,130
TITLE XIV									
Security from Weapons of Mass Destruction (Memo)	0	0	235,000	201,000	201,000	0	0	235,000	201,000
GENERAL PROVISIONS DIVISION B MILITARY CONSTRUCTION									
Military Construction, Army	434,723	603,584	546,498	136,865	571,588	434,723	603,584	546,498	571,588
Military Construction, Navy	525,346	712,476	630,336	174,258	699,604	525,346	712,476	630,336	699,604
Military Construction, Air Force	603,059	678,914	750,274	142,205	745,264	603,059	678,914	750,274	745,264
Military Construction, Defense-wide	812,945	772,345	770,145	(49,233)	763,712	812,945	772,345	770,145	763,712
Military Construction, Army National Guard	7,600	41,316	94,528	51,594	59,194	7,600	41,316	94,528	59,194
Military Construction, Air National Guard	75,394	118,394	209,884	113,111	188,505	75,394	118,394	209,884	188,505
Military Construction, Army Reserve	48,459	50,159	59,174	7,084	55,543	48,459	50,159	59,174	55,543
Military Construction, Naval Reserve	10,983	33,169	32,743	21,796	32,779	10,983	33,169	32,743	32,779
Military Construction, Air Force Reserve	51,655	51,655	54,770	1,150	52,805	51,655	51,655	54,770	52,805
Base Realignment and Closure II, III, IV	2,507,476	2,507,476	2,507,476	0	2,507,476	2,751,476	2,507,476	2,751,476	2,751,476
NATO Infrastructure	197,000	177,000	197,000	(25,000)	172,000	197,000	177,000	197,000	172,000
DoD Unaccompanied Housing Improvement Fund	0	10,000	5,000	5,000	5,000	0	10,000	5,000	5,000

Summary of
National Defense Authorization for FY 1997

(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications		
							House	Senate	Conference
BRAC Receipts						(244,000)	(244,000)	(244,000)	(244,000)
Total Military Construction	5,274,640	5,756,488	5,857,828	578,830	5,853,470	5,274,640	5,512,488	5,857,828	5,853,470
FAMILY HOUSING									
Family Housing Construction, Army	75,013	176,603	102,133	83,490	158,503	75,013	176,603	102,133	158,503
Family Housing Support, Army	1,212,466	1,257,466	1,262,466	0	1,212,466	1,212,466	1,257,466	1,262,466	1,212,466
Family Housing Construction, Navy and Marine Corps	403,726	532,456	410,216	96,160	499,886	403,726	532,456	410,216	499,886
Family Housing Support, Navy and Marine Corps	1,014,241	1,058,241	1,014,241	0	1,014,241	1,014,241	1,058,241	1,014,241	1,014,241
Family Housing Construction, Air Force	231,236	304,068	265,038	86,520	317,756	231,236	304,068	265,038	317,756
Family Housing Support, Air Force	829,474	840,474	829,474	0	829,474	829,474	840,474	829,474	829,474
Family Housing Construction, Defense-wide	4,371	4,371	4,371	0	4,371	4,371	4,371	4,371	4,371
Family Housing Support, Defense-wide	30,963	30,963	30,963	0	30,963	30,963	30,963	30,963	30,963
Homeowners Assistance Fund	36,181	36,181	36,181	0	36,181	36,181	36,181	36,181	36,181
DoD Family Housing Improvement Fund	20,000	35,000	20,000	5,000	25,000	20,000	35,000	20,000	25,000
Total Family Housing	3,857,671	4,275,823	3,975,083	271,170	4,128,841	3,857,671	4,275,823	3,975,083	4,128,841
DIVISION C **TITLE XXXI** **ATOMIC ENERGY DEFENSE ACTIVITIES (053)**									
Weapons Activities	3,710,002	3,935,002	3,949,002	208,000	3,918,002	3,710,002	3,935,002	3,949,002	3,918,002
Defense Environmental Restoration and Waste Management	5,409,310	5,409,310	5,607,310	100,000	5,509,310	5,409,310	5,409,310	5,607,310	5,509,310
Full Funding for Fixed Assets	182,000	182,000	182,000	0	182,000	182,000	182,000	182,000	182,000
Defense Nuclear Waste Disposal	200,000	200,000	200,000	0	200,000	200,000	200,000	200,000	200,000
Other Defense Actitivities	1,548,231	1,487,800	1,561,231	42,000	1,590,231	1,548,231	1,487,800	1,561,231	1,590,231
Defense Nuclear Facilities Safety Board	17,000	17,000	17,000	0	17,000	17,000	17,000	17,000	17,000
Total Atomic Energy Defense Activities (053)	11,066,543	11,231,112	11,516,543	350,000	11,416,543	11,066,543	11,231,112	11,516,543	11,416,543
Recapitulation									
Department of Defense (Division A)	234,507,509	245,708,012	246,426,355	10,054,157	244,561,666	234,341,894	245,621,397	246,260,740	244,394,051
Department of Defense (Division B)	9,132,311	10,032,311	9,832,911	850,000	9,982,311	9,132,311	9,788,311	9,832,911	9,982,311
National Defense Stockpile Transaction Fund	0	0	0	0	0	(150,000)	(150,000)	(150,000)	(150,000)
Other Funds	0	0	0	0	0	77,644	99,044	99,044	99,044

Summary of National Defense Authorization for FY 1997

(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
Offsetting Receipts	0	0	0	0	0	(877,799)	(631,299)	(875,400)	(875,400)
Total Department of Defense Military (051)	243,639,820	255,740,323	256,259,266	10,904,157	254,543,977	242,524,050	254,727,453	255,167,295	253,450,006
Total Atomic Energy Defense Activities (053)	11,066,543	11,231,112	11,516,543	350,000	11,416,543	11,066,543	11,231,112	11,516,543	11,416,543
Total Defense Related Activities (054)	39,000	0	0	(39,000)	0	749,400	757,200	591,900	710,400
General Limitation (Sec 4)			(1,692,738)					(1,692,738)	
TOTAL NATIONAL DEFENSE FUNCTION (050)	254,745,363	266,971,435	266,083,071	11,215,157	265,960,520	254,339,993	266,715,765	265,583,000	265,576,949

Congressional defense committees

The term "congressional defense committees" is often used in this statement of the managers. It means the Defense Authorization and Appropriations Committees of the Senate and House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Overview

The budget request for fiscal year 1997 contained an authorization of $39,208.4 million for procurement in the Department of Defense. The House bill would authorize $47,164.9 million. The Senate amendment would authorize $46,900.6 million. The conferees recommended an authorization of $45,272.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Summary of Procurement Authorization for FY 1997

(In Thousands of $s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Aircraft Procurement, Army	970,815	1,556,615	1,508,515	343,200	1,314,015
Missile Procurement, Army	766,329	1,027,829	1,160,829	265,500	1,031,829
Procurement of Weapons and Tracked Combat Vehicles, Army	1,102,014	1,334,814	1,460,115	307,500	1,409,514
Procurement of Ammunition, Army	853,428	1,160,728	1,156,728	149,600	1,003,028
Other Procurement, Army	2,627,440	2,802,240	3,298,940	362,800	2,990,240
Aircraft Procurement, Navy	5,881,952	6,668,952	6,911,352	1,152,974	7,034,926
Weapons Procurement, Navy	1,400,363	1,305,308	1,513,263	(54,955)	1,345,408
Procurement of Ammunition, Navy and Marine Corps	0	599,239	0	293,239	293,239
Shipbuilding and Conversion, Navy	4,911,930	5,479,930	6,567,330	1,281,400	6,193,330
Other Procurement, Navy	2,714,195	2,871,495	3,005,040	179,645	2,893,840
Procurement, Marine Corps	555,507	546,748	816,107	4,641	560,148
Aircraft Procurement, Air Force	5,779,228	7,271,928	7,023,528	985,192	6,764,420
Missile Procurement, Air Force	2,733,877	4,341,178	2,847,177	(208,002)	2,525,875
Procurement of Ammunition, Air Force	0	303,899	0	278,302	278,302
Other Procurement, Air Force	5,998,819	6,117,419	5,889,519	(184,400)	5,814,419
Procurement, Defense-wide	1,841,212	1,890,212	1,908,012	167,049	2,008,261
Procurement, National Guard and Reserve Equipment	0	805,000	759,800	780,000	780,000
Chemical Agents and Munitions Destruction, Army					
Operation & Maintenance	477,947	477,947	477,947		477,947
Procurement	273,600	273,600	273,600	(40,000)	233,600
Research, Development, Test & Evaluation	48,300	48,300	51,300		48,300
Procurement, Defense Health Program	269,470	269,470	269,470		269,470
Procurement, Office of the Inspector General	2,000	2,000	2,000		2,000
Total Procurement	39,208,426	47,154,851	46,900,572	6,063,685	45,272,111

Overview

The budget request for fiscal year 1997 contained an authorization of $970.8 million for Aircraft Procurement, Army in the Department of Defense. The House bill would authorize $1,556.6 million. The Senate amendment would authorize $1,508.5 million. The conferees recommended an authorization of $1,314.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	AIRCRAFT PROCUREMENT, ARMY										
	AIRCRAFT										
	FIXED WING										
1	ARL (TIARA)	-	24,742		29,942		24,742		5,200		29,942
2	C-XX (MEDIUM RANGE) AIRCRAFT	-	-		-		35,000	5	22,000	5	22,000
3	GUARDRAIL COMMON SENSOR (TIARA)	-	1,081		1,081		1,081				1,081
	ROTARY				-						
4	TOTAL PACKAGE FIELDING	-	-		-		-				-
5	AH-64 ATTACK HELICOPTER (APACHE)	-	-	12	260,000		130,000				-
6	UH-60 BLACKHAWK (MYP)	28	231,279	28	231,279	28	231,279			28	231,279
6	LESS: ADVANCE PROCUREMENT (PY)	-	(70,000)		(70,000)		(70,000)				(70,000)
7	ADVANCE PROCUREMENT (CY)	-	75,000		75,000		75,000				75,000
8	HELICOPTER NEW TRAINING	-	-		-		-				-
	MODIFICATION OF AIRCRAFT				-						
	MODIFICATION OF AIRCRAFT				-						
9	GUARDRAIL MODS (TIARA)	-	30,612		30,612		30,612				30,612
10	AH1F MODS	-	1,099		1,099		1,099				1,099
11	AH-64 MODS	-	43,287		43,287		118,287				43,287
12	CH-47 CARGO HELICOPTER MODS (MYP)	-	7,802		59,802		60,102		52,000		59,802
13	C-12 CARGO AIRPLANE MODS	-	644		644		644				644
14	OH-58 MODS	-	1,147		1,147		1,147				1,147
15	C-20 AIRCRAFT MODS	-	882		882		882				882
16	LONGBOW	-	373,940		426,940		426,940		53,000		426,940
16	LESS: ADVANCE PROCUREMENT (PY)	-	(16,983)		(16,983)		(16,983)				(16,983)
17	ADVANCE PROCUREMENT (CY)	-	22,526		22,526		22,526				22,526
18	UH-1 MODS	-	4,777		4,777		4,777				4,777
19	UH-60 MODS	-	12,436		12,436		12,436				12,436
20	KIOWA WARRIOR	-	9,115	24	199,115		167,515	24	190,000	24	199,115
21	EH-60 QUICKFIX MODS	-	13,912		13,912		13,912				13,912
22	AIRBORNE AVIONICS	-	40,819		40,819		40,819				40,819
	PASSENGER SAFETY MODIFICATIONS										-
23	ASE MODS	-	4,801		4,801		4,801		21,000		25,801
24	MODIFICATIONS < $2.0M	-	1,790		1,790		1,790				1,790
	SPARES AND REPAIR PARTS				-						
	SPARES AND REPAIR PARTS				-						
25	SPARES AND REPAIR PARTS	-	51,106		51,106		51,106				51,106
	SUPPORT EQUIPMENT AND FACILITIES				-						
	GROUND SUPPORT AVIONICS				-						
26	AIRCRAFT SURVIVABILITY EQUIPMENT	-	436		20,436		34,436				436

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER SUPPORT				-						
27	AIRBORNE COMMAND & CONTROL	-	-		-		-				-
28	AVIONICS SUPPORT EQUIPMENT	-	7,449		7,449		7,449				7,449
29	TRAINING DEVICES	-	7,339		7,339		7,339				7,339
30	COMMON GROUND EQUIPMENT	-	24,911		24,911		24,911				24,911
31	AVIATION LIFE SUPPORT EQUIPMENT (ALSE)	-	6,292		6,292		6,292				6,292
32	AIR TRAFFIC CONTROL	-	8,401		8,401		8,401				8,401
33	INDUSTRIAL FACILITIES	-	2,081		2,081		2,081				2,081
33a	DMPE				5,600						-
34	AIRBORNE COMMUNICATIONS	-	48,092		48,092		48,092				48,092
	TOTAL, AIRCRAFT PROCUREMENT, ARMY		970,815		1,556,615		1,508,515		343,200		1,314,015

Airborne Reconnaissance Low (ARL)

The budget request included $24.7 million to procure the final ARL–M aircraft and mission equipment.

The House bill would authorize an increase of $5.2 million to complete the moving target indicator (MTI) upgrade.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees understand that the Army reprogrammed fiscal year 1996 funds that were authorized and appropriated for converting ARL–I and ARL–C aircraft to the ARL–M configuration. These funds were applied to incorporate an MTI radar into the ARL. Although the reprogramming action was within the scope of the Department's authority, the conferees are concerned with the Army's failure to notify the appropriate committee of what it considers a major shift of the funds. The conferees do, however, support the validated requirement or MTI on ARL, and are aware that funds have not been budgeted to complete the MTI purchase.

Therefore, the conferees agree to authorize $29.9 million to provide the necessary funding to complete the ARL–I/–C conversion to ARL–M and complete the MTI radar upgrade. The conferees fully expect the Army to budget for completion of the ARL–I/–C conversion in future budget requests.

C–XX medium range aircraft

The budget request did not contain any funds for UC–35A (C–XX) aircraft.

The Army has identified the UC–35A as its highest priority fixed-wing program due to the operational efficiencies derived from its modern design. The conferees also note the savings achieved through the competitive procurement of this aircraft. However, the budget request included no funds to procure additional aircraft.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $35.0 million for eight production UC–35A turbofan aircraft.

The conferees agree to authorize an increase of $22.0 million to procure five UC–35A aircraft.

CH–47 modifications

The budget request included $7.8 million to procure safety and operational modifications for the CH–47 helicopter fleet.

The conferees remain concerned about the heavy lift capability for the Army and the ability of an aging fleet to perform this critical mission. Over time, modifications to the existing CH–47 airframe have added significant weight to the aircraft, requiring an upgrade to the current engine configuration. It is expected that the proposed T55–L–714 engine will increase payload capability by up to 3900 pounds and greatly reduce operation and maintenance costs over the life cycle of the new engine.

The House bill would add $52.0 million to accelerate engine conversions for contingency corps aircraft. The Senate amendment would add $52.3 million for the same purpose.

The conferees agree to authorize $59.8 million to begin the upgrade process for the fleet.

Longbow

The budget request included $373.9 million to procure Apache Longbow (AH–64) systems.

The House bill and the Senate amendment would authorize an increase of $53.0 million to procure training devices for these important aircraft.

The conferees note the outstanding requirement of institutional training devices. These devices are an essential element of aviation training activities and need to be fielded as soon as practicable.

The conferees agree to authorize $426.9 million to accelerate the delivery of these devices in accordance with the updated AF–64D fielding review.

OH–58D Kiowa Warrior

The budget request included $9.1 million to complete fielding of previously procured Kiowa Warrior systems.

The House bill would authorize an increase of $190.0 million to convert 24 aircraft.

The Senate amendment would authorize an increase of $158.4 million to complete outstanding retrofit requirements and convert 15 aircraft.

The Senate recedes.

The conferees agree to authorize a total of $199.1 million.

Aircraft survivability equipment modifications

The budget request included $4.8 million for aircraft survivability equipment.

The House bill would add $20.0 million to procure additional aviation survivability equipment.

The Senate amendment would add $34.0 million.

The conferees agree to authorize $25.8 million to support vital aircraft survivability modifications as follows:

(1) $11.0 million for AN/AVR–2A(V) laser detection sets;

(2) $5.0 million for radar deception and jamming device integration; and

(3) $5.0 million to accelerate procurement of installation kits for advanced threat infrared countermeasure devices.

Overview

The budget request for fiscal year 1997 contained an authorization of $766.3 million for Missile Procurement, Army in the Department of Defense. The House bill would authorize $1,027.8 million. The Senate amendment would authorize $1,160.8 million. The conferees recommended an authorization of $1,031.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	MISSILE PROCUREMENT, ARMY				-						
	OTHER MISSILES				-						
	SURFACE-TO-AIR MISSILE SYSTEM				-						
1	HAWK SYSTEM SUMMARY	-	-		-		-				-
2	PATRIOT SYSTEM SUMMARY (MYP)	-	2,862		2,862		2,862				2,862
3	AVENGER SYSTEM SUMMARY	-	12,581	93	71,981		12,581	93	59,400	93	71,981
3	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
	AIR-TO-SURFACE MISSILE SYSTEM				-						
4	HELLFIRE SYS SUMMARY	2,805	357,590	2,805	357,590	2,805	357,590			2,805	357,590
	ANTI-TANK/ASSAULT MISSILE SYSTEM				-						
5	JAVELIN (AAWS-M) SYSTEM SUMMARY	1,020	162,104	1,320	196,004		201,804		33,900		196,004
6	TOW 2 SYSTEM SUMMARY	-	13,630		13,630		13,630				13,630
7	MLRS ROCKET	852	24,443	1,674	41,443	1,702	41,443	822	17,000	1,674	41,443
8	MLRS LAUNCHER SYSTEMS	-	38,039	36	104,239		185,039	36	66,200	36	104,239
9	ARMY TACTICAL MSL SYS (ATACMS) - SYS S	97	92,816	97	161,816		161,816		69,000		161,816
	MODIFICATION OF MISSILES				-						
	MODIFICATIONS				-						
10	PATRIOT MODS	-	11,464		7,464		23,464				11,464
11	STINGER MODS	-	16,903		36,903		39,703		20,000		36,903
12	AVENGER MODS	-	-		-		29,000				-
13	ITAS/TOW MODS	-	16		16		33,016				16
14	DRAGON MODS	-	3,181		3,181		28,181				3,181
15	MLRS MODS	-	6,416		6,416		6,416				6,416
	SPARES AND REPAIR PARTS				-						
	SPARES AND REPAIR PARTS				-						
16	SPARES AND REPAIR PARTS	-	12,089		12,089		12,089				12,089
	SUPPORT EQUIPMENT AND FACILITIES				-						
	SUPPORT EQUIPMENT AND FACILITIES				-						
17	AIR DEFENSE TARGETS	-	6,201		6,201		6,201				6,201
18	ITEMS LESS THAN $2.0M (MISSILES)	-	992		992		992				992
19	MISSILE DEMILITARIZATION	-	1,533		1,533		1,533				1,533
20	PRODUCTION BASE SUPPORT	-	3,469		3,469		3,469				3,469
21	CLOSED ACCOUNT ADJUSTMENTS	-	-		-		-				-
	TOTAL, MISSILE PROCUREMENT, ARMY		766,329		1,027,829		1,160,829		265,500		1,031,829

Avernger

The budget request included no funding for Avenger fire units for the National Guard.

The House bill would authorize an increase of $59.4 million to procure 93 Avenger fire units. The House bill included a provision (sec. 112) that would grant an extension to the Avenger multiyear procurement authorization.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to recommend $59.4 million to complete contract buyout of Avenger fire units. The conferees agree to a legislative provision that would extend the Avenger multiyear procurement authority to accommodate the contract buyout.

Javelin medium anti-tank weapon

The budget request included $162.1 million to procure 1,020 Javelin missiles.

The House bill would authorize an increase of $33.9 million to procure an additional 300 missiles and to accelerate production and fielding of command launch units (CLUs).

The Senate amendment would: authorize the Army to enter into a multiyear contract for Javelin missiles; authorize an increase of $5.7 million for accelerated production and fielding of CLUs; and authorize an additional $34.0 million for economic order quantity procurement of material.

The conferees agree to authorize $196.0 million for the Javelin system for economic order quantity procurement of material.

Multiple Launch Rocket System (MLRS) rocket

The budget request included $24.4 million to procure 852 extended range rockets.

The House bill and the Senate amendment would authorize an additional $17.0 million in order to maintain a stable production rate and procure additional rockets.

The conferees agree to a total of $41.4 million for MLRS rocket production.

Multiple Launch Rocket System (MLRS) launcher

The budget request included $38.0 million for program support to fielded launchers.

The House bill would authorize an increase of $66.2 million to support Army National Guard (ARNG) efforts to convert artillery battalions to MLRS configuration. Of this amount, $36.3 million would be available to rebuild 36 MLRS launchers and $29.9 million for training equipment and spare parts.

The Senate amendment would add $147.0 million, including $110.0 million to procure four of six batteries to restructure fire support for heavy divisions, and $37.0 million to refurbish four batteries to support ARNG modernization.

The Senate recedes.

The conferees agree to a total of $104.2 million for MLRS launchers.

Stinger missile modifications

The budget request included $16.9 million for missile hardware and software modifications.

The House bill would add $15.0 million to retrofit an additional 1,000 missiles to the Block I configuration and $5.0 million to modify both ground and air platforms to employ the missiles.

The Senate amendment would authorize an increase of $7.0 million to raise the retrofit production rate to an economic level and $15.8 million to support production and installation of new modules in Force Package 1 and 2 platforms.

The Senate recedes.

The conferees agree to authorize $36.9 million for Stinger modifications. Of this amount, the conferees recommend that $470,000 be used for the qualification and limited production proofing of asbestos-free Stinger rocket motors to support a future production capability.

Dragon missile

The budget request included $3.2 million for Dragon missile modifications.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $25.0 million to support lethality enhancements to fielded missiles.

The Senate recedes.

The conferees agree to an increase of $25.0 million in the Army National Guard modernization authorization for Dragon missile lethality enhancements.

Overview

The budget request for fiscal year 1997 contained an authorization of $1,102.0 million for Weapons and Tracked Combat Vehicles Procurement, Army in the Department of Defense. The House bill would authorize $1,334.8 million. The Senate amendment would authorize $1,460.1 million. The conferees recommended an authorization of $1,409.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
		Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	PROCUREMENT OF W&TCV, ARMY				-						
	TRACKED COMBAT VEHICLES				-						
	TRACKED COMBAT VEHICLES				-						
1	ABRAMS TRNG DEV MOD	-	3,184		3,184		3,184				3,184
2	BRADLEY FIGHTING VEHICLE FAMILY (MYP)	-	-		-		-				-
3	BRADLEY BASE SUSTAINMENT	-	134,428		134,428		191,628		57,200		191,628
4	BRADLEY FVS TRAINING DEVICES	-	573		573		573				573
5	BRADLEY FVS TRAINING DEVICES (MOD)	-	900		900		900				900
6	FIELD ARTILLERY AMMUNITION SUPPORT VE	24	34,400	24	34,400	60	85,200	24	29,800	48	64,200
7	ABRAMS TANK TRAINING DEVICES	-	12,602		12,602		12,602				12,602
8	ARMORED GUN SYSTEM (AGS)	-	-		-		-				-
9	M1 ABRAMS TANK SERIES (MYP)	-	-		-		-				-
10	COMMAND & CONTROL VEHICLE	5	48,985	5	38,985	5	48,985			5	48,985
	MODIFICATION OF TRACKED COMBAT VEHICLES				-						
11	CARRIER, MOD	-	23,028		52,028		43,028		20,000		43,028
12	BFVS SERIES (MOD)	-	83,649		119,149		119,149		35,500		119,149
13	HOWITZER, MED SP FT 155MM M109A6 (MO	-	75,000	24	106,200		136,200	24	31,200	24	106,200
13a	FAASV			24	29,800						-
14	HOWITZER, MED SP FT 155MM M109A5 (MO	-	130		130		130				130
15	FAASV PIP TO FLEET	-	4,727		4,727		6,727				4,727
16	IMPROVED RECOVERY VEHICLE (M88 MOD)	-	28,641	12	55,741		79,741		27,100		55,741
17	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)	-	51,377		51,377		51,377				51,377
18	M1 ABRAMS TANK (MOD)	-	50,217		40,217		78,717		5,000		55,217
19	ABRAMS UPGRADE PROGRAM	-	506,637		506,637		506,637				506,637
19	LESS: ADVANCE PROCUREMENT (PY)	-	(301,481)		(301,481)		(301,481)				(301,481)
20	ADVANCE PROCUREMENT (CY)	-	259,330		259,330		259,330				259,330
20a	ARMORED COMBAT EARTHMOVER			54	50,700			54	50,700	54	50,700
21	MODIFICATIONS LESS THAN $2.0M (TCV-WT	-	1,050		1,050		1,050				1,050
	SUPPORT EQUIPMENT AND FACILITIES				-						
22	SPARES AND REPAIR PARTS	-	-		-		-				-
23	ITEMS LESS THAN $2.0M (TCV-WTCV)	-	141		141		141				141
24	TANK ENGINE INDUSTRIAL BASE	-	-		-		-				-
25	PRODUCTION BASE SUPPORT (TCV-WTCV)	-	9,328		9,328		9,328				9,328
26	REGIONAL MAINTENANCE TRAINING SITES-E	-	1,368		1,368		1,368				1,368
	WEAPONS AND OTHER COMBAT VEHICLES				-						
	WEAPONS AND OTHER COMBAT VEHICLES				-						
27	PERSONAL DEFENSE WEAPON (ROLL)	-	-		-		-				-
28	HOWITZER, LIGHT, TOWED, 105MM, M119	-	-		-		-				-
29	MACHINE GUN, 5.56MM (SAW)	4,345	11,103	4,345	11,103		12,103		1,000		12,103
30	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	320	5,199	1,550	33,699		34,100		28,000		33,199

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
31	MORTAR, 120MM	-	-		-		-				-
32	M16 RIFLE	9,982	5,552	9,982	5,552		6,552		1,000		6,552
33	5.56 CARBINE M4	7,704	5,552	7,704	6,552		6,452		1,000		6,552
	MACHINE GUN								20,000		20,000
	MODIFICATION OF WEAPONS AND OTHER COMBAT VEHI				-						
34	M4 CARBINE MODS	-	2,116		2,116		2,116				2,116
35	SQUAD AUTOMATIC WEAPON (MOD)	-	-		-		-				-
36	MEDIUM MACHINE GUNS (MODS)	-	-		20,000		20,000				-
37	M16 RIFLE MODS	-	5,531	2,100	5,531		5,531				5,531
38	MODIFICATIONS LESS THAN $2.0M (WOCV-	-	1,428		1,428		1,428				1,428
	SUPPORT EQUIPMENT AND FACILITIES				-						
39	SPARES AND REPAIR PARTS	-	-		-		-				-
40	ITEMS LESS THAN $2.0M (WOCV-WTCV)	-	1,769		1,769		1,769				1,769
41	PRODUCTION BASE SUPPORT (WOCV-WTCV)	-	4,315		4,315		4,315				4,315
42	INDUSTRIAL PREPAREDNESS	-	5,091		5,091		5,091				5,091
43	SMALL ARMS (SOLDIER ENH PROG)	-	5,845		5,845		5,845				5,845
44	CLOSED ACCOUNT ADJUSTMENTS	-	-		-		-				-
	SPARE AND REPAIR PARTS				-						
	SPARES				-						
45	SPARES AND REPAIR PARTS (WTCV)	-	20,299		20,299		20,299				20,299
	TOTAL, PROCUREMENT OF W&TCV, ARMY		1,102,014		1,334,814		1,460,115		307,500		1,409,514

Bradley Fighting Vehicle (BFV)

The budget request included $134.4 million for the Bradley base sustainment program.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $57.2 million to procure Bradley vehicles.

The House recedes.

The conferees note the budget request supports the procurement of the first low-rate initial production models of the A3 version of the BFV. Recognizing the enhanced capabilities of the A3 model, as well as the benefit of achieving the low rate initial production requirement faster, the conferees agree to an increase of $57.2 million to procure an additional 18 vehicles.

The conferees agree to authorize $191.6 million for the BFV.

Carrier modifications (M113)

The budget request included $23.0 million to continue modernization of the M113 armored personnel carrier family of vehicles.

The House bill would provide an increase of $29.0 million.

The Senate amendment would provide an increase of $20.0 million.

The House recedes.

The conferees agree to authorize $43.0 million for M113 upgrades.

Bradley modifications

The budget request included $83.7 million for Bradley system modifications.

The House bill and the Senate amendment would authorize an increase of $35.5 million to buy out the requirement for reactive armor tiles and establish a domestic production capability.

The conferees agree to authorize an additional $35.5 million for this purpose.

Paladin/Field Artillery Ammunition Support Vehicle (FAASV)

The budget request did not included any funds to procure Paladins/FAASVs for the Army National Guard.

The House bill would add $61.0 million to procure one battalion set of Paladins/FAASVs.

The Senate amendment would add $112.0 million to procure two battalion sets of Paladins/FAASVs.

The Senate recedes.

The conferees agree to authorize $61.0 million for the procurement of one battalion set of Paladins/FAASVs (24 of each) and direct that these systems be exclusively for the Army National Guard.

Improved Recovery Vehicle

The budget request included $28.6 million to procure 12 M88A1E1 Hercules Improved Recovery Vehicles.

The House bill would authorize an increase of $27.1 million for these vehicles.

The Senate amendment would authorize an increase of $51.1 million.

The Senate recedes.

The conferees agree to authorize $55.7 million to procure Hercules vehicles. The conferees understand the importance of procuring these vehicles as soon as possible because the older M88A1 lacks the necessary horsepower and braking ability to support recovery of the Abrams main battle tank safely.

M1 Abrams tank (modifications)

The budget request included $50.2 million to procure modification kits for the M1 Abrams tank to improve lethality, survivability, and safety.

The House bill would authorize $40.2 million in procurement and mover $10.0 million to research and development to fund development of under-armor auxiliary power units (APUs).

The Senate amendment would authorize an increase of $15.0 million to procure external APUs and additional pulse-jet air systems (PJAS).

The conferees are concerned about operation and maintenance costs for the Abrams fleet and have noted the successful application of external APUs in reducing the requirement for main engine idling during defensive operations. Demand for the external APU by soldiers in Bosnia is a significant endorsement for this modification.

Additionally, the conferees note progress toward correcting an established Operation Desert Storm deficiency with the air filtration system on the Abrams. Recognizing the enhancement to the combat capability of a unit made by installing the PJAS, the conferees support an acceleration of procurement for these devices.

The conferees agree to authorize $55.2 million, which reflects a $10.0 million transfer to PE 23735A to develop an under-armor APU system and a increase of $15.0 million to procure external APU and PJAS systems. The conferees encourage the Army to ensure future year funding is provided to complete the modification required for the Abrams fleet.

Armored combat earthmover (ACE)

The budget request included no funding for the ACE.

The House bill would authorize an increase of $50.7 million to procure 54 vehicles.

The Senate amendment contained no additional funding.

The Senate recedes.

The conferees agree to authorize $50.7 million to procure 54 vehicles.

Small arms programs

The budget request included: $5.6 million for the M4 carbine; 5.6 million for the M16 rifle; $11.1 million for the M249 squad automatic weapon; $5.2 million for the MK19 automatic grenade launcher; and no funds for procurement of M240 medium machine guns.

The conferees are concerned about the production capability of the small arms industrial base and agree to authorize an increase of $51.0 million to the budget request as indicated below:

	Dollars (M) (Increase)	Dollars (M) (Total auth)
M240 Machine gun	20.0	20.0
M4 Carbine	1.0	6.6
M16 Rifle	1.0	6.6
M249 Squad automatic weapon	1.0	12.1
MK19 Automatic grenade launcher	28.0	33.2

Overview

The budget request for fiscal year 1997 contained an authorization of $853.4 million for Ammunition Procurement, Army in the Department of Defense. The House bill would authorize $1,160.7 million. The conferees recommended an authorization of $1,003.0 million. The Senate amendment would authorize $1,156.7 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT OF AMMUNITION, ARMY										
	AMMUNITION										
	SMALL/MEDIUM CAL AMMUNITION										
1	CTG, 5.56MM, ALL TYPES	-	29,752		34,752		31,052		1,000		30,752
2	CTG, 7.62MM, ALL TYPES	-	3,871		8,871		5,971		2,100		5,971
3	CTG, 9MM, ALL TYPES	-	-		1,400		3,000		1,400		1,400
4	CTG, .50 CAL, ALL TYPES	-	3,971		3,971		3,971				3,971
5	CTG, 20MM, ALL TYPES	-	-		300		300				-
6	CTG, 25MM, ALL TYPES	-	47,176		97,176		97,176				47,176
7	CTG, 30MM, ALL TYPES	-	-		15,000		15,000				-
8	CTG, 40MM, ALL TYPES	-	34,428		31,828		34,428		(2,600)		31,828
	SPECIAL PURPOSE AMMUNITION										-
	MORTAR AMMUNITION				-						
9	CTG MORTAR 60MM 1/10 PRAC M766	7	5,019	7	5,019	7	5,019			7	5,019
9a	CTG MORTAR 60MM HE M720		-		12,500		12,500				-
10	CTG MORTAR 60MM ILLUM M721/M767	14	6,151	14	13,151	14	13,151		7,000		13,151
11	CTG MORTAR 81MM PRAC 1/10 RANGE M88	-	-		-		-				-
12	CTG MORTAR 120MM FULL RANGE PRACTIC	123	49,539	123	49,539	123	49,539			123	49,539
13	CTG MORTAR 120MM HE XM933 W/PD FUZE	-	-		-		-				-
14	CTG MORTAR 120MM ILLUM XM930 W/MTS	10	19,360	10	19,360	10	19,360			10	19,360
15	CTG MORTAR 120MM SMOKE XM929 W/MO	27	30,106	27	30,106	27	30,106			27	30,106
	TANK AMMUNITION				-		-				
16	CTG 120MM APFSDS-T M829A2	23	79,703	23	91,703		91,703		12,000		91,703
17	CTG 120MM HEAT-MP-T M830A1	-	-		45,000		45,000		31,000		31,000
18	CTG TANK 120MM TP-T M831/M831A1	89	52,228	89	54,628		54,628		2,400		54,628
19	CTG TANK 120MM TPCSDS-T M865	211	115,650	211	118,850		118,850		3,200		118,850
	ARTILLERY AMMUNITION				-						
20	CTG ARTY 75MM BLANK M337A1	-	-		-		-				-
21	CTG ARTY 105MM DPICM XM915	6	14,185	6	14,185	6	14,185				14,185
22	CTG ARTY 105MM HERA M913	-	-		27,000		-				-
23	PROJ ARTY 155MM SMOKE WP M825	-	15,053		15,053		15,053				15,053
24	PROJ ARTY 155MM HE M795	-	-		55,000		55,000				-
25	PROJ ARTY 155MM SADARM M898	322	60,259	638	93,759		93,759		33,500		93,759
	MINES				-						
26	MINE, TRAINING, ALL TYPES	-	1,930		1,930		1,930				1,930
27	MINE AT/AP M87 (VOLCANO)	-	-		35,000		-				-
28	WIDE AREA MUNITIONS	261	19,299	261	19,299	261	19,299			261	19,299
	ROCKETS				-						
29	BUNKER DEFEATING MUNITION (BDM)	-	-		10,000		-		10,000		10,000
30	ROCKET, HYDRA 70, ALL TYPES	-	26,737		26,737		26,737				26,737

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER AMMUNITION				-						
31	DEMOLITION MUNITIONS, ALL TYPES	-	20,220		20,220		20,220				20,220
32	GRENADES, ALL TYPES	-	7,654		4,154		7,654		(3,500)		4,154
33	SIGNALS, ALL TYPES	-	10,196		1,296		10,196		(8,900)		1,296
34	SIMULATORS, ALL TYPES	-	2,771		2,771		2,771				2,771
34a	SELECTABLE LIGHTWEIGHT ATTACK MUNITIONS		-		3,000		3,000		3,000		3,000
	MISCELLANEOUS				-						
35	AMMO COMPONENTS, ALL TYPES	-	4,921		4,921		4,921				4,921
36	CAD/PAD ALL TYPES	-	3,813		3,813		3,813				3,813
37	ITEMS LESS THAN $2 MILLION	-	663		663		663				663
38	AMMUNITION PECULIAR EQUIPMENT	-	5,653		5,653		5,653				5,653
39	FIRST DESTINATION TRANSPORTATION (AM	-	5,427		5,427		5,427				5,427
	AMMUNITION PRODUCTION BASE SUPPORT				-						
	PRODUCTION BASE SUPPORT				-						
40	PROVISION OF INDUSTRIAL FACILITIES	-	38,508		38,508		38,508				38,508
40a	ARMMENT RETOOLING AND MANUFACTURING SUPPORT (		-		-		58,000		58,000		58,000
41	COMPONENTS FOR PROVE-OUT	-	1,061		1,061		1,061				1,061
42	LAYAWAY OF INDUSTRIAL FACILITIES	-	17,622		17,622		17,622				17,622
43	PROVING GROUND MODERNIZATION	-	-		-		-				-
44	MAINTENANCE OF INACTIVE FACILITIES	-	31,899		31,899		31,899				31,899
45	CONVENTIONAL AMMO DEMILITARIZATION	-	88,603		88,603		88,603				88,603
46	FLEXIBLE MANUFACTURING CENTERS	-	-		-		-				-
	TOTAL, PROCUREMENT OF AMMUNITION, ARMY		853,428	1,409	1,160,728		1,156,728		149,600		1,003,028

Overview

The budget request for fiscal year 1997 contained an authorization of $2,627.4 million for Other Procurement, Army in the Department of Defense. The House bill would authorize $2,802.2 million. The Senate amendment would authorize $3.298.9 million. The conferees recommended an authorization of $2,990.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	OTHER PROCUREMENT, ARMY				-						
	TACTICAL AND SUPPORT VEHICLES				-						
	TACTICAL VEHICLES				-						
1	TACTICAL TRAILERS/DOLLY SETS	-	5,159		5,159		5,159				5,159
2	SEMITRAILER FB BB/CONT TRANS 22 1/2 T	26	1,911	26	1,911	26	1,911			26	1,911
3	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M	51	4,471	51	4,471	51	4,471			51	4,471
4	HI MOB MULTI-PURP WHLD VEH (HMMWV)(M	1,126	96,785	1,126	96,785		162,785		66,000		162,785
5	FAMILY OF MEDIUM TACTICAL VEH (MYP)	1,603	233,094	1,603	233,094		238,094			1,603	233,094
6	FAMILY OF HEAVY TACTICAL VEHICLES (MYP	-	163,343	126	196,343		286,343		83,000		246,343
7	ARMORED SECURITY VEHICLES (COMBAT SP	24	9,240	24	9,240	24	9,240			24	9,240
8	MEDIUM TRUCK EXTENDED SVC PGM(ESP) (P	-	-		-		-				-
9	MODIFICATION OF IN SVC EQUIP	-	2,698		2,698		2,698				2,698
10	ITEMS LESS THAN $2.0M (TAC VEH)	-	193		193		193				193
	NON-TACTICAL VEHICLES				-						
11	PASSENGER CARRYING VEHICLES	14	200	14	200	14	200			14	200
12	GENERAL PURPOSE VEHICLES	-	200		200		200				200
13	SPECIAL PURPOSE VEHICLES	-	200		200		200				200
	SUPPORT EQUIPMENT AND FACILITIES				-						
14	SYSTEM FIELDING SUPPORT PEO	-	1,414		1,414		1,414				1,414
15	PROJECT MANAGEMENT SUPPORT	-	622		622		622				622
16	SYSTEM FIELDING SUPPORT (TACOM)	-	1,927		1,927		1,927				1,927
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT				-						
	COMM - JOINT COMMUNICATIONS				-						
17	JCSE EQUIPMENT (USREDCOM)	-	2,860		2,860		2,860				2,860
	COMM - SATELLITE COMMUNICATIONS				-						
18	DEFENSE SATELLITE COMMUNICATIONS SYS	-	97,528		82,528		97,528				97,528
19	SAT TERM, EMUT (SPACE)	620	18,632	620	18,632	620	18,632			620	18,632
20	NAVSTAR GLOBAL POSITIONING SYSTEM (SP	12,017	26,288	12,017	26,288	12,017	26,288			12,017	26,288
21	GROUND COMMAND POST	-	711		711		711				711
22	SMART-T (SPACE)	-	45,427		45,427		45,427				45,427
23	SCAMP (SPACE)	-	23,555		23,555		23,555				23,555
24	MOD OF IN-SVC EQUIP (TAC SAT)	-	5,444		5,444		5,444				5,444
	COMM - COMBAT SUPPORT COMM				-						
25	MSE MOD IN SERVICE	-	9,848		9,848		9,848				9,848
	COMM - C3 SYSTEM				-						
26	COMMAND CENTER IMPROVEMENT PROG (CC	-	892		892		892				892
27	SOUTHCOM HQ RELOCATION	-	26,984		26,984		26,984				26,984
28	ARMY GLOBAL CMD & CONTROL SYS (AGCC	-	20,462		17,462		20,462				20,462

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	COMM - COMBAT COMMUNICATIONS				-						
29	ARMY DATA DISTRIBUTION SYSTEM (ADDS)	-	47,987		72,987		67,987		20,000		67,987
30	MOBILE SUBSCRIBER EQUIP (MSE)	-	6,398		6,398		6,398				6,398
31	SINCGARS FAMILY	-	297,496		297,496		340,796		30,000		327,496
32	EAC COMMUNICATIONS	-	4,089		4,089		44,089		40,000		44,089
33	MOD OF IN-SVC EQUIP (EAC COMM)	-	10,041		10,041		10,041				10,041
34	TAC RADIO	1,000	35,743	1,000	35,743	1,000	35,743			1,000	35,743
35	C-E CONTINGENCY/FIELDING EQUIP	-	577		577		577				577
	COMM - INTELLIGENCE COMM				-						
36	JWICS CONNECTIVITY	-	666		666		666				666
37	CI AUTOMATION ARCHITECTURE	-	2,452		2,452		2,452				2,452
38	CI CONUS BASED LAN	-	725		725		725				725
	INFORMATION SECUTITY				-						
39	TSEC - INFORMATION SYSTEM SECURITY	-	10,678		10,678		10,678				10,678
39a	SECURE TERMINAL EQUIPMENT				4,500						-
40	TSEC - JCSE EQIP	-	-		-		-				-
	COMM - LONG HAUL COMMUNICATIONS				-						
41	TERRESTRIAL TRANSMISSION	-	6,732		6,732		6,732				6,732
42	BASE SUPPORT COMMUNICATIONS	-	1,070		1,070		1,070				1,070
43	ARMY DISN ROUTER	-	2,077		2,077		2,077				2,077
44	ELECTROMAG COMP PROG (EMCP)	-	473		473		473				473
45	WW TECH CON IMP PROG (WWTCIP)	-	807		807		807				807
	COMM - BASE COMMUNICATIONS				-						
46	INFORMATION SYSTEMS	-	24,668		24,668		24,668				24,668
47	DEFENSE MESSAGE SYSTEM (DMS)	-	5,792		5,792		5,792				5,792
48	LOCAL AREA NETWORK (LAN)	-	17,726		17,726		17,726				17,726
49	PENTAGON INFORMATION MGT AND TELECO	-	59,901		54,901		59,901		(5,000)		54,901
	FT. CARSON COMMUNICATIONS										-
	ELECT EQUIP - NAT FOR INT PROG (NFIP)				-						
50	FOREIGN COUNTERINTELLIGENCE PROG (FCI)	-	536		536		536				536
51	GENERAL DEFENSE INTELL PROG (GDIP)	-	12,649		16,649		12,149				12,649
52	ITEMS LESS THAN $2.0M (INTEL SPT) - TIARA	-	2,151		6,551		2,151				2,151
	ELECT EQUIP - TACT INT REL ACT (TIARA)				-						
53	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	-	12,297		12,297		23,997				12,297
54	JTT/CIBS-M (TIARA)	58	14,010	58	14,010	58	14,010			58	14,010
55	IEW - GND BASE COMMON SENSORS (TIARA)	-	47,091		47,091		47,091				47,091
56	DEFENSE AIRBORNE RECONN PROGRAM (DAR	-	-		-		-				-
57	JOINT STARS (ARMY) (TIARA)	-	85,428		85,428		85,428				85,428
58	INTEGRATED BROADCAST TERMINAL MODS (	-	3,365		3,365		3,365				3,365

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
59	DIGITAL TÓPOGRAPHIC SPT SYS (DTSS) (TIA	4	6,425	4	6,425	4	6,425			4	6,425
60	DRUG INTERDICTION PROGRAM (DIP) (TIARA)	-	-		-		-				-
61	TACTICAL EXPLOITATION OF NATIONAL CAP	-	1,758		1,758		1,758				1,758
62	JOINT TACTICAL GROUND STATION	-	-		-		-				-
63	TROJAN (TIARA)	-	2,603		2,603		2,603				2,603
64	MOD OF IN-SVC EQUIP (INTEL SPT) (TIARA)	-	14,452		14,452		14,452				14,452
65	ITEMS LESS THAN $2.0M (TIARA)	-	516		516		516				516
	ELECT EQUIP - ELECTRONIC WARFARE (EW)				-						
66	COUNTERINTELLIGENCE/SECURITY COUNTER	-	1,642		1,642		1,642				1,642
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)				-						
67	LT SPEC DIV INTERIM SENSOR (LSDIS)	-	-		-		-				-
68	FAAD GBS	16	51,226	28	68,826	52	80,426	12	17,600	28	68,826
69	NIGHT VISION DEVICES	-	111,872		111,872		245,972		67,000		178,872
70	PHYSICAL SECURITY SYSTEMS	-	-		-		-				-
71	ARTILLERY ACCURACY EQUIP	-	4,655		4,655		4,655				4,655
72	MOD OF IN-SVC EQUIP (TAC SURV)	-	15,114		15,114		15,114				15,114
73	COMPUTER BALLISTICS: MORTAR XM-23	233	6,850	233	6,850	223	6,850			233	6,850
74	INTEGRATED MET SYS SENSORS (IMETS) - TI	6	3,144	6	3,144	6	3,144			6	3,144
75	SHF TERM	-	9,134		9,134		9,134				9,134
	ELECT EQUIP - TACTICAL C2 SYSTEMS				-						
76	ADV FIELD ARTILLERY TACT DATA SYS (AFA	187	31,569	187	31,569		35,069			187	31,569
77	FIRE SUPPORT ADA CONVERSION	-	87		87		87				87
78	CMBT SVC SUPT CONTROL SYS (CSSCS)	51	5,813	51	5,813	51	5,813			51	5,813
79	CORPS/THEATER ADP SVC CTR (CTASC)	-	-		-		-				-
80	FAAD C2	4	36,761	4	36,761	4	36,761			4	36,761
81	FORWARD ENTRY DEVICE (FED)	-	2,134		2,134		2,134				2,134
82	LIFE CYCLE SOFTWARE SUPPORT (LCSS)	-	2,030		2,030		2,030				2,030
83	LOGTECH	-	4,395		4,395		10,395		3,000		7,395
84	ISYSCON EQUIPMENT	-	9,833		9,833		9,833				9,833
85	MANEUVER CONTROL SYSTEM (MCS)	155	19,126	155	16,126	155	19,126			155	19,126
86	STAMIS TACTICAL COMPUTERS (STACOMP)	-	27,211		69,211		57,711		25,000		52,211
87	STANDARD INTEGRATED CMD POST SYSTEM	-	26,304		26,304		39,004		10,300		36,604
	ELECT EQUIP - AUTOMATION				-						
88	AUTOMATED DATA PROCESSING EQUIP	-	136,386		134,386		136,386		(2,000)		134,386
89	RESERVE COMPONENT AUTOMATION SYS (R	-	72,589		72,589		72,589				72,589
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)				-						
90	AFRTS	-	359		359		359				359
91	ITEMS LESS THAN $2.0M (A/V)	-	2,115		2,115		2,115				2,115
	ELECT EQUIP-TEST MEAS&DIAG EQUIP (TMDE)				-						

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
92	CALIBRATION SETS EQUIPMENT	-	11,104		11,104		11,104				11,104
93	INTEGRATED FAMILY OF TEST EQUIP (IFTE)	-	1,506		1,506		1,506				1,506
94	TMDE MODERNIZATION (TMOD)	-	8,239		13,239		8,239				8,239
	ELECT EQUIP - SUPPORT				-						
95	INSTALLATION C4 UPGRADE (ICU)	-	1,111		1,111		1,111				1,111
96	PRODUCTION BASE SUPPORT (C-E)	-	687		687		687				687
	OTHER SUPPORT EQUIPMENT										
	CHEMICAL DEFENSIVE EQUIPMENT										
97	COLL PROT EQUIP, NBC TEMPER, TENT M28	-	-		-		-				-
98	MASK, PROTECTIVE, NBC M40/M42	-	-		-		-				-
99	REMOTE SENSING CHEMICAL AGENT ALARM	-	-		-		-				-
100	IMPROVED CHEMICAL AGENT MONITOR	-	-		-		-				-
101	AUTO CHEMICAL AGENT ALARM (ACADA), X	-	-		-		-				-
102	GEN SMK MECH:MTRZD DUAL PURP XM56	66	12,515	66	12,515	66	12,515			66	12,515
103	GENERATOR, SMOKE, MECH M58	40	11,587	40	11,587	40	11,587			40	11,587
104	GEN SET, SMOKE, MECH: PUL JET,XM157	118	3,475	118	3,475	118	3,475			118	3,475
105	JOINT BIOLOGICAL DEFENSE PROGRAM	-	-		-		-				-
	BRIDGING EQUIPMENT				-						
106	RIBBON BRIDGE	-	4,300		4,300		4,300				4,300
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT				-						
107	DISPENSER, MINE M139	-	962		962		962				962
	COMBAT SERVICE SUPPORT EQUIPMENT				-						
108	AIR CONDITIONERS VARIOUS SIZE/CAPACITY	-	1,462		1,462		1,462				1,462
109	CHEM/BIO PROTECTIVE SHELTER	-	-		-		-				-
110	SPACE HEATER	258	2,317	258	2,317	258	2,317			258	2,317
111	FORCE PROVIDER	2	11,661	4	24,461	2	11,661	1	6,400	3	18,061
112	REFRIGERATION EQUIPMENT	-	4,297		4,297		4,297				4,297
113	ITEMS LESS THAN $2.0M (CSS-EQ)	-	2,688		2,688		2,688				2,688
	PETROLEUM EQUIPMENT				-						
114	LAB PETROLEUM MODULAR BASE	-	-		-		-				-
115	INLAND PETROLEUM DISTRIBUTION SYSTEM	-	1,064		1,064		61,064				1,064
116	HEMTT AVIATION REFUELING SYSTEM	-	-		-		-				-
117	ITEMS LESS THAN $2.0M (POL)	-	5,331		5,331		5,331				5,331
	WATER EQUIPMENT				-						
118	FWD AREA WTR POINT SUP SYSTEM	-	-		-		-				-
119	SMALL MOBILE WATER CHILLER (SMWC)	-	-		-		-				-
120	ITEMS LESS THAN $2.0M (WATER EQ)	-	2,970		2,970		2,970				2,970
	MEDICAL EQUIPMENT				-						

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
121	COMBAT SUPPORT MEDICAL	-	15,851		15,851		15,851				15,851
	MAINTENANCE EQUIPMENT				-						
122	SHOP EQ CONTACT MAINTENANCE TRK MTD	31	1,687	31	1,687	31	1,687			31	1,687
123	ITEMS LESS THAN $2.0M (MAINT EQ)	-	1,339		1,339		1,339				1,339
	CONSTRUCTION EQUIPMENT										
124	ROLLER, VIBRATORY, SELF-PROPELLED (CCE)	-	-		-						-
125	HYDRAULIC EXCAVATOR	25	6,250	25	6,250	25	6,250			25	6,250
126	DEPLOYABLE UNIVERSAL COMBAT EARTH M	20	7,707	20	7,707	20	7,707			20	7,707
127	CRANE, WHEEL MTD, 25T, 3/4 CU YD, RT	21	6,142	21	6,142	21	6,142			21	6,142
128	ITEMS LESS THAN $2.0M (CONST EQUIP)	-	382		382		60,382				382
	RAIL FLOAT CONTAINERIZATION EQUIPMENT				-						
129	PUSHER TUG, SMALL	2	6,877	2	6,877	2	6,877			2	6,877
130	FLOATING CRANE, 100-250 TON	1	14,328	1	14,328	1	14,328			1	14,328
131	CAUSEWAY SYSTEMS	-	-		-		-				-
132	RAILWAY CAR, FLAT, 100 TON	138	14,464	138	14,464	138	14,464			138	14,464
133	ITEMS LESS THAN $2.0M (FLOAT/RAIL)	-	5,728		5,728		5,728				5,728
	GENERATORS				-						
134	GENERATORS AND ASSOCIATED EQUIP	-	13,187		61,187		13,187				13,187
	MATERIAL HANDLING EQUIPMENT				-						
135	TRUCK, FORK LIFT, DE, PT, RT, 50000 LB	-	-		-		-				-
136	ALL TERRAIN LIFTING ARTICULATING SYSTE	151	15,953	151	15,953	151	15,953			151	15,953
137	ITEMS LESS THAN $2.0M (MHE)	-	2,666		2,666		2,666				2,666
	TRAINING EQUIPMENT				-						
138	COMBAT TRAINING CENTERS SUPPORT	-	4,714		4,714		4,714				4,714
139	TRAINING DEVICES, NONSYSTEM	-	82,724		84,224		82,724		1,500		84,224
140	SIMNET/CLOSE COMBAT TACTICAL TRAINER	-	78,400		78,400		78,400				78,400
141	FIRE SUPPORT COMBINED ARMS TACTICAL T	-	17,390		17,390		17,390				17,390
	OTHER SUPPORT EQUIPMENT				-						
142	RECONFIGURABLE SIMULATORS	-	13,835		13,835		13,835				13,835
143	PHYSICAL SECURITY SYSTEMS (OPA3)	-	7,232		7,232		7,232				7,232
144	SYSTEM FIELDING SUPPORT (OPA-3)	-	9,555		9,555		9,555				9,555
145	BASE LEVEL COM'L EQUIPMENT	-	-		-		27,000				-
146	ARMS CONTROL COMPLIANCE	-	-		-		-				-
147	MODIFICATION OF IN-SVC EQUIPMENT (OPA-	-	14,696		14,696		14,696				14,696
148	PRODUCTION BASE SUPPORT (OTH)	-	1,915		1,915		1,915				1,915
149	SPECIAL EQUIPMENT FOR USER TESTING	-	13,549		13,549		13,549				13,549
150	ITEMS LESS THAN $2.0M (OTH SPT EQ)	-	-		-		-				-
151	OPA INITIAL SPARES	-	-		-		-				-
152	TRACTOR VAPOR	-	2,174		2,174		2,174				2,174

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
153	NATURAL GAS UTILIZATION	-	-		-		-				-
154	CLOSED ACCOUNT ADJUSTMENTS	-	-		-		-				-
154a	SOLDIER ENHANCEMENT PROGRAM				5,000						-
	SPARE AND REPAIR PARTS										
	OPA1										
155	INITIAL SPARES - TSV	-	94		94		94				94
	OPA2				-						
156	INITIAL SPARES - C&E	-	60,503		60,503		60,503				60,503
	OPA3				-						
157	INITIAL SPARES - OTHER SUPPORT EQUIP	-	1,006		1,006		1,006				1,006
	TOTAL, OTHER PROCUREMENT, ARMY		2,627,440	18,208	2,802,240		3,298,940		362,800		2,990,240

High Mobility Multipurpose Wheeled Vehicle (HMMWV)

The budget request included $96.8 million to procure 1,126 HMMWVs.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $41.0 million to support the production base, for a total of 2,350 vehicles, and an additional $25.0 million to procure an additional 233 up-armored HMMWVs (UAHMMWVs), for a total procurement of 360 in fiscal year 1997.

The House recedes.

The number of vehicles supported in the budget request reflects a significant reduction from previous years, despite the fact that there remains a valid requirement for these vehicles. The conferees understand that the minimum sustaining rate to maintain a viable supply of required vehicles is not achieved by the current budget request.

Additionally, the conferees are concerned about the number of UAHMMWVs being produced. In light of lessons learned in Bosnia and recognizing the importance of force protection, the conferees agree that more UAHMMWVs should be procured in order to meet the needs of the military services and maintain industrial production capacity at a minimum level.

The conferees agree to authorize $162.8 million for HMMWV vehicles.

Family of Heavy Tactical Vehicles (FHTV)

The budget request included $163.3 million to procure vehicles necessary to support modern and highly mobile combat units.

The House bill would authorize an increase of $33.0 million for the FHTV program.

The Senate amendment would authorize an increase of $123.0 million for the FHTV program.

The conferees agree to authorize an increase of $83.0 million to the budget request to procure the heavy tactical vehicles, as indicated below:

	Dollars (M) Increase	Dollars (M) Authorized
Heavy Expanded Mobility Tactical Transporter (HEMTT)	33.0	33.0
Palletized Loading System (PLS)	50.0	127.4

Enhanced Position Location Reporting System (EPLRS)

The budget request included $48.0 million to procure this critical battlefield system. The EPLRS provides real-time data distribution and serves to enhance situational awareness.

The House bill would authorize $25.0 million to procure additional EPLRS units with installation kits.

The Senate amendment would authorize $20.0 million to procure 485 additional EPLRS units with installation kits.

The conferees agree to authorize $68.0 million for a total procurement in fiscal year 1997 of 1285 systems.

SINCGARS family

The budget request included $297.5 million to procure 25,616 ground radios, 593 airborne radios, and 13,405 data transfer devices.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $43.3 million for SINCGARS radios and installation kits.

The conferees understand that some prior year funding has been withdrawn by the Department of Defense due to internal budget decisions. These reductions have had an adverse impact on the fielding schedule. The conferees believe the original schedule should be maintained and are encouraged to note that an investment of an additional $30.0 million would procure approximately 4,500 radios and save $10.0 million.

The conferees agree to a total of $327.5 million for SINCGARS in fiscal year 1997.

Army communications

The budget request included $4.1 million to support echelon above corps (EAC) communications activities.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $40.0 million.

The House recedes.

The Army continues to modernize the Area Common User System and to transition to the Warfighter Information Network to capitalize on advances made in information technology. The conferees understand that a shortfall exists to continue this work in fiscal year 1997 and therefore agree to authorize $44.1 million for this purpose.

Forward Area Air Defense (FAAD) Ground-Based Sensor

The budget request included $51.2 million to procure 16 key radar-based sensors for forward deployed Army units.

The House bill would authorize an increase of $17.6 million for FAAD Ground-Based Sensors.

The Senate amendment would authorize an increase of $29.2 million.

The Senate recedes.

The FAAD sensor serves to acquire targets and alert forces of the proximity of fixed wing aircraft, rotary wing aircraft, unmanned aerial vehicles and cruise missiles. The conferees are aware that the current production rate is uneconomical and prevents this key force protection device from reaching the field as soon as required.

The conference agree to authorize $68.8 million for FAAD sensors.

Night vision devices

The budget request included $111.9 million to continue fielding critical night vision devices that will allow the Army to "own the night."

The House bill would support the budget request.

The Senate amendment would authorize an increase of $134.1 million for night vision devices.

The conferees agree to authorize the following increases: $24.5 million to fill the requirement for approximately 1,000 thermal weapon sights (TWS) for Special Operations Forces (SOF); $24.5 million to procure approximately 7,500 night vision goggles (NVG) for critical combat units in the SOF and other light units; $9.1 million for aiming lights, including $4.1 million to procure 19,260 AN/PAQ-4B&4C aiming lights to fill the modified infantry basis of issue plan and upgrade existing lights and $5.0 million to procure 5,100 AN/PEQ-2 illuminator/aiming lights for the Army and 2,500 devices for the Marine Corps; and $8.9 million for initial spares and facilitization of total package fielding for these devices.

The conferees agree to authorize $178.9 million for the procurement of night vision equipment.

Standardized Integrated Command Post System (SICPS)

The budget request included $26.3 million to procure tents, shelters and kits for SICPS.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $12.7 million for the SICPS.

The conferees agree to authorize an increase of $10.3 million to buy the shelters required through fiscal year 1997 and to ensure that this fielding occurs on schedule.

The conferees agree to authorize $36.6 million for new shelters.

Total Distribution System (TDS)

The budget request included $4.4 million for Army logistics requirements to distribute, track, and account for supplies and equipment in peacetime and in war.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $6.0 million.

The conferees agree to authorize an increase of $3.0 million.

The conferees support the timely fielding of logistics support equipment and note the corresponding increase in efficiency and cost savings in managing inventory. The TDS will enhance logistics operations and should be fielded throughout the Army as soon as practicable.

The conferees agree to authorize 47.4 million to support logistical enhancements.

STAMIS Tactical Computers (STACOMP)

The budget request included $27.2 million for computer equipment.

The House bill would authorize an increase of $42.0 million.

The Senate amendment would authorize an increase of $30.5 million.

The conferees agree to authorize an increase of $25.0 million for computer hardware and software enhancements necessary to meet Army efforts to keep pace with rapidly changing technology.

Force Provider

The budget request included $11.7 million for the Force Provider program.

The House bill would authorize an increase of $12.8 million for the program.

The Senate amendment would support the budget request.

The conferees agree to authorize $18.1 million for Force Provider.

Generators and associated equipment

The budget request included $13.2 million for generators and associated equipment.

The House bill would authorize an increase of $58.0 million to procure generators.

The Senate amendment would support the budget request.

The House recedes.

Tranining devices, non-system

The budget request included $82.7 million for training devices.

the House bill would authorize an increase of $1.5 million to procure electronically scored targeting systems for the U.S. Army marksmanship training unit.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to authorize $84.2 million for training devices.

overview

The budget request for fiscal year 1997 contained an authorization of $5,882.0 million for Aircraft Procurement, Navy in the Department of Defense. The House bill would authorize $6,669.0 million. The Senate amendment would authorize $6,911.4 million. The conferees recommended an authorization of $7,034.9 million. Unless noted explicitly in the statement of mangers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	AIRCRAFT PROCUREMENT, NAVY				-						
	COMBAT AIRCRAFT				-						
	COMBAT AIRCRAFT				-						
1	AV-8B (V/STOL)HARRIER	10	302,946	14	414,946	12	380,946	2	68,000	12	370,946
1	LESS: ADVANCE PROCUREMENT (PY)	-	(20,932)		(20,932)		(20,932)				(20,932)
2	ADVANCE PROCUREMENT (CY)	-	22,897		22,897		22,897				22,897
3	F/A-18C/D (FIGHTER) HORNET	-	-		-	6	234,000	6	234,000	6	234,000
3	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
4	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
5	F/A-18E/F (FIGHTER) HORNET	12	2,089,571	12	2,089,571	12	2,089,571			12	2,089,571
5	LESS: ADVANCE PROCUREMENT (PY)	-	(229,715)		(229,715)		(229,715)				(229,715)
6	ADVANCE PROCUREMENT (CY)	-	294,867		294,867		294,867				294,867
7	CH/MH-53E (HELICOPTER) SUPER STALLION	-	-		-		-				-
7a	CH-53 FLIGHT SIMULATOR				-		1,000				-
7	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
8	V-22 (MEDIUM LIFT)	4	547,475	6	779,475	6	828,475	2	232,000	6	779,475
8	LESS: ADVANCE PROCUREMENT (PY)	-	(46,571)		(46,571)		(46,571)				(46,571)
9	ADVANCE PROCUREMENT (CY)	-	57,753		67,753		127,753		70,000		127,753
10	AH-1W (HELICOPTER) SEA COBRA	-	-		-		-				-
11	SH-60B (ASW HELICOPTER) SEAHAWK	-	6,432		6,432		6,432				6,432
11	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
12	SH-60F CV (ASW HELICOPTER)	-	-		-		-				-
13	E-2C (EARLY WARNING) HAWKEYE	2	169,225	3	243,225	4	308,225	2	139,000	4	308,225
13	LESS: ADVANCE PROCUREMENT (PY)	-	(41,723)		(41,723)		(41,723)				(41,723)
14	ADVANCE PROCUREMENT (CY)	-	20,973		20,973		20,973				20,973
15	KC-130J			4	209,200			4	209,200	4	209,200
	TRAINER AIRCRAFT				-						
	TRAINER AIRCRAFT				-						
15	T-45TS (TRAINER) GOSHAWK	12	301,754	12	301,754	12	301,754			12	301,754
15	LESS: ADVANCE PROCUREMENT (PY)	-	(29,002)		(29,002)		(29,002)				(29,002)
16	ADVANCE PROCUREMENT (CY)	-	26,353		26,353		26,353				26,353
17	T-39N SABRELINER	-	-		-		-				-
	OTHER AIRCRAFT										
	OTHER AIRCRAFT										
18	HH-60H (HELICOPTER)	-	-		-		-				-
	MODIFICATION OF AIRCRAFT										
	MODIFICATION OF AIRCRAFT										
19	EA-6 SERIES	-	100,620		195,620		173,620		101,000		201,620

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
20	AV-8 SERIES	-	22,852		22,852		22,852				22,852
21	F-14 SERIES	-	231,974		234,574		231,974		2,600		234,574
22	ADVERSARY	-	117		117		117				117
23	ES-3 SERIES	-	7,113		7,113		7,113				7,113
24	F-18 SERIES	-	156,486		151,486		206,486		(2,000)		154,486
25	H-46 SERIES	-	35,334		35,334		35,334				35,334
26	AH-1W SERIES	-	23,950		23,950		23,950				23,950
27	H-53 SERIES	-	44,567		54,567		58,567		14,000		58,567
28	SH-60 SERIES	-	47,790		58,790		67,790				47,790
29	H-1 SERIES	-	9,339		9,339		9,339				9,339
30	H-3 SERIES	-	4,860		4,860		4,860				4,860
31	EP-3 SERIES	-	35,429		45,429		35,429		1,000		36,429
32	P-3 SERIES	-	128,560		110,960		197,960		46,200		174,760
32a	LESPA				3,800						
33	S-3 SERIES	-	36,413		36,413		36,413				36,413
34	E-2 SERIES	-	23,143		23,143		23,143				23,143
35	TRAINER A/C SERIES	-	3,652		3,652		3,652				3,652
36	C-130 SERIES	-	2,967		2,967		2,967				2,967
37	FEWSG	-	661		661		661				661
38	CARGO/TRANSPORT A/C SERIES	-	24,884		24,884		24,884				24,884
39	E-6 SERIES	-	100,045		100,045		100,045				100,045
40	EXECUTIVE HELICOPTERS SERIES	-	21,061		21,061		21,061				21,061
41	SPECIAL PROJECT AIRCRAFT	-	12,809		12,809		12,809				12,809
42	T-45 SERIES	-	5,642		5,642		5,642				5,642
43	POWER PLANT CHANGES	-	13,633		13,633		13,633				13,633
44	MISC FLIGHT SAFETY CHANGES	-	199		199		199				199
45	COMMON ECM EQUIPMENT	-	20,069		70,069		20,069		47,974		68,043
	REEF POINT										
46	COMMON AVIONICS CHANGES	-	87,841		87,841		87,841				87,841
	PASSENGER SAFETY MODIFICATIONS										
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES AND REPAIR PARTS_										
47	SPARES AND REPAIR PARTS	-	839,987		839,987		839,987				839,987
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE										
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES_										
48	COMMON GROUND EQUIPMENT	-	313,070		303,070		313,070		(10,000)		303,070
49	AIRCRAFT INDUSTRIAL FACILITIES	-	14,814		14,814		14,814				14,814
50	WAR CONSUMABLES	-	16,941		16,941		16,941				16,941
51	OTHER PRODUCTION CHARGES	-	11,940		11,940		11,940				11,940

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
52	SPECIAL SUPPORT EQUIPMENT	-	8,922		8,922		8,922				8,922
53	FIRST DESTINATION TRANSPORTATION	-	1,965		1,965		1,965				1,965
54	CANCELLED ACCOUNT ADJUSTMENTS	-	-		-		-				-
	TOTAL, AIRCRAFT PROCUREMENT, NAVY		5,881,952	51	6,668,952		6,911,352		1,152,974		7,034,926

AV–8B remanufacture

The budget request included $282.0 million to procure 10 remanufactured AV–8B aircraft and $22.9 million for advance procurement of 12 aircraft in fiscal year 1998. The planned procurement of 12 remanufactured Harrier aircraft in fiscal year 1997, which was reflected in last year's budget request, was reduced to 10 because of resource constraints. The Harrier II Plus configuration provides day/night/adverse weather improvements to the AV–8B aircraft.

The House bill would authorize an additional $112.0 million to procure four more AV–8B remanufactured aircraft in order to accelerate the fielding of this much-needed and safety-related improvement.

The Senate amendment would authorize an increase of $68.0 million to procure an additional two aircraft and the necessary integrated logistics support for the AV–8B program that the future years defense program currently would defer until fiscal years 1999 and 2000.

The House recedes.

Flight simulators

The budget request included no funding for flight simulators for various Marine Corps aircraft.

The Senate amendment would support the use of flight simulators for Marine Corps training by authorizing an increase of $60.0 million to procure or upgrade simulators for the V–22, AV–8B, and CH–53D.

The House bill would authorize the requested amount.

The Senate recedes.

F–14 aircraft modifications

The budget request included $232.0 million for F–14 modifications, of which $13.9 million was for continued operation and maintenance of the F–14 tactical air reconnaissance pod system (TARPS).

The House bill would authorize an increase of $2.6 million to fund continued TARPS reliability/supportability upgrades.

The Senate amendment would authorize the request.

The Senate recedes.

The conferees are aware of the continued reliance on TARPS by the Navy and accordingly agree to authorize the addition of $2.6 million for TARPS upgrades.

E–2C airborne early warning aircraft

The budget request included $169.2 million for procurement of two E–2C early warning aircraft.

The House bill would increase the requested amount by $74.0 million to purchase one additional aircraft.

The Senate amendment would increase the requested amount by $139.0 million for two additional aircraft.

The Navy resumed production in fiscal year 1995 of the E–2C, with the intent of purchasing four aircraft per year for a total of 36 aircraft. That planned acquisition rate has been reduced from four aircraft to two in the budget request for fiscal year 1997. The conferees understand that procuring two more E–2C aircraft would lead to a savings of $13.2 million per aircraft. Accordingly, the conferees recommend an increase of $139.0 million to acquire a total of four E–2C aircraft in fiscal year 1997.

Helicopter crash attenuating seats

The budget request included no funding for the procurement of crash attenuating seats for the H–53 helicopter.

Section 136 of the National Defense Authorization Act for Fiscal Year 1996 directed the initiation of a program to provide crash attenuating troop seats for H–53 helicopters, using commercially developed, energy absorbing seats. As a result of this provision, the Department of Defense initiated efforts to define the requirements for a competition for procuring such seats as non-developmental items (NDI). The necessary program definition has been completed and the program is nearing release of the standards needed to begin a full and open competition to procure such seats.

The House bill would authorize an increase of $10.0 million for the competitive procurement of NDI crash attenuating seats for the H–53 helicopter.

The Senate amendment would authorize an increase of $14.0 million for the competitive procurement of NDI crash attenuating seats for the H–53 helicopter.

The House recedes.

EP–3 modifications

The budget request included $35.4 million for EP–3 modifications.

The House bill would authorize an increase of $10.0 million to reinstate a level-of-effort upgrade program for those aspects of overall system capabilities not uniquely addressed by centrally-directed, joint development programs. The House bill would also include a new procurement funding line for procurement of the lightweight environmentally sealed parachute assembly (LESPA) and authorize an increase of $3.8 million for LESPA. A portion of this increase would be for support of the EP–3 aircraft.

The Senate amendment would authorize the requested amount.

The conferees agree to an increase of $1.0 million for procurement of LESPA.

P–3 intelligence support

The budget request included $17.6 million within the P–3 aircraft modifications line to procure non-developmental, commercial off-the-shelf (COTS), roll-on/roll-off signals intelligence (SIGINT) sensors for use aboard P-3C aircraft.

The House bill and Senate amendment would not authorize the $17.6 million included in the budget request for the procurement of COTS SIGINT sensors in fiscal year 1997.

The conferees are concerned that the Navy has not developed a sound operational concept for employing the SIGINT capability that it proposes to add to the P–3C aircraft. Nor is it clear that the Navy's proposal relates well to the capability already provided by its existing fleet of EP–3 aircraft. Important questions that should be answered to address the conferees' concerns include:

(1) To what degree would P–3C aircraft equipped with such a COTS SIGINT package be interoperable with other SIGINT platforms? and

(2) Are sufficient specially trained personnel available to support both existing SIGINT systems and this one as well?

P–3C modifications

The budget request included $34.7 million for the P–3C anti-surface warfare improvement program (AIP). This amount would procure one P–3C AIP kit and additional training equipment, support equipment, and logistics support for the P–3C AIP program.

The Senate amendment would authorize an increase of $87.0 million for the procurement of 11 additional P–3C AIP kits and associated equipment and support in order to maintain the acquisition schedule requested by the operational commanders in chief (CINCs) and to procure the kits at a more cost effective rate.

The House bill would authorize the requested amount for P–3 modifications but would include a new procurement funding line for procurement of the lightweight environmentally sealed parachute assembly (LESPA) and authorize an increase of $3.8 million for LESPA. A portion of this increase would be for support of the P–3C aircraft.

The conferees agree to authorize an increase of $61.0 million for the procurement of seven additional P–3C AIP kits and associated equipment and support. Reporting requirements for the P–3C AIP program associated with submission of the fiscal year 1998 budget request are contained in the Senate report (S. Rept. 104–267). The conferees also agree to authorize an increase of $2.8 million for LESPA procurement.

Lightweight environmentally sealed parachute assembly

The budget request included no funding for procurement of (LESPA) units.

The House bill would establish a new funding line for LESPA and authorize an increase of $3.8 million for procurement of LESPA units.

The Senate amendment would authorize the requested amount.

The conferees agree to authorize an increase of $3.8 million for LESPA but distribute this increase to existing programs as discussed elsewhere in this statement of managers.

Airborne self protection jammer (ASPJ)

The Budget request did not include funds for acquisition of the ASPJ.

The House bill would add $50.0 million to Aircraft Procurement Navy (APN) line 45, electronics counter-measures (ECM) equipment.

The Senate amendment would add $50 million for 36 sets of ASPJ to APN 5 line 24, F–18 series modifications.

The conferees agree to provide an additional 36 sets of ASPJ as a one-time acquisition for contingency deployments, realizing that the ASPJ system is available now and that the integrated defensive electronic countermeasures (IDECM) system is under development and will not be available until fiscal year 2002. The conferees recommend an increase of $47.9 million in line 45 to buy 36 ASPJ systems, including aircraft interface units (racks), spares and additional integrated logistic support for three deployed F/A-18C/D squadrons.

The conferees recognize that the Navy is developing IDECM to serve as the long-term ECM system for the F/A–18E/F, and expect the navy to upgrade the 36 sets into an IDECM configuration as soon as technically feasible. The conferees encourage the Navy to explore long-term solutions for the F/A-18C/D.

The conferees continue to support the IDECM program. The procurement of 36 ASPJ systems is intended to provide a contingency response capability, and does not reflect the conferees commitment to additional procurement of ASPJ systems or to restarting series production for U.S. government customers at this time.

Overview

The budget request for fiscal year 1997 contained an authorization of $1,400.4 million for Weapons Procurement, Navy in the Department of Defense. The House bill would authorize $1,305.2 million. The Senate amendment would authorize $1,513.3 million. The conferees recommended an authorization of $1,345.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
	BALLISTIC MISSILES										
1	TRIDENT I	-	-		-		-				-
2	TRIDENT II	7	299,827	7	292,127	7	299,827		(2,000)		297,827
2	LESS: ADVANCE PROCUREMENT (PY)	-	(32,335)		(32,335)		(32,335)				(32,335)
3	ADVANCE PROCUREMENT (CY)	-	53,533		53,533		53,533				53,533
	SUPPORT EQUIPMENT AND FACILITIES				-						
4	MISSILE INDUSTRIAL FACILITIES	-	2,124		2,124		2,124				2,124
	OTHER MISSILES				-						
	STRATEGIC MISSILES				-						
5	TOMAHAWK	120	88,513	120	88,513		120,513			120	88,513
	TACTICAL MISSILES				-						
6	AMRAAM	37	36,091	100	58,091	100	58,091	63	22,000	100	58,091
7	HARPOON	-	-	50	40,000		-	25	20,000	25	20,000
8	JSOW	100	64,426	100	64,426	100	64,426				64,426
9	STANDARD MISSILE	127	197,463	127	197,463		237,463		40,000		237,463
10	RAM	140	48,663	140	48,663	140	48,663			140	48,663
11	AERIAL TARGETS	-	73,147		73,147		73,147				73,147
12	DRONES AND DECOYS	-	-		-		-				-
13	OTHER MISSILE SUPPORT	-	18,044		18,044		18,044				18,044
	PENGUIN										-
	MODIFICATION OF MISSILES				-						
14	TOMAHAWK MODS	-	-		-		14,400		14,400		14,400
15	SPARROW MODS	-	2,530		2,530		2,530				2,530
16	SIDEWINDER MODS	-	1,301		1,301		1,301				1,301
17	HARPOON MODS	-	22,893		22,893		22,893				22,893
18	STANDARD MISSILES MODS	-	18,540		18,540		18,540				18,540
	SUPPORT EQUIPMENT AND FACILITIES										
19	WEAPONS INDUSTRIAL FACILITIES	-	34,260		34,260		34,260				34,260
20	FLEET SATELLITE COMM (MYP) (SPACE)	-	113,242		113,242		117,742				113,242
	ORDNANCE SUPPORT EQUIPMENT										
21	ORDNANCE SUPPORT EQUIPMENT	-	19,126		19,126		19,126				19,126
	TORPEDOES AND RELATED EQUIPMENT										
	TORPEDOES AND RELATED EQUIPMENT										
22	ASW TARGETS	-	5,052		5,052		5,052				5,052
23	VERTICAL LAUNCHED ASROC (VLA)	-	-		-		-				-

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	MOD OF TORPEDOES AND RELATED EQUIP										
24	MK-46 TORPEDO MODS	-	1,761		1,761		1,761				1,761
25	MK-48 TORPEDO ADCAP MODS	-	63,892		63,892		63,892				63,892
	SUPPORT EQUIPMENT										
26	TORPEDO SUPPORT EQUIPMENT	-	22,537		22,537		22,537				22,537
27	ASW RANGE SUPPORT	-	14,820		14,820		14,820				14,820
	DESTINATION TRANSPORTATION										
28	FIRST DESTINATION TRANSPORTATION	-	2,620		2,620		2,620				2,620
	OTHER WEAPONS										
	GUNS AND GUN MOUNTS										
29	SMALL ARMS AND WEAPONS	-	870		870		870				870
	MODIFICATION OF GUNS AND GUN MOUNTS										
30	CIWS MODS	-	25,430		25,430		25,430				25,430
31	5/54 GUN MOUNT MODS	-	2,875		2,875		2,875				2,875
32	MK-75 76MM GUN MOUNT MODS	-	685		685		685				685
33	MODS UNDER $2 MILLION	-	1,607		1,607		1,607				1,607
	OTHER										
34	CANCELLED ACCOUNT ADJUSTMENTS	-	-		-		-				-
35	PRIOR YEAR DEFICIENCIES	-									
	OTHER ORDNANCE										
	AIR LAUNCHED ORDNANCE				-		-				
36	GENERAL PURPOSE BOMBS	-	27,150		-		27,150		(27,150)		-
37	2.75 INCH ROCKETS	-	9,433		-		9,433		(9,433)		-
38	MACHINE GUN AMMUNITION	-	5,341		-		5,341		(5,341)		-
39	PRACTICE BOMBS	-	11,131		-		11,131		(11,131)		-
40	CARTRIDGES & CART ACTUATED DEVICES	-	21,939		-		21,939		(21,939)		-
41	AIRCRAFT ESCAPE ROCKETS	-	8,172		-		8,172		(8,172)		-
42	AIR EXPENDABLE COUNTERMEASURES	-	21,980		-		21,980		(21,980)		-
43	MARINE LOCATION MARKERS	-	580		-		580		(580)		-
44	JATOS	-	4,166		-		4,166		(4,166)		-
	SHIP ORDNANCE				-						
45	5 INCH/54 GUN AMMUNITION	-	13,495		-		13,495		(13,495)		-
46	76MM GUN AMMUNITION	-	2,738		-		2,738		(2,738)		-
47	OTHER SHIP GUN AMMUNITION	-	4,133		-		4,133		(4,133)		-
	OTHER ORDNANCE				-						
48	SMALL ARMS & LANDING PARTY AMMO	-	3,126		-		3,126		(3,126)		-
49	PYROTECHNIC AND DEMOLITION	-	10,131		-		10,131		(10,131)		-
50	MINE NEUTRALIZATION DEVICES	-	5,840		-		5,840		(5,840)		-

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
51	SPARES AND REPAIR PARTS	-	47,471		47,471		47,471				47,471
	TOTAL, WEAPONS PROCUREMENT, NAVY		1,400,363		1,305,308		1,513,263		(54,955)		1,345,408

Tomahawk land attack missile

The budget request included $88.5 million for the procurement of 120 Tomahawk missiles and no funding for the remanufacture of Block IIC Tomahawk missiles to the Block IIIC configuration. The budget request also contained $15.8 million for recertification of the Tomahawk Block IIC missiles with maintenance due dates in fiscal years 1996 and 1997.

The Senate report (S. Rept. 104–267) noted that tactical use of the Tomahawk missile has increased at a time when budget reductions have reduced procurement below previously planned levels and resulted in inadequate funding for a required five-year recertification of existing Block IIC missiles. As a consequence, the Navy has been forced to rely on the practice of transferring missiles from redeploying ships to those that are preparing to deploy. Funding at the budget request level would be inadequate to permit the Navy to satisfy its deployment loadout requirements after fiscal year 1996. The Senate report also noted that funding for development of the Tomahawk Block IV missile has been reduced substantially from the planned level reported in the fiscal year 1996 budget request, thereby delaying this important program.

The Senate amendment would authorize an increase of $32.0 million above the budget request for the procurement of new Block IIIC missiles, $14.4 million for remanufacture of Block IIC missiles to the Block IIIC configuration, $40.6 million for the recertification of existing Block IIC missiles, and $29.0 million in PE 24229N for continued development of the Tomahawk Block IV missile.

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $14.4 million for remanufacture of Block IIC missiles to the Block IIIC configuration and $40.6 million for the recertification of existing Block IIC missiles.

Standard missile procurement

The budget request included $197.5 million for the procurement of Standard missiles for the Navy.

The Senate amendment would authorize an increase of $40.0 million above the budget request for the procurement of additional SM2 Block IV missiles to help stabilize the production base for the Block IV variant and to support ballistic missile defense development options.

The House bill would authorize the requested amount.

The House recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $4,911.9 million for Shipbuilding and Conversion Procurement, Navy in the Department of Defense. The House bill would authorize $5,479.9 million. The Senate amendment would authorize $6,567.3 million. The conferees recommended an authorizaiton of $6,193.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	SHIPBUILDING & CONVERSION, NAVY										
	OTHER WARSHIPS										
	OTHER WARSHIPS										
1	CARRIER REPLACEMENT PROGRAM	-	-		-		-				-
1	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
2	SSN-21	-	699,071		699,071		804,071				699,071
2	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
3	NEW SSN	-	-		-		-				-
4	ADVANCE PROCUREMENT (CY)	-	296,186		800,186		997,186		701,000		997,186
5	CVN REFUELING OVERHAULS	-	237,029		237,029		237,029				237,029
6	CGN REFUELING OVERHAULS	-	-		-		-				-
6	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
7	DDG-51	4	3,483,030	4	3,483,030	4	3,483,030			4	3,483,030
7	LESS: ADVANCE PROCUREMENT (PY)	-	(108,337)		(108,337)		(108,337)				(108,337)
8	ADVANCE PROCUREMENT (CY)	-	9,379		9,379		759,379		525,000		534,379
	SHIP SELF DEFENSE										-
	AMPHIBIOUS SHIPS										
	AMPHIBIOUS SHIPS										
9	COMPLETION OF LSD-52	-	-		-		-				-
10	LHD-1 AMPHIBIOUS ASSAULT SHIP (MYP)	-	-		-		-				-
10	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
11	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
12	LPD-17	-	-		-		-				-
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGR										
	AUXILIARIES, CRAFT AND PRIOR YEAR PROGRAM COS										
13	AE(C)	2	59,665	2	59,665	2	59,665			2	59,665
14	OCEANOGRAPHIC SHIPS	-	-	1	54,000	1	54,400	1	54,400	1	54,400
14a	OCEANOGRAPHIC SHIPS-SWATH				-	1	45,000	1	45,000	1	45,000
	LCAC SLEP										-
15	SERVICE CRAFT	-	-		-		-				-
15a	FAST PATROL CRAFT				20,000						-
16	OUTFITTING	-	91,990		91,990		91,990		(44,000)		47,990
17	POST DELIVERY	-	141,855		131,855		141,855				141,855
18	AFS (C)	-	-		-		-				-
19	FIRST DESTINATION TRANSPORTATION	-	2,062		2,062		2,062				2,062
20	SSN MAIN STEAM CONDENSERS	-	-		-		-				-
	TOTAL, SHIPBUILDING & CONVERSION, NAVY		4,911,930		5,479,930		6,567,330		1,281,400		6,193,330

Oceanographic survey ship

The National Defense Authorization Act for Fiscal Year 1996 authorized $15.6 million of advance procurement for an oceanographic survey ship, TAGS–64. The budget request did not contain the additional increment needed to fully fund this ship. The future years defense program would not procure this ship until fiscal year 1999. Procurement of this ship through an existing contract option, to satisfy a well documented requirement, would result in substantial cost savings.

The House bill would authorize an increase of $54.0 million to the budget request to complete procurement of TAGS–64.

The Senate amendment would authorize an increase of $54.4 million to the budget request to complete procurement of TAGS–64.

The House recedes.

SWATH oceanographic research ship

The budget request included no funding for the procurement of oceanographic research ships.

The Senate amendment would authorize an increase to the budget request of $45.0 million to provide the additional funding needed to build a small water plane area, twin-hulled (SWATH) oceanographic research vessel based on the TAGOS–23 class of surveillance ships. In order to resolve a documented backlog of additional oceanographic survey work the Senate report (S. Rept. 104–267) would direct the Navy to negotiate a time sharing agreement with the university or institute that will operate the new SWATH oceanographic vessel, whereby a certain portion of the ship's annual operating time would be dedicated to meeting the Navy's oceanographic survey needs.

The House bill would authorize the requested amount.

The House recedes.

Fast patrol craft

The budget request included no funds for a fast patrol craft.

The House bill would authorize an increase of $20.0 million to acquire an advanced fast patrol craft for operations in littoral waters. The report accompanying the House bill (H. Rept. 104–563) noted the need for such craft to avoid the current Navy practice of placing cruisers and destroyers in areas where they are vulnerable to shore-based cruise missiles, mines, and quiet diesel submarines. Such a fast patrol craft could provide a highly capable, multi-mission adjunct to the Navy's current fleet.

The Senate amendment would authorize the requested amount.

The House recedes.

Outfitting

The budget request included $92.0 million for outfitting of new construction Navy ships and conversions.

The House bill and Senate amendment would authorize the requested amount.

The conferees agree to a decrease of $44.0 million from the budget request for outfitting of new construction Navy ships and conversions.

Post delivery

The budget request included $141.9 million for post delivery of new construction ships and conversions.

The House bill would reduce the budget request amount by $10.0 million.

The Senate amendment would authorize the requested amount.

The House recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $0 million for Ammunition Procurement, Navy and Marine Corps in the Department of Defense. The House bill would authorize $599.2 million. The Senate amendment would authorize $0 million. The conferees recommended an authorization of $293.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT OF AMMUNITION, NAVY & MARINE CORP				-						
	PROC AMMO, NAVY				-						
	NAVY AMMUNITION				-						
1	GENERAL PURPOSE BOMBS	-	-		27,150		-		27,150		27,150
2	2.75 INCH ROCKETS	-	-		9,433		-		9,433		9,433
3	MACHINE GUN AMMUNITION	-	-		5,341		-		5,341		5,341
4	PRACTICE BOMBS	-	-		11,131		-		11,131		11,131
5	CARTRIDGES & CART ACTUATED DEVICES	-	-		21,939		-		21,939		21,939
6	AIRCRAFT ESCAPE ROCKETS	-	-		8,172		-		8,172		8,172
7	AIR EXPENDABLE COUNTERMEASURES	-	-		21,980		-		21,980		21,980
8	MARINE LOCATION MARKERS	-	-		580		-		580		580
9	DEFENSE NUCLEAR AGENCY MATERIAL	-	-		-		-				
10	JATOS	-	-		4,166		-		4,166		4,166
	NAVY AMMUNITION				-						
11	5 INCH/54 GUN AMMUNITION	-	-		13,495		-		13,495		13,495
12	CIWS AMMUNITION	-	-		-		-				
13	76MM GUN AMMUNITION	-	-		2,738		-		2,738		2,738
14	OTHER SHIP GUN AMMUNITION	-	-		4,133		-		4,133		4,133
	NAVY AMMUNITION				-						
15	SMALL ARMS & LANDING PARTY AMMO	-	-		3,126		-		3,126		3,126
16	PYROTECHNIC AND DEMOLITION	-	-		10,131		-		10,131		10,131
17	MINE NEUTRALIZATION DEVICES	-	-		5,840		-		5,840		5,840
18	SHIP EXPENDABLE COUNTERMEASURES	-	-		-		-				
	PROC AMMO, MC										
	MARINE CORPS AMMUNITION										
19	5.56 MM, ALL TYPES	-	-		50,425		-		25,425		25,425
20	7.62 MM, ALL TYPES	-	-		14,493		-		11,493		11,493
21	.50 CALIBER	-	-		13,052		-		6,052		6,052
22	40 MM, ALL TYPES	-	-		3,210		-		3,210		3,210
23	60 MM HE M888	-	-		5,127		-		5,127		5,127
24	81 MM HE	-	-		1,731		-		1,731		1,731
25	81 MM SMOKE SCREEN	-	-		22,573		-		2,573		2,573
26	81MM ILLUMINATION (M853)	-	-		10,000		-				-
27	120MM TPCSDS-T M865	-	-		2,545		-		2,545		2,545
27a	120MM APFSDS-T M829A2				12,000						-
28	120 MM TP-T M831	-	-		1,723		-		1,723		1,723
28a	120MM HEAT-MP				21,000						-
29	155MM CHG. PROP. RED BAG				-						-

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
29a	155MM D864, BASE BLEED										-
30	FUZE, ET, XM762				40,000						-
30a	FUZE, PROXIMITY				6.000						-
31	CTG 25MM, ALL TYPES	-	-		11,807		-		4,807		4,807
32	9 MM ALL TYPES	-	-		3,793		-		2,793		2,793
33	GRENADES, ALL TYPES	-	-		5,686		-		686		686
34	ROCKETS, ALL TYPES	-	-		30,000		-				-
34a	LINEAR CHG, ALL TYPES				85,000				45,000		45,000
34b	CHG, DEMOLITION				98,000						-
35	AMMO MODERNIZATION	-	-		9.118		-		9,118		9,118
	MARINE CORPS AMMUNITION				-						
36	ITEMS LESS THAN $2 MIL	-	-		2,601		-		1,601		1,601
	M757 CHARGE ASSEMBLY								20,000		20,000
	TOTAL, PROCUREMENT OF AMMUNITION, NAVY & MARIN		-		599.239		-		293,239		293,239

Overview

The budget request for fiscal year 1997 contained an authorization of $2,714.2 million for Other Procurement, Navy in the Department of Defense. The House bill would authorize $2,,871.5 million. The Senate amendment would authorize $3,005.0 million. The conferees recommended an authorization of $2,893.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
	SHIP PROPULSION EQUIPMENT_										
1	LM-2500 GAS TURBINE	-	7,898		7,898		7,898				7,898
2	ALLISON 501K GAS TURBINE	-	3,445		3,445		3,445				3,445
3	STEAM PROPULSION IMPROVEMENT	-	248		248		248				248
4	OTHER PROPULSION EQUIPMENT	-	7,922		7,922		7,922				7,922
	GENERATORS_				-						
5	OTHER GENERATORS	-	588		588		588				588
	PUMPS_				-						
6	OTHER PUMPS	-	78		78		78				78
7	SUBMARINE PUMP RETROFIT KITS	-			-		-				-
	AIR COMPRESSORS_				-						
8	HIGH PRESSURE AIR COMPRESSORS	-	-		-		-				-
	PROPELLERS_				-						
9	SUBMARINE PROPELLERS	-	39,182		39,182		39,182				39,182
10	OTHER PROPELLERS AND SHAFTS	-	2,897		2,897		2,897				2,897
	NAVIGATION EQUIPMENT_				-						
11	ELEC SUSPENDED GYRO NAVIGATOR	-	-		-		-				-
12	OTHER NAVIGATION EQUIPMENT	-	17,200		27,200		27,200		10,000		27,200
	UNDERWAY REPLENISHMENT EQUIPMENT_				-						
13	UNDERWAY REPLENISHMENT EQUIPMENT	-	11,858		11,858		11,858				11,858
	PERISCOPES_				-						
14	SUB PERISCOPES & IMAGING EQUIP	-	32,625		32,625		32,625				32,625
	OTHER SHIPBOARD EQUIPMENT_				-						
15	FIREFIGHTING EQUIPMENT	-	9,175		9,175		9,175				9,175
16	COMMAND AND CONTROL SWITCHBOARD	-	6,924		6,924		6,924				6,924
17	POLLUTION CONTROL EQUIPMENT	-	135,216		130,216		135,216				135,216
18	SUBMARINE SILENCING EQUIPMENT	-	3,365		3,365		3,365				3,365
19	SURFACE SHIP SILENCING EQUIPMENT	-	-		-		-				-
20	SUBMARINE BATTERIES	-	9,513		9,513		9,513				9,513
21	SSN21 CLASS SUPPORT EQUIPMENT	-	21,217		21,217		21,217				21,217
22	STRATEGIC PLATFORM SUPPORT EQUIP	-	9,229		9,229		9,229				9,229
23	DSSP EQUIPMENT	-	5,217		5,217		5,217				5,217
24	MINESWEEPING EQUIPMENT	-	4,089		4,089		4,089				4,089
25	HM&E ITEMS UNDER $2 MILLION	-	35,545		35,545		35,545				35,545
26	SURFACE IMA	-	2,437		2,437		2,437				2,437
27	RADIOLOGICAL CONTROLS	-	192		192		192				192

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
28	MINI/MICROMINI ELECTRONIC REPAIR	-	963		963		963				963
29	SUBMARINE LIFE SUPPORT SYSTEM	-	-		-		-				-
	REACTOR PLANT EQUIPMENT										
30	REACTOR POWER UNITS	-	223,392		213,392		223,392		(30,000)		193,392
31	REACTOR COMPONENTS	-	185,551		183,051		185,551		(2,500)		183,051
	OCEAN ENGINEERING										
32	DIVING AND SALVAGE EQUIPMENT	-	8,662		8,662		8,662				8,662
33	EOD UNDERWATER EQUIPMENT	-	5,181		5,181		7,681				5,181
	SMALL BOATS										
34	STANDARD BOATS	-	4,576		4,576		4,576				4,576
	TRAINING EQUIPMENT										
35	OTHER SHIPS TRAINING EQUIPMENT	-	1,464		1,464		1,464				1,464
	PRODUCTION FACILITIES EQUIPMENT										
36	PRODUCTION SUPPORT FACILITIES	-	2,930		2,930		2,930				2,930
37	OPERATING FORCES IPE	-	911		911		911				911
	OTHER SHIP SUPPORT										
38	NUCLEAR ALTERATIONS	-	68,485		68,485		68,485				68,485
39	FLEET MODERNIZATION PROGRAM	-	-		-		-				-
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	SHIP RADARS										
40	AN/SPS-40	-	7,663		7,663		7,663				7,663
41	AN/SPS-48	-	12,847		12,847		12,847				12,847
42	AN/SPS-49	-	12,136		12,136		12,136				12,136
43	AN/SYS-()	-	861		861		861				861
44	MK-23 TARGET ACQUISITION SYSTEM	-	1,347		1,347		1,347				1,347
45	RADAR SUPPORT	-	-		16,000		16,900		16,900		16,900
46	SURFACE ELECTRO-OPTICAL SYSTEM	-	-		-		-				-
	SHIP SONARS										
47	SURFACE SONAR SUPPORT EQUIPMENT	-	6,888		6,888		6,888				6,888
47a	DOPPER SONAR VELOCITY LOG				1,000						-
48	AN/SQQ-89 SURF ASW COMBAT SYSTEM	-	24,674		24,674		24,674				24,674
49	SSN ACOUSTICS	-	44,134		44,134		44,134				44,134
50	SURFACE SONAR WINDOWS AND DOME	-	-		-		-				-
51	SONAR SUPPORT EQUIPMENT	-	17,302		17,302		17,302				17,302
52	SONAR SWITCHES AND TRANSDUCERS	-	10,669		10,669		10,669				10,669
	ASW ELECTRONIC EQUIPMENT										
53	SUBMARINE ACOUSTIC WARFARE SYSTEM	-	7,840		7,840		7,840				7,840
54	SSTD	-	5,701		18,201		18,201		12,500		18,201

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
55	ACOUSTIC COMMUNICATIONS	-	228		228		228				228
56	FIXED SURVEILLANCE SYSTEM	-	34,635		34,635		34,635				34,635
57	SURTASS	-	10,590		10,590		10,590				10,590
58	ASW OPERATIONS CENTER	-	10,126		10,126		10,126				10,126
59	CARRIER ASW MODULE	-	144		144		144				144
	ELECTRONIC WARFARE EQUIPMENT										
60	AN/SLQ-32	-	6,358		6,358		6,358				6,358
61	AN/WLR-1	-	173		173		173				173
62	AN/WLR-8	-	-		-		-				-
63	INFORMATION WARFARE SYSTEMS	-	4,671		4,671		4,671				4,671
64	EW SUPPORT EQUIPMENT	-	7,949		7,949		7,949				7,949
65	C-3 COUNTERMEASURES	-	556		556		556				556
	RECONNAISSANCE EQUIPMENT										
66	COMBAT DF	-	10,547		10,547		10,547				10,547
67	OUTBOARD	-	295		295		295				295
68	BATTLE GROUP PASSIVE HORIZON EXTEN	-	38,957		38,957		38,957				38,957
	SUBMARINE SURVEILLANCE EQUIPMENT										
69	AN/WLQ-4	-	4,208		4,208		4,208				4,208
70	SUBMARINE SUPPORT EQUIPMENT PROG	-	5,418		5,418		5,418				5,418
	OTHER SHIP ELECTRONIC EQUIPMENT										
71	NAVY TACTICAL DATA SYSTEM	-	18,220		30,220		18,220		12,000		30,220
72	TACTICAL FLAG COMMAND CENTER	-	23,941		23,941		27,441		3,500		27,441
73	NAVAL TACTICAL COMMAND SUPPORT SYS	-	32,555		32,555		32,555				32,555
74	LINK 16 HARDWARE	-	17,808		31,408		17,808				17,808
75	MINESWEEPING SYSTEM REPLACEMENT	-	22,853		22,853		48,698		25,845		48,698
76	SHALLOW WATER MCM	-	961		961		961				961
77	EMSP (MYP)	-	-				-				-
78	NAVSTAR GPS RECEIVERS (SPACE)	-	4,943		4,943		4,943				4,943
79	HF LINK-11 DATA TERMINALS	-	3,239		3,239		3,239				3,239
80	ARMED FORCES RADIO AND TV	-	3,363		3,363		3,363				3,363
81	STRATEGIC PLATFORM SUPPORT EQUIP	-	4,054		36,054		4,054		32,000		36,054
	TRAINING EQUIPMENT										
82	OTHER SPAWAR TRAINING EQUIPMENT	-	1,592		1,592		1,592				1,592
83	OTHER TRAINING EQUIPMENT	-	28,343		28,343		28,343				28,343
	AVIATION ELECTRONIC EQUIPMENT										
84	MATCALS	-	4,151		4,151		4,151				4,151
85	SHIPBOARD AIR TRAFFIC CONTROL	-	13,434		13,434		13,434				13,434
86	AUTOMATIC CARRIER LANDING SYSTEM	-	15,990		15,990		15,990				15,990
87	TACAN	-	2,266		2,266		2,266				2,266

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
88	AIR STATION SUPPORT EQUIPMENT	-	9,722		9,722		9,722				9,722
89	MICROWAVE LANDING SYSTEM	-	7,217		7,217		7,217				7,217
90	FACSFAC	-	3,910		3,910		3,910				3,910
91	ID SYSTEMS	-	4,702		4,702		4,702				4,702
92	SURFACE IDENTIFICATION SYSTEMS	-	-		-		-				-
93	TAC A/C MISSION PLANNING SYS(TAMPS)	-	7,131		7,131		7,131				7,131
	OTHER SHORE ELECTRONIC EQUIPMENT										
94	TADIX-B	-	4,243		15,243		4,243		11,000		15,243
95	NATIONAL IMAGERY SUPPORT	-	-		-		-				-
96	NCCS ASHORE	-	6,264		6,264		6,264				6,264
97	RADIAC	-	3,491		3,491		3,491				3,491
98	GPETE	-	9,354		9,354		9,354				9,354
99	INTEG COMBAT SYSTEM TEST FACILITY	-	4,951		4,951		4,951				4,951
100	CALIBRATION STANDARDS	-	2,183		2,183		2,183				2,183
101	EMI CONTROL INSTRUMENTATION	-	5,423		5,423		5,423				5,423
102	SHORE ELEC ITEMS UNDER $2 MILLION	-	4,070		4,070		4,070				4,070
	SHIPBOARD COMMUNICATIONS										
103	SHIPBOARD TACTICAL COMMUNICATIONS	-	8,779		8,779		13,279		4,500		13,279
104	PORTABLE RADIOS	-	1,433		1,433		1,433				1,433
105	SINCGARS	-	4,699		4,699		4,699				4,699
106	SHIP COMMUNICATIONS AUTOMATION	-	15,006		15,006		15,006				15,006
107	SHIP COMM ITEMS UNDER $2 MILLION	-	9,560		9,560		9,560				9,560
	SUBMARINE COMMUNICATIONS										
108	SHORE LF/VLF COMMUNICATIONS	-	4,140		4,140		4,140				4,140
109	SUBMARINE COMMUNICATION EQUIPMENT	-	29,430		29,430		29,430				29,430
	SATELLITE COMMUNICATIONS										
110	SATCOM SHIP TERMINALS (SPACE)	-	115,837		115,837		169,537		25,000		140,837
111	SATCOM SHORE TERMINALS (SPACE)	-	24,653		24,653		31,653				24,653
	SHORE COMMUNICATIONS										
112	JCS COMMUNICATIONS EQUIPMENT	-	1,989		1,989		1,989				1,989
113	ELECTRICAL POWER SYSTEMS	-	-		-		-				-
114	NSIPS	-	-		-		-				-
115	JEDMICS	-	4,216		4,216		4,216				4,216
116	WWMCCS COMMUNICATIONS EQUIPMENT	-	1,712		1,712		1,712				1,712
117	NAVAL SHORE COMMUNICATIONS	-	43,315		43,315		43,315				43,315
	CRYPTOGRAPHIC EQUIPMENT										
118	SECURE VOICE SYSTEM	-	15,494		15,494		15,494				15,494
119	SECURE DATA SYSTEM	-	14,532		14,532		14,532				14,532
120	KEY MANAGEMENT SYSTEMS	-	12,580		12,580		12,580				12,580

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
121	CRYPTOGRAPHIC ITEMS UNDER $2 MILL	-	-		-		-				-
	CRYPTOLOGIC EQUIPMENT										
122	CRYPTOLOGIC COMMUNICATIONS EQUIP	-	1,308		1,308		1,308				1,308
	OTHER ELECTRONIC SUPPORT										
123	ELECT ENGINEERED MAINTENANCE	-	-		-		-				-
	DRUG INTERDICTION SUPPORT										
124	OTHER DRUG INTERDICTION SUPPORT	-	-		-		-				-
	AVIATION SUPPORT EQUIPMENT										
	SONOBUOYS										
125	AN/SSQ-36 (BT)	-	923		923		923				923
126	AN/SSQ-62 (DICASS)	-	22,704		39,704		34,904		12,200		34,904
126a	SSQ-53E	-	-		-		31,800		18,000		18,000
127	AN/SSQ-110	-	35,961		35,961		35,961				35,961
128	AN/SSQ-86 (DLC)	-	-		-		-				-
129	SIGNAL, UNDERWATER SOUND (SUS)	-	1,118		1,118		1,118				1,118
	AIRCRAFT SUPPORT EQUIPMENT										
130	WEAPONS RANGE SUPPORT EQUIPMENT	-	27,793		27,793		27,793				27,793
131	EXPEDITIONARY AIRFIELDS	-	1,560		1,560		1,560				1,560
132	AIRCRAFT REARMING EQUIPMENT	-	9,321		9,321		9,321				9,321
133	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT	-	28,975		28,975		28,975				28,975
134	METEOROLOGICAL EQUIPMENT	-	17,048		17,048		17,048				17,048
135	OTHER PHOTOGRAPHIC EQUIPMENT	-	737		737		737				737
136	AVIATION LIFE SUPPORT	-	13,811		13,811		13,811				13,811
137	AIRBORNE MINE COUNTERMEASURES	-	13,465		38,465		73,165				13,465
138	LAMPS MK III SHIPBOARD EQUIPMENT	-	15,282		15,282		15,282				15,282
139	REWSON PHOTOGRAPHIC EQUIPMENT	-	933		933		933				933
140	STOCK SURVEILLANCE EQUIPMENT	-	1,590		1,590		1,590				1,590
141	OTHER AVIATION SUPPORT EQUIPMENT	-	7,884		7,884		7,884				7,884
142	SAFETY & SURVIVABILITY ITEMS	-	-		14,200		-				-
	ORDNANCE SUPPORT EQUIPMENT										
	SHIP GUN SYSTEM EQUIPMENT										
143	GUN FIRE CONTROL EQUIPMENT	-	10,475		10,475		10,475				10,475
	SHIP MISSILE SYSTEMS EQUIPMENT										
144	MK-92 FIRE CONTROL SYSTEM	-	1,879		1,879		1,879				1,879
145	HARPOON SUPPORT EQUIPMENT	-	97		97		97				97
146	TARTAR SUPPORT EQUIPMENT	-	-		-		-				-
147	POINT DEFENSE SUPPORT EQUIPMENT	-	-		-		-				-
148	AIRBORNE ECM/ECCM	-	341		341		341				341

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
149	ENGAGEMENT SYSTEMS SUPPORT	-	15,054		15,054		15,054				15,054
150	NATO SEASPARROW	-	4,710		4,710		4,710				4,710
151	RAM GMLS	-	50,765		50,765		55,765				50,765
152	SHIP SELF DEFENSE SYSTEM	-	21,049		21,049		21,049				21,049
153	AEGIS SUPPORT EQUIPMENT	-	30,398		33,398		30,398		3,000		33,398
154	SURFACE TOMAHAWK SUPPORT EQUIPMENT	-	75,574		85,574		98,574		10,000		85,574
155	SUBMARINE TOMAHAWK SUPPORT EQUIP	-	-		-		-				-
156	VERTICAL LAUNCH SYSTEMS	-	12,956		12,956		12,956				12,956
	FBM SUPPORT EQUIPMENT										
157	STRATEGIC PLATFORM SUPPORT EQUIP	-	2,104		2,104		2,104				2,104
158	STRATEGIC MISSILE SYSTEMS EQUIP	-	130,151		127,651		130,151				130,151
	ASW SUPPORT EQUIPMENT										
159	SSN COMBAT CONTROL SYSTEMS	-	16,287		16,287		16,287				16,287
160	SUBMARINE ASW SUPPORT EQUIPMENT	-	10,004		10,004		10,004				10,004
161	SURFACE ASW SUPPORT EQUIPMENT	-	5,483		5,483		5,483				5,483
162	ASW RANGE SUPPORT EQUIPMENT	-	2,422		2,422		2,422				2,422
	OTHER ORDNANCE SUPPORT EQUIPMENT										
163	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	-	6,253		6,253		7,253				6,253
164	UNMANNED SEABORNE TARGET	-	-		-		-				-
165	ANTI-SHIP MISSILE DECOY SYSTEM	-	15,109		15,109		24,109		9,000		24,109
166	INDUSTRIAL FACILITIES (CALIBRATION EQUIP	-	4,132		4,132		4,132				4,132
167	STOCK SURVEILLANCE EQUIPMENT	-	1,437		1,437		1,437				1,437
	PREDATOR UAV										-
	TACTICAL UAV										-
	OTHER EXPENDABLE ORDNANCE										
168	FLEET MINE SUPPORT EQUIPMENT	-	5,430		5,430		5,430				5,430
169	SURFACE TRAINING DEVICE MODS	-	2,499		2,499		2,499				2,499
170	SUBMARINE TRAINING DEVICE MODS	-	19,668		19,668		19,668				19,668
171	INDUSTRIAL DEPOT MAINTENANCE	-	20,626		20,626		20,626				20,626
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
172	PASSENGER CARRYING VEHICLES	-	-		-		-				-
173	SPECIAL PURPOSE VEHICLES	-	47		47		47				47
174	GENERAL PURPOSE TRUCKS	-	228		228		228				228
175	TRAILERS/TRUCK TRACTORS	-	76		76		76				76
176	EARTH MOVING EQUIPMENT	-	-		-		-				-
177	CONSTRUCTION & MAINTENANCE EQUIP	-	62		62		62				62
178	FIRE FIGHTING EQUIPMENT	-	-		-		-				-
179	WEIGHT HANDLING EQUIPMENT	-	-		-		-				-

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
180	AMPHIBIOUS EQUIPMENT	-	3,183		3,183		9,883		6,700		9,883
181	COMBAT CONSTRUCTION SUPPORT EQUIP	-	878		878		878				878
182	MOBILE UTILITIES SUPPORT EQUIPMENT	-	830		830		830				830
183	COLLATERAL EQUIPMENT	-	338		338		338				338
184	OCEAN CONSTRUCTION EQUIPMENT	-	134		134		134				134
185	POLLUTION CONTROL EQUIPMENT	-	32,281		32,281		32,281				32,281
186	OTHER CIVIL ENG SUPPORT EQUIPMENT	-	-		-		-				-
187	NATURAL GAS UTILIZATION EQUIPMENT	-	-		-		-				-
	SUPPLY SUPPORT EQUIPMENT										
	SUPPLY SUPPORT EQUIPMENT										
188	FORKLIFT TRUCKS	-	3,322		3,322		3,322				3,322
189	OTHER MATERIALS HANDLING EQUIPMENT	-	2,070		2,070		2,070				2,070
190	OTHER SUPPLY SUPPORT EQUIPMENT	-	-		-		-				-
191	FIRST DESTINATION TRANSPORTATION	-	7,488		7,488		7,488				7,488
192	SPECIAL PURPOSE SUPPLY SYSTEMS	-	56,273		56,273		56,273				56,273
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
	TRAINING DEVICES										
193	SUBMARINE SONAR TRAINERS	-	-		-		-				-
194	SURFACE COMBAT SYSTEM TRAINERS	-	-		-		-				-
195	SHIP SYSTEM TRAINERS	-	-		-		-				-
196	TRAINING SUPPORT EQUIPMENT	-	-		-		-				-
197	TRAINING DEVICE MODIFICATIONS	-	-		-		-				-
	COMMAND SUPPORT EQUIPMENT										
198	COMMAND SUPPORT EQUIPMENT	-	-		-		-				-
199	EDUCATION SUPPORT EQUIPMENT	-	-		-		-				-
200	MEDICAL SUPPORT EQUIPMENT	-	-		-		-				-
201	INTELLIGENCE SUPPORT EQUIPMENT	-	-		-		-				-
202	ITEMS UNDER $2 MILLION	-	-		-		-				-
203	OPERATING FORCES SUPPORT EQUIPMENT	-	-		-		-				-
203a	OCEANOGRAPHIC SUPPORT EQUIPMENT				-		6,000				-
204	NAVAL RESERVE SUPPORT EQUIPMENT	-	-		-		-				-
205	ENVIRONMENTAL SUPPORT EQUIPMENT	-	-		-		-				-
206	PHYSICAL SECURITY EQUIPMENT	-	-		-		-				-
207	INDUSTRIAL DEPOT MAINTENANCE EQUIP	-	-		-		-				-
	COMPUTER ACQUISITION PROGRAM				-						
208	COMPUTER ACQUISITION PROGRAM	-					-				-
	OTHER				-						
209	CANCELLED ACCOUNT ADJUSTMENTS	-	-		-		-				-

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
210	SPARES AND REPAIR PARTS		208,828		208,828		208,828				208,828
	TOTAL, OTHER PROCUREMENT, NAVY		2,714,195		2,871,495		3,005,040		179,645		2,893,840

Reactor power units

The budget request included $223.4 million for the procurement of reactors and associated equipment for nuclear powered Navy ships.

The House bill would reduce the budget request amount by $10.0 million.

The Senate amendment would authorize the requested amount.

The conferees agree to reduce the budget request amount by $30.0 million. Additional funds authorized for advance procurement of components for nuclear powered submarines will compensate for this reduction.

Reactor components

The budget request included $185.6 million for reactor components.

The House bill would reduce the budget request by $2.5 million.

The Senate amendment would authorize the requested amount.

The Senate recedes.

AN/BPS–16 submarine navigation radar

The budget request included no funding for the procurement of AN/BPS–16 submarine radar navigation sets or mast assemblies.

The Navy has been procuring a commercial off-the-shelf (COTS) variant of the AN/BPS–16 radar navigation set and its associated mast assembly for installation on new construction submarines and for backfit on SSN–688 class submarines that will remain in service in the fleet. Procurement of the COTS variant has resulted in a 40 percent savings over a comparable system built to military specifications. For SSN–688 class submarines, the AN/BPS–16 replaces an existing radar system that has proven unreliable in service and is labor intensive to maintain. Installation of the AN/BPS–16 will improve the operational safety of the SSN-688 fleet by providing a state-of-the-art, all-weather radar for navigating into and out of ports and for performing tactical operations at sea in adverse weather conditions. Procurement of additional AN/BPS–16 radar sets in fiscal year 1997 will also avoid a production break and associated start-up costs for the procurement of additional radar sets currently included in the future years defense program.

The House bill would authorize an increase of $16.0 million for the procurement of additional AN/BPS–16 radar sets to complete the backfit of the AN/BPS–16 commercial off-the-shelf radar into the SSN–688 class submarine fleet.

The Senate amendment would authorize an increase of $16.9 million for the procurement of additional AN/BPS–16 radar sets to complete the backfit of the AN/BPS–16 commercial off-the-shelf radar into the SSN–688 class submarine fleet.

The House recedes.

Mine warfare

The budget request included $22.9 million for the minesweeping replacement program.

The Senate amendment would authorize an increase of $64.0 million to accelerate several of the Navy's highest priority mine countermeasures (MCM) programs and sustain the improvements that have occurred since Desert Storm. A discussion of the rationale for this increase is contained in the Senate report (S. Rept. 104–267).

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $25.8 million to accelerate the following MCM programs:

Item:	Funding ($ millions)
SQQ–32/SLQ–48/SSQ–94/SYQ–13 Spares	6.3
Integrated Combat Weapons System (ICWS)	17.8
MCM Battle Space Profiler (BSP)	1.7

Inertial navigation, information, and ship control system

The House bill would authorize an increase of $32.0 million for procurement and installation of four identical integrated navigation, information, and ship control systems on CG–47 class cruisers.

The Senate amendment would authorize the requested amount.

The conferees agree to an increase of $32.0 million for procurement and installation of integrated navigation, condition assessment, and damage control systems on CG–47 class cruisers. Procurement of standard monitoring and control systems is also authorized, subject to a successful operational evaluation as part of the Navy's Smart Ship initiative, which is discussed elsewhere in this statement of managers.

The conferees are aware that the Navy has an urgent requirement to modernize, automate, and fully integrate bridge and machinery monitoring and control systems on its cruisers and other surface ships, employing commercial off-the-shelf, military qualified systems. Procurement and installation of systems such as an integrated bridge system, an integrated condition assessment system, and a damage control system for surface ships could provide major improvements in performance, lead to reductions in crew size, and reduce the cost of operations. Additional crew reduction may also be achieved through the acquisition of an improved machinery monitoring and control system.

Joint tactical terminal

The budget request included $2.4 million for procurement of the joint tactical terminal (JTT).

The House bill would authorize an additional $11.0 million for the immediate procurement of JTT terminals for AEGIS, amphibious, and flagship surface vessels. The report to accompany the House bill to authorize intelligence programs for fiscal year 1977 (H. Rept. 104–578, Part 1) expressed the view that there is an urgent need to expeditiously procure the functional intelligence support capability provided by the JTT for these ships as soon as possible in order to ensure interoperability between various intelligence producers and users.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Shipboard integrated communications system

The budget request included no funding for procurement of an integrated communications system for installation aboard aircraft carriers.

The Senate amendment would authorize an increase of $4.5 million above the budget request specifically for the competitive procurement of an existing integrated communications system that can be installed aboard aircraft carriers and other fleet units without delay.

The Senate report (S. Rept. 104–267) expressed concern at the Navy's lack of progress, despite congressional prodding for over two years, on procurement of a commercial off-the-shelf non-developmental integrated communications system to replace obsolete systems now installed on Navy ships. While the Navy has made great strides in increasing the capability and flexibility of communications systems that deliver information to fleet units, a similar emphasis on the internal management of that information aboard ship has been lacking. In a report submitted to Congress on February 12, 1996, the Navy acknowledged that, while current aircraft carrier interior integrated communications systems are outdated and there is little integration communications systems are outdated and there is little integration between systems within the ship, the Navy is still in the process of defining a baseline system architecture that can meet current demands.

The House bill would authorize the requested amount.

The House recedes.

Challenge Athena

The budget request included no funding for the Chief of Naval Operation's special project Challenge Athena. This budget decision was made despite a series of favorable reports by the Navy's operational commanders on the significant contributions that Challenge Athena has made to the success of their operational deployments.

The Senate amendment would authorize an increase of $41.7 million above the budget request for Challenge Athena, $14.7 million for procurement and $27.0 million for operation of the system.

The House bill would authorize the requested amount.

The conferees agree to authorize a total increase of $28.7 million above the budget request for Challenge Athens, $14.7 million for procurement of Challenge Athena equipment, and $14.0 million for system operation.

Global broadcast service

The budget request included $113.2 million for launch services for UHF follow-on (UFO) satellites 8, 9, and 10. These satellites will support UHF, EHF, and global broadcast service (GBS) communications. However, the budget request did not contain funding for the ground and see-based equipment needed to implement the GBS capability.

To ensure that the diverse requirements of the Navy's GBS are met in a complementary manner, the Senate amendment would authorize an increase of $50.0 million above the budget request as follows:

(1) $39.0 million for the procurement and installation of shipboard GBS satellite terminals;

(2) $7.0 million for the procurement and installation of shore GBS satellite terminals; and

(3) $4.5 million to provide for launch services for UFO satellites 8, 9, and 10.

The House bill would authorize the requests amount.

The conferees agree to authorize an increase of $10.3 million for the procurement and installation of shipboard GBS satellite terminals.

Sonobuoys

The budget request included $22.7 million for the procurement of AN/SSQ–62 sonobuoys and no funding for the procurement of AN/SSQ–53E sonobuoys. It also contained $5.2 million in PE 63254N for development and demonstration of advanced anti-submarine warfare sensors and processors, including $2.5 million for the advanced deployable low frequency projector (ADLFP). The ADLFP is a candidate for the active project source of the advanced explosive echo ranging sonobuoy.

The House bill would authorize an increase of $17.0 million for the procurement of additional AN/SSQ–62 sonobuoys. It would also authorize an increase of $2.5 million in PE 63254N for the development and demonstration of risk reduction technologies for the

ADLFP to insure that shallow water performance requirements are met and system cost is minimized.

The Senate amendment would authorize an increase of $12.2 million for the procurement of additional AN/SSQ–62 sonobuoys and $31.8 million for the procurement of AN/SSQ–53E sonobuyos. It would also authorize $2.5 million in PE 63254N and $2.5 million in PE 64261N for development of the ADLFP and advanced multi-static processing (AMSP).

The conferees agree to authorize an increase of $12.2 million for procurement of AN/SSQ–62 sonobuoys, $18.0 million for procurement of AN/SSQ–53E sonobuoys, and $2.5 million in PE 63254N for development of the ADLFP.

Airborne laser mine detection systems

The budget request included no funding for the procurement of airborne laser mine detection systems.

The House bill would authorize an increase of $25.0 million for the procurement of three Magic Lantern systems and associated spares.

The Senate amendment would authorize an increase of $25.0 million for the procurement of the winner of a competition between two airborne laser mine detection systems, ATD–111 and Magic Lantern.

The conferees agree to authorize the requested amount.

Rolling air frame missile launcher for LSF–52

In fiscal year 1996, Congress authorized and appropriated $20.0 million to install the ship self-defense system (SSDS) MK 1 and the rolling airframe missile (RAM) system in LSD–52, an amphibious ship that is now under construction. This amount was insufficient to fully cover both the hardware procurement and ship installation costs. Consequently, the Navy was unable to purchase one of the two RAM launchers needed for a complete equipment suite. The budget request did not contain funding for this launcher.

The Senate amendment would authorize an increase of $5.0 million above the budget request for the procurement of one RAM launcher for LSD–52.

The House bill would authorize the requested amount.

The Senate recedes.

AEGIS support equipment

The budget request included $30.4 million for AEGIS support equipment.

The House bill would authorize an additional $3.0 million to procure flexible wearable computers for deployment on AEGIS ships as well as other ships that have interactive electronic technical manuals (IETM) available.

The report to accompany the House bill (H. Rept. 104–563) noted that the Committee on National Security of the House of Representatives is aware that the Navy is investigating the possibility of hosting the IETMs on flexible wearable computers. Such a system would allow repair technicians to perform their tasks with hands-free access to the IETM maintenance information, while affording them maximum mobility to operate in confined spaces. The additional funds proposed by the House would permit the Navy to gain at-sea experience with the combined IETM/flexible wearable computer system.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Afloat planning system

The budget request included $1.1 million for the Tomahawk afloat planning system (APS). This amount would be for the installation of systems purchased in prior years.

The APS successfully underwent extensive operational test and evaluation in 1994, and production system installations have been completed on the USS *Carl Vinson* (CVN–70) and the USS *George Washington* (CVN–73). The system is being procured for installation in the Navy's aircraft carriers and for rapid deployment, when required, to meet the strike planning needs of a joint task force commander. It compliments the planning of Tomahawk land attack missile (TLAM) missions by shore-based cruise missile support activities by giving an afloat or deployed commander the ability to modify existing, pre-planned missions or plan new ones. It also provides the centerpiece of the joint service imagery processing system-Navy (JSIPS–N), a system that provides deployed planners real-time capability to receive, process, analyze and exploit tactical sensor imagery. A diversion of funds from this program in fiscal year 1996 and limiting funding in fiscal year 1997 threaten to severely disrupt the production line, thereby increasing unit costs dramatically and delaying the introduction of a capability that the Navy states will significantly improve its warfighting capability.

Noting that the APS program's development and production efforts have remained on schedule and within cost, and have met or exceeded all specifications, the House bill would authorize an additional $10.0 million to support continued fielding of the APS.

The Senate amendment would authorize an increase of $23.0 million above the budget request for the procurement and installation of additional APS suites in order that the Navy could satisfy its full requirement for them in a cost effective manner.

The Senate recedes.

NULKA decoy development

The budget request included $4.4 million for continued development of the NULKA active countermeasures decoy. It also contained $12.0 million to procure NULKA decoys, launch subsystems, and training systems.

The Senate amendment would authorize an increase of $9.0 million for procurement of additional NULKA rounds and launch subsystems and for production improvements. The Senate amendment would also authorize an increase of $4.0 million in PE 64755N to improve the performance of the NULKA decoy in the presence of friendly emitters and to counter modern threat missiles.

The House bill would authorize the requested amount.

The House recedes.

Elevated causeway (modular)

The budget request included no funding for expanding an existing elevated causeway (modular) (ELCAS(M)) prototype from a length of 2,000 feet to the 3,000 feet needed to satisfy logistics-over-the-shore (LOTS) operational requirements.

Expeditionary logistics support of the Marine Corps or of a joint force could require assault follow-on echelon or other LOTS offload in a variety of unimproved, adverse beach environments or degraded ports. The ELCAS(M), which the Navy could rapidly install, provides an elevated pier that overcomes high surf conditions, shallow beach gradients, and other hydrographic conditions that inhibit direct shoreside cargo discharge. The Navy has included funding for completion of two ELCAS(M) systems in the future years defense program. However, the Navy would not complete the current ELCAS(M) system until fiscal year 1999 because of budget constraints.

The Senate amendment would authorize an increase of $6.7 million above the budget request to expand the existing prototype system to a full 3,000 foot operational length, and also to acquire the ancillary support and installation equipment, such as lighting, piling, and safety lines, necessary to make it fully operational.

The House bill would authorize the requested amount.

The House recedes.

The Navy budget request also included funding for a program to develop and field a system to meet the amphibious cargo beaching lighter requirement. Procurement for the system would not begin until fiscal year 2001. The Navy has an operational requirement for an amphibious cargo beaching lighter (or barge) that can operate in sea state 3 (SS3). To meet this requirement, the Navy must be able to assemble floating pontoons into larger sections in sea states reaching and exceeding SS3. The Navy designed the ELCAS(M) system to be able to operate sections of the system as a lighter in sea states up to SS3. However, the current design for the ELCAS(M) connector system does not allow the Navy to join the sections into larger units in sea states this high.

The conferees have been informed that the contractor building the ELCAS(M) system has also developed a connector system that could be operated under SS3 conditions. The conferees direct the Navy to prepare a report, and submit it to the congressional defense committees with its fiscal year 1998 budget request, that provides the Navy's analysis of the potential of using this new connector system in conjunction with the current ELCAS(M) sections to meet the amphibious cargo beaching lighter requirement.

Oceanographic equipment

The budget request included no procurement funding for perishable equipment such as fathometers, global positioning satellite receivers, recording equipment, and side-scan sonars to conduct ocean surveys.

The House bill would authorize the requested amount.

The Senate amendment would authorize an increase of $6.0 million above the budget request to provide additional funding for procurement of oceanographic survey equipment.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $555.5 million for Marine Corps Procurement, Navy in the Department of Defense. The House bill would authorize $546.7 million. The Senate amendment would authorize $816.1 million. The conferees recommended an authorization of $560.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
		Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	PROCUREMENT, MARINE CORPS										
	AMMUNITION										
	AMMUNITION										
1	5.56 MM, ALL TYPES	-	20,425		-		20,425		(20,425)		-
2	7.62 MM, ALL TYPES	-	6,493		-		6,493		(6,493)		-
3	.50 CALIBER	-	6,052		-		6,052		(6,052)		-
4	40 MM, ALL TYPES	-	3,210		-		3,210		(3,210)		-
5	60 MM HE M888	-	5,127		-		5,127		(5,127)		-
6	81 MM HE	-	1,731		-		1,731		(1,731)		-
7	81 MM SMOKE SCREEN	-	2,573		-		2,573		(2,573)		-
8	120MM TPCSDS-T M865	-	2,545		-		2,545		(2,545)		-
9	120 MM TP-T M831	-	1,723		-		1,723		(1,723)		-
10	CTG 25MM, ALL TYPES	-	4,807		-		4,807		(4,807)		-
11	9 MM ALL TYPES	-	2,793		-		2,793		(2,793)		-
12	GRENADES, ALL TYPES	-	686		-		686		(686)		-
13	AMMO MODERNIZATION	-	9,118		-		9,118		(9,118)		-
13a	155MM CHG. PROP. RED BAG	-	-		-		24,000				-
13b	155MM D864, BASE BLEED				-		45,000				-
13c	FUZE, ET, XM762	-	-		-		29,000				-
	OTHER SUPPORT				-						
14	ITEMS LESS THAN $2 MIL	-	1,601		-		1,601		(1,601)		-
	WEAPONS AND COMBAT VEHICLES				-						
	TRACKED COMBAT VEHICLES				-						
15	AAV7A1 PIP	-	14,003		14,003		14,003				14,003
16	LAV PIP	-	8,666		8,666		8,666				8,666
17	MODIFICATION KITS (TRKD VEH)	-	480		480		480				480
18	ITEMS UNDER $2M (TRKD VEH)	-	96		96		96				96
	ARTILLERY AND OTHER WEAPONS				-						-
19	MOD KITS (ARTILLERY)	-	1,114		1,114		1,114				1,114
20	ITEMS UNDER $2M (ALL OTHER)	-	122		122		122				122
	GUIDED MISSILES AND EQUIPMENT				-						-
	GUIDED MISSILES				-						-
21	HAWK MOD	-	2,780		2,780		2,780				2,780
22	AAWS-MEDIUM	148	28,214	268	48,214		48,214		20,000		48,214
23	PEDESTAL MOUNTED STINGER (PMS) (MYP)	-	10,562		10,562		10,562				10,562
	OTHER SUPPORT				-						-
24	MODIFICATION KITS	-	1,808		1,808		1,808				1,808
25	ITEMS LESS THAN $2 MILLION	-	96		96		96				96

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	MANPACK RADIOS										
26	MANPACK RADIOS AND EQUIP	-	-		-		-				-
	VEHICLE MOUNTED RADIOS AND EQUIPMENT										
27	TSC-96 PIP FLEET SATCOM TERMINAL	-	-		-		-				-
	TELEPHONE AND TELETYPE EQUIPMENT										
28	JOINT TACT INFO DIST SYS (CL II	-	-		-		-				-
	REPAIR AND TEST EQUIPMENT										
29	AUTO TEST EQUIP SYS	-	12,174		12,174		12,174				12,174
30	ELECTRONIC TEST EQUIP (TEL)	-	8,559		8,559		8,559				8,559
	OTHER COMM/ELEC EQUIPMENT										
31	SINGLE CHAN GRD & AIR RADIO	-	-		-		-				-
	OTHER SUPPORT (TEL)										
32	MODIFICATION KITS (TEL)	-	-		-		-				-
33	ITEMS LESS THAN $2M (TEL)	-	-		-		-				-
	COMMAND AND CONTROL SYSTEM (NON-TEL)										
34	POS LOCATING RPTG SYSTEM (PLRS)	-	-		-		-				-
35	TACTICAL AIR OPER MODULE (TAOM)	-	-		-		-				-
36	ADVANCED TACT AIR COMMAND CENTER	-	-		-		-				-
37	MARINE TACTICAL C2	-	-		-		-				-
38	MULTI-SERV ADF FIELD ART TACTICAL DATA	-	-		-		-				-
39	TACTICAL COMBAT OPERATIONS SYS	-	-		-		-				-
	INTELL/COMM EQUIPMENT (NON-TEL)										
40	AN/TPQ-36 FIRE FINDER RADAR UPGRADE	-	30,380		34,180		34,180		3,800		34,180
41	METEOROLOGICAL SYSTEMS	-	-		-		-				-
42	INTELLIGENCE SUPPORT EQUIPMENT	-	26,372		32,172		42,672		5,800		32,172
43	MOD.KITS (INTEL)	-	11,955		13,080		11,955		1,125		13,080
44	ITEMS LESS THAN $2M (INTELL)	-	-		-						-
	REPAIR AND TEST EQUIPMENT (NON-TEL)										
45	ELECTRONIC TMDE REPAIR FACILITY	-	-		-		-				-
46	MECH TEST TMDE	-	3,028		3,028		3,028				3,028
	OTHER COMM/ELEC EQUIPMENT (NON-TEL)										
47	NIGHT VISION EQUIPMENT	-	17,182		17,182		17,182				17,182
48	ADP EQUIPMENT	-	-		-		-				
	OTHER SUPPORT (NON-TEL)										
49	COMMAND POST SYSTEMS	-	11,402		11,402		11,402				11,402
50	MANEUVER C2 SYSTEMS	-	7,592		7,592		7,592				7,592

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
51	RADIO SYSTEMS	-	52,862		52,862		52,862				52,862
52	COMM SWITCHING & CONTROL SYSTEMS	-	16,922		16,922		16,922				16,922
53	TELE/COMM INFRASTRUCTURE TECH SUPP	-	53,616		72,416		89,616		18,800		72,416
54	MOD KITS MAGTF C41	-	43,418		43,418		43,418				43,418
55	ITEMS < $2M MAGTF C41	-	301		301		301				301
56	MODIFICATION KITS (OTHER)	-	4,053		4,053		4,053				4,053
57	ITEMS < $2M (OTHER)	-	2,577		2,577		2,577				2,577
58	AIR OPERATIONS C2 SYSTEMS	-	5,305		5,305		5,305				5,305
59	MARINE ENHANCEMENT PROGRAM	-	7,695		7,695		7,695				7,695
60	TEST CALIB & MAINT SPT	-	-		-		-				-
61	MODIFICATION KITS (NONTEL)	-	-		-		-				-
62	ITEMS LESS THAN $2M (NONTEL)	-	-		-		-				-
	SUPPORT VEHICLES				-						
	ADMINISTRATIVE VEHICLES				-						
63	COMMERCIAL PASSENGER VEHICLES	88	1,910	88	1,910	88	1,910			88	1,910
64	COMMERCIAL CARGO VEHICLES	-	7,687		7,687		7,687				7,687
	TACTICAL VEHICLES				-						
65	LOGISTICS VEHICLE SYSTEM	-	-		-		-				-
66	TRAILERS	-	2,426		2,426		30,726				2,426
	OTHER SUPPORT				-						
67	MODIFICATION KITS	-	1,503		1,503		1,503				1,503
68	ITEMS LESS THAN $2 MIL	-	446		446		446				446
	ENGINEER AND OTHER EQUIPMENT										
	ENGINEER AND OTHER EQUIPMENT				-						
69	ENVIRONMENTAL CONTROL EQUIP ASSORT	-	2,150		2,150		2,150				2,150
70	POWER EQUIPMENT ASSORTED	-	8,477		8,477		8,477				8,477
	MATERIALS HANDLING EQUIPMENT		-		-						-
71	COMMAND SUPPORT EQUIPMENT	-	-		-						-
72	AMPHIBIOUS RAID EQUIPMENT	-	277		277		277				277
73	PHYSICAL SECURITY EQUIPMENT	-	5,985		5,985		5,985				5,985
74	GARRISON MOBILE ENGR EQUIP	-	5,134		5,134		5,134				5,134
75	TELEPHONE SYSTEM	-					-				-
76	WAREHOUSE MODERNIZATION	-	-		-		-				-
77	MATERIAL HANDLING EQUIP	-	3,067		3,067		3,067				3,067
78	FIRST DESTINATION TRANSPORTATION	-	1,343		1,343		1,343				1,343
	GENERAL PROPERTY										
79	FIELD MEDICAL EQUIPMENT	-					-				-
80	TRAINING DEVICES	-	10,846		21,446		69,046		24,000		34,846

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
81	CONTAINER FAMILY	-	7,134		7,134		7,134				7,134
	OTHER SUPPORT										
82	MODIFICATION KITS	-	1,083		1,083		1,083				1,083
83	ITEMS LESS THAN $2 MIL	-	1,157		1,157		1,157				1,157
84	DRUG INTERDICTION	-	-		-		-				-
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
85	SPARES AND REPAIR PARTS	-	42,667		42,667		42,667				42,667
	SPARES AND REPAIR PARTS										
86	SPARES AND REPAIR PARTS	-	(3)		(3)		(3)				(3)
	TOTAL, PROCUREMENT, MARINE CORPS		555,507		546,748		816,107		4,641		560,148

Intelligence upgrades

The budget request included $26.4 million for procurement of intelligence support equipment for the Marine Corps.

The House bill would authorize an increase of $5.8 million for the procurement of additional intelligence support equipment.

The Senate amendment would authorize an increase of $14.6 million for the procurement of additional intelligence support equipment.

The Senate recedes.

Joint task force deployable communications support

The budget request included no funding to provide a deployable satellite communications system for use by a deployed Marine Corps joint task force headquarters.

Senate amendment would authorize an increase of $1.7 million to procure such a system for the Marine Corps.

The House bill would authorize the requested amount.

The Senate recedes.

Tactical electronic reconnaissance processing and evaluation system

The budget request included $1.0 million for procurement of support for the Marine Corps tactical electronic reconnaissance processing and evaluation system (TERPES), a system that is currently supporting joint operations in Bosnia.

The House bill would authorize an increase of $1.1 million to improve the interoperability of TERPES with the global command and control system (GCCS) and tactical air mission planning system (TAMPS).

The Senate amendment would authorize the requested amount.

The Senate recedes.

Marine Corps combat operations centers

The budget request did not include funding to upgrade the capability of the Marine Corps' seven deployable combat operations centers (COC) and six fixed command centers (CC) to improve their data capacity and make them fully interoperable with the other services.

The Senate amendment would authorize an increase of $7.4 million above the budget request to upgrade the capability of these Marine Corps' COCs and CCs.

The House bill would authorize the requested amount.

The Senate recedes.

Telecommunications infrastructure

The budget request included no funding to upgrade the communications network at the Marine Corps base at Camp Pendleton.

The Marine Corps has been involved in an ongoing effort to upgrade existing telecommunications infrastructure at Marine Corps installations. While the budget request contained funding to support such infrastructure upgrades, it fell short of providing the resources necessary to upgrade Camp Pendleton. Establishing a high speed fiber optic backbone and switching system at Camp Pendleton would meet existing base requirements and facilities future expansion to meet new requirements.

The House bill and Senate amendment would authorize $18.8 million to upgrade the telecommunications infrastructure at Camp Pendleton.

The conferees agree to authorize an increase of $18.8 million to provide a more efficient, state-of-the-art telecommunications infrastructure at Camp Pendleton.

Marine Corps common end user computer equipment

The budget request included no funding for Marine Corps common end user computer equipment (CEUCE).

The Senate amendment would authorize an increase of $9.8 million above the budget for the procurement of additional Marine Corps CEUCE.

The House bill would authorize the requested amount.

The Senate recedes.

Marine Corps mobility enhancements

The budget request included $1.3 million to procure 20 M870A2 lowbed trailers and an additional $1.5 million to procure 261 International Standard Organization (ISO) beds for transporting fuel and water for the Marine Corps.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $28.3 million for procurement of additional M870A2 lowbed trailers and ISO beds for the Marine Corps.

The Senate recedes.

Marine Corps multiple integrated laser engagement system

The budget request included no funding for procurement of the multiple integrated laser engagement system (MILES) for the Marine Corps.

The House bill would authorize an increase of $10.6 million to accelerate fielding of the first two battalion sets.

The Senate amendment would authorize an increase of $49.0 million to complete the Marine Corps procurement of MILES.

The conferees agree to authorize an increase of $24.0 million of MILES procurement.

Combat vehicle appended trainer (CVAT)

The budget request included no funding for the development of new, state-of-the-art, full crew mission simulators for Marine Corps armored vehicle systems.

The Senate amendment would authorize an increase of $9.2 million to take advantage of the increased utility and reduced training costs offered by such simulators.

The House bill would authorize the requested amount.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $5,779.2 million for Aircraft Procurement, Air Force in the Department of Defense. The House bill would authorize $7,271.9 million. The Senate amendment would authorize $7,023.5 million. The conferees recommended an authorization of $6,764.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	AIRCRAFT PROCUREMENT, AIR FORCE										
	COMBAT AIRCRAFT										
	STRATEGIC OFFENSIVE										
1	B-1B (MYP)	-	16,597		16,597		16,597				16,597
2	B-2A (MYP)	-	105,089		105,089		105,089				105,089
3	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
	TACTICAL FORCES				-						
4	ADVANCED TACTICAL FIGHTER	-	-		-		-				-
5	F-15A	4	185,442	6	256,542	4	185,442	2	71,100	6	256,542
6	ADVANCE PROCUREMENT (CY)	-	-		48,800		-				-
7	F-16 C/D (MYP)	4	105,500	6	154,900	8	212,900	2	49,400	6	154,900
7A	ADVANCED PROCUREMENT (CY)				10,000						-
	F-22 PREPRODUCTION AIRCRAFT										-
8	CBU-89 GATOR INERT	-	-		-		-				-
	AIRLIFT AIRCRAFT				-						
	TACTICAL AIRLIFT				-						
9	C-17 (MYP)	8	2,141,105	10	2,521,105	9	2,335,105	1	194,000	9	2,335,105
9	LESS: ADVANCE PROCUREMENT (PY)	-	(221,800)		(221,800)		(221,800)				(221,800)
10	ADVANCE PROCUREMENT (CY)	-	223,500	-	223,500		272,500		40,000		263,500
	OTHER AIRLIFT				-						
11	C-130H	-	-		-		-				-
12	C-130J	1	62,890	1	62,890	4	267,390		(10,590)	1	52,300
13	WC-130	-	-	4	209,200		-	4	209,200	4	209,200
13A	ABCCC			3	156,900						-
	TRAINER AIRCRAFT				-						
	OPERATIONAL TRAINERS				-						
14	JPATS	12	67,135	15	82,235	12	67,135		2,000	12	69,135
15	TANKER, TRANSPORT, TRAINER SYSTEM	-	4,454		4,454		4,454				4,454
	OTHER AIRCRAFT				-						
	HELICOPTERS				-						
16	HH-60G	8	107,900	8	107,900	8	107,900			8	107,900
	MISSION SUPPORT AIRCRAFT				-						
17	CIVIL AIR PATROL A/C	27	2,611	27	2,611	27	2,611			27	2,611
18	C-20A	2	113,805	2	113,805	2	113,805			2	113,805
18A	C-21 REPLACEMENT AIRCRAFT				32,000						-
19	DRUG INTERDICTION	-	-		-		-				-
	OTHER AIRCRAFT				-						

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
20	E-8B	2	537,824	3	762,824	3	747,824	1	210,000	3	747,824
20	LESS: ADVANCE PROCUREMENT (PY)	-	(120,040)		(120,040)		(120,040)				(120,040)
21	ADVANCE PROCUREMENT (CY)	-	111,116		111,116		111,116				111,116
	MODIFICATION OF INSERVICE AIRCRAFT										
	STRATEGIC AIRCRAFT										
22	B-2A	-	6,106		6,106		6,106				6,106
23	B-1B	-	84,408		156,408		140,908		82,000		166,408
24	B-52	-	8,782		20,282		20,282				8,782
25	F-117	-	29,236		29,236		29,236				29,236
	TACTICAL AIRCRAFT										
26	A-10	-	35,857		35,857		35,857				35,857
27	F/RF-4	-	130		130		130				130
28	F-15	-	179,318		179,318		179,318				179,318
29	F-16	-	135,906		135,906		135,906				135,906
29A	F-16DTS				3,000						-
30	EF-111	-	862		862		862				862
31	F-111	-	-		-		-				-
32	T/AT-37	-	96		96		96				96
	AIRLIFT AIRCRAFT										
33	C-5	-	54,921		54,921		54,921				54,921
34	C-9	-	4,091		4,091		4,091				4,091
35	C-17A	-	41,973		41,973		41,973				41,973
36	C-21	-	4,936		4,936		4,936				4,936
37	C-22	-	375		375		375				375
38	C-STOL	-	773		773		773				773
39	C-137	-	1,118		1,118		1,118				1,118
40	C-141	-	52,372		52,372		52,372				52,372
	TRAINER AIRCRAFT										
41	T-1	-	7,330		7,330		7,330				7,330
42	T-3 (EFS) AIRCRAFT	-	148		148		148				148
43	T-38	-	9,358		9,358		9,358				9,358
44	T-41 AIRCRAFT	-	24		24		24				24
45	T-43	-	1,059		1,059		1,059				1,059
	OTHER AIRCRAFT										
46	KC-10A (ATCA)	-	13,228		13,228		13,228				13,228
47	C-12	-	1,825		1,825		1,825				1,825
48	C-18	-	1,083		1,083		1,083				1,083
49	C-20 MODS	-	1,911		1,911		1,911				1,911
50	VC-25A MOD	-	1,839		1,839		1,839				1,839

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
51	C-130	-	96,353		93,753		96,353				96,353
52	C-135	-	137,082		137,082		137,082				137,082
53	E-3	-	287,920		361,920		287,920				287,920
	AWACS RE ENGINERING		-		-		109,000				-
54	E-4	-	1,010		1,010		1,010				1,010
55	H-1	-	5,410		5,410		5,410				5,410
56	H-60	-	5,987		5,987		5,987				5,987
57	OTHER AIRCRAFT	-	14,871		14,871		36,071		20,321		35,192
	GPS/FDR										-
	OTHER MODIFICATIONS				-						
58	CLASSIFIED PROJECTS	-	3,000		3,000		3,000				3,000
	PASSENGER SAFETY MODIFICATIONS										-
	AIRBORNE RECONNAISSANCE (MANNED)										-
	CIVIL RESERVE AIRLIFT FLEET (CRAF)				-						
59	DARP	-	66,186		276,486		248,386		219,300		285,486
	AIRCRAFT SPARES AND REPAIR PARTS				-						
	AIRCRAFT SPARES + REPAIR PARTS				-						
60	SPARES AND REPAIR PARTS	-	314,745		314,745		350,745				314,745
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE				-						
	COMMON AGE				-						
61	COMMON AGE	-	176,422		176,422		239,422		(16,179)		160,243
	POST PRODUCTION SUPPORT				-						
62	F-15 POST PRODUCTION SUPPORT	-	11,080		11,080		11,080				11,080
63	F-16 POST PRODUCTION SUPPORT	-	81,562		81,562		81,562		(10,654)		70,908
	INDUSTRIAL PREPAREDNESS				-						
64	AIRCRAFT INDUSTRIAL BASE SUPPORT	-	33,144		33,144		33,144				33,144
65	ENHANCED BOMBER CAPABILITY	-	-		-		-				-
	WAR CONSUMABLES				-						
66	WAR CONSUMABLES	-	56,296		56,296		56,296				56,296
	OTHER PRODUCTION CHARGES				-						
67	MISC PRODUCTION CHARGES	-	210,654		182,654		210,654		(24,706)		185,948
	COMMON ECM EQUIPMENT				-						
68	COMMON ECM EQUIPMENT	-	4,571		4,571		4,571				4,571
	OTHER PRODUCTION CHARGES - SOF				-						
69	CANCELLED ACCOUNT PY ADJUSTMENTS	-	-		-		-				-
	DARP				-						
70	DARP	-	150,742		105,742		150,742		(50,000)		100,742

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	AIRBORNE RECONNAISSANCE SUPPORT										
	TOTAL, AIRCRAFT PROCUREMENT, AIR FORCE		5,779,228		7,271,928		7,023,528		985,192		6,764,420

C–130J

The budget request included $62.9 million for one C–130J replacement aircraft for the Air Force.

The House bill would authorize $429.0 million for eight Air Force C–130Js, an increase of four WC–130Js and three airborne battlefield command and control center aircraft, in addition to the one C–130J requested. Additional recommended increases to the administration request included $209.2 million for four KC–130J tanker aircraft for the Marine Corps and $105.0 million for two Air National Guard C–130Js.

The Senate amendment would authorize a total of $267.4 million for four Air Force WC–130Js and $284.4 million for six C–130Js for the Air National Guard.

The conferees acknowledge the continued need to modernize tactical airlift and express concern over the Department's meager request of only one C–130 replacement aircraft. Consequently, the conferees authorize a total of $660.3 million for 13 C–130J aircraft as follows:

(1) $52.3 million for the one requested Air Force C–130J;

(2) $209.2 million for four WC–130J's;

(3) $209.2 for four KC–130J's for the Marine Corps; and

(4) $189.6 million for four C–130Js for the Air National Guard.

Joint Surveillance Target Attack Radar System (JSTARS)

The budget request included $417.8 million for two E–8C aircraft, $111.1 million for advanced procurement for two E–8Cs in fiscal year 1998, and $30.2 million for initial spares. Trainers and support equipment were included in the procurement. Funding in the amount of $207.3 million for follow on development and testing was also requested in PE 64770F.

The House bill would increase the requested amount by $225.0 million for one additional aircraft.

The Senate amendment would increase the requested amount by $210.0 million for procurement and an additional $30.0 million for initial spares.

The conferees agree to increase the requested amount by $210.0 million for the acquisition of one additional JSTARS aircraft.

The conferees note that the JSTARS platform and associated ground stations are currently contained in the Air Force and Army tactical intelligence and related activities (TIARA) budget aggregations. While the conferees realize there are direct intelligence applications of the JSTARS associated Ground Support Modules (GSM) and the follow on Common Ground Stations (CGS), they note that the JSTARS aircraft is a direct battle management and targeting system, not an intelligence system. The JSTARS moving target indicator (MTI) radar system provides critical data to the operational and intelligence communities, and so could be considered within the TIARA budget aggregation. Accordingly, the conferees agree the associated ground stations are direct multi-source intelligence support applications and may be appropriately considered part of the entire intelligence support architecture and continue to be funded within TIARA aggregation.

B–1B Conventional mission upgrade program

The budget request for B–1B modifications was $84.4 million, and $220.9 million for research and development in PE64226F.

The House bill would authorize an increase of $15.0 million to the budget request for B–1B bomber modifications to accelerate competitive procurement of precision guided munitions (PGM) for the B–1B fleet, and $57.0 million to procure conventional bomb modules. The House bill would also increase the budget request by $8.3 million for research and development for defensive system upgrades.

The Senate amendment would authorize an increase of $56.5 million in procurement for conventional bomb modules and an increase of $48.0 million in research and development as follows:

(1) $25.0 million for the bomber virtual umbilical device (BVUD);

(2) $10.0 million for defensive systems upgrades; and

(3) $13.0 million for data links.

The conferees are discouraged by the slow pace of conventional PGM integration for the B–1B. Although additional funding was provided in fiscal year 1996 to accelerate arming of the B–1B bomber force with Joint Direct Attack Munitions and other PGM capability, the conferees are not aware of any significant progress toward this objective. Consequently, the conferees authorize an increase of $82.0 million to the procurement request for B–1B modifications as follows:

(1) $25.0 million to accelerate competitive procurement of PGM; and

(2) $57.0 million to procure conventional bomb modules.

The conferees also agree to an increase to the budget request of $8.3 million for defensive systems upgrade program in PE64226F.

E–3 Airborne Warning and Control Systems (AWACS)

The budget request did not include funds for the re-engining of E–3 AWACS.

The House bill would authorize an additional $64.2 million in PE 27417F for reliability, maintainability and re-engining initiatives approved by the Secretary of Defense that could begin in fiscal year 1997.

The Senate amendment would increase the request by $109.0 million in Aircraft Procurement, Air Force to begin the re-engining of the AWACS aircraft.

The conferees agree to authorize an additional $34.9 million in research and development funding, for a total of $92.5 million, to initiate re-engining of AWACS.

Satellite communications terminals

The budget request contained $14.8 million for modification of in service aircraft.

The House bill would authorize the budget request.

The Senate amendment would increase the requested amount by $21.2 million for procurement of demand assigned multiple access (DAMA) ultra-high frequency (UHF) satellite communications airborne terminals.

The conferees agree to authorize an additional $20.3 million in aircraft procurement funding to begin procuring UHF airborne DAMA terminals. the conferees understand that additional funds will be required in the out years to complete this effort and expect the Air Force to program sufficient funding in future budget requests.

Defense Airborne Reconnaissance Program Procurement

Procurement for the Defense Airborne Reconnaissance Program (DARP) is contained in a number of procurement lines, distributed among the individual services and the defense-wide procurement account.

The budget request included:

(1) $66.2 million in Aircraft Procurement, Air Force (APAF) line 59;

(2) $150.7 million in APAF, line 70; and

(3) $168.9 million in Procurement, Defense-wide (PDW), line 7.

The House bill would provide an additional $210.3 million in APAF line 59, a reduction of $50.0 million in APAF line 70, and an addition of $80.0 million in PDW line 7.

The Senate amendment would provide an addition of $182.2 million to APAF line 59, authorize the budget request for APAF line 70, and provide an additional $8.0 million for PDW line 7.

The budget request, details of the adjustments in the House bill and the Senate amendment, and the final conference agreement, are summarized in the table below:

DEFENSE AIRBORNE RECONNAISSANCE PROCUREMENT PROGRAMS

[Dollars in thousands]

Program	Budget request	Proposed change		Conference agreement
		House	*Senate*	
Additional Rivet Joint aircraft ..	—	39,300	—	39,300
Rivet Joint mods	65,186	20,000	—	85,186
Rivet Joint technology transfer	—	—	20,000	—
Combat Sent mods	1,000	6,000	—	7,000
RC–135 data links	....	—	8,000	—
RC–135 re-engining	....	145,000	145,000	145,000
SR–71 mods	—	—	9,000	9,000
Subtotal—APAF 59	66,186	210,300	182,200	285,486
Restore damaged U–2 aircraft	—	5,000	—	—
Undistributed reduction	—	(50,000)	—	(50,000)
Other	150,742	—	—	150,742
Subtotal—APAF 70	150,742	(45,000)	—	100,742
Predator UAV	57,791	50,000	—	107,791
Pioneer UAV	10,567	30,000	—	40,567
Common automatic	—	—	8,000	8,000
U–2 satellite communications	2,023	—	—	2,023
Common imagery ground/surface system (CIGSS)	98,486	—	—	98,486
Subtotal—PDW 7	168,867	80,000	8,000	256,867

The conferees view with concern the lack of clarity in the display of DARP spending and have included provisions elsewhere in this bill requiring the Defense Airborne Reconnaissance Office (DARO) to provide improved budget presentations in future years.

AIRCRAFT PROCUREMENT, AIR FORCE, LINE 59

The conferees agree to an increase of $219.3 million above the budget request for the following purposes:

(1) $39.3 million for an additional Rivet Joint (RJ) aircraft;

(2) $20.0 million for RJ modifications;

(3) $6.0 million for Combat Sent modifications;

(4) $145.0 million re-engining RC–135 aircraft; and

(5) $9.0 million for SR–71 modifications.

Rivet Joint fleet modifications

The conferees acknowledge the need for consistent level-of-effort funding to improve these intelligence support aircraft in response to the rapid, and often unpredictable, improvements in threat technologies. Accordingly, the conferees expect the Department to provide funds for level-of-effort upgrades in future budget requests. While the conferees support upgrades based on platform-specific missions, they are skeptical of multi-functional type developmental upgrades and will closely monitor the Department's effort to coordinate service efforts and ensure compliance of such upgrades with the overall architecture.

Rivet Joint technology transfer

The conferees encourage the Air Force to move forward with a near-term, cost effective program to transfer the mature, medium wave infrared sensor technology from the Cobra Ball aircraft to the Rivet Joint fleet. Such a program would offer the option of early deployment in support of theater missile defense improvements. This transfer could provide significant improvement to the Department's capabilities for long range surveillance, warning, rapid cueing for attack operations and predicting impact points.

AIRCRAFT PROCUREMENT, AIR FORCE, LINE 70

The conferees agree to a general reduction of $50.0 million to the budget request.

PROCUREMENT, DEFENSE-WIDE, LINE 7

Pioneer unmanned aerial vehicle (UAV)

The budget request included $10.6 million attrition spares and unit support kits for the Pioneer UAV.

The House bill would authorize an increase of $30.0 million over the request to purchase attrition air vehicles and to replace aging and vanishing vendor items.

The Senate amendment would authorize the request.

The Department's decision to terminate the procurement of the Hunter UAV system has resulted in the Pioneer becoming the only UAV currently capable of meeting Navy and Marine Corps short range requirements. Consequently, the conferees agree to provide an increase of $30.0 million to fund initiatives necessary to ensure the continued effectiveness of the Pioneer UAV system.

Predator unmanned aerial vehicle (UAV)

The budget request included $57.8 for Predator hardware and production support.

The House bill would authorize an increase of $50.0 million to procure an additional two Predator systems.

The Senate amendment would authorize the budget request, and would separately provide a provision restricting the obligation of fiscal year 1997 funds.

The Senate recedes.

The conferees agree to recommend an additional $50.0 million for the Predator UAV system. The conferees recognize the Predator UAV's importance as well as the need to field capable effective UAV systems in the near-term.

Common automatic recovery system (CARS)

The conferees expect that this low cost system will help reduce mishaps and improve UAV operational effectiveness. Accordingly, the conferees agree to provide an additional $8.0 million for integrating CARS into the tactical UAV (TUAV) and the Predator UAV systems as soon as practicable.

KC–135 simulators

The budget request included $176.4 million for common aerospace ground equipment (AGE), which included funds for a three phase program to upgrade C–5, KC–10, and KC–135 simulators.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $63.0 million to acquire the last nine simulator systems in fiscal year 1997.

Since the House bill and the Senate amendment were passed, the conferees have learned of possible reductions in the AGE line because of postponed acquisition of self-generating nitrogen systems. Accordingly, the conferees agree to reduce the budget request by $16.2 million.

F–16 post production support

The budget request included $81.6 million for post production support of F–16 aircraft.

The House bill would authorize the budget request.

The Senate amendment would authorize the budget request.

Since the House bill and the Senate amendment were passed, the conferees have learned of possible reductions in F–16 post production support requirements, because of double budgeting of sustainment costs, and unneeded production termination funds. Accordingly, the conferees agree to reduce the budget request by $10.7 million.

Miscellaneous production charges

The budget request included $210.7 million for miscellaneous production charges.

The House bill would authorize a reduction of $28.0 million.

The Senate amendment would authorize the budget request.

The conferees have learned of possible reductions in requirements for miscellaneous production charges, because funds in the program are excess to firm program requirements. Accordingly, the conferees agree to reduce the budget request by $24.7 million.

Overview

The budget request for fiscal year 1997 contained an authorization of $2,733.9 million for Missile Procurement, Air Force in the Department of Defense. The House bill would authorize $4,341.2 million. The Senate amendment would authorize $2,847.2 million. The conferees recommended an authorization of $2,525.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
		Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	MISSILE PROCUREMENT, AIR FORCE				-						
	BALLISTIC MISSILES				-						
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC				-						
1	MISSILE REPLACEMENT EQ-BALLISTIC	-	8,300		11,700		8,300		500		8,800
	OTHER MISSILES				-						
	STRATEGIC				-						
2	HAVE NAP	-	-	50	39,000		39,000	50	39,000	50	39,000
3	ADVANCED CRUISE MISSILE	-	1,236	-	1,236		1,236				1,236
	TACTICAL				-						
4	GPS AIDED MUNITION	-	-		-						-
5	JOINT DIRECT ATTACK MUNITION	937	23,010	3,937	73,010	937	23,010			937	23,010
6	JOINT STANDOFF WEAPON	-	8,033		8,033		8,033				8,033
7	AMRAAM	133	116,299	200	139,799	200	139,799	30	600	163	116,899
8	AGM-130 POWERED GBU-15	-	-	250	95,000	100	40,000	100	40,000	100	40,000
8a	AGM-165 G MAVERICK			425	34,000						-
	TARGET DRONES				-						
9	TARGET DRONES	88	38,040	88	38,040	88	38,040			88	38,040
	INDUSTRIAL FACILITIES				-						
10	NONE	-	5,198		5,198		5,198				5,198
	MISSILE REPLACEMENT EQUIPMENT - OTHER				-						
11	MISSILE REPLACEMENT EQ-OTHER	-	149		149		149				149
	MODIFICATION OF INSERVICE MISSILES				-						
	CLASS IV				-						
12	CONVENTIONAL ALCM	-	-	100	15,000		15,000		15,000		15,000
13	AIM-9 SIDEWINDER	-	9,451		9,451		9,451				9,451
14	MM III MODIFICATIONS	-	72,752		78,052		72,752		5,300		78,052
15	AGM-88A HARM	-	-		-		-				-
16	MODIFICATIONS UNDER $2.0M	-	128		128		128				128
	SPARES AND REPAIR PARTS				-						
	MISSILE SPARES + REPAIR PARTS				-						
17	SPARES AND REPAIR PARTS	-	44,590		44,890		44,590				44,590
	OTHER SUPPORT				-						
	SPACE PROGRAMS				-						
18	CANCELLED ACCOUNT	-	-		-						-
19	SPACEBORNE EQUIP (COMSEC)	-	-		-		-				-
20	GLOBAL POSITIONING (MYP) SPACE	3	197,693	3	197,693	3	197,693		7,100		204,793
20	LESS: ADVANCE PROCUREMENT (PY)	-	(26,558)	-	(26,558)		(26,558)				(26,558)

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
		Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
21	ADVANCE PROCUREMENT (CY)	-	27,501		27,501		27,501				27,501
22	IONDS (MYP) SPACE	-	4,112		4,112		4,112				4,112
23	SPACE SHUTTLE OPERATIONS SPACF	-	52,500		52,500		52,500		(4,800)		47,700
23	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
24	SPACE BOOSTERS SPACE	-	489,606		409,806		448,806		(83,800)		405,806
25	MEDIUM LAUNCH VEHICLE SPACE	3	166,556	3	162,556	3	166,556			3	166,556
25	LESS: ADVANCE PROCUREMENT (PY)	-	(31,195)		(31,195)		(31,195)				(31,195)
26	ADVANCE PROCUREMENT (CY)	-	40,238		30,538		40,238				40,238
27	DEF METEOROLOGICAL SAT PROG SPACE	-	27,885		27,885		27,885				27,885
28	DEFENSE SUPPORT PROGRAM (MYP) SPACE	-	70,967		70,967		70,967				70,967
29	DEFENSE SATELLITE COMM SYSTEM SPACE	-	22,729		22,729		22,729				22,729
30	ADVANCE PROCUREMENT (CY)	-	4,200		4,200		4,200				4,200
	SPECIAL PROGRAMS				-						
31	SPACEBORNE EQUIP (COMSEC)	-	13,990		13,990		13,990				13,990
32	IONDS (MYP) SPACE	-	-		-		-				-
32	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
33	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
34	SPECIAL UPDATE PROGRAMS	-	301,368		106,968		301,368				301,368
35	SPECIAL PROGRAMS	-	774,800		2,674,800		787,800		27,800		802,600
	MUNITIONS & RELATED EQUIPMENT				-						
	ROCKETS + LAUNCHERS				-						
36	2.75 INCH ROCKET MOTOR	25,392	10,126		-	25,392	10,126		(10,126)		-
37	2.75	25,360	1,795		-	25,360	1,795		(1,795)		-
38	ITEMS LESS THAN $2,000,000	-	50		-		50		(50)		-
	CARTRIDGES				-						
39	5.56 MM	18,951	7,653		-	18,951	7,653		(7,653)		-
40	20MM TRAINING	435	2,404		-	435	2,404		(2,404)		-
41	30 MM TRAINING	399	3,160		-	399	3,160		(3,160)		-
42	CARTRIDGE CHAFF RR-188	507	1,191		-	507	1,191		(1,191)		-
43	ITEMS LESS THAN $2,000,000	-	4,524		-		4,524		(4,524)		-
	BOMBS				-						
44	MK-82 INERT/BDU-50	12,750	6,430		-	12,750	6,430		(6,430)		-
45	GBU-28 HARD TARGET PENETRATOR	161	18,417		-	161	18,417		(18,417)		-
46	BOMB PRACTICE 25 POUND	200,000	2,978		-	200,000	2,978		(2,978)		-
47	MK-84 BOMB-EMPTY	1,500	3,594		-	1,500	3,594		(3,594)		-
48	SENSOR FUZED WEAPON	400	131,146		-	400	152,746		(131,146)		-
49	TTU-373A DIGITAL TEST SET	13	5,050		-	13	5,050		(5,050)		-
50	ITEMS LESS THAN $2,000,000	-	50		-		50		(50)		-
	TARGETS				-						

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
		Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
51	ITEMS LESS THAN $2,000,000	-	50		-		50		(50)		-
	OTHER ITEMS_				-						
52	FLARE, IR MJU-7B	878,340	20,018		-	878,340	20,018		(20,018)		-
53	MJU-10B	209,472	12,730		-	209,472	12,730		(12,730)		-
54	M-206 CARTRIDGE FLARE	1,020,000	12,791		-	1,020,000	12,791		(12,791)		-
55	INITIAL SPARES	-	25				25		(25)		-
56	REPLENISHMENT SPARES	-	2,201		-		2,201		(2,201)		-
57	MODIFICATIONS	-	650		-		650		(650)		-
58	ITEMS LESS THAN $2,000,000	-	3,544		-		3,544		(3,544)		-
	FUZES_				-						
59	JOINT PROGRAMMABLE FUSE(JPF)	324	4,125		-	324	4,125		(4,125)		-
59a	HARD TARGET SMART FUZES				-		2,000				-
	OTHER WEAPONS_				-						
60	M-16 A2 RIFLE	-	15,524		-	0	15,524				15,524
61	9MM COMPACT PISTOL	131	73		-	131	73			131	73
	TOTAL, MISSILE PROCUREMENT, AIR FORCE		2,733,877		4,341,178		2,847,177		(208,002)		2,525,875

Peacekeeper sustainment

The budget request included $8.3 million for procurement of missile replacement equipment, $72.8 million for procurement of Minuteman III modifications, and $44.6 million for procurement of spares and repair parts.

The House bill recommended a net increase of $32.0 million for Peacekeeper sustainment activities. This included an additional $3.4 million for missile replacement equipment, $5.3 million for Minuteman modifications, and $300,000 for replacement spares and repairs. In addition, the House bill recommends that, of the amounts authorized to be appropriated pursuant to Title III for Air Force operation and maintenance, $23.0 million be used for sustained Peacekeeper operations.

The Senate amendment approved the budget request for Peacekeeper.

The conferees agree to authorize the following for peacekeeper sustainment: (1) an additional $3.4 million for missile replacement equipment, a net increase of $500,000 in this program element; (2) an additional $5.3 million in Procurement Air Force (Minuteman modifications); (3) an addition $300,000 in Air Force Procurement for replacement spares and repairs; and (4) of the amounts authorized to be appropriated pursuant to Title III for Air Force operation and maintenance, $23.0 million for Peacekeeper operations.

Overview

The budget request for fiscal year 1996 contained an authorization of $0 million for Ammunition Procurement, Air Force in the Department of Defense. The House bill would authorize $303.9 million. The Senate amendment would authorize $0 million. The conferees recommended an authorization of $278.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	PROCUREMENT OF AMMUNITION, AIR FORCE				-						
	PROCUREMENT OF AMMO, AIR FORCE				-						
	PROC AMMO, AF				-						
1	2.75 INCH ROCKET MOTOR	-	-	25,392	10,126		-		10,126		10,126
2	2.75	-	-	25,360	1,795		-		1,795		1,795
3	ITEMS LESS THAN $2,000,000		-		50		-		50		50
	CARTRIDGE CHAFF RR-180				-						
4	5.56 MM	-	-	18,951	7,653		-		7,653		7,653
5	20MM TRAINING	-	-	435	2,404		-		2,404		2,404
6	30 MM TRAINING	-	-	399	3,160		-		3,160		3,160
7	CARTRIDGE CHAFF RR-180	-	-		-		-				-
8	CARTRIDGE CHAFF RR-188	-	-	507	1,191		-		1,191		1,191
9	SIGNAL MK-4 MOD 3	-	-		-		-				-
10	ITEMS LESS THAN $2,000,000	-	-		4,524		-		4,524		4,524
	TIMER ACTUATOR FIN FUZE				-						
11	MK-82 INERT/BDU-50	-	-	12,750	6,430		-		6,430		6,430
12	TIMER ACTUATOR FIN FUZE	-	-		-		-				-
13	GBU-15	-	-		-		-				-
13a	GBU-28 HARD TARGET PENETRATOR			261	30,417				18,417		18,417
14	BOMB PRACTICE 25 POUND	-	-	200,000	2,978		-		2,978		2,978
15	MK-84 BOMB-EMPTY	-	-	1,500	3,594		-		3,594		3,594
16	SENSOR FUZED WEAPON	-	-	500	152,746		-		152,746		152,746
16a	TTU-373A DIGITAL TEST SET				5,050				5,050		5,050
17	CBU-87(COMBINED EFFECTS MUNITIONS)	-	-	13	-		-				-
18	CBU-89 GATOR INERT	-	-		-		-				-
19	ITEMS LESS THAN $2,000,000	-	-		50		-		50		50
	ITEMS LESS THAN $2,000,000				-						
20	ITEMS LESS THAN $2,000,000	-	-		50		-		50		50
	FLARE, IR MJU-7B				-						
21	FLARE, IR MJU-7B	-	-	878,340	20,018		-		20,018		20,018
22	PARACHUTE FLARE LUU-2 B/B	-	-		-		-				-
23	MJU-23 FLARE	-	-		-		-				-

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
24	MJU-10B	-	-	209,472	12,730		-		12,730		12,730
25	M-206 CARTRIDGE FLARE	-	-	1,020,000	12,791		-		12,791		12,791
26	INITIAL SPARES	-	-		25		-		25		25
27	REPLENISHMENT SPARES	-	-		2,201		-		2,201		2,201
28	MODIFICATIONS	-	-		650		-		650		650
29	ITEMS LESS THAN $2,000,000	-	-		3,544		-		3,544		3,544
	FMU-139 FUZE				-						
30	FMU-139 FUZE	-	-		-		-				-
30a	JOINT PROGRAMMABLE FUSE (JPF)			324	4,125				4,125		4,125
31	ITEMS LESS THAN $2,000,000	-	-				-				-
31a	HARD TARGET SMART FUZES	-	-	-	-		-		2,000		2,000
	MUNITIONS UNDISTRIBUTED				-						
32	M-16 A2 RIFLE	-	-		15,524		-				-
32a	9MM COMPACT PISTOL			131	73						-
	TOTAL, PROCUREMENT OF AMMUNITION, AIR FORCE		-		303,899		-		278,302		278,302

Overview

The budget request for fiscal year 1997 contained an authorization of $5,998.8 million for Other Procurement, Air Force in the Department of Defense. The House bill would authorize $6,117.4 million. The Senate amendment would authorize $5,889.5 million. The conferees recommended an authorization of $5,814.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER PROCUREMENT, AIR FORCE										
	VEHICULAR EQUIPMENT				-						
	PASSENGER CARRYING VEHICLES				-						
1	SEDAN, 4 DR 4X2	154	2,127	154	2,127	154	2,127			154	2,127
2	STATION WAGON, 4X2	57	949	57	949	57	949			57	949
3	BUS, 28 PASSENGER	-	-		-		-				-
4	BUS - 32-44 PASSENGER	-	-		-		-				-
5	BUSES	91	5,095	91	5,095	91	5,095			91	5,095
6	AMBULANCE, BUS	-	-				-				-
7	AMBULANCES	4	292	4	292	4	292			4	292
8	MODULAR AMBULANCE	-	-		-		-				-
9	14-23 PASSENGER BUS	-	-		-		-				-
10	LAW ENFORCEMENT VEHICLE	199	3,510	199	3,510	199	3,510			199	3,510
11	ARMORED SEDAN	1	287	1	287	1	287			1	287
	VEHICLE REPLACEMENT										-
	CARGO + UTILITY VEHICLES				-		-				
12	TRUCK, CARGO-UTILITY, 3/4T, 4X4	317	6,887	317	6,887	317	6,887			317	6,887
13	TRUCK, CARGO-UTILITY, 1/2T, 4X2	257	6,392	257	6,392	257	6,392			257	6,392
14	TRUCK, PICKUP, 1/2T, 4X2	572	8,678	572	8,678	572	8,678			572	8,678
15	TRUCK, PICKUP, COMPACT	556	9,775	556	9,775	556	9,775			556	9,775
16	TRUCK MULTI-STOP 1 TON 4X2	419	9,537	419	9,537	419	9,537			419	9,537
17	TRUCK CARRYALL	145	2,989	145	2,989	145	2,989			145	2,989
18	TRUCK, CARGO, 2 1/2T, 6X6, M-35	-	-	-	-		-				-
19	MEDIUM TACTICAL VEHICLE	-	-		-		-				-
20	TRUCK TRACTOR, OVER 5T	38	2,713	38	2,713	38	2,713			38	2,713
21	CAP VEHICLES	-	760		760		760				760
22	ITEMS LESS THAN $2,000,000	-	10,240		10,240		10,240				10,240
	SPECIAL PURPOSE VEHICLES				-						
23	TRUCK TANK FUEL R-11	-	-		-		-				-
24	HMMWV, ARMORED	38	7,396	38	7,396	38	7,396			38	7,396
25	TRACTOR, TOW, FLIGHTLINE	108	3,120	108	3,120	108	3,120			108	3,120
26	ITEMS LESS THAN $2,000,000	-	4,753		4,753		4,753				4,753
	FIRE FIGHTING EQUIPMENT				-						
27	HEAVY RESCUE VEHICLE	-	-		-		-				-
28	TRUCK PUMPER P-24	-	-		-		-				-
29	TRUCK PUMPER P-22	-	-		-		-				-
30	ITEMS LESS THAN $2,000,000	-	-		-		-				-
	MATERIALS HANDLING EQUIPMENT				-						
31	60K A/C LOADER	37	40,296	37	40,296	37	63,396	20	23,100	57	63,396

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
32	ITEMS LESS THAN $2,000,000	-	2,133		2,133		2,133				2,133
	BASE MAINTENANCE SUPPORT				-						
33	MODIFICATIONS	-	1,849		1,849		1,849				1,849
34	ITEMS LESS THAN $2,000,000	-	-		-		-				
	CANCELLED ACCOUNT ADJUSTM				-						
35	CANCELLED ACCOUNT ADJUSTMENTS	-	-		-		-				-
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP				-						
	COMM SECURITY EQUIPMENT(COMSEC)				-						
36	COMSEC EQUIPMENT	-	27,421		27,421		27,421				27,421
36a	SECURE TERMINAL EQUIPMENT				4,500						-
37	MODIFICATIONS (COMSEC)	-	501		501		501				501
	INTELLIGENCE PROGRAMS				6,300						
	PREDATOR				107,800						
38	INTELLIGENCE DATA HANDLING SYS	-	14,009		14,009		20,309				14,009
39	INTELLIGENCE TRAINING EQUIPMENT	-	1,989		1,989		1,989				1,989
40	INTELLIGENCE COMM EQUIP	-	11,247		11,247		11,247				11,247
41	ITEMS LESS THAN $2,000,000	-	-		-		-				-
	ELECTRONICS PROGRAMS				-						
42	THEATER AIR CONTROL SYS IMPROVEMENT	-	21,698		21,698		21,698				21,698
43	WEATHER OBSERV/FORCAST	-	13,944		17,944		13,944		4,000		17,944
44	STRATEGIC COMMAND AND CONTROL	-	23,382		23,382		23,382				23,382
45	CHEYENNE MOUNTAIN COMPLEX	-	3,083		3,083		3,083				3,083
46	TAC SIGINT SUPPORT	-	5,817		5,817		5,817				5,817
47	DRUG INTERDICTION PROGRAM	-	-		-		-				-
48	DARP	-	-		-		-				-
	SPECIAL COMM-ELECTRONICS PROJECTS				-						
49	AUTOMATIC DATA PROCESSING EQUIP	-	17,791		17,791		17,791				17,791
50	WWMCCS/GLOBAL COMMAND & CONTROL S	-	10,165		10,165		10,165				10,165
51	MOBILITY COMMAND AND CONTROL	-	4,605		4,605		4,605				4,605
52	AIR FORCE PHYSICAL SECURITY SYSTEM	-	14,316		14,316		14,316				14,316
53	COMBAT TRAINING RANGES	-	11,364		11,364		11,364				11,364
54	C3 COUNTERMEASURES	-	9,128		9,128		9,128				9,128
55	BASE LEVEL DATA AUTO PROGRAM	-	22,385		22,385		22,385				22,385
56	THEATER BATTLE MGT C2 SYS	-	47,966		47,966		50,166				47,966
	AIR FORCE COMMUNICATIONS				-						
57	INFORMATION TRANSMISSION SYSTEMS	-	-		-		-				-
58	BASE INFORMATION INFRASTRUCTURE	-	125,741		115,741		125,741		(10,000)		115,741
59	USCENTCOM	-	2,298		2,298		2,298				2,298

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
60	AUTOMATED TELECOMMUNICATIONS PRG	-	19,173		19,173		19,173				19,173
61	WIDEBAND SYSTEMS UPGRADE	-	-		-		-				-
62	SATELLITE TERMINALS	-	-		-		-				-
	DISA PROGRAMS_				-						
63	DEFENSE SUPPORT PROGRAM SPACE	-	-		-		-				-
64	SPACE BASED IR SENSOR PROG SPACE	-	25,939		25,939		25,939				25,939
65	NAVSTAR GPS SPACE	-	3,308		3,308		3,308		1,000		4,308
66	DEFENSE METEOROLOGICAL SAT PROG SPAC	-	10,533		10,533		10,533				10,533
67	NUDET DETECTION SYS (NDS) SPACE	-	2,085		2,085		2,085				2,085
68	AF SATELLITE CONTROL NETWORK SPACE	-	16,144		16,144		16,144				16,144
69	EASTERN/WESTERN RANGE I&M SPACE	-	102,442		102,442		102,442				102,442
70	MILSATCOM SPACE	-	52,164		52,164		52,164				52,164
71	SPACE MODS SPACE	-	23,378		23,378		23,378				23,378
	ORGANIZATION AND BASE_				-						
72	TACTICAL C-E EQUIPMENT	-	24,075		24,075		24,075				24,075
73	COMBAT SEARCH & RESCUE (CSAR) RADIO	-	2,858		2,858		2,858				2,858
74	RADIO EQUIPMENT	-	9,174		9,174		9,174				9,174
75	TV EQUIPMENT (AFRTV)	-	2,402		2,402		2,402				2,402
76	CCTV/AUDIOVISUAL EQUIPMENT	-	3,958		3,958		3,958				3,958
77	BASE COMM INFRASTRUCTURE	-	-		-		-				-
78	CAP COM & ELECT	-	-		-		-				-
79	ITEMS LESS THAN $2,000,000	-	9,714		9,714		9,714				9,714
	MODIFICATIONS_				-						
80	COMM ELECT MODS	-	14,211		14,211		14,211				14,211
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP				-						
	TEST EQUIPMENT_				-						
81	BASE/ALC CALIBRATION PACKAGE	-	13,969		13,969		13,969				13,969
82	PRIMARY STANDARDS LABORATORY PACKA	-	1,563		1,563		1,563				1,563
83	ITEMS LESS THAN $2,000,000	-	12,188		12,188		12,188				12,188
	PERSONAL SAFETY AND RESCUE EQUIP_				-						
84	NIGHT VISION GOGGLES	-	3,645		3,645		3,645				3,645
85	BREATHING APPARATUS TWO HOUR	-	1,993		1,993		1,993				1,993
86	UNIVERSAL WATER ACTIVATED REL SYS	-	968		968		968				968
87	CHEMICAL/BIOLOGICAL DEF PROG	-	-		-		-				-
88	ITEMS LESS THAN $2,000,000	-	5,819		5,819		5,819				5,819
	DEPOT PLANT + MATERIALS HANDLING EQ_				-						
89	MECHANIZED MATERIAL HANDLING EQUIP	-	8,874		8,874		8,874				8,874
90	BASE MECHANIZATION EQUIPMENT	-	-		-		-				-
91	AIR TERMINAL MECHANIZATION EQUIP	-	-		-		-				-

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
92	ITEMS LESS THAN $2,000,000	-	5,718		5,718		5,718				5,718
	ELECTRICAL EQUIPMENT				-						
93	GENERATORS-MOBILE ELECTRIC	-	606		606		606				606
94	FLOODLIGHTS SET TYPE NF2D	-	-		-		-				-
95	ITEMS LESS THAN $2,000,000	-	3,425		3,425		3,425				3,425
	BASE SUPPORT EQUIPMENT				-						
96	BASE PROCURED EQUIPMENT	-	-		-		-				-
97	NATURAL GAS UTILIZATION EQUIPMENT	-	-		-		-				-
98	MEDICAL/DENTAL EQUIPMENT	-	15,268		15,268		15,268				15,268
99	ENVIRONMENTAL PROJECTS	-	-		-		-				-
100	AIR BASE OPERABILITY	-	4,866		4,866		4,866				4,866
101	PALLET AIR CARGO	4,000	3,562	4,000	3,562	4,000	3,562			4,000	3,562
102	NET ASSEMBLY, 108	-	1,900		1,900		1,900				1,900
103	BLADDERS FUEL	-	1,911		1,911		1,911				1,911
104	AERIAL BULK FUEL DELIVERY SYSTEM	-	2,063		2,063		2,063				2,063
105	PHOTOGRAPHIC EQUIPMENT	-	6,089		6,089		6,089				6,089
106	PRODUCTIVITY ENHANCEMENT	-	-		-		-				-
107	PRODUCTIVITY INVESTMENTS	-	-		-		-				-
108	MOBILITY EQUIPMENT	-	21,259		21,259		21,259				21,259
109	SPARES AND REPAIR PARTS	-	-		-		-				-
110	DEPLOYMENT/EMPLOYMENT CONTAINERS	-	1,948		1,948		1,948				1,948
111	SPATIAL DISORIENTATION DEMONSTRATOR	-	1,947		1,947		1,947				1,947
112	AIR CONDITIONERS	-	803		803		803				803
113	ITEMS LESS THAN $2,000,000	-	4,971		4,971		4,971				4,971
	SPECIAL SUPPORT PROJECTS				-						
114	INTELLIGENCE PRODUCTION ACTIVITY	-	64,977		77,277		56,777				64,977
115	TECH SURV COUNTERMEASURES EQ	-	1,061		1,061		1,061				1,061
116	DARP	-	77,074		77,074		77,074				77,074
	AIRBOURNE RECONNAISSANCE PROJECTS	-									-
	COMMON IMAGERY GROUND SURFACE SYSTEM (CIGSS)										-
117	SELECTED ACTIVITIES	-	4,661,580		4,655,280		4,519,880		(202,500)		4,459,080
118	SPECIAL UPDATE PROGRAM	-	176,455		176,455		176,455				176,455
119	INDUSTRIAL PREPAREDNESS	-	1,351		1,351		1,351				1,351
120	MODIFICATIONS	-	195		195		195				195
121	FIRST DESTINATION TRANSPORTATION	-	13,534		13,534		13,534				13,534
	SPARE AND REPAIR PARTS				-						
	SPARES AND REPAIR PARTS				-						
122	SPARES AND REPAIR PARTS	-	37,051		37,051		37,051				37,051
	UH-1N SIMULATOR						9,000				-

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	TOTAL, OTHER PROCUREMENT, AIR FORCE		5,998,819		6,117,419		5,889,519		(184,400)		5,814,419

60K Loader

The budget request contained $40.3 million for 37 60K loaders.

The House bill would authorize the budget request.

The Senate amendment would increase the authorization by $23.1 million to accelerate the acquisition of 60K loaders by adding 20 additional loaders in fiscal year 1997.

The House recedes.

The conferees understand that accelerated acquisition of 60K loaders through an additional 20 loaders in fiscal year 1997 could reduce Future Years Defense Program (FYDP) costs of these loaders by $27.4 million.

Accordingly, the conferees recommend an increase of $23.1 million to acquire a total of 57 of the new 60K loaders, with the understanding that the Department of Defense has programmed sufficient funds in the out years to complete the planned acquisition of 60K loaders.

Theater battle management command and control system procurement (TBMCS)

The budget request included $48.0 million for procurement of the theater battle management command and control system.

The House bill would authorize the budget request.

The Senate amendment would add $2.2 million to the program as part of a data link initiative to incorporate data links in various Air Force aircraft. The additional $2.2 million would complete installation of data link related equipment in modular air operation centers.

The Senate recedes.

The conferees agree to authorize $48.0 million for the system.

Base information infrastructure

The budget request included $125.7 million Air Force base information infrastructure.

The House bill would reduce the authorization by $10.0 million.

The Senate amendment would authorize the budget request.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $1,841.2 million for Defense-wide Procurement in the Department of Defense. The House bill would authorize $1,890.2 million. The Senate amendment would authorize $1,908.0 million. The conferees recommended an authorization of $2,008.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
		Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
	PROCUREMENT, DEFENSE-WIDE				-						
	MAJOR-EQUIPMENT				-						
	MAJOR EQUIPMENT, OSD/WHS				-						
1	MOTOR VEHICLES	-	-	-	-		-				-
2	MAJOR EQUIPMENT, OSD	-	136,218	-	136,218		136,218				136,218
	HIGH SECURITY LOCKS										-
3	MAJOR EQUIPMENT, WHS	-	15,207	-	15,207		15,207				15,207
4	ARMED FORCE INFORMATION SERVICE	-	7,897	-	7,897		7,897				7,897
5	DEPARTMENT OF DEFENSE EDUCATION ACTI	-	1,595	-	1,595		1,595				1,595
6	DEFENSE TECHNOLOGY SECRUITY ADMINIST	-	698	-	698		698				698
7	DARP	-	168,867	-	160,067		176,867		88,000		256,867
8	CORPORATE INFORMATION MANAGEMENT	-	-	-	-		-				-
	INFORMATION RESOURCES MANAGEMENT										-
	CLASSIFIED EQUIPMENT										-
	MAJOR EQUIPMENT, NSA				-						
10	DEFENSE AIRBORNE RECONNAISSANCE PROG	-	13,746	-	13,746		13,746				13,746
	MAJOR EQUIPMENT, DNA				-						
11	VEHICLES	-	171	-	171		171				171
12	OTHER MAJOR EQUIPMENT	-	7,700	-	7,700		7,700				7,700
	MAJOR EQUIPMENT, DISA				-						-
13	WWMCCS ADP SYSTEMS	-	3,992	-	3,992		3,992				3,992
14	MOBILE SATELLITE SYSTEM TECHNOLOGIES	-	20,602	-	20,602		20,602				20,602
15	INFORMATION SYSTEMS SECURITY	-	17,136	-	17,136		17,136				17,136
16	CONTINUITY OF OPERATIONS	-	5,295	-	5,295		5,295				5,295
17	JOINT C4ISR	-	4,814	-	4,814		4,814				4,814
18	DEFENSE MESSAGE SYSTEM	-	41,397	-	41,397		41,397				41,397
19	PLANS & PROGRAM ANALYSIS SUPPORT CEN	-	3,300	-	3,300		3,300				3,300
20	ITEMS LESS THAN $2 MILLION	-	293	-	293		293				293
21	DRUG INTERDICTION SUPPORT	-	-	-	19,000		-				-
	MAJOR EQUIPMENT, DIA				-						
	MAJOR EQUIPMENT, DLA				-						
	AUTOMATED DOCUMENT CONVERSION SYSTEM				38,800				38,800		38,800
24	DEFENSE SUPPORT ACTIVITIES	-	6,673	-	6,673		6,673				6,673
	MAJOR EQUIPMENT, DMA				-						
25	AUTOMATED INFORMATION SYSTEM EQUIPM	-	-		-		-				-
26	VEHICLES	-	59		59		59				59
27	OTHER CAPITAL EQUIPMENT	-	-		-		-				-
	MAJOR EQUIPMENT, DIS				-						

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
28	VEHICLES	244	2,996	244	2,996	244	2,996			244	2,996
29	OTHER CAPITAL EQUIPMENT	-	8,590		8,590		8,590				8,590
	MAJOR EQUIPMENT, DCAA				-						
30	ITEMS LESS THAN $2 MILLION	-	3,832		3,832		3,832				3,832
	MAJOR EQUIPMENT, DSPO				-						
31	MAJOR EQUIPMENT , DSPO	-	20,025		20,025		20,025				20,025
	MAJOR EQUIPMENT, TJS				-						
32	MAJOR EQUIPMENT, TJS	-	21,501		21,501		21,501				21,501
	ON-SITE INSPECTION AGENCY				-						
33	VEHICLES	-	95		95		95				95
34	OTHER CAPITAL EQUIPMENT	-	3,191		3,191		3,191				3,191
	BALLISTIC MISSILE DEFENSE ORGANIZATION				-						
35	PATRIOT PAC-3	-	215,378		215,378		215,378				215,378
36	C4I	-	19,256		19,256		19,256				19,256
37	HAWK BN/C3 MODS	-	19,379		19,379		19,379				19,379
38	NAVY AREA TBDM PROGRAM	-	9,160		9,160		9,160				9,160
	CENTRAL IMAGERY OFFICE				-						
	SPECIAL OPERATIONS COMMAND				-						
	AVIATION PROGRAMS				-						
40	RADIO FREQUENCY MOBILE ELECTRONIC TES	-	14,340		14,340.		14,340				14,340
41	SOF ROTARY WING UPGRADES	-	4,788		4,788		4,788				4,788
42	SOF TRAINING SYSTEMS	-	1,074		1,074		1,074				1,074
43	MC-130H COMBAT TALON II	-	8,067		8,067		8,067				8,067
44	AC-130U GUNSHIP ACQUISITION	-	44,800		44,800		44,800				44,800
45	C-130 MODIFICATIONS	-	86,677		86,677		110,477		17,900		104,577
45	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
46	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
47	HH-53 MODIFICATIONS	-	-		-		-				-
48	MH-47/MH-60 MODIFICATIONS	-	-		-		-				-
49	OH-6 PROCUREMENT & MODIFICATIONS	-	-		-		-				-
50	AIRCRAFT SUPPORT	-	13,639		13,639		13,639				13,639
	SHIPBUILDING				-						
51	PC,CYCLONE CLASS	-	-		-		-				-
52	ADVANCED SEAL DELIVERY SYSTEM (ASDS)	-	-		-		4,400		4,400		4,400
53	MK VIII MOD 1 - SEAL DELIVERY VEHICLE	-	9,255		9,255		9,255				9,255
54	SUBMARINE CONVERSION	-	6,027		6,027		6,027				6,027
54	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
55	ADVANCE PROCUREMENT (CY)	-	2,886		2,886		2,886				2,886

Title I - Procurement

(Dollars in Thousands)

Line		FY 1997		House Authorized		Senate Authorized		Conference Change		Conference Agreement	
No	Title	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost	Qty	Cost
56	MK V SPECIAL OPERATIONS CRAFT (MK V SO	-	41,211		41,211		41,211				41,211
	AMMUNITION PROGRAMS						.				
57	SOF PYRO/DEMO	-	6,161		6,161		6,161				6,161
58	SOF PLATFORM GUN AMMUNITION	-	.		.		.		.		.
59	SOF INDIV WEAPONS AMMUNITION	-	24,379		24,379		24,379				24,379
59a	SELECTABLE LIGHTWEIGHT ATTACK MUNITIONS		0		.		5,000		5,000		5,000
59b	TIMED RELAY FIRING DEVICES				.		8,000		8,000		8,000
	OTHER PROCUREMENT PROGRAMS				.						
60	LIGHT STRIKE VEHICLE	-	.		.						.
61	MARITIME EQUIPMENT MODIFICATIONS	-	4,833		4,833		4,833				4,833
62	SPARES AND REPAIR PARTS	-	36,134		36,134		36,134				36,134
63	COMM EQUIPMENT & ELECTRONICS	-	26,617		26,617		39,717		9,400		36,017
64	SOF INTELLIGENCE SYSTEMS	-	19,833		19,833		24,333				19,833
65	SOF SMALL ARMS & WEAPONS	-	10,613		10,613		10,613				10,613
66	SPECIAL WARFARE EQUIPMENT	-	5,030		5,030		5,030		(4,451)		579
67	DRUG INTERDICTION	-	.		.		.				.
68	MISCELLANEOUS EQUIPMENT	-	3,030		3,030		3,030				3,030
69	SOF PLANNING AND REHEARSAL SYSTEM (S	-	1,876		1,876		1,876				1,876
70	CLASSIFIED PROGRAMS	-	75,221		75,221		75,221				75,221
71	PSYOP EQUIPMENT	-	7,794		7,794		7,794				7,794
	CHEMICAL/BIOLOGICAL DEFENSE				.						
	CBDP				.						
72	PROTECTIVE MASK	-	.		.		.				.
73	INDIVIDUAL PROTECTION	-	53,785		53,785		53,785				53,785
74	DECONTAMINATION	-	252		252		252				252
75	IMPROVED CHEM AGENT MONITOR (ICAM)	-	.		.		.				.
76	NBC RECON SYS (NBCRS) MODS	-	.		.		.				.
77	M17 DECON MODS	-	.		.		.				.
78	POCKET RADIAC AN/UDR - 13	-	.		.		.				.
79	REMOTE CHEM AGT ALARM (RSCAAL)	-	.		.		.				.
80	JOINT BIO DEFENSE PROGRAM	-	60,619		60,619		60,619				60,619
81	COLLECTIVE PROTECTION	-	12,333		12,333		12,333				12,333
82	CB PROTECTIVE SHELTER (CBPS)	-	.		.		.				.
83	CONTAMINATION AVOIDANCE	-	81,237		81,237		81,237				81,237
84	JOINT BIO DEFENSE PRGM	-	.		.		.				.
85	CHME/BIO DEFENSE EQ (AF)	-	.		.		.				.
86	CHEM WARFARE DETECTORS	-	.		.		.				.
87	CBR EQUIP-SHIPBOARD	-	.		.		.				.
999	CLASSIFIED PROGRAMS	-	399,638		399,638		399,638				399,638

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	TOTAL, PROCUREMENT, DEFENSE-WIDE		1,841,212		1,890,212		1,908,012		167,049		2,008,261

C–130 aircraft modifications

The budget request included $86.7 million for modifications to U.S. Special Operations Command (USSOCOM) C–130 aircraft.

The Senate amendment would authorize an increase of $23.8 million for survivability and sustainment improvements to USSOCOM's fleet of AC–130U gunships and the MC–130H Combat Talon II aircraft.

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $17.9 million for modifications to USSOCOM C–130 aircraft.

Advanced SEAL delivery system

The budget request included no procurement funding for the advanced SEAL delivery system (ASDS) for the U.S. Special Operations Command.

A changed interpretation of administrative procedures between preparation of the fiscal year 1996 and fiscal year 1997 budget requests caused $4.4 million of advance procurement funding for the ASDS to be deleted from the fiscal year 1997 budget request. The consequence of this reduction in funding would be a one year delay in fielding the ASDS system.

To restore the ASDS program to its original schedule, the Senate amendment would authorize an increase of $4.4 million over the budget request for the procurement of long-lead steel and integrated control and display consoles needed for fabrication of the first production ASDS.

The House bill would authorize the requested amount.

The House recedes.

SCAMPI communications system

The budget request contained no funding for procurement of the SCAMPI communications system for the U.S. Special Operations Command (USSOCOM).

The Senate amendment would authorize an increase of $3.7 million to complete hub relocation for USSOCOM's SCAMPI communications system.

The House bill would authorize the requested amount.

The Senate recedes.

Special mission radio system

The budget request contained $26.6 million for procurement of communications and electronic equipment for the U.S. Special Operations Command.

The Senate amendment would authorize an additional $9.4 million for procurement of the special mission radio system (SMRS) to satisfy long-range communications requirements of the special forces.

The House bill would authorize the requested amount.

The House recedes.

Briefcase multi-mission advanced tactical terminal

The budget request included $19.8 million for intelligence systems for the U.S. Special Operations Command (USSOCOM).

The Senate amendment authorized an addition of $4.5 million to accelerate the procurement of the briefcase multi-mission advanced tactical terminal (BMATT).

The House bill would authorize the requested amount.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained no authorization for National Guard and Reserve Procurement in the Department of Defense. The House bill would authorize $805.0 million. The Senate amendment would authorize $759.0 million. The conferees recommended an authorization of $780.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

National Guard and Reserve Package

	In millions
Army Reserve:	
2.5T Truck SLEP	25.0
5T Truck SLEP	25.0
New Procurement 2.5/5T Trucks	15.0
Palletized Load System	4.0
Coolant Purification Units	2.0
Small Arms Simulators	1.0
MK–19	3.0
Automatic Building Machines	5.0
HMMWV Maintenance Trucks	5.0
Miscellaneous	13.0
Navy Reserve:	
Magic Lantern Spares	5.0
F18 Upgrades	16.0
MIUW Van System Upgrades	10.0
Night Vision Goggles	5.0
C–9 Replacement	40.0
Miscellaneous	40.0
USMC Reserve:	
CH–53	50.0
Miscellaneous	17.0
Air Force Reserve:	
KC–135 Reengining	26.0
Avionics Upgrades	14.0
Night Vision Devices	5.0
C–20G	30.0
Miscellaneous	19.0
Army National Guard:	
Tactical Trucks & Trailers	20.0
2.5T Truck SLEP	15.0
5T Truck SLEP	4.0
Communications Equipment	18.0
Avenger I-Coft Simulator	4.0
C–23 Enhancement Program	18.0
Small Arms Simulators	5.0
FADEC	10.0
Coolent Purification System	3.0
Crashworthy Fuel Cells	5.0
Vibration Diagnostic Equipment	3.0
Reconfigurable Aviation Sim	5.0
AH–1 C-Nite	2.0
Dragon Upgrade	25.0
Night Vision	5.0
Aircraft Equipment	17.0
Miscellaneous	12.0
Air National Guard:	
SEAD Mission Upgrade	11.4
Theater Deployable Comms	17.0
AN/TLQ Radar Decoys	3.0
F–16 AIS	10.0
C130J	189.6
Miscellaneous	3.0
Total NGRE package	780.0

Overview

The budget request for fiscal year 1997 contained an authorization of $799.9 million for Chemical Agent and Munitions Destruction, Army in the Department of Defense. The House bill would authorize $799 million. The Senate amendment would authorize $802.9 million. The conferees recommended an authorization of $759.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	CHEM AGENTS & MUNITIONS DESTRUCTION, DEF										
	CHEM AGENTS & MUNITIONS DESTRUCT-RDT&E										
	RESEARCH AND DEVELOPMENT										
1	CHEM DEMILITARIZATION - RDTE	-	48,300		48,300		51,300				48,300
	CHEM AGENTS & MUNITIONS DESTRUCT-PROC										
	PROCUREMENT										
2	CHEM DEMILITARIZATION - PROC	-	273,600		273,600		273,600		(40,000)		233,600
	CHEM AGENTS & MUNITIONS DESTRUCT-O&M										
	OPERATION AND MAINTENANCE										
3	CHEM DEMILITARIZATION - O&M	-	477,947		477,947		477,947				477,947
	TOTAL, CHEM AGENTS & MUNITIONS DESTRUCTION, DEF		799,847		799,847		802,847		(40,000)		759,847

ITEMS OF SPECIAL INTEREST

Air Force precision guided munitions

Last year, the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450) noted the need for DOD to develop a long-term cohesive, joint PGM program. Section 261 of the National Defense Authorization Act for Fiscal Year 1996 directed DOD to develop such a plan. The Department has informed the congressional defense committees that the analysis necessary to develop this plan will not be complete until later this year. The conferees believe that DOD should not wait for another whole year to begin providing additional PGM capability beyond that supported in the budget request.

Accordingly, while awaiting this analysis and the Department's recommendations based on this analysis, the conferees recommend an increase of $118.2 million in missile procurement Air Force as detailed below:

PRECISION GUIDED MUNITIONS

[Dollars in millions]

Procurement	Request		SASC		HNSC		Conference total		Ref
	($)	Qty	($)	Qty	($)	Qty	($)	(Qty)	
AGM–142	—	—	39.0	54	39.0	50	39.0	54	MPAF line 2
Joint Direct Attack Munition	23.0	937	—	—	50.0	3000	23.0	937	MPAF line 5
AMRAAM (AF)	116.3	133	139.8	200	....	....	116.9	163	MPAF line 7
AGM–130	—	—	40.0	100	95.0	250	40.0	100	MPAF line 8
AGM 165, Maverick	—	—	—	—	34.0	425	—	—	MPAF line 8a
CALCM	—	—	15.0	100	15.0	100	15.0	100	MPAF line 12
SFW	131.1	400	152.7	500	152.7	500	152.7	500	PAAF line 16
Hard Target Smart Fuze	—	—	2.0	—	—	—	2.0	—	PAAF line 30

Automated document conversion system (ADCS)

The conferees are aware that the Department has made some progress in following its direction to begin the purchase of the software necessary to convert the Department's more complex engineering documents from raster files to an intelligent format. In addition, the conferees are encouraged by the initial results of ADCS testing. The conferees are aware that significant cost savings can be achieved through the use of an ADCS; thus, the conferees are disappointed that no funds were requested for this purpose.

Accordingly, the conferees recommend $38.8 million for the competitive procurement of an ACDS capability.

Prototype instrumentation range facility

There has been significant progress in advancing the state-of-the-art in training and simulation devices. With the advent of improved technologies, such as instrumented ranges, the Army can now train units in the complexities of modern combat more efficiently. However, this technology has not been transferred to the Army National Guard, where it could have significant impact on unit training and readiness. The conferees understand that the Army National Guard is prepared to allocate up to $7.0 million from the miscellaneous equipment section of the National Guard and Reserve Equipment Account to set up a prototype instrumented range facility to begin training Army National Guard units using advanced training and simulation devices.

The conferees strongly support such an initiative and urge the Director of the Army National Guard to proceed with an initiative to establish such a facility. The conferees direct the Director of the Army National Guard to provide a report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than 12 months after enactment of this Act on the progress toward establishing the instrumented range.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

LEGISLATIVE PROVISIONS ADOPTED

Defense Inspector General (sec. 106)

The House bill contained a provision that would authorize $2.0 million for the Defense Inspector General. The Senate amendment contained an identical provision. The conference agreement includes this provision.

Chemical agents and munitions destruction program (secs. 107 and 142)

The budget request included $799.8 million for the defense chemical agents and munitions destruction program, including $477.9 million for operation and maintenance, $273.6 million for procurement, and $48.3 million for research and development. Additionally, the budget request included $131.6 million for military construction.

The House bill contained a provision (sec. 107) that would authorize $804.8 million for the chemical agents and munitions destruction program, including $21.0 million for the alternative technology and approaches project, an increase of $5.0 million to the budget request.

The Senate amendment contained a provision (sec. 107) that would authorize $802.8 million for the chemical agents and munitions destruction program, including an increase of $3.0 million for research and development to expedite and accelerate the development and fielding of critical advanced sensors that are part of the Army's mobile munitions assessment system. A second provision (sec. 113) would require the Secretary of Defense to conduct a study on the cost of the baseline incineration of the chemical munitions stockpile versus the disposal of neutralized chemical munitions at a centrally located incinerator. A third provision (sec. 117) would provide $60.0 million for a pilot program to identify and demonstrate feasible alternatives to incineration for the demilitarization of assembled chemical munitions, establish an executive agent for the pilot program separate from the existing chemical weapon stockpile demilitarization program, require the Secretary of Defense to evaluate and report the results of the completed pilot program by December 31, 2000, and place limits on long lead contracting for the construction of chemical agent baseline program incinerators at any site in Kentucky or Colorado.

The Senate recedes with an amendment.

The conferees agree to a provision (sec. 107) that would authorize $759.8 million for the defense chemical agents and munitions destruction program, to include: $233.6 million for procurement; $477.9 million for operation and maintenance; and $48.3 million for research and development. Of the amount authorized $21.1 million shall be available for the alternative technologies and approaches project and $3.0 million shall be available to expedite and accelerate the development and fielding of critical advanced sensors that are part of the Army's mobile munitions assessment system.

Further, the conferees agree to a provision (sec. 142) that would direct the Secretary of Defense to assess the current baseline incineration program for destruction of assembled chemical munitions and of alternative demilitarization technologies and processes other than incineration that could be used for the destruction of lethal chemical agents and munitions. Should the Secretary decide to conduct a pilot program for development and demonstration of an alternative technology or process other than incineration for the destruction of the lethal chemical agents that are associated with assembled munitions, the provision would authorize $25.0 million from funds authorized in fiscal year 1997 for use by the Secretary for this purpose, and would require the Secretary to notify the Congress 30 days in advance, of his intention to use funds to initiate a pilot program. The provision would also require that the pilot program be conducted at the selected chemical agent and munitions stockpile storage site for which the alternative technology or process is recommended.

Progress in the chemical agents and munitions destruction program

The conferees reiterate the concerns expressed in the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), that continued delays in the chemical agents and munitions destruction program would lead to increases in overall program cost and in risk to the public and the environment. The conferees believe that the program should proceed expeditiously, using those technologies that minimize risk to the public and the environment. The conferees support the recommendations of the National Research Council (NRC), that the Army continue its current baseline incineration program until such time as the evaluation of alternative technologies for demilitarization and destruction of the stockpile is concluded. The conferees note the progress that has been made in the program. More than 50 percent (2 million pounds of chemical agents) of the chemical agent and munitions stockpile on Johnston Atoll has been destroyed and full-scale demilitarization operations continue at that site. On June 26, 1996, the State of Utah granted approval for the Army to begin chemical munitions destruction operations using the baseline incineration process at the Tooele Chemical Agent Disposal Facility in Tooele, Utah.

The conferees have reviewed the "Department of Defense's Interim Status Assessment for the Chemical Demilitarization Program," dated April 15, 1996, that was submitted to the Congress in response to section 152(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106). Measures for potential reductions in the total cost of the chemical stockpile destruction program are under review within the Department of Defense. Although there is no evidence of immediate danger from stockpile, risk assessments from the programmatic environmental impact statement and the ongoing site-specific risk analysis updates continue to indicate that storage risk is much greater than the risks associated with executing the current chemical stockpile disposal program and that delay in the disposal effort will result in increased public risk. The Secretary of Defense is directed to submit to the Congress, with the Defense budget request for fiscal year 1998, a final report on the assessment and recommendations for revision to the current baseline incineration program, including the use of alternative technologies, which could reduce program costs and increase public safety.

Alternative technologies

The assessment discusses progress in the alternative technologies research and development program. Under this program, the Army, in coordination with the NRC, is evaluating five technologies for potential use at the bulk-only stockpile sites (Aberdeen Proving Ground, Maryland, and Newport Army Ammunition Depot, Indiana). The Army's evaluation and the NRC's recommendations will provide the basis for an October 1996 decision by the Department of Defense on the continued development of an alternative chemical agent destruction process for the bulk-only storage sites. Should the Secretary of Defense for demilitarization of the chemical agents at the bulk-only chemical stockpile storage sites, the conferees agree that the Secretary should utilize current authority to reprogram funds to initiate a pilot program for this purpose.

The conferees notes that the Army's alternative technologies research and development program has been limited to consideration of alternative technologies for potential use at the bulk-only storage sites. The conferees believe that consideration should be given also given to variants of the baseline program in which alternative technologies and processes are used for destruction of the chemical agent associated with assembled chemical munitions. The conferees have included a provision that would direct the Secretary of Defense, in coordination with the NRC, to conduct an assessment of such alternative technologies and processes and to report the results of the assessment to the Congress not later than December 31, 1997, together with any recommendations for revisions to the baseline program for destruction of assembled chemical munitions. Should the Secretary of Defense recommend the continued development of an alternative technology or process for destruction of the chemical agents associated with assembled chemical munitions, as mentioned earlier in this report, the conferees have included a provision which would make $25.0 million available from funds authorized in this Act to initiate a pilot program for this purpose. In order to minimize environmental permitting delays for a full-scale program which might use the alternative technology or process, the provision provides that the pilot program for development of the technology or process shall be conducted at the specific chemical agent and munitions stockpile storage for which the alternative technology or process is recommended.

Management of Chemical Agents and Munitions Destruction Program

The conferees agree that the Department of Defense must provide for unified and integrated overall management of the chemical agents and munitions destruction program and the non-stockpile agents and munitions destruction program. The conferees are concerned that a divided program under separate managers, would result in duplication of effort, increased costs, and reduced safety. Accordingly, the conferees continue to support the current management structure within the Department of Defense, with the Army as executive agent for the chemical agents and munitions destruction program, which includes the baseline incineration program, alternative technologies for the bulk-only stockpile sites, alternative technologies for the destruction of assembled chemical munitions, and the non-stockpile chemical agents and weapons destruction program. Additionally, the conferees appreciate the support and efforts of the National Research Council in conducting oversight of the chemical agents and munitions destruction program, and believe that it should continue to perform this function for the Department.

Subtitle B—Army Programs

LEGISLATIVE PROVISIONS ADOPTED

Repeal of limitation on procurement of Armed Kiowa Warrior helicopters (sec. 111)

The House bill contained a provision (sec. 111) that would repeal the limitation on procurement of certain aircraft as it pertained to the OH-58D Armed Kiowa Warrior helicopter.

The Senate amendment contained no similar provision.

The Senate recedes.

Multiyear procurement authority for Army programs (sec. 112)

The House bill included a provision (sec. 112) that would authorize the Secretary of the Army to extend the multiyear contract in effect for the Avenger missile system during fiscal year 1996 through fiscal year 1997. Additionally, the provision would authorize the Secretary of the Army to enter into a multiyear procurement contract, beginning with fiscal year 1997, for the procurement of the Army Tactical Missile System.

The Senate amendment contained a provision (sec. 111) that would authorize the Secretary of the Army to enter into a multiyear procurement contract, beginning with fiscal year 1997, for the procurement of the Javelin missile system.

The Senate recedes with an amendment that would authorize a multiyear procurement contract for the Javelin missile system.

Bradley TOW 2 test program sets (sec. 113)

The Senate amendment contained a provision (sec. 116) that would authorize the Secretary of the Army to make available $6.0 million from funds authorized to be appropriated under section 101(3) of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 204), for Bradley TOW 2 test program sets.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Navy Programs

LEGISLATIVE PROVISIONS ADOPTED

Nuclear attack submarine programs (sec. 121)

The budget request included $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine and $699.1 million for procurement of the third *Seawolf* class submarine, SSN-23. Research and development funding in the budget request for the fiscal year 1998 submarine was initially reported as $489.4 million but was subsequently corrected to $487.6 million. The budget request included no advance construction and procurement funding for the procurement of a second nuclear attack submarine in fiscal year 1999, as called for in the National Defense Authorization Act for Fiscal Year 1996 and the Navy's six-year shipbuilding plan that was submitted in conjunction with the budget request.

The House bill contained a provision (sec. 121) that would authorize $699.1 million for procurement of SSN-23, $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine that would be built at Electric Boat, and $504.0 million for advance construction and procurement for a fiscal year 1999 nuclear attack submarine that would be built at Newport News Shipbuilding.

Section 121 of the House bill would also authorize an increase of $188.0 million to pursue core, Category I, and Category II advance submarine technology initiatives that were identified in Report on Nuclear Attack Submarine Procurement and Submarine Technology, submitted to Congress by the Secretary of Defense on March 26, 1996, in compliance with the National Defense Authorization Act for Fiscal Year 1996. The added funds would also be used for design initiatives intended to ensure that new technology is incorporated into the design of four developmental submarines that would begin construction at the rate of one per year during the period fiscal year 1998 to fiscal year 2001 and on serial production submarines that would not be authorized until fiscal year 2003. Section 121 would also revise the basis of the competition for serial production so that it would be based on best value vice price.

The House provision would also place limitations on the expenditure of fiscal year 1997 procurement and development funds until the Secretary of Defense, the Under Secretary of Defense for Acquisition and Technology, and the Under Secretary of Defense (Comptroller) take certain steps to comply with sections 131 and 132 of the National Defense Authorization Act for Fiscal Year 1996. Additionally, the House provision would direct the Department of Defense to implement specified acquisition simplification strategies in order to expedite the fielding of more capable, less expensive nuclear attack submarines.

The Senate amendment contained a provision (sec. 123) that would authorize $804.1 million for procurement of SSN-23, $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine that would be built at Electric Boat, and $701.0 million for advance construction and procurement for a fiscal year 1999 nuclear attack submarine that would be built at Newport News Shipbuilding. This authorization would satisfy all procurement funding requirements for SSN-23 and all advance construction and procurement funding requirements for the fiscal year 1998 and fiscal year 1999 submarines.

Although it would authorize the amount in a different provision discussed elsewhere in this statement of managers, the Senate amendment would increase funding for advance submarine technology by $100.0 million to pursue core, Category I, and Category II advance submarine technology initiatives that were identified in the Secretary of Defense's Report on Nuclear Attack Submarine procurement and Submarine Technology. The Senate amendment would also place limitations, similar in intent if not in detail, on the expenditure of fiscal year 1997 procurement funds until the Secretary of Defense and the Under Secretary of Defense for Acquisition and Technology take certain steps to comply with section 131 of the National Defense Authorization Act for Fiscal Year 1996.

The Senate recedes with an amendment.

The conferees agree to authorize $699.1 million for procurement of SSN-23, $296.2 million of advance construction and procurement of SSN-23, $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine that will be built at Electric Boat, and $701.0 million for advance construction and procurement for a fiscal year 1999 nuclear attack submarine that will be built at Newport News Shipbuilding.

For research and development the conference agreement:

(1) authorizes $60.0 million to mature and transition the core technologies identified in the Secretary of Defense's Report on Nuclear Attack Submarine Procurement and Submarine Technology with emphasis on hydrodynamics, alternative sail designs, advanced arrays, electric drive, external weapons, and active controls and mounts;

(2) directs that of this $60.0 million, $20.0 million is to be equally divided between Electric Boat and Newport News to ensure the two shipbuilders are principal participants in the process of including new technologies in the design of future attack submarines. The conferees intend that the shipbuilders be allowed access to naval intelligence data and that there be continuing interaction among the shipyards, the Navy laboratories, and the Defense Advanced Research Projects Agency;

(3) authorizes $38.0 million to fund development and testing of Category I and II technologies, as described in the Secretary of Defense's report;

(4) directs that the Navy will implement acquisition reform initiatives similar in form and intent to the Air Force's "Lightning Bolt" initiatives begun in May 1995;

(5) places limitations on the expenditure of fiscal year 1997 procurement and development funds until the Secretary of Defense, the Under Secretary of Defense for Acquisition and Technology, and the Under Secretary of Defense (Comptroller) take certain steps to comply with section 131 of the National Defense Authorization Act for Fiscal Year 1996 and other limitations included in the amended provision;

(6) repeals section 132 of the National Defense Authorization Act for Fiscal Year 1996 and directs that the funds covered by that provision shall be available to the Secretary of the Navy only for advanced submarine technology involving the construction of large scale vehicles for purposes of hydrodymanic and hydroacoustic research; and

(7) affirms that the serial production of future nuclear attack submarines to follow the four developmental submarines will occur not earlier than fiscal year 2002 and only after a competition based on price.

Arleigh Burke Class destroyer program (sec. 122)

The budget request included $3.4 billion for the procurement of four Arleigh Burke class destroyers and advance procurement of future destroyers of this class.

The Senate amendment contained a provision (sec. 124) that would authorize:

(1) the requested amount for Arleigh Burke class destroyers;

(2) $750.0 million above the budget request for advance procurement for Arleigh Burke class destroyers; and

(3) the Secretary of the Navy to enter into multiyear contracts for the procurement of a total of 12 Arleigh Burke class destroyers at a procurement rate of three destroyers per year during the four-year period from fiscal year 1998 to fiscal year 2001;

The Senate report (S. Rept. 104-267) noted that testimony by Navy witnesses indicated that the stable procurement program that would result from such authorization would permit the Navy to acquire these 12 ships at a substantial cost savings.

The House bill would authorize the requested amount.

The conferees agree to adopt a provision that authorizes an increase of $525.0 million above the budget request and provides a multiyear contracting authority for the procurement of a total of 12 Arleigh Burke class destroyers at a procurement rate of three destroyers per year during the four-year period from fiscal year 1998 to fiscal year 2001.

AIRBORNE ELECTRONIC WARFARE FUNDING

[Dollars in millions]

Procurement	House change	Senate change	Conference change	Reference
Band 9/10	$40.0	$40.0	$40.0	APN line 19, OSIP 19–79.
Overhead connectivity	....	22.0	....	APN line 19, OSIP 32–85.
USQ–113	....	11.0	11.0	APN line 19, OSIP 32–85.
Wing center sections	55.0	....	50.0	
Total	95.0	73.0	101.0	
Research & Development.	....	....	....	
Reactive jamming initiative.	....	55.0	32.0	RDT&E, Navy, PE 60427N.
Universal exciter upgrade.	....	10.0	....	RDT&E, Navy, PE 60427N
Total	....	65.0	32.0	

PROCUREMENT

Attack aviation continues to require a robust electronic warfare capability. The decision to retire the Air Force's EF-111s and rely on the EA-6B for the Department's tactical jamming mission makes it imperative that the EA-6B fleet be structurally sound and modernized to meet current requirements.

The conferees note that the current jamming transmitters on the EA-6B have not changed substantially since originally designed in the 1960s, although there have been several generations of improved surface-to-air and air-to-air missiles since then, and many of these new systems operate in the high radio frequency range. Also, the great majority of current anti-ship missiles employ seekers in the band 9/10 frequency range. Consequently, the conferees agree to authorize an increase of $40.0 million to the budget request to procure 60 shipsets of these transmitters.

The conferees agree to authorize an addition of $11.0 million to the budget request to acquire an additional 24 units of the USQ-113 communications jammer.

The EA-6B's aluminum wing center sections have been found to be subject to embrittlement, which has led to stress cracks and resulted in the removal of a number of aircraft from active service. Consequently, the conferees agree to increase the budget request by $50.0 million to purchase ten of the twenty new wing center sections in order to avoid a production break in the manufacture of this component.

RESEARCH AND DEVELOPMENT

Although funds were authorized and appropriated for fiscal year 1996 to initiate a reactive jammer program for the EA-6B, the Department of Defense chose not to initiate such a program, and elected instead to program funds for such an effort from fiscal year 1999 to fiscal year 2001.

The conferees find these actions of ignoring congressional direction and refusing to start a modest reactive jamming program unacceptable. The EA-6B is currently using obsolete receivers with technology from the 1960s. The EA-6B is scheduled to be the only airborne standoff jamming capability within DOD. The conferees expect the Department to begin at once a program to develop and field a reactive jamming capability in the EA-6B, and have authorized an additional $32.0 million for this purpose.

LEGISLATIVE PROVISION

The Senate amendment contained a provision (sec. 121) that would require the Secretary of Defense to:

(1) certify obligation of funds for a reactive jamming program; and

(2) submit a plan for a complete program to the congressional defense committees before obligation of any funds for other recommended increases the EA-6B program.

The provision would also provide that all EA-6B modification funding be transferred to the Air Force for upgrading and operating EF-111 aircraft, if such certification is not may by June 1, 1997.

The House bill did not contain a similar provision.

The House recedes.

The conferees note with concern the Navy's slow response to Congressional direction and the need for modern, robust electronic warfare capabilities now.

T-39N trainer aircraft for the Navy (sec. 124)

The House bill contained a provision (sec. 125) that would direct the Secretary of the Navy to enter into a contract for T-39N aircraft not later than 15 days from the date of enactment of the Defense Authorization Act for Fiscal Year 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would allow the Navy to acquire 17 T-39N aircraft once the Under Secretary of Defense for Acquisition and Technology makes certain certifications contained in the National Defense Authorization Act for Fiscal Year 1996, section 137.

Penguin missile program (sec. 125)

The Senate amendment contained a provision (sec. 122) that would permit the Navy to enter into a contract for multi-year procurement of not more than 106 Penguin missiles in accordance with section 2306b of title 10, United States Code. The total amount that could be expended would be limited to $84.8 million.

The house bill contained no similar provision.

The House recedes.

Subtitle D—Air Force Programs

LEGISLATIVE PROVISIONS ADOPTED

Repeal on limitation on procurement of F-15E aircraft (sec. 131)

The House bill contained a provision (sec. 141) that would repeal the limitation contained in the National Defense Act for Fiscal years 1990 and 1991 (Public Law 101-189).

The Senate amendment contained no similar provision.

The Senate recedes.

Modification to multiyear procurement authority for the C–17 aircraft program (sec. 132)

The budget request included $2,142.8 million for procurement of eight C–17 aircraft and their associated support in fiscal year 1997 and for advance procurement of additional C–17 aircraft in fiscal year 1998.

The House bill contained a provision (sec. 142) that would authorize the Secretary of the Air Force to enter into a multiyear contract for a period of six program years for the procurement of a total of not more than 80 C–17 aircraft, beginning with fiscal year 1997. The House bill would also authorize an increase of $380.0 million for the procurement of two additional C–17 aircraft in fiscal year 1997 and for advance procurement of additional C–17 aircraft.

The Senate amendment contained a provision (sec. 131) that would:

(1) authorize the Secretary of the Air Force to enter into one or more multiyear contracts for a period that may exceed five years, but may not exceed seven years for the procurement of not more than 80 C–17 aircraft; and

(2) direct that any such multiyear contracts shall include a termination clause that provides the Secretary of the Air Force with the option to convert to annual procurement.

The Senate amendment would also authorize an increase of $194.0 million for one additional C–17 aircraft in fiscal year 1997, $49.0 million for advance procurement for an additional two C–17 aircraft in fiscal 1998, and $6.0 million for initial spares.

The conferees agree to authorize an additional $234.0 million for accelerating the multiyear program. The conferees support an accelerated multiyear procurement (MYP) for the remaining 80 C–17 aircraft, and note that the Air Force entered a seven-year MYP contract on May 31, 1996. The conferees are concerned that although the Under Secretary of Defense for Acquisition testified before congressional defense committees of the House and Senate that over $300 million additional savings could be realized over those currently projected by converting the current seven-year contract to a six-year MYP, the Air Force has no plans to do so. The conferees include a legislative provision that directs the Secretary of the Air Force to negotiate an option to convert the current seven-year contract to a six-year MYP contract, and authorizes the Air Force to exercise this option in order to accelerate procurement of C–17's and take advantage of significant additional savings to the government.

Subtitle E—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Assessment of modernization priorities of reserve components (sec. 141)

The Senate amendment contained a provision (sec. 141) that would require the chiefs of each of the reserve components to conduct an assessment of modernization priorities and report to the congressional defense committees by December 1, 1996.

The House bill contained no similar provision.

The House recedes.

Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative (sec. 143)

The Senate amendment contained a provision (sec. 114) that would extend the authority of the Department of Defense to carry out the Armament Retooling and Manufacturing Support Initiative through fiscal year 1998.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Seawolf submarine cost cap

The House bill contained a provision (sec. 122) that would split the procurement cost cap established by section 133 of the National Defense Authorization Act for Fiscal Year 1996 for the Seawolf class submarines SSN–21, SSN–22, and SSN–23 into two separate caps, one for SSN–21 and SSN–22 and a second cap associated solely with SSN–23. The House bill would also repeal section 133.

The Senate amendment contained a provision (sec. 126) that would stipulate that there is a total of $745.7 million that was appropriated in fiscal years 1990, 1991 and 1992 for procurement of now-canceled #Seawolf! submarines that is not included in the existing procurement cost cap for SSN–21, SSN–22 and SSN–23.

The conferees agree that neither of these provisions will be included in the conference agreement.

Pulse Doppler radar modification

The House bill contained a provision (sec. 123) that, subject to funds being made available in a subsequent appropriations act, would direct the Secretary of the Navy to spend $29.0 million from unobligated prior-year balances for development and procurement of a pulse Doppler upgrade modification to the AN/SPS–48E radar system.

The Senate amendment contained a provision (sec. 127) that would prohibit the use of funds appropriated for fiscal years prior to fiscal year 1997 for development of a pulse Doppler upgrade to the AN/SPS–48E radar system.

The conferees agree to not include either of these provisions in the conference report.

Maritime prepositioning ship program enhancement

The House bill contained a provision (sec. 124) that would repeal the statutory authority that allows the Marine Corps to purchase and convert two additional foreign-built hulls for use by its maritime prepositioning force.

The Senate amendment contained a provision (sec. 125) that would reaffirm the authorization, initially provided by the National Defense Authorization Act for Fiscal Year 1995, that section 2218(f) of title 10, United States Code, shall not apply to the purchase of three ships for the purpose of enhancing Marine Corps prepositioning ship squadrons.

The conferees agree that neither of these provisions will be included in the conference report.

Type classification of electro optic augmentation (EOA) system

The Senate amendment contained a provision (sec. 115) that would require the Secretary of the Army to type classify the EOA system.

The House bill contained no similar provision.

The Senate recedes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Overview

The budget request for fiscal year 1997 contained an authorization of $34,745.7 million for Research and Development in the Department of Defense. The House bill would authorize $35,537.4 million. The Senate amendment would authorize $38,315.7 million. The conferees recommended an authorization of $37,296.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

TITLE II
RESEARCH, DEVELOPMENT, TEST & EVALUATION

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Research, Development, Test & Evaluation, Army	4,320,640	4,679,979	4,958,240	459,975	4,780,615
Research, Development, Test & Evaluation, Navy	7,334,734	8,189,957	8,891,534	733,565	8,068,299
Research, Development, Test & Evaluation, Air Force	14,417,456	13,271,087	14,786,356	338,910	14,756,366
Research, Development, Test & Evaluation, Defense-wide	8,398,836	9,132,371	9,388,536	1,001,451	9,400,287
Operational Test & Evaluation, Defense	21,968	21,968	21,968		21,968
Developmental Test & Evaluation, Defense	252,038	252,038	269,038	17,000	269,038
Total Research, Development, Test & Evaluation	34,745,672	35,547,400	38,315,672	2,550,901	37,296,573

Overview

The budget request for fiscal year 1997 contained an authorization of $4,320.6 million for Army, Research and Development in the Department of Defense. The House bill would authorize $4,680.0 million. The Senate amendment would authorize $4,680.0 million. The Senate amendment would authorize $4,958.2 million. The conferees recommended an authorization of $4,780.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT	0	RESEARCH DEVELOPMENT TEST & EVAL ARMY					
0601101A	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	14,701	14,701	14,701		14,701
0601102A	2	DEFENSE RESEARCH SCIENCES	141,682	144,682	126,682	(7,500)	134,182
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	47,288	47,288	47,288	(3,000)	44,288
0602104A	4	TRACTOR ROSE	2,131	3,131	2,131	1,000	3,131
0602105A	5	MATERIALS TECHNOLOGY	10,841	14,841	22,841	4,000	14,841
0602120A	6	SENSORS AND ELECTRONIC SURVIVABILITY	23,608	24,608	23,608	1,000	24,608
0602122A	7	TRACTOR HIP	8,152	9,152	8,152	1,000	9,152
0602211A	8	AVIATION TECHNOLOGY	24,683	24,683	24,683	(2,500)	22,183
0602270A	9	EW TECHNOLOGY	15,845	15,845	15,845		15,845
0602303A	10	MISSILE TECHNOLOGY	20,295	20,295	20,295	5,000	25,295
0602308A	11	MODELING AND SIMULATION TECHNOLOGY	21,134	21,134	21,134		21,134
0602601A	12	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	34,834	34,834	34,834	(1,800)	33,034
0602618A	13	BALLISTICS TECHNOLOGY	31,166	36,166	31,166		31,166
0602622A	14	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	2,343	2,343	2,343		2,343
0602623A	15	JOINT SERVICE SMALL ARMS PROGRAM	4,593	4,593	4,593		4,593
0602624A	16	WEAPONS AND MUNITIONS TECHNOLOGY	25,611	25,611	45,611	7,500	33,111
0602705A	17	ELECTRONICS AND ELECTRONIC DEVICES	20,922	25,922	20,922		20,922
0602709A	18	NIGHT VISION TECHNOLOGY	16,994	16,994	16,994		16,994
0602712A	19	COUNTERMINE SYSTEMS	6,029	16,029	6,029	3,000	9,029
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	14,072	14,072	14,072		14,072
0602720A	21	ENVIRONMENTAL QUALITY TECHNOLOGY	19,457	24,457	19,457	5,000	24,457
0602782A	22	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	15,307	15,307	15,307		15,307
0602783A	23	COMPUTER AND SOFTWARE TECHNOLOGY	6,638	6,638	6,638		6,638
0602784A	24	MILITARY ENGINEERING TECHNOLOGY	37,898	37,898	38,898	1,000	38,898
0602785A	25	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	9,528	9,528	9,528		9,528
0602786A	26	LOGISTICS TECHNOLOGY	17,808	18,808	17,808		17,808
0602787A	27	MEDICAL TECHNOLOGY	55,490	55,490	55,490		55,490
0602788A	28	TRACTOR FLOP	-	-	-		-
0602789A	29	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY	2,226	2,226	2,226		2,226
0603001A	30	LOGISTICS ADVANCED TECHNOLOGY	23,210	23,210	23,210		23,210
0603002A	31	MEDICAL ADVANCED TECHNOLOGY	11,601	17,101	11,601	500	12,101
0603003A	32	AVIATION ADVANCED TECHNOLOGY	41,478	45,478	42,478	15,000	56,478
0603004A	33	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	19,759	39,759	19,759		19,759
0603005A	34	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	31,552	45,052	31,552	3,500	35,052
0603006A	35	COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	23,120	23,120	27,120	4,000	27,120
0603007A	36	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	4,500	4,500	4,500		4,500
	36a	NAUTILUS/THEL		-	50,000	50,000	50,000
0603009A	37	TRACTOR HIKE	17,176	22,176	27,176	5,000	22,176
0603012A	38	TRACTOR HOLE	-	-	-		-
0603013A	39	TRACTOR DIRT	3,335	3,335	3,335		3,335

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603017A	40	TRACTOR RED	5,125	8,625	8,625	3,500	8,625
0603020A	41	TRACTOR ROSE	5,078	6,778	7,778	1,700	6,778
0603105A	42	MILITARY HIV RESEARCH	2,919	2,919	2,919		2,919
0603122A	43	TRACTOR HIP	-	-	-		-
0603238A	44	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHNOLOGY DEMONSTRATION	40,258	40,258	40,258		40,258
0603270A	45	EW TECHNOLOGY	6,794	6,794	6,794		6,794
0603313A	46	MISSILE AND ROCKET ADVANCED TECHNOLOGY	90,037	102,037	100,037	10,000	100,037
0603322A	47	TRACTOR CAGE	8,851	8,851	8,851		8,851
0603606A	48	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	15,196	30,196	31,296	16,100	31,296
0603607A	49	JOINT SERVICE SMALL ARMS PROGRAM	5,243	10,243	5,243	5,000	10,243
0603654A	50	LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	18,173	-	18,173		18,173
0603710A	51	NIGHT VISION ADVANCED TECHNOLOGY	32,597	32,597	32,597	(4,700)	27,897
0603734A	52	MILITARY ENGINEERING ADVANCED TECHNOLOGY	20,664	25,164	20,664		20,664
0603759A	53	CHEMICAL BIOLOGICAL DEFENSE AND SMOKE ADVANCED TECHNOLOGY	-	-	-		-
0603771A	54	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-
0603772A	55	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECHNOLOGY	22,099	22,099	22,099		22,099
0603018A	56	TRACTOR TREAD	2,409	2,409	2,409		2,409
0603019A	57	TRACTOR DUMP	-	-	13,600		-
0603308A	58	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	2,884	2,884	29,884	27,000	29,884
0603619A	59	LANDMINE WARFARE AND BARRIER - ADV DEV	16,464	41,464	16,464		16,464
0603627A	60	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	6,380	6,380	6,380		6,380
0603639A	61	ARMAMENT ENHANCEMENT INITIATIVE	48,221	64,721	48,221	16,500	64,721
0603640A	62	ARTILLERY PROPELLANT DEVELOPMENT	18,450	18,450	18,450		18,450
0603645A	63	ARMORED SYSTEM MODERNIZATION - ADV DEV	-	-	12,000	12,000	12,000
0603647A	64	TRACTOR DIRT	-	-	-		-
0603649A	65	ENGINEER MOBILITY EQUIPMENT ADVANCED DEVELOPMENT	-	-	-		-
0603653A	66	ADVANCED TANK ARMAMENT SYSTEM (ATAS)	9,639	9,639	9,639		9,639
0603713A	67	ARMY DATA DISTRIBUTION SYSTEM	23,822	23,822	23,822		23,822
0603730A	68	TACTICAL SURVEILLANCE SYSTEM - ADV DEV	-	-	-		-
0603745A	69	TACTICAL ELECTRONIC SUPPORT SYSTEMS - ADV DEV	2,025	4,025	2,025	2,000	4,025
0603747A	70	SOLDIER SUPPORT AND SURVIVABILITY	6,680	6,680	6,680		6,680
0603760A	71	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ADVANCED DEVELOPMENT	-	-	-		-
0603766A	72	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV	26,060	26,060	26,060		26,060
0603774A	73	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	2,829	2,829	4,829		2,829
0603790A	74	NATO RESEARCH AND DEVELOPMENT	9,963	-	9,963		9,963
0603801A	75	AVIATION - ADV DEV	8,385	8,385	8,385		8,385
0603802A	76	WEAPONS AND MUNITIONS - ADV DEV	-	-	-		-
0603804A	77	LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	7,592	7,592	7,592		7,592
0603805A	78	COMBAT SERVICE SUPPORT CONTROL SYSTEM EVALUATION AND ANALYSIS	13,140	13,140	16,440		13,140
0603806A	79	NBC DEFENSE SYSTEM-ADV DEV	-	-	-		-
0603807A	80	MEDICAL SYSTEMS - ADV DEV	10,211	10,211	10,211		10,211

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603851A	81	TRACTOR CAGE (DEM/VAL)	3,124	3,124	3,124		3,124
0603854A	82	ARTILLERY SYSTEMS - DEM/VAL	258,771	208,771	258,771	(25,000)	233,771
0603856A	83	SCAMP BLOCK II DEM/VAL	8,080	8,080	8,080		8,080
0603889A	84	COUNTERDRUG RDT&E PROJECTS	-	-	-		-
0604201A	85	AIRCRAFT AVIONICS	15,008	15,008	15,008		15,008
0604220A	86	ARMED, DEPLOYABLE OH-58D	1,154	1,154	1,154		1,154
0604223A	87	COMANCHE	288,644	338,644	388,644	50,000	338,644
0604270A	88	EW DEVELOPMENT	69,474	69,474	69,474		69,474
0604315A	89	TRI-SERVICE STANDOFF ATTACK MISSILE	-	-	-		-
0604321A	90	ALL SOURCE ANALYSIS SYSTEM	36,200	36,200	38,200		36,200
0604325A	91	FOLLOW-ON TO TOW	5,596	5,596	5,596		5,596
0604328A	92	TRACTOR CAGE	1,561	1,561	1,561		1,561
0604604A	93	MEDIUM TACTICAL VEHICLES	-	-	-		-
0604609A	94	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ENG DEV	-	-	-		-
0604611A	95	JAVELIN	1,643	1,643	6,143	4,500	6,143
0604619A	96	LANDMINE WARFARE	17,609	17,609	17,609		17,609
0604622A	97	FANILY OF HEAVY TACTICAL VEHICLES	-	-	-		-
0604633A	98	AIR TRAFFIC CONTROL	5,549	5,549	5,549		5,549
0604640A	99	ADVANCED COMMAND AND CONTROL VEHICLE (AC2V)	6,649	6,649	6,649		6,649
0604641A	100	TACTICAL UNMANNED GROUND VEHICLE (TUGV)	2,884	2,884	2,884		2,884
0604642A	101	LIGHT TACTICAL WHEELED VEHICLES	-	-	-		-
0604645A	102	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	6,726	6,726	6,826		6,726
0604649A	103	ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	35,410	47,710	47,710	12,300	47,710
0604710A	104	NIGHT VISION SYSTEMS - ENG DEV	33,637	33,637	48,637	2,000	35,637
0604713A	105	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	78,063	78,063	78,063		78,063
0604715A	106	NON-SYSTEM TRAINING DEVICES - ENG DEV	42,865	42,865	42,865		42,865
0604716A	107	TERRAIN INFORMATION - ENG DEV	7,369	7,369	7,369		7,369
0604739A	108	INTEGRATED BROADCAST SERVICE	4,867	4,867	4,867		4,867
0604740A	109	TACTICAL SURVEILLANCE SYSTEM - ENG DEV	-	-	-		-
0604741A	110	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DEV	20,516	20,516	82,316		20,516
0604746A	111	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	2,793	2,793	2,793		2,793
0604760A	112	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINEERING DEVELOPMENT	15,966	15,966	15,966		15,966
0604766A	113	TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES - EMD (TIARA)	15,758	15,758	15,758		15,758
0604768A	114	BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)	180,407	180,407	190,207	9,300	189,707
0604770A	115	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	9,857	9,857	9,857		9,857
0604778A	116	POSITIONING SYSTEMS DEVELOPMENT (SPACE)	437	437	437		437
0604780A	117	COMBINED ARMS TACTICAL TRAINER (CATT)	26,713	26,713	26,713		26,713
0604801A	118	AVIATION - ENG DEV	5,518	5,518	5,518		5,518
0604802A	119	WEAPONS AND MUNITIONS - ENG DEV	20,468	22,068	20,468	1,600	22,068
0604804A	120	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	20,330	20,330	20,330		20,330
0604805A	121	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	9,796	9,796	9,796		9,796

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604806A	122	NBC DEFENSE SYSTEM-ENG DEV	-	-	-		-
0604807A	123	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV	4,794	4,794	4,794		4,794
0604808A	124	LANDMINE WARFARE/BARRIER - ENG DEV	19,731	22,231	19,731		19,731
0604814A	125	SENSE AND DESTROY ARMAMENT MISSILE - ENG DEV	10,149	10,149	10,149		10,149
0604816A	126	LONGBOW - ENG DEV	5,872	5,872	17,872	5,000	10,872
0604817A	127	COMBAT IDENTIFICATION	16,783	16,783	16,783		16,783
0604818A	128	ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	16,429	16,429	16,429		16,429
0604820A	129	RADAR DEVELOPMENT	-	-	-		-
0604823A	130	FIREFINDER	551	551	551		551
0604256A	131	THREAT SIMULATOR DEVELOPMENT	11,627	11,627	11,627		11,627
0604258A	132	TARGET SYSTEMS DEVELOPMENT	10,129	10,129	10,129		10,129
0604759A	133	MAJOR T&E INVESTMENT	41,725	41,725	41,725		41,725
0605103A	134	RAND ARROYO CENTER	21,763	22,763	21,763		21,763
0605104A	135	LOS ALAMOS MESON PHYSICS FACILITY	-	-	-		-
0605301A	136	ARMY KWAJALEIN ATOLL	136,864	136,864	136,864		136,864
0605502A	137	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605601A	138	ARMY TEST RANGES AND FACILITIES	133,012	133,012	133,012		133,012
0605602A	139	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	22,413	22,413	22,413		22,413
0605604A	140	SURVIVABILITY/LETHALITY ANALYSIS	31,343	31,343	31,343		31,343
0605605A	141	DOD HIGH ENERGY LASER TEST FACILITY	2,967	2,967	24,667	21,700	24,667
0605606A	142	AIRCRAFT CERTIFICATION	2,905	2,905	2,905		2,905
0605702A	143	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	6,484	6,484	6,484		6,484
0605706A	144	MATERIEL SYSTEMS ANALYSIS	14,428	14,428	14,428		14,428
0605709A	145	EXPLOITATION OF FOREIGN ITEMS	7,347	7,347	7,347		7,347
0605710A	146	JOINT NUCLEAR BIOLOGICAL CHEMICAL TEST, ASSESSMENT AND SURVIVABILITY	-	-	-		-
0605712A	147	SUPPORT OF OPERATIONAL TESTING	50,906	50,906	50,906		50,906
0605801A	148	PROGRAMWIDE ACTIVITIES	61,092	61,092	61,092		61,092
0605802A	149	INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT	1,566	1,566	1,566		1,566
0605803A	150	TECHNICAL INFORMATION ACTIVITIES	16,921	16,921	16,921		16,921
0605805A	151	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	2,282	2,282	2,282		2,282
0605810A	152	RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	-	-	-		-
0605853A	153	ENVIRONMENTAL CONSERVATION	1,759	1,759	1,759		1,759
0605854A	154	POLLUTION PREVENTION	13,894	13,894	13,894		13,894
0605856A	155	ENVIRONMENTAL COMPLIANCE	53,911	53,911	53,911		53,911
0605876A	156	MINOR CONSTRUCTION (RPM) - RDT&E	4,319	4,319	4,319		4,319
0605878A	157	MAINTENANCE AND REPAIR (RPM) - RDT&E	66,047	66,047	66,047		66,047
0605879A	158	REAL PROPERTY SERVICES (RPS) - RDT&E	92,390	92,390	92,390		92,390
0605896A	159	BASE OPERATIONS - RDT&E	216,649	216,649	216,649		216,649
0605898A	160	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	4,801	4,801	4,801		4,801
0909999A	161	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	-	-	-		-
0603778A	162	MLRS PRODUCT IMPROVEMENT PROGRAM	64,271	64,271	64,271		64,271

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

	Line		FY 1997	House	Senate	Conference	
PE	No.	Title	Request	Authorized	Authorized	Change	Agreement
0102419A	163	AEROSTAT JOINT PROJECT OFFICE	38,940	38,940	38,940	(7,000)	31,940
0203726A	164	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	39,497	40,497	39,497		39,497
0203735A	165	COMBAT VEHICLE IMPROVEMENT PROGRAMS	197,796	225,671	207,796	27,875	225,671
0203740A	166	MANEUVER CONTROL SYSTEM	29,082	29,082	29,082		29,082
0203744A	167	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	194	22,894	22,894	22,700	22,894
0203752A	168	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	2,947	2,947	2,947		2,947
0203758A	169	DIGITIZATION	110,180	110,180	134,180	12,000	122,180
0203801A	170	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	30,959	50,959	85,959	40,000	70,959
0203802A	171	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	6,199	21,199	19,699	12,900	19,099
0203806A	172	TRACTOR RUT	3,179	3,179	3,179		3,179
0203808A	173	TRACTOR CARD	6,933	6,933	6,933		6,933
0208010A	174	JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI-TAC)	18,693	18,693	18,693		18,693
0208053A	175	JOINT TACTICAL GROUND SYSTEM	2,124	2,124	2,124		2,124
0301359A	176	SPECIAL ARMY PROGRAM	10,185	13,485	10,185	3,300	13,485
0303140A	177	INFORMATION SYSTEMS SECURITY PROGRAM	3,161	3,161	3,161		3,161
0303142A	178	SATCOM GROUND ENVIRONMENT (SPACE)	40,677	40,677	40,677		40,677
0303150A	179	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	19,804	19,804	19,804		19,804
0305128A	180	SECURITY AND INVESTIGATIVE ACTIVITIES	487	487	487		487
		FORCE XXI		100,000	100,000	75,000	75,000
0708045A	181	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	16,842	27,842	16,842	11,000	27,842
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL ARMY	4,320,640	4,679,979	4,958,240	459,975	4,780,615

Hardened materials

The budget request included $9.9 million for materials technology (PE 62015A).

The conferees agree to an increase of $4.0 million in PE 62105A for the continued development of hardened materials as discussed in the House report (H. Rept. 104-563) and the Senate report (S. Rept. 104-267).

Projectile detection and cueing (PDCue) acoustic fire finder system

The budget request included $23.6 million for sensors and electronics survivability technology (PE 62120A).

The House bill would authorize an increase of $1.0 million in PE 62120A for the PDCue to detect and localize sniper gunfire.

The Senate amendment authorized the request.

The Senate recedes.

Solid state dye lasers

The budget request included $20.3 million for electronics and electronic device (PE 62705A).

The House bill would authorize an increase of $5.0 million in PE 62303A for continued development of the solid state dye laser.

The Senate amendment would authorize the budget request.

The Senate recedes.

Liquid propellant

The budget request did not include funding for liquid propellant technologies.

The House bill would authorize an additional $5.0 million in PE 62618A for liquid propellant technologies.

The Senate amendment would authorize an additional $15.0 million in PE 62624A for liquid propellant technologies.

The conferees agree to increase of $7.5 million in PE 62624A for a program to address material compatibility, ignition and ballistic control issues, and to provide operational models validated by actual testing of the liquid propellant gun.

Countermine technology development and demonstration program

The budget request included: $4.7 million in PE 62712A for exploratory development of countermine technology; $15.2 million in PE 63606A for advanced development of countermine technologies; $16.4 million in PE 63619A for development, prototyping, and demonstration of advanced countermine systems; and $7.7 million in PE 63120D for the development and demonstration of technologies for use in humanitarian demining. The fiscal year 1997 budget request separated funding for the humanitarian demining program from the Army's countermine advanced technology development program where countermine developments for ;military operations other than war were previously managed.

The House bill would authorize increases of $10.0 million in PE 62712A, $15.0 million in PE 63606A, and $25.0 million in PE 63619A for the development, demonstration, and validation of near-term and far-term improvements in the countermine capabilities of U.S. forces for tactical countermine and demining operations. The House report (H. Rept. 104-563) would direct the reassignment of humanitarian demining development into a consolidated demining program. The report would direct the Department of Defense to put increased emphasis on developing technologies applicable to both military wide-area clearance requirements and demining needs and to ensure that technologies are developed and shared that meet the countermine, wide-area clearance, and demining needs of the combatant commanders-in-chief and the interagency working group for humanitarian demining. Finally, the House report would direct the Secretary of Defense to develop plans for a countermine program that addresses these issues and to report the plan to the Congressional defense committees by March 1, 1997.

The Senate amendment would add $12.1 million in PE 63696A to accelerate the demonstration and deployment of a prototype vehicular mounted mine detection system (VMMD) and an additional $4.0 million to continue development of navigation aids and improvements to permit detection systems to operate at convoy speeds and display data in real time.

The conferees agree to an increase of $3.0 million in PE 62712A for exploratory development of countermine technology, an increase of $11.0 million in PE 63606A for advanced development of prototype VMMD, an additional $5.1 million for advanced development of ground penetrating radar technology, and an increase of $10.3 million in PE 63120D for the development and demonstration of technologies for use in humanitarian demining.

The conferees note the summary of the January 1996 Committee on National Security of the House of Representatives hearing on the landmine threat facing U.S. forces deploying to Bosnia and the capability of U.S. forces to meet the threat that was contained in the House report (H. Rept. 104-563). The conferees believe increased emphasis needs to be placed on the Department's countermine program. The program must address the development of feasible near-term improvements in contermine capabilities and the longer term advanced technologies which would promise more comprehensive solutions to the countermine problem. Specific emphasis needs to be placed on: the development of countermine technologies that can be applied to both military wide-area mine clearance requirements and humanitarian demining needs and will require the best efforts of the military services; the Department's countermine, unexploded ordnance clearance and explosive ordnance disposal research and development activities; industry; and academia. The conferees encourage the department to use the resources of the National Research Council of the National Academy of Sciences in attacking this difficult problem.

The conferees reiterate the view expressed in the statement of managers (H. Rept. 103-701) which accompanied the conference report on S. 1124 (Public Law 103-337) that the Department of Defense should develop a coordinated program for countermine warfare. The conferees believe that the actions taken by the Department with regard to integration and coordination of the chemical-biological defense program may provide an example of how the countermine efforts of the Department could be better coordinated.

The conferees note that, as reflected in the statement of managers relating to funds for research, development, test, and evaluation of humanitarian demining technologies, the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict shall continue to administer that program. The conferees direct the maximum degree of coordination among all demining programs.

The conferees direct the Secretary of Defense to develop an integrated plan for a countermine program which addresses the issues raised above and to report the plan to Congress by March 1, 1997.

Unexploded ordnance remediation

The budget request included $19.5 million for environmental quality technology (PE 62720A).

The House bill would authorize an increase of $5.0 million in PE 62720A for continued research, testing and analysis work at the Army Environmental Center.

The Senate amendment would authorize the budget request.

The Senate recedes.

Military engineering technology

The budget request included $37.9 million in PE 62784A for military engineering technology.

The Senate amendment would authorize an additional $1.0 million to accelerate activities in applied research for cold regions research in the Army's military engineering technology program (PE 62784A).

The House bill would authorize the budget request.

The House recedes. The conferees agree to authorize an additional $1.0 million for project AT42 in PE 62784A recognizing the current needs of the Army for research into construction and civil engineering to support recent and unplanned operations in cold climates and winter conditions in Bosnia and elsewhere.

Trichloriomelamine (TCM)

The budget request included $11.6 million for medical advanced technology (PE 63002A).

The House bill would authorize an increase of $500,000 in PE 63002A to conduct toxicity studies of TCM disinfectant that includes a 90-day feeding in a non-rodent species to provide Environmental Protection Agency registration for Army future procurement from TCM suppliers.

The Senate amendment would authorize the budget request.

The Senate recedes.

Diesel/gas engine project

The House bill would provide an additional $3.5 million in PE 63005A for continued development and Army testing of the combined diesel/gas turbine engine program.

The Senate amendment contained no similar recommendation.

The Senate recedes.

Wave net technology

The budget request included $23.1 million for command, control, and communications advanced technology (PE 63006A).

The Senate amendment would authorize an additional $4.0 million in PE 63006A for continued development and testing of wave net technology for possible application to the Army's digitization initiatives.

The House bill would authorize the budget request.

The House recedes.

Starstreak

The budget request contained no funding for continued evaluation of the Starstreak missile.

The House bill would authorize an increase of $3.0 million in PE 63003A to conduct phase two testing of the starstreak missile.

The Senate amendment would authorize an increase of $15.0 million for the same purpose.

The conferees agree to an increase of $14.0 million in PE 63003A to support Army efforts to evaluate the Starstreak missile as a potential candidate for the air-to-air missile system required for the Apache attack helicopter. The conferees also direct that prior year funds associated with the program be released immediately for obligation for this purpose.

Missile and rocket advanced technology

The budget request included $90.0 million to develop missile technologies.

The House bill would authorize an additional $12.0 million in PE 63313A to support completion of a thorough risk reduction program for guidance package integration of the extended range Multiple Launch Rocket System (MLRS–ER).

The Senate amendment would authorize an additional $10.0 million for the same purpose.

The House recedes.

The conferees agree to authorize $100.0 million for missile/rocket technologies.

Objective Individual Combat Weapon (OICW)

The budget request included $5.2 million to develop small arms for the armed services.

The House bill would authorize an increase of $5.0 million to develop the OICW.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to authorize $10.2 million in PE 63607A to develop competing technologies, through phase III, and allow the Army to downselect to a single contract for the OICW at the conclusion of the review process.

Battle integration center

The budget request included $2.9 million in PE 63308A for Army missile defense systems integration.

The Senate amendment recommended an increase of $27.0 million in PE 63308A for the Army's Battle Integration Center (BIC).

The House bill did not include additional funds for BIC.

The House recedes.

X–ROD

The budget request included $48.2 million for armament enhancement initiatives.

The House bill would authorize an increase of $16.5 million for continued development of the X–ROD kinetic energy tank round.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to authorize $64.7 million for PE 63639A.

"Next tank" research and development

The budget request did not include any funding for "next tank" research and development.

The House bill did not address this topic.

The Senate amendment addressed the need for the Army to begin to assess future concepts and requirements for a modernized force on a future battlefield.

The House recedes.

The conferees agree to authorize a total of $12.0 million to establish a new program element to accomplish several tasks: conduct on requirements analysis to establish a basis for deciding what system or mix of systems supports the best operational concept for defeating the evolving threat; develop conceptual approaches for integrating emerging technologies into a set of improvements that could be fielded in a new tank or in an upgraded main battle tank program; develop a set of requirements for the concepts selected by this analysis; and begin virtual prototyping activities that could lead to fielding a revolutionary main battle tank system within 20 years.

Tactical electronic support systems

The budget request included $2.0 million for tactical electronic support systems.

The House bill and the Senate amendment contained an increase of $2.0 million to fund integration of the work completed by the Defense Advanced Research Projects Agency that developed the first operational prototype of an intelligence fusion system known as the Integrated Battlespace Intelligence Server, or IBIS.

The conferees agree to authorize $4.0 million for PE 63745A to support technological transfer requirements.

Intelligence data support systems

The budget request included the following amounts for intelligence support systems:

[Dollars in millions]

Program	Program element	Funding
All Source Analysis System (ASAS)	PE 63745A	2.0
Joint Maritime Combat Information System (JMCIS).	PE 64231N	11.3
Intelligence Analysis System (IAS)	PE 26313M	1.2
Combat Information System (CIS)	PE 27431F	7.7

The House bill would authorize an additional $2.0 million for ASAS and an additional $1.0 million each for the IAS, JMCIS, and CIS in their appropriate program elements. The House bill would also authorize an increase of $1.0 million in PE 1160405BB for the U.S. Special Operation Command's research, analysis and threat evaluation system (SOCRATES). These funds would be used for improvements in interoperability, improved data fusion, reduced operator work load, and reduced development costs.

The Senate amendment would authorize the budget request for these programs.

The conferees agree to authorize an increase of $2.0 million in PE 63745A, $1.0 million in PE 64231N, $1.0 million in PE 26313M, and $1.0 million in PE 1160405BB as recommended in the report accompanying the House bill (H. Rept. 104–563).

Comanche helicopter

The budget request included $288.6 million for continued research and development work associated with the RAH–66 Comanche Helicopter.

The House bill would authorize an increase of $50.0 million in PE 64223A to support critical development work for this aircraft.

The Senate amendment would authorize an increase of $100.0 million.

The Senate recedes.

The conferees agree to authorize $338.6 million in PE 64223A for the Comanche program.

Javelin medium anti-tank weapon

The budget request included $1.6 million to continue development work for the Javelin missile system.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $4.5 million in PE 64611A to further the development of the alternate main charge warhead, start baseline integration tests, and evaluate the missile design to optimize warhead performance.

The House recedes.

The conferees agree to authorize $6.1 million in PE 64611A for warhead integration activities.

Heavy assault bridge

The budget request included $35.4 million to conduct development work necessary to support engineer requirements for the heavy assault bridge.

The House bill and the Senate amendment would authorize an increase of $12.3 million in PE 64649A to design heavy assault bridge-unique line replaceable units and develop software integration requirements.

The conferees agree to authorize $47.7 million in PE 64649A for development work associated with engineer mobility equipment.

Night vision systems-engineering development

The budget request included $33.6 million to support night vision system development work.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $15.0 million in PE 64710A for research in this critical area.

The conferees agree to authorize an increase of $2.0 million, the higher level of increased appropriation.

The conferees agree to authorize $35.6 million in PE 64710A for the engineering development of night vision systems.

Brilliant Anti-armor Technology (BAT) submunition

The budget request included $180.4 million to continue equipment materiel development of the BAT system.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $9.8 million in PE 64768A to complete scheduled engineering and manufacturing development activities on time.

The House recedes.

The conferees agree to authorize $189.7 million in PE 64768A for BAT development activities, an increase of $9.3 million.

Weapons and munitions

The budget request included $20.5 million to conduct engineering development of weapons and munitions.

The House bill would authorize an increase of $1.6 million to develop a change barrel to adapt a .50 caliber machine gun, and to develop an adaptor for a MK–19 installation in an Up-Armored High Mobility Multi-purpose Wheeled Vehicle.

The Senate amendment would support the budget request.

The conferees agree to authorize an additional $1.6 million in PE 64802A to develop fire control improvements and the change barrel and adaptor as described above.

Longbow development/night vision systems

The budget request included $5.9 million for development work for the Longbow system.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $12.0 million for development of night vision systems.

The conferees agree to authorize $10.9 million, an increase of $5.0 million in PE 64816A, to be distributed as follows: $3.0 million for night vision system advance development; $1.0 million for Apache A Kit engineering manufacture and development (EMD); $1.0 million for Apache B Kit EMD.

High Energy Laser Systems Test Facility

The budget request included $3.0 million in PE 65605A for the High Energy Laser Systems Test Facility (HELSTF).

The Senate amendment would authorize an additional $21.7 million in PE 65605A for the continued operation and upgrade of the facility.

The House bill would authorize the budget request.

The House recedes.

Combat vehicle improvement program

The budget request included $197.8 million to support development efforts for a wide variety of combat vehicle systems.

The House bill would authorize an increase of $17.9 million for this effort. Of this amount, $4.9 million would be for the remanufacture of combat vehicle laser warning equipment and $3.0 million for the M1A2 compact autoloader.

The Senate amendment would authorize an increase of $10.0 million for high performance flat panel displays and would direct that these funds assist in Horizontal Technology Integration (HTI) of this technology into the M1 Abrams tank and other combat platforms.

The conferees agree to authorize an increase of $27.9 million. Of this amount, $4.9 million would be for the combat vehicle laser warning system; $10.0 million for the flat panel display technology; and $3.0 million for the M1A2 compact autoloader.

The conferees agree to a total authorization of $225.7 million in PE 23735A.

Under armor auxiliary power unit

The conferees understand that the Army faces higher than expected costs to integrate an under armor auxiliary power unit (APU) for the M1 tank.

The House bill would shift $10.0 million from the M1 tank modification line to PE 23735A to meet this shortfall.

The Senate amendment did not address this issue.

This Senate recedes.

The conferees agree to authorize $10.0 million in PE 23735A to fund fully the under armor APU integration effort.

Improved Cargo Helicopter (ICH)

The budget request included $0.2 million for research and development of aircraft improvements.

The House bill and the Senate amendment would authorize an increase of $22.7 million for technology demonstrations and risk reduction efforts for the programmatic development of the ICH program.

The conferees agree to authorize $22.9 million in PE 23744A for work in improving heavy lift helicopter capabilities that includes system health monitoring and vibration reduction technologies.

Force XXI digitization

The budget request included $110.2 million for ongoing efforts to digitize the 21st century Army.

The House bill would support the budget request.

The Senate amendment would provide an increase of $24.0 million to ensure a successful evaluation of Force XXI technologies.

The conferees agree to authorize $122.2 million in PE 23758A, an increase of $12.0 million for this effort.

Missile/air defense product improvement program

The budget request included $31.0 million for missile and air defense improvements.

The House bill would authorize an increase of $20.0 million to the budget request.

The Senate amendment would authorize an increase of $55.0 million in PE 23801A. Of this amount, $40.0 million would be to complete analysis on cruise missile enhancements to the Patriot PAC–1 missile and an additional $15.0 million for evaluation of the Starstreak missile.

The conferees agree to authorize $71.0 million in PE 23801A to complete the Patriot cruise missile seeker assessment. The Starstreak missile program is addressed elsewhere in this report.

High modulus polyacrylonitrile carbon fiber

The budget request included $27.9 million for Industrial Preparedness Activities (PE 78045A).

The conferees agree to an increase of $8.0 million in PE 78045A to complete the multiyear program to develop at least two domestic sources for high modulus polyacrylonitrile (PAN) carbon fiber as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267). The conferees direct that all applicable competitive procedures be used in the award of any contracts or other agreements under this program, and that cost sharing requirements for non-federal participants be utilized where appropriate.

Instrumented factory for gears (INFAC)

The budget request included $16.8 million for Industrial Preparedness (PE 78045A).

The House bill would authorize an increase of $3.0 in PE 78045A for INFAC.

The Senate amendment authorized the budget request.

The Senate recedes.

Force XXI initiatives

The budget request did not include any funding for this program.

The House bill contained $100.0 million for a new program element, to be established by the Army, to support the Force XXI Initiatives process that will allow the Army to conduct a timely evaluation of new equipment and technology.

The Senate amendment would add $100.0 million for this purpose.

The conferees agree to authorize $75.0 million for Force XXI development activities. The Army is expected to subject programs with promising preliminary results to normal reviews and evaluations required by law, prior to transitioning into production any program tested with these funds. The conferees expect the Army to budget for necessary resources in future year activities.

Overview

The budget request for fiscal year 1997 contained an authorization of $7,334.7 million for Navy, Research and Development in the Department of Defense. The House bill would authorize $8,190.0 million. The Senate amendment would authorize $8,891.5 million. The conferees recommended an authorization of $8,068.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT	0	RESEARCH DEVELOPMENT TEST & EVAL NAVY					
0601152N	1	IN-HOUSE INDEPENDENT LABORATORY RESEARCH	15,309	15,309	15,309		15,309
0601153N	2	DEFENSE RESEARCH SCIENCES	371,904	396,904	361,904	(10,000)	361,904
0602111N	3	SURFACE/AEROSPACE SURVEILLANCE AND WEAPONS TECHNOLOGY	26,312	41,112	35,312	14,800	41,112
0602121N	4	SURFACE SHIP TECHNOLOGY	35,591	45,091	41,591	6,000	41,591
0602122N	5	AIRCRAFT TECHNOLOGY	20,578	20,578	20,578		20,578
0602131M	6	MARINE CORPS LANDING FORCE TECHNOLOGY	17,093	17,093	17,093		17,093
0602232N	7	COMMAND, CONTROL, AND COMMUNICATIONS TECHNOLOGY	56,159	58,159	56,159	2,000	58,159
0602233N	8	READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECHNOLOGY	40,828	43,328	40,828		40,828
0602234N	9	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	75,886	86,886	80,886	6,000	81,886
0602270N	10	ELECTRONIC WARFARE TECHNOLOGY	22,454	22,454	22,454		22,454
0602314N	11	UNDERSEA SURVEILLANCE WEAPON TECHNOLOGY	49,580	70,580	49,580		49,580
0602315N	12	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	40,534	40,534	40,534		40,534
0602435N	13	OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY	44,559	69,559	57,559	13,000	57,559
0602633N	14	UNDERSEA WARFARE WEAPONRY TECHNOLOGY	33,891	39,891	39,891	6,000	39,891
0603217N	15	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	29,315	41,315	36,815	12,000	41,315
0603238N	16	PRECISION STRIKE AND AIR DEFENSE	55,560	46,311	55,560		55,560
0603270N	17	ADVANCED ELECTRONIC WARFARE TECHNOLOGY	15,085	15,085	15,085		15,085
0603508N	18	SHIP PROPULSION SYSTEM	28,557	46,557	36,557	8,000	36,557
0603640M	19	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	24,212	30,962	24,212	40,000	64,212
0603706N	20	MEDICAL DEVELOPMENT	37,342	41,342	37,342	4,000	41,342
0603707N	21	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV	19,273	19,273	19,273		19,273
0603712N	22	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	19,970	19,970	44,970	25,000	44,970
0603747N	23	UNDERSEA WARFARE ADVANCED TECHNOLOGY	43,583	58,583	48,583	5,000	48,583
0603771N	24	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-
0603782N	25	SHALLOW WATER MCM DEMOS	42,753	47,753	45,753		42,753
0603792N	26	ADVANCED TECHNOLOGY TRANSITION	104,424	84,424	104,424	(20,000)	84,424
0603794N	27	C3 ADVANCED TECHNOLOGY	29,268	29,268	29,268		29,268
0603207N	28	AIR/OCEAN TACTICAL APPLICATIONS	16,519	16,519	16,519		16,519
0603208N	29	TRAINING SYSTEM AIRCRAFT	2,405	2,405	2,405		2,405
0603216N	30	AVIATION SURVIVABILITY	6,313	6,313	6,313		6,313
0603254N	31	ASW SYSTEMS DEVELOPMENT	19,473	21,973	21,973	2,500	21,973
0603261N	32	TACTICAL AIRBORNE RECONNAISSANCE	24,085	24,085	24,085		24,085
0603382N	33	ADVANCED COMBAT SYSTEMS TECHNOLOGY	3,858	3,858	3,858		3,858
0603451N	34	TACTICAL SPACE OPERATIONS	-	-	-		-
0603502N	35	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	86,995	98,995	98,995	12,000	98,995
0603504N	36	ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT	19,149	58,149	67,149	39,000	58,149
0603506N	37	SURFACE SHIP TORPEDO DEFENSE	5,772	5,772	5,772		5,772
0603512N	38	CARRIER SYSTEMS DEVELOPMENT	12,745	35,745	64,745	23,000	35,745
0603513N	39	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	9,948	9,948	9,948	1,900	11,848
0603514N	40	SHIP COMBAT SURVIVABILITY	5,749	5,749	5,749		5,749

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603525N	41	PILOT FISH	93,910	93,910	93,910		93,910
0603528N	42	NON-ACOUSTIC ANTI-SUBMARINE WARFARE (ASW)	-	-	-		-
0603536N	43	RETRACT JUNIPER	10,398	10,398	10,398		10,398
0603542N	44	RADIOLOGICAL CONTROL	2,886	2,886	2,886		2,886
0603553N	45	SURFACE ASW	3,964	3,964	3,964		3,964
0603561N	46	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	26,400	85,400	86,400	59,000	85,400
0603562N	47	SUBMARINE TACTICAL WARFARE SYSTEMS	4,578	4,578	4,578		4,578
0603563N	48	SHIP CONCEPT ADVANCED DESIGN	13,807	88,807	13,807		13,807
	48A	ARSENAL SHIP	-	-	-	25,000	25,000
0603564N	49	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	12,942	12,942	37,942		12,942
0603570N	50	ADVANCED NUCLEAR POWER SYSTEMS	131,965	131,965	131,965		131,965
0603573N	51	ADVANCED SURFACE MACHINERY SYSTEMS	59,773	76,273	78,773	12,500	72,273
0603576N	52	CHALK EAGLE	149,679	149,679	149,679		149,679
0603582N	53	COMBAT SYSTEM INTEGRATION	3,879	3,879	3,879		3,879
0603609N	54	CONVENTIONAL MUNITIONS	26,490	29,490	26,490	3,000	29,490
0603610N	55	ADVANCED WARHEAD DEVELOPMENT (MK-50)	1,329	1,329	1,329		1,329
0603611M	56	MARINE CORPS ASSAULT VEHICLES	40,106	60,106	60,106	20,000	60,106
0603612M	57	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	592	592	592		592
0603635M	58	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	44,891	44,891	48,891		44,891
0603654N	59	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	4,639	4,639	4,639		4,639
0603709N	60	ADVANCED MARINE BIOLOGICAL SYSTEM	-	-	-		-
0603711N	61	FLEET TACTICAL DEVELOPMENT	3,398	3,398	3,398		3,398
0603713N	62	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	8,606	8,606	8,606		8,606
0603721N	63	ENVIRONMENTAL PROTECTION	48,401	48,401	48,401		48,401
0603724N	64	NAVY ENERGY PROGRAM	3,080	3,080	3,080		3,080
0603725N	65	FACILITIES IMPROVEMENT	2,239	2,239	2,239		2,239
0603734N	66	CHALK CORAL	77,675	77,675	77,675		77,675
0603746N	67	RETRACT MAPLE	83,809	88,809	93,809	5,000	88,809
0603748N	68	LINK PLUMERIA	26,433	26,433	26,433		26,433
0603751N	69	RETRACT ELM	24,993	24,993	24,993		24,993
0603755N	70	SHIP SELF DEFENSE	216,486	243,486	279,486	35,000	251,486
0603763N	71	WARFARE SYSTEMS ARCHITECTURE AND ENGINEERING	-	-	-		-
0603785N	72	COMBAT SYSTEMS OCEANOGRAPHIC PERFORMANCE ASSESSMENT	13,650	13,650	13,650		13,650
0603787N	73	SPECIAL PROCESSES	82,764	82,764	82,764		82,764
0603790N	74	NATO RESEARCH AND DEVELOPMENT	9,933	-	9,933		9,933
0603795N	75	GUN WEAPON SYSTEM TECHNOLOGY	42,204	47,204	69,204	5,000	47,204
0603800N	76	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	246,833	246,833	259,833	13,000	259,833
0604707N	77	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SUPPORT	5,212	5,212	5,212		5,212
0603266N	78	AH-1T COMPOSITE ROTOR BLADE (H)	73,080	73,080	73,080		73,080
0604212N	79	OTHER HELO DEVELOPMENT	40,132	40,132	51,132	16,800	56,932
0604214N	80	AV-8B AIRCRAFT - ENG DEV	16,874	16,874	16,874		16,874

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604215N	81	STANDARDS DEVELOPMENT	24,698	27,098	24,698	2,400	27,098
0604217N	82	S-3 WEAPON SYSTEM IMPROVEMENT	4,979	4,979	4,979		4,979
0604218N	83	AIR/OCEAN EQUIPMENT ENGINEERING	5,631	5,631	5,631		5,631
0604221N	84	P-3 MODERNIZATION PROGRAM	2,074	2,074	2,074		2,074
0604231N	85	TACTICAL COMMAND SYSTEM	26,989	31,489	46,489	13,000	39,989
0604261N	86	ACOUSTIC SEARCH SENSORS	12,141	12,141	14,641		12,141
0604262N	87	V-22A	576,792	613,792	596,792	37,000	613,792
0604264N	88	AIR CREW SYSTEMS DEVELOPMENT	11,089	16,089	16,089	5,000	16,089
0604265N	89	AIR LAUNCHED SATURATION SYSTEM (ALSS)	-	-	-		-
0604270N	90	EW DEVELOPMENT	78,748	82,248	143,748	35,500	114,248
0604301N	91	MK 92 FIRE CONTROL SYSTEM UPGRADE	-	-	-		-
0604307N	92	AEGIS COMBAT SYSTEM ENGINEERING	89,279	89,279	111,179	14,000	103,279
0604310N	93	ARSENAL SHIP	25,000	-	172,000	(25,000)	-
0604311N	94	LPD-17 CLASS SYSTEMS INTEGRATION	4,272	4,272	12,272		4,272
0604312N	95	TRI-SERVICE STANDOFF ATTACK MISSILE	-	-	-		-
0604366N	96	STANDARD MISSILE IMPROVEMENTS	1,637	9,637	1,637	8,000	9,637
0604372N	97	NEW THREAT UPGRADE	-	-	-		-
0604373N	98	AIRBORNE MCM	14,522	20,522	30,522	16,000	30,522
0604503N	99	SSN-688 AND TRIDENT MODERNIZATION	61,395	80,395	61,395	15,200	76,595
0604504N	100	AIR CONTROL	10,750	10,750	10,750		10,750
0604507N	101	ENHANCED MODULAR SIGNAL PROCESSOR	3,718	3,718	3,718		3,718
0604512N	102	SHIPBOARD AVIATION SYSTEMS	6,571	6,571	6,571		6,571
0604516N	103	SHIP SURVIVABILITY	6,832	6,832	6,832		6,832
0604518N	104	COMBAT INFORMATION CENTER CONVERSION	10,280	10,280	10,280		10,280
0604524N	105	SUBMARINE COMBAT SYSTEM	18,952	18,952	18,952		18,952
0604558N	106	NEW DESIGN SSN	394,000	434,000	409,200		394,000
0604561N	107	SSN-21 DEVELOPMENTS	91,931	91,931	117,931		91,931
0604562N	108	SUBMARINE TACTICAL WARFARE SYSTEM	22,899	23,899	22,899		22,899
0604567N	109	SHIP CONTRACT DESIGN/ LIVE FIRE T&E	7,221	7,221	7,221		7,221
0604574N	110	NAVY TACTICAL COMPUTER RESOURCES	5,237	5,237	5,237		5,237
0604601N	111	MINE DEVELOPMENT	2,505	2,505	2,505		2,505
0604603N	112	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	22,322	22,322	22,322		22,322
0604610N	113	LIGHTWEIGHT TORPEDO DEVELOPMENT	15,019	15,019	15,019		15,019
0604612M	114	MARINE CORPS MINE COUNTERMEASURES SYSTEMS - ENG DEV	5,742	5,742	5,742		5,742
0604618N	115	JOINT DIRECT ATTACK MUNITION	35,130	35,130	35,130		35,130
0604654N	116	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,346	8,446	7,346		7,346
0604703N	117	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,013	1,013	1,013		1,013
0604710N	118	NAVY ENERGY PROGRAM	1,983	1,983	1,983		1,983
0604719M	119	MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	-	-	-		-
0604721N	120	BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	3,704	4,704	3,704	1,000	4,704
0604727N	121	JOINT STANDOFF WEAPON SYSTEMS	86,266	86,266	86,266		86,266

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604755N	122	SHIP SELF DEFENSE	134,677	134,677	171,677	16,000	150,677
0604761N	123	INTELLIGENCE ENGINEERING	-	-	-		-
		JSTARS NAVY	-	10,000			-
0604771N	124	MEDICAL DEVELOPMENT	3,148	3,148	3,148		3,148
0604777N	125	NAVIGATION/ID SYSTEM	46,885	46,885	46,885		46,885
0604784N	126	DISTRIBUTED SURVEILLANCE SYSTEM	35,194	70,194	87,194	35,000	70,194
0604256N	127	THREAT SIMULATOR DEVELOPMENT	23,536	23,536	23,536		23,536
0604258N	128	TARGET SYSTEMS DEVELOPMENT	31,120	31,120	31,120		31,120
0604759N	129	MAJOR T&E INVESTMENT	40,612	40,612	40,612		40,612
0605152N	130	STUDIES AND ANALYSIS SUPPORT - NAVY	7,174	7,174	7,174		7,174
0605154N	131	CENTER FOR NAVAL ANALYSES	42,251	42,251	42,251		42,251
0605155N	132	FLEET TACTICAL DEVELOPMENT	2,998	2,998	2,998		2,998
0605502N	133	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605804N	134	TECHNICAL INFORMATION SERVICES	1,725	1,725	1,725		1,725
0605853N	135	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	20,905	20,905	20,905		20,905
0605856N	136	STRATEGIC TECHNICAL SUPPORT	2,059	2,059	2,059		2,059
0605861N	137	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	58,348	58,348	60,848		58,348
0605862N	138	RDT&E INSTRUMENTATION MODERNIZATION	6,196	6,196	6,196		6,196
0605863N	139	RDT&E SHIP AND AIRCRAFT SUPPORT	50,348	50,348	50,348		50,348
0605864N	140	TEST AND EVALUATION SUPPORT	242,891	244,891	242,891	2,000	244,891
0605865N	141	OPERATIONAL TEST AND EVALUATION CAPABILITY	5,999	5,999	5,999		5,999
0605866N	142	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	2,868	2,868	2,868		2,868
0605867N	143	SEW SURVEILLANCE/RECONAISSANCE SUPPORT	11,986	11,986	11,986		11,986
0605871M	144	MARINE CORPS TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES	-	-	-		-
0605873M	145	MARINE CORPS PROGRAM WIDE SUPPORT	7,424	7,424	47,424		7,424
0909999N	146	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	-	-	-		-
0101221N	147	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	41,790	41,790	41,790		41,790
0101224N	148	SSBN SECURITY TECHNOLOGY PROGRAM	21,340	29,340	26,840	5,500	26,840
0101226N	149	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	7,917	7,917	7,917		7,917
0101402N	150	NAVY STRATEGIC COMMUNICATIONS	-	-	-		-
0204136N	151	F/A-18 SQUADRONS	425,333	423,133	425,333	(2,200)	423,133
0204152N	152	E-2 SQUADRONS	65,025	65,025	65,025		65,025
0204163N	153	FLEET TELECOMMUNICATIONS (TACTICAL)	20,013	20,013	20,013		20,013
0204229N	154	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	136,364	144,364	165,364	8,000	144,364
0204311N	155	INTEGRATED SURVEILLANCE SYSTEM	14,033	36,133	14,033	22,100	36,133
0204413N	156	AMPHIBIOUS TACTICAL SUPPORT UNITS	1,548	1,548	1,548		1,548
0204571N	157	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	34,906	37,906	43,906	3,000	37,906
0204575N	158	ELECTRONIC WARFARE (EW) READINESS SUPPORT	1,651	1,651	1,651		1,651
0205601N	159	HARM IMPROVEMENT	3,348	58,348	3,348	52,500	55,848
0205604N	160	TACTICAL DATA LINKS	37,302	48,902	37,302		37,302
0205620N	161	SURFACE ASW COMBAT SYSTEM INTEGRATION	4,901	8,901	4,901	4,000	8,901

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

	Line		FY 1997	House	Senate	Conference	
PE	No.	Title	Request	Authorized	Authorized	Change	Agreement
0205632N	162	MK-48 ADCAP	12,772	12,772	12,772		12,772
0205633N	163	AVIATION IMPROVEMENTS	53,512	53,512	53,512		53,512
0205658N	164	NAVY SCIENCE ASSISTANCE PROGRAM	5,067	5,067	15,067	10,000	15,067
0205667N	165	F-14 UPGRADE	9,879	9,879	9,879		9,879
0205675N	166	OPERATIONAL NUCLEAR POWER SYSTEMS	55,876	55,876	55,876		55,876
0206313M	167	MARINE CORPS COMMUNICATIONS SYSTEMS	56,687	58,542	56,687	1,855	58,542
0206623M	168	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	7,280	7,280	7,280		7,280
0206624M	169	MARINE CORPS COMBAT SERVICES SUPPORT	5,211	5,211	8,211		5,211
0206625M	170	MARINE CORPS INTELLIGENCE/ELECTRONICS WARFARE SYSTEMS	-	-	-		-
0206626M	171	MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	-	-	-		-
0207161N	172	TACTICAL AIM MISSILES	58,415	58,415	58,415	(4,490)	53,925
0207163N	173	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	2,274	2,274	2,274		2,274
0303109N	176	SATELLITE COMMUNICATIONS (SPACE)	38,257	38,257	38,257		38,257
0303140N	177	INFORMATION SYSTEMS SECURITY PROGRAM	26,936	26,936	26,936		26,936
0305160N	180	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	1,195	1,195	21,195	15,000	16,195
0305927N	181	NAVAL SPACE SURVEILLANCE	706	706	706		706
0708011N	182	INDUSTRIAL PREPAREDNESS	35,526	35,526	65,526	30,000	65,526
		JOINT SERVICE NON-LETHAL WEAPONS TECHNOLOGIES PROGRAM	-	-	15,000	15,000	15,000
		ACQUISITION CENTER OF EXCELLENCE		-	8,000	8,000	8,000
XXXXXXX	999	Classified Programs	501,598	669,598	1,007,298	5,700	507,298
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL NAVY	7,334,734	8,189,957	8,891,534	733,565	8,068,299

Continuous wave superconducting radio frequency free electron laser

The budget request included $26.3 million for surface/aerospace surveillance and weapons technology (PE 62111N).

The House bill and Senate amendment would authorize an increase of $9.0 million in PE 62111N for the continuous wave superconducting radio frequency free electron laser (FEL) program.

The conferees agree to an increase of $9.0 million in PE 62111N for the continuation of the FEL program as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267). The conferees understand that there will be significant cost sharing between the Commonwealth of Virginia and the private sector in this effort. The conferees encourage the Department of Energy to build on this Navy project to meet the needs of materials scientists in universities and industry.

Advanced gun systems technology program

The budget request included $4.8 million in PE 62111N for applied research in advanced gun and projectile technologies in support of the naval surface fire support (NSFS) program.

The House bill would authorize an increase of $2.8 million to accelerate development of advanced miniaturized, gun-hardened global positioning system/inertial navigation (GPS/INS) guidance and control technology and development of advanced technologies for next-generation gun systems.

The Senate amendment would authorize the budget request.

The Senate recedes.

Rocket propulsion programs

The House bill authorized an increase of $19.0 million for rocket propulsion technology programs in PE 62111N, PE 63217N, PE 62601F, and PE 63302F.

The Senate amendment contained no similar provision.

The conferees agree to provide an increase of $19.0 million as specified in the House report (H. Rept. 104–563).

Power electronic building blocks

The budget request included $35.6 million for surface ship technology programs (PE 62121N).

The House bill and the Senate amendment would authorize an increase of $6.0 million in PE 62121N for power electronic building blocks (PEBB) systems.

The conferees agree to an increase of $6.0 million in PE 62121N for the continued development of PEBB technology for the rapid switching and control of high power electrical systems as discussed in the House report (H. Rept. 104–563 and the Senate report (S. Rept. 104–267). The conferees urge that the increase be used for the development of virtual prototyping tools that can be used to visualize and evaluate the performance of new reconfigurable ship electronic power systems that can survive battle damage and component failures.

Communications technology

The budget request included $56.2 million in PE 62232N to continue development of key communications technologies for air, ship and submarine platforms.

The House bill would authorize an increase of $2.0 million to the budget request for support of wireless and satellite communications research in the areas of integrated antenna systems, communications hardware design, communications algorithm development and high-frequency device modeling and measurements.

The Senate amendment would authorize the budget request.

The Senate recedes.

Materials, electronics and computer technology

The budget request included $75.9 million in PE 62234N for materials, electronics and computer technology.

The House bill would authorize an increase of $1.0 million in PE 62234N for composite engineered materials to address the future needs of naval shore facility maintenance and repair.

The Senate amendment would authorize an increase of $5.0 million in PE 62234N to address new materials processes such as resin transfer molding and the establishment of second sources for carbon fibers and prepreg systems.

The conferees agree to authorize an increase of $6.0 million for new materials processes as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267).

Undersea weapons

The budget request included $33.9 for undersea warfare weapon technology (PE 62633N).

The House bill and the Senate amendment would authorize an increase of $6.0 million in PE 62633N for development of undersea weapons.

The conferees agree to an increase of $6.0 million in PE 62633N for the Navy's Undersea Weapons Technology program to accelerate the development and demonstration of technologies applicable to a quick reaction anti-submarine/anti-torpedo weapon for close-range engagements and for the protection of surface ships and submarines from torpedo attack as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267).

Maritime avionics subsystems and technology program

The budget request included $29.3 million for advanced development of air systems and weapons advanced technology (PE 63217N).

The House bill would authorize an increase of $10.0 million in PE 63217N for the maritime avionics subsystems and technology (MAST) program.

The Senate amendment would authorize the budget request.

The Senate recedes.

In the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450), the conferees authorized $10.0 million to continue the MAST program in fiscal year 1996 and recommended that the Secretary of the Navy consider requirements for continuation of the program in future budget requests. The conferees believe that the Navy science and technology program must continue to place emphasis on the development of advanced avionics architectures and systems. Because of the congressional interest in this program and the importance of advanced avionics architectures to future aircraft systems, the conferees expect the Secretary of the Navy to include funding for the MAST program in the fiscal year 1998 budget request.

Mobile off-shore base

The budget request included $9.2 million in PE 63238N to continue concept development of the mobile off-shore base (MOBS).

The House bill would authorize reduction of $9.2 million in the budget request.

The Senate amendment would approve the budget request.

The House recedes.

The conferees note that the Secretary of Defense has not reported to the congressional defense committees the plan and schedule for incorporating MOBS in the Defense Acquisition Board process and accomplishing a Milestone 0 review, as directed in the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450).

Project M

The budget request included no funding Project M. a technology program for the active control of machinery platforms.

In fiscal year 1996, Congress authorized and appropriated $7.0 million in PE 63569E to continue the transfer of Project M technology from the Defense Advanced Research Projects Agency (DARPA) to the Navy. The program has been focused on the demonstration of active control of machinery raft structural dynamics and magnetic levitation using rafts that represent future submarine engine room structures. The research has been significant because it has demonstrated that large scale implementation of active control for complex structures is possible. Additional funding in fiscal year 1997 would permit realistic testing of high fidelity quarter scale physical models that will provide quantitative performance data and other critical information that can be used to define the scope of applications for this technology in future submarine or surface ship designs. There is also potential for the expanded use of this technology in a broad spectrum of other military, space, and commercial applications where quieting of systems and subsystems is important.

The House bill would authorize an increase of $8.0 million in PE 63508N to complete transition of Project M from DARPA to the Navy.

The Senate amendment would authorize an increase of $8.0 million above the budget request in PE 63508N for the continued development of Project M.

The conferees agree to an increase of $8.0 million above the budget request in PE 63508N for the continues development of Project M and to complete its transition from DARPA to the Navy. The conferees also direct that the Secretary of the Navy submit a report, no later than March 1, 1997, that provides a detailed assessment of:

(1) the current status of the Project M program;

(2) the Secretary's plans for continued development of the project M technology;

(3) future milestones for the maturing of the technology;

(4) the Navy's plan for incorporating Project M technology into the design of its next generation of nuclear attack submarine; and

(5) funding included in the future years defense program to satisfy this plan.

Commandant's warfighting laboratory

The budget request included $24.4 million in PE 63640M, including $3.5 million for the Commandant of the Marine Corps warfighting laboratory, "Sea Dragon".

The House bill would authorize an increase of $5.0 million for this initiative.

The Senate amendment would authorize an increase of $40.0 in PE 65873M, Marine Corps Program-wide Support, for technology supporting experiments in "Hunter Warrior", the first advanced warfighting experiment being conducted by the Commandant's warfighting laboratory, and to support technology enhancements for follow-on limited objective experiments in fiscal year 1997.

The conferees agree to authorize an increase of $40.0 million in PE 63640M for support of the Commandant's warfighting laboratory. The conferees agree that the Marine

Corps should budget for continuation of this initiative in future budget requests. The conferees also agree with the view expressed in the Senate report (S. Rept. 104-267) that continued support for the Marine Corps "Sea Dragon" process will be based on the demonstrated ability of the Marine Corps to budget adequately for the rapid fielding of new technologies supported by the results of the Sea Dragon experiments.

Tactical fiber optic communications

The House bill would authorize an increase of $1.75 million in PE 63640M for the Navy and the Marine Corps to exploit commercial advances in lightweight fiber optics for communications purposes and to demonstrate the use of lightweight tactical fiber optics for communications in a littoral scenario.

The Senate amendment would authorize the requested amount.

The House recedes.

Medical mobile monitor

The budget request included $37.3 million for medical development programs (PE 63706N).

The House bill would authorize an increase of $4.0 million in PE 63706N for the development of a medical mobile monitor to assist physicians and other medical personnel in the diagnosis and treatment of injuries and illness, and has the capability to interface with portable personal computers.

The Senate amendment would authorize the budget request.

The Senate recedes.

Smart base

The budget request included $20.0 million for the Navy's Environmental Quality and Logistics program (PE 63712N).

The Senate amendment would authorize an increase of $25.0 million in PE63712N for the Smart Base technology demonstration.

The House bill would authorize the budget request.

The House recedes. The conferees agree to an increase of $25.0 million in PE 63712N for the Smart Base technology demonstration. In executing the program, the conferees instruct the Department of the Navy to minimize costs by seeking cost sharing partnerships with other Federal agencies, and state and local governments, as well as commercial activities.

Littoral warfare advanced technology demonstration

The budget request included $43.6 million in PE 63747N for undersea warfare advanced technology development.

The House bill would authorize an increase of $10.0 million to the budget request for at-sea demonstration and evaluation of broad band, low low frequency active (LLFA) acoustic technology for the detection of quiet, slow moving submarines in the widely variable environment of the world's littoral regions.

The Senate bill would authorize the requested amount.

The House recedes. The conferees direct the Secretary of the Navy to report to the Congress on the Navy's intentions with regard to further development and exploitation of LLFA acoustic technology with the submission of the Navy's fiscal year 1998 budget request.

Undersea weapons advanced technology demonstration

The budget request included $2.8 million for project R2267 in PE 63747N. This project develops and demonstrates advanced undersea weapons component prototypes for insertion into current undersea weapons to upgrade their capabilities.

The House bill and the Senate amendment would authorize an increase of $5.0 million in PE 63747N for development and demonstration of advanced technology prototype improvements to current undersea weapons systems, including environmental emissions compliant alternative torpedo fuels and advanced broadband homing system technologies and software algorithms to improve the countermeasure resistance of U.S. undersea weapons.

The conferees agree to an increase of $5.0 million in PE 63747N.

Shallow water mine countermeasures

The budget request included $42.8 million in PE 63782N for development and demonstration of mine countermeasures advanced technology, including $6.4 million for continued development of the advanced lightweight influence sweep system (ALISS).

The House bill would authorize an increase of $5.0 million in PE 63782N to complete development, fabrication and testing of the full-scale superconducting magnet that is one of the two major subsystems of the ALISS.

The Senate amendment would authorize an increase of $3.0 million in PE 63782N for completion of the science and technology demonstration program for the beach zone array subsystem of the explosive neutralization program.

The conferees agree to authorize the requested amount.

The conferees recommend that the Navy include funding in future budget requests to complete advanced technology development and demonstration of the ALISS, as recommended in the House report (H. Rept. 104-563), and to complete the science and technology demonstration program for the beach zone array subsystem of the explosive neutralization program, as recommended in the Senate report (S. Rept. 104-267).

Advanced technology transition

The budget request included $104.4 million in PE 63792N for the Navy's Advanced Technology Transition program to demonstrate high-risk/high payoff technologies that could significantly improve the warfighting capabilities of the fleet and joint forces.

The House bill would authorize a decrease of $20.0 million from the budget request in PE 63792N. The House report (H. Rept. 104-563) commended the leadership of the Navy's science and technology community for the advanced technology transition initiative and the potential that it presents for accelerating the application of technology base solutions to fleet and joint warfighting requirements. However, the House report also included reservations about the growth in funding for the program and the increase in the number of projects encompassed by it that have occurred since fiscal year 1995. The House report expressed the view that the program needs to be highly selective and sharply focused on a relatively limited number of projects that are aimed at solutions to some of the Navy's most critical problems.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Research for advanced submarine technology

The budget request included $19.1 million in PE 63504N for advanced submarine combat systems development and $26.4 million in PE 63561N for advanced submarine system development, but no funding in PE 63508N for advanced submarine technology.

Both the House bill and the Senate amendment were influenced by a report, Report on Nuclear Attack Submarine Procurement and Submarine Technology, submitted to Congress by the Secretary of Defense on March 26, 1996 in compliance with section 131 of the National Defense Authorization Act for Fiscal Year 1996. This report reflected recommendations of a submarine technology assessment panel, also known as the Baciocco Panel, that was commissioned by the Secretary of the Navy to provide an independent evaluation of available and future submarine technologies and an assessment of their feasibility, cost, and potential benefits or drawbacks with respect to their incorporation into a new submarine platform.

The House bill would authorize an increase of $208.0 million for advanced submarine technologies. The House report (H. Rept. 104-563) provides detailed direction on how this authorization would be distributed.

The House bill would authorize an increase of $18.0 million in PE 63508N for applied research and exploratory development in advanced submarine concepts, including Baciocco Panel recommendations, and for transition of advanced ship and submarine technologies developed under the Defense Advanced Research Projects Agency (DARPA). Of the additional amount provided in PE 63508N, $8.0 million would be to complete the transfer to the Navy of the technology for actively controlled machinery platforms demonstrated in DARPA Project "M".

The House bill would authorize an increase of $60.0 million to the budget request for demonstration and validation of core technologies identified in the Secretary of Defense's report, including improved acoustic sensors and processing, hydrodynamics, structural acoustics (including active controls and mounts), and propulsors (including integrated stern and electric drive), which would be distributed as follows:

	In millions
PE 63504N, Advanced Submarine Combat Systems Development:	
Advanced Acoustic Sensors	$10.0
Advanced Acoustic Signal Processing	10.0
PE 63561N, Advanced Submarine Systems Development:	
Hydrodynamics	5.0
Structural Acoustics	15.0
Propulsors	20.0

The House bill would direct that, of the $60.0 million increase, a total of $20.0 million would be equally divided between the two submarine shipbuilders, Electric Boat Division and Newport News Shipbuilding, for the purpose of ensuring that these shipbuilders are principal participants in the process of including new technologies into the design and construction of the submarines built at their respective shipyards. The House report (H. Rept. 104-563) would direct the Secretary of the Navy to ensure that those shipbuilders have access for such purposes to the Navy laboratories and the Office of Naval Intelligence.

The House bill would authorize an increase of $38.0 million to the budget request for demonstration and validation of the Category I and Category II technologies described in the Secretary's report as follows:

(1) PE 63504N: $19.0 million for demonstration and validation of passive ranging/target motion analysis, large aperture processing, matched environmental processing, total ship monitoring system improvements, near-term multi-line towed array, high gain multi-line towed array, lightweight wide aperture array fiber optics, and high gain hull array; and

(2) PE 63561N: $19.0 million for demonstration and validation of electro-mechanical/

electro-hydraulic actuators, advanced welding processes, power electronic building blocks, advanced propulsor fabrication, advanced hybrid propulsors, advanced coatings, rim driven motors, and elastomeric ejection system.

The House bill would authorize an increase of $50.0 million in PE 63563N to initiate the design of new, next-generation nuclear attack submarines. The $50.0 million would be equally divided between the two shipbuilders for this purpose. The design effort would proceed in parallel with the construction of four developmental submarines so that these two original designs would be ready to compete for serial production in fiscal year 2003.

The House bill would authorize an increase of $40.0 million in PE 64558N to produce design improvements for four developmental submarines that would be built at Electric Boat Division and Newport News Shipbuilding as a consequence of section 131 of the National Defense Authorization Act for Fiscal Year 1996. The $40.0 million would be equally divided between the two shipbuilders. Each shipbuilder would be allowed to propose to the Secretary of the Navy any design improvement that the shipbuilder considers appropriate for the submarines being built by that shipbuilder.

The House bill would authorize an increase of $2.0 million in PE 14224N for further development and evaluation of wake trial sensors.

The Senate amendment would authorize a total increase of $100.0 million for advanced submarine technology initiatives identified in the Secretary of Defense's report. This increase would be distributed as follows:

(1) $60.0 million for development of core technologies, including $20.0 million in PE 63504N and $40.0 million in PE 63561N; and

(2) $40.0 million for development of the Category I and Category II technologies identified in the Secretary of Defense's report, including $20.0 million in PE 63504N and $20.0 million in PE 63561N.

The Senate report (S. Rept. 104–267) would direct the Navy to use these funds to carry out the high priority development efforts identified in the Secretary of Defense's report to Congress, emphasizing advanced hydrodynamic and hydroacoustic research, using advanced modeling that is validated, when appropriate, by the use of large scale models before insertion into the final design. The Senate report would also emphasize that the authorized increase would be for developing new technologies, not for the purpose of resolving funding shortfalls in existing programs or for improving combat systems or sensors on older submarines.

The conferees agree to authorize an increase of $8.0 million in PE 63508N for Project "M". This authorization is discussed in more detail elsewhere in this statement of managers.

The conferees also agree to an increase of $60.0 million for demonstration and validation of core technologies identified in the Secretary of Defense's report, including improved acoustic sensors and processing, hydrodynamics, structural acoustics (including active controls and mount), and propulsors (including integrated stern and electric drive). This increase will be distributed as follows:

[In millions of dollars]

PE 63504N, Advanced Submarine Combat Systems Development:	
Advanced Acoustic Sensors	10.0
Advanced Acoustic Signal Processing	10.0
PE 63561N, Advanced Submarine Systems Development:	
Hydrodynamics	5.0
Structural Acoustics	15.0
Propulsors	20.0

The conferees direct that, of the $60.0 million increase, a total of $20.0 million will be equally divided between the two submarine shipbuilders, Electric Boat Division and Newport News Shipbuilding, for the purpose of ensuring that these shipbuilders are principal participants in the process of including new technologies into the design and construction of the submarines built at their respective shipyards. The conferees further direct the Secretary of the Navy to ensure that those shipbuilders have access for such purpose to the Navy laboratories and the Office of Naval Intelligence.

The conferees also authorize a further increase of $38.0 million to the budget request for demonstration and validation of the Category I and Category II technologies described in the Secretary's report. The recommended increase will be distributed as follows:

(1) PE 63504N: $19.0 million for demonstration and validation of passive ranging/target motion analysis, large aperture processing, matched environmental processing, total ship monitoring system improvements, near-term multi-line towed array, high gain multi-line towed array, lightweight wide aperture array fiber optics, and high gain hull array; and

(2) PE 63561N: $19.0 million for demonstration and validation of electro-mechanical/electro-hydraulic actuators, advanced welding processes, power electronic building blocks, advanced propulsor fabrication, advanced hybrid propulsors, advanced coatings, rim driven motors, and elastomeric ejection system.

Submarine towed array processing software

The budget request included $19.1 million in PE 63504N for advanced submarine combat systems development.

The Senate amendment would authorize an increase of $8.0 million in PE 63504N to improve the overall performance of both sonar and combat control systems by the improvement of their ASW acoustic processing.

The House bill would authorize the requested amount.

The Senate recedes.

Aircraft carrier research and development

The budget request included $12.7 million in PE 63512N for carrier systems development, including $8.3 million for development and demonstration of technologies that may be used in the future aircraft carrier (CVX–78) now planned to begin construction contract award in fiscal year 2006.

To accelerate development and demonstration of technologies for the CVX–78 and to establish a more reasonable ramp to ship design, component development, and the production decision for the CVX–78, the House bill would authorize an increase of $23.0 million to the budget request in PE 63512N. The House report (H. Rept. 104–563) indicated these funds would be used for development of technologies for advanced aircraft launch systems, advanced armor concepts, integrated topside design, initial computing plant systems architecture analysis, and development of advanced modeling and simulation.

The Senate amendment would authorize an increase of $52.0 million above the budget request in PE 63512N for aircraft carrier research and development.

The Senate recedes.

Navy surface combatant

The budget request included $12.9 million in PE 63564N for ship preliminary design and feasibility studies.

The Senate amendment would authorize an increase of $25.0 milllion in PE 63564N to increase funding for development of the Navy's next generation of surface combatant, the SC–21, to provide a level of funding that could lead to an orderly development and transition to procurement after the turn of the century.

The House bill would authorize the requested amount.

The Senate recedes.

Advanced surface machinery program—intercooled recuperated engine

The budget request included $59.8 million in PE 63573N for the advanced surface machinery program, including $34.1 million to continue advanced development of the intercooled recuperated (ICR) gas turbine engine. The ICR will be the propulsion engine for the SC–21 next generation surface combatant. Current plans call for introduction of the ICR into the fleet as the propulsion system for future DDG–51 class ships. The ICR promises 30 percent propulsion fuel savings compared to the current Navy gas turbine, increased range, and environmental emissions compliance. The engine is also being considered as the propulsion system for the multinational European "Horizon" frigate. The "Horizon" program is a collaborative effort among U.S., British, and French navies.

The ICR has been in advanced development since December 1991, and is now undergoing development full scale system testing at Pyestock, England. Tests to date confirm engine design predictions and the 30 percent fuel savings benefits of recuperation. During the engine tests in early 1995, the recuperator developed air leaks which required its removal and return to the manufacturer. Intensive investigation revealed both design flaws and manufacturing process problems. A recuperator recovery plan was instituted by the management team and full scale engine tests resumed in January 1996, using a redesigned recuperator. A second test site is to be established at the Navy's Ship Systems Land Based Engineering Site (LBES) to support ICR engine endurance and qualification testing, integration of the ICR engine into the DDG–51, and integrated power system development for the SC–21.

The House bill would authorize an increase of $12.5 million to the budget request to complete preparations for supporting ICR engine endurance and qualification tests at the LBES. The House report (H. Rept. 104–563) expressed concern that the Navy's decision to proceed with the 500 hour endurance test and the final 1000 hour qualification test at the LBES is not supported by adequate funding, and directed the Secretary of the Navy to ensure that these funds are included in the fiscal year 1998 budget request. The House report would also direct the Navy to obligate no more than 25 percent of the fiscal year 1997 funds until the Secretary of the Navy reviews the results of the developmental testing and progress in resolving the recuperator problem and reports the results of this review, not later than December 31, 1996, to the congressional defense committees.

The Senate amendment would authorize an increase of $19.0 million to the budget request in PE 63573N for the ICR engine. Of this amount:

(1) $12.5 million would be to establish an ICR test facility at the Navy's existing land-based test site; and

(2) $6.5 million would be for at-sea testing of the ICR engine.

The Senate recedes.

Insensitive munitions

The budget request included $7.3 million in PE 63609N for insensitive munitions advanced development.

The House bill would authorize an additional $3.0 million to ensure adequate funding is available for the program.

The Senate amendment would authorize the budget request.

The conferees agree to increase the budget request by $3.0 million for insensitive munitions advanced development.

Lightweight 155MM howitzer program

The budget request included $44.9 million in PE 63635M for Marine Corps ground combat and support systems.

The House bill would authorize the requested amount.

The Senate amendment would authorize an increase of $4.0 million in PE 63635M to incorporate new technologies into the Marine Corps lightweight 155mm howitzer and its associated training devices.

The Senate recedes.

Cooperative engagement capability

The budget request included $164.5 million in PE 63755N and $9.9 million in PE 24152N for continued development of the Navy's cooperative engagement capability (CEC). Funding provided by the budget request would focus on the development of shipboard and airborne cooperative engagement systems (CES), initial operational test and evaluation of shipboard CES, and development of organic integrated logistic support for the CES.

CEC is designed to enhance the warfighting capabilities of ships and aircraft by combining the data derived from various sensors into a single common representation that is available with the same positional accuracy to all participating ships. The Navy reports that a challenging cruise missile defense exercise, Mountain Top, which relied heavily on CEC position information, was held earlier this year in Hawaii. The exercise involved over-the-horizon detection, tracking, and engagement of a variety of difficult targets. The Navy currently projects that initial operational capability of the system will be achieved by September 1996. During testimony at this year's defense posture hearing, the Secretary of Defense singled out CEC as a program of high priority that he chose to accelerate because of its great potential for linking units from more than one service together and greatly increasing their warfighting ability.

Despite relatively robust funding for CEC in this year's budget request, it contains no funding to pursue joint service integration efforts that were begun last year. Successful consummation of these efforts, in consonance with the Navy's baseline program, could greatly leverage the capability of the services to conduct joint operations and provide ballistic missile defense. Another area not addressed by the budget request, an issue raised in committee hearings this year, is reported interference between CEC and other data links currently in use in the fleet.

The House bill would authorize an increase of $17.0 million in PE 63755N for the CEC program and urge the continued acceleration and expansion of joint service integration efforts, including application to the Airborne Warning and Control Systems (AWACS) aircraft, Patriot and Theater High Altitude Area Defense (THAAD) missile systems, Marine Corps TPS–59 radar and the HAWK missile system.

The Senate amendment would authorize an increase of $63.0 million above the budget request for CEC in PE 63755N to permit continued pursuit of a number of promising efforts, including CEC integration with AWACS and national sensors, to accelerate development of an airborne capability for the system, and to address the issue of CEC interference with other fleet data links, particularly the link installed on the SH–60B.

The conferees agree to an increase of $35.0 million in PE 53755N for the CEC program and urge the continued acceleration and expansion of joint service integration efforts, including application to AWACS aircraft, Patriot and THAAD missile systems, Marine Corps TPS–59 radar and the HAWK missile system. The conferees also direct the Secretary of the Navy to prepare a detailed report, for submission no later than March 15, 1997, on:

(1) progress made in resolving the issue of spectrum interference as a result of the reallocation under title VI of the Omnibus Reconciliation Act of 1993 of the spectrum in which CEC operates; and

(2) steps that the Secretary has taken to address and resolve harmful interference between CEC and other fleet weapons systems and data links.

Strike missile evaluation

The budget request did not include funding for evaluation of a variant of the Navy's Standard missile for use by Navy ships to conduct long-range strike.

The Senate amendment would authorize an increase of $24.0 million above the budget request in PE 63795N to evaluate the potential of the Standard missile to satisfy long-range strike and supersonic sea-skimming target requirements.

The House bill would not authorize an increase for this purpose in PE 63795N.

The Senate recedes.

Naval surface fire support program

The budget request included $42.2 million in PE 63795N for gun weapons system technology. Of this amount, $20.2 million is for the continued development of a 5-inch extended range guided munition (ERGM) round. The Navy is developing this round to address a gap in its ability to provide accurate naval surface fire support (NSFS) during an amphibious assault at the ranges dictated by current requirements. Of the $20.2 million, no funds have been budgeted for risk mitigation in the development of a GPS/INS guidance unit for the projectile, the component judged to have the greatest technical risk.

The House bill would not authorize an increase of $5.0 million to the budget request to build on the Navy's guidance risk reduction program; accelerate development and qualification of micro-electro-mechanical systems (MEMS)-based, low cost global positioning system/inertial navigation system (GPS/INS) guidance and control technology; and ensure the availability of that technology for the Navy's 5-inch ERGM production program and for other guided munitions, rocket, and missile programs.

The Senate amendment would authorize an increase of $3.0 million to the budget request in PE 63795N for risk mitigation in development of the 5-inch ERGM.

The Senate recedes.

The conferees agree to an increase of $5.0 million in PE 63795N for risk mitigation in development of the Navy's 5-inch ERGM and acceleration of the development of MEMS-based GPS/INS guidance and control technology for the ERGM projectile. Consistent with direction provided in the National Defense Authorization Act for Fiscal Year 1996, the conferees also agree to authorize an increase of $0.4 million above the budget request to support the retention of two *Iowa* class battleships on the naval register in an inactive status until the Navy is able to replace their potential NSFS capability.

Light airborne multi-purpose system helicopter program

The budget request included $40.1 million in PE 64212N for helicopter development.

Among the programs funded by PE 64212N is the Navy program to convert its existing fleet of light airborne multi-purpose system (LAMPS) helicopters from the SH–60B configuration to the SH–60R configuration. It is planned that other Navy H–60 series helicopters, such as the HH–60, a search and rescue variant, and the SH–60F, an ASW variant with a dipping sonar, will also eventually be converted to the SH–60R configuration. However, the Navy's helicopter master plan, under which these conversions are included, has been in a constant state of flux for at least the past two years and, in the conferees' opinion, has lacked the focus needed to properly compete for resources as the defense budget, particularly the acquisition portion, has declined in recent years.

The conferees are aware that the LAMPS SH–60B to SH–60R development program is short of resources. Since fiscal year 1995, it has gone through requirements restructuring, contractual rebaselining, efforts at cost reduction through acquisition reform initiatives, contractor investment, and an increasing contractor inventory of accrued cost that has not been paid. While the Navy and contractor teams have maintained technical progress towards the planned fiscal year 2001 initial operational capability (IOC) date, the funding level contained in the fiscal year 1997 budget request would be insufficient to sustain this effort. Because the program was originally structured to permit conversion to the SH–60R configuration to occur during scheduled depot maintenance or service life extension overhauls, the delay in program development that would result from the fiscal year 1997 budget request would likely also cause a substantial increase in conversion costs and might render the program unaffordable.

The Senate amendment would authorize an increase of $6.8 million in PE 64212N to restore funds that were removed from the SH–60R development program during preparation of the fiscal year 1997 budget request. This additional funding would permit a critical design review to occur in fiscal year 1997 and maintain the program's progress toward a fiscal year 2001 IOC. The Senate amendment would also authorize an increase of $10.0 million for the procurement of additional SH–60B upgrade kits to replace funds that were removed from the program during fiscal year 1996 to pay for F–14 digital flight control improvements.

The House bill would authorize the request amount.

The conferees agree to authorize an increase of $6.8 million in PE 64212N for the SH–60R development program. An increase of $10.0 million for the procurement of additional SH–60B upgrade kits is not authorized.

Vertical replenishment helicopter replacement program

The budget request included no funding to initiate procurement of a helicopter to replace the Navy's increasingly costly and aging CH–46 vertical replenishment (VERTREP) helicopter.

To address this problem, the Senate amendment would authorize an increase of

$10.0 million above the budget request to take advantage of excess components available from the Army and initiate a VERTREP helicopter replacement program in fiscal year 1997.

The House bill would authorize the requested amount.

The conferees agree that development of a replacement VERTREP helicopter would be better pursued as a research and development program and authorize an increase of $10.0 million in PE 64212N for this purpose.

Helicopter ground proximity warning systems

The budget request included $24.7 million in PE 64215N for engineering and manufacturing systems development of joint service and Navy standard avionics components and subsystems.

Recognizing that the Navy and the Marine Corps have a requirement for a ground proximity warning system, the House bill would authorize an increase of $2.4 million in PE 64215N to continue development of the helicopter ground proximity warning system (GPWS) in anticipation of its fielding on Navy and Marine heavy and medium lift helicopters.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Joint Maritime Combat Information System (JMCIS)

The budget request included $11.3 million in PE 64231N for the Navy tactical command system afloat (NTCS–A) component of the joint maritime command information system (JMCIS).

The House bill would authorize an increase to the budget request of $14.5 million as follows:

(1) an additional $1.0 million in PE 64231N to explore and initiate efforts to improve interoperability between JMCIS and the other service intelligence support terminals;

(2) an additional $2.0 million in PE 64231N for proliferating the RADIANT MERCURY automated multi-level security sanitizer;

(3) an increase of $1.5 million in PE 64231N for development of an integrated two-way Link 16 processing capability for the JMCIS software; and

(4) an additional $10.0 million in a new program element, PE 64770N, for integrating a capability for the U.S. Navy to receive, process, and utilize the joint surveillance target attack radar system (JSTARS) moving target indicator (MTI) synthetic aperture radar (SAR) system data.

The Senate amendment would authorize an additional $23.0 million above the budget request to:

(1) develop an integrated two-way Link 16 processing capability in JMCIS software;

(2) incorporate the Air Force's contingency theater automated planning system (CTAPS) into JMCIS;

(3) develop an upgrade to permit data exchange between JSTARS and the Navy's afloat planning system (APS);

(4) field the RADIANT MERCURY automated multi-level security sanitizer; and

(5) develop the tools and architecture that will allow users to selectively request, filter, and process supporting databases.

Of the $23.0 million, $19.5 million would be for research and development in PE 64231N and $3.5 million would be for procurement.

The conferees agree to authorize an additional $13.0 million above the budget request in PE 64231N as follows:

(1) $1.0 million for coordinating JMCIS functional capabilities with the other service intelligence terminals;

(2) $2.0 million for fielding RADIANT MERCURY;

(3) $1.5 million for two-way Link 16; and

(4) $8.5 million for receiving and exploiting the JSTARS MTI capabilities.

The conferees also agree to authorize an increase of $3.5 million of procurement funding to accomplish these objectives.

CV–22 special operations tiltrotor aircraft

The budget request included $576.8 million in PE 64262N for development of the V–22 tiltrotor aircraft to meet the medium lift amphibious/vertical lift needs of the Marine Corps (MV–22) and the special operations needs (CV–22) of the Special Operations Command (SOCOM). The Navy and the SOCOM acquisition executives reached agreement on a program that will develop an aircraft capable of meeting the SOCOM's needs for the CV–22. This program provides for remanufacture of a MV–22 test aircraft to CV–22 standards for test and evaluation, rather than providing a new aircraft off the production line.

The House bill would authorize an additional $37.0 million to procure a new aircraft to support testing and evaluation of the CV–22, notwithstanding the agreement between the Department of the Navy and SOCOM acquisition executives. The House report (H. Rept. 104–563) expressed the opinion that the remanufacturing alternative would represent a significant challenge for the program office to complete the CV–22 program with the desired capabilities by the date of the required special operations initial operational capability (IOC). The report expressed the opinion that the agreed plan would pose an unacceptable risk to CV–22 program. The report indicated that the House expected the Secretary of the Navy to include the total of $47.0 million required to complete the CV–22 test and evaluation aircraft in the Navy's budget requests for fiscal years 1998 and 1999.

The Senate amendment would authorize an additional $20.0 million for funding for risk mitigation during the first year of low rate initial production. The Senate report (S. Rept. 104–267) noted that the program agreed upon by the Navy and SOCOM acquisition executives would be predicated on remanufacture of an MV–22 aircraft for CV–22 test and evaluation, and would represent compliance with all key performance parameters and most of the threshold requirements defined in the joint operational requirements document (JORD). The report noted that using a remanufactured MV–22 flight test article would represent an innovative, cost-effective solution to the problem of living within the program's resources. The report also noted that the remanufacturing approach represents a challenge for the program office to complete the CV–22 program with the agreed-on capabilities on or before the required IOC in 2005. The report also noted that the Senate expected the joint program office to release aircraft number nine back to the contractor for remanufacture by August 1, 1999. Should additional testing for the MV–22 program be necessary, the program manager would be required to develop and implement the necessary options to complete MV–22 testing without the use of aircraft number nine after August 1, 1999.

The conferees understand that, notwithstanding the agreement that the SOCOM acquisition executive signed, the SOCOM would prefer to have a new, rather than a remanufactured aircraft to conduct CV–22 testing. The SOCOM has expressed concern that meeting the established IOC of having 15 aircraft available in fiscal year 2005 is at risk. The conferees also understand that the SOCOM has reservations about accepting an aircraft for the remanufacture program that could have upwards of 200 hours of flight time, based on previous experience with the MH–47 program.

The conferees observe that there are some similarities and some differences between the schedules for the buying and remanufacturing approaches;

(1) The schedule laid out by the Department indicates that the program preferred by the SOCOM would involve building an MV–22 aircraft that would later be converted to CV–22 configuration. Building a CV–22 aircraft, when the CV–22 is itself in development, now would involve too much concurrency.

(2) This MV–22 aircraft would be inducted into a CV–22 conversion program at the same time that an existing test aircraft would enter a remanufacturing program to turn it into a CV–22 test aircraft. According to the current schedule, both programs would deliver a CV–22 aircraft for testing in May, 2000.

(2) Buying a new dedicated test aircraft would reduce schedule risk. Should something happen to one of the test aircraft during MV–22 testing, the whole testing program and making one of the test aircraft available for remanufacturing could be delayed.

The conferees note that such schedule risk could be mitigated by the fact that this bill would add two production MV–22 aircraft that could be made available in lieu of providing a test aircraft for remanufacture. However, having an extra test aircraft available over the life of the MV/CV–22 program would ease the problems of testing schedules.

The conferees agree to provide an additional $37.0 million, with $27.0 million for the new MV–22 aircraft that would be converted to CV–22 configuration later, and $10.0 million provided only for mitigating technical risk in the overall V–22 program.

The conferees have agreed to support the extra dedicated test aircraft because of SOCOM's view that this aircraft is the Command's number one unfunded priority. The conferees are willing to defer to the SOCOM in this case, with the understanding that the SOCOM will budget for the additional funds, beyond those now included in the program plan for remanufacture of an MV–22 to the CV–22 configuration, for: (1) the rest of the costs of the new aircraft; and (2) any CV–22-unique risk mitigation effort that SOCOM views as important. The conferees expect that these funds would be transferred from SOCOM to the Navy acquisition executive during the years of execution.

Precision targeting and location system

The budget request included $78.7 million in PE 64270N for electronic warfare engineering and manufacturing development.

The House bill would authorize an additional $3.5 million for development and demonstration in a flyable prototype of currently available technology capable of rapid, precision location of sources of global positioning system collateral interference and intentional jamming in order to assess the technical feasibility and utility of such a targeting system on operational aircraft and unmanned aerial vehicles.

The Senate amendment did not include a specific authorization for such a precision targeting and location system development and demonstration program.

The Senate recedes.

Smart Ship initiative

The budget request included no funding for the Navy's Smart Ship initiative. This initiative, developed too late for inclusion in the budget request, will be managed at fleet level and is designed to demonstrate that crew workload for a surface combatant ship can be reduced via technology and changes to existing policies and procedures. The lessons derived from it are expected to have a direct, cost saving impact on the designs for future ships, such as the arsenal ship and the Navy's next generation of surface combatant, the SC–21. It may also produce modification proposals that could be cost effectively incorporated into existing fleet units to lower operating and support costs.

The Senate amendment would authorize an increase of $31.3 million above the budget request to accelerate the Smart Ship initiative. Of this amount, $21.9 million would be for PE 64307N. The balance of $9.4 million would be added to the Navy's operating account.

The House bill would authorize the requested amount.

The conferees agree to authorize $23.4 million above the budget request to accelerate the Smart Ship initiative. Of this amount, $14.0 million would be for PE 64307N. The balance of $9.4 million would be added to the Navy's operating account.

Arsenal ship

The budget request included $25.0 million in PE 64310N for Department of the Navy engineering and manufacturing development to initiate a "new start" development for the arsenal ship. The budget request for the Defense Advanced Research Projects Agency (DARPA) also included $16.4 million in PE 63226E for development of technologies for application to future surface warfare and fast sealift ships, including the arsenal ship.

The House bill would authorize the budget request, but would provide funding for the Navy for the arsenal ship program in PE 63563N, Ship Concept Advanced Design, an advanced development program element, rather than in PE 64310N. The House report (H. Rept. 104–563) would direct the Secretary of the Navy to submit the initial results of a review of DOD Directive 5000.1 and DOD Regulation 5000.2 with respect to core acquisition management issues relative to the arsenal ship with the fiscal year 1998 budget request.

The Senate amendment would authorize an increase of $147.0 million in PE 64310N to accelerate development of the arsenal ship weapons system and to accelerate the process of finding answers to questions that would allow the Navy to develop the arsenal ship as a system, not just a ship. The Senate report (S. Rept. 104–267) noted that the Senate expects the Navy to be prepared to address this matter and its various developmental and resource implications before the submission of the fiscal year 1998 budget request.

The conferees agree to authorize $25.0 million for the arsenal ship program in a new advanced development program element, PE 63310N, and $16.4 million in 63226E as included in the budget request.

The conferees commend the Navy's leadership and the Navy development community and participating Defense agencies for the innovative way in which the concept for the arsenal ship has been developed. The conferees agree that the program is in an early conceptual stage and that a number of questions regarding the program, as expressed in the House and Senate reports, need to be answered as the program proceeds. The conferees also agree that the projected cost of the program indicates that the arsenal ship will be a major defense acquisition program.

The conferees support the concept of the Department of Defense advanced concept technology demonstration and the desirability of early user involvement in the development and evaluation of emerging technologies. The conferees also support the need to break out of bureaucratic practices, and make maximum use of best commercial practices, streamlined acquisition procedures, and modern design and analytical tools to develop new defense acquisition paradigms. The conferees see no conflict between these goals and the requirement for the Department of Defense to answer necessary questions at the beginning and at subsequent milestones in any development and acquisition program. The challenge for the Department, as expressed in the House report, is to create better analytical tools that will provide answers to the continuing questions in any development program, such as: (1) what is the operational requirement?; and (2) what is the most cost and operationally effective way of meeting that operational requirement?

Standard missile "Terrier" target

The budget request included $1.6 million in PE 64366N for development of improvements to the Standard missile.

The House bill would authorize an additional $8.0 million for a proof of concept demonstration and evaluation of the potential effectiveness of the Terrier missile as a supersonic sea-skimming target (SSST).

The Senate amendment would authorize this initiative in PE 63795N.

The Senate recedes.

The conferees note that the Navy's inventory of SSSTs is insufficient to meet both test and evaluation and fleet training needs and believe that the Navy must seriously address the development and procurement of a follow-on SSST to ensure that production units are available when needed.

Airborne mine detection systems

The budget request included $14.5 million in PE 64373N for airborne mine countermeasures systems.

The Senate amendment would authorize an increase of $10.0 million in PE 64373N to produce a competitive evaluation of two airborne laser mine detection systems (ALMDS), ATD–111 and Magic Lantern. Both systems are based on light detection and ranging (LIDAR) technology. The funding increase would be used to prepare the two systems for the competition, to conduct the competitive assessment, and to prepare the required report as follows:

(1) $3.0 million would be available to prepare ATD–111 for the competition;

(2) $5.0 million would be available to prepare Magic Lantern for the competition; and

(3) $2.0 million would be available to organize and conduct the competition, analyze data, and prepare the required report.

The Senate amendment would also require the Secretary of the Navy, upon completion of the competitive assessment, to develop a plan to procure a sufficient number of the winning systems to provide the active Navy forces with a satisfactory contingency ALMDS capability. To begin this procurement, the Senate amendment would authorize an increase of $25.0 million above the budget request.

The House bill would authorize an increase of $25.0 million above the budget request for the procurement of three additional Magic Lantern systems.

The conferees agree to authorize an increase of $10.0 million in PE 64373N to conduct the competitive assessment described in the report accompanying the Senate amendment (S. Rept. 104–267).

The Senate report noted that, in testimony on its mine warfare programs this year, the Navy, emphasized its long term objective of providing an organic mine countermeasures (MCM) capability to the active fleet that will permit fleet units to respond immediately to mine threats while waiting for specialized MCM units to arrive on the scene. However, progress in fielding an organic capability for the Navy's aircraft carrier battle groups (CVBGs) and amphibious ready groups (ARGs) to conduct minehunting by use of an ALMDS has been marginal.

The conferees are aware that there are two LIDAR systems in development, Magic Lantern and ATD–111, that could be candidates for a solution to the ALMDS requirement. They have been in development for a number of years at very modest levels of funding. However, it would appear that, while their technology is sufficiently mature to proceed to the engineering and manufacturing development stage, sufficient resources are not available to transition both systems.

Accordingly, the conferees direct the Navy to conduct a competitive evaluation field test, during fiscal year 1997, of the two candidate technologies represented by Magic Lantern and ATD–111, for the purpose of identifying a single system that can be procured and integrated into active Navy fleet aircraft to provide them with an organic MCM capability. This assessment should include a quantitative determination of each system's performance with respect to detection and classification of moored and floating mines, area coverage, false alarm rates, potential for multi-mission capability, system availabity, and capability for integration and carriage abroad the SH–60 series active fleet helicopters. The conferees further direct that this competitive evaluation be conducted as soon as practicable, but no later than July 1, 1997. The Secretary of the Navy shall report result to the congressional defense committees no later than August 1, 1997.

Upon completion of this assessment, the Navy shall develop a plan that will lead to procurement of a sufficient number of the winning systems to provide active Navy forces with a satisfactory contingency ALMDS capability. The conferees direct the Secretary of the Navy to submit this plan to the congressional defense committees in conjunction with the fiscal year 1999 budget request to continue execution of the plan.

Multi-purpose processor

The budget request included $61.4 million in PE 64503N, including $33.6 million for development of submarine sonar improvements. Included in this program element is a program for the development and introduction of multipurpose processor (MPP) technology into the U.S. submarine fleet.

The MPP was developed under the Small Business Innovative Research Program. Using commercial off-the-shelf (COTS) hardware and an open software architecture, the MMP has capitalized on the exponential improvement in commercial hardware and software to facilitate rapid improvements in submarine acoustic data processing. Fundamental to the MPP is the concept of protecting the Navy's investment in processor software through software transportability, i.e., the ability to transport new, advanced software to existing hardware utilizing an open operating system. The MPP has been incorporated into the design of the command, control, communications, and intelligence system of the New Attack Submarine Program. The Navy's Submarine Combat Systems Program has also selected the MPP as a cornerstone for sonar upgrades for the existing SSN–688, 688I, and SSBN–726 class submarines.

The House bill would authorize an increase of $11.0 million in PE 64503N for advanced development and rapid introduction of MPP technology into the U.S. submarine fleet.

The Senate amendment would authorize an increase of $15.2 million in PE 64558N to mature MPP transportable software technology for use in research and development programs, and to improve the performance of Navy towed and hull mounted arrays.

The conferees agree to an increase of $15.2 million in PE 64503N to support advanced development of MPP transportable software technology and rapid introduction of MPP technology into the U.S. submarine fleet.

Seawolf shock test

The budget request included $91.9 million in PE 64561N for Seawolf class research and development

The Senate amendment would authorize an increase of $26.0 million in PE 64561N to provide for shock testing of Seawolf components not covered by the budget request.

The House bill would authorize the requested amount

The Senate recedes.

Tactical fiber optic communications

The budget request included $4.6 million in PE 32019K for the joint/defense information systems engineering and integration program.

The House bill would authorize an increase to the budget request of $3.0 million to investigate military applications of the planned world wide commercial fiber optic grid and support a Defense Information Systems Agency proof of concept demonstration of the ability to establish Department of Defense "splices" into the grid before it is fully deployed.

The Senate amendment would authorize the budget request.

The House recedes.

Doppler sonar velocity log

The budget request included $22.9 million in PE 64562N for engineering and manufacturing systems development of submarine tactical warfare systems.

The House bill would authorize an increase of $1.0 million to the budget request in PE 64562N for the evaluation of a commercially available, non-developmental Doppler sonar velocity log as a potential replacement for standard Navy electromagnetic logs.

The Senate amendment would authorize the requested amount.

The House recedes.

Explosive ordnance disposal

The budget request included $7.3 million in PE 64654N for the joint service explosives ordnance disposal (EOD) development program.

The House bill would authorize an increase of $1.1 million in PE 64654N to accelerate development of EOD procedures for countering high threat unexploded ordnance found in the field.

The Senate amendment would authorize the budget request.

The House recedes.

Battle group passive horizon extension system—surface terminal

The budget request included $1.9 million PE 64721N for continued research and development of the battle group passive horizon extension system—surface terminal (BGPHES–ST) capabilities.

The House bill would authorize an increase of $1.0 million in PE 64721N for procurement by the Navy of existing Air Force processing capabilities and algorithms for exploitation of the class of threats known as "PROFORMA" and integration of EPR–157 and EPR–208 capabilities in existing BGPHES–ST hardware.

The Senate amendment would authorize the budget request.

The Senate recedes.

Quick reaction combat capability

The budget request included $29.5 million for continued development of the quick reaction combat capability (QRCC) for ship self-defense.

The Senate amendment would authorize an increase of $17.0 million above the budget request in PE 64755N to:

(1) accelerate engineering of the LHD amphibious assault ship self-defense system;

(2) integrate the advanced combat direction system (ACDS) with the cooperative engagement capability (CEC); and

(3) improve tracking equipment at the Navy's Wallops Island engineering test site and aboard its self-defense test ship.

The House bill would authorize the requested amount.

The Senate recedes.

SPS–48E radar pulse Doppler upgrade

The conferees are aware of a recently completed Navy study "Land Clutter Effects of Shipboard Radars", dated April 11, 1996. The study demonstrates that radar signal return clutter over land can seriously degrade the ability of shipboard air surveillance radars to detect low altitude targets. Even close-in aircraft or cruise missiles may not be detected, and sensitive, highly automated systems can become overloaded with large numbers of clutter detections and false tracks. As a case in point, the AN/SPS–48E radar, the principal aerial surveillance and height-finding radar for aircraft carriers and large deck amphibious ships, demonstrates degraded near-shore and limited low altitude over-land detection performance against small signature targets, such as cruise missiles.

The conferees authorize an increase of $12.0 million in PE 64755N to develop and demonstrate a pulse Doppler upgrade to the AN/SPS–48E radar. Incorporating a pulse Doppler capability into this radar would provide improved near-shore and low altitude over-land clutter rejection and improved radar performance.

Infrared search and track

The budget request included $3.9 million in PE 64755N for the continued development of the infrared search and track (IRST) weapons system.

To eliminate a substantial portion of the delays in the IRST program that the budget request would produce, the Senate amendment would authorize an increase of $8.0 million above the budget request in PE 64755N.

House bill would authorize the requested amount.

The Senate recedes.

Evolved Sea Sparrow missile

The budget request included $39.5 million in PE 64755N for continued development of the evolved Sea Sparrow missile (ESSM).

The Senate amendment would authorize an increase of $8.0 million above the budget request in PE 64755N to:

(1) modify the safe and arming device of the RIM–7P to ensure safe separation from the firing ship;

(2) additional simulation capability that will better reflect the improved missile design and the environmental conditions that the missile will encounter within its flight envelop; and

(3) an S-band link to support the missile's employment by AEGIS ships.

The House bill would authorize the requested amount.

The Senate recedes.

Fixed distributed system–1

The budget request included no funding for improving the capabilities of the Navy's fixed distributed system-1 (FDS–1), a modern surveillance system that can detect even the most modern threat submarines. The committee has learned that additional enhancements in this system could improve significantly its surveillance coverage.

The House bill would authorize an increase of $35.0 million to the budget request in PE 64784N for a fixed distributed system commercial-off-the-shelf/non-development initiative fiber optics upgrade.

The Senate amendment would authorize an increase of $52.0 million above the budget request in PE 64784N to complete enhancements to FDS–1.

The senate recedes.

Safety and survivability

The House bill would authorize an increase of $2.0 million in PE 65864N to support ongoing non-developmental item (NDI) operational assessments of commercial safety and survivability technology and systems for potential use in Navy operational units. In addition, the House bill would authorize an increase of $4.0 million in PE 63226E for the Defense Advanced Research Projects Agency (DARPA) to examine high leverage technologies for firefighting and personnel protection.

The Senate amendment did not contain similar provisions.

The conferees agree to authorize only the increase of $2.0 million in PE 65864N, because no appropriation was provided for the DARPA portion of the recommended program.

SSBN security and survivability program

The budget request included $21.3 million in PE 11224N for the SSBN security and survivability program.

The House bill would authorize an additional $2.0 million for further development and evaluation of wake trail sensors and an additional $6.0 million to sustain the funding level required to maintain a credible SSBN security and survivability program.

The Senate amendment would authorize an increase of $5.5 million to explore several promising technologies, such as forward scatter barrier, low frequency active sonar, radar detection, and light detection and ranging (LIDAR) buoy detection.

The House recedes.

The conferees agree with the views expressed in the House report (H. Rept. 104–563) concerning the need to maintain a credible and robust SSBN security program in view of the critical role of strategic deterrence in U.S. national military strategy that is provided by the U.S. SSBN force.

Joint target support system testbed

The budget request includes $136.4 million in PE 24229N, including $130.5 million for operational systems development of the Tomahawk Baseline Improvement Program (TBIP) and $5.9 million for the Tomahawk theater mission planning center.

The House bill would authorize an additional $8.0 million in PE 24229N to continue development and demonstration of the joint targeting support system testbed (JTSST).

The Senate amendment would authorize an increase to the budget request of $29.0 million in PE 24229N for continued development of the Tomahawk Block IV missile.

The Senate recedes.

In the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104-450), the conferees agreed to initiate development of a JTSST for demonstration of potential joint targeting operations with the expectation that the results of the initial JTSST study and follow-on demonstrations would contribute to the definition of longterm objectives, guidelines, and schedule milestones for convergence of the Navy/Marine Corps tactical aircraft mission planning systems and the Air Force mission support system, and lead to the development of a joint mission planning system architecture for the military services.

The conferees voice their displeasure that the Secretary of Defense has failed to comply with the previous guidance provided by the Congress with regard to the JTSST demonstration. The Secretary is directed to report to the congressional defense committees, no later than December 31, 1996, the Department's plans for:

(1) development of a joint mission planning system architecture for the military services;

(2) the convergence of Navy/Marine Corps and Air Force tactical mission planning and mission support systems; and

(3) the role a JTSST demonstration will play in furthering these plans.

Integrated surveillance system improvements

The budget request included $14.0 million in PE 24311N for research and development support of the Integrated Undersea Surveillance System (IUSS) including $3.3 million for research and development support of the Surveillance Towed Array Sensor System (SURTASS) and $10.7 million for the IUSS detection/classification system.

The House bill would authorize an increase of $22.1 million in PE 24311N to the budget request in PE 24311N to:

(1) continue development and integration of SURTASS twin line arrays, reduce the size of transmit arrays, continue fiber optic array development, expand frequency processing capabilities, and conduct at-sea testing of resulting developments;

(2) sustain the low frequency array program and development of more reliable low frequency active transmitters; and

(3) adapt SURTASS software algorithms for submarine sonar systems.

The Senate amendment would authorize an increase of $8.0 million in PE 63504N for adaptation of SURTASS software algorithms for use in submarine sonar systems.

The Senate recedes.

Consolidated training systems development

The budget request included $34.9 million in PE 24571N for consolidated training systems development, including $3.4 million for continued development of the Navy's surface tactical team trainer (STTT), $17.9 million for the joint tactical combat training system (JTCTS), and $6.0 million for training and training devices systems (TTDS).

The House bill would authorize an increase of $3.0 million in PE 24571N to continue integration and evaluation of the cryptologic systems trainer in the battle force tactical training (BFTT) system component of the STTT.

The Senate amendment would authorize an increase of $5.0 million in PE 64735F and $9.0 million in PE 24571N for the JTCTS to correct an imbalance between the program's planned development timeline and the schedule allowed by the funding included in the budget request.

The Senate recedes.

Advanced anti-radiation guided missile

The budget request included no funds to continue development of the advanced anti-radiation guided missile (AARGM) technology.

The House bill would authorized an additional $50.0 million for AARGM in PE 25601N. The House report (H. Rept. 104-563) would direct the Secretary of the Navy to proceed with the development program and use the additional funds to continue seeker development, analyses, demonstrations, and test support. The House report would direct that the use of these funds be limited to design reviews and support for test and evaluation. The report further would encourage the Secretaries of the Navy and the Air Force to fund the fiscal year 1998 requirements for the program.

The Senate amendment would approve the budget request.

The Senate recedes.

High speed anti-radiation missile

The House bill would authorize an additional $5.0 million in PE 25601N and an additional $3.5 million in PE 27162F for the High Speed Anti-Radiation Missile (HARM).

The Senate amendment would authorize the requested amount.

The conferees agree to authorize an additional $2.5 million in PE 25601N to accomplish risk reduction efforts for the block IV program and block V software for HARM.

Tactical data links

The budget request included $37.3 million in PE 25604N for development of improvements in tactical data links in operational Navy systems.

The House bill would authorize an increase to the budget request of $11.6 million for further development of Link 16 and related tactical data link programs for surface ship applications; $13.6 million in Other Procurement, Navy; and $2.2 million in Operations and Maintenance, Navy (OMN 0205604N 4B7N) to accelerate the installation of Link 16 tactical data links in AEGIS surface combatants.

The Senate amendment would authorize the requested amount.

The House recedes.

Towed array receive system

The budget request included $4.9 million in PE 25620N for surface anti-submarine warfare combat systems integration.

The House bill would authorize an increase to the budget request of $4.0 million in PE 25620N for integration of the Navy's towed array receive system (TARS) upgrade in the AN/SQQ-89 surface ship sonar suite in order to address shortcomings in the Navy's capability for detecting slow-moving diesel-electric submarines in shallow water.

The Senate amendment would authorize the budget request.

The Senate recedes.

Commander in Chiefs' technology initiative

The budget request included $5.0 million in the Navy Science Assistance program (PE 25658N).

The Senate amendment would authorize and increase of $10.0 million in PE 25658N to support efforts by the services and defense agencies to transition rapidly selected technologies from the defense research and development establishment to the services for use in military operations through the Commander in Chiefs' technology initiative established by Congress last year.

The House bill would authorize the budget request.

The House recedes. The conferees expect that funding in future years for this initiative will be included in the Navy budget request.

Tactical electronic reconnaissance processing and evaluation system

The budget request included $2.5 million in PE 26313M for upgrade to, and communications integration testing within, the tactical electronic reconnaissance processing and evaluation system (TERPES).

The House bill would authorize an additional $855,000 to provide communication software upgrades to improve TERPES interoperability with the global command and control system (GCCS) and the tactical air mission planning system (TAMPS).

The Senate amendment would authorize the budget request.

The Senate recedes.

Medium tactical vehicle remanufacturing

The budget request included $5.2 million in PE 26624M for Marine Corps combat services support.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $3.0 million in PE 26624M to retain a third contractor during the engineering and manufacturing development phase of the medium tactical vehicle remanufacturing program.

The Senate recedes.

GEOSAT Follow-On

The Senate amendment contained $20.0 million to begin development of a second GEOSAT Follow-On (GFO-2) altimetry satellite.

The House bill did not include funding for GFO-2.

Given the cost growth that has taken place in the GFO-1 program, the conferees agree to authorize $15.0 million in PE 35160N to commence work on GFO-2, subject to the following restrictions: (1) Of the $15.0 million authorized for GFO-2, the conferees agree to authorize the use of up to $10.0 million to compensate for cost growth in the GFO-1 program and to ready the satellite for launch; and (2) the conferees direct the Secretary of the Navy not to obligate or expend any of the funs on a GFO-2 program until the Secretary certifies to Congress that technical and cost issues associated with GFO-1 have been satisfactorily resolved and the Secretary recommends proceeding with GFO-2.

Manufacturing technology (MANTECH)

The budget request included $16.8 million for the Army MANTECH program (PE 78045A), $35.5 million for the Navy MANTECH program (PE 78011N) and $49.9 million for the Air Force MANTECH program (PE 78011F).

The Senate amendment would fund the Army program at the requested amount and authorize a general increase in the services' manufacturing technology programs with an increase of $30.0 million in PE 78011N and an increase of $20.0 in PE 78011F, as part of a broader thrust to address current and future affordability concerns.

The House bill would authorize an increase of $11.0 million in the Army MANTECH program and authorize the requested amount for the Navy and Air Force MANTECH programs.

The conferees agree to authorize the following amounts for the MANTECH program:

PE 78045A—$27.9 million.
PE 78011N—$65.5 million.
PE 78011F—$69.9 million.

The conferees are aware of issues involved with the delay of funding for MANTECH programs and direct the Department of Defense to take the necessary actions to ensure expeditious and timely obligation of fiscal year 1996 and 1997 funding for these programs. The committee encourages the continuation of programs currently funded in the MANTECH account designed to demonstrate the effectiveness of comprehensive career analysis and retraining models for military and civilian personnel who have been or will be terminated as a consequence of base closure decisions.

A provision (sec. 276) in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) amended section 2525 of title 10, Untied States Code to require the Secretary of Defense to seek the participation of manufacturers of manufacturing equipment for the projects under the programs. The conferees agree that this language is not hortatory but intend it to provide specified direction and focus to the program. The focus of the MANTECH program is the development of manufacturing process technology, and the manufacturing equipment segment of the industry should be actively involved in the projects under these programs.

Acquisition center of excellence

The Senate amendment would authorize $8.0 million in a new budget line for the establishment of an acquisition center of excellence in the Navy.

The House bill did not contain a similar provision.

The House recedes. The conferees expect that the Navy will provide follow-on funding for this effort in fiscal year 1998 and beyond as part of the budget requested for each fiscal year. The conferees direct the Secretary of the Navy to submit to the congressional defense committees, no later than June 15, 1997, a report on progress made toward establishing the center as well as toward the development of performance measures for judging the effectiveness of the center in acting as an agent of reform for the acquisition process in the Navy and elsewhere in the Department of Defense.

Overview

The budget request for fiscal year 1997 contained an authorization of $14,417.5 million for Air Force, Research and Development in the Department of Defense. The House bill would authorize $13,271.1 million. The Senate amendment would authorize $14,786.4 million. The conferees recommended an authorization of $14,756.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title	(Dollars in Thousands) FY 1997 Request	House Authorized	Senate Authorized	Conference	
						Change	Agreement
ACCOUNT	0	RESEARCH DEVELOPMENT TEST & EVAL AF					
0601102F	1	DEFENSE RESEARCH SCIENCES	234,475	234,475	226,475	(8,000)	226,475
0602102F	2	MATERIALS	72,360	72,360	72,360		72,360
0602201F	3	AEROSPACE FLIGHT DYNAMICS	65,080	65,080	65,080		65,080
0602202F	4	ARMSTRONG LAB EXPLORATORY DEVELOPMENT	87,103	87,103	87,103		87,103
0602203F	5	AEROSPACE PROPULSION	74,906	77,906	77,906		74,906
0602204F	6	AEROSPACE AVIONICS	71,261	71,261	71,261	(3,200)	68,061
0602205F	7	PERSONNEL, TRAINING AND SIMULATION	-	-	-		-
0602206F	8	CIVIL ENGINEERING AND ENVIRONMENTAL QUALITY	-	-	-		-
0602269F	9	HYPERSONIC TECHNOLOGY PROGRAM	7,471	7,471	7,471		7,471
0602601F	10	PHILLIPS LAB EXPLORATORY DEVELOPMENT	121,107	128,107	128,607	14,500	135,607
0602602F	11	CONVENTIONAL MUNITIONS	42,573	42,573	42,573		42,573
0602702F	12	COMMAND CONTROL AND COMMUNICATIONS	96,615	96,615	96,615		96,615
0603106F	13	LOGISTICS SYSTEMS TECHNOLOGY	18,254	18,254	18,254		18,254
0603108F	14	INTEGRATED DATA SYSTEMS	18,232	18,232	18,232		18,232
0603112F	15	ADVANCED MATERIALS FOR WEAPON SYSTEMS	23,803	26,303	23,803	2,500	26,303
0603202F	16	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION	28,318	28,318	28,318		28,318
0603203F	17	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	28,691	28,691	28,691		28,691
0603205F	18	FLIGHT VEHICLE TECHNOLOGY	8,433	8,433	8,433		8,433
0603211F	19	AEROSPACE STRUCTURES	10,423	10,423	10,423		10,423
0603216F	20	AEROSPACE PROPULSION AND POWER TECHNOLOGY	38,264	38,264	38,264		38,264
0603227F	21	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY	7,761	7,761	7,761		7,761
0603231F	22	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	17,969	22,969	22,969	5,000	22,969
0603238F	23	GLOBAL SURVEILLANCE AND COMMUNICATION TECHNOLOGY	2,293	2,293	2,293		2,293
0603245F	24	FLIGHT VEHICLE TECHNOLOGY INTEGRATION	6,423	6,423	6,423		6,423
0603250F	25	LINCOLN LABORATORY	-	-	-		-
0603253F	26	ADVANCED AVIONICS INTEGRATION	15,488	15,488	15,488		15,488
0603270F	27	ELECTRONIC COMBAT TECHNOLOGY	25,202	25,202	25,202		25,202
0603302F	28	SPACE AND MISSILE ROCKET PROPULSION	15,740	22,740	15,740	7,000	22,740
0603311F	29	BALLISTIC MISSILE TECHNOLOGY	2,828	2,828	2,828		2,828
0603401F	30	ADVANCED SPACECRAFT TECHNOLOGY	39,637	89,637	114,637	75,000	114,637
0603410F	31	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY	2,914	2,914	2,914		2,914
0603428F	32	SPACE SUBSYSTEMS TECHNOLOGY	-	-	-		-
0603601F	33	CONVENTIONAL WEAPONS TECHNOLOGY	24,885	24,885	24,885		24,885
0603605F	34	ADVANCED WEAPONS TECHNOLOGY	41,895	41,895	41,895		41,895
0603707F	35	WEATHER SYSTEMS TECHNOLOGY	3,406	3,406	3,406		3,406
0603723F	36	ENVIRONMENTAL ENGINEERING TECHNOLOGY	7,885	7,885	7,885		7,885
0603726F	37	C3I SUBSYSTEM INTEGRATION	8,777	8,777	8,777		8,777
0603728F	38	ADVANCED COMPUTING TECHNOLOGY	8,509	8,509	8,509		8,509
0603771F	39	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

	Line		FY 1997	House	Senate	Conference	
PE	No.	Title	Request	Authorized	Authorized	Change	Agreement
0603789F	40	C3 ADVANCED DEVELOPMENT	10,895	10,895	10,895		10,895
0305176F	41	COMBAT SURVIVOR EVADER LOCATOR	9,596	9,596	9,596		9,596
0603260F	42	INTELLIGENCE ADVANCED DEVELOPMENT	4,878	4,878	4,878		4,878
0603307F	43	AIR BASE OPERABILITY ADVANCED DEVELOPMENT	-	-	-		-
0603319F	44	AIRBORNE LASER TECHNOLOGY	56,828	56,828	56,828		56,828
0603402F	45	SPACE TEST PROGRAM (SPACE)	-	-	-		-
0603430F	46	ADVANCED MILSATCOM (SPACE)	31,643	31,643	31,643		31,643
0603432F	47	POLAR ADJUNCT (SPACE)	62,387	62,387	62,387		62,387
0603434F	48	NATIONAL POLAR-ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYS (SPACE)	34,024	19,024	29,024	(5,000)	29,024
0603438F	49	SATELLITE SYSTEMS SURVIVABILITY	-	-	-		-
0603441F	50	SPACE BASED INFRARED ARCHITECTURE (SPACE) - DEM/VAL	120,151	254,151	254,151	134,000	254,151
0603617F	51	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS	4,378	4,378	4,378		4,378
0603742F	52	COMBAT IDENTIFICATION TECHNOLOGY	4,225	4,225	4,225		4,225
0603790F	53	NATO RESEARCH AND DEVELOPMENT (H)	10,233	-	10,233		10,233
0603800F	54	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	263,836	263,836	263,836		263,836
0603851F	55	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	30,644	30,644	49,744		30,644
0603852F	56	C-130J - DEM/VAL	-	-	-		-
0603853F	57	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE)- DEM/VAL	44,457	44,457	44,457		44,457
0603854F	58	GLOBAL BROADCAST SERVICE	45,000	45,000	45,000		45,000
0603855F	59	SPACE ARCHITECT OFFICE	15,000	-	15,000	(15,000)	-
0604201F	60	AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	18,620	20,620	18,620		18,620
0604218F	61	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	705	705	705		705
0604222F	62	NUCLEAR WEAPONS SUPPORT	4,788	4,788	4,788	1,000	5,788
0604226F	63	B-1B	220,932	229,232	268,932	8,300	229,232
0604227F	64	TRAINING SYSTEMS DEVELOPMENT	4,439	4,439	4,439		4,439
0604231F	65	C-17 PROGRAM	-	-	-		-
0604233F	66	SPECIALIZED UNDERGRADUATE PILOT TRAINING	84,291	82,291	84,291	(2,000)	82,291
0604237F	67	VARIABLE STABILITY IN-FLIGHT SIMULATOR TEST AIRCRAFT	-	1,400	1,400	1,400	1,400
0604239F	68	F-22 EMD	2,002,959	2,002,959	2,002,959		2,002,959
0604240F	69	B-2 ADVANCED TECHNOLOGY BOMBER	528,454	818,454	528,454	212,000	740,454
0604243F	70	MANPOWER, PERSONNEL AND TRAINING DEVELOPMENT	4,940	4,940	4,940		4,940
0604249F	71	NIGHT/PRECISION ATTACK	-	-	-		-
0604268F	72	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	-	-	-		-
0604270F	73	EW DEVELOPMENT	104,423	104,423	104,423	(5,000)	99,423
0604321F	74	COMBAT INTELLIGENCE SYSTEM -EMD	1,943	1,943	1,943		1,943
0604441F	75	SPACE BASED INFRARED ARCHITECTURE (SPACE) - EMD	173,290	180,290	192,390		173,290
0604479F	76	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	700,278	720,278	720,278	20,000	720,278
0604480F	77	GLOBAL POSITIONING SYSTEM BLOCK IIF (SPACE)	37,142	37,142	44,242		37,142
0604600F	78	MUNITIONS DISPENSER DEVELOPMENT	56,229	56,229	56,229		56,229
0604601F	79	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	-	-	-		-

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604602F	80	ARMAMENT/ORDNANCE DEVELOPMENT	3,642	32,142	3,642		3,642
0604604F	81	SUBMUNITIONS	4,873	4,873	9,873		4,873
0604609F	82	R&M MATURATION/TECHNOLOGY INSERTION	-	-	-		-
0604617F	83	AIR BASE OPERABILITY	2,926	2,926	2,926		2,926
0604618F	84	JOINT DIRECT ATTACK MUNITION	38,636	38,636	38,636		38,636
0604703F	85	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS	5,977	5,977	5,977		5,977
0604704F	86	COMMON SUPPORT EQUIPMENT DEVELOPMENT	-	-	-		-
0604706F	87	LIFE SUPPORT SYSTEMS	4,363	7,863	4,363	1,500	5,863
0604708F	88	CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENGINEERING	2,736	2,736	2,736		2,736
0604711F	89	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	36	-	36		36
0604727F	90	JOINT STANDOFF WEAPONS SYSTEMS	23,563	23,563	23,563		23,563
0604733F	91	SURFACE DEFENSE SUPPRESSION	-	-	-		-
0604735F	92	COMBAT TRAINING RANGES	23,018	23,018	28,018		23,018
0604740F	93	COMPUTER RESOURCE TECHNOLOGY TRANSITION (CRTT)	1,956	1,956	1,956		1,956
0604750F	94	INTELLIGENCE EQUIPMENT	1,211	1,211	1,211		1,211
0604754F	95	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	11,075	66,775	11,075	19,800	30,875
0604770F	96	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)	207,284	212,284	227,284	(3,500)	203,784
0604779F	97	JOINT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL SYSTEMS (JINTACCS)	5,976	5,976	5,976		5,976
0604851F	98	INTERCONTINENTAL BALLISTIC MISSILE - EMD	198,595	212,295	212,895	13,700	212,295
0207325F	99	JOINT AIR-TO-SURFACE STANDOFF MISSILE (JASSM)	198,632	198,632	198,632		198,632
0303606F	100	UHF SATELLITE COMMUNICATIONS	-	-	-		-
0603402F	101	SPACE TEST PROGRAM (SPACE)	44,752	44,752	44,752		44,752
0604256F	102	THREAT SIMULATOR DEVELOPMENT	43,635	43,635	43,635		43,635
0604258F	103	TARGET SYSTEMS DEVELOPMENT	4,966	4,966	4,966		4,966
0604759F	104	MAJOR T&E INVESTMENT	33,529	40,529	33,529		33,529
0605101F	105	RAND PROJECT AIR FORCE	23,292	23,292	23,292		23,292
0605306F	106	RANCH HAND II EPIDEMIOLOGY STUDY	9,212	9,212	9,212		9,212
0605502F	107	SMALL BUSINESS INNOVATIVE RESEARCH (H)	-	-	-		-
0605704F	108	THEATER AIR DEFENSE BMC4I	12,496	12,496	12,496		12,496
0605708F	109	NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	-	-	-		-
0605712F	110	INITIAL OPERATIONAL TEST & EVALUATION	26,921	26,921	26,921		26,921
0605807F	111	TEST AND EVALUATION SUPPORT	425,195	425,195	425,195		425,195
0605808F	112	DEVELOPMENT PLANNING	6,531	6,531	6,531		6,531
0605853F	113	ENVIRONMENTAL CONSERVATION	10,870	10,870	10,870		10,870
0605854F	114	POLLUTION PREVENTION	20,628	20,628	20,628		20,628
0605856F	115	ENVIRONMENTAL COMPLIANCE	22,698	22,698	22,698		22,698
0605860F	116	ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	8,152	8,152	33,252	25,100	33,252
0605863F	117	RDT&E AIRCRAFT SUPPORT	-	-	-		-
0605876F	118	MINOR CONSTRUCTION (RPM) - RDT&E	-	-	-		-
0605878F	119	MAINTENANCE AND REPAIR (RPM) - RDT&E	-	-	-		-

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0605896F	120	BASE OPERATIONS - RDT&E	128,676	128,676	128,676		128,676
0909900F	121	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	-	-	-		-
0604268F	124	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	-	-	-		-
0101113F	125	B-52 SQUADRONS	11,035	11,035	11,035		11,035
0101120F	126	ADVANCED CRUISE MISSILE	1,165	1,165	1,165		1,165
0102325F	127	JOINT SURVEILLANCE SYSTEM	13,239	13,239	13,239		13,239
0102411F	128	NORTH ATLANTIC DEFENSE SYSTEM	5,278	5,278	5,278		5,278
0102412F	129	NORTH WARNING SYSTEM (NWS)	-	-	-		-
0207129F	130	F-111 SQUADRONS	-	-	-		-
0207133F	131	F-16 SQUADRONS	142,202	142,202	155,902	(10,000)	132,202
0207134F	132	F-15E SQUADRONS	143,095	160,095	172,095	15,000	158,095
0207136F	133	MANNED DESTRUCTIVE SUPPRESSION	12,384	12,384	12,384		12,384
0207141F	134	F-117A SQUADRONS	12,050	12,050	12,050		12,050
0207160F	135	TRI-SERVICE STANDOFF ATTACK MISSILE	-	-	-		-
0207161F	136	TACTICAL AIM MISSILES	36,382	36,382	36,382	(4,490)	31,892
		HARM IMPROVEMENTS	-	3,500			-
0207163F	137	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	25,883	30,883	35,883	5,000	30,883
0207217F	138	PODDED RECONNAISSANCE SYSTEM	6,714	6,714	6,714		6,714
0207247F	139	AF TENCAP	20,116	20,116	20,116		20,116
0207248F	140	SPECIAL EVALUATION PROGRAM	53,495	53,495	53,495		53,495
0207268F	141	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	99,050	99,050	99,050	(2,200)	96,850
0207320F	142	SENSOR FUSED WEAPONS	-	19,100	19,100	19,100	19,100
0207412F	143	THEATER AIR CONTROL SYSTEMS	622	622	622		622
0207417F	144	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	57,559	126,759	87,559	34,900	92,459
0207419F	145	TACTICAL AIRBORNE COMMAND AND CONTROL SYSTEMS	342	342	342		342
0207422F	146	DEPLOYABLE C3 SYSTEMS	-	-	-		-
0207423F	147	ADVANCED COMMUNICATIONS SYSTEMS	1,822	1,822	1,822		1,822
0207424F	148	EVALUATION AND ANALYSIS PROGRAM	85,521	83,521	85,521		85,521
0207431F	149	COMBAT AIR INTELLIGENCE SYSTEM ACTIVITIES	7,749	8,749	7,749		7,749
0207433F	150	ADVANCED PROGRAM TECHNOLOGY	72,501	72,501	72,501		72,501
0207438F	151	THEATER BATTLE MANAGEMENT (TBM) C4I	30,915	30,915	35,915	5,000	35,915
0207579F	152	ADVANCED SYSTEMS IMPROVEMENTS	-	-	-		-
0207590F	153	SEEK EAGLE	15,469	15,469	15,469		15,469
0207591F	154	ADVANCED PROGRAM EVALUATION	198,327	198,327	198,327		198,327
0207601F	155	USAF WARGAMING AND SIMULATION	19,361	19,361	19,361		19,361
0208006F	156	MISSION PLANNING SYSTEMS	18,500	18,500	18,500		18,500
0208060F	158	THEATER MISSILE DEFENSES	22,285	22,285	25,285		22,285
0208160F	159	TECHNICAL EVALUATION SYSTEM	114,603	114,603	114,603		114,603
0208161F	160	SPECIAL EVALUATION SYSTEM	41,776	41,776	41,776		41,776
0303110F	165	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)	24,527	24,527	24,527		24,527

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

	Line		FY 1997	House	Senate	Conference	
PE	No.	Title	Request	Authorized	Authorized	Change	Agreement
0303131F	166	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	21,902	21,902	21,902		21,902
0303140F	167	INFORMATION SYSTEMS SECURITY PROGRAM	6,900	6,900	6,900		6,900
0303144F	168	ELECTROMAGNETIC COMPATIBILITY ANALYSIS CENTER (ECAC)	7,667	7,667	7,667		7,667
0303152F	169	WORLD-WIDE MILITARY COMMAND AND CONTROL SYSTEMS, INFORMATION SYSTEM	7,481	7,481	7,481		7,481
0303601F	170	MILSTAR SATELLITE COMMUNICATIONS SYSTEM (SPACE)	26,962	26,962	26,962		26,962
0303605F	171	SATELLITE COMMUNICATIONS TERMINALS	-	-	-		-
0304311F	173	SELECTED ACTIVITIES	3,000	-	3,000		3,000
		SPACE ARCHITECT OFFICE		11,000	-	13,000	13,000
0305110F	174	SATELLITE CONTROL NETWORK (SPACE)	89,960	89,960	89,960		89,960
0305111F	175	WEATHER SERVICE	5,126	5,126	5,126		5,126
0305114F	176	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATCALS)	3,870	8,870	3,870	5,000	8,870
0305119F	177	MEDIUM LAUNCH VEHICLES (SPACE)	13,368	13,368	13,368		13,368
0305128F	178	SECURITY AND INVESTIGATIVE ACTIVITIES	289	289	289		289
0305137F	179	NATIONAL AIRSPACE SYSTEM (NAS) PLAN	12,614	12,614	12,614		12,614
0305138F	180	UPPER STAGE SPACE VEHICLES (SPACE)	3,154	3,154	3,154		3,154
0305144F	182	TITAN SPACE LAUNCH VEHICLES (SPACE)	105,472	105,472	105,472		105,472
0305145F	183	ARMS CONTROL IMPLEMENTATION	26,786	26,786	26,786		26,786
		NUCLEAR SEISMIC MONITORING			6,500		-
0305158F	184	CONSTANT SOURCE	2,914	2,914	2,914		2,914
0305160F	185	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	17,964	17,964	17,964		17,964
0305164F	186	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SPACE)	32,450	32,450	37,450	5,000	37,450
0305165F	187	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL SEGMENTS)	42,243	42,243	42,243		42,243
0305182F	189	EASTERN SPACE LAUNCH FACILITY (ESLF) (SPACE)	35,704	35,704	35,704		35,704
0305887F	190	INTELLIGENCE SUPPORT TO INFORMATION WARFARE	-	-	-		-
0305906F	191	NCMC - TW/AA SYSTEM	31,692	31,692	31,692		31,692
0305910F	192	SPACETRACK (SPACE)	18,867	18,867	18,867		18,867
0305911F	193	DEFENSE SUPPORT PROGRAM (SPACE)	29,397	29,397	29,397		29,397
0305913F	194	NUDET DETECTION SYSTEM (SPACE)	13,623	27,223	13,623		13,623
0308610F	195	INFORMATION MANAGEMENT-AUTOMATION-PROGRAM 3	15,193	15,193	15,193		15,193
0401119F	196	C-5 AIRLIFT SQUADRONS	1,153	1,153	1,153		1,153
0401130F	197	C-17 AIRCRAFT	87,486	87,486	87,486		87,486
0401214F	198	AIR CARGO MATERIAL HANDLING (463-L) (NON-IF)	3,212	3,212	3,212		3,212
0401218F	199	KC-135S	757	757	757		757
0404102F	200	AEROSPACE RESCUE AND RECOVERY	3,322	3,322	3,322		3,322
0702207F	201	DEPOT MAINTENANCE (NON-IF)	1,444	1,444	1,444		1,444
0708011F	202	INDUSTRIAL PREPAREDNESS	49,969	49,969	69,969	20,000	69,969
0708012F	203	LOGISTICS SUPPORT ACTIVITIES	-	-	-		-
0708026F	204	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	13,564	13,564	18,064	4,500	18,064
0708054F	205	POLLUTION PREVENTION	-	-	-		-
0708611F	206	SUPPORT SYSTEMS DEVELOPMENT	5,405	5,405	5,405		5,405

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0804734F	207	CRYPTOLOGIC/SIGINT-RELATED SKILL TRAINING	1,887	1,887	1,887		1,887
0901218F	208	CIVILIAN COMPENSATION PROGRAM	5,917	5,917	5,917		5,917
1001004F	209	INTERNATIONAL ACTIVITIES	3,633	3,633	3,633		3,633
1001018F	210	NATO JOINT STARS	-	-	-		-
XXXXXXX	999	Classified Programs	4,844,501	2,950,401	4,683,501	(270,000)	4,574,501
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL AIR FORCE	14,417,456	13,271,087	14,786,356	338,910	14,756,366

Carbon/carbon nosetips

The Senate amendment recommended that $1.5 million of the funds provided in PE 62102F be utilized for the development of carbon/carbon thermal protection material for reentry vehicles as well as for aircraft, spacecraft and missile applications.

The House bill had no similar provision.

The House recedes.

Thermally stable jet fuels

The budget request included $74.9 million for aerospace propulsion technology (PE 62203F).

The Senate amendment would authorize an increase of $3.0 million in PE 62203F for thermally stable jet fuels.

The House bill would authorize the budget request.

The conferees agree to an authorization of $74.9 million for PE 62203F of which $3.0 million is authorized for the continuation of the thermally stable jet fuel program.

High frequency active auroral research program

The budget request included $121.1 million for Phillips Laboratory exploratory development (PE 62601F) and $54.1 million for counterproliferation support (PE 63160D).

The Senate amendment authorized an increase of $15.0 million for the high frequency active auroral research program, with $7.5 million in PE 62601F and $7.5 million in PE 63160D.

The House bill authorized the budget request.

The House recedes.

Metal fatigue monitoring

The budget request included $23.8 million for advanced materials for weapon systems technology (PE 63112F).

The House bill would authorize an increase of $2.5 million in PE 63112F for the metal fatigue monitoring program.

The Senate amendment contained no similar provision.

The Senate recedes.

Aircraft ejection seats

The budget request included $18.0 million in PE 63231F for crew systems and personnel protection technology, $11.1 million in PE 64264N for aircrew systems development, and $4.4 million for life support systems in PE 64706F.

The House bill and the Senate amendment would authorize an additional $5.0 million in PE 63231F and PE 64264N each to accelerate program phases for ejection seat upgrades. The House bill would also provide an additional $3.5 million in PE 64706F to evaluate the ACES II ejection seat with stabilization, limb restraints, and expanded crew member accommodation and to examine new technology for the integration of tactical aircrew personal equipment.

The conferees agree to authorize an addition $11.5 million, $5.0 million to PE 63231F and $5.0 million to PE 64264N, for ejection seat development, and $1.5 million in PE 64706F to evaluate the ACES II ejection seat with stabilization, limb restraints, and expanded crew member accommodation.

Space Architect

The budget request included $15.0 million in PE 63855F for the Department of Defense Space Architect.

The House bill recommended a reduction of $4.0 million from the request, to include any "pass-through" funding intended for the Office of the Secretary of Defense for which there was no request.

The Senate amendment approved the budget request.

The conferees agree to authorize $13.0 million in a new operational systems development program element, a reduction of $2.0 million. The conferees are following with interest the DOD Space Architect's on-going reviews of the appropriate military satellite communications architecture and the architecture for space control. The conferees expect to be kept apprised of progress during the conduct of these important reviews. The conferees also strongly urge the Architect to consult closely with the Commander-in-Chief, U.S. Space Command during these reviews. Finally, the conferees direct that, in the submission of the fiscal year 1998 budget request, funding for the Deputy Under Secretary of Defense for Space not be included along with funds for the Space Architect.

B–2 Conventional capability enhancements

The House bill would authorize an increase of $290.0 million in PE 64240F to accelerate precision guided munition (PGM) integration and conventional weapons capability into the B–2 bomber fleet.

The Senate amendment would authorize the budget request.

The conferees note that the Department plans to equip the B–2 fleet with enhanced conventional capability, but are concerned with the low levels of funding and slow pace of these efforts. Consequently, the conferees authorize an increase of $212.0 million to accelerate integration of PGMs and to provide enhanced communications, information data link capability, and improved conventional weapons accuracy for the existing fleet of 21 B–2 bombers.

Nuclear weapons support

The budget request included $4.8 million in PE 64222F for nuclear weapons support.

The conferees are concerned about the backlog of requirements for nuclear weapons support for various systems and the impact this backlog can have upon U.S. confidence in the reliability of the nuclear weapons stockpile. Accordingly, the conferees recommend an increase of $1.0 million for activities of the Air Force's Nuclear Weapons Integration Office. The conferees direct the Secretary of the Air Force to include sufficient funds in the fiscal year 1998 budget request to eliminate this backlog.

Global positioning system

The Senate amendment recommended an increase of $7.1 million in PE 64480F to sustain the development and support a production rate of three Block IIF Global Positioning System (GPS) satellites per year, which will be required to maintain a full 24-satellite constellation. The Senate amendment also recommended an increase of $5.0 million in PE 35164F to accelerate activities necessary to ensure effective use of high-precision GPS signals by United States forces, and the means to deny access to those signals by hostile forces.

The House bill recommended approval of the budget request for GPS.

The conferees agree to authorize an increase of $7.1 million in Missile Procurement, Air Force, to sustain the development and support a production rate of three Block IIF GPS satellites per year. The conferees also agree to authorize an increase of $5.0 million in PE 35164F to accelerate activities necessary to ensure effective use of high-precision GPS signals by United States forces, and the means to deny access to those signals by hostile forces.

Joint tactical information distribution system (JTIDS)

The budget request included $11.1 million for JTIDS.

The House bill would add $55.7 million to the budget request.

The Senate amendment would add $19.8 million.

The conferees agree to an increase of $19.8 million to the budget request for PE 64754F to accelerate the integration of Link 16 into the B–1B, F–15E, and F–16.

F–15 countermeasures

The House bill would authorize an additional $17.0 million in PE 27134F to complete development of the ALQ–135 for the F–15E.

The Senate amendment would provide no additional authorization.

The conferees agree to authorize an additional $15.0 million to complete ALQ–135 development.

Trusted Rubix

The budget request included $6.9 million in PE 33140F for information systems security. The conferees agree that of the amount authorized to be appropriated in PE 33140F, up to $1.5 million may be used for the Trusted Rubix multi-level security program.

Precision landing system

The House bill would authorize an additional $5.0 million in PE 35114F to complete development of the precision landing systems receiver.

The Senate amendment had no similar authorization.

The Senate recedes.

Blade tip repair

The budget request included $13.6 million for the Program Office for Productivity, Reliability, Availability and Maintenance (PE 78026F).

The Senate amendment would authorize an increase of $4.5 million in PE 78026F to extend the current modeling under the Air Force Blade Repair Program to the Propulsion Directorate at the Oklahoma Air Logistics Center.

The House bill would authorize the budget request.

The House recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $8,672.8 million for Defense-Wide, Research and Development in the Department of Defense. The House bill would authorize $9,406.4 million. The Senate amendment would authorize $9,679.5 million. The conferees recommended an authorization of $9,691.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT	0	RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE			-		
0601101D	1	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,154	2,154	2,154		2,154
0601101E	2	DEFENSE RESEARCH SCIENCES	74,923	76,923	94,923	15,000	89,923
0601103D	3	UNIVERSITY RESEARCH INITIATIVES	209,235	229,235	219,235	10,000	219,235
0601110D	4	FOCUSED RESEARCH INITIATIVES	15,580	15,580	15,580		15,580
0601384BP	5	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	28,739	28,739	28,739		28,739
	5a	ASAT		-	75,000	75,000	75,000
0602160D	6	COUNTERPROLIFERATION SUPPORT	-	-	-		-
0602173C	7	SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES EXPLORATORY DEVELOPMENT	94,023	94,023	104,023	10,000	104,023
0602227D	8	MEDICAL FREE ELECTRON LASER	23,457	20,457	23,457		23,457
0602228D	9	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE AND ENGINEER	11,163	11,163	11,163		11,163
0602234D	10	LINCOLN LABORATORY RESEARCH PROGRAM	20,068	10,568	20,068		20,068
0602301E	11	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	346,957	346,957	346,957	(4,000)	342,957
0602384BP	12	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	65,273	70,873	65,273		65,273
0602702E	13	TACTICAL TECHNOLOGY	117,944	129,944	120,944	(3,400)	114,544
0602708E	14	INTEGRATED COMMAND AND CONTROL TECHNOLOGY	45,000	65,000	45,000	20,000	65,000
0602712E	15	MATERIALS AND ELECTRONICS TECHNOLOGY	218,539	226,539	240,539	3,800	222,339
0602715H	16	DEFENSE NUCLEAR AGENCY	195,131	192,131	207,131	(3,000)	192,131
0602787D	17	MEDICAL TECHNOLOGY	8,196	8,196	8,196		8,196
		COOPERATIVE PROJECTS WITH RUSSIA	-	20,000			-
0305108K	18	COMMAND AND CONTROL RESEARCH	1,856	1,856	1,856		1,856
0603002D	19	MEDICAL ADVANCED TECHNOLOGY	3,363	3,363	3,363		3,363
0603104D	20	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	-	15,000	-	15,000	15,000
0603105D	21	MILITARY HIV RESEARCH	-	-	-		-
0603120D	22	DEMINING	7,746	-	18,046	10,300	18,046
0603122D	23	COUNTERTERROR TECHNICAL SUPPORT	16,521	16,521	16,521		16,521
0603160D	24	COUNTERPROLIFERATION SUPPORT - ADV DEV	54,142	54,142	61,647	17,500	71,642
0603173C	25	SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES - ADVANCED TECHNOLOGY DEVEL	132,319	172,319	279,819	137,500	269,819
0603225D	26	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	16,158	14,558	21,158		16,158
0603226E	27	EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES	635,553	664,653	707,853	13,100	648,653
0603232D	28	AUTOMATIC TARGET RECOGNITION	4,841	4,841	4,841		4,841
0603384BP	29	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT	41,685	41,685	41,685		41,685
0603569E	30	ADVANCED SUBMARINE TECHNOLOGY	-	-	-		-
0603570D	31	DEFENSE LABORATORY PARTNERSHIP PROGRAM	-	-	-		-
0603570E	32	DEFENSE REINVESTMENT	-	-	-		-
0603704D	33	SPECIAL TECHNICAL SUPPORT	12,068	10,868	12,068	(1,200)	10,868
0603711H	34	VERIFICATION TECHNOLOGY DEMONSTRATION	26,199	26,199	26,199		26,199
0603712S	35	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS -	18,162	18,162	20,162		18,162
0603716D	36	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	54,880	57,380	54,880		54,880
0603724D	37	BIOLOGICAL DEFENSE - ADVANCED DEVELOPMENT	-	-	-		-
0603726D	38	JOINT TECHNOLOGY INSERTION PROGRAM	14,523	-	14,523	(12,600)	1,923

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603738D	40	COOPERATIVE DOD/VA MEDICAL RESEARCH	-	-	-		-
0603739E	41	ADVANCED ELECTRONICS TECHNOLOGIES	332,100	357,100	332,100	15,000	347,100
0603744E	42	ADVANCED SIMULATION	-	-	-		-
0603745E	43	SEMICONDUCTOR MANUFACTURING TECHNOLOGY	-	-	-		-
0603746E	44	MARITIME TECHNOLOGY	37,408	37,408	37,408		37,408
0603747E	45	ELECTRIC VEHICLES	-	-	-		-
0603750D	46	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	98,471	78,471	98,471	(20,000)	78,471
0603752D	47	COMMERCIAL TECHNOLOGY INSERTION PROGRAM	48,411	-	24,211	(38,500)	9,911
0603755D	48	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	99,880	99,880	124,880	25,000	124,880
0603756D	49	CONSOLIDATED DOD SOFTWARE INITIATIVE	-	-	-		-
0603771S	50	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-
0603800E	51	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	78,400	78,400	78,400		78,400
0603805E	52	DUAL USE APPLICATIONS PROGRAMS	250,000	-	100,000	(165,000)	85,000
0603832D	53	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	59,968	59,968	59,968		59,968
0603889E	54	COUNTERDRUG RDT&E PROJECTS	-	-	-		-
		DUAL-USE MANAGEMENT		5,000			-
0603228D	55	PHYSICAL SECURITY EQUIPMENT	18,676	18,676	18,676		18,676
0603708D	56	INTEGRATED DIAGNOSTICS	9,742	9,742	9,742		9,742
0603709D	57	JOINT ROBOTICS PROGRAM	23,744	31,744	23,744	8,000	31,744
0603714D	58	ADVANCED SENSOR APPLICATIONS PROGRAM	24,001	30,001	34,001	4,000	28,001
0603715D	59	AIM-9 CONSOLIDATED PROGRAM	-	-	-		-
0603734J	60	ISLAND SUN SUPPORT	1,246	1,246	1,246		1,246
0603736D	61	CALS INITIATIVE	1,936	13,936	15,936	14,000	15,936
0603790D	62	NATO RESEARCH AND DEVELOPMENT	22,776	20,576	22,776	(2,200)	20,576
0603851D	63	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	14,155	14,155	22,155	8,000	22,155
0603861C	64	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - DEM/VAL	269,000	409,000	344,000	75,000	344,000
0603862C	65	THEATER MISSILE DEFENSE GROUND BASED RADAR (GBR-T) - DEM/VAL	-	-	-		-
0603863C	66	HAWK UPGRADES THEATER MISSILE DEFENSE ACQUISITION - DEM/VAL	-	-	-		-
0603864C	67	BATTLE MANAGEMENT AND C4I FOR TMD ACQUISITION - DEM/VAL	-	-	-		-
0603867C	68	NAVY LOWER TIER TMD ACQUISITION - DEM/VAL	60,000	60,000	60,000		60,000
0603868C	69	NAVY UPPER TIER TMD - DEM/VAL	58,171	304,171	304,171	246,000	304,171
0603869C	70	CORPS SURFACE-TO-AIR MISSILE - TMD - DEM/VAL	56,232	-	56,232		56,232
0603870C	71	BOOST PHASE INTERCEPT THEATER MISSILE DEFENSE ACQUISITION - DEM/VAL	-	-	24,300	24,300	24,300
0603871C	72	NATIONAL MISSILE DEFENSE - DEM/VAL	508,437	858,437	808,437	350,000	858,437
0603872C	73	OTHER THEATER MISSILE DEFENSE/FOLLOW-ON TMD ACTIVITIES ACQUISITION - DEM	520,111	520,111	515,711	6,400	526,511
0603884BP	74	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	54,511	56,711	54,511		54,511
		GENERAL REDUCTION-BMD	-	(15,000)			-
0604160D	75	COUNTERPROLIFERATION SUPPORT - EMD	2,651	2,651	2,651		2,651
0604384BP	76	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	89,915	107,715	89,915		89,915
0604771D	77	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	44,501	44,501	44,501		44,501
0604861C	78	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	212,798	212.798	277,798	65,000	277,798

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

	Line		FY 1997	House	Senate	Conference	
PE	No.	Title	Request	Authorized	Authorized	Change	Agreement
0604864C	79	BATTLE MANAGEMENT AND C4I FOR TMD ACQUISITION - EMD	-	-	-		-
0604865C	80	PATRIOT PAC-3 THEATER MISSILE DEFENSE ACQUISITION - EMD	381,509	381,509	381,509		381,509
0604866C	81	ERINT/PATRIOT PAC-3 RISK REDUCTION - TMD - EMD	-	-	-		-
0604867C	82	NAVY LOWER TIER TMD ACQUISITION - EMD	241,582	241,582	241,582		241,582
0604889K	83	COUNTERDRUG ENGINEERING AND MANUFACTURING DEVELOPMENT PROJECTS	-	-	-		-
0305889D	84	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-
0605104D	85	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	35,101	25,101	35,101	(10,000)	25,101
0605110D	86	TECHNICAL SUPPORT TO USD(A)--CRITICAL TECHNOLOGY	2,743	2,743	2,743		2,743
0605114E	87	BLACK LIGHT	4,730	4,730	4,730		4,730
0605117D	88	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	40,750	40,750	40,750		40,750
0605128D	89	CLASSIFIED PROGRAM USD(P)	11,400	11,400	11,400		11,400
0605129D	90	TECHNICAL ASSISTANCE	4,785	-	4,785		4,785
0605160D	91	COUNTERPROLIFERATION SUPPORT	8,563	20,563	8,563		8,563
0605218C	92	BALLISTIC MISSILE DEFENSE RDT&E PROGRAM MANAGEMENT AND SUPPORT	-	-	-		-
0605384BP	93	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	16,708	35,408	16,708		16,708
0605502D	94	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605710D	95	CLASSIFIED PROGRAMS - C3I	2,311	2,311	2,311		2,311
0605790D	96	SMALL BUSINESS INNOVATIVE RESEARCH ADMINISTRATION	1,628	1,628	1,628		1,628
0605798S	97	DEFENSE SUPPORT ACTIVITIES	13,796	13,796	16,796	3,000	16,796
0605801S	98	DEFENSE TECHNICAL INFORMATION CENTER	45,238	45,238	45,238		45,238
0605898E	99	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	36,369	36,369	36,369	(1,900)	34,469
0909900E	100	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	-	-	-		-
0201135J	101	CINC C2 INITIATIVES	-	-	-		-
0208045K	102	C3 INTEROPERABILITY (JOINT TACTICAL C3 AGENCY)	24,268	24,268	24,268		24,268
0302016K	106	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	2,047	2,047	2,047		2,047
0302019K	107	JOINT/DEFENSE INFORMATION SYSTEMS ENGINEERING AND INTEGRATION	4,594	7,594	4,594		4,594
0303126K	108	LONG-HAUL COMMUNICATIONS (DCS)	23,361	23,361	23,361		23,361
0303127K	109	SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM	3,910	3,910	3,910		3,910
0303129K	110	DEFENSE MESSAGE SYSTEM	2,532	2,532	2,532		2,532
0303131K	111	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	2,311	2,311	2,311		2,311
0303140D	113	INFORMATION SYSTEMS SECURITY PROGRAM	-	-	-		-
0303149J	115	C4I FOR THE WARRIOR	2,618	-	2,618		2,618
0303149K	116	C4I FOR THE WARRIOR	2,907	17,907	2,907		2,907
0303153K	117	JOINT SPECTRUM CENTER	-	-	-		-
0305139B	121	DMA MAPPING, CHARTING, AND GEODESY (MC&G) PRODUCTION SYSTEM IMPROVEMENTS	100,997	90,997	100,997	(10,000)	90,997
0305154D	122	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	438,559	529,059	461,959	54,700	493,259
0305159B	124	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	-	-	-		-
0305159I	126	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	55,911	55,911	55,911		55,911
0305190D	127	C3I INTELLIGENCE PROGRAMS	7,081	6,381	7,081		7,081
0305889D	130	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-
0305889G	131	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0708011S	133	INDUSTRIAL PREPAREDNESS	6,831	8,831	6,831		6,831
0902298J	134	MANAGEMENT HEADQUARTERS (OJCS)	34,912	11,912	34,912		34,912
0909900S	135	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	-	-	-		-
0909999D	136	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	-	-	-		-
1160279BB	137	SMALL BUSINESS INNOVATIVE RESEARCH/SMALL BUS TECH TRANSFER PILOT PROG	-	-	-		-
1160401BB	138	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	4,083	4,083	4,083		4,083
1160402BB	139	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	7,927	7,927	7,927		7,927
1160404BB	140	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	83,923	88,573	92,523	9,151	93,074
1160405BB	141	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,315	2,315	1,315	1,000	2,315
1160407BB	142	SOF MEDICAL TECHNOLOGY DEVELOPMENT	1,887	1,887	1,887		1,887
1160408BB	143	SOF OPERATIONAL ENHANCEMENTS	23,216	23,216	23,216		23,216
XXXXXXX	999	Classified Programs	1,202,794	1,286,794	1,236,994	37,500	1,240,294
		UNDISTRIBUTED REDUCTION			(67,800)		-
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE	8,398,836	9,132,371	9,388,536	1,001,451	9,400,287
ACCOUNT	0	DIRECTOR OF TEST & EVAL DEFENSE					
0604940D	1	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	116,007	116,007	133,007	17,000	133,007
0605130D	2	FOREIGN COMPARATIVE TESTING	33,560	33,560	33,560		33,560
0605804D	3	DEVELOPMENT TEST AND EVALUATION	102,471	102,471	102,471		102,471
		TOTAL, DIRECTOR OF TEST & EVAL DEFENSE	252,038	252,038	269,038	17,000	269,038
ACCOUNT	0	DIRECTOR OF OPERATIONAL TEST & EVALUATION					
0605118D	1	OPERATIONAL TEST AND EVALUATION	11,980	11,980	11,980		11,980
0605131D	2	LIVE FIRE TESTING	9,988	9,988	9,988		9,988
		TOTAL, DIRECTOR OF OPERATIONAL TEST & EVALUATION	21,968	21,968	21,968	-	21,968

Defense research sciences

The budget request included $74.9 million for Defense Research Sciences (PE 61101E).

The Senate amendment would authorize that, within the funds provided in PE 61101E, $20.0 million be utilized for optoelectronics development.

The House bill would authorize the budget request.

The House recedes with an amendment. The conferees agree to an authorization of $89.9 million or PE 61101E. This amount includes an increase of $20.0 million for optoelectronics, $10.0 million for computer-assisted education programs, a reduction of $2.7 million for gallium nitride programs, and a reduction of $2.3 million for ultraphotonics programs.

University Research Initiative

The budget request included $209.2 million in PE 61103D for the University Research Initiative (URI).

The House bill would authorize an increase of $20.0 million in PE 61103D for the continuation of the Defense Experimental Program to Stimulate Research (DEPSCoR) program.

The Senate amendment would authorize a decrease of $10.0 million for the URI and an authorization of $20.0 million from available funds for the DEPSCoR program. The Senate amendment also included an authorization of $3.0 million from available funds for the pilot program for the transfer of defense technology information to private industry described elsewhere in this report.

The conferees agree to an authorization of $219.2 million in PE 61103D. This amount includes a general reduction of $10.0 million, an increase of $20.0 million for the DEPSCoR program and $3.0 million for the pilot program for the transfer of defense technology.

Tactical Technology

The budget request included $117.9 million in PE 62702E for tactical technology programs.

The House bill would authorize an increase of $12.0 million for the DP–2 program.

The Senate amendment would authorize an increase of $3.0 million for the expansion of the small low-cost interceptor device (SLID) program.

The conferees agree to authorize $114.5 million in PE 62702E, including a $3.0 million increase for SLID in accordance with the S. Rept. (104–267), a decrease of $3.9 million for the collaborative crises and mitigation program, and a decrease of $2.5 million for the fast computational algorithims program. The conferees agree that $12.0 million of the available funding is for the continuation of testing and demonstration of the DP–2 program.

Flat panel technology

The budget request included $45.0 million for flat panel displays (FPDs) in PE 62708E.

The House bill would authorize an increase of $20.0 million in PE 62708E to accelerate the ability to produce high quality, low cost flat panel displays for military equipment and missions.

The Senate amendment would authorize the requested amount.

The conferees agree to an increase of $20.0 million in PE 62708E for flat panel displays and infrastructure development. The conferees support continued research and development efforts and endorse the Defense Advanced Research Projects Agency's (DARPA) industry team efforts and encourage DARPA's continued investment in the program as outlined in the FPD Initiative.

Materials and electronics technology

The budget request included $218.5 million for materials and electronics technology programs (PE 62712E).

The House bill would authorize an increase of $8.0 million in PE 62712E for Chemical Vapor Composite (CVC) and Chemical Vapor Deposition (CVD) synthetic diamond materials.

The Senate amendment would authorize an increase of $11.0 million in PE 62712E: $3.0 million for pulsed laser deposition to create hard carbon based coatings and $8.0 million to support continuation of high temperature superconductivity. The Senate amendment would also authorize, of the funds available for materials and electronics technology, $7.0 million to be used for the seamless high off-chip connectivity (SHOCC) program in PE 62712E.

The conferees agree to a total authorization of $222.3 million in PE 62712E. The conferees agree to an increase of $4.0 million for CVD and CVC synthetic diamond materials; an increase of $8.0 million for high temperature superconductivity as discussed in the Senate report (S. Rept. 104–267); and an increase of $3.0 million for carbon based coatings. The SHOCC program is authorized for $7.0 million within the program element. The conferees further agree to reduce the authorization by $7.5 million for healthcare information infrastructure and $3.7 million for the nonvolatile memory program.

Joint Department of Defense-Department of Energy munitions technology development program

The budget request included $16.2 million for the joint Department of Defense and Department of Energy munitions technology development program.

The House bill would reduce the budget request by $1.6 million.

The Senate amendment would increase the budget request by $5.0 million for projects approved by the joint technology advisory committee.

The conferees agree to authorize the budget request.

Fuel cells

The House bill would authorize an increase of $2.4 million in PE 63226E to complete the fixed base power plant development and an increase of $4.0 million in PE 63573N for competing conceptual ship service power plant design studies.

The Senate amendment would authorize an increase of $8.0 million in PE 63851D to complete the development of the climate change fuel cell program and an increase of $4.3 million in PE 63226E for the completion of the development of the 2 MW carbonate-based fuel cell technology.

The conferees agree to an increase of $8.0 million in PE 63851D for the climate change fuel cell program, an increase of $2.1 million in PE 63226E for the completion of development of the 2 MW carbonate-based fuel cell program, and an increase of $1.9 million in PE 63513N for competing conceptual ship service power plant design studies.

Experimental evaluation of major innovative technologies (EEMIT)

The budget request included $635.6 million for experimental evaluation of major innovative technologies (EEMIT) (PE 63226E).

The House bill would authorize an increase of $38.4 million in PE 63226E: $2.4 million for fuel cells; $5.0 million for telemedicine (PE 63002A); $10.0 million for cruise missile defense; $4.0 million for safety and survivability; $5.0 million for digital battlefield medical x-ray technology; and $12.0 million for the passive millimeter wave camera.

The Senate amendment would authorize an increase of $77.3 million in PE 63226E: $50.0 million for cruise missile defense; $3.0 million for the large millimeter wave telescope; $10.0 million for Crown Royal; $4.3 million for carbonate based fuel cells; and $10.0 million for thermophotovoltaics.

The conferees agree to a total authorization for EEMIT of $648.7 million in PE 63226E. The conferees agree to authorize $2.1 million for fuel cells; $8.0 million for the telemedicine project for disaster relief and emergency medical services (DREAMS); $10.0 million for thermophotovoltaics; $3.0 million for the large millimeter wave telescope; and of the funds available in the EEMIT line, $5.0 million may be used for the passive millimeter wave camera.

The conferees agree to reduce the authorization by $5.0 million for dynamic multiuse information fusion, and by $5.0 million for the joint forward air combat control project.

Electronic commerce resource centers

The budget request included $332.1 million for Advanced Electronics Technologies (PE 63739E).

The House bill would authorize an increase of $15.0 million in PE 63739E for the creation of five new electronic commerce resource centers (ECRC).

The Senate authorized the budget request.

The Senate recedes. The conferees agree to authorize an increase of $15.0 million in PE 63739 to expand the ECRC program.

High performance computing modernization

The budget request included $99.9 million for the high performance computing modernization program (PE 63755D).

The Senate amendment would authorize an increase of $25.0 million in PE 63755D to sustain the operations of supercomputing centers.

The House bill would authorize the budget request.

The House recedes.

Mobile detection assessment response system

The budget request included $23.7 million for the Joint Robotics Program (PE 63709D).

The House bill would authorize an increase of $8.0 million in PE 63709D for the continued development of the mobile detection assessment response system (MDARS).

The Senate amendment would authorize the budget request.

The Senate recedes.

Non-acoustic antisubmarine warfare

The budget request included $24.0 million in PE 63714D for the advanced sensor applications program (ASAP), the independent non-acoustic antisubmarine warfare (NAASW) research program managed by the Office of the Secretary of Defense.

The House bill would authorize an increase of $6.0 million above the budget request in PE 63714D for the ASAP program. The report accompanying the House bill (H. Rept. 104–563) observed that the funding level requested in the budget request for the ASAP program is approximately 20 percent less than the level appropriated for fiscal year 1996, and approximately 10 percent of the level originally programmed in the fiscal year 1996 future years defense program for fiscal year 1997. The House report also discussed the increased capabilities of advanced nuclear submarines, the proliferation of modern, quiet diesel submarines and advanced non-nuclear submarine technology, and significant strides in submarine operational proficiency being made by several Third World navies. Reflecting the conclusion that the reductions in funding for the ASAP program in the budget request were imprudent and that increased emphasis needs to be placed on improving the anti-submarine warfare capabilities of U.S. forces in general, and on the NAASW program in particular, the House bill would authorize an increase of $6.0 million above the budget request for the ASAP program and identify $1.0 million of this increase to conduct additional investigations of foreign technology and systems relevant to the missions of the ASAP program.

The report accompanying the Senate amendment (S. Rept. 104-267) expressed similar reservations about reductions in funding for the Department of Defense (DOD) ASAP program. It also commented on the Department's unsatisfactory response to direction given in the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996 for DOD to conduct a comparative evaluation of a light detection and ranging (LIDAR) system, ATD–111, against other comparable approaches. This response stated that DOD intends to test the ATD–111 system in fiscal year 1996 but would delay testing for another LIDAR system, April Showers, until fiscal year 1998. Thus DOD would spend two more years developing April Showers and then compare those two sets of test results.

The Senate amendment would authorize an increase of $10.0 million in PE 63714D for the ASAP program to:

(1) continue the work on scattering theory, microwave radiometry, and the joint U.S.-UK radar ocean imaging investigations; and

(2) conduct a competitive evaluation in fiscal year 1997 between ATD–111 and the April Showers LIDAR system.

The conferees agree to authorize an increase of $4.0 million in PE 63714D for the following purposes:

(1) the comparative evaluation of ATD–111 and the April Showers LIDAR system; and

(2) continuation of work on ocean remote sensing, scattering theory, microwave radiometry, and the joint U.S.-U.K. radar ocean imaging investigations.

The conferees acknowledge the concerns expressed in the Senate report and agree that the Department's plan for comparative assessment of ATD–111 and April Showers must provide equitable treatment for both systems. The conferees direct the Secretary of Defense to develop a new plan and provide it to the congressional defense and intelligence committees no later than January 15, 1997.

The conferees direct the program office to reassess the value of some of the lower priority projects it is pursuing with the aim of freeing up resources for higher priority projects. The conferees reiterate that the ASAP program is a congressional interest item.

Integrated weapons system database

The budget request included $1.9 million for the Continuous Acquisition and Lifecycle Support Activities (PE 63736E).

The Senate amendment would authorize an increase of $4.0 million in PE 63736E for the Integrated System Database for continuation of the Integrated Data Environment (IDE) program.

The House bill would authorize the budget request.

The House recedes.

Rapid acquisition of manufactured parts

The budget request did not include research and development funds for the rapid acquisition of manufactured parts (RAMP) program.

The House bill would authorize an increase of $12.0 million in PE 63736D for RAMP.

The Senate amendment would authorize an increase of $10.0 million in PE 63736D for RAMP.

The House recedes.

NATO research and development

The budget request included $22.7 million for NATO research and development (PE 63790D)

The House bill would reduce the budget request by $2.2 million.

The Senate amendment would authorize the budget request.

The Senate recedes.

Data review and analysis monitoring aid (DRAMA)

The budget request included $13.8 million for the Defense Support Activities (PE 65798S).

The Senate amendment would authorize an increase of $3.0 million in PE 65798S for the continuation of the DRAMA program to reduce duplication in the defense supply system.

The House bill would authorize the budget request.

The House recedes.

Joint command, control, communications, and computers/intelligence, surveillance, and reconnaissance

The budget request included $2.9 million in PE 33149K for C4I for the Warrior, a new initiative that promotes the development and demonstration of joint and coalition command, control, communications, and computers/intelligence interoperability.

The House bill would authorize an increase of $15.0 million for development of improved capabilities for concept development, analysis, and evaluation of advanced technology and concepts for joint command, control communications, and computers/intelligence, surveillance, and reconnaissance, including $10.0 million for establishment of a battle laboratory and $5.0 million for development of advanced modeling and simulation.

The Senate amendment would authorize the budget request.

The House recedes.

Defense Airborne Reconnaissance Office (DARO) research and development

The budget request included $438.6 million for research and development for the Defense Airborne Reconnaissance Program.

The House bill would add a total of $90.5 million to the request. The Senate amendment would increase the request by $23.4 million. Details of the adjustments in the House bill and the Senate amendment, as well as the final conference agreement, are displayed in the table below:

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM DEVELOPMENT

[In thousands of dollars]

Program	Budget request	Proposed House	Change Senate	Conference agreement
Tactical UAV joint program—project 141:				
Tactical UAV	51,449	(18,000)	(12,800)	33,449
Tactical control system	7,067			7,067
Common systems development	6,092			6,092
Subtotal—project 141	64,608	(18,000)	(12,800)	46,608
Airborne reconnaissance program—project 525:				
Advanced sensors	66,367	15,000		76,367
Reconnaissance advanced technology	17,523	8,000		25,523
Common data link	29,431		(6,500)	22,931
DARO operations	641			641
Subtotal—project 525	113,962	23,000	(6,500)	125,462
Endurance UAVs—project 527:				
Predator	6,099			6,099
High altitude endurance (HAE) UAV common ground segment	71,642			71,642
Conventional HAE (Global Hawk)	81,227			71,227
Low observable HAE (Dark Star)	17,426	28,500		45,926
Subtotal—project 527	176,394	28,500		194,894
Manned reconnaissance program—project 530:				
U–2	4,161	57,000	42,700	46,861
U–2 support for precision guided munitions	24,119			24,119
Subtotal—project 530	28,280	57,000	42,700	70,980
Distributed common ground system (DCGS)—project 531:				
Common imagery ground/surface system (CIGSS)	47,780	11,000		47,780
Airborne reconnaissance ground SIGINT system (ARGSS)	5,116			5,116
DCGS interoperability	2,419			2,419
Subtotal—project 530	55,315	11,000		55,315

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM DEVELOPMENT—Continued

[In thousands of dollars]

Program	Budget request	Proposed House	Change Senate	Conference agreement
Total PE 35154D	438,559	90,500	23,400	493,259

TACTICAL UNMANNED AERIAL VEHICLES (PROJECT 141)

The budget request for tactical unmanned aerial vehicles (project 141) included $64.6 million for fiscal year 1997.

The House bill would reduce the budget request by $18.0 million.

The Senate amendment would reduce the budget request by $12.8 million.

The conferees agree to recommend $46.6 million for the joint tactical unmanned aerial vehicle (JTUAV) program, a reduction of $18.0 million. The restructuring of the program and the creation of an advanced concept technology demonstration (ACTD) has resulted in excess unexpended funds from fiscal years 1995 and 1996. Accordingly, the conferees recommend a reduction of $18.0 million.

The conferees note the rapidity with which the DARO has initiated the JTUAV program as an ACTD. The conferees are skeptical of the Department's stated intention to transition the JTUAV ACTD into an acquisition program before having any experience with even a limited demonstration of the program. It appears that the Department is using the ACTD program to circumvent acquisition requirements, rather than to demonstrate new technologies on a limited basis. Considering the Department's unimpressive record of UAV acquisitions, and continuing difficulties in fielding proposed sophisticated UAVs, the conferees urge caution. Not only has the Department had difficulties in fielding systems, but it continues to endure significant losses of existing UAVs to mechanical malfunction. The conferees intend to follow closely the JTUAV development to ensure DARO adheres to accepted acquisition principles and regulations, and its commitment to timely results.

Finally, noting the continued difficulties experienced by the DARO in developing a suitable heavy fuel engine for its UAVs, the conferees encourage competition to the maximum extent possible in developing this capability.

AIRBORNE RECONNAISSANCE PROGRAM (PROJECT 525)

Joint airborne signals intelligence (SIGINT) architecture (JASA)

The budget request included $51.8 million within the $66.3 million contained in the advanced sensors line to continue the joint airborne SIGINT system (JASS) development, including continuing work on the JASS high band prototype (HBP).

The House bill would authorize the request. The House report (H. Rept. 104–563) would prohibit the Department from obligating any funds for the HBP follow-on system, the JASS high band subsystem (HBSS), until the completion of flight testing and when the HBP had proven its utility.

The Senate amendment would authorize the request without similar restrictions.

The conferees agree to authorize the requested amount for HBP to continue airborne SIGINT functional developments, including the technical infrastructure upgrades necessary for aircraft to incorporate future developments. However, because the Department is scheduled to award the HBSS contract before the HBP flight testing has begun, the conferees direct that no funds be obligated to integrate and develop the HBSS until the Secretary of Defense certifies to the Congress that such concurrency provides an acceptable level of technical and schedule risks. The conferees also direct the Secretary to provide a complete cost and capability analysis of those elements of the HBP that will be used in the HBSS.

The conferees remain concerned about the health and long-term well-being of airborne SIGINT reconnaissance, because of the pressures to field sensor and system improvements to keep abreast of constantly evolving threats. The conferees believe the DARO should be managing the airborne SIGINT program in a manner that provides for needed upgrades while moving toward the objective JASA architecture.

Electro-optic camera framing technology

The budget request contained $114.0 million for the airborne reconnaissance program (project 525), including $66.4 million for advanced sensor development.

The House report (H. Rept. 104–563) noted that several technologies show promise for providing precision point targeting and location data. The House bill would authorize an additional $15.0 million for the continued development and evolution of the electro-optic (EO) framing sensors with on-chip forward motion compensation (FMC) technology, including:

(1) $3.0 million for the operational insertion and testing of a medium altitude wide area coverage "step frame" sensor;

(2) $2.2 million to develop enhanced data compression algorithms;

(3) $5.8 million to conduct a study of, and begin development for, an EO framing infrared (IR) charge-coupled device with on-chip FMC; and

(4) $4.0 million to support multi-spectral EO framing technologies with on-chip FMC.

The Senate amendment would authorize the budget request.

The conferees agree to authorize $10.0 million for continued research and development of this capability, including:

(1) $3.0 million for the medium altitude wide area coverage step frame sensor;

(2) $4.0 million for enhanced data compression algorithms; and

(3) $3.0 million for multi-spectral EO framing technology development with on-chip FMC.

The conferees are aware that the area of EO/IR framing technologies is dynamic, with several vendors offering approaches to solving reconnaissance mission needs. Therefore, the conferees encourage the DARO to avail itself of the benefits of this competitive marketplace in addressing the conferees' concerns.

Multi-function self-aligned gate technology

The budget request included $114.0 million for the airborne reconnaissance program (project 525), including $17.5 million for the reconnaissance advanced technology project.

The House bill would provide an additional $8.0 million for the reconnaissance advanced technology project for multi-function self-aligned gate (MSAG) technology.

The Senate amendment would authorize the budget request.

The conferees agree to provide an additional $8.0 million for MSAG as described in the House report (H. Rept. 104–563).

ENDURANCE UNMANNED AERIAL VEHICLES (PROJECT 530)

Global Hawk

The budget request included $81.2 million project 530 for the Global Hawk UAV ACTD, including $10.0 million for development of a signals intelligence payload.

The House bill would prohibit the obligation of funds for the signals intelligence payload until the Global Hawk has been proven in flight demonstrations.

The Senate amendment would authorize the budget request.

The conferees agree to recommend a reduction of $10.0 million to the budget request for the Global Hawk.

Dark Star

The budget request included $17.4 million within project 530 for the Dark Star UAV.

The House bill would increase the budget request by $17.5 million to upgrade electro-optical cameras, provide a redesigned synthetic aperture radar antenna, and provide a more robust aerial vehicle design.

The first Dark Star vehicle crashed on its second test flight. Subsequent to this event and the passage of H.R. 3230, the Intelligence Authorization Bill recommended adding $22.0 million to recover from the air vehicle crash.

The Senate amendment would support the authorization in the budget request, but include a provision (sec. 216) on Dark Star described elsewhere in the statement of managers. The Senate recedes on the bill provision.

The conferees agree on the importance of returning the Dark Star program to flight testing as soon as the program manager has extracted the necessary lessons from the recent crash. Realizing the potential of the Dark Star UAV to provide unique support to operational users, the conferees agree to authorize an additional $28.5 million for the Dark Star UAV, for the following purposes:

(1) $22.0 million to complete the necessary engineering and design efforts to recover from the crash of the first air vehicle;

(2) $3.5 million for integrating EO framing technology with on-chip forward motion compensation into the aircraft and associated ground processing equipment; and

(3) $3.0 million for long lead procurement for the fifth air vehicle, which will replace the destroyed aircraft.

MANNED RECONNAISSANCE PROGRAM (PROJECT 530)

The budget request for the manned reconnaissance program (project 530) was $28.3 million.

The House bill would increase the budget request by $57.0 million for projects as follows:

(1) $10.0 million to improve and downsize the Senior Year electro-optical system (SYERS) sensor to:

(a) enable the Air Force to fly the two systems simultaneously on the U–2; and

(b) to improve SYERS geolocational accuracies;

(2) $7.0 million to support the ASARS improvement program (AIP) to ensure this upgrade can be fielded by fiscal year 1998;

(3) $40.0 million, the remainder of recommended additional funding, to upgrade Senior Ruby, Senior Spear, and Senior Glass to a common configuration. Specifically, the House report would direct the Air Force to:

(a) upgrade the Senior Spear and Senior Ruby sensors to the Senior Glass configuration; and

(b) upgrade the existing Senior Glass systems to an open architecture configuration consistent with an architectural approach approved by the Defense Cryptologic Program manager.

The House bill would also direct the Department to determine, and to program for, necessary future years level-of-effort funding to continue evolutionary U–2 sensor upgrades.

The Senate amendment would authorize an additional $32.7 million to procure and integrate two additional Senior Glass payloads for the U–2 fleet. The Senate amendment would also provide an additional $10.0 million to repackage the SYERS sensor for simultaneous $10.0 million to repackage the SYERS sensor for simultaneous operation with other sensors, and to begin the effort to add geolocation, broad area coverage, and multi-spectral imaging capabilities.

The conferees agree to recommend $70.9 million, or an increase of $42.7 million, to be applied as follows:

(1) $32.7 million to procure and integrate additional Senior Glass payloads;

(2) $10.0 million to repackage the SYERS sensor for simultaneous operation with other sensors, and to begin the effort to improve capabilities for geolocation, broad area coverage, and multi-spectral imaging.

The conferees recognize that:

(1) the DARO needs to develop and field systems compliant with the joint airborne SIGINT architecture (JASA);

(2) the JASA effort is an important initiative for providing future intelligence gathering capability; and

(3) the Department needs to continue making incremental upgrades to U–2 SIGINT capabilities to maintain near-term capability, while the Department completes JASA development.

DISTRIBUTED COMMON GROUND SYSTEM (PROJECT 531)

The budget request included $55.3 million in project 531, including $47.8 million for the common imagery ground/surface system (CIGSS).

The House bill would authorize an additional $11.0 million to modify core CIGSS components to ensure the program can achieve a common, interoperable baseline by fiscal year 1998. The House report complimented the Department's technical solutions and management approach to migrating the various imagery ground stations to the CIGSS configuration and standards as outlined in the published handbook.

The Senate amendment would support the budget request.

The conferees agree to support the budget request of $55.3 million for project 531.

AC–130 aircraft enhancements, Special Operations Command

The budget request included $83.9 million for tactical systems development for the U.S. Special Operations Command (SOCOM).

The Senate amendment would authorize an increase of $5.8 million in PE 1160404BB for enhancements to the SOCOM AC–130 aircraft.

The House bill would authorize the requested amount.

The Senate recedes.

Advanced SEAL delivery system

The budget request included $83.9 million in PE 1160404BB for special operations tactical development.

In order to provide a significant improvement in the acoustic characteristics of the advanced SEAL delivery system (ASDS) before its procurement begins, the Senate amendment would authorize an increase of $2.8 million above the budget request in PE 1160404BB to provide quieter pumps and motors for the base design of the ASDS.

The House bill would authorize the requested amount.

The House recedes.

Rigid hull inflatable boat

The budget request included $5.0 million for procurement of special warfare equipment, including $4.5 million for procurement of the Naval Special Warfare 10 meter Rigid Hull Inflatable Boat (RHIB).

The House bill would authorize an increase of $2.75 million in PE 1160404BB to complete development and operational testing of competing prototype RHIBs, a downselect decision to a single contractor, and other activities relative to a Milestone III decision for the RHIB in fiscal year 1997.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

The conferees agree to authorize an increase of $4.5 million in PE 1160404BB to complete development and operational testing of the RHIB as recommended in the House report (H. Rept. 104–563). The conferees further agree to a corresponding reduction in the amount authorized for procurement of special warfare equipment.

Ballistic missile defense funding and programmatic guidance

The fiscal year 1997 budget requests for the Ballistic Missile Defense Organization (BMDO) was $2.8 billion, including research, development, test, and evaluation (RDT&E), procurement, and military consideration.

The House bill would authorize an increase of $724.8 million for BMDO.

The Senate amendment would authorize an increase of $855.9 million for BMDO.

The conferees agree to authorize a total of $3,712.9 million for BMDO, an increase of $914.2 million above the budget request. The conferees' recommended funding allocations are summarized in the following table. Additional programmatic and funding guidance are also provided below.

BMDO FUNDING ALLOCATION

[Millions of dollars]

Program	Request	Change	Recommendation
Support Technology	226.3	+147.5	373.8
THAAD	481.8	+140.0	621.8
Hawk*	19.4		19.4
TMD–BM/C3*	19.3		19.3
Navy Lower Tier**	310.7		310.7
Navy Upper Tier	58.2	+246.0	304.2
Corps SAM	56.2		56.2
BPI		+24.3	24.3
NMD	508.4	+350.0	858.4
Joint TMD***	521.5	+6.4	527.9
PAC–3**	596.9		596.9
BMDO Total	2,798.7	+914.2	3,712.9

* Procurement only.

** Procurement and RDT&E.

*** RDT&E and Military Construction.

SUPPORT TECHNOLOGY

The budget request for BMDO's support technology programs (E 62173C/63173C) was $226.3 million. The conferees agree to authorize a net increase of $147.5 million for support technology.

The conferees support BMDO's efforts in the area of wide bandgap electronics that are funded in the Innovative Science and Technology program (project 1651. The conferees agree to authorize an increase of $10.0 million in PE 62173C to facilitate a wide bandgap electronics program specifically targeting gallium nitride and silicon carbide as the major semiconductor technologies to be developed. The program should be affiliated with an academic institution involving a research and development facility for material growth, material characterization (including material surface behavior), and wide bandgap semiconductor device development.

The conferees recommend an increase of $420.0 million in PE 63173C for United States-Russian cooperative BMD programs and activities, as specified in the House report (H. Rep. 104–563).

The conferees recommend an increase of $7.5 million in PE 63173C for the Scorpius space launch technology demonstration program.

The conferees strongly support BMDO's development of the Atmospheric Interceptor Technology (AIT) program and recommend an increase of $40.0 million in PE 63173C for the AIT program.

The conferees continue to support development of the Space-Based Laser (SBL) program. SBL offers the potential for a high leverage system to deal with ballistic missiles of virtually all ranges. The conferees agree to authorize an increase of $70.0 million in PE 63173C to continue the SBL effort. The conferees believe that the Air Force should begin to take a much more active role in developing the SBL program. Specifically, the committee believes that the Air Force Space and Missile Systems Center should play a key role in designing a demonstrator spacecraft and providing detailed cost estimates for completion of such a demonstration program.

THEATER HIGH ALTITUDE AREA DEFENSE SYSTEM

The budget request included $481.8 million to complete Theater High Altitude Area Defense (THAAD) demonstration and validation (Dem/Val) and to begin engineering and manufacturing development (EMD). The conferees continue to support the development, production, and fielding of THAAD as a matter of highest priority. The conferees remain committed to fielding the THAAD system as quickly as technically feasible. The conferees agree to authorize an increase of $75.0 million in PE 63861C and an increase of $65.0 million in PE 64861C, an overall increase of $140.0 million for the THADD program.

The conferees also attach importance to the THAAD User Operational Evaluation (UOES) system. This system will provide valuable opportunities for training and testing. Most importantly, it will provide some limited operational capability in the event of a crisis. However, the conferees question the adequately of a UOES capability based on 40 interceptor missiles. The conferees believe that a total of 80 missiles is more appropriate, and direct the Secretary of Defense to include funding to acquire these additional 40 UOES missiles in the fiscal year 1998 budget request.

The administration's proposed program for THAAD does not include funding for a second EMD radar until very late in the program. The conferees believe that there are many compelling reasons to fund this radar earlier. Accordingly, the conferees direct the Secretary of Defense to proceed with acquisition of a second EMD radar in fiscal year 1997 and agree to authorize $65.0 million in long-lead funding for this purpose.

The conferees strongly reject the idea that the THAAD development program should be delayed so as to allow a "fly-off" between THAAD and the Navy Upper Tier system.

The conferees understand that the Army plans to complete THAAD dem/val flight testing at the White Sands Missile Range and transition to flight testing at the Kwajalein Missile Range for the EMD phase. The conferees support this plan.

NAVY UPPER TIER (THEATER WIDE)

The budget request included $58.2 million for continued development of the Navy Upper Tier (Theater Wide) TMD system. This is a significant reduction from the $200.4 million authorized and appropriated in fiscal year 1996, and reflects the low priority that the administration attaches to this program. The conferees do not support the Department's recommendation to delay the development and deployment of the Navy Upper Tier system.

The National Defense Authorization Act for Fiscal Year 1996 mandates that the Navy Upper Tier system become the fourth "core" TMD system and establishes accelerated milestones for this program. The conferees have not been made aware of any technical reasons why a Navy Upper Tier capability cannot be fielded on a much more aggressive schedule than proposed by the administration.

The conferees continue to support the Navy Upper Tier system as a matter of priority. Sea-based upper tier TMD capability provides an important complement to ground-based systems, and each has unique attributes. Accordingly, the conferees recommend a net increase in PE 63868C of $246.0 million to support an accelerated Navy Upper Tier program.

The conferees are aware that BMDO has begun evaluating the key modifications required for the THAAD kill vehicle to be a candidate for the Navy Upper Tier mission. The conferees recommend the use of not more than $10.0 million to support this effort in fiscal year 1997 from the overall amount authorized for the Navy Upper Tier program, and not more than $10.0 million from the overall amount authorized for THAAD for this purpose.

The conferees believe that the Navy, in conjunction with BMDO, should assess the potential that development of a new second stage motor for the Standard Missile could have for a range of missile defense applications. Accordingly, the conferees recommend the use of $10.0 million of the funds authorized for Navy Upper Tier to initiate this second stage motor development effort.

CORPS SAM/MEDIUM EXTENDED AIR DEFENSE SYSTEM

The budget request included $56.2 million for Corps surface-to-air missile (SAM)/Medium Extended Air Defense System (MEADS) program. The conferees endorse the MEADS program, which is required to defend forward-deployed troops, and approve the budget request, subject to limitation specified elsewhere in this report.

UNITED STATES-ISRAEL BOOST PHASE INTERCEPT PROGRAM

In the Statement of Managers accompanying the National Defense Authorization Act for Fiscal Year 1996, the conferees endorsed a cooperative program between the United States and Israel to develop a kinetic energy boost-phase intercept program based on an unmanned aerial vehicle (UAV). The conferees maintain their strong support for this concept. The budget request included $9.3 million in the Joint TMD program element (PE 63872C) to continue this effort. The conferees recommend that these funds be transferred to the BPI program element (PE 63870C) and that this amount be increased by $15.0 million for a total authorization of $24.3 million.

The conferees believe that the first step of this U.S.-Israel BPI program should be a joint technology risk mitigation effort, aimed at reducing technological uncertainties. If this proves successful, it can be followed by an advanced technology demonstration to validate the technical feasibility of the concept and the major system elements. This would enable the United States and Israel to evaluate the potential for a joint acquisition program or one in which both countries continue to collaborate on separate but mutually reinforcing efforts.

NATIONAL MISSILE DEFENSE

The budget request included $508.4 million for National Missile Defense (NMD). Based on information received from the Department of Defense, the conferees do not believe that the administration's proposed budget and program plan for NMD are adequate even to meet the stated purpose of its "deployment readiness" program. As acknowledged by the Director of BMDO in congressional testimony, the planned test program for the exoatmospheric kill vehicle (EKV) is inadequate to support a deployment decision within the framework of the "3+3" program. The administration's proposed NMD program consist of just five EKV flights: two in fiscal year 1997; two in fiscal year 1998; and one in fiscal year 1999. Under this plan, the NMD deployment decision supposedly could be made at the end of fiscal year 1999; however, such a decision would be based on a single integrated interceptor test. Furthermore, the test booster would not represent an operational configuration.

To support a lower risk and more robust NMD program, the conferees believe that additional EKV flight tests are required. Specifically, the conferees direct the Secretary of Defense to restructure the EKV program to support two flight tests in fiscal year 1997, three in fiscal year 1998, and four in fiscal year 1999. This requires the acquisition of additional kill vehicle and test booster hardware. Additionally, the conferees direct the Secretary to evaluate the advantages of upgrading the Payload Launch Vehicle (PLV) system to provide a more representative velocity regime and test environment for NMD system test. To accomplish these objectives, and to ensure that other aspects of the NMD program are able to support an initial operational capacity (IOC) in fiscal year 2003 (which the administration's proposal supposedly protects), the conferees recommend an increase of $350.0 million in PE 63871C.

The conferees commend the Under Secretary of Defense (Acquisition and Technology) for his recent decision to establish an NMD joint-service program office (JPO), and direct the Director of BMDO to ensure full participation by the Army, Navy, and Air Force in the JPO. In addition, the committee directs the Director of BMDO to ensure that the EKV and associated booster designs are compatible with the widest possible range of NMD system architectures and basing modes. The conferees direct that the Director of BMDO inform the Senate Committee on Armed Services and the House Committee on National Security of his plans in this regard not later than February 15, 1997.

The conferees note that the prototype ground-based radar (GDR–P) is an important NMD system element, and the GBR–P is scheduled to begin testing at U.S. Army Kwajalein Atoll (USAKA) in 1998. This schedule must be maintained, or accelerated, in order to realize cost savings associated with leveraging the THAAD radar program and test schedule. Of the amounts authorized in PE 63871C, the conferees recommend $68.0 million for GBR–P in order to ensure that the radar is available for integrated system testing in fiscal year 1998.

The conferees recognize the importance of the Midcourse Space Experiment (MSX) for collecting and analyzing background data of use to future midcourse sensors such as the Space Missile and Tracking System. The conferees are concerned, however, that BMDO has failed to budget funds to continue operations through the end of the expected lifetime of the satellite. Therefore, the conferees strongly urge the Director, BMDO to provide adequate funds in the fiscal year 1998 budget submission and over the Future Years Defense Plan (FYDP) for MSX satellite operations.

The conferees understand the importance of an effective battle management/command, control, and communications (BM/C3) architecture to overall NMD system performance and reliability. In this regard, the conferees are aware of proposals to leverage existing TMD BM/C3 capabilities, including such capabilities being developed under the THAAD program, to support an NMD system. The committee therefore urges the Director, BMDO to study these proposals and inform the committee not later than February 15, 1997, of his views in this regard.

JOINT NATIONAL TEST FACILITY

The budget request included $5.8 million for Joint National Test Facility (JNTF) modernization, split among program elements 63871C, 63872C, and 63173C. To adequately satisfy the complex missile defense integration requirements leading to successful joint tests, analysis, war gaming, CINC exercises, and acquisition support, the conferees recommend $15.0 million be made available for modernization, computational and wide area network capabilities in support of the Ballistic Missile Defense Network (BMDN) from within the program elements listed above.

MANAGEMENT

The budget request did not contain a separate program element for management.

The House bill recommended a general reduction of $15.0 million for management.

The Senate did not recommend a reduction for management.

The House recedes.

JOINT THEATER MISSILE DEFENSE

The budget request included $521.5 in BMDO's Joint TMD program element (formerly known as Other TMD). The committee recommends a net increase of $6.4 million in PE 63872C, including the following adjustments: (1) a transfer of $9.3 million to the BPI program element for the U.S.-Israel Joint BPI program; (2) an increase of $3.7 million for the Arrow Deployability Project (ADP), for a total authorization of $35.0 million to fully fund the U.S. share of the program envisioned in the recently completed Memorandum of Agreement between the United States and Israel; (3) an increase of $7.0 million for the Army's Advanced Research Center (ARC), for a total authorization of $15.0 million; and (4) an increase of $5.0 million for BMDO to ensure that the Navy's Cooperative Engagement Capability is compatible with all of BMDO's core TMD programs.

Holloman high speed test track

The budget request included $116.0 million for the Central Test and Evaluation investment development program (PE 64940D).

The Senate amendment would authorize an increase of $17.0 million in PE 64940D for the joint high speed upgrade for the Holloman High Speed Test Track.

The House recedes.

ITEMS OF SPECIAL INTEREST

Anti-submarine warfare program

The budget request included $49.6 million in PE 62314N for exploratory development of advanced undersea warfare surveillance technologies.

The House bill would authorize an increase of $21.0 million to the budget request to accelerate the development of advanced anti-submarine warfare (ASW) technologies.

The Senate amendment would authorize the budget request.

The House recedes.

In the statement of managers accompanying the conference report on the National Defense Authorization Act for Fiscal Year 1996 (H. Rept. 104-450), the conferees directed the Secretary of Defense to assess the current and projected U.S. ASW capability in light of the continuing development of quieter nuclear submarines, the proliferation of very capable diesel submarines, the sale of sophisticated, submarine launched weapons, and the declining trend in budget resources associated with ASW program. The assessment was expected to identify both short-term and long-term improvements that are needed to cope with the evolving submarine threat in both littoral and open ocean areas. The conferees directed that the results of this assessment and the plan for the U.S. ASW program be reported to the congressional defense committees by July 1, 1996.

The conferees' comments on the Secretary's assessment are included in the classified annex to this statement of managers.

Battle group airborne anti-submarine warfare

The report accompanying the Senate amendment (S. Rept. 104-267) expressed concern about the Navy's slow progress in planning for and funding organic battle group airborne anti-submarine warfare (ASW) systems suitable for countering the existing and projected littoral ASW threat. The report acknowledged the reality of current budgetary constraints, but also emphasized the need for a solid conceptual plan, supported by adequate resources, to meet the evolving littoral ASW threat.

The Senate report expressed the opinion that the Navy's overall plan for modernizing its H-60 series helicopters has not met these criteria. It opined that the plan's broad concept, to convert existing H-60 variants into a multi-mission SH-60R helicopter and introduce it by fiscal year 2001 as a complement to introduction of DDG-51 Flight IIA destroyers into the fleet, appears sound. However, the mix of aircraft to be converted and the funding programmed to implement this concept have remained in a state of flux for the past two years. For example, the Navy's integrated helicopter plan for fiscal year 1997 reversed the Navy's previous decision to convert aircraft carrier based SH-60F ASW helicopters to HH-60H combat/utility helicopters. Instead, the new plan would convert these SH-60F helicopters to the SH-60R configuration. Some would be converted in the near term to fill surface combatant requirements, but the balance of the SH-60Fs would not undergo conversion until after fiscal year 2006.

Last year, the Navy's fiscal year 1996 helicopter plan would not have converted some 60 SH-60Fs to the SH-60R configuration. The statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996 directed the Secretary of the Navy to evaluate the cost effectiveness of a modernization program for the dipping sonars installed on these helicopters. Because the fiscal year 1997 plan now calls for conversion of these 60 helicopters to the SH-60R configuration, implying eventual installation of the airborne low frequency dipping sonar (ALFS), a different set of assumptions applies, and different questions have emerged.

Although the 60 SH-60F helicopters are now to be converted to the SH-60R configuration, most of these conversions will not occur for at least 10 to 15 years. The conferees are concerned about whether the dipping sonars presently installed on these carrier based SH-60F helicopters are now, or will remain, suitable for the littoral ASW operations envisioned by the Navy's strategic concept "Forward . . . From the Sea" during this 15 year period.

To help resolve their uncertainty, the conferees direct the Secretary of the Navy to develop a plan, containing decision options, that would ensure that its carrier based SH-60F helicopters not scheduled for conversion to the SH-60R in the near term, i.e., the helicopters that will remain responsible for inner-zone battle group ASW, are equipped with a dipping sonar, including possible modifications to the presently installed sonar, that is suitable, and will remain suitable, for littoral ASW operations. The Secretary is directed to submit this plan no later than March 1, 1997.

Chemical and biological defense program

The budget request included a total of $505.0 million for the chemical-biological defense program, including $296.8 million in research and development, test and evaluation and $208.2 million in procurement.

The House bill would authorize an increase of $44.3 million for research, development, test and evaluation, and an increase of $16.2 million in the operations and maintenance accounts ($13.2 million for Army and $3.0 million for the Air Force).

The Senate bill would authorize the budget request.

The conferees agree to provide an increase to the budget request of $16.2 million for shortfalls in operations and maintenance ($13.2 million in the Army account and $3.0 million in the Air Force account).

The conferees remain concerned with findings contained in the March 1996 General Accounting Office (GAO) report on chemical and biological defense. While the GAO report notes improvement in the readiness of U.S. military forces to operate in a chemical or biological environment, the report also identifies continued deficiencies in the areas of chemical-biological defense training; inadequacy of the biological vaccine stockpile; development and implementation of a DOD immunization policy; and adequacy of training and equipment for medical personnel. In this regard, the conferees express concern with the Department's management and oversight of the chemical and biological defense program.

The conferees direct the Deputy Secretary of Defense to review and report back to the Congress on steps taken by the Department to correct deficiencies highlighted by the GAO report, to include a decision on the development and implementation of a DOD immunization policy. The conferees agree that it is essential that a decision be made on the vaccines to be stockpiled and on an immunization policy. Further the conferees agree that it is essential that medical personnel assigned to deploy with U.S. military forces to high threat areas have the necessary training and equipment to protect themselves against chemical or biological agents, and the necessary training and equipment to treat casualties in a chemically or biologically contaminated area.

Composite materials insertion for fielded weapon systems

The House bill would direct the Secretary of Defense to institute a composite materials insertion program in the military services and cited a number of material technologies to be considered. The conferees clarify that the Secretary may include other materials, such as polymer based composites, in the program at his discretion.

Dredge spoil disposal

The House bill would authorize an increase of $2.5 million in PE 62233N to investigate potential low cost alternatives to the current methods of disposal or reclamation of dredge spoils.

The Senate amendment contained no similar provision.

The conferees could not provide an authorization since the project was not appropriated by either appropriations committee. The conferees believe, however, that the Navy must begin to look at alternative technologies to reduce the cost of processing dredged material which it will incur as it faces the costly challenge of dredging the 15 ports it cites will require dredging over the next 15 years.

Electron scrubber technology

The electron scrubber (e-SCRUB) technology may potentially be used to eliminate or reduce pollutants that cause acid rain, air toxins, and volatile organic compounds from off gas generated by incinerators. It may also be used in the treatment of waste water. The technology combines electron beam flue gas scrubbing treatment with high average electron beam technology. Under the Strategic Defense Initiative, the Defense Nuclear Agency (DNA) directed the development of e-SCRUB as an antimissile technology. Several years ago, it was first evaluated as an environmental compliance technology under the Strategic Environmental Research and Development Program (SERDP).

The conferees have followed with interest the progress of the e-SCRUB technology under SERDP. The conferees note that SERDP development and testing of the technology was hindered by program funding reductions, the lack of relevance to the Department of Defense (DOD) environmental requirements, and poor performance.

In fiscal year 1995, DNA submitted a proposal for funding of the e-SCRUB technology under the Environmental Security Technology Certification Program (ESTCP). In order to receive favorable consideration for ESTCP participation, the proposal would have to satisfy a high priority need, be technically mature, project a high return on investment, and include an appropriate transition plan. A panel of experts reviewed the technology and determined that it was not ripe for ESTCP support.

The conferees have remaining concerns regarding the technical maturity, the overall cost, and the utility to DOD. However, proponents of the e-SCRUB technology maintain that it is ready for prototyping and demonstration, and that it will benefit major DOD maintenance and operation facilities confronted with significant air and water pollution problems. It is claimed that many of the significant problems associated with early development of the e-SCRUB technology have been overcome.

The conferees direct the Department to conduct another review of the e-SCRUB technology to determine if it meets the criteria for demonstration and validation of technology relevant to the Department's environmental needs. If the technology has no relevance or fails to meet the Department's criteria, the Secretary of Defense shall submit a report to the congressional defense committees describing those findings. If the technology is relevant and meets the Department's criteria, the Secretary shall use no more than $2.0 million from available funds to complete demonstration and validation through ESTCP or the National Defense Center of Environmental Excellence.

FFG–7 modernization

The Navy now plans to retain more of its FFG–7s in active and reserve status than had been previously planned. Heavy operational demands have caused the Navy to reverse an earlier decision to retire most of the FFG–7 class of ships. While the Navy has not made a final decision on the total number that will be retained, it is likely that the Navy will retain a portion of them in active service until at least 2010. The ships that will remain available include 12 that have the coherent receiving transmitter (CORT) installed. There are an additional 11 flight 3 and flight 4 ships that form a separate subclass. They are somewhat less capable than the CORT ships but are presently planned to remain in active service. The Navy intends to transition the remaining ships of the FFG–7 class to naval reserve force, ready reserve force or foreign military sales status.

The conferees appreciate the Navy's rationale in retaining some FFG–7s in service. However, it would now appear prudent to evaluate the ability of these ships to deal with evolving threats during their remaining service life. Factors for consideration include:

(1) the FFG–7 class has several different configurations, some have an updated anti-air warfare (AAW) system, while others have a more capable anti-submarine warfare (ASW) weapons system;

(2) the FFG–7 class was originally developed as a design-to-cost, open ocean, anti-submarine escort, and was not optimized for near land operations or countering advanced sea-skimming cruise missiles; and

(3) several groups have approached the committee during its review of the fiscal year 1997 budget request, asserting that relatively inexpensive off-the-shelf upgrades are available that will provide the FFG–7 class with the capabilities needed to counter modern threats.

The conferees want the Navy to clarify its intentions for modernizing the FFG–7 class. Therefore, the conferees direct the Secretary of the Navy to prepare a report on options for modernizing the FFG–7 class and submit that report with the fiscal year 1998 budget request. The report should include, but need not be limited to, answers to the following questions:

(1) what are the threats that will likely be encountered in operational situations where the FFG–7s might be employed?

(2) what priority does the Navy place on modernizing the FFG–7 class to deal with these threats?

(3) what are the alternatives for buying off-the-shelf upgrade packages that could defeat these threats?

(4) would buying off-the-shelf upgrade packages be cost effective relative to potential development programs? and,

(5) what would be a reasonable funding and installation program to procure and install either off-the-shelf packages or upgrade packages deriving from a development program?

Integrated avionics

Congress has frequently expressed concern over the proliferation of avionics systems for strategic and tactical aircraft. Congressional reports dating back to fiscal year 1980 brought attention to the fact that there were over thirty discrete defensive avionics systems designed and developed to counter the same threat.

During the past decade, the Department of Defense has made some progress in fostering commonality among the military services. The Joint Integrated Avionics Working Group (JIAWG) has advanced the goal of developing common integrated avionics. It is important that this progress continue.

The conferees reiterate the need for joint integrated avionics to improve performance and substantially reduce the operational and maintenance cost associated with aircraft avionics.

Lithography

The conferees support the pursuit of extreme ultraviolet (EUV) lithography aimed at the fabrication of 100 nanometer design rule structures to support nanowriters, nanofabrication prototypes, and the facilities for short wavelength meterologies, calibration and standards. The conferees recognize its potential as the technology of choice of the next generation short wavelength tools for the industry and encourage the Department of Defense to consider using $10.0 million, of the total authorization for lithography, for EUV technologies.

Materials nanostructures

The conferees recognize that there is no appropriation to accelerate this program. The conferees recognize the potential of the emerging field of material nanostructures. This regime of science offers the opportunity to integrate inorganic and organic chemistry and physics at the material formative dimension that will impact microelectronics, micromachines, molecular level controllers and switches, among many other applications. Nanostructures have the potential to revolutionize future military technological superiority. The conferees urge the Department of Defense to devote additional funds to the development of these promising technologies.

Molecular design

Although there was no additional funding appropriated above the Department of Defense's request that would allow the conferees to consider any additional authorization for the molecular design program, the conferees fully endorse the current program in the Office of Naval Research (ONR) and urge its continuance. The conferees agree that the scientific investigations into the molecular synthesis of atoms as foundational building blocks of new material nanostructures will lead to a culture shift that will allow "cross-cuts" in scientific disciplines of chemistry, biology and physics to occur. The conferees commend ONR, the Defense Advanced Research Projects Agency, and those universities participating in innovative research for their initiatives in this revolutionary direction of science. The conferees urge continued funding support by the Department.

Nickel-zinc battery technology

The military services have requirements for low cost, high energy density batteries with high power capability and low maintenance requirements. The conferees have become aware of emerging technology for a state-of-the-art, high energy density nickel-zinc battery, which would be significantly cheaper, lower maintenance and more durable than the silver-zinc batteries now in service use, and would not carry the same environmental penalties as a silver-zinc and nickel-cadmium batteries. The conferees encourage the Secretary of the Navy to develop and demonstrate high energy density nickel-zinc battery technology that could provide great potential for a low cost, high performance replacement for nickel-cadmium aircraft batteries and for other applications.

Plasma Energy Pyrolysis System

The conferees support the ongoing joint effort between the U.S. Army Environmental Center/Environmental Technology Division and the Tennessee Valley Authority/Muscle Shoals Environmental Research Center to develop, demonstrate, and validate the Plasma Energy Pyrolysis System (PEPS) technology. The conferees urge the Department of Defense to continue its activity in this area with available funds. The Department of the Army shall report to the congressional defense committees on the feasibility of this technology not later than April 30, 1997.

LEGISLATIVE PROVISIONS

Subtitle A—Authorization of Appropriations

LEGISLATIVE PROVISIONS ADOPTED

Dual use technology program (sec. 203)

The House bill contained a provision (sec. 203) that would require the Secretary of Defense to designate a senior official, reporting directly to the Under Secretary of Defense for Acquisition and Technology, whose sole responsibility would be to develop policy and ensure effective execution of dual use programs and integration of commercial technologies into military systems. Further, the provision would require that not less than five, seven, ten, and fifteen percent, respectively for each of fiscal years 1997–2000, of each service's science and technology program be available only for dual use cost-shared programs. The provision would prohibit the use of "in-kind" contributions as a part of non-Federal entity participation in dual use projects. The provision also modified the other transaction authorities of the Department.

The conferees agree to a provision that would require designation of an official to manage dual use programs governed by this provision and a requirement for at least five percent of the amounts appropriated for science and technology programs for fiscal year 1997 by available for dual use programs. In addition, the conferees agree to authorize $85.0 million in PE 63805E for this purpose and direct that the management of these funds to under the jurisdiction of the person designated by the Secretary of Defense to manage dual use programs. The Secretary would be required to submit with the fiscal year 1998 budget request the Department's outyear funding strategy for this dual use program.

The conferees agree to modify the House provision to allow "in-kind" contributions as a part of non-Federal entity participation in dual use projects. The conferees direct the official managing dual use programs in the Department of Defense to develop a set of consistent and equitable procedures for the treatment of the in-kind contributions. The official shall ensure that such procedures are consistent with the guidance on this issue contained in the Senate report (S. Rept. 104–267).

Defense Special Weapons Agency (DSWA) formerly known as the Defense Nuclear Agency (DNA) (sec. 204)

The budget request included $314.3 million for the Defense Nuclear Agency (DNA).

The Senate amendment contained provisions (secs. 109, 203, and 303) that would authorize a $15.0 million increase to the budget request for the Defense Nuclear Agency (DNA) to increase the frequency of nuclear weapons incidents field training exercises ($3.0 million defense operations and maintenance); to establish a counter terrorism support program leveraging DNA capabilities developed during the Cold War, and to establish a nuclear weapons delivery sustainment program ($12.0 million in research and development, PE 62715H).

The House bill would reduce the budget request for DNA by $3.0 million. Additionally, it would deny $7.0 million requested for the Topaz International Program (project AX), and would make available $4.0 million to continue the counter terrorist explosives research program.

The conferees agree to a provision that would authorize $314.3 million for DNA ($192.1 million in PE 62715H, $26.2 million in PE 63711H, $88.1 million in operations and maintenance, and $7.9 million in procurement). Of the amount available in PE 62715H, the conferees agree that funds shall be available for the following activities/programs: $4.0 million for the continuation of the counter terrorism support program; $3.0 million for Deep Digger; and $12.0 million to establish a nuclear weapons delivery sustainment program.

Included in the budget request for DNA was $7.0 million for the Topaz International program (project AX). The conferees have reviewed the assessment conducted by the National Research Council of this program. The conferees agree with a number of conclusions and recommendations reached by the NRC. Substantial amounts of money have been spent, both by the United States and Russia, to develop space nuclear power. Despite the identification of space reactor power as a potential enabler for future missions, no potential users of mission requirements have been identified.

Accordingly, the conferees deny the budget request for the Topaz International Program (project AX). The conferees understand that of the funds authorized for this program for fiscal year 1996, $4.6 million remained unobligated and unexpended. The conferees recommend that $3.0 million be used to terminate the program. A substantial amount of money has been spent over the decades on various space nuclear reactor power technologies. To save this investment for potential future use, the conferees recommend that all information and technology related to the Topaz international program and the U.S. space nuclear reactor power technology program be deposited in a central repository.

Subtitle B—Program Requirements, Restrictions, and Limitations

LEGISLATIVE PROVISIONS ADOPTED

Space launch modernization (sec. 211)

The House bill contained a provision (sec. 211) that would: (1) authorize $50.0 million for a competitive reusable space launch vehicle (RLV) program; and (2) permit obligation of the authorized funds only to the extent that the current operating plan of the National Aeronautics and Space Administration (NASA) allocates at least an equal amount for the RLV program.

The Senate amendment contained a provision (sec. 211) that would: (1) authorize $44.5 million for the Evolved Expendable Launch Vehicle program and $25.0 million for a competitive reusable launch vehicle technology program; (2) prohibit the use of DOD funds for RLV in an amount in excess of that dedicated to the program by NASA; and (3) prohibit the obligation of funds authorized for the Evolved Expendable Launch Vehicle (EELV) program in fiscal year 1997 until the Secretary of Defense certifies that funds authorized to be appropriated for RLV have been made available for obligation.

The House recedes with an amendment that would: (1) authorize $44.5 million for the Evolved Expendable Launch Vehicle program and $25.0 million for a competitive reusable launch vehicle program; (2) permit obligation of the funds authorized for RLV only to the extent that the current operating plan of NASA allocates at least an equal amount for the RLV program; (3) limit the obligation of funds for EELV to $20.0 million until the Secretary of Defense makes available for obligation funds authorized for RLV; and (4) require the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration to submit to Congress a joint plan for coordinating and eliminating unnecessary duplication in the operations and planned improvements of rocket engine test facilities managed by the Air Force and NASA.

Space-Based Infrared System program (sec. 212)

The House bill contained a provision (sec. 219) that would authorize funds for the Space-Based Infrared System (SBIRS) program, prohibit the obligation of expenditure of funds until the Secretary of Defense issues a certification to Congress, and direct the Secretary to consider the appropriate management responsibilities for the Space and Missile Tracking System (SMTS) program.

The Senate amendment contained a similar provisions (sec. 213).

The Senate recedes with an amendment that would authorize $427.4 million for the SBIRS program ($173.3 million for SBIRS Space Segment High, $247.2 million for SMTS, and $6.9 million for Cobra Brass), prohibit the obligation of expenditure of more than $100.0 million for SBIRS Space Segment High until the Secretary of Defense issues a certification to Congress, and direct the Secretary to consider the appropriate management responsibilities for the SMTS program.

The conferees are disappointed by the Department of Defense's management of the SMTS program. The Department has yet to present the revised SMTS program baseline as required by section 216 of the National Defense Authorization Act for Fiscal Year 1996. Additionally, poor management practices on the part of the Air Force, the Office of the Secretary of Defense, and the contractor have forced delays in the SMTS program. The conferees are particularly disappointed by the Department of Defense's decision to recommend for rescission $51.0 million for fiscal year 1996 funds authorized and appropriated for SMTS acceleration and competition. Shortly after recommended these funds for rescission, the Department endorsed a plan for enhanced competition. The Department's handling of the fiscal year 1996 SMTS funding and its on-again, off-again approach to competition is not acceptable. The conferees direct the Secretary of Defense to promptly complete the program baseline specified in section 216 of the National Defense Authorization Act for Fiscal Year 1996, and to promptly release the additional funds authorized for SMTS for fiscal year 1997 for purposes of accelerating the program.

Clementine 2 micro-satellite development program (sec. 213)

The Senate amendment contained a provision (sec. 215) that would authorize $50.0 million for the Clementine 2 mico-satellite near-earth interception mission. The provision would also prohibit the obligation of any funds for the Global Positioning System (GPS) Block IIF satellite development program until the Secretary of Defense certifies to Congress that the fiscal year 1996 funds for Clementine 2 have been obligated and the fiscal year 1997 funds for Clementine 2 have been made available for obligation.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize $50.0 million for the Clementine 2 micro-satellite near-earth asteroid mission and would prohibit the obligation of more than $25.0 million for GPS Block IIF until the Secretary of Defense certifies that fiscal year 1997 funds for Clementine 2 have been made available for obligation.

Live-fire survivability testing of V–22 Osprey aircraft (sec. 214)

The House bill contained a provision (sec. 212) which would permit the Secretary of Defense to waive the survivability testing requirements of section 2366(c) of title 10, United States Code, notwithstanding the fact that the V–22 tilt-rotor aircraft has already entered engineering and manufacturing development. The provision would require the Secretary to report to the Congress on how the Secretary plans to evaluate the survivability of the V–22 aircraft, his assessment of possible alternatives to realistic survivability testing of the aircraft, and alternative survivability test requirements for the conduct of any alternative live-fire test program. The provision would also require that funds required for alternative live-fire testing of the V–22 shall be made available from amounts appropriated for the V–22 program.

The Senate amendment contained a similar provision (sec. 242), but allowed rather than directed the use of V–22 program funds to carry out the tests.

The Senate recedes.

Live-fire testing of the F–22 aircraft (sec. 215)

The House bill contained a provision (sec. 213) that would provide authority to the Secretary of Defense to waive certain live fire testing required by section 2366 of title 10, United States Code.

The Senate amendment contained a similar provision.

The conferees agree to a provision (sec.) that would provide the Secretary of Defense the waiver authority and further require that alternative survivability testing be funded from funds appropriated from the F–22 program.

Limitation on funding for F–16 tactical manned reconnaissance aircraft (sec. 216)

The House bill contained a provision (sec. 216) that would establish a limitation of $50.0 million on the total obligations and expenditures of the Department of Defense for the F–16 tactical manned reconnaissance aircraft program for research, development, test, evaluation, acquisition, and modification. The provision would exempt from limitation the obligations for the incorporation of the common data link.

The Senate amendment contained no similar provision.

The Senate recedes.

Cost analysis of F–22 aircraft program (sec. 217)

The Senate amendment contained a provision (sec. 218) that would direct the Secretary of Defense to review, analyze and estimate the production costs of the F–22 aircraft program using the Cost Analysis Improvement Group to complete the study. Detailed requirements for the report were outlined in the provision, and a date of March 30, 1997 was given for the completion of the report. A limitation on the use of funds for the F–22 program was also included pending receipt of the report.

The House bill contained no similar provision.

The House recedes.

F–22 aircraft program reports (sec. 218)

The Senate amendment contained a provision (sec. 219) that would require the Secretary of Defense to submit reports to congress on event-based decision making when submitting the budget for an upcoming fiscal year. Reports of decisions made, comparing previously defined criteria and decision outcomes, would also be required.

The House bill contained no similar provision.

The House recedes.

Cost-benefit analysis of the F/A–18E/F aircraft program (sec. 219)

The Senate amendment contained a provision (sec. 228) that would require the Secretary of Defense to submit a report to the congressional defense committees on the F/A–18E/F program, comparing the costs and benefits of the F/A–18C/D with the F/A–18E/F. Not more than 90 per cent of the funds appropriated for the F/A–18E/F could be obligated or expended on the F/A–18E/F until 30 days after the date of receipt of the report by the congressional defense committees.

The house bill contained no similar provision.

The House recedes.

Joint Advanced Strike Technology (JAST) program (sec. 220)

The House bill contained a provision (sec. 220) that would preclude the obligation of funds for the Advanced Short Takeoff and Vertical Landing variant of JAST, and require an analysis of force structure alternatives and associated costs.

The Senate amendment contained no similar provision, but would provide an additional $13.0 million for alternate engine concepts.

The Senate recedes with an amendment that would remove the prohibition on the obligation of funds for the Advanced Short Takeoff and Vertical Landing variant of JAST, but would retain the provisions in the House bill requiring an analysis of future force structure needs and existing alternatives to the JAST program.

The conferees agree to provide the additional $13.0 million as identified in the Senate report (S. Rept. 104–267) for competitive engine initiatives.

Unmanned aerial vehicles (sec. 221)

The House bill contained a provision (sec. 217) that had five sections addressing unmanned aerial vehicle (UAV) programs. The sections would:

(1) prohibit the Secretary of Defense from entering into a contract for the Joint Tactical Unmanned Aerial Vehicle project until 30 days after certification was received by the Congressional defense committee of the justification and affordability of various reconnaissance programs;

(2) require a clear depiction of reconnaissance budget requests;

(3) transfer management of the Predator program to the Department of the Air Force;

(4) prohibit the obligation of funds to operate Predator UAV's from naval vessels; and

(5) provide $10.0 million for advanced concepts technology demonstrations of air-to-surface precision guided munitions employment using a UAV and a non developmental laser target designator.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would remove the following sections:

(1) the prohibition on entering into contracts on the Joint Unmanned Aerial Vehicle, and

(2) authorization of $10.0 million for an ACTD of air to surface precision guided munitions employment using a UAV and a non developmental laser target designator.

High altitude endurance unmanned aerial reconnaissance system (sec. 222)

The House bill contained a provision (sec. 223) that would require that any funds authorized to be appropriated for an improved Tier III Minus High Altitude Endurance Unmanned Aerial Reconnaissance System that would increase the unit flyaway cost above the established contracted for amount be awarded through competitive acquisition procedures.

The Senate amendment contained no similar provision.

The Senate recedes.

Cyclone class patrol craft self-defense (sec. 223)

The Senate amendment contained a provision (sec. 225) that would direct the Secretary of Defense to carry out a study through the Commander in Chief of the U.S. Special Operations Command (USSOCOM) of self-defense options for USSOCOM's *Cyclone* class patrol craft and report the results to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

The House bill contained no similar provision.

The House recedes with an amendment.

One-year extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG–M) system (sec. 224)

The House bill contained a provision (sec. 243) that would amend Section 272(a)(2) of the National Defense Authorization Act for fiscal year 1996 (Public Law 104–106; 110 Stat. 239) by striking out "September 30, 1998," and insert "September 30, 1999" that would extend the deadline for delivery of the EFOG–M systems.

The Senate amendment contained no similar provisions.

The Senate recedes.

Hydra-70 rocket product improvement program (sec. 225)

The budget request included $6.2 million for enhancements to existing missile programs.

The House bill included a provision (sec. 218) that would authorize an increase of $15.0 million for at least one composite motor type Hydra-70 missile evaluation on the Apache helicopter.

The Senate amendment would authorize an increase of $9.0 million for a Hydra-70 missile evaluation and an additional $4.5 million to develop and qualify an insensitive rocket motor as well as to support minor software improvements for the Hellfire missile.

The conferees agree to a provision (sec. 225) that would authorize $9.0 million for the Hydra-70 evaluation. An additional $3.9 million is authorized for Hellfire missile insensitive rocket motor development, for a total of $19.1 million in PE 23802A.

Federally-funded research and development centers (sec. 226)

The Senate amendment contained a provision (sec. 222) that would impose a combined ceiling on the funding that may be provided to both federally-funded research and development centers (FFRDCs) and university-affiliated research centers (UARCs) fiscal year 1997 at the same level as that imposed for fiscal year 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would remove the UARCs from the ceiling and would limit the statutory funding ceiling for FFRDCs at the level reflected in projected expenditures for studies and analyses FFRDCs in the fiscal year 1997 budget request. The conferees direct that funds expended by an FFRDC on recapitalization not be limited by the amount of the ceiling allocated to that FFRDC by the Department of Defense. The conferees direct that management of the FFRDCs be undertaken consistent with the direction in the House report (104–563) and Senate report (104–267).

The conferees note the continued importance of maintaining within the FFRDC community an international trade and technology support capability as described in the Senate report (104–112) to accompany the National Defense Authorization Act for Fiscal Year 1996. The conferees urge the Under Secretary of Defense for Acquisition and Technology to ensure that this capability is continued at an appropriate FFRDC and that sufficient funding be allocated to maintain it at a robust level of effort.

Demilitarization of conventional munitions, rockets, and explosives (sec. 227)

The House bill contained a provision (sec. 214) that would authorize $15.0 million for the demilitarization of conventional munitions, explosives and rockets, and would require the Secretary of Defense to establish a five year program for the development and demonstration of environmentally compliant technologies for the disposal and demilitarization of conventional munitions, explosives, and rockets.

The Senate amendment contained no similar provision.

The Senate recedes.

Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology (sec. 228)

The House bill contained a provision (sec. 215) that would amend provisions of Title XVII of the National Defense Authorization Act of Fiscal Year 1994 (Public Law 103–160) to clarify the role of the Defense Advanced Research Projects Agency in the Department of Defense's research and developments efforts related to chemical and biological warfare defense technologies.

The Senate amendment contained no similar provision.

The Senate recedes.

Certification of capability of United States to prevent illegal importation of nuclear, biological, or chemical weapons (sec. 229)

The House bill contained a provision (sec. 224) that would require the President to certify to the Congress whether or not the United States has the capability (as of the date of certification) to prevent the illegal importation of nuclear, biological, or chemical weapons into the United States and its possessions.

The Senate amendment contained no similar provision.

The Senate recedes.

The Office of the Secretary of Defense report, titled "Proliferation: Threat and Defense", dated April 1996, cites the growing threat posed by the proliferation of weapons of mass destruction and the spread of technology for their production. According to the report, one of the most volatile and frightening scenarios for U.S. defense planning would be based on a terrorist group that might attempt to smuggle nuclear, chemical, or biological weapons materials into the United States and attack U.S. domestic targets. The conferees believe that the capability of the United States to deal with the potential threat posed by the illegal importation of nuclear, biological, or chemical weapons into the United States should be acknowledged, so that U.S. citizens might understand the seriousness of the threat and that increased emphasis might be placed on meeting the threat.

Nonlethal weapons and technologies program (sec. 230)

The House bill contained a provision (sec. 222) that would provide $3.0 million in PE 63640M for the nonlethal weapons research and development program.

The Senate amendment contained a provision (sec. 220) that would provide $15.0 million for a joint service research, development, test and evaluation program for nonlethal weapons and nonlethal technologies, and would require the establishment of a new program element to be administered by the program's designated executive agent. The provision would also place limits on the funds authorized for the foreign comparative testing program and the NATO research and development program until the funds authorized for the joint service nonlethal weapons and nonlethal technologies program in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), and additional funding for nonlethal weapons and technologies authorized for fiscal year 1997, are released to the executive agent for obligation. Additionally, a second Senate provision (sec. 313) would authorize $2.0 million in operations and maintenance funds for the Army and $3.0 million in operations and maintenance funds for the Marine Corps for procurement of nonlethal weapons capabilities to meet existing deficiencies in current nonlethal weapons inventories.

The House recedes with an amendment.

Last year, $37.2 million was authorized for the nonlethal weapons technologies program. The conferees have been troubled by the reluctance of the DOD to release the funds for execution and implementation of this program. Nonlethal weapons can enhance significantly the flexibility and operational effectiveness of forward deployed forces. As the military services become increasingly involved in unorthodox, non-traditional military operations, nonlethal weapons can help to manage, contain, and defuse certain volatile and low-intensity situations. The conferees do not accept or condone the Department's failure to make these funds available to the executive agent for obligation.

Currently, the Department's plan for execution of funds authorized in fiscal year 1996 includes a total of $15.95 million for nonlethal weapons technologies, with $10.45 million for research, development, test and evaluation, and $5.4 million for procurement. On July 17, 1996, the Under Secretary of Defense for Acquisition and Technology forwarded correspondence pledging to make available an additional $11.09 million in nonlethal funding during fiscal year 1996. Specifically, the Department agrees to prepare a reprogramming action that would transfer funding from the Defense Advanced Research Projects Agency (DARPA) to the various services, as follows: $5.4 million to reimburse the services ($1.0 million to the Army, $2.1 million to the Marine Corps, and $2.3 million to the Air Force); $1.04 million for research, development, test and evaluation for additional investment; and $4.65 million to accommodate current nonlethal priorities for use at the discretion of the executive agent.

The conferees understand that the fiscal year 1997 budget submission includes $10.2 million for the various services and DOD nonlethal initiatives. The conferees agree to an investment strategy utilizing additional funds authorized by this provision, allocated as follows: $13.74 million for research, development, test and evaluation, as outlined in the July 17, 1996 letter from the Under Secretary of Defense for Acquisition and Technology; $1.26 million available to the executive agent for research, development, test and evaluation activities, at his discretion; and $5.0 million for training and replenishment of nonlethal technology needs ($2.0 million for the Army and $3.0 million for the Marine Corps).

The conferees emphasize that the revised Department plan for fiscal year 1996 does not bring the Department into compliance with Section 219 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). However, it does represent a reasonable effort to ensure the immediate and near term nonlethal requirements of the military services. The conferees will closely monitor the formulation of the fiscal year 1996 nonlethal reprogramming list, and expect the Department to coordinate this effort with the relevant congressional committees to ensure its prompt approval.

The conferees agree to eliminate the provision that would prohibit the obligation or expenditure of funds authorized for the foreign comparative testing program and the NATO research and development program. That decision was reached with the understanding that the Department will fully implement and execute the nonlethal weapons technologies program for fiscal years 1996 and 1997, as agreed to in the July 17, 1996 letter from the Under Secretary of Defense for Acquisition and Technology.

The conferees direct the Department to consult with the Congress on a regular basis, and to include in its consultation a review of the joint and individual service mission needs and operational requirements for nonlethal weapons systems and technologies. Additionally, the conferees expect the fiscal year 1998 budget submission to include the funds necessary to continue this effort. The conferees further direct the Department of Defense to notify Congress 15 days in advance of obligation or expenditure of fiscal year 1997 operations and maintenance funds provided to the Army and the Marine Corps for procurement of nonlethal weapons.

The conferees are aware that the Office of Technology Assessment (OTA) had underway, when it closed on October 2, 1995, a major assessment of technology with applications related to peace operations, with particular emphasis on non-lethal weapons technology. Whereas in excess of $250,000 was expended and substantial progress had been made by OTA, no report was issued. The conferees direct that up to $70,000 of the funds authorized for the non-lethal program in fiscal year 1997 be used by the Department to complete a report on non-lethal weapons technology based on the work begun at OTA.

Counterproliferation support program (secs. 231 and 1309)

The Senate amendment contained a provision (sec. 221) that would authorize $176.2 million for the counterproliferation support program, a $82.5 million increase to the budget request. Of this increase, $75.0 million would be authorized for the tactical antisatellite technologies program, and $7.5 million would be authorized for the high frequency active auroral research program (HAARP). A second provision (sec. 230) would make available $3.0 million from the counterproliferation support program for a surgical strike vehicle to defeat hardened and deep underground structures.

The House bill contained no similar provisions, but would authorize the budget request for the counterproliferation support program.

The House recedes with an amendment that would authorize $186.2 million for the counterproliferation support program, a $92.5 million increase to the budget request. Of those funds, $75.0 million is authorized for the tactical antisatellite technologies program; $7.5 million is authorized for the high frequency active auroral research program (HAARP); $10.0 million is authorized for a nonproliferation and counterproliferation research and development program to enhance efforts at interdicting and detecting nuclear, radiological, chemical and biological weapons and related materials; and $3.0 million would be available to the Air Combat Command for research and development of a near-term capability to defeat hardened and deeply buried targets, including tunnels and deeply buried facilities for the production and storage of chemical, biological and nuclear weapons and their delivery systems. Additionally, the conferees agree that $4.0 million from funds authorized for the Air Force operation and maintenance account be made available for U.S. Strategic Command (USSTRATCOM) mission planning and analysis.

The conferees agree that funds authorized in this Act for the technical studies and analyses program (PE 605104D) may not be obligated until funds authorized for the tactical antisatellite technologies program in this Act and in the National Defense Authorization Act for Fiscal Year 1996 have been released for obligation by the executive agent.

Joint Committee for Review of Counterproliferation Program of the United States

The conferees agree to a provision (sec. 1309) that would extend the authority of the Joint Committee for Review of Counterproliferation Programs (CRCP) of the United States to September 30, 2000, and require annual reports to the congressional defense committees on the activities of the committee by May 1 of each year. The provision would also modify the composition of the committee by designating the Assistant to the Secretary of Defense for Nuclear, Chemical and Biological Defense as executive secretary for the committee.

Subtitle C—Ballistic Missile Defense Programs

LEGISLATIVE PROVISIONS ADOPTED

Funding for ballistic missile defense programs for fiscal year 1997 (sec. 241)

The House bill contained a provision (sec. 231) that would authorize funding for ballistic missile defense research and development activities in fiscal year 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize the following amounts for the following programs:

(1) $621.8 million for the Theater High Altitude Area Defense System;

(2) $304.2 for the Navy Upper Tier system;

(3) $858.4 for National Missile Defense;

(4) $56.2 for the Corps Surface-to-Air Missile (SAM)/Medium Extended Air Defense (MEADS) program.

The amended provision would also include the following limitations: (1) a limitation on the use of funds for the Office of the Under Secretary of Defense for Acquisition and Technology for official representation until the Secretary of Defense certifies that the above specified funds have been made available for obligation and the Secretary has included the Navy Upper Tier system in the theater missile defense core program; and (2) a limitation on the obligation of more than $15.0 million for the Corps SAM program until the Secretary of Defense submits to Congress an initial program estimate, a report on Corps SAM alternatives, and a certification that there will be no increase in overall U.S. funding commitment as a result of the withdrawal of France from the project definition and validation phase of the program.

Certification of capability of United States to defense against single ballistic missile (sec. 242)

The House bill contained a provision (sec. 232) that would require the President to submit to the Congress a certification stating whether the United States has the military capability to intercept and destroy a single ballistic missile launched at the territory of the United States.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on ballistic missile defense and proliferation (sec. 243)

The House bill contained a provision (sec. 235) that would direct the Secretary of Defense to submit a report to Congress by December 31, 1996, on ballistic missile defense and proliferation.

The Senate amendment contained no similar provision.

The Senate recedes.

Revision to annual report on ballistic missile defense and proliferation (sec. 244)

The House bill contained a provision (sec. 236) that would update the requirement for the annual ballistic missile defense report to Congress.

The Senate amendment contained a similar provision.

The Senate recedes.

Report on Air Force National Missile Defense Plan (sec. 245)

The Senate amendment contained no similar provision (sec. 238) that expressed the sense of the Senate that the Air Force National Missile Defense (NMD) plan is an important NMD option and is worthy of serious consideration. The provision would also require the Secretary of Defense to submit to Congress a report on the Air Force NMD plan not later than 120 days after enactment of this Act.

The House bill contained no similar provision.

The House recedes with an amendment that would omit the sense of the Senate language and require the report specified in the Senate provision.

Capability of National Missile Defense system (sec. 246)

The House bill contained a provision (sec. 238) that would direct the Secretary of Defense to ensure that any national missile defense system deployed by the United States is capable of defeating the threat posed by the Taepo Dong II missile of North Korea.

The Senate amendment contained no similar provision.

The Senate recedes.

Actions to limit adverse effects on private sector employment of establishment of National Missile Defense Joint Program Office (sec. 247)

The Senate amendment contained a provision (sec. 908) that would require the Director of the Ballistic Missile Defense Organization to take such actions as are necessary in connection with the establishment of the National Missile Defense (NMD) Joint Program Office to ensure that establishment of that office does not make it necessary for a Federal Government contractor to reduce the number of persons employed by the contractor for supporting the NMD program at any particular location outside the National Capitol Region.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Director of the Ballistic Missile Defense Organization to take such actions as are necessary in connection with the establishment of the NMD Joint Program Office to ensure that establishment of that office does not make it necessary for a Federal Government contractor to significantly reduce the number of persons employed by the contractor for supporting the NMD program at any particular location outside the National Capitol Region.

ABM Treaty defined (sec. 248)

The House bill contained a provision (sec. 237) that would define the Anti-Ballistic Missile Treaty.

The Senate amendment contained a similar provision.

The Senate recedes.

Subtitle D—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Maintenance and repair at Air Force installations (sec. 261)

The House bill contained a provision (sec. 241) that would require that the Secretary of the Air Force establish consistent procedures and criteria to allocate real property maintenance and repair funds at all bases and facilities. The absence of consistency leaves the Air Force test and evaluation bases and facilities at a significant disadvantage in the allocation of resources.

The Senate amendment contained no similar provision.

The Senate recedes.

Report relating to Small Business Innovation Research program (sec. 262)

The House bill contained a provision (sec. 242) that would require the Secretary of Defense to ensure that the Small Business Innovation Research (SBIR) program be managed and executed by the individual program managers of programs for which $20.0 million or more has been authorized for a fiscal year. The provision would also require a report on the Small Business Innovation Research program, as to whether there has been a demonstrable reduction in the quality of research.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the requirement that program managers individually manage and execute the SBIR program and would expand the reporting requirements to include the degree to which competitive procedures are being used and the degree to which the technologies developed are being used in military programs.

Amendment to University Research Initiative Support program (sec. 263)

The House bill contained an amendment (sec. 244) that would propose changes in the data base for calculation of university eligibility for the University Research Initiative Support program.

The Senate contained an identical provision (sec. 243).

The Senate amendment includes this provision.

Amendments to Defense Experimental Program to Stimulate Competitive Research (sec. 264)

The House bill contained a provision (sec. 245) that would allow the Department more flexibility to customize the Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) program for defense needs and help to improve the administration of the program.

The Senate amendment contained no similar provision.

The Senate recedes.

Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities (sec. 265)

The House bill contained a provision (sec. 246) that would eliminate the annual reporting requirement on the use of competitive procedures for award of research and development contracts, and the award of construction contracts to colleges and universities, primarily because this report duplicates information already required in other reports.

The Senate amendment contained no similar provision.

The Senate recedes.

Pilot program for transfer of defense technology information to private industry (sec. 266)

The Senate amendment contained a provision (sec. 813) that would authorize the use of $3.0 million of the funds available in the University Research Initiative program (PE 61103D) for the establishment of a pilot program at a university to demonstrate online transfers of information on defense technologies to businesses in the private sector and through an interactive data network involving Small Business Development Centers.

The House bill contained no similar provision.

The House recedes.

The conferees direct that all applicable competitive procedures be used in the award of any contract, grant or other agreement under this pilot program and that cost sharing requirements for non-Federal participants be utilized where appropriate.

Research under transactions other than contracts and grants (sec. 267)

The Senate amendment contained a provision (sec. 810) that would modify section 2371 of title 10, United States Code, to clarify when the authority under the section may be used. The provision would also modify the annual reporting requirement in section 2371 and specify certain information that would not be required to be disclosed under section 552 of title 5, United States Code.

The House bill contained a similar provision (sec. 203).

The House recedes.

The conferees direct the services to follow the example of the Defense Advanced Research Projects Agency in the aggressive use of this authority under section 2371.

Desalting technologies (sec. 268)

The Senate amendment contained a sense of the Senate provision (sec. 244) that recognized the importance of desalting technologies and encouraged the Secretary of Defense to place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water to fresh water.

The House bill contained no similar provision.

The House recedes.

Evaluation of digital video network equipment used in Olympic games (sec. 269)

The House bill contained a provision (sec. 1050) that would require the Secretary of Defense to evaluate the digital video network equipment used in the 1996 Olympic games to determine whether such equipment would be the most appropriate equipment for use as a test bed for the military application of off-the-shelf technology.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to defer the report date from December 31, 1996 to April 1, 1997 to allow the Department time to evaluate other comparative systems.

Annual joint warfighting science and technology plan (sec. 270)

The Senate amendment contained a provision (sec. 1052) that would require the Secretary of Defense to submit to the congressional defense committees the annual Joint Warfighting Science and Technology plan so that it may be considered in the congressional review of the President's defense budget request. The provision would also require that additional information of interest to Congress be submitted in conjunction with the plan.

The House bill contained no similar provision.

The House recedes.

Subtitle E—National Oceanographic Partnership Program

LEGISLATIVE PROVISIONS ADOPTED

National Oceanographic Partnership Program (sec. 282)

The House bill contained a provision (sec. 247) that would establish a National Oceanographic Partnership Program for the purpose of leveraging all U.S. oceanographic efforts to the benefit of the military. The Partnership Program would establish a National Oceanographic Leadership Council to coordinate national oceanographic programs, partnerships and facilities, and coordinate policy efforts of all Federal activities involved in oceanographic surveys and research. The council would also provide a comprehensive plan to ensure development of oceanography science and technology modeling and simulation programs throughout government, universities and that industry will be available to support military requirements in the future. The House provision would also create a national ocean data and remote sensing center to centralize all unclassified, classified and sensitive compartmented information databases, models and product synthesis capabilities to support national oceanographic requirements and a national natural littoral laboratory. The House would authorize increases of $15.0 million in PE 61153N and $15.0 million in PE 62435N for the National Oceanographic Partnership Program.

The Senate amendment contained a similar provision (sec. 252) that would provide for the establishment of a National Ocean Research Leadership Council, chaired by the Secretary of the Navy or his designee and composed of representatives of Federal agencies, industry and academia, to coordinate national oceanography programs, partnerships and facilities. The Senate amendment would provide an increase of $13.0 million in the Navy's Oceanographic and Atmospheric Technology program (PE 62435N) for support of the National Oceanographic Partnership Act. The Senate amendment also contained a provision that would establish national coastal data centers on both the east and west coasts at existing institutions of higher learning with well established institutes or graduate schools of oceanography.

The Senate recedes with an amendment that would authorize an increase of $13.0 million in PE 62435N to be allocated as directed in the Senate report (S. Rept. 104–267). The conferees also agree to authorize $7.5 million for oceanographic ship operations out of funds available in operations and maintenance, project 80. The provision would also direct the National Oceanographic Leadership Council to review the requirement for the establishment of centers for the national centralization of oceanographic research data, including coastal data centers, and to establish such centers as it deems necessary.

LEGISLATIVE PROVISIONS NOT ADOPTED

Joint United States-Israeli Nautilus Laser/Theater High Energy Laser program

The House bill contained a sense of Congress provision (sec. 221) that would strongly support the Joint U.S.–Israeli Nautilus Laser/Theater High Energy Laser program and encourage the Secretary of Defense to request authorization to develop these programs as agreed to April 28, 1996, in the statement of intent signed by the Secretary of Defense and the Prime Minister of the State of Israel.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree to authorize an additional $50.0 million for a new program element to support the Nautilus/Theater High Energy Laser program and the associated design verification testing. The conferees understand that the government of Israel is prepared to devote significant resources to this effort and the committee urges the administration to seek a rapid conclusion of a memorandum of agreement (MOA) on the THEL program with Israel. The conferees fully expect that additional funding to implement such an MOA will be included in future Army budget requests.

Policy on compliance with the ABM Treaty

The House bill contained a provision (sec. 233) that would codify the "demonstrated capabilities" standard for assessing compliance of systems with the Anti-Ballistic Missile (ABM) Treaty, state certain prohibitions, and define an ABM-qualifying flight test as a test against a ballistic missile with a range in excess of 3,500 kilometers and a velocity in excess of five kilometers per second.

The Senate amendment contained a provision (sec. 239) that would extend by one year section 235 of the National Defense Authorization Act of Fiscal Year 1996 (Public Law 104–106).

The House and the Senate recede from their respective provisions.

The conferees note that the President's National Security Advisor has stated that the Theater Missile Defense (TMD) Demarcation agreement, to which the United States has tentatively agreed, would modify the rights and obligations of the parties and, hence, constitute a substantive change to the ABM Treaty. The conferees acknowledge and reaffirm the constitutional principle that any substantive treaty change may be entered into only pursuant to the President's treaty making power under the Constitution. The conferees note that this constitutional principle is specifically codified with regard to the ABM Treaty in section 232 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337).

The conferees would take strong exception to any interpretation by the administration that section 235 of the National Defense Authorization Act for Fiscal Year 1996 "pre-authorizes" implementation of the TMD Demarcation agreement. For example, because the agreement-in-principle does not apply the "demonstrated capabilities standard" to all TMD systems, it would not satisfy the standard specified in section 235(b)(1). More importantly, section 235 does not supersede the constitutional requirement to submit a substantive change to the ABM Treaty to the Senate for advice and consent.

In light of the fact that the President's National Security Advisor has confirmed that the draft TMD Demarcation agreement would constitute a substantive change to the ABM Treaty, the conferees agree that legislation requiring submission of the agreement for Senate advice and consent is not needed.

Requirement that multilateralization of the ABM Treaty be done only through treaty-making power

The House bill contained a provision (sec. 234) that would state that any addition of a new signatory party to the Anti-Ballistic Missile (ABM) Treaty (in addition to the United States and the Russian Federation) constitutes an amendment to the treaty that can only be agreed to by the United States through the treaty making power of the United States. This provision would prohibit the obligation or expenditure of funds during any fiscal year for the purpose of implementing or making binding upon the United States the participation of any additional nation as a party to the ABM Treaty, unless that nation is made a party to the treaty by an amendment to the Treaty that is made in the same manner as the manner by which a treaty is made.

The Senate amendment contained a provision (sec. 231) that would express the sense of the Senate that during fiscal year 1997 the United States shall not be bound by any international agreement entered into by the President that would substantively modify the ABM Treaty, including any agreement that would add one or more countries as signatories to the Treaty or would otherwise convert the treaty from a bilateral Treaty to a multilateral treaty, unless the agreement is entered pursuant to the treaty making power of the President under the Constitution.

The House and the Senate recede from their respective provisions.

The conferees acknowledge and reaffirm the constitutional principle that any substantive change to a treaty may be entered into only pursuant to the President's treaty making power under the Constitution. The conferees note that, with regard to the ABM Treaty, this constitutional principle is specifically codified in section 232 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337). In this regard, the accord on ABM Treaty succession, tentatively agreed to by the administration, would constitute a substantive change to the ABM Treaty, which may only be entered into pursuant to the treaty making power of the President under the Constitution. An explanation for this conclusion is presented below.

First, the fundamental circumstances that provided the rationale for the ABM Treaty have changed. The ABM Treaty, more than any other arms control agreement, was a product of the bipolar Cold war confrontation between the United States and the Soviet Union. With the dissolution of the Soviet Union, the United States faces strategic and political circumstances that are vastly different that those that obtained in 1972.

Second, by having the Soviet Union succeeded, for purposes of the ABM Treaty, by some but not all of the independent states of the former Soviet Union, each possessing sovereign rights under the Treaty, a succession agreement would change, limit, and extend certain rights and obligations previously possessed by the parties. This is virtually a best book definition of a treaty amendment. The rights of the United States would clearly be changed given the fact that the Standing Consultative Commission (SCC), the ABM Treaty's implementing body, would, for the first time, be comprised of several parties, all of whom would need to consent to changes, clarifications or amendments to the Treaty.

As the administration stated in a May 3, 1996, letter: "Each party will participate in implementing the Treaty as a sovereign entity. This includes a full and equal voice in the SCC." When asked if the consent of all parties would be needed before the Treaty could be amended, clarified, or interpreted, the administration answered: "Yes. The U.S. has insisted on a decision-making mechanism in the SCC under which legally binding obligations would be adopted by consensus." In effect, the SCC would be transformed into a corporate body in which up to a dozen affirmative votes would be required before the Treaty could be amended. In addition, some of the new treaty partners would only have partial rights. Of the former Soviet states, for example, only Russia would be entitled to deploy an operational ABM system.

Third, the functional mechanics of the ABM Treaty will be changed through multilateralization. The ABM Treaty is based, in part, on a geographical description of the United States and the Soviet Union. For example, the Treaty states specifically that certain large phased array radars may only be located along the periphery of the national territory of the parties. In the case of the former Soviet Union, however, some radars are now located outside of Russia. The Skrunda radar in Latvia, for example, is on the territory of an independent country that has rejected membership in the ABM Treaty. Clearly, any agreement that addresses the successorship issue will also have to redefine these geographic aspects of the Treaty, which will constitute substantive amendments to the Treaty. In this regard, the Senate will be as interested to see which states do not accede to the ABM Treaty as it will be to see which countries do accede.

Fourth, all succession agreements related to existing strategic arms control agreements have been addressed by the Senate through the constitutional advice and consent mechanism, with the exception of the Intermediate-Range Nuclear Forces Treaty, which was clearly identified as an exception to the rule at the time of succession.

In the case of the Conventional Armed Forces in Europe (CFE) Treaty, the Senate specifically recognized the impending breakup of the Soviet Union and adopted provisions that were intended to take this into account during the ratification debate. The Senate was so concerned about this issue with regard to the CFE Treaty that it attached a condition to the resolution of ratification that specified procedures for adding new states parties and for evaluating the implications of the withdrawal of key newly independent states from the Treaty.

In the case of the Strategic Arms Reductions Talks (START I) Treaty, the succession agreement, known as the Lisbon Protocol, was approved by a two-thirds vote of the Senate as part of the overall ratification process. As in the case of CFE, START I was surrounded by major succession issues that the Senate had to address in a formal manner. It is the view of the conferees that neither CFE nor START I would have been approved by the Senate but for the fact that the succession issues were thoroughly addressed as part of the ratification debate.

Given the compelling case that the ABM Treaty succession agreement is a substantive change to the treaty, the conferees affirm that such agreement must be submitted to the Senate for advice and consent.

Funding increase for field emission flat panel technology

The House bill included a provision (sec. 248) that would authorize an additional $10.0 million for the combat vehicle improvement program to fund field emission flat panel technology for the M1 tank upgrade.

The Senate amendment would also provide $10.0 million for this project.

The House recedes from its legislative provision.

The conferees agree to recommend an additional $10.00 million in PE 23735A for flat panel display technology.

Natural resource assessment and training delivery system

The House bill contained a provision (sec. 249) that would authorize funding to support a proposed natural resource assessment and training delivery system. The purpose of the program was to enhance the ability of the Department of Defense to mitigate the environmental impact of its operational training of forces and testing of weapons on military installations more effectively and at lower costs.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree that there are advanced technology methods such as remote sensing, satellite and aircraft mounted sensors, integrated digital data sets, and advanced computing resources that could offer the Department efficiencies in time, cost and area coverage over personnel intensive ground sampling, data processing and analysis when it monitors environmental conditions at military installations.

The conferees urge the Department to investigate industrial and academic capabilities to implement advance technologies for environmental monitoring and training.

Funds for research, development, test, and evaluation relating to humanitarian demining technologies

The budget request included $7.7 million for humanitarian demining activities.

The Senate amendment contained a provision (sec. 204) that would make $18.0 million available for humanitarian demining activities in PE 63120D, to be administered by the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

The House bill contained no similar provision, but would recommend the budget request for humanitarian demining activities.

The Senate recedes.

The conferees agree to authorize $18.0 million in PE 63120D for research, development, test, and evaluation of near-term and long-term technologies and capabilities relating to humanitarian demining technologies. The humanitarian demining program will continue to be administered by the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict. The relationship of this program to the Defense countermine program is discussed elsewhere in the report.

Department of Defense Space Architect

The Senate amendment contained a provision (sec. 212) that would require the Secretary of Defense to include the kinetic energy tactical anti-satellite (ASAT) program in the space control architecture to be developed by the Department's new Space Architect. The provision would prohibit the use of fiscal year 1997 defense funds to support the Space Architect until the Secretary certifies that he will include the ASAT program in the space control architecture, that he has obligated fiscal year 1996 funds for the kinetic energy ASAT, and that he has made available for obligation fiscal year 1997 funds appropriated for the kinetic energy ASAT, consistent with congressional guidance.

The House contained no similar provision.

The Senate recedes.

Research for advanced submarine technology

The Senate amendment contained a provision (sec. 214) that would repeal section 132 of the National Defense Authorization Act for Fiscal Year 1996.

The House bill contained no similar provision.

The Senate recedes.

Tier III minus Unmanned Aerial Vehicle

The Senate amendment contained a provision (sec. 216) that would prohibit the procurement of more than three air vehicles for the Tier III minus UAV program until flight testing is completed.

The House bill contained no similar provision.

The Senate recedes.

Defense airborne reconnaissance program

The Senate amendment contained a provision (sec. 217) that would require the Secretary of Defense to submit a report comparing the Predator unmanned aerial vehicle (UAV) with the Dark Star (Tier III minus) UAV.

The House bill did not contain a similar provision.

The Senate recedes.

Advanced submarine technologies

The Senate amendment contained a provision (sec. 223) that would authorize $489.4 million for the submarine previously designated by the Navy as the New Attack Submarine and an additional $100.0 million to address the inclusion on future nuclear attack submarines of core, category I, and category II technologies, as such technologies are identified by the Secretary of Defense in Appendix C of the "Report on Nuclear Attack Submarine Procurement and Submarine Technology", submitted to Congress on March 26, 1996.

The House bill contained no similar provision.

The Senate recedes.

Funding for basic research in nuclear seismic monitoring

The Senate amendment contained a provision (sec. 224) that would make available $6.5 million for basic research in nuclear seismic monitoring from funds requested for the Air Force for arms control implementation.

The House bill contained no similar provision.

The Senate recedes.

The budget request included $26.7 million for arms control implementation in PE 35145F for research and development activities to prepare the United States for implementation of, and compliance with, nuclear testing treaties. Those activities include the development of a national and international data center, treaty implementation and technical support, and nuclear monitoring techniques. The conferees agree that, of those funds, $6.5 million shall be available for basic research in nuclear seismic monitoring.

Computer-assisted education and training

The Senate amendment included a provision (sec. 226) that would require that $10.0 million in the Defense Research Sciences program (PE 61101E) be used for the continuation of computer-assisted education and training programs in the Department of Defense.

The House bill contained no similar provision.

The Senate recedes.

Seamless high off-chip connectivity

The Senate amendment included a provision (sec. 227) that would require that $7.0 million in funds available for research, development, test and evaluation in the Department of Defense be used to continue research and development of seamless high off-chip connectivity (SHOCC) programs.

The House bill contained no similar provision.

The Senate recedes.

National Polar-Orbiting Operational Environmental Satellite System

The Senate amendment contained a provision (sec. 229) that would authorize $29.0 million for the National Polar-Orbiting Operational Environmental Satellite System (NPOESS), a reduction of $5.0 million from the Department of Defense portion of the NPOESS budget request.

The House bill contained no similar provision but recommended a reduction of $15.0 million.

The Senate recedes.

The conferees agree to authorize $29.0 million for NPOESS.

Funding for upper tier theater missile defense systems

The Senate amendment contained a provision (sec. 232) that would authorize funds for the Theater High Altitude Area Defense (THAAD) system and the Navy Upper Tier theater missile defense (TMD) system. The provision would also prohibit the use of funds during fiscal year 1997 by the Undersecretary of Defense for Acquisition and Technology for official representation activities until the Secretary of Defense certifies to Congress that: (1) fiscal year 1997 funds for THAAD and Navy Upper Tier have been made available for obligation; and (2) the Navy Upper Tier systems has been included in the core TMD program.

The House bill contained no similar provision.

The Senate recedes.

Scorpius space launch technology program

The Senate amendment contained a provision (sec. 235) that would provide for the use of up to $7.5 million of funds authorized for the Ballistic Missile Defense Organization for the Scorpius space launch technology program.

The House bill contained no similar provision.

The Senate recedes.

Corps SAM/MEADS program

The Senate amendment contained a provision (sec. 236) that would authorize $56.2 million for the Corps surface-to-air/Medium Extended Air Defense System, and would require the Secretary of Defense to submit certain items prior to obligating more than $15.0 million in fiscal year 1997.

The House bill contained no similar provision.

The Senate recedes. Funding for Corps SAM/MEADS is discussed elsewhere in this report.

Annual report on threat of attack by ballistic missiles carrying nuclear, chemical, or biological warheads

The Senate amendment contained a provision (sec. 237) that would require an annual report on the threat of attack by ballistic missiles carrying weapons of mass destruction.

The House bill contained no similar provision.

The Senate recedes.

TITLE III—OPERATION AND MAINTENANCE

Overview

The budget request for fiscal year 1997 contained an authorization of $88,859.7 million for Operation and Maintenance in the Department of Defense and $1,910.9 for Working Capital Fund Accounts in fiscal year 1997. The House bill would authorize $90,728.8 million for Operation and Maintenance and $2,070.9 for Working Capital Fund Accounts. The Senate amendment would authorize $89,113.8 million for Operation and Maintenance and $2,215.9 for Working Capital Fund Accounts. The conferees recommended an authorization of $89,871.0 million for Operation and Maintenance and $2,065.9 for Working Capital Fund Accounts for fiscal year 1997. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

TITLE III
OPERATION AND MAINTENANCE & WORKING CAPITAL FUNDS

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Operation and Maintenance, Army	18,114,479	18,436,929	18,147,623	149,927	18,264,406
Operation and Maintenance, Navy	20,196,197	20,433,797	20,298,339	191,540	20,387,737
Operation and Maintenance, Marine Corps	2,203,777	2,524,677	2,279,477	217,230	2,421,007
Operation and Maintenance, Air Force	17,913,455	17,982,955	17,949,339	(278,120)	17,635,335
Operation and Maintenance, Defense-wide	10,156,468	10,375,368	9,778,942	(243,506)	9,912,962
Office of the Inspector General	136,501	136,501	136,501	0	136,501
Defense Health Program	9,358,288	9,831,288	9,375,988	475,000	9,833,288
Operation and Maintenance, Army Reserve	1,084,436	1,155,436	1,094,436	52,000	1,136,436
Operation and Maintenance, Navy Reserve	843,927	858,927	851,027	15,000	858,927
Operation and Maintenance, Marine Corps Reserve	99,667	106,467	110,367	13,700	113,367
Operation and Maintenance, Air Force Reserve	1,488,553	1,504,553	1,493,553	11,000	1,499,553
Operation and Maintenance, Army National Guard	2,208,477	2,297,477	2,218,477	69,000	2,277,477
Operation and Maintenance, Air National Guard	2,654,473	2,688,473	2,699,173	56,700	2,711,173
United States Court of Appeals for the Armed Forces	6,797	6,797	6,797		6,797
Environmental Restoration, Army	356,916	0	356,916		356,916
Environmental Restoration, Navy	302,900	0	302,900		302,900
Environmental Restoration, Air Force	414,700	0	414,700		414,700
Environmental Restoration, Defense-Wide	258,500	0	258,500		258,500
Environmental Restoration, Defense	0	1,333,016	0		0
Drug Interdiction and Counter-drug Activities, Defense	642,724	682,724	793,824	153,800	796,524
Former Soviet Union Threat Reduction	327,900	302,900	327,900	37,000	364,900
Overseas Military Investment Recovery	0	0	0		0

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Disposal of DoD Real Property	0	0	0		0
Lease of DoD Real Property	0	0	0		0
Payment to Kaho' Olawe Island Fund	10,000	10,000	0		10,000
Kaho' Olawe Island Conveyance	0	0	0		0
Restoration of Rocky Mountain Arsenal	0	0	0		0
Overseas Humanitarian, Disaster, & Civic Aid	80,544	60,544	49,000	(26,000)	54,544
National Science Center, Army	0	0	0		0
Defense against Weapons of Mass Destruction Act (Title XIII)	0	0	150,000	97,000	97,000
Vietnamese Commandos Payments	0	0	20,000	20,000	20,000
Subtotal Operation and Maintenance	88,859,679	90,728,829	89,113,779	1,011,271	89,870,950
REVOLVING FUNDS					
Defense Business Operations Fund (DECA)	947,900	947,900	947,900		947,900
National Defense Sealift Fund	963,002	1,123,002	1,268,002	155,000	1,118,002
National Defense Stockpile Transaction Fund (Routine & Ongoing Sales)					
National Defense Stockpile Transaction Fund (Excess of Routine Sales)					
National Defense Stockpile Transaction Fund (Proposed Sale)					
Subtotal Working Capital Funds	1,910,902	2,070,902	2,215,902	155,000	2,065,902
Total Operation and Maintenance & Working Capital Funds	90,770,581	92,799,731	91,329,681	1,166,271	91,936,852

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		OPERATION AND MAINTENANCE, ARMY					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		LAND FORCES	8,978,250	9,078,000	8,978,250	38,750	9,017,000
2020A	10	COMBAT UNITS	1,785,131	1,785,131	1,785,131		1,785,131
		CONTINGENCY OPERATIONS TRANSFER					-
2020A	20	TACTICAL SUPPORT	1,144,383	1,144,383	1,144,383		1,144,383
		HUNTER UAV					-
2020A	30	THEATER DEFENSE FORCES	150,569	150,569	150,569		150,569
2020A	40	FORCE RELATED TRAINING/SPECIAL ACTIVITIES	1,410,908	1,444,958	1,410,908		1,444,958
		SOLDIER ENHANCEMENT PROGRAMS	-			34,050	
2020A	50	FORCE COMMUNICATIONS	65,150	65,150	65,150		65,150
2020A	60	DEPOT MAINTENANCE	845,251	894,951	845,251		849,951
		SPARES AND REPAIR PARTS				(30,000)	
		DEPOT MAINTENANCE RMS PROGRAM				15,000	
		COMBAT VEHICLES	-			19,700	
2020A	70	JCS EXERCISES	55,087	55,087	55,087		55,087
2020A	80	BASE SUPPORT	2,686,320	2,702,320	2,686,320		2,686,320
		MWR PROGRAMS	-				-
2020A	85	MAINTENANCE OF REAL PROPERTY	835,451	835,451	835,451		835,451
		LAND OPERATIONS SUPPORT	270,307	270,307	270,307	-	270,307
2020A	90	COMBAT DEVELOPMENTS	206,538	206,538	206,538		206,538
2020A	100	UNIFIED COMMANDS	63,769	63,769	63,769		63,769
		TOTAL, BUDGET ACTIVITY 1:	9,248,557	9,348,307	9,248,557	38,750	9,287,307
		BUDGET ACTIVITY 2: MOBILIZATION					
		MOBILITY OPERATIONS	586,443	613,443	613,443	27,000	613,443
2020A	110	POMCUS	82,303	82,303	82,303		82,303

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
2020A	120	STRATEGIC MOBILIZATION	287,934	314,934	314,934	27,000	314,934
2020A	130	WAR RESERVE ACTIVITIES	150,971	150,971	150,971		150,971
2020A	140	INDUSTRIAL PREPAREDNESS	65,235	65,235	65,235		65,235
		TOTAL, BUDGET ACTIVITY 2:	586,443	613,443	613,443	27,000	613,443
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	334,200	334,200	334,200	-	334,200
2020A	150	OFFICER ACQUISITION	61,442	61,442	61,442		61,442
2020A	160	RECRUIT TRAINING	13,131	13,131	13,131		13,131
2020A	170	ONE STATION UNIT TRAINING	16,679	16,679	16,679		16,679
2020A	180	RESERVE OFFICER TRAINING CORPS (ROTC)	120,634	120,634	120,634		120,634
2020A	190	BASE SUPPORT (ACADEMY ONLY)	81,493	81,493	81,493		81,493
2020A	195	MAINTENANCE OF REAL PROPERTY (ACADEMY ONLY)	40,821	40,821	40,821		40,821
		BASIC SKILL/ ADVANCE TRAINING	2,115,411	2,118,011	2,115,411	-	2,115,411
2020A	200	SPECIALIZED SKILL TRAINING	242,298	242,298	242,298		242,298
2020A	210	FLIGHT TRAINING	225,460	225,460	225,460		225,460
2020A	220	PROFESSIONAL DEVELOPMENT EDUCATION	68,478	68,478	68,478		68,478
2020A	230	TRAINING SUPPORT	405,222	405,222	405,222		405,222
2020A	240	BASE SUPPORT (OTHER TRAINING)	898,954	901,554	898,954		898,954
		MWR PROGRAMS	-				-
2020A	245	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	274,999	274,999	274,999		274,999
		RECRUITING/OTHER TRAINING	720,329	720,329	720,329	-	720,329
2020A	250	RECRUITING AND ADVERTISING	228,234	228,234	228,234		228,234
2020A	260	EXAMINING	72,125	72,125	72,125		72,125
2020A	270	OFF-DUTY AND VOLUNTARY EDUCATION	101,970	101,970	101,970		101,970
2020A	280	CIVILIAN EDUCATION AND TRAINING	83,296	83,296	83,296		83,296
2020A	290	JUNIOR ROTC	76,640	76,640	76,640		76,640
2020A	300	BASE SUPPORT (RECRUITING LEASES)	158,064	158,064	158,064		158,064

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		TOTAL, BUDGET ACTIVITY 3:	3,169,940	3,172,540	3,169,940	-	3,169,940
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SECURITY PROGRAMS	364,270	373,570	362,770	2,300	366,570
2020A	310	SECURITY PROGRAMS	364,270	373,570	362,770	(7,000)	366,570
		CLASSIFIED PROGRAMS				9,300	
		LOGISTICS OPERATIONS	1,479,853	1,571,253	1,559,853	88,440	1,568,293
2020A	320	SERVICEWIDE TRANSPORTATION	515,541	515,541	515,541		515,541
2020A	330	CENTRAL SUPPLY ACTIVITIES	398,003	402,003	398,003		402,003
		DEPOT MAINTENANCE LOGISTICS TAIL	-			4,000	
2020A	340	LOGISTIC SUPPORT ACTIVITIES	308,497	345,897	348,497		342,937
		CRITICAL END ITEM MANAGEMENT	-			40,000	
		ACQUISITION WORKFORCE REDUCTIONS	-			(10,560)	
		TOTAL ASSET VISIBILITY PROGRAM	-			5,000	
2020A	350	AMMUNITION MANAGEMENT	257,812	307,812	297,812	50,000	307,812
		SERVICEWIDE SUPPORT	2,952,589	2,961,789	2,972,589	27,800	2,980,389
2020A	360	ADMINISTRATION	309,075	309,075	309,075		309,075
2020A	370	SERVICEWIDE COMMUNICATIONS	689,100	689,100	709,100		709,100
		POWER PROJECTION C4I				20,000	
2020A	380	MANPOWER MANAGEMENT	158,424	158,424	158,424		158,424
2020A	390	OTHER PERSONNEL SUPPORT	171,661	179,461	171,661		179,461
		NEW PARENT SUPPORT	-			7,800	
2020A	400	OTHER SERVICE SUPPORT	596,539	596,539	596,539		596,539
2020A	410	ARMY CLAIMS ACTIVITIES	175,881	175,881	175,881		175,881
2020A	420	REAL ESTATE MANAGEMENT	79,628	79,628	79,628		79,628
2020A	430	BASE SUPPORT	666,216	667,616	666,216		666,216
		MWR PROGRAMS	-				-
2020A	431	MAINTENANCE OF REAL PROPERTY	106,065	106,065	106,065		106,065

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		SUPPORT OF OTHER NATIONS	312,827	312,827	312,827	(6,063)	306,764
2020A	440	INTERNATIONAL MILITARY HEADQUARTERS	273,924	273,924	273,924	(6,063)	267,861
2020A	450	MISC SUPPORT OF OTHER NATIONS	38,903	38,903	38,903		38,903
		TOTAL, BUDGET ACTIVITY 4:	5,109,539	5,219,439	5,208,039	112,477	5,222,016
		UNDISTRIBUTED	-	113,200	(92,356)	(28,300)	(28,300)
		REAL PROPERTY MAINTENANCE				150,000	
		NON-LETHAL WEAPONS				2,000	
		FUEL TAX CREDIT				(13,800)	
		RMS PROGRAM					
		CIVILIAN PERSONNEL UNDEREXECUTION				(33,300)	
		ACQUISITION WORKFORCE REDUCTIONS				(8,400)	
		PRINTING EFFICIENCIES				(3,000)	
		UNOBLIGATED BALANCES				(60,000)	
		CHEMICAL-BIOLOGICAL EUIPMENT MAINTENANCE				13,200	
		USTRANSCOM EFFICIENCIES				(35,000)	
		FOREIGN CURRENCY FLUCTUATION				(40,000)	
		TOTAL, OPERATION AND MAINTENANCE, ARMY	18,114,479	18,466,929	18,147,623	149,927	18,264,406
		OPERATION AND MAINTENANCE, NAVY					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	4,385,939	4,437,139	4,399,039	65,400	4,451,339
1804N	10	MISSION AND OTHER FLIGHT OPERATIONS	1,867,999	1,867,999	1,881,099		1,878,599
		P-3 SQUADRONS				10,600	
1804N	20	FLEET AIR TRAINING	606,264	606,264	606,264		606,264
1804N	30	INTERMEDIATE MAINTENANCE	64,855	64,855	64,855		64,855
1804N	40	AIR OPERATIONS AND SAFETY SUPPORT	65,742	65,742	65,742		65,742

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1804N	50	AIRCRAFT DEPOT MAINTENANCE	602,679	629,979	602,679	27,300	637,479
		RMS PROGRAM				7,500	
1804N	60	AIRCRAFT DEPOT OPERATIONS SUPPORT	24,613	24,613	24,613		24,613
1804N	70	BASE SUPPORT	807,680	831,580	807,680	20,000	827,680
		MWR PROGRAMS					-
1804N	75	MAINTENANCE OF REAL PROPERTY	346,107	346,107	346,107		346,107
		SHIP OPERATIONS	6,482,485	6,570,985	6,576,485	123,300	6,605,785
1804N	80	MISSION AND OTHER SHIP OPERATIONS	1,919,975	1,919,975	1,935,975	9,800	1,929,775
1804N	90	SHIP OPERATIONAL SUPPORT AND TRAINING	457,005	457,005	457,005		457,005
1804N	100	INTERMEDIATE MAINTENANCE	396,844	396,844	422,844	26,000	422,844
1804N	110	SHIP DEPOT MAINTENANCE	1,803,854	1,863,854	1,855,854	60,000	1,871,354
		RMS PROGRAM				7,500	
1804N	120	SHIP DEPOT OPERATIONS SUPPORT	787,330	787,330	787,330		787,330
1804N	130	BASE SUPPORT	828,295	856,795	828,295	20,000	848,295
		MWR PROGRAMS					-
1804N	135	MAINTENANCE OF REAL PROPERTY	289,182	289,182	289,182		289,182
		COMBAT OPERATIONS/SUPPORT	1,636,958	1,666,858	1,636,958	17,200	1,654,158
1804N	140	COMBAT COMMUNICATIONS	206,422	206,422	206,422		206,422
1804N	150	ELECTRONIC WARFARE	7,589	7,589	7,589		7,589
1804N	160	SPACE SYSTEMS AND SURVEILLANCE	144,806	144,806	144,806		144,806
1804N	170	WARFARE TACTICS	138,113	138,113	138,113		138,113
1804N	180	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	212,854	212,854	212,854	6,200	219,054
1804N	190	COMBAT SUPPORT FORCES	386,011	386,011	386,011		386,011
1804N	200	EQUIPMENT MAINTENANCE	163,038	182,538	163,038	1,000	164,038
1804N	210	DEPOT OPERATIONS SUPPORT	1,146	1,146	1,146		1,146
1804N	220	BASE SUPPORT	327,468	337,868	327,468	10,000	337,468
		MWR PROGRAMS					-
1804N	225	MAINTENANCE OF REAL PROPERTY	49,511	49,511	49,511		49,511

Title III - Operations and Maintenance (Dollars in Thousands)

				House	Senate	Conference	
APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	Authorized	Authorized	Change	Agreement
		WEAPONS SUPPORT	1,371,828	1,402,328	1,412,428	59,100	1,430,928
1804N	230	CRUISE MISSILE	79,828	79,828	120,428		120,428
		TLAM RECERTIFICATION				40,600	
1804N	240	FLEET BALLISTIC MISSILE	756,722	756,722	756,722		756,722
1804N	250	IN-SERVICE WEAPONS SYSTEMS SUPPORT	50,875	50,875	50,875		50,875
1804N	260	WEAPONS MAINTENANCE	389,406	408,906	389,406		397,906
		STANDARD MISSILE MAINTENANCE				8,500	
1804N	270	BASE SUPPORT	63,750	74,750	63,750	10,000	73,750
		MWR PROGRAMS					-
1804N	275	MAINTENANCE OF REAL PROPERTY	31,247	31,247	31,247		31,247
		DEPOT MAINTENANCE RMS PROGRAM					-
		CONTINGENCY OPERATIONS TRANSFER					-
		DBOF SUPPORT	-	-	-	-	-
1804N	276	DBOF SUPPORT	-	-	-		-
		TOTAL, BUDGET ACTIVITY 1:	13,877,210	14,077,310	14,024,910	265,000	14,142,210
		BUDGET ACTIVITY 2: MOBILIZATION					
		READY RESERVE AND PREPOSITIONING FORCES	497,905	497,905	497,905	-	497,905
1804N	280	SHIP PREPOSITIONING AND SURGE	497,905	497,905	497,905		497,905
		ACTIVATIONS/INACTIVATIONS	571,006	571,006	571,006	-	571,006
1804N	290	AIRCRAFT ACTIVATIONS/INACTIVATIONS	2,699	2,699	2,699		2,699
1804N	300	SHIP ACTIVATIONS/INACTIVATIONS	568,307	568,307	568,307		568,307
		MOBILIZATION PREPAREDNESS	42,025	42,025	42,025	-	42,025
1804N	310	FLEET HOSPITAL PROGRAM	19,374	19,374	19,374		19,374
1804N	320	INDUSTRIAL READINESS	722	722	722		722
1804N	330	COAST GUARD SUPPORT	21,929	21,929	21,929		21,929

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		TOTAL, BUDGET ACTIVITY 2:	1,110,936	1,110,936	1,110,936	-	1,110,936
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	258,380	258,380	258,380	-	258,380
1804N	340	OFFICER ACQUISITION	66,825	66,825	66,825		66,825
1804N	350	RECRUIT TRAINING	4,887	4,887	4,887		4,887
1804N	360	RESERVE OFFICERS TRAINING CORPS (ROTC)	67,777	67,777	67,777		67,777
1804N	370	BASE SUPPORT	54,338	54,338	54,338		54,338
1804N	375	MAINTENANCE OF REAL PROPERTY	64,553	64,553	64,553		64,553
		BASIC SKILLS AND ADVANCED TRAINING	1,126,663	1,128,863	1,126,663	-	1,126,663
1804N	380	SPECIALIZED SKILL TRAINING	218,689	218,689	218,689		218,689
1804N	390	FLIGHT TRAINING	295,280	295,280	295,280		295,280
1804N	400	PROFESSIONAL DEVELOPMENT EDUCATION	65,981	65,981	65,981		65,981
1804N	410	TRAINING SUPPORT	119,098	119,098	119,098		119,098
1804N	420	BASE SUPPORT	316,260	318,460	316,260		316,260
		MWR PROGRAMS					-
1804N	425	MAINTENANCE OF REAL PROPERTY	111,355	111,355	111,355		111,355
		RECRUITING, AND OTHER TRAINING AND EDUCATION	245,735	245,735	245,735	-	245,735
1804N	430	RECRUITING AND ADVERTISING	136,474	136,474	136,474		136,474
1804N	440	OFF-DUTY AND VOLUNTARY EDUCATION	61,643	61,643	61,643		61,643
1804N	450	CIVILIAN EDUCATION AND TRAINING	22,218	22,218	22,218		22,218
1804N	460	JUNIOR ROTC	24,902	24,902	24,902		24,902
1804N	470	BASE SUPPORT	439	439	439		439
1804N	475	MAINTENANCE OF REAL PROPERTY	59	59	59		59
		TOTAL, BUDGET ACTIVITY 3:	1,630,778	1,632,978	1,630,778	-	1,630,778
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SERVICEWIDE SUPPORT	1,504,637	1,528,137	1,529,637	19,500	1,524,137

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1804N	480	ADMINISTRATION	570,921	570,921	570,921		570,921
1804N	490	EXTERNAL RELATIONS	21,406	21,406	21,406		21,406
1804N	500	CIVILIAN MANPOWER AND PERSON MANAGEMENT	69,426	69,426	69,426		69,426
1804N	510	MILITARY MANPOWER AND PERSON MANAGEMENT	129,426	129,426	129,426		129,426
1804N	520	OTHER PERSONNEL SUPPORT	237,647	243,147	237,647		243,147
		NEW PARENT SUPPORT				5,500	
1804N	530	SERVICEWIDE COMMUNICATIONS	230,240	244,240	255,240		244,240
		CHALLENGE ATHENA				14,000	
1804N	540	BASE SUPPORT	200,375	204,375	200,375		200,375
		MWR PROGRAMS					-
1804N	544	MAINTENANCE OF REAL PROPERTY	45,196	45,196	45,196		45,196
		LOGISTICS OPERATIONS AND TECHNICAL SUPPORT	1,496,944	1,473,544	1,496,944	(15,360)	1,481,584
1804N	550	SERVICEWIDE TRANSPORTATION	151,371	151,371	151,371		151,371
1804N	560	PLANNING, ENGINEERING AND DESIGN	284,268	284,268	284,268		284,268
1804N	570	ACQUISITION AND PROGRAM MANAGEMENT	467,318	441,718	467,318		451,958
		ACQUISITION WORKFORCE REDUCTIONS				(15,360)	
1804N	580	AIR SYSTEMS SUPPORT	276,446	276,446	276,446		276,446
1804N	590	HULL, MECHANICAL AND ELECTRICAL SUPPORT	48,613	48,613	48,613		48,613
1804N	600	COMBAT/WEAPONS SYSTEMS	39,083	39,083	39,083		39,083
1804N	610	SPACE AND ELECTRONIC WARFARE SYSTEMS	72,540	74,740	72,540		72,540
		AEGIS TACTICAL DATA LINK					-
1804N	620	BASE SUPPORT	145,338	145,338	145,338		145,338
1804N	625	MAINTENANCE OF REAL PROPERTY	11,967	11,967	11,967		11,967
		SECURITY PROGRAMS	568,148	572,748	564,448	4,600	572,748
1804N	630	SECURITY PROGRAMS	555,721	560,321	552,021		560,321
		CLASSIFIED PROGRAMS				4,600	
1804N	640	BASE SUPPORT	7,344	7,344	7,344		7,344
1804N	645	MAINTENANCE OF REAL PROPERTY	5,083	5,083	5,083		5,083

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		SUPPORT OF OTHER NATIONS	7,544	7,544	7,544	-	7,544
1804N	650	INTERNATIONAL HEADQUARTERS AND AGENCIES	7,544	7,544	7,544		7,544
		TOTAL, BUDGET ACTIVITY 4:	3,577,273	3,581,973	3,598,573	8,740	3,586,013
		UNDISTRIBUTED		30,600	(68,858)	(82,200)	(82,200)
		REAL PROPERTY MAINTENANCE				110,000	
		OCEANOGRAPHIC DATA					
		GENERAL REDUCTION					
		RMS PROGRAM					
		CIVILIAN PERSONNEL UNDEREXECUTION				(108,300)	
		ACQUISITION WORKFORCE REDUCTIONS				(8,400)	
		PRINTING EFFICIENCIES				(4,000)	
		FOREIGN CURRENCY FLUCTUATION					
		USTRANSCOM EFFICIENCIES				(9,500)	
		UNOBLIGATED BALANCES				(46,000)	
		SPARE PARTS INVENTORY				(16,000)	
		TOTAL, OPERATION AND MAINTENANCE, NAVY	20,196,197	20,433,797	20,296,339	191,540	20,387,737
		OPERATION AND MAINTENANCE, MARINE CORPS					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		EXPEDITIONARY FORCES	1,503,579	1,633,979	1,538,579	113,500	1,617,079
1106N	10	OPERATIONAL FORCES	331,478	364,478	356,478		374,478
		PERSONNEL SUPPORT EQUIPMENT/INITIAL ISSUE				25,000	
		WARFIGHTING LAB				8,000	
		CORROSION CONTROL				10,000	
1106N	20	FIELD LOGISTICS	171,056	171,056	171,056	-	171,056
1106N	30	DEPOT MAINTENANCE	155,168	175,168	165,168	10,000	165,168

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1106N	40	BASE SUPPORT	593,307	670,707	593,307		653,807
		PERSONNEL SUPPORT EQUIPMENT				20,500	
		OTHER BASE SUPPORT				40,000	
		MWR PROGRAMS					
1106N	45	MAINTENANCE OF REAL PROPERTY	252,570	252,570	252,570		252,570
		NON-LETHAL WEAPONS					
		USMC PREPOSITIONING	77,751	77,751	77,751	-	77,751
1106N	50	MARITIME PREPOSITIONING	74,003	74,003	74,003		74,003
1106N	60	NORWAY PREPOSITIONING	3,748	3,748	3,748		3,748
		PERSONNEL SUPPORT EQUIPMENT					-
		CORROSION CONTROL					-
		TOTAL, BUDGET ACTIVITY 1:	1,581,330	1,711,730	1,616,330	113,500	1,694,830
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	73,091	73,091	73,091	-	73,091
1106N	70	RECRUIT TRAINING	8,139	8,139	8,139		8,139
1106N	80	OFFICER ACQUISITION	270	270	270		270
1106N	90	BASE SUPPORT	47,092	47,092	47,092		47,092
1106N	95	MAINTENANCE OF REAL PROPERTY	17,590	17,590	17,590		17,590
		BASIC SKILLS AND ADVANCED TRAINING	183,009	183,489	183,009	-	183,009
1106N	100	SPECIALIZED SKILLS TRAINING	26,578	26,578	26,578		26,578
1106N	110	FLIGHT TRAINING	155	155	155		155
1106N	120	PROFESSIONAL DEVELOPMENT EDUCATION	5,929	5,929	5,929		5,929
1106N	130	TRAINING SUPPORT	74,859	74,859	74,859		74,859
1106N	140	BASE SUPPORT	51,086	51,566	51,086		51,086
		MWR PROGRAMS					-
1106N	145	MAINTENANCE OF REAL PROPERTY	24,402	24,402	24,402		24,402

Title III - Operations and Maintenance (Dollars in Thousands)

				House	Senate	Conference	
APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	Authorized	Authorized	Change	Agreement
		RECRUITING AND OTHER TRAINING EDUCATION	95,300	104,500	100,000	9,200	104,500
1106N	150	RECRUITING AND ADVERTISING	65,382	70,082	70,082	4,700	70,082
1106N	160	OFF-DUTY AND VOLUNTARY EDUCATION	10,593	15,093	10,593	4,500	15,093
1106N	170	JUNIOR ROTC	8,562	8,562	8,562		8,562
1106N	180	BASE SUPPORT	8,427	8,427	8,427		8,427
1106N	185	MAINTENANCE OF REAL PROPERTY	2,336	2,336	2,336		2,336
		TOTAL, BUDGET ACTIVITY 3:	351,400	361,080	356,100	9,200	360,600
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SERVICEWIDE SUPPORT	271,047	274,067	271,047	2,900	273,947
1106N	190	LOGISTICS SUPPORT	-	-	-		-
1106N	200	SPECIAL SUPPORT	196,367	196,367	196,367		196,367
1106N	210	SERVICEWIDE TRANSPORTATION	38,479	38,479	38,479		38,479
1106N	220	ADMINISTRATION	25,459	25,459	25,459		25,459
1106N	230	BASE SUPPORT	9,283	12,303	9,283		12,183
		NEW PARENT PROGRAM				2,900	
		MWR PROGRAMS					
1106N	235	MAINTENANCE OF REAL PROPERTY	1,459	1,459	1,459		1,459
		TOTAL, BUDGET ACTIVITY 4:	271,047	274,067	271,047	2,900	273,947
		UNDISTRIBUTED		177,800	28,000	91,630	91,630
		AMMUNITION REWORK PROGRAM					
		REAL PROPERTY MAINTENANCE				90,000	
		NON-LETHAL				3,000	
		ACQUISITION WORKFORCE REDUCTIONS				(1,320)	
		USTRANSCOM EFFICIENCIES				(4,750)	
		FOREIGN CURRENCY FLUCTUATION				(1,000)	
		CLASSIFIED PROGRAMS				5,700	
		TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS	2,203,777	2,524,677	2,271,477	217,230	2,421,007

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		OPERATION AND MAINTENANCE, AIR FORCE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	6,773,763	6,777,923	6,816,663	(47,100)	6,726,663
3400F	10	PRIMARY COMBAT FORCES	2,314,739	2,314,739	2,357,639		2,267,639
		B-52 OPERATIONS				42,900	
		SPARES INVENTORY REDUCTION				(40,000)	
		AIRCRAFT COMPONENT RECLAMATION				(80,000)	
		SR-71				30,000	
3400F	20	PRIMARY COMBAT WEAPONS	394,408	394,408	394,408		394,408
3400F	30	COMBAT ENHANCEMENT FORCES	250,614	250,614	250,614		250,614
3400F	40	AIR OPERATIONS TRAINING	570,948	570,948	570,948		570,948
3400F	50	COMBAT COMMUNICATIONS	867,912	867,912	867,912		867,912
3400F	60	BASE SUPPORT	1,680,275	1,684,435	1,680,275		1,680,275
		MWR PROGRAMS					-
3400F	65	MAINTENANCE OF REAL PROPERTY	694,867	694,867	694,867		694,867
		CAPITOL ASSETS REDUCTION					-
		COMBAT RELATED OPERATIONS	1,409,766	1,409,766	1,409,766	-	1,409,766
3400F	70	GLOBAL C3I AND EARLY WARNING	736,038	736,038	736,038		736,038
3400F	80	NAVIGATION/WEATHER SUPPORT	114,842	114,842	114,842		114,842
3400F	90	OTHER COMBAT OPS SUPPORT PROGRAMS	197,861	197,861	197,861		197,861
3400F	100	JCS EXERCISES	37,973	37,973	37,973		37,973
3400F	110	MANAGEMENT/OPERATIONAL HEADQUARTERS	106,309	106,309	106,309		106,309
3400F	120	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	216,743	216,743	216,743		216,743
		SPACE OPERATIONS	1,202,080	1,202,080	1,202,080	-	1,202,080
3400F	130	LAUNCH FACILITIES	237,508	237,508	237,508		237,508
3400F	140	LAUNCH VEHICLES	106,266	106,266	106,266		106,266

Title III - Operations and Maintenance (Dollars in Thousands)

				House	Senate	Conference	
APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	Authorized	Authorized	Change	Agreement
3400F	150	SPACE CONTROL SYSTEMS	311,304	311,304	311,304		311,304
3400F	160	SATELLITE SYSTEMS	44,301	44,301	44,301		44,301
3400F	170	OTHER SPACE OPERATIONS	101,723	101,723	101,723		101,723
3400F	180	BASE SUPPORT	291,242	291,242	291,242		291,242
3400F	185	MAINT OF REAL PROPERTY	109,736	109,736	109,736		109,736
		TOTAL, BUDGET ACTIVITY 1:	9,385,609	9,389,769	9,428,509	(47,100)	9,338,509
		BUDGET ACTIVITY 2: MOBILIZATION					
		MOBILITY OPERATIONS	2,689,257	2,689,977	2,689,257	-	2,689,257
3400F	190	AIRLIFT OPERATIONS	1,584,175	1,584,175	1,584,175		1,584,175
3400F	200	AIRLIFT OPERATIONS C3I	13,784	13,784	13,784		13,784
3400F	210	MOBILIZATION PREPAREDNESS	138,167	138,167	138,167		138,167
3400F	220	PAYMENTS TO TRANSPORTATION BUSINESS AREA	422,700	422,700	422,700		422,700
3400F	230	BASE SUPPORT	408,945	409,665	408,945		408,945
		MWR PROGRAMS					-
3400F	235	MAINTENANCE OF REAL PROPERTY	121,486	121,486	121,486		121,486
		TOTAL, BUDGET ACTIVITY 2:	2,689,257	2,689,977	2,689,257	-	2,689,257
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	192,430	192,430	192,430	-	192,430
3400F	240	OFFICER ACQUISITION	48,213	48,213	48,213		48,213
3400F	250	RECRUIT TRAINING	4,586	4,586	4,586		4,586
3400F	260	RESERVE OFFICER TRAINING CORPS (ROTC)	42,738	42,738	42,738		42,738
3400F	270	BASE SUPPORT (ACADEMIES ONLY)	56,843	56,843	56,843		56,843
3400F	275	MAINTENANCE OF REAL PROPERTY (ACADEMIES ONLY)	40,050	40,050	40,050		40,050
		BASIC SKILLS AND ADVANCED TRAINING	1,166,728	1,167,608	1,166,728	-	1,166,728
3400F	280	SPECIALIZED SKILL TRAINING	195,098	195,098	195,098		195,098
3400F	290	FLIGHT TRAINING	331,663	331,663	331,663		331,663
3400F	300	PROFESSIONAL DEVELOPMENT EDUCATION	74,060	74,060	74,060		74,060

Title III - Operations and Maintenance (Dollars in Thousands)

				House	Senate	Conference	
APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	Authorized	Authorized	Change	Agreement
3400F	310	TRAINING SUPPORT	59,607	59,607	59,607		59,607
3400F	320	BASE SUPPORT (OTHER TRAINING)	388,965	389,845	388,965		388,965
		MWR PROGRAMS					-
3400F	325	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	117,335	117,335	117,335		117,335
		RECRUITING, AND OTHER TRAINING AND EDUCATION	217,406	226,906	217,406	9,500	226,906
3400F	330	RECRUITING AND ADVERTISING	52,218	52,218	52,218		52,218
3400F	340	EXAMINING	1,954	1,954	1,954		1,954
3400F	350	OFF DUTY AND VOLUNTARY EDUCATION	71,210	80,710	71,210		80,710
		TUITION ASSISTANCE				9,500	
3400F	360	CIVILIAN EDUCATION AND TRAINING	66,791	66,791	66,791		66,791
3400F	370	JUNIOR ROTC	25,233	25,233	25,233		25,233
		TOTAL, BUDGET ACTIVITY 3:	1,576,564	1,586,944	1,576,564	9,500	1,586,064
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		LOGISTICS OPERATIONS	2,454,193	2,404,393	2,454,193	(178,660)	2,275,533
3400F	380	LOGISTICS OPERATIONS	1,042,759	982,959	1,042,759		858,599
		DEPOT MAINTENANCE				20,000	
		DBOF PASSTHROUGH				(194,500)	
		ACQUISITION WORKFORCE REDUCTIONS				(24,960)	
		PEACE KEEPER SPARES				300	
		RMS PROGRAM				15,000	
3400F	390	TECHNICAL SUPPORT ACTIVITIES	371,521	371,521	371,521		371,521
3400F	400	SERVICEWIDE TRANSPORTATION	240,740	240,740	240,740		240,740
3400F	410	BASE SUPPORT	581,182	591,182	581,182		586,682
		TICARRS				5,500	
3400F	415	MAINTENANCE OF REAL PROPERTY	217,991	217,991	217,991		217,991
		SERVICEWIDE ACTIVITIES	1,245,218	1,251,258	1,245,218	2,800	1,248,018
3400F	420	ADMINISTRATION	121,337	121,337	121,337		121,337

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
3400F	430	SERVICEWIDE COMMUNICATIONS	268,687	268,687	268,687		268,687
3400F	440	PERSONNEL PROGRAMS	89,196	89,196	89,196		89,196
3400F	450	RESCUE AND RECOVERY SERVICES	44,413	44,413	44,413		44,413
3400F	460	SUBSISTENCE-IN-KIND	-	-	-		-
3400F	470	ARMS CONTROL	28,814	28,814	28,814	(1,000)	27,814
3400F	480	OTHER SERVICEWIDE ACTIVITIES	482,192	482,192	482,192		482,192
3400F	490	OTHER PERSONNEL SUPPORT	30,873	34,673	30,873		34,673
		NEW PARENT SUPPORT				3,800	
3400F	500	CIVIL AIR PATROL CORPORATION	14,526	14,526	14,526		14,526
3400F	510	BASE SUPPORT	145,053	147,293	145,053		145,053
		MWR PROGRAMS					-
3400F	515	MAINTENANCE OF REAL PROPERTY	20,127	20,127	20,127		20,127
		SECURITY PROGRAMS	550,240	528,040	544,640	(1,200)	549,040
3400F	520	SECURITY PROGRAMS	550,240	528,040	544,640		549,040
		CLASSIFIED PROGRAMS				(1,200)	
		SUPPORT TO OTHER NATIONS	12,374	12,374	12,374	-	12,374
3400F	530	INTERNATIONAL SUPPORT	12,374	12,374	12,374		12,374
		TOTAL, BUDGET ACTIVITY 4:	4,262,025	4,196,065	4,256,425	(177,060)	4,084,965
		UNDISTRIBUTED		120,200	(1,416)	(63,460)	(63,460)
		REAL PROPERTY MAINTENANCE				110,000	
		CIVILIAN PERSONNEL UNDEREXECUTION				(70,000)	
		AWACS EXTEND SENTRY				7,100	
		FUEL TAX CREDIT				(8,500)	
		JSAS					
		RMS PROGRAM					
		GENERAL REDUCTION					
		DEPOT MAINTENANCE					

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		CHEMICAL PROTECTIVE EQUIPMENT				3,000	
		ACQUISITION WORKFORCE REDUCTIONS				(5,160)	
		PRINTING EFFICIENCIES				(3,000)	
		UNOBLIGATED BALANCES					
		FOREIGN CURRENCY FLUCTUATION				(30,000)	
		UNOBLIGATED BALANCES				(46,000)	
		USTRANSCOM EFFICIENCIES				(20,900)	
		TOTAL, OPERATION AND MAINTENANCE, AIR FORCE	17,913,455	17,982,955	17,949,339	(278,120)	17,635,335
		OPERATION AND MAINTENANCE, DEFENSE-WIDE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
0100D	10	JOINT CHIEFS OF STAFF	464,199	564,199	464,199		524,199
		MOBILITY ENHANCEMENTS				60,000	
0100D	20	SPECIAL OPERATIONS COMMAND	962,319	984,619	984,619	15,300	984,619
		SOCOM MLA MISSION				7,000	
		OPERATIONS					-
		TOTAL, BUDGET ACTIVITY 1:	1,426,518	1,548,818	1,448,818	82,300	1,508,818
		BUDGET ACTIVITY 2: MOBILIZATION					
0100D	30	DEFENSE LOGISTICS AGENCY	21,942	21,942	21,942		21,942
		TOTAL, BUDGET ACTIVITY 2:	21,942	21,942	21,942	-	21,942
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
0100D	50	DEFENSE ACQUISITION UNIVERSITY	100,417	100,417	100,417		100,417
0100D	55	OSD (DBMU)	-	-	-		-
0100D	60	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	-	-	-		-
0100D	65	SPECIAL OPERATIONS COMMAND	35,500	35,500	35,500		35,500
		TOTAL, BUDGET ACTIVITY 3:	135,917	135,917	135,917	-	135,917

Title III - Operations and Maintenance (Dollars in Thousands)

				House	Senate	Conference	
APPROP	**ID**	**ACCOUNT/BA/AG/SAG**	**FY 1997**	**Authorized**	**Authorized**	**Change**	**Agreement**
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
0100D	70	AMERICAN FORCES INFORMATION SERVICE	100,558	100,558	100,558		100,558
0100D	80	CORPORATE INFORMATION MANAGEMENT	46,367	46,367	46,367		46,367
0100D	90	CLASSIFIED AND INTELLIGENCE	3,384,576	3,384,576	3,333,876	(5,400)	3,379,176
0100D	100	DEFENSE CIVILIAN PERSONNEL MANAGEMENT SERVICE	49,302	49,302	49,302		49,302
0100D	110	DEFENSE CONTRACT AUDIT AGENCY	335,486	327,486	335,486		330,686
		ACQUISITION WORKFORCE REDUCTIONS				(4,800)	
0100D	120	DEFENSE INVESTIGATIVE SERVICE	193,232	193,232	193,232		193,232
0100D	130	DEFENSE LOGISTICS AGENCY	1,181,738	1,090,738	1,074,438		1,090,838
0100D		RM&S-DBOF				(90,000)	
0100D		CIVILIAN PERSONNEL UNDEREXECUTION					
0100D		HOMELESS INITIATIVE				(3,500)	
		PROCUREMENT TECHNICAL ASSISTANCE PROGRAM				12,000	
		GENERAL PURPOSE TENT REPAIR				5,000	
		ACQUISITION WORKFORCE REDUCTIONS				(14,400)	
0100D	140	DEFENSE LEGAL SERVICES AGENCY	7,297	7,297	7,297		7,297
0100D	150	DEFENSE MAPPING AGENCY	741,157	741,157	741,157		741,157
0100D	160	DEFENSE NUCLEAR AGENCY	85,083	85,083	88,083	3,000	88,083
0100D	170	DEFENSE POW/MIA OFFICE	12,694	12,694	12,694		12,694
0100D	180	FEDERAL ENERGY MANAGEMENT PROGRAM	116,853	116,853	20,000	(96,853)	20,000
0100D	190	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,322,254	1,322,254	1,322,254		1,322,254
0100D	200	DEFENSE SUPPORT ACTIVITIES	125,269	125,269	125,269		125,269
0100D	210	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	10,504	10,504	10,504		10,504
0100D	220	JOINT CHIEFS OF STAFF	121,295	121,295	121,295		121,295
0100D	230	OFFICE OF ECONOMIC ADJUSTMENT	39,330	39,330	39,330		39,330
0100D	240	OFFICE OF THE SECRETARY OF DEFENSE	339,558	339,558	319,185	(20,373)	319,185
0100D	245	OFFICE OF THE SECRETARY OF DEFENSE (NO YEAR)	-	-	-		-
0100D	250	ON SITE INSPECTION AGENCY	109,030	109,030	109,030	(14,000)	95,030
0100D	255	SPECIAL OPERATIONS COMMAND	55,200	55,200	55,200		55,200

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0100D	260	WASHINGTON HEADQUARTERS SERVICES	195,308	245,308	195,308		195,308
		DEFENSE INFORMATION SYSTEMS AGENCY					-
		TOTAL, BUDGET ACTIVITY 4:	8,572,091	8,523,091	8,299,865	(229,326)	8,342,765
		UNDISTRIBUTED		145,600	(125,600)	(96,480)	(96,480)
		DFAS				9,000	
		CIVILIAN PERSONNEL UNDEREXECUTION				(33,900)	
		EDUCATIONAL IMPACT AID				35,000	
		COMPUTOR EMENRGENCY RESPONSE TEAM				2,000	
		FOREIGN CURRENCY FLUCTUATION				(8,000)	
		ACQUISTION WORKFORCE REDUCTIONS				(2,580)	
		USTRANSCOM EFFICIENCIES				(13,000)	
		TRAVEL REDUCTION			(85,000)	(85,000)	
		TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE	10,156,468	10,375,368	9,780,942	(243,506)	9,912,962
		OPERATION AND MAINTENANCE, ARMY RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		MISSION OPERATIONS	970,519	1,041,519	980,519	52,000	1,022,519
2080A	10	BASE SUPPORT	258,273	258,273	258,273		258,273
2080A	15	MAINTENANCE OF REAL PROPERTY	50,913	70,913	60,913	20,000	70,913
2080A	20	DEPOT MAINTENANCE	45,853	45,853	45,853		45,853
2080A	30	RECRUITING AND RETENTION	36,998	47,998	36,998	5,000	41,998
2080A	40	TRAINING OPERATIONS	578,482	618,482	578,482		605,482
		GROUND FORCES OPTEMPO				20,000	
		NEW EQUIPMENT TRAINING				7,000	
		TOTAL, BUDGET ACTIVITY 1:	970,519	1,041,519	980,519	52,000	1,022,519
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	113,917	113,917	113,917	-	113,917
2080A	50	INFORMATION MANAGEMENT	20,772	20,772	20,772		20,772
2080A	60	PUBLIC AFFAIRS	467	467	467		467
2080A	70	PERSONNEL ADMINISTRATION	63,521	63,521	63,521		63,521
2080A	80	STAFF MANAGEMENT	29,157	29,157	29,157		29,157
		TOTAL, BUDGET ACTIVITY 4:	113,917	113,917	113,917	-	113,917
		QOL ENHANCMENT					
		CIVILIAN MANPOWER SHORTFALL					
		REAL PROPERTY MAINTENANCE BACKLOG					
		TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE	1,084,436	1,155,436	1,094,436	52,000	1,136,436
		OPERATION AND MAINTENANCE, NAVY RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		RESERVE AIR OPERATIONS	509,858	514,858	516,958	5,000	514,858
1806N	10	MISSION AND OTHER FLIGHT OPERATIONS	275,838	275,838	282,938		275,838
		P-3 SQUARDONS					-
1806N	20	FLEET AIR TRAINING	1,299	1,299	1,299		1,299
1806N	30	INTERMEDIATE MAINTENANCE	17,499	17,499	17,499		17,499
1806N	40	AIR OPERATION AND SAFETY SUPPORT	2,048	2,048	2,048		2,048
1806N	50	AIRCRAFT DEPOT MAINTENANCE	70,560	70,560	70,560		70,560
1806N	60	AIRCRAFT DEPOT OPS SUPPORT	341	341	341		341
1806N	70	BASE SUPPORT	117,353	117,353	117,353		117,353
1806N	75	MAINTENANCE OF REAL PROPERTY	24,920	29,920	24,920	5,000	29,920
		RESERVE SHIP OPERATIONS	158,167	158,167	158,167	-	158,167
1806N	80	MISSION AND OTHER SHIP OPERATIONS	61,784	61,784	61,784		61,784
1806N	90	SHIP OPERATIONAL SUPPORT AND TRAINING	642	642	642		642

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1806N	100	INTERMEDIATE MAINTENANCE	9,961	9,961	9,961		9,961
1806N	110	SHIP DEPOT MAINTENANCE	83,969	83,969	83,969		83,969
1806N	120	SHIP DEPOT OPERATIONS SUPPORT	1,811	1,811	1,811		1,811
		RESERVE COMBAT OPERATIONS SUPPORT	78,634	83,634	78,634	5,000	83,634
1806N	130	COMBAT COMMUNICATIONS	-	-	-		-
1806N	140	COMBAT SUPPORT FORCES	27,905	27,905	27,905		27,905
1806N	150	BASE SUPPORT	41,769	41,769	41,769		41,769
1806N	155	MAINTENANCE OF REAL PROPERTY	8,960	13,960	8,960	5,000	13,960
		RESERVE WEAPONS SUPPORT					
1806N	160	WEAPONS MAINTENANCE	6,121	6,121	6,121		6,121
		TOTAL, BUDGET ACTIVITY 1:	752,780	762,780	759,880	10,000	762,780
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	91,147	96,147	91,147	5,000	96,147
1806N	170	ADMINISTRATION	6,153	6,153	6,153		6,153
1806N	180	CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT	2,764	2,764	2,764		2,764
1806N	190	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	28,349	28,349	28,349		28,349
1806N	200	OTHER PERSONNEL SUPPORT	-	-	-		-
1806N	210	SERVICEWIDE COMMUNICATIONS	19,427	19,427	19,427		19,427
1806N	220	BASE SUPPORT	26,488	26,488	26,488		26,488
1806N	225	MAINTENANCE OF REAL PROPERTY	4,906	9,906	4,906	5,000	9,906
1806N	230	COMBAT/WEAPONS SYSTEMS	2,555	2,555	2,555		2,555
1806N	240	GENERAL DEFENSE INTELLIGENCE PROGRAM	505	505	505		505
		BASE OPERATING SUPPORT					-
		TOTAL, BUDGET ACTIVITY 4:	91,147	96,147	91,147	5,000	96,147
		TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE	843,927	858,927	851,027	15,000	858,927

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		OPERATION AND MAINTENANCE, MARINE CORPS RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		MISSION FORCES	63,728	69,528	74,428	12,200	75,928
1107N	10	TRAINING	13,611	13,611	13,611		13,611
1107N	20	OPERATING FORCES	27,569	32,369	38,269		38,269
		PERSONNEL SUPPORT EQUIPMENT/INITIAL ISSUE				10,700	
1107N	30	BASE SUPPORT	14,628	14,628	14,628		14,628
1107N	35	MAINTENANCE OF REAL PROPERTY	4,967	5,967	4,967	1,500	6,467
1107N	40	DEPOT MAINTENANCE	2,953	2,953	2,953		2,953
		TOTAL, BUDGET ACTIVITY 1:	63,728	69,528	74,428	12,200	75,928
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	35,939	36,939	35,939	1,500	37,439
1107N	50	RECRUITING AND ADVERTISING	7,538	7,538	7,538		7,538
1107N	60	SPECIAL SUPPORT	10,477	10,477	10,477		10,477
1107N	70	SERVICEWIDE TRANSPORTATION	4,507	4,507	4,507		4,507
1107N	80	ADMINISTRATION	6,151	6,151	6,151		6,151
1107N	90	BASE SUPPORT	7,266	7,266	7,266		7,266
1107N	100	MAINTENANCE OF REAL PROPERTY		1,000		1,500	1,500
		TOTAL, BUDGET ACTIVITY 4:	35,939	36,939	35,939	1,500	37,439
		QOL ENHANCEMENT					
		TOTAL, O&M, MARINE CORPS RESERVE	99,667	106,467	110,367	13,700	113,367
		OPERATION AND MAINTENANCE, AIR FORCE RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	1,412,272	1,428,272	1,417,272	11,000	1,423,272

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
3740F	10	AIRÇRAFT OPERATIONS	1,102,739	1,102,739	1,102,739		1,102,739
3740F	20	MISSION SUPPORT OPERATIONS	38,645	38,645	38,645		38,645
3740F	30	BASE SUPPORT	222,851	222,851	222,851		222,851
3740F	35	MAINTENANCE OF REAL PROPERTY	48,037	64,037	53,037	11,000	59,037
3740F	37	DEPOT MAINTENANCE	-	-	-		-
		TOTAL, BUDGET ACTIVITY 1:	1,412,272	1,428,272	1,417,272	11,000	1,423,272
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	76,281	76,281	76,281	-	76,281
3740F	40	ADMINISTRATION	42,799	42,799	42,799		42,799
3740F	50	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	19,386	19,386	19,386		19,386
3740F	60	RECRUITING AND ADVERTISING	7,714	7,714	7,714		7,714
3740F	70	OTHER PERSONNEL SUPPORT	6,047	6,047	6,047		6,047
3740F	80	AUDIOVISUAL	335	335	335		335
		TOTAL, BUDGET ACTIVITY 4:	76,281	76,281	76,281	-	76,281
		TOTAL, OPERATION AND MAINTENANCE, AIR FORCE RESERVE	1,488,553	1,504,553	1,493,553	11,000	1,499,553
		OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		MISSION OPERATIONS	2,055,571	2,144,571	2,065,571	69,000	2,124,571
2065A	10	TRAINING OPERATIONS	1,736,633	1,786,633	1,736,633		1,776,633
		OPTEMPO				40,000	
2065A	20	RECRUITING AND RETENTION	20,214	20,214	20,214		20,214
2065A	30	MEDICAL SUPPORT	18,514	18,514	18,514		18,514
2065A	40	DEPOT MAINTENANCE	36,099	46,099	36,099		36,099
2065A	50	BASE SUPPORT	196,070	196,070	196,070		196,070
2065A	55	MAINTENANCE OF REAL PROPERTY	48,041	77,041	58,041	29,000	77,041
		TOTAL, BUDGET ACTIVITY 1:	2,055,571	2,144,571	2,065,571	69,000	2,124,571

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	152,906	152,906	152,906	-	152,906
2065A	60	INFORMATION MANAGEMENT	42,461	42,461	42,461		42,461
2065A	70	PUBLIC AFFAIRS	1,463	1,463	1,463		1,463
2065A	80	PERSONNEL ADMINISTRATION	60,730	60,730	60,730		60,730
2065A	90	STAFF MANAGEMENT	48,252	48,252	48,252		48,252
		TOTAL, BUDGET ACTIVITY 4:	152,906	152,906	152,906	-	152,906
		TOTAL, OPERATION AND MAINTENANCE, ARMY NAT. GUARD	2,208,477	2,297,477	2,218,477	69,000	2,277,477
		OPERATION AND MAINTENANCE, AIR NATIONAL GUARD					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	2,646,533	2,679,933	2,684,533	50,000	2,696,533
3840F	10	AIRCRAFT OPERATIONS	1,935,403	1,950,803	1,973,403		1,973,403
		ANG PAA STRUCTURE				38,000	
3840F	20	MISSION SUPPORT OPERATIONS	325,996	325,996	325,996		325,996
3840F	30	BASE SUPPORT	285,396	285,396	285,396		285,396
3840F	35	MAINTENANCE OF REAL PROPERTY	80,255	98,255	80,255	12,000	92,255
3840F	40	DEPOT MAINTENANCE	19,483	19,483	19,483		19,483
		TOTAL, BUDGET ACTIVITY 1:	2,646,533	2,679,933	2,684,533	50,000	2,696,533
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SERVICEWIDE ACTIVITIES	7,940	7,940	7,940	-	7,940
3840F	50	ADMINISTRATION	3,076	3,076	3,076		3,076
3840F	60	RECRUITING AND ADVERTISING	4,864	4,864	4,864		4,864
		TOTAL, BUDGET ACTIVITY 4:	7,940	7,940	7,940	-	7,940
		UNDISTRIBUTED	-	600	6,700	6,700	6700

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		QOL ENHANCEMENTS					
		CLASSIFIED PROGRAM	-	600			
		C-130 OPERATIONS	-			6,700	
		TOTAL, OPERATION AND MAINTENANCE, AIR NAT. GUARD	2,654,473	2,688,473	2,699,173	56,700	2,711,173
		MISCELLANEOUS	11,895,770	12,363,770	12,193,026	756,800	12,652,570
0107D	10	INSPECTOR GENERAL	136,501	136,501	136,501		136,501
1705A	10	RIFLE PRACTICE, ARMY	-	-	-		-
0104D	10	COURT OF MILITARY APPEALS	6,797	6,797	6,797		6,797
0116D	10	SUMMER OLYMPICS	-	-	-		-
0832D	10	SPECIAL OLYMPICS	-	-	-		-
		ENVIRONMENTAL RESTORATION, DEFENSE		1,333,016			-
0810A	10	ENVIRONMENTAL RESTORATION, ARMY	356,916	-	356,916		356,916
0810N	10	ENVIRONMENTAL RESTORATION, NAVY	302,900	-	302,900		302,900
0810F	10	ENVIRONMENTAL RESTORATION, AIR FORCE	414,700	-	414,700		414,700
0810D	10	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	258,500	-	258,500		258,500
		ENVIRONMENTAL RESTORATION, FORMER USED SITES					-
0819D	10	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS	80,544	60,544	49,000	(26,000)	54,544
0105D	10	DRUG INTERDICTION	642,724	682,724	793,824	153,800	796,524
1236N	10	PAYMENT TO KAHO'OLAWE ISLAND	10,000	10,000	-		10,000
0829D	10	WORLD CUP	-	-	-		-
0130D	10	DEFENSE HEALTH PROGRAM	9,358,288	9,831,288	9,375,988	475,000	9,833,288
		GULF WAR SYNDROME					-
0134D	10	FORMER SOVIET UNION THREAT REDUCTION	327,900	302,900	327,900	37,000	364,900
		DOMESTIC EMERGENCY ASSISTANCE PROGRAMS	-	-	150,000	97,000	97,000
		VIETNAMESE COMMANDOS (OPLAN 34A-35 POW PAYMENTS)			20,000	20,000	20,000

Military Personnel Operation and Maintenance Funding

INCREASED FUNDING FOR OFF-DUTY EDUCATION

The conferees agreed to increases of $4.5 million in off-duty education funds for the U.S. Marine Corps and $9.5 million in tuition assistance for the U.S. Air Force.

INCREASED FUNDING FOR RECRUITING

The conferees agreed to increase funding for recruiting and advertising above the amount requested in the President's budget by $4.7 million for the U.S. Marine Corps and by $5.0 million for the U.S. Army Reserve.

NEW PARENT SUPPORT PROGRAM

The conferees agreed to fund the New Parent Support Program at $20 million, and direct that it be allocated as follows: Army, $7.8 million; Navy, $5.5 million; Marine Corps, $2.9 million; Air Force, $3.8 million.

Active and reserve component P–3 squadrons

The budget request included funding to sustain a maritime patrol aircraft (MPA) force structure of 12 active and 8 reserve P–3 squadrons (12/8), a reduction of one active and one reserve squadron from the fiscal year 1996 force structure.

The Senate amendment would authorize an increase of $45.3 million to sustain the MPA force structure at 13 active and 9 reserve squadrons (13/9) in fiscal year 1997. The Senate report (S. Rept. 104–267) noted that the operational demands placed on MPA by the unified commanders have been very heavy in recent years because the P–3 has a multimission capability that is well-suited to littoral warfare operations. Despite an intense operating tempo, budget pressures have forced the Navy to cut P–3 force structure in its current budget request.

The House bill would authorize the requested amount.

The conferees agree to an increase of $23.6 million above the budget request to avoid the reductions in P–3 force structure that would be dictated by the budget request. Of this total, $10.6 million would be for squadron operations and $13.0 million would be for personnel.

Defense Health Program

The conferees agreed to increase the Defense Health Program account within the Operation and Maintenance account by $475.0 million to resolve a shortfall in the budget request.

National defense features

The budget request contained no funding in the National Defense Sealift Fund (NDSF) for a national defense features (NDF) program.

The Senate amendment would authorize $50.0 million for the NDF program, using funds made available from repeal of section 132 of the National Defense Authorization Act for Fiscal Year 1996.

The House bill would authorize the requested amount for NDF.

The Senate recedes.

The conferees direct the Secretary of Defense to establish a separate line item in the NDSF budget request for the NDF program. The conferees view the NDF program as a matter of special interest and direct that the Secretary not transfer any funds out of the NDF line item without approval of the congressional defense committees.

Maritime training ship

The budget request for the National Defense Sealift Fund (NDSF) contained no funding for the repair and refurbishment of the United States Naval Ship (U.S.N.S.) Tanner prior to its redesignation as a maritime training ship.

The Senate amendment would authorize an increase of $5.0 million in the NDSF to complete necessary repair and refurbishment of U.S.N.S. Tanner prior to its redesignation as a maritime training ship.

The House bill would authorize the requested amount.

The House recedes.

ITEMS OF SPECIAL INTEREST

Air Force automated maintenance data systems

The conferees are aware that the Air Force is moving toward a new standard maintenance data-system—the Integrated Maintenance Data System (IMDS). The conferees also understand that one of the first information systems to be integrated into IMDS, scheduled during the second quarter of fiscal year 1997, will be TICARRS. While the House bill provided $10.0 million for TICARRS, the Air Force indicates that only $5.5 million is required to operate TICARRS through the second quarter of fiscal year 1997. Therefore, the conferees agree to provide $5.5 million for this purpose. Should schedule or technical uncertainties delay the implementation of IMDS, the conferees expect the Air Force to provide sufficient funding to operate the legacy data maintenance systems, CAMS/REMIS and TICARRS, through fiscal year 1997.

Center for Military History

The conferees are aware that the Army is reducing the number of civilian personnel in its employ. The Congress has been informed that any reduction of civilians at the Center for Military History (CMH) would be commensurate with other reductions within the Department of the Army. The conferees are encouraged by this plan and direct the Secretary to ensure that any reduction at CMH be proportional to reductions made at other Army activities.

Consolidation of integration of the military exchange systems

The conferees are aware that the Department of Defense has established a task force to examine how to achieve an integrated military exchange system. The conferees recognize the imperative to generate efficiencies and improve the delivery of the exchange benefit. While a consolidated or integrated exchange system may be an option for achieving these goals, the conferees direct that no action be taken to consolidate or integrate the military exchange systems without approval of the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

Second destination transportation

The congressional defense committees have authorized expenditures of appropriated funds for second destination transportation charges for the military exchanges since the end of World War II. These funds are utilized to assist the military exchanges in shipping items manufactured in the United States to service members and their families stationed in overseas locations, thereby assuring retail prices for those stationed overseas as close as possible to stateside prices.

The conferees remind the Department that second destination transportation expenditures are not discretionary. The conferees direct the Department of Defense and the Department of the Army, acting as executive agent of second destination transportation, to fully fund the actual expenditures necessary to fully second destination transportation charges.

The conferees note that the Department of Defense has not implemented section 334 of the National Defense Authorization Act for Fiscal Year 1996 which directed the Secretary to authorize the exchange systems and the Defense Commissary Agency to negotiate directly with private carriers to achieve the most cost effective rates for the transportation of goods overseas. The current policies, procedures and methods of planning and budgeting for second destination transportation costs are ineffective and lead to under funding within the account. The conferees direct the Secretary of Defense to immediately implement the provisions of section 334 of the National Defense Authorization Act for Fiscal Year 1996.

Defense Commissary Agency designation as a performance based organization

The committee report to accompany S. 1745 (S. Rept. 104–267) and the committee report to accompany H. 3230 (H. Rept. 104–563) included comments concerning the nomination by the Department of Defense to convert the defense Commissary Agency (DeCA) to a Performance Based Organization. These reports note that the committees strongly support the commissary benefit and supports actions necessary to ensure the benefit is maintained.

The conferees concur in maintaining the commissary benefit for our service members and their families. The conferees are aware that the Department is studying whether the leadership of DeCA should be uniformed or civilian in a Performance Based Organization. The conferees believe that the military services should maintain the same level of key leadership within DeCA as that in effect on January 1, 1996. It is imperative that the commissionary benefit not be degraded and any transition plan must include safeguards to ensure that trade-offs and management initiatives of a performance-based organization serve the beneficiary population not the organization or industry.

LEGISLATIVE PROVISIONS

Subtitle A—Authorization of Appropriations

LEGISLATIVE PROVISIONS ADOPTED

Armed Forces Retirement Home (sec. 303)

The House bill contained a provision (sec. 303) that would authorize $57.3 million from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Forces Retirement Home.

The Senate amendment contained a similar provision (sec. 586) that would authorize $57.345 million from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Forces Retirement Home.

The Senate recedes.

Transfer from National Defense Stockpile Transaction Fund (sec. 304)

The House bill contained a provision (sec. 304) that would authorize the Secretary of Defense to transfer $250 million from the National Defense Stockpile Transaction Fund to the operation and maintenance accounts of the military services.

The Senate bill contained a similar provision (sec. 304) that would authorize the transfer of $150 million.

The House recedes.

Civil Air Patrol Corporation (sec. 305)

The Senate amendment contained a provision (sec. 305) that would permit the Department of Defense to provide the Civil Air Patrol Corporation with $14.5 million. The provision required that 25 percent of these funds be used for the Civil Air Patrol's principal mission of search and rescue.

The House bill contained no similar provision.

The House recedes with an amendment that would require that $14.5 million in operation and maintenance funds be made available to the Civil Air Patrol Corporation and that 25 percent of these funds be used to support search and rescue and disaster relief operations.

Availability of additional funds for Antiterrorism activities (sec. 306)

The conferees agree to a provision authorizing an additional $14.0 million for use by the Secretary of Defense to fund emergency anti-terrorist activities of the Department of Defense. These funds are in addition to funds otherwise authorize to be appropriated in this Act for anti-terrorism, and are to be available for the Secretary of Defense to respond quickly to emergency anti-terrorism requirements that are identified by commanders of the unified combatant commands or commanders of joint task forces in response to a change in terrorist threat level.

The conferees urge the Secretary of Defense to propose an emergency anti-terrorism program as part of the fiscal year 1998 budget submission.

SR–71 (sec. 308)

The House bill contained a provision (sec. 1040) that would prohibit the Secretary of Defense from carrying out any aerial reconnaissance program using the SR–71 aircraft.

The Senate amendment contained a provision (sec. 306) that would provide $30.0 million in operations and maintenance funding for the SR–71 contingency reconnaissance force.

The House recedes.

Subtitle B—Depot-Level Activities

LEGISLATIVE PROVISIONS ADOPTED

Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services (sec. 311)

The House bill contained a provision (sec. 311) that would extend the authority for aviation depots and shipyards of the Department of Defense to engage in defense related production and services.

The Senate amendment contained a similar provision (sec. 328).

The Senate recedes.

Test programs for modernization through spares (sec. 312)

The Senate amendment contained a provision (sec. 812) that would require the Secretary of the Army to report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the steps that have been taken to ensure that the Army's modernization-through-spares program is conducted in accordance with applicable federal laws.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Environmental Provisions

LEGISLATIVE PROVISIONS ADOPTED

Defense contractors covered by requirement for reports on contractor reimbursement costs for response actions (sec. 321)

The House bill contained a provision (sec. 321) that would repeal subsection (c) of section 2706 of title 10, United States Code, which requires the Department of Defense to submit an annual report to Congress that describes the reimbursement of environmental response action costs and the amount and status of pending requests for reimbursement for the top 100 defense contractors.

The Senate amendment contained a provision (sec. 342) that would establish a reporting requirement that would limit data collection to the top 20 defense contractors.

The House recedes.

Establishment of separate environmental restoration accounts for each military department (sec. 322)

The Senate amendment contained a provision (sec. 341) that would devolve the Defense Environmental Restoration Account (DERA), from a single transfer account administered by the Department of Defense, to four separate accounts administered by the individual military departments.

The House bill contained no similar provision.

The House recedes.

Payments of stipulated penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act (sec. 323)

The House bill contained a provision (sec. 322) that would authorize the payment from the Defense Environmental Restoration Account (DERA) of stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (Public Law 96–510) at five military installations—Fort Riley, Kansas ($34,000), the Massachusetts Military Reservation ($55,000), F.E. Warren Air Force Base, Wyoming ($10,000), the Naval Education and Training Center, Newport, Rhode Island ($30,000), and the Lake City Army Ammunition Plant, Missouri ($37,500). The provision would also allow the Department of Defense (DOD) to complete a supplemental environmental project (SEP) ($500,000) in lieu of stipulated penalties at the Massachusetts Military Reservation.

The Senate amendment contained a similar provision (sec. 344).

The Senate recedes with a technical amendment.

Shipboard solid waste control (sec. 324)

The House bill contained a provision (sec. 324) that would adopt the administration's legislative proposal to amend section 1902(c) of the Act to Prevent Pollution from Ships (APPS) (33 U.S.C. 1901, et seq.) to allow for the use of pulpers and shredders for the disposal of non-plastic and non-floating solid waste within "special areas" (the Baltic Sea, the North Sea, the Mediterranean Sea, the Red Sea, the Persian Gulf, and the Antarctic Ocean), consistent with Annex V of the International Convention for the Prevention of Pollution on Ships (MARPOL).

The Senate amendment contained a similar provision (sec. 348).

The House recedes.

Authority to develop and implement land use plans for Defense Environmental Restoration Program (sec. 325)

The House bill contained a provision (sec. 325) that would permit the Secretary of Defense to conduct a limited pilot program to develop and implement, as a part of the Defense Environmental Restoration Program, a land use plan for up to ten defense sites where the Secretary is planning or implementing environmental restoration activities. In developing these plans, the Secretary would be required to consult with technical review committees, restoration advisory boards, local land use redevelopment authorities or other appropriate agencies knowledgeable about the site and land use planning. The House provision would require the submission of a report to Congress by December 31, 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require an annual report consistent with section 2706(a) of title 10, United States Code. The conferees expect that cleanup activities conducted at contaminated sites will be consistent with the anticipated future land use.

Pilot program to test alternative technology for limiting air emissions during shipyard blasting and coating operations (sec. 326)

The House bill contained a provision (sec. 326) that would direct the Secretary of the Navy to establish a pilot program to test alternative technology designed to capture, destroy or remove particulate emissions and volatile air pollutants that occur during abrasive blasting and coating operations at naval shipyards. The Secretary would be required to test the validity of the technology, assess its cost effectiveness, and determine the extent to which it would facilitate compliance with environmental strictures. The Secretary would then report to Congress and provide a recommendation regarding large scale implementation of the technology at naval shipyards.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of the Navy to determine the potential benefit of the technology prior to initiation of the pilot program.

Agreements for services of other agencies in support of environmental technology certifications (sec. 327)

The House bill contained a provision (sec. 328) that would provide the Department of Defense with the authority to enter into cooperative agreements with agencies of a State or local government to obtain assistance in the demonstration, validation, and regulatory certification of environmental technology.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the authority to enter into cooperative agreements for technology certification. As a prerequisite to entering into such cooperative agreements, the amendment would require the Secretary of Defense to determine that the technology in question has the potential to benefit the Department significantly and that there is no private market reasonably available to facilitate regulatory certification. The amendment also would expand the annual reporting requirement under section 2706(a) of title 10, United States Code, to ensure accountability for the use of these cooperative agreements.

The conferees agree that the purpose of this provision is to expand the current practice of site specific environmental technology certification and to facilitate broader regulatory acceptance. The conferees expect that the use of cooperative agreements will promote flexibility, cost effectiveness, and efficiency in achieving regulatory acceptance and application of new technologies that will help the Department meet environmental requirements.

The continuation of this new authority will be contingent upon the degree to which regulatory acceptance is effectively expanded. The conferees will carefully review the Department's annual report to determine the effectiveness of the cooperative agreement authority.

Repeal of redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws (sec. 328)

The Senate amendment contained a provision (sec. 343) that would repeal section 334 of the National Defense Authorization Act for Fiscal Years 1992 and 1993. Section 334 triggers redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws.

The House bill contained no similar provision.

The House recedes.

Authority for agreements with Indian tribes for services under the environmental restoration program (sec. 329)

The Senate amendment contained a provision (sec. 352) that would modify section 2701 of title 10, United States Code, specifically to authorize the Secretary of Defense to enter into agreements to obtain the reimbursable services of any Indian tribe that assists the Secretary in carrying out Department of Defense environmental restoration activities. Section 2701 currently authorizes the Secretary to enter into such agreements with any other Federal, State or local government agency. The provision would make it clear that an Indian tribe may be a party to such an agreement.

The House bill contained no similar provision.

The House recedes.

Authority to withhold listing of Federal facilities on the National Priorities List (sec. 330)

The Senate amendment contained a provision (sec. 345) that would amend section 120(d) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980 (42 U.S.C. 9620(d)) by providing the Environmental Protection Agency with the discretion to withhold National Priorities List designation of a Federal facility cleanup action if the site is already subject to an approved Federal or State cleanup plan.

The House bill contained no similar provision.

The House recedes.

Clarification of meaning of uncontaminated property for purposes of transfer by the United States (sec. 331)

The Senate amendment contained a provision (sec. 347) that would amend section 120(h)(4)(A) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980 (42 U.S.C. 9620(h)) to expand the scope of clean parcel determinations.

The House bill contained no similar provision.

The House recedes.

The conferees have concluded that the Senate amendment would facilitate the expeditious transfer of clean parcels on closing installations, facilitating economic reuse. The provision is consistent with the administration's legislative proposal.

Conservation and cultural activities (sec. 332)

The House bill contained a provision (sec. 323) that would authorize the Secretary of Defense to establish and execute a "Conservation and Readiness Program." The provision would allow for the use of cooperative agreements and grants to facilitate the participation of public and private agencies, organizations, institutions, individuals, or other entities. The purpose of the program would be to conduct and manage coordinated conservation and cultural activities that have regional or Department of Defense-side significance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the Secretary of Defense to establish and carry out a program to address cultural and natural resource issues that have regional or Department of Defense-wide significance and that involve more than one military department. The amendment would eliminate the Secretary's authority to award grants and would establish criteria for determining which conservation and cultural activities would be eligible for the program.

The conferees recognize that there are many conservation and cultural activities that are necessary to support joint military requirements. For example, assessing bird migratory patterns so that operational flights may avoid high bird volume transit areas at certain times of the year enhances the safety of flight operations for all the services, and it would not make sense for each service to perform its own separate study of such migratory patterns. The military departments have an ongoing obligation to ensure that there is adequate funding to respond to the conservation and cultural issues that arise at military installations. Accordingly, the Department of Defense has developed a definitive annual planning, programming, and budgeting strategy for the preservation of cultural and natural resources. The instant program recognizes that development.

The conferees believe that it is also necessary to have a Defense-wide program for cultural and natural resource management. However, there should be specific criteria for determining program eligibility in order to avoid some of the abuses that have existed under the Legacy Program. Such a program will allow the Department of Defense to conduct regionally significant, multi-component, operationally or legally compelled natural and cultural activities in a coordinated, uniform, and efficient manner. Any funds appropriated for the Legacy Program shall be subject to the criteria set forth in this provision.

Navy program to monitor ecological effects of organotin (sec. 333)

The House bill contained a provision (sec. 327) that would require the Secretary of the Navy, in consultation with the Environmental Protection Agency (EPA), to develop and implement a program to monitor the concentrations of organotin in the water column, sediments, and aquatic organisms of representative estuaries and near-coastal waters of the United States, as described in Organotin Antifouling Paint Control Act of 1988 (OAPCA) (Public Law 100-333). The program would be designed to produce high quality data to enable the EPA to develop water quality criteria concerning organotin compounds. In addition, the Secretary of the Navy would be required to submit to Congress, no later than June 1, 1997, a report explaining the monitoring program and describing the results of the analysis performed pursuant to that program.

The Organotin Antifouling Paint Control Act of 1988 (OAPCA) (Public Law 100-333) was enacted by Congress to protect marine life by reducing the quantities of organotin, a highly toxic ingredient in antifouling paints used on vessels that navigate the waters of the United States. Despite the fact that the Act imposed a March 30, 1989 deadline on the Environmental Protection Agency (EPA) for the certification of organotin release rates and water quality criteria, such criteria have yet to be established. As a result, there are no uniform national water quality standards for organotin. The OAPCA also directed the EPA to implement a 10 year organotin monitoring program and to submit annual reports to Congress. Only one report has been submitted.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the application of the provision. The EPA would be obligated to agree to provide the Navy with advance funding. The requirement for Navy monitoring would terminate after five years. The Navy would also submit to Congress a report describing the results of its monitoring activities.

Although the conferees agree that the Navy should not be required to perform the entire organotin monitoring function it does, however, appear evident that the EPA is incapable of meeting its statutory mandate. The conferees agree that this is a unique situation and does not set a precedent for assigning environmental monitoring activities to the Navy in the future. Finally, the conferees expect that, with the implementation of the Navy monitoring activities, the EPA will make progress toward completion of its remaining responsibilities and develop water quality standards for organotin.

Authority to transfer contaminated Federal property before completion of required response actions (sec. 334)

The Senate amendment contained a provision (sec. 346) that would amend section 120(h)(3)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980 (42 U.S.C. 9620) to authorize the United States to transfer contaminated federal property before an approved remedial design is in place. The Senate provision would require a federal agency to provide remedial action assurances in the deed or other agreement that is proposed to govern the transfer. That approach is similar to the purchase agreements used in the private sector, with the additional element of regulatory participation. The Senate provision was based on a legislative proposal submitted by the administration to facilitate reuse of contaminated property and to eliminate the disparate treatment between public and private sector transfers of contaminated property.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Prior to the transfer of property under this provision, it must be determined that the property is suitable for transfer, that the intended use is consistent with protection of human health and the environment, and that the deed or other agreement proposed to govern the transfer contains response action assurances. The conferees note that the provision would allow transfers to accommodate the laws of different states. Moreover, the conferees agree that the provision does not change existing federal responsibility with respect to response action at transferred property. Although the provision amended section 120(a)(4) of CERCLA (42 U.S.C. 9601 et seq.), with respect to such property, it should not be construed to otherwise limit or expand the sovereign immunity waiver under this section.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

LEGISLATIVE PROVISIONS ADOPTED

Contracts with other agencies to provide or obtain goods and services to promote efficient operation and management of exchanges and morale, welfare, and recreation activities (sec. 341)

The House bill contained a provision (sec. 341) that would provide authority for exchanges and morale, welfare and recreation systems (MWR) to enter into contracts or other agreements with another element of the Department of Defense or another Federal department, agency or instrumentality to provide goods and services beneficial to the efficient management and operation of exchange and MWR systems.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Noncompetitive procurement of brand-name commercial items for resale in commissary stores (sec. 342)

The House bill contained a provision (sec. 342) that would clarify that, in order to receive the exception from competition in contracting requirements, a commercial item has to be regularly sold outside the commissary store under the same brandname as it would be sold in the commissary store.

The Senate amendment contained a similar provision (sec. 363).

The Senate recedes with a clarifying amendment.

The conferees intend that commissary stores only acquire items for resale under the brand-name exemption to the Competition in Contracting Act that are ordinarily available to the general public. The military commissary system is not an appropriate vehicle to sell items for which the distribution is limited to the military market unless they have been acquired for resale through competitive procedures. Because the dynamics of the marketplace often offer significant opportunities for consumer savings during the introductory sale period for new products, it is not the conferees intent that these provisions limit the introductions of the new items into the commissary system when their release to the commissary system is simultaneous with their introduction in the commercial sector.

Prohibition of sales or rental of sexually explicit material (sec. 343).

The House bill contained a provision (sec. 343) that would prohibit the sale or rental of sexually explicit written or videotaped material on property under the jurisdiction of the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Subtitle E—Performance of Functions by Private-Sector Sources

LEGISLATIVE PROVISIONS ADOPTED

Extension of requirement for competitive procurement of printing and duplication services (sec. 351)

The House bill contained a provision (sec. 351) that would extend section 351 of the National Defense Authorization Act for Fiscal 1996 (Public Law 104–106) which directed the Defense Printing Service (DPS) to competitively procure from private sector sources at least 70 percent of its printing and duplication work. The provision also requires a report on the DPS compliance with this requirement.

The Senate amendment contained no similar provision.

The Senate recedes.

Reporting Requirements under Demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies (sec. 352)

The House bill contained a provision (sec. 832) that would extend the authority of the Department of Defense (DOD) to conduct a demonstration project for fire, safety, and other services for an additional 2 years. The provision would also require the DOD to submit a report on this project to the Congress during each of these two years.

The Senate had a similar provision.

The Senate recedes with a technical amendment.

Subtitle F—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Authority for use of appropriated funds for recruiting functions (sec. 361)

The House bill contained a provision (sec. 1034) that would authorize the secretaries of the military departments to expend appropriated funds for small meals and snacks during recruiting functions.

The Senate amendment contained a similar provision (sec. 362) that would authorize this expenditure for a five year period, and specify that the refreshments be provided for members of the Delayed Entry Program, other prospects, and community leaders.

The House recedes with a clarifying amendment.

Training of members of the uniformed services at non-government facilities (sec. 362)

The Senate amendment contained a provision (sec. 1065) that would authorize military personnel to use the same procedures for acquiring commercial training courses as civilian personnel.

The House bill contained no similar provision.

The House recedes with an amendment that would include this authority in title 10, United States Code.

Requirement for preparation of plan for improved operation of working-capital funds and effect of failure to produce an approved plan (sec. 363)

The House bill contained a provision (sec. 360) that would terminate the Defense Business Operations Fund (DBOF) effective October 1, 1998. It also would require the Secretary of Defense to submit to the Congress a plan to improve the management and performance of the industrial, commercial, and support activities currently managed through the DBOF not later than September 30, 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delay the termination of DBOF until October 1, 1999. The conferees believe strong action is in order to focus the attention of the Department of Defense (DOD) upon serious financial and management shortfalls in DBOF. While the conferees fully support the concept of providing full visibility of the total costs of industrial and support activities, the conferees believe that an update to the DBOF management plan is long overdue. The conferees urge DOD to develop a plan that provides stability to DBOF activities, while protecting unique capabilities critical during war or mobilization. It is the intent of the conferees to use the report required in this provision as a basis to review the decision on the termination of DBOF.

Increase in capital asset threshold under Defense Business Operations Fund (sec. 364)

The House bill contained a provision (sec. 361) that would raise the capital asset threshold in a Defense Business Operations Fund (DBOF) activity from $50,000 to $100,000.

The Senate amendment contained no similar provision.

The Senate recedes.

Expansion of authority to donate unusable food (sec. 365)

The House bill contained a provision (sec. 369) that would expand the list of eligible recipients for donations of unusable food items from the Department of Defense to state and local governments, many of whom operate their own shelters and food kitchens to feed homeless citizens. The provision would also allow the Defense Logistics Agency (DLA) to participate in this program. Currently, section 2485 of title 10, United States Code; does not include state and local governments among the entities eligible to receive donations of unusable and surplus food items such as Meals Ready To Eat (MREs), and allows only the individual military departments to donate unusable food. This provision would allow DLA to donate MREs and other excess food items from various defense agencies to cities and states who, in turn, could distribute them to homeless individuals and families.

The Senate amendment contained no similar provision.

The Senate recedes.

Assistance to committees involved in inauguration of the President (sec. 366)

The Senate amendment contained a provision (sec. 365) that would amend section 2543 of title 10, United States Code, to allow the Secretary of Defense to provide safety, security, and ceremonial assistance to the Presidential inaugural committee. The Secretary would also be authorized to provide other assistance deemed appropriate, but only if done on a reimbursable basis.

The House bill contained no similar provision.

The House recedes.

Department of Defense support for sporting events (sec. 367)

The Senate amendment contained a provision (sec. 366) that would allow the Secretary of Defense to provide assistance to civilian law enforcement agencies for security and safety at civilian sporting events if the Attorney General of the United States certifies that such assistance is required to meet essential security and safety needs. The provision would also allow the Secretary of Defense to provide other assistance for these events but only to the extent that the assistance could not be reasonably provided by a source other than the Department of Defense, does not adversely impact on military preparedness, and the organization requesting such assistance reimburses the Department of Defense.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Storage of motor vehicle in lieu of transportation (sec. 368)

The House bill contained a provision (sec. 363) that would provide storage, at government expense, of privately-owned vehicles for service members when there are restrictions on the normal shipment of these vehicles, and would also provide storage of vehicles for service members who are deployed between 30 and 180 consecutive days.

The Senate amendment contained a similar provision (sec. 622).

The Senate recedes with an amendment that would limit storage of vehicles to those service members who are deployed on contingency operations.

Security protections at Department of Defense facilities in the national capital region (sec. 369)

The House bill contained a provision (sec. 365) that would permit the Defense Protection Service (DPS) to provide emergency protection and security services to sensitive defense activities in the National Capital Region (NCR).

The Senate amendment contained no similar provision.

The Senate recedes.

Administration of midshipmen's store and other Naval Academy support activities as nonappropriated fund instrumentality (sec. 370)

The Senate amendment contained a provision (sec. 364) that would authorize the conversion of all midshipmen trust fund operations that support the Naval Academy and the Brigade of Midshipmen to nonappropriated fund status.

The House bill contained no similar provision.

The House recedes with an amendment that would specify that the employment status of current employees is protected during and after this conversion.

Reimbursement under agreement for instruction of civilian students at Foreign Language Institute of the Defense Language Institute (sec. 371)

The Senate amendment contained a provision (sec. 369) that would authorize the Secretary of the Army to determine the amount of reimbursement an educational institution would be required to pay in order to permit non-government students to receive instruction at the Defense Language Institute.

The House bill contained no similar provision.

The House recedes with an amendment that would ensure that the reimbursement rate would not be less than the rate paid by other governmental agencies, and would permit the Secretary of the Army to accept reimbursement in-kind as part of the reimbursement on a case-by-case basis.

Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 372)

The House bill contained a provision (sec. 367) that would authorize $58.0 million for payment to local educational agencies that provide educational services to Department of Defense personnel and their dependents. The provision would also require DOD to notify these agencies that they are eligible for such assistance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide $35.0 million.

Renovation of building for Defense Finance and Accounting Service center, Fort Benjamin Harrison, Indian (sec. 373)

The Senate amendment contained a provision (sec. 367) that would authorize the Department of Defense to transfer operating funds to the General Services Administration (GSA) for purposes of renovating Building 1 at Fort Benjamin Harrison, Indiana, which is occupied by the Defense Finance and Accounting Service.

The House bill contained no similar provision.

The House recedes with an amendment that would ensure that the DOD is fully reimbursed by the GSA for the funds which the DOD expends on the renovation project.

Food donation pilot program at service academies (sec. 374)

The Senate amendment contained a provision (sec. 1073) that would authorize the service academies to conduct food donation programs to serve the poor and homeless people consistent with those programs authorized to be conducted by other military activities.

The House bill contained no similar provision.

The House recedes.

Authority of Air National Guard to provide certain services at Lincoln Municipal Airport, Lincoln, Nebraska (sec. 375)

The Senate amendment contained a provision (sec. 370) that would provide the authority for the Nebraska Air National Guard to provide fire and rescue services at the Lincoln Municipal Airport in Lincoln, Nebraska.

The House bill contained no similar provision.

The House recedes with an amendment that would require such services to be provided only if the Nebraska Air National Guard and the Lincoln Municipal Airport Authority enter into an agreement providing reimbursement to the Air National Guard for the cost of providing such services. The agreement must also provide an indemnification from any claim for damages or injury to any person or property arising out of the provision of such services or the failure to provide such services.

Technical amendment regarding impact aid program (sec. 376)

The Senate amendment contained a provision (sec. 1086) that would amend the special rule for impact aid payments for eligible federally connected children and would prohibit the Secretary of Education from making payments to school districts when the eligibility is associated with property used for Department of Defense activities, unless such funds are transferred from the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that would strike the portion of the provision that required funds to be transferred from the Department of Defense.

LEGISLATIVE PROVISIONS NOT ADOPTED

Depot-level activities

The house bill contained a provision (sec. 312) that would exclude large maintenance projects from the calculations for determining the amount of depot maintenance that is performed by private contractors.

The Senate amendment contained a number of provisions (secs. 321–330) that would make numerous changes to the current legislation regarding the performance of depot maintenance within the Department of Defense (DOD). Section 321 would reinforce the idea that core logistics functions of the DOD should be performed at government owned depots, using government owned equipment operated by government employees. Section 322 would change the current 60/40 ratio, as outlined in section 2466 of title 10, United States Code. Section 323 would require the Secretary of Defense to annually report on the amount of depot maintenance performed by the public sector during the previous year and the amount of maintenance performed by the private sector. Section 324 would codify the definition of depot maintenance.

In addition, section 325 would require the Department of Defense to provide the congressional defense committees with a report outlining its plan for the performance of depot maintenance at public depots and by private industry. This report would require the DOD to answer some of the questions that did not answer last year. Section 326 would require the Department of Defense to provide the congressional defense committees with a report outlining the competitive procedures used by the Department of Defense in determining whether the depot maintenance workload should be performed by a public depot or a private entity.

Furthermore, section 327 would require the Joint Chiefs of Staff to perform a risk assessment regarding what depot maintenance workloads could be performed by the private sector and what workloads need to be maintained in depots owned and operated by the Department of Defense. Section 329 would require a competition between all DOD aviation depots to determine which depot can perform the depot maintenance on F-18 aircraft most efficiently. Finally, section 330 would require the Department of Defense to perform a competition for the workload currently performed at Kelly and McClellan AFB to determine if the work should be moved to another public depot or to be privatized in place.

The House and Senate recede. The conference agreement does not contain any of these provisions. The conferees agree not to take any action regarding these issues this year.

Master Ship Repair Agreement

The House bill contained a provision (sec. 352) that would require the Secretary of the Navy to award complex ship repairs and overhauls only to qualified shipyard contractors. The current Navy requirements for Master Ship Repair Agreement (MSRA) qualification includes a requirement for a contractor owned dry-dock facility. This section would not apply to repairs and overhauls performed on the Pacific Coast of the United States.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are aware that the Navy would like to revise its requirements for MSRA certification by increasing capability requirements which will demand a more robust and extensive repair capability, and will delete the requirement for a contractor owned dry-dock facility. Under these new requirements the Navy would establish dry-dock requirements on an individual repair contract solicitation basis. The conferees believe that such a revision in the MSRA requirements would allow more private shipyards to compete for repair contracts that do not require contractor owned dry-dock facilities. The conferees understand that this new Navy policy for ship repair contracts is designed to insure an adequate and comprehensive ship repair industrial base to meet current and future Navy requirements. The conferees further believe that this policy change will provide stability to the Navy ship repair and overhaul program. Therefore, the conferees direct the Secretary of the Navy to implement this new policy as soon as possible.

National Defense Reserve Fleet

The budget request contained $90.0 million in the National Defense Sealift Fund for the acquisition and modification of roll-on/roll-off (RO/RO) ships for introduction into the Ready Reserve Force (RRF) component of the National Defense Reserve Fleet (NDRF).

The Senate amendment contained a provision (sec. 312) that would:

(1) waive the current congressionally imposed restriction on the acquisition of RO/ROs from the world market to permit the acquisition and modification of up to five such RO/ROs for introduction into the RRF; and

(2) authorize an increase of $60.0 million above the budget request for the acquisition and modification of two additional RO/ROs for the RRF.

The House bill contained no similar provision. The House bill would reduce the budget request by the $90.0 million included in it for the acquisition and modification of foreign-built RO/ROs and apply these funds to the purchase of a maritime prepositioning ship for the Marine Corps.

The Senate recedes.

Restriction on Coast Guard funding

The Senate amendment contained a provision (sec. 314) that would reject any authorization for the Department of Defense to fund the Coast Guard through budget subfunction 054.

The House bill contained no similar provision.

The Senate recedes.

Oceanography

The Senate amendment contained a provision (sec. 315) that would authorize an additional $6.2 million for oceanographic ship operations and data analysis for the U.S. Navy.

The House bill contained no similar provision.

The Senate recedes.

The conferees recognize the importance of the oceanographic activities of the Navy and authorize an additional $6.2 million for this purpose in the operations and maintenance account.

Firefighting and security-guard functions at facilities leased by the Government

The Senate amendment contained a provision (sec. 361) that would modify the current prohibition on contracting for firefighting and security-guard services. This provision would amend current legislation by clarifying the authority of the Department of Defense to contract with non-federal employees for these services if they are to be carried out at a private facility at which a Federal Government activity is located pursuant to a lease of the facility.

The House bill contained no similar provision.

The Senate recedes.

Computer emergency response team

The Senate amendment contained a provision (sec. 368) that would authorize $2.0 million to be used by the Software Engineering Institute for use by the Computer Emergency Response Team.

The House bill contained no similar provision.

The Senate recedes.

The conferees support the important work of the Computer Emergency Response Team and have agreed to authorize an additional $2.0 million for this purpose in the operations and maintenance tables.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

ITEMS OF SPECIAL INTEREST

Military Personnel Funding

The conferees agreed to authorize that $70.1 billion, which is $273.3 million above the President's request, be appropriated for military personnel. The conference agreement includes that following:

AIR NATIONAL GUARD FIGHTER AIRCRAFT

The conferees authorize the Air National Guard personnel end strength 576 part-time personnel, 249 active guard/reserves and 343 military technicians above the budget request and recommend an increase of $8.5 million to the personnel authorization to provide Air National Guard fighter squadrons with 15 primary authorized aircraft (PAA) per squadron vice the requested 12.

AIR NATIONAL GUARD C-130 AIRCRAFT

The conferees authorize the Air National Guard personnel end strength 310 part-time personnel, 25 active guard/reserves and 50 military technicians above the budget request and recommend an increase of $2.0 million to the personnel authorization to provide Air National Guard tactical airlift squadrons with 12 primary authorized aircraft (PAA) per squadron vice the requested 10.

ARMY MILITARY PERSONNEL ACCOUNT SHORTFALL FOR FISCAL YEAR 1997

The conferees authorized a $50.0 million addition to the Army military personnel account.

RESERVE FULL TIME MANNING INCREASE

In recognition of the expanded role of both the Army and Air Force Reserve in the early-deploying contingency forces and day-to-day operational tempo, the conferees authorize the Secretary of the Army to increase the number of Active Guard and Reserve (AGR) by 254 personnel and authorize the Secretary of the Air Force to increase the number of AGR by 30 personnel. The conferees authorize an increase of $8.0 million above the President's request for reserves on active duty to support the reserves in the Army and $2.6 million for reserves on active duty to support the reserves in the Air Force.

NAVY MARITIME PATROL AIRCRAFT

The conferees authorize the Navy to increase the number of Navy P-3C maritime patrol aircraft squadrons by two (1 active, 1 reserve) above the 12 active and 8 reserve squadrons requested in the President's budget. As a consequence, the conferees authorize the following increases: Navy active personnel accounts (End Strength: 418 personnel, and $9.0 million); Naval Reserve personnel accounts (End Strength: 97 Training and Administration of the Reserves (TAR) personnel, 266 part-time personnel, and $4.0 million).

RESERVE COMPONENT INDIVIDUAL TRAINING FUNDS

The conferees authorize $7.5 million above the President's budget request for National Guard personnel account to fund schools and special training for military occupational skill training. In addition, the conferees authorize funding within the Army Reserve personnel account to provide troop program unit professional development training, as well as individual skills training, by $7.5 million.

Subtitle A—Active Forces

LEGISLATIVE PROVISIONS ADOPTED

End strengths for active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize end strengths for active forces.

The Senate amendment contained a similar provision (sec. 401).

The Senate recedes with an amendment that includes the authorized strengths for officers.

	Fiscal year		
	1996 authorization	1997 request	1997 recommendation
Army:			
Total	495,000	495,000	495,000
Officer	81,300	80,300	80,300
Navy:			
Total	428,340	406,900	407,318
Officer	58,870	56,100	56,165
Marine Corps:			
Total	174,000	174,000	174,000
Officer	17,978	17,978	17,978
Air Force:			
Total	388,200	381,100	381,100
Officer	75,928	74,445	74,445

Permanent end strength levels to support two major regional contingencies (sec. 402)

The House bill contained a provision (sec. 402) that would require that annual defense budget requests submitted to Congress must provide at least enough funding to maintain the mainimum active end strengths prescribed in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106).

The Senate amendment contained a provision (sec. 402) that would increase the flexibility afforded military services to manage their active duty end strengths from 0.5 percent to 5.0 percent.

The Senate recedes with an amendment that combines the two provisions and provides the military services 1.0 percent flexibility in order to manage their end strengths effectively.

Authorized strengths for commissioned officers on active duty in grades of major, lieutenant colonel, and colonel and Navy grades of lieutenant commander, commander, and captain (sec. 403)

The House bill contained a provision (sec. 403) that would permanently raise the grade ceilings of active duty Army, Air Force, and Marine Corps majors and lieutenant colonels and active duty Navy lieutenant commanders, commanders, and captains relative to the total number of commissioned officers on active duty.

The Senate amendment contained a similar provision (sec. 403).

The House recedes.

Extension of requirement for recommendations regarding appointments to joint 4-star officer positions (sec. 404)

The Senate amendment contained a provision (sec. 404) that would extend, for three years, the process for exemption of combatant commanders (CINCs), the Deputy Commander-in-Chief of the U.S. European Command (DCINCEUR), and the Commander-in-Chief, U.S. Forces, Korea, from the ceiling for grades above major general or rear admiral under certain conditions.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the expiration date contained in section 525(b)(5)(c) from September 30, 1997 to September 30, 2000.

Increase in authorized number of general officers on active duty in the Marine Corps (sec. 405)

The Senate amendment contained a provision (sec. 405) that would increase the number of active duty general officers in the Marine Corps by 12, from 68 to 80.

The House bill contained no similar provision.

The House recedes.

The conferees do not intend that this action prejudice the outcome of the comprehensive study of general and flag officers required by section 1213 of this conference report which would include these authorizations.

Subtitle B—Reserve Forces

LEGISLATIVE PROVISIONS ADOPTED

End strengths for selected reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize the end strength levels for the selected reserve for fiscal year 1997.

The Senate amendment contained a similar provision (sec. 411).

The Senate recedes with an amendment that would authorize selected reserve end strengths at the higher end strength level for each component.

The following table summarizes the authorized end strength levels for the selected reserve for fiscal year 1997.

	Fiscal year		
	1996 authorization	1997 request	1997 recommendation
The Army National Guard of the United States	373,000	366,758	366,758
The Army Reserve	230,000	214,925	215,179
The Naval Reserve	98,894	95,941	96,304
The Marine Corps Reserve	42,274	42,000	42,000
The Air National Guard of the United States	112,707	108,018	109,178
The Air Force Reserve	73,969	73,281	73,311
The Coast Guard Reserve	8,000	8,000	8,000

End strengths for Reserves on active duty in support of the Reserves (sec. 412)

The House bill contained a provision (sec. 412) that would authorize reserve full-time support end strength levels for fiscal year 1997.

The Senate amendment contained a similar provision (sec. 412).

The Senate recedes with an amendment that would authorize end strengths for reserves on active duty in support of the reserves at the higher end strength level for each component.

The following table summarizes the reserve full-time support end strength levels for fiscal year 1997.

	Fiscal year		
	1996 authorization	1997 request	1997 recommendation
The Army National Guard of the United States	23,390	22,798	22,798
The Army Reserve	11,575	11,475	11,729
The Naval Reserve	17,587	16,506	16,603
The Marine Corps Reserve	2,559	2,559	2,559
The Air National Guard of the United States	10,066	10,129	10,403
The Air Force Reserve	628	625	655

End strengths for military technicians (sec. 413)

The House bill contained a provision (sec. 413) that would authorize military technician end strength levels for fiscal year 1997.

The Senate amendment contained a provision (sec. 518) that would modify the authorization for military technicians in the Air National Guard for fiscal year 1997.

The Senate recedes with an amendment that adds the technician levels in the Senate amendment to those in the House bill.

The following table summarizes the authorized end strength levels for military technicians for fiscal year 1997.

	Fiscal year		
	1996 program	1997 request	1997 recommendation
The Army National Guard of the United States	25,500	25,500	25,500
The Army Reserve	6,630	6,799	6,799
The Air National Guard of the United States	22,906	22,281	23,299
The Air Force Reserve	9,802	9,704	9,802

Assurance of continued assignment of military personnel to serve in Selective Service System (sec. 414)

The Senate amendment contained a provision (sec. 413) that would exempt from end strength ceilings military personnel assigned to duties in support of the Selective Service System.

The House bill contained no similar provision.

The House recedes with an amendment that would require the services to support the Selective Service System at the requirement level set by the Director, Selective Service. The requirement level would not exceed 745 military personnel.

TITLE V—MILITARY PERSONNEL POLICY

ITEMS OF SPECIAL INTEREST

General and flag officer career patterns

The conferees are concerned about the career patterns of officers once they are selected for promotion to general and flag officer grades. The current general and flag officer selection, assignment and development process may not effectively contribute to the preparation of those officers for increasing levels of responsibility and maximum performance efficiency at each level of assignment. Specific concerns include: 1) the length of time officers spend on promotion lists to grades 0–7 and 0–8 before they are actually promoted; 2) the tempo with which general and flag officers are rotated through important positions; 3) the effect of this tempo both on the effectiveness of individual officers in each position to which they are assigned and on the overall value these officers add in each position to which they are assigned; and 4) the consequences of requiring general and flag officers to retire upon completion of 35 years of service.

The conferees direct the Secretary of Defense to review the career patterns of general and flag officers and report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than April 1, 1997. The report should address, at a minimum:

(1) *Average time-in-grade at the time of selection* for promotion to each general and flag officer grade. Average time-in-grade should be reported by fiscal year, by service, by competitive category and by grade. For the purposes of this report, the time of selection should reflect the date the respective promotion board report is approved by the official authorized to approve such report;

(2) *Average time-in-grade at the time of promotion* to each general and flag officer grade. Average time-in-grade should be reported by fiscal year, by service, by competitive category and by grade;

(3) *Average tour lengths for general and flag officers* who changed positions or assignments during fiscal years 1991 through 1995. Tour lengths should be reported by fiscal year, by service, and by grade. Joint tours should be addressed separately from non-joint tours; and

(4) *Assessment of the continued appropriateness* of the mandatory retirement of officers after 35 years of commissioned service as required by section 636 of title 10, United States Code.

The conferees do not expect the Secretary of Defense to delegate the conduct of this review or the preparation of the required report to the individual military departments, the uniformed services or to the Joint Staff.

LEGISLATIVE PROVISIONS

Subtitle A—Officer Personnel Policy

LEGISLATIVE PROVISION ADOPTED

Grade of Chief of Naval Research (sec. 501)

The Senate amendment contained a provision (sec. 506) that would establish that an officer, while serving in the Office of Naval Research as Chief of Naval Research, have at least the grade of rear admiral (upper half).

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees do not intend that this action prejudice the outcome of the comprehensive study of general and flag officers required by section 1213 of this conference report which would include this position.

Chief and Assistant Chief of Army Nurse Corps and Air Force Nurse Corps (sec. 502)

The Senate amendment contained two provisions (sec. 540 and 541) that would establish the grade of the Chief of the Army Nurse Corps and Chief of the Air Force Nurse Corps as a Brigadier General, and the Assistant Chief of the Army Nurse Corps and Assistant Chief of the Air Force Nurse Corps as a Colonel.

The House bill contained no similar provision.

The House recedes with an amendment to combine the two provisions.

The conferees do not intend that this action prejudice the outcome of the comprehensive study of general and flag officer required by section 1213 of this conference report which will include these positions.

Navy spot promotion authority for certain lieutenants with critical skills (sec. 503)

The House bill contained a provision (sec. 503) that would make permanent the authority for the Navy to temporarily promote certain lieutenants in skills for which there is a shortage of qualified officers.

The Senate amendment contained a provision (sec. 501) that would extend the authority for the Navy to promote temporarily, without Senate confirmation, lieutenants in certain positions from September 30, 1996 until September 30, 1997.

The Senate recedes with an amendment that would make permanent the authority for the Navy to promote temporarily certain lieutenants having certain skills and serving in certain positions, limit the number who may be promoted under this authority to 325, and make such temporary promotions subject to the advice and consent of the Senate.

Time for award of degrees by unaccredited educational institutions for graduates to be considered educationally qualified for appointment as reserve officers in grade 0–3 (sec. 504)

The Senate amendment contained a provision (sec. 503) that would increase the number of years that the Department of Defense could recognize a baccalaureate degree awarded by qualifying educational institution from three years to eight years.

The House bill contained no similar provision.

The House recedes.

Exception to baccalaureate degree requirement for appointment in the Naval Reserve in grades above 0–2 (sec. 505)

The House bill contained a provision (sec. 514) that would provide members of the Naval Reserve participating in the Seaman to Admiral program and exception to the requirement for reserve officers to hold a baccalaureate degree in order to be promoted above the grade of lieutenant (junior grade).

The Senate amendment contained a similar provision (sec. 502).

The conference agreement includes this provision.

Chief Warrant Officer promotions (sec. 506)

The Senate amendment contained a provision (sec. 504) that would permit below the zone selection for promotion to Chief Warrant Officer, W–3, and would reduce the time-in-grade requirement for warrant officer promotions from three years to two years.

The House bill contained no similar provision.

The House recedes.

Service credit for senior ROTC cadets and midshipmen in simultaneous membership program (sec. 507)

The Senate amendment contained a provision (sec. 507) that would provide service credit for longevity and pay to individuals who are simultaneously Senior ROTC Cadets or Midshipmen and enlisted members in the Selected Reserve under the Simultaneous Membership Program (SMP).

The House bill contained no similar provision.

The House recedes.

Continuation on active status for certain reserve officers of the Air Force (sec. 508)

The House bill contained a provision (sec. 507) that would authorize the Secretary of the Air Force to retain up to 50 reserve officers who are designated judge advocates beyond dates of mandatory retirement for years of service.

The Senate amendment contained no similar provision.

The Senate recedes.

Reports on response to recommendations concerning improvements to Department of Defense joint manpower process (sec. 509)

The House bill contained a provision (sec. 504) that would require the Secretary of Defense to provide a semi-annual report to Congress on the status of actions taken to implement the Inspector General recommendations resulting from inspection of the joint manpower process. The provision would also require that the General Accounting Office assess the adequacy and completeness of the Department's corrective actions.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Frequency of reports to Congress on joint officer management policies (sec. 510)

The House bill contained a provision (sec. 505) that would change the requirement that the Secretary of Defense report to Congress every six months on the promotion rates of officers currently or formerly serving in joint duty assignments.

The Senate amendment contained a similar provision (sec. 505).

The conference agreement includes this provision.

Subtitle B—Enlisted Personnel Policy

LEGISLATIVE PROVISIONS ADOPTED

Career service reenlistments for members with at least 10 years of service (sec. 511)

The House bill contained a provision (sec. 501) that would permit the secretaries of the military departments to reenlist noncommissioned officers with 10 or more years of service for indefinite periods of time.

The Senate amendment contained a similar provision (sec. 536).

The House recedes.

The conferees recognize that some services may want to retain the current fixed-term enlistment system. Specifically, the conferees urge the Secretary of the Navy to permit the Navy and the Marine Corps to pursue either policy independent of the other service's choice.

Authority to extend period for entry on active duty under the Delayed Entry Program (sec. 512)

The House bill contained a provision (sec. 502) that would permit the secretaries of the military departments, on a case-by-case basis, to extend to 18 months the maximum period that a person can remain in the Delayed Entry Program.

The Senate amendment contained a similar provision (sec. 535).

The conference agreement includes this provision.

Subtitle C—Activation and Recall

LEGISLATIVE PROVISIONS ADOPTED

Limitations on recall of retired members to active duty (sec. 521)

The Senate amendment contained a provision (sec. 532) that would limit the number of retired officers who may be recalled to active duty to 25 per service at any one time; prohibit the recall of officers who retired as a result of an early retirement board or who retired after being notified that he or she was to be considered by an early retirement board; and limit the tenure of a recall to 12 months.

The House bill contained no similar provision.

The House recedes with an amendment that would make the provision effective on September 30, 1997.

Clarification of definition of active status (sec. 522)

The House bill contained a provision (sec. 513) that would expand the definition of the term "active status" in section 101(d)(4) of title 10, United States Code, to include both officers and enlisted members of the reserve components and make the definition consistent with other references in title 10, United States Code.

The Senate amendment contained a similar provision (sec. 511).

The conference agreement includes this provision.

Limitation of requirement for physical examinations of members of National Guard called into federal service (sec. 523)

The Senate amendment contained a provision (sec. 513) that would repeal the requirement that each member of the National Guard receive a physical examination when called into and again when mustered out of federal service.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal the requirement that each member of the National Guard receive a physical examination when called into and again when mustered out of federal service, except when they are mobilized for a contingency operation or a national emergency.

Subtitle D—Reserve Component Retirement

LEGISLATIVE PROVISIONS ADOPTED

Increase in annual limit on days of inactive duty training creditable towards reserve retirement (sec. 531)

The House bill contained a provision (sec. 631) that would increase the limits on the annual amount of retirement points that a reservist can earn as a result of inactive training from 60 to 75.

The Senate amendment contained no similar provision.

The Senate recedes.

Retirement of reserve enlisted members who qualify for active duty retirement after administrative reductions in enlisted grade (sec. 532)

The House bill contained a provision (sec. 634) that would permit a reserve enlisted member who qualifies for an active duty retirement and who is reduced in grade for reasons other than misconduct to retire in the highest enlisted grade held.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority for a reserve on active duty to waive retirement sanctuary (sec. 533)

The Senate amendment contained a provision (sec. 514) that would permit a reservist serving on active duty for less than 180 days to waive the applicability of the retirement sanctuary.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Eligibility of reserves for disability retirement (sec. 534)

The House bill contained a provision (sec. 633) that would authorize disability retirement benefits defined in Section 702 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), to certain reservists.

The Senate amendment contained a similar provision (sec. 515).

The House recedes with an amendment that would clarify the effective date for transition of eligibility criteria for reserve disability retirement and other benefits from proximate result of performing duty to a determination of in line of duty.

Subtitle E—Other Reserve Component Matters

LEGISLATIVE PROVISIONS ADOPTED

Training for reserves on active duty in support of the reserves (sec. 541)

The House bill contained a provision (sec. 512) that would clarify that a reservist on active duty in support of the reserves may receive training and professional development in the same manner as any other member on active duty.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Eligibility for enrollment in Ready Reserve mobilization income insurance program (sec. 542)

The House bill contained a provision (sec. 517) that would amend the Ready Reserve mobilization income insurance program to permit members of the Individual Ready Reserve who transfer to the selected reserve to be eligible to participate in the mobilization insurance program.

The Senate amendment contained no similar provision.

The Senate recedes.

Reserve credit for participation in Health Professions Scholarship and Financial Assistance Program (sec. 543)

The House bill contained a provision (sec. 555) that would amend title 10, United States Code, to provide discretionary authority to the secretaries of the military departments to award service credit toward a non-regular retirement for certain members of the armed forces health professions scholarship and financial assistance programs.

The Senate amendment contained a similar provision (sec. 516).

The conference agreement includes this provision.

Amendments to Reserve Officer Personnel Management Act provisions (sec. 544)

The Senate amendment contained a provision (sec. 512) that would make several amendments to the Reserve Officer Personnel Management Act.

The House bill contained no similar provision.

The House recedes.

The conferees direct that the Secretary of Defense provide a report on the number and category of waivers granted under the authority of this provision to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than March 31, 1998.

Report on number of advisers in active component support of reserves pilot program (sec. 545)

The House bill contained a provision (sec. 515) that would require the Secretary of Defense to determine the appropriate number of active component advisors and recommend such number to Congress.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress and report regarding reemployment rights for mobilized reservists employed in foreign countries (sec. 546)

The House bill contained a provision (sec. 516) that would express the sense of Congress that there is a lack of reemployment rights afforded reservists who now live in foreign countries and work for U.S. or foreign companies. The provision would also direct the Secretary of Defense, together with the Secretaries of State and Labor, to provide the Congress with recommendations to alleviate the reemployment problems of this group of reservists.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Subtitle F—Officer Education Programs

LEGISLATIVE PROVISIONS ADOPTED

Payment of premiums under mobilization income insurance program (sec. 547)

The conferees recommend a provision that would clarify how premiums are to be paid under the reserve mobilization income insurance program.

Oversight and management of Senior Reserve Officers' Training Corps program (sec. 551)

The House bill contained a provision (sec. 552) that would give priority for enrollment in ROTC to students who were qualified for advanced training, and would prohibit anyone who was ineligible for advanced training from participating in practical military training, field training, or practice cruises, unless the ineligibility was waived by the service secretary. The section would also permit civilians attending ROTC or other courses of military instruction to wear military uniforms only when the individual service regulations specifically authorize such wear.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would ensure uniform application of any criteria that would limit acceptance in ROTC.

Prohibition on reorganization of Army ROTC Cadet Command or termination of senior ROTC units pending report on ROTC (sec. 552)

The Senate contained a provision (sec. 523) that would prohibit the reorganization, restructuring, or termination of any Reserve Officers' Training Corps Cadet Command or Senior Reserve Officers Training Corps until 180 days after the issuance of a report on various aspects of the selection for termination process.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Pilot program to test expansion of ROTC program to include graduate students (sec. 553)

The House bill contained a provision (sec. 554) that would permit the initial award of Reserve Officers' Training Corps (ROTC) scholarships to people who already have received a baccalaureate degree, provided the recipient executes the required contractual commitments, including enrollment in the ROTC advanced course.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the number of scholarships which could be awarded to graduate students, place a 3-year limit on duration of the program, and require a report from the Secretary of Defense.

Demonstration project for instruction and support of Army ROTC units by members of the Army Reserve and National Guard (sec. 554)

The Senate contained a provision (sec. 522) that would require the Secretary of the Army to conduct a demonstration program in order to assess the feasibility and advisability of providing instruction and support to units of the Reserve Officers' Training Corps (ROTC) that use members of the Army Reserve, including the Individual Ready Reserve and the Army National Guard.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the demonstration program to three years.

Extension of maximum age for appointment as a cadet or midshipman in the Senior Reserve Officers' Training Corps and the service academies (sec. 555)

The House bill contained a provision (sec. 551) that would increase the maximum age for appointment in the Senior Reserve Officers' Training Corps (ROTC), permitting the appointment of persons under 27 years of age. The section would also permit former enlisted members who had served on active duty to be appointed in the Senior ROTC program even though they were older than 27, so long as on the date of their commissioning they would be under 30 years of age. This section would also increase the maximum allowable age of entry into the service academies to 23.

The Senate amendment contained a similar provision (sec. 521).

The Senate recedes.

Expansion of eligibility for education benefits to include certain Reserve Officers' Training Corps (ROTC) participants (sec. 556)

The House bill contained a provision (sec. 556) that would would expand the eligibility for the Montgomery GI Bill education benefits to include ROTC scholarship students who received scholarships with values of less than $2,000 annually.

The Senate amendment contained no similar provision.

The Senate recedes.

Comptroller General report on cost and policy implications of permitting up to five percent of service academy graduates to be assigned directly to reserve duty upon graduation (sec. 557)

The House bill contained a provision (sec. 557) that would require the Comptroller General to analyze and report to Congress the cost and policy implications of requiring up to five percent of the graduating class of each of the service academies to serve in the reserve components, and that there be a corresponding increase in the number of Reserve Officers' Training Corps (ROTC) graduates each year placed on active duty.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle G—Decorations and Awards

LEGISLATIVE PROVISIONS ADOPTED

Authority for award of medal of honor to certain African American soldiers who served during World War II (sec. 561)

The House bill contained a provision (sec. 1035) that would authorize the Secretary of the Army to award the Medal of Honor to African American former service members who served in the United States Army during World War II and for whom the Army recommended the award of the Medal of Honor after a congressionally mandated review of their records.

The Senate amendment contained a similar provision (sec. 539).

The Senate recedes.

Waiver of time limitations for award of certain decorations to specified persons (sec. 562)

The Senate amendment contained a provision (sec. 542) that would waive the statutory time limitations for the award of military decorations to provide for the award of the Distinguished Flying Cross to certain individuals who have been recommended by the Secretary of the Navy for receipt of this award.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Replacement of certain American Theater Campaign Ribbons (sec. 565)

The House bill contained a provision (sec. 563) that would authorize the Secretary of the Army to replace, upon request, the American Theater Campaign Ribbon awarded to certain veterans of World War II.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle H—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Hate crimes in the military (sec. 571)

The House bill contained a provision (sec. 561) that would direct the Secretary of Defense to require each of the military services to conduct human relations training designed to promote a thorough awareness of equal opportunity issues, as well as a sensitivity to "hate group" activity. It also would require the Secretary to ensure that prospective recruits, both officer and enlisted, understand the full implications of the oath of office or oath of enlistment in terms of the equal protection and civil liberties protection of the Constitution. Finally, this section would require the Secretary to conduct an annual survey on race relations, gender discrimination and hate group activity.

The Senate amendment contained no similar provision.

The Senate recedes.

Disability coverage for members granted excess leave for educational or emergency purposes (sec. 572)

The Senate amendment contained a provision (sec. 533) that would provide disability coverage for officers who are on excess leave while participating in a educational program.

The House bill contained no similar provision.

The House recedes with an amendment that would extend disability coverage to enlisted members on excess leave for emergency purposes.

Clarification of authority of a reserve judge advocate to act as a military notary public when not in a duty status (sec. 573)

The House bill contained a provision (sec. 562) that would authorize all judge advocates of the armed forces, adjutants, assistant adjutants, personnel adjutants, and other members of the armed forces designated by regulations of the armed forces to have the same notary public authority without regard to whether they are on active duty or performing inactive duty for training.

The Senate amendment contained a similar provision (sec. 1064).

The Senate recedes with an amendment that would not permit the authority to apply prior to the date of enactment.

Panel on jurisdiction of courts-martial for the National Guard when not in Federal service (sec. 574)

The House bill contained provisions (sec. 531–539) that would make several changes to the law governing the jurisdiction and powers of courts-martial conducted by the National Guard when not in federal service.

The Senate amendment contained no similar provisions.

The House recedes with an amendment that would direct the Secretary of Defense to establish a panel to study the jurisdiction of such courts-martial. Matters reviewed by the panel would include the extent of use of courts-martial and nonjudicial punishment in the National guard when not in federal service and the extent to which such courts-martial and nonjudicial punishments were conducted under authority provided by title 32, United States Code or state law. The conference agreement would require a report to Congress no later than March 1, 1997.

Authority to expand law enforcement placement program to include firefighters (sec. 575)

The Senate amendment contained a provision (sec. 571) that would include federal firefighters in the program established by the Secretary of Defense to assist eligible members and former members of the armed forces and eligible civilian employees of the Department of Defense to obtain employment in public safety jobs.

The House bill contained no similar provision.

The House recedes.

Improvements to program to assist separated military and civilian personnel to obtain employment as teachers or teachers' aides (sec. 576)

The Senate amendment contained two provisions (sec. 572 and sec. 1122) pertaining to the Troops-to-Teachers program. These provisions would permit service members retiring under the temporary early retirement authority to participate in the program and would reduce the teaching obligation, incentive grant, and local education authority reimbursement periods from five years to two years.

The House bill contained no similar provision.

The House recedes with an amendment that would combine the two Senate provisions into a single provision.

Retirement at grade to which selected for promotion when a physical disability is found at any physical examination (sec. 577)

The House bill contained a provision (sec. 632) that would permit disability retirements for service members at the grade to which they would have been promoted had it not been for an intervening physical disability.

The Senate contained a similar provision (sec. 531).

The conference agreement includes this provision.

Revisions to missing persons authorities (sec. 578)

The Senate amendment contained a provision (sec. 537) that would repeal certain provisions in the Missing Persons Act in the National Defense Authorization Act for Fiscal Year 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would strike the repeal of the requirement that a counsel be appointed for the missing person; strike the repeal of the right to judicial review; and modify the mandatory review of preenactment and special interests cases to include missing persons from the Korean War era.

Subtitle I—Commissioned Corps of the Public Health Service

LEGISLATIVE PROVISIONS ADOPTED

Applicability to Public Health Service of prohibition on crediting cadet or midshipmen service at the service academies (sec. 581)

The Senate amendment contained a provision (sec. 561) that would clarify that commissioned officers of the Public Health Service, like members of the Armed Forces, do not receive length-of-service credit for service as a student at a service military academy.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Exception to strength limitations for Public Health Service officers assigned to the Department of Defense (sec. 582)

The House bill contained a provision (sec. 742) that would amend section 207, title 42, United States Code, to exclude commissioned officers of the Public Health Service (PHS) assigned to duty in the Department of Defense from being counted when computing the maximum number of commissioned PHS officers authorized by law.

The Senate amendment contained a similar provision (sec. 562).

The Senate recedes.

Authority to provide legal assistance to Public Health Service officers (sec. 583)

The House bill contained a provision (sec. 563) that would authorize active duty or retired officers of the Commissioned Corps of the Public Health Service and their dependents to be eligible for legal assistance at military installations.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Repeal of requirement that commissioned officers be initially appointed in a reserve grade

The House bill contained a provision (sec. 506) that would repeal the requirement that all commissioned officers be appointed initially as reserve officers.

The Senate amendment contained no similar provision.

The House recedes.

Individual Ready Reserve activation authority

The House bill contained a provision (sec. 511) that would authorize the President, under Presidential Selection Reserve Call-up, to recall up to 30,000 members of a new category of the Individual Ready Reserve (IRR) that would be created by this section. The new category of the IRR would consist of those personnel in the military skills and occupations, designated by the Secretary of Defense, who had volunteered prior to leaving active duty.

The Senate amendment contained no similar provision.

The House recedes.

ROTC scholarship student participation in simultaneous membership program

The House bill contained a provision (sec. 553) that would direct the Secretary of Defense to establish a program to permit Reserve Officers' Training Corps (ROTC) scholarship cadets to serve simultaneously as a member of a Selected Reserve unit.

The Senate amendment contained no similar provision.

The House recedes.

Restoration of regulations prohibiting service of homosexuals in the armed forces

The House bill contained a provision (sec. 566) that would rescind the current Department of Defense policy and relative directive and regulations concerning homosexuality in the armed forces and related Department of Defense and military department regulations, and would reinstate the regulations that were in effect on January 19, 1993.

The Senate amendment contained no similar provision.

The House recedes.

Reenactment and modification of mandatory separation from service for members diagnosed with HIV–1 virus

The House bill contained a provision (sec. 567) that would restate, with modifications, section 5676 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) to require the separation of members determined to be HIV-positive.

The Senate amendment contained no similar provision.

The House recedes.

Uniform policy regarding retention of members who are permanently nonworldwide assignable

The Senate amendment contained a provision (sec. 534) that would require the Secretary of Defense to prescribe regulations and directives establishing uniform policies and procedures regarding the retention of members of the armed forces who are permanently nonworldwide assignable for medical reasons.

The House bill contained no similar provision.

The Senate recedes.

Period for filing a claim for correction of military records not be extended by reason of military service

The Senate amendment contained a provision (sec. 538) that would clarify that the three-year statute of limitations for the filing of a request for relief before the Boards for Correction of Military Records is not waived by the Soldiers' and Sailors' Civil Relief Act.

The House bill contained no similar provision.

The Senate recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS

Subtitle A—Pay and Allowances

LEGISLATIVE PROVISIONS ADOPTED

Military pay raise for fiscal year 1997 (sec. 601)

The House bill contained a provision (sec. 601) that would provide a 3.0 percent military pay raise and a 4.6 percent increase in the rate of the basic allowance for quarters.

The Senate amendment contained a similar provision (sec. 601) that would increase the rates of basic pay and the basic allowance for subsistence for members of the uniformed services by 3.0 percent. The provision would increase the rate of the basic allowance for quarters for members of the uniformed services by 4.0 percent.

The Senate recedes.

Adjustment of rate of cadet and midshipman pay (sec. 602)

The Senate amendment contained a provision (sec. 602) that would repeal a provision in title 37, United States Code, that links the rate of cadet and midshipman pay to changes in military pay.

The House bill contained no similar provision.

The House recedes.

Pay of senior noncommissioned officers while hospitalized (sec. 603)

The Senate amendment contained a provision (sec. 603) that would authorize the senior enlisted member of an armed force to continue to receive the basic pay authorized for that position for no more than 180 days while no longer in that position and hospitalized prior to retirement.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Availability of basic allowance for quarters for certain members without dependents who serve on sea duty (sec. 604)

The House bill contained a provision (sec. 602) that would authorize several changes concerning the payment of basic allowance for quarters and variable housing allowance for service members assigned to sea duty.

The Senate amendment contained a similar provision (sec. 604).

The Senate recedes with an amendment that would clarify payment of basic allowance for quarters to military couples assigned to sea duty, and payment of variable housing allowance to members above the grade of E-4 assigned to sea duty.

Uniform applicability of discretion to deny an election not to occupy government quarters (sec. 605)

The House bill contained a provision (sec. 651) that would clarify the authority for the secretaries of the military departments to deny the election not to occupy inadequate government quarters made by a service member in the grade of E-6.

The Senate amendment contained a similar provision (sec. 605).

The conference agreement includes this provision.

Establishment of minimum monthly amount of variable housing allowance for high housing cost areas (sec. 606)

The House bill contained a provision (sec. 603) that would require the Secretary of Defense to establish a minimum amount of variable housing allowance.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees direct the Secretary of Defense to perform a comprehensive review of all housing allowances and submit a legislative recommendation that would reform and streamline the housing allowances while dealing with housing costs in a more effective manner. The report and legislative recommendations shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than March 1, 1997.

Family separation allowance for members separated by military orders from spouses who are members (sec. 607)

The Senate amendment contained a provision (sec. 606) that would authorize payment of the family separation allowance to the senior of two service members who are married to each other and who would normally reside with each other but are separated by military orders.

The House bill contained no similar provision.

The House recedes.

Waiver of time limitations for claim for pay and allowances (sec. 608)

The Senate amendment contained a provision (sec. 607) that would provide the Comptroller General authority, upon the request of a service secretary, to waive the time limits in the case of a claim for pay and allowances up to a maximum of $25,000, subject to the availability of appropriations.

The House bill contained no similar provision.

The House recedes.

Subtitle B—Bonuses and Special and Incentive Pays

LEGISLATIVE PROVISIONS ADOPTED

One-year extension of certain bonuses and special pay authorities for reserve forces (sec. 611)

The House bill contained a provision (sec. 611) that would extend the authority for the selected reserve reenlistment bonus, the selected reserve enlistment bonus, the selected reserve affiliation bonus, the ready reserve enlistment and reenlistment bonus, and the prior service enlistment bonus until September 30, 1998.

The Senate amendment contained a similar provision (sec. 611).

The conference agreement includes this provision.

One-year extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists (sec. 612)

The House bill contained a provision (sec. 612) that would extend the authority to pay certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists until September 30, 1998.

The Senate amendment contained a similar provision (sec. 612).

The conference agreement includes this provision.

One-year extension of authorities relating to payment of other bonuses and special pays (sec. 613)

The House bill contained a provision (sec. 613) that would extend the authority to pay the aviation officer retention bonus, reenlistment bonus for active members, enlistment bonus for critical skills, special pay for nuclear qualified officers extending period of active service, nuclear career accession bonus, nuclear career annual incentive bonus, and repayment of education loans for certain health professionals who serve in the selected reserve until September 30, 1998.

The Senate amendment contained a similar provision (sec. 613).

The conference agreement includes this provision.

Special pay for certain Public Health Service officers (sec. 614)

The Senate amendment contained two provisions (secs. 615 and 616) that would authorize retention special pay for optometrists in regular and reserve components of the Commissioned Corps of the Public Health Service (PHS) and special pay for nonphysician health care providers in the Commissioned Corps of the PHS.

The House bill contained no similar provisions.

The House recedes with an amendment that would combine the two provisions.

Special incentives to recruit and retain dental officers (sec. 615)

The House bill contained a provision (sec. 614) that would increase the amount of special pay for dental officers, to establish an entitlement to special pay for reserve dental officers consistent with special pay entitlements for physicians, and to establish an accession bonus for dental officers. Additionally, this section would require the Secretary of Defense to report to Congress on the feasibility of increasing dental participation in the Armed Forces Health Professions Scholarship and Financial Assistance Program.

The Senate amendment contained a similar provision (sec. 614) that would increase the special pay, additional special pay, and board certified pay for certain dental officers of the armed forces.

The Senate recedes.

Foreign language proficiency pay for Public Health Service and National Oceanic and Atmospheric Administration officers (sec. 616)

The Senate amendment contained a provision (sec. 617) that would extend foreign language proficiency pay now authorized for members of the armed services to any member of the uniformed services whose duties require such language proficiency.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Travel and Transportation Allowances

LEGISLATIVE PROVISIONS ADOPTED

Allowance in connection with shipping motor vehicle at government expense (sec. 621)

The House bill contained a provision (sec. 622) that would authorize travel allowances for travel to and from a port while transporting motor vehicles at government expense in conjunction with a permanent change of station move between the continental United States and overseas locations.

The Senate amendment contained a similar provision (sec. 621).

The conference agreement includes this provision.

Dislocation allowance at a rate equal to two and one half months basic allowance for quarters (sec. 622)

The House bill contained a provision (sec. 623) that would increase the amount of dislocation allowance paid to service members from two months of basic allowance for quarters to two and one half months basic allowance for quarters.

The Senate amendment contained no similar provision.

The Senate recedes.

Allowance for travel performed in connection with leave between consecutive overseas tours (sec. 623)

The House bill contained a provision (sec. 624) that would authorize the service secretaries to defer the travel and transportation allowances that accrue in conjunction with service members being ordered to consecutive overseas tours when participation in a contingency mission precludes completion of the travel within one year.

The Senate amendment contained a similar provision (sec. 623).

The conference agreement includes this provision.

Funding for transportation of household effects of Public Health Service officers (sec. 624)

The Senate amendment contained a provision (sec. 624) that would extend the authorization to be reimbursed for "do-it-yourself" moves currently authorized for members of the armed forces to the Public Health Service.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

LEGISLATIVE PROVISIONS ADOPTED

Effective date for military retiree cost-of-living adjustment for fiscal year 1998 (sec. 631)

The Senate amendment contained a provision (sec. 631) that would establish the date of the military retirement cost-of-living adjustment in fiscal year 1998 as January 1, 1998.

The House bill contained no similar provision.

The House recedes.

Clarification of initial computation of retiree COLAs after retirement (sec. 632)

The House bill contained a provision (sec. 635) that would make a technical correction to the method used to calculate the initial cost-of-living adjustment for certain new retirees.

The Senate amendment contained no similar provision.

The Senate recedes.

Suspension of payment of retired pay of members who are absent from the United States to avoid prosecution (sec. 633)

The House bill contained a provision (sec. 1044) that would require the Secretary of Defense to develop uniform procedures under which a member or former member of the uniformed services would forfeit retired pay if they willingly remain outside the United States to avoid criminal or civil prosecution or civil liability.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Nonsubstantive restatement of Survivor Benefit Plan statute (sec. 634)

The House bill contained a provision (sec. 639) that would restate the Military Survivor Benefit Plan statute (subchapter II of chapter 73 of title 10, United States Code) in its entirety to include amendments to the statute through the National Defense Authorization Act for Fiscal Year 1996.

The Senate amendment contained no similar provision.

The Senate recedes.

Increases in Survivor Benefit Plan contributions to be effective concurrently with payment of retired pay cost-of-living increases (sec. 635)

The Senate amendment contained a provision (sec. 633) that would require that annual cost-of-living increases to Survivor Benefit Plan premiums be effective on the date on which the retired pay cost-of-living increase is effective.

The House bill contained no similar provision.

The House recedes.

Amendments to the Uniformed Services Former Spouses' Protection Act (sec. 636)

The House bill contained a provision (sec. 637) that would amend the Uniformed Services Former Spouses' Protection Act (Public Law 97-252) to simplify the processing of court orders related to retirement pay. The section would also clarify that the Secretary of Defense could not accept a court order from a state that modifies a previous court order from another state unless the court issuing the modifying court order has jurisdiction over both the military member and the spouse or former spouse.

The Senate amendment contained no similar provision.

The Senate recedes.

Prevention of circumvention of court order by waiver of retired pay to enhance civil service retirement annuity (sec. 637)

The Senate amendment contained a provision (sec. 636) that would provide that a former spouse of a military retiree, whose military retired pay is part of a divorce settlement, would continue to receive the amount of money directed by court order if the military retiree becomes a federal employee and waives military retired pay in favor of having military service count towards civil service retirement benefits.

The House bill contained no similar provision.

The House recedes with an amendment that would make the provision prospective, taking effect after January 1, 1997 and prohibit back pay or lump sum restitution.

Administration of benefits for so-called minimum income widows (sec. 638)

The House bill contained a provision (sec. 638) that would transfer the responsibility for making payments under the minimum income widows program to the Department of Defense with payments from pension programs for widows of veterans paid by the Department of Veterans' Affairs.

The Senate amendment contained a similar provision (sec. 635) that would adjust the maximum level of annual income at which eligibility for minimum income widows payments end.

The Senate recedes with an amendment that would combine the two provisions.

Subtitle E—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Discretionary allotment of pay including retired or retainer pay (sec. 651)

The Senate amendment contained a provision (sec. 632) that would require the Secretary of Defense to establish procedures to allow military retirees a maximum of six retiree pay allotments.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Reimbursement for adoption expenses incurred in adoptions through private placements (sec. 652)

The Senate amendment contained a provision (sec. 641) that would extend the authority to reimburse adoption expenses to those service members who adopt through private agencies if the adoption is supervised by the court.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Waiver of recoupment of amounts withheld for tax purposes from certain separation pay (sec. 653)

The Senate amendment contained a provision (sec. 642) that would for involuntarily separated members, waive the recoupment of the amount of separation pay withheld for tax purposes if the separation pay is later recouped.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Technical correction clarifying limitation on furnishing clothing or allowances to enlisted National Guard technicians (sec. 654)

The House bill contained a provision (sec. 652) that would clarify the circumstances under which uniforms could be furnished to enlisted National Guard technicians.

The Senate amendment contained a similar provision (sec. 1103).

The conference agreement includes this provision.

Technical correction to prior authority for payment of back pay to certain persons (sec. 655)

The House bill contained a provision (sec. 636) that would make a technical correction to section 634 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) to clarify the level of compensation to be paid to certain veterans.

The Senate amendment contained no similar provision.

The Senate recedes.

Compensation for persons awarded prisoner of war medal who did not previously receive compensation as a prisoner of war (sec. 656)

The House bill contained a provision (sec. 1036) that would require the secretaries of the military departments to pay subsistence and other allowances authorized to be paid to prisoners of war interned by a government of a nation with which the United States has been at war to former service members who were awarded the Prisoner of War Medal as a result of being interned by a nation with which the United States was not at war.

The Senate amendment contained no similar provision.

The Senate recedes.

Payments to certain persons captured and interned by North Vietnam (sec. 657)

The Senate amendment contained a provision (sec. 643) that would authorize a payment of $40,000 to a person, or the survivor of a person, who demonstrates that he or she served as a Vietnamese operative pursuant to OPLAN 34A, was captured, and remained in captivity after 1973, and has not received any payment for the period spent in captivity.

The House bill contained no similar provision.

The House recedes with an amendment that would: increase the payment to $50,000 for those persons who can demonstrate that they spent more than 20 years in prison; include persons who served in Laos pursuant to OPLAN 35; limit disbursement only to locations in the United States or its territories, or in a manner prescribed by the person eligible for the payment; and make the authorization subject to appropriation.

LEGISLATIVE PROVISIONS NOT ADOPTED

Temporary lodging expenses of member in connection with first permanent change of station

The House bill contained a provision (sec. 621) that would authorize service members traveling to their first permanent duty station to receive a temporary lodging expense allowance.

The Senate amendment contained no similar provision.

The House recedes.

Annuities for certain military surviving spouses

The Senate amendment contained a provision (sec. 634) that would require the Secretary of Defense to pay an annuity to the surviving spouses of retired service members who died before March 21, 1974.

The House bill contained no similar provision.

The Senate recedes.

TITLE VII—HEALTH CARE PROVISIONS

ITEMS OF SPECIAL INTEREST

Programs for hospital and health facilities medical management in the Department of Defense

The conferees are concerned that the medical facilities of the Department of the Army, the Department of the Air Force and the Department of the Navy may not be implementing cost-containment programs similar to those in the private sector. The conferees note that private sector medical facilities have developed and are using such programs for equipment maintenance management, equipment and utilization tracking, quality outcomes benchmarks and protocols and clinical pathways for both managing care and for reporting results.

The conferees urge the Secretary of Defense to establish a program comparable to those in use in the private sector to measure the performance of military facilities. The conferees suggest that such a program be initially established in several large military medical facilities (500 bed facilities) and later expanded to all medical facilities as the program matures. The conferees direct the Secretary to submit a report on the progress of this effort not later April 15, 1997 to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

LEGISLATIVE PROVISIONS

Subtitle A—Health Care Services

LEGISLATIVE PROVISIONS ADOPTED

Preventive health care screening for colon and prostate cancer (sec. 701)

The House bill contained a provision (sec. 702) that would establish that male members and former members of the uniformed services are entitled to preventative health care screening for colon and prostate cancer.

The Senate amendment contained a similar provision (sec. 710) which also would add colon cancer screening to the preventative health care services available to female mambers and former members.

The Senate recedes with a clarifying amendment.

Implementation of requirement for Selected Reserve dental insurance plan (sec. 702)

The Senate amendment contained a provision (sec. 701) that would extend the implementation date of the selected reserve dental insurance program from October 1, 1996 into fiscal year 1997 and stipulate a full and open competition for the award of the contract or contracts.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Though this section would extend the implementation date for the reserve dental insurance program, the conferees are disappointed that a Request For Proposal has not yet been issued. The conferees urge the Department to proceed expeditiously with procurement of a contract for reserve dental care.

Dental insurance plan for military retirees and unremarried surviving spouses and certain other dependents of military retirees (sec. 703)

The Senate amendment contained a provision (sec. 702) that would establish a dental insurance plan for military retirees and certain dependents. The program, which would be available to eligible beneficiaries not later than October 1, 1997, would be based on voluntary enrollment and would require premiums to be paid by the participants.

The House bill contained no similar provision.

The House recedes with an amendment that would prohibit discretionary premium sharing by the Secretary of Defense.

Plan for health care coverage for children with medical conditions caused by parental exposure to chemical munitions while serving as members of the armed forces (sec. 704)

The Senate amendment contained a provision (sec. 709) that would authorize 10.0 million dollars to be available for research on the possible causal relationship between "Gulf War Syndrome" and exposure to chemical agents and hazardous materials during military service in the Persian Gulf. The provision would also establish medical and dental benefits for children of Gulf War veterans who are born with congenital defects and illnesses. The provision would waive the CHAMPUS fees, deductibles, and copayments for children entitled to care under this section.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the entitlement to health care for the children of those who are no longer eligible for health care within the Military Health Care System. Additionally, the amendment would require the Secretary of Defense, in coordination with the Secretary of Veterans Affairs, to develop a plan for ensuring that children who have a congenital defect or catastrophic illness, proven to a reasonable degree of scientific certainty to have resulted from exposure of the service member to a chemical warfare agent or other hazardous material during military service, are provided medical care.

Since the end of the Persian Gulf War, over 17,000 veterans have reported suffering from a wide range of symptoms collectively referred to as "Gulf War Syndrome." Some of these veterans believe their illnesses may be the result of exposure to chemical warfare agents.

The conferees are concerned that exposure to chemical warfare agents may be a causal factor of the Gulf War Syndrome and congenital birth defects or catastrophic illness among children born to service members who served in the Gulf War, particularly in light of the Department of Defense's recent disclosure that some Persian Gulf War veterans may have been exposed to chemical agents during the war.

As a result, the conferees believe the Department of Defense should expeditiously arrange for independent research to determine whether exposure to low levels of chemical warfare agents could have caused the symptoms associated with Gulf War Syndrome. Furthermore, the conferees believe the Department should study the possible health implications of administering a "cocktail mix" of inoculations and using investigational new drugs, as was done during the Persian Gulf deployment. The Department of Defense has a responsibility to current military members, former members, and their children, to invesigate fully any possible links between exposure to chemical agents or the use of combined inoculations and illnesses suffered by these members or their offspring.

Subtitle B—TRICARE Program

LEGISLATIVE PROVISIONS ADOPTED

CHAMPUS payment limits for TRICARE Prime enrollees (sec. 711)

The House bill contained a provision (sec. 712) that would permit health care providers who are not participating in the TRICARE network to be paid higher amounts than now permitted in certain limited circumstances in which they provide care to TRICARE Prime enrollees.

The Senate amendment contained no similar provision.

The Senate recedes.

Improved information exchange between military treatment facilities and TRICARE Program contractors (sec. 712)

The House bill contained a provision (sec. 713) that would require the Secretary of Defense to field a uniform version of the Composite Health Care System (CHCS) throughout the military health services system.

The Senate amendment contained a similar provision (sec. 703).

The Senate recedes with an amendment that would include a definition of the Department of Defense managed-care program.

Plans for Medicare subvention demonstration programs (sec. 713)

The Senate amendment contained a provision (sec. 708) that would require the Secretary of Defense and the Secretary of Health and Human Services to devise and submit to the Congress a plan for the implementation of a demonstration program under which the Department of Defense would be reimbursed by Medicare for medical care provided to Medicare-eligible beneficiaries in military medical facilities. The provision would also require the Secretary of Defense to conduct a study of the feasibility and advisability of providing fee-for-service reimbursement and would also authorize $75.0 million for a Medicare subvention demonstration program, should one be authorized in the 104th Congress.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the authorization for funding.

Subtitle C—Uniformed Services Treatment Facilities

LEGISLATIVE PROVISIONS ADOPTED

Definitions (sec. 721)

The House bill contained a prevision (sec. 721) that would define various terms pertaining to the Uniformed Services Treatment Facilities.

The Senate amendment contained an identical provision (sec. 721).

The conference agreement includes this provision.

Inclusion of designated providers in uniformed services health care delivery system (sec. 722)

The House bill contained a provision (sec. 722) that would provide for the inclusion of the Uniformed Services Treatment Facilities (USTFs) in the health care delivery system of the uniformed services and would establish the terms under which the USTFs would become designated providers of managed health care services to military beneficiaries.

The Senate amendment contained a similar provision (sec. 722).

The conference agreement includes this provision.

Provision of uniform benefit by designated providers (sec. 723)

The House bill contained a provision (sec. 723) that would require the designated providers to implement the TRICARE uniform benefit, including the uniform cost-sharing requirements, upon implementation of TRICARE in the designated provider's region or October 1, 1997, whichever date is later.

The Senate amendment contained a similar provision (sec. 723) which would require the implementation of the uniform benefit either on the date of implementation of the TRICARE program in the designated provider's region or October 1, 1996, whichever is later.

The Senate recedes.

Enrollment of covered beneficiaries (sec. 724)

The House bill contained a provision (sec. 724) that would establish several controls on the number of beneficiaries enrolled in managed care programs of designated providers. The provision also would prohibit the disenrollment of current participants, except in certain cases, and would establish additional enrollment criteria for designated providers.

The Senate amendment contained an identical provision (sec. 724).

The conference agreement includes this provision.

Application of CHAMPUS payment rules (sec. 725)

The House bill contained a provision (sec. 725) that would clarify that the Civilian Health and Medical Care Program of the Uniformed Services (CHAMPUS) rules may apply in situations when the health care provided to military beneficiaries is not provided outside the Uniformed Services Treatment Facility's catchment area.

The Senate amendment contained an identical provision (sec. 725).

The conference agreement includes this provision.

Payments for services (sec. 726)

The House bill contained a provision (sec. 726) that would require the payments made to designated providers to be full-risk capitation based on the utilization experience of enrollees and competitive market rates for equivalent health care services. It also would limit payments to a designated provider to no more than the government would pay if enrollees received their care through the TRICARE program or through Medicare.

The Senate amendment contained an identical provision (sec. 726).

The conference agreement includes this provision.

Repeal of superseded authorities (sec. 727)

The House bill contained a provision (sec. 727) that would repeal previous Uniformed Services Treatment Facility's (USTFs) legislative provisions, effective October 1, 1997, the date on which the USTFs would become "designated providers" under the TRICARE program.

The Senate amendment contained a similar provision (sec. 727).

The Senate recedes with a clarifying amendment.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

LEGISLATIVE PROVISIONS ADOPTED

Authority to waive CHAMPUS exclusion regarding nonmedically necessary treatment in connection with certain clinical trials (sec. 731)

The House bill contained a provision (sec. 731) that would permit the Secretary of Defense, pursuant to an agreement with the Secretary of Health and Human Services, to waive the exclusion of nonmedically necessary treatment with respect to clinical trials sponsored or approved by the National Institutes of Health.

The Senate amendment contained no similar provision.

The Senate recedes.

Exception to maximum allowable payments to individual health-care providers under CHAMPUS (sec. 732)

The House bill contained a provision (sec. 732) that would provide the Secretary of Defense the authority to authorize the commander of a military treatment facility, a TRICARE lead agent, or a civilian, at-risk health care contractor to modify the CHAMPUS payment limitations to ensure the availability of care for military beneficiaries.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Codification of annual authority to credit CHAMPUS refunds to current year appropriation (sec. 733)

The House bill contained a provision (sec. 734) that would make permanent the authority that allows the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) to credit refunds and similar collections to the current-year appropriations and thus be available to pay current-year obligations.

The Senate amendment contained a similar provision (sec. 705).

The conference agreement includes this provision.

Exceptions to requirements regarding obtaining nonavailability-of-health-care statements (sec. 734)

The House bill contained a provision (sec. 735) that would prohibit the requirement for non-availability statements for outpatient services for military beneficiaries who chose the TRICARE Standard (fee-for-service) option.

The Senate amendment contained no similar provision.

The Senate recedes.

Enhancement of third-party collection and secondary payer authorities under CHAMPUS (sec. 735)

The House bill contained a provision (sec. 736) that would refine the Third Party Collection Program under which military medical facilities collect from third party payers for health care services provided to beneficiaries who have additional coverage by a third-party plan or the CHAMPUS Double Coverage Program.

The Senate amendment contained a similar provision (sec. 704).

The conference agreement includes this provision.

Subtitle E—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Alternatives to active duty service obligation under Armed Forces Health Professions Scholarship and Financial Assistance Program and Uniformed Services University of the Health Sciences (sec. 741)

The House bill contained a provision (sec. 741) that would establish four alternative obligations for members of the Health Professions Scholarship and Financial Assistance Program who do not, or cannot, complete their active-duty service obligations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish that the alternatives be: (1) service in another armed force for a period of time not less than the remaining obligation; (2) service in a reserve component assignment of a duration twice as long as the remaining active-duty obligation; or (3) repayment of a percentage of the total cost incurred by the Department under the program equal to the percentage of the member's total active-duty service obligation being relieved, plus interest. The provision would also establish that members relieved of an active duty service obligation due to a physical disability may fulfill the obligation as a health professional civil service employee in a facility of the uniformed services.

External peer review for Defense Health Program extramural medical research involving human subjects (sec. 742)

The conferees recommend a provision that would establish that research projects that involve human subjects, that are conducted solely by a non-Federal entity, and are funded through the Defense Health Program (DHP), would be required to undergo a peer review process, established by the Secretary of Defense, to ensure the precept of basic scientific merit and the protection of subjects before DHP funds be obligated or expended.

Comptroller General review of health care activities of the Department of Defense relating to Gulf War illnesses (sec. 744)

The Senate amendment contained a provision (sec. 706) that would require the Comptroller General to conduct several reviews related to Persian Gulf Illnesses.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Report regarding specialized treatment facility program (sec. 745)

The House bill contained a provision (sec. 745) that would require the Secretary of Defense to provide Congress with a report on the impact of reducing the catchment areas for specialized treatment facilities from 200 miles to 100 miles.

The Senate amendment contained no similar provision.

The Senate recedes.

Study of means of ensuring uniformity in provision of medical and dental care for members of reserve components (sec. 746)

The House bill contained a provision (sec. 701) that would define the entitlement to medical and dental care for reserve component members in a specific military duty status.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to conduct a review of the provision of medical and dental care to members of the reserve components on active duty, including active duty for training and annual duty training, members on inactive duty training, and members on full-time National Guard duty. The report should include recommendations for a comprehensive plan for ensuring that the medical treatment, active-duty entitlements, and consideration for disability evaluation available to reserve component members is sufficient and in parity with that provided to members of the active component.

Sense of Congress regarding tax treatment of Armed Forces Health Professions Scholarship and Financial Assistance Program (sec. 747)

The House bill contained a provision (sec. 744) that would express the sense of Congress that the Secretary of Defense should continue to work with the Secretary of the Treasury to seek relief from the taxable status of tuition and related expenses as taxable income subject to withholdings.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees, recognizing the extraordinary benefit to the Armed Services, believe that tuition and related expenses provided under the Armed Forces Health Professions Scholarship Program or the Financial Assistance Program should not be considered taxable income. The current situation is the result of an Internal Revenue Service ruling which reversed longstanding practice that payments under these programs were not considered taxable income. The conferees believe that the President can and should direct the Internal Revenue Service to reverse the current ruling and return to the previous policy. Further, the conferees believe that any action to collect taxes from those personnel who participated in the Armed Forces Health Professions Scholarship Program or the Financial Assistance Program while the previous policy was in effect should be terminated.

LEGISLATIVE PROVISIONS NOT ADOPTED

Definition of TRICARE Program

The House bill contained a provision (sec. 711) that would define the managed-care program of the Department of Defense known as TRICARE.

The Senate amendment contained no similar provision.

The House recedes.

Authority to waive or reduce CHAMPUS deductible amounts for reservist called to active duty in support of contingency operations

The House bill contained a provision (sec. 732) that would provide the Secretary of Defense the authority to waive or reduce CHAMPUS deductible amounts in the case of the dependents of a member of a reserve component of the uniformed services who is on active duty under a call or order to active duty of less than one year.

The Senate amendment contained no similar provision.

The House recedes.

Restoration of previous policy regarding restrictions on use of Department of Defense Medical Facilities

The Senate amendment contained a provision (sec. 707) that would repeal the restriction on the use of Department of Defense funds to perform abortions in overseas medical facilities.

The House bill contained no similar provision.

The Senate recedes.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

LEGISLATIVE PROVISIONS

Subtitle A—Acquisition Management

LEGISLATIVE PROVISIONS ADOPTED

Procurement technical assistance programs (sec. 801)

The Senate amendment contained a provision (sec. 801) that would provide an increase of $12.0 million to continue the procurement technical assistance center program in fiscal year 1997.

The House bill contained an increase of $8.0 million for the continuation of this program with no legislative language.

The House recedes. The conferees believe that the Department of Defense should continue to administer this program and urge the Secretary of Defense to continue to utilize the infrastructure of the procurement technical assistance centers to support the implementation of acquisition streamlining initiatives in the Federal Acquisition Streamlining Act of 1994 such as electric commerce.

Extension of pilot Mentor-Protege program (sec. 802)

The Senate amendment contained a provision (sec. 802) that would extend the period in which mentor firms under the Mentor-Protege program may incur costs for furnishing developmental assistance under the program until September 30, 1999. The provision would also extend the period during which new agreements can be entered into until September 30, 1998.

The House bill contained a provision (sec. 808) that would extend the pilot Mentor-Protege program through fiscal year 1997.

The House recedes.

Authority to waive certain requirements for defense acquisition pilot programs (sec. 803)

The House bill contained a provision (sec. 801) that would expand existing authorities provided to the Secretary of Defense to waive or modify certain acquisition laws in executing programs designated as defense acquisition pilot programs.

The Senate amendment contained no similar provision.

The Senate recedes.

Modification of authority to carry out certain prototype projects (sec. 804)

The House bill contained a provision (sec. 804) that would reauthorize the authority provided by section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) to allow additional flexibility in the acquisition of prototype technologies and systems. The provision would also expand this authority to the military services.

The Senate amendment contained a similar provision (sec. 803).

The Senate recedes.

Increase in threshold amounts for major systems (sec. 805)

The House bill contained a provision (sec. 804) that would update the existing statutory dollar amount threshold for the definition of "major systems" to fiscal year 1990 constant dollars from fiscal year 1980 dollars. It would also allow the Secretary of Defense to further adjust this threshold for inflation after notification to the congressional defense committees. These changes would conform the definition for "major systems" to that used for "major defense acquisition program" in title 10, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying that any subsequent adjustment in the threshold should be rounded to the nearest $5.0 million.

Revision in information required to be included in Selected Acquisition Reports (sec. 806)

The House bill contained a provision (sec. 805) that would adjust and improve the terminology and references used in the acquisition reporting process of major defense acquisition programs. The provision would add "procurement unit cost" as an additional reporting element of the Selected Acquisition Report to provide a more meaningful measure of recurring unit cost. The provision would also eliminate the reporting element for completion status for a program because, as currently defined, it provides statistical measures of only marginal utility for program oversight.

The Senate amendment contained no similar provision.

The Senate recedes.

Increase in simplified acquisition threshold for humanitarian or peacekeeping operations (sec. 807)

The House bill contained a provision (sec. 806) that would expand the current authority that doubles the simplified acquisition threshold, for purchases made outside of the United States in support of a contingency operation, to cover humanitarian and peacekeeping operations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would expand the authority to all Federal agencies.

Expansion of audit reciprocity among Federal agencies to include post-award audits (sec. 808)

The House bill contained a provision (sec. 807) that would expand current statutory authorities in two ways in order to reduce administrative burdens and duplications of efforts by different governmental entities. First, it would extend audit reciprocity considerations to post-award audit to expedite the contract closeout process and the issuance of final contract payments. Second, it would require the Office of Management and Budget to issue guidance to ensure that State and local entities accept cognizant Federal agency audits in order to minimize duplication of effort and reduce cost for contractors engaged in contracting at various levels of government.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees expect that guidance implementing this provision will provide that a contracting officer consult, as necessary, with the available resident audit authority in making a determination that the objectives of indirect cost audit can be met by accepting the results of the prior audit.

Compensation of certain contractor personnel prohibited (sec. 809)

The Senate amendment contained a provision (sec. 1076) that would modify the statutory cost principles to limit annual reimbursement of individual compensation to $200,000.

The House bill contained no similar provision.

The House recedes with an amendment raising the individual compensation limit to $250,000 and modifying such limitation to apply only in fiscal year 1997. The conferees have also limited the restriction to officers of the firm to be defined in regulation. The conferees intend this term to include individuals in senior management positions with responsibility for the management of a firm or a major segment thereof.

The conferees also agree to language clarifying the definition of compensation for the purposes of this limitation. In this definition, compensation is defined as wages and elective deferred compensation. Further, the conferees intend for this provision to be applied in a manner that results in the $250,000 compensation limit being the aggregate total limit that any one individual may submit for reimbursement. The conferees acknowledge the difficulty of determining a general policy for the treatment of deferred compensation under a cost reimbursement limitation of this nature.

The conferees intend this provision to be an interim approach pending the development and consideration of a permanent change to the statutory cost principles. The conferees have included a provision requiring the Administrator of the Office of Federal Procurement Policy, in consultation with the Secretary of the Treasury and the Secretary of Defense, to provide to Congress no later than March 1, 1997, a legislative proposal to address, in an equitable and clear fashion, the limitation of reimbursement of individual compensation under government contracts. The proposal shall include a definition of compensation, including the treatment of deferred compensation, to be covered by such limitation as may be proposed. In developing such legislative proposal, the Administrator shall make every effort to develop an approach that allows contractors to avoid using internal tracking procedures other than those currently used for the purposes of complying with accepted accounting practices and current tax law.

Exception to prohibition on procurement of foreign goods (sec. 810)

The House bill contained a provision (sec. 831) that would delay the expiration of the current statutory domestic source restriction for valves and machine tools from October 1, 1996 to October 1, 2001.

The Senate amendment contained a provision (sec. 806) that would amend section 2534 of title 10, United States Code, by providing additional authority for the Secretary of Defense to waive limitations on the procurement of goods other than United States goods. The amendment would authorize the Secretary to waive a limitation in a case where he determines that the application of the limitation would impede the reciprocal procurement of defense items under a memorandum of understanding entered into under section 2531 of title 10, United States Code.

The House recedes.

The conferees note that the Defense Federal Acquisition Regulation Supplement interprets the domestic source limitation in section 2534(a)(5) of title 10, United States Code, for ball bearings and roller bearings "in accordance with subpart 225.71 of part 225 of the Defense Federal Acquisition Regulation Supplement, as in effect on October 23, 1992" as allowing only those waivers that were included in the cited DFARS subpart, rather than the general waivers in section 2534(d) of title 10, United States Code, to be applied to the domestic source restrictions for ball and roller bearings. The conferees do not intend the new provision to have any effect on the Department's interpretation.

Subtitle B—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Prohibition on release of contractor proposals under Freedom of Information Act (sec. 821)

The House bill contained a provision (sec. 822) that would exempt contractor proposals provided to the Federal government from release under the Freedom of Information Act (Public Law 89-554). This provision is intended to allow Federal agencies to dispense with the lengthy line-by-line reviews that are currently required to arrive at the nondisclosure determination for this material. This provision is not intended to affect information available to tbe placed under a General Accounting Office protective order pursuant to section 3553(f) of title 31, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying the status of those portions of contractor proposals included in a government contract.

Amendments relating to reports on procurement regulatory activity (sec. 822)

The House bill contained a provision (sec. 824) that would repeal the requirement for the Administrator for Federal Procurement Policy to publish a semiannual regulatory activity report on procurement regulations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make the semiannual reporting requirement an annual requirement and modify the required content of the report.

Amendment of multi-year limitation on contracts for inspection, maintenance, and repair (sec. 823)

The House bill contained a provision (sec. 825) that would repeal the current statutory limitation on multi-year contracts for inspection, maintenance, and repair functions thereby enabling the multi-year policy provisions of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) to govern such contracts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment extending the limitation period to not more than five years, vice three years.

Streamlined notice requirements to contractors and employees regarding termination or substantial reductions in contracts under major defense programs (sec. 824)

The House bill contained a provision (sec. 826) that would streamline and simplify the notification process resulting from termination or substantial reduction in defense contract funding required by the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (Division D of Public Law 102-484). This provision would modify the notification process to occur upon actual contract termination or substantial reduction rather than prematurely during the budget process as currently required.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of notice requirements for substantially or seriously affected parties in downsizing efforts (sec. 825)

The House bill contained a provision (sec. 827) that would repeal the requirement for the Secretary of Defense to notify Federal, state, county, local and labor officials if the President's annual budget submission, or long-term guidance documents, or public announcements of base or facility closures or realignments, or cancellation or curtailment of a major contract will affect them seriously and substantially.

The Senate amendment contained no similar provision.

The Senate recedes.

Study of effectiveness of defense mergers (sec. 826)

The House bill contained a provision (sec. 833) that would require a study conducted by the Secretary of Defense on the effect of defense mergers and acquisitions in the defense sector. The study would address the effectiveness of defense mergers and acquisitions in eliminating excess capacity within the defense industry, the degree of change in the dependence of defense contractors on defense-related Federal contracts after mergers, and the effect on defense industry employment resulting from defense mergers and acquisitions.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment adding the effect on competition for defense contracts as a matter to be addressed.

Annual report relating to Buy American Act (sec. 827)

The House bill contained a provision (sec. 1053) that would require the Secretary of Defense to submit an annual report on the amount of purchases by the Department of Defense from foreign entities in that fiscal year. The report would also include the dollar value of items for which the Buy American Act of 1933 (41 U.S.C. 10) was waived.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment extending the date the report is required to be submitted to 120 days after the end of the fiscal year.

Foreign environmental technology (sec. 828)

The Senate amendment contained a provision (sec. 3165) that would allow the Secretary of Energy to waive the prohibition under section 2536(b) of title 10, United States Code, on award of certain Department of Defense and Department of Energy contracts to companies owned by an entity controlled by a foreign government. The provision would authorize the waiver if the Secretary of Energy determines that it is essential to the national security or advances the environmental restoration objectives of the Department, without harm to the national security interests of the United States. Moreover, the waiver only applies if the entity is controlled by a foreign government with which the Secretary is authorized to exchange restricted data under section 144(c) of the Atomic Energy Act of 1954 (42 U.S.C. 2164(c)).

The House bill contained no similar provision.

The House recedes with an amendment that would extend the waiver authority to the Secretary of Defense.

The conferees direct the Secretary of Defense to provide a report to the congressional defense committees on whether the standards identified in this new waiver authority should be modified or expanded.

Assessment of national defense technology and industrial base and dependency of base on supplies available only from foreign countries (sec. 829)

The Senate amendment contained a provision (sec. 804) that would substantially amend the requirements in chapter 148 of title 10, United States Code, for analysis, assessment and planning concerning the national technology and industrial base. The amendments would clarify that the Secretary of Defense has responsibility for preparing periodic and selected assessments of the capability of the national technology and industrial base to attain the national security objectives outlined in section 2501(a) of title 10, United States Code. The provision would also establish a requirement that the Secretary prepare and submit to Congress an annual report describing the assessment and analyses used to identify and address concerns about national technology and industrial base capabilities as well as each program in the annual budget request designed to sustain such capabilities.

The House bill contained a provision (sec. 829) that would direct the Department of Defense to conduct an assessment of the degree of dependency on foreign sources for key components of defense systems.

The House recedes with an amendment that would require foreign dependency risk assessments be included as part of the periodic selected industrial base assessments conducted by the Secretary of Defense. In assessing whether a case of foreign dependency constitutes an unacceptable risk, the Secretary should take into consideration the overall degree of dependence by the national technology and industrial base on the item or supply in question, the production or development risks that could result from the disruption of access to such item or supply, and the programs and initiatives in place to reduce dependence on such item or supply.

Expansion of report on implementation of automated information systems to include additional matters regarding information resources management (sec. 830)

The Senate amendment contained a provision (sec. 809) that would require the Secretary of Defense to report to Congress on the establishment of the integrated management framework for the implementation of the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106) and to provide the Department's overall strategic information resources management plan.

The House bill contained no similar provision.

The House recedes with an amendment that would make technical and clarifying changes and that would break out the section of the provision concerning the "year 2000 issue" into a separate provision discussed elsewhere in this report.

Year 2000 software conversion (sec. 831)

The Senate amendment contained a provision (sec. 809(b)) that addressed the potential problem of converting date fields in software code an embedded systems in the year 2000 and directed the Department of Defense (DOD) to assess the risk to DOD information systems, and report to Congress on the resources necessary to complete conversion by the year 2000. The Senate amendment also directed the Secretary of Defense to ensure that after September 30, 1996 all information technology purchased by the Department will operate in the year 2000 without technical modifications.

The House had no similar provision.

The House recedes with a clarifying amendment. The conferees agree it is critical for the Department to address immediately the matter of "year 2000 compliance", and to ensure to the greatest extent practicable that prospective acquisitions do not include products that are non-compliant. While DOD contracting personnel are authorized to consider and accept offers for non-compliant products this authority should be conditioned on the offerors providing and committing to a timetable whereby products sold to the government after September 30, 1996 will be "year 2000 compliant", or will be modified to achieve "year 2000 compliance", or will be modified to achieve "year 2000 compliance" with minimal cost to the government.

Procurement from firms in industrial base for production of small arms (sec. 382)

The Senate amendment contained a provision (sec. 805) that would authorize the Secretary of Defense to require that any procurement of property or services associated with repair parts for small arms, or modifications of parts to improve small arms used by the armed forces, be made only from a firm in the small arms industrial base. The small arms industrial base would include those firms described in the plan entitled "Preservation of Critical Elements of the Small Arms Industrial Base," dated January 8, 1994, that was prepared by the Army Science Board.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees support the findings in Army Science Board study referred to in the Senate report (S. Rept. 104–267) and include a legislative provision (sec. 832) that authorizes the Secretary of Defense to limit procurement of small arms repair parts and modification of parts to those firms identified in the study which comprise the small arms production industrial base.

Cable television franchise agreements (sec. 833)

The House bill contained a provision (sec. 833) that would express the sense of Congress that the United States Court of Federal Claims should transmit a report to Congress as specified in section 823 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) by the date specified in that section.

The Senate amendment contained a provision (sec. 807) that would require that cable television franchise agreements with the Department of Defense be considered as a contract for telecommunications services for purposes of part 49 of the Federal Acquisition Regulation (FAR) if the court sustained that position in its report to Congress.

The House recedes with an amendment. Section 823 of the National Defense Authorization for Fiscal Year 1996 (Public Law 104–106) required the United States Court of Federal Claims to render and transmit to Congress an advisory opinion on whether the executive branch is empowered to treat cable television franchise agreements as contracts under the FAR without violating title VI of the Cable Act (47 U.S.C. 521 et seq.) and, if so, whether the executive branch is required by law to treat such agreements as contracts. The court transmitted its advisory opinion to Congress on July 15, 1996,. The court found that, as a matter of law, cable television franchise agreements are contracts subject to part 49 of the FAR. The conferees agree to a provision which reflects the opinion of the court.

The conferees do not intend that this section should in any way interfere with arrangements between cable television operators on military bases that have closed and the public or private parties that have taken possession of these base properties after closure.

LEGISLATIVE PROVISIONS NOT ADOPTED

Exclusion from certain post-education duty assignments for members of the acquisition corps

The House bill contained a provision (sec. 802) that would authorize the Secretary of Defense to exclude from the mandatory joint duty requirement military members of the acquisition corps who have graduated from the senior acquisition course at the Industrial College of the Armed Forces (ICAF).

The Senate amendment contained no similar provision.

The House recedes.

Implementation of information technology management reform

The House bill contained a provision (sec. 821) that would expand the definition of national security systems items exempt from the application of the centralized management provisions of the Information Technology Management Reform Act of 1996 (Division E of Public Law 104–106) to include all classified systems.

The Senate amendment contained a provision (sec. 1081) that would limit the definition of national security systems items exempt from the application of the centralized management provisions of the Information Technology Management Reform Act of 1996.

The House and Senate recede from their respective provisions.

Repeal of annual report by advocate for competition

The House bill contained a provision (sec. 823) that would repeal the requirement for agency competition advocates to submit an annual report to agency senior procurement executives.

The Senate amendment contained no similar provision.

The House recedes.

Testing of defense acquisition programs

The House bill contained a provision (sec. 828) that would modify existing statutes governing live fire testing of major defense systems.

The Senate amendment contained no similar provision.

The House recedes.

Remedies for reprisal against contractor whistleblowers

The Senate amendment contained a provision (sec. 808) that would modify the remedies in current law available to a contractor employee who is wrongfully terminated because he reported wrongdoing. The amendment would also allow for the payment of back pay and other compensation in the event the employee is not reinstated.

The House bill contained no similar provision.

The Senate recedes.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS

Subtitle A—General Matters

LEGISLATIVE PROVISIONS ADOPTED

Repeal of reorganization of Office of Secretary of Defense (secs. 901 and 903)

The House bill contained a provision (sec. 902) that would clarify that the 25 percent, five year reduction in personnel assigned to the Office of the Secretary of Defense required by section 901 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) must be implemented on an annual basis.

The Senate amendment contained a provision (sec. 901) that would repeal sections 901 and 903 of the National Defense Authorization Act for Fiscal Year 1996 which directed the reorganization of the Office of the Secretary of Defense.

The House recedes with an amendment that would retain section 901 of the National Defense Authorization Act for Fiscal Year 1996 and include the annual reductions required by section 901 of the House bill.

The conferees note that section 901 required the Secretary of Defense to conduct a review of the organization and functions of the Office of the Secretary of Defense and to submit a report not later than March 1, 1996. The Secretary has failed to comply with this statutory requirement. The conferees direct the Secretary to complete the review and to submit the required report immediately.

The conferees agreed to strike the repeal of the statutory basis for certain Presidential appointment positions. The conferees expect that the Secretary will include in the review of the organization and functions a zero-based review of the structure of the Office of the Secretary of Defense, and propose legislative changes, as necessary, if there is a recommendation to eliminate any of the current statutorily-required positions.

Additional required reduction in defense acquisition workforce (sec. 902)

The House bill contained a provision (sec. 901) that would require a reduction in the number of personnel assigned to defense acquisition organizations of 25,000 during fiscal year 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment limiting the number of required reductions to 15,000 in fiscal year 1997 and clarifying that the reductions are required to be made in numbers of acquisition personnel rather than in acquisition positions. The conferees agree that the impact of the reductions required to date in this specific category should be properly and fully assessed prior to the consideration of further cuts of such magnitude.

Report on military department headquarters staffs (sec. 904)

The House bill contained a provision (sec. 903) that would require the Secretary of Defense to conduct a comprehensive assessment on the management and functional responsibilities of the offices of the military department secretaries and chiefs of staff.

The Senate amendment contained no similar provision.

The Senate recedes.

Matters to be considered in next assessment of current missions, responsibilities, and force structure of the unified combatant commands (sec. 905)

The Senate amendment contained a provision (sec. 907) that would direct the Chairman of the Joint Chiefs of Staff to consider various matters (including geographic size, population, and threats) as part of the next review by the Chairman of the missions, responsibilities, and force structure of the unified combatant commands.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Transfer of authority to control transportation systems in time of war (sec. 906)

The House bill contained a provision (sec. 364) that would shift the responsibility for all systems of transportation during time of war from the Secretaries of the Army and the Air Force to the Secretary of Defense.

The Senate amendment contained a similar provision (sec. 904).

The House recedes.

Codification of requirements relating to continued operation of the Uniformed Services University of the Health Sciences (sec. 907)

The House bill contained a provision (sec. 743) that would restate the directive to the Secretary of Defense to budget for ongoing operations at the Uniformed Services University of the Health Sciences (USUHS).

The Senate amendment contained a provision (sec. 902) that would codify in title 10, United States Code, those portions of the National Defense Authorization Acts for Fiscal Years 1995 and 1996 that prohibit the closure of the Uniformed Services University of the Health Sciences (USUHS).

The House recedes.

Joint Requirements Oversight Council (sec. 908)

The House bill contained a provision (sec. 904) that would delay the effective date of the statutory charter for the Joint Requirements Oversight Council (JROC) from January 1, 1997 to January 1, 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would amend the JROC charter to specify that the Secretary of Defense is required to provide Congress with analysis and rationale for programmatic recommendations that were accepted by the Secretary. The amendment would retain the January 1, 1997 effective date.

Membership of the Ammunition Storage Board (sec. 909)

The House bill contained a provision (sec. 906) that would permit qualified federal civilian employees to serve as board members on the Department of Defense ammunition storage board.

The Senate amendment contained no similar provision.

The Senate recedes.

Removal of Secretary of the Army from membership on the Foreign Trade Zone Board (sec. 910)

The House bill contained a provision (sec. 905) that would repeal the requirement for membership of the Secretary of the Army on the Foreign Trade Zone Board.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees encourage the Department of Defense to advise the Board on infrastructure improvements and environmental evaluations, as appropriate.

Composition of aircraft accident investigation boards (sec. 911)

The House bill contained a provision (sec. 1033) that would require the Secretaries of the military departments to appoint a minimum of one representative of the service's safety center as a voting member on all aircraft accident investigation boards and to appoint a majority of the membership of accident investigation boards from units outside the chain of command of the unit involved in the mishap.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the requirement that a representative of the service's safety center be a member of an investigation board and would authorize the Secretary to select other individuals possessing knowledge or expertise that might prove useful to those conducting the investigation. The amended provision also allows the Secretary to waive the requirement to appoint a member or members from outside the command if the crash site is remote; the need to conduct the investigation is urgent; or the aircraft is very unique and limited in number to the extent that it is not feasible to locate, within the military department, another unit whose personnel have sufficient knowledge.

Mission of the White House Communications Agency (sec. 912)

The House bill contained a provision (sec. 1051) that would require the Secretary of Defense to ensure that the activities of the White House Communications Agency of the Department of Defense are limited to the provision of telecommunications support to the President and Vice President and related elements such as the National Security Council.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would: (1) permit the White House Communications Agency to provide services other than telecommunications so long as the Department of Defense is reimbursed for the cost of providing those services, (2) delay the effective date until October 1, 1997, and (3) require a series of reports during fiscal year 1997 on support provided by the White House Communications Agency.

Subtitle B—Force Structure Review

LEGISLATIVE PROVISIONS ADOPTED

Force Structure Review (secs. 921–926)

The Senate amendment contained a number of provisions (secs. 1091–1096) in subtitle G of title 10, referred to as the "Armed Forces Force Structure Review Act of 1996." This Act would require the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, to conduct a Quadrennial Defense Review (QDR) as recommended by the Commission on Roles and Missions of the Armed Forces. This review would be a complete re-examination of the defense strategy, force structure, force modernization plans, budget plans, infrastructure, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United States, and establishing a national defense program, as we enter the 21st Century.

In carrying out this review, the Department would examine the potential near- and long-term threats to U.S. national security including:

(a) the proliferation of weapons of mass destruction and the means to deliver them;

(b) conventional threats across a spectrum of conflicts;

(c) the vulnerability of our information systems and other advanced technologies to non-traditional threats;

(d) domestic and international terrorism; and

(e) the potential emergence of a major adversary.

The Act would also create an independent, non-partisan panel of defense experts (to be known as the National Defense Panel) that would provide the Secretary of Defense and the Congress alternative recommendations regarding the optimal force structure required to meet the national security needs of the United States. This panel would be appointed by the Secretary of Defense after consultation with the Chairmen and Ranking Members of the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

The creation of the National Defense Panel is intended to help ensure the validity of the process by playing a very active role in reviewing and commenting on the QDR from the early stages of its development. The Panel is designed to provide the Congress, and the Secretary of Defense, with an independent review of the national security requirements of the United States, including the force structure necessary to meet those requirements. This will, hopefully, allow the Congress and the Secretary to consider alternative options when making decisions affecting the security of the United States.

Upon completion of the QDR, the Act would require that the Chairman of the Joint Chiefs of Staff and the Chairman of the National Defense Panel prepare and submit to the Secretary of Defense, for inclusion in the Secretary's report to the Congress, their assessment of the QDR. The Secretary's report would also include a comprehensive discussion of the defense strategy of the United States, and the assumptions regarding the threats to our national security, mission sharing, levels of acceptable risk, warning times, and intensity and duration of the conflict. In addition, the report would address the effect on the force structure of preparations for, and participation in, peace operations and military operations other than war. It also would require a discussion of the effects which emerging technologies will have on the U.S. force structure and a number of other matters.

The House bill contained no similar provision.

The House recedes.

The conferees believe this is an appropriate time to review the strategy and force structure necessary to protect the interests of the United States in any future conflict. The pace of global change requires that the United States reexamine its military capabilities with a view toward preparing the military services for the 21st Century.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

Subtitle A—Financial Matters

LEGISLATIVE PROVISIONS ADOPTED

Transfer authority (sec. 1001)

The House bill contained a provision (sec. 1001) that would provide the authority for reprogramming involving the transfer of authorization between amounts authorized as set out in bill language.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Incorporation of classified annex (sec. 1002)

The House bill contained a provision (sec. 1002) that would incorporate the classified annex prepared by the Committee on National Security into this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment providing that the classified annex prepared by the committee of conference is incorporated into this Act.

Authority for obligation of certain unauthorized fiscal year 1996 defense appropriations (sec. 1003)

The House bill contained a provision (sec. 1003) that would authorize fiscal year 1996 programs that received appropriations but no authorization.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Authorization of prior emergency supplemental appropriations for fiscal year 1996 (sec. 1004)

The House bill contained a provision (sec. 1004) that would extend authorization to those items appropriated by the fiscal year 1996 emergency supplemental appropriations legislation.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Format for budget requests for Navy/Marine Corps and Air Force ammunition accounts (sec. 1005)

The House bill contained a provision (sec. 1005) that would require the President to request funding for ammunition for the Navy and the Marine Corps, and ammunition for the Air Force in separate appropriation accounts.

The Senate amendment contained no similar provision.

The Senate recedes.

Defense airborne reconnaissance program (DARP) (sec. 1006)

The House bill contained a provision (sec. 1006) that would require the Secretary of Defense to identify all DARP research and development (R&D) programs, projects, or activities, with a unique program element number and procurement line item number, respectively, for all future budget requests beginning with fiscal year 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that the consolidated Defense Airborne Reconnaissance Office (DARO) budget request does not provide sufficient funding detail for the numerous DARO programs to enable the congressional defense committees to conduct necessary oversight. The major DARO programs currently consolidated in one R&D program element identification number and spread across three procurement line item identification number include: tactical unmanned aerial vehicles; endurance unmanned aerial vehicles; airborne reconnaissance systems; manned reconnaissance systems; and distributed common ground systems. The conferees therefore include a legislative provision that would require the Secretary of Defense to identify at least these major DARP R&D and procurement programs by unique program element identification number and procurement line item identification number, respectively, for all future budget requests beginning with the fiscal year 1998.

Limitation on use of Department of Defense funds transferred to the Coast Guard (sec. 1007)

The Senate amendment contained a provision (sec. 1004) that would require the Secretary of Defense and the Secretary of Transportation to jointly certify to the Congress that the funds transferred from the Department of Defense to the Coast Guard will be used for the national security functions of the Coast Guard.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Fisher House Trust Fund for the Department of the Navy (sec. 1008)

The Senate amendment contained a provision (sec. 1008) that would would establish a trust fund in the U.S. Treasury for the Navy Fisher Houses.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Designation and liability of disbursing and certifying officials for the Coast Guard (sec. 1009)

The Senate amendment contained a provision (sec. 1009) that would extend the authorization for the designation and appointment of disbursing and certifying officials within the Department of Defense to the Secretary of Transportation for the Coast Guard. The Department of Defense was authorized to designate and appoint disbursing and certifying officials in the National Defense Authorization Act for Fiscal Year 1996. The recommended provision would extend these financial management authorities to the Coast Guard.

The House bill contained no similar provision.

The House recedes.

Authority to suspend or terminate collection actions against deceased members of the Coast Guard (sec. 1010)

The Senate amendment contained a provision (sec. 1010) that would rescind the requirement to initiate and pursue collection actions against the estates of members of the Coast Guard who die while on active duty and are indebted to the government.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Department of Defense disbursing official check cashing and exchange transactions (sec. 1011)

The House bill contained a provision (sec. 907) that would permit Department of Defense disbursing officials to provide check cashing services and exchange services to U.S. chartered federal credit unions serving U.S. military personnel and their dependents in foreign countries where military banking facilities are not available.

The Senate amendment contained a similar provision (sec. 1011).

The Senate recedes with a clarifying amendment.

Subtitle B—Naval Vessels and Shipyards

LEGISLATIVE PROVISIONS ADOPTED

Repeal of requirement for continuous applicability of contracts for phased maintenance of AE class ships (sec. 1021)

The Senate amendment contained a provision (sec. 1023) that would repeal section 1016 of the National Defense Authorization Act of Fiscal Year 1996.

The House bill contained no similar provision.

The House recedes.

Funding for second and third maritime prepositioning ships out of National Defense Sealift Fund (sec. 1022)

The budget request included $963.0 million in the National Defense Sealift Fund (NDSF) for strategic sealift, including $603.8 million for the procurement of two large medium speed roll-on/roll-off (LMSR) ships, $260.8 million for operations and maintenance of the ready reserve force (RRF), $90.0 million for acquisition of additional ships for the RRF, and $8.4 million for sealift research and development

The Senate amendment contained a provision (sec. 311) that would authorize an increase of $240.0 million in the NDSF for the purchase and conversion, or construction if it is competitive based on price and timeliness, of two additional ships for the Marine Corps maritime prepositioning force enhancement (MPF(E)) program. Acquisition of these two ships would satisfy the Marine Corps MPF(E) threshold operational requirement. The Senate report (S. Rept. 104-267), which was published on May 13, 1996, provided the rationale for this provision. A subsequent MPF(E) life cycle cost comparison was undertaken by the Congressional Research Service (CRS) at the request of the Committee on Armed Services of the Senate and completed on June 21, 1996. CRS evaluated a number of possible options, including purchase and conversion of an existing hull, a new construction variant of the Army's LMSR, and a lengthened version of a national defense features roll-on/roll-off design that was developed as a maritime technology initiative. The study concluded that, with a threshold operational requirement and any time horizon from fiscal year 2009 out to thirty years of service life as the benchmarks, the purchase and conversion of an existing ship to satisfy the Marine Corps threshold requirement for an MPF(E) ship would be the most cost effective option.

The House bill contained no similar provision. However, the House bill would authorize an increase of $160.0 million for the purpose of procuring a second MPF(E) ship. The House bill also included a separate provision, discussed elsewhere in this statement of managers, that would ensure that the second and third ships acquired to satisfy the MPF(E) requirement are new vessels constructed in U.S. shipyards.

The House recedes.

Transfer of certain obsolete tugboats of the Navy (sec. 1023)

The Senate amendment contained a provision (sec. 1022) that would authorize the Secretary of the Navy to transfer six obsolete tugboats from the Navy to an instrumentality of the State of Wisconsin, the Northeast Wisconsin Railroad Transportation Commission, if the Secretary determines that the tugboats are not needed for transfer, donation, or other disposal under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.). The transfer would be at no expense to the Navy. The provision would also direct the Secretary to require, as a condition of transfer, that use of the vessels by the Commission not commence until the terms of any necessary environmental compliance letter have been met.

The House bill contained no similar provision.

The House recedes with an amendment that will clarify the terms under which the transfer could be made.

Transfer of the U.S.S. Drum to city of Vallejo, California (sec. 1024)

The House bill contained a provision (sec. 1049) that would authorize the Secretary of the Navy to transfer the U.S.S. Drum (SSN–677) to the City of Vallejo, California, upon satisfactory completion of a ship donation application. This transfer would be at no cost to the government.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress concerning LCS 102 (LSSL 102) (sec. 1025)

The Senate amendment contained a provision (sec. 1025) that would express the sense of the Senate that the Secretary of Defense should use existing authorities in law to seek return, upon completion of service, of the former U.S.S. LCS 102 (LSSL 102) from the Government of Thailand in order for the ship to be transferred to the United States Shipbuilding Museum.

The House bill contained no similar provision.

The House recedes.

The conferees agree to adopt the Senate provision as a sense of Congress.

Subtitle C—Counter-Drug Activities

LEGISLATIVE PROVISIONS ADOPTED

Overview

The budget request for drug interdiction and other counterdrug activities of the Department of Defense totals $782.2 million. This includes the $642.7 million drug interdiction account, and $139.5 million in the military services' operating budgets for counterdrug operations. This compares with a total of $810.9 million for these activities during fiscal year 1996, including $679.4 million for the drug interdiction account and $131.5 million in the services's operating budgets.

The conferees recommend an additional $153.8 million for the counterdrug initiatives of the Department of Defense. These increases, along with the budget request for counter-narcotics activities, are shown in the table below.

Drug Interdiction & Counterdrug Activities Operations and Maintenance

[In thousands of dollars; may not add due to rounding]

Fiscal Year 1997 Drug and Counterdrug Request	782,200
Source Nation Support	154,000
Detection and Monitoring	232,100
Disruption of Drug Mafia Organizations	57,100
Law Enforcement Agency	255,000
Demand Reduction	84,000
Increases:	
Support for Military Counterdrug Units of Mexico	8,000
Laser Strike	8,000
Riverine Operations in South America	4,000
Signal Intelligence Equipment for Southwest Border	2,500
Southwest Border Fence	5,000
Refurbish and Install TPS–70 Radar	15,000
P–3B AEW Retrofit (2 a/c)	98,000
Non-Intrusive Inspection Systems	6,000
Gulf States Counterdrug Initiative	2,800
Multi-Jurisdictional Task Force	1,000
C–26 Upgrades	3,500
Recommendation	936,000

The increase in funding will enable the Department of Defense and the Federal Government to more rigorously pursue its counter-narcotics efforts including priority programs identified by the Office of National Drug Control Policy.

Mexico-Southwest Border Initiative

The conferees recognize that a substantial quantity of the narcotics entering the United States from South America continues to come across the southwest border. Some reports put this quantity as high as 70 percent. The conferees urge the Department to increase its effort in working with the Government of Mexico to stem the flow of narcotics across this border and recommend an increase of $8.0 million in fiscal year 1997 to be used for this purpose.

The conferees are encouraged by the Department's intelligence gathering activities related to the prevention of drug-smuggling across the southwest border. The conferees recommend an increase of $2.5 million for the purchase of signal intelligence equipment to be used for communications intercept activities along the southwest border.

The conferees continue to have an interest in facilitating support for the border fence project along the San Diego-Tijuana border area in Southern California. The conferees are aware of the efforts of JTF–6 and the California National Guard in sustaining an adequate level of support to enhance this barrier. The conferees endorse the decision to fund the effort to enhance the fence from within the immigration control budget. However, to ensure that the existing program to extend the length of fence coverage is not unnecessarily interrupted, the conferees recommend an additional $5.0 million for continued support of this national project.

In addition, the conferees recommend an additional $6.0 million for the purchase of non-intrusive inspection devices to be deployed at major ports of entry along the southwest border. This will help to ensure that the U.S. war on drugs in this region is provided with the most up to date detection equipment.

Caribbean and South American Initiative

The conferees are aware that the Department's request is insufficient to provide full funding of Operation Laser Strike in fiscal year 1997. Laser Strike will build on the success of Operation Green Clover and involves a sustained level of U.S. detection, monitoring and tracking resources, as well as assessments and training, to support expanded interdiction and law enforcement efforts by nations of the source region. The conferees support this important operation and recommend an increase of $8.0 million in order to provide full funding.

The conferees are also aware that drug traffickers are making greater use of the vast river network in the Andean region to transport processed cocaine and pre-cursor materials. Currently, the governments in the source nations are ill-prepared to interdict drug trafficking on their rivers and waterways. Therefore, the conferees recommend an increase of $4.0 million for assistance to the governments of the source nations in their efforts to stem the flow of narcotics moving on these rivers.

The conferees are encouraged by the level of success achieved by the Department in reducing the movement of narcotics by air. The conferees recommend an additional $15.0 million for the installation of a TPS–70 radar which will assist the Department, and those cooperative governments of the source nations, in efforts to further reduce the amount of drugs that smugglers are moving with the use of aircraft. In addition, the conferees recommend an additional $98.0 million for the retrofitting of two P–3B aircraft with airborne radars which will provide the U.S. Customs Service with additional detection and monitoring capability.

Domestic Counter-Narcotics Initiative

The conferees have learned that the number of OH–58D helicopters in the Army National Guard will be reduced dramatically under the Army's Aviation Restructure Initiative. These helicopters, with their forward looking infrared radar (FLIR), are particularly useful in the National Guard's detection of illicit marijuana fields. The conferees have been advised that the Department of Defense's Office of Drug Enforcement Policy and Support is reviewing this situation with a view towards the retention of additional OH–58D helicopters, as appropriate, within existing funding resources. The conferees support this initiative and direct that Office, in coordination with the Department of the Army and the National Guard Bureau, to ensure the allocation of additional helicopters to those states that have historically used these assets for the detection and destruction of illicit marijuana fields.

The conferees are aware of a shortfall in funding for the National Guard C–26 aircraft photo reconnaissance and infrared surveillance upgrade program. Therefore, the conferees recommend an increase of $3.5 million to restore the number of aircraft involved in the C–26 photo reconnaissance upgrade program to its previous level.

The conferees continue to support the Gulf States Counterdrug Initiative (GSCI) and are pleased to note that the budget request contains $3.2 million for this initiative. However, the conferees are concerned that this funding level does not adequately cover the required costs for the Regional Counterdrug Training Academy, integrating the state of Georgia into the program and other priority initiatives. Therefore, the committee recommends an increase of $2.8 million over the requested amount. The committee strongly believes that funds provided for this program should remain focused on training and improving command, control, communications, and computer capabilities.

The conferees continue to support the efforts of the Multi-Jurisdiction Task Force to provide valuable counter-narcotics training to our nation's state and local law enforcement agencies. The conferees recommend an additional $1.0 help in these efforts.

Legislative Provisions (secs. 1031–1032)

In order to facilitate the Department's ability to carry out these initiatives, the conferees recommend two provisions. The first provision would authorize the transfer of both the non-intrusive inspection devices and 2 P–3B aircraft to the U.S. Customs Service. Prior to the obligation of funds for the P–3B aircraft, the Secretary would have to certify to Congress that the transfer of these aircraft to the U.S. Customs Service will significantly reduce the level of support that would otherwise be requested of the Department's E–3 AWACS aircraft.

The conferees also include a provision from the Senate amendment (sec. 1031) that would grant the Secretary of Defense the authority to provide additional support for the counter-drug activities of the Government of Mexico. This provision would authorize the Secretary to transfer non-lethal protective and utility personnel equipment, spare parts, and non-lethal specialized equipment, such as navigation equipment, communications equipment, and photo equipment, to Mexico.The conferees wish to make clear that the Secretary would only be authorized to transfer equipment specified by this provision and in no way could use this authority to transfer helicopters or other aircraft.

Transfer of excess personal property to support law enforcement activities (sec. 1033)

The House bill contained a provision (sec. 362) that would provide permanent authority for the Department of Defense (DOD) to provide excess personal property to state and local law enforcement agencies. This property includes vehicles, helicopters, weapons, ammunition and other property that is needed by law enforcement agencies. Section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) estabished a one year program to provide excess personal property to law enforcement agencies for use in drug enforcement activities. This provision was extended until September 30, 1997 by section 1005 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510). This provision would make the section 1208 program permanent and expand it to all law enforcement activities with a priority to counter-narcotics activities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment which would give priority to counter-narcotics and counter-terrorist law enforcement activities. The amendment would also ensure that DOD would incur no cost of transferring this excess equipment to these law enforcement agencies except the cost associated with the management of the program within DOD.

Sale by Federal departments or agencies of chemicals used to manufacture controlled substances (sec. 1034)

The Senate amendment contained a provision (sec. 1082) that would prevent the sale of chemicals that could be used in the manufacture of controlled substances. These chemicals could be sold, however, if the head of the department or agency certifies that there is no reasonable cause to believe the sale will result in an improper use.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Subtitle D—Reports and Studies

LEGISLATIVE PROVISIONS ADOPTED

Annual report on Operation Provide Comfort and Operation Enhanced Southern Watch (sec. 1041)

The House bill contained a provision (sec. 1021) that would require a consolidated annual report on the conduct of Operations Provide Comfort and Enhanced Southern Watch over and within Iraq. This annual report would be required to be submitted to the Congress so long as the operations continue.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Annual report on emerging operational concepts (sec. 1042)

The Senate amendment contained a provision (sec. 1051) that would require the Chairman of the Joint Chiefs of Staff to provide an annual report to Congress describing the process of defining emerging operational concepts in each of the services and the manner in which the services' processes are coordinated in matters of doctrine, operational concepts, organization and acquisition strategy.

The House bill contained no similar provision.

The House recedes with an amendment requiring the Secretary of Defense to prepare and submit the report in consultation with the chairman of the Joint Chiefs of Staff.

Report on Department of Defense military child care programs (sec. 1043)

The Senate amendment contained a provision (sec. 1078) that would express the sense of the Senate that the Department of Defense should share its experiences with providing child care services with other federal, state, and local agencies.

The House bill contained no similar provision.

The House recedes with an amendment that would express the sense of the Congress.

Report on Department of Defense military youth programs (sec. 1044)

The Senate amendment contained a provision (sec. 1077) that would express the sense of the Senate that the Department of Defense should share its experiences in conducting youth programs with other federal, state, and local agencies.

The House bill contained no similar provision.

The House recedes with an amendment that would express the sense of the Congress.

Quarterly reports regarding coproduction agreements (sec. 1045)

The House bill contained a provision (sec. 1046) that would amend the Arms Export Control Act (22 U.S.C. 2776(a)) to require that quarterly reports to the Congress required by this statute include information on specified government-to-government agreements on foreign co-production of defense articles.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on witness interview procedures for Department of Defense criminal investigations (sec. 1046)

The House bill contained a provision (sec. 1023) that would require the Comptroller General to survey and report on the policies and practices of all military criminal investigative agencies with respect to the manner in which interviews of witnesses and suspects are conducted.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would narrow the focus of the survey to the subject of procurement fraud investigations in the Department of the Navy.

Report on military readiness requirements of the Armed Forces (sec. 1047)

The Senate amendment contained a provision (sec. 1053) that would establish a requirement for a one-time report from the Chairman of the Joint Chiefs of Staff on the military readiness requirements of all U.S. armed forces, including active and reserve components as well as support units, using a tiered readiness system. The provision would also direct the service chiefs and the Commander-in-Chief of the U.S. Special Operations Command to prepare the report for the Chairman. The report which they prepare should assign each force unit, described by type rather than unit name, to one of three tiers of combat readiness which are defined in the provision. The provision establishes parameters for the assessment. The provision would also direct the Chairman to provide a listing of all forces that are not assigned to one of the three readiness tiers. After the service chiefs provide the Chairman with this report, the Chairman shall provide the report to the congressional defense committees together with his comments. The report is required to be submitted by January 31, 1997.

The Senate bill also contained a provision (sec. 517) that would require the Secretary of Defense to provide a report on the role of specific Guard and Reserve units in the current force structure.

The House bill contained no similar provisions.

The House recedes with an amendment that would combine the two reports and would require the Secretary of Defense to report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The Chairman of the JCS and the service chiefs would prepare the report. The Chairman of the JCS would consult with the commander of the U.S. Special Operations Command in preparation of the report.

Report on NATO enlargement (sec. 1048)

The Senate amendment contained a provision (sec. 1047) that would require the President to submit a report on enlargement of the membership of North Atlantic Treaty Organization (NATO) to Congress by December 1, 1996. The provision would also require the appointment of congressional members to serve on a bipartisan review group of nongovernmental experts to conduct an independent assessment of the enlargement of NATO, and to report to Congress by December 1, 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would change the date from December 1, 1996 to February 1, 1997 for the President's report on NATO enlargement. Additionally, the conferees agree to eliminate the legislative requirement for a congressionally-appointed group of nongovernmental experts to conduct an independent assessment of NATO enlargement.

The conferees expect that Congress will conduct its own independent assessment on the issue of NATO enlargement.

Subtitle E—Management of Armed Forces Retirement Home

LEGISLATIVE PROVISIONS ADOPTED

Retirement home boards of directors (sec. 1051)

The House bill contained an amendment (sec. 366) that would amend the Armed Forces Retirement Home Act of 1991 (Public Law 101–510) to update the terms of office for members of the armed forces or federal civilians who are appointed as members of the Retirement Home Board, authorize the disposal of real property, and establish annual evaluation procedures for the directors of the individual retirement homes.

The Senate amendment contained a provision (sec. 581) to clarify references to the Armed Forces Retirement Home Act of 1991.

The Senate amendment also contained a provision (sec. 584) that would enable members of the Armed Forces Retirement Home (AFRH) Board and local boards to be reappointed under certain conditions. The provision also would permit a change in the method by which certain AFRH employees are compensated.

The Senate recedes on both provisions.

Acceptance of uncompensated services (sec. 1052)

The Senate amendment contained a provision (sec. 582) that would enable the Chairman of the Armed Forces Retirement Home (AFRH) Board, or the directors of the individual homes, to accept uncompensated or gratuitous services from volunteers under procedures similar to those currently in place in the Department of Defense.

The House bill contained no similar provision.

The House recedes.

Disposal of tract of real property in the District of Columbia (sec. 1053)

The House bill contained a provision (sec. 366) that would amend the Armed Forces Retirement Home Act of 1991 (Public Law 101–510) to authorize the disposal of real property, and establish annual evaluation procedures for the directors of the individual retirement homes.

The Senate amendment contained a provision (sec. 583) that would authorize the disposal of a 49 acre parcel of real property at the Armed Forces Retirement Home (AFRH) in accordance with title 24, United States Code.

The Senate recedes with an amendment that would establish a procedure under which the Congress is notified about proceedings on the sale of property.

Subtitle F—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Policy on protection of national information infrastructure against strategic attack (sec. 1061)

The House bill contained a provision (sec. 1022) that would require the President to submit a report to Congress setting forth national policy on protecting the national information infrastructure. The provision would require a number of specific issues to be addressed in the report which would be required to be submitted no later than 180 days after the date of enactment of this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Information systems security program (sec. 1062)

The House bill contained a provision (sec. 1031) that would require the Secretary of Defense to allocate an increasing percentage of funds appropriated for the defense information infrastructure to security beginning in fiscal year 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delay implementation of the percentage allocation formula until fiscal year 1999, and require a report in 1997 from the Secretary of Defense on the Department's information security objectives, strategy, and investment preferences. If the Secretary submits an investment plan that adequately addresses current and projected shortfalls and vulnerabilities of the information infrastructure, the conferees will reconsider the necessity of allowing this legislative provision to take effect.

Authority to accept services from foreign governments and international organizations for defense purposes (sec. 1063)

The House bill contained a provision (sec. 1307) that would amend section 2608(a) of title 10, United States Code, to authorize the Department of Defense to accept services, money and property from foreign governments and international organizations. The funds and services from these additional sources would be used to defray the costs of U.S. military forces participating in multinational operations.

The Senate amendment contained no similar provision.

The Senate recedes.

Prohibition on collection and release of detailed satellite imagery relating to Israel (sec. 1064)

The Senate amendment contained a provision (sec. 1044) that would limit the collection and release of satellite imagery of Israel or other countries or geographical areas designated by the President.

The House bill contained no similar provision.

The House recedes with an amendment.

George C. Marshall European Center for Strategic Security Studies (sec. 1065)

The House bill contained a provision (sec. 1037) that would authorize the Secretary of Defense to accept contributions of money or services from any foreign nation intended to defray the cost of, or enhance the operations of, the George G. Marshall European Center For Strategic Studies. This provision would also authorize the Secretary of Defense to approve the participation of European or Eurasian nations in Marshall Center programs.

The Senate amendment contained a provision (sec. 1068) that would authorize the George C. Marshall Center for Strategic Security to accept contributions from foreign governments, foundations, charitable organizations, and individuals in foreign countries.

The Senate recedes with an amendment that would combine the two provisions.

Authority to award to civilian participants in the defense of Pearl Harbor the congressional medal previously authorized only for military participants in the defense of Pearl Harbor (sec. 1066)

The Senate amendment contained a provision (sec. 1069) that would extend to civilians who participated in the defense of Pearl Harbor eligibility for award for a bronze medal to commemorate the services of those persons.

The House bill contained no similar provision.

The House recedes.

Assimilative crimes authority for traffic offenses on military installations (sec. 1067)

The Senate amendment contained a provision (sec. 1079) that would allow the Secretary of Defense or his designee to promulgate rules or regulations concerning traffic offenses committed on military installations and apply the surrounding community's authorized punishments to those offenses in specified circumstances.

The House bill contained no similar provision.

The House recedes.

Uniform Code of Military Justice amendments (sec. 1068)

The Senate amendment contained a provision (sec. 1061) that would make a series of amendments to the Uniform Code of Military Justice: a technical amendment to existing legislation governing forfeitures adjudged at special courts-martial to conform 10 U.S.C. 858b(a)(1) to the maximum punishment currently prescribed by law; and a provision that would amend Article 143(c) of the Uniform Code of Military Justice (10 U.S.C. 943(c)) to allow judges of the United States Court of Appeals for the Armed Forces to make excepted service appointments to non-attorney positions on the personal staff of a judge;

The House bill contained similar provision.

The Senate amendment contained a provision that would extend the length of one of the transitional judges on the United States Court of Appeals for the Armed Forces from 13 years to 15 years.

The House bill contained no similar provision.

The House recedes with an amendment that would combine Senate provision 1061 and House provision 564.

Punishment of interstate stalking (sec. 1069)

The Senate amendment contained a provision (sec. 543) that would make it a Federal crime to stalk members of the armed forces or a member of their immediate family.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the provision to apply to any incident of stalking involving interstate movement or which occurs on Federal property.

Participation of members, dependents, and other persons in crime prevention efforts at installations (sec. 1070)

The House bill contained a provision (sec. 1038) that would require the Secretary of Defense to promulgate regulations to require service members, dependents, civilian employees and defense contractors working on a military installation to report to military law enforcement officials any criminal activity that occurs on a military installation. It also would require the Secretary of Defense to report to Congress by February 1, 1997, on efforts to implement this provision.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to prepare an incentive-based plan to encourage the reporting of crimes.

Display of State flags at installations and facilities of the Department of Defense (sec. 1071)

The Senate amendment contained a provision (sec. 1067) that would prohibit the adoption or enforcement of any rule that discriminates against the display of any official state or United States' Territory flag. This prohibition involves official ceremonies conducted on Department of Defense installations that display all state flags.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Treatment of excess operational support airlift aircraft (sec. 1072)

The Senate amendment contained a provision (sec. 1083) that would require that all excess operational support airlift aircraft (OSA) be placed in inactive status and stored pending completion of any study or analysis of the costs and benefits of disposing or operating such aircraft.

The House bill contained no similar provision. The House Report (H. Rept. 104–563) would prevent the Secretary of the Army from making changes in the Army OSA program until the Secretary of Defense submits a detailed plan for reducing and redistributing all OSA aircraft.

The House recedes with an amendment that would direct the Secretary of Defense to ensure that attempts to reuse or sell the aircraft are given precedence over reutilization or sale of individual parts of those aircraft.

The conferees understand that the Department has submitted the plan and analysis directed in the House report.

Correction to statutory references to certain Department of Defense organizations (secs. 1073–1074)

The House bill contained a provision (sec. 1039(a)) that would make a number of minor technical and clerical amendments.

The Senate amendment contained similar provisions (secs. 112, 905, 1063).

The conference agreement includes all provisions.

Modification to third-party liability to United States for tortious infliction of injury or disease on members of the uniformed services (sec. 1075)

The Senate amendment contained a provision (sec. 1066) that would amend section one of the Medical Care Recovery Act (42 U.S.C. 2651) to enable the United States to recover the costs of compensation provided to members of the armed forces by the United States when they are unable to perform their regular military duties due to circumstances in which a third party has tort liability.

The House bill contained no similar amendment.

The House recedes.

Chemical Stockpile Emergency Preparedness Program (sec. 1076)

The House bill contained a provision (sec. 1045) that would require the Secretary of the Army to submit a report to Congress assessing the implementation and success of establishing site-specific integrated product and process teams as a management tool for the chemical stockpile emergency preparedness program (CSEPP).

The Senate amendment contained no similar provision.

The Senate recedes.

Exemption from requirements applicable to savings associations for certain savings institutions serving military personnel (sec. 1077)

The Senate amendment contained a provision (sec. 1089) that would amend the Home Owners' Loan Act to permit an exemption to the act for a savings association subsidiary of a savings and loan holding company if not less than 90 percent of the customers are active or former officers in the military services or their survivors.

The House bill contained no similar provision.

The House recedes with an amendment that would permit these savings institutions to serve all military personnel.

Improvements to National Security Education Program (sec. 1078)

The Senate amendment contained a provision (sec. 1075) that would revise government service requirements for student recipients of undergraduate scholarships and graduate fellowships awarded under the National Security Education Act of 1991 (NSEA) and administered by the National Security Education Program (NSEP).

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the terms of the service agreement between the recipient and the NSEP.

The conferees support the intended purpose of NSEA to promote international education and foreign language study by U.S. students, who later serve in defense and intelligence related positions in the U.S. government. If administered effectively, the conferees regard this program as constructive in assisting the education of qualified students, while strengthening national security institutions by introducing prospective candidates to the workforce. In this light, the conferees expect the Secretary of Defense to emphasize that student experience from foreign studies be reinvested in the government's national security efforts, establish greater awareness in the national security agencies about the availability and skills of such resources, and pursue an active and effective program in utilizing these individuals realizing their service obligation.

Aviation and vessel war risk insurance (sec. 1079)

The House bill contained a provision (sec. 1032) that would authorize the Department of Defense to transfer funds to the Department of Transportation in the event of a loss incurred incident to aviation insurance issued by the Federal Aviation Administration pursuant to title 49, United States Code, or vessel war risk insurance issued by the Maritime Administration pursuant to title 46, United States Code, when reimbursement is required by those statutes or implementing agreements. In the case of a reimbursement required as the result of an aviation incident, reimbursement to the Secretary of Transportation would be required within 30 days following the presentment of a valid claim to the Administrator of the Federal Aviation Administration. For vessel war risk claims, such reimbursement would be made not later than 90 days following adjudication of the claim by the Administrator of the maritime Administration.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit payments to mortgage responsibilities on the lost or damaged aircraft or a vessel until such time as the claim is adjudicated and settled.

Designation of memorial as National D-Day Memorial (sec. 1080)

The Senate amendment contained a provision (sec. 1074) that would designate the D-Day Memorial in Bedford, Virginia as the National D-Day Memorial.

The House bill contained no similar provision.

The House recedes.

Sense of Congress regarding semiconductor trade agreement between United States and Japan (sec. 1081)

The Senate amendment contained a sense of the Senate provision (sec. 1072) urging the President to negotiate an extension of the United States-Japan Semiconductor agreement that is set to expire on July 31, 1996.

The House bill contained no similar provision.

The House recedes with an amendment making the sense of the Senate a sense of Congress.

Agreements for exchange of defense personnel between the United States and foreign countries (sec. 1082)

The Senate amendment contained a provision (sec. 1041) that would authorize the Secretary of Defense to enter into agreements with governments of allies of the United States and other friendly countries for the exchange of military and civilian personnel of the Department of Defense and military and civilian personnel of the defense ministries. The purpose of the agreement would be to facilitate greater understanding, standardization, and interoperability.

The House bill contained no similar provision.

The House recedes.

The conferees note that no funds are authorized by this provision for familiarization, orientation, or certification of exchange personnel.

The conferees agree that the authority granted to the Secretary by this provision shall be implemented specifically as written. This authority is not to be used as a mechanism to require the Department of Defense to fund visits and training of military and civilian personnel from allied and other foreign countries without reciprocal exchanges that provide substantially equivalent benefits to the United States.

Sense of the Senate regarding Bosnia and Herzegovina (sec. 1083)

The Senate amendment contained a provision (sec. 1084) that would express the sense of the Senate that the price of equipment transferred to Bosnia and Herzegovina should not exceed the lowest level price for the same or similar equipment transfer to any other country under a government program.

The House bill contained no similar provision.

The House recedes.

Defense burdensharing (sec. 1084)

The House bill contained a provision (sec. 1041) that would express the sense of the Congress about discrepancies between U.S. and allied defense spending, concluding that the United States continues to bear a greater burden for the common defense than its allies. The provision would also direct the President to seek increases to allied defense spending through increased contributions in any of four areas: increasing the cost share of all non-U.S. nations where U.S. military forces are deployed by reaching specific percentages by certain dates; increasing defense spending comparable to that of the United States; increasing foreign assistance; or, increasing the amount of military resources contributed to multinational military activities. Additionally, the provision would require two reports regarding actions taken to increase allied burdensharing and progress in increasing allied burdensharing.

The Senate amendment contained a similar provision (sec. 1045) that would express the concerns of the Senate that the United States is bearing a disproportionate share of the common defense; directs the President to seek increases to allied defense burdensharing through one or a combination of four areas, similar to the four areas identified in the House language. Additionally, the provision would require the Department of Defense to report to Congress by March 1, 1997 on progress in increasing allied burdensharing and the relationship of burdensharing and forward deployment of U.S. military forces. In addition, the provision modifies the current burdensharing reporting requirement from an annual to a biannual frequency.

The conferees agree to a provision that would provide the President with the latitude to seek increases to allied burdensharing in one or more of four areas; would require a consolidated report to Congress addressing progress in increasing allied burdensharing as well as the relationship between forward deployment of United States military forces outside the U.S. and allied burdensharing.

In seeking increases in allied levels of support, the conferees are mindful that the success of such efforts will justifiably differ depending upon a number of variables, including the gross domestic product and the unique aspects of the U.S. relationship with each ally. The conferees recognize for example, that a goal of securing financial contributions at high levels to offset the nonpersonnel costs incurred by the U.S. Government for overseas force personnel may be inappropriate with regard to many U.S. allies.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authority to transport health professionals seeking to provide health-related humanitarian relief services

The House bill contained a provision (sec. 1042) that would provide the Department of Defense with the authority to provide transportation to civilian health professionals engaged in humanitarian activities.

The Senate amendment contained no similar provision.

The House recedes.

Treatment of excess defense articles of Coast Guard under Foreign Assistance Act of 1961

The House bill contained a provision (sec. 1043) that would permit excess property of the Coast Guard to be treated in the same manner as the excess property of the other armed services under the Foreign Assistance Act of 1961 (22 U.S.C. 2403(g)).

The Senate amendment contained no similar provision.

The House recedes. The intent of this provision has been accomplished by separate legislation.

Authority to transfer naval vessels

The House bill contained a provision (sec. 1052) and the Senate amendment contained a provision (sec. 1021) that would authorize transfer of six *Knox* class frigates, one *Oliver Hazard Perry* class guided missile frigate, one *Newport* class tank landing ship, and two *Stalwart* class ocean surveillance ships to various countries.

These provisions were not included in the conference agreement. The transfer of these ships has been authorized by separate legislation (H.R. 3121).

Southwest Border States Anti-drug Information System

The House bill contained a provision (sec. 1055) that would express the sense of Congress that the Federal Government should support and encourage the full utilization of the Southwest Border States Anti-Drug Information System.

The Senate amendment contained no similar provision.

The House recedes. The conferees recognize the valuable contribution that the Southwest Border States Anti-Drug Information System continues to make to the national counterdrug effort and have agreed to fully fund the request.

Sikes Act improvements amendments

The House bill contained a provision (secs. 1401–1414) that would amend the Sikes Act (Public Law 99-561) to address issues related to the preparation and implementation of integrated natural resource management plans at military installations.

The Senate amendment contained no similar provision.

The House recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Use of hunting and fishing permit fees collected at closed military reservations

The House bill contained a provision (sec. 1407) that would amend section 670(a) of title 16, United States Code, commonly known as the "Sikes Act" to authorize the transfer of fees collected on a closing military installation for hunting and fishing permits. The provision would allow the transfer of those fees collected at a closing installation to another open installation for the conservation purposes expressed in the Act.

The Senate amendment contained a similar provision (sec. 351).

The House recedes from its provision and the Senate recedes from its provision.

Defense and security assistance

The House bill contained provisions (secs. 1501–1553) that would amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and address matters relating to International Military Education and Training, anti-terrorism assistance, and narcotics control assistance.

The Senate amendment contained no similar provisions.

The House recedes.

The intent of this title has been accomplished by separate legislation.

General limitations

The Senate amendment contained a provision (sec. 4) that would limit the total amount authorized to be appropriated by this Act for fiscal year 1997 for the national defense function to $265,583,000,000.

The House bill contained no similar provision.

The Senate recedes.

Fees for residents

The Senate amendment contained a provision (sec. 585) that would direct the Secretary of Defense, in conjunction with the military departments and the Armed Forces Retirement Home (AFRH) Board, to report to the congressional defense committees on aspects of the AFRH resident fees structure and the monthly assessment on active duty service members

The House bill contained no similar provision.

The Senate recedes.

Military-to-Military Contacts program

The Senate amendment contained a provision (sec. 1005) that would expand the authority of the Military-to-Military Contacts program within the Department of Defense in order to permit the Department to use this program to pay for international military education and training activities.

The House bill contained no similar provision.

The Senate recedes.

Reimbursement of Department of Defense for costs of disaster assistance provided outside the United States

The Senate amendment contained a provision (sec. 1007) that would express the sense of Congress that whenever the President directs the Secretary of Defense to provide disaster assistance outside the United States, the President should also direct the Administrator of the Agency for International Development (AID) to reimburse the Department of Defense for the cost of the assistance provided.

The House bill contained no similar provision.

The Senate recedes.

The conferees are concerned with the current practice of using funds appropriated to the Department of Defense to provide disaster assistance to foreign nations. The conferees believe that funds appropriated to AID should be used to provide such assistance. The conferees urge the Secretary of Defense and the Director of AID to establish procedures to reimburse the DOD for its funding of international disaster assistance.

Contract options for LMSR vessels

The Senate amendment contained a provision (sec. 1024) that would amend section 1013 of the National Defense Authorization Act for Fiscal Year 1996 to prohibit the Secretary of the Navy from negotiating and awarding contracts or contract options for two large medium speed roll-on/roll-off (LMSR) vessels before fiscal year 1998.

The House bill contained no similar provision.

The Senate recedes.

National Drug Intelligence Center

The Senate amendment contained a provision (sec. 1032) that would prohibit the funding of the National Drug Intelligence Center by the Department of Defense. The Senate amendment also contained a provision (sec. 1033) that would require an investigation of the National Drug Intelligence Center by the Inspectors General of the Department of Defense, the Department of Justice, the Central Intelligence Agency, and the Comptroller General of the United States.

The House bill contained no similar provisions.

The Senate recedes.

Authority for reciprocal exchange of personnel between the United States and foreign countries for flight training

The Senate amendment contained a provision (sec. 1042) that would authorize the exchange of students from U.S. military flight training schools on a one-for-one basis to comparable flight training schools of foreign countries.

The House bill contained no similar provision.

The Senate recedes.

The conferees understand that legislation passed by both the House and Senate, which amended the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, contains a similar provision.

Report on facilities used for testing launch vehicle engines

The Senate amendment contained a provision (sec. 1056) that would require the Secretary of Defense, in consultation with the Administrator of the National Aeronautics and Space Administration, to provide a report to Congress on the facilities used for testing launch vehicle engines.

The House bill contained no similar provision.

The Senate recedes.

Equitable treatment for the generic drug industry

The Senate amendment contained a provision (sec. 1080) that would allow companies that successfully demonstrate that they have made a "substantial investment" in certain generic drugs before adoption of the 1994 changes to General Agreement on Tariffs and Trade (GATT) to market those drugs despite a three-year patent extension granted by GATT that would otherwise block their marketing.

The House bill contained no similar provision.

The Senate recedes.

Facility for military dependent children with disabilities, Lackland Air Force Base, Texas

The Senate amendment contained a provision (sec. 1087) that would authorize the Secretary of the Air Force to transfer $2.0 million to the Children's Association for Maximum Potential (CAMP) for the construction of a facility for military dependent children with disabilities at Lackland Air Force Base, Texas. The grant is contingent upon an agreement between the Secretary and CAMP that would specify a 25-year lease for the facility and, as consideration for the lease CAMP, would be responsible for operations and maintenance cost of the facility.

The House bill amendment contained no similar provision.

The Senate recedes.

Prohibition on the distribution of information relating to explosive materials for a criminal purpose

The Senate amendment contained a provision (sec. 1088) that would prohibit the teaching or demonstration of the manufacture of explosive materials to certain individuals. Violations of this section would be punishable by fines and imprisonment.

The House bill contained no similar provision.

The Senate recedes.

Sense of the Senate regarding the reopening of Pennsylvania Avenue

The Senate amendment contained a provision (sec. 3601) that would express the sense of the Senate that the President should request the Department of the Treasury and the Secret Service to work with the Government of the District of Columbia to develop a plan to reopen Pennsylvania Avenue in front of the White House to vehicular traffic. The Secretary of the Treasury and the Secret Service would be required to certify that the plan protects the people who live and work in the White House.

The House bill contained no similar provision.

The Senate recedes.

TITLE XI—NATIONAL IMAGERY AND MAPPING AGENCY

National Imagery and Mapping Agency (secs. 1101–1124)

The Senate amendment contained provisions (secs. 911–934) that would establish a new organization known as the National Imagery and Mapping Agency (NIMA).

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) address NIMA's support for the all-source analysis and production process; (2) address NIMA's personnel provisions in a consolidated Department of Defense Intelligence Personnel provision, discussed elsewhere in this report; and (3) establish a uniform standard (in a provision separate from the NIMA legislation) regarding the Secretary of Defense's recommendation to the President on the appointment of the Directors of NIMA, the National Security Agency, and the National Reconnaissance Office.

The conferees expect that the creation of NIMA will enhance support to the all source analysis and production process. Because of the importance attached to the achievement of this goal, the conferees agree to highlight it as one of the key mission areas to be reviewed in the overall review of NIMA's performance of its assigned national missions.

The conferees endorse the grant of authority recently given to the Director of the National Security Agency by the Deputy Secretary of Defense over research and development and urge the Secretary of Defense and the Director of Central Intelligence to grant to the Director of NIMA similar approval authority over tactical imagery programs and intelligence agency investment programs.

NIMA will provide a single agency focus for imagery and geospatial information within the United States Government. NIMA would: (1) be the focal point for the growing and diverse number and types of customers of imagery and geospatial information; (2) ensure visibility and accountability for imagery and geospatial resources; (3) harness, leverage, and focus rapid technological developments to serve imagery, imagery intelligence, and geospatial information customers; and (4) identify and advocate customer needs for this growing and diverse customer pool. The term "imagery", as defined and used in this Act, includes products produced from space-based national intelligence reconnaissance systems, in accordance with Executive Order 12951 and any successor or superseding Orders.

Although NIMA would carry out its mission responsibilities under the authority, direction, and control of the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff, it would have a vital "national" mission to serve the imagery and geospatial information needs of consumers outside the Department of Defense. It would carry out its responsibilities to national intelligence customers in accordance with the policies and priorities of the Director of Central Intelligence (DCI). The Central Intelligence Agency (CIA) would have clear, affirmative authorization to provide administrative and contracting services to the NIMA to insure accomplishment of the national mission of the NIMA or the performance of intelligence community activities of common concern, notwithstanding provisions of law that would otherwise limit such an authorization. The CIA also would be permitted to provide security police services for NIMA facilities, notwithstanding any limitations on jurisdiction of such personnel contained in section 15 of the Central Intelligence Agency Act of 1949.

NIMA would be established by bringing together various agencies and organizations already in existence within the Department of Defense and the Intelligence Community. Specifically, NIMA would be made up of: the Defense Mapping Agency; the Central Imagery Office; other elements of the Department of Defense identified in the classified annex to this Act; the National Photographic Interpretation Center of the CIA; and other elements of the CIA identified in the classified annex to this Act.

NIMA would be responsible for imagery requirements management, exploitation, dissemination, and archiving. It would define and recommend policies on imagery and geospatial information, and coordinate requirements for an end-to-end architecture, integrated into the National and Defense Information Infrastructure, to satisfy customer needs and to ensure appropriate interoperability.

NIMA would not be responsible for developing, procuring, or operating imagery collection systems, which are responsibilities currently held by the National Reconnaissance Office, the Defense Airborne Reconnaissance Office, and the intelligence elements of the military services. Nor would NIMA include or replace current organizations for tactical military exploitation and use of imagery products. In effect, NIMA would provide a coherent and uniform linkage between these two ends of the imagery spectrum.

NIMA would not replace or diminish the current responsibilities of Federal civilian agencies for mapping, charting, and geodesy, or change their existing responsibilities for disaster or emergency response or civil imagery archives. Rather, NIMA would facilitate their access to critical national security information, when appropriate, and promote technology exchange through established interagency mechanisms, such as the Civil Applications Committee. The ability of all members of the intelligence community to obtain both imagery intelligence support regarding matters of common concern and support necessary for individual agency requirements would be maintained and expanded, as appropriate.

The conferees believe that the legislative charter for NIMA contained in this Act strikes an appropriate balance between the needs of "national" intelligence and combat support. As a Combat Support Agency, NIMA must be under the clear authority, direction, and control of the Secretary of Defense. But the charter also provides for a clear and prominent role for the DCI to task imagery systems and exploit imagery products in support of the national mission. The committee notes that the Director of Central Intelligence strongly supports establishment of NIMA as a Combat Support Agency in Title 10, United States Code. The DCI has testified that his peacetime imagery tasking authorities are protected under this arrangement and that he does not believe that support to national customers will be in any way jeopardized. Except as otherwise provided in this Act, establishment of NIMA will not derogate from the existing authorities of the Secretary of Defense or the DCI.

The conferees also note that the Commission on the Roles and Capabilities of the United States Intelligence Community strongly endorsed the establishment of NIMA as a combat support agency within the Department of Defense. The conferees share the Commission's conclusion that NIMA will significantly improve imagery support to both military operations and planning, as well as to national consumers of intelligence.

The conferees note that limited collective bargaining would be permitted in NIMA. Collective bargaining units that were recognized by the Defense Mapping Agency at the time its employees and positions were transferred to NIMA would continue to represent the same categories of employees in the NIMA, although expansion of those units or the creation of new bargaining units in NIMA would be prohibited. Positions determined at any time to be engaged in intelligence, counterintelligence, investigative, or security work directly affecting national security would be excluded, at the discretion of the NIMA Director. Permitting continuation of limited collective bargaining in NIMA would not be intended to be a precedent affecting current or future employees or agencies of the Intelligence Community. It would be a one-time solution to a unique situation.

TITLE XII—RESERVE FORCES REVITALIZATION

Short title (sec. 1201)

The House bill contained a provision (sec. 1201) that would establish the short title for the follow-on sections as the Reserve Forces Revitalization Act of 1996.

The Senate amendment contained no similar provision.

The Senate recedes.

Purpose (sec. 1202)

The House bill contained a provision (sec. 1202) that would establish the purpose of the Reserve Forces Revitalization Act for 1996.

The Senate amendment contained no similar provision

The Senate recedes.

LEGISLATIVE PROVISIONS

Subtitle A—Reserve Component Structure

LEGISLATIVE PROVISIONS ADOPTED

Reserve component commands (sec. 1211)

The House bill contained a provision (sec. 1211) that would establish separate reserve commands and commanders for the Army, Navy, Marine Corps and Air Force reserves. The section would also delineate the forces to be assigned to each reserve command, as well as prescribe the subsequent assignment of the reserve forces to the commanders-in-chief (CINCs) of the joint combatant commands.

The Senate amendment contained a provision (sec. 903) that would codify the requirement for the United States Army Reserve Command. The recommended provision would establish that the chain of command for the United States Army Reserve Command shall be prescribed by the Secretary of the Army.

The House recedes with an amendment that would strike the portion of the House provision pertaining to the Army Reserve Command and include the Senate language pertaining to the Army Reserve Command.

Reserve component chiefs (sec. 1212)

The House bill contained a provision (sec. 1212) that would establish separate offices of the military reserve chiefs as part of the staffs of the senior military headquarters of each of the services. In addition, the section would also prescribe the appointment criteria and procedures, and term of office, for the reserve chiefs, and would also assign budget, annual reporting, and other management responsibilities to the reserve component chiefs.

The Senate amendment contained no similar provision.

The Senate recedes.

Review of active duty and reserve general and flag officer authorizations (sec. 1213)

The House bill contained a provision (sec. 1213) that would require the Secretary of Defense to conduct a comprehensive review of the existing statutory reserve and active general and flag officer authorizations and report to Congress any recommendations for revisions to those authorizations, as well as recommendations for the statutory designation of other general and flag officers. the section would also require the Secretary to report on whether reserve component general and flag officers should be exempt from existing active duty general officer ceilings.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees stress that the Comptroller General has a broad right of access to Agency records under section 716 of title 31, United States Code. Accordingly, it is expected that the Department of Defense will provide the Comptroller General with timely access, before the due date for the Secretary's report to Congress, to all analyses, memoranda, drafts, reports, and other documents prepared or used by the Department in connection with meeting the requirements of this section.

Guard and reserve technicians (sec. 1214)

The House bill contained a provision (sec. 1214) that would mandate that military technicians be authorized and accounted for as a separate category of civilian employees who are exempt from general civilian personnel reductions in the Department of Defense. The section would permit military technician reductions only if the reductions were related to force structure changes.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Reserve Component Accessibility

LEGISLATIVE PROVISIONS ADOPTED

Report to Congress on measures to improve national guard and reserve ability to respond to emergencies (sec. 1231)

The House bill contained a provision (sec. 1231) that would require the Secretary of Defense to report comprehensively on the measures taken or planned to improve the timeliness, adequacy, and effectiveness of reserve component responses to domestic emergencies. The section would also require the Secretary of Defense to assess the recommendations of the 1995 RAND report, "Assessing the State and Federal Missions of the National Guard."

The Senate amendment contained no similar provision.

The Senate recedes.

Report to Congress concerning tax incentives for employers of members of reserve components (sec. 1232)

The House bill contained a provision (sec. 1232) that would require the Secretary of Defense to report to Congress on tax incentives for employers of members of the reserve components.

The Senate amendment contained no similar provision.

The Senate recedes.

Report to Congress concerning income insurance program for activated reservists (sec. 1233)

The House bill contained a provision (sec. 1233) that would require the Secretary of Defense to report to Congress on income insurance programs for activated reservists.

The Senate amendment contained no similar provision.

The Senate recedes.

Report to Congress concerning small business loans for members released from reserve service during contingency operations (sec. 1234)

The House bill contained a provision (sec. 1234) that would would require the Secretary of Defense to report to Congress on small business loans for reservists released from active duty following contingency operations.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Reserve Forces Sustainment

LEGISLATIVE PROVISIONS ADOPTED

Report concerning tax deductibility of nonreimbursable expenses (sec. 1351)

The House bill contained a provision (sec. 1251) that would require the Secretary of Defense to sumbit a report to Congress that includes recommended legislation to restore tax deductibility of nonreimbursable expenses incurred by members of the reserve components in conjunction with military service.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority to pay transient housing charges for members performing active duty for training (sec. 1252)

The House bill contained a provision (sec. 1252) that would authorize reimbursement of housing service charges incurred by reserve component personnel while participating in active duty training. It would authorize the reserve component personnel participating in active duty training to stay in contract quarters at no expense to the member.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that strikes the authority for reserve component personnel participating in active duty training to stay in contract quarters.

The conferees believe that military personnel should use on-base transient lodging facilities when training or on temporary duty away from their home station. The conferees direct the Secretary of Defense to review the current policies and practices concerning use of on-base facilities and provision of contract lodging and to report the results of that review, including any recommended legislative changes, to the Committee on Armed of the Senate and the Committee on National Security of the House of Representatives not later than March 31, 1997.

Sense of Congress concerning quarters allowance during service on active duty for training (sec. 1253)

The House bill contained a provision (sec. 1253) that would express the sense of the Congress that members of the reserve components should receive appropriate quarters allowances during periods of service on active duty for training.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress concerning military leave policy (sec. 1254)

The House bill contained a provision (sec. 1254) that would express the sense of the Congress that military leave policies pertaining to members of the reserve components in effect upon enactment of the National Defense Authorization Act for Fiscal Year 1997 should not be changed.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees intend that military leave referred to in this provision is the nonchargeable leave available to civilian employees of federal, state or local government agencies while these employees are participating in active duty for training.

Reserve Forces Policy Board (sec. 1255)

The House bill contained a provision (sec. 1255) that would commend the Reserve Forces Policy Board for its good work as an independent body that provides advice to the Secretary of Defense on reserve component matters.

The Senate amendment contained a provision (sec. 1054) that would correct references in title 10, United States Code, pertaining to the annual report of the Armed Forces Policy Board and specify that the annual report shall be a separate report transmitted to the Congress by the Secretary of Defense in conjunction with the Secretary's annual report.

The Senate recedes with an amendment that would combine the two provisions.

Report on parity of benefits for active duty service and reserve service (sec. 1256)

The House bill contained a provision (sec. 1256) that would require the Secretary of Defense to submit a report to the Congress providing recommendations, where appropriate, to reduce disparities in pay and benefits that occur between active component members and reserve component members as a result of eligibility based on length of time on active duty.

The Senate amendment contained no similar provision.

The Senate recedes.

Information on proposed funding for the Guard and Reserve components (sec. 1257)

The Senate amendment contained a provision (sec. 1055) that would require the Secretary of Defense to specify, in each year of the Future-Years Defense Plan, the estimated expenditures and proposed appropriations for the procurement of equipment and for military construction for each of the Guard and Reserve components.

The House bill contained no similar provision.

The House recedes.

TITLE XIII—ARMS CONTROL AND RELATED MATTERS

ITEMS OF SPECIAL INTEREST

Implementation of arms control agreements

The budget request included $282.3 million in procurement, operation and maintenance, and research and development in the defense and military service accounts for the implementation of arms control agreements. The budget request for these accounts is based on anticipated dates of implementation of the various arms control agreements and treaties.

The conferees agree to a $24.0 million reduction to the budget request due to changes in the anticipated dates of implementation of the various arms control agreements and treaties. The reductions are as follows: $14.0 million from the operation and maintenance account for the On-Site Inspection Agency (OSIA); $2.0 million from weapons procurement, Navy; $7.0 million from operation and maintenance, Army; and $1.0 million from operation and maintenance, Air Force.

The conferees agree that the Department of Defense shall keep the Congress informed on the status of the OSIA mission to implement Annex 1-B of the General Framework for Peace in Bosnia and Herzegovina Agreement (known as the Dayton Agreement), and any impact this mission may have on the ability of OSIA to conduct its other arms control inspection responsibilities.

Additionally, the conferees reiterate the concerns that were expressed in the statement of managers in the conference report accompanying the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) with regard to limiting the expenditure of funds to provide reimbursement for arms control implementation inspection costs borne by the inspected party to a treaty or agreement. As expressed in the statement of managers, funds may only be expended if the Congress has been notified 30 days in advance of an agreement by the President to a policy or policy agreement, and that policy or policy agreement does not modify any obligation imposed by the arms control agreement. Currently, the Congress is aware of only two such policy agreements that would reimburse Belarus, Kazakhstan, and Ukraine for the costs of U.S. inspections conducted within those states. The conferees understand that those reimbursements occur on a six-month basis after the inspections have been conducted. Those policy agreements are with regard to the Intermediate-Range Nuclear Forces (INF) Treaty and the Strategic Arms Reduction Treaty (START), concluded in May 1994 and February 1995.

Once again, the conferees express their concern that arms control consultative commissions are being used as a mechanism to make substantive changes or modifications to arms control treaties and agreements that should be brought to the Senate for its review and subsequent advice and consent. There may be very good reasons for changes in implementation of specific arms control treaties or agreements. However, if a change or modification to the treaty or agreement would result in a substantive change to the understanding under which the Senate provided its advice and consent prior to ratification, the Congress should be consulted about the recommended change or modification in advance of any agreement in the consultative commissions, and must provide its subsequent agreement to the change or modification.

The conferees support the ratification and full implementation by all parties of the Chemical Weapons Convention (CWC), as negotiated. However, the conferees remain concerned that Russia continues to engage in chemical weapons activities inconsistent with the accord. In addition, Iran, a signatory to the convention, has been characterized by one U.S. official as having "the most active chemical weapons program" in the Third World. Further, a number of states that possess active chemical weapons programs, such as Libya, are not signatories to the accord. For example, the Secretary of Defense and the Director of Central Intelligence have confirmed that Libya is engaged in the construction of an underground chemical weapons facility carved into a mountain near Tarhunah. This extensive project demonstrates the Libyan commitment to the acquisition of a significant chemical weapons capability and raises questions about the ability of arms control agreements like the CWC to restrain the rogue regimes from acquiring these types of weapons of terror.

With regard to the negotiations on a comprehensive test ban, many experts believe that a Comprehensive Test Ban Treaty (CTBT) is unlikely to be effectively verifiable. Countries intent on cheating could identify and implement evasive measures that would make it virtually impossible for U.S. sensors to detect low-yield tests. This thesis is given additional credibility by reports that the Russians may have recently conducted a nuclear test, in violation of their self-imposed moratorium, at Novaya Zemlya.

The conferees support the budget request for arms control implementation, which includes $26.7 million for research, development, test and evaluation of technologies to aid in the detection of nuclear tests. As discussed elsewhere in the statement of mangers, the conferees recommend $6.5 million for basic research on seismic nuclear monitoring, which could be used to detect low-yield nuclear tests.

FY 1997 ARMS CONTROL IMPLEMENTATION BUDGET

Account	Program	Request	Recomm	Rec auth
WPN	Arms control compliance	14.840	−2.000	12.840
OPAF	Spares & repairs	0.207	0.000	0.207
PDA	OSIA	3.286	0.000	3.286
RDT&E, AF	Arms control implementation	26.786	0.000	26.786
RDT&E, DA	Ver tech dem, DNA (603711)	26.199	0.000	26.199
O&M, Army		37.255	−7.000	31.255
O&M, Navy		35.402	0.000	35.402
O&M, AF		29.331	−1.000	28.331
O&M, DA	OSIA	109.030	−14.000	95.030
Total		282.336	−24.000	258.336

LEGISLATIVE PROVISIONS

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

LEGISLATIVE PROVISIONS ADOPTED

Extension of counterproliferation authorities (sec. 1301)

The House bill contained a provision (sec. 1301) that would extend the authority of the Department of Defense to provide support to the United Nations Commission on Iraq (UNSCOM) through the end of fiscal year 1997.

The Senate amendment contained a similar provision (sec. 1043) that would extend the authority of the Department of Defense to provide support to UNSCOM through the end of fiscal year 1998.

The Senate recedes with an amendment that would extend the authority of the Department of Defense to provide support to UNSCOM through the end of fiscal year 1997. Additionally, the conferees agree to a provision that would provide the Department with authority to exceed the levels authorized in fiscal year 1997 for DOD support to UNSCOM in the event of a significant unforeseen development. In that event, the Secretary of Defense would be required to notify the congressional defense committees in writing, prior to providing assistance that would exceed the levels authorized for DOD support. However, if the Secretary of Defense determines that prior notification of such action is not possible, he must notify the congressional defense committees of his actions no later than 15 days after the date the additional assistance was provided.

Limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1302)

The House bill contained a provision (sec. 1302) that would prohibit the use of funds appropriated to the Department of Defense during fiscal year 1997 for retiring or dismantling any B–52H bombers, Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles (ICBMs), or Peacekeeper ICBMs.

The Senate amendment contained a similar provision (sec. 1062) that would prohibit the use of funds during fiscal year 1997 for the retirement of B–52H bombers, Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles, or Peacekeeper intercontinental ballistic missiles, or preparing to retire or dismantle such systems. The provision would allow the Secretary of Defense to waive the funding restrictions on retiring or dismantling strategic nuclear delivery systems, other than for B–52H bombers, to the extent necessary to implement the START II Treaty.

The House recedes with an amendment that would limit the obligation of funds during fiscal year 1997 for early deactivation of U.S. strategic nuclear delivery systems until 30 days after the date on which the President submits to Congress a report concerning such actions. The conferees note that discussions have been held between the governments of the United States and the Russian Federation regarding an agreement on early deactivations of strategic nuclear weapons and/or strategic nuclear delivery systems, once the START II Treaty has entered into force. However, the conferees have not been given information about the substance of these discussions or negotiations.

In order to retain 94 B–52H aircraft in an operational status (28 in attrition reserve), the conferees recommend an increase of $42.9 million in Operation and Maintenance, Air Force. Of the amounts available in Aircraft procurement, Air Force, $42.7 million shall be available for B–52H aircraft modifications. Of the amounts available in Military Personnel, Air Force, $3.3 million shall be available for support of the 28 attrition reserve aircraft. In making these recommendations, the conferees do not intend to alter the Air Force's ongoing effort to consolidate B–52 squadrons. The conferees also do not intend to preclude long-range pre-planning, design, or evaluation efforts to allow the Navy and Air Force to be ready to execute various retirement and dismantlement options in an efficient manner.

Strengthening certain sanctions against nuclear proliferation activities (sec. 1303)

The Senate amendment contained a provision (sec. 1085) that would authorize the President to impose Export-Import Bank sanctions against specific persons or entities that knowingly aid or abet countries to acquire nuclear weapons, or nuclear materials for such weapons, by amending the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)).

The House bill contained no similar provision.

The House recedes with a technical and clarifying amendment.

The global spread of nuclear weapons constitutes one of the gravest threats to the national security of the United States and that our friends and allies. The persistent and ever-changing nature of this threat, together with the numerous pathways available to countries to acquire these weapons, require both the Congress and the Executive Branch to ensure that the United States possesses tools, including necessary statutes, to combat this threat.

Current law requires the denial of Export-Import Bank credits: to finance goods destined to countries that violate safeguards or a U.S. nuclear agreement, to any non-nuclear weapon state that has detonated a nuclear weapon or device, and, to any country that has willfully aided or abetted a non-nuclear weapon state to acquire or develop a nuclear weapon.

In 1996, a Chinese government-owned entity transferred sensitive uranium enrichment technology to Pakistan. This action raised the possibility that several billion dollars of Export-Import Bank-financed credits for U.S. exports to China would be denied. However, the specific entity, the China Nuclear Energy Industry Corporation (CNEIC), escaped sanctions under current law because the administration judged that current law, which prescribes sanctions only against a "country" that willfully aids and abets proliferation, does not authorize sanctions against a person or entity, such as the CNEIC.

The conferees agree that enabling the President to target sanctions against specific proliferators that are not countries will provide important additional options to the President and thereby strengthen the U.S. ability to use sanctions as a tool to discourage future business with enterprises that knowingly promote the global spread of nuclear weapons and materials.

Authority to pay certain expenses relating to humanitarian and civic assistance for clearance of landmines (sec. 1304)

The Senate amendment contained a provision (sec. 1006) that would allow funds appropriated to the overseas humanitarian, disaster, and civic assistance program to be used to pay for the travel, transportation, and subsistence expenses of Department of Defense personnel providing humanitarian demining assistance. The provision would also allow for the purchase of supplies, services, and equipment to be used in providing such assistance and the transfer of this equipment and supplies to a foreign country in furtherance of the Department's landmine clearance program. The cost of equipment and supplies transferred, or services hired to support Department of Defense humanitarian demining deployments, may not exceed $5.0 million in any given fiscal year.

The House bill contained a similar provision (sec. 1304).

The House recedes.

Report on military capabilities of People's Republic of China (sec. 1305)

The House bill contained a provision (sec. 1305) that would require an unclassified report and a classified report be submitted to Congress, no later than February 1, 1997, on the potential for, and likelihood of, the People's Liberation Army pursuing modernization of its military capabilities.

The Senate amendment contained no similar provision.

The Senate recedes.

Presidential report regarding weapons proliferation and policies of the People's Republic of China (sec. 1306)

The House bill contained a provision (sec. 1048) that would express the concerns of the Congress with regard to the transfer by China to Pakistan of sophisticated equipment important to the development of nuclear weapons in Pakistan, China's compliance with nuclear proliferation regimes, and the decision of the United States not to impose sanctions against China for its transfers of equipment to Pakistan. The provision would express the sense of the Congress that the President should not have decided that the evidence of China's actions was not sufficient to warrant sanctions. The provision would also require the President to report to Congress on the administration's response to China's transfer of equipment to Pakistan, on specific information related to the justification for the President's determination not to enforce sanctions against China, and on subsequent actions taken by the United States to enforce compliance with nonproliferation and export control regimes.

The Senate had no similar provision.

The Senate recedes with an amendment that would express congressional concerns regarding China's transfer of assistance to Iran and Pakistan that could contribute to the manufacture of nuclear weapons; transfer of nuclear weapons technology and assistance, as well as the transfer of M–11 missiles, to Pakistan; and China's compliance with proliferation regimes such as the nuclear Nonproliferation Treaty and the Missile Technology Control Regime (MTCR). The provision would also require the President to submit a report to Congress within 60 days of enactment of this Act regarding the transfer of nuclear weapons technology and assistance, as well as their means of delivery, by China to Pakistan, subsequent actions taken by the President to express concern with China's compliance with nuclear proliferation regimes, and information related to the specific justification by the Secretary of State that there was no sufficient basis for imposing sanctions against China.

United States-People's Republic of China Joint Defense Conversion Commission (sec. 1307)

The House bill contained a provision (sec. 1306) that would prohibit obligation or expenditure of fiscal year 1997 funds for activities associated with the United States-People's Republic of China Joint Defense Conversion Commission until Congress receives reports required by section 1343 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of the Congress concerning export control (sec. 1308)

The Senate amendment contained a provision (sec. 1046) that would express the sense of the Senate that an international export control regime is critically important; that agreement on an international export control regime should be a top priority of the United States; that the United States should encourage the adoption by friends and allies of a commodity control list similar to the U.S. list; that enforcement activities should be strengthened; and, that the United States should use unilateral controls.

The House bill contained no similar provision.

The House recedes with a technical and clarifying amendment.

During the Cold War, the Coordinating Committee for Multilateral Export Controls (COCOM) regime assisted the North Atlantic Treaty Organization (NATO) in maintaining a qualitative military edge over the Warsaw Pact. However, in the post-Cold War era, while allies have a strong interest in coordinating exports, they have rejected efforts to implement restrictive procedures, such as those used in COCOM, to ensure the restriction of exports of militarily significant dual use technologies and commodities.

Dual-use technologies and commodities are civilian items which have military application; they are not munitions. The United

States controls the export of its dual use technologies and commodities for national security, foreign policy, and short supply purposes. The legislative framework that controls the exports of these dual use items is the Export Administrative Act (EAA).

The world has changed dramatically since 1988 (the last time the Export Administration Act (EAA) was revised). COCOM coordinated NATO restrictions on exports of conventional weapons and related dual use goods to communists countries, but was disbanded in March 1994. To date, the administration's effort to negotiate an effective successor regime to COCOM, which would restrict exports to targeted countries (Iran, Iraq, Libya and North Korea) from former COCOM members and new members from neutral and eastern European countries, has failed.

Additionally, the Export Administration Act (EAA) expired in August 1994 and new legislation has not been adopted by Congress. Currently, the President's authority to control the export of dual use technologies is exercised under Executive Order 12938. Executive Order 12938 declared a national emergency with respect to the threat posed to U.S. national security by the proliferation of weapons of mass destruction. Under this executive order the President can enforce most export controls on dual use technologies and commodities that would contribute to the proliferation of weapons of mass destruction. The executive order, however does not provide full enforcement authority.

The capability to build weapons of mass destruction (WMD), including nuclear, chemical and biological weapons, and missiles to deliver WMD, is spreading. Without adequate export controls on sensitive dual use technologies and commodities, their export could enable an adversary to design, develop, test, produce, stockpile or use weapons of mass destruction, missile delivery systems, and other significant military capabilities.

The availability of sensitive military technologies to countries, without sufficient safeguards to ensure that these technologies cannot be transferred to a third country (which could be a rogue nation), remains a fundamental concern to the United States and should be eliminated through deterrence, negotiations, and other appropriate means.

Export controls remain part of a comprehensive approach that effectively responds to U.S. national security interests. The United States should continue to work with its friends and allies to negotiate an agreement to restrict exports of dual use technologies and commodities to foreign countries that threaten U.S. national security, nonproliferation, or foreign policy interests.

Sense of Congress concerning assisting other countries to improve security of fissile material (sec. 1310)

The House bill contained a provision (sec. 1054) that would express the sense of Congress that it is in the national interest of the United States to take actions to assist other countries in securing and accounting for plutonium and highly enriched uranium from dismantled nuclear weapons.

The Senate amendment contained no similar provision.

The Senate recedes.

Review by Director of Central Intelligence of National Intelligence Estimate 95–19 (sec. 1311)

The House bill contained a provision (sec. 1308) that would direct the Director of Central Intelligence (DCI) to review the underlying assumptions and conclusions of the November, 1995, National Intelligence Estimate on "Emerging Missile Threats to North America During the Next 15 Years," to convene a panel of independent, non-governmental experts, and to report the panel's findings to Congress, along with the DCI's comments.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

LEGISLATIVE PROVISIONS ADOPTED

Commission to assess the ballistic missile threat to the United States (secs. 1321-1329)

The House bill contained provisions (secs. 1321–1329) that would establish a commission to be known as the "Commission to Assess the Ballistic Missile Threat to the United States." The commission's members would be private citizens with knowledge and expertise in the political and military aspects of proliferation of ballistic missiles and the ballistic missile threat to the United States, and would have access to the resources and information of the intelligence community necessary to carry out their responsibilities. The commission would consist of nine members appointed by the Director of Central Intelligence. Consistent with the consultative nature of the appointment process used by the Defense Base Closure and Realignment Commission (Public Law 101–510), three members would be chosen in consultation with the Speaker of the House of Representatives, three members would be chosen in consultation with the Majority Leader of the Senate, and three members would be chosen in consultation with the minority leaders of the House and Senate.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Certification required before observance of moratorium on use by armed forces of antipersonnel landmines

The House bill contained a provision (sec. 1303) that would require the Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, to certify to Congress that a moratorium on the use of antipersonnel landmines would not adversely affect the ability of U.S. armed forces to defend against attack and that effective substitutes for antipersonnel landmines exist, prior to implementation of such a moratorium.

The Senate amendment contained no similar provision.

The House recedes with the understanding that further legislation on a landmine moratorium will not be introduced or enacted in the remainder of this Congress.

The conferees support efforts to minimize and eliminate post-combat civilian casualties, and note that the United States has been the global leader in working toward this objective. U.S. military forces use non-self-destructing landmines only along internationally recognized borders or in demilitarized zones within perimeter-marked areas that are monitored by military personnel and protected by adequate means to ensure the exclusion of civilians.

The conferees note the announcement by the President on May 16, 1996, regarding U.S. military use of antipersonnel landmines, that is, to cease immediately the use of non-self-destructing landmines, except for training purposes and deployment along the demilitarized zone in Korea; and, with regard to self-destructing antipersonnel landmines, a commitment to cease the use of self-destructing antipersonnel landmines, when an international agreement is reached, with exceptions for training and in Korea.

TITLE XIV—DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

Cooperative threat reduction (CTR) program, domestic emergency assistance programs and programs for the defense against weapons of mass destruction (secs. 1401–1505)

The House bill contained provisions (sec. 1101–1105) that would: authorize $302.9 million for the Cooperative Threat Reduction (CTR) program, a $25.0 million reduction to the budget request; would specify CTR programs; allocate fiscal year 1997 funding for the various CTR programs and activities; prohibit the use of CTR funds for specific purposes; prohibit the obligation of CTR funds until various reports are submitted to Congress; and make fiscal year 1997 CTR funds available for three fiscal years. Additionally, the House report (H. Rept. 104–563) encouraged the Secretary of Defense to report to the Congress by September 30, 1996, an assessment of the advisability of the Department of Defense's establishing a program for enhancing the capability of the Department to assist law enforcement agencies in responding to terrorism or natural disasters involving chemical or biological agents and recommended an increase of $12.0 million in PE 65160D to preserve the option of initiating such a program in fiscal year 1997.

The Senate amendment would fully fund the budget request for CTR at $327.9 million. In addition, the Senate amendment contained provisions (secs. 1301–1356) that would increase the overall budget request for defense operation and maintenance by $150.0 million, and add $85.0 million to the budget request for the Department of Energy to establish a comprehensive program to improve U.S. capabilities to deal with the use, or threatened use, of weapons of mass destruction. In that regard, the amendment would expand the scope of the DOD CTR program and the DOE arms control and materials, protection, control and accountability programs to include additional activities, especially assistance to the independent states of the former Soviet Union. Of the $235.0 million budget increase for DOD and DOE, $80.0 million would be authorized for the establishment of a DOD and DOE domestic emergency assistance program; $59.0 would be authorized for domestic and international border security assistance DOD CTR and DOE materials, protection, control and accountability activities would be increased by $94.0 million; and $2.0 million would be authorized for research activities of the proliferation coordinator.

Additionally, the provision would provide the President with more specific authorities than exist under current law by authorizing the limited use of U.S. military forces to assist the Department of Justice in domestic emergency situations involving the terrorist use of WMD and by amending the International Emergency Economic Powers Act.

The House recedes with an amendment to the Senate provisions.

The Senate recedes with an amendment to the House provisions.

Since the end of the Cold War, materials and technologies related to weapons of mass destruction—nuclear, radiological, chemical, and biological weapons—have become increasingly more available to rogue states, terrorist groups, and unstable individuals. Controls over nuclear materials in the former Soviet Union continue to require significant improvement. Easy access to dual-use materials and technologies to fabricate chemical and biological weapons make the proliferation of these weapons arguably the most urgent and serious threat the United States faces today.

The United States government must improve and make comprehensive the way it addresses this threat. To this end, the conferees agree to a series of provisions that address all aspects of the threat of the proliferation of weapons of mass destruction. The conferees agree to recommend and additional $201.0 million to the budget to address this issue. These increased funds would: increase the budget request for the Cooperative Threat Reduction (CTR) program by $37.0 million; authorize a $10.0 million increase to the budget request for the counterproliferation support program; authorize $30.0 million for U.S. and international border security activities; add $65.0 million for the establishment of a domestic emergency response program; and add $57.0 for DOE materials, protection, control and accountability.

Domestic Preparedness

Enhancing the nation's ability to prevent, and, if necessary, to respond to a terrorist incident involving nuclear, radiological, chemical, or biological weapons or materials is the cornerstone of this program. The conferees note that an interagency group, composed of the Federal Response Plan signatory agencies led by the Federal Emergency Management Agency (FEMA) completed and forwarded to the President on July 1, 1996, a report titled "Consequences Management for Nuclear, Biological, and Chemical (NBC) Terrorism." The report documents the inadequacy of the Federal Response Plan to deal with NBC terrorist incidents and makes specific recommendations regarding capability enhancements. The conferees agree to a provision (sec. 1411) that would require the President to take immediate action to enhance the capability of the Federal Government to respond to such incidents and to provide enhanced support to improve the capabilities of State and local emergency response and law enforcement agencies to respond to such incidents. The provision would further require the President to provide to the Congress by January 31, 1997, a report containing an assessment of such capabilities, improvements required, and measures that should be taken to achieve such improvements, including additional resources and legislative authority that might be necessary.

The conferees agree to recommend $50.0 million for the establishment of a domestic emergency assistance program for the Department of Defense to immediately begin sharing its unique expertise, experience, and equipment in dealing with chemical and biological weapons and materials with local emergency first respondents (firemen, policemen, and medical workers).

The conferees expect that the Secretary of Defense will work expeditiously with the Secretary of Health and Human Services in providing DOD resources and expertise to the Office of Emergency Preparedness for the formation of emergency medical teams that are trained and equipped to handle incidents involving weapons of mass destruction.

The conferees agree to provide $15.0 million for DOD to conduct interagency exercises that will focus on testing and improving the U.S. Government's ability to respond to incidents involving weapons of mass destruction.

The conferees have agreed to an additional provision (sec. 1414) that would require DOD to establish at least one Chemical-Biological Emergency Response Team for rapid response to domestic terrorism. The conferees expect that such teams would be similar in concept to the Nuclear Emergency Search Team and Accident Response Groups that are maintained by DOE for response to a nuclear incident. The conferees note in the joint DOD/DOE report to the Congress, "Preparedness and Response to a Nuclear, Radiological, Biological, or Chemical Terrorist Attack," dated June 13, 1996, that the DOD is attempting to establish such a capability. The conferees note that many of the capabilities sought for such teams are already present in the Army's Technical Escort Unit, Edgewood Research, Development, and Engineering Center, and Chemical Defense and Infectious Disease Medical Research Institutes. The conferees also note the Counterproliferation Program Review Committee's "Report on Activities and Programs for Countering Proliferation", dated May 1996, which states that U.S. Marine Forces, Atlantic was scheduled to activate a Department of the Navy/Marine Corps Chemical/Biological Incident Response Force on June 1, 1996, to respond to chemical and biological incidents (terrorist or otherwise) occurring on Naval installations and Department of State legations worldwide. The conferees understand that the unit has been activated and is now in training.

In section 1416, the conferees agree to provide authority, very narrowly defined and carefully constructed, for the President and the Attorney General to request military support to local authorities in incidents involving chemical and biological weapons. This authority is in addition to the authorities otherwise provided in Chapter 18 of title 10, U.S. Code. The conferees agree that the use of the military in any emergency situation involving biological or chemical weapons or materials should be limited both in time and scope to dealing with the specific chemical or biological weapons-related incident.

Finally, the conferees have included a provision (sec. 1417) that would require Federal Response Plan agencies to develop and maintain an inventory of equipment and other assets that could be made available to aid State and local officials in search and rescue and other disaster management and mitigation efforts associated with an emergency involving weapons of mass destruction, and would require FEMA to maintain a comprehensive master list of the inventory. The provision would also require FEMA to establish a data base on chemical and biological agent and munitions characteristics and safety precautions and to develop a system to provide federal, State, and local officials access to the data base and to the master inventory.

Interdiction of weapons of mass destruction and related materials

This section focuses attention on enhancing our efforts at interdicting and detecting nuclear, radiological, chemical, and biological weapons and related materials, the next step of protecting the United States against the threat posed by the proliferation of weapons of mass destruction. The conferees agree to recommend $15.0 million for the DOD to assist the U.S. Customs Service in interdicting these materials before they enter the United States.

As mentioned above, the conferees also agree to an increase of $10.0 million to the DOD counterproliferation support program and an increase of $17.0 million to the DOE nonproliferation and verification research and development program to conduct research and development of technical means for detecting the presence, transportation, production, and use of weapons of mass destruction and related materials and technologies.

Additionally, the conferees agree to provisions that would amend the International Emergency Economic Powers Act to provide penalties to cover attempts to import or export weapons of mass destruction and related materials, and would express the sense of the Congress that criminal penalties for proliferation-related activities should be increased.

Finally, the conferees agree to recommend $15.0 million for DOD training and assistance to customs services and border guards in the former Soviet Union, the Baltic states, and Eastern Europe in detecting and interdicting the smuggling of weapons of mass destruction and related materials. This program is intended to be separate and distinct from the existing DOD/FBI counterproliferation assistance program, which focuses largely on training law enforcement officials in the interdiction of these materials. The conferees believe that law enforcement and Customs agents, and border guards, must be familiar with proliferation issues if any counterproliferation effort is to be viable. While there may be some beneficial overlap between the DOD/FBI effort and the DOD/Customs program envisioned in this legislation, it is the view of the conferees that the most effective way to reach and establish productive relations is through expanding relations between analogous counterparts. The conferees expect the Secretary of Defense to make DOD equipment and related materials and technologies available to the Commissioner of Customs for use in detecting and interdicting the movement of weapons of mass destruction into the United States to the extent authorized under existing law. The Secretary of Defense and the U.S. Customs Commissioner shall provide to Congress a joint report on the scope and impact of this program and an inventory of items provided under this authority. This report should also include the extent to which it will interface with the DoD/FBI effort.

Control and disposition of weapons of mass destruction and related materials threatening the United States

With regard to the DOD budget request for the CTR program and the DOE budget request for materials, protection, control and accountability, the conferees agree to recommend authority for a variety of programs that focus on assisting the states of the former Soviet Union to better control and/or eliminate their stockpiles of weapons of mass destruction and related materials. Programs include: $15.0 million for DOE MPC&A activity; $10.0 million for DOD MPC&A activity; $10.0 million for a DOE program to develop technologies associated with improving the verification of nuclear warhead dismantlement; $15.0 million for DOD activities related to the dismantlement of chemical and biological weapons-related facilities; $9.0 million for DOE's Lab-to-Lab program; and $6.0 million for DOE to work with the Russian government in enhancing the security of fissile material used for the propulsion of Russian military and civilian ships.

It is the view of the conferees that both DOE and DOD should seek to expand these activities in the former Soviet Union beyond nuclear activities in Russia, Ukraine, Kazakhstan, and Belarus. While programs to date have appropriately focused on the most pressing strategic concerns, critical work remains to be done in combating the threat of proliferation at a variety of sites in the other states of the former Soviet Union where nuclear, chemical, and biological weapons-related materials and technologies continue to be vulnerable to proliferation.

The conferees agree to transfer $10.0 million in DOD funds to DOE for activities related to the conversion of several Russian nuclear core reactors so they no longer produce weapons-grade plutonium. It is the view of the conferees that the Secretary of Defense should transfer these funds to the Secretary of Energy expeditiously so that the Department of Energy can continue to move forward on this program.

Coordination of policy and countermeasures against proliferation of weapons of mass destruction

The conferees agree that the nation's overall coordination of policy, efforts, and activities addressing the threat posed by the increasing availability of nuclear, chemical, and biological weapons, materials, and technology must be improved. The conferees agree to a provision that would direct the appointment by the President of a national coordinator on proliferation within the Executive Office of the President, to advise the President on nonproliferation and related issues regarding terrorism and international organized crime. The provision would establish a committee on nonproliferation, to be chaired by the coordinator, and composed of members of the Executive Branch who have responsibilities for crisis and consequence management, nonproliferation, and related issues. This committee will review and coordinate programs, policies, and directives related to the proliferation of weapons of mass destruction and the threat they pose to our national security. The conference agreement also requires the President, through the committee on nonproliferation, to submit a comprehensive report for carrying out this amendment.

TITLE XV—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

TITLE XVI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

LEGISLATIVE PROVISIONS ADOPTED

Modification of requirement for conversion of military positions to civilian positions (sec. 1601)

The Senate amendment contained a provision (sec. 1101) that would repeal the portion of section 1032 of the National Defense Authorization Act for Fiscal Year 1996 that would require the Secretary of Defense to convert 7,000 military positions to civilian positions during fiscal year 1997.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal the requirement for the conversion of 7,000 military positions to civilian positions during fiscal year 1997, contingent on the Secretary of Defense's having certified to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Department of Defense has completed the conversion of 3,000 military positions to civilian positions during fiscal year 1996, as required by section 1032 of the National Defense Authorization Act for Fiscal Year 1996.

The certification shall include: (1) a description of the types and grades of positions converted; (2) the distribution of converted positions across the services and defense agencies; (3) the extent to which any military positions converted to civilian positions were vacant when converted; (4) the extent to which any newly-converted civilian positions remain vacant; (5) an analysis of the follow-on assignment of those military personnel whose positions were converted to civilian positions; (6) a discussion of any costs associated with the required conversion; and (7) the effect on operational readiness, if any, caused by the required conversion.

Retention of civilian employee positions at military training bases transferred to national guard (sec. 1602)

The House bill contained a provision (sec. 368) that would require the Secretary of Defense to retain civilian employee positions at installations being transferred to the National Guard during fiscal year 1997 to provide transitional support to active and reserve component training missions on the installations.

The Senate amendment contained a provision (sec. 1102) that, while similar, did not specify that the transfer of an installation to the National Guard had to occur in 1997 in order for the provision to have effect.

The Senate recedes with an amendment that would retain the directive nature of the House provision while eliminating the requirement that transfers occur in 1997.

Clarification of applicability of certain management constraints on major range and test facility base structure (sec. 1603)

The House bill contained a provision (sec. 508) that would clarify that major range and test facility base activities are covered by certain limitations on the use of end strengths or other personnel management caps that are used to reduce personnel levels or restrict funding for Federal employees. The provision would also clarify that funding available to major range and test facility base activities includes both direct appropriated funds and funds provided by major range and test facility customers.

The Senate amendment contained no similar provision.

The Senate recedes.

Travel expenses and health care for civilian employees of the Department of Defense abroad (sec. 1604)

The Senate amendment contained a provision (sec. 1104) that would authorize the Secretary of Defense, under certain circumstances, to pay allowances and benefits to civilian personnel serving overseas comparable to those paid to members of other government agencies that routinely assign personnel overseas.

The House bill contained no similar provision.

The House recedes.

Travel, transportation, and relocation allowances for certain former nonappropriated fund employees (sec. 1605)

The Senate amendment contained a provision (sec. 1105) that would authorize a nonappropriated fund employee to receive the same travel, transportation, and relocation expenses authorized for appropriated fund employees.

The House bill contained no similar provision.

The House recedes.

Employment and salary practices applicable to Department of Defense overseas teachers (sec. 1606)

The Senate amendment contained a provision (sec. 1106) that would permit the Secretary of Defense to reclassify General Schedule professional educator positions as "overseas teachers" compensable under the Overseas Teacher Pay and Personnel Act.

The House bill contained no similar provision.

The House recedes.

Employment and compensation of civilian faculty members at certain Department of Defense schools (sec. 1607)

The Senate amendment contained a provision (sec. 1107) that would authorize the Asia-Pacific Center for Security Studies and the English Language Center of the Defense Language Institute to employ and compensate the civilian faculty, including the Director and Deputy Director of the Asia-Pacific Center, in the same manner as the George C. Marshall European Center for Security Studies and other Department of Defense education facilities.

The House bill contained no similar provision.

The House recedes.

Reimbursement of Department of Defense domestic dependent school board members for certain expenses (sec. 1608)

The Senate amendment contained a provision (sec. 1108) that would authorize Department of Defense domestic dependent school board members to be reimbursed for travel and transportation expenses, program fees, and activity fees that the Secretary of Defense determines reasonable and necessary in the performance of their duties.

The House bill contained no similar provision.

The House recedes with an amendment that would include lodging expenses among those expenses for which domestic dependent school board members could be reimbursed.

Modification of authority for civilian employees of Department of Defense to participate voluntarily in reductions in force (sec. 1609)

The House bill contained a provision (sec. 336) that would extend until September 30, 2001, the authority to allow employees who are not affected by a reduction-in-force (RIF) to volunteer to be RIF-separated in place of other employees who are scheduled for RIF separation.

The Senate amendment contained a similar provision (sec. 1109).

The conference agreement includes this provision.

Wage-board compensatory time off (sec. 1610)

The house bill contained a provision (sec. 333) that would provide federal managers of wage-board employees the same flexibility to use compensatory time off afforded federal managers of general schedule employees, by authorizing agency heads to grant compensatory time off in lieu of overtime pay under certain circumstances.

The Senate amendment contained a similar provision (sec. 1110).

The Senate recedes with an amendment that would preclude agency heads from directly or indirectly forcing employees to accept compensatory time off in lieu of pay for overtime work.

Liquidation of restored annual leave that remains unused upon transfer of employee from installation being closed or realigned (sec. 1611)

The Senate amendment contained a provision (sec. 1111) that would require, under certain circumstances, automatic liquidation of annual leave restored under section 6304(d) of title 5, United States Code.

The House bill contained no similar provision.

The House recedes.

Waiver of requirement for repayment of voluntary separation incentive pay by former Department of Defense employees reemployed by the Government without pay (sec. 1612)

The House bill contained a provision (sec. 332) that would allow civilian employees who have previously received separation or incentive pay to leave federal employment to volunteer for government service without the loss of their separation or incentive pay.

The Senate amendment contained a similar provision (sec. 1112).

The conference agreement includes this provision.

Simplification of rules relating to the observance of certain holidays (sec. 1613)

The House bill contained a provision (sec. 334) that would allow the head of an agency within the Department of Defense to change the Federal day off from Monday to an alternative day for those employees who would normally have Monday off under a compressed work schedule.

The Senate amendment contained a similar provision (sec. 1113).

The Senate recedes.

The conferees intend that when a Federal holiday falls on a Monday and that day is a day off for certain employees, that those employees will receive the next normal work day off. The conferees do not intend that this authority would be used to disrupt what would have been an extended weekend break by forcing employees to take a mid-week day off.

Revision of certain travel management authorities (sec. 1614)

The House bill contained a provision (sec. 331) that would provide Department of Defense (DOD) civilian personnel with the flexibility to make more efficient lodging decisions based on overall mission requirements by considering overall travel costs.

The Senate amendment contained a provision (sec. 1114) that would repeal a reporting requirement and repeal the prohibition on paying lodging expenses to DOD civilian employees who do not use adequate government quarters when they are available.

The House recedes.

The conferees believes that these and other provisions related to travel reform can assist the DOD in its ongoing efforts to simplify the travel management system and, in doing so, improve efficiency and reduce costs associated with official travel.

The conferees note, however, that the success or failure of travel management initiatives will not depend on the relaxation of the many detailed rules and regulations which have governed travel management over the years. Rather, the success or failure will be a direct reflection of the courage and discipline with which executives and supervisors at every level approach their individual responsibilities in overseeing their own official travel and lodging decisions and those of their subordinates. Official travel is not a prerequisite of position to be exploited. Individual responsibility and the effective stewardship of official travel funds must be institutionalized as fundamental management principles at all levels.

Failure to comply with veterans' preference requirements to be treated as a prohibited personnel practice (sec. 1615)

The House bill contained a provision (sec. 1047) that would make failure to take, recommend or approve any personnel action involving a veteran's preference a prohibited personnel practice.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Pilot programs for defense employees converted to contractor employees due to privatization at closed military installations (sec. 1616)

The Senate amendment contained a provision (sec. 1121) that would permit certain federal workers who accept employment with a contractor in conjunction with a privatization initiative, referred to as "transferred" employees, to continue to accrue years of federal service for the purpose of determining eligibility for federal retirement, but not for determining the amount of the employees retirement benefit.

The House bill contained no similar provision.

The House recedes with an amendment clarifying that the facility must have been recommended for privatization in place by the Base Realignment and Closure Commission.

Subtitle B—Department of Defense Intelligence Personnel Policy

LEGISLATIVE PROVISIONS ADOPTED

Department of Defense intelligence personnel policy (secs. 1631–1635)

The Senate amendment contained several provisions (sec. 1131–1134) that would provide new personnel management authorities to the Secretary of Defense for managing the civilian personnel in the DOD intelligence community.

These provisions would authorize the Secretary of Defense to: 1) establish Senior Executive Service (SES) positions in the intelligence community without regard to individual service or agency caps while retaining the overall DOD cap; 2) establish senior-level positions in the intelligence community to provide upward mobility for individuals whose career patterns and areas of expertise do not afford or require the management experience required of an SES; 3) establish term-limited non-competitive positions for periods of up to two years to permit the rapid expansion or contraction of portions of the workforce to meet evolving needs; 4) terminate the employment of a member of the intelligence community in the interests of the United States; 5) adjust the size, quality and skill mix of the intelligence community workforce by allowing greater weight to be given to performance and skill than is currently possible under existing reduction-in-force rules.

The Senate amendment also contained several provisions (secs. 921, 924, and 925) that would provide personnel management authorities to the Secretary of Defense for managing the civilian personnel in the National Imagery and Mapping Agency that are consistent with other authorities affecting the defense intelligence community.

The House bill contained no similar provision.

The House recedes with an amendment that would consolidate those provisions addressing the management of civilian personnel of the defense intelligence community including those assigned to the National Imagery and Mapping Agency.

The conferees intend that the section concerning time-limited appointments be used for non-competitive appointments to meet crisis or surge requirements. The conferees do not intend to limit the temporary limited appointment or "not-to exceed" authorities currently in effect.

LEGISLATIVE PROVISIONS NOT ADOPTED

Phased retirement

The House bill contained a provision (sec. 335) that would authorize the Department of Defense to establish a pilot program to encourage some civilians to retire in stages by changing current annuity offset rules.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XVII—FEDERAL EMPLOYEE TRAVEL REFORM

Federal Employee Travel Reform (secs. 1701–1725)

The Senate amendment contained several provisions (secs. 1401–1434) that would reform federal travel policy to provide employees who transfer in the interest of the government more effective and efficient delivery of relocation services, alleviate administrative burdens associated with travel and employee relocations, and reduce travel and relocation costs.

These provisions are the product of the Joint Financial Management Improvement Program: a multi-agency task force that includes the Office of Management and Budget; the General Accounting Office; the Department of the Treasury; and the Office of Personnel Management. The provisions would: (1) provide authority to offer employees a choice of methods of reimbursement for house-hunting trips and reimbursement for subsistence expenses when lodged in temporary quarters; (2) establish a cap on reimbursement of residence transaction expenses based on a percentage of the price of a home; (3) provide authority for reimbursement for property management services expenses; (4) authorize the transportation of an employee's privately owned vehicle within the continental United States under certain circumstances; and (5) authorize the use of home marketing incentives and other streamlining initiatives.

The House bill contained no similar provision.

The House recedes.

The conferees recognize that the Committee on Government Reform and Oversight of the House of Representatives has been active in seeking reform of federal travel processes and has developed separate legislation that incorporates many of the provisions in the conference agreement. In the legislation being considered by the Committee on Government Reform and Oversight of the House of Representatives, there are significant new measures that warrant further attention and review. One such provision would require the use of the government-wide travel charge card program. The conferees urge that executive branch agencies, when appropriate, use their discretionary authority to maximize the use of the travel charge card in order to maximize the rebate the government receives for the purchases of travel and travel related services.

TITLE XVIII—FEDERAL CHARTER FOR THE FLEET RESERVE ASSOCIATION

Federal Charter for the Fleet Reserve Association (secs. 1801–1816)

The Senate amendment contained provisions (sec. 1201–1216) that would establish a Federal charter for the Fleet Reserve Association.

The House bill contained no similar provision.

The House bill recedes with a technical amendment.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Overview

The budget request for fiscal year 1997 included $9,132,311,000 for military construction and family housing.

The House bill would authorize $10,032,311,000 for military construction and family housing.

The Senate amendment would provide $9,832,711,000 for this purpose.

The conferees recommend authorization of apppropriations of $9,982,311,000 for military construction and family housing, including general reductions and termination of prior year projects.

The conferees are deeply concerned about the condition of the military infrastructure and troubled by the shortfalls evident in the administration's budget request for fiscal year 1997 for military construction and military family housing programs. The conferees note that the construction and modernization of facilities and their upkeep and maintenance are a critical component of military readiness, which has been under funded in recent years. The conferees are also mindful of the serious deficiencies in facilities designed to support the quality of life of military personnel and their families.

From an operational and readiness perspective, shortfalls in the construction and repair and maintenance accounts have exacerbated problems in the facilities infrastructure. Needed improvements to basic infrastructure have often been deferred, leading to the creation of a steep backlog in facilities, construction and maintenance. For example, approximately 20 percent of the Army's facilities are unsuitable, either due to deteriorated conditions or they are unable to meet mission requirements. Additionally, the Army lacks 30 percent of the facilities required to meet specific mission requirements, making due with work-arounds that impair efficiency. To cite another example, over two-thirds of the Navy's piers were constructed during the second World War. According to the Navy's estimates, by the year 2010, only 20 percent of existing piers and wharves would adequately be able to service the fleet.

The condition of military housing for families and unaccompanied personnel and other quality of life infrastructure is in a similar state of deterioration. According to the Defense Science Board Task Force on Quality of Life, 62 percent of barracks and dormitories are currently unsuitable and 64 percent of family housing units are in the same condition. In spite of these serious deficiencies, that administration's budget request fails to keep pace with current levels of funding to support the construction of barracks and dormitories. The budget request for fiscal year 1997 further proposes to reduce sharply the expenditure of funds on new construction of military family housing and improvements to existing family housing units. The administration also proposes to reduce funding for basic maintenance of family housing.

The conferees believe the administration's budget request for military construction and military family housing programs for fiscal year 1997, which is $1.56 billion below the fiscal year 1996 request, is seriously under funded. The conferees recommend an increase in new budget authority for these programs of $850,000,000. Approximately 60 percent of that amount is dedicated to a major quality of life initiative. The conferees recommend an additional $200,816,000 for the construction of new barracks and dormitories and an additional $266,170,000 for the construction of military family housing and improvements to existing family housing units. The conferees also recommend an additional $30,410,000 for the construction of child development centers. The conferees reiterate their support for the military housing privatization initiative authorized in section 2801 of the Military Construction Authorization Act of Fiscal Year 1996 (division B of Public Law 104–106) and recommend an additional $10,000,000 to support both the family housing and unaccompanied housing privatization initiatives.

The conferees remain concerned about the instability in funding for the military construction and military family housing programs contemplated by the current Future Years Defense Plan. The conferees believe the serious backlog of military construction requirements can no longer be deferred. The conferees urge the Secretary of Defense to address the need to reduce the backlog of military construction requirements affecting the operational needs of the military departments and to enhance those programs that directly support improvements in the quality of life for military personnel and their families.

A tabular summary of the authorizations provided in Division B for fiscal year 1997 follows:

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
DIVISION B					
MILITARY CONSTRUCTION					
Military Construction, Army	434,723	603,584	546,498	136,865	571,588
Military Construction, Navy	525,346	712,476	630,336	174,258	699,604
Military Construction, Air Force	603,059	678,914	750,274	142,205	745,264
Military Construction, Defense-wide	812,945	772,345	770,145	(49,233)	763,712
Military Construction, Army National Guard	7,600	41,316	94,528	51,594	59,194
Military Construction, Air National Guard	75,394	118,394	209,884	113,111	188,505
Military Construction, Army Reserve	48,459	50,159	59,174	7,084	55,543
Military Construction, Naval Reserve	10,983	33,169	32,743	21,796	32,779
Military Construction, Air Force Reserve	51,655	51,655	54,770	1,150	52,805
Base Realignment and Closure II, III, IV	2,507,476	2,507,476	2,507,476	0	2,507,476
NATO Infrastructure	197,000	177,000	197,000	(25,000)	172,000
DoD Unaccompanied Housing Improvement Fund	0	10,000	5,000	5,000	5,000
BRAC Receipts					
Total Military Construction	5,274,640	5,756,488	5,857,828	578,830	5,853,470
FAMILY HOUSING					
Family Housing Construction, Army	75,013	176,603	102,133	83,490	158,503
Family Housing Support, Army	1,212,466	1,257,466	1,262,466	0	1,212,466
Family Housing Construction, Navy and Marine Corps	403,726	532,456	410,216	96,160	499,886
Family Housing Support, Navy and Marine Corps	1,014,241	1,058,241	1,014,241	0	1,014,241
Family Housing Construction, Air Force	231,236	304,068	265,038	86,520	317,756
Family Housing Support, Air Force	829,474	840,474	829,474	0	829,474

	FY 1997 Authorization **Request**	House **Authorized**	Senate **Authorized**	Conference **Change**	Conference **Authorization**
Family Housing Construction, Defense-wide	4,371	4,371	4,371	0	4,371
Family Housing Support, Defense-wide	30,963	30,963	30,963	0	30,963
Homeowners Assistance Fund	36,181	36,181	36,181	0	36,181
DoD Family Housing Improvement Fund	20,000	35,000	20,000	5,000	25,000
Total Family Housing	3,857,671	4,275,823	3,975,083	271,170	4,128,841

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization Request	Authorization House	Authorization Senate	Conference Change	Conference Authorization
1	Alabama	Army	Ft. Rucker	Air Traffic Control Tower	0	0	3,250	3,250	3,250
2	Alabama	Air Force	Maxwell AFB	Off Tng School Academic Facility	7,875	7,875	7,875	0	7,875
3	Alabama	Defense Medical Facility Office	Maxwell AFB	Ambulatory Health Care Center, Phase II	25,000	25,000	25,000	0	25,000
4	Alabama	Army National Guard	Birmingham	Joint Medical Training Facility	0	4,600	4,600	4,600	4,600
5	Alabama	Air National Guard	Dannelly Field	Munitions Complex & Aircraft Equipment Shop	0	0	4,500	0	0
6	Alaska	Air Force	Eielson AFB	Conventional Munitions Shop	0	0	3,900	3,900	3,900
7	Alaska	Air Force	Elmendorf AFB	Hangar/Squadron Operations/ Aircraft Maint	19,435	19,435	19,435	0	19,435
8	Alaska	Air Force	Elmendorf AFB	Upgrade Storm Drainage System	2,095	2,095	2,095	0	2,095
9	Alaska	Air Force	King Salmon	Repair Airfield Pavements	0	0	5,700	5,700	5,700
10	Alaska	Defense Logistics Agency	Elmendorf AFB	Hydrant Fuel System	18,000	18,000	18,000	0	18,000
11	Alaska	Defense Logistics Agency	Elmendorf AFB	Fuel Farm, Phase I	0	0	3,000	3,000	3,000
12	Alaska	Army National Guard	Fairbanks	Readiness Center	0	0	4,955	4,955	4,955
13	Arizona	Army	Ft. Huachuca	Bachelor Enlisted Quarters	0	21,000	0	0	0
14	Arizona	Navy	MCAS Yuma	Bachelor Enlisted Quarters	0	14,600	0	0	0
15	Arizona	Navy	NAVDET Camp Navajo	Magazine Modifications, Phase I	3,920	3,920	3,920	0	3,920
16	Arizona	Air Force	Davis-Monthan AFB	EC-130 Aircraft Maint Facility	4,330	4,330	4,330	0	4,330
17	Arizona	Air Force	Davis-Monthan AFB	Consolidated Material Processing Facility	5,590	5,590	5,590	0	5,590
18	Arizona	Air Force	Luke AFB	Dormitory	0	6,700	0	6,700	6,700
19	Arkansas	Air Force	Little Rock AFB	C-130 Squadron Operations/ Aircraft Maint	14,045	14,045	14,045	0	14,045
20	Arkansas	Air Force	Little Rock AFB	Add/Alter Field Training Facility	1,525	1,525	1,525	0	1,525
21	Arkansas	Air Force	Little Rock AFB	Upgrade Sanitary Sewer System	2,535	2,535	2,535	0	2,535
22	Arkansas	Chemical Demilitarization	Pine Bluff Arsenal	Ammunition Demilitarization Facility, Phase III	46,000	46,000	46,000	0	46,000
23	Arkansas	Army National Guard	Benton	Armory	0	0	1,805	0	0
24	Arkansas	Army National Guard	Camp Robinson	Army Aviation Support Facility	0	0	14,081	0	0
25	California	Army	Barstow-Daggett	Heliport	0	7,000	0	0	0
26	California	Army	Camp Roberts	Electrical Distribution System	5,500	5,500	5,500	0	5,500
27	California	Army	NWS Concord	Ammunition Pier	27,000	27,000	27,000	0	27,000
28	California	Navy	MCAGCC Twentynine Palms	Child Development Center	4,020	4,020	4,020	0	4,020
29	California	Navy	MCAS Camp Pendleton	Runway Improvements	1,390	1,390	1,390	0	1,390
30	California	Navy	MCAS Camp Pendleton	Aircraft Parking Apron Expansion & Taxiway	2,600	2,600	2,600	0	2,600
31	California	Navy	MCAS Camp Pendleton	Transportation Infrastructure	2,250	2,250	2,250	0	2,250
32	California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters	11,800	11,800	11,800	0	11,800
33	California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters	10,100	10,100	10,100	0	10,100
34	California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters Replacement	12,500	12,500	12,500	0	12,500
35	California	Navy	MCB Camp Pendleton	Automated Field Firing Range	4,020	4,020	4,020	0	4,020
36	California	Navy	MCB Camp Pendleton	Tactical Vehicle Maintenance Facility	9,060	9,060	9,060	0	9,060
37	California	Navy	MCB Camp Pendleton	Physical Fitness Center	4,150	4,150	4,150	0	4,150
38	California	Navy	MCRD San Diego	Combat Training Tank	0	0	8,150	8,150	8,150
39	California	Navy	NAS North Island	Dredging	59,502	59,502	49,872	0	59,502
40	California	Navy	NAS North Island	Ship Maintenance Facility	27,000	27,000	27,000	0	27,000
41	California	Navy	NAVFAC San Clemente	BEQ & Mess Hall	17,000	17,000	17,000	0	17,000
42	California	Navy	NS San Diego	Oily Waste Collection Facility	7,050	7,050	7,050	0	7,050
43	California	Navy	NCBC Hueneme	Bachelor Enlisted Quarters	0	7,700	0	7,700	7,700

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	----------Authorization----------			Conference	
					Request	House	Senate	Change	Authorization
44	California	Navy	NCCOSC San Diego	Pier (San Clemente)	1,960	1,960	1,960	0	1,960
45	California	Air Force	Beale AFB	Landfill Closure	6,735	6,735	6,735	0	6,735
46	California	Air Force	Beale AFB	CARS Deployable Ground Station Spt Fac	7,690	7,690	7,690	0	7,690
47	California	Air Force	Edwards AFB	Renovate Aircraft Maintenance Facility	7,680	7,680	7,680	0	7,680
48	California	Air Force	Edwards AFB	Convert Boilers	3,120	3,120	3,120	0	3,120
49	California	Air Force	Edwards AFB	F-22 Alter Aircraft Maint Facility	4,390	4,390	4,390	0	4,390
50	California	Air Force	Edwards AFB	Add to and Alter Anechoic Chamber	4,890	4,890	4,890	0	4,890
51	California	Air Force	McClellan AFB	Flood Control Measure	8,795	0	0	(8,795)	0
52	California	Air Force	Travis AFB	Dormitory	7,980	7,980	7,980	0	7,980
53	California	Air Force	Travis AFB	Dormitory	0	8,250	7,000	7,000	7,000
54	California	Air Force	Vandenberg AFB	Satellite Processing Facility	3,290	3,290	3,290	0	3,290
55	California	Defense Logistics Agency	Def Dist San Diego	Replace General Purpose Whse	15,700	15,700	15,700	0	15,700
56	California	Defense Medical Facility Office	MCB Camp Pendleton	Branch Medical Clinic (Edson Range)	3,300	3,300	3,300	0	3,300
57	California	Special Operations Command	NAB Coronado	SOF - Ops & Logistics Support Facility	7,700	7,700	7,700	0	7,700
58	California	Defense Logistics Agency	NAF El Centro	Replace Hydrant Fuel System	5,700	5,700	5,700	0	5,700
59	California	Defense Medical Facility Office	NAS Lemoore	NAVHOSP Lemoore Replacement	38,000	38,000	38,000	0	38,000
60	California	Defense Finance & Accounting Service	Norton AFB	Renovate Existing Facility For Admin Use	13,800	13,800	13,800	0	13,800
61	California	Defense Logistics Agency	Travis AFB	Replace Hydrant Fuel System	15,200	15,200	15,200	0	15,200
62	California	Army National Guard	Los Alamitos AFRC	JP-8 Fuel Tank Replacements	0	0	1,092	0	0
63	California	Navy Reserve	Pasadena	Marine Corps Reserve Facility	0	6,100	0	0	0
64	Colorado	Army	Ft. Carson	Whole Barracks Complex Renewal, Phase II	13,000	13,000	13,000	0	13,000
65	Colorado	Army	Ft. Carson	Child Development Center	0	4,550	0	4,550	4,550
66	Colorado	Air Force	Air Force Academy	Upgrade Academic Facility	10,065	10,065	10,065	0	10,065
67	Colorado	Air Force	Air Force Academy	Family Support Center	0	2,100	2,100	2,100	2,100
68	Colorado	Air Force	Buckley ANGB	Space-Based Infrared Sys Ops Facility	14,460	14,460	14,460	0	14,460
69	Colorado	Air Force	Buckley ANGB	Base Supply And Equipment Warehouse	3,500	3,500	3,500	0	3,500
70	Colorado	Air Force	Falcon AFS	Alter Dining Facility/Safety Upgrade	2,095	2,095	2,095	0	2,095
71	Colorado	Air Force	Peterson AFB	Dormitory	8,350	8,350	8,350	0	8,350
72	Colorado	Air Force	Peterson AFB	Mission Support Facility	12,370	12,370	12,370	0	12,370
73	Colorado	Chemical Demilitarization	Pueblo AD	Ammunition Demilitarization Fac, Phase I	17,497	17,497	17,497	(17,497)	0
74	Colorado	Air National Guard	Buckley ANGB	Infrastructure Improvements	0	4,450	0	4,450	4,450
75	Colorado	Air Force Reserve	Peterson AFB	Composite Maintenance Facility	3,200	3,200	3,200	0	3,200
76	Connecticut	Navy	NSB New London	Hazardous Material Storehouse	3,230	3,230	3,230	0	3,230
77	Connecticut	Navy	NSB New London	Bachelor Enlisted Quarters	10,600	10,600	10,600	0	10,600
78	Connecticut	Army National Guard	Groton	ADAL Aviation Classif. Repair Activity Depot	0	0	5,647	5,647	5,647
79	Connecticut	Army National Guard	Windsor Locks	Fire Suppression	0	3,045	3,045	3,045	3,045
80	Delaware	Air Force	Dover AFB	C-5 Aerial Delivery Facility	7,980	7,980	7,980	0	7,980
81	Delaware	Air Force	Dover AFB	Visiting Officers Quarters	0	0	12,000	12,000	12,000
82	Delaware	Air National Guard	New Castle County AP	Fire Station, AGE & AGU Complex	0	2,800	0	2,800	2,800
83	Delaware	Air National Guard	New Castle County AP	Operations & Training Complex	0	0	9,300	0	0
84	District of Columbia	Army	Ft. McNair	National Defense University Fac, Phase II	6,900	6,900	6,900	0	6,900
85	District of Columbia	Navy	NAVDIST Washington	Bachelor Enlisted Quarters Complex	19,300	19,300	19,300	0	19,300
86	District of Columbia	Defense Intelligence Agency	Bolling AFB	Reconfiguration DIAC	6,790	6,790	6,790	0	6,790
87	District of Columbia	Navy Reserve	NAF, Andrews AFB	Training Building Addition	1,465	1,465	1,465	0	1,465

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization---------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
88	District of Columbia	Navy Reserve	NAF, Andrews AFB	Addition To Hangar 12	640	640	640	0	640
89	Florida	Navy	NAS Key West	Fitness Center	2,250	2,250	2,250	0	2,250
90	Florida	Navy	NS Mayport	Wharf Structure Improvements	0	2,800	0	2,800	2,800
91	Florida	Air Force	Eglin AFB	Upgrade Electrical Distribution System	4,590	4,590	4,590	0	4,590
92	Florida	Air Force	Eglin Aux Field 9	Transient Personnel Quarters	6,825	6,825	6,825	0	6,825
93	Florida	Air Force	Patrick AFB	Control Tower	2,595	2,595	2,595	0	2,595
94	Florida	Air Force	Patrick AFB	Air Freight/Passenger Terminal & Base Ops	0	0	7,900	0	0
95	Florida	Air Force	Tyndall AFB	Aircraft Equipment Maintenance Shop	0	3,600	3,600	3,600	3,600
96	Florida	Special Operations Command	MacDill AFB	Add to Command & Control Facility	0	9,600	0	9,600	9,600
97	Florida	Defense Medical Facility Office	NAS Key West	NAST Clinic Replacement	13,600	13,600	13,600	0	13,600
98	Florida	Defense Finance & Accounting Service	NTC Orlando	Renovate Existing Fac For Admin Use	2,600	2,600	2,600	0	2,600
99	Florida	Army National Guard	MacDill AFB	Aviation Support Facility	0	4,248	0	4,248	4,248
100	Florida	Air National Guard	Jacksonville IAP (ANG)	Upgrade Heating Plants And Chillers	680	680	680	0	680
101	Florida	Air National Guard	Jacksonville IAP (ANG)	ADAL Medical Training Facility	0	0	1,100	0	0
102	Florida	Navy Reserve	NRRC Jacksonville	Reserve Center Addition	770	770	770	0	770
103	Florida	Air Force Reserve	Homestead AFR	Fire Training Facility	1,300	1,300	1,300	0	1,300
104	Georgia	Army	Ft. Benning	Rail Loading Facility	9,400	9,400	9,400	0	9,400
105	Georgia	Army	Ft. Benning	Whole Barracks Complex Renewal	44,000	44,000	44,000	0	44,000
106	Georgia	Army	Ft. McPherson	Whole Barracks Complex Renewal	0	9,100	0	0	0
107	Georgia	Army	Ft. McPherson	Military Entrance Processing Facility (Ft. Gillem)	0	0	3,500	3,500	3,500
108	Georgia	Army	Ft. Stewart/Hunter AAF	Close Combat Tactical Training Building	6,000	6,000	6,000	0	6,000
109	Georgia	Navy	MCLB Albany	Child Development Center	0	1,630	0	0	0
110	Georgia	Navy	NSB Kings Bay	Child Development Center Addition	0	1,550	0	1,550	1,550
111	Georgia	Air Force	Moody AFB	Rescue C-130 Parking Apron	0	0	3,350	3,350	3,350
112	Georgia	Air Force	Robins AFB	JSTARS ADAL Aircraft Maint Shops	1,645	1,645	1,645	0	1,645
113	Georgia	Air Force	Robins AFB	JSTARS Child Development Center	2,145	2,145	2,145	0	2,145
114	Georgia	Air Force	Robins AFB	JSTARS ADAL Apron/Hydrant Fuel System	6,585	6,585	6,585	0	6,585
115	Georgia	Air Force	Robins AFB	JSTARS Squadron Operations/ Aircraft Maint	8,270	8,270	8,270	0	8,270
116	Georgia	Air Force	Robins AFB	Upgrade Dormitories <House = 2 lines>	0	4,000	6,400	6,400	6,400
117	Georgia	Air National Guard	Robins AFB	B-1 Composite Aircraft Maint. Complex	12,400	12,400	12,400	0	12,400
118	Georgia	Air National Guard	Robins AFB	B-1 Aircraft Park Apron & Relocate Taxiway	8,800	8,800	8,800	0	8,800
119	Georgia	Air National Guard	Robins AFB	B-1 Site Improvements, Roads & Utilities	5,500	5,500	5,500	0	5,500
120	Georgia	Air National Guard	Robins AFB	B-1 AGE & Munitions Trailer Maint Complex	2,800	2,800	2,800	0	2,800
121	Georgia	Air National Guard	Robins AFB	B-1 Operations & Training Facility	0	0	5,000	0	0
122	Georgia	Navy Reserve	NAS Atlanta	Renovate Bachelor Enlisted Quarters	0	0	3,250	3,250	3,250
123	Georgia	Air Force Reserve	Dobbins AFB	ADAL Communications Facility	1,137	1,137	1,137	0	1,137
124	Georgia	Air Force Reserve	Dobbins AFB	Upgrade Storm Water System	0	0	1,150	1,150	1,150
125	Hawaii	Army	Schofield Barracks	Whole Barracks Complex Renewal	0	0	16,500	16,500	16,500
126	Hawaii	Navy	MCAS Kanehoe Bay	Bachelor Enlisted Quarters	0	20,080	0	20,080	20,080
127	Hawaii	Navy	NS Pearl Harbor	Bachelor Enlisted Quarters Modernization	19,600	19,600	19,600	0	19,600
128	Hawaii	Navy	NS Pearl Harbor	Bachelor Enlisted Quarters Modernization	5,390	5,390	5,390	0	5,390
129	Hawaii	Navy	NS Pearl Harbor	Bachelor Enlisted Quarters	30,500	30,500	30,500	0	30,500
130	Hawaii	Special Operations Command	NS Ford Island, Pearl	SOF - Advanced SEAL Delivery Sys Facility	12,800	12,800	12,800	0	12,800
131	Hawaii	Air National Guard	Hickam AFB	Alter Avionics Shop	1,000	1,000	1,000	0	1,000

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization----------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
132	Hawaii	Air National Guard	Hickam AFB	Alter Squadron Operations Facility	0	0	9,000	9,000	9,000
133	Idaho	Navy	NSWC Bayview	Ships Model Engineering & Test Facility	7,150	7,150	7,150	0	7,150
134	Idaho	Air Force	Mountain Home AFB	Flightline Fire Station	6,545	6,545	6,545	0	6,545
135	Idaho	Air Force	Mountain Home AFB	Dormitory	0	9,300	0	0	0
136	Idaho	Air Force	Mountain Home AFB	Corrosion Control Facility	0	0	9,400	9,400	9,400
137	Idaho	Air National Guard	Gowen Field	Fuel Sys Maint & Corrosion Control Fac	4,500	4,500	4,500	0	4,500
138	Idaho	Air National Guard	Gowen Field	C-130 Engine & Propeller Shops	0	0	1,500	1,500	1,500
139	Illinois	Navy	NH Great Lakes	Bachelor Enlisted Quarters	0	15,200	0	10,000	10,000
140	Illinois	Navy	NTC Great Lakes	Bachelor Enlisted Quarters	22,900	22,900	22,900	0	22,900
141	Illinois	Defense Finance & Accounting Service	Rock Island Arsenal	Renovate Existing Fac For Admin Use	14,400	14,400	14,400	0	14,400
142	Illinois	Air National Guard	Greater Peoria RAP (ANG)	Fuel Systems Maint & Corrosion Control Fac	4,200	4,200	4,200	0	4,200
143	Illinois	Air Force Reserve	Scott AFB	Consolidated Medical Training Facility	2,300	2,300	2,300	0	2,300
144	Indiana	Navy	NSWC Crane	Bachelor Enlisted Quarters	0	5,000	0	5,000	5,000
145	Indiana	Army National Guard	Camp Atterbury	Central Vehicle Wash Facility	0	4,747	4,747	4,747	4,747
146	Indiana	Army National Guard	Marion	Organizational Maintenance Shop	0	1,121	0	1,121	1,121
147	Indiana	Air National Guard	Fort Wayne IAP	Upgrade Drainage System	480	480	480	0	480
148	Indiana	Air National Guard	Fort Wayne IAP	Base Supply Complex	0	0	4,150	4,150	4,150
149	Indiana	Air National Guard	Hulman AP	Extend Cross Wind Runway	0	7,000	0	7,000	7,000
150	Indiana	Air National Guard	Hulman Field	Fuel Cell, Corrosion Control, Fire Station	0	0	4,700	0	0
151	Iowa	Air National Guard	Des Moines IAP	Aircraft Arresting System <House = 2 lines, AGE S	0	3,350	2,350	1,000	1,000
152	Kansas	Army	Ft. Riley	Whole Barracks Complex Renewal	26,000	26,000	26,000	0	26,000
153	Kansas	Army	Ft. Riley	Modified Record Fire Range	0	0	3,350	0	0
154	Kansas	Air Force	McConnell AFB	Dormitory	8,480	8,480	8,480	0	8,480
155	Kansas	Air Force	McConnell AFB	Flight Simulator Training Facility	0	0	3,550	3,550	3,550
156	Kansas	Air Force	McConnell AFB	Dormitory	0	7,100	7,100	7,100	7,100
157	Kansas	Air Force	McConnell AFB	Consolidated Education Center	0	0	6,700	0	0
158	Kansas	Defense Logistics Agency	McConnell AFB	Add/Alter Jet Fuel Storage Facility	2,200	2,200	2,200	0	2,200
159	Kansas	Army National Guard	Topeka	USP&FO Warehouse Alteration/Addition	0	0	1,917	1,917	1,917
160	Kansas	Army Reserve	Wichita ARC	Add/Alt USARC, New OMS/AMSA	5,670	5,670	5,670	0	5,670
161	Kentucky	Army	Ft. Campbell	Rail Spur	16,100	16,100	16,100	0	16,100
162	Kentucky	Army	Ft. Campbell	Whole Barracks Complex Renewal	35,000	35,000	35,000	0	35,000
163	Kentucky	Army	Ft. Campbell	Tactical Equipment Shop, Phase II	0	0	9,900	0	0
164	Kentucky	Army	Ft. Campbell	Consolidated Education Center, Phase II	0	0	6,600	0	0
165	Kentucky	Army	Ft. Knox	Whole Barracks Complex Renewal	0	20,500	0	10,000	10,000
166	Kentucky	Army	Ft. Knox	Urban Training Range	0	0	13,000	13,000	13,000
167	Kentucky	Special Operations Command	Ft. Campbell	SOF - Supply Support Facility	4,200	4,200	4,200	0	4,200
168	Kentucky	Army National Guard	Greenville	Western Kentucky Training Site, Phase III	0	0	10,800	0	0
169	Louisiana	Army	Ft. Polk	Consolidated Rail Complex	0	0	4,800	0	0
170	Louisiana	Air Force	Barksdale AFB	Upgrade Sanitary Sewer System	2,390	2,390	2,390	0	2,390
171	Louisiana	Air Force	Barksdale AFB	Communications Systems Squadron Complex	2,500	2,500	2,500	0	2,500
172	Louisiana	Defense Logistics Agency	Barksdale AFB	Jet Fuel Offload Facility	4,300	4,300	4,300	0	4,300
173	Louisiana	Navy Reserve	NSA New Orleans	Bachelor Enlisted Quarters	0	8,956	8,900	8,956	8,956
174	Louisiana	Navy Reserve	NSA New Orleans	Child Development Center Addition	0	1,330	0	1,330	1,330
175	Louisiana	Navy Reserve	NSA New Orleans	Applied Instruction Facility	0	3,650	3,650	3,650	3,650

Military Construction and Family Housing

(Dollars In Thousands)

Line					----------Authorization----------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
176	Maine	Defense Finance & Accounting Service	Loring AFB	Renovate Existing Fac For Admin Use	6,900	6,900	6,900	0	6,900
177	Maine	Air National Guard	Bangor IAP	Upgrade Base Facilities	0	0	13,000	7,000	7,000
178	Maryland	Navy	NAS Patuxent River	Wastewater Treatment Plant Upgrade	1,270	1,270	1,270	0	1,270
179	Maryland	Navy	NAWC Patuxent River	Ante-Chamber & Laboratory Space	0	10,000	0	10,000	10,000
180	Maryland	Navy	United States Naval Academy	Chiller System Upgrade	0	0	10,480	5,000	5,000
181	Maryland	Air Force	Andrews AFB	Alter Dormitory	5,990	5,990	5,990	0	5,990
182	Maryland	Air Force	Andrews AFB	Family Support Center	0	0	2,150	2,150	2,150
183	Maryland	Defense Logistics Agency	Andrews AFB	Replace Hydrant Fuel System	12,100	12,100	12,100	0	12,100
184	Maryland	Defense Medical Facility Office	Andrews AFB	Life Safety/Emergency Room Upgrade	15,500	15,500	15,500	0	15,500
185	Maryland	National Security Agency	Ft. Meade	Friendship Annex III Purchase	25,200	0	0	(25,200)	0
186	Maryland	Defense Medical Facility Office	WRAIR, Forest Glen	Army Institute Of Research, Phase IV	92,000	72,000	92,000	(20,000)	72,000
187	Maryland	Army National Guard	Annapolis	Armory Addition/Alteration	0	0	2,332	0	0
188	Maryland	Air National Guard	Andrews AFB	Munitions Trailer Maintenance Facility	500	500	500	0	500
189	Maryland	Air Force Reserve	Andrews AFB	Consolidated Medical Training	2,600	2,600	2,600	0	2,600
190	Massachusetts	Air National Guard	Barnes MAP (ANG)	Upgrade Heating Distribution System	500	500	500	0	500
191	Massachusetts	Air National Guard	Milford ANGS	Vehicle Maintenance Complex	0	0	1,900	1,900	1,900
192	Michigan	Air National Guard	Selfridge ANGB	Upgrade Heating Systems	3,000	3,000	3,000	0	3,000
193	Michigan	Air National Guard	W.K. Kellogg AP	Composite Support Complex	0	0	6,000	6,000	6,000
194	Michigan	Air Force Reserve	Selfridge ANGB	Fuel System Maintenance Hangar	6,000	6,000	6,000	0	6,000
195	Minnesota	Air National Guard	Minneapolis/St Paul IAP	Base CE Operations & Maintenance Complex	0	0	4,150	0	0
196	Minnesota	Army Reserve	ARC Buffalo	USARC/OMS	4,260	4,260	4,260	0	4,260
197	Mississippi	Navy	NS Pascagula	Extend West Quaywall	0	0	4,990	0	0
198	Mississippi	Navy	Stennis Space Center	Ocean Acoustics Research Lab	0	0	7,960	7,960	7,960
199	Mississippi	Air Force	Keesler AFB	Student Dormitory	14,465	14,465	14,465	0	14,465
200	Mississippi	Army National Guard	Camp Shelby	Multipurpose Range Complex, Phase II	0	10,000	5,000	5,000	5,000
201	Mississippi	Air National Guard	Gulfport-Biloxi RAP	Relocate Hewes Road, Phase II	0	0	5,400	5,400	5,400
202	Mississippi	Air National Guard	Thompson Field	Alteration to Operations & Training Building	0	1,350	0	1,350	1,350
203	Missouri	Air National Guard	Rosencrans Memorial AP	Vehicle Maintenance & AGE Complex	0	0	4,000	4,000	4,000
204	Montana	Air Force	Malmstrom AFB	Dormitory	0	0	6,300	6,300	6,300
205	Montana	Air National Guard	Great Falls IAP	Composite Support Facilities Complex	0	0	5,400	5,400	5,400
206	Nebraska	Defense Finance & Accounting Service	Offutt AFB	Renovate Existing Fac For Admin Use	7,000	7,000	7,000	0	7,000
207	Nebraska	Army National Guard	Hastings Training Range	MRF RETS/MPMG	0	0	1,250	0	0
208	Nebraska	Air National Guard	Lincoln MAP	Composite Support Facilities Complex	0	0	7,300	7,300	7,300
209	Nevada	Navy	NAS Fallon	Child Development Center	0	1,400	0	1,030	1,030
210	Nevada	Navy	NAS Fallon	Bachelor Enlisted Quarters	0	14,800	14,800	14,800	14,800
211	Nevada	Navy	NAS Fallon	Engine Test Facility/Aircraft Test Enclosure	0	0	5,800	5,800	5,800
212	Nevada	Air Force	Indian Springs AAF	UAV Operations And Maintenance Facilities	4,690	4,690	4,690	0	4,690
213	Nevada	Air Force	Nellis AFB	Dormitory	0	0	9,900	9,900	9,900
214	Nevada	Air Force	Nellis AFB	Weapons School Addition	0	0	4,800	0	0
215	Nevada	Defense Logistics Agency	NAS Fallon	Addition To Hot Refueling Area	2,100	2,100	2,100	0	2,100
216	Nevada	Air National Guard	Reno Cannon IAP	Fuel Sys Maint & Corrosion Control Hangar	4,600	4,600	4,600	0	4,600
217	Nevada	Air National Guard	Reno IAP	C-130 Aircraft Parking Apron Addition	0	0	1,400	1,400	1,400
218	New Hampshire	Army Reserve	Manchester	AFRC/OMS/AMSA	0	0	5,315	5,315	5,315
219	New Jersey	Army	Picatinny Arsenal	Upgrade Electrical Power System, Phase III	0	7,500	0	5,000	5,000

Military Construction and Family Housing

(Dollars In Thousands)

Line					----------Authorization----------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
220	New Jersey	Air Force	McGuire AFB	Dormitory	8,080	8,080	8,080	0	8,080
221	New Jersey	Army National Guard	Ft. Dix	Training/Technology Tech Battle Lab, Phase I	0	2,000	0	2,000	2,000
222	New Jersey	Air National Guard	Atlantic City IAP (ANG)	Add To & Alter Medical Training Facility	380	380	380	0	380
223	New Jersey	Air National Guard	McGuire AFB	Consolidated Squadron Operations Facility	0	9,900	9,900	9,900	9,900
224	New Mexico	Army	White Sands Missile Range	National Range Control Center, Phase I	0	10,000	10,000	10,000	10,000
225	New Mexico	Air Force	Cannon AFB	Logistics Administration Facility	0	0	7,100	7,100	7,100
226	New Mexico	Air Force	Kirtland AFB	Advanced Laser Research Facility	0	0	10,000	10,000	10,000
227	New Mexico	Air Force	Kirtland AFB	Replace Manzano Bridge	0	0	6,300	0	0
228	New Mexico	Air National Guard	Kirtland AFB	Munitions Maint. & Storage Complex	3,000	3,000	3,000	0	3,000
229	New York	Army	Ft. Drum	Rapid Deployment Operations Facility	0	7,600	0	7,600	7,600
230	New York	Army	Ft. Drum	Range Control Facility	0	3,800	0	3,800	3,800
231	New York	Army	Ft. Drum	Military Training & Education Center	0	0	6,500	0	0
232	New York	Defense Finance & Accounting Service	Griffiss AFB	Renovate Existing Fac For Admin Use	10,200	10,200	10,200	0	10,200
233	New York	Air National Guard	Gabreski Airport	Aircraft Wash And Deicing Facility	659	659	659	0	659
234	New York	Air National Guard	Hancock Field	Composite Operations & Training Facility	0	0	4,500	4,500	4,500
235	New York	Air National Guard	Stewart IAP	C-5 Flight Simulator Facility	3,000	3,000	3,000	0	3,000
236	New York	Air National Guard	Stewart IAP	Cover Landfill	0	0	2,200	2,200	2,200
237	New York	Air Force Reserve	Niagara Falls ARS	Deicing Facility	342	342	342	0	342
238	New York	Air Force Reserve	Niagara Falls ARS	Fire Training System	1,600	1,600	1,600	0	1,600
239	North Carolina	Army	Ft. Bragg	Land Acquisition, Phase II	0	14,000	0	14,000	14,000
240	North Carolina	Navy	MCAS Cherry Point	Tactical Mission Planning Facility	1,630	1,630	1,630	0	1,630
241	North Carolina	Navy	MCAS New River	Child Development Center	0	3,250	0	3,250	3,250
242	North Carolina	Navy	MCAS New River	Aviation Armament Shops	4,140	4,140	4,140	0	4,140
243	North Carolina	Navy	MCAS New River	Corrosion Control Hangar	12,900	12,900	12,900	0	12,900
244	North Carolina	Navy	MCB Camp LeJeune	Bachelor Enlisted Quarters	5,190	5,190	5,190	0	5,190
245	North Carolina	Navy	MCB Camp LeJeune	Physical Fitness Center	2,530	2,530	2,530	0	2,530
246	North Carolina	Navy	MCB Camp LeJeune	Training Range Facilities	9,800	9,800	9,800	0	9,800
247	North Carolina	Navy	MCB Camp LeJeune	Wastewater Treatment Plant, Phase III	3,230	3,230	3,230	0	3,230
248	North Carolina	Air Force	Pope AFB	C-130 ADAL Sqd Ops Aircraft Maint Fac	3,850	3,850	3,850	0	3,850
249	North Carolina	Air Force	Pope AFB	Upgrade Sanitary Sewer System	2,065	2,065	2,065	0	2,065
250	North Carolina	Air Force	Seymour Johnson AFB	F-15 Air Grd Equip Facility/Pod Storage	2,405	2,405	2,405	0	2,405
251	North Carolina	Air Force	Seymour Johnson AFB	F-15E Add To And Alter Flight Simulator	3,460	3,460	3,460	0	3,460
252	North Carolina	Air Force	Seymour Johnson AFB	F-15E Squadron Ops/AMU Academic Fac	3,490	3,490	3,490	0	3,490
253	North Carolina	Air Force	Seymour Johnson AFB	F-15E Student Officer Quarters	1,925	1,925	1,925	0	1,925
254	North Carolina	Defense Medical Facility Office	Ft. Bragg	Ambulatory Clinic, Smoke Bomb Hill	11,400	11,400	11,400	0	11,400
255	North Carolina	Special Operations Command	Ft. Bragg	SOF - Company Ops & Supply Complex	14,000	14,000	14,000	0	14,000
256	North Carolina	Defense Medical Facility Office	Ft. Bragg	Hospital Replacement, Phase IV	89,000	89,000	89,000	0	89,000
257	North Carolina	Air National Guard	Stanly Co. Airport	Composite Maintenance Facility	0	5,000	0	5,000	5,000
258	North Carolina	Air National Guard	Stanly Co. Airport	Parallel Taxiway	0	1,850	0	1,850	1,850
259	North Carolina	Army Reserve	Ft. Bragg	Add To and Alter USARC/OMS	9,966	9,966	9,966	0	9,966
260	North Dakota	Air Force	Grand Forks AFB	Dining Facility	5,985	5,985	5,985	0	5,985
261	North Dakota	Air Force	Grand Forks AFB	KC-135 Sqd Ops/Acft Maint	6,485	6,485	6,485	0	6,485
262	North Dakota	Air Force	Minot AFB	Ugnd Storage Tanks Msl Facilities	3,940	3,940	3,940	0	3,940
263	North Dakota	Army National Guard	Bismarck	AASF/Armory Complex Expansion	0	0	3,650	0	0

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization---------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
264	Ohio	Air Force	Wright-Patterson AFB	ADAL Engineering Research Lab	7,400	7,400	7,400	0	7,400
265	Ohio	Defense Finance & Accounting Service	Columbus Center	DFAS Operations Facility - Increment II	20,822	20,822	20,822	0	20,822
266	Ohio	Defense Logistics Agency	DCSC Columbus	Construct Entrance Roadway	600	600	600	0	600
267	Ohio	Defense Finance & Accounting Service	Gentile AFS	Renovate Facility For Admin Use	11,400	11,400	11,400	0	11,400
268	Ohio	Air National Guard	Mansfield Lahm AP	Composite Operations & Training Facility	0	0	4,550	4,550	4,550
269	Ohio	Air National Guard	Rickenbacker ANGB	Composite Squadron Ops & HQ Facility	0	6,100	0	6,100	6,100
270	Ohio	Air National Guard	Rickenbacker ANGB	Fuel Cell & Corrosion Control Facility	0	0	5,700	0	0
271	Ohio	Air Force Reserve	Youngstown ARS	Fire Training System	1,500	1,500	1,500	0	1,500
272	Ohio	Air Force Reserve	Youngstown ARS	Wing Headquarters Facility	5,300	5,300	5,300	0	5,300
273	Ohio	Air Force Reserve	Youngstown ARS	Consolidated Maint Facility	3,600	3,600	3,600	0	3,600
274	Oklahoma	Air Force	Tinker AFB	Consolidated Vehicle Maint/Metals Facilities	9,880	9,880	9,880	0	9,880
275	Oklahoma	Air Force	Tinker AFB	Depot Aircraft Corrosion Control Facility, Phase II	0	5,400	0	5,400	5,400
276	Oklahoma	Defense Logistics Agency	Altus AFB	Upgrade C-5 Hydrant System, Phase I	3,200	3,200	3,200	0	3,200
277	Oklahoma	Army National Guard	Camp Gruber	Modified Record Fire Range	0	0	1,551	1,551	1,551
278	Oklahoma	Air National Guard	Will Rogers World Airport	Aeromedical Evacuation Training Facility	0	0	3,000	0	0
279	Oklahoma	Air National Guard	Will Rogers World Airport	ADAL Security Police Facility	570	570	570	0	570
280	Oklahoma	Army Reserve	ARC Muskogee	ADAL USARC/OMS	3,125	3,125	3,125	0	3,125
281	Oklahoma	Air Force Reserve	Tinker AFB	ADAL Facilities For Conversion	5,700	5,700	5,700	0	5,700
282	Oklahoma	Air Force Reserve	Tinker AFB	KC-135 Operations & Training Facilities	3,400	3,400	3,400	0	3,400
283	Oklahoma	DFAS	Fort Sill	DFAS Regional Finance Center	0	0	0	12,864	12,864
284	Oregon	Chemical Demilitarization	Umatilla Depot	Ammunition Demilitarization Facility, Phase II	64,000	64,000	64,000	0	64,000
285	Oregon	Air National Guard	Klamath Falls IAP	Upgrade Infrastructure	0	0	2,500	2,500	2,500
286	Pennsylvania	Navy	NSY Philadelphia	Foundry Improvements	0	8,300	0	8,300	8,300
287	Pennsylvania	Army Reserve	WTS Geneva	ECS/AMSA/Warehouse	9,352	9,352	9,352	0	9,352
288	Pennsylvania	Army Reserve	ARC St. Mary's	Add/Alt USARC/OMS	2,333	2,333	2,333	0	2,333
289	Pennsylvania	Navy Reserve	NAS Willow Grove	Aircraft Rinse Facility	750	750	750	0	750
290	Pennsylvania	Navy Reserve	NMCRC Pittsburgh	Purchase Reserve Center Building And Land	3,480	3,480	3,480	0	3,480
291	Rhode Island	Navy	NWC Newport	Strategic Maritime Research Center, Phase II	0	8,000	0	8,000	8,000
292	Rhode Island	Navy	NUWC Newport	Undersea Weapons Systems Laboratory	0	0	8,900	0	0
293	South Carolina	Navy	MCRD Parris Island	Indoor Simulated Marksmanship Tng Bldg	0	2,450	0	0	0
294	South Carolina	Navy	MCRD Parris Island	Recruit Battalion Operations Facility	0	2,540	2,550	2,540	2,540
295	South Carolina	Air Force	Charleston AFB	C-17 Squadron Ops\Aircrft Maint Unit Fac	5,685	5,685	5,685	0	5,685
296	South Carolina	Air Force	Charleston AFB	C-17 ADAL Aircraft Maintenance/NDI Shop	4,590	4,590	4,590	0	4,590
297	South Carolina	Air Force	Charleston AFB	C-17 ADAL Apron/Hydrant System	13,170	13,170	13,170	0	13,170
298	South Carolina	Air Force	Charleston AFB	C-17 Aircraft Maintenance Facility	5,785	5,785	5,785	0	5,785
299	South Carolina	Air Force	Charleston AFB	Dormitory	8,180	8,180	8,180	0	8,180
300	South Carolina	Air Force	Charleston AFB	Child Development Center	0	0	5,700	0	0
301	South Carolina	Air Force	Shaw AFB	Security Police Operations	3,300	3,300	3,300	0	3,300
302	South Carolina	Air Force	Shaw AFB	Upgrade Sanitary Sewer System	2,365	2,365	2,365	0	2,365
303	South Carolina	Air Force	Shaw AFB	Dormitory	0	0	8,800	8,800	8,800
304	South Carolina	Defense Finance & Accounting Service	Charleston	Renovate Existing Fac For Admin Use	6,200	6,200	6,200	0	6,200
305	South Carolina	Defense Medical Facility Office	Charleston AFB	WRM/BEE Facility	1,300	1,300	1,300	0	1,300
306	South Carolina	Defense Logistics Agency	Shaw AFB	Railroad Jet Fuel Facility	2,900	2,900	2,900	0	2,900
307	South Carolina	Air National Guard	McEntire ANGB	Composite Security Police/Disaster Prep. Facility	0	0	1,500	1,500	1,500

Military Construction and Family Housing

(Dollars In Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	----------Authorization---------- Request	House	Senate	Conference Change	Authorization
308	South Dakota	Air Force	Ellsworth AFB	Child Development Center	0	0	4,150	4,150	4,150
309	South Dakota	Army National Guard	Rapid City	Army Aviation Support Facility Ramp	0	0	4,329	4,329	4,329
310	Tennessee	Air Force	Arnold Eng Dev Ctr	Upgrade ETF Refrig System, Plant	3,790	3,790	3,790	0	3,790
311	Tennessee	Air Force	Arnold Eng Dev Ctr	Upgrade Jet Engine Air Induction System	2,991	8,691	2,991	5,700	8,691
312	Tennessee	Army National Guard	Ashland City	Armory	0	0	1,530	0	0
313	Tennessee	Army National Guard	Kingsport	Organizational Maintenance Shop	0	2,755	0	0	0
314	Texas	Army	Ft. Hood	Whole Barracks Complex Renewal	35,000	35,000	35,000	0	35,000
315	Texas	Army	Ft. Hood	Close Combat Tactical Training Building II	5,900	5,900	5,900	0	5,900
316	Texas	Army	Ft. Hood	Direct Support Motor Pool	0	5,400	0	0	0
317	Texas	Army	Ft. Hood	Organizational Motor Pool	0	6,400	0	6,400	6,400
318	Texas	Army	Ft. Sam Houston	Dining Facility	0	0	3,100	3,100	3,100
319	Texas	Navy	NAS Kingsville	Combined Fire/Crash Rescue Station	1,810	1,810	1,810	0	1,810
320	Texas	Navy	NS Ingleside	Magnetic Range Silencing Facility & Land Addition	7,250	7,250	7,250	0	7,250
321	Texas	Navy	NS Ingleside	Bachelor Enlisted Quarters, Phase II	9,600	9,600	9,600	0	9,600
322	Texas	Air Force	Brooks AFB	Student Dormitory	0	5,400	0	5,400	5,400
323	Texas	Air Force	Dyess AFB	Consolidated Dining Hall	0	6,400	0	6,400	6,400
324	Texas	Air Force	Dyess AFB	ADAL Dormitories	5,895	5,895	5,895	0	5,895
325	Texas	Air Force	Kelly AFB	Wing Support Facility	3,250	3,250	3,250	0	3,250
326	Texas	Air Force	Lackland AFB	PIF Combat Arms Training Facility	4,800	4,800	4,800	0	4,800
327	Texas	Air Force	Lackland AFB	Upgrade Recruit Dormitory	4,613	4,613	4,613	0	4,613
328	Texas	Air Force	Sheppard AFB	Consolidated Logistics Complex	9,400	9,400	9,400	0	9,400
329	Texas	Defense Medical Facility Office	Ft. Bliss	Life Safety Upgrade	6,600	6,600	6,600	0	6,600
330	Texas	Defense Medical Facility Office	Ft. Hood	Social Work Services Clinic	1,950	1,950	1,950	0	1,950
331	Texas	Army National Guard	Bryan	Organizational Maintenance Shop	0	0	1,358	1,358	1,358
332	Texas	Army National Guard	Jasper	Armory	0	0	2,103	0	0
333	Texas	Air National Guard	JRB Ft. Worth	Fuel Cell & Corrosion Control Facility	3,450	3,450	3,450	1,050	4,500
334	Texas	Navy Reserve	Dyess AFB	Marine Corps Reserve Center	0	0	3,100	3,100	3,100
335	Utah	Air Force	Hill AFB	Correct Fire Protection Deficiencies	3,690	3,690	3,690	0	3,690
336	Utah	Air National Guard	Salt Lake City IAP	Electronics Security Squadron Complex	2,250	2,250	2,250	0	2,250
337	Utah	Navy Reserve	MCRC Camp Williams	Reserve Training Center	1,994	1,994	1,994	0	1,994
338	Vermont	Army National Guard	Jericho	Upgrade Ranges	0	0	746	746	746
339	Virginia	Army	Fort Eustis	Child Development Center	0	3,550	3,550	3,550	3,550
340	Virginia	Army	Charlottesville	NGIC, Land Purchase	0	0	2,400	1,000	1,000
341	Virginia	Navy	AFSC Norfolk	Wargaming And Research Center	12,900	12,900	12,900	0	12,900
342	Virginia	Navy	FCTC Damneck	Bachelor Enlisted Quarters Renovation	0	7,000	0	0	0
343	Virginia	Navy	MCCDC Quantico	Battle Staff Training Facility	3,580	3,580	3,580	0	3,580
344	Virginia	Navy	MCCDC Quantico	Ammunition Storage Magazines, Phase II	2,060	2,060	2,060	0	2,060
345	Virginia	Navy	MCCDC Quantico	Sanitary Landfill	8,930	8,930	8,930	0	8,930
346	Virginia	Navy	NS Norfolk	Crane Rail Interconnect	0	14,400	0	14,400	14,400
347	Virginia	Navy	NS Norfolk	Controlled Industrial Facility	16,500	16,500	16,500	0	16,500
348	Virginia	Navy	NS Norfolk	Shore Interim Maint Activ Addn & Upgrade	8,820	8,820	8,820	0	8,820
349	Virginia	Navy	NS Norfolk	Oily Waste Collection System	10,200	10,200	10,200	0	10,200
350	Virginia	Navy	NS Norfolk	Pier Electrical Improvements	0	6,200	0	6,200	6,200
351	Virginia	Navy	NS Norfolk	Deperming Piers	0	0	12,400	0	0

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization---------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
352	Virginia	Navy	NSWC, Dahlgren	Bachelor Enlisted Quarters	0	8,030	8,030	8,030	8,030
353	Virginia	Air Force	Langley AFB	Alter HQ Air Combat Command Facilities	5,160	5,160	5,160	0	5,160
354	Virginia	Air Force	Langley AFB	Upgrade Sanitary Sewer System	2,845	2,845	2,845	0	2,845
355	Virginia	Defense Medical Facility Office	NAS Norfolk	Environmental Preventive Med Unit Addition	1,250	1,250	1,250	0	1,250
356	Virginia	Defense Logistics Agency	NAS Oceana	Jet Fuel Storage Tank	1,500	1,500	1,500	0	1,500
357	Virginia	Defense Medical Facility Office	NAVHOSP Portsmouth	Hospital Replacement, Phase VIII	24,000	24,000	24,000	0	24,000
358	Virginia	Army National Guard	Danville	Armory Addition/Alteration	0	0	1,789	1,789	1,789
359	Virginia	Army Reserve	Ft. Eustis	USARC/OMS	10,273	10,273	10,273	0	10,273
360	Washington	Army	Ft. Lewis	Tank Trail Erosion Mitigation-Yakima	2,000	2,000	2,000	0	2,000
361	Washington	Army	Ft. Lewis	Readiness Deployment Facility	3,600	3,600	3,600	0	3,600
362	Washington	Army	Ft. Lewis	Whole Barracks Complex Renewal	49,000	49,000	49,000	0	49,000
363	Washington	Navy	NS Everett	Bachelor Enlisted Quarters	10,940	10,940	10,940	0	10,940
364	Washington	Navy	NS Everett	Berthing Pier	14,800	14,800	14,800	0	14,800
365	Washington	Navy	NUWC Keyport	Environmental Test Facility	0	6,800	0	6,800	6,800
366	Washington	Air Force	Fairchild AFB	KC-135 Sqd Ops/ Aircraft Maint Unit Fac	7,280	7,280	7,280	0	7,280
367	Washington	Air Force	Fairchild AFB	KC-135 Hydrant Fueling System	10,875	10,875	10,875	0	10,875
368	Washington	Air Force	McChord AFB	C-17 Corrosion Control Facility	11,570	11,570	11,570	0	11,570
369	Washington	Air Force	McChord AFB	C-17 Beddown Support Utilities	5,985	5,985	5,985	0	5,985
370	Washington	Air Force	McChord AFB	C-17 Add to Flight Simulator	2,095	2,095	2,095	0	2,095
371	Washington	Air Force	McChord AFB	Dormitory	5,390	5,390	5,390	0	5,390
372	Washington	Air Force	McChord AFB	C-17 Modular Replacement Center	16,460	16,460	16,460	0	16,460
373	Washington	Air Force	McChord AFB	C-17 Maintenance Training Facility	5,685	5,685	5,685	0	5,685
374	Washington	Air Force	McChord AFB	C-17 Fuel Cell Maintenance Facility	7,480	7,480	7,480	0	7,480
375	Washington	Air Force	McChord AFB	C-17 ADAL Avionics Maintenance Facility	1,300	1,300	1,300	0	1,300
376	Washington	Air Force	McChord AFB	C-17 Alter Hydrant Fueling System	1,100	1,100	1,100	0	1,100
377	Wisconsin	Air National Guard	Volk Field AGB	Upgrade Sanitary Sewer System	850	850	850	0	850
378	Wisconsin	Air Force Reserve	Mitchell ARS	Medical Training Facility	2,500	2,500	2,500	0	2,500
379	Wisconsin	Air Force Reserve	Mitchell ARS	Improve Storm Ordinage System	950	950	950	0	950
380	Wyoming	Air Force	F.E. Warren AFB	Child Development Center	0	3,700	0	3,700	3,700
381	Wyoming	Army National Guard	Camp Guernsey	Combined Support Maintenance Shop, Phase I	0	0	4,100	0	0
382	CONUS Classified	Army	Classified	Classified Project	4,600	4,600	4,600	0	4,600
383	Bahrain	Navy	ASU Bahrain	Quality Of Life Improvements	5,980	5,980	5,980	0	5,980
384	Bahrain	Defense Medical Facility Office	ASU Bahrain	Medical/Dental Clinic	4,600	4,600	4,600	0	4,600
385	Germany	Army	Darmstadt (Lincoln Village)	Child Development Center	0	7,300	0	7,300	7,300
386	Germany	Army	Taylor Bks, Mannheim	Bachelor Enlisted Quarters Modernization	0	9,300	9,300	9,300	9,300
387	Germany	Army	Spinelli Bks, Mannheim	Bachelor Enlisted Quarters Modernization	0	8,100	8,100	8,100	8,100
388	Germany	Air Force	Ramstein AFB	Dormitory	5,370	5,370	5,370	0	5,370
389	Germany	Air Force	Spangdahlem AB	Fire Station	1,890	1,890	1,890	0	1,890
390	Greece	Navy	NSA Souda Bay	Bachelor Enlisted Quarters Replacement	7,050	7,050	7,050	0	7,050
391	Greece	Navy	NSA Souda Bay	Bachelor Enlisted Quarters	0	4,000	0	0	0
392	Italy	Army	Camp Ederle, Vincenza	Water Distribution System	3,100	3,100	3,100	0	3,100
393	Italy	Navy	NAS Sigonella	Bachelor Enlisted Quarters Replacement	15,700	15,700	15,700	0	15,700
394	Italy	Navy	NSA Naples	Air Cargo Terminal	8,620	8,620	8,620	0	8,620
395	Italy	Air Force	Aviano AB	Upgrade Flightline Water Distribution Syst	2,900	2,900	2,900	0	2,900

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization---------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
396	Italy	Air Force	Aviano AB	Consolidated Support Center	5,225	5,225	5,225	0	5,225
397	Italy	Air Force	Aviano AB	Upgrade Electrical Distribution System	1,935	1,935	1,935	0	1,935
398	Italy	Defense Logistics Agency	NAS Sigonella	Extend Hydrant Fuel System	6,100	6,100	6,100	0	6,100
399	Korea	Army	Camp Casey	Whole Barracks Complex Renewal	16,000	16,000	16,000	0	16,000
400	Korea	Army	Camp Red Cloud	Whole Barracks Complex Renewal	14,000	14,000	14,000	0	14,000
401	Korea	Air Force	Osan AB	Construct Enlisted Dormitory	9,780	9,780	9,780	0	9,780
402	Puerto Rico	Navy	NS Roosevelt Roads	Bachelor Enlisted Qtrs Replacement	0	0	23,600	9,500	9,500
403	Puerto Rico	Air National Guard	Puerto Rico IAP	Refueling Vehicle Shop & Paint Bay	450	450	450	0	450
404	Spain	Defense Logistics Agency	Moron AB	Replace Hydrant Fuel System	12,958	12,958	12,958	0	12,958
405	Turkey	Air Force	Incirlik AB	Add to and Alter Transient Dormitory	1,740	1,740	1,740	0	1,740
406	Turkey	Air Force	Incirlik AB	Add To And Alter Physical Fitness Center	1,740	1,740	1,740	0	1,740
407	Turkey	Air Force	Incirlik AB	Base Ops and Control Tower Complex	3,680	3,680	3,680	0	3,680
408	United Kingdom	Navy	JMCC St. Mawgan	Physical Fitness Ctr Addn and Alterations	4,700	4,700	4,700	0	4,700
409	United Kingdom	Air Force	RAF Croughton	Fire Station	1,740	1,740	1,740	0	1,740
410	United Kingdom	Air Force	RAF Lakenheath	F-15E Add To Jet Engine Shop	2,700	2,700	2,700	0	2,700
411	United Kingdom	Air Force	RAF Lakenheath	Dormitory	4,260	4,260	4,260	0	4,260
412	United Kingdom	Air Force	RAF Lakenheath	Dormitory	7,950	7,950	7,950	0	7,950
413	United Kingdom	Air Force	RAF Lakenheath	F-15E Add To And Alter Weapons Release Fac	2,615	2,615	2,615	0	2,615
414	United Kingdom	Air Force	RAF Mildenhall	Dormitory	6,195	6,195	6,195	0	6,195
415	Overseas Classified	Army	Overseas Classified	Strategic Logistical Prepo Complex, Phase II	64,000	64,000	64,000	0	64,000
416	Overseas Classified	Air Force	Overseas Classified	Munitions Storage Igloos	6,735	6,735	6,735	0	6,735
417	Overseas Classified	Air Force	Overseas Classified	Special Tactical Unit Detachment Facility	3,680	3,680	3,680	0	3,680
418	Overseas Classified	Air Force	Overseas Classified	War Readiness Material Warehouse	5,765	5,765	5,765	0	5,765
419	Overseas Classified	Air Force	Overseas Classified	War Readiness Material Warehouse	2,215	2,215	2,215	0	2,215
420	Worldwide Unspecified	Army	Host Nation Support	Army - Host Nation Support	20,000	20,000	20,000	0	20,000
421	Worldwide Unspecified	Army	Unspecified Worldwide	Unspecified Minor Construction	5,000	8,000	7,000	0	5,000
422	Worldwide Unspecified	Army	Unspecified Worldwide	Planning And Design	23,623	34,384	31,748	6,915	30,538
423	Worldwide Unspecified	Army	Unspecified Worldwide	Demolition	0	10,000	0	0	0
424	Worldwide Unspecified	Navy	Unspecified Worldwide	Reduction for Prior Year Savings	(12,000)	0	0	12,000	0
425	Worldwide Unspecified	Navy	Unspecified Worldwide	General Reduction	0	(12,000)	(12,000)	(12,000)	(12,000)
426	Worldwide Unspecified	Navy	Unspecified Worldwide	Unspecified Minor Construction	5,115	8,115	7,115	0	5,115
427	Worldwide Unspecified	Navy	Unspecified Worldwide	Access Roads	300	300	300	0	300
428	Worldwide Unspecified	Navy	Unspecified Worldwide	Planning And Design	42,559	50,959	47,519	7,368	49,927
429	Worldwide Unspecified	Navy	Unspecified Worldwide	Demolition	0	10,000	0	0	0
430	Worldwide Unspecified	Air Force	Unspecified Worldwide	Unspecified Minor Construction	9,328	12,328	11,328	0	9,328
431	Worldwide Unspecified	Air Force	Unspecified Worldwide	Planning And Design	43,387	47,387	53,497	7,300	50,687
432	Worldwide Unspecified	Air Force	Unspecified Worldwide	Demolition	0	10,000	0	0	0
433	Worldwide Unspecified	Air Force	Various Locations	Termination Fiscal Year 1995 Projects	0	0	0	(2,100)	(2,100)
434	Worldwide Unspecified	Office Secretary of Defense	Unspecified Worldwide	Unspecified Minor Construction	3,200	3,200	3,200	0	3,200
435	Worldwide Unspecified	Office Secretary of Defense	Unspecified Worldwide	Energy Conservation Improvement Program	47,765	47,765	47,765	0	47,765
436	Worldwide Unspecified	Office Secretary of Defense	Various Locations	Termination Fiscal Year 1996 Authority	0	0	0	(7,000)	(7,000)
437	Worldwide Unspecified	Defense Medical Facility Office	Unspecified Worldwide	Unspecified Minor Construction	5,142	5,142	5,142	0	5,142
438	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Planning and Design	0	0	2,000	0	0 •
439	Worldwide Unspecified	DoD Dependents Schools	Unspecified Worldwide	Unspecified Minor Construction	2,000	2,000	2,000	0	2,000

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization---------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
440	Worldwide Unspecified	Special Operations Command	Unspecified Worldwide	Unspecified Minor Construction - SOCOM	4,000	4,000	4,000	0	4,000
441	Worldwide Unspecified	Special Operations Command	Unspecified Worldwide	Planning And Design - SOCOM	2,305	2,305	2,305	0	2,305
442	Worldwide Unspecified	Ballistic Missile Defense Organization	Unspecified Worldwide	Unspecified Minor Construction	1,404	1,404	1,404	0	1,404
443	Worldwide Unspecified	OSD Contingencies	Unspecified Worldwide	Contingency Construction	9,500	4,500	9,500	(5,000)	4,500
444	Worldwide Unspecified	OSD Planning & Design	Unspecified Worldwide	Planning And Design	4,948	4,948	4,948	0	4,948
445	Worldwide Unspecified	NATO Security Investment Program	Unspecified Worldwide	NATO Security Investment Program	197,000	177,000	172,000	(25,000)	172,000
446	Worldwide Unspecified	Army National Guard	Unspecified Worldwide	Planning And Design	2,100	3,300	11,201	4,541	6,641
447	Worldwide Unspecified	Army National Guard	Unspecified Worldwide	Unspecified Minor Construction	5,500	5,500	5,500	0	5,500
448	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	Planning And Design	7,725	8,925	13,615	4,311	12,036
449	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,100	4,100	4,100	0	4,100
450	Worldwide Unspecified	Army Reserve	Unspecified Worldwide	Planning And Design	3,480	3,480	7,549	1,769	5,249
451	Worldwide Unspecified	Army Reserve	Unspecified Worldwide	Unspecified Minor Construction	0	1,700	1,331	0	0
452	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide	Planning And Design	1,884	3,034	3,744	1,510	3,394
453	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide	Unspecified Minor Construction	0	1,000	1,000	0	0
454	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	Planning And Design	5,900	5,900	6,865	0	5,900
455	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	Unspecified Minor Construction	4,326	4,326	5,326	0	4,326
456	Worldwide Unspecified	Chemical Demilitarization	Unspecified Worldwide	Planning And Design	4,124	4,124	4,124	0	4,124
457	Worldwide Unspecified	Defense Finance & Accounting Service	Unspecified Worldwide	Planning and Design	862	862	862	0	862
458	Worldwide Unspecified	Joint Chiefs of Staff	Unspecified Worldwide	Unspecified Minor Construction	6,128	6,128	6,128	0	6,128
459	Worldwide Unspecified	Defense Wide	Unspecified Worldwide	Unaccompanied Housing Improvement Fund	0	10,000	5,000	5,000	5,000
460	Worldwide Unspecified	Base Closure II	BRAC II	Base Realignment & Closure Acct Part II	352,802	352,802	352,802	0	352,802
461	Worldwide Unspecified	Base Closure III	BRAC III	Base Realignment & Closure Acct Part III	971,925	971,925	971,925	0	971,925
462	Worldwide Unspecified	Base Closure IV	BRAC IV	Base Realignment & Closure Acct Part IV	1,182,749	1,182,749	1,182,749	0	1,182,749
463									
464				Military Construction Subtotal	5,274,640	5,756,488	5,857,628	578,830	5,853,470
465									

Military Construction and Family Housing

(Dollars in Thousands)

Line					----------Authorization----------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
466	Alabama	Army	Redstone Arsenal	FH Replacement -- 70 Units	0	8,000	0	0	0
467	Alaska	Air Force	Eielson AFB	Fire Station	2,950	2,950	2,950	0	2,950
468	Alaska	Air Force	Eielson AFB	Replace MFH, Phase III--72 units	21,127	21,127	21,127	0	21,127
469	Arizona	Navy	MCAS Yuma	Community Center	709	709	709	0	709
470	California	Navy	MCAGCC Twentynine Palms	Housing Office	956	956	956	0	956
471	California	Navy	MCAGCC Twentynine Palms	Community Center	1,982	1,982	1,982	0	1,982
472	California	Navy	MCB Camp Pendleton	FH New Construction -- 202 Units	19,483	29,483	19,483	10,000	29,483
473	California	Navy	NAS Lemoore	FH Units Replacement --276 Units	39,837	39,837	39,837	0	39,837
474	California	Navy	NPWC San Diego	FH Units Replacement --366 Units	48,719	48,719	48,719	0	48,719
475	California	Navy	NPWC San Diego	FH New Construction --100 Units	0	14,710	0	0	0
476	California	Air Force	Beale AFB	Replace MFH, Phase II--56 units	8,893	8,893	8,893	0	8,893
477	California	Air Force	Los Angeles AFB	FH Replacement, Phase II -- 25 Units	0	6,425	0	6,425	6,425
478	California	Air Force	Travis AFB	Replace MFH--70 units	8,631	8,631	8,631	0	8,631
479	California	Air Force	Vandenberg AFB	Replace MFH, Phase IV--112 units	20,891	20,891	20,891	0	20,891
480	District of Columbia	Air Force	Bolling AFB	Replace MFH, Phase IV--40 units	5,000	5,000	5,000	0	5,000
481	Florida	Navy	NS Mayport	FH New Construction -- 100 Units	0	10,000	0	10,000	10,000
482	Florida	Air Force	Eglin Aux Field 9	Construct MFH (GOQ)	249	249	249	0	249
483	Florida	Air Force	MacDill AFB	Replace MFH, Phase I-- 56 units	8,822	8,822	8,822	0	8,822
484	Florida	Air Force	Patrick AFB	Replace Housing Office Facility	821	821	821	0	821
485	Florida	Air Force	Patrick AFB	Housing Sup & Storage Facility	756	756	756	0	756
486	Florida	Air Force	Patrick AFB	Base Maintenance Shop	853	853	853	0	853
487	Florida	Air Force	Tyndall AFB	FH Replacement -- 42 Units	0	6,000	0	6,000	6,000
488	Georgia	Air Force	Robins AFB	FH Replacement -- 46 Units	0	5,252	0	5,252	5,252
489	Hawaii	Army	Schofield Barracks	Family Housing Replacement--54 units	10,000	10,000	10,000	0	10,000
490	Hawaii	Navy	MCAS, Kaneohe Bay	FH New Construction -- 54 Units	11,676	11,676	11,676	0	11,676
491	Hawaii	Navy	NPWC Pearl Harbor	FH Units Replacement -- 264 Units	52,586	52,586	52,586	0	52,586
492	Louisiana	Air Force	Barksdale AFB	Replace MFH, Phase IV-- 80 units	9,570	9,570	9,570	0	9,570
493	Maine	Navy	NAS Brunswick	FH Replacement, Phase I -- 72 Units	0	10,925	0	10,925	10,925
494	Maryland	Navy	NAS Patuxent River	Community Center	1,233	1,233	1,233	0	1,233
495	Massachusetts	Air Force	Hanscom AFB	Replace MFH, Phase III-- 32 units	0	5,100	5,100	5,100	5,100
496	Missouri	Air Force	Whiteman AFB	Construct MFH, Phase II-- 68 units	9,600	9,600	9,600	0	9,600
497	Montana	Air Force	Malmstrom AFB	Family Housing-- 98 units	0	0	5,242	15,688	15,688
498	Nevada	Air Force	Nellis AFB	FH Replacement -- 50 units	0	7,955	0	7,955	7,955
499	New Mexico	Air Force	Kirtland AFB	Replace MFH -- 50 units	5,450	5,450	11,850	0	5,450
500	North Carolina	Army	Ft. Bragg	Family Housing Replacement Const-- 88 units	9,800	9,800	9,800	0	9,800
501	North Carolina	Navy	MCB Camp LeJeune	Community Center	845	845	845	0	845
502	North Carolina	Navy	MCB Camp LeJeune	FH New Construction -- 94 units	0	13,360	0	10,110	10,110
503	North Dakota	Air Force	Grand Forks AFB	Replace MFH, Phase II-- 66 units	7,784	7,784	7,784	0	7,784
504	North Dakota	Air Force	Minot AFB	Replace MFH, Phase III-- 46 units	8,740	8,740	8,740	0	8,740
505	Pennsylvania	Army	Tobyhanna Army Depot	Acquire & Demolish 200 Units	0	890	0	890	890
506	South Carolina	Navy	MCAS Beaufort	FH New Construction -- 140 units	0	19,110	0	14,000	14,000
507	Texas	Army	Ft. Bliss	FH Replacement, Phase I-- 64 units	0	12,000	0	11,000	11,000
508	Texas	Army	Ft. Hood	Family Housing Replacement Const-- 140 units	18,500	18,500	18,500	0	18,500
509	Texas	Navy	Corpus Christi Naval Complex	FH Replacement -- 104 units	0	17,425	0	11,675	11,675

Military Construction and Family Housing

(Dollars in Thousands)

Line					-----------Authorization----------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
510	Texas	Navy	NAS Kingsville	FH Replacement, Phase I -- 48 Units	0	7,550	0	7,550	7,550
511	Texas	Air Force	Lackland AFB	Replace MFH Maintenance Facility	350	350	350	0	350
512	Texas	Air Force	Lackland AFB	Replace MFH Management Office	450	450	450	0	450
513	Texas	Air Force	Lackland AFB	Replace MFH--82 units	6,500	11,500	6,500	5,000	11,500
514	Virginia	Navy	AEGIS CSC Wallops Is	FH Units New Construction -- 20 Units	2,975	2,975	2,975	0	2,975
515	Virginia	Navy	NSGA Northwest	Self-Help/Housing Office/Community Center	741	741	741	0	741
516	Washington	Navy	NS Everett	FH Units New Construction -- 100 Units	15,015	15,015	15,015	0	15,015
517	Washington	Navy	NSB Bangor	Housing Office	934	934	934	0	934
518	Washington	Air Force	McChord AFB	Replace MFH, Phase II -- 40 Units	5,659	5,659	5,659	0	5,659
519	United Kingdom	Air Force	RAF Lakenheath	Replace MFH, Phase I	0	0	8,300	0	0
520	Worldwide Unspecified	Army	Unspecified Worldwide	Maintenance Of Real Property	525,893	570,893	525,893	0	525,893
521	Worldwide Unspecified	Army	Unspecified Worldwide	Utilities Account	270,391	270,391	270,391	0	270,391
522	Worldwide Unspecified	Army	Unspecified Worldwide	Furnishings Account	49,057	49,057	49,057	0	49,057
523	Worldwide Unspecified	Army	Unspecified Worldwide	Management Account	84,678	84,678	84,678	0	84,678
524	Worldwide Unspecified	Army	Unspecified Worldwide	Miscellaneous Account	1,241	1,241	1,241	0	1,241
525	Worldwide Unspecified	Army	Unspecified Worldwide	Leasing	227,515	227,515	227,515	0	227,515
526	Worldwide Unspecified	Army	Unspecified Worldwide	Interest & Servicemen's Mortgage Premiums	7	7	7	0	7
527	Worldwide Unspecified	Army	Unspecified Worldwide	Construction Improvements	33,750	114,450	109,750	71,600	105,350
528	Worldwide Unspecified	Army	Unspecified Worldwide	Planning	2,963	2,963	4,083	0	2,963
529	Worldwide Unspecified	Army	Unspecified Worldwide	Services Account	53,684	53,684	53,684	0	53,684
530	Worldwide Unspecified	Navy	Unspecified Worldwide	Mortgage Insurance Premiums	80	80	80	0	80
531	Worldwide Unspecified	Navy	Unspecified Worldwide	Utilities Account	204,967	204,967	204,967	0	204,967
532	Worldwide Unspecified	Navy	Unspecified Worldwide	Management Account	88,707	88,707	88,707	0	88,707
533	Worldwide Unspecified	Navy	Unspecified Worldwide	Services Account	67,413	67,413	67,413	0	67,413
534	Worldwide Unspecified	Navy	Unspecified Worldwide	Furnishings Account	34,621	34,621	34,621	0	34,621
535	Worldwide Unspecified	Navy	Unspecified Worldwide	Maintenance Of Real Property	508,632	552,632	508,632	0	508,632
536	Worldwide Unspecified	Navy	Unspecified Worldwide	Construction Improvements	183,483	209,133	189,383	21,900	205,383
537	Worldwide Unspecified	Navy	Unspecified Worldwide	Miscellaneous Account	1,290	1,290	1,290	0	1,290
538	Worldwide Unspecified	Navy	Unspecified Worldwide	Planning	22,552	22,552	23,142	0	22,552
539	Worldwide Unspecified	Navy	Unspecified Worldwide	Leasing	108,531	108,531	108,531	0	108,531
540	Worldwide Unspecified	Air Force	Unspecified Worldwide	Planning	9,590	9,590	12,350	0	9,590
541	Worldwide Unspecified	Air Force	Unspecified Worldwide	Maintenance Of Real Property	428,087	439,087	428,087	0	428,087
542	Worldwide Unspecified	Air Force	Unspecified Worldwide	Construction Improvements	88,550	125,650	94,550	35,100	123,650
543	Worldwide Unspecified	Air Force	Unspecified Worldwide	Furnishings Account	36,228	36,228	36,228	0	36,228
544	Worldwide Unspecified	Air Force	Unspecified Worldwide	Management Account	51,185	51,185	51,185	0	51,185
545	Worldwide Unspecified	Air Force	Unspecified Worldwide	Services Account	32,257	32,257	32,257	0	32,257
546	Worldwide Unspecified	Air Force	Unspecified Worldwide	Utilities Account	167,985	167,985	167,985	0	167,985
547	Worldwide Unspecified	Air Force	Unspecified Worldwide	Leasing	108,083	108,083	108,083	0	108,083
548	Worldwide Unspecified	Air Force	Unspecified Worldwide	Miscellaneous Account	5,619	5,619	5,619	0	5,619
549	Worldwide Unspecified	Air Force	Unspecified Worldwide	Mortgage Insurance Premiums	30	30	30	0	30
550	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Furnishings Account	32	32	32	0	32
551	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Management Account	206	206	206	0	206
552	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Maintenance Of Real Property	616	616	616	0	616
553	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Utilities Account	405	405	405	0	405

Military Construction and Family Housing

(Dollars in Thousands)

Line					-----------Authorization---------			Conference	
No.	State	Service/Agency/Program	Installation	Project Title	Request	House	Senate	Change	Authorization
554	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Construction Improvements	3,821	3,821	3,821	0	3,821
555	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Planning & Design	500	500	500	0	500
556	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Services Account	137	137	137	0	137
557	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Services Account	355	355	355	0	355
558	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Furnishings Account	184	184	184	0	184
559	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Utilities Account	500	500	500	0	500
560	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Construction Improvements	50	50	50	0	50
561	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Maintenance Of Real Property	524	524	524	0	524
562	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Miscellaneous Account	35	35	35	0	35
563	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Management Account	70	70	70	0	70
564	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Leasing	11,271	11,271	11,271	0	11,271
565	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Leasing	14,366	14,366	14,366	0	14,366
566	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Furnishings Account	2,262	2,262	2,262	0	2,262
567	Worldwide Unspecified	Homeowners' Assistance Program	Unspecified Worldwide	Homeowners' Assistance	36,181	36,181	36,181	0	36,181
568	Worldwide Unspecified	Defense Wide	Unspecified Worldwide	Family Housing Improvement Fund	20,000	35,000	20,000	5,000	25,000
				Family Housing Subtotal	3,857,671	4,275,823	3,975,083	271,170	4,128,841
				Grand Total	9,132,311	10,032,311	9,832,711	850,000	9,982,311

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

Army: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
Texas	Fort Bliss	Unmanned Aerial Vehicle Hangar	4,700
		Total Army - BRAC III	**4,700**

Army: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
Alabama	Anniston Army Depot	EOD Operations Facility	1,700
Arizona	Fort Huachuca	Building 61801 Renovation	400
	Fort Huachuca	Warehouse	800
District of Columbia	Walter Reed Army Medical Center	Nurse Training Facility	1,500
Maryland	Fort Detrick	Administrative Facility	6,800
	Fort Detrick	General Purpose Storage	1,150
Missouri	Fort Leonard Wood	Chemical Defense Training Facility	28,000
	Fort Leonard Wood	General Instruction Facility	58,000
	Fort Leonard Wood	Applied instruction Facility	32,000
	Fort Leonard Wood	Unaccompanied Enlisted Housing	58,000
New Jersey	Fort Monmouth	Administrative Facility	2,200

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
New York	Fort Totten	Storage Facility	1,950
Oklahoma	McAlester Army Ammunition Plant	Universal Functional Test Range	1,950
	McAlester Army Ammunition Plant	General & Applies Inst Facility	6,100
	McAlester Army Ammunition Plant	Administrative Facility	14,200
South Carolina	Fort Jackson	DOD Polygraph Institute	4,600
Virginia	Fort Belvoir	Administrative Facility	7,500
Washington	Fort Lewis	Center for Health Promotion	3,050
Various Locations	Various Locations	Planning & Design	9,790
		Total Army - BRAC IV	**239,690**

Army: BRAC IV Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
Missouri	Fort Leonard Wood	General Officer Quarters	430
		Total Army - BRAC IV Family Housing	**430**

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

FY 1997 BRAC MILITARY CONSTRUCTION PROJECTS

[In Thousands of Dollars]

Navy: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Fleet ASW Training Center, San Diego	Gymnasium	3,400
	Marine Corps Air Station Camp Pendleton	Warehouse & Special Storage Facilities	6,080
	Marine Corps Air Station Miramar	Storage Facilities	9,820
	Marine Corps Air Station Miramar	Tactical Van Pad Facility	15,500
	Marine Corps Air Station Miramar	Bachelor Enlisted Quarters	59,883
	Naval Air Station Lemoore	Administrative Office	1,500
District of Columbia	Commandant Naval District, Washington	Headquarters Building Renovation	2,000
	Strategic Systems Program Office, Washington	Building Renovation	14,580
Florida	Army Reserve Center Orlando	Facility Modifications	2,683
	Naval Air Station Jacksonville	Aviation Physiology Training	2,270
Georgia	Naval Air Station Atlanta	Marine Reserve Training Facility	9,100
Hawaii	Marine Corps Air Station Kaneohe Bay	Aircraft Parking Apron	14,562
	Marine Corps Air Station Kaneohe Bay	Maintenance Hangar Alterations	31,400
	Marine Corps Air Station Kaneohe Bay	Building Renovations	2,500
	Marine Corps Air Station Kaneohe Bay	Building Additions & Renovations	1,300
	Marine Corps Air Station Kaneohe Bay	Aviation Supply Facilities	2,700

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
	Marine Corps Air Station Kaneohe Bay	Training Facility	8,600
	Marine Corps Air Station Kaneohe Bay	Bachelor Quarters	26,900
	Marine Corps Air Station Kaneohe Bay	Helicopter Landing Pad	400
	Marine Corps Air Station Kaneohe Bay	Hazardous Storehouse & Waste Transfer Facil.	5,100
	Marine Corps Air Station Kaneohe Bay	Ordnance Facilities	1,400
	Marine Corps Air Station Kaneohe Bay	Tactical Support Facility	10,500
	Marine Corps Air Station Kaneohe Bay	Utilities Upgrade	5,100
	Marine Corps Air Station Kaneohe Bay	Ordnance Facilities	2,100
Nevada	Naval Air Station Fallon	Bachelor Enlisted Quarters, Phase II	9,830
South Carolina	Marine Corps Air Station Beaufort	Hangar Renovation	1,900
Tennessee	Naval Air Station Memphis	Building Alterations	17,510
	Naval Air Station Memphis	Building Alterations	7,100
Texas	Naval Air Station Fort Worth	Child Development Center	2,010
Virginia	Naval Station Norfolk	Administrative Facility	1,000
	Naval Air Station Oceana	Engine Maintenance Shop Addition	480
Washington	Naval Air Station Whidbey Island	Ground Support Equipment Shop	2,700
	Naval Air Station Whidbey Island	Sonobuoy Storage Facility	600
Midway Island	Naval Air Facility	Demolition	3,000
		Total Navy - BRAC III	**285,508**

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

Navy: BRAC III Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
Florida	Naval Air Station Pensacola	Family Housing	9,845
Washington	Naval Submarine Base Bangor	Family Housing	4,672
	Naval Submarine Base Bangor	Family Housing	6,454
		Total Navy - BRAC III Family Housing	**20,971**

Navy: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Naval Air Station North Island	Maintenance Training Facility	3,780
	Naval Aviation Depot, North Island	Engineering Support Office Modifications	844
	Naval Aviation Depot, North Island	Engineering Support Offices	721
	Naval Weapon Station Concord	Secure Warehouse	15,400
District of Columbia	Commandant, Naval District Washington	Parking Garage	8,900
	Commandant, Naval District Washington	Logistics Support Facility	2,400
	Commandant, Naval District Washington	Public Works Facility	1,900

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	**Installation or Location**	**Description**	**Amount**
Florida	Naval Explosive Diving Unit, Panama City	Manned Diving Physiology	1,870
Maryland	Naval Surface Warfare Center, Carderock	Materials Processing Facility	1,450
	Naval Surface Warfare Center, Carderock	Magnetic Fields Facility	6,400
Pennsylvania	Naval Surface Warfare Center, Philadelphia	Advance Machine R&D Facility	5,400
South Carolina	Naval Weapon Station Charleston	Medical/Dental Clinic Expansion	3,464
Tennessee	Naval Air Station Memphis	Building Modifications	4,744
Virginia	Naval Air Station Oceana	Flight Simulator Building Addition	9,044
	Naval Air Station Oceana	Corrosion Control Hangar	4,800
	Naval Air Station Oceana	F/A 18 Aviation Maintenance Additions	2,700
	Naval Air Station Oceana	Renovate/Addition Training Facility	5,700
Washington	Naval Shipyard Puget Sound	Ship Maintenance Facilities	1,840
Various Locations	Various Locations	Planning & Design	9,700
		Total Navy - BRAC IV	**91,057**

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	**Installation or Location**	**Description**	**Amount**

FY 1997 BRAC MILITARY CONSTRUCTION PROJECTS

[In Thousands of Dollars]

Air Force: BRAC II Construction, Fiscal Year 1997

State	**Installation or Location**	**Description**	**Amount**
California	Beale Air Force Base	Add/Alter Civil Engineer Facilities	900
	Beale Air Force Base	Add/Alter Operations Facility	460
	Beale Air Force Base	Alter Logistics Facilities	520
	Beale Air Force Base	Add/Alter Support Facility	300
	Vandenburg Air Force Base	Campus Utilities	2,900
Colorado	Buckley Air National Guard Base	Enlisted Dormitory	8,150
Indiana	Grissom Air Reserve Base	Munitions Storage	1,500
Mississippi	Keesler Air Force Base	Physical Fitness Center	690
Ohio	Rickenbacker Air National Guard Base	Alter Base Maintenance Shops	1,950
	Rickenbacker Air National Guard Base	Alter Support Shops	2,000
	Rickenbacker Air National Guard Base	Alter Fuel System Maintenance Dock	1,200
	Rickenbacker Air National Guard Base	Jet Fuel Storage/Distribution	9,000
	Wright-Patterson Air Force Base	NAOC Complex	5,100
Texas	Lackland Air Force Base	Add/Alter Physical Fitness Center	1,600
	Lackland Air Force Base	Alter Technical Training Facility	2,250

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
	Sheppard Air Force Base	Add to Chapel	700
Various Locations	Various Locations	Planning & Design	580
		Total Air Force - BRAC II	**39,800**

Air Force: BRAC II Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
Oklahoma	Altus Air Force Base	Family Housing	22,973
		Total Air Force - BRAC II Family Housing	**22,973**

Air Force: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	March Air Force Base	Alter Combat Camera	1,200
	Travis Air Force Base	Upgrade Roads	2,400
Idaho	Mountain Home Air Force Base	Air Control Squad Complex	3,500
New Jersey	McGuire Air Force Base	Public Health Facility	4,000
	McGuire Air Force Base	Upgrade Roads	3,000

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
New York	Griffiss Air Force Base	Alter Support Facilities	750
	Griffiss Air Force Base	Alter Consolidated Logistics Facility	2,550
		Total Air Force - BRAC III	17,400

Air Force: BRAC III Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
New Jersey	McGuire Air Force Base	Improve Family Housing	15,884
		Total Air Force - BRAC III Family Housing	15,884

Air Force: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Edwards Air Force Base	Add/Alter Avionics Research Laboratory	890
	March Air Force Base	Add/Alter Comm/Elec Training Complex	640
Florida	MacDill Air Force Base	Add/Alter Fuel Maintenance Facility	2,900
	MacDill Air Force Base	Alter Squadron Operations Facilities	2,500
	MacDill Air Force Base	Alter Corrosion Control	5,000
	MacDill Air Force Base	Alter Maintenance Facilities	800

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
	Patrick Air Force Base	Pararescue Training Facility	2,650
	Patrick Air Force Base	Maintenance Facilities	500
	Patrick Air Force Base	Add/Alter Corrosion Control Facility	2,750
Mississippi	Columbus Air Force Base	T-37 Aircraft Maintenance Hangar	1,100
New York	Fort Drum	Runway/Apron/ILS	46,000
Texas	Carswell-Naval Air Station/Fort Worth Joint Reserve Base	Numbered AF Headquarters	4,300
	Carswell-Naval Air Station/Fort Worth Joint Reserve Base	Security Police Training Facility	720
	Laughlin Air Force Base	Add to Child Development Center	350
Various Locations	Various Locations	Planning & Design	5,543
		Total Air Force: BRAC IV	**76,643**

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

FY 1997 BRAC MILITARY CONSTRUCTION PROJECTS

[In Thousands of Dollars]

Defense Logistics Agency: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Defense Contract Management District West	Administrative Building	5,200
Pennsylvania	Aviation Supply Office, Philadelphia	Convert Facilities for Defense Personnel Support Center	31,950
Various Locations	Various Locations	Planning & Design	500
		Total DLA - BRAC III	**37,650**

Defense Logistics Agency: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Defense Distribution Region West	Hazardous Material Storage Addition to Warehouse 28	9,300
		Total DLA - BRAC IV	**9,300**

TITLE XXI—ARMY

FISCAL YEAR 1997

Overview

The House bill would authorize $2,037,653,000 for Army military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $1,913,297,000 for this purpose.

The conferees recommend authorization of appropriations of $1,942,557,000 for Army military construction and family housing for fiscal year 1997.

ITEMS OF SPECIAL INTEREST

Improvements Of Military Family Housing, Army

The conferees recommend that, within authorized amounts for improvements of military family housing and facilities, the Secretary of the Army execute the following projects: $16,000,000 for Whole Neighborhood Revitalization, Phase II (228 units) at Fort Rucker, Alabama; $7,800,000 for family housing improvements (48 units) at Fort Richardson, Alaska; $8,600,000 for family housing improvements (52 units) at Fort Wainwright, Alaska; $7,300,000 for family housing improvements (120 units) at Stuttgart, Germany; $4,600,000 for family housing improvements (64 units) at Baumholder, Germany; $8,200,000 for family housing improvements (136 units) at Mannheim, Germany; $9,600,000 for Whole Neighborhood Revitalization, Phase III (102 units) at Fort Campbell, Kentucky; $7,200,000 for family housing improvements (250 units) at Fort Polk, Louisiana; and $2,300,000 for family housing improvements (42 units) at Tobyhanna Army Depot, Pennsylvania.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Land acquisition, National Ground Intelligence Center, Charlottesville, Virginia (sec. 2105)

The conferees include a provision that would authorize the Secretary of the Army to acquire real property for the National Ground Intelligence Center, Charlottesville, Virginia. The acquisition would be contingent upon the Secretary certifying to the congressional defense committees that the acquisition of the property would provide the most cost-effective means of securing a location for the National Ground Intelligence Center.

LEGISLATIVE PROVISIONS NOT ADOPTED

Correction in authorized uses of funds, Fort Irwin, California

The House bill contained a provision (sec. 2105) that would correct the authorized use of funds authorized for appropriation in prior years for a military construction project at Fort Irwin, California. The provision would permit the use of previously authorized funds to construct a heliport at Fort Irwin to support the National Training Center.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XXII—NAVY

FISCAL YEAR 1997

Overview

The House bill would authorize $2,303,173,000 for Navy military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $2,054,793,000 for this purpose.

The conferees recommend authorization of appropriations of $2,213,731,000 for Navy military construction and family housing for fiscal year 1997.

The conferees agree to a general reduction of $12,000,000 in the authorization of appropriations for the Navy military construction account. The general reduction is to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reduction shall not cancel any military construction authorized by title XXII of this Act.

ITEMS OF SPECIAL INTEREST

Improvements of Military Family Housing, Navy

The conferees recommend that, within authorized amounts for improvements of military family housing and facilities, the Secretary of the Navy execute the following projects: $6,600,000 for Whole House Revitalization, Phase I (160 units) at Naval Air Station Meridian, Mississippi; $5,900,000 for family housing improvements (1,257 units) at Marine Corps Air Station Beaufort, South Carolina; $2,400,000 for Whole House Revitalization (55 units) at Joint Reserve Base Fort Worth, Texas; and $6,900,000 for Whole House Revitalization (100 units) at Naval Air Station Whidbey Island, Washington.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Beach replenishment, Naval Air Station, North Island, California (sec. 2205)

The House bill contained a provision (sec. 2205) that would provide for a cost-sharing agreement between the Secretary of the Navy, the State of California, and local governments concerning beach replenishment executed as part of a military construction project at Naval Air Station, North Island, California.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Defense access roads

The Senate amendment contained a provision (sec. 2204) that would authorize the Secretary of the Navy to make advances, in the amount of $300,000, to the Secretary of Transportation for the construction of defense access roads at various locations.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIII—AIR FORCE

FISCAL YEAR 1997

Overview

The House bill would authorize $1,823,456,000 for Air Force military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $1,844,786,000 for this purpose.

The conferees recommend authorization of appropriations of $1,894,594,000 for Air Force military construction and family housing for fiscal year 1997.

ITEMS OF SPECIAL INTEREST

Improvements of Military Family Housing, Air Force

The conferees recommend that, within authorized amounts for improvements of military family housing and facilities, the Secretary of the Air Force execute the following projects: $8,600,000 for family housing improvements (112 units) at Eglin Air Force Base, Florida; $6,000,000 for Whole House Revitalization (52 units) at Wright-Patterson Air Force Base, Ohio; $13,000,000 for family housing improvements (133 units) at Laughlin Air Force Base, Texas; and $7,500,000 for Whole House Revitalization (92 units) at Hill Air Force Base, Utah.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Elimination of authority to carry out fiscal year 1995 project, Spangdahlem Air Force Base, Germany (sec. 2305)

The conferees recommend a provision (sec.) that would amend the table in 2301(b) of the Military Construction Authorization Act for Fiscal Year 1995 (Division B of Public Law 103-337) relating to Spangdahlem Air Force Base, Germany by reducing the authorization by $2.1 million and terminating the authority to upgrade the sewage and storm water system.

TITLE XXIV—DEFENSE AGENCIES

FISCAL YEAR 1997

Overview

The House bill would authorize $3,396,336,000 Defense Agencies military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $3,399,136,000 for this purpose.

The conferees recommend authorization of appropriations of $3,379,703,000 for Defense Agencies military construction and family housing for fiscal year 1997.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Reduction in amounts authorized to be appropriated for fiscal year 1996 defense agencies military construction, land acquisition, and military family housing functions (sec. 2407)

The conferees recommended a provision (sec.) that would amend section 2405 of the Military Construction Authorization Act for Fiscal Year 1996 (Division B of Public Law 104-106) by reducing the authorization of appropriations for defense agencies by $7.0 million.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

FISCAL YEAR 1997

Overview

The House bill would authorize $177,000,000 for the U.S. contribution to the NATO Security Investment Program for fiscal year 1997.

The Senate amendment would authorize $172,000,000 for this purpose.

The conferees authorize $172,000,000 for the U.S. contribution to the NATO Security Investment Program.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

FISCAL YEAR 1997

Overview

The House bill would authorize $294,693,000 for military construction and land acquisition for fiscal year 1997 for the Guard and Reserve components.

The Senate amendment would authorize $451,099,000 for this purpose.

The conferees recommend authorization of appropriations of $388,826,000 for military construction and land acquisition for fiscal year 1997. This authorization would be distributed as follows:

Army National Guard	$59,194,000
Army Reserve	55,543,000
Naval/Marine Corps Reserve	32,779,000
Air National Guard	188,505,000
Air Force Reserve	52,805,000

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization and funding for construction and improvement of Naval Reserve Centers (sec. 2602)

The Senate amendment contained a provision (sec. 2602) that would reallocate $10.4 million appropriated under the heading "Military Construction, Naval Reserve" in the Military Construction Appropriations Act, 1995 (P.L. 103-307) for the construction of a Joint Reserve Center at Fort Lawton, Washington and the construction of other reserve facilities in the State of Washington.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the availability of funds for unspecified minor construction and planning and design. The amendment would also make a technical correction by designating a new section (sec. 2835) regarding a modification to the related land conveyance language in the Military Construction Appropriations Act, 1995.

Upgrade Air National Guard facilities, Bangor International Airport, Maine (sec. 2603)

The conferees recommend a provision that would authorize the Secretary of the Army to carry out a construction project to upgrade Air National Guard Base and support facilities at Bangor International Airport, Maine. The total cost of the project authorized may not exceed $13,000,000. The amount authorized to be appropriated for fiscal year 1997 is $7,000,000.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authorized Guard and Reserve construction and land acquisition projects

The Senate amendment contained a provision (sec. 2601(1)(A)) that would prohibit the obligation of funds authorized for the combined maintenance shop at Camp Guernsey, Wyoming until the Secretary of Defense certifies to Congress that the project is in the current future years defense program.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Extension of authorizations of certain fiscal year 1994 projects (sec. 2702)

The House bill contained a provision (sec. 2702) that would provide for extension of certain fiscal year 1994 military construction authorizations until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1997, whichever is later.

The Senate amendment contained a similar provision.

The Senate recedes with an amendment that would add the following project:

South Carolina; Summerville; Organizational Maintenance Shop; $834,000.

Extension of authorizations of certain fiscal year 1993 projects (sec. 2703)

The Senate amendment contained a provision (sec. 2703) that would provide for extension of certain fiscal year 1993 military construction authorizations until October 1, 1997, or the date of the enactment of the Act authorizing funds for military construction for fiscal year 1997, whichever is later.

The House bill contained a similar provision.

The House recedes with an amendment that would add the following project:

New Mexico; Clayton; Armory; $1,400,000.

LEGISLATIVE PROVISIONS NOT ADOPTED

Prohibition on use of funds for certain projects

The Senate amendment contained a provision (sec. 2705) that would prohibit the obligation or expenditure of funds for certain military construction projects in Kentucky until the Secretary of Defense certifies that the projects are included in the current future years defense program.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXVIII—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

Subtitle A—Military Construction and Military Family Housing

LEGISLATIVE PROVISIONS ADOPTED

Increase in certain thresholds for unspecified minor construction projects (sec. 2801)

The Senate amendment contained a provision (sec. 2801) that would amend sections 2805 and 18233 (a) of title 10, United States Code, to increase the operations and maintenance minor construction limit from $300,000 to $500,000 for the active and reserve components. The provision would further amend section 18233 (a) to increase the reserve component minor military construction limit from $400,000 to $1.5 million.

The House bill amendment contained no similar provision.

The House recedes.

Redesignation of North Atlantic Treaty Organization Infrastructure Program (sec. 2802)

The Senate amendment contained a provision (sec. 2503) that would amend section 2806 of title 10, United States Code, by redesignating the North Atlantic Treaty Organization Infrastructure Program as the North Atlantic Treaty Organization Security Investment Program. The provision would establish in law the name change implemented by the North Atlantic Treaty Organization when it revamped the infrastructure program in 1993.

The House bill contained a similar provision.

The House recedes.

Improvements to military family housing units (sec. 2803)

The House bill contained a provision (sec. 2803) that would make technical changes to the calculation of cost of major maintenance and repair to military housing units.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Availability of funds for planning, execution, and administration of contracts for family housing and unaccompanied housing (sec. 2804)

The conferees recommend an amendment to section 2883 of title 10, United States Code, to make a technical correction that would authorize the Department of Defense to pay expenses incurred for planning, execution, and administration of contracts entered into under the Military Housing Privatization Initiative authority from the funds established under the Initiative and from other Department of Defense funds that are otherwise available for such purposes.

Subtitle B—Defense Base Closure and Realignment

LEGISLATIVE PROVISIONS ADOPTED

Restoration of authority for certain intragovernmental transfers under 1988 Base Closure Law (sec. 2811)

The House bill contained a provision (sec. 2811) that would restore the ability of the Secretary of Defense to transfer property at a closing or realigning military installation to a military department, including a nonappropriated fund instrumentality, or to the Coast Guard. The previous authority for such transfers was inadvertently repealed in a prior year through a technical drafting error.

The Senate amendment contained a similar provision.

The Senate recedes.

Contracting for certain services at facilities remaining on closed installations (sec. 2812)

The House bill contained a provision (sec. 2812) that would authorize the Department of Defense to contract out for certain services at facilities remaining on military installations closed under the base closure and realignment process.

The Senate amendment contained a provision (sec. 2812) that would amend section 204(b)(8)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act of 1988 (P.L. 100-526) and section 2905(b)(8)(A) of the Defense Base Closure and Realignment Act of 1990 (P.L. 101-510) to increase the authority of the service secretaries to contract for services, such as fire fighting or security guards, for facilities not yet transferred or otherwise disposed of at installations closed under the applicable closure law.

The House recedes.

Authority to compensate owners of manufactured housing (sec. 2813)

The House bill contained a provision (sec. 2813) that would authorize payments from the base closure and realignment accounts to compensate owners of manufactured housing at military installations to be closed or realigned. Under the provision, the payment may be made if the manufactured housing park is eliminated or relocated. No payment authorized by this section may exceed 90 percent of the purchase price of the manufactured housing unit.

The Senate amendment contained no similar provision.

The Senate recedes.

Additional purpose for which adjustment and diversification assistance is authorized (sec. 2814)

The House bill contained a provision (sec. 2814) that would restore the authority of the Secretary of Defense to make grants, conclude cooperation agreements, and supplement other Federal funds to assist base reuse planning by the States and local redevelopment authorities at military installations to be closed. The previous authority for such support was inadvertently repealed in a prior year through a technical drafting error.

The Senate amendment contained no similar provision.

The Senate recedes.

Payment of stipulated penalties assessed under CERCLA in connection with Loring Air Force Base, Maine (sec. 2815)

The House bill contained a provision (sec. 2815) that would authorize payments from the base closure and realignment accounts for stipulated penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980 in connection with the closure of Loring Air Force Base, Maine.

The Senate amendment contained a similar provision.

The Senate recedes.

Plan for utilization, reutilization, or disposal of Mississippi Army Ammunition Plant (sec. 2816)

The House bill contained a provision (sec. 2816) that would require the Secretary of the

Army to submit to the Congress a plan for the utilization, reutilization, or disposal of the Mississippi Army Ammunition Plant. The plan shall be submitted not later than 180 days after enactment of this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Subtitle C—Land Conveyances

LEGISLATIVE PROVISIONS ADOPTED

PART I—ARMY CONVEYANCES

Transfer of lands, Arlington National Cemetery, Arlington, Virginia (sec. 2821)

The Senate amendment contained a provision (sec. 2821) that would authorize the Secretary of the Interior to transfer to the Secretary of the Army a parcel of real property in section 29 of the National Park System known as the Arlington Cemetery Internment Zone and all those lands in the area of section 29 known as the Robert E. Lee Memorial Preservation Zone, except those lands in the Preservation Zone that the Secretary of the Interior determines must be retained because of historical significance. The conveyance would be carried out in accordance with the Interagency Agreement dated February 22, 1995.

Prior to executing a transfer of property in the Robert E. Lee Memorial Preservation Zone, the Secretaries would be required to submit a report to Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives, which includes a summary of the cultural resource study, a summary of any environmental analysis, and a summary of the general manner in which the Secretary of the Army plans to develop the property.

The provision would further authorize the Secretary of the Interior to convey to the Secretary of the Army a parcel of real property and improvements containing 2.43 acres. It would also authorize the Secretary of the Army to transfer to the Secretary of the Interior a parcel of real property and improvements containing 0.17 acre.

The House bill contained a similar provision.

The House recedes with an amendment that would include in the summary required by paragraph (2)(A)(ii) any analysis required by the National Historic Preservation Act of 1966.

Transfer of jurisdiction and land transfer, Fort Sill, Oklahoma (sec. 2822)

The Senate amendment contained a provision (sec. 2828) that would authorize the Secretary of the Army to transfer to the Secretary of Veterans Affairs administrative jurisdiction of approximately 400 acres of real property, comprising a portion of Fort Sill, Oklahoma. The property transferred is to be used as a national cemetery.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Army Reserve Center, Rushville, Indiana (sec. 2823)

The House bill contained a provision (sec. 2822) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements, to the City of Rushville, Indiana. The property is to be used for the benefit of public safety. The cost of any surveys necessary for the conveyance shall be borne by the City.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Army Reserve Center, Anderson, South Carolina (sec. 2824)

The House bill contained a provision (sec. 2823) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements, to the County of Anderson, South Carolina. The property is to be used for educational purposes. The cost of any surveys necessary for the conveyance shall be borne by the County.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Army Reserve Center, Montpelier, Vermont (sec. 2825)

The Senate amendment contained a provision (sec. 2823) that would authorize the Secretary of the Army to convey, without consideration, the Army Reserve Center, Montpelier, Vermont consisting of approximately 4.3 acres and improvements, to the City of Montpelier, Vermont. The provision would require the City to lease, at no rental charge, to the Civil Air Patrol the space that the Civil Air Patrol leases from the Army at the time of enactment of the National Defense Authorization Act for Fiscal Year 1997. The conveyance would be contingent on a determination that no other Federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes with an amendment that would strike the language pertaining to expressions of interest by other Federal agencies.

Land conveyance, Crafts Brothers Reserve Training Center, Manchester, New Hampshire (sec. 2826)

The Senate amendment contained a provision (sec. 2832) that would authorize the Secretary of the Army to convey, without consideration, approximately 3.5 acres of real property containing the Craft Brothers Reserves Center in Manchester, New Hampshire to Saint Anselm College. The Secretary would be prohibited from initiating the conveyance until the Army reserve units currently located at the Craft Brothers Reserves Center are relocated to the Joint Reserve Center to be constructed at the Manchester Airport, New Hampshire. The conveyance would be contingent on a determination that no other federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Pine Bluff Arsenal, Arkansas (sec. 2827)

The Senate amendment contained a provision (sec. 2835) that would authorize the Secretary of the Army to convey, without consideration, a 1500-acre parcel of land located at Pine Bluff Arsenal, Arkansas to the Economic Development Alliance of Jefferson County, Arkansas for economic development. The conveyance would be conditioned on the following: that the Secretary of the Army must have all required permits for the operation of the Chemical Demilitarization (DEMIL) facility prior to the conveyance; that the Secretary of Defense must certify that the proposed conveyance would not negatively impact the ability of the Department of Defense to carry out the DEMIL mission; and that the Federal government must be reimbursed if, at any time during the 25 years after the conveyance, the County sells the property.

The House bill contained no similar provision.

The House recedes.

Reaffirmation of land conveyances, Fort Sheridan, Illinois (sec. 2828)

The House bill contained a provision (sec. 2824) that would provide authority to the Secretary of the Army to complete, as soon as practicable, the previously authorized land conveyance at Fort Sheridan, Illinois.

The Senate amendment contained an identical provision. The conference agreement includes this provision.

PART II—NAVY CONVEYANCES

Land transfer, Potomac Annex, District of Columbia (sec. 2831)

The Senate amendment contained a provision (sec. 2822) that would direct the Secretary of the Navy to transfer approximately three acres of real property located at the Potomac Annex in the District of Columbia to the administrative jurisdiction of the United States Institute of Peace. As a condition of the transfer, the Institute shall agree to make available to the Navy permanent parking space at the headquarters building and interim parking during construction of the headquarters building.

The House bill contained no similar provision.

The House recedes with an amendment that would make the conveyance permissive.

The conferees urge the Secretary and the Institute to move forward with the transfer and expect the Institute to proceed with its plans to raise private funds for the construction of a headquarters facility on the site.

Land Exchange, St. Helena Annex, Norfolk Naval Shipyard, Virginia (sec. 2832)

The House bill contained a provision (sec. 2832) that would authorize an exchange of real property, with consideration, relating to Norfolk Naval Shipyard, Virginia. As consideration for the real property located at the Shipyard conveyed by the Secretary, the transferee shall convey to the United States a parcel or parcels of real property, with improvements, located in the area of Portsmouth, Virginia, and shall pay to the Secretary an amount equal to the amount by which the fair market value of the parcel conveyed by the Secretary exceeds the fair market value of the parcel conveyed to the United States. In lieu of such consideration, the Secretary and the transferee may agree upon in-kind consideration under which the transferee would provide for the improvement, maintenance, or repair of real property under the control of the Secretary in the area of Hampton Roads, Virginia. The exact acreage and legal description of the parcels shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Calverton Pine Barrens, Naval Weapons Industrial Reserve Plant, Calverton, New York (sec. 2833)

The House bill contained a provision (sec. 2833) that would authorize the Secretary of the Navy to convey a parcel of real property, comprising the Calverton Pine Barrens and located at the Naval Weapons Industrial Reserve Plant, Calverton, New York, to the Department of Environmental Conservation of the State of New York. The property is to be used as a nature preserve. The cost of any surveys necessary for the conveyance shall be borne by the Department of Environmental Conservation.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, former Naval Reserve Facility, Lewes, Delaware (sec. 2834)

The Senate amendment contained a provision (sec. 2824) that would authorize the Secretary of the Navy to convey, without consideration, to the State of Delaware a parcel of real property, consisting of approximately 16.8 acres and improvements, at the former Naval Reserve Facility, Lewes, Delaware. The provision would require the State to use the property, in pertetuity, solely as a public park or recreational area. The property would revert to the United States if at any time, the Secretary of the Interior determines that the property is not being used in accordance with the conditions of conveyance. The conveyance would be contingent on a determination that no other Federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of the Navy to determine that the property is not being used in accordance with the conditions of conveyance. The amendment would also strike the language pertaining to expressions of interest by other Federal agencies.

Modification of land conveyance authority, Naval Reserve Center, Seattle, Washington (sec. 2835)

The Senate amendment contained a provision (sec. 2602) that would reallocate $10.4 million appropriated under the heading "Military Construction, Naval Reserve" in the Military Construction Appropriations Act, 1995 for the construction of a Joint Reserve Center at Fort Lawton, Washington and the construction of other reserve facilities in the State of Washington.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the availability of funds for unspecified minor construction and planning and design. The amendment would also make a technical correction by designating a new section regarding a modification to the related land conveyance language in the Military Construction Appropriations Act, 1995.

Release of condition on reconveyance of transferred land, Guam (sec. 2836)

The House bill contained a provision (sec. 2831) that would repeal section 818(b)(2) of the Military Construction Authorization Act for Fiscal Year 1981 (Public Law 96-418) relating to a condition on the disposal by the Government of Guam of real property conveyed by the United States.

The Senate bill contained no similar provision.

The Senate recedes.

Lease to facilitate construction of reserve center, Naval Air Station, Meridian, Mississippi (sec. 2837)

The House bill contained a provision (sec. 2206) that would permit the Secretary of the Navy to lease to the State of Mississippi, without reimbursement, approximately five acres of real property at Naval Air Station, Meridian, Mississippi. The State shall use the property to construct a reserve center and ancillary supporting facilities. The section also would provide for a leaseback of the reserve center by the Navy.

The Senate amendment contained a similar provision.

The Senate recedes.

PART III—AIR FORCE CONVEYANCES

Land conveyance, Radar Bomb Scoring Site, Belle Fourche, South Dakota (sec. 2841)

The House bill contained a provision (sec. 2842) that would authorize the Secretary of the Air Force to convey, without consideration, approximately 37 acres of real property and improvements to the Belle Fourche School District, Belle Fourche, South Dakota. The property is to be used for educational, economic development, and housing purposes. The cost of any surveys necessary for the coveyance shall be borne by the School District.

The Senate amendment contained a similar provision.

The Senate recedes.

Conveyance of primate research complex and Air Force-owned chimpanzees, Holloman Air Force Base, New Mexico (sec. 2842)

The Senate amendment contained a provision (sec. 2826) that would authorize the Secretary of the Air Force to convey, on a competitve basis and at no cost to the Air Force, the primate research complex and the colony of Air Force-owned chimpanzees located at Holloman Air Force Base, New Mexico. The authorized conveyance would not include the real property on which the research complex is sited. The Secretary, in cooperation with the Department of Agriculture and the National Institutes of Health, would be required to develop standards of care and use of the primate research complex and of the chimpanzees, to be used in solicitation of bids. The conditions of conveyance would require that the recipient use the chimpanzees for scientific research, medical research, or retire and provide adequate care for the chimpanzees.

The House bill contained a similar provision.

The House recedes with an amendment that would: clarify that the Air Force-owned chimpanzees are included in the transfer; specify competitive negotiations required in the disposal; make the recipient of the complex and chimpanzees subject to the existing lease; and make certain technical corrections.

PART IV—OTHER CONVEYANCES

Land conveyance, Tatum Salt Dome Test Site, Mississippi (sec. 2851)

The House bill contained a provision (sec. 2851) that would authorize the Secretary of Energy to convey the Tatum Salt Dome Test Site to the State of Mississippi after certification by the Administrator of the Environmental Protection Agency and the State that any contamination of the property has been remediated in accordance with applicable Federal and state statutory and regulatory requirements. The property is to be used by the State as a wildlife refuge and is to be designated as the Jamie Whitten Wilderness Area.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would designate the property as the Jamie Whitten Forest Management Area and specify that all subsurface estate be retained by the United States.

Land conveyance, William Langer Jewel Bearing Plant, Rolla, North Dakota (sec. 2852)

The House bill contained a provision (sec. 2852) that would authorize the Administrator of the General Services Administration to convey, without consideration, approximately 9.77 acres of real property with improvements comprising the formerly Army-owned William Langer Jewel Bearing Plant, Rolla, North Dakota to the Job Development Authority of the City of Rolla, North Dakota. The property is to be used for economic development. The cost of any surveys necessary for the conveyance shall be borne by the Authority.

The Senate Amendment contained a similar provision.

The House recedes with an amendment that would make the funds made available under the Department of Defense Appropriations Act, 1995 (Public Law 103-335) for the maintenance of the William Langer Jewel Bearing Plant available pending the conveyance of the plant.

Land conveyance, Air Force Plant No. 85, Columbus, Ohio (sec. 2853)

The Senate amendment contained a provision (sec. 2834) that would authorize the Secretary of the Air Force to instruct the Administrator of General Services to convey, without consideration, a parcel of real property consisting of approximately 240 acres of land and improvements, known as Air Force Plant No. 85, to the Columbus Municipal Airport Authority. The conveyance would be contingent on a determination that no other Federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Modification of boundaries of White Sands National Monument and White Sands Missile Range (sec. 2854)

The Senate amendment contained a provision (sec. 2836) that would authorize the Secretary of the Interior and the Secretary of the Army to exchange administrative jurisdiction of certain parcels of real property to facilitate the administration of the White Sands National Monument and the White Sands Missile Range, New Mexico.

The House bill contained no similar provision.

The House recedes with an amendment that would make the exchange permissive.

Subtitle D—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Authority to grant easements for rights-of-way (sec. 2861)

The Senate amendment contained a provision (sec. 2803) that would amend section 2668(a) of title 10, United States Code, by including poles, lines, structures, and facilities used for transmission or distribution of electrical power and communication signals in the authority for which the Secretary may grant easements on military installations. The provision would also make section 2668(a) the only easement authority for the military departments.

The House bill contained a similar provision.

The House recedes.

Authority to enter into cooperative agreements for the management of cultural resources on military installations (sec. 2862)

The House bill contained a provision (sec. 2862) that would authorize the military departments to enter into cooperative agreements for the management of cultural resources. In the absence of specific statutory authority, the military departments have been reluctant to enter into such cooperative agreements. The Sikes Act (Public Law 99-561) currently authorizes the Secretary of Defense to plan, develop, maintain, and coordinate wildlife conservation and rehabilitation efforts on Department of Defense installations through the use of cooperative agreements.

The Senate amendment contained a similar provision (sec. 349).

The Senate recedes.

Demonstration project for installation and operation of electric power distribution systems at Youngstown Air Reserve Station, Ohio (sec. 2863)

The House bill contained a provision (sec. 2863) that would authorize the Secretary of the Air Force to carry out a demonstration project to assess the feasibility of permitting private entities to install, operate, and maintain electric power distribution systems at military installations. The demonstration project would be conducted at Youngstown Air Reserve Station, Ohio.

The Senate amendment contained a similar provision.

The Senate recedes with an amendment that would specify the source of funding to support the demonstration project and would establish a reporting requirement.

Renovation of the Pentagon Reservation (sec. 2864)

The Senate amendment contained a provision (sec. 2829) that would reduce, by $100.0 million, the $1.2 billion cap on the renovation of the Pentagon.

The House bill contained no similar provision.

The House recedes.

Plan for repairs and stabilization of the historic district at the Forest Glen Annex of the Walter Reed Medical Center, Maryland (sec. 2865)

The Senate amendment contained a provision (sec. 2105) that would require the Secretary of the Army to submit to the congressional defense committees a comprehensive plan for basic repairs and stabilization measures for the historic district at the Forest Glen Annex of Walter Reed Army Medical Center, Maryland, together with funding options for implementing the plan. The provision would require the report to be submitted not later than 30 days after the date of enactment of the National Defense Authorization Act for Fiscal Year 1997.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the report submission time to 120 days.

Naming of range at Camp Shelby, Mississippi (sec. 2866)

The House bill contained a provision (sec. 2602) that would designate the Multi-Purpose Range Complex (Heavy) at Camp Shelby, Mississippi as the "G.V. (Sonny) Montgomery Range". The provision would take effect at noon, January 3, 1997, or the first day on which G.V. Montgomery otherwise ceases to be a Member of the House of Representatives.

The Senate amendment contained no similar provision.

The Senate recedes.

Designation of Michael O'Callaghan Military Hospital (sec. 2867)

The House bill contained a provision (sec. 2864) that would designate the Nellis Federal Hospital, Las Vegas, Nevada, as the Michael O'Callaghan Military Hospital.

The Senate amendment contained a similar provision (sec. 1070).

The Senate recedes.

Naming of building at the Uniformed Services University of the Health Sciences (sec. 2868)

The Senate amendment contained a provision (sec. 1071) that would express the sense of the Senate that the Secretary of Defense name Building A at the Uniformed Services University of the Health Sciences the "David Packard Building."

The House bill contained no similar provision.

The House recedes with an amendment that would express the sense of the Congress.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authority to demolish excess facilities

The House bill contained a provision (sec. 2802) that would authorize a program to demolish excess facilities. Funds authorized for appropriation under the authorities contained in this section may not be used for the demolition of military family housing, facilities involved in a base closure and realignment action, or facilities which would be demolished as an integral part of a specific military construction project.

The Senate amendment contained no similar provision.

The House recedes.

Land transfer, Vernon Ranger District, Kisatchie National Forest, Louisiana

The Senate amendment contained a provision (sec. 2833) that would direct the Secretary of Agriculture to transfer 85,000 acres of the Kisatchie National Forest in Louisiana to the Secretary of the Army for use as training and maneuver space at Fort Polk, Louisiana. Within 6 months of enactment of the Act, the transfer shall occur unless the two Secretaries reach an agreement on land management and conservation activities related to National Forest land available for military training activities. The deadline may be extended by 6 months. If after the last deadline an agreement is not reached, the Secretary of Agriculture shall transfer the property to the Army for training use.

The House bill contained no similar provision.

The Senate recedes.

The conferees recognize the requirement for expanded training acreage to accommodate the training mission at Fort Polk. The conferees also recognize the administration's concern for addressing the Army's needs and note the administration's commitment to reaching an agreement between the Department of the Army and the Department of Agriculture through other than legislative means.

The conferees understand that the Department of the Army and the Department of Agriculture have agreed on a statement of principles which will be incorporated in a Memorandum of Agreement for the use of Kisatchie National Forest lands for Army training at Fort Polk. The conferees also understand that the Departments are committed to reaching an agreement on a final Memorandum of Agreement by August 1, 1996. The conferees support this effort and request that the administration provide a copy of the Memorandum of Agreement to the Committee on Armed Services of the Senate and National Security Committee of the House of Representatives as soon as it is available.

Bandelier National Monument

The Senate amendment contained a provision (sec. 2837) that would authorize the Secretary of the Interior and the Secretary of Energy to exchange administrative jurisdiction over certain parcels of land to facilitate the administration of the Bandelier National Monument.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIX—MILITARY LAND WITHDRAWALS

LEGISLATIVE PROVISIONS

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

LEGISLATIVE PROVISIONS ADOPTED

Fort Carson-Pinon Canyon military lands withdrawal (sec. 2901–2913)

The House bill contained provisions (sec. 2901–2913) that would: withdraw and reserve, subject to valid existing rights, approximately 3,133 acres of public lands and approximately 11,415 acres of mineral rights in the State of Colorado for use by the Secretary of the Army for military maneuvering, training, and other defense-related purposes at Fort Carson, Colorado; withdraw and reserve, subject to valid existing rights approximately 2,517 acres of public lands and approximately 130,139 acres of mineral rights in the State of Colorado for use by the Secretary of the Army for military maneuvering, training, and other defense-related purposes at the Pinon Canyon Maneuver Site, Colorado; require that maps and legal descriptions of the lands withdrawn and reserved by this subtitle be prepared and published by the Secretary of the Interior; provide for the management by the Secretary of the Army, in coordination with the Secretary of the Interior, of the withdrawn lands under this subtitle; provide that the management of withdrawn and acquired mineral resources shall be conducted, as applicable, pursuant to the Military Lands Withdrawal Act of 1986 (Public Law 99-606); provide that hunting, fishing, and trapping activities on the lands withdrawn and reserved under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code; and provide that the withdrawal and reservation of public lands and mineral rights will terminate 15 years after the date of enactment of this subtitle.

The provisions would also: provide for procedures to permit a determination of continuing military need for the withdrawn and reserved public lands and mineral rights; provide for procedures under which the Secretary of the Army could relinquish all or part of the lands withdrawn and reserved under this subtitle; provide for decontamination of the withdrawn lands, both during the period of withdrawal and upon relinquishment of the lands by the Department of the Army; provide that the functions of the Secretary of the Army and the Secretary of the Interior under this subtitle may be delegated without restriction, except that an order by the Department of the Interior accepting jurisdiction over withdrawn lands relinquished by the Department of the Army may be signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior; provide that any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn under this subtitle shall indemnify the Untied States against any costs, fees, damages, or other liabilities incurred by the United States, arising from those activities; amend the Military Lands Withdrawal Act of 1986 (Public Law 99-606) to permit, subject to valid existing rights, military use of sand, gravel, and similar construction materials on the lands withdrawn by that Act; and authorize such sums as may be necessary to carry out the purposes of this subtitle.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

LEGISLATIVE PROVISIONS ADOPTED

El Centro Naval Air Facility ranges withdrawal (sec. 2921–2931)

The House bill contained provisions (sec. 2921–2931) that would: withdraw and reserve, subject to valid existing rights, approximately 46,600 acres of public lands in the State of California for use by the Secretary of the Navy for defense-related purposes at Naval Air Facility, El Centro, California; require that maps and legal descriptions of the lands withdrawn and reserved be prepared and published by the Secretary of the Interior; and provide for the management by the Secretary of the Interior, in coordination with the Secretary of the Navy.

The provision would also provide: that the withdrawal and reservation of lands at Naval Air Facility, El Centro, California, shall terminate 25 years after the date of enactment of this Act; that the Secretary of the Navy maintain a program of decontamination of the lands; for procedures to permit a determination of continuing military need for the lands; for procedures under which the Secretary of the Navy could relinquish all or part of the lands; that the functions of the Secretary of the Navy and the Secretary of the Interior under this provision may be delegated without restriction, except that an order by the Department of the Interior accepting jurisdiction over withdrawn lands relinquished by the Department of the Navy may be signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior; that hunting, fishing, and trapping activities on the lands withdrawn and reserved under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code; and that any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn under this subtitle shall indemnify the United Sates against any costs, fees, damages, or other liabilities incurred by the United States arising from those activities.

The Senate amendment contained no similar provision.

The Senate recedes.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Overview

The budget request for fiscal year 1977 contained an authorization of $11,049.5 million for the Department of Energy National Security Programs. The House bill would authorize $11,214.1 million. The Senate amendment would authorize $11,499.5 million. The conferees recommended an authorization of $11,399.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997	House	Senate	Conference	
	Request	Authorized	Authorized	Change	Authorized
Atomic Energy Defense Activities:					
Weapons Activities					
Operation and Maintenance	3,395,404	3,620,404	3,634,404	208,000	3,603,404
Construction	314,598	314,598	314,598	0	314,598
Total, Weapons Activities	3,710,002	3,935,002	3,949,002	208,000	3,918,002
Defense Environmental Restoration and Waste Mgmt.					
Operation and Maintenance	5,203,411	5,203,411	5,401,411	100,000	5,303,411
Construction	205,899	205,899	205,899	0	205,899
Total, Defense Env. Restoration & Waste Management	5,409,310	5,409,310	5,607,310	100,000	5,509,310
Full Funding for Fixed Assets	182,000	182,000	182,000		182,000
Other Defense Activities					
Operation and Maintenance	1,517,531	1,457,100	1,445,531	-15,000	1,559,531
Construction	30,700	30,700	30,700	0	30,700
Defense Against Weapons of Mass Destruction Act	0	0	85,000	57,000	57,000
Total, Other Defense Activities	1,548,231	1,487,800	1,561,231	42,000	1,590,231
Defense Nuclear Waste Disposal	200,000	200,000	200,000	0	200,000
Total, Atomic Energy Defense Activities	**11,049,543**	**11,214,112**	**11,499,543**	**350,000**	**11,399,543**

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Weapons Activities					
Stockpile stewardship					
Core stockpile stewardship					
Operation and maintenance	1,062,570	1,162,570	1,112,570	85,000	1,147,570
Construction:					
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	19,250	19,250	19,250		19,250
96-D-103 ATLAS, Los Alamos National Laboratory, Los Alamos, NM	15,100	15,100	15,100		15,100
96-D-104 Processing and environmental technology laboratory, SNL, Albuquerque, NM	14,100	14 100	14,100		14,100
96-D-105 Contained firing facility addition, LLNL, Livermore, CA	17,100	17,100	17,100		17,100
95-D-102 Chemistry and metallurgy research (CMR) upgrades project, LANL, Los Alamos, NM	15,000	15,000	15,000		15,000
94-D-102 Nuclear weapons research, development					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997	House	Senate	Conference	
	Request	Authorized	Authorized	Change	Authorized
and testing facilities revitalization, Phase V, various locations	7,787	7,787	7,787		7,787
Total, Construction	88,337	88,337	88,337	0	88,337
Total, Core stockpile stewardship	1,150,907	1,250,907	1,200,907	85,000	1,235,907
Inertial fusion					
Operation and maintenance	234,560	234,560	234,560		234,560
Construction:					
96-D-111 National ignition facility Site, TBD	131,900	131,900	131,900		131,900
Total, Inertial fusion	366,460	366,460	366,460	0	366,460
Technology transfer/education					
Technology transfer	49,400	49,400	59,400		49,400
Education	10,000	10,000	10,000		10,000
Total, Technology transfer/education	59,400	59,400	69,400	0	59,400
Marshall island/Dose reconstruction					
Total, Stockpile stewardship	1,576,767	1,676,767	1,636,767	85,000	1,661,767
Stockpile management					
Operation and maintenance	1,704,470	1,829,470	1,894,470	164,000	1,868,470
Construction:					
Stockpile support facilities					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
88-D-122 Facilities capability assurance program (FCAP), various locations	21,940	21,940	21,940		21,940
Total, Production base	21,940	21,940	21,940	0	21,940
Environmental, safety and health					
97-D-121 Consolidated pit packaging system, Pantex plant, Amarillo, TX	870	870	870		870
97-D-122 Nuclear materials storage facility renovation, LANL, Los Alamos, NM	4,000	4,000	4,000		4,000
97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS	1,400	1,400	1,400		1,400
97-D-124 Steam plant waste water treatment facility upgrade, Y-12 plant, Oak Ridge, TN	600	600	600		600
96-D-122 Sewage treatment quality upgrade (STQU), Pantex plant, Amarillo, TX	100	100	100		100
96-D-123 Retrofit HVAC and chillers for ozone protection, Y-12 plant, Oak Ridge, TN	7,000	7,000	7,000		7,000

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
95-D-122 Sanitary sewer upgrade, Y-12 plant, Oak Ridge, TN	10,900	10,900	10,900		10,900
94-D-124 Hydrogen fluoride supply system, Y-12 plant, Oak Ridge TN	4,900	4,900	4,900		4,900
94-D-125 Upgrade life safety, Kansas City plant, Kansas City, MO	5,200	5,200	5,200		5,200
94-D-127 Emergency notification system, Pantex plant, Amarillo, TX	2,200	2,200	2,200		2,200
93-D-122 Life safety upgrades, Y-12 plant, Oak Ridge, TN	7,200	7,200	7,200		7,200
Total, Environmental, safety and health	44,370	44,370	44,370	0	44,370
Safeguards and security					
88-D-123 Security enhancement, Pantex plant, Amarillo, TX	9,739	9,739	9,739		9,739
Nuclear weapons incident response					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
96-D-125 Washington aerial measurements operations facility, Andrews Air Force Base, Camp Springs, MD	3,825	3,825	3,825		3,825
Reconfiguration					
93-D-123 Non-nuclear reconfiguration, Complex-21, various locations	14,487	14,487	14,487		14,487
Total, Construction	94,361	94,361	94,361	0	94,361
Total, Stockpile management	1,798,831	1,923,831	1,988,831	164,000	1,962,831
Program direction	334,404	334,404	323,404	-21,000	313,404
Subtotal, Weapons activities	3,710,002	3,935,002	3,949,002	228,000	3,938,002
Use of prior year balances	0		0	-20,000	-20,000
Total, Weapons Activities	**3,710,002**	**3,935,002**	**3,949,002**	**208,000**	**3,918,002**
Defense Environmental Restoration And Waste Mgmt.					
Environmental restoration					
Operating expenses	1,762,194	1,812,194	1,777,194		1,762,194
Waste management					
Operation and maintenance	1,448,326	1,448,326	1,513,326	42,000	1,490,326
WIPP Road improvement project					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
General reduction					
Construction:					
97-D-402 Tank farm restoration and safe operations, Richland, WA	7,584	7,584	7,584		7,584
96-D-408 Waste management upgrades, various locations	11,246	11,246	11,246		11,246
95-D-402 Install permanent electrical service, WIPP, AL	752	752	752		752
95-D-405 Industrial landfill V and construction/ demolition landfill VII, Y-12 Plant, Oak Ridge, TN	200	200	200		200
94-D-404 Melton Valley storage tank capacity increase, ORNL	6,345	6,345	6,345		6,345
94-D-407 Initial tank retrieval systems, Richland, WA	12,600	12,600	12,600		12,600
93-D-182 Replacement of cross-site transfer					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997	House	Senate	Conference	
	Request	Authorized	Authorized	Change	Authorized
system, Richland, WA	8,100	8,100	8,100		8,100
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	20,000	20,000	20,000		20,000
89-D-174 Replacement high level waste evaporator, Savannah River, SC	11,500	11,500	11,500		11,500
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	10,000	10,000	10,000		10,000
Total, Construction	88,327	88,327	88,327	0	88,327
Total, Waste management	1,536,653	1,536,653	1,601,653	42,000	1,578,653
Technology development					
Operation and maintenance	303,771	303,771	328,771		303,771
Total, Technology development	303,771	303,771	328,771	0	303,771
Program direction	446,511	375,511	436,511	-35,000	411,511
Nuclear materials and facilities stabilization					
Operation and maintenance	818,664	1,151,718	909,664	355,054	1,173,718

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997	House	Senate	Conference	
	Request	Authorized	Authorized	Change	Authorized
Construction:					
97-D-450 Actinide packaging and storage facility, Savannah River Site, Aiken, SC	7,900	7,900	7,900		7,900
97-D-451 B-Plant safety class ventilation upgrades, Richland, WA	1,500	1,500	1,500		1,500
97-D-470 Environmental monitoring laboratory, Savannah River, Aiken, SC	0	2,500		2,500	2,500
97-D-473 Health physics site support facility, Savannah River, Aiken, SC	0	2,000		2,000	2,000
96-D-406 Spent nuclear fuels canister storage and stabilization facility, Richland, WA	60,672	60,672	60,672		60,672
96-D-461 Electrical distribution upgrade, Idaho National Engineering Laboratory, ID	0	6,790		6,790	6,790
96-D-464 Electrical & utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, ID	10,440	10,440	10,440		10,440

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	0	8,541		8,541	8,541
95-E-600 Hazardous materials management and emergency response training center, RIchland, WA	0	7,900		7,900	7,900
95-D-155 Upgrade site road infrastructure, Savannah River, Aiken, SC	0	4,137		4,137	4,137
95-D-456 Security facilities consolidation, Idaho Chemical Processing Plant, INEL, ID	4,645	4,645	4,645		4,645
94-D-401 Emergency reponse facility, INEL, ID	0	547		547	547
Total, Construction	85,157	117,572	85,157	32,415	117,572
Total, Nuclear materials & facilities stabilization.	903,821	1,269,290	994,821	387,469	1,291,290
Policy and management	48,155	23,155	26,155	-25,000	23,155
Site operations					
Operation and maintenance	297,054	0	331,054	-297,054	0

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Construction:					
96-D-461 Electrical distribution upgrade, Idaho National Engineering Laboratory, ID	6,790	0	6,790	-6,790	0
96-D-470 Environmental monitoring laboratory, Savannah River, Aiken, SC	2,500	0	2,500	-2,500	0
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	8,541	0	8,541	-8,541	0
96-D-473 Health physics site support facility, Savannah river, Aiken, SC	2,000	0	2,000	-2,000	0
95-E-600 Hazardous materials management and emergency response traning center, Richland, WA	7,900	0	7,900	-7,900	0
95-D-155 Upgrade site road infrastructure, Savannah River, South Carolina	4,137	0	4,137	-4,137	0
94-D-401 Emergency response facility, INEL, ID	547	0	547	-547	0
Total, Construction	32,415	0	32,415	-32,415	0

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Total, Site operations	329,469	0	363,469	-329,469	0
Environmental science program	52,136	62,136	52,136	10,000	62,136
Environmental management privatization	185,000	185,000	185,000		185,000
Environmental management closure-acceleration program	0	0	0	50,000	50,000
Subtotal, Defense environmental management	5,567,710	5,567,710	5,765,710	100,000	5,667,710
Savannah river pension refund	-8,000	-8,000	-8,000		-8,000
Use of prior year balances	-150,400	-150,400	-150,400		-150,400
Total, Defense Environmental Restoration & Waste Mgmt.	**5,409,310**	**5,409,310**	**5,607,310**	**100,000**	**5,509,310**
Full Funding for Fixed Assets	182,000	182,000	182,000		182,000
Other Defense Activities					
Other national security programs					
Verification and control technology					
Nonproliferation and verification R&D	194,919	194,919	204,919	10,000	204,919
Arms control	181,244	169,544	216,244	35,000	216,244
Intelligence	29,185	35,185	35,185	6,000	35,185
Total, Verification and control technology	405,348	399,648	456,348	51,000	456,348
Nuclear safeguards and security	47,208	47,208	47,208		47,208
Security investigations	22,000	22,000	22,000		22,000

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Office of environment, safety and health (defense)	53,094	53,094	53,094		53,094
Security evaluations	0	0	0		0
Nuclear safety	0	0	0		0
Program direction - EH	10,706	10,706	10,706		10,706
Worker and community transition	62,659	62,659	62,659		62,659
Program direction - WT	4,341	4,341	4,341		4,341
Fissile materials control and disposition					
Operation and maintenance	73,163	73,163	73,163		73,163
Construction					
97-D-140 Consolidated special nuclear materials storage plant, site TBD	17,000	17,000	17,000		17,000
Program direction - MD	3,633	3,633	3,633		3,633
Total, Fissile materials control and disposition	93,796	93,796	93,796	0	93,796
Emergency management	16,794	16,794	16,794		16,794
Program direction - NN	95,622	95,622	90,622	-7,500	88,122
International nuclear safety	66,200	0	15,200	-51,000	15,200
Nuclear security	6,000	0	6,000		6,000
Use of prior year balances	0	0	0	-25,500	-25,500
Total, Other national security programs	883,768	805,868	878,768	-33,000	850,768

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Use of prior year balances					
Naval reactors					
Naval reactors development					
Operation and maintenance	631,330	649,330	649,330	18,000	649,330
Construction:					
97-D-201 Advanced test reactor secondary coolant system refurbishment, INEL, ID	400	400	400		400
95-D-200 Laboratory systems and hot cell upgrades, various locations	4,800	4,800	4,800		4,800
95-D-201 Advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, ID	500	500	500		500
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	8,000	8,000	8,000		8,000
Total, Construction	13,700	13,700	13,700	0	13,700

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Total, Naval reactors development	645,030	663,030	663,030	18,000	663,030
Enriched materials	0		0		0
Program direction	18,902	18,902	18,902		18,902
Total, Naval reactors	663,932	681,932	681,932	18,000	681,932
Subtotal, Other defense activities	1,547,700	1,487,800	1,560,700	-15,000	1,532,700
Adjustments:					
Undistributed Reductions			-85,000		0
Correcting entry (OMB error in appropriations language)	531	0	531		531
Total, Adjustments	531	0	-84,469	0	531
Defense Against Weapons of Mass Destruction Act	0	0	85,000	57,000	57,000
Total, Other Defense Activities	**1,548,231**	**1,487,800**	**1,561,231**	**42,000**	**1,590,231**
Defense Nuclear Waste Disposal	200,000	200,000	200,000		200,000
Total, Atomic Energy Defense Activities	**11,049,543**	**11,214,112**	**11,499,543**	**350,000**	**11,399,543**

LEGISLATIVE PROVISIONS

Subtitle A—National Security Programs Authorizations

LEGISLATIVE PROVISIONS ADOPTED

Weapons Activities (sec. 3101)

The House bill contained a provision (sec. 3101) that would authorize $3,935.0 million for Department of Energy (DOE) weapons activities.

The Senate amendment contained a similar provision (sec. 3101) that would authorize $3,949.0 million for Department of Energy weapons activities.

The Senate recedes with an amendment that would authorize $3,918.0 million for weapons activities, an increase of $208.0 million above the requested amount, for the following activities: $1,661.8 million for stockpile stewardship activities; $1,962.8 million for stockpile management activities; $313.4 million for program direction. The authorization includes an undistributed reduction of $20.0 million to be offset by the availability of prior year funds that have not been obligated, or if obligated, have not been expended and would not be needed for the projects that were the basis for obligation.

In balancing the stockpile stewardship and stockpile management programs, the conferees continue to be concerned that the Department is placing an undue reliance on the long-term, unproven science-based stockpile stewardship program at the expense of modernizing the more traditional production, engineering, and surveillance approaches needed to maintain stockpile safety and reliability over the next ten to fifteen years. The conferees direct the Department to seek an appropriate balance between the two approaches to ensure that the United States can maintain the safety, effectiveness, and reliability of its nuclear stockpile.

Of the amount made available for technology transfer and education, the conferees recommend $13.0 million for the American Textiles Partnership project.

In the stockpile management program, the conferees believe that the United States must maintain viable weapons manufacturing capabilities and capacities to rebuild aging weapons and to retain the ability to reconstitute, if necessary, its nuclear forces, consistent with U.S. treaty obligations. In this regard, the conferees are concerned that the underlying rationale of the Department's Draft Programmatic Environmental Impact Statement for Stockpile Stewardship and Management could negatively impact production capabilities and capacities by needlessly downsizing the production plants (Y-12, Pantex, Kansas City, and Savannah River Site) and stripping those facilities of unique skills and expertise. The conferees also raised additional concerns regarding the Department's phased approach to restore tritium production elsewhere in this bill.

Of the amounts made available for stockpile management activities, the conferees authorize an additional $90.0 million for the four weapons production plants to begin a long-term modernization and upgrade programs; an additional $60.0 million for tritium production; an additional $5.0 million for a surety program to improve waste minimization efforts in the new stockpile management modernization program; an additional $6.0 million for tritium recycling plant upgrades; and an additional $3.0 million for planning and construction of a tritium extraction facility.

Weapons activities program direction is authorized at $313.4 million, a reduction of $21.0 million. The conferees direct that this decrease be used to continue reductions in Federal employee staffing, foreign and domestic travel, and non-technical support service contracts. The conferees direct that reductions to the Federal workforce at DOE headquarters and the non-technical contract support services workforce at DOE headquarters be balanced. Further, the conferees direct the Secretary of Energy to submit a report to Congress identifying the frequency, destination, and cost of foreign travel funded by the Department through grants, cooperative agreements, and subcontracts.

The conferees note that the report required by section 3160 of the National Defense Authorization Act for Fiscal year 1996 has not been provided to the congressional defense committees. The conferees direct the Secretary to provide the required report not later than February 1, 1997. The conferees further require that the report include information relating to past instances in which safety or reliability issues in the stockpile have resulted in a requirement to conduct nuclear tests at yields above hydronuclear yields. The described data shall include the types of problems identified, the solutions to those problems, the type of nuclear test deemed necessary to assure the resolution of each problem, and the element of the stockpile stewardship program being undertaken as a substitute for testing that could provide the analytical capacity to understand, monitor, and make judgements regarding the impact such a problem or problems would have on the reliability of the stockpile. For each such instance, the report should indicate the methods that were available to address the identified problem which did not rely on nuclear testing, and the confidence the Department could have expected from those methods.

The conferees direct the Secretary to update the Warhead Master Plan report required under Section 3153 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) on a biennial basis and to inform the congressional defense committees of noteworthy changes in the plan.

Environmental restoration and waste management (sec. 3102)

The House bill contained a provision (sec. 3102) that would authorize funds for Department of Energy (DOE) defense environmental restoration and waste management activities for fiscal year 1997 at $5,409.3 million, the level of the budget request.

The Senate amendment contained a provision (sec. 3102) that would authorize $5,607.3 million for DOE defense environmental restoration and waste management activities for fiscal year 1997.

The conferees agree to provide $5,509.3 for DOE defense environmental restoration and waste management activities for fiscal year 1997 for the following activities: $1,762.1 million for environmental restoration; $1,578.6 million for waste management; $1,291.2 million for nuclear material and facility stabilization; $411.5 million for program direction; $303.7 million for technology development; $23.1 million for policy and management; $62.1 million for the environmental science program; $185.0 million for privatization; and $50.0 million for closure-acceleration activities. The conferees recommend approval of the Department's request for a reduction of $150.4 million for prior year balances and an $8.0 million offset for the Savannah River Site Pension Refund.

Of the funds authorized to be appropriated under section 3102(b), the conferees recommend: an additional $15.0 million to accelerate Defense Waste Processing Facility operations and associated high-level waste treatment; an additional $20.0 million for a one-time payment to the State of New Mexico pursuant to a provision contained elsewhere in this bill; and an additional $7.0 million for the Waste Isolation Pilot Plant to make preparations for receipt of waste shipments.

Of the funds authorized to be appropriated under section 3102(c), the conferees recommend an additional $43.0 million for nuclear material stabilization operations at the F- and H-canyon facilities and an additional $15.0 million for the National Spent Nuclear Fuel Program.

To provide additional resources for cleanup, the conferees recommend reducing the budget request for the office of policy and management (sec. 3102(f)) by $25.0 million. This reduction would result in an authorization for this subaccount that is comparable to that authorized and appropriated in fiscal year 1996. Approximately $4.0 to $7.0 million of this reduction would be derived by eliminating the requirement to submit to Congress, on an annual basis, the baseline environmental management report as required by the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–360). The conferees recommend elsewhere in this title that the annual reporting requirement be converted to a biennial requirement.

The conferees recommend a reduction to the budget request for program direction (sec. 3102(d)) of $35.0 million. The conferees direct that the Department absorb this funding reduction by reducing the number of Federal employees assigned to the Department's headquarters, by reducing administrative overhead and travel expenses at DOE headquarters, and by reducing non-technical contract support services at DOE headquarters. The conferees direct that reductions to the Federal workforce at DOE headquarters and the non-technical contract support services workforce at DOE headquarters be balanced. The conferees encourage the Department to examine options for moving programmatic functions that currently reside at DOE headquarters to Department field offices. Further, the conferees direct the Secretary of Energy to submit a report to the congressional defense committees identifying the frequency, destination, and cost of foreign and domestic travel funded by the Department through grants, cooperative agreements, and subcontracts.

The conferees decline to accept the recommendation to create a separate budget account for the office of site operations. The conferees appreciate the role of this new office and have no objection to this activity being performed within the office of nuclear materials and facilities stabilization. The conferees recommend funding the construction projects associated with the office of site operations under the budget function for the office of nuclear materials and facilities stabilization. All of these projects have been funded in the past under the latter office's budget function.

The conferees encourage the Department to continue implementation of a viable stakeholder involvement program, such as site specific advisory boards and other public participation initiatives, at a level of activity equivalent to that in fiscal year 1996. As with section 3153, in which the conferees establish a requirement to develop future use plans, the conferees believe strongly that public participation is critical to the development of public trust and acceptance of cleanup plans and programs, and that the public can be an effective partner in helping the Department accelerate cleanup schedules and thereby reduce long-term cleanup costs. The conferees, therefore, urge the Secretary to work to preserve resources for public participation in DOE cleanup activities.

The conferees recommend the creation of a new initiative to be managed by the Assistant Secretary for Environmental Management to accelerate the closure of facilities or significantly reduce out year mortgage costs associated with management of radioactive and other hazardous materials. In doing so, the conferees direct that increased funding be applied to those sites in the field where actual remediation occurs. The conferees recommend that resources be applied to sites such as Rocky Flats, Hanford, Oak Ridge, Savannah River, and Idaho, where additional funding could be used to reduce life-cycle costs significantly through acceleration of existing activities, initiation of cost reducing deactivation and decommissioning activities, and the application of innovative cleanup technologies. Criteria for selection of projects under this closure acceleration program are contained elsewhere in this title.

The conferees recommend funding to establish a privatization program for the treatment of high and low level wastes at the Hanford facility. The conferees direct that the Department provide a report to the congressional defense committees no later than December 31, 1996, on the projected cost savings, the extent of commercial competition and participation in this initiative, and a recommendation on changes that should be made to Federal procurement regulations to make the program more effective.

The conferees encourage the Department to explore all available options, including alternative allocation processes, use of prior year balances, and other means, to ensure that fiscal year 1997 funding for the Hanford privatization program does not serve to slow the pace of cleanup at Hanford.

The conferees are aware that the Department will soon select a new lead contractor for the Hanford facility. New contract provisions should result in cost savings at this site. The conferees strongly encourage the Department, to the maximum extent possible, to allocate those savings that result from the new management contract to the privatization program discussed earlier. This approach should help to diminish any potential negative budgetary impacts resulting from the creation of the privatization fund in fiscal year 1997 and should eliminate any negative impact on current cleanup activities at the Hanford facility. Creation of a privatization fund is not intended to interfere with or impede on-going critical stabilization, maintenance, and cleanup operations at this site.

Finally, the conferees have been advised that a small number of current and former employees at the Hanford facility have failed to receive credit for the total years of service performed at this facility, because of changes in contractors on at least four occasions. While the four Hanford site pension plans have been consolidated into a single pension plan, apparently all of the service has not been included. The conferees direct that the Department examine this issue and provide a report to the congressional defense committees no later than December 31, 1996, with a recommendation on how to correct this problem or certifying that sufficient corrective action has been taken.

Defense fixed asset acquisition/privatization (sec. 3103)

The House bill contained provision (sec. 3103) that would authorize $182.0 million to establish a new asset acquisition and privatization program for the Department of Energy's national security assets.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees recommend: $77.0 million for the advanced mixed waste treatment project, Idaho Falls, Idaho; $15.0 million for the advanced mixed waste treatment project, Oak Ridge, Tennessee; $70.0 million for the transuranic waste treatment project 5. Oak Ridge, Tennessee; and $20.0 million for other projects. No outlays are anticipated in fiscal year 1997 under this program. The conferees intend that pre-construction planning expenditures for each of these projects be funded from operating and maintenance funds authorized in section 3102 of this Act.

The conferees recommend $7.0 million in pre-construction funding for the advanced mixed waste treatment project. The conferees believe this project is important to fulfilling the Department's agreement with the State of Idaho and the Department of the Navy with respect to the interim storage of Naval nuclear spent fuel in Idaho.

Other defense activities (sec. 3104)

The budget request included $1.548 billion for Other Defense Activities of the Department of Energy (DOE) for the fiscal year 1997. The House bill contained a provision (sec. 3104) that would authorize $1.493 billion for Other Defense Activities, a reduction of $55.0 million to the budget request.

The Senate amendment contained a provision (sec. 3103) that would authorize $1.561 billion for the Other Defense Activities, an increase of $85.0 million to the budget request.

The conferees agree to a provision that would authorize $1.590 billion for these activities.

Verification and control technology

The conferees agree to authorize $513.3 million for verification and control technology, an increase of $57.0 million to the budget request. Of the funds available in nonproliferation ad verification research and development, the conferees agree that $10.0 million shall be available to accelerate the Department's forensic analytical program to develop capabilities to address the prevention, detection, interception, and attribution of international nuclear smuggling events. Additionally, $1.5 million shall be available for the conduct of a joint DOE-National Defense study on nuclear smuggling.

The conferees agree to provide $17.0 million to carry out research and development of technical means for detecting the presence, transportation, production, and use of weapons of mass destruction and related technologies and materials. In addition, the conferees direct the Secretary of Energy to produce an annual evaluation of the expected powers and expected limits that define the extent to which science and technology can aid the nonproliferation effort. Additionally, the conferees agree to provide $10.0 million for continuing and expediting cooperative activities with the Government of Russia to develop: (1) technologies for improving verification of nuclear warhead dismantlement; (2) technologies for converting plutonium from weapons into forms that are better suited for long-term storage, to facilitate verification; and (3) technologies that promote openness in Russian production, storage, use, and final and interim disposition of weapons usable fissile material.

With regard to arms control and control technology, the budget request included $181.2 million. The conferees agree to provide $246.2 million, an increase to the budget request of $65.0 million for materials, protection and control activities. Of these funds, the conferees agree to a $35.0 million increase to the budget request for the Industrial Partnering Program (IPP) and $7.9 million shall be available to complete the canning of spent fuel rods in North Korea, pursuant to the Agreed Framework, and to initiate post-canning technical activities.

The conferees recommend an increase to the budget request of $9.0 million for Lab-to-Lab activities. It is the view of the conferees that DOE should seek to expand these activities in the former Soviet Union beyond nuclear activities in Russia, Ukraine, Kazakstan, and Belarus. While programs to date have appropriately focused on the most pressing, strategic concerns, critical work remains to be done in combating the threat of proliferation at a variety of sites in the other states of the former Soviet Union where nuclear, radiological, chemical, and biological weapons-related materials and technologies continue to be vulnerable to proliferation.

In addition, the conferees agree to provide $6.0 million for DOE to carry out cooperative activities with the government of Russia to improve the security of highly enriched uranium that is used for propulsion of Russian military and civilian ships. The Secretary of Energy is directed to develop and periodically update a plan for such cooperative activities, and shall coordinate the development and updating of this plan with the Secretary of Defense, who shall involve the Joint Chiefs of Staff in the coordination.

Intelligence

The conferees recommend an authorization of $35.2 million for the intelligence program, a $6.0 million increase to the budget request for fiscal year 1996 to expand counterintelligence activities at the nuclear weapons laboratories and at other high-risk facilities, and for expanded analysis of the Russian and Chinese nuclear weapons programs.

International Nuclear Safety

In addition to the $6.0 million recommended by the conferees for core conversion activities at plutonium production reactors in Russia, the conferees agree that Department of Defense will transfer $10.0 million to DOE for the replacement of core reactors at Tomsk and Krasnoyarsk.

Naval Reactors

The conferees recommend an additional $18.0 million for the naval reactors program to allow the prototype plant inactivation plan endorsed by the Department's Office of Naval Reactors to proceed.

Defense nuclear waste disposal (sec. 3105)

The House bill contained a provision (sec. 3105) that would authorize $200.0 million for defense nuclear waste disposal activities of the Department for fiscal year 1997, the requested amount.

The Senate amendment contained a similar provision (sec. 3104).

The Senate recedes.

Subtitle B—Recurring General Provisions

LEGISLATIVE PROVISIONS ADOPTED

Reprogramming (sec. 3121)

The House bill contained a provision (sec. 3121) that would prohibit the reprogramming of funds in excess of 110 percent of the amount authorized for the program, or in excess of $1.0 million above the amount authorized for the program until the Secretary of Energy has notified the congressional defense committees and a period of 30 days has elapsed after the date on which the report is received. Should the Department demonstrate that it has improved its procedures for handling reprogramming requests, the committee would consider returning a more flexible reprogramming statute in the future.

The Senate amendment contained an identical provision (sec. 3121).

The conference agreement includes this provision.

Limits on general plant projects (sec. 3122)

The House bill contained a provision (sec. 3122) that would limit the initiation of "general plant projects" if the current estimated cost for any project exceeded $2.0 million. If the Secretary of Energy found that the estimated cost of any project would exceed $2.0 million, the appropriate committees of Congress would have to be notified of the reasons for the cost variation.

The Senate amendment contained a similar provision (sec. 3122) that would limit the initiation of "general plant projects" if the current estimated cost of the project exceeded $5.0 million dollars. The Senate amendment further required the Secretary of Energy to conduct a study on the establishment of a permanent authorization formula for determining defense and civilian "general plant projects" limitations. Such a limitation would be adjusted periodically for inflation and other factors. The Senate provision would require the Secretary to report to Congress on the findings of the study not later than February 1, 1997.

The Senate recedes with an amendment that would require the Secretary of Energy to conduct a study and report to Congress on a permanent formula for "general plant projects" not later than February 1, 1997.

Limits on construction projects (sec. 3123)

The House bill contained a provision (sec. 3123) that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed 125 percent of the higher of: (1) the amount authorized for the project; or (2) the most recent total estimated cost presented to the Congress as justification for such project. To exceed such limits, the Secretary of Energy must report in detail to the appropriate committees of Congress and the report must be before the committees for 30 legislative days. This provision would also specify that the 125 percent limitation would not apply to projects estimated to cost under $5.0 million.

The Senate amendment contained an identical provision (sec. 3123).

The conference agreement includes this provision.

Fund transfer authority (sec. 3124)

The House bill contained a provision (sec. 3124) that would permit the transfer of authorized funds to other agencies of the government for performance of work for which their funds were authorized. The provision would allow the transferred funds to be merged with the authorizations of the receiving agency. The provision would also establish a five percent limit for funds that may be transferred.

The Senate amendment contained an identical provision (sec. 3124).

The conference agreement includes this provision.

Authority for conceptual and construction design (sec. 3125)

The House bill contained a provision (sec. 3125) that would limit the Secretary of Energy's authority to a request construction funding until the Secretary has certified a conceptual design. This limitation would apply to construction projects with a total estimated cost in excess of $2.0 million. The provision would provide an exception in the case of emergencies.

The Senate amendment contained a similar provision (sec. 3125) that would limit that Secretary's authority to construction projects with a total estimated cost in excess of $5.0 million. The Senate amendment would also require the Secretary to provide a report on each conceptual design completed under this paragraph.

The House recedes with an amendment that would exempt construction project with a total estimated cost of less than $2.0 million.

Authority for emergency planning, design, and construction activities (sec. 3126)

The House bill contained a provision (sec. 3126) that would permit, in addition to any authorized advance planning and construction design, the Secretary of Energy to perform planning and design with available funds for any Department of Energy national security program construction project whenever the Secretary determines that the design must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property.

The Senate amendment contained an identical provision (sec. 3126).

The conference agreement includes this provision.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The House bill contained a provision (sec. 3127) that would authorize amounts appropriated for management and support activities and for general plant projects to be made available for use, when necessary, in connection with all national security programs of the Department of Energy.

The Senate amendment contained an identical provision (sec. 3127).

The conference agreement includes this provision.

Availability of Funds (sec. 3128)

The House bill contained a provision (sec. 3128) that would authorize amounts appropriated for operating expenses or for plant and capital equipment to remain available until expended.

The Senate amendment contained an identical provision (sec. 3128).

The conference agreement includes this provision.

Subtitle C—Program Authorizations, Restrictions, and Limitations

LEGISLATIVE PROVISIONS ADOPTED

Stockpile Stewardship Program (sec. 3131)

The House bill contained a provision (sec. 3131) that would authorize an additional $100.0 million for various stockpile stewardship activities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize an additional $85.0 million for stockpile stewardship and management activities.

The conferees direct that a portion of the additional funds be used for enhanced surveillance of the nuclear weapons stockpile, dual revalidation of the warheads in the nuclear weapons stockpile, stockpile life extension programs, production capability assurance programs for critical non-nuclear components, accelerating capability to produce prototype war reserve-quality plutonium pits, and conducting subcritical tests among other programs, as the Secretary shall determine.

The conferees note the postponement of subcritical experiments at the Nevada Test Site. As a result, the conferees direct the Secretary to report to the Congress within ninety days of enactment of this Act on the reasons for the postponement of the experiments planned to be conducted in fiscal year 1996. As part of this report, the conferees direct that the Secretary set out the basis for the requirement to undertake subcritical tests to include the use of the tests to baseline aspects of an aging stockpile, the date at which those aspects might be expected to manifest themselves in the stockpile, how the subcritical tests will add to the baseline data on the reliability of the stockpile, and any other information relevant to the decision to undertake subcritical tests or to further postpone tests. Such a report should be submitted both in classified and unclassified form.

Although the majority of additional funds authorized for stockpile stewardship would be spent at the nuclear weapons laboratories, the conferees strongly endorse and encourage a continued, close collaboration among the weapons laboratories and the production sites.

Manfacturing infrastructure for nuclear weapons stockpile (sec. 3132)

The House bill contained a provision (sec. 3132) that would authorize an additional $125.0 million for the stockpile manufacturing infrastructure program at the four Department of Energy (DOE) weapons production plants (Savannah River Site, South Carolina; Pantex Plant, Texas; Kansas City Plant, Missouri; and Y–12 Plant, Tennessee) established in section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). The additional funds would be used to: establish and maintain the necessary capability and competencies fully to support the evaluation, surveillance, maintenance, repair, and dismantlement of the nuclear stockpile; provide flexibility to respond to new production requirements; maintain and improve the manufacturing technology necessary to support fully the stockpile; and achieve significant reductions in operating costs for the complex. This provision would also require the Secretary of Energy to submit a report to the congressional defense committees on obligations under the program.

The Senate amendment contained a similar provision (sec. 3133) that would require DOE to pursue modernization activities within the stockpile management program to assist in assuring near-term confidence in the nuclear stockpile.

The House recedes with an amendment that would provide $90.0 million above the budget request to pursue a modernization initiative within the stockpile management program.

The conferees find that the "technology capability alone" approach to the nuclear weapons infrastructure reconstitution requirement of the Nuclear Posture Review is insufficient to meet national security requirements. The conferees are troubled that the Department has not complied with congressional direction included in section 3137 of the National Defense Authorization Act for Fiscal Year 1996, and continue to believe that this directed initiative is not only prudent, but essential to maintaining nuclear weapons core competence in order to repair and refabricate weapons at a START I or START II stockpile level.

The conferees agree that funds authorized under this section shall be divided approximately evenly among the four plants. Furthermore, the funds allocated for the Savannah River Site shall be used in part to: consolidate further the tritium capabilities, beginning in fiscal year 1997, a year earlier than the Department's current plans; accelerate the schedule for producing tritium; support a more robust and aggressive rapid reconstitution approach for plutonium pit manufacturing by initiating a pre-conceptual design study for a replacement pit fabrication facility; and increase core stockpile management operation and maintenance (O&M) activities. The funds allocated for the Y-12 Plant shall be used in part to: accelerate the consolidation of facilities to manufacture and disassemble secondaries; modernize production plant infrastructure elements required for long-term operations; and increase core stockpile management O&M activities. The funds allocated for the Pantex Plant shall be used in part for a consolidated pit packaging system and for increased core stockpile management O&M activities. The funds allocated for the Kansas City Plant shall be used in part to: upgrade current manufacturing technologies; replace aging processing equipment; invest in information systems upgrades to maintain compatibility with advancements at the DOE national laboratories; and increase core stockpile management O&M activities.

Tritium production (sec. 3133)

The Senate amendment contained a provision (sec. 3131) that would authorize $160.0 million for tritium production, an increase of $60.0 million to the budget request. Increases would be used to accelerate the Department of Energy's phased approach to restore tritium production, including proceeding in parallel with site preparation for new tritium production facility.

The House bill would authorize $100.0 million for tritium production (sec. 3101), the amount requested.

The House recedes.

The conferees note that the Department has established a tritium production program in response to congressional concerns about the lack of progress in this area. The conferees consider this program critical to maintaining the nation's nuclear deterrent capability.

The conferees believe that the tritium production program must be accelerated to meet the requirements of the Nuclear Weapons Stockpile Memorandum, which identified a new tritium production date of 2005 if a reactor option is selected, or 2007 if an accelerator option is chosen. The conferees continue to be concerned with the Department's failure to develop a technically sound data base sufficient to select a preferred option in fiscal year 1997, and its continuing underestimates of funding requirements in this area. On this basis, the conferees agree to recommend an increase of $50.0 million to the budget request for a total fiscal year 1997 program of $150.0 million.

The conferees direct the Department to accelerate its phased approach to restoring the tritium production needs of the United States, including proceeding in parallel with site preparation for a new tritium production facility. The conferees recognize the need to enhance ongoing accelerator research and development and testing programs at the Los Alamos National Laboratory, in conjunction with Savannah River Site personnel. The conferees support these joint efforts and direct the Department to provide the congressional defense committees with a report on the planning and design of the accelerator.

The conferees also direct the continued test and development of tritium targets for the light water reactor program option by the Idaho National Engineering Laboratory, and the initiation of planning for construction of a tritium extraction facility that would be located at the selected site identified in the Secretary's Record of Decision relating to tritium production.

The conferees strongly support full consideration of all technically feasible tritium production options, including accelerator, existing commercial reactor, and multipurpose reactor options; among others.

Modernization and consolidation of tritium recycling facilities (sec. 3134)

The House bill contained a provision (sec. 3132) that referred to modernization and consolidation of tritium recycling facilities.

The Senate amendment contained a provision (sec. 3132) that would provide an additional $6.0 million to the budget request to upgrade existing tritium recycling plant facilities at the Savannah River Site.

The House recedes with an amendment that would also direct the Secretary of Energy to modernize the Savannah River tritium extraction facility.

The conferees direct that, of the amounts authorized to be appropriated in section 3101, $6.0 million shall be available for tritium recycling plant upgrades and $3.0 million shall be available for planning and designing a tritium extraction facility at the Savannah River Site.

Production of high explosives (sec. 3135)

The House bill contained a provision (sec. 3133) that would direct that the manufacture and fabrication of high explosives and energetic materials for use a components in nuclear weapons systems be carried out at the Pantex Plant, Amarillo, Texas. The provision would also prohibit the expenditure of funds to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant to any other Department of Energy (DOE) site or facility.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit the obligation of expenditure of fiscal year 1997 or prior year funds to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant to any other site or facility.

Nothing in this provision should be construed to limit ongoing research, development and testing activities involving high explosives and energetic materials at any Department of Energy national laboratory.

Limitation on use of funds for certain research and development purposes (sec. 3136)

The House bill contained a provision (sec. 3134) that would reduce beginning in fiscal year 1997 the funding percentage for Laboratory-Directed Research and Development (LDRD) activities to two percent. The House provision would prohibit expenditure of funds authorized for LDRD activities in fiscal year 1997 until 15 days after the Secretary of Energy issued a report on the manner in which such funds are planned to be used.

The Senate amendment contained a provision (sec. 3134) that would limit the use of LDRD and technology transfer program funds appropriated or otherwise made available to the Department in fiscal year 1997 under Section 3101 of this Act to activities that support the national security mission of the Department. This provision extends the limits described in section 3141 of the National Defense Authorization Act for Fiscal Year 1996 for another year.

The House recedes.

The conferees believe that the scientific and engineering challenges embodied in the emerging stockpile stewardship and stockpile management programs are sufficient to sustain the preeminence of the laboratories in the areas of science and engineering.

The conferees encourage the Department of Energy national laboratories to direct a significant portion of these funds to validating and implementing new technology for insertion in the Navy's submarine construction program for the four transition submarines to built between fiscal years 1998 and 2003. This effort should be a cooperative venture among the national laboratories, U.S. industry, and the Navy.

Prohibition on funding nuclear weapons activities with the People's Republic of China (sec. 3137)

The House bill contained a provision (sec. 3135) that would prohibit the obligation or expenditure of funds for any cooperative nuclear weapons technology programs, to include stockpile stewardship and safety programs with the People's Republic of China (PRC). The provision would also require the Department of Energy to report to Congress on past and planned discussions or activities between the United States and the PRC.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment making technical changes and changing the date on which the report shall be submitted.

The conferees note that it is possible that United States national security interests might warrant cooperation on nuclear weapons use controls. The conferees request that the Secretary of Defense and the Secretary of Energy report on whether having authority to undertake cooperative programs with regard to use controls would be in the national security interest of the United States.

International cooperative stockpile stewardship programs (sec. 3138)

The House bill contained a provision (sec. 3136) that would prohibit the use of fiscal year 1997 and prior year funds to conduct activities associated with international cooperative stockpile stewardship programs, with the exception of activities conducted with the United Kingdom and France.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make clear that the prohibition contained in subsection (a) does not apply to activities carried out under the Cooperative Threat Reduction (CTR) program as defined in this Act.

Temporary authority relating to transfers of defense environmental management funds (sec. 3139)

The House bill contained a provision (sec. 3137) that would direct the Secretary of Energy to grant authority to a site manager to transfer up to $5.0 million between program functions within his jurisdiction or to transfer a similar sum between projects within his area of operation. A site manager would only be authorized to conduct such a transfer one time in a fiscal year to or from each program or project. The provision would establish a limited expansion of the Department's current reprogramming authority and would allow a site manager to transfer money based on a finding that the transfer is necessary to reduce a risk to health, safety, or the environment, or to assure the most efficient use of site environmental management funds.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Secretary of Energy to report to Congress on the efficiency of the authority and whether the Secretary believes that the authority should be extended.

Management structure for nuclear weapons production facilities and nuclear weapons laboratories (sec. 3140)

The House bill contained a provision (sec. 3138) that would: impose a limitation on the delegation of authority; require consultations with area offices of the Department of Energy (DOE); require DOE area offices to report directly to DOE Headquarters; require the Secretary of Energy to provide a Defense Programs reorganization plan and report; and require establishment of a Defense Programs Management Council.

The Senate amendment contained no similar provision.

The Senate recedes.

Accelerated schedule for isolating high-level nuclear waste at the Defense Waste Processing Facility, Savannah River Site (sec. 3141)

The Senate amendment contained a provision (sec. 3135) that would require the Secretary of Energy to accelerate the schedule for the isolation of high-level nuclear waste in glass canisters at the Savannah River Site, if acceleration would result in long-term savings to the Federal Government and if it would accelerate the removal and isolation of waste from long-term storage tanks at the site.

The House bill contained no similar provision.

The House recedes.

The conferees believe that accelerating the treatment and stabilization of high-level wastes will significantly reduce out-year waste management costs and that the Department of Energy should not restrict canister production capability and capacity because of limited funds within the overall Environmental Management budget. Therefore, the conferees authorize an additional $15.0 million for the Department to maximize canister production at Savannah River if the aforementioned criteria are met.

Processing and treatment of high-level nuclear waste and spent nuclear fuel rods (sec. 3142)

The Senate amendment contained a provision (sec. 3136) that would authorize an additional $43.0 million above the budget request for the Department of Energy (DOE), for the F-canyon and H-canyon facilities. The provision would also provide for the Implementation of the Department's plan to address the Defense Nuclear Facility Safety Board (DNFSB) Recommendation 94-1 concerning the processing of spent nuclear fuel rods and other nuclear material at the Savannah River Site. An additional $15.0 million above the budget request would be authorized for the DOE National Spent Fuel Program to support program planning, fuel characterization, transportation planning, waste acceptance criteria development, and technology development, that are necessary to move forward toward a permanent disposition of DOE-controlled spent fuel.

The House bill contained no similar provision.

The House recedes with an amendment that would require any funds made available under this section to the Idaho National Engineering Laboratory to be considered as partial fulfillment of the settlement agreement entered into by the United States with the State of Idaho on October 17, 1995.

The conferees also incorporated portions of the Senate amendment relating to "Plans for Activities to Process Nuclear Materials and Clean up Nuclear Waste at the Savannah River Site" (Sec. 3154). This provision would require the Secretary of Energy to prepare a near-term plan for the treatment, packaging, and disposal of spent nuclear fuel located at or anticipated to be shipped to the Savannah River Site. Such a plan would address any requirements for upgrading and improving the F-canyon and H-canyon material processing facilities necessary to meet DNFSB recommendations. The provision would require the Secretary of Energy to prepare a multi-year utilization plan for the F-canyon and H-canyon material processing facilities.

The multi-year program plan should address how the Department proposes to sue these facilities for efficient management, stabilization, and disposition of nuclear materials such as surplus uranium and plutonium, domestic and foreign spent fuel, and any other nuclear materials requiring stabilization to be received at the Savannah River Site. The plan should provide options for chemical processing, reduction, and isolation of nuclear materials. The plan should also identify how the Department proposes to ensure that any fissionable materials that may be separated or purified in the canyons will not be used for nuclear weapons activities.

The provision would further require the Secretary of Energy to continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities, as recommended by the DNFSB.

The conferees understand that a strategic goal of the DOE Environmental Management (EM) program is to manage or eliminate urgent risks in the EM system. The conferees believe that DOE created an urgent risk situation with the fiscal year 1995 consolidation decision regarding storage of DOE spent nuclear fuel rods at the Idaho National Engineering Laboratory (non-aluminum clad) and at the Savannah River Site (aluminum clad). The National Defense Authorization Act for Fiscal Year 1996 required the initiation of a specific program for the disposition of spent nuclear fuel rods. The conferees continue to be concerned with the Department's inadequate progress in establishing a credible program and with the under-utilization of the Department's resources. A clearly defined plan and commitment are necessary for the safe storage, processing, and ultimate disposition of these materials in a permanent repository.

The conferees agree with the DNFSB that both F-canyon and H-canyon facilities at the Savannah River Site have an important future role.

Projects to accelerate closure activities at defense nuclear facilities (sec. 3143)

The House bill contained a provision (sec. 3102) to provide additional funding to Department of Energy field sites for the purpose of accelerating clean up and facility closure activities.

The Senate amendment contained similar provisions in various sections.

The conferees agree to a provision that would provide more detailed guidance to the Department on the criteria to be used in implementing projects to accelerate the closure or decommissioning of defense nuclear facilities. The conferees recommend the creation of a new initiative and authorize additional funding for closure acceleration projects at sites such as Rocky Flats, Hanford, Oak Ridge, Savannah River, and Idaho, where additional funding could be used to reduce life-cycle costs significantly through the acceleration of existing activities, initiation of cost reducing deactivation and decommissioning activities, and the application of enhanced cleanup technologies.

The conferees note that the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106) required the Secretary of Energy to accelerate the schedule for remedial activities at sites where the accelerated schedule will achieve meaningful, long-term cost savings to the Federal Government and accelerate the release of land for local reuse. In reviewing the sites selected pursuant to the last year's program, the conferees are concerned that the additional funding provided was used on relatively small projects and that the long term impact on reducing life cycle costs throughout the defense nuclear complex will be minimal.

It is for this reason that the conferees established additional criteria to assure that the projects selected will achieve significant long-term cost savings to the Federal Government. The conferees believe that taxpayers must see real progress if they are to continue to support large expenditures in environmental management funds that have increased five-fold in just seven years.

To assure management discipline, the Secretary would be required to develop a plan that will: define clearly the delineated scope of work; demonstrate that, where required, regulatory agreements are in place with appropriate regulatory authorities that would allow for the successful completion of the project; and demonstrate support of State and local elected officials.

Contracts for the performance of these projects should be performance and incentive based and not the traditional cost plus contracts. While the conferees believe that contractors should bear the risk for non-performance of activities within their control, it is important that provisions be made to include traditional commercial *force majeure* and risk sharing concepts. All projects selected under this program must be completed within 10 years.

Finally, with respect to the selection of projects that meet the general eligibility requirements, the Secretary is required to select those projects that will result in the most significant long-term cost savings to the government and the most significant reduction of imminent risk. Multi-year contracting authority is granted to the Secretary to carry out projects selected under this section and funds appropriated would remain available until expended. The clear intent is to identify those projects that are capable of being accelerated using currently available technology and to reward those sites that are aggressively seeking closure or decommissioning of existing facilities. To encourage closure, the conferees have made it clear that the existing budget projections for sites are not to be reduced based on the award of funding under this section for cleanup and closure.

The conferees have included language to the effect that nothing in this section is to be construed as modifying applicable statutory or regulatory environmental restoration requirements. The conferees have included initial funding for this program as a separate line item in section 3102 of this title.

Payment of costs of operation and maintenance of infrastructure at Nevada Test Site (sec. 3144)

The Senate amendment contained a provision (sec. 3138) that would permit the Department of Energy to defer charging the Department of Defense overhead costs for work-for-others activities carried out at the Nevada Test Site.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Report on plutonium pit production and remanufacturing plans (sec. 3151)

The House bill contained a provision (sec. 3142) that would require the Secretary to submit to the congressional defense committees a report on plans for achieving a capability to produce and remanufacture plutonium pits.

The Senate amendment contained no similar provision.

The Senate recedes.

Amendments relating to baseline environmental management reports (sec. 3152)

The House bill contained a provision (sec. 3143) that would amend section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 104-360) to authorize the submission of the Baseline Environmental Management Report on a biennial basis rather than an annual basis.

The Senate amendment contained no similar provision.

The Senate recedes.

Requirement to develop future use plans for environmental management program (sec. 3153)

The House bill contained a provision (sec. 3144) that would require the Secretary of Energy to develop and implement, as part of the Defense Environmental Restoration and Waste Management Program, a future land use plan at sites where the Secretary is planning or implementing environmental restoration activities. The provision would direct the creation of a future use advisory board at defense nuclear facilities where the Secretary of Energy intends to develop a future use plan and there is no existing advisory board.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would replace references to future use advisory boards with site specific advisory boards.

Report on Department of Energy liability at Department Superfund sites (sec. 3154)

The Senate amendment contained a provision (sec. 3161) that would require the Secretary of Energy to carry out a study of sites controlled or operated by the Department of Energy to determine the extent, the valuation of the injury, the destruction, or loss of natural resources under section 107(a)(4)(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)(4)(c). The Secretary would then submit a report to Congress on the results of the study.

The House bill contained no similar provision.

The House recedes with an amendment that clarifies the scope and methodology of the study.

Requirement for annual five-year budget for the national security programs of the Department of Energy (sec. 3155)

The Senate amendment contained a provision (sec. 3151) that would require the Secretary of Energy to submit an annual National Security Five-Year Budget Plan to the congressional defense committees. The plan would be submitted no later than the day on which the President's annual budget request is submitted to Congress.

The House bill contained no similar provision.

The House recedes.

The Secretary shall obligate no more than ninety-five percent of the Department's annual appropriation for Atomic Energy Defense Activities until the plan is submitted to the congressional defense committees. The conferees direct the Secretary of Energy to submit the plan for fiscal years 1997-2001 as soon as possible, but no later than September 30, 1996.

Requirements for Department of Energy weapons activities budgets for fiscal years after fiscal year 1997 (sec. 3156)

The Senate amendment contained a provision (sec. 3152) that would require the Department of Energy to relate the elements of its nuclear weapons program budget submission to the specific requirements of the Nuclear Weapons Stockpile Memorandum and the Nuclear Posture Review. In the context of that submission, the Secretary of Energy would be required to provide a long-term program plan, and a near-term program plan for the certification and stewardship of the nuclear stockpile.

The House bill contained no similar provision.

The House recedes.

Repeal of requirement relating to accounting procedures for Department of Energy funds (sec. 3157)

The Senate amendment contained a provision (sec. 3153) that would repeal section 3151 of the National Defense Authorization Act for Fiscal Year 1995. In 1994, at the time this provision was enacted, the Department of Energy did not have adequate control of uncosted and unobligated balances in a number of areas. In many instances, the Department could not identify the original fiscal year for which uncosted balances were appropriated.

The House bill contained no similar provision.

The House recedes.

The conferees note that subsequent to the enactment of the National Defense Authorization Act for Fiscal year 1995, the Department succeeded in significantly reducing its uncosted and unobligated balances. In addition, the Department has initiated a regular reporting methodology that allows the congressional defense committees to track unobligated and uncosted funds appropriated for national security activities. The conferees support the continued use of such reports as a cost effective substitute for section 3151.

Update of report on nuclear test readiness postures (sec. 3158)

The Senate amendment contained a provision (sec. 3155) that would require an update of the Nuclear Test Readiness Posture Report required by the National Defense Authorization Act for Fiscal Year 1996. That report pertains to the readiness and maintenance of the requisite underground testing expertise at the Nevada Test Site and at the Nuclear Weapons Laboratories. The report would be due to the congressional defense committees no later than February 15, 1997.

The House bill contained no similar provision.

The House recedes with an amendment to change the due date of the report to June 1, 1997.

Reports on critical difficulties at nuclear weapons laboratories and nuclear weapons production plants (sec. 3159)

The Senate amendment contained a provision (sec. 3156) that would require the head of any nuclear weapons laboratory or nuclear weapons production plant to notify the Assistant Secretary for Defense Programs immediately if there is any difficulty associated with the nuclear weapons complex that would have a significant bearing on the confidence relating to the nuclear stockpile. The provision would also require the Nuclear Weapons Council to notify Congress in the event that the Council become aware of any difficulties within the purview of the Council.

The House bill contained no similar provision.

The House recedes.

Extension of applicability of notice- and wait-required regarding proposed cooperation agreements (sec. 3160)

The Senate amendment contained a provision (sec. 3157) that would extend the date by which notice is to be made to Congress regarding the release of restricted data or formerly restricted data pursuant to a cooperative agreement with a foreign country by amending Section 3155(b) of the National Defense Authorization Act for Fiscal Year 1995.

The House bill contained no similar provision.

The House recedes with an amendment to extend until October 1, 1997, the authority of the Department of Energy and the Department of Defense to release data, as necessary, to further fissile material and other weapons material control and accountability program; to support atomic weapons control and accountability; to assist in treaty verification; and to assist in establishing a uniform international system of classification.

Sense of Senate relating to redesignation of Defense Environmental Restoration and Waste Management Program (sec. 3161)

The Senate amendment contained a provision (sec. 3158) that would express the sense of the Congress that the Department of Energy (DOE) redesignate the Defense Environmental Restoration and Waste Management Program (also known as the Environmental Management Program) as the Defense Nuclear Waste Management Program. The provision would further direct the Department of Energy to prepare and transmit to the congressional defense committees, no later than January 31, 1997, a report that describes any difficulties or problems that arise as a result of the name change, including any related costs.

The House bill contained no similar provision.

The House recedes with an amendment that would change the provision to a sense of the Senate.

Commission on Maintaining United States Nuclear Weapons Expertise (sec. 3162)

The Senate amendment contained a provision (sec. 3159) that would direct the Department of Energy to organize a high level commission to address problems associated with attracting a new generation of nuclear weapons experts to ensure the safety and reliability of the U.S. nuclear stockpile.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Energy to appoint two members to the commission and would require that all commission appointments be made no later than 60 days after the date of enactment of this section.

Sense of the Congress regarding reliability and safety of remaining nuclear forces (sec. 3163)

The Senate amendment contained a provision (sec. 3160) that would express concerns about maintaining confidence in the nuclear stockpile and our Nation's commitment to ensuring the safety, security, reliability, and performance of U.S. nuclear forces.

The House bill contained no similar provision.

The House recedes.

The conferees remain concerned with the ability of the Department of Defense and the Department of Energy to maintain confidence in the safety and reliability of the strategic nuclear weapons stockpile in the absence of underground nuclear tests. As long as the United States continues to depend on a deterrent nuclear force, as articulated in the Nuclear Posture Review, it is necessary for both the Department of Defense and the Department of Energy to maintain the following: weapons production capabilities and capacities; adequate funding to maintain the remaining stockpile at a state of full readiness; ability to meet full fabrication and tritium production requirements; capabilities for tritium recycling and pit manufacturing; and, to replace underground nuclear testing, a successful science-based stockpile stewardship program.

Study on worker protection at the Mound facility in (sec. 3164)

The House bill contained a provision (sec. 3145) that would authorize, out of existing funds, $5.0 million to be used to enhance worker health and safety at the Department of Energy's (DOE) Mound facility near Miamisburg, Ohio.

The Senate amendment contained a similar provision (sec. 3166) that would require DOE to prepare a report on programs and projects undertaken to protect worker health and safety at the DOE Mound facility.

The House recedes.

Fiscal year 1998 funding for Greenville Road Improvement Project, Livermore, California (sec. 3165)

The Senate amendment contained a provision (sec. 3162) that would require the Secretary of Energy to include in the fiscal year 1998 budget a request for sufficient funds to pay the United States portion of the cost of transportation improvements under the Greenville Road Improvement Project, Livermore, California.

The House bill contained no similar provision.

The House recedes.

Fellowship program for development of skills critical to Department of Energy nuclear weapons complex (sec. 3166)

The Senate amendment contained a provision (sec. 3137) that would require the Department of Energy (DOE) to initiate a university fellowship program for recruiting engineers and other technical experts at nuclear weapons plants. The Department would be authorized to use up to $5.0 million of the amount authorized for Stockpile Management activities to carry out the plant fellowship program.

The house bill contained no similar provision.

The House recedes.

In the National Defense Authorization Act for fiscal Year 1996, the Department was directed to initiate a university fellowship program for recruiting the next generation of engineers and technical experts for the modernized nuclear weapons repair and refabrication plants. The Department was directed to fund the program through authorized appropriations within the stockpile management program. The Department has not complied with this congressional direction.

Testimony before the Senate Armed Services Committee has suggested that DOE's skilled workforce for nuclear weapons design, fabrication, and remanufacturing is eroding, due both to worker aging and limited near-term challenges. The conferees do not propose a massive remanufacturing approach, but they do expect that DOE will take the steps necessary to attract, mentor and retain the next generation of nuclear weapons refabrication experts. The absence of such a program could accentuate the negative impacts of the progressing "brain drain," identified in testimony before the Senate Armed Services Committee and could undermine long-term efforts to repair and rebuild aging nuclear weapons in the stockpile.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

LEGISLATIVE PROVISIONS ADOPTED

Defense nuclear environmental cleanup and management (sec. 3171–3180)

The House bill contained a series of provisions (secs. 3551–3157) that would establish cost-effective management mechanisms and innovative technologies for the purpose of improving the Department of Energy (DOE) Defense Environmental Restoration and Waste Management Program. These provisions would apply to any DOE defense nuclear facility with a fiscal year 1996 Environmental Management (EM) budget of $350.0 million or more. The Secretary of Energy would delegate oversight authority to the site manager and encourage the site manager to promote deployment of innovative remediation technologies. The House bill also would direct the Secretary to develop and implement a program to encourage the use of performance-based contracts, as opposed to cost-plus contracts.

The Senate amendment contained a series of similar provisions (secs. 3171–3179) that would provide for a pilot program at the Hanford Reservation that would demonstrate cost-effective management mechanisms and innovative technologies to be used in environmental restoration and remediation at other defense nuclear facilities. Upon request by a State, the Secretary of Energy would have the discretion to include other defense nuclear facilities in the pilot program. The Secretary would delegate oversight authority to the site manager and the site manager would have the direct authority to promote the demonstration, certification, and implementation of innovative remediation technologies. The Senate provision also included a congressional reporting requirement and a sunset provision.

The Senate recedes with an amendment that would adopt the following elements for the cost-effective management and innovative technologies demonstration program: delegation of direct oversight authority to the site manager; automatic applicability to DOE facilities with a fiscal year 1996 EM budget of $350.0 million or more and applicability to other facilities upon application by the governor of a State and approval by the Secretary of Energy; Secretarial development and implementation of performance-based contracts program; site manager promotion and deployment of innovative remediation technologies; a congressional reporting requirement; and a program termination date.

Subtitle F—Waste Isolation Pilot Plant Land Withdrawal Act Amendments

LEGISLATIVE PROVISIONS ADOPTED

Waste Isolation Pilot Plant Land Withdrawal Act amendments (secs. 3181–3191)

The Senate amendment contained a series of provisions (secs. 3181–3191) that would modify the Waste Isolation Pilot Plant (WIPP) Land Withdrawal Act (Public Law 102–579). Requirements of the WIPP Land Withdrawal Act associated with the now-canceled WIPP "test phase" would be eliminated. The prerequisites to opening WIPP would be clarified and the 180-day congressional notification requirement would be reduced to 30 days. The requirement that WIPP meet land disposal restrictions of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) would be eliminated. DOE would be granted greater authority to determine whether engineered or natural barriers are sufficient to meet compliance with applicable environmental regulations. The Environmental Protection Agency would retain its ability to conduct timely reviews of DOE compliance applications. A sense of the Congress provision would encourage the Secretary to pursue all necessary actions to begin waste disposal operations not later than November 30, 1997. Finally, the Department of Energy would be authorized to make a one-time payment of $20.0 million to the State of New Mexico to begin road upgrades necessary to begin full scale shipping operations to WIPP. This payment would be considered an advance payment of amounts due to the State of New Mexico pursuant to the provisions of section 15(a) of the WIPP Land Withdrawal Act.

The House bill contained no similar provision.

The House recedes with a clarifying amendment that would add a provision that would reduce by one the total number of payments due to the State of New Mexico under section 15(a) of the WIPP Land Withdrawal Act and clarify that all applicable health and safety regulations would be met prior to commencement of disposal operations.

LEGISLATIVE PROVISIONS NOT ADOPTED

Report on Nuclear Weapons Stockpile Memorandum

The House bill contained a provision (sec. 3141) that would require the President to submit to the congressional defense committees a copy of the Nuclear Weapons Stockpile Memorandum, and to submit reports on any future updates or changes to the Memorandum.

The Senate amendment contained no similar provision.

The House recedes.

The conferees direct the Department of Energy to continue to provide members of Congress and congressional staff (with the appropriate security clearance) with access to the Nuclear Weapons Stockpile Memorandum.

Plans for activities to process nuclear materials and clean up nuclear waste at the Savannah River Site

The Senate amendment contained a provision (sec. 3154) that would require the Secretary of Energy to develop a multi-year program plan to use the H-canyon and the F-canyon materials processing facilities for treating Department of Energy and foreign spent nuclear fuel rods. The provision would also require the Secretary of Energy to develop a near-term plan on F-canyon and H-canyon utilization. The Secretary would be required to continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities.

The House bill contained no similar provision.

The Senate recedes.

The conferees combined the elements of this provision with the provision regarding processing of high-level nuclear waste and spent nuclear fuel.

Opportunity for review and comment by State of Oregon regarding certain remedial actions at Hanford Reservation

The Senate amendment contained a provision (sec. 3163) that would, in consultation with the signatories to the Hanford Reservation, Washington, Tri-Party Agreement for site remediation, require the Site Manager to provide the State of Oregon with an opportunity to review and comment upon any information available to the State of Washington under the agreement. The provision also contained certain limitations related to the State of Oregon's access to information and participation in the site remediation process.

The House bill contained no similar provision.

The Senate recedes. The conferees determined that the provision would establish a bad precedent regarding a state's right to participate in remedial activities conducted at a site within a neighboring state.

Sense of Senate on Hanford memorandum of understanding

The Senate amendment contained a provision (sec. 3164) that would express the sense of Senate that the State of Oregon has the authority to enter into a memorandum of understanding with the State of Washington, or a memorandum of understanding with the State of Washington and the Site Manager of the Hanford Reservation, Washington, to address issues of mutual concerns at the site.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS ADOPTED

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF DISPOSALS AND USE OF FUNDS

LEGISLATIVE PROVISIONS ADOPTED

Overview

The budget request for fiscal year 1997 contained an authorization of $17.0 million for the Defense Nuclear Facilities Safety Board. The House bill would authorize $17.0 million. The Senate amendment would authorize $17.0 million. The conferees recommended an authorization of $17.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Stockpile definitions (sec. 3301)

The House bill contained a provision (sec. 3301) that would define the National Defense Stockpile and the National Defense Stockpile Transaction Fund.

The Senate amendment contained no similar provision.

The Senate recedes.

Authorized uses of stockpile funds (sec. 3302)

The House bill contained a provision (sec. 3302) that would authorize the National Defense Stockpile Manager to obligate up to $60.0 million of the funds in the National Defense Stockpile Transaction Fund for the operation of the National Defense Stockpile.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Additional authority to dispose of materials in National Defense Stockpile (sec. 3303)

The Senate amendment contained a provision (sec. 3303) that would authorize the Secretary of Defense to dispose of specific materials in the National Defense Stockpile in order to offset the lost revenues resulting from the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104-106).

The House bill contained no similar provision.

The House recedes with an amendment that would change the materials authorized for disposal and use the revenues to offset those lost due to amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 and other direct spending provisions in this bill.

Subtitle B—Programmatic Change

LEGISLATIVE PROVISIONS ADOPTED

Biennial report on stockpile requirements (sec. 3311)

The House bill contained a provision (sec. 3311) that would amend the Strategic and Critical Materials Stock Piling Act, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100-180), concerning the requirements addressed in the report provided to Congress every other year by the Department of Defense (DOD).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the report to identify the amount of materials that would be necessary to replace the materiel and equipment that would be required after a military conflict.

Notification requirements (sec. 3312)

The House bill contained a provision (sec. 3312) that would update several sections of the Strategic and Critical Materials Stock Piling Act, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100-180), to standardize reporting requirements throughout the act. The provision would establish that all legislative reporting waiting periods are to be 45 days.

The Senate amendment contained no similar provision.

The Senate recedes.

Importation of strategic and critical materials (sec. 3313)

The House bill contained an amendment (sec. 3313) that would amend the Strategic and Critical Materials Stock Piling Act, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100-180), to remove reference to "communist-dominated country or area."

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Disposal of certain materials in National Defense Stockpile

The Senate amendment contained a provision (sec. 3302) that would authorize the Secretary of Defense to dispose of specific materials currently in the National Defense Stockpile.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations (sec. 3401)

The House bill contained a provision (sec. 3401) that would authorize the appropriation of $149.5 million for fiscal year 1997 for the Department of Energy for the operation of the Naval Petroleum Reserves.

The Senate amendment contained a similar provision (sec. 3401).

The Senate recedes.

Price requirement on sale of certain petroleum during fiscal year 1997 (sec. 3402)

The House bill contained a provision (sec. 3402) that would require the Secretary of Energy to sell petroleum produced for the Navy petroleum Reserves at no less than 90 percent of the price of comparable oil.

The Senate amendment contained no similar provision.

The Senate recedes.

TITLE XXXV—PANAMA CANAL COMMISSION

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Panama Canal Commission (secs. 3501–3549)

The House bill contained several provisions (secs. 3501–3504) that would authorize expenditure of funds by the Panama Canal Commission to cover its operating, maintenance, administrative, and capital improvement expenses, and to purchase vehicles built in the United States.

The Senate amendment contained similar provisions (secs. 3501–3504).

The Senate recedes with respect to the House provisions authorizing expenditure of funds to cover expenses (secs. 3501, 3502, and 3504). The House recedes with respect to the Senate provision (sec. 3503) that would authorize the purchase of vehicles without the requirement that they be built in the United States. The conferees note, however, that the Commission has in the past purchased only vehicles built in the United States and encourage the continuation of that practice.

The House bill also included provisions (secs. 3521–3550), not in the Senate amendment, that would give the Commission greater autonomy to facilitate the Senate amendment, that would give the Commission greater autonomy to facilitate the transition of the Canal to Panamanian control in December 1999. Most of these provisions would expand the Commission's discretion in tailoring government employee regulations to the unique needs of Commission personnel.

The Senate recedes with respect to these House provisions, with an amendment that would give the Commission the authority to contract with Panamanian carriers for the official travel of its Panamanian employees (sec. 3528) and an amendment that specifies that U.S. Government agencies in Panama may elect to discontinue the applicability of provisions of the Panama Canal Employment System, a system which is changing to reflect the transition to Panamanian control, to their civilian employees (sec. 3530).

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

FLOYD SPENCE,
BOB STUMP,
DUNCAN HUNTER,
JOHN R. KASICH,
HERBERT H. BATEMAN,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,

JIM SAXTON,
RANDY "DUKE" CUNNINGHAM,
STEPHEN E. BUYER,
PETER G. TORKILDSEN,
TILLIE K. FOWLER,
JOHN M. MCHUGH,
J.C. WATTS, Jr.,
JOHN N. HOSTETTLER,
SAXBY CHAMBLISS,
VAN HILLEARY,
ALCEE L. HASTINGS,
G.V. MONTGOMERY,
IKE SKELTON,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
OWEN PICKETT,
GLEN BROWDER,
GENE TAYLOR,
FRANK TEJEDA,
PAUL MCHALE,
PATRICK J. KENNEDY,
ROSA L. DELAURO,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

LARRY COMBEST,
JERRY LEWIS,
NORM DICKS,

As additional conferees from the Committee on Banking and Financial Services, for consideration of sections 1085 and 1089 of the Senate amendment, and modifications committed to conference:

MICHAEL N. CASTLE,
SPENCER BACHUS,
HENRY GONZALEZ,

As additional conferees from the Committee on Commerce, for consideration of sections 601, 741, 742, 2863, 3154, and 3402 of the House bill, and sections 345–47, 561, 562, 601, 1080, 2827, 3174, 3175, and 3181–91 of the Senate amendment, and modifications committed to conference:

THOMAS BLILEY,
MICHAEL BILIRAKIS,

Provided that Mr. Richardson is appointed in lieu of Mr. Dingell and Mr. Schaefer is appointed in lieu of Mr. Bilirakis for consideration of sections 3181–91 of the Senate amendment:

DAN SCHAEFER,

Provided that Mr. Oxley is appointed in lieu of Mr. Bilirakis for the consideration of section 3154 of the House bill, and sections 345–47, 3174, and 3175 of the Senate amendment:

MICHAEL G. OXLEY,

Provided that Mr. Schaefer is appointed in lieu of Mr. Bilirakis for the consideration of sections 2863 and 3402 of the House bill, and section 2827 of the Senate amendment:

DAN SCHAEFER,

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–36, 362, 366, 807, 821–25, 1047, 3523–39, 3542, and 3548 of the House bill, and sections 636, 809(b), 921, 924, 925, 1081, 1082, 1101, 1102, 1104, 1105, 1109–34, 1401–34, and 2826 of the Senate amendment, and modifications committed to conference:

W.F. CLINGER,

Provided that Mr. Horn is appointed in lieu of Mr. Mica for consideration of sections 362, 366, 807, and 821–25 of the House bill, and sections 809(b), 1081, 1401–34, and 2826 of the Senate amendment:

STEPHEN HORN,

Provided that Mr. Zeliff is appointed in lieu of Mr. Mica for consideration of section 1082 of the Senate amendment:

BILL ZELIFF,

As additional conferees from the Committee on International Relations, for consideration of sections 233–34, 237, 1041, 1043, 1052, 1101–05, 1301, 1307, and 1501–53 of the House bill, and sections 234, 1005, 1021, 1031, 1041–43, 1045, 1323, 1332–35, 1337, 1341–44, and 1352–54 of the Senate amendment, and modifications committed to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,

As additional conferees from the Committee on the Judiciary, for consideration of sections 537, 543, 1066, 1080, 1088, 1201–16, and 1313 of the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BILL MCCOLLUM,
JOHN CONYERS Jr.,

Provided that Mr. Moorhead is appointed in lieu of Mr. McCollum for consideration of sections 537 and 1080 of the Senate amendment:

CARLOS J. MOORHEAD,

Provided that Mr. Smith of Texas is appointed in lieu of Mr. McCollum for consideration of sections 1066 and 1201–16 of the Senate amendment:

LAMAR SMITH,

As additional conferees from the Committee on Resources, for consideration of sections 247, 601, 2821, 1401–14, 2901–13, and 2921–31 of the House bill, and sections 251–52, 351, 601, 1074, 2821, 2836, and 2837 of the Senate amendment, and modifications committed to conference:

JAMES V. HANSEN,
JIM SAXTON,

As additional conferees from the Committee on Science, for consideration of sections 203, 211, 245, and 247 of the House bill, and sections 211, 251–52, and 1044 of the Senate amendment, and modifications committed to conference:

ROBERT S. WALKER,
JAMES SENSENBRENNER Jr.,
JANE HARMAN,

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 324, 327, 501, and 601 of the House bill, and sections 345–48, 536, 601, 641, 1004, 1009, 1010, 1311, 1314, and 3162 of the Senate amendment, and modifications committed to conference:

BUD SHUSTER,
BOB STUMP,
CHRISTOPHER H. SMITH,
G.V. MONTGOMERY,

Managers on the Part of the House.

STROM THURMOND,
JOHN WARNER,
BILL COHEN,
JOHN MCCAIN,
DAN COATS,
BOB SMITH,
DIRK KEMPTHORNE,
JIM INHOFE,
RICK SANTORUM,
SHEILA FRAHM,
SAM NUNN,
CARL LEVIN,
TED KENNEDY,
JEFF BINGAMAN,
ROBERT C. BYRD,
CHUCK ROBB,
J. LIEBERMAN,
RICHARD H. BRYAN,

Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 3734, PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996

Mr. KASICH submitted the following conference report and statement on the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997:

CONFERENCE REPORT (H. REPT. 104–725)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3734), to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Personal Responsibility and Work Opportunity Reconciliation Act of 1996".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Sec. 101. Findings.
Sec. 102. Reference to Social Security Act.
Sec. 103. Block grants to States.
Sec. 104. Services provided by charitable, religious, or private organizations.
Sec. 105. Census data on grandparents as primary caregivers for their grandchildren.
Sec. 106. Report on data processing.
Sec. 107. Study on alternative outcomes measures.
Sec. 108. Conforming amendments to the Social Security Act.
Sec. 109. Conforming amendments to the Food Stamp Act of 1977 and related provisions.
Sec. 110. Conforming amendments to other laws.
Sec. 111. Development of prototype of counterfeit-resistant social security card required.
Sec. 112. Modifications to the job opportunities for certain low-income individuals program.
Sec. 113. Secretarial submission of legislative proposal for technical and conforming amendments.
Sec. 114. Assuring medicaid coverage for low-income families.
Sec. 115. Denial of assistance and benefits for certain drug-related convictions.
Sec. 116. Effective date; transition rule.

TITLE II—SUPPLEMENTAL SECURITY INCOME

Sec. 200. Reference to Social Security Act.

Subtitle A—Eligibility Restrictions

Sec. 201. Denial of SSI benefits for 10 years to individuals found to have fraudulently misrepresented residence in order to obtain benefits simultaneously in 2 or more States.
Sec. 202. Denial of SSI benefits for fugitive felons and probation and parole violators.
Sec. 203. Treatment of prisoners.
Sec. 204. Effective date of application for benefits.

Subtitle B—Benefits for Disabled Children

Sec. 211. Definition and eligibility rules.
Sec. 212. Eligibility redeterminations and continuing disability reviews.
Sec. 213. Additional accountability requirements.
Sec. 214. Reduction in cash benefits payable to institutionalized individuals whose medical costs are covered by private insurance.
Sec. 215. Regulations.

Subtitle C—Additional Enforcement Provision

Sec. 221. Installment payment of large past-due supplemental security income benefits.
Sec. 222. Regulations.

Subtitle D—Studies Regarding Supplemental Security Income Program

Sec. 231. Annual report on the supplemental security income program.
Sec. 232. Study by General Accounting Office.

TITLE III—CHILD SUPPORT

Sec. 300. Reference to Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

Sec. 301. State obligation to provide child support enforcement services.
Sec. 302. Distribution of child support collections.
Sec. 303. Privacy safeguards.
Sec. 304. Rights to notification of hearings.

Subtitle B—Locate and Case Tracking

Sec. 311. State case registry.
Sec. 312. Collection and disbursement of support payments.
Sec. 313. State directory of new hires.
Sec. 314. Amendments concerning income withholding.
Sec. 315. Locator information from interstate networks.
Sec. 316. Expansion of the Federal parent locator service.
Sec. 317. Collection and use of social security numbers for use in child support enforcement.

Subtitle C—Streamlining and Uniformity of Procedures

Sec. 321. Adoption of uniform State laws.
Sec. 322. Improvements to full faith and credit for child support orders.
Sec. 323. Administrative enforcement in interstate cases.
Sec. 324. Use of forms in interstate enforcement.
Sec. 325. State laws providing expedited procedures.

Subtitle D—Paternity Establishment

Sec. 331. State laws concerning paternity establishment.
Sec. 332. Outreach for voluntary paternity establishment.
Sec. 333. Cooperation by applicants for and recipients of part A assistance.

Subtitle E—Program Administration and Funding

Sec. 341. Performance-based incentives and penalties.
Sec. 342. Federal and State reviews and audits.
Sec. 343. Required reporting procedures.
Sec. 344. Automated data processing requirements.
Sec. 345. Technical assistance.
Sec. 346. Reports and data collection by the Secretary.

Subtitle F—Establishment and Modification of Support Orders

Sec. 351. Simplified process for review and adjustment of child support orders.
Sec. 352. Furnishing consumer reports for certain purposes relating to child support.
Sec. 353. Nonliability for financial institutions providing financial records to State child support enforcement agencies in child support cases.

Subtitle G—Enforcement of Support Orders

Sec. 361. Internal Revenue Service collection of arrearages.
Sec. 362. Authority to collect support from Federal employees.
Sec. 363. Enforcement of child support obligations of members of the Armed Forces.
Sec. 364. Voiding of fraudulent transfers.
Sec. 365. Work requirement for persons owing past-due child support.
Sec. 366. Definition of support order.
Sec. 367. Reporting arrearages to credit bureaus.
Sec. 368. Liens.
Sec. 369. State law authorizing suspension of licenses.
Sec. 370. Denial of passports for nonpayment of child support.
Sec. 371. International support enforcement.
Sec. 372. Financial institution data matches.
Sec. 373. Enforcement of orders against paternal or maternal grandparents in cases of minor parents.
Sec. 374. Nondischargeability in bankruptcy of certain debts for the support of a child.
Sec. 375. Child support enforcement for Indian tribes.

Subtitle H—Medical Support

Sec. 381. Correction to ERISA definition of medical child support order.
Sec. 382. Enforcement of orders for health care coverage.

Subtitle I—Enhancing Responsibility and Opportunity for Non-Residential Parents

Sec. 391. Grants to States for access and visitation programs.

Subtitle J—Effective Dates and Conforming Amendments

Sec. 395. Effective dates and conforming amendments.

TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

Sec. 400. Statements of national policy concerning welfare and immigration.

Subtitle A—Eligibility for Federal Benefits

Sec. 401. Aliens who are not qualified aliens ineligible for Federal public benefits.
Sec. 402. Limited eligibility of qualified aliens for certain Federal programs.
Sec. 403. Five-year limited eligibility of qualified aliens for Federal means-tested public benefit.
Sec. 404. Notification and information reporting.

Subtitle B—Eligibility for State and Local Public Benefits Programs

Sec. 411. Aliens who are not qualified aliens or nonimmigrants ineligible for State and local public benefits.
Sec. 412. State authority to limit eligibility of qualified aliens for State public benefits.

Subtitle C—Attribution of Income and Affidavits of Support

Sec. 421. Federal attribution of sponsor's income and resources to alien.
Sec. 422. Authority for States to provide for attribution of sponsors income and resources to the alien with respect to State programs.
Sec. 423. Requirements for sponsor's affidavit of support.

Subtitle D—General Provisions

Sec. 431. Definitions.
Sec. 432. Verification of eligibility for Federal public benefits.
Sec. 433. Statutory construction.
Sec. 434. Communication between State and local government agencies and the Immigration and Naturalization Service.
Sec. 435. Qualifying quarters.

Subtitle E—Conforming Amendments Relating to Assisted Housing

Sec. 441. Conforming amendments relating to assisted housing.

Subtitle F—Earning Income Credit Denied to Unauthorized Employees

Sec. 451. Earned income credit denied to individuals not authorized to be employed in the United States.

TITLE V—CHILD PROTECTION

Sec. 501. Authority of States to make foster care maintenance payments on behalf of children in any private child care institution.
Sec. 502. Extension of enhanced match for implementation of statewide automated child welfare information systems.
Sec. 503. National random sample study of child welfare.
Sec. 504. Redesignation of section 1123.
Sec. 505. Kinship care.

TITLE VI—CHILD CARE

Sec. 601. Short title and references.
Sec. 602. Goals.
Sec. 603. Authorization of appropriations and entitlement authority.
Sec. 604. Lead agency.
Sec. 605. Application and plan.
Sec. 606. Limitation on State allotments.
Sec. 607. Activities to improve the quality of child care.
Sec. 608. Repeal of early childhood development and before- and after-school care requirement.
Sec. 609. Administration and enforcement.
Sec. 610. Payments.
Sec. 611. Annual report and audits.
Sec. 612. Report by the Secretary.
Sec. 613. Allotments.
Sec. 614. Definitions.
Sec. 615. Effective date.

TITLE VII—CHILD NUTRITION PROGRAMS

Subtitle A—National School Lunch Act

Sec. 701. State disbursement to schools.
Sec. 702. Nutritional and other program requirements.
Sec. 703. Free and reduced price policy statement.
Sec. 704. Special assistance.
Sec. 705. Miscellaneous provisions and definitions.
Sec. 706. Summer food service program for children.
Sec. 707. Commodity distribution.
Sec. 708. Child and adult care food program.
Sec. 709. Pilot projects.
Sec. 710. Reduction of paperwork.
Sec. 711. Information on income eligibility.
Sec. 712. Nutrition guidance for child nutrition programs.

Subtitle B—Child Nutrition Act of 1966

Sec. 721. Special milk program.
Sec. 722. Free and reduced price policy statement.

Sec. 723. School breakfast program authorization.
Sec. 724. State administrative expenses.
Sec. 725. Regulations.
Sec. 726. Prohibitions.
Sec. 727. Miscellaneous provisions and definitions.
Sec. 728. Accounts and records.
Sec. 729. Special supplemental nutrition program for women, infants, and children.
Sec. 730. Cash grants for nutrition education.
Sec. 731. Nutrition education and training.

Subtitle C—Miscellaneous Provisions

Sec. 741. Coordination of school lunch, school breakfast, and summer food service programs.
Sec. 742. Requirements relating to provision of benefits based on citizenship, alienage, or immigration status under the National School Lunch Act, the Child Nutrition Act of 1966, and certain other acts.

TITLE VIII—FOOD STAMPS AND COMMODITY DISTRIBUTION

Subtitle A—Food Stamp Program

Sec. 801. Definition of certification period.
Sec. 802. Definition of coupon.
Sec. 803. Treatment of children living at home.
Sec. 804. Adjustment of thrifty food plan.
Sec. 805. Definition of homeless individual.
Sec. 806. State option for eligibility standards.
Sec. 807. Earnings of students.
Sec. 808. Energy assistance.
Sec. 809. Deductions from income.
Sec. 810. Vehicle allowance.
Sec. 811. Vendor payments for transitional housing counted as income.
Sec. 812. Simplified calculation of income for the self-employed.
Sec. 813. Doubled penalties for violating food stamp program requirements.
Sec. 814. Disqualification of convicted individuals.
Sec. 815. Disqualification.
Sec. 816. Caretaker exemption.
Sec. 817. Employment and training.
Sec. 818. Food stamp eligibility.
Sec. 819. Comparable treatment for disqualification.
Sec. 820. Disqualification for receipt of multiple food stamp benefits.
Sec. 821. Disqualification of fleeing felons.
Sec. 822. Cooperation with child support agencies.
Sec. 823. Disqualification relating to child support arrears.
Sec. 824. Work requirement.
Sec. 825. Encouragement of electronic benefit transfer systems.
Sec. 826. Value of minimum allotment.
Sec. 827. Benefits on recertification.
Sec. 828. Optional combined allotment for expedited households.
Sec. 829. Failure to comply with other means-tested public assistance programs.
Sec. 830. Allotments for households residing in centers.
Sec. 831. Condition precedent for approval of retail food stores and wholesale food concerns.
Sec. 832. Authority to establish authorization periods.
Sec. 833. Information for verifying eligibility for authorization.
Sec. 834. Waiting period for stores that fail to meet authorization criteria.
Sec. 835. Operation of food stamp offices.
Sec. 836. State employee and training standards.
Sec. 837. Exchange of law enforcement information.
Sec. 838. Expedited coupon service.
Sec. 839. Withdrawing fair hearing requests.
Sec. 840. Income, eligibility, and immigration status verification systems.
Sec. 841. Investigations.
Sec. 842. Disqualification of retailers who intentionally submit falsified applications.
Sec. 843. Disqualification of retailers who are disqualified under the WIC program.
Sec. 844. Collection of overissuances.
Sec. 845. Authority to suspend stores violating program requirements pending administrative and judicial review.
Sec. 846. Expanded criminal forfeiture for violations.
Sec. 847. Limitation on Federal match.
Sec. 848. Standards for administration.
Sec. 849. Work supplementation or support program.
Sec. 850. Waiver authority.
Sec. 851. Response to waivers.
Sec. 852. Employment initiatives program.
Sec. 853. Reauthorization.
Sec. 854. Simplified food stamp program.
Sec. 855. Study of the use of food stamps to purchase vitamins and minerals.
Sec. 856. Deficit reduction.

Subtitle B—Commodity Distribution Programs

Sec. 871. Emergency food assistance program.
Sec. 872. Food bank demonstration project.
Sec. 873. Hunger prevention programs.
Sec. 874. Report on entitlement commodity processing.

Subtitle C—Electronic Benefit Transfer Systems

Sec. 891. Provisions to encourage electronic benefit transfer systems.

TITLE IX—MISCELLANEOUS

Sec. 901. Appropriation by State legislatures.
Sec. 902. Sanctioning for testing positive for controlled substances.
Sec. 903. Elimination of housing assistance with respect to fugitive felons and probation and parole violators.
Sec. 904. Sense of the Senate regarding the inability of the noncustodial parent to pay child support.
Sec. 905. Establishing national goals to prevent teenage pregnancies.
Sec. 906. Sense of the Senate regarding enforcement of statutory rape laws.
Sec. 907. Provisions to encourage electronic benefit transfer systems.
Sec. 908. Reduction of block grants to States for social services; use of vouchers.
Sec. 909. Rules relating to denial of earned income credit on basis of disqualified income.
Sec. 910. Modification of adjusted gross income definition for earned income credit.
Sec. 911. Fraud under means-tested welfare and public assistance programs.
Sec. 912. Abstinence education.
Sec. 913. Change in reference.

TITLE I—BLOCK GRANTS FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

SEC. 101. FINDINGS.

The Congress makes the following findings:

(1) Marriage is the foundation of a successful society.

(2) Marriage is an essential institution of a successful society which promotes the interests of children.

(3) Promotion of responsible fatherhood and motherhood is integral to successful child rearing and the well-being of children.

(4) In 1992, only 54 percent of single-parent families with children had a child support order established and, of that 54 percent, only about one-half received the full amount due. Of the cases enforced through the public child support enforcement system, only 18 percent of the caseload has a collection.

(5) The number of individuals receiving aid to families with dependent children (in this section referred to as "AFDC") has more than tripled since 1965. More than two-thirds of these recipients are children. Eighty-nine percent of children receiving AFDC benefits now live in homes in which no father is present.

(A)(i) The average monthly number of children receiving AFDC benefits—

(I) was 3,300,000 in 1965;

(II) was 6,200,000 in 1970;

(III) was 7,400,000 in 1980; and

(IV) was 9,300,000 in 1992.

(ii) While the number of children receiving AFDC benefits increased nearly threefold between 1965 and 1992, the total number of children in the United States aged 0 to 18 has declined by 5.5 percent.

(B) The Department of Health and Human Services has estimated that 12,000,000 children will receive AFDC benefits within 10 years.

(C) The increase in the number of children receiving public assistance is closely related to the increase in births to unmarried women. Between 1970 and 1991, the percentage of live births to unmarried women increased nearly threefold, from 10.7 percent to 29.5 percent.

(6) The increase of out-of-wedlock pregnancies and births is well documented as follows:

(A) It is estimated that the rate of nonmarital teen pregnancy rose 23 percent from 54 pregnancies per 1,000 unmarried teenagers in 1976 to 66.7 pregnancies in 1991. The overall rate of nonmarital pregnancy rose 14 percent from 90.8 pregnancies per 1,000 unmarried women in 1980 to 103 in both 1991 and 1992. In contrast, the overall pregnancy rate for married couples decreased 7.3 percent between 1980 and 1991, from 126.9 pregnancies per 1,000 married women in 1980 to 117.6 pregnancies in 1991.

(B) The total of all out-of-wedlock births between 1970 and 1991 has risen from 10.7 percent to 29.5 percent and if the current trend continues, 50 percent of all births by the year 2015 will be out-of-wedlock.

(7) An effective strategy to combat teenage pregnancy must address the issue of male responsibility, including statutory rape culpability and prevention. The increase of teenage pregnancies among the youngest girls is particularly severe and is linked to predatory sexual practices by men who are significantly older.

(A) It is estimated that in the late 1980's, the rate for girls age 14 and under giving birth increased 26 percent.

(B) Data indicates that at least half of the children born to teenage mothers are fathered by adult men. Available data suggests that almost 70 percent of births to teenage girls are fathered by men over age 20.

(C) Surveys of teen mothers have revealed that a majority of such mothers have histories of sexual and physical abuse, primarily with older adult men.

(8) The negative consequences of an out-of-wedlock birth on the mother, the child, the family, and society are well documented as follows:

(A) Young women 17 and under who give birth outside of marriage are more likely to go on public assistance and to spend more years on welfare once enrolled. These combined effects of "younger and longer" increase total AFDC costs per household by 25 percent to 30 percent for 17-year-olds.

(B) Children born out-of-wedlock have a substantially higher risk of being born at a very low or moderately low birth weight.

(C) Children born out-of-wedlock are more likely to experience low verbal cognitive attainment, as well as more child abuse, and neglect.

(D) Children born out-of-wedlock were more likely to have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(E) Being born out-of-wedlock significantly reduces the chances of the child growing up to have an intact marriage.

(F) Children born out-of-wedlock are 3 times more likely to be on welfare when they grow up.

(9) Currently 35 percent of children in single-parent homes were born out-of-wedlock, nearly the same percentage as that of children in single-parent homes whose parents are divorced (37 percent). While many parents find themselves, through divorce or tragic circumstances beyond their control, facing the difficult task of raising children alone, nevertheless, the negative consequences of raising children in single-parent homes are well documented as follows:

(A) Only 9 percent of married-couple families with children under 18 years of age have income below the national poverty level. In contrast, 46 percent of female-headed households with children under 18 years of age are below the national poverty level.

(B) Among single-parent families, nearly ½ of the mothers who never married received AFDC while only ⅙ of divorced mothers received AFDC.

(C) Children born into families receiving welfare assistance are 3 times more likely to be on welfare when they reach adulthood than children not born into families receiving welfare.

(D) Mothers under 20 years of age are at the greatest risk of bearing low-birth-weight babies.

(E) The younger the single parent mother, the less likely she is to finish high school.

(F) Young women who have children before finishing high school are more likely to receive welfare assistance for a longer period of time.

(G) Between 1985 and 1990, the public cost of births to teenage mothers under the aid to families with dependent children program, the food stamp program, and the medicaid program has been estimated at $120,000,000,000.

(H) The absence of a father in the life of a child has a negative effect on school performance and peer adjustment.

(I) Children of teenage single parents have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(J) Children of single-parent homes are 3 times more likely to fail and repeat a year in grade school than are children from intact 2-parent families.

(K) Children from single-parent homes are almost 4 times more likely to be expelled or suspended from school.

(L) Neighborhoods with larger percentages of youth aged 12 through 20 and areas with higher percentages of single-parent households have higher rates of violent crime.

(M) Of those youth held for criminal offenses within the State juvenile justice system, only 29.8 percent lived primarily in a home with both parents. In contrast to these incarcerated youth, 73.9 percent of the 62,800,000 children in the Nation's resident population were living with both parents.

(10) Therefore, in light of this demonstration of the crisis in our Nation, it is the sense of the Congress that prevention of out-of-wedlock pregnancy and reduction in out-of-wedlock birth are very important Government interests and the policy contained in part A of title IV of the Social Security Act (as amended by section 103(a) of this Act) is intended to address the crisis.

SEC. 102. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

SEC. 103. BLOCK GRANTS TO STATES.

(a) IN GENERAL.—Part A of title IV (42 U.S.C. 601 et seq.) is amended—

(1) by striking all that precedes section 418 (as added by section 603(b)(2) of this Act) and inserting the following:

"PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

"SEC. 401. PURPOSE.

"(a) IN GENERAL.—The purpose of this part is to increase the flexibility of States in operating a program designed to—

"(1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

"(2) end the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

"(3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and

"(4) encourage the formation and maintenance of two-parent families.

"(b) NO INDIVIDUAL ENTITLEMENT.—This part shall not be interpreted to entitle any individual or family to assistance under any State program funded under this part.

"SEC. 402. ELIGIBLE STATES; STATE PLAN.

"(a) IN GENERAL.—As used in this part, the term 'eligible State' means, with respect to a fiscal year, a State that, during the 2-year period immediately preceding the fiscal year, has submitted to the Secretary a plan that the Secretary has found includes the following:

"(1) OUTLINE OF FAMILY ASSISTANCE PROGRAM.—

"(A) GENERAL PROVISIONS.—A written document that outlines how the State intends to do the following:

"(i) Conduct a program, designed to serve all political subdivisions in the State (not necessarily in a uniform manner), that provides assistance to needy families with (or expecting) children and provides parents with job preparation, work, and support services to enable them to leave the program and become self-sufficient.

"(ii) Require a parent or caretaker receiving assistance under the program to engage in work (as defined by the State) once the State determines the parent or caretaker is ready to engage in work, or once the parent or caretaker has received assistance under the program for 24 months (whether or not consecutive), whichever is earlier.

"(iii) Ensure that parents and caretakers receiving assistance under the program engage in work activities in accordance with section 407.

"(iv) Take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the program attributable to funds provided by the Federal Government.

"(v) Establish goals and take action to prevent and reduce the incidence of out-of-wedlock pregnancies, with special emphasis on teenage pregnancies, and establish numerical goals for reducing the illegitimacy ratio of the State (as defined in section 403(a)(2)(B)) for calendar years 1996 through 2005.

"(vi) Conduct a program, designed to reach State and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded in scope to include men.

"(B) SPECIAL PROVISIONS.—

"(i) The document shall indicate whether the State intends to treat families moving into the State from another State differently than other families under the program, and if so, how the State intends to treat such families under the program.

"(ii) The document shall indicate whether the State intends to provide assistance under the program to individuals who are not citizens of the United States, and if so, shall include an overview of such assistance.

"(iii) The document shall set forth objective criteria for the delivery of benefits and the determination of eligibility and for fair and equitable treatment, including an explanation of how the State will provide opportunities for recipients who have been adversely affected to be heard in a State administrative or appeal process.

"(iv) Not later than 1 year after the date of enactment of this Act, unless the chief executive officer of the State opts out of this provision by notifying the Secretary, a State shall, consistent with the exception provided in section 407(e)(2), require a parent or caretaker receiving assistance under the program who, after receiving such assistance for 2 months is not exempt from work requirements and is not engaged in work, as determined under section 407(c), to participate in community service employment, with minimum hours per week and tasks to be determined by the State.

"(2) CERTIFICATION THAT THE STATE WILL OPERATE A CHILD SUPPORT ENFORCEMENT PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D.

"(3) CERTIFICATION THAT THE STATE WILL OPERATE A FOSTER CARE AND ADOPTION ASSISTANCE PROGRAM.—A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program under the State plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under the State plan under title XIX.

"(4) CERTIFICATION OF THE ADMINISTRATION OF THE PROGRAM.—A certification by the chief executive officer of the State specifying which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations—

"(A) have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and

"(B) have had at least 45 days to submit comments on the plan and the design of such services.

"(5) CERTIFICATION THAT THE STATE WILL PROVIDE INDIANS WITH EQUITABLE ACCESS TO ASSISTANCE.—A certification by the chief executive officer of the State that, during the fiscal year, the State will provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan approved under section 412, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.

"(6) CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE AGAINST PROGRAM FRAUD AND ABUSE.—A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

"(7) OPTIONAL CERTIFICATION OF STANDARDS AND PROCEDURES TO ENSURE THAT THE STATE WILL SCREEN FOR AND IDENTIFY DOMESTIC VIOLENCE.—

"(A) IN GENERAL.—At the option of the State, a certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to—

"(i) screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;

"(ii) refer such individuals to counseling and supportive services; and

"(iii) waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.

"(B) DOMESTIC VIOLENCE DEFINED.—For purposes of this paragraph, the term 'domestic violence' has the same meaning as the term 'battered or subjected to extreme cruelty', as defined in section 408(a)(7)(C)(iii).

"(b) PUBLIC AVAILABILITY OF STATE PLAN SUMMARY.—The State shall make available to the public a summary of any plan submitted by the State under this section.

"SEC. 403. GRANTS TO STATES.

"(a) GRANTS.—

"(1) FAMILY ASSISTANCE GRANT.—

"(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary, for each of fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002, a grant in an amount equal to the State family assistance grant.

"(B) STATE FAMILY ASSISTANCE GRANT DEFINED.—As used in this part, the term 'State family assistance grant' means the greatest of—

"(i) ⅓ of the total amount required to be paid to the State under former section 403 (as in effect on September 30, 1995) for fiscal years 1992, 1993, and 1994 (other than with respect to amounts expended by the State for child care under subsection (g) or (i) of former section 402 (as so in effect));

"(ii)(I) the total amount required to be paid to the State under former section 403 for fiscal year 1994 (other than with respect to amounts expended by the State for child care under subsection (g) or (i) of former section 402 (as so in effect)); plus

"(II) an amount equal to 85 percent of the amount (if any) by which the total amount required to be paid to the State under former section 403(a)(5) for emergency assistance for fiscal year 1995 exceeds the total amount required to be paid to the State under former section 403(a)(5) for fiscal year 1994, if, during fiscal year 1994 or 1995, the Secretary approved under former section 402 an amendment to the former State plan with respect to the provision of emergency assistance; or

"(iii) 4/3 of the total amount required to be paid to the State under former section 403 (as in effect on September 30, 1995) for the 1st 3 quarters of fiscal year 1995 (other than with respect to amounts expended by the State under the State plan approved under part F (as so in effect) or for child care under subsection (g) or (i) of former section 402 (as so in effect)), plus the total amount required to be paid to the State for fiscal year 1995 under former section 403(l) (as so in effect).

"(C) TOTAL AMOUNT REQUIRED TO BE PAID TO THE STATE UNDER FORMER SECTION 403 DEFINED.—As used in this part, the term 'total amount required to be paid to the State under former section 403' means, with respect to a fiscal year—

"(i) in the case of a State to which section 1108 does not apply, the sum of—

"(I) the Federal share of maintenance assistance expenditures for the fiscal year, before reduction pursuant to subparagraph (B) or (C) of section 403(b)(2) (as in effect on September 30, 1995), as reported by the State on ACF Form 231;

"(II) the Federal share of administrative expenditures (including administrative expenditures for the development of management information systems) for the fiscal year, as reported by the State on ACF Form 231;

"(III) the Federal share of emergency assistance expenditures for the fiscal year, as reported by the State on ACF Form 231;

"(IV) the Federal share of expenditures for the fiscal year with respect to child care pursuant to subsections (g) and (i) of former section 402 (as in effect on September 30, 1995), as reported by the State on ACF Form 231; and

"(V) the Federal obligations made to the State under section 403 for the fiscal year with respect to the State program operated under part F (as in effect on September 30, 1995), as determined by the Secretary, including additional obligations or reductions in obligations made after the close of the fiscal year; and

"(ii) in the case of a State to which section 1108 applies, the lesser of—

"(I) the sum described in clause (i); or

"(II) the total amount certified by the Secretary under former section 403 (as in effect during the fiscal year) with respect to the territory.

"(D) INFORMATION TO BE USED IN DETERMINING AMOUNTS.—

"(i) FOR FISCAL YEARS 1992 AND 1993.—

"(I) In determining the amounts described in subclauses (I) through (IV) of subparagraph (C)(i) for any State for each of fiscal years 1992 and 1993, the Secretary shall use information available as of April 28, 1995.

"(II) In determining the amount described in subparagraph (C)(i)(V) for any State for each of fiscal years 1992 and 1993, the Secretary shall use information available as of January 6, 1995.

"(ii) FOR FISCAL YEAR 1994.—In determining the amounts described in subparagraph (C)(i) for any State for fiscal year 1994, the Secretary shall use information available as of April 28, 1995.

"(iii) FOR FISCAL YEAR 1995.—

"(I) In determining the amount described in subparagraph (B)(ii)(II) for any State for fiscal year 1995, the Secretary shall use the information which was reported by the States and estimates made by the States with respect to emergency assistance expenditures and was available as of August 11, 1995.

"(II) In determining the amounts described in subclauses (I) through (III) of subparagraph (C)(i) for any State for fiscal year 1995, the Secretary shall use information available as of October 2, 1995.

"(III) In determining the amount described in subparagraph (C)(i)(IV) for any State for fiscal year 1995, the Secretary shall use information available as of February 28, 1996.

"(IV) In determining the amount described in subparagraph (C)(i)(V) for any State for fiscal year 1995, the Secretary shall use information available as of October 5, 1995.

"(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 such sums as are necessary for grants under this paragraph.

"(2) BONUS TO REWARD DECREASE IN ILLEGITIMACY.—

"(A) IN GENERAL.—Each eligible State shall be entitled to receive from the Secretary a grant for each bonus year for which the State demonstrates a net decrease in out-of-wedlock births.

"(B) AMOUNT OF GRANT.—

"(i) IF 5 ELIGIBLE STATES.—If there are 5 eligible States for a bonus year, the amount of the grant shall be $20,000,000.

"(ii) IF FEWER THAN 5 ELIGIBLE STATES.—If there are fewer than 5 eligible States for a bonus year, the amount of the grant shall be $25,000,000.

"(C) DEFINITIONS.—As used in this paragraph:

"(i) ELIGIBLE STATE.—

"(I) IN GENERAL.—The term 'eligible State' means a State that the Secretary determines meets the following requirements:

"(aa) The State demonstrates that the number of out-of-wedlock births that occurred in the State during the most recent 2-year period for which such information is available decreased as compared to the number of such births that occurred during the previous 2-year period, and the magnitude of the decrease for the State for the period is not exceeded by the magnitude of the corresponding decrease for 5 or more other States for the period.

"(bb) The rate of induced pregnancy terminations in the State for the fiscal year is less than the rate of induced pregnancy terminations in the State for fiscal year 1995.

"(II) DISREGARD OF CHANGES IN DATA DUE TO CHANGED REPORTING METHODS.—In making the determination required by subclause (I), the Secretary shall disregard—

"(aa) any difference between the number of out-of-wedlock births that occurred in a

State for a fiscal year and the number of out-of-wedlock births that occurred in a State for fiscal year 1995 which is attributable to a change in State methods of reporting data used to calculate the number of out-of-wedlock births; and

"(bb) any difference between the rate of induced pregnancy terminations in a State for a fiscal year and such rate for fiscal year 1995 which is attributable to a change in State methods of reporting data used to calculate such rate.

"(ii) BONUS YEAR.—The term 'bonus year' means fiscal years 1999, 2000, 2001, and 2002.

"(D) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2002, such sums as are necessary for grants under this paragraph.

"(3) SUPPLEMENTAL GRANT FOR POPULATION INCREASES IN CERTAIN STATES.—

"(A) IN GENERAL.—Each qualifying State shall, subject to subparagraph (F), be entitled to receive from the Secretary—

"(i) for fiscal year 1998 a grant in an amount equal to 2.5 percent of the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

"(ii) for each of fiscal years 1999, 2000, and 2001, a grant in an amount equal to the sum of—

"(I) the amount (if any) required to be paid to the State under this paragraph for the immediately preceding fiscal year; and

"(II) 2.5 percent of the sum of—

"(aa) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

"(bb) the amount (if any) required to be paid to the State under this paragraph for the fiscal year preceding the fiscal year for which the grant is to be made.

"(B) PRESERVATION OF GRANT WITHOUT INCREASES FOR STATES FAILING TO REMAIN QUALIFYING STATES.—Each State that is not a qualifying State for a fiscal year specified in subparagraph (A)(ii) but was a qualifying State for a prior fiscal year shall, subject to subparagraph (F), be entitled to receive from the Secretary for the specified fiscal year, a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year for which the State was a qualifying State.

"(C) QUALIFYING STATE.—

"(i) IN GENERAL.—For purposes of this paragraph, a State is a qualifying State for a fiscal year if—

"(I) the level of welfare spending per poor person by the State for the immediately preceding fiscal year is less than the national average level of State welfare spending per poor person for such preceding fiscal year; and

"(II) the population growth rate of the State (as determined by the Bureau of the Census) for the most recent fiscal year for which information is available exceeds the average population growth rate for all States (as so determined) for such most recent fiscal year.

"(ii) STATE MUST QUALIFY IN FISCAL YEAR 1997.—Notwithstanding clause (i), a State shall not be a qualifying State for any fiscal year after 1998 by reason of clause (i) if the State is not a qualifying State for fiscal year 1998 by reason of clause (i).

"(iii) CERTAIN STATES DEEMED QUALIFYING STATES.—For purposes of this paragraph, a State is deemed to be a qualifying State for fiscal years 1998, 1999, 2000, and 2001 if—

"(I) the level of welfare spending per poor person by the State for fiscal year 1994 is less than 35 percent of the national average level of State welfare spending per poor person for fiscal year 1994; or

"(II) the population of the State increased by more than 10 percent from April 1, 1990 to July 1, 1994, according to the population estimates in publication CB94-204 of the Bureau of the Census.

"(D) DEFINITIONS.—As used in this paragraph:

"(i) LEVEL OF WELFARE SPENDING PER POOR PERSON.—The term 'level of State welfare spending per poor person' means, with respect to a State and a fiscal year—

"(I) the sum of—

"(aa) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; and

"(bb) the amount (if any) paid to the State under this paragraph for the immediately preceding fiscal year; divided by

"(II) the number of individuals, according to the 1990 decennial census, who were residents of the State and whose income was below the poverty line.

"(ii) NATIONAL AVERAGE LEVEL OF STATE WELFARE SPENDING PER POOR PERSON.—The term 'national average level of State welfare spending per poor person' means, with respect to a fiscal year, an amount equal to—

"(I) the total amount required to be paid to the States under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994; divided by

"(II) the number of individuals, according to the 1990 decennial census, who were residents of any State and whose income was below the poverty line.

"(iii) STATE.—The term 'State' means each of the 50 States of the United States and the District of Columbia.

"(E) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1998, 1999, 2000, and 2001 such sums as are necessary for grants under this paragraph, in a total amount not to exceed $800,000,000.

"(F) GRANTS REDUCED PRO RATA IF INSUFFICIENT APPROPRIATIONS.—If the amount appropriated pursuant to this paragraph for a fiscal year is less than the total amount of payments otherwise required to be made under this paragraph for the fiscal year, then the amount otherwise payable to any State for the fiscal year under this paragraph shall be reduced by a percentage equal to the amount so appropriated divided by such total amount.

"(G) BUDGET SCORING.—Notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this paragraph after fiscal year 2001.

"(4) BONUS TO REWARD HIGH PERFORMANCE STATES.—

"(A) IN GENERAL.—The Secretary shall make a grant pursuant to this paragraph to each State for each bonus year for which the State is a high performing State.

"(B) AMOUNT OF GRANT.—

"(i) IN GENERAL.—Subject to clause (ii) of this subparagraph, the Secretary shall determine the amount of the grant payable under this paragraph to a high performing State for a bonus year, which shall be based on the score assigned to the State under subparagraph (D)(i) for the fiscal year that immediately precedes the bonus year.

"(ii) LIMITATION.—The amount payable to a State under this paragraph for a bonus year shall not exceed 5 percent of the State family assistance grant.

"(C) FORMULA FOR MEASURING STATE PERFORMANCE.—Not later than 1 year after the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the Secretary, in consultation with the National Governors' Association and the American Public Welfare Association, shall develop a formula for measuring State performance in operating the State program funded under this part so as to achieve the goals set forth in section 401(a).

"(D) SCORING OF STATE PERFORMANCE; SETTING OF PERFORMANCE THRESHOLDS.—For each bonus year, the Secretary shall—

"(i) use the formula developed under subparagraph (C) to assign a score to each eligible State for the fiscal year that immediately precedes the bonus year; and

"(ii) prescribe a performance threshold in such a manner so as to ensure that—

"(I) the average annual total amount of grants to be made under this paragraph for each bonus year equals $200,000,000; and

"(II) the total amount of grants to be made under this paragraph for all bonus years equals $1,000,000,000.

"(E) DEFINITIONS.—As used in this paragraph:

"(i) BONUS YEAR.—The term 'bonus year' means fiscal years 1999, 2000, 2001, 2002, and 2003.

"(ii) HIGH PERFORMING STATE.—The term 'high performing State' means, with respect a bonus year, an eligible State whose score assigned pursuant to subparagraph (D)(i) for the fiscal year immediately preceding the bonus year equals or exceeds the performance threshold prescribed under subparagraph (D)(ii) for such preceding fiscal year.

"(F) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2003 $1,000,000,000 for grants under this paragraph.

"(b) CONTINGENCY FUND.—

"(1) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund which shall be known as the 'Contingency Fund for State Welfare Programs' (in this section referred to as the 'Fund').

"(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1997, 1998, 1999, 2000, and 2001 such sums as are necessary for payment to the Fund in a total amount not to exceed $2,000,000,000.

"(3) GRANTS.—

"(A) PROVISIONAL PAYMENTS.—If an eligible State submits to the Secretary a request for funds under this paragraph during an eligible month, the Secretary shall, subject to this paragraph, pay to the State, from amounts appropriated pursuant to paragraph (2), an amount equal to the amount of funds so requested.

"(B) PAYMENT PRIORITY.—The Secretary shall make payments under subparagraph (A) in the order in which the Secretary receives requests for such payments.

"(C) LIMITATIONS.—

"(i) MONTHLY PAYMENT TO A STATE.—The total amount paid to a single State under subparagraph (A) during a month shall not exceed 1/12 of 20 percent of the State family assistance grant.

"(ii) PAYMENTS TO ALL STATES.—The total amount paid to all States under subparagraph (A) during fiscal years 1997 through 2001 shall not exceed the total amount appropriated pursuant to paragraph (2).

"(4) ANNUAL RECONCILIATION.—Notwithstanding paragraph (3), at the end of each fiscal year, each State shall remit to the Secretary an amount equal to the amount (if any) by which the total amount paid to the State under paragraph (3) during the fiscal year exceeds—

"(A) the Federal medical assistance percentage for the State for the fiscal year (as defined in section 1905(b), as in effect on September 30, 1995) of the amount (if any) by which—

"(i) if the Secretary makes a payment to the State under section 418(a)(2) in the fiscal year—

"(I) the expenditures under the State program funded under this part for the fiscal year, excluding any amounts made available by the Federal Government (except amounts paid to the State under paragraph (3) during the fiscal year that have been expended by the State) and any amounts expended by the State during the fiscal year for child care; exceeds

"(II) historic State expenditures (as defined in section 409(a)(7)(B)(iii)), excluding the expenditures by the State for child care under subsection (g) or (i) of section 402 (as in effect during fiscal year 1994) for fiscal year 1994 minus any Federal payment with respect to such child care expenditures; or

"(ii) if the Secretary does not make a payment to the State under section 418(a)(2) in the fiscal year—

"(I) the expenditures under the State program funded under this part for the fiscal year (excluding any amounts made available by the Federal Government, except amounts paid to the State under paragraph (3) during the fiscal year that have been expended by the State); exceeds

"(II) historic State expenditures (as defined in section 409(a)(7)(B)(iii)); multiplied by

"(B) 1/12 times the number of months during the fiscal year for which the Secretary makes a payment to the State under this subsection.

"(5) ELIGIBLE MONTH.—As used in paragraph (3)(A), the term 'eligible month' means, with respect to a State, a month in the 2-month period that begins with any month for which the State is a needy State.

"(6) NEEDY STATE.—For purposes of paragraph (5), a State is a needy State for a month if—

"(A) the average rate of—

"(i) total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published equals or exceeds 6.5 percent; and

"(ii) total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; or

"(B) as determined by the Secretary of Agriculture (in the discretion of the Secretary of Agriculture), the monthly average number of individuals (as of the last day of each month) participating in the food stamp program in the State in the then most recently concluded 3-month period for which data are available exceeds by not less than 10 percent the lesser of—

"(i) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the food stamp program in the corresponding 3-month period in fiscal year 1994 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1994; or

"(ii) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the food stamp program in the corresponding 3-month period in fiscal year 1995 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1995.

"(7) OTHER TERMS DEFINED.—As used in this subsection:

"(A) STATE.—The term 'State' means each of the 50 States of the United States and the District of Columbia.

"(B) SECRETARY.—The term 'Secretary' means the Secretary of the Treasury.

"(8) ANNUAL REPORTS.—The Secretary shall annually report to the Congress on the status of the Fund.

"SEC. 404. USE OF GRANTS.

"(a) GENERAL RULES.—Subject to this part, a State to which a grant is made under section 403 may use the grant—

"(1) in any manner that is reasonably calculated to accomplish the purpose of this part, including to provide low income households with assistance in meeting home heating and cooling costs; or

"(2) in any manner that the State was authorized to use amounts received under part A or F, as such parts were in effect on September 30, 1995.

"(b) LIMITATION ON USE OF GRANT FOR ADMINISTRATIVE PURPOSES.—

"(1) LIMITATION.—A State to which a grant is made under section 403 shall not expend more than 15 percent of the grant for administrative purposes.

"(2) EXCEPTION.—Paragraph (1) shall not apply to the use of a grant for information technology and computerization needed for tracking or monitoring required by or under this part.

"(c) AUTHORITY TO TREAT INTERSTATE IMMIGRANTS UNDER RULES OF FORMER STATE.—A State operating a program funded under this part may apply to a family the rules (including benefit amounts) of the program funded under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

"(d) AUTHORITY TO USE PORTION OF GRANT FOR OTHER PURPOSES.—

"(1) IN GENERAL.—A State may use not more than 30 percent of the amount of any grant made to the State under section 403(a) for a fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

"(A) Title XX of this Act.

"(B) The Child Care and Development Block Grant Act of 1990.

"(2) LIMITATION ON AMOUNT TRANSFERABLE TO TITLE XX PROGRAMS.—Notwithstanding paragraph (1), not more than 1/3 of the total amount paid to a State under this part for a fiscal year that is used to carry out State programs pursuant to provisions of law specified in paragraph (1) may be used to carry out State programs pursuant to title XX.

"(3) APPLICABLE RULES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) of this paragraph, any amount paid to a State under this part that is used to carry out a State program pursuant to a provision of law specified in paragraph (1) shall not be subject to the requirements of this part, but shall be subject to the requirements that apply to Federal funds provided directly under the provision of law to carry out the program, and the expenditure of any amount so used shall not be considered to be an expenditure under this part.

"(B) EXCEPTION RELATING TO TITLE XX PROGRAMS.—All amounts paid to a State under this part that are used to carry out State programs pursuant to title XX shall be used only for programs and services to children or their families whose income is less than 200 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

"(e) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program funded under this part.

"(f) AUTHORITY TO OPERATE EMPLOYMENT PLACEMENT PROGRAM.—A State to which a grant is made under section 403 may use the grant to make payments (or provide job placement vouchers) to State-approved public and private job placement agencies that provide employment placement services to individuals who receive assistance under the State program funded under this part.

"(g) IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—A State to which a grant is made under section 403 is encouraged to implement an electronic benefit transfer system for providing assistance under the State program funded under this part, and may use the grant for such purpose.

"(h) USE OF FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS.—

"(1) IN GENERAL.—A State to which a grant is made under section 403 may use the grant to carry out a program to fund individual development accounts (as defined in paragraph (2)) established by individuals eligible for assistance under the State program funded under this part.

"(2) INDIVIDUAL DEVELOPMENT ACCOUNTS.—

"(A) ESTABLISHMENT.—Under a State program carried out under paragraph (1), an individual development account may be established by or on behalf of an individual eligible for assistance under the State program operated under this part for the purpose of enabling the individual to accumulate funds for a qualified purpose described in subparagraph (B).

"(B) QUALIFIED PURPOSE.—A qualified purpose described in this subparagraph is 1 or more of the following, as provided by the qualified entity providing assistance to the individual under this subsection:

"(i) POSTSECONDARY EDUCATIONAL EXPENSES.—Postsecondary educational expenses paid from an individual development account directly to an eligible educational institution.

"(ii) FIRST HOME PURCHASE.—Qualified acquisition costs with respect to a qualified principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due.

"(iii) BUSINESS CAPITALIZATION.—Amounts paid from an individual development account directly to a business capitalization account which is established in a federally insured financial institution and is restricted to use solely for qualified business capitalization expenses.

"(C) CONTRIBUTIONS TO BE FROM EARNED INCOME.—An individual may only contribute to an individual development account such amounts as are derived from earned income, as defined in section 911(d)(2) of the Internal Revenue Code of 1986.

"(D) WITHDRAWAL OF FUNDS.—The Secretary shall establish such regulations as may be necessary to ensure that funds held in an individual development account are not withdrawn except for 1 or more of the qualified purposes described in subparagraph (B).

"(3) REQUIREMENTS.—

"(A) IN GENERAL.—An individual development account established under this subsection shall be a trust created or organized in the United States and funded through periodic contributions by the establishing individual and matched by or through a qualified entity for a qualified purpose (as described in paragraph (2)(B)).

"(B) QUALIFIED ENTITY.—As used in this subsection, the term 'qualified entity' means—

"(i) a not-for-profit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

"(ii) a State or local government agency acting in cooperation with an organization described in clause (i).

"(4) NO REDUCTION IN BENEFITS.—Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986) that requires consideration of 1 or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this subsection shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.

"(5) DEFINITIONS.—As used in this subsection—

"(A) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' means the following:

"(i) An institution described in section 481(a)(1) or 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1) or 1141(a)), as such sections are in effect on the date of the enactment of this subsection.

"(ii) An area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4))) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of the enactment of this subsection.

"(B) POST-SECONDARY EDUCATIONAL EXPENSES.—The term 'post-secondary educational expenses' means—

"(i) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution, and

"(ii) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

"(C) QUALIFIED ACQUISITION COSTS.—The term 'qualified acquisition costs' means the costs of acquiring, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

"(D) QUALIFIED BUSINESS.—The term 'qualified business' means any business that does not contravene any law or public policy (as determined by the Secretary).

"(E) QUALIFIED BUSINESS CAPITALIZATION EXPENSES.—The term 'qualified business capitalization expenses' means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan.

"(F) QUALIFIED EXPENDITURES.—The term 'qualified expenditures' means expenditures included in a qualified plan, including capital, plant, equipment, working capital, and inventory expenses.

"(G) QUALIFIED FIRST-TIME HOMEBUYER.—

"(i) IN GENERAL.—The term 'qualified first-time homebuyer' means a taxpayer (and, if married, the taxpayer's spouse) who has no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this subsection applies.

"(ii) DATE OF ACQUISITION.—The term 'date of acquisition' means the date on which a binding contract to acquire, construct, or reconstruct the principal residence to which this subparagraph applies is entered into.

"(H) QUALIFIED PLAN.—The term 'qualified plan' means a business plan which—

"(i) is approved by a financial institution, or by a nonprofit loan fund having demonstrated fiduciary integrity,

"(ii) includes a description of services or goods to be sold, a marketing plan, and projected financial statements, and

"(iii) may require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor.

"(I) QUALIFIED PRINCIPAL RESIDENCE.—The term 'qualified principal residence' means a principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986), the qualified acquisition costs of which do not exceed 100 percent of the average area purchase price applicable to such residence (determined in accordance with paragraphs (2) and (3) of section 143(e) of such Code).

(i) SANCTION WELFARE RECIPIENTS FOR FAILING TO ENSURE THAT MINOR DEPENDENT CHILDREN ATTEND SCHOOL.—A State to which a grant is made under section 403 shall not be prohibited from sanctioning a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the food stamp program, as defined in section 3(h) of the Food Stamp Act of 1977, if such adult fails to ensure that the minor dependent children of such adult attend school as required by the law of the State in which the minor children reside.

(j) REQUIREMENT FOR HIGH SCHOOL DIPLOMA OR EQUIVALENT.—A State to which a grant is made under section 403 shall not be prohibited from sanctioning a family that includes an adult who is older than age 20 and younger than age 51 and who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the food stamp program, as defined in section 3(h) of the Food Stamp Act of 1977, if such adult does not have, or is not working toward attaining, a secondary school diploma or its recognized equivalent unless such adult has been determined in the judgment of medical, psychiatric, or other appropriate professionals to lack the requisite capacity to complete successfully a course of study that would lead to a secondary school diploma or its recognized equivalent.

"SEC. 405. ADMINISTRATIVE PROVISIONS.

"(a) QUARTERLY.—The Secretary shall pay each grant payable to a State under section 403 in quarterly installments, subject to this section.

"(b) NOTIFICATION.—Not later than 3 months before the payment of any such quarterly installment to a State, the Secretary shall notify the State of the amount of any reduction determined under section 412(a)(1)(B) with respect to the State.

"(c) COMPUTATION AND CERTIFICATION OF PAYMENTS TO STATES.—

"(1) COMPUTATION.—The Secretary shall estimate the amount to be paid to each eligible State for each quarter under this part, such estimate to be based on a report filed by the State containing an estimate by the State of the total sum to be expended by the State in the quarter under the State program funded under this part and such other information as the Secretary may find necessary.

"(2) CERTIFICATION.—The Secretary of Health and Human Services shall certify to the Secretary of the Treasury the amount estimated under paragraph (1) with respect to a State, reduced or increased to the extent of any overpayment or underpayment which the Secretary of Health and Human Services determines was made under this part to the State for any prior quarter and with respect to which adjustment has not been made under this paragraph.

"(d) PAYMENT METHOD.—Upon receipt of a certification under subsection (c)(2) with respect to a State, the Secretary of the Treasury shall, through the Fiscal Service of the Department of the Treasury and before audit or settlement by the General Accounting Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

"SEC. 406. FEDERAL LOANS FOR STATE WELFARE PROGRAMS.

"(a) LOAN AUTHORITY.—

"(1) IN GENERAL.—The Secretary shall make loans to any loan-eligible State, for a period to maturity of not more than 3 years.

"(2) LOAN-ELIGIBLE STATE.—As used in paragraph (1), the term 'loan-eligible State' means a State against which a penalty has not been imposed under section 409(a)(1).

"(b) RATE OF INTEREST.—The Secretary shall charge and collect interest on any loan made under this section at a rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

"(c) USE OF LOAN.—A State shall use a loan made to the State under this section only for any purpose for which grant amounts received by the State under section 403(a) may be used, including—

"(1) welfare anti-fraud activities; and

"(2) the provision of assistance under the State program to Indian families that have moved from the service area of an Indian tribe with a tribal family assistance plan approved under section 412.

"(d) LIMITATION ON TOTAL AMOUNT OF LOANS TO A STATE.—The cumulative dollar amount of all loans made to a State under this section during fiscal years 1997 through 2002 shall not exceed 10 percent of the State family assistance grant.

"(e) LIMITATION ON TOTAL AMOUNT OF OUTSTANDING LOANS.—The total dollar amount of loans outstanding under this section may not exceed $1,700,000,000.

"(f) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated such sums as may be necessary for the cost of loans under this section.

"SEC. 407. MANDATORY WORK REQUIREMENTS.

"(a) PARTICIPATION RATE REQUIREMENTS.—

"(1) ALL FAMILIES.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to all families receiving assistance under the State program funded under this part:

"If the fiscal year is:	The minimum participation rate is:
1997	25
1998	30
1999	35
2000	40
2001	45
2002 or thereafter	50.

"(2) 2-PARENT FAMILIES.—A State to which a grant is made under section 403 for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to 2-parent families receiving assistance under the State program funded under this part:

"If the fiscal year is:	The minimum participation rate is:
1997	75
1998	75
1999 or thereafter	90.

"(b) CALCULATION OF PARTICIPATION RATES.—

"(1) ALL FAMILIES.—

"(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(1), the participation rate for all families of a State for a fiscal year is the average of the participation rates for all families of the State for each month in the fiscal year.

"(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for all families of the State for a month, expressed as a percentage, is—

"(i) the number of families receiving assistance under the State program funded under this part that include an adult or a minor child head of household who is engaged in work for the month; divided by

"(ii) the amount by which—

"(I) the number of families receiving such assistance during the month that include an adult or a minor child head of household receiving such assistance; exceeds

"(II) the number of families receiving such assistance that are subject in such month to a penalty described in subsection (e)(1) but have not been subject to such penalty for more than 3 months within the preceding 12-month period (whether or not consecutive).

"(2) 2-PARENT FAMILIES.—

"(A) AVERAGE MONTHLY RATE.—For purposes of subsection (a)(2), the participation rate for 2-parent families of a State for a fiscal year is the average of the participation rates for 2-parent families of the State for each month in the fiscal year.

"(B) MONTHLY PARTICIPATION RATES.—The participation rate of a State for 2-parent families of the State for a month shall be calculated by use of the formula set forth in paragraph (1)(B), except that in the formula the term 'number of 2-parent families' shall be substituted for the term 'number of families' each place such latter term appears.

"(3) PRO RATA REDUCTION OF PARTICIPATION RATE DUE TO CASELOAD REDUCTIONS NOT REQUIRED BY FEDERAL LAW.—

"(A) IN GENERAL.—The Secretary shall prescribe regulations for reducing the minimum participation rate otherwise required by this section for a fiscal year by the number of percentage points equal to the number of percentage points (if any) by which—

"(i) the average monthly number of families receiving assistance during the immediately preceding fiscal year under the State program funded under this part is less than

"(ii) the average monthly number of families that received aid under the State plan approved under part A (as in effect on September 30, 1995) during fiscal year 1995.

The minimum participation rate shall not be reduced to the extent that the Secretary determines that the reduction in the number of families receiving such assistance is required by Federal law.

"(B) ELIGIBILITY CHANGES NOT COUNTED.—The regulations required by subparagraph (A) shall not take into account families that are diverted from a State program funded under this part as a result of differences in eligibility criteria under a State program funded under this part and eligibility criteria under the State program operated under the State plan approved under part A (as such plan and such part were in effect on September 30, 1995). Such regulations shall place the burden on the Secretary to prove that such families were diverted as a direct result of differences in such eligibility criteria.

"(4) STATE OPTION TO INCLUDE INDIVIDUALS RECEIVING ASSISTANCE UNDER A TRIBAL FAMILY ASSISTANCE PLAN.—For purposes of paragraphs (1)(B) and (2)(B), a State may, at its option, include families in the State that are receiving assistance under a tribal family assistance plan approved under section 412.

"(5) STATE OPTION FOR PARTICIPATION REQUIREMENT EXEMPTIONS.—For any fiscal year, a State may, at its option, not require an individual who is a single custodial parent caring for a child who has not attained 12 months of age to engage in work, and may disregard such an individual in determining the participation rates under subsection (a) for not more than 12 months.

"(c) ENGAGED IN WORK.—

"(1) GENERAL RULES.—

"(A) ALL FAMILIES.—For purposes of subsection (b)(1)(B)(i), a recipient is engaged in work for a month in a fiscal year if the recipient is participating in work activities for at least the minimum average number of hours per week specified in the following table during the month, not fewer than 20 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d), subject to this subsection:

"If the month is in fiscal year:	The minimum average number of hours per week is:
1997	20
1998	20
1999	25
2000 or thereafter	30.

"(B) 2-PARENT FAMILIES.—For purposes of subsection (b)(2)(B), an individual is engaged in work for a month in a fiscal year if—

"(i) the individual is making progress in work activities for at least 35 hours per week during the month, not fewer than 30 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d), subject to this subsection; and

"(ii) if the family of the individual receives federally-funded child care assistance and an adult in the family is not disabled or caring for a severely disabled child, the individual's spouse is making progress in work activities during the month, not fewer than 20 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), or (7) of subsection (d).

"(2) LIMITATIONS AND SPECIAL RULES.—

"(A) NUMBER OF WEEKS FOR WHICH JOB SEARCH COUNTS AS WORK.—

"(i) LIMITATION.—Notwithstanding paragraph (1) of this subsection, an individual shall not be considered to be engaged in work by virtue of participation in an activity described in subsection (d)(6) of a State program funded under this part, after the individual has participated in such an activity for 6 weeks (or, if the unemployment rate of the State is at least 50 percent greater than the unemployment rate of the United States, 12 weeks), or if the participation is for a week that immediately follows 4 consecutive weeks of such participation.

"(ii) LIMITED AUTHORITY TO COUNT LESS THAN FULL WEEK OF PARTICIPATION.—For purposes of clause (i) of this subparagraph, on not more than 1 occasion per individual, the State shall consider participation of the individual in an activity described in subsection (d)(6) for 3 or 4 days during a week as a week of participation in the activity by the individual.

"(B) SINGLE PARENT WITH CHILD UNDER AGE 6 DEEMED TO BE MEETING WORK PARTICIPATION REQUIREMENTS IF PARENT IS ENGAGED IN WORK FOR 20 HOURS PER WEEK.—For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient in a 1-parent family who is the parent of a child who has not attained 6 years of age is deemed to be engaged in work for a month if the recipient is engaged in work for an average of at least 20 hours per week during the month.

"(C) TEEN HEAD OF HOUSEHOLD WHO MAINTAINS SATISFACTORY SCHOOL ATTENDANCE DEEMED TO BE MEETING WORK PARTICIPATION REQUIREMENTS.—For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient who is a single head of household and has not attained 20 years of age is deemed, subject to subparagraph (D) of this paragraph, to be engaged in work for a month in a fiscal year if the recipient—

"(i) maintains satisfactory attendance at secondary school or the equivalent during the month; or

"(ii) participates in education directly related to employment for at least the minimum average number of hours per week specified in the table set forth in paragraph (1)(A) of this subsection.

"(D) NUMBER OF PERSONS THAT MAY BE TREATED AS ENGAGED IN WORK BY VIRTUE OF PARTICIPATION IN VOCATIONAL EDUCATION ACTIVITIES OR BEING A TEEN HEAD OF HOUSEHOLD WHO MAINTAINS SATISFACTORY SCHOOL ATTENDANCE.—For purposes of determining monthly participation rates under paragraphs (1)(B)(i) and (2)(B) of subsection (b), not more than 20 percent of individuals in all families and in 2-parent families may be determined to be engaged in work in the State for a month by reason of participation in vocational educational training or deemed to be engaged in work by reason of subparagraph (C) of this paragraph.

"(d) WORK ACTIVITIES DEFINED.—As used in this section, the term 'work activities' means—

"(1) unsubsidized employment;

"(2) subsidized private sector employment;

"(3) subsidized public sector employment;

"(4) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;

"(5) on-the-job training;

"(6) job search and job readiness assistance;

"(7) community service programs;

"(8) vocational educational training (not to exceed 12 months with respect to any individual);

"(9) job skills training directly related to employment;

"(10) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;

"(11) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate; and

"(12) the provision of child care services to an individual who is participating in a community service program.

"(e) PENALTIES AGAINST INDIVIDUALS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), if an individual in a family receiving assistance under the State program funded under this part refuses to engage in work required in accordance with this section, the State shall—

"(A) reduce the amount of assistance otherwise payable to the family pro rata (or more, at the option of the State) with respect to any period during a month in which the individual so refuses; or

"(B) terminate such assistance,

subject to such good cause and other exceptions as the State may establish.

"(2) EXCEPTION.—Notwithstanding paragraph (1), a State may not reduce or terminate assistance under the State program funded under this part based on a refusal of an individual to work if the individual is a single custodial parent caring for a child who has not attained 6 years of age, and the individual proves that the individual has a demonstrated inability (as determined by the State) to obtain needed child care, for 1 or more of the following reasons:

"(A) Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.

"(B) Unavailability or unsuitability of informal child care by a relative or under other arrangements.

"(C) Unavailability of appropriate and affordable formal child care arrangements.

"(f) NONDISPLACEMENT IN WORK ACTIVITIES.—

"(1) IN GENERAL.—Subject to paragraph (2), an adult in a family receiving assistance under a State program funded under this part attributable to funds provided by the Federal Government may fill a vacant employment position in order to engage in a work activity described in subsection (d).

"(2) NO FILLING OF CERTAIN VACANCIES.—No adult in a work activity described in subsection (d) which is funded, in whole or in part, by funds provided by the Federal Government shall be employed or assigned—

"(A) when any other individual is on layoff from the same or any substantially equivalent job; or

"(B) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with an adult described in paragraph (1).

"(3) GRIEVANCE PROCEDURE.—A State with a program funded under this part shall establish and maintain a grievance procedure for resolving complaints of alleged violations of paragraph (2).

"(4) NO PREEMPTION.—Nothing in this subsection shall preempt or supersede any provision of State or local law that provides greater protection for employees from displacement.

"(g) SENSE OF THE CONGRESS.—It is the sense of the Congress that in complying with this section, each State that operates a program funded under this part is encouraged to assign the highest priority to requiring adults in 2-parent families and adults in single-parent families that include older preschool or school-age children to be engaged in work activities.

"(h) SENSE OF THE CONGRESS THAT STATES SHOULD IMPOSE CERTAIN REQUIREMENTS ON NONCUSTODIAL, NONSUPPORTING MINOR PARENTS.—It is the sense of the Congress that the States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

"(i) REVIEW OF IMPLEMENTATION OF STATE WORK PROGRAMS.—During fiscal year 1999, the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate shall hold hearings and engage in other appropriate activities to review the implementation of this section by the States, and shall invite the Governors of the States to testify before them regarding such implementation. Based on such hearings, such Committees may introduce such legislation as may be appropriate to remedy any problems with the State programs operated pursuant to this section.

"SEC. 408. PROHIBITIONS; REQUIREMENTS.

"(a) IN GENERAL.—

"(1) NO ASSISTANCE FOR FAMILIES WITHOUT A MINOR CHILD.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to a family—

"(A) unless the family includes—

"(i) a minor child who resides with a custodial parent or other adult caretaker relative of the child; or

"(ii) a pregnant individual; and

"(B) if the family includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences (unless an exception described in subparagraph (B), (C), or (D) of paragraph (7) applies).

"(2) REDUCTION OR ELIMINATION OF ASSISTANCE FOR NONCOOPERATION IN ESTABLISHING PATERNITY OR OBTAINING CHILD SUPPORT.—If the agency responsible for administering the State plan approved under part D determines that an individual is not cooperating with the State in establishing paternity or in establishing, modifying, or enforcing a support order with respect to a child of the individual, and the individual does not qualify for any good cause or other exception established by the State pursuant to section 454(29), then the State—

"(A) shall deduct from the assistance that would otherwise be provided to the family of the individual under the State program funded under this part an amount equal to not less than 25 percent of the amount of such assistance; and

"(B) may deny the family any assistance under the State program.

"(3) NO ASSISTANCE FOR FAMILIES NOT ASSIGNING CERTAIN SUPPORT RIGHTS TO THE STATE.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 shall require, as a condition of providing assistance to a family under the State program funded under this part, that a member of the family assign to the State any rights the family member may have (on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance) to support from any other person, not exceeding the total amount of assistance so provided to the family, which accrue (or have accrued) before the date the family leaves the program, which assignment, on and after the date the family leaves the program, shall not apply with respect to any support (other than support collected pursuant to section 464) which accrued before the family received such assistance and which the State has not collected by—

"(i) September 30, 2000, if the assignment is executed on or after October 1, 1997, and before October 1, 2000; or

"(ii) the date the family leaves the program, if the assignment is executed on or after October 1, 2000.

"(B) LIMITATION.—A State to which a grant is made under section 403 shall not require, as a condition of providing assistance to any family under the State program funded under this part, that a member of the family assign to the State any rights to support described in subparagraph (A) which accrue after the date the family leaves the program.

"(4) NO ASSISTANCE FOR TEENAGE PARENTS WHO DO NOT ATTEND HIGH SCHOOL OR OTHER EQUIVALENT TRAINING PROGRAM.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual who has not attained 18 years of age, is not married, has a minor child at least 12 weeks of age in his or her care, and has not successfully completed a high-school education (or its equivalent), if the individual does not participate in—

"(A) educational activities directed toward the attainment of a high school diploma or its equivalent; or

"(B) an alternative educational or training program that has been approved by the State.

"(5) NO ASSISTANCE FOR TEENAGE PARENTS NOT LIVING IN ADULT-SUPERVISED SETTINGS.—

"(A) IN GENERAL.—

"(i) REQUIREMENT.—Except as provided in subparagraph (B), a State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to an individual described in clause (ii) of this subparagraph if the individual and the minor child referred to in clause (ii)(II) do not reside in a place of residence maintained by a parent, legal guardian, or other adult relative of the individual as such parent's, guardian's, or adult relative's own home.

"(ii) INDIVIDUAL DESCRIBED.— For purposes of clause (i), an individual described in this clause is an individual who—

"(I) has not attained 18 years of age; and

"(II) is not married, and has a minor child in his or her care.

"(B) EXCEPTION.—

"(i) PROVISION OF, OR ASSISTANCE IN LOCATING, ADULT-SUPERVISED LIVING ARRANGEMENT.—In the case of an individual who is described in clause (ii), the State agency referred to in section 402(a)(4) shall provide, or assist the individual in locating, a second chance home, maternity home, or other appropriate adult-supervised supportive living arrangement, taking into consideration the needs and concerns of the individual, unless the State agency determines that the individual's current living arrangement is appropriate, and thereafter shall require that the individual and the minor child referred to in subparagraph (A)(ii)(II) reside in such living arrangement as a condition of the continued receipt of assistance under the State program funded under this part attributable to funds provided by the Federal Government (or in an alternative appropriate arrangement, should circumstances change and the current arrangement cease to be appropriate).

"(ii) INDIVIDUAL DESCRIBED.—For purposes of clause (i), an individual is described in this clause if the individual is described in subparagraph (A)(ii), and—

"(I) the individual has no parent, legal guardian or other appropriate adult relative described in subclause (II) of his or her own who is living or whose whereabouts are known;

"(II) no living parent, legal guardian, or other appropriate adult relative, who would otherwise meet applicable State criteria to act as the individual's legal guardian, of such individual allows the individual to live in the home of such parent, guardian, or relative;

"(III) the State agency determines that—

"(aa) the individual or the minor child referred to in subparagraph (A)(ii)(II) is being or has been subjected to serious physical or emotional harm, sexual abuse, or exploitation in the residence of the individual's own parent or legal guardian; or

"(bb) substantial evidence exists of an act or failure to act that presents an imminent or serious harm if the individual and the minor child lived in the same residence with the individual's own parent or legal guardian; or

"(IV) the State agency otherwise determines that it is in the best interest of the minor child to waive the requirement of subparagraph (A) with respect to the individual or the minor child.

"(iii) SECOND-CHANCE HOME.—For purposes of this subparagraph, the term 'second-chance home' means an entity that provides individuals described in clause (ii) with a supportive and supervised living arrangement in which such individuals are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.

"(6) NO MEDICAL SERVICES.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide medical services.

"(B) EXCEPTION FOR PREPREGNANCY FAMILY PLANNING SERVICES.—As used in subparagraph (A), the term 'medical services' does not include prepregnancy family planning services.

"(7) NO ASSISTANCE FOR MORE THAN 5 YEARS.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences, subject to this paragraph.

"(B) MINOR CHILD EXCEPTION.—In determining the number of months for which an individual who is a parent or pregnant has received assistance under the State program funded under this part, the State shall disregard any month for which such assistance was provided with respect to the individual and during which the individual was—

"(i) a minor child; and

"(ii) not the head of a household or married to the head of a household.

"(C) HARDSHIP EXCEPTION.—

"(i) IN GENERAL.—The State may exempt a family from the application of subparagraph (A) by reason of hardship or if the family includes an individual who has been battered or subjected to extreme cruelty.

"(ii) LIMITATION.—The number of families with respect to which an exemption made by a State under clause (i) is in effect for a fiscal year shall not exceed 20 percent of the average monthly number of families to which assistance is provided under the State program funded under this part.

"(iii) BATTERED OR SUBJECT TO EXTREME CRUELTY DEFINED.—For purposes of clause (i), an individual has been battered or subjected to extreme cruelty if the individual has been subjected to—

"(I) physical acts that resulted in, or threatened to result in, physical injury to the individual;

"(II) sexual abuse;

"(III) sexual activity involving a dependent child;

"(IV) being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities;

"(V) threats of, or attempts at, physical or sexual abuse;

"(VI) mental abuse; or

"(VII) neglect or deprivation of medical care.

"(D) DISREGARD OF MONTHS OF ASSISTANCE RECEIVED BY ADULT WHILE LIVING ON AN INDIAN RESERVATION OR IN AN ALASKAN NATIVE VILLAGE WITH 50 PERCENT UNEMPLOYMENT.—In determining the number of months for which an adult has received assistance under the State program funded under this part, the State shall disregard any month during which the adult lived on an Indian reservation or in an Alaskan Native village if, during the month—

"(i) at least 1,000 individuals were living on the reservation or in the village; and

"(ii) at least 50 percent of the adults living on the reservation or in the village were unemployed.

"(E) RULE OF INTERPRETATION.—Subparagraph (A) shall not be interpreted to require any State to provide assistance to any individual for any period of time under the State program funded under this part.

"(F) RULE OF INTERPRETATION.—This part shall not be interpreted to prohibit any State from expending State funds not originating with the Federal Government on benefits for children or families that have become ineligible for assistance under the State program funded under this part by reason of subparagraph (A).

"(8) DENIAL OF ASSISTANCE FOR 10 YEARS TO A PERSON FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN ASSISTANCE IN 2 OR MORE STATES.—A State to which a grant is made under section 403 shall not use any part of the grant to provide cash assistance to an individual during the 10-year period that begins on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under this title, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under title XVI. The preceding sentence shall not apply with respect to a conviction of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct which was the subject of the conviction.

"(9) DENIAL OF ASSISTANCE FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance to any individual who is—

"(i) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(ii) violating a condition of probation or parole imposed under Federal or State law.

The preceding sentence shall not apply with respect to conduct of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct.

"(B) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—If a State to which a grant is made under section 403 establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing a Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient if the officer furnishes the agency with the name of the recipient and notifies the agency that—

"(i) the recipient—

"(I) is described in subparagraph (A); or

"(II) has information that is necessary for the officer to conduct the official duties of the officer; and

"(ii) the location or apprehension of the recipient is within such official duties.

"(10) DENIAL OF ASSISTANCE FOR MINOR CHILDREN WHO ARE ABSENT FROM THE HOME FOR A SIGNIFICANT PERIOD.—

"(A) IN GENERAL.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance for a minor child who has been, or is expected by a parent (or other caretaker relative) of the child to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 180 consecutive days as the State may provide for in the State plan submitted pursuant to section 402.

"(B) STATE AUTHORITY TO ESTABLISH GOOD CAUSE EXCEPTIONS.—The State may establish such good cause exceptions to subparagraph (A) as the State considers appropriate if such exceptions are provided for in the State plan submitted pursuant to section 402.

"(C) DENIAL OF ASSISTANCE FOR RELATIVE WHO FAILS TO NOTIFY STATE AGENCY OF ABSENCE OF CHILD.—A State to which a grant is made under section 403 shall not use any part of the grant to provide assistance for an individual who is a parent (or other caretaker relative) of a minor child and who fails to notify the agency administering the State program funded under this part of the absence of the minor child from the home for the period specified in or provided for pursuant to subparagraph (A), by the end of the 5-day period that begins with the date that it becomes clear to the parent (or relative) that the minor child will be absent for such period so specified or provided for.

"(11) MEDICAL ASSISTANCE REQUIRED TO BE PROVIDED FOR CERTAIN FAMILIES HAVING EARNINGS FROM EMPLOYMENT OR CHILD SUPPORT.—

"(A) EARNINGS FROM EMPLOYMENT.—A State to which a grant is made under section 403 and which has a State plan approved under title XIX shall provide that in the case of a family that is treated (under section 1931(b)(1)(A) for purposes of title XIX) as receiving aid under a State plan approved under this part (as in effect on July 16, 1996), that would become ineligible for such aid because of hours of or income from employment of the caretaker relative (as defined under this part as in effect on such date) or because of section 402(a)(8)(B)(ii)(II) (as so in effect), and that was so treated as receiving such aid in at least 3 of the 6 months immediately preceding the month in which such ineligibility begins, the family shall remain eligible for medical assistance under the State's plan approved under title XIX for an extended period or periods as provided in section 1925 or 1902(e)(1) (as applicable), and that the family will be appropriately notified of such extension as required by section 1925(a)(2).

"(B) CHILD SUPPORT.—A State to which a grant is made under section 403 and which has a State plan approved under title XIX shall provide that in the case of a family that is treated (under section 1931(b)(1)(A) for purposes of title XIX) as receiving aid under a State plan approved under this part (as in effect on July 16, 1996), that would become ineligible for such aid as a result (wholly or partly) of the collection of child or spousal support under part D and that was so treated as receiving such aid in at least 3 of the 6 months immediately preceding the month in which such ineligibility begins, the family shall remain eligible for medical assistance under the State's plan approved under title XIX for an extended period or periods as provided in section 1931(c)(1).

"(b) INDIVIDUAL RESPONSIBILITY PLANS.—

"(1) ASSESSMENT.—The State agency responsible for administering the State program funded under this part shall make an initial assessment of the skills, prior work experience, and employability of each recipient of assistance under the program who—

"(A) has attained 18 years of age; or

"(B) has not completed high school or obtained a certificate of high school equivalency, and is not attending secondary school.

"(2) CONTENTS OF PLANS.—

"(A) IN GENERAL.—On the basis of the assessment made under subsection (a) with respect to an individual, the State agency, in consultation with the individual, may develop an individual responsibility plan for the individual, which—

"(i) sets forth an employment goal for the individual and a plan for moving the individual immediately into private sector employment;

"(ii) sets forth the obligations of the individual, which may include a requirement that the individual attend school, maintain certain grades and attendance, keep school age children of the individual in school, immunize children, attend parenting and money management classes, or do other things that will help the individual become and remain employed in the private sector;

"(iii) to the greatest extent possible is designed to move the individual into whatever private sector employment the individual is capable of handling as quickly as possible, and to increase the responsibility and amount of work the individual is to handle over time;

"(iv) describes the services the State will provide the individual so that the individual will be able to obtain and keep employment in the private sector, and describe the job counseling and other services that will be provided by the State; and

"(v) may require the individual to undergo appropriate substance abuse treatment.

"(B) TIMING.—The State agency may comply with paragraph (1) with respect to an individual—

"(i) within 90 days (or, at the option of the State, 180 days) after the effective date of this part, in the case of an individual who, as of such effective date, is a recipient of aid under the State plan approved under part A (as in effect immediately before such effective date); or

"(ii) within 30 days (or, at the option of the State, 90 days) after the individual is determined to be eligible for such assistance, in the case of any other individual.

"(3) PENALTY FOR NONCOMPLIANCE BY INDIVIDUAL.—In addition to any other penalties required under the State program funded under this part, the State may reduce, by such amount as the State considers appropriate, the amount of assistance otherwise payable under the State program to a family that includes an individual who fails without good cause to comply with an individual responsibility plan signed by the individual.

"(4) STATE DISCRETION.—The exercise of the authority of this subsection shall be within the sole discretion of the State.

"(c) NONDISCRIMINATION PROVISIONS.—The following provisions of law shall apply to any program or activity which receives funds provided under this part:

"(1) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

"(2) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

"(3) The Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(4) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

"(d) ALIENS.—For special rules relating to the treatment of aliens, see section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

"SEC. 409. PENALTIES.

"(a) IN GENERAL.—Subject to this section:

"(1) USE OF GRANT IN VIOLATION OF THIS PART.—

"(A) GENERAL PENALTY.—If an audit conducted under chapter 75 of title 31, United States Code, finds that an amount paid to a State under section 403 for a fiscal year has been used in violation of this part, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by the amount so used.

"(B) ENHANCED PENALTY FOR INTENTIONAL VIOLATIONS.—If the State does not prove to the satisfaction of the Secretary that the State did not intend to use the amount in violation of this part, the Secretary shall further reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter by an amount equal to 5 percent of the State family assistance grant.

"(2) FAILURE TO SUBMIT REQUIRED REPORT.—

"(A) IN GENERAL.—If the Secretary determines that a State has not, within 1 month after the end of a fiscal quarter, submitted the report required by section 411(a) for the quarter, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 4 percent of the State family assistance grant.

"(B) RESCISSION OF PENALTY.—The Secretary shall rescind a penalty imposed on a State under subparagraph (A) with respect to a report if the State submits the report before the end of the fiscal quarter that immediately succeeds the fiscal quarter for which the report was required.

"(3) FAILURE TO SATISFY MINIMUM PARTICIPATION RATES.—

"(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has failed to comply with section 407(a) for the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than the applicable percentage of the State family assistance grant.

"(B) APPLICABLE PERCENTAGE DEFINED.—As used in subparagraph (A), the term 'applicable percentage' means, with respect to a State—

"(i) if a penalty was not imposed on the State under subparagraph (A) for the immediately preceding fiscal year, 5 percent; or

"(ii) if a penalty was imposed on the State under subparagraph (A) for the immediately preceding fiscal year, the lesser of—

"(I) the percentage by which the grant payable to the State under section 403(a)(1) was reduced for such preceding fiscal year, increased by 2 percentage points; or

"(II) 21 percent.

"(C) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance, and may reduce the penalty if the noncompliance is due to circumstances that caused the State to become a needy State (as defined in section 403(b)(6)) during the fiscal year.

"(4) FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM.—If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1137, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 2 percent of the State family assistance grant.

"(5) FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS UNDER PART D.—Notwithstanding any other provision of this Act, if the Secretary determines that the State agency that administers a program funded under this part does not enforce the penalties requested by the agency administering part D against recipients of assistance under the State program who fail to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order in accordance with such part and who do not qualify for any good cause or other exception established by the State under section 454(29), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year (without regard to this section) by not more than 5 percent.

"(6) FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS.—If the Secretary determines that a State has failed to repay any amount borrowed from the Federal Loan Fund for State Welfare Programs established under section 406 within the period of maturity applicable to the loan, plus any interest owed on the loan, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year quarter (without regard to this section) by the outstanding loan amount, plus the interest owed on the outstanding amount. The Secretary shall not forgive any outstanding loan amount or interest owed on the outstanding amount.

"(7) FAILURE OF ANY STATE TO MAINTAIN CERTAIN LEVEL OF HISTORIC EFFORT.—

"(A) IN GENERAL.—The Secretary shall reduce the grant payable to the State under section 403(a)(1) for fiscal year 1998, 1999, 2000, 2001, 2002, or 2003 by the amount (if any) by which qualified State expenditures for the then immediately preceding fiscal year are less than the applicable percentage of historic State expenditures with respect to such preceding fiscal year.

"(B) DEFINITIONS.—As used in this paragraph:

"(i) QUALIFIED STATE EXPENDITURES.—

"(I) IN GENERAL.—The term 'qualified State expenditures' means, with respect to a State and a fiscal year, the total expenditures by the State during the fiscal year, under all State programs, for any of the following with respect to eligible families:

"(aa) Cash assistance.

"(bb) Child care assistance.

"(cc) Educational activities designed to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures which involve the provision of services or assistance to a member of an eligible family which is not generally available to persons who are not members of an eligible family.

"(dd) Administrative costs in connection with the matters described in items (aa), (bb), (cc), and (ee), but only to the extent that such costs do not exceed 15 percent of the total amount of qualified State expenditures for the fiscal year.

"(ee) Any other use of funds allowable under section 404(a)(1).

"(II) EXCLUSION OF TRANSFERS FROM OTHER STATE AND LOCAL PROGRAMS.—Such term does not include expenditures under any State or local program during a fiscal year, except to the extent that—

"(aa) the expenditures exceed the amount expended under the State or local program in the fiscal year most recently ending before the date of the enactment of this part; or

"(bb) the State is entitled to a payment under former section 403 (as in effect immediately before such date of enactment) with respect to the expenditures.

"(III) ELIGIBLE FAMILIES.—As used in subclause (I), the term 'eligible families' means families eligible for assistance under the State program funded under this part, and families that would be eligible for such assistance but for the application of section 408(a)(7) of this Act or section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

"(ii) APPLICABLE PERCENTAGE.—The term 'applicable percentage' means for fiscal years 1997 through 2002, 80 percent (or, if the State meets the requirements of section 407(a) for the fiscal year, 75 percent) reduced (if appropriate) in accordance with subparagraph (C)(ii).

"(iii) HISTORIC STATE EXPENDITURES.—The term 'historic State expenditures' means, with respect to a State, the lesser of—

"(I) the expenditures by the State under parts A and F (as in effect during fiscal year 1994) for fiscal year 1994; or

"(II) the amount which bears the same ratio to the amount described in subclause (I) as—

"(aa) the State family assistance grant, plus the total amount required to be paid to the State under former section 403 for fiscal year 1994 with respect to amounts expended by the State for child care under subsection (g) or (i) of section 402 (as in effect during fiscal year 1994); bears to

"(bb) the total amount required to be paid to the State under former section 403 (as in effect during fiscal year 1994) for fiscal year 1994.

Such term does not include any expenditures under the State plan approved under part A (as so in effect) on behalf of individuals covered by a tribal family assistance plan approved under section 412, as determined by the Secretary.

"(iv) EXPENDITURES BY THE STATE.—The term 'expenditures by the State' does not include—

"(I) any expenditures from amounts made available by the Federal Government;

"(II) any State funds expended for the medicaid program under title XIX;

"(III) any State funds which are used to match Federal funds; or

"(IV) any State funds which are expended as a condition of receiving Federal funds under Federal programs other than under this part.

Notwithstanding subclause (IV) of the preceding sentence, such term includes expenditures by a State for child care in a fiscal year to the extent that the total amount of such expenditures does not exceed an amount equal to the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in section 418(a)(1)(A).

"(8) SUBSTANTIAL NONCOMPLIANCE OF STATE CHILD SUPPORT ENFORCEMENT PROGRAM WITH REQUIREMENTS OF PART D.—

"(A) IN GENERAL.—If a State program operated under part D is found as a result of a review conducted under section 452(a)(4) not to have complied substantially with the requirements of such part for any quarter, and the Secretary determines that the program is not complying substantially with such requirements at the time the finding is made, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the quarter and each subsequent quarter that ends before the 1st quarter throughout which the program is found to be in substantial compliance with such requirements by—

"(i) not less than 1 nor more than 2 percent;

"(ii) not less than 2 nor more than 3 percent, if the finding is the 2nd consecutive such finding made as a result of such a review; or

"(iii) not less than 3 nor more than 5 percent, if the finding is the 3rd or a subsequent consecutive such finding made as a result of such a review.

"(B) DISREGARD OF NONCOMPLIANCE WHICH IS OF A TECHNICAL NATURE.—For purposes of subparagraph (A) and section 452(a)(4), a State which is not in full compliance with the requirements of this part shall be determined to be in substantial compliance with such requirements only if the Secretary determines that any noncompliance with such requirements is of a technical nature which does not adversely affect the performance of the State's program operated under part D.

"(9) FAILURE TO COMPLY WITH 5-YEAR LIMIT ON ASSISTANCE.—If the Secretary determines that a State has not complied with section 408(a)(1)(B) during a fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to 5 percent of the State family assistance grant.

"(10) FAILURE OF STATE RECEIVING AMOUNTS FROM CONTINGENCY FUND TO MAINTAIN 100 PERCENT OF HISTORIC EFFORT.—If, at the end of any fiscal year during which amounts from the Contingency Fund for State Welfare Programs have been paid to a State, the Secretary finds that the expenditures under the State program funded under this part for the fiscal year (excluding any amounts made available by the Federal Government) are less than 100 percent of historic State expenditures (as defined in paragraph (7)(B)(iii) of this subsection), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by the total of the amounts so paid to the State.

"(11) FAILURE TO MAINTAIN ASSISTANCE TO ADULT SINGLE CUSTODIAL PARENT WHO CANNOT OBTAIN CHILD CARE FOR CHILD UNDER AGE 6.—

"(A) IN GENERAL.—If the Secretary determines that a State to which a grant is made under section 403 for a fiscal year has violated section 407(e)(2) during the fiscal year, the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year by an amount equal to not more than 5 percent of the State family assistance grant.

"(B) PENALTY BASED ON SEVERITY OF FAILURE.—The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.

"(12) FAILURE TO EXPEND ADDITIONAL STATE FUNDS TO REPLACE GRANT REDUCTIONS.—If the grant payable to a State under section 403(a)(1) for a fiscal year is reduced by reason of this subsection, the State shall, during the immediately succeeding fiscal year, expend under the State program funded under this part an amount equal to the total amount of such reductions.

"(b) REASONABLE CAUSE EXCEPTION.—

"(1) IN GENERAL.—The Secretary may not impose a penalty on a State under subsection (a) with respect to a requirement if the Secretary determines that the State has reasonable cause for failing to comply with the requirement.

"(2) EXCEPTION.—Paragraph (1) of this subsection shall not apply to any penalty under paragraph (7) or (8) of subsection (a).

"(c) CORRECTIVE COMPLIANCE PLAN.—

"(1) IN GENERAL.—

"(A) NOTIFICATION OF VIOLATION.—Before imposing a penalty against a State under subsection (a) with respect to a violation of this part, the Secretary shall notify the State of the violation and allow the State the opportunity to enter into a corrective compliance plan in accordance with this subsection which outlines how the State will correct the violation and how the State will insure continuing compliance with this part.

"(B) 60-DAY PERIOD TO PROPOSE A CORRECTIVE COMPLIANCE PLAN.—During the 60-day period that begins on the date the State receives a notice provided under subparagraph (A) with respect to a violation, the State may submit to the Federal Government a corrective compliance plan to correct the violation.

"(C) CONSULTATION ABOUT MODIFICATIONS.—During the 60-day period that begins with the date the Secretary receives a corrective compliance plan submitted by a State in accordance with subparagraph (B), the Secretary may consult with the State on modifications to the plan.

"(D) ACCEPTANCE OF PLAN.— A corrective compliance plan submitted by a State in accordance with subparagraph (B) is deemed to be accepted by the Secretary if the Secretary does not accept or reject the plan during 60-day period that begins on the date the plan is submitted.

"(2) EFFECT OF CORRECTING VIOLATION.—The Secretary may not impose any penalty under subsection (a) with respect to any violation covered by a State corrective compliance plan accepted by the Secretary if the State corrects the violation pursuant to the plan.

"(3) EFFECT OF FAILING TO CORRECT VIOLATION.—The Secretary shall assess some or all of a penalty imposed on a State under subsection (a) with respect to a violation if the State does not, in a timely manner, correct the violation pursuant to a State corrective compliance plan accepted by the Secretary.

"(4) INAPPLICABILITY TO FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR A STATE WELFARE PROGRAM.—This subsection shall not apply to the imposition of a penalty against a State under subsection (a)(6).

"(d) LIMITATION ON AMOUNT OF PENALTIES.—

"(1) IN GENERAL.—In imposing the penalties described in subsection (a), the Secretary shall not reduce any quarterly payment to a State by more than 25 percent.

"(2) CARRYFORWARD OF UNRECOVERED PENALTIES.—To the extent that paragraph (1) of this subsection prevents the Secretary from recovering during a fiscal year the full amount of penalties imposed on a State under subsection (a) of this section for a prior fiscal year, the Secretary shall apply any remaining amount of such penalties to the grant payable to the State under section 403(a)(1) for the immediately succeeding fiscal year.

"SEC. 410. APPEAL OF ADVERSE DECISION.

"(a) IN GENERAL.—Within 5 days after the date the Secretary takes any adverse action under this part with respect to a State, the Secretary shall notify the chief executive officer of the State of the adverse action, including any action with respect to the State plan submitted under section 402 or the imposition of a penalty under section 409.

"(b) ADMINISTRATIVE REVIEW.—

"(1) IN GENERAL.—Within 60 days after the date a State receives notice under subsection (a) of an adverse action, the State may appeal the action, in whole or in part, to the Departmental Appeals Board established in the Department of Health and Human Services (in this section referred to as the 'Board') by filing an appeal with the Board.

"(2) PROCEDURAL RULES.—The Board shall consider an appeal filed by a State under paragraph (1) on the basis of such documentation as the State may submit and as the Board may require to support the final decision of the Board. In deciding whether to uphold an adverse action or any portion of such an action, the Board shall conduct a thorough review of the issues and take into account all relevant evidence. The Board shall make a final determination with respect to an appeal filed under paragraph (1) not less than 60 days after the date the appeal is filed.

"(c) JUDICIAL REVIEW OF ADVERSE DECISION.—

"(1) IN GENERAL.—Within 90 days after the date of a final decision by the Board under this section with respect to an adverse action taken against a State, the State may obtain judicial review of the final decision (and the findings incorporated into the final decision) by filing an action in—

"(A) the district court of the United States for the judicial district in which the principal or headquarters office of the State agency is located; or

"(B) the United States District Court for the District of Columbia.

"(2) PROCEDURAL RULES.—The district court in which an action is filed under paragraph (1) shall review the final decision of the Board on the record established in the administrative proceeding, in accordance with the standards of review prescribed by subparagraphs (A) through (E) of section 706(2) of title 5, United States Code. The review shall be on the basis of the documents and supporting data submitted to the Board.

"SEC. 411. DATA COLLECTION AND REPORTING.

"(a) QUARTERLY REPORTS BY STATES.—

"(1) GENERAL REPORTING REQUIREMENT.—

"(A) CONTENTS OF REPORT.—Each eligible State shall collect on a monthly basis, and report to the Secretary on a quarterly basis, the following disaggregated case record information on the families receiving assistance under the State program funded under this part:

"(i) The county of residence of the family.

"(ii) Whether a child receiving such assistance or an adult in the family is disabled.

"(iii) The ages of the members of such families.

"(iv) The number of individuals in the family, and the relation of each family member to the youngest child in the family.

"(v) The employment status and earnings of the employed adult in the family.

"(vi) The marital status of the adults in the family, including whether such adults have never married, are widowed, or are divorced.

"(vii) The race and educational status of each adult in the family.

"(viii) The race and educational status of each child in the family.

"(ix) Whether the family received subsidized housing, medical assistance under the State plan approved under title XIX, food stamps, or subsidized child care, and if the latter 2, the amount received.

"(x) The number of months that the family has received each type of assistance under the program.

"(xi) If the adults participated in, and the number of hours per week of participation in, the following activities:

"(I) Education.

"(II) Subsidized private sector employment.

"(III) Unsubsidized employment.

"(IV) Public sector employment, work experience, or community service.

"(V) Job search.

"(VI) Job skills training or on-the-job training.

"(VII) Vocational education.

"(xii) Information necessary to calculate participation rates under section 407.

"(xiii) The type and amount of assistance received under the program, including the amount of and reason for any reduction of assistance (including sanctions).

"(xiv) Any amount of unearned income received by any member of the family.

"(xv) The citizenship of the members of the family.

"(xvi) From a sample of closed cases, whether the family left the program, and if so, whether the family left due to—

"(I) employment;

"(II) marriage;

"(III) the prohibition set forth in section 408(a)(7);

"(IV) sanction; or

"(V) State policy.

"(B) USE OF ESTIMATES.—

"(i) AUTHORITY.—A State may comply with subparagraph (A) by submitting an estimate which is obtained through the use of scientifically acceptable sampling methods approved by the Secretary.

"(ii) SAMPLING AND OTHER METHODS.—The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of the performance of State programs funded under this part. The Secretary may develop and implement procedures for verifying the quality of data submitted by the States.

"(2) REPORT ON USE OF FEDERAL FUNDS TO COVER ADMINISTRATIVE COSTS AND OVERHEAD.—The report required by paragraph (1) for a fiscal quarter shall include a statement of the percentage of the funds paid to the State under this part for the quarter that are used to cover administrative costs or overhead.

"(3) REPORT ON STATE EXPENDITURES ON PROGRAMS FOR NEEDY FAMILIES.—The report required by paragraph (1) for a fiscal quarter shall include a statement of the total amount expended by the State during the quarter on programs for needy families.

"(4) REPORT ON NONCUSTODIAL PARENTS PARTICIPATING IN WORK ACTIVITIES.—The report required by paragraph (1) for a fiscal quarter shall include the number of noncustodial parents in the State who participated in work activities (as defined in section 407(d)) during the quarter.

"(5) REPORT ON TRANSITIONAL SERVICES.—The report required by paragraph (1) for a fiscal quarter shall include the total amount expended by the State during the quarter to provide transitional services to a family that has ceased to receive assistance under this part because of employment, along with a description of such services.

"(6) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to define the data elements with respect to which reports are required by this subsection.

"(b) ANNUAL REPORTS TO THE CONGRESS BY THE SECRETARY.—Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—

"(1) whether the States are meeting—

"(A) the participation rates described in section 407(a); and

"(B) the objectives of—

"(i) increasing employment and earnings of needy families, and child support collections; and

"(ii) decreasing out-of-wedlock pregnancies and child poverty;

"(2) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;

"(3) the characteristics of each State program funded under this part; and

"(4) the trends in employment and earnings of needy families with minor children living at home.

"SEC. 412. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES.

"(a) GRANTS FOR INDIAN TRIBES.—

"(1) TRIBAL FAMILY ASSISTANCE GRANT.—

"(A) IN GENERAL.—For each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002, the Secretary shall pay to each Indian tribe that has an approved tribal family assistance plan a tribal family assistance grant for the fiscal year in an amount equal to the amount determined under subparagraph (B), and shall reduce the grant payable under section 403(a)(1) to any State in which lies the service area or areas of the Indian tribe by that portion of the amount so determined that is attributable to expenditures by the State.

"(B) AMOUNT DETERMINED.—

"(i) IN GENERAL.—The amount determined under this subparagraph is an amount equal to the total amount of the Federal payments to a State or States under section 403 (as in effect during such fiscal year) for fiscal year 1994 attributable to expenditures (other than child care expenditures) by the State or States under parts A and F (as so in effect) for fiscal year 1994 for Indian families residing in the service area or areas identified by the Indian tribe pursuant to subsection (b)(1)(C) of this section.

"(ii) USE OF STATE SUBMITTED DATA.—

"(I) IN GENERAL.—The Secretary shall use State submitted data to make each determination under clause (i).

"(II) DISAGREEMENT WITH DETERMINATION.—If an Indian tribe or tribal organization disagrees with State submitted data described under subclause (I), the Indian tribe or tribal organization may submit to the Secretary such additional information as may be relevant to making the determination under clause (i) and the Secretary may consider such information before making such determination.

"(2) GRANTS FOR INDIAN TRIBES THAT RECEIVED JOBS FUNDS.—

"(A) IN GENERAL.—The Secretary shall pay to each eligible Indian tribe for each of fiscal years 1997, 1998, 1999, 2000, 2001, and 2002 a grant in an amount equal to the amount received by the Indian tribe in fiscal year 1994 under section 482(i) (as in effect during fiscal year 1994).

"(B) ELIGIBLE INDIAN TRIBE.—For purposes of subparagraph (A), the term 'eligible Indian tribe' means an Indian tribe or Alaska Native organization that conducted a job opportunities and basic skills training program in fiscal year 1995 under section 482(i) (as in effect during fiscal year 1995).

"(C) USE OF GRANT.—Each Indian tribe to which a grant is made under this paragraph shall use the grant for the purpose of operating a program to make work activities available to members of the Indian tribe.

"(D) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $7,638,474 for each fiscal year specified in subparagraph (A) for grants under subparagraph (A).

"(b) 3-YEAR TRIBAL FAMILY ASSISTANCE PLAN.—

"(1) IN GENERAL.—Any Indian tribe that desires to receive a tribal family assistance grant shall submit to the Secretary a 3-year tribal family assistance plan that—

"(A) outlines the Indian tribe's approach to providing welfare-related services for the 3-year period, consistent with this section;

"(B) specifies whether the welfare-related services provided under the plan will be provided by the Indian tribe or through agreements, contracts, or compacts with intertribal consortia, States, or other entities;

"(C) identifies the population and service area or areas to be served by such plan;

"(D) provides that a family receiving assistance under the plan may not receive duplicative assistance from other State or tribal programs funded under this part;

"(E) identifies the employment opportunities in or near the service area or areas of the Indian tribe and the manner in which the Indian tribe will cooperate and participate in enhancing such opportunities for recipients of assistance under the plan consistent with any applicable State standards; and

"(F) applies the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-agency audit report required by chapter 75 of title 31, United States Code.

"(2) APPROVAL.—The Secretary shall approve each tribal family assistance plan submitted in accordance with paragraph (1).

"(3) CONSORTIUM OF TRIBES.—Nothing in this section shall preclude the development and submission of a single tribal family assistance plan by the participating Indian tribes of an intertribal consortium.

"(c) MINIMUM WORK PARTICIPATION REQUIREMENTS AND TIME LIMITS.—The Secretary, with the participation of Indian tribes, shall establish for each Indian tribe receiving a grant under this section minimum work participation requirements, appropriate time limits for receipt of welfare-related services under the grant, and penalties against individuals—

"(1) consistent with the purposes of this section;

"(2) consistent with the economic conditions and resources available to each tribe; and

"(3) similar to comparable provisions in section 407(e).

"(d) EMERGENCY ASSISTANCE.—Nothing in this section shall preclude an Indian tribe from seeking emergency assistance from any Federal loan program or emergency fund.

"(e) ACCOUNTABILITY.—Nothing in this section shall be construed to limit the ability of the Secretary to maintain program funding accountability consistent with—

"(1) generally accepted accounting principles; and

"(2) the requirements of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

"(f) PENALTIES.—

"(1) Subsections (a)(1), (a)(6), and (b) of section 409, shall apply to an Indian tribe with an approved tribal assistance plan in the same manner as such subsections apply to a State.

"(2) Section 409(a)(3) shall apply to an Indian tribe with an approved tribal assistance plan by substituting 'meet minimum work participation requirements established under section 412(c)' for 'comply with section 407(a)'.

"(g) DATA COLLECTION AND REPORTING.—Section 411 shall apply to an Indian tribe with an approved tribal family assistance plan.

"(h) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—

"(1) IN GENERAL.—Notwithstanding any other provision of this section, and except as provided in paragraph (2), an Indian tribe in the State of Alaska that receives a tribal family assistance grant under this section shall use the grant to operate a program in accordance with requirements comparable to the requirements applicable to the program of the State of Alaska funded under this part. Comparability of programs shall be established on the basis of program criteria developed by the Secretary in consultation with the State of Alaska and such Indian tribes.

"(2) WAIVER.—An Indian tribe described in paragraph (1) may apply to the appropriate State authority to receive a waiver of the requirement of paragraph (1).

"SEC. 413. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES.

"(a) RESEARCH.—The Secretary shall conduct research on the benefits, effects, and costs of operating different State programs funded under this part, including time limits relating to eligibility for assistance. The research shall include studies on the effects of different programs and the operation of such programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and any other area the Secretary deems appropriate. The Secretary shall also conduct research on the costs and benefits of State activities under section 409.

"(b) DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING.—

"(1) IN GENERAL.—The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children living at home with respect to recipients of assistance under programs funded under this part. The Secretary may provide funds for training and technical assistance to carry out the approaches developed pursuant to this paragraph.

"(2) EVALUATIONS.—In performing the evaluations under paragraph (1), the Secretary shall, to the maximum extent feasible, use random assignment as an evaluation methodology.

"(c) DISSEMINATION OF INFORMATION.—The Secretary shall develop innovative methods of disseminating information on any research, evaluations, and studies conducted under this section, including the facilitation of the sharing of information and best practices among States and localities through the use of computers and other technologies.

"(d) ANNUAL RANKING OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—

"(1) ANNUAL RANKING OF STATES.—The Secretary shall rank annually the States to which grants are paid under section 403 in the order of their success in placing recipients of assistance under the State program funded under this part into long-term private sector jobs, reducing the overall welfare caseload, and, when a practicable method for calculating this information becomes available, diverting individuals from formally applying to the State program and receiving assistance. In ranking States under this subsection, the Secretary shall take into account the average number of minor children living at home in families in the State that have incomes below the poverty line and the amount of funding provided each State for such families.

"(2) ANNUAL REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS.—The Secretary shall review the programs of the 3 States most recently ranked highest under paragraph (1) and the 3 States most recently ranked lowest under paragraph (1) that provide parents with work experience, assistance in finding employment, and other work preparation activities and support services to enable the families of such parents to leave the program and become self-sufficient.

"(e) ANNUAL RANKING OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS.—

"(1) ANNUAL RANKING OF STATES.—

"(A) IN GENERAL.—The Secretary shall annually rank States to which grants are made under section 403 based on the following ranking factors:

"(i) ABSOLUTE OUT-OF-WEDLOCK RATIOS.—The ratio represented by—

"(I) the total number of out-of-wedlock births in families receiving assistance under the State program under this part in the State for the most recent fiscal year for which information is available; over

"(II) the total number of births in families receiving assistance under the State program under this part in the State for such year.

"(ii) NET CHANGES IN THE OUT-OF-WEDLOCK RATIO.—The difference between the ratio described in subparagraph (A)(i) with respect to a State for the most recent fiscal year for which such information is available and the ratio with respect to the State for the immediately preceding year.

"(2) ANNUAL REVIEW.—The Secretary shall review the programs of the 5 States most recently ranked highest under paragraph (1) and the 5 States most recently ranked the lowest under paragraph (1).

"(f) STATE-INITIATED EVALUATIONS.—A State shall be eligible to receive funding to evaluate the State program funded under this part if—

"(1) the State submits a proposal to the Secretary for the evaluation;

"(2) the Secretary determines that the design and approach of the evaluation is rigorous and is likely to yield information that is credible and will be useful to other States, and

"(3) unless otherwise waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 10 percent of the cost of the evaluation.

"(g) REPORT ON CIRCUMSTANCES OF CERTAIN CHILDREN AND FAMILIES.—

"(1) IN GENERAL.—Beginning 3 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Committees on Ways and Means and on Economic and Educational Opportunities of the House of Representatives and to the Committees on Finance and on Labor and Resources of the Senate annual reports that examine in detail the matters described in paragraph (2) with respect to each of the following groups for the period after such enactment:

"(A) Individuals who were children in families that have become ineligible for assistance under a State program funded under this part by reason of having reached a time limit on the provision of such assistance.

"(B) Children born after such date of enactment to parents who, at the time of such birth, had not attained 20 years of age.

"(C) Individuals who, after such date of enactment, became parents before attaining 20 years of age.

"(2) MATTERS DESCRIBED.—The matters described in this paragraph are the following:

"(A) The percentage of each group that has dropped out of secondary school (or the equivalent), and the percentage of each group at each level of educational attainment.

"(B) The percentage of each group that is employed.

"(C) The percentage of each group that has been convicted of a crime or has been adjudicated as a delinquent.

"(D) The rate at which the members of each group are born, or have children, out-of-wedlock, and the percentage of each group that is married.

"(E) The percentage of each group that continues to participate in State programs funded under this part.

"(F) The percentage of each group that has health insurance provided by a private entity (broken down by whether the insurance is provided through an employer or otherwise), the percentage that has health insurance provided by an agency of government, and the percentage that does not have health insurance.

"(G) The average income of the families of the members of each group.

"(H) Such other matters as the Secretary deems appropriate.

"(h) FUNDING OF STUDIES AND DEMONSTRATIONS.—

"(1) IN GENERAL.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $15,000,000 for each of fiscal years 1997 through 2002 for the purpose of paying—

"(A) the cost of conducting the research described in subsection (a);

"(B) the cost of developing and evaluating innovative approaches for reducing welfare dependency and increasing the well-being of minor children under subsection (b);

"(C) the Federal share of any State-initiated study approved under subsection (f); and

"(D) an amount determined by the Secretary to be necessary to operate and evaluate demonstration projects, relating to this part, that are in effect or approved under section 1115 as of September 30, 1995, and are continued after such date.

"(2) ALLOCATION.—Of the amount appropriated under paragraph (1) for a fiscal year—

"(A) 50 percent shall be allocated for the purposes described in subparagraphs (A) and (B) of paragraph (1), and

"(B) 50 percent shall be allocated for the purposes described in subparagraphs (C) and (D) of paragraph (1).

"(3) DEMONSTRATIONS OF INNOVATIVE STRATEGIES.—The Secretary may implement and evaluate demonstrations of innovative and promising strategies which—

"(A) provide one-time capital funds to establish, expand, or replicate programs;

"(B) test performance-based grant-to-loan financing in which programs meeting performance targets receive grants while programs not meeting such targets repay funding on a prorated basis; and

"(C) test strategies in multiple States and types of communities.

"(i) CHILD POVERTY RATES.—

"(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this part, and annually thereafter, the chief executive officer of each State shall submit to the Secretary a statement of the child poverty rate in the State as of such date of enactment or the date of the most recent prior statement under this paragraph.

"(2) SUBMISSION OF CORRECTIVE ACTION PLAN.—Not later than 90 days after the date a State submits a statement under paragraph (1) which indicates that, as a result of the amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the child poverty rate of the State has increased by 5 percent or more since the most recent prior statement under paragraph (1), the State shall prepare and submit to the Secretary a corrective action plan in accordance with paragraph (3).

"(3) CONTENTS OF PLAN.—A corrective action plan submitted under paragraph (2) shall outline that manner in which the State will reduce the child poverty rate in the State. The plan shall include a description of the actions to be taken by the State under such plan.

"(4) COMPLIANCE WITH PLAN.—A State that submits a corrective action plan that the Secretary has found contains the information required by this subsection shall implement the corrective action plan until the State determines that the child poverty rate in the State is less than the lowest child poverty rate on the basis of which the State was required to submit the corrective action plan.

"(5) METHODOLOGY.—The Secretary shall prescribe regulations establishing the methodology by which a State shall determine the child poverty rate in the State. The methodology shall take into account factors including the number of children who receive free or reduced-price lunches, the number of food stamp households, and the county-by-county estimates of children in poverty as determined by the Census Bureau.

"SEC. 414. STUDY BY THE CENSUS BUREAU.

"(a) IN GENERAL.—The Bureau of the Census shall continue to collect data on the 1992 and 1993 panels of the Survey of Income and Program Participation as necessary to obtain such information as will enable interested persons to evaluate the impact of the amendments made by title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 on a random national sample of recipients of assistance under State programs funded under this part and (as appropriate) other low income families, and in doing so, shall pay particular attention to the issues of out-of-wedlock birth, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells, and shall obtain information about the status of children participating in such panels.

"(b) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for each of fiscal years 1996, 1997, 1998, 1999, 2000, 2001, and 2002 for payment to the Bureau of the Census to carry out subsection (a).

"SEC. 415. WAIVERS.

"(a) CONTINUATION OF WAIVERS.—

"(1) WAIVERS IN EFFECT ON DATE OF ENACTMENT OF WELFARE REFORM.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if any waiver granted to a State under section 1115 of this Act or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is in effect as of the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (other than by section 103(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent such amendments are inconsistent with the waiver.

"(B) FINANCING LIMITATION.—Notwithstanding any other provision of law, beginning with fiscal year 1996, a State operating under a waiver described in subparagraph (A) shall be entitled to payment under section 403 for the fiscal year, in lieu of any other payment provided for in the waiver.

"(2) WAIVERS GRANTED SUBSEQUENTLY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), if any waiver granted to a State under section 1115 of this Act or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is submitted to the Secretary before the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and approved by the Secretary on or before July 1, 1997, and the State demonstrates to the satisfaction of the Secretary that the waiver will not result in Federal expenditures under title IV of this Act (as in effect without regard to the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) that are greater than would occur in the absence of the waiver, the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (other than by section 103(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 are inconsistent with the waiver.

"(B) NO EFFECT ON NEW WORK REQUIREMENTS.—Notwithstanding subparagraph (A), a waiver granted under section 1115 or otherwise which relates to the provision of assistance under a State program funded under this part (as in effect on September 30, 1996) shall not affect the applicability of section 407 to the State.

"(b) STATE OPTION TO TERMINATE WAIVER.—

"(1) IN GENERAL.—A State may terminate a waiver described in subsection (a) before the expiration of the waiver.

"(2) REPORT.—A State which terminates a waiver under paragraph (1) shall submit a report to the Secretary summarizing the waiver and any available information concerning the result or effect of the waiver.

"(3) HOLD HARMLESS PROVISION.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, a State that, not later than the date described in subparagraph (B) of this paragraph, submits a written request to terminate a waiver described in subsection (a) shall be held harmless for accrued cost neutrality liabilities incurred under the waiver.

"(B) DATE DESCRIBED.—The date described in this subparagraph is 90 days following the adjournment of the first regular session of the State legislature that begins after the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

"(c) SECRETARIAL ENCOURAGEMENT OF CURRENT WAIVERS.—The Secretary shall encourage any State operating a waiver described in subsection (a) to continue the waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of the waiver.

"(d) CONTINUATION OF INDIVIDUAL WAIVERS.—A State may elect to continue 1 or more individual waivers described in subsection (a).

"SEC. 416. ADMINISTRATION.

"The programs under this part and part D shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be in addition to any other Assistant Secretary of Health and Human Services provided for by law, and the Secretary shall reduce the Federal workforce within the Department of Health and Human Services by an amount equal to the sum of 75 percent of the full-time equivalent positions at such Department that relate to any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by such Act, and by an amount equal to 75 percent of that portion of the total full-time equivalent departmental management positions at such Department that bears the same relationship to the amount appropriated for any direct spending program, or any program funded through discretionary spending, that has been converted into a block grant program under the Personal Responsibility and Work Opportunity Act of 1996 and the amendments made by such Act, as such amount relates to the total amount appropriated for use by such Department, and, notwithstanding any other provision of law, the Secretary shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, United States Code, to reduce the full-time equivalent positions within the Department of Health and Human Services by 245 full-time equivalent positions related to the program converted into a block grant under the amendment made by section 2103 of the Personal Responsibility and Work Opportunity Act of 1996, and by 60 full-time equivalent managerial positions in the Department.

"SEC. 417. LIMITATION ON FEDERAL AUTHORITY.

"No officer or employee of the Federal Government may regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part."; and

(2) by inserting after such section 418 the following:

"SEC. 419. DEFINITIONS.

"As used in this part:

"(1) ADULT.—The term 'adult' means an individual who is not a minor child.

"(2) MINOR CHILD.—The term 'minor child' means an individual who—

"(A) has not attained 18 years of age; or

"(B) has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

"(3) FISCAL YEAR.—The term 'fiscal year' means any 12-month period ending on September 30 of a calendar year.

"(4) INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the terms 'Indian', 'Indian tribe', and 'tribal organization' have the meaning given such terms by section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(B) SPECIAL RULE FOR INDIAN TRIBES IN ALASKA.—The term 'Indian tribe' means, with respect to the State of Alaska, only the Metlakatla Indian Community of the Annette Islands Reserve and the following Alaska Native regional nonprofit corporations:

"(i) Arctic Slope Native Association.

"(ii) Kawerak, Inc.

"(iii) Maniilaq Association.

"(iv) Association of Village Council Presidents.

"(v) Tanana Chiefs Conference.

"(vi) Cook Inlet Tribal Council.

"(vii) Bristol Bay Native Association.

"(viii) Aleutian and Pribilof Island Association.

"(ix) Chugachmuit.

"(x) Tlingit Haida Central Council.

"(xi) Kodiak Area Native Association.

"(xii) Copper River Native Association.

"(5) STATE.—Except as otherwise specifically provided, the term 'State' means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.".

(b) GRANTS TO OUTLYING AREAS.—Section 1108 (42 U.S.C. 1308) is amended—

(1) by striking subsections (d) and (e);

(2) by redesignating subsection (c) as subsection (f); and

(3) by striking all that precedes subsection (c) and inserting the following:

"SEC. 1108. ADDITIONAL GRANTS TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA; LIMITATION ON TOTAL PAYMENTS.

"(a) LIMITATION ON TOTAL PAYMENTS TO EACH TERRITORY.—Notwithstanding any other provision of this Act, the total amount certified by the Secretary of Health and Human Services under titles I, X, XIV, and XVI, under parts A and E of title IV, and under subsection (b) of this section, for payment to any territory for a fiscal year shall not exceed the ceiling amount for the territory for the fiscal year.

"(b) ENTITLEMENT TO MATCHING GRANT.—

"(1) IN GENERAL.—Each territory shall be entitled to receive from the Secretary for each fiscal year a grant in an amount equal to 75 percent of the amount (if any) by which—

"(A) the total expenditures of the territory during the fiscal year under the territory programs funded under parts A and E of title IV; exceeds

"(B) the sum of—

"(i) the amount of the family assistance grant payable to the territory without regard to section 409; and

"(ii) the total amount expended by the territory during fiscal year 1995 pursuant to parts A and F of title IV (as so in effect), other than for child care.

"(2) APPROPRIATION.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1997 through 2002, such sums as are necessary for grants under this paragraph.

"(c) DEFINITIONS.—As used in this section:

"(1) TERRITORY.—The term 'territory' means Puerto Rico, the Virgin Islands, Guam, and American Samoa.

"(2) CEILING AMOUNT.—The term 'ceiling amount' means, with respect to a territory and a fiscal year, the mandatory ceiling amount with respect to the territory, reduced for the fiscal year in accordance with subsection (e), and reduced by the amount of any penalty imposed on the territory under any provision of law specified in subsection (a) during the fiscal year.

"(3) FAMILY ASSISTANCE GRANT.—The term 'family assistance grant' has the meaning given such term by section 403(a)(1)(B).

"(4) MANDATORY CEILING AMOUNT.—The term 'mandatory ceiling amount' means—

"(A) $107,255,000 with respect to for Puerto Rico;

"(B) $4,686,000 with respect to Guam;

"(C) $3,554,000 with respect to the Virgin Islands; and

"(D) $1,000,000 with respect to American Samoa.

"(5) TOTAL AMOUNT EXPENDED BY THE TERRITORY.—The term 'total amount expended by the territory'—

"(A) does not include expenditures during the fiscal year from amounts made available by the Federal Government; and

"(B) when used with respect to fiscal year 1995, also does not include—

"(i) expenditures during fiscal year 1995 under subsection (g) or (i) of section 402 (as in effect on September 30, 1995); or

"(ii) any expenditures during fiscal year 1995 for which the territory (but for section 1108, as in effect on September 30, 1995) would have received reimbursement from the Federal Government.

"(d) AUTHORITY TO TRANSFER FUNDS TO CERTAIN PROGRAMS.—A territory to which an amount is paid under subsection (b) of this section may use the amount in accordance with section 404(d).

"(e) MAINTENANCE OF EFFORT.—The ceiling amount with respect to a territory shall be reduced for a fiscal year by an amount equal to the amount (if any) by which—

"(1) the total amount expended by the territory under all programs of the territory operated pursuant to the provisions of law specified in subsection (a) (as such provisions were in effect for fiscal year 1995) for fiscal year 1995; exceeds

"(2) the total amount expended by the territory under all programs of the territory that are funded under the provisions of law specified in subsection (a) for the fiscal year that immediately precedes the fiscal year referred to in the matter preceding paragraph (1).".

(c) ELIMINATION OF CHILD CARE PROGRAMS UNDER THE SOCIAL SECURITY ACT.—

(1) AFDC AND TRANSITIONAL CHILD CARE PROGRAMS.—Section 402 (42 U.S.C. 602) is amended by striking subsection (g).

(2) AT-RISK CHILD CARE PROGRAM.—

(A) AUTHORIZATION.—Section 402 (42 U.S.C. 602) is amended by striking subsection (i).

(B) FUNDING PROVISIONS.—Section 403 (42 U.S.C. 603) is amended by striking subsection (n).

SEC. 104. SERVICES PROVIDED BY CHARITABLE, RELIGIOUS, OR PRIVATE ORGANIZATIONS.

(a) IN GENERAL.—

(1) STATE OPTIONS.—A State may—

(A) administer and provide services under the programs described in subparagraphs (A) and (B)(i) of paragraph (2) through contracts with charitable, religious, or private organizations; and

(B) provide beneficiaries of assistance under the programs described in subparagraphs (A) and (B)(ii) of paragraph (2) with certificates, vouchers, or other forms of disbursement which are redeemable with such organizations.

(2) PROGRAMS DESCRIBED.—The programs described in this paragraph are the following programs:

(A) A State program funded under part A of title IV of the Social Security Act (as amended by section 103(a) of this Act).

(B) Any other program established or modified under title I or II of this Act, that—

(i) permits contracts with organizations; or

(ii) permits certificates, vouchers, or other forms of disbursement to be provided to beneficiaries, as a means of providing assistance.

(b) RELIGIOUS ORGANIZATIONS.—The purpose of this section is to allow States to contract with religious organizations, or to allow religious organizations to accept certificates, vouchers, or other forms of disbursement under any program described in subsection (a)(2), on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of assistance funded under such program.

(c) NONDISCRIMINATION AGAINST RELIGIOUS ORGANIZATIONS.—In the event a State exercises its authority under subsection (a), religious organizations are eligible, on the same basis as any other private organization, as contractors to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, under any program described in subsection (a)(2) so long as the programs are implemented consistent with the Establishment Clause of the United States Constitution. Except as provided in subsection (k), neither the Federal Government nor a State receiving funds under such programs shall discriminate against an organization which is or applies to be a contractor to provide assistance, or which accepts certificates, vouchers, or other forms of disbursement, on the basis that the organization has a religious character.

(d) RELIGIOUS CHARACTER AND FREEDOM.—

(1) RELIGIOUS ORGANIZATIONS.—A religious organization with a contract described in subsection (a)(1)(A), or which accepts certificates, vouchers, or other forms of disbursement under subsection (a)(1)(B), shall retain its independence from Federal, State, and local governments, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State shall require a religious organization to—

(A) alter its form of internal governance; or

(B) remove religious art, icons, scripture, or other symbols;

in order to be eligible to contract to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, funded under a program described in subsection (a)(2).

(e) RIGHTS OF BENEFICIARIES OF ASSISTANCE.—

(1) IN GENERAL.—If an individual described in paragraph (2) has an objection to the religious character of the organization or institution from which the individual receives, or would receive, assistance funded under any program described in subsection (a)(2), the State in which the individual resides shall provide such individual (if otherwise eligible for such assistance) within a reasonable period of time after the date of such objection with assistance from an alternative provider that is accessible to the individual and the value of which is not less than the value of the assistance which the individual would have received from such organization.

(2) INDIVIDUAL DESCRIBED.—An individual described in this paragraph is an individual who receives, applies for, or requests to apply for, assistance under a program described in subsection (a)(2).

(f) EMPLOYMENT PRACTICES.—A religious organization's exemption provided under section 702 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1a) regarding employment practices shall not be affected by its participation in, or receipt of funds from, programs described in subsection (a)(2).

(g) NONDISCRIMINATION AGAINST BENEFICIARIES.—Except as otherwise provided in law, a religious organization shall not discriminate against an individual in regard to rendering assistance funded under any program described in subsection (a)(2) on the basis of religion, a religious belief, or refusal to actively participate in a religious practice.

(h) FISCAL ACCOUNTABILITY.—

(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization contracting to provide assistance funded under any program described in subsection (a)(2) shall be subject to the same regulations as other contractors to account in accord with generally accepted auditing principles for the use of such funds provided under such programs.

(2) LIMITED AUDIT.—If such organization segregates Federal funds provided under such programs into separate accounts, then only the financial assistance provided with such funds shall be subject to audit.

(i) COMPLIANCE.—Any party which seeks to enforce its rights under this section may assert a civil action for injunctive relief exclusively in an appropriate State court against the entity or agency that allegedly commits such violation.

(j) LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.—No funds provided directly to institutions or organizations to provide services and administer programs under subsection (a)(1)(A) shall be expended for sectarian worship, instruction, or proselytization.

(k) PREEMPTION.—Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that prohibits or restricts the expenditure of State funds in or by religious organizations.

SEC. 105. CENSUS DATA ON GRANDPARENTS AS PRIMARY CAREGIVERS FOR THEIR GRANDCHILDREN.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Commerce, in carrying out section 141 of title 13, United States Code, shall expand the data collection efforts of the Bureau of the Census (in this section referred to as the "Bureau") to enable the Bureau to collect statistically significant data, in connection with its decennial census and its mid-decade census, concerning the growing trend of grandparents who are the primary caregivers for their grandchildren.

(b) EXPANDED CENSUS QUESTION.—In carrying out subsection (a), the Secretary of Commerce shall expand the Bureau's census question that details households which include both grandparents and their grandchildren. The expanded question shall be formulated to distinguish between the following households:

(1) A household in which a grandparent temporarily provides a home for a grandchild for a period of weeks or months during periods of parental distress.

(2) A household in which a grandparent provides a home for a grandchild and serves as the primary caregiver for the grandchild.

SEC. 106. REPORT ON DATA PROCESSING.

(a) IN GENERAL.—Within 6 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the Congress a report on—

(1) the status of the automated data processing systems operated by the States to assist management in the administration of State programs under part A of title IV of the Social Security Act (whether in effect before or after October 1, 1995); and

(2) what would be required to establish a system capable of—

(A) tracking participants in public programs over time; and

(B) checking case records of the States to determine whether individuals are participating in public programs of 2 or more States.

(b) PREFERRED CONTENTS.—The report required by subsection (a) should include—

(1) a plan for building on the automated data processing systems of the States to establish a system with the capabilities described in subsection (a)(2); and

(2) an estimate of the amount of time required to establish such a system and of the cost of establishing such a system.

SEC. 107. STUDY ON ALTERNATIVE OUTCOMES MEASURES.

(a) STUDY.—The Secretary shall, in cooperation with the States, study and analyze outcomes measures for evaluating the success of the States in moving individuals out of the welfare system through employment as an alternative to the minimum participation rates described in section 407 of the Social Security Act. The study shall include a determination as to whether such alternative outcomes measures should be applied on a national or a State-by-State basis and a preliminary assessment of the effects of section 409(a)(7)(C) of such Act.

(b) REPORT.—Not later than September 30, 1998, the Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing the findings of the study required by subsection (a).

SEC. 108. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) AMENDMENTS TO TITLE II.—

(1) Section 205(c)(2)(C)(vi) (42 U.S.C. 405(c)(2)(C)(vi)), as so redesignated by section 321(a)(9)(B) of the Social Security Independence and Program Improvements Act of 1994, is amended—

(A) by inserting "an agency administering a program funded under part A of title IV or" before "an agency operating"; and

(B) by striking "A or D of title IV of this Act" and inserting "D of such title".

(2) Section 228(d)(1) (42 U.S.C. 428(d)(1)) is amended by inserting "under a State program funded under" before "part A of title IV".

(b) AMENDMENTS TO PART B OF TITLE IV.—Section 422(b)(2) (42 U.S.C. 622(b)(2)) is amended—

(1) by striking "plan approved under part A of this title" and inserting "program funded under part A"; and

(2) by striking "part E of this title" and inserting "under the State plan approved under part E".

(c) AMENDMENTS TO PART D OF TITLE IV.—

(1) Section 451 (42 U.S.C. 651) is amended by striking "aid" and inserting "assistance under a State program funded".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A";

(B) by striking "such aid" and inserting "such assistance"; and

(C) by striking "under section 402(a)(26) or" and inserting "pursuant to section 408(a)(3) or under section".

(3) Section 452(a)(10)(F) (42 U.S.C. 652(a)(10)(F)) is amended—

(A) by striking "aid under a State plan approved" and inserting "assistance under a State program funded"; and

(B) by striking "in accordance with the standards referred to in section 402(a)(26)(B)(ii)" and inserting "by the State".

(4) Section 452(b) (42 U.S.C. 652(b)) is amended in the first sentence by striking "aid under the State plan approved under part A" and inserting "assistance under the State program funded under part A".

(5) Section 452(d)(3)(B)(i) (42 U.S.C. 652(d)(3)(B)(i)) is amended by striking "1115(c)" and inserting "1115(b)".

(6) Section 452(g)(2)(A)(ii)(I) (42 U.S.C. 652(g)(2)(A)(ii)(I)) is amended by striking "aid is being paid under the State's plan approved under part A or E" and inserting "assistance is being provided under the State program funded under part A".

(7) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended in the matter following clause (iii) by striking "aid was being paid under the State's plan approved under part A or E" and inserting "assistance was being provided under the State program funded under part A".

(8) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended in the matter following subparagraph (B)—

(A) by striking "who is a dependent child" and inserting "with respect to whom assistance is being provided under the State program funded under part A";

(B) by inserting "by the State" after "found"; and

(C) by striking "to have good cause for refusing to cooperate under section 402(a)(26)" and inserting "to qualify for a good cause or other exception to cooperation pursuant to section 454(29)".

(9) Section 452(h) (42 U.S.C. 652(h)) is amended by striking "under section 402(a)(26)" and inserting "pursuant to section 408(a)(3)".

(10) Section 453(c)(3) (42 U.S.C. 653(c)(3)) is amended by striking "aid under part A of this title" and inserting "assistance under a State program funded under part A".

(11) Section 454(5)(A) (42 U.S.C. 654(5)(A))) is amended—

(A) by striking "under section 402(a)(26)" and inserting "pursuant to section 408(a)(3)"; and

(B) by striking "; except that this paragraph shall not apply to such payments for any month following the first month in which the amount collected is sufficient to make such family ineligible for assistance under the State plan approved under part A;" and inserting a comma.

(12) Section 454(6)(D) (42 U.S.C. 654(6)(D)) is amended by striking "aid under a State plan approved" and inserting "assistance under a State program funded".

(13) Section 456(a)(1) (42 U.S.C. 656(a)(1)) is amended by striking "under section 402(a)(26)".

(14) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "402(a)(26)" and inserting "408(a)(3)".

(15) Section 466(b)(2) (42 U.S.C. 666(b)(2)) is amended by striking "aid" and inserting "assistance under a State program funded".

(16) Section 469(a) (42 U.S.C. 669(a)) is amended—

(A) by striking "aid under plans approved" and inserting "assistance under State programs funded"; and

(B) by striking "such aid" and inserting "such assistance".

(d) AMENDMENTS TO PART E OF TITLE IV.—

(1) Section 470 (42 U.S.C. 670) is amended—

(A) by striking "would be" and inserting "would have been"; and

(B) by inserting "(as such plan was in effect on June 1, 1995)" after "part A".

(2) Section 471(a)(17) (42 U.S.C. 671(a)(17)) is amended by striking "plans approved under parts A and D" and inserting "program funded under part A and plan approved under part D".

(3) Section 472(a) (42 U.S.C. 672(a)) is amended—

(A) in the matter preceding paragraph (1)—

(i) by striking "would meet" and inserting "would have met";

(ii) by inserting "(as such sections were in effect on June 1, 1995)" after "407"; and

(iii) by inserting "(as so in effect)" after "406(a)"; and

(B) in paragraph (4)—

(i) in subparagraph (A)—

(I) by inserting "would have" after "(A)"; and

(II) by inserting "(as in effect on June 1, 1995)" after "section 402"; and

(ii) in subparagraph (B)(ii), by inserting "(as in effect on June 1, 1995)" after "406(a)".

(4) Section 472(h) (42 U.S.C. 672(h)) is amended to read as follows:

"(h)(1) For purposes of title XIX, any child with respect to whom foster care maintenance payments are made under this section is deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect). For purposes of title XX, any child with respect to whom foster care maintenance payments are made under this section is deemed to be a minor child in a needy family under a State program funded under part A of this title and is deemed to be a recipient of assistance under such part.

"(2) For purposes of paragraph (1), a child whose costs in a foster family home or child care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are made under this section.".

(5) Section 473(a)(2) (42 U.S.C. 673(a)(2)) is amended—

(A) in subparagraph (A)(i)—

(i) by inserting "(as such sections were in effect on June 1, 1995)" after "407";

(ii) by inserting "(as so in effect)" after "specified in section 406(a)"; and

(iii) by inserting "(as such section was in effect on June 1, 1995)" after "403";

(B) in subparagraph (B)(i)—

(i) by inserting "would have" after "(B)(i)"; and

(ii) by inserting "(as in effect on June 1, 1995)" after "section 402"; and

(C) in subparagraph (B)(ii)(II), by inserting "(as in effect on June 1, 1995)" after "406(a)".

(6) Section 473(b) (42 U.S.C. 673(b)) is amended to read as follows:

"(b)(1) For purposes of title XIX, any child who is described in paragraph (3) is deemed to be a dependent child as defined in section 406 (as in effect as of June 1, 1995) and deemed to be a recipient of aid to families with dependent children under part A of this title (as so in effect) in the State where such child resides.

"(2) For purposes of title XX, any child who is described in paragraph (3) is deemed to be a minor child in a needy family under a State program funded under part A of this title and deemed to be a recipient of assistance under such part.

"(3) A child described in this paragraph is any child—

"(A)(i) who is a child described in subsection (a)(2), and

"(ii) with respect to whom an adoption assistance agreement is in effect under this section (whether or nor adoption assistance payments are provided under the agreement or are being made under this section), including any such child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued), or

"(B) with respect to whom foster care maintenance payments are being made under section 472.

"(4) For purposes of paragraphs (1) and (2), a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to the child's minor parent, as provided in section 475(4)(B), shall be considered a child with respect to whom foster care maintenance payments are being made under section 472.".

(e) REPEAL OF PART F OF TITLE IV.—Part F of title IV (42 U.S.C. 681–687) is repealed.

(f) AMENDMENT TO TITLE X.—Section 1002(a)(7) (42 U.S.C. 1202(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(g) AMENDMENTS TO TITLE XI.—

(1) Section 1109 (42 U.S.C. 1309) is amended by striking "or part A of title IV,".

(2) Section 1115 (42 U.S.C. 1315) is amended—

(A) in subsection (a)(2)—

(i) by inserting "(A)" after "(2)";

(ii) by striking "403,";

(iii) by striking the period at the end and inserting ", and"; and

(iv) by adding at the end the following new subparagraph:

"(B) costs of such project which would not otherwise be a permissible use of funds under part A of title IV and which are not included as part of the costs of projects under section 1110, shall to the extent and for the period prescribed by the Secretary, be regarded as a permissible use of funds under such part.";

(B) in subsection (c)(3), by striking "the program of aid to families with dependent children" and inserting "part A of such title"; and

(C) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(3) Section 1116 (42 U.S.C. 1316) is amended—

(A) in each of subsections (a)(1), (b), and (d), by striking "or part A of title IV,"; and

(B) in subsection (a)(3), by striking "404,".

(4) Section 1118 (42 U.S.C. 1318) is amended—

(A) by striking "403(a),";

(B) by striking "and part A of title IV,"; and

(C) by striking ", and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV".

(5) Section 1119 (42 U.S.C. 1319) is amended—

(A) by striking "or part A of title IV"; and

(B) by striking "403(a),".

(6) Section 1133(a) (42 U.S.C. 1320b–3(a)) is amended by striking "or part A of title IV,".

(7) Section 1136 (42 U.S.C. 1320b–6) is repealed.

(8) Section 1137 (42 U.S.C. 1320b–7) is amended—

(A) in subsection (b), by striking paragraph (1) and inserting the following:

"(1) any State program funded under part A of title IV of this Act;"; and

(B) in subsection (d)(1)(B)—

(i) by striking "In this subsection—" and all that follows through "(ii) in" and inserting "In this subsection, in";

(ii) by redesignating subclauses (I), (II), and (III) as clauses (i), (ii), and (iii); and

(iii) by moving such redesignated material 2 ems to the left.

(h) Amendment to Title XIV.—Section 1402(a)(7) (42 U.S.C. 1352(a)(7)) is amended by striking "aid to families with dependent children under the State plan approved under section 402 of this Act" and inserting "assistance under a State program funded under part A of title IV".

(i) Amendment to Title XVI as in Effect With Respect to the Territories.—Section 1602(a)(11), as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972 (42 U.S.C. 1382 note), is amended by striking "aid under the State plan approved" and inserting "assistance under a State program funded".

(j) Amendment to Title XVI as in Effect With Respect to the States.—Section 1611(c)(5)(A) (42 U.S.C. 1382(c)(5)(A)) is amended to read as follows: "(A) a State program funded under part A of title IV,".

(k) Amendment to Title XIX.—Section 1902(j) (42 U.S.C. 1396a(j)) is amended by striking "1108(c)" and inserting "1108(f)".

SEC. 109. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS.

(a) Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended—

(1) in the second sentence of subsection (a), by striking "plan approved" and all that follows through "title IV of the Social Security Act" and inserting "program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)";

(2) in subsection (d)—

(A) in paragraph (5), by striking "assistance to families with dependent children" and inserting "assistance under a State program funded"; and

(B) by striking paragraph (13) and redesignating paragraphs (14), (15), and (16) as paragraphs (13), (14), and (15), respectively;

(3) in subsection (j), by striking "plan approved under part A of title IV of such Act (42 U.S.C. 601 et seq.)" and inserting "program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.)"; and

(4) by striking subsection (m).

(b) Section 6 of such Act (7 U.S.C. 2015) is amended—

(1) in subsection (c)(5), by striking "the State plan approved" and inserting "the State program funded"; and

(2) in subsection (e)(6), by striking "aid to families with dependent children" and inserting "benefits under a State program funded".

(c) Section 16(g)(4) of such Act (7 U.S.C. 2025(g)(4)) is amended by striking "State plans under the Aid to Families with Dependent Children Program under" and inserting "State programs funded under part A of".

(d) Section 17 of such Act (7 U.S.C. 2026) is amended—

(1) in the first sentence of subsection (b)(1)(A), by striking "to aid to families with dependent children under part A of title IV of the Social Security Act" and inserting "or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)"; and

(2) in subsection (b)(3), by adding at the end the following new subparagraph:

"(I) The Secretary may not grant a waiver under this paragraph on or after the date of enactment of this subparagraph. Any reference in this paragraph to a provision of title IV of the Social Security Act shall be deemed to be a reference to such provision as in effect on the day before such date.";

(e) Section 20 of such Act (7 U.S.C. 2029) is amended—

(1) in subsection (a)(2)(B) by striking "operating—" and all that follows through "(ii) any other" and inserting "operating any"; and

(2) in subsection (b)—

(A) in paragraph (1)—

(i) by striking "(b)(1) A household" and inserting "(b) A household"; and

(ii) in subparagraph (B), by striking "training program" and inserting "activity";

(B) by striking paragraph (2); and

(C) by redesignating subparagraphs (A) through (F) as paragraphs (1) through (6), respectively.

(f) Section 5(h)(1) of the Agriculture and Consumer Protection Act of 1973 (Public Law 93–186; 7 U.S.C. 612c note) is amended by striking "the program for aid to families with dependent children" and inserting "the State program funded".

(g) Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended—

(1) in subsection (b)—

(A) in paragraph (2)(C)(ii)(II)—

(i) by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(ii) by inserting before the period at the end the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

(B) in paragraph (6)—

(i) in subparagraph (A)(ii)—

(I) by striking "an AFDC assistance unit (under the aid to families with dependent children program authorized" and inserting "a family (under the State program funded"; and

(II) by striking ", in a State" and all that follows through "9902(2)))" and inserting "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

(ii) in subparagraph (B), by striking "aid to families with dependent children" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995"; and

(2) in subsection (d)(2)(C)—

(A) by striking "program for aid to families with dependent children" and inserting "State program funded"; and

(B) by inserting before the period at the end the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995".

(h) Section 17(d)(2)(A)(ii)(II) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(A)(ii)(II)) is amended—

(1) by striking "program for aid to families with dependent children established" and inserting "State program funded"; and

(2) by inserting before the semicolon the following: "that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995".

SEC. 110. CONFORMING AMENDMENTS TO OTHER LAWS.

(a) Subsection (b) of section 508 of the Unemployment Compensation Amendments of 1976 (42 U.S.C. 603a; Public Law 94–566; 90 Stat. 2689) is amended to read as follows:

"(b) Provision for Reimbursement of Expenses.—For purposes of section 455 of the Social Security Act, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

"(1) pursuant to the third sentence of section 3(a) of the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (29 U.S.C. 49b(a)), or

"(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under part D of title IV of the Social Security Act,

shall be considered to constitute expenses incurred in the administration of such State plan.".

(b) Section 9121 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(c) Section 9122 of the Omnibus Budget Reconciliation Act of 1987 (42 U.S.C. 602 note) is repealed.

(d) Section 221 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 602 note), relating to treatment under AFDC of certain rental payments for federally assisted housing, is repealed.

(e) Section 159 of the Tax Equity and Fiscal Responsibility Act of 1982 (42 U.S.C. 602 note) is repealed.

(f) Section 202(d) of the Social Security Amendments of 1967 (81 Stat. 882; 42 U.S.C. 602 note) is repealed.

(g) Section 903 of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 (42 U.S.C. 11381 note), relating to demonstration projects to reduce number of AFDC families in welfare hotels, is amended—

(1) in subsection (a), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded"; and

(2) in subsection (c), by striking "aid to families with dependent children in the State under a State plan approved" and inserting "assistance in the State under a State program funded".

(h) The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(1) in section 404C(c)(3) (20 U.S.C. 1070a–23(c)(3)), by striking "(Aid to Families with Dependent Children)"; and

(2) in section 480(b)(2) (20 U.S.C. 1087vv(b)(2)), by striking "aid to families with dependent children under a State plan approved" and inserting "assistance under a State program funded".

(i) The Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) is amended—

(1) in section 231(d)(3)(A)(ii) (20 U.S.C. 2341(d)(3)(A)(ii)), by striking "The program for aid to dependent children" and inserting "The State program funded";

(2) in section 232(b)(2)(B) (20 U.S.C. 2341a(b)(2)(B)), by striking "the program for aid to families with dependent children" and inserting "the State program funded"; and

(3) in section 521(14)(B)(iii) (20 U.S.C. 2471(14)(B)(iii)), by striking "the program for aid to families with dependent children" and inserting "the State program funded".

(j) The Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) is amended—

(1) in section 1113(a)(5) (20 U.S.C. 6313(a)(5)), by striking "Aid to Families with Dependent Children program" and inserting "State program funded under part A of title IV of the Social Security Act";

(2) in section 1124(c)(5) (20 U.S.C. 6333(c)(5)), by striking "the program of aid to families with dependent children under a State plan approved under" and inserting "a State program funded under part A of"; and

(3) in section 5203(b)(2) (20 U.S.C. 7233(b)(2))—

(A) in subparagraph (A)(xi), by striking "Aid to Families with Dependent Children benefits" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act"; and

(B) in subparagraph (B)(viii), by striking "Aid to Families with Dependent Children" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act".

(k) The 4th proviso of chapter VII of title I of Public Law 99–88 (25 U.S.C. 13d–1) is amended to read as follows: "*Provided further*, That general assistance payments made by the Bureau of Indian Affairs shall be made—

"(1) after April 29, 1985, and before October 1, 1995, on the basis of Aid to Families with Dependent Children (AFDC) standards of need; and

"(2) on and after October 1, 1995, on the basis of standards of need established under the State program funded under part A of title IV of the Social Security Act,

except that where a State ratably reduces its AFDC or State program payments, the Bureau shall reduce general assistance payments in such State by the same percentage as the State has reduced the AFDC or State program payment.".

(l) The Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) is amended—

(1) in section 51(d)(9) (26 U.S.C. 51(d)(9)), by striking all that follows "agency as" and inserting "being eligible for financial assistance under part A of title IV of the Social Security Act and as having continually received such financial assistance during the 90-day period which immediately precedes the date on which such individual is hired by the employer.";

(2) in section 3304(a)(16) (26 U.S.C. 3304(a)(16)), by striking "eligibility for aid or services," and all that follows through "children approved" and inserting "eligibility for assistance, or the amount of such assistance, under a State program funded";

(3) in section 6103(l)(7)(D)(i) (26 U.S.C. 6103(l)(7)(D)(i)), by striking "aid to families with dependent children provided under a State plan approved" and inserting "a State program funded";

(4) in section 6103(l)(10) (26 U.S.C. 6103(l)(10))—

(A) by striking "(c) or (d)" each place it appears and inserting "(c), (d), or (e)"; and

(B) by adding at the end of subparagraph (B) the following new sentence: "Any return information disclosed with respect to section 6402(e) shall only be disclosed to officers and employees of the State agency requesting such information.";

(5) in section 6103(p)(4) (26 U.S.C. 6103(p)(4)), in the matter preceding subparagraph (A)—

(A) by striking "(5), (10)" and inserting "(5)"; and

(B) by striking "(9), or (12)" and inserting "(9), (10), or (12)";

(6) in section 6334(a)(11)(A) (26 U.S.C. 6334(a)(11)(A)), by striking "(relating to aid to families with dependent children)";

(7) in section 6402 (26 U.S.C. 6402)—

(A) in subsection (a), by striking "(c) and (d)" and inserting "(c), (d), and (e)";

(B) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(C) by inserting after subsection (d) the following:

"(e) COLLECTION OF OVERPAYMENTS UNDER TITLE IV–A OF THE SOCIAL SECURITY ACT.—The amount of any overpayment to be refunded to the person making the overpayment shall be reduced (after reductions pursuant to subsections (c) and (d), but before a credit against future liability for an internal revenue tax) in accordance with section 405(e) of the Social Security Act (concerning recovery of overpayments to individuals under State plans approved under part A of title IV of such Act)."; and

(8) in section 7523(b)(3)(C) (26 U.S.C. 7523(b)(3)(C)), by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act".

(m) Section 3(b) of the Wagner-Peyser Act (29 U.S.C. 49b(b)) is amended by striking "State plan approved under part A of title IV" and inserting "State program funded under part A of title IV".

(n) The Job Training Partnership Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 4(29)(A)(i) (29 U.S.C. 1503(29)(A)(i)), by striking "(42 U.S.C. 601 et seq.)";

(2) in section 106(b)(6)(C) (29 U.S.C. 1516(b)(6)(C)), by striking "State aid to families with dependent children records," and inserting "records collected under the State program funded under part A of title IV of the Social Security Act,";

(3) in section 121(b)(2) (29 U.S.C. 1531(b)(2))—

(A) by striking "the JOBS program" and inserting "the work activities required under title IV of the Social Security Act"; and

(B) by striking the second sentence;

(4) in section 123(c) (29 U.S.C. 1533(c))—

(A) in paragraph (1)(E), by repealing clause (vi); and

(B) in paragraph (2)(D), by repealing clause (v);

(5) in section 203(b)(3) (29 U.S.C. 1603(b)(3)), by striking ", including recipients under the JOBS program";

(6) in subparagraphs (A) and (B) of section 204(a)(1) (29 U.S.C. 1604(a)(1) (A) and (B)), by striking "(such as the JOBS program)" each place it appears;

(7) in section 205(a) (29 U.S.C. 1605(a)), by striking paragraph (4) and inserting the following:

"(4) the portions of title IV of the Social Security Act relating to work activities;";

(8) in section 253 (29 U.S.C. 1632)—

(A) in subsection (b)(2), by repealing subparagraph (C); and

(B) in paragraphs (1)(B) and (2)(B) of subsection (c), by striking "the JOBS program or" each place it appears;

(9) in section 264 (29 U.S.C. 1644)—

(A) in subparagraphs (A) and (B) of subsection (b)(1), by striking "(such as the JOBS program)" each place it appears; and

(B) in subparagraphs (A) and (B) of subsection (d)(3), by striking "and the JOBS program" each place it appears;

(10) in section 265(b) (29 U.S.C. 1645(b)), by striking paragraph (6) and inserting the following:

"(6) the portion of title IV of the Social Security Act relating to work activities;";

(11) in the second sentence of section 429(e) (29 U.S.C. 1699(e)), by striking "and shall be in an amount that does not exceed the maximum amount that may be provided by the State pursuant to section 402(g)(1)(C) of the Social Security Act (42 U.S.C. 602(g)(1)(C))";

(12) in section 454(c) (29 U.S.C. 1734(c)), by striking "JOBS and";

(13) in section 455(b) (29 U.S.C. 1735(b)), by striking "the JOBS program,";

(14) in section 501(1) (29 U.S.C. 1791(1)), by striking "aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)" and inserting "assistance under the State program funded under part A of title IV of the Social Security Act";

(15) in section 506(1)(A) (29 U.S.C. 1791e(1)(A)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded";

(16) in section 508(a)(2)(A) (29 U.S.C. 1791g(a)(2)(A)), by striking "aid to families with dependent children" and inserting "assistance under the State program funded"; and

(17) in section 701(b)(2)(A) (29 U.S.C. 1792(b)(2)(A))—

(A) in clause (v), by striking the semicolon and inserting "; and"; and

(B) by striking clause (vi).

(o) Section 3803(c)(2)(C)(iv) of title 31, United States Code, is amended to read as follows:

"(iv) assistance under a State program funded under part A of title IV of the Social Security Act;".

(p) Section 2605(b)(2)(A)(i) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8624(b)(2)(A)(i)) is amended to read as follows:

"(i) assistance under the State program funded under part A of title IV of the Social Security Act;".

(q) Section 303(f)(2) of the Family Support Act of 1988 (42 U.S.C. 602 note) is amended—

(1) by striking "(A)"; and

(2) by striking subparagraphs (B) and (C).

(r) The Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.) is amended—

(1) in the first section 255(h) (2 U.S.C. 905(h)), by striking "Aid to families with dependent children (75–0412–0–1–609);" and inserting "Block grants to States for temporary assistance for needy families;"; and

(2) in section 256 (2 U.S.C. 906)—

(A) by striking subsection (k); and

(B) by redesignating subsection (l) as subsection (k).

(s) The Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended—

(1) in section 210(f) (8 U.S.C. 1160(f)), by striking "aid under a State plan approved under" each place it appears and inserting "assistance under a State program funded under";

(2) in section 245A(h) (8 U.S.C. 1255a(h))—

(A) in paragraph (1)(A)(i), by striking "program of aid to families with dependent children" and inserting "State program of assistance"; and

(B) in paragraph (2)(B), by striking "aid to families with dependent children" and inserting "assistance under a State program funded under part A of title IV of the Social Security Act"; and

(3) in section 412(e)(4) (8 U.S.C. 1522(e)(4)), by striking "State plan approved" and inserting "State program funded".

(t) Section 640(a)(4)(B)(i) of the Head Start Act (42 U.S.C. 9835(a)(4)(B)(i)) is amended by striking "program of aid to families with dependent children under a State plan approved" and inserting "State program of assistance funded".

(u) Section 9 of the Act of April 19, 1950 (64 Stat. 47, chapter 92; 25 U.S.C. 639) is repealed.

(v) Subparagraph (E) of section 213(d)(6) of the School-To-Work Opportunities Act of 1994 (20 U.S.C. 6143(d)(6)) is amended to read as follows:

"(E) part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) relating to work activities;".

(w) Section 552a(a)(8)(B)(iv)(III) of title 5, United States Code, is amended by striking "section 464 or 1137 of the Social Security Act" and inserting "section 404(e), 464, or 1137 of the Social Security Act".

SEC. 111. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD REQUIRED.

(a) DEVELOPMENT.—

(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the "Commissioner") shall, in accordance with this section, develop a prototype of a counterfeit-resistant social security card. Such prototype card shall—

(A) be made of a durable, tamper-resistant material such as plastic or polyester,

(B) employ technologies that provide security features, such as magnetic stripes, holograms, and integrated circuits, and

(C) be developed so as to provide individuals with reliable proof of citizenship or legal resident alien status.

(2) ASSISTANCE BY ATTORNEY GENERAL.—The Attorney General of the United States shall provide such information and assistance as the Commissioner deems necessary to enable the Commissioner to comply with this section.

(b) STUDY AND REPORT.—

(1) IN GENERAL.—The Commissioner shall conduct a study and issue a report to Congress which examines different methods of improving the social security card application process.

(2) ELEMENTS OF STUDY.—The study shall include an evaluation of the cost and work load implications of issuing a counterfeit-resistant social security card for all individuals over a 3-, 5-, and 10-year period. The study shall also evaluate the feasibility and cost implications of imposing a user fee for replacement cards and cards issued to individuals who apply for such a card prior to the scheduled 3-, 5-, and 10-year phase-in options.

(3) DISTRIBUTION OF REPORT.—The Commissioner shall submit copies of the report described in this subsection along with a facsimile of the prototype card as described in subsection (a) to the Committees on Ways and Means and Judiciary of the House of Representatives and the Committees on Finance and Judiciary of the Senate within 1 year after the date of the enactment of this Act.

SEC. 112. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAM.

Section 505 of the Family Support Act of 1988 (42 U.S.C. 1315 note) is amended—

(1) in the heading, by striking "demonstration";

(2) by striking "demonstration" each place such term appears;

(3) in subsection (a), by striking "in each of fiscal years" and all that follows through "10" and inserting "shall enter into agreements with";

(4) in subsection (b)(3), by striking "aid to families with dependent children under part A of title IV of the Social Security Act" and inserting "assistance under the program funded part A of title IV of the Social Security Act of the State in which the individual resides";

(5) in subsection (c)—

(A) in paragraph (1)(C), by striking "aid to families with dependent children under title IV of the Social Security Act" and inserting "assistance under a State program funded part A of title IV of the Social Security Act";

(B) in paragraph (2), by striking "aid to families with dependent children under title IV of such Act" and inserting "assistance under a State program funded part A of title IV of the Social Security Act";

(6) in subsection (d), by striking "job opportunities and basic skills training program (as provided for under title IV of the Social Security Act)" and inserting "the State program funded under part A of title IV of the Social Security Act"; and

(7) by striking subsections (e) through (g) and inserting the following:

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of conducting projects under this section, there is authorized to be appropriated an amount not to exceed $25,000,000 for any fiscal year.".

SEC. 113. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS.

Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services and the Commissioner of Social Security, in consultation, as appropriate, with the heads of other Federal agencies, shall submit to the appropriate committees of Congress a legislative proposal proposing such technical and conforming amendments as are necessary to bring the law into conformity with the policy embodied in this title.

SEC. 114. ASSURING MEDICAID COVERAGE FOR LOW-INCOME FAMILIES.

(a) IN GENERAL.—Title XIX is amended—

(1) by redesignating section 1931 as section 1932; and

(2) by inserting after section 1930 the following new section:

"ASSURING COVERAGE FOR CERTAIN LOW-INCOME FAMILIES

"SEC. 1931. (a) REFERENCES TO TITLE IV–A ARE REFERENCES TO PRE-WELFARE-REFORM PROVISIONS.—Subject to the succeeding provisions of this section, with respect to a State any reference in this title (or any other provision of law in relation to the operation of this title) to a provision of part A of title IV, or a State plan under such part (or a provision of such a plan), including income and resource standards and income and resource methodologies under such part or plan, shall be considered a reference to such a provision or plan as in effect as of July 16, 1996, with respect to the State.

"(b) APPLICATION OF PRE-WELFARE-REFORM ELIGIBILITY CRITERIA.—

"(1) IN GENERAL.—For purposes of this title, subject to paragraphs (2) and (3), in determining eligibility for medical assistance—

"(A) an individual shall be treated as receiving aid or assistance under a State plan approved under part A of title IV only if the individual meets—

"(i) the income and resource standards for determining eligibility under such plan, and

"(ii) the eligibility requirements of such plan under subsections (a) through (c) of section 406 and section 407(a),

as in effect as of July 16, 1996; and

"(B) the income and resource methodologies under such plan as of such date shall be used in the determination of whether any individual meets income and resource standards under such plan.

"(2) STATE OPTION.—For purposes of applying this section, a State—

"(A) may lower its income standards applicable with respect to part A of title IV, but not below the income standards applicable under its State plan under such part on May 1, 1988;

"(B) may increase income or resource standards under the State plan referred to in paragraph (1) over a period (beginning after July 16, 1996) by a percentage that does not exceed the percentage increase in the consumer price index for all urban consumers (all items; U.S. city average) over such period; and

"(C) may use income and resource methodologies that are less restrictive than the methodologies used under the State plan under such part as of July 16, 1996.

"(3) OPTION TO TERMINATE MEDICAL ASSISTANCE FOR FAILURE TO MEET WORK REQUIREMENT.—

"(A) INDIVIDUALS RECEIVING CASH ASSISTANCE UNDER TANF.—In the case of an individual who—

"(i) is receiving cash assistance under a State program funded under part A of title IV,

"(ii) is eligible for medical assistance under this title on a basis not related to section 1902(l), and

"(iii) has the cash assistance under such program terminated pursuant to section 407(e)(1)(B) (as in effect on or after the welfare reform effective date) because of refusing to work,

the State may terminate such individual's eligibility for medical assistance under this title until such time as there no longer is a basis for the termination of such cash assistance because of such refusal.

"(B) EXCEPTION FOR CHILDREN.—Subparagraph (A) shall not be construed as permitting a State to terminate medical assistance for a minor child who is not the head of a household receiving assistance under a State program funded under part A of title IV.

"(c) TREATMENT FOR PURPOSES OF TRANSITIONAL COVERAGE PROVISIONS.—

"(1) TRANSITION IN THE CASE OF CHILD SUPPORT COLLECTIONS.—The provisions of section 406(h) (as in effect on July 16, 1996) shall apply, in relation to this title, with respect to individuals (and families composed of individuals) who are described in subsection (b)(1)(A), in the same manner as they applied before such date with respect to individuals who became ineligible for aid to families with dependent children as a result (wholly or partly) of the collection of child or spousal support under part D of title IV.

"(2) TRANSITION IN THE CASE OF EARNINGS FROM EMPLOYMENT.—For continued medical assistance in the case of individuals (and families composed of individuals) described in subsection (b)(1)(A) who would otherwise become ineligible because of hours or income from employment, see sections 1925 and 1902(e)(1).

"(d) WAIVERS.—In the case of a waiver of a provision of part A of title IV in effect with respect to a State as of July 16, 1996, or which is submitted to the Secretary before the date of the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and approved by the Secretary on or before July 1, 1997, if the waiver affects eligibility of individuals for medical assistance under this title, such waiver may (but need not) continue to be applied, at the option of the State, in relation to this title after the date the waiver would otherwise expire.

"(e) STATE OPTION TO USE 1 APPLICATION FORM.—Nothing in this section, or part A of title IV, shall be construed as preventing a State from providing for the same application form for assistance under a State program funded under part A of title IV (on or after the welfare reform effective date) and for medical assistance under this title.

"(f) ADDITIONAL RULES OF CONSTRUCTION.—

"(1) With respect to the reference in section 1902(a)(5) to a State plan approved under part A of title IV, a State may treat such reference as a reference either to a State program funded under such part (as in effect on and after the welfare reform effective date) or to the State plan under this title.

"(2) Any reference in section 1902(a)(55) to a State plan approved under part A of title IV shall be deemed a reference to a State program funded under such part.

"(3) In applying section 1903(f), the applicable income limitation otherwise determined shall be subject to increase in the same manner as income or resource standards of a State may be increased under subsection (b)(2)(B).

"(g) RELATION TO OTHER PROVISIONS.—The provisions of this section shall apply notwithstanding any other provision of this Act.

"(h) TRANSITIONAL INCREASED FEDERAL MATCHING RATE FOR INCREASED ADMINISTRATIVE COSTS.—

"(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, the Secretary shall provide that with respect to administrative expenditures described in paragraph (2) the per centum specified in section 1903(a)(7) shall be increased to such percentage as the Secretary specifies.

"(2) ADMINISTRATIVE EXPENDITURES DESCRIBED.—The administrative expenditures described in this paragraph are expenditures described in section 1903(a)(7) that a State demonstrates to the satisfaction of the Secretary are attributable to administrative costs of eligibility determinations that (but for the enactment of this section) would not be incurred.

"(3) LIMITATION.—The total amount of additional Federal funds that are expended as a result of the application of this subsection for the period beginning with fiscal year 1997 and ending with fiscal year 2000 shall not exceed $500,000,000. In applying this paragraph, the Secretary shall ensure the equitable distribution of additional funds among the States.

"(4) TIME LIMITATION.—This subsection shall only apply with respect to a State for expenditures incurred during the first 12 calendar quarters in which the State program funded under part A of title IV (as in effect on and after the welfare reform effective date) is in effect.

"(i) WELFARE REFORM EFFECTIVE DATE.—In this section, the term 'welfare reform effective date' means the effective date, with respect to a State, of title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (as specified in section 116 of such Act).".

(b) PLAN AMENDMENT.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(1) by striking "and" at the end of paragraph (61),

(2) by striking the period at the end of paragraph (62) and inserting "; and", and

(3) by inserting after paragraph (62) the following new paragraph:

"(63) provide for administration and determinations of eligibility with respect to individuals who are (or seek to be) eligible for medical assistance based on the application of section 1931.".

(c) EXTENSION OF WORK TRANSITION PROVISIONS.—Sections 1902(e)(1)(B) and 1925(f) (42 U.S.C. 1396a(e)(1)(B), 1396r–6(f)) are each amended by striking "1998" and inserting "2001".

(d) ELIMINATION OF REQUIREMENT OF MINIMUM AFDC PAYMENT LEVELS.—(1) Section 1902(c) (42 U.S.C. 1396a(c)) is amended by striking "if—" and all that follows and inserting the following: "if the State requires individuals described in subsection (l)(1) to apply for assistance under the State program funded under part A of title IV as a condition of applying for or receiving medical assistance under this title.".

(2) Section 1903(i) (42 U.S.C. 1396b(i)) is amended by striking paragraph (9).

SEC. 115. DENIAL OF ASSISTANCE AND BENEFITS FOR CERTAIN DRUG-RELATED CONVICTIONS.

(a) IN GENERAL.—An individual convicted (under Federal or State law) of any offense which is classified as a felony by the law of the jurisdiction involved and which has as an element the possession, use, or distribution of a controlled substance (as defined in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6))) shall not be eligible for—

(1) assistance under any State program funded under part A of title IV of the Social Security Act, or

(2) benefits under the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977) or any State program carried out under the Food Stamp Act of 1977.

(b) EFFECTS ON ASSISTANCE AND BENEFITS FOR OTHERS.—

(1) PROGRAM OF TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—The amount of assistance otherwise required to be provided under a State program funded under part A of title IV of the Social Security Act to the family members of an individual to whom subsection (a) applies shall be reduced by the amount which would have otherwise been made available to the individual under such part.

(2) BENEFITS UNDER THE FOOD STAMP ACT OF 1977.—The amount of benefits otherwise required to be provided to a household under the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977), or any State program carried out under the Food Stamp Act of 1977, shall be determined by considering the individual to whom subsection (a) applies not to be a member of such household, except that the income and resources of the individual shall be considered to be income and resources of the household.

(c) ENFORCEMENT.—A State that has not exercised its authority under subsection (d)(1)(A) shall require each individual applying for assistance or benefits referred to in subsection (a), during the application process, to state, in writing, whether the individual, or any member of the household of the individual, has been convicted of a crime described in subsection (a).

(d) LIMITATIONS.—

(1) STATE ELECTIONS.—

(A) OPT OUT.—A State may, by specific reference in a law enacted after the date of the enactment of this Act, exempt any or all individuals domiciled in the State from the application of subsection (a).

(B) LIMIT PERIOD OF PROHIBITION.—A State may, by law enacted after the date of the enactment of this Act, limit the period for which subsection (a) shall apply to any or all individuals domiciled in the State.

(2) INAPPLICABILITY TO CONVICTIONS OCCURRING ON OR BEFORE ENACTMENT.—Subsection (a) shall not apply to convictions occurring on or before the date of the enactment of this Act.

(e) DEFINITIONS OF STATE.—For purposes of this section, the term "State" has the meaning given it—

(1) in section 419(5) of the Social Security Act, when referring to assistance provided under a State program funded under part A of title IV of the Social Security Act, and

(2) in section 3(m) of the Food Stamp Act of 1977, when referring to the food stamp program (as defined in section 3(h) of the Food Stamp Act of 1977) or any State program carried out under the Food Stamp Act of 1977.

(f) RULE OF INTERPRETATION.—Nothing in this section shall be construed to deny the following Federal benefits:

(1) Emergency medical services under title XIX of the Social Security Act.

(2) Short-term, noncash, in-kind emergency disaster relief.

(3)(A) Public health assistance for immunizations.

(B) Public health assistance for testing and treatment of communicable diseases if the Secretary of Health and Human Services determines that it is necessary to prevent the spread of such disease.

(4) Prenatal care.

(5) Job training programs.

(6) Drug treatment programs.

SEC. 116. EFFECTIVE DATE; TRANSITION RULE.

(a) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this title, this title and the amendments made by this title shall take effect on July 1, 1997.

(2) DELAYED EFFECTIVE DATE FOR CERTAIN PROVISIONS.—Notwithstanding any other provision of this section, paragraphs (2), (3), (4), (5), (8), and (10) of section 409(a) and section 411(a) of the Social Security Act (as added by the amendments made by section 103(a) of this Act) shall not take effect with respect to a State until, and shall apply only with respect to conduct that occurs on or after, the later of—

(A) July 1, 1997; or

(B) the date that is 6 months after the date the Secretary of Health and Human Services receives from the State a plan described in section 402(a) of the Social Security Act (as added by such amendment).

(3) GRANTS TO OUTLYING AREAS.—The amendments made by section 103(b) shall take effect on October 1, 1996.

(4) ELIMINATION OF CHILD CARE PROGRAMS.—The amendments made by section 103(c) shall take effect on October 1, 1996.

(5) DEFINITIONS APPLICABLE TO NEW CHILD CARE ENTITLEMENT.—Sections 403(a)(1)(C), 403(a)(1)(D), and 419(4) of the Social Security Act, as added by the amendments made by section 103(a) of this Act, shall take effect on October 1, 1996.

(b) TRANSITION RULES.—Effective on the date of the enactment of this Act:

(1) STATE OPTION TO ACCELERATE EFFECTIVE DATE.—

(A) IN GENERAL.—If the Secretary of Health and Human Services receives from a State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 103(a)(1) of this Act), then—

(i) on and after the date of such receipt—

(I) except as provided in clause (ii), this title and the amendments made by this title (other than by section 103(c) of this Act) shall apply with respect to the State; and

(II) the State shall be considered an eligible State for purposes of part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)); and

(ii) during the period that begins on the date of such receipt and ends on June 30, 1997, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (as in effect on September 30, 1995); and

(II) all State reporting requirements under parts A and F of title IV of the Social Security Act (as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) UNDER AFDC PROGRAM.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to expenditures in fiscal year 1997 shall not exceed an amount equal to the State family assistance grant.

(ii) UNDER TEMPORARY FAMILY ASSISTANCE PROGRAM.—Notwithstanding section 403(a)(1) of the Social Security Act (as in effect pursuant to the amendments made by section 103(a) of this Act), the total obligations of the Federal Government to a State under such section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) 1/366 of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 103(a)(1) of this Act) and ends on September 30, 1996; and

(II) for fiscal year 1997, shall be an amount equal to the lesser of—

(aa) the amount (if any) by which the State family assistance grant exceeds the total obligations of the Federal Government to the State under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to expenditures in fiscal year 1997; or

(bb) the State family assistance grant, multiplied by 1/365 of the number of days during the period that begins on October 1, 1996, or the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (as added by the amendment made by section 103(a)(1) of this Act), whichever is later, and ends on September 30, 1997.

(iii) CHILD CARE OBLIGATIONS EXCLUDED IN DETERMINING FEDERAL AFDC OBLIGATIONS.—As used in this subparagraph, the term "obligations of the Federal Government to the State under part A of title IV of the Social Security Act" does not include any obligation of the Federal Government with respect to child care expenditures by the State.

(C) SUBMISSION OF STATE PLAN FOR FISCAL YEAR 1996 OR 1997 DEEMED ACCEPTANCE OF GRANT LIMITATIONS AND FORMULA AND TERMINATION OF AFDC ENTITLEMENT.—The submission of a plan by a State pursuant to subparagraph (A) is deemed to constitute—

(i) the State's acceptance of the grant reductions under subparagraph (B) (including the formula for computing the amount of the reduction); and

(ii) the termination of any entitlement of any individual or family to benefits or services under the State AFDC program.

(D) DEFINITIONS.—As used in this paragraph:

(i) STATE AFDC PROGRAM.—The term "State AFDC program" means the State program under parts A and F of title IV of the Social Security Act (as in effect on September 30, 1995).

(ii) STATE.—The term "State" means the 50 States and the District of Columbia.

(iii) STATE FAMILY ASSISTANCE GRANT.—The term "State family assistance grant" means the State family assistance grant (as defined in section 403(a)(1)(B) of the Social Security Act, as added by the amendment made by section 103(a)(1) of this Act).

(2) CLAIMS, ACTIONS, AND PROCEEDINGS.—The amendments made by this title shall not apply with respect to—

(A) powers, duties, functions, rights, claims, penalties, or obligations applicable to aid, assistance, or services provided before the effective date of this title under the provisions amended; and

(B) administrative actions and proceedings commenced before such date, or authorized before such date to be commenced, under such provisions.

(3) CLOSING OUT ACCOUNT FOR THOSE PROGRAMS TERMINATED OR SUBSTANTIALLY MODIFIED BY THIS TITLE.—In closing out accounts, Federal and State officials may use scientifically acceptable statistical sampling techniques. Claims made with respect to State expenditures under a State plan approved under part A of title IV of the Social Security Act (as in effect on September 30, 1995) with respect to assistance or services provided on or before September 30, 1995, shall be treated as claims with respect to expenditures during fiscal year 1995 for purposes of reimbursement even if payment was made by a State on or after October 1, 1995. Each State shall complete the filing of all claims under the State plan (as so in effect) within 2 years after the date of the enactment of this Act. The head of each Federal department shall—

(A) use the single audit procedure to review and resolve any claims in connection with the close out of programs under such State plans; and

(B) reimburse States for any payments made for assistance or services provided during a prior fiscal year from funds for fiscal year 1995, rather than from funds authorized by this title.

(4) CONTINUANCE IN OFFICE OF ASSISTANT SECRETARY FOR FAMILY SUPPORT.—The individual who, on the day before the effective date of this title, is serving as Assistant Secretary for Family Support within the Department of Health and Human Services shall, until a successor is appointed to such position—

(A) continue to serve in such position; and

(B) except as otherwise provided by law—

(i) continue to perform the functions of the Assistant Secretary for Family Support under section 417 of the Social Security Act (as in effect before such effective date); and

(ii) have the powers and duties of the Assistant Secretary for Family Support under section 416 of the Social Security Act (as in effect pursuant to the amendment made by section 103(a)(1) of this Act).

(c) TERMINATION OF ENTITLEMENT UNDER AFDC PROGRAM.—Effective October 1, 1996, no individual or family shall be entitled to any benefits or services under any State plan approved under part A or F of title IV of the Social Security Act (as in effect on September 30, 1995).

TITLE II—SUPPLEMENTAL SECURITY INCOME

SEC. 200. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

Subtitle A—Eligibility Restrictions

SEC. 201. DENIAL OF SSI BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES.

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 105(b)(4)(A) of the Contract with America Advancement Act of 1996, is amended by redesignating paragraph (5) as paragraph (3) and by adding at the end the following new paragraph:

"(4)(A) No person shall be considered an eligible individual or eligible spouse for purposes of this title during the 10-year period that begins on the date the person is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the person in order to receive assistance simultaneously from 2 or more States under programs that are funded under title IV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under this title.

"(B) As soon as practicable after the conviction of a person in a Federal or State court as described in subparagraph (A), an official of such court shall notify the Commissioner of such conviction.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 202. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) IN GENERAL.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 201(a) of this Act, is amended by adding at the end the following new paragraph:

"(5) No person shall be considered an eligible individual or eligible spouse for purposes of this title with respect to any month if during such month the person is—

"(A) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(B) violating a condition of probation or parole imposed under Federal or State law.".

(b) EXCHANGE OF INFORMATION.—Section 1611(e) (42 U.S.C. 1382(e)), as amended by section 201(a) of this Act and subsection (a) of this section, is amended by adding at the end the following new paragraph:

"(6) Notwithstanding any other provision of law (other than section 6103 of the Internal Revenue Code of 1986), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of benefits under this title, if the officer furnishes the Commissioner with the name of the recipient, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the recipient, and notifies the Commissioner that—

"(A) the recipient—

"(i) is described in subparagraph (A) or (B) of paragraph (5); and

"(ii) has information that is necessary for the officer to conduct the officer's official duties; and

"(B) the location or apprehension of the recipient is within the officer's official duties.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 203. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 1611(e)(1) (42 U.S.C. 1382(e)(1)) is amended by adding at the end the following new subparagraph:

"(I)(i) The Commissioner shall enter into an agreement, with any interested State or local institution described in clause (i) or (ii) of section 202(x)(1)(A) the primary purpose of which is to confine individuals as described in section 202(x)(1)(A), under which—

"(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, social security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the inmates of the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

"(II) the Commissioner shall pay to any such institution, with respect to each inmate of the institution who is eligible for a benefit under this title for the month preceding the first month throughout which such inmate is in such institution and becomes ineligible for such benefit as a result of the application of this subparagraph, $400 if the institution furnishes the information described in subclause (I) to the Commissioner within 30 days after the date such individual becomes an inmate of such institution, or $200 if the institution furnishes such information after 30 days after such date but within 90 days after such date.

"(ii)(I) The provisions of section 552a of title 5, United States Code, shall not apply to any agreement entered into under clause (i) or to information exchanged pursuant to such agreement.

"(II) The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements entered into under clause (i) to any Federal or federally-assisted cash, food, or medical assistance program for eligibility purposes.

"(iii) Payments to institutions required by clause (i)(II) shall be made from funds otherwise available for the payment of benefits under this title and shall be treated as direct spending for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the seventh month beginning after the month in which this Act is enacted.

(b) STUDY OF OTHER POTENTIAL IMPROVEMENTS IN THE COLLECTION OF INFORMATION RESPECTING PUBLIC INMATES.—

(1) STUDY.—The Commissioner of Social Security shall conduct a study of the desirability, feasibility, and cost of—

(A) establishing a system under which Federal, State, and local courts would furnish to the Commissioner such information respecting court orders by which individuals are confined in jails, prisons, or other public penal, correctional, or medical facilities as the Commissioner may require for the purpose of carrying out section 1611(e)(1) of the Social Security Act; and

(B) requiring that State and local jails, prisons, and other institutions that enter into agreements with the Commissioner under section 1611(e)(1)(I) of the Social Security Act furnish the information required by such agreements to the Commissioner by means of an electronic or other sophisticated data exchange system.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Social Security shall submit a report on the results of the study conducted pursuant to this subsection to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

(c) ADDITIONAL REPORT TO CONGRESS.—Not later than October 1, 1998, the Commissioner of Social Security shall provide to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a list of the institutions that are and are not providing information to the Commissioner under section 1611(e)(1)(I) of the Social Security Act (as added by this section).

SEC. 204. EFFECTIVE DATE OF APPLICATION FOR BENEFITS.

(a) IN GENERAL.—Subparagraphs (A) and (B) of section 1611(c)(7) (42 U.S.C. 1382(c)(7)) are amended to read as follows:

"(A) the first day of the month following the date such application is filed, or

"(B) the first day of the month following the date such individual becomes eligible for such benefits with respect to such application.".

(b) SPECIAL RULE RELATING TO EMERGENCY ADVANCE PAYMENTS.—Section 1631(a)(4)(A) (42 U.S.C. 1383(a)(4)(A)) is amended—

(1) by inserting "for the month following the date the application is filed" after "is presumptively eligible for such benefits"; and

(2) by inserting ", which shall be repaid through proportionate reductions in such benefits over a period of not more than 6 months" before the semicolon.

(c) CONFORMING AMENDMENTS.—

(1) Section 1614(b) (42 U.S.C. 1382c(b)) is amended—

(A) by striking "or requests" and inserting ", on the first day of the month following the date the application is filed, or, in any case in which either spouse requests"; and

(B) by striking "application or".

(2) Section 1631(g)(3) (42 U.S.C. 1382j(g)(3)) is amended by inserting "following the month" after "beginning with the month".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to applications for benefits under title XVI of the Social Security Act filed on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) BENEFITS UNDER TITLE XVI.—For purposes of this subsection, the term "benefits under title XVI of the Social Security Act" includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.

Subtitle B—Benefits for Disabled Children

SEC. 211. DEFINITION AND ELIGIBILITY RULES.

(a) DEFINITION OF CHILDHOOD DISABILITY.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)), as amended by section 105(b)(1) of the Contract with America Advancement Act of 1996, is amended—

(1) in subparagraph (A), by striking "An individual" and inserting "Except as provided in subparagraph (C), an individual";

(2) in subparagraph (A), by striking "(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)";

(3) by redesignating subparagraphs (C) through (I) as subparagraphs (D) through (J), respectively;

(4) by inserting after subparagraph (B) the following new subparagraph:

"(C)(i) An individual under the age of 18 shall be considered disabled for the purposes of this title if that individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

"(ii) Notwithstanding clause (i), no individual under the age of 18 who engages in substantial gainful activity (determined in accordance with regulations prescribed pursuant to subparagraph (E)) may be considered to be disabled."; and

(5) in subparagraph (F), as redesignated by paragraph (3), by striking "(D)" and inserting "(E)".

(b) CHANGES TO CHILDHOOD SSI REGULATIONS.—

(1) MODIFICATION TO MEDICAL CRITERIA FOR EVALUATION OF MENTAL AND EMOTIONAL DISORDERS.—The Commissioner of Social Security shall modify sections 112.00C.2. and 112.02B.2.c.(2) of appendix 1 to subpart P of part 404 of title 20, Code of Federal Regulations, to eliminate references to maladaptive behavior in the domain of personal/behavorial function.

(2) DISCONTINUANCE OF INDIVIDUALIZED FUNCTIONAL ASSESSMENT.—The Commissioner of Social Security shall discontinue the individualized functional assessment for children set forth in sections 416.924d and 416.924e of title 20, Code of Federal Regulations.

(c) MEDICAL IMPROVEMENT REVIEW STANDARD AS IT APPLIES TO INDIVIDUALS UNDER THE AGE OF 18.—Section 1614(a)(4) (42 U.S.C. 1382(a)(4)) is amended—

(1) by redesignating subclauses (I) and (II) of clauses (i) and (ii) of subparagraph (B) as items (aa) and (bb), respectively;

(2) by redesignating clauses (i) and (ii) of subparagraphs (A) and (B) as subclauses (I) and (II), respectively;

(3) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively;

(4) by inserting before clause (i) (as redesignated by paragraph (3)) the following new subparagraph:

"(A) in the case of an individual who is age 18 or older—";

(5) by inserting after and below subparagraph (A)(iii) (as so redesignated) the following new subparagraph:

"(B) in the case of an individual who is under the age of 18—

"(i) substantial evidence which demonstrates that there has been medical improvement in the individual's impairment or combination of impairments, and that such impairment or combination of impairments no longer results in marked and severe functional limitations; or "(ii) substantial evidence which demonstrates that, as determined on the basis of new or improved diagnostic techniques or evaluations, the individual's impairment or combination of impairments, is not as disabling as it was considered to be at the time of the most recent prior decision that the individual was under a disability or continued to be under a disability, and such impairment or combination of impairments does not result in marked and severe functional limitations; or";

(6) by redesignating subparagraph (D) as subparagraph (C) and by inserting in such subparagraph "in the case of any individual," before "substantial evidence"; and

(7) in the first sentence following subparagraph (C) (as redesignated by paragraph (6)), by—

(A) inserting "(i)" before "to restore"; and

(B) inserting ", or (ii) in the case of an individual under the age of 18, to eliminate or improve the individual's impairment or combination of impairments so that it no longer results in marked and severe functional limitations" immediately before the period.

(d) EFFECTIVE DATES, ETC.—

(1) EFFECTIVE DATES.—

(A) SUBSECTIONS (a) AND (b).—

(i) IN GENERAL.—The provisions of, and amendments made by, subsections (a) and (b) of this section shall apply to any individual who applies for, or whose claim is finally adjudicated with respect to, benefits under title XVI of the Social Security Act on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such provisions and amendments.

(ii) DETERMINATION OF FINAL ADJUDICATION.—For purposes of clause (i), no individual's claim with respect to such benefits may be considered to be finally adjudicated before such date of enactment if, on or after such date, there is pending a request for either administrative or judicial review with respect to such claim that has been denied in whole, or there is pending, with respect to such claim, readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

(B) SUBSECTION (c).—The amendments made by subsection (c) of this section shall apply with respect to benefits under title XVI of the Social Security Act for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

(2) APPLICATION TO CURRENT RECIPIENTS.—

(A) ELIGIBILITY REDETERMINATIONS.—During the period beginning on the date of the enactment of this Act and ending on the date which is 1 year after such date of enactment, the Commissioner of Social Security shall redetermine the eligibility of any individual under age 18 who is eligible for supplemental security income benefits by reason of disability under title XVI of the Social Security Act as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of, or amendments made by, subsections (a) and (b) of this section. With respect to any redetermination under this subparagraph—

(i) section 1614(a)(4) of the Social Security Act (42 U.S.C. 1382c(a)(4)) shall not apply;

(ii) the Commissioner of Social Security shall apply the eligibility criteria for new applicants for benefits under title XVI of such Act;

(iii) the Commissioner shall give such redetermination priority over all continuing eligibility reviews and other reviews under such title; and

(iv) such redetermination shall be counted as a review or redetermination otherwise required to be made under section 208 of the Social Security Independence and Program Improvements Act of 1994 or any other provision of title XVI of the Social Security Act.

(B) GRANDFATHER PROVISION.—The provisions of, and amendments made by, subsections (a) and (b) of this section, and the redetermination under subparagraph (A), shall only apply with respect to the benefits of an individual described in subparagraph (A) for months beginning on or after the later of July 1, 1997, or the date of the redetermination with respect to such individual.

(C) NOTICE.—Not later than January 1, 1997, the Commissioner of Social Security shall notify an individual described in subparagraph (A) of the provisions of this paragraph.

(3) REPORT.—The Commissioner of Social Security shall report to the Congress regarding the progress made in implementing the provisions of, and amendments made by, this section on child disability evaluations not later than 180 days after the date of the enactment of this Act.

(4) REGULATIONS.—Notwithstanding any other provision of law, the Commissioner of Social Security shall submit for review to the committees of jurisdiction in the Congress any final regulation pertaining to the eligibility of individuals under age 18 for benefits under title XVI of the Social Security Act at least 45 days before the effective date of such regulation. The submission under this paragraph shall include supporting documentation providing a cost analysis, workload impact, and projections as to how the regulation will effect the future number of recipients under such title.

(5) CAP ADJUSTMENT FOR SSI ADMINISTRATIVE WORK REQUIRED BY WELFARE REFORM.—

(A) AUTHORIZATION.—For the additional costs of continuing disability reviews and redeterminations under title XVI of the Social Security Act, there is hereby authorized to be appropriated to the Social Security Administration, in addition to amounts authorized under section 201(g)(1)(A) of the Social Security Act, $150,000,000 in fiscal year 1997 and $100,000,000 in fiscal year 1998.

(B) CAP ADJUSTMENT.—Section 251(b)(2)(H) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by section 103(b) of the Contract with America Advancement Act of 1996, is amended—

(i) in clause (i)—

(I) in subclause (II) by—

(aa) striking "$25,000,000" and inserting "$175,000,000"; and

(bb) striking "$160,000,000" and inserting "$310,000,000"; and

(II) in subclause (III) by—

(aa) striking "$145,000,000" and inserting "$245,000,000"; and

(bb) striking "$370,000,000" and inserting "$470,000,000"; and

(ii) by amending clause (ii)(I) to read as follows:

"(I) the term 'continuing disability reviews' means reviews or redeterminations as defined under section 201(g)(1)(A) of the Social Security Act and reviews and redeterminations authorized under section 211 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;".

(C) ADJUSTMENTS.—Section 606(e)(1)(B) of the Congressional Budget Act of 1974 is amended by adding at the end the following new sentences: "If the adjustments referred to in the preceding sentence are made for an appropriations measure that is not enacted into law, then the Chairman of the Committee on the Budget of the House of Representatives shall, as soon as practicable, reverse those adjustments. The Chairman of the Committee on the Budget of the House of Representatives shall submit any adjustments made under this subparagraph to the House of Representatives and have such adjustments published in the Congressional Record.".

(D) CONFORMING AMENDMENT.—Section 103(d)(1) of the Contract with America Advancement Act of 1996 (42 U.S.C. 401 note) is amended by striking "medicaid programs." and inserting "medicaid programs, except that the amounts appropriated pursuant to the authorization and discretionary spending allowance provisions in section 211(d)(2)(5) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall be used only for continuing disability reviews and redeterminations under title XVI of the Social Security Act.".

(6) BENEFITS UNDER TITLE XVI.—For purposes of this subsection, the term "benefits under title XVI of the Social Security Act" includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.

SEC. 212. ELIGIBILITY REDETERMINATIONS AND CONTINUING DISABILITY REVIEWS.

(a) CONTINUING DISABILITY REVIEWS RELATING TO CERTAIN CHILDREN.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as redesignated by section 211(a)(3) of this Act, is amended—

(1) by inserting "(i)" after "(H)"; and

(2) by adding at the end the following new clause:

"(ii)(I) Not less frequently than once every 3 years, the Commissioner shall review in accordance with paragraph (4) the continued eligibility for benefits under this title of each individual who has not attained 18 years of age and is eligible for such benefits by reason of an impairment (or combination of impairments) which is likely to improve (or, at the option of the Commissioner, which is unlikely to improve).

"(II) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.

"(III) If the representative payee refuses to comply without good cause with the requirements of subclause (II), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this title would be served thereby, to the individual.

"(IV) Subclause (II) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of subclause (II) should not apply to an individual's representative payee.".

(b) DISABILITY ELIGIBILITY REDETERMINATIONS REQUIRED FOR SSI RECIPIENTS WHO ATTAIN 18 YEARS OF AGE.—

(1) In general.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsection (a) of this section, is amended by adding at the end the following new clause:

"(iii) If an individual is eligible for benefits under this title by reason of disability for the month preceding the month in which the individual attains the age of 18 years, the Commissioner shall redetermine such eligibility—

"(I) during the 1-year period beginning on the individual's 18th birthday; and

"(II) by applying the criteria used in determining the initial eligibility for applicants who are age 18 or older.

With respect to a redetermination under this clause, paragraph (4) shall not apply and such redetermination shall be considered a substitute for a review or redetermination otherwise required under any other provision of this subparagraph during that 1-year period.".

(2) Conforming repeal.—Section 207 of the Social Security Independence and Program Improvements Act of 1994 (42 U.S.C. 1382 note; 108 Stat. 1516) is hereby repealed.

(c) Continuing Disability Review Required for Low Birth Weight Babies.—Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)), as amended by subsections (a) and (b) of this section, is amended by adding at the end the following new clause:

"(iv)(I) Not later than 12 months after the birth of an individual, the Commissioner shall review in accordance with paragraph (4) the continuing eligibility for benefits under this title by reason of disability of such individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled.

"(II) A review under subclause (I) shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 12-month period.

"(III) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this title.

"(IV) If the representative payee refuses to comply without good cause with the requirements of subclause (III), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this title would be served thereby, to the individual.

"(V) Subclause (III) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of subclause (III) should not apply to an individual's representative payee.".

(d) Effective Date.—The amendments made by this section shall apply to benefits for months beginning on or after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

SEC. 213. ADDITIONAL ACCOUNTABILITY REQUIREMENTS.

(a) Requirement To Establish Account.—Section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended—

(1) by redesignating subparagraphs (F) and (G) as subparagraphs (G) and (H), respectively; and

(2) by inserting after subparagraph (E) the following new subparagraph:

"(F)(i)(I) Each representative payee of an eligible individual under the age of 18 who is eligible for the payment of benefits described in subclause (II) shall establish on behalf of such individual an account in a financial institution into which such benefits shall be paid, and shall thereafter maintain such account for use in accordance with clause (ii).

"(II) Benefits described in this subclause are past-due monthly benefits under this title (which, for purposes of this subclause, include State supplementary payments made by the Commissioner pursuant to an agreement under section 1616 or section 212(b) of Public Law 93-66) in an amount (after any withholding by the Commissioner for reimbursement to a State for interim assistance under subsection (g)) that exceeds the product of—

"(aa) 6, and

"(bb) the maximum monthly benefit payable under this title to an eligible individual.

"(ii)(I) A representative payee shall use funds in the account established under clause (i) to pay for allowable expenses described in subclause (II).

"(II) An allowable expense described in this subclause is an expense for—

"(aa) education or job skills training;

"(bb) personal needs assistance;

"(cc) special equipment;

"(dd) housing modification;

"(ee) medical treatment;

"(ff) therapy or rehabilitation; or

"(gg) any other item or service that the Commissioner determines to be appropriate;

provided that such expense benefits such individual and, in the case of an expense described in item (bb), (cc), (dd), (ff), or (gg), is related to the impairment (or combination of impairments) of such individual.

"(III) The use of funds from an account established under clause (i) in any manner not authorized by this clause—

"(aa) by a representative payee shall be considered a misapplication of benefits for all purposes of this paragraph, and any representative payee who knowingly misapplies benefits from such an account shall be liable to the Commissioner in an amount equal to the total amount of such benefits; and

"(bb) by an eligible individual who is his or her own payee shall be considered a misapplication of benefits for all purposes of this paragraph and the total amount of such benefits so used shall be considered to be the uncompensated value of a disposed resource and shall be subject to the provisions of section 1613(c).

"(IV) This clause shall continue to apply to funds in the account after the child has reached age 18, regardless of whether benefits are paid directly to the beneficiary or through a representative payee.

"(iii) The representative payee may deposit into the account established pursuant to clause (i)—

"(I) past-due benefits payable to the eligible individual in an amount less than that specified in clause (i)(II), and

"(II) any other funds representing an underpayment under this title to such individual, provided that the amount of such underpayment is equal to or exceeds the maximum monthly benefit payable under this title to an eligible individual.

"(iv) The Commissioner of Social Security shall establish a system for accountability monitoring whereby such representative payee shall report, at such time and in such manner as the Commissioner shall require, on activity respecting funds in the account established pursuant to clause (i).".

(b) Exclusion From Resources.—Section 1613(a) (42 U.S.C. 1382b(a)) is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting "; and"; and

(3) by inserting after paragraph (11) the following new paragraph:

"(12) any account, including accrued interest or other earnings thereon, established and maintained in accordance with section 1631(a)(2)(F).".

(c) Exclusion From Income.—Section 1612(b) (42 U.S.C. 1382a(b)) is amended—

(1) by striking "and" at the end of paragraph (19);

(2) by striking the period at the end of paragraph (20) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(21) the interest or other earnings on any account established and maintained in accordance with section 1631(a)(2)(F).".

(d) Effective Date.—The amendments made by this section shall apply to payments made after the date of the enactment of this Act.

SEC. 214. REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED INDIVIDUALS WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE.

(a) In General.—Section 1611(e)(1)(B) (42 U.S.C. 1382(e)(1)(B)) is amended by inserting "or, in the case of an eligible individual who is a child under the age of 18, receiving payments (with respect to such individual) under any health insurance policy issued by a private provider of such insurance" after "section 1614(f)(2)(B),".

(b) Effective Date.—The amendment made by this section shall apply to benefits for months beginning 90 or more days after the date of the enactment of this Act, without regard to whether regulations have been issued to implement such amendments.

SEC. 215. REGULATIONS.

Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subtitle.

Subtitle C—Additional Enforcement Provision

SEC. 221. INSTALLMENT PAYMENT OF LARGE PAST-DUE SUPPLEMENTAL SECURITY INCOME BENEFITS.

(a) In General.—Section 1631(a) (42 U.S.C. 1383) is amended by adding at the end the following new paragraph:

"(10)(A) If an individual is eligible for past-due monthly benefits under this title in an amount that (after any withholding for reimbursement to a State for interim assistance under subsection (g)) equals or exceeds the product of—

"(i) 12, and

"(ii) the maximum monthly benefit payable under this title to an eligible individual (or, if appropriate, to an eligible individual and eligible spouse),

then the payment of such past-due benefits (after any such reimbursement to a State) shall be made in installments as provided in subparagraph (B).

"(B)(i) The payment of past-due benefits subject to this subparagraph shall be made in not to exceed 3 installments that are made at 6-month intervals.

"(ii) Except as provided in clause (iii), the amount of each of the first and second installments may not exceed an amount equal to the product of clauses (i) and (ii) of subparagraph (A).

"(iii) In the case of an individual who has—

"(I) outstanding debt attributable to—

"(aa) food,

"(bb) clothing,

"(cc) shelter, or

"(dd) medically necessary services, supplies or equipment, or medicine; or

"(II) current expenses or expenses anticipated in the near term attributable to—

"(aa) medically necessary services, supplies or equipment, or medicine, or

"(bb) the purchase of a home, and such debt or expenses are not subject to reimbursement by a public assistance program, the Secretary under title XVIII, a State plan approved under title XIX, or any private entity legally liable to provide payment pursuant to an insurance policy, pre-paid plan, or other arrangement, the limitation specified in clause (ii) may be exceeded by an amount equal to the total of such debt and expenses.

"(C) This paragraph shall not apply to any individual who, at the time of the Commissioner's determination that such individual is eligible for the payment of past-due monthly benefits under this title—

"(i) is afflicted with a medically determinable impairment that is expected to result in death within 12 months; or

"(ii) is ineligible for benefits under this title and the Commissioner determines that such individual is likely to remain ineligible for the next 12 months.

"(D) For purposes of this paragraph, the term 'benefits under this title' includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a), and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.".

(b) CONFORMING AMENDMENT.—Section 1631(a)(1) (42 U.S.C. 1383(a)(1)) is amended by inserting "(subject to paragraph (10))" immediately before "in such installments".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section are effective with respect to past-due benefits payable under title XVI of the Social Security Act after the third month following the month in which this Act is enacted.

(2) BENEFITS PAYABLE UNDER TITLE XVI.—For purposes of this subsection, the term "benefits payable under title XVI of the Social Security Act" includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.

SEC. 222. REGULATIONS.

Within 3 months after the date of the enactment of this Act, the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subtitle.

Subtitle D—Studies Regarding Supplemental Security Income Program

SEC. 231. ANNUAL REPORT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM.

Title XVI (42 U.S.C. 1381 et seq.), as amended by section 105(b)(3) of the Contract with America Advancement Act of 1996, is amended by adding at the end the following new section:

"ANNUAL REPORT ON PROGRAM

"SEC. 1637. (a) Not later than May 30 of each year, the Commissioner of Social Security shall prepare and deliver a report annually to the President and the Congress regarding the program under this title, including—

"(1) a comprehensive description of the program;

"(2) historical and current data on allowances and denials, including number of applications and allowance rates for initial determinations, reconsideration determinations, administrative law judge hearings, appeals council reviews, and Federal court decisions;

"(3) historical and current data on characteristics of recipients and program costs, by recipient group (aged, blind, disabled adults, and disabled children);

"(4) historical and current data on prior enrollment by recipients in public benefit programs, including State programs funded under part A of title IV of the Social Security Act and State general assistance programs;

"(5) projections of future number of recipients and program costs, through at least 25 years;

"(6) number of redeterminations and continuing disability reviews, and the outcomes of such redeterminations and reviews;

"(7) data on the utilization of work incentives;

"(8) detailed information on administrative and other program operation costs;

"(9) summaries of relevant research undertaken by the Social Security Administration, or by other researchers;

"(10) State supplementation program operations;

"(11) a historical summary of statutory changes to this title; and

"(12) such other information as the Commissioner deems useful.

"(b) Each member of the Social Security Advisory Board shall be permitted to provide an individual report, or a joint report if agreed, of views of the program under this title, to be included in the annual report required under this section.".

SEC. 232. STUDY BY GENERAL ACCOUNTING OFFICE.

Not later than January 1, 1999, the Comptroller General of the United States shall study and report on—

(1) the impact of the amendments made by, and the provisions of, this title on the supplemental security income program under title XVI of the Social Security Act; and

(2) extra expenses incurred by families of children receiving benefits under such title that are not covered by other Federal, State, or local programs.

TITLE III—CHILD SUPPORT

SEC. 300. REFERENCE TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, wherever in this title an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act.

Subtitle A—Eligibility for Services; Distribution of Payments

SEC. 301. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following new paragraph:

"(4) provide that the State will—

"(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

"(i) each child for whom (I) assistance is provided under the State program funded under part A of this title, (II) benefits or services for foster care maintenance are provided under the State program funded under part E of this title, or (III) medical assistance is provided under the State plan approved under title XIX, unless, in accordance with paragraph (29), good cause or other exceptions exist;

"(ii) any other child, if an individual applies for such services with respect to the child; and

"(B) enforce any support obligation established with respect to—

"(i) a child with respect to whom the State provides services under the plan; or

"(ii) the custodial parent of such a child;"; and

(2) in paragraph (6)—

(A) by striking "provide that" and inserting "provide that—";

(B) by striking subparagraph (A) and inserting the following new subparagraph:

"(A) services under the plan shall be made available to residents of other States on the same terms as to residents of the State submitting the plan;";

(C) in subparagraph (B), by inserting "on individuals not receiving assistance under any State program funded under part A" after "such services shall be imposed";

(D) in each of subparagraphs (B), (C), (D), and (E)—

(i) by indenting the subparagraph in the same manner as, and aligning the left margin of the subparagraph with the left margin of, the matter inserted by subparagraph (B) of this paragraph; and

(ii) by striking the final comma and inserting a semicolon; and

(E) in subparagraph (E), by indenting each of clauses (i) and (ii) 2 additional ems.

(b) CONTINUATION OF SERVICES FOR FAMILIES CEASING TO RECEIVE ASSISTANCE UNDER THE STATE PROGRAM FUNDED UNDER PART A.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking "and" at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting "; and"; and

(3) by adding after paragraph (24) the following new paragraph:

"(25) provide that if a family with respect to which services are provided under the plan ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of other individuals to whom services are furnished under the plan, except that an application or other request to continue services shall not be required of such a family and paragraph (6)(B) shall not apply to the family.".

(c) CONFORMING AMENDMENTS.—

(1) Section 452(b) (42 U.S.C. 652(b)) is amended by striking "454(6)" and inserting "454(4)".

(2) Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking "454(6)" each place it appears and inserting "454(4)(A)(ii)".

(3) Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking "in the case of overdue support which a State has agreed to collect under section 454(6)" and inserting "in any other case".

(4) Section 466(e) (42 U.S.C. 666(e)) is amended by striking "paragraph (4) or (6) of section 454" and inserting "section 454(4)".

SEC. 302. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS.

(a) In General.—Section 457 (42 U.S.C. 657) is amended to read as follows:

"SEC. 457. DISTRIBUTION OF COLLECTED SUPPORT.

"(a) In General.—Subject to subsection (e), an amount collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

"(1) Families receiving assistance.—In the case of a family receiving assistance from the State, the State shall—

"(A) pay to the Federal Government the Federal share of the amount so collected; and

"(B) retain, or distribute to the family, the State share of the amount so collected.

"(2) Families that formerly received assistance.—In the case of a family that formerly received assistance from the State:

"(A) Current support payments.—To the extent that the amount so collected does not exceed the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected to the family.

"(B) Payments of arrearages.—To the extent that the amount so collected exceeds the amount required to be paid to the family for the month in which collected, the State shall distribute the amount so collected as follows:

"(i) Distribution of arrearages that accrued after the family ceased to receive assistance.—

"(I) Pre-october 1997.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Act Reconciliation of 1996 shall apply with respect to the distribution of support arrearages that—

"(aa) accrued after the family ceased to receive assistance, and

"(bb) are collected before October 1, 1997.

"(II) Post-september 1997.—With respect to the amount so collected on or after October 1, 1997 (or before such date, at the option of the State)—

"(aa) In general.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued after the family ceased to receive assistance from the State.

"(bb) Reimbursement of governments for assistance provided to the family.—After the application of division (aa) and clause (ii)(II)(aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

"(cc) Distribution of the remainder to the family.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

"(ii) Distribution of arrearages that accrued before the family received assistance.—

"(I) Pre-october 2000.—Except as provided in subclause (II), the provisions of this section (other than subsection (b)(1)) as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall apply with respect to the distribution of support arrearages that—

"(aa) accrued before the family received assistance, and

"(bb) are collected before October 1, 2000.

"(II) Post-september 2000.—Unless, based on the report required by paragraph (4), the Congress determines otherwise, with respect to the amount so collected on or after October 1, 2000 (or before such date, at the option of the State)—

"(aa) In general.—The State shall first distribute the amount so collected (other than any amount described in clause (iv)) to the family to the extent necessary to satisfy any support arrearages with respect to the family that accrued before the family received assistance from the State.

"(bb) Reimbursement of governments for assistance provided to the family.—After the application of clause (i)(II)(aa) and division (aa) with respect to the amount so collected, the State shall retain the State share of the amount so collected, and pay to the Federal Government the Federal share (as defined in subsection (c)(2)) of the amount so collected, but only to the extent necessary to reimburse amounts paid to the family as assistance by the State.

"(cc) Distribution of the remainder to the family.—To the extent that neither division (aa) nor division (bb) applies to the amount so collected, the State shall distribute the amount to the family.

"(iii) Distribution of arrearages that accrued while the family received assistance.—In the case of a family described in this subparagraph, the provisions of paragraph (1) shall apply with respect to the distribution of support arrearages that accrued while the family received assistance.

"(iv) Amounts collected pursuant to section 464.—Notwithstanding any other provision of this section, any amount of support collected pursuant to section 464 shall be retained by the State to the extent past-due support has been assigned to the State as a condition of receiving assistance from the State, up to the amount necessary to reimburse the State for amounts paid to the family as assistance by the State. The State shall pay to the Federal Government the Federal share of the amounts so retained. To the extent the amount collected pursuant to section 464 exceeds the amount so retained, the State shall distribute the excess to the family.

"(v) Ordering rules for distributions.—For purposes of this subparagraph, unless an earlier effective date is required by this section, effective October 1, 2000, the State shall treat any support arrearages collected, except for amounts collected pursuant to section 464, as accruing in the following order:

"(I) To the period after the family ceased to receive assistance.

"(II) To the period before the family received assistance.

"(III) To the period while the family was receiving assistance.

"(3) Families that never received assistance.—In the case of any other family, the State shall distribute the amount so collected to the family.

"(4) Families under certain agreements.—In the case of a family receiving assistance from an Indian tribe, distribute the amount so collected pursuant to an agreement entered into pursuant to a State plan under section 454(33).

"(5) Study and report.—Not later than October 1, 1998, the Secretary shall report to the Congress the Secretary's findings with respect to—

"(A) whether the distribution of post-assistance arrearages to families has been effective in moving people off of welfare and keeping them off of welfare;

"(B) whether early implementation of a pre-assistance arrearage program by some States has been effective in moving people off of welfare and keeping them off of welfare;

"(C) what the overall impact has been of the amendments made by the Personal Responsibility and Work Opportunity Act of 1996 with respect to child support enforcement in moving people off of welfare and keeping them off of welfare; and

"(D) based on the information and data the Secretary has obtained, what changes, if any, should be made in the policies related to the distribution of child support arrearages.

"(b) Continuation of Assignments.—Any rights to support obligations, which were assigned to a State as a condition of receiving assistance from the State under part A and which were in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, shall remain assigned after such date.

"(c) Definitions.—As used in subsection (a):

"(1) Assistance.—The term 'assistance from the State' means—

"(A) assistance under the State program funded under part A or under the State plan approved under part A of this title (as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996); and

"(B) foster care maintenance payments under the State plan approved under part E of this title.

"(2) Federal share.—The term 'Federal share' means that portion of the amount collected resulting from the application of the Federal medical assistance percentage in effect for the fiscal year in which the amount is collected.

"(3) Federal medical assistance percentage.—The term 'Federal medical assistance percentage' means—

"(A) the Federal medical assistance percentage (as defined in section 1118), in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa; or

"(B) the Federal medical assistance percentage (as defined in section 1905(b), as in effect on September 30, 1996) in the case of any other State.

"(4) State share.—The term 'State share' means 100 percent minus the Federal share.

"(d) Hold Harmless Provision.—If the amounts collected which could be retained by the State in the fiscal year (to the extent necessary to reimburse the State for amounts paid to families as assistance by the State) are less than the State share of the amounts collected in fiscal year 1995 (determined in accordance with section 457 as in effect on the day before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996), the State share for the fiscal year shall be an amount equal to the State share in fiscal year 1995.

"(e) Gap Payments not Subject to Distribution Under This Section.—At State option, this section shall not apply to any amount collected on behalf of a family as support by the State (and paid to the family in addition to the amount of assistance otherwise payable to the family) pursuant to a plan approved under this part if such amount would have been paid to the family by the

State under section 402(a)(28), as in effect and applied on the day before the date of the enactment of section 302 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. For purposes of subsection (d), the State share of such amount paid to the family shall be considered amounts which could be retained by the State if such payments were reported by the State as part of the State share of amounts collected in fiscal year 1995.".

(b) CONFORMING AMENDMENTS.—

(1) Section 464(a)(1) (42 U.S.C. 664(a)(1)) is amended by striking "section 457(b)(4) or (d)(3)" and inserting "section 457".

(2) Section 454 (42 U.S.C. 654) is amended—

(A) in paragraph (11)—

(i) by striking "(11)" and inserting "(11)(A)"; and

(ii) by inserting after the semicolon "and"; and

(B) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall be effective on October 1, 1996, or earlier at the State's option.

(2) CONFORMING AMENDMENTS.—The amendments made by subsection (b)(2) shall become effective on the date of the enactment of this Act.

SEC. 303. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by section 301(b) of this Act, is amended—

(1) by striking "and" at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting "; and"; and

(3) by adding after paragraph (25) the following new paragraph:

"(26) will have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

"(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

"(B) prohibitions against the release of information on the whereabouts of 1 party to another party against whom a protective order with respect to the former party has been entered; and

"(C) prohibitions against the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 304. RIGHTS TO NOTIFICATION OF HEARINGS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 302(b)(2) of this Act, is amended by inserting after paragraph (11) the following new paragraph:

"(12) provide for the establishment of procedures to require the State to provide individuals who are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan—

"(A) with notice of all proceedings in which support obligations might be established or modified; and

"(B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

Subtitle B—Locate and Case Tracking

SEC. 311. STATE CASE REGISTRY.

Section 454A, as added by section 344(a)(2) of this Act, is amended by adding at the end the following new subsections:

"(e) STATE CASE REGISTRY.—

"(1) CONTENTS.—The automated system required by this section shall include a registry (which shall be known as the 'State case registry') that contains records with respect to—

"(A) each case in which services are being provided by the State agency under the State plan approved under this part; and

"(B) each support order established or modified in the State on or after October 1, 1998.

"(2) LINKING OF LOCAL REGISTRIES.—The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

"(3) USE OF STANDARDIZED DATA ELEMENTS.—Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on case status) as the Secretary may require.

"(4) PAYMENT RECORDS.—Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

"(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;

"(B) any amount described in subparagraph (A) that has been collected;

"(C) the distribution of such collected amounts;

"(D) the birth date of any child for whom the order requires the provision of support; and

"(E) the amount of any lien imposed with respect to the order pursuant to section 466(a)(4).

"(5) UPDATING AND MONITORING.—The State agency operating the automated system required by this section shall promptly establish and update, maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—

"(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

"(B) information obtained from comparison with Federal, State, or local sources of information;

"(C) information on support collections and distributions; and

"(D) any other relevant information.

"(f) INFORMATION COMPARISONS AND OTHER DISCLOSURES OF INFORMATION.—The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

"(1) FEDERAL CASE REGISTRY OF CHILD SUPPORT ORDERS.—Furnishing to the Federal Case Registry of Child Support Orders established under section 453(h) (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

"(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging information with the Federal Parent Locator Service for the purposes specified in section 453.

"(3) TEMPORARY FAMILY ASSISTANCE AND MEDICAID AGENCIES.—Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under a State plan approved under title XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

"(4) INTRASTATE AND INTERSTATE INFORMATION COMPARISONS.—Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.".

SEC. 312. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b) and 303(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting "; and"; and

(3) by adding after paragraph (26) the following new paragraph:

"(27) provide that, on and after October 1, 1998, the State agency will—

"(A) operate a State disbursement unit in accordance with section 454B; and

"(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting directly to the State agency to—

"(i) monitor and enforce support collections through the unit in cases being enforced by the State pursuant to section 454(4) (including carrying out the automated data processing responsibilities described in section 454A(g)); and

"(ii) take the actions described in section 466(c)(1) in appropriate cases.".

(b) ESTABLISHMENT OF STATE DISBURSEMENT UNIT.—Part D of title IV (42 U.S.C. 651–669), as amended by section 344(a)(2) of this Act, is amended by inserting after section 454A the following new section:

"SEC. 454B. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

"(a) STATE DISBURSEMENT UNIT.—

"(1) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the 'State disbursement unit') for the collection and disbursement of payments under support orders—

"(A) in all cases being enforced by the State pursuant to section 454(4); and

"(B) in all cases not being enforced by the State under this part in which the support order is initially issued in the State on or after January 1, 1994, and in which the income of the noncustodial parent are subject to withholding pursuant to section 466(a)(8)(B).

"(2) OPERATION.—The State disbursement unit shall be operated—

"(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

"(B) except in cases described in paragraph (1)(B), in coordination with the automated system established by the State pursuant to section 454A.

"(3) LINKING OF LOCAL DISBURSEMENT UNITS.—The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section, if the Secretary agrees that the system will not cost more nor take more time to establish or operate than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

"(b) REQUIRED PROCEDURES.—The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

"(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;

"(2) for accurate identification of payments;

"(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

"(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent, except that in cases described in subsection (a)(1)(B), the State disbursement unit shall not be required to convert and maintain in automated form records of payments kept pursuant to section 466(a)(8)(B)(iii) before the effective date of this section.

"(c) TIMING OF DISBURSEMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 457(a) within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided.

"(2) PERMISSIVE RETENTION OF ARREARAGES.—The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

"(d) BUSINESS DAY DEFINED.—As used in this section, the term 'business day' means a day on which State offices are open for regular business.".

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 344(a)(2) and as amended by section 311 of this Act, is amended by adding at the end the following new subsection:

"(g) COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—

"(1) IN GENERAL.—The State shall use the automated system required by this section, to the maximum extent feasible, to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 454B, through the performance of functions, including, at a minimum—

"(A) transmission of orders and notices to employers (and other debtors) for the withholding of income—

"(i) within 2 business days after receipt of notice of, and the income source subject to, such withholding from a court, another State, an employer, the Federal Parent Locator Service, or another source recognized by the State; and

"(ii) using uniform formats prescribed by the Secretary;

"(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

"(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 466(c)) if payments are not timely made.

"(2) BUSINESS DAY DEFINED.—As used in paragraph (1), the term 'business day' means a day on which State offices are open for regular business.".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on October 1, 1998.

(2) LIMITED EXCEPTION TO UNIT HANDLING PAYMENTS.—Notwithstanding section 454B(b)(1) of the Social Security Act, as added by this section, any State which, as of the date of the enactment of this Act, processes the receipt of child support payments through local courts may, at the option of the State, continue to process through September 30, 1999, such payments through such courts as processed such payments on or before such date of enactment.

SEC. 313. STATE DIRECTORY OF NEW HIRES.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a) and 312(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting "; and"; and

(3) by adding after paragraph (27) the following new paragraph:

"(28) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 453A.".

(b) STATE DIRECTORY OF NEW HIRES.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 453 the following new section:

"SEC. 453A. STATE DIRECTORY OF NEW HIRES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—

"(A) REQUIREMENT FOR STATES THAT HAVE NO DIRECTORY.—Except as provided in subparagraph (B), not later than October 1, 1997, each State shall establish an automated directory (to be known as the 'State Directory of New Hires') which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

"(B) STATES WITH NEW HIRE REPORTING IN EXISTENCE.—A State which has a new hire reporting law in existence on the date of the enactment of this section may continue to operate under the State law, but the State must meet the requirements of subsection (g)(2) not later than October 1, 1997, and the requirements of this section (other than subsection (g)(2)) not later than October 1, 1998.

"(2) DEFINITIONS.—As used in this section:

"(A) EMPLOYEE.—The term 'employee'—

"(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

"(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

"(B) EMPLOYER.—

"(i) IN GENERAL.—The term 'employer' has the meaning given such term in section 3401(d) of the Internal Revenue Code of 1986 and includes any governmental entity and any labor organization.

"(ii) LABOR ORGANIZATION.—The term 'labor organization' shall have the meaning given such term in section 2(5) of the National Labor Relations Act, and includes any entity (also known as a 'hiring hall') which is used by the organization and an employer to carry out requirements described in section 8(f)(3) of such Act of an agreement between the organization and the employer.

"(b) EMPLOYER INFORMATION.—

"(1) REPORTING REQUIREMENT.—

"(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(B) MULTISTATE EMPLOYERS.—An employer that has employees who are employed in 2 or more States and that transmits reports magnetically or electronically may comply with subparagraph (A) by designating 1 State in which such employer has employees to which the employer will transmit the report described in subparagraph (A), and transmitting such report to such State. Any employer that transmits reports pursuant to this subparagraph shall notify the Secretary in writing as to which State such employer designates for the purpose of sending reports.

"(C) FEDERAL GOVERNMENT EMPLOYERS.—Any department, agency, or instrumentality of the United States shall comply with subparagraph (A) by transmitting the report described in subparagraph (A) to the National Directory of New Hires established pursuant to section 453.

"(2) TIMING OF REPORT.—Each State may provide the time within which the report required by paragraph (1) shall be made with respect to an employee, but such report shall be made—

"(A) not later than 20 days after the date the employer hires the employee; or

"(B) in the case of an employer transmitting reports magnetically or electronically, by 2 monthly transmissions (if necessary) not less than 12 days nor more than 16 days apart.

"(c) REPORTING FORMAT AND METHOD.—Each report required by subsection (b) shall be made on a W-4 form or, at the option of the employer, an equivalent form, and may be transmitted by 1st class mail, magnetically, or electronically.

"(d) CIVIL MONEY PENALTIES ON NONCOMPLYING EMPLOYERS.—The State shall have the option to set a State civil money penalty which shall be less than—

"(1) $25; or

"(2) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

"(e) ENTRY OF EMPLOYER INFORMATION.—Information shall be entered into the data base maintained by the State Directory of

New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

"(f) INFORMATION COMPARISONS.—

"(1) IN GENERAL.—Not later than May 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

"(2) NOTICE OF MATCH.—When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

"(g) TRANSMISSION OF INFORMATION.—

"(1) TRANSMISSION OF WAGE WITHHOLDING NOTICES TO EMPLOYERS.—Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee's child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the income of the employee an amount equal to the monthly (or other periodic) child support obligation (including any past due support obligation) of the employee, unless the employee's income is not subject to withholding pursuant to section 466(b)(3).

"(2) TRANSMISSIONS TO THE NATIONAL DIRECTORY OF NEW HIRES.—

"(A) NEW HIRE INFORMATION.—Within 3 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

"(B) WAGE AND UNEMPLOYMENT COMPENSATION INFORMATION.—The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires extracts of the reports required under section 303(a)(6) to be made to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

"(3) BUSINESS DAY DEFINED.—As used in this subsection, the term 'business day' means a day on which State offices are open for regular business.

"(h) OTHER USES OF NEW HIRE INFORMATION.—

"(1) LOCATION OF CHILD SUPPORT OBLIGORS.—The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations, and may disclose such information to any agent of the agency that is under contract with the agency to carry out such purposes.

"(2) VERIFICATION OF ELIGIBILITY FOR CERTAIN PROGRAMS.—A State agency responsible for administering a program specified in section 1137(b) shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

"(3) ADMINISTRATION OF EMPLOYMENT SECURITY AND WORKERS' COMPENSATION.—State agencies operating employment security and workers' compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs.".

(c) QUARTERLY WAGE REPORTING.—Section 1137(a)(3) (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by inserting "(including State and local governmental entities and labor organizations (as defined in section 453A(a)(2)(B)(iii))" after "employers"; and

(2) by inserting ", and except that no report shall be filed with respect to an employee of a State or local agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission" after "paragraph (2)".

(d) DISCLOSURE TO CERTAIN AGENTS.—Section 303(e) (42 U.S.C. 503(e)) is amended by adding at the end the following:

"(5) A State or local child support enforcement agency may disclose to any agent of the agency that is under contract with the agency to carry out the purposes described in paragraph (1)(B) wage information that is disclosed to an officer or employee of the agency under paragraph (1)(A). Any agent of a State or local child support agency that receives wage information under this paragraph shall comply with the safeguards established pursuant to paragraph (1)(B).".

SEC. 314. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) IN GENERAL.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

"(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

"(B) Procedures under which the income of a person with a support obligation imposed by a support order issued (or modified) in the State before October 1, 1996, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.".

(2) CONFORMING AMENDMENTS.—

(A) Section 466(b) (42 U.S.C. 666(b)) is amended in the matter preceding paragraph (1), by striking "subsection (a)(1)" and inserting "subsection (a)(1)(A)".

(B) Section 466(b)(4) (42 U.S.C. 666(b)(4)) is amended to read as follows:

"(4)(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each noncustodial parent to whom paragraph (1) applies—

"(i) that the withholding has commenced; and

"(ii) of the procedures to follow if the noncustodial parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.

"(B) The notice under subparagraph (A) of this paragraph shall include the information provided to the employer under paragraph (6)(A).".

(C) Section 466(b)(5) (42 U.S.C. 666(b)(5)) is amended by striking all that follows "administered by" and inserting "the State through the State disbursement unit established pursuant to section 454B, in accordance with the requirements of section 454B.".

(D) Section 466(b)(6)(A) (42 U.S.C. 666(b)(6)(A)) is amended—

(i) in clause (i), by striking "to the appropriate agency" and all that follows and inserting "to the State disbursement unit within 7 business days after the date the amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part. The employer shall withhold funds as directed in the notice, except that when an employer receives an income withholding order issued by another State, the employer shall apply the income withholding law of the state of the obligor's principal place of employment in determining—

"(I) the employer's fee for processing an income withholding order;

"(II) the maximum amount permitted to be withheld from the obligor's income;

"(III) the time periods within which the employer must implement the income withholding order and forward the child support payment;

"(IV) the priorities for withholding and allocating income withheld for multiple child support obligees; and

"(V) any withholding terms or conditions not specified in the order.

An employer who complies with an income withholding notice that is regular on its face shall not be subject to civil liability to any individual or agency for conduct in compliance with the notice.";

(ii) in clause (ii), by inserting "be in a standard format prescribed by the Secretary, and" after "shall"; and

(iii) by adding at the end the following new clause:

"(iii) As used in this subparagraph, the term 'business day' means a day on which State offices are open for regular business.".

(E) Section 466(b)(6)(D) (42 U.S.C. 666(b)(6)(D)) is amended by striking "any employer" and all that follows and inserting "any employer who—

"(i) discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

"(ii) fails to withhold support from income or to pay such amounts to the State disbursement unit in accordance with this subsection.".

(F) Section 466(b) (42 U.S.C. 666(b)) is amended by adding at the end the following new paragraph:

"(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order without advance notice to the obligor, including issuing the withholding order through electronic means.".

(b) DEFINITION OF INCOME.—

(1) IN GENERAL.—Section 466(b)(8) (42 U.S.C. 666(b)(8)) is amended to read as follows:

"(8) For purposes of subsection (a) and this subsection, the term 'income' means any periodic form of payment due to an individual, regardless of source, including wages, salaries, commissions, bonuses, worker's compensation, disability, payments pursuant to a pension or retirement program, and interest.".

(2) CONFORMING AMENDMENTS.—

(A) Subsections (a)(8)(A), (a)(8)(B)(i), (b)(3)(A), (b)(3)(B), (b)(6)(A)(i), and (b)(6)(C), and (b)(7) of section 466 (42 U.S.C.

666(a)(8)(A), (a)(8)(B)(i), (b)(3)(A), (b)(3)(B), (b)(6)(A)(i), and (b)(6)(C), and (b)(7)) are each amended by striking "wages" each place such term appears and inserting "income".

(B) Section 466(b)(1) (42 U.S.C. 666(b)(1)) is amended by striking "wages (as defined by the State for purposes of this section)" and inserting "income".

(c) Conforming Amendment.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

SEC. 315. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)) is amended by inserting after paragraph (11) the following new paragraph:

"(12) Locator Information From Interstate Networks.—Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.".

SEC. 316. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE.

(a) Expanded Authority To Locate Individuals and Assets.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking all that follows "subsection (c))" and inserting ", for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or enforcing child custody or visitation orders—

"(1) information on, or facilitating the discovery of, the location of any individual—

"(A) who is under an obligation to pay child support or provide child custody or visitation rights;

"(B) against whom such an obligation is sought;

"(C) to whom such an obligation is owed, including the individual's social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual's employer;

"(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

"(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual."; and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "social security" and all that follows through "absent parent" and inserting "information described in subsection (a)"; and

(B) in the flush paragraph at the end, by adding the following: "No information shall be disclosed to any person if the State has notified the Secretary that the State has reasonable evidence of domestic violence or child abuse and the disclosure of such information could be harmful to the custodial parent or the child of such parent. Information received or transmitted pursuant to this section shall be subject to the safeguard provisions contained in section 454(26).".

(b) Authorized Person for Information Regarding Visitation Rights.—Section 453(c) (42 U.S.C. 653(c)) is amended—

(1) in paragraph (1), by striking "support" and inserting "support or to seek to enforce orders providing child custody or visitation rights"; and

(2) in paragraph (2), by striking ", or any agent of such court; and" and inserting "or to issue an order against a resident parent for child custody or visitation rights, or any agent of such court;".

(c) Reimbursement for Information From Federal Agencies.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the 4th sentence by inserting "in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information)" before the period.

(d) Reimbursement for Reports by State Agencies.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

"(g) Reimbursement for Reports by State Agencies.—The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).".

(e) Conforming Amendments.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), 463(e), and 463(f) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), 663(e), and 663(f)) are each amended by inserting "Federal" before "Parent" each place such term appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by adding "FEDERAL" before "PARENT".

(f) New Components.—Section 453 (42 U.S.C. 653), as amended by subsection (d) of this section, is amended by adding at the end the following new subsections:

"(h) Federal Case Registry of Child Support Orders.—

"(1) In general.—Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the 'Federal Case Registry of Child Support Orders'), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case in each State case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

"(2) Case information.—The information referred to in paragraph (1) with respect to a case shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case.

"(i) National Directory of New Hires.—

"(1) In general.—In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1997, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 453A(g)(2).

"(2) Entry of data.—Information shall be entered into the data base maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 453A(g)(2).

"(3) Administration of Federal tax laws.—The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3507 of such Code, and verifying a claim with respect to employment in a tax return.

"(4) List of multistate employers.—The Secretary shall maintain within the National Directory of New Hires a list of multistate employers that report information regarding newly hired employees pursuant to section 453A(b)(1)(B), and the State which each such employer has designated to receive such information.

"(j) Information Comparisons and Other Disclosures.—

"(1) Verification by Social Security Administration.—

"(A) In general.—The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

"(B) Verification by SSA.—The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

"(i) The name, social security number, and birth date of each such individual.

"(ii) The employer identification number of each such employer.

"(2) Information comparisons.—For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

"(A) compare information in the National Directory of New Hires against information in the support case abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

"(B) within 2 business days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

"(3) Information comparisons and disclosures of information in all registries for title IV program purposes.—To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part and programs funded under part A, the Secretary shall—

"(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

"(B) disclose information in such registries to such State agencies.

"(4) Provision of new hire information to the Social Security Administration.—The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory.

"(5) Research.—The Secretary may provide access to information reported by employers pursuant to section 453A(b) for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

"(k) Fees.—

"(1) For SSA verification.—The Secretary shall reimburse the Commissioner of Social

Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

"(2) FOR INFORMATION FROM STATE DIRECTORIES OF NEW HIRES.—The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by subsection (j)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

"(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—A State or Federal agency that receives information from the Secretary pursuant to this section shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

"(l) RESTRICTION ON DISCLOSURE AND USE.—Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

"(m) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

"(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

"(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

"(n) FEDERAL GOVERNMENT REPORTING.—Each department, agency, and instrumentality of the United States shall on a quarterly basis report to the Federal Parent Locator Service the name and social security number of each employee and the wages paid to the employee during the previous quarter, except that such a report shall not be filed with respect to an employee of a department, agency, or instrumentality performing intelligence or counterintelligence functions, if the head of such department, agency, or instrumentality has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.".

(g) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—

(A) Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

"(B) the Federal Parent Locator Service established under section 453;".

(B) Section 454(13) (42 U.S.C.654(13)) is amended by inserting "and provide that information requests by parents who are residents of other States be treated with the same priority as requests by parents who are residents of the State submitting the plan" before the semicolon.

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(a)(16) of the Internal Revenue Code of 1986 is amended—

(A) by striking "Secretary of Health, Education, and Welfare" each place such term appears and inserting "Secretary of Health and Human Services";

(B) in subparagraph (B), by striking "such information" and all that follows and inserting "information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;";

(C) by striking "and" at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

"(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the National Directory of New Hires established under section 453(i) of the Social Security Act, and".

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Subsection (h) of section 303 (42 U.S.C. 503) is amended to read as follows:

"(h)(1) The State agency charged with the administration of the State law shall, on a reimbursable basis—

"(A) disclose quarterly, to the Secretary of Health and Human Services, wage and claim information, as required pursuant to section 453(i)(1), contained in the records of such agency;

"(B) ensure that information provided pursuant to subparagraph (A) meets such standards relating to correctness and verification as the Secretary of Health and Human Services, with the concurrence of the Secretary of Labor, may find necessary; and

"(C) establish such safeguards as the Secretary of Labor determines are necessary to insure that information disclosed under subparagraph (A) is used only for purposes of section 453(i)(1) in carrying out the child support enforcement program under title IV.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, the Secretary shall make no future certification to the Secretary of the Treasury with respect to the State.

"(3) For purposes of this subsection—

"(A) the term 'wage information' means information regarding wages paid to an individual, the social security account number of such individual, and the name, address, State, and the Federal employer identification number of the employer paying such wages to such individual; and

"(B) the term 'claim information' means information regarding whether an individual is receiving, has received, or has made application for, unemployment compensation, the amount of any such compensation being received (or to be received by such individual), and the individual's current (or most recent) home address.".

(4) DISCLOSURE OF CERTAIN INFORMATION TO AGENTS OF CHILD SUPPORT ENFORCEMENT AGENCIES.—

(A) IN GENERAL.—Paragraph (6) of section 6103(l) of the Internal Revenue Code of 1986 (relating to disclosure of return information to Federal, State, and local child support enforcement agencies) is amended by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) DISCLOSURE TO CERTAIN AGENTS.—The following information disclosed to any child support enforcement agency under subparagraph (A) with respect to any individual with respect to whom child support obligations are sought to be established or enforced may be disclosed by such agency to any agent of such agency which is under contract with such agency to carry out the purposes described in subparagraph (C):

"(i) The address and social security account number (or numbers) of such individual.

"(ii) The amount of any reduction under section 6402(c) (relating to offset of past-due support against overpayments) in any overpayment otherwise payable to such individual."

(B) CONFORMING AMENDMENTS.—

(i) Paragraph (3) of section 6103(a) of such Code is amended by striking "(l)(12)" and inserting "paragraph (6) or (12) of subsection (l)".

(ii) Subparagraph (C) of section 6103(l)(6) of such Code, as redesignated by subsection (a), is amended to read as follows:

"(C) RESTRICTION ON DISCLOSURE.—Information may be disclosed under this paragraph only for purposes of, and to the extent necessary in, establishing and collecting child support obligations from, and locating, individuals owing such obligations."

(iii) The material following subparagraph (F) of section 6103(p)(4) of such Code is amended by striking "subsection (l)(12)(B)" and inserting "paragraph (6)(A) or (12)(B) of subsection (l)".

(h) REQUIREMENT FOR COOPERATION.—The Secretary of Labor and the Secretary of Health and Human Services shall work jointly to develop cost-effective and efficient methods of accessing the information in the various State directories of new hires and the National Directory of New Hires as established pursuant to the amendments made by this subtitle. In developing these methods the Secretaries shall take into account the impact, including costs, on the States, and shall also consider the need to insure the proper and authorized use of wage record information.

SEC. 317. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT.

Section 466(a) (42 U.S.C. 666(a)), as amended by section 315 of this Act, is amended by inserting after paragraph (12) the following new paragraph:

"(13) RECORDING OF SOCIAL SECURITY NUMBERS IN CERTAIN FAMILY MATTERS.—Procedures requiring that the social security number of—

"(A) any applicant for a professional license, commercial driver's license, occupational license, or marriage license be recorded on the application;

"(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and

"(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.

For purposes of subparagraph (A), if a State allows the use of a number other than the social security number, the State shall so advise any applicants.".

Subtitle C—Streamlining and Uniformity of Procedures

SEC. 321. ADOPTION OF UNIFORM STATE LAWS.

Section 466 (42 U.S.C. 666) is amended by adding at the end the following new subsection:

"(f) UNIFORM INTERSTATE FAMILY SUPPORT ACT.—In order to satisfy section 454(20)(A), on and after January 1, 1998, each State must have in effect the Uniform Interstate Family Support Act, as approved by the American Bar Association on February 9, 1993, together with any amendments officially adopted before January 1, 1998 by the National Conference of Commissioners on Uniform State Laws.".

SEC. 322. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking "subsection (e)" and inserting "subsections (e), (f), and (i)";

(2) in subsection (b), by inserting after the 2nd undesignated paragraph the following:

"'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.";

(3) in subsection (c), by inserting "by a court of a State" before "is made";

(4) in subsection (c)(1), by inserting "and subsections (e), (f), and (g)" after "located";

(5) in subsection (d)—

(A) by inserting "individual" before "contestant"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(6) in subsection (e), by striking "make a modification of a child support order with respect to a child that is made" and inserting "modify a child support order issued";

(7) in subsection (e)(1), by inserting "pursuant to subsection (i)" before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting "individual" before "contestant" each place such term appears; and

(B) by striking "to that court's making the modification and assuming" and inserting "with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume";

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following new subsection:

"(f) Recognition of Child Support Orders.—If 1 or more child support orders have been issued with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

"(1) If only 1 court has issued a child support order, the order of that court must be recognized.

"(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

"(3) If 2 or more courts have issued child support orders for the same obligor and child, and more than 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

"(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

"(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.";

(11) in subsection (g) (as so redesignated)—

(A) by striking "PRIOR" and inserting "MODIFIED"; and

(B) by striking "subsection (e)" and inserting "subsections (e) and (f)";

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting "including the duration of current payments and other obligations of support" before the comma; and

(B) in paragraph (3), by inserting "arrears under" after "enforce"; and

(13) by adding at the end the following new subsection:

"(i) Registration for Modification.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.".

SEC. 323. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315 and 317 of this Act, is amended by inserting after paragraph (13) the following new paragraph:

"(14) Administrative enforcement in interstate cases.—Procedures under which—

"(A)(i) the State shall respond within 5 business days to a request made by another State to enforce a support order; and

"(ii) the term 'business day' means a day on which State offices are open for regular business;

"(B) the State may, by electronic or other means, transmit to another State a request for assistance in a case involving the enforcement of a support order, which request—

"(i) shall include such information as will enable the State to which the request is transmitted to compare the information about the case to the information in the data bases of the State; and

"(ii) shall constitute a certification by the requesting State—

"(I) of the amount of support under the order the payment of which is in arrears; and

"(II) that the requesting State has complied with all procedural due process requirements applicable to the case;

"(C) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State; and

"(D) the State shall maintain records of—

"(i) the number of such requests for assistance received by the State;

"(ii) the number of cases for which the State collected support in response to such a request; and

"(iii) the amount of such collected support.".

SEC. 324. USE OF FORMS IN INTERSTATE ENFORCEMENT.

(a) Promulgation.—Section 452(a) (42 U.S.C. 652(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) (as amended by section 346(a) of this Act) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) not later than October 1, 1996, after consulting with the State directors of programs under this part, promulgate forms to be used by States in interstate cases for—

"(A) collection of child support through income withholding;

"(B) imposition of liens; and

"(C) administrative subpoenas.".

(b) Use by States.—Section 454(9) (42 U.S.C. 654(9)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by inserting "and" at the end of subparagraph (D); and

(3) by adding at the end the following new subparagraph:

"(E) not later than March 1, 1997, in using the forms promulgated pursuant to section 452(a)(11) for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;".

SEC. 325. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) State Law Requirements.—Section 466 (42 U.S.C. 666), as amended by section 314 of this Act, is amended—

(1) in subsection (a)(2), by striking the first sentence and inserting the following: "Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations."; and

(2) by inserting after subsection (b) the following new subsection:

"(c) Expedited Procedures.—The procedures specified in this subsection are the following:

"(1) Administrative action by State agency.—Procedures which give the State agency the authority to take the following actions relating to establishment of paternity or to establishment, modification, or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States to take the following actions:

"(A) Genetic testing.—To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

"(B) Financial or other information.—To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

"(C) Response to State agency request.—To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

"(D) Access to information contained in certain records.—To obtain access, subject to safeguards on privacy and information security, and subject to the nonliability of entities that afford such access under this subparagraph, to information contained in the following records (including automated access, in the case of records maintained in automated data bases):

"(i) Records of other State and local government agencies, including—

"(I) vital statistics (including records of marriage, birth, and divorce);

"(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

"(III) records concerning real and titled personal property;

"(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

"(V) employment security records;

"(VI) records of agencies administering public assistance programs;

"(VII) records of the motor vehicle department; and

"(VIII) corrections records.

"(ii) Certain records held by private entities with respect to individuals who owe or are owed support (or against or with respect to whom a support obligation is sought), consisting of—

"(I) the names and addresses of such individuals and the names and addresses of the employers of such individuals, as appearing in customer records of public utilities and cable television companies, pursuant to an administrative subpoena authorized by subparagraph (B); and

"(II) information (including information on assets and liabilities) on such individuals held by financial institutions.

"(E) CHANGE IN PAYEE.—In cases in which support is subject to an assignment in order to comply with a requirement imposed pursuant to part A or section 1912, or to a requirement to pay through the State disbursement unit established pursuant to section 454B, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

"(F) INCOME WITHHOLDING.—To order income withholding in accordance with subsections (a)(1)(A) and (b) of section 466.

"(G) SECURING ASSETS.—In cases in which there is a support arrearage, to secure assets to satisfy the arrearage by—

"(i) intercepting or seizing periodic or lump-sum payments from—

"(I) a State or local agency, including unemployment compensation, workers' compensation, and other benefits; and

"(II) judgments, settlements, and lotteries;

"(ii) attaching and seizing assets of the obligor held in financial institutions;

"(iii) attaching public and private retirement funds; and

"(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

"(H) INCREASE MONTHLY PAYMENTS.—For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.

"(2) SUBSTANTIVE AND PROCEDURAL RULES.—The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

"(A) LOCATOR INFORMATION; PRESUMPTIONS CONCERNING NOTICE.—Procedures under which—

"(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the tribunal and the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and telephone number of employer; and

"(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the tribunal may deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the tribunal pursuant to clause (i).

"(B) STATEWIDE JURISDICTION.—Procedures under which—

"(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties; and

"(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.

"(3) COORDINATION WITH ERISA.—Notwithstanding subsection (d) of section 514 of the Employee Retirement Income Security Act of 1974 (relating to effect on other laws), nothing in this subsection shall be construed to alter, amend, modify, invalidate, impair, or supersede subsections (a), (b), and (c) of such section 514 as it applies with respect to any procedure referred to in paragraph (1) and any expedited procedure referred to in paragraph (2), except to the extent that such procedure would be consistent with the requirements of section 206(d)(3) of such Act (relating to qualified domestic relations orders) or the requirements of section 609(a) of such Act (relating to qualified medical child support orders) if the reference in such section 206(d)(3) to a domestic relations order and the reference in such section 609(a) to a medical child support order were a reference to a support order referred to in paragraphs (1) and (2) relating to the same matters, respectively.".

(b) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 344(a)(2) and as amended by sections 311 and 312(c) of this Act, is amended by adding at the end the following new subsection:

"(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 466(c).".

Subtitle D—Paternity Establishment

SEC. 331. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended to read as follows:

"(5) PROCEDURES CONCERNING PATERNITY ESTABLISHMENT.—

"(A) ESTABLISHMENT PROCESS AVAILABLE FROM BIRTH UNTIL AGE 18.—

"(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

"(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.

"(B) PROCEDURES CONCERNING GENETIC TESTING.—

"(i) GENETIC TESTING REQUIRED IN CERTAIN CONTESTED CASES.—Procedures under which the State is required, in a contested paternity case (unless otherwise barred by State law) to require the child and all other parties (other than individuals found under section 454(29) to have good cause and other exceptions for refusing to cooperate) to submit to genetic tests upon the request of any such party, if the request is supported by a sworn statement by the party—

"(I) alleging paternity, and setting forth facts establishing a reasonable possibility of the requisite sexual contact between the parties; or

"(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

"(ii) OTHER REQUIREMENTS.—Procedures which require the State agency, in any case in which the agency orders genetic testing—

"(I) to pay costs of such tests, subject to recoupment (if the State so elects) from the alleged father if paternity is established; and

"(II) to obtain additional testing in any case if an original test result is contested, upon request and advance payment by the contestant.

"(C) VOLUNTARY PATERNITY ACKNOWLEDGMENT.—

"(i) SIMPLE CIVIL PROCESS.—Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

"(ii) HOSPITAL-BASED PROGRAM.—Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

"(iii) PATERNITY ESTABLISHMENT SERVICES.—

"(I) STATE-OFFERED SERVICES.—Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

"(II) REGULATIONS.—

"(aa) SERVICES OFFERED BY HOSPITALS AND BIRTH RECORD AGENCIES.—The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

"(bb) SERVICES OFFERED BY OTHER ENTITIES.—The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment programs of hospitals and birth record agencies.

"(iv) USE OF PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit specified by the Secretary under section 452(a)(7) for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

"(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—

"(i) INCLUSION IN BIRTH RECORDS.—Procedures under which the name of the father shall be included on the record of birth of the child of unmarried parents only if—

"(I) the father and mother have signed a voluntary acknowledgment of paternity; or

"(II) a court or an administrative agency of competent jurisdiction has issued an adjudication of paternity.

Nothing in this clause shall preclude a State agency from obtaining an admission of paternity from the father for submission in a judicial or administrative proceeding, or prohibit the issuance of an order in a judicial or administrative proceeding which bases a legal finding of paternity on an admission of paternity by the father and any other additional showing required by State law.

"(ii) LEGAL FINDING OF PATERNITY.—Procedures under which a signed voluntary acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within the earlier of—

"(I) 60 days; or

"(II) the date of an administrative or judicial proceeding relating to the child (including a proceeding to establish a support order) in which the signatory is a party.

"(iii) CONTEST.—Procedures under which, after the 60-day period referred to in clause (ii), a signed voluntary acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

"(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

"(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—

"(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—

"(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

"(II) performed by a laboratory approved by such an accreditation body;

"(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

"(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

"(G) PRESUMPTION OF PATERNITY IN CERTAIN CASES.—Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

"(H) DEFAULT ORDERS.—Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

"(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

"(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, if there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

"(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

"(L) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

"(M) FILING OF ACKNOWLEDGMENTS AND ADJUDICATIONS IN STATE REGISTRY OF BIRTH RECORDS.—Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.".

(b) NATIONAL PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Section 452(a)(7) (42 U.S.C. 652(a)(7)) is amended by inserting ", and specify the minimum requirements of an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent and, after consultation with the States, other common elements as determined by such designee" before the semicolon.

(c) CONFORMING AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking "a simple civil process for voluntarily acknowledging paternity and".

SEC. 332. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

Section 454(23) (42 U.S.C. 654(23)) is amended by inserting "and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate" before the semicolon.

SEC. 333. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF PART A ASSISTANCE.

Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(a), and 313(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (27);

(2) by striking the period at the end of paragraph (28) and inserting "; and"; and

(3) by inserting after paragraph (28) the following new paragraph:

"(29) provide that the State agency responsible for administering the State plan—

"(A) shall make the determination (and redetermination at appropriate intervals) as to whether an individual who has applied for or is receiving assistance under the State program funded under part A of this title or the State program under title XIX is cooperating in good faith with the State in establishing the paternity of, or in establishing, modifying, or enforcing a support order for, any child of the individual by providing the State agency with the name of, and such other information as the State agency may require with respect to, the noncustodial parent of the child, subject to good cause and other exceptions which—

"(i) shall be defined, taking into account the best interests of the child, and

"(ii) shall be applied in each case,

by, at the option of the State, the State agency administering the State program under part A, this part, or title XIX;

"(B) shall require the individual to supply additional necessary information and appear at interviews, hearings, and legal proceedings;

"(C) shall require the individual and the child to submit to genetic tests pursuant to judicial or administrative order;

"(D) may request that the individual sign a voluntary acknowledgment of paternity, after notice of the rights and consequences of such an acknowledgment, but may not require the individual to sign an acknowledgment or otherwise relinquish the right to genetic tests as a condition of cooperation and eligibility for assistance under the State program funded under part A, or the State program under title XIX; and

"(E) shall promptly notify the individual, the State agency administering the State program funded under part A, and the State agency administering the State program under title XIX, of each such determination, and if noncooperation is determined, the basis therefor.".

Subtitle E—Program Administration and Funding

SEC. 341. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) DEVELOPMENT OF NEW SYSTEM.—The Secretary of Health and Human Services, in consultation with State directors of programs under part D of title IV of the Social Security Act, shall develop a new incentive system to replace, in a revenue neutral manner, the system under section 458 of such Act. The new system shall provide additional payments to any State based on such State's performance under such a program. Not later than March 1, 1997, the Secretary shall report on the new system to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(b) CONFORMING AMENDMENTS TO PRESENT SYSTEM.—Section 458 (42 U.S.C. 658) is amended—

(1) in subsection (a), by striking "aid to families with dependent children under a State plan approved under part A of this title" and inserting "assistance under a program funded under part A";

(2) in subsection (b)(1)(A), by striking "section 402(a)(26)" and inserting "section 408(a)(3)";

(3) in subsections (b) and (c)—

(A) by striking "AFDC collections" each place it appears and inserting "title IV–A collections", and

(B) by striking "non-AFDC collections" each place it appears and inserting "non-title IV–A collections"; and

(4) in subsection (c), by striking "combined AFDC/non-AFDC administrative costs" both places it appears and inserting "combined title IV–A/non-title IV–A administrative costs".

(c) CALCULATION OF PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) Section 452(g)(1)(A) (42 U.S.C. 652(g)(1)(A)) is amended by striking "75" and inserting "90".

(2) Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended—

(A) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F), respectively, and by inserting after subparagraph (A) the following new subparagraph:

"(B) for a State with a paternity establishment percentage of not less than 75 percent but less than 90 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 2 percentage points;"; and

(B) by adding at the end the following new flush sentence:

"In determining compliance under this section, a State may use as its paternity establishment percentage either the State's IV-D paternity establishment percentage (as defined in paragraph (2)(A)) or the State's statewide paternity establishment percentage (as defined in paragraph (2)(B)).".

(3) Section 452(g)(2) (42 U.S.C. 652(g)(2)) is amended—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i)—

(I) by striking "paternity establishment percentage" and inserting "IV-D paternity establishment percentage"; and

(II) by striking "(or all States, as the case may be)"; and

(ii) by striking "and" at the end; and

(B) by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) the term 'statewide paternity establishment percentage' means, with respect to a State for a fiscal year, the ratio (expressed as a percentage) that the total number of minor children—

"(i) who have been born out of wedlock, and

"(ii) the paternity of whom has been established or acknowledged during the fiscal year,

bears to the total number of children born out of wedlock during the preceding fiscal year; and".

(4) Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A) (as so redesignated), by striking "the percentage of children born out-of-wedlock in a State" and inserting "the percentage of children in a State who are born out of wedlock or for whom support has not been established".

(d) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) IN GENERAL.—The system developed under subsection (a) and the amendments made by subsection (b) shall become effective on October 1, 1999, except to the extent provided in subparagraph (B).

(B) APPLICATION OF SECTION 458.—Section 458 of the Social Security Act, as in effect on the day before the date of the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years before fiscal year 2000.

(2) PENALTY REDUCTIONS.—The amendments made by subsection (c) shall become effective with respect to calendar quarters beginning on or after the date of the enactment of this Act.

SEC. 342. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14), by striking "(14)" and inserting "(14)(A)";

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

"(15) provide for—

"(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under this part, including such information as may be necessary to measure State compliance with Federal requirements for expedited procedures, using such standards and procedures as are required by the Secretary, under which the State agency will determine the extent to which the program is operated in compliance with this part; and

"(B) a process of extracting from the automated data processing system required by paragraph (16) and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including paternity establishment percentages) to the extent necessary for purposes of sections 452(g) and 458;".

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

"(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 458;

"(B) review annual reports submitted pursuant to section 454(15)(A) and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

"(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—

"(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data and the accuracy of the reporting systems used in calculating performance indicators under subsection (g) of this section and section 458;

"(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

"(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

"(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

"(iii) for such other purposes as the Secretary may find necessary;".

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this Act.

SEC. 343. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting ", and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes) to be applied in following such procedures" before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(a), 313(a), and 333 of this Act, is amended—

(1) by striking "and" at the end of paragraph (28);

(2) by striking the period at the end of paragraph (29) and inserting "; and"; and

(3) by adding after paragraph (29) the following new paragraph:

"(30) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.".

SEC. 344. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) IN GENERAL.—Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking ", at the option of the State,";

(B) by inserting "and operation by the State agency" after "for the establishment";

(C) by inserting "meeting the requirements of section 454A" after "information retrieval system";

(D) by striking "in the State and localities thereof, so as (A)" and inserting "so as";

(E) by striking "(i)"; and

(F) by striking "(including" and all that follows and inserting a semicolon.

(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

"SEC. 454A. AUTOMATED DATA PROCESSING.

"(a) IN GENERAL.—In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

"(b) PROGRAM MANAGEMENT.—The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

"(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

"(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

"(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive payments and penalty adjustments required by sections 452(g) and 458, the State agency shall—

"(1) use the automated system—

"(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

"(B) to calculate the paternity establishment percentage for the State for each fiscal year; and

"(2) have in place systems controls to ensure the completeness and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

"(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

"(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

"(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

"(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

"(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

"(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

"(4) TRAINING AND INFORMATION.—Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

"(5) PENALTIES.—Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.".

(3) REGULATIONS.—The Secretary of Health and Human Services shall prescribe final regulations for implementation of section 454A of the Social Security Act not later than 2 years after the date of the enactment of this Act.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by section 303(a)(1) of this Act, is amended to read as follows:

"(24) provide that the State will have in effect an automated data processing and information retrieval system—

"(A) by October 1, 1997, which meets all requirements of this part which were enacted on or before the date of enactment of the Family Support Act of 1988, and

"(B) by October 1, 2000, which meets all requirements of this part enacted on or before the date of the enactment of the Personal Responsibility and Work Opportunity Act of 1996, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 344(a)(3) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996;".

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—

(1) IN GENERAL.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(A) in paragraph (1)(B)—

(i) by striking "90 percent" and inserting "the percent specified in paragraph (3)";

(ii) by striking "so much of"; and

(iii) by striking "which the Secretary" and all that follows and inserting ", and"; and

(B) by adding at the end the following new paragraph:

"(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90 percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) (as in effect on September 30, 1995) but limited to the amount approved for States in the advance planning documents of such States submitted on or before September 30, 1995.

"(B)(i) The Secretary shall pay to each State, for each quarter in fiscal years 1996 through 2001, the percentage specified in clause (ii) of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 454(16) and 454A.

"(ii) The percentage specified in this clause is 80 percent.".

(2) TEMPORARY LIMITATION ON PAYMENTS UNDER SPECIAL FEDERAL MATCHING RATE.—

(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $400,000,000 in the aggregate under section 455(a)(3)(B) of the Social Security Act for fiscal years 1996 through 2001.

(B) ALLOCATION OF LIMITATION AMONG STATES.—The total amount payable to a State under section 455(a)(3)(B) of such Act for fiscal years 1996 through 2001 shall not exceed the limitation determined for the State by the Secretary of Health and Human Services in regulations.

(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act, which shall take into account—

(i) the relative size of State caseloads under such part; and

(ii) the level of automation needed to meet the automated data processing requirements of such part.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100-485) is repealed.

SEC. 345. TECHNICAL ASSISTANCE.

(a) FOR TRAINING OF FEDERAL AND STATE STAFF, RESEARCH AND DEMONSTRATION PROGRAMS, AND SPECIAL PROJECTS OF REGIONAL OR NATIONAL SIGNIFICANCE.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following new subsection:

"(j) Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for—

"(1) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and

"(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.

The amount appropriated under this subsection shall remain available until expended.".

(b) OPERATION OF FEDERAL PARENT LOCATOR SERVICE.—Section 453 (42 U.S.C. 653), as amended by section 316 of this Act, is amended by adding at the end the following new subsection:

"(o) RECOVERY OF COSTS.—Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to section 457(a) during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the 3rd calendar quarter following the end of such preceding fiscal year), to cover costs incurred by the Secretary for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees.".

SEC. 346. REPORTS AND DATA COLLECTION BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

(1) Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking "this part;" and inserting "this part, including—"; and

(B) by adding at the end the following new clauses:

"(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

"(ii) the cost to the States and to the Federal Government of so furnishing the services; and

"(iii) the number of cases involving families—

"(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

"(II) with respect to whom a child support payment was received in the month;".

(2) Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i)—

(i) by striking "with the data required under each clause being separately stated for cases" and inserting "separately stated for cases";

(ii) by striking "cases where the child was formerly receiving" and inserting "or formerly received";

(iii) by inserting "or 1912" after "471(a)(17)"; and

(iv) by inserting "for" before "all other";

(B) in each of clauses (i) and (ii), by striking ", and the total amount of such obligations";

(C) in clause (iii), by striking "described in" and all that follows and inserting "in which support was collected during the fiscal year;";

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

"(iv) the total amount of support collected during such fiscal year and distributed as current support;

"(v) the total amount of support collected during such fiscal year and distributed as arrearages;

"(vi) the total amount of support due and unpaid for all fiscal years; and".

(3) Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking "on the use of Federal courts and".

(4) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended—

(A) in subparagraph (H), by striking "and";

(B) in subparagraph (I), by striking the period and inserting "; and"; and

(C) by inserting after subparagraph (I) the following new subparagraph:

"(J) compliance, by State, with the standards established pursuant to subsections (h) and (i).".

(5) Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (J), as added by paragraph (4).

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall be effective with respect to fiscal year 1997 and succeeding fiscal years.

Subtitle F—Establishment and Modification of Support Orders

SEC. 351. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

"(10) REVIEW AND ADJUSTMENT OF SUPPORT ORDERS UPON REQUEST.—

"(A) 3-YEAR CYCLE.—

"(i) IN GENERAL.—Procedures under which every 3 years (or such shorter cycle as the State may determine), upon the request of either parent, or, if there is an assignment under part A, upon the request of the State agency under the State plan or of either parent, the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved—

"(I) review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;

"(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or

"(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

"(ii) Opportunity to Request Review of Adjustment.—If the State elects to conduct the review under subclause (II) or (III) of clause (i), procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 467(a).

"(iii) No Proof of Change in Circumstances Necessary in 3-Year Cycle Review.—Procedures which provide that any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

"(B) Proof of Substantial Change in Circumstances Necessary in Request for Review Outside 3-Year Cycle.—Procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under clause (i), the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 467(a).

"(C) Notice of Right to Review.—Procedures which require the State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.".

SEC. 352. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT.

Section 604 of the Fair Credit Reporting Act (15 U.S.C. 1681b) is amended by adding at the end the following new paragraphs:

"(4) In response to a request by the head of a State or local child support enforcement agency (or a State or local government official authorized by the head of such an agency), if the person making the request certifies to the consumer reporting agency that—

"(A) the consumer report is needed for the purpose of establishing an individual's capacity to make child support payments or determining the appropriate level of such payments;

"(B) the paternity of the consumer for the child to which the obligation relates has been established or acknowledged by the consumer in accordance with State laws under which the obligation arises (if required by those laws);

"(C) the person has provided at least 10 days' prior notice to the consumer whose report is requested, by certified or registered mail to the last known address of the consumer, that the report will be requested; and

"(D) the consumer report will be kept confidential, will be used solely for a purpose described in subparagraph (A), and will not be used in connection with any other civil, administrative, or criminal proceeding, or for any other purpose.

"(5) To an agency administering a State plan under section 454 of the Social Security Act (42 U.S.C. 654) for use to set an initial or modified child support award.".

SEC. 353. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

Part D of title IV (42 U.S.C. 651–669) is amended by adding at the end the following:

"SEC. 469A. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS TO STATE CHILD SUPPORT ENFORCEMENT AGENCIES IN CHILD SUPPORT CASES.

"(a) In General.—Notwithstanding any other provision of Federal or State law, a financial institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforcement agency attempting to establish, modify, or enforce a child support obligation of such individual.

"(b) Prohibition of Disclosure of Financial Record Obtained by State Child Support Enforcement Agency.—A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

"(c) Civil Damages for Unauthorized Disclosure.—

"(1) Disclosure by State Officer or Employee.—If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

"(2) No Liability for Good Faith but Erroneous Interpretation.—No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

"(3) Damages.—In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

"(A) the greater of—

"(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

"(ii) the sum of—

"(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

"(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

"(B) the costs (including attorney's fees) of the action.

"(d) Definitions.—For purposes of this section—

"(1) Financial Institution.—The term 'financial institution' means—

"(A) a depository institution, as defined in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

"(B) an institution-affiliated party, as defined in section 3(u) of such Act (12 U.S.C. 1813(u));

"(C) any Federal credit union or State credit union, as defined in section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution-affiliated party of such a credit union, as defined in section 206(r) of such Act (12 U.S.C. 1786(r)); and

"(D) any benefit association, insurance company, safe deposit company, money-market mutual fund, or similar entity authorized to do business in the State.

"(2) Financial Record.—The term 'financial record' has the meaning given such term in section 1101 of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3401).".

Subtitle G—Enforcement of Support Orders

SEC. 361. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.

(a) Collection of Fees.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting ", and";

(3) by adding at the end the following new paragraph:

"(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor."; and

(4) by striking "Secretary of Health, Education, and Welfare" each place it appears and inserting "Secretary of Health and Human Services".

(b) Effective Date.—The amendments made by this section shall become effective October 1, 1997.

SEC. 362. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) Consolidation and Streamlining of Authorities.—Section 459 (42 U.S.C. 659) is amended to read as follows:

"SEC. 459. CONSENT BY THE UNITED STATES TO INCOME WITHHOLDING, GARNISHMENT, AND SIMILAR PROCEEDINGS FOR ENFORCEMENT OF CHILD SUPPORT AND ALIMONY OBLIGATIONS.

"(a) Consent to Support Enforcement.—Notwithstanding any other provision of law (including section 207 of this Act and section 5301 of title 38, United States Code), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under a State plan approved under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

"(b) Consent to Requirements Applicable to Private Person.—With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

"(c) Designation of Agent; Response to Notice or Process—

"(1) Designation of agent.—The head of each agency subject to this section shall—

"(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

"(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

"(2) Response to notice or process.—If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

"(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

"(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 466; and

"(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, respond to the order, process, or interrogatory.

"(d) Priority of Claims.—If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

"(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

"(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by section 466(b) and the regulations prescribed under such section; and

"(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

"(e) No Requirement to Vary Pay Cycles.—A governmental entity that is affected by legal process served for the enforcement of an individual's child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

"(f) Relief From Liability.—

"(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

"(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

"(g) Regulations.—Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

"(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

"(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

"(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

"(h) Moneys Subject to Process.—

"(1) In general.—Subject to paragraph (2), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

"(A) consist of—

"(i) compensation paid or payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

"(ii) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

"(I) under the insurance system established by title II;

"(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

"(III) as compensation for death under any Federal program;

"(IV) under any Federal program established to provide 'black lung' benefits; or

"(V) by the Secretary of Veterans Affairs as compensation for a service-connected disability paid by the Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if the former member has waived a portion of the retired or retainer pay in order to receive such compensation; and

"(iii) worker's compensation benefits paid under Federal or State law but

"(B) do not include any payment—

"(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual; or

"(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

"(2) Certain amounts excluded.—In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

"(A) are owed by the individual to the United States;

"(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

"(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding);

"(D) are deducted as health insurance premiums;

"(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

"(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

"(i) Definitions.—For purposes of this section—

"(1) United states.—The term 'United States' includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Rate Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

"(2) Child support.—The term 'child support', when used in reference to the legal obligations of an individual to provide such support, means amounts required to be paid under a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages or reimbursement, and which may include other related costs and fees, interest and penalties, income withholding, attorney's fees, and other relief.

"(3) Alimony.—

"(A) In general.—The term 'alimony', when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney's fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

"(B) Exceptions.—Such term does not include—

"(i) any child support; or

"(ii) any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

"(4) Private person.—The term 'private person' means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

"(5) LEGAL PROCESS.—The term 'legal process' means any writ, order, summons, or other similar process in the nature of garnishment—

"(A) which is issued by—

"(i) a court or an administrative agency of competent jurisdiction in any State, territory, or possession of the United States;

"(ii) a court or an administrative agency of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

"(iii) an authorized official pursuant to an order of such a court or an administrative agency of competent jurisdiction or pursuant to State or local law; and

"(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.".

(b) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661 and 662) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by striking "sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)" and inserting "section 459 of the Social Security Act (42 U.S.C. 659)".

(c) MILITARY RETIRED AND RETAINER PAY.—

(1) DEFINITION OF COURT.—Section 1408(a)(1) of title 10, United States Code, is amended—

(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding after subparagraph (C) the following new subparagraph:

"(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a program under a State plan approved under part D of title IV of the Social Security Act), and, for purposes of this subparagraph, the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.".

(2) DEFINITION OF COURT ORDER.—Section 1408(a)(2) of such title is amended—

(A) by inserting "or a support order, as defined in section 453(p) of the Social Security Act (42 U.S.C. 653(p))," before "which—";

(B) in subparagraph (B)(i), by striking "(as defined in section 462(b) of the Social Security Act (42 U.S.C. 662(b)))" and inserting "(as defined in section 459(i)(2) of the Social Security Act (42 U.S.C. 659(i)(2)))"; and

(C) in subparagraph (B)(ii), by striking "(as defined in section 462(c) of the Social Security Act (42 U.S.C. 662(c)))" and inserting "(as defined in section 459(i)(3) of the Social Security Act (42 U.S.C. 659(i)(3)))".

(3) PUBLIC PAYEE.—Section 1408(d) of such title is amended—

(A) in the heading, by inserting "(OR FOR BENEFIT OF)" before "SPOUSE OR"; and

(B) in paragraph (1), in the 1st sentence, by inserting "(or for the benefit of such spouse or former spouse to a State disbursement unit established pursuant to section 454B of the Social Security Act or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)" before "in an amount sufficient".

(4) RELATIONSHIP TO PART D OF TITLE IV.—Section 1408 of such title is amended by adding at the end the following new subsection:

"(j) RELATIONSHIP TO OTHER LAWS.—In any case involving an order providing for payment of child support (as defined in section 459(i)(2) of the Social Security Act) by a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of such Act.".

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 363. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Within 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service established under section 453 of the Social Security Act.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection—

(A) The term "court" has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term "child support" has the meaning given such term in section 459(i) of the Social Security Act (42 U.S.C. 659(i)).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—

(1) DATE OF CERTIFICATION OF COURT ORDER.—Section 1408 of title 10, United States Code, as amended by section 362(c)(4) of this Act, is amended—

(A) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively; and

(B) by inserting after subsection (h) the following new subsection:

"(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.".

(2) PAYMENTS CONSISTENT WITH ASSIGNMENTS OF RIGHTS TO STATES.—Section 1408(d)(1) of such title is amended by inserting after the 1st sentence the following new sentence: "In the case of a spouse or former spouse who, pursuant to section 408(a)(3) of the Social Security Act (42 U.S.C. 608(a)(4)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.".

(3) ARREARAGES OWED BY MEMBERS OF THE UNIFORMED SERVICES.—Section 1408(d) of such title is amended by adding at the end the following new paragraph:

"(6) In the case of a court order for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.".

(4) PAYROLL DEDUCTIONS.—The Secretary of Defense shall begin payroll deductions within 30 days after receiving notice of withholding, or for the 1st pay period that begins after such 30-day period.

SEC. 364. VOIDING OF FRAUDULENT TRANSFERS.

Section 466 (42 U.S.C. 666), as amended by section 321 of this Act, is amended by adding at the end the following new subsection:

"(g) LAWS VOIDING FRAUDULENT TRANSFERS.—In order to satisfy section 454(20)(A), each State must have in effect—

"(1)(A) the Uniform Fraudulent Conveyance Act of 1981;

"(B) the Uniform Fraudulent Transfer Act of 1984; or

"(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

"(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

"(A) seek to void such transfer; or

"(B) obtain a settlement in the best interests of the child support creditor.".

SEC. 365. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT.

(a) IN GENERAL.—Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, and 323 of this Act, is amended by inserting after paragraph (14) the following new paragraph:

"(15) PROCEDURES TO ENSURE THAT PERSONS OWING PAST-DUE SUPPORT WORK OR HAVE A PLAN FOR PAYMENT OF SUCH SUPPORT.—

"(A) IN GENERAL.—Procedures under which the State has the authority, in any case in which an individual owes past-due support with respect to a child receiving assistance under a State program funded under part A, to issue an order or to request that a court or an administrative process established pursuant to State law issue an order that requires the individual to—

"(i) pay such support in accordance with a plan approved by the court, or, at the option of the State, a plan approved by the State agency administering the State program under this part; or

"(ii) if the individual is subject to such a plan and is not incapacitated, participate in such work activities (as defined in section 407(d)) as the court, or, at the option of the State, the State agency administering the State program under this part, deems appropriate.

"(B) PAST-DUE SUPPORT DEFINED.—For purposes of subparagraph (A), the term 'past-due support' means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child, or of a child and the parent with whom the child is living.".

(b) CONFORMING AMENDMENT.—The flush paragraph at the end of section 466(a) (42 U.S.C. 666(a)) is amended by striking "and (7)" and inserting "(7), and (15)".

SEC. 366. DEFINITION OF SUPPORT ORDER.

Section 453 (42 U.S.C. 653) as amended by sections 316 and 345(b) of this Act, is amended by adding at the end the following new subsection:

"(p) SUPPORT ORDER DEFINED.—As used in this part, the term 'support order' means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursement, and which may include related costs and fees, interest and penalties, income withholding, attorneys' fees, and other relief.".

SEC. 367. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

"(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—

"(A) IN GENERAL.—Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any noncustodial parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

"(B) SAFEGUARDS.—Procedures ensuring that, in carrying out subparagraph (A), information with respect to a noncustodial parent is reported—

"(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

"(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency (as so defined).".

SEC. 368. LIENS.

Section 466(a)(4) (42 U.S.C. 666(a)(4)) is amended to read as follows:

"(4) LIENS.—Procedures under which—

"(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State; and

"(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, when the State agency, party, or other entity seeking to enforce such a lien complies with the procedural rules relating to recording or serving liens that arise within the State, except that such rules may not require judicial notice or hearing prior to the enforcement of such a lien.".

SEC. 369. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, and 365 of this Act, is amended by inserting after paragraph (15) the following:

"(16) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.".

SEC. 370. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by section 345 of this Act, is amended by adding at the end the following new subsection:

"(k)(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(31) that an individual owes arrearages of child support in an amount exceeding $5,000, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to paragraph (2).

"(2) The Secretary of State shall, upon certification by the Secretary transmitted under paragraph (1), refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

"(3) The Secretary and the Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.".

(2) STATE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, and 343(b) of this Act, is amended—

(A) by striking "and" at the end of paragraph (29);

(B) by striking the period at the end of paragraph (30) and inserting "; and"; and

(C) by adding after paragraph (30) the following new paragraph:

"(31) provide that the State agency will have in effect a procedure for certifying to the Secretary, for purposes of the procedure under section 452(k), determinations that individuals owe arrearages of child support in an amount exceeding $5,000, under which procedure—

"(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

"(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.".

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1997.

SEC. 371. INTERNATIONAL SUPPORT ENFORCEMENT.

(a) AUTHORITY FOR INTERNATIONAL AGREEMENTS.—Part D of title IV, as amended by section 362(a) of this Act, is amended by adding after section 459 the following new section:

"SEC. 459A. INTERNATIONAL SUPPORT ENFORCEMENT.

"(a) AUTHORITY FOR DECLARATIONS.—

"(1) DECLARATION.—The Secretary of State, with the concurrence of the Secretary of Health and Human Services, is authorized to declare any foreign country (or a political subdivision thereof) to be a foreign reciprocating country if the foreign country has established, or undertakes to establish, procedures for the establishment and enforcement of duties of support owed to obligees who are residents of the United States, and such procedures are substantially in conformity with the standards prescribed under subsection (b).

"(2) REVOCATION.—A declaration with respect to a foreign country made pursuant to paragraph (1) may be revoked if the Secretaries of State and Health and Human Services determine that—

"(A) the procedures established by the foreign country regarding the establishment and enforcement of duties of support have been so changed, or the foreign country's implementation of such procedures is so unsatisfactory, that such procedures do not meet the criteria for such a declaration; or

"(B) continued operation of the declaration is not consistent with the purposes of this part.

"(3) FORM OF DECLARATION.—A declaration under paragraph (1) may be made in the form of an international agreement, in connection with an international agreement or corresponding foreign declaration, or on a unilateral basis.

"(b) STANDARDS FOR FOREIGN SUPPORT ENFORCEMENT PROCEDURES.—

"(1) MANDATORY ELEMENTS.—Support enforcement procedures of a foreign country which may be the subject of a declaration pursuant to subsection (a)(1) shall include the following elements:

"(A) The foreign country (or political subdivision thereof) has in effect procedures, available to residents of the United States—

"(i) for establishment of paternity, and for establishment of orders of support for children and custodial parents; and

"(ii) for enforcement of orders to provide support to children and custodial parents, including procedures for collection and appropriate distribution of support payments under such orders.

"(B) The procedures described in subparagraph (A), including legal and administrative assistance, are provided to residents of the United States at no cost.

"(C) An agency of the foreign country is designated as a Central Authority responsible for—

"(i) facilitating support enforcement in cases involving residents of the foreign country and residents of the United States; and

"(ii) ensuring compliance with the standards established pursuant to this subsection.

"(2) ADDITIONAL ELEMENTS.—The Secretary of Health and Human Services and the Secretary of State, in consultation with the States, may establish such additional standards as may be considered necessary to further the purposes of this section.

"(c) DESIGNATION OF UNITED STATES CENTRAL AUTHORITY.—It shall be the responsibility of the Secretary of Health and Human Services to facilitate support enforcement in cases involving residents of the United States and residents of foreign countries that are the subject of a declaration under this section, by activities including—

"(1) development of uniform forms and procedures for use in such cases;

"(2) notification of foreign reciprocating countries of the State of residence of individuals sought for support enforcement purposes, on the basis of information provided by the Federal Parent Locator Service; and

"(3) such other oversight, assistance, and coordination activities as the Secretary may find necessary and appropriate.

"(d) EFFECT ON OTHER LAWS.—States may enter into reciprocal arrangements for the establishment and enforcement of support obligations with foreign countries that are not the subject of a declaration pursuant to subsection (a), to the extent consistent with Federal law.".

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, 343(b), and 370(a)(2) of this Act, is amended—

(1) by striking "and" at the end of paragraph (30);

(2) by striking the period at the end of paragraph (31) and inserting "; and"; and

(3) by adding after paragraph (31) the following new paragraph:

"(32)(A) provide that any request for services under this part by a foreign reciprocating country or a foreign country with which the State has an arrangement described in section 459A(d)(2) shall be treated as a request by a State;

"(B) provide, at State option, notwithstanding paragraph (4) or any other provision of this part, for services under the plan for enforcement of a spousal support order not described in paragraph (4)(B) entered by such a country (or subdivision); and

"(C) provide that no applications will be required from, and no costs will be assessed for such services against, the foreign reciprocating country or foreign obligee (but costs may at State option be assessed against the obligor).".

SEC. 372. FINANCIAL INSTITUTION DATA MATCHES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, and 369 of this Act, is amended by inserting after paragraph (16) the following new paragraph:

"(17) FINANCIAL INSTITUTION DATA MATCHES.—

"(A) IN GENERAL.—Procedures under which the State agency shall enter into agreements with financial institutions doing business in the State—

"(i) to develop and operate, in coordination with such financial institutions, a data match system, using automated data exchanges to the maximum extent feasible, in which each such financial institution is required to provide for each calendar quarter the name, record address, social security number or other taxpayer identification number, and other identifying information for each noncustodial parent who maintains an account at such institution and who owes past-due support, as identified by the State by name and social security number or other taxpayer identification number; and

"(ii) in response to a notice of lien or levy, encumber or surrender, as the case may be, assets held by such institution on behalf of any noncustodial parent who is subject to a child support lien pursuant to paragraph (4).

"(B) REASONABLE FEES.—The State agency may pay a reasonable fee to a financial institution for conducting the data match provided for in subparagraph (A)(i), not to exceed the actual costs incurred by such financial institution.

"(C) LIABILITY.—A financial institution shall not be liable under any Federal or State law to any person—

"(i) for any disclosure of information to the State agency under subparagraph (A)(i);

"(ii) for encumbering or surrendering any assets held by such financial institution in response to a notice of lien or levy issued by the State agency as provided for in subparagraph (A)(ii); or

"(iii) for any other action taken in good faith to comply with the requirements of subparagraph (A).

"(D) DEFINITIONS.—For purposes of this paragraph—

"(i) FINANCIAL INSTITUTION.—The term 'financial institution' has the meaning given to such term by section 469A(d)(1).

"(ii) ACCOUNT.—The term 'account' means a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account.".

SEC. 373. ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, 369, and 372 of this Act, is amended by inserting after paragraph (17) the following new paragraph:

"(18) ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS.—Procedures under which, at the State's option, any child support order enforced under this part with respect to a child of minor parents, if the custodial parent of such child is receiving assistance under the State program under part A, shall be enforceable, jointly and severally, against the parents of the noncustodial parent of such child.".

SEC. 374. NONDISCHARGEABILITY IN BANKRUPTCY OF CERTAIN DEBTS FOR THE SUPPORT OF A CHILD.

(a) AMENDMENT TO TITLE 11 OF THE UNITED STATES CODE.—Section 523(a) of title 11, United States Code, is amended—

(1) by striking "or" at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting "; or";

(3) by adding at the end the following:

"(18) owed under State law to a State or municipality that is—

"(A) in the nature of support, and

"(B) enforceable under part D of title IV of the Social Security Act (42 U.S.C. 601 et seq.)."; and

(4) in paragraph (5), by striking "section 402(a)(26)" and inserting "section 408(a)(3)".

(b) AMENDMENT TO THE SOCIAL SECURITY ACT.—Section 456(b) (42 U.S.C. 656(b)) is amended to read as follows:

"(b) NONDISCHARGEABILITY.—A debt (as defined in section 101 of title 11 of the United States Code) owed under State law to a State (as defined in such section) or municipality (as defined in such section) that is in the nature of support and that is enforceable under this part is not released by a discharge in bankruptcy under title 11 of the United States Code.".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply only with respect to cases commenced under title 11 of the United States Code after the date of the enactment of this Act.

SEC. 375. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES.

(a) CHILD SUPPORT ENFORCEMENT AGREEMENTS.—Section 454 (42 U.S.C. 654), as amended by sections 301(b), 303(a), 312(b), 313(a), 333, 343(b), 370(a)(2), and 371(b) of this Act is amended—

(1) by striking "and" at the end of paragraph (31);

(2) by striking the period at the end of paragraph (32) and inserting "; and";

(3) by adding after paragraph (32) the following new paragraph:

"(33) provide that a State that receives funding pursuant to section 428 and that has within its borders Indian country (as defined in section 1151 of title 18, United States Code) may enter into cooperative agreements with an Indian tribe or tribal organization (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), if the Indian tribe or tribal organization demonstrates that such tribe or organization has an established tribal court system or a Court of Indian Offenses with the authority to establish paternity, establish, modify, and enforce support orders, and to enter support orders in accordance with child support guidelines established by such tribe or organization, under which the State and tribe or organization shall provide for the cooperative delivery of child support enforcement services in Indian country and for the forwarding of all funding collected pursuant to the functions performed by the tribe or organization to the State agency, or conversely, by the State agency to the tribe or organization, which shall distribute such funding in accordance with such agreement; and

(4) by adding at the end the following new sentence: "Nothing in paragraph (33) shall void any provision of any cooperative agreement entered into before the date of the enactment of such paragraph, nor shall such paragraph deprive any State of jurisdiction over Indian country (as so defined) that is lawfully exercised under section 402 of the Act entitled 'An Act to prescribe penalties for certain acts of violence or intimidation, and for other purposes', approved April 11, 1968 (25 U.S.C. 1322).".

(b) DIRECT FEDERAL FUNDING TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—Section 455 (42 U.S.C. 655) is amended by adding at the end the following new subsection:

"(b) The Secretary may, in appropriate cases, make direct payments under this part to an Indian tribe or tribal organization which has an approved child support enforcement plan under this title. In determining whether such payments are appropriate, the Secretary shall, at a minimum, consider whether services are being provided to eligible Indian recipients by the State agency through an agreement entered into pursuant to section 454(34).".

(c) COOPERATIVE ENFORCEMENT AGREEMENTS.—Paragraph (7) of section 454 (42 U.S.C. 654) is amended by inserting "and Indian tribes or tribal organizations (as defined in subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b))" after "law enforcement officials".

(d) CONFORMING AMENDMENT.—Subsection (c) of section 428 (42 U.S.C. 628) is amended to read as follows:

"(c) For purposes of this section, the terms 'Indian tribe' and 'tribal organization' shall have the meanings given such terms by subsections (e) and (l) of section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), respectively.".

Subtitle H—Medical Support

SEC. 381. CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking "issued by a court of competent jurisdiction";

(2) by striking the period at the end of clause (ii) and inserting a comma; and

(3) by adding, after and below clause (ii), the following:

"if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued through an administrative process established under State law and has the force and effect of law under applicable State law.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1997.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the 1st plan year beginning on or after January 1, 1997, if—

(A) during the period after the date before the date of the enactment of this Act and before such 1st plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(B) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such 1st plan year.

A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

SEC. 382. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 315, 317, 323, 365, 369, 372, and 373 of this Act, is amended by inserting after paragraph (18) the following new paragraph:

"(19) HEALTH CARE COVERAGE.—Procedures under which all child support orders enforced pursuant to this part shall include a provision for the health care coverage of the child, and in the case in which a noncustodial parent provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall operate to enroll the child in the noncustodial parent's health plan, unless the noncustodial parent contests the notice.".

Subtitle I—Enhancing Responsibility and Opportunity for Non-Residential Parents

SEC. 391. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV (42 U.S.C. 651-669), as amended by section 353 of this Act, is amended by adding at the end the following new section:

"SEC. 469B. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

"(a) IN GENERAL.—The Administration for Children and Families shall make grants under this section to enable States to establish and administer programs to support and facilitate noncustodial parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

"(b) AMOUNT OF GRANT.—The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

"(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

"(2) the allotment of the State under subsection (c) for the fiscal year.

"(c) ALLOTMENTS TO STATES.—

"(1) IN GENERAL.—The allotment of a State for a fiscal year is the amount that bears the same ratio to $10,000,000 for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

"(2) MINIMUM ALLOTMENT.—The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

"(A) $50,000 for fiscal year 1997 or 1998; or

"(B) $100,000 for any succeeding fiscal year.

"(d) NO SUPPLANTATION OF STATE EXPENDITURES FOR SIMILAR ACTIVITIES.—A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

"(e) STATE ADMINISTRATION.—Each State to which a grant is made under this section—

"(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;

"(2) shall not be required to operate such programs on a statewide basis; and

"(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.".

Subtitle J—Effective Dates and Conforming Amendments

SEC. 395. EFFECTIVE DATES AND CONFORMING AMENDMENTS.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) the provisions of this title requiring the enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of this title shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective with respect to a State on the later of—

(1) the date specified in this title, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by this title if the State is unable to so comply without amending the State constitution until the earlier of—

(1) 1 year after the effective date of the necessary State constitutional amendment; or

(2) 5 years after the date of the enactment of this Act.

(d) CONFORMING AMENDMENTS.—

(1) The following provisions are amended by striking "absent" each place it appears and inserting "noncustodial":

(A) Section 451 (42 U.S.C. 651).

(B) Subsections (a)(1), (a)(8), (a)(10)(E), (a)(10)(F), (f), and (h) of section 452 (42 U.S.C. 652).

(C) Section 453(f) (42 U.S.C. 653(f)).

(D) Paragraphs (8), (13), and (21)(A) of section 454 (42 U.S.C. 654).

(E) Section 455(e)(1) (42 U.S.C. 655(e)(1)).

(F) Section 458(a) (42 U.S.C. 658(a)).

(G) Subsections (a), (b), and (c) of section 463 (42 U.S.C. 663).

(H) Subsections (a)(3)(A), (a)(3)(C), (a)(6), and (a)(8)(B)(ii), the last sentence of subsection (a), and subsections (b)(1), (b)(3)(B), (b)(3)(B)(i), (b)(6)(A)(i), (b)(9), and (e) of section 466 (42 U.S.C. 666).

(2) The following provisions are amended by striking "an absent" each place it appears and inserting "a noncustodial":

(A) Paragraphs (2) and (3) of section 453(c) (42 U.S.C. 653(c)).

(B) Subparagraphs (B) and (C) of section 454(9) (42 U.S.C. 654(9)).

(C) Section 456(a)(3) (42 U.S.C. 656(a)(3)).

(D) Subsections (a)(3)(A), (a)(6), (a)(8)(B)(i), (b)(3)(A), and (b)(3)(B) of section 466 (42 U.S.C. 666).

(E) Paragraphs (2) and (4) of section 469(b) (42 U.S.C. 669(b)).

TITLE IV—RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

SEC. 400. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION.

The Congress makes the following statements concerning national policy with respect to welfare and immigration:

(1) Self-sufficiency has been a basic principle of United States immigration law since this country's earliest immigration statutes.

(2) It continues to be the immigration policy of the United States that—

(A) aliens within the Nation's borders not depend on public resources to meet their needs, but rather rely on their own capabilities and the resources of their families, their sponsors, and private organizations, and

(B) the availability of public benefits not constitute an incentive for immigration to the United States.

(3) Despite the principle of self-sufficiency, aliens have been applying for and receiving public benefits from Federal, State, and local governments at increasing rates.

(4) Current eligibility rules for public assistance and unenforceable financial support agreements have proved wholly incapable of

assuring that individual aliens not burden the public benefits system.

(5) It is a compelling government interest to enact new rules for eligibility and sponsorship agreements in order to assure that aliens be self-reliant in accordance with national immigration policy.

(6) It is a compelling government interest to remove the incentive for illegal immigration provided by the availability of public benefits.

(7) With respect to the State authority to make determinations concerning the eligibility of qualified aliens for public benefits in this title, a State that chooses to follow the Federal classification in determining the eligibility of such aliens for public assistance shall be considered to have chosen the least restrictive means available for achieving the compelling governmental interest of assuring that aliens be self-reliant in accordance with national immigration policy.

Subtitle A—Eligibility for Federal Benefits

SEC. 401. ALIENS WHO ARE NOT QUALIFIED ALIENS INELIGIBLE FOR FEDERAL PUBLIC BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), an alien who is not a qualified alien (as defined in section 431) is not eligible for any Federal public benefit (as defined in subsection (c)).

(b) EXCEPTIONS.—

(1) Subsection (a) shall not apply with respect to the following Federal public benefits:

(A) Medical assistance under title XIX of the Social Security Act (or any successor program to such title) for care and services that are necessary for the treatment of an emergency medical condition (as defined in section 1903(v)(3) of such Act) of the alien involved and are not related to an organ transplant procedure, if the alien involved otherwise meets the eligibility requirements for medical assistance under the State plan approved under such title (other than the requirement of the receipt of aid or assistance under title IV of such Act, supplemental security income benefits under title XVI of such Act, or a State supplementary payment).

(B) Short-term, non-cash, in-kind emergency disaster relief.

(C) Public health assistance (not including any assistance under title XIX of the Social Security Act) for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(D) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) deliver in-kind services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life or safety.

(E) Programs for housing or community development assistance or financial assistance administered by the Secretary of Housing and Urban Development, any program under title V of the Housing Act of 1949, or any assistance under section 306C of the Consolidated Farm and Rural Development Act, to the extent that the alien is receiving such a benefit on the date of the enactment of this Act.

(2) Subsection (a) shall not apply to any benefit payable under title II of the Social Security Act to an alien who is lawfully present in the United States as determined by the Attorney General, to any benefit if nonpayment of such benefit would contravene an international agreement described in section 233 of the Social Security Act, to any benefit if nonpayment would be contrary to section 202(t) of the Social Security Act, or to any benefit payable under title II of the Social Security Act to which entitlement is based on an application filed in or before the month in which this Act becomes law.

(c) FEDERAL PUBLIC BENEFIT DEFINED.—

(1) Except as provided in paragraph (2), for purposes of this title the term "Federal public benefit" means—

(A) any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States; and

(B) any retirement, welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of the United States or by appropriated funds of the United States.

(2) Such term shall not apply—

(A) to any contract, professional license, or commercial license for a nonimmigrant whose visa for entry is related to such employment in the United States; or

(B) with respect to benefits for an alien who as a work authorized nonimmigrant or as an alien lawfully admitted for permanent residence under the Immigration and Nationality Act qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Attorney General, after consultation with the Secretary of State.

SEC. 402. LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS.

(a) LIMITED ELIGIBILITY FOR SPECIFIED FEDERAL PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in paragraph (2), an alien who is a qualified alien (as defined in section 431) is not eligible for any specified Federal program (as defined in paragraph (3)).

(2) EXCEPTIONS.—

(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—Paragraph (1) shall not apply to an alien until 5 years after the date—

(i) an alien is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act;

(ii) an alien is granted asylum under section 208 of such Act; or

(iii) an alien's deportation is withheld under section 243(h) of such Act.

(B) CERTAIN PERMANENT RESIDENT ALIENS.—Paragraph (1) shall not apply to an alien who—

(i) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(ii)(I) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (II) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(C) VETERAN AND ACTIVE DUTY EXCEPTION.—Paragraph (1) shall not apply to an alien who is lawfully residing in any State and is—

(i) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(ii) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(iii) the spouse or unmarried dependent child of an individual described in clause (i) or (ii).

(D) TRANSITION FOR ALIENS CURRENTLY RECEIVING BENEFITS.—

(i) SSI.—

(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(A), during the period beginning on the date of the enactment of this Act and ending on the date which is 1 year after such date of enactment, the Commissioner of Social Security shall redetermine the eligibility of any individual who is receiving benefits under such program as of the date of the enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of this subsection.

(II) REDETERMINATION CRITERIA.— With respect to any redetermination under subclause (I), the Commissioner of Social Security shall apply the eligibility criteria for new applicants for benefits under such program.

(III) GRANDFATHER PROVISION.—The provisions of this subsection and the redetermination under subclause (I), shall only apply with respect to the benefits of an individual described in subclause (I) for months beginning on or after the date of the redetermination with respect to such individual.

(IV) NOTICE.—Not later than March 31, 1997, the Commissioner of Social Security shall notify an individual described in subclause (I) of the provisions of this clause.

(ii) FOOD STAMPS.—

(I) IN GENERAL.—With respect to the specified Federal program described in paragraph (3)(B), during the period beginning on the date of enactment of this Act and ending on the date which is 1 year after the date of enactment, the State agency shall, at the time of the recertification, recertify the eligibility of any individual who is receiving benefits under such program as of the date of enactment of this Act and whose eligibility for such benefits may terminate by reason of the provisions of this subsection.

(II) RECERTIFICATION CRITERIA.—With respect to any recertification under subclause (I), the State agency shall apply the eligibility criteria for applicants for benefits under such program.

(III) GRANDFATHER PROVISION.—The provisions of this subsection and the recertification under subclause (I) shall only apply with respect to the eligibility of an alien for a program for months beginning on or after the date of recertification, if on the date of enactment of this Act the alien is lawfully residing in any State and is receiving benefits under such program on such date of enactment.

(3) SPECIFIED FEDERAL PROGRAM DEFINED.—For purposes of this title, the term "specified Federal program" means any of the following:

(A) SSI.—The supplemental security income program under title XVI of the Social Security Act, including supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.

(B) FOOD STAMPS.—The food stamp program as defined in section 3(h) of the Food Stamp Act of 1977.

(b) LIMITED ELIGIBILITY FOR DESIGNATED FEDERAL PROGRAMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law and except as provided in section 403 and paragraph (2), a State is authorized to determine the eligibility of an alien who is a qualified alien (as defined in section 431) for any designated Federal program (as defined in paragraph (3)).

(2) EXCEPTIONS.—Qualified aliens under this paragraph shall be eligible for any designated Federal program.

(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

(i) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of an alien's entry into the United States.

(ii) An alien who is granted asylum under section 208 of such Act until 5 years after the date of such grant of asylum.

(iii) An alien whose deportation is being withheld under section 243(h) of such Act until 5 years after such withholding.

(B) CERTAIN PERMANENT RESIDENT ALIENS.—An alien who—

(i) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(ii)(I) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (II) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(C) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(i) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(ii) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(iii) the spouse or unmarried dependent child of an individual described in clause (i) or (ii).

(D) TRANSITION FOR THOSE CURRENTLY RECEIVING BENEFITS.—An alien who on the date of the enactment of this Act is lawfully residing in any State and is receiving benefits under such program on the date of the enactment of this Act shall continue to be eligible to receive such benefits until January 1, 1997.

(3) DESIGNATED FEDERAL PROGRAM DEFINED.—For purposes of this title, the term "designated Federal program" means any of the following:

(A) TEMPORARY ASSISTANCE FOR NEEDY FAMILIES.—The program of block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act.

(B) SOCIAL SERVICES BLOCK GRANT.—The program of block grants to States for social services under title XX of the Social Security Act.

(C) MEDICAID.—A State plan approved under title XIX of the Social Security Act, other than medical assistance described in section 401(b)(1)(A).

SEC. 403. FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b), (c), and (d), an alien who is a qualified alien (as defined in section 431) and who enters the United States on or after the date of the enactment of this Act is not eligible for any Federal means-tested public benefit for a period of five years beginning on the date of the alien's entry into the United States with a status within the meaning of the term "qualified alien".

(b) EXCEPTIONS.—The limitation under subsection (a) shall not apply to the following aliens:

(1) EXCEPTION FOR REFUGEES AND ASYLEES.—

(A) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act.

(B) An alien who is granted asylum under section 208 of such Act.

(C) An alien whose deportation is being withheld under section 243(h) of such Act.

(2) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

(c) APPLICATION OF TERM FEDERAL MEANS-TESTED PUBLIC BENEFIT.—

(1) The limitation under subsection (a) shall not apply to assistance or benefits under paragraph (2).

(2) Assistance and benefits under this paragraph are as follows:

(A) Medical assistance described in section 401(b)(1)(A).

(B) Short-term, non-cash, in-kind emergency disaster relief.

(C) Assistance or benefits under the National School Lunch Act.

(D) Assistance or benefits under the Child Nutrition Act of 1966.

(E) Public health assistance (not including any assistance under title XIX of the Social Security Act) for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(F) Payments for foster care and adoption assistance under parts B and E of title IV of the Social Security Act for a parent or a child who would, in the absence of subsection (a), be eligible to have such payments made on the child's behalf under such part, but only if the foster or adoptive parent (or parents) of such child is a qualified alien (as defined in section 431).

(G) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (i) deliver in-kind services at the community level, including through public or private nonprofit agencies; (ii) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (iii) are necessary for the protection of life or safety.

(H) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII, and VIII of the Public Health Service Act.

(I) Means-tested programs under the Elementary and Secondary Education Act of 1965.

(J) Benefits under the Head Start Act.

(K) Benefits under the Job Training Partnership Act.

(d) SPECIAL RULE FOR REFUGEE AND ENTRANT ASSISTANCE FOR CUBAN AND HAITIAN ENTRANTS.—The limitation under subsection (a) shall not apply to refugee and entrant assistance activities, authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980, for Cuban and Haitian entrants as defined in section 501(e)(2) of the Refugee Education Assistance Act of 1980.

SEC. 404. NOTIFICATION AND INFORMATION REPORTING.

(a) NOTIFICATION.—Each Federal agency that administers a program to which section 401, 402, or 403 applies shall, directly or through the States, post information and provide general notification to the public and to program recipients of the changes regarding eligibility for any such program pursuant to this subtitle.

(b) INFORMATION REPORTING UNDER TITLE IV OF THE SOCIAL SECURITY ACT.—Part A of title IV of the Social Security Act is amended by inserting the following new section after section 411:

"SEC. 411A. STATE REQUIRED TO PROVIDE CERTAIN INFORMATION.

"Each State to which a grant is made under section 403 shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is unlawfully in the United States.".

(c) SSI.—Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended—

(1) by redesignating the paragraphs (6) and (7) inserted by sections 206(d)(2) and 206(f)(1) of the Social Security Independence and Programs Improvement Act of 1994 (Public Law 103-296; 108 Stat. 1514, 1515) as paragraphs (7) and (8), respectively; and

(2) by adding at the end the following new paragraph:

"(9) Notwithstanding any other provision of law, the Commissioner shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this paragraph referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Commissioner knows is unlawfully in the United States, and shall ensure that each agreement entered into under section 1616(a) with a State provides that the State shall furnish such information at such times with respect to any individual who the State knows is unlawfully in the United States.".

(d) INFORMATION REPORTING FOR HOUSING PROGRAMS.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following new section:

"SEC. 27. PROVISION OF INFORMATION TO LAW ENFORCEMENT AND OTHER AGENCIES.

"Notwithstanding any other provision of law, the Secretary shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this section referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Secretary knows is unlawfully in the United States, and shall ensure that each contract for assistance entered into under section 6 or 8 of this Act with a public housing agency provides that the public housing agency shall furnish such information at such times with respect to any individual who the public housing agency knows is unlawfully in the United States.".

Subtitle B—Eligibility for State and Local Public Benefits Programs

SEC. 411. ALIENS WHO ARE NOT QUALIFIED ALIENS OR NONIMMIGRANTS INELIGIBLE FOR STATE AND LOCAL PUBLIC BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsections (b) and (d), an alien who is not—

(1) a qualified alien (as defined in section 431),

(2) a nonimmigrant under the Immigration and Nationality Act, or

(3) an alien who is paroled into the United States under section 212(d)(5) of such Act for less than one year,

is not eligible for any State or local public benefit (as defined in subsection (c)).

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following State or local public benefits:

(1) Assistance for health care items and services that are necessary for the treatment of an emergency medical condition (as defined in section 1903(v)(3) of the Social Security Act) of the alien involved and are not related to an organ transplant procedure.

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Public health assistance for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(4) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(c) STATE OR LOCAL PUBLIC BENEFIT DEFINED.—

(1) Except as provided in paragraphs (2) and 3, for purposes of this subtitle the term "State or local public benefit" means—

(A) any grant, contract, loan, professional license, or commercial license provided by an agency of a State or local government or by appropriated funds of a State or local government; and

(B) any retirement, welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of a State or local government or by appropriated funds of a State or local government.

(2) Such term shall not apply—

(A) to any contract, professional license, or commercial license for a nonimmigrant whose visa for entry is related to such employment in the United States; or

(B) with respect to benefits for an alien who as a work authorized nonimmigrant or as an alien lawfully admitted for permanent residence under the Immigration and Nationality Act qualified for such benefits and for whom the United States under reciprocal treaty agreements is required to pay benefits, as determined by the Secretary of State, after consultation with the Attorney General.

(3) Such term does not include any Federal public benefit under section 4001(c).

(d) STATE AUTHORITY TO PROVIDE FOR ELIGIBILITY OF ILLEGAL ALIENS FOR STATE AND LOCAL PUBLIC BENEFITS.—A State may provide that an alien who is not lawfully present in the United States is eligible for any State or local public benefit for which such alien would otherwise be ineligible under subsection (a) only through the enactment of a State law after the date of the enactment of this Act which affirmatively provides for such eligibility.

SEC. 412. STATE AUTHORITY TO LIMIT ELIGIBILITY OF QUALIFIED ALIENS FOR STATE PUBLIC BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in subsection (b), a State is authorized to determine the eligibility for any State public benefits of an alien who is a qualified alien (as defined in section 431), a nonimmigrant under the Immigration and Nationality Act, or an alien who is paroled into the United States under section 212(d)(5) of such Act for less than one year.

(b) EXCEPTIONS.—Qualified aliens under this subsection shall be eligible for any State public benefits.

(1) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

(A) An alien who is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act until 5 years after the date of an alien's entry into the United States.

(B) An alien who is granted asylum under section 208 of such Act until 5 years after the date of such grant of asylum.

(C) An alien whose deportation is being withheld under section 243(h) of such Act until 5 years after such withholding.

(2) CERTAIN PERMANENT RESIDENT ALIENS.—An alien who—

(A) is lawfully admitted to the United States for permanent residence under the Immigration and Nationality Act; and

(B)(i) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (ii) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(3) VETERAN AND ACTIVE DUTY EXCEPTION.—An alien who is lawfully residing in any State and is—

(A) a veteran (as defined in section 101 of title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage,

(B) on active duty (other than active duty for training) in the Armed Forces of the United States, or

(C) the spouse or unmarried dependent child of an individual described in subparagraph (A) or (B).

(4) TRANSITION FOR THOSE CURRENTLY RECEIVING BENEFITS.—An alien who on the date of the enactment of this Act is lawfully residing in any State and is receiving benefits on the date of the enactment of this Act shall continue to be eligible to receive such benefits until January 1, 1997.

Subtitle C—Attribution of Income and Affidavits of Support

SEC. 421. FEDERAL ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIEN.

(a) IN GENERAL.—Notwithstanding any other provision of law, in determining the eligibility and the amount of benefits of an alien for any Federal means-tested public benefits program (as provided under section 403), the income and resources of the alien shall be deemed to include the following:

(1) The income and resources of any person who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 423) on behalf of such alien.

(2) The income and resources of the spouse (if any) of the person.

(b) DURATION OF ATTRIBUTION PERIOD.—Subsection (a) shall apply with respect to an alien until such time as the alien—

(1) achieves United States citizenship through naturalization pursuant to chapter 2 of title III of the Immigration and Nationality Act; or

(2)(A) has worked 40 qualifying quarters of coverage as defined under title II of the Social Security Act or can be credited with such qualifying quarters as provided under section 435, and (B) in the case of any such qualifying quarter creditable for any period beginning after December 31, 1996, did not receive any Federal means-tested public benefit (as provided under section 403) during any such period.

(c) REVIEW OF INCOME AND RESOURCES OF ALIEN UPON REAPPLICATION.—Whenever an alien is required to reapply for benefits under any Federal means-tested public benefits program, the applicable agency shall review the income and resources attributed to the alien under subsection (a).

(d) APPLICATION.—

(1) If on the date of the enactment of this Act, a Federal means-tested public benefits program attributes a sponsor's income and resources to an alien in determining the alien's eligibility and the amount of benefits for an alien, this section shall apply to any such determination beginning on the day after the date of the enactment of this Act.

(2) If on the date of the enactment of this Act, a Federal means-tested public benefits program does not attribute a sponsor's income and resources to an alien in determining the alien's eligibility and the amount of benefits for an alien, this section shall apply to any such determination beginning 180 days after the date of the enactment of this Act.

SEC. 422. AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSORS INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS.

(a) OPTIONAL APPLICATION TO STATE PROGRAMS.—Except as provided in subsection (b), in determining the eligibility and the amount of benefits of an alien for any State public benefits (as defined in section 412(c)), the State or political subdivision that offers the benefits is authorized to provide that the income and resources of the alien shall be deemed to include—

(1) the income and resources of any individual who executed an affidavit of support pursuant to section 213A of the Immigration and Nationality Act (as added by section 423) on behalf of such alien, and

(2) the income and resources of the spouse (if any) of the individual.

(b) EXCEPTIONS.—Subsection (a) shall not apply with respect to the following State public benefits:

(1) Assistance described in section 411(b)(1).

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Programs comparable to assistance or benefits under the National School Lunch Act.

(4) Programs comparable to assistance or benefits under the Child Nutrition Act of 1966.

(5) Public health assistance for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(6) Payments for foster care and adoption assistance.

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General of a State, after consultation with appropriate agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

SEC. 423. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT.

(a) IN GENERAL.—Title II of the Immigration and Nationality Act is amended by inserting after section 213 the following new section:

"REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

"SEC. 213A. (a) ENFORCEABILITY.—(1) No affidavit of support may be accepted by the Attorney General or by any consular officer to establish that an alien is not excludable as a public charge under section 212(a)(4) unless such affidavit is executed as a contract—

"(A) which is legally enforceable against the sponsor by the sponsored alien, the Federal Government, and by any State (or any political subdivision of such State) which provides any means-tested public benefits program, but not later than 10 years after the alien last receives any such benefit;

"(B) in which the sponsor agrees to financially support the alien, so that the alien will not become a public charge; and

"(C) in which the sponsor agrees to submit to the jurisdiction of any Federal or State court for the purpose of actions brought under subsection (e)(2).

"(2) A contract under paragraph (1) shall be enforceable with respect to benefits provided to the alien until such time as the alien achieves United States citizenship through naturalization pursuant to chapter 2 of title III.

"(b) FORMS.—Not later than 90 days after the date of enactment of this section, the Attorney General, in consultation with the Secretary of State and the Secretary of Health and Human Services, shall formulate an affidavit of support consistent with the provisions of this section.

"(c) REMEDIES.—Remedies available to enforce an affidavit of support under this section include any or all of the remedies described in section 3201, 3203, 3204, or 3205 of title 28, United States Code, as well as an order for specific performance and payment of legal fees and other costs of collection, and include corresponding remedies available under State law. A Federal agency may seek to collect amounts owed under this section in accordance with the provisions of subchapter II of chapter 37 of title 31, United States Code.

"(d) NOTIFICATION OF CHANGE OF ADDRESS.—

"(1) IN GENERAL.—The sponsor shall notify the Attorney General and the State in which the sponsored alien is currently resident within 30 days of any change of address of the sponsor during the period specified in subsection (a)(2).

"(2) PENALTY.—Any person subject to the requirement of paragraph (1) who fails to satisfy such requirement shall be subject to a civil penalty of—

"(A) not less than $250 or more than $2,000, or

"(B) if such failure occurs with knowledge that the alien has received any means-tested public benefit, not less than $2,000 or more than $5,000.

"(e) REIMBURSEMENT OF GOVERNMENT EXPENSES.—(1)(A) Upon notification that a sponsored alien has received any benefit under any means-tested public benefits program, the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such assistance.

"(B) The Attorney General, in consultation with the Secretary of Health and Human Services, shall prescribe such regulations as may be necessary to carry out subparagraph (A).

"(2) If within 45 days after requesting reimbursement, the appropriate Federal, State, or local agency has not received a response from the sponsor indicating a willingness to commence payments, an action may be brought against the sponsor pursuant to the affidavit of support.

"(3) If the sponsor fails to abide by the repayment terms established by such agency, the agency may, within 60 days of such failure, bring an action against the sponsor pursuant to the affidavit of support.

"(4) No cause of action may be brought under this subsection later than 10 years after the alien last received any benefit under any means-tested public benefits program.

"(5) If, pursuant to the terms of this subsection, a Federal, State, or local agency requests reimbursement from the sponsor in the amount of assistance provided, or brings an action against the sponsor pursuant to the affidavit of support, the appropriate agency may appoint or hire an individual or other person to act on behalf of such agency acting under the authority of law for purposes of collecting any moneys owed. Nothing in this subsection shall preclude any appropriate Federal, State, or local agency from directly requesting reimbursement from a sponsor for the amount of assistance provided, or from bringing an action against a sponsor pursuant to an affidavit of support.

"(f) DEFINITIONS.—For the purposes of this section—

"(1) SPONSOR.—The term 'sponsor' means an individual who—

"(A) is a citizen or national of the United States or an alien who is lawfully admitted to the United States for permanent residence;

"(B) is 18 years of age or over;

"(C) is domiciled in any of the 50 States or the District of Columbia; and

"(D) is the person petitioning for the admission of the alien under section 204.".

(b) CLERICAL AMENDMENT.—The table of contents of such Act is amended by inserting after the item relating to section 213 the following:

"Sec. 213A. Requirements for sponsor's affidavit of support.".

(c) EFFECTIVE DATE.—Subsection (a) of section 213A of the Immigration and Nationality Act, as inserted by subsection (a) of this section, shall apply to affidavits of support executed on or after a date specified by the Attorney General, which date shall be not earlier than 60 days (and not later than 90 days) after the date the Attorney General formulates the form for such affidavits under subsection (b) of such section.

(d) BENEFITS NOT SUBJECT TO REIMBURSEMENT.—Requirements for reimbursement by a sponsor for benefits provided to a sponsored alien pursuant to an affidavit of support under section 213A of the Immigration and Nationality Act shall not apply with respect to the following:

(1) Medical assistance described in section 401(b)(1)(A) or assistance described in section 411(b)(1).

(2) Short-term, non-cash, in-kind emergency disaster relief.

(3) Assistance or benefits under the National School Lunch Act.

(4) Assistance or benefits under the Child Nutrition Act of 1966.

(5) Public health assistance for immunizations (not including any assistance under title XIX of the Social Security Act) with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.

(6) Payments for foster care and adoption assistance under parts B and E of title IV of the Social Security Act for a parent or a child, but only if the foster or adoptive parent (or parents) of such child is a qualified alien (as defined in section 431).

(7) Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) specified by the Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate Federal agencies and departments, which (A) deliver in-kind services at the community level, including through public or private nonprofit agencies; (B) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and (C) are necessary for the protection of life or safety.

(8) Programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII, and VIII of the Public Health Service Act.

(9) Benefits under the Head Start Act.

(10) Means-tested programs under the Elementary and Secondary Education Act of 1965.

(11) Benefits under the Job Training Partnership Act.

Subtitle D—General Provisions

SEC. 431. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided in this title, the terms used in this title have the same meaning given such terms in section 101(a) of the Immigration and Nationality Act.

(b) QUALIFIED ALIEN.—For purposes of this title, the term "qualified alien" means an alien who, at the time the alien applies for, receives, or attempts to receive a Federal public benefit, is—

(1) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act,

(2) an alien who is granted asylum under section 208 of such Act,

(3) a refugee who is admitted to the United States under section 207 of such Act,

(4) an alien who is paroled into the United States under section 212(d)(5) of such Act for a period of at least 1 year,

(5) an alien whose deportation is being withheld under section 243(h) of such Act, or

(6) an alien who is granted conditional entry pursuant to section 203(a)(7) of such Act as in effect prior to April 1, 1980.

SEC. 432. VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC BENEFITS.

(a) In General.—Not later than 18 months after the date of the enactment of this Act, the Attorney General of the United States, after consultation with the Secretary of Health and Human Services, shall promulgate regulations requiring verification that a person applying for a Federal public benefit (as defined in section 401(c)), to which the limitation under section 401 applies, is a qualified alien and is eligible to receive such benefit. Such regulations shall, to the extent feasible, require that information requested and exchanged be similar in form and manner to information requested and exchanged under section 1137 of the Social Security Act.

(b) State Compliance.—Not later than 24 months after the date the regulations described in subsection (a) are adopted, a State that administers a program that provides a Federal public benefit shall have in effect a verification system that complies with the regulations.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out the purpose of this section.

SEC. 433. STATUTORY CONSTRUCTION.

(a) Limitation.—

(1) Nothing in this title may be construed as an entitlement or a determination of an individual's eligibility or fulfillment of the requisite requirements for any Federal, State, or local governmental program, assistance, or benefits. For purposes of this title, eligibility relates only to the general issue of eligibility or ineligibility on the basis of alienage.

(2) Nothing in this title may be construed as addressing alien eligibility for a basic public education as determined by the Supreme Court of the United States under Plyler v. Doe (457 U.S. 202)(1982).

(b) Not Applicable to Foreign Assistance.—This title does not apply to any Federal, State, or local governmental program, assistance, or benefits provided to an alien under any program of foreign assistance as determined by the Secretary of State in consultation with the Attorney General.

(c) Severability.—If any provision of this title or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the application of the provisions of such to any person or circumstance shall not be affected thereby.

SEC. 434. COMMUNICATION BETWEEN STATE AND LOCAL GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE.

Notwithstanding any other provision of Federal, State, or local law, no State or local government entity may be prohibited, or in any way restricted, from sending to or receiving from the Immigration and Naturalization Service information regarding the immigration status, lawful or unlawful, of an alien in the United States.

SEC. 435. QUALIFYING QUARTERS.

For purposes of this title, in determining the number of qualifying quarters of coverage under title II of the Social Security Act an alien shall be credited with—

(1) all of the qualifying quarters of coverage as defined under title II of the Social Security Act worked by a parent of such alien while the alien was under age 18, and

(2) all of the qualifying quarters worked by a spouse of such alien during their marriage and the alien remains married to such spouse or such spouse is deceased.

No such qualifying quarter of coverage that is creditable under title II of the Social Security Act for any period beginning after December 31, 1996, may be credited to an alien under paragraph (1) or (2) if the parent or spouse (as the case may be) of such alien received any Federal means-tested public benefit (as provided under section 403) during the period for which such qualifying quarter of coverage is so credited.

Subtitle E—Conforming Amendments Relating to Assisted Housing

SEC. 441. CONFORMING AMENDMENTS RELATING TO ASSISTED HOUSING.

(a) Limitations on Assistance.—Section 214 of the Housing and Community Development Act of 1980 (42 U.S.C. 1436a) is amended—

(1) by striking "Secretary of Housing and Urban Development" each place it appears and inserting "applicable Secretary";

(2) in subsection (b), by inserting after "National Housing Act," the following: "the direct loan program under section 502 of the Housing Act of 1949 or section 502(c)(5)(D), 504, 521(a)(2)(A), or 542 of such Act, subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act,";

(3) in paragraphs (2) through (6) of subsection (d), by striking "Secretary" each place it appears and inserting "applicable Secretary";

(4) in subsection (d), in the matter following paragraph (6), by striking "the term 'Secretary'" and inserting "the term 'applicable Secretary'"; and

(5) by adding at the end the following new subsection:

"(h) For purposes of this section, the term 'applicable Secretary' means—

"(1) the Secretary of Housing and Urban Development, with respect to financial assistance administered by such Secretary and financial assistance under subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act; and

"(2) the Secretary of Agriculture, with respect to financial assistance administered by such Secretary.".

(b) Conforming Amendments.—Section 501(h) of the Housing Act of 1949 (42 U.S.C. 1471(h)) is amended—

(1) by striking "(1)";

(2) by striking "by the Secretary of Housing and Urban Development"; and

(3) by striking paragraph (2).

Subtitle F—Earned Income Credit Denied to Unauthorized Employees

SEC. 451. EARNED INCOME CREDIT DENIED TO INDIVIDUALS NOT AUTHORIZED TO BE EMPLOYED IN THE UNITED STATES.

(a) In General.—Section 32(c)(1) of the Internal Revenue Code of 1986 (relating to individuals eligible to claim the earned income credit) is amended by adding at the end the following new subparagraph:

"(F) Identification Number Requirement.—The term 'eligible individual' does not include any individual who does not include on the return of tax for the taxable year—

"(i) such individual's taxpayer identification number, and

"(ii) if the individual is married (within the meaning of section 7703), the taxpayer identification number of such individual's spouse.".

(b) Special Identification Number.—Section 32 of such Code is amended by adding at the end the following new subsection:

"(l) Identification Numbers.—Solely for purposes of subsections (c)(1)(F) and (c)(3)(D), a taxpayer identification number means a social security number issued to an individual by the Social Security Administration (other than a social security number issued pursuant to clause (II) (or that portion of clause (III) that relates to clause (II)) of section 205(c)(2)(B)(i) of the Social Security Act).".

(c) Extension of Procedures Applicable to Mathematical or Clerical Errors.—Section 6213(g)(2) of such Code (relating to the definition of mathematical or clerical errors) is amended by striking "and' at the end of subparagraph (D), by striking the period at the end of subparagraph (E) and inserting a comma, and by inserting after subparagraph (E) the following new subparagraphs:

"(F) an omission of a correct taxpayer identification number required under section 32 (relating to the earned income credit) to be included on a return, and

"(G) an entry on a return claiming the credit under section 32 with respect to net earnings from self-employment described in section 32(c)(2)(A) to the extent the tax imposed by section 1401 (relating to self-employment tax) on such net earnings has not been paid.".

(d) Effective Date.—The amendments made by this section shall apply with respect to returns the due date for which (without regard to extensions) is more than 30 days after the date of the enactment of this Act.

TITLE V—CHILD PROTECTION

SEC. 501. AUTHORITY OF STATES TO MAKE FOSTER CARE MAINTENANCE PAYMENTS ON BEHALF OF CHILDREN IN ANY PRIVATE CHILD CARE INSTITUTION.

Section 472(c)(2) of the Social Security Act (42 U.S.C. 672(c)(2)) is amended by striking "nonprofit".

SEC. 502. EXTENSION OF ENHANCED MATCH FOR IMPLEMENTATION OF STATEWIDE AUTOMATED CHILD WELFARE INFORMATION SYSTEMS.

Section 13713(b)(2) of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 674 note; 107 Stat. 657) is amended by striking "1996" and inserting "1997".

SEC. 503. NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE.

Part B of title IV of the Social Security Act (42 U.S.C. 620–628a) is amended by adding at the end the following:

"SEC. 429A. NATIONAL RANDOM SAMPLE STUDY OF CHILD WELFARE.

"(a) In General.—The Secretary shall conduct a national study based on random samples of children who are at risk of child abuse or neglect, or are determined by States to have been abused or neglected.

"(b) Requirements.—The study required by subsection (a) shall—

"(1) have a longitudinal component; and

"(2) yield data reliable at the State level for as many States as the Secretary determines is feasible.

"(c) Preferred Contents.—In conducting the study required by subsection (a), the Secretary should—

"(1) carefully consider selecting the sample from cases of confirmed abuse or neglect; and

"(2) follow each case for several years while obtaining information on, among other things—

"(A) the type of abuse or neglect involved;

"(B) the frequency of contact with State or local agencies;

"(C) whether the child involved has been separated from the family, and, if so, under what circumstances;

"(D) the number, type, and characteristics of out-of-home placements of the child; and

"(E) the average duration of each placement.

"(d) Reports.—

"(1) In general.—From time to time, the Secretary shall prepare reports summarizing the results of the study required by subsection (a).

"(2) Availability.—The Secretary shall make available to the public any report prepared under paragraph (1), in writing or in the form of an electronic data tape.

"(3) Authority to charge fee.—The Secretary may charge and collect a fee for the furnishing of reports under paragraph (2).

"(e) Appropriation.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary for each of fiscal years 1996 through 2002 $6,000,000 to carry out this section.".

SEC. 504. REDESIGNATION OF SECTION 1123.

The Social Security Act is amended by redesignating section 1123, the second place it appears (42 U.S.C. 1320a–1a), as section 1123A.

SEC. 505. KINSHIP CARE.

Section 471(a) of the Social Security Act (42 U.S.C. 671(a)) is amended—

(1) by striking "and" at the end of paragraph (16);

(2) by striking the period at the end of paragraph (17) and inserting "; and"; and

(3) by adding at the end the following:

"(18) provides that the State shall consider giving preference to an adult relative over a non-related caregiver when determining a placement for a child, provided that the relative caregiver meets all relevant State child protection standards.".

TITLE VI—CHILD CARE

SEC. 601. SHORT TITLE AND REFERENCES.

(a) Short Title.—This title may be cited as the "Child Care and Development Block Grant Amendments of 1996".

(b) References.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

SEC. 602. GOALS.

Section 658A (42 U.S.C. 9801 note) is amended—

(1) in the section heading by inserting "AND GOALS" after "TITLE";

(2) by inserting "(a) Short Title.—" before "This"; and

(3) by adding at the end the following:

"(b) Goals.—The goals of this subchapter are—

"(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State;

"(2) to promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;

"(3) to encourage States to provide consumer education information to help parents make informed choices about child care;

"(4) to assist States to provide child care to parents trying to achieve independence from public assistance; and

"(5) to assist States in implementing the health, safety, licensing, and registration standards established in State regulations.".

SEC. 603. AUTHORIZATION OF APPROPRIATIONS AND ENTITLEMENT AUTHORITY.

(a) In General.—Section 658B (42 U.S.C. 9858) is amended to read as follows:

"SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subchapter $1,000,000,000 for each of the fiscal years 1996 through 2002.".

(b) Social Security Act.—Part A of title IV of the Social Security Act (42 U.S.C. 601–617) is amended by adding at the end the following new section:

"SEC. 418. FUNDING FOR CHILD CARE.

"(a) General Child Care Entitlement.—

"(1) General entitlement.—Subject to the amount appropriated under paragraph (3), each State shall, for the purpose of providing child care assistance, be entitled to payments under a grant under this subsection for a fiscal year in an amount equal to—

"(A) the sum of the total amount required to be paid to the State under section 403 for fiscal year 1994 or 1995 (whichever is greater) with respect to amounts expended for child care under section—

"(i) 402(g) of this Act (as such section was in effect before October 1, 1995); and

"(ii) 402(i) of this Act (as so in effect); or

"(B) the average of the total amounts required to be paid to the State for fiscal years 1992 through 1994 under the sections referred to in subparagraph (A);

whichever is greater.

"(2) Remainder.—

"(A) Grants.—The Secretary shall use any amounts appropriated for a fiscal year under paragraph (3), and remaining after the reservation described in paragraph (4) and after grants are awarded under paragraph (1), to make grants to States under this paragraph.

"(B) Amount.—Subject to subparagraph (C), the amount of a grant awarded to a State for a fiscal year under this paragraph shall be based on the formula used for determining the amount of Federal payments to the State under section 403(n) (as such section was in effect before October 1, 1995).

"(C) Matching requirement.—The Secretary shall pay to each eligible State in a fiscal year an amount, under a grant under subparagraph (A), equal to the Federal medical assistance percentage for such State for fiscal year 1995 (as defined in section 1905(b)) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under paragraph (1)(A) for such year and the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in subparagraph (A) of paragraph (1).

"(D) Redistribution.—

"(i) In general.—With respect to any fiscal year, if the Secretary determines (in accordance with clause (ii)) that amounts under any grant awarded to a State under this paragraph for such fiscal year will not be used by such State during such fiscal year for carrying out the purpose for which the grant is made, the Secretary shall make such amounts available in the subsequent fiscal year for carrying out such purpose to 1 or more States which apply for such funds to the extent the Secretary determines that such States will be able to use such additional amounts for carrying out such purpose. Such available amounts shall be redistributed to a State pursuant to section 403(n) (as such section was in effect before October 1, 1995) by substituting 'the number of children residing in all States applying for such funds' for 'the number of children residing in the United States in the second preceding fiscal year'.

"(ii) Time of determination and distribution.—The determination of the Secretary under clause (i) for a fiscal year shall be made not later than the end of the first quarter of the subsequent fiscal year. The redistribution of amounts under clause (i) shall be made as close as practicable to the date on which such determination is made. Any amount made available to a State from an appropriation for a fiscal year in accordance with this subparagraph shall, for purposes of this part, be regarded as part of such State's payment (as determined under this subsection) for the fiscal year in which the redistribution is made.

"(3) Appropriation.—For grants under this section, there are appropriated—

"(A) $1,967,000,000 for fiscal year 1997;

"(B) $2,067,000,000 for fiscal year 1998;

"(C) $2,167,000,000 for fiscal year 1999;

"(D) $2,367,000,000 for fiscal year 2000;

"(E) $2,567,000,000 for fiscal year 2001; and

"(F) $2,717,000,000 for fiscal year 2002.

"(4) Indian tribes.—The Secretary shall reserve not less than 1 percent, and not more 2 percent, of the aggregate amount appropriated to carry out this section in each fiscal year for payments to Indian tribes and tribal organizations.

"(b) Use of Funds.—

"(1) In general.—Amounts received by a State under this section shall only be used to provide child care assistance. Amounts received by a State under a grant under subsection (a)(1) shall be available for use by the State without fiscal year limitation.

"(2) Use for certain populations.—A State shall ensure that not less than 70 percent of the total amount of funds received by the State in a fiscal year under this section are used to provide child care assistance to families who are receiving assistance under a State program under this part, families who are attempting through work activities to transition off of such assistance program, and families who are at risk of becoming dependent on such assistance program.

"(c) Application of Child Care and Development Block Grant Act of 1990.—Notwithstanding any other provision of law, amounts provided to a State under this section shall be transferred to the lead agency under the Child Care and Development Block Grant Act of 1990, integrated by the State into the programs established by the State under such Act, and be subject to requirements and limitations of such Act.

"(d) Definition.—As used in this section, the term 'State' means each of the 50 States or the District of Columbia.".

SEC. 604. LEAD AGENCY.

Section 658D(b) (42 U.S.C. 9858b(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "State" the first place that such appears and inserting "governmental or nongovernmental"; and

(B) in subparagraph (C), by inserting "with sufficient time and Statewide distribution of the notice of such hearing," after "hearing in the State"; and

(2) in paragraph (2), by striking the second sentence.

SEC. 605. APPLICATION AND PLAN.

Section 658E (42 U.S.C. 9858c) is amended—

(1) in subsection (b)—

(A) by striking "implemented—" and all that follows through "(2)" and inserting "implemented"; and

(B) by striking "for subsequent State plans";

(2) in subsection (c)—

(A) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clause (i) by striking ", other than through assistance provided under paragraph (3)(C),"; and

(II) by striking "except" and all that follows through "1992", and inserting "and provide a detailed description of the procedures the State will implement to carry out the requirements of this subparagraph";

(ii) in subparagraph (B)—

(I) by striking "Provide assurances" and inserting "Certify"; and

(II) by inserting before the period at the end "and provide a detailed description of such procedures";

(iii) in subparagraph (C)—

(I) by striking "Provide assurances" and inserting "Certify"; and

(II) by inserting before the period at the end "and provide a detailed description of how such record is maintained and is made available";

(iv) by amending subparagraph (D) to read as follows:

"(D) CONSUMER EDUCATION INFORMATION.—Certify that the State will collect and disseminate to parents of eligible children and the general public, consumer education information that will promote informed child care choices.";

(v) in subparagraph (E), to read as follows:

"(E) COMPLIANCE WITH STATE LICENSING REQUIREMENTS.—

"(i) IN GENERAL.—Certify that the State has in effect licensing requirements applicable to child care services provided within the State, and provide a detailed description of such requirements and of how such requirements are effectively enforced. Nothing in the preceding sentence shall be construed to require that licensing requirements be applied to specific types of providers of child care services.

"(ii) INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In lieu of any licensing and regulatory requirements applicable under State and local law, the Secretary, in consultation with Indian tribes and tribal organizations, shall develop minimum child care standards (that appropriately reflect tribal needs and available resources) that shall be applicable to Indian tribes and tribal organization receiving assistance under this subchapter.";

(vi) in subparagraph (F) by striking "Provide assurances" and inserting "Certify";

(vii) in subparagraph (G) by striking "Provide assurances" and inserting "Certify"; and

(viii) by striking subparagraphs (H), (I), and (J) and inserting the following:

"(H) MEETING THE NEEDS OF CERTAIN POPULATIONS.—Demonstrate the manner in which the State will meet the specific child care needs of families who are receiving assistance under a State program under part A of title IV of the Social Security Act, families who are attempting through work activities to transition off of such assistance program, and families that are at risk of becoming dependent on such assistance program.";

(B) in paragraph (3)—

(i) in subparagraph (A), by striking "(B) and (C)" and inserting "(B) through (D)";

(ii) in subparagraph (B)—

(I) by striking ".—Subject to the reservation contained in subparagraph (C), the" and inserting "AND RELATED ACTIVITIES.—The";

(II) in clause (i) by striking "; and" at the end and inserting a period;

(III) by striking "for—" and all that follows through "section 658E(c)(2)(A)" and inserting "for child care services on a sliding fee scale basis, activities that improve the quality or availability of such services, and any other activity that the State deems appropriate to realize any of the goals specified in paragraphs (2) through (5) of section 658A(b)"; and

(IV) by striking clause (ii);

(iii) by amending subparagraph (C) to read as follows:

"(C) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the aggregate amount of funds available to the State to carry out this subchapter by a State in each fiscal year may be expended for administrative costs incurred by such State to carry out all of its functions and duties under this subchapter. As used in the preceding sentence, the term 'administrative costs' shall not include the costs of providing direct services."; and

(iv) by adding at the end thereof the following:

"(D) ASSISTANCE FOR CERTAIN FAMILIES.—A State shall ensure that a substantial portion of the amounts available (after the State has complied with the requirement of section 418(b)(2) of the Social Security Act with respect to each of the fiscal years 1997 through 2002) to the State to carry out activities under this subchapter in each fiscal year is used to provide assistance to low-income working families other than families described in paragraph (2)(H)."; and

(C) in paragraph (4)(A)—

(i) by striking "provide assurances" and inserting "certify";

(ii) in the first sentence by inserting "and shall provide a summary of the facts relied on by the State to determine that such rates are sufficient to ensure such access" before the period; and

(iii) by striking the last sentence.

SEC. 606. LIMITATION ON STATE ALLOTMENTS.

Section 658F(b)(1) (42 U.S.C. 9858d(b)(1)) is amended by striking "No" and inserting "Except as provided for in section 658O(c)(6), no".

SEC. 607. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.

Section 658G (42 U.S.C. 9858e) is amended to read as follows:

"SEC. 658G. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.

"A State that receives funds to carry out this subchapter for a fiscal year, shall use not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services).".

SEC. 608. REPEAL OF EARLY CHILDHOOD DEVELOPMENT AND BEFORE- AND AFTER-SCHOOL CARE REQUIREMENT.

Section 658H (42 U.S.C. 9858f) is repealed.

SEC. 609. ADMINISTRATION AND ENFORCEMENT.

Section 658I(b) (42 U.S.C. 9858g(b)) is amended—

(1) in paragraph (1), by striking ", and shall have" and all that follows through "(2)"; and

(2) in the matter following clause (ii) of paragraph (2)(A), by striking "finding and that" and all that follows through the period and inserting "finding and shall require that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options.".

SEC. 610. PAYMENTS.

Section 658J(c) (42 U.S.C. 9858h(c)) is amended—

(1) by striking "expended" and inserting "obligated"; and

(2) by striking "3 fiscal years" and inserting "fiscal year".

SEC. 611. ANNUAL REPORT AND AUDITS.

Section 658K (42 U.S.C. 9858i) is amended—

(1) in the section heading by striking "ANNUAL REPORT" and inserting "REPORTS";

(2) in subsection (a), to read as follows:

"(a) REPORTS.—

"(1) COLLECTION OF INFORMATION BY STATES.—

"(A) IN GENERAL.—A State that receives funds to carry out this subchapter shall collect the information described in subparagraph (B) on a monthly basis.

"(B) REQUIRED INFORMATION.—The information required under this subparagraph shall include, with respect to a family unit receiving assistance under this subchapter information concerning—

"(i) family income;

"(ii) county of residence;

"(iii) the gender, race, and age of children receiving such assistance;

"(iv) whether the family includes only 1 parent;

"(v) the sources of family income, including the amount obtained from (and separately identified)—

"(I) employment, including self-employment;

"(II) cash or other assistance under part A of title IV of the Social Security Act;

"(III) housing assistance;

"(IV) assistance under the Food Stamp Act of 1977; and

"(V) other assistance programs;

"(vi) the number of months the family has received benefits;

"(vii) the type of child care in which the child was enrolled (such as family child care, home care, or center-based child care);

"(viii) whether the child care provider involved was a relative;

"(ix) the cost of child care for such families; and

"(x) the average hours per week of such care;

during the period for which such information is required to be submitted.

"(C) SUBMISSION TO SECRETARY.—A State described in subparagraph (A) shall, on a quarterly basis, submit the information required to be collected under subparagraph (B) to the Secretary.

"(D) SAMPLING.—The Secretary may disapprove the information collected by a State under this paragraph if the State uses sampling methods to collect such information.

"(2) BIANNUAL REPORTS.—Not later than December 31, 1997, and every 6 months thereafter, a State described in paragraph (1)(A) shall prepare and submit to the Secretary a report that includes aggregate data concerning—

"(A) the number of child care providers that received funding under this subchapter as separately identified based on the types of providers listed in section 658P(5);

"(B) the monthly cost of child care services, and the portion of such cost that is paid for with assistance provided under this subchapter, listed by the type of child care services provided;

"(C) the number of payments made by the State through vouchers, contracts, cash, and disregards under public benefit programs, listed by the type of child care services provided;

"(D) the manner in which consumer education information was provided to parents and the number of parents to whom such information was provided; and

"(E) the total number (without duplication) of children and families served under this subchapter;

during the period for which such report is required to be submitted."; and

(2) in subsection (b)—

(A) in paragraph (1) by striking "a application" and inserting "an application";

(B) in paragraph (2) by striking "any agency administering activities that receive" and inserting "the State that receives"; and

(C) in paragraph (4) by striking "entitles" and inserting "entitled".

SEC. 612. REPORT BY THE SECRETARY.

Section 658L (42 U.S.C. 9858j) is amended—

(1) by striking "1993" and inserting "1997";

(2) by striking "annually" and inserting "biennially"; and

(3) by striking "Education and Labor" and inserting "Economic and Educational Opportunities".

SEC. 613. ALLOTMENTS.

Section 658O (42 U.S.C. 9858m) is amended—

(1) in subsection (a)—

(A) in paragraph (1)

(i) by striking "POSSESSIONS" and inserting "POSSESSIONS";

(ii) by inserting "and" after "States,"; and

(iii) by striking ", and the Trust Territory of the Pacific Islands"; and

(B) in paragraph (2), by striking "more than 3 percent" and inserting "less than 1 percent, and not more than 2 percent,";

(2) in subsection (c)—

(A) in paragraph (5) by striking "our" and inserting "out"; and

(B) by adding at the end thereof the following new paragraph:

"(6) CONSTRUCTION OR RENOVATION OF FACILITIES.—

"(A) REQUEST FOR USE OF FUNDS.—An Indian tribe or tribal organization may submit to the Secretary a request to use amounts provided under this subsection for construction or renovation purposes.

"(B) DETERMINATION.—With respect to a request submitted under subparagraph (A), and except as provided in subparagraph (C), upon a determination by the Secretary that adequate facilities are not otherwise available to an Indian tribe or tribal organization to enable such tribe or organization to carry out child care programs in accordance with this subchapter, and that the lack of such facilities will inhibit the operation of such programs in the future, the Secretary may permit the tribe or organization to use assistance provided under this subsection to make payments for the construction or renovation of facilities that will be used to carry out such programs.

"(C) LIMITATION.—The Secretary may not permit an Indian tribe or tribal organization to use amounts provided under this subsection for construction or renovation if such use will result in a decrease in the level of child care services provided by the tribe or organization as compared to the level of such services provided by the tribe or organization in the fiscal year preceding the year for which the determination under subparagraph (A) is being made.

"(D) UNIFORM PROCEDURES.—The Secretary shall develop and implement uniform procedures for the solicitation and consideration of requests under this paragraph."; and

(3) in subsection (e), by adding at the end thereof the following new paragraph:

"(4) INDIAN TRIBES OR TRIBAL ORGANIZATIONS.—Any portion of a grant or contract made to an Indian tribe or tribal organization under subsection (c) that the Secretary determines is not being used in a manner consistent with the provision of this subchapter in the period for which the grant or contract is made available, shall be allotted by the Secretary to other tribes or organizations that have submitted applications under subsection (c) in accordance with their respective needs.".

SEC. 614. DEFINITIONS.

Section 658P (42 U.S.C. 9858n) is amended—

(1) in paragraph (2), in the first sentence by inserting "or as a deposit for child care services if such a deposit is required of other children being cared for by the provider" after "child care services"; and

(2) by striking paragraph (3);

(3) in paragraph (4)(B), by striking "75 percent" and inserting "85 percent";

(4) in paragraph (5)(B)—

(A) by inserting "great grandchild, sibling (if such provider lives in a separate residence)," after "grandchild,";

(B) by striking "is registered and"; and

(C) by striking "State" and inserting "applicable".

(5) by striking paragraph (10);

(6) in paragraph (13)—

(A) by inserting "or" after "Samoa,"; and

(B) by striking ", and the Trust Territory of the Pacific Islands";

(7) in paragraph (14)—

(A) by striking "The term" and inserting the following:

"(A) IN GENERAL.—The term"; and

(B) by adding at the end thereof the following new subparagraph:

"(B) OTHER ORGANIZATIONS.—Such term includes a Native Hawaiian Organization, as defined in section 4009(4) of the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988 (20 U.S.C. 4909(4)) and a private nonprofit organization established for the purpose of serving youth who are Indians or Native Hawaiians.".

SEC. 615. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this title and the amendments made by this title shall take effect on October 1, 1996.

(b) EXCEPTION.—The amendment made by section 603(a) shall take effect on the date of enactment of this Act.

TITLE VII—CHILD NUTRITION PROGRAMS

Subtitle A—National School Lunch Act

SEC. 701. STATE DISBURSEMENT TO SCHOOLS.

(a) IN GENERAL.—Section 8 of the National School Lunch Act (42 U.S.C. 1757) is amended—

(1) in the third sentence, by striking "Nothing" and all that follows through "educational agency to" and inserting "The State educational agency may";

(2) by striking the fourth and fifth sentences;

(3) by redesignating the first through seventh sentences, as amended by paragraph (2), as subsections (a) through (g), respectively;

(4) in subsection (b), as redesignated by paragraph (3), by striking "the preceding sentence" and inserting "subsection (a)"; and

(5) in subsection (d), as redesignated by paragraph (3), by striking "Such food costs" and inserting "Use of funds paid to States".

(b) DEFINITION OF CHILD.—Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)) is amended by adding at the end the following:

"(9) CHILD.—

"(A) IN GENERAL.—The term 'child' includes an individual, regardless of age, who—

"(i) is determined by a State educational agency, in accordance with regulations prescribed by the Secretary, to have 1 or more mental or physical disabilities; and

"(ii) is attending any institution, as defined in section 17(a), or any nonresidential public or nonprofit private school of high school grade or under, for the purpose of participating in a school program established for individuals with mental or physical disabilities.

"(B) RELATIONSHIP TO CHILD AND ADULT CARE FOOD PROGRAM.—No institution that is not otherwise eligible to participate in the program under section 17 shall be considered eligible because of this paragraph.".

SEC. 702. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS.

(a) NUTRITIONAL STANDARDS.—Section 9(a) of the National School Lunch Act (42 U.S.C. 1758(a)) is amended—

(1) in paragraph (2)—

(A) by striking "(2)(A) Lunches" and inserting "(2) Lunches";

(B) by striking subparagraph (B); and

(C) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively;

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(b) UTILIZATION OF AGRICULTURAL COMMODITIES.—Section 9(c) of the National School Lunch Act (42 U.S.C. 1758(c)) is amended—

(1) in the fifth sentence, by striking "of the provisions of law referred to in the preceding sentence" and inserting "provision of law"; and

(2) by striking the second, fourth, and sixth sentences.

(c) NUTRITIONAL INFORMATION.—Section 9(f) of the National School Lunch Act (42 U.S.C. 1758(f)) is amended—

(1) by striking paragraph (1);

(2) by striking "(2)";

(3) by redesignating subparagraphs (A) through (D) as paragraphs (1) through (4), respectively;

(4) by striking paragraph (1), as redesignated by paragraph (3), and inserting the following:

"(1) NUTRITIONAL REQUIREMENTS.—Except as provided in paragraph (2), not later than the first day of the 1996-1997 school year, schools that are participating in the school lunch or school breakfast program shall serve lunches and breakfasts under the program that—

"(A) are consistent with the goals of the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341); and

"(B) provide, on the average over each week, at least—

"(i) with respect to school lunches, ⅓ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences; and

"(ii) with respect to school breakfasts, ¼ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences.";

(5) in paragraph (3), as redesignated by paragraph (3)—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A), as so redesignated, by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(6) in paragraph (4), as redesignated by paragraph (3)—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A), as redesignated by subparagraph (A), by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively; and

(C) in subparagraph (A)(ii), as redesignated by subparagraph (B), by striking "subparagraph (C)" and inserting "paragraph (3)".

(d) USE OF RESOURCES.—Section 9 of the National School Lunch Act (42 U.S.C. 1758) is amended by striking subsection (h).

SEC. 703. FREE AND REDUCED PRICE POLICY STATEMENT.

Section 9(b)(2) of the National School Lunch Act (42 U.S.C. 1758(b)(2)) is amended by adding at the end the following:

"(D) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school food authority shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school food authority. A routine change in the policy of a school food authority, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school food authority to submit a policy statement.".

SEC. 704. SPECIAL ASSISTANCE.

(a) EXTENSION OF PAYMENT PERIOD.—Section 11(a)(1)(D)(i) of the National School Lunch Act (42 U.S.C. 1759a(a)(1)(D)(i)) is amended by striking ", on the date of enactment of this subparagraph,".

(b) ROUNDING RULE FOR LUNCH, BREAKFAST, AND SUPPLEMENT RATES.—

(1) IN GENERAL.—The third sentence of section 11(a)(3)(B) of the National School Lunch Act (42 U.S.C. 1759a(a)(3)(B)) is amended by adding before the period at the end the following: ", except that adjustments to payment rates for meals and supplements served to individuals not determined to be eligible for free or reduced price meals and supplements shall be computed to the nearest lower cent increment and based on the unrounded amount for the preceding 12-month period".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall become effective on July 1, 1997.

(c) APPLICABILITY OF OTHER PROVISIONS.—Section 11 of the National School Lunch Act (42 U.S.C. 1759a) is amended—

(1) by striking subsection (d);

(2) in subsection (e)(2)—

(A) by striking "The" and inserting "On request of the Secretary, the"; and

(B) by striking "each month"; and

(3) by redesignating subsections (e) and (f), as so amended, as subsections (d) and (e), respectively.

SEC. 705. MISCELLANEOUS PROVISIONS AND DEFINITIONS.

(a) ACCOUNTS AND RECORDS.—The second sentence of section 12(a) of the National School Lunch Act (42 U.S.C. 1760(a)) is amended by striking "at all times be available" and inserting "be available at any reasonable time".

(b) RESTRICTION ON REQUIREMENTS.—Section 12(c) of the National School Lunch Act (42 U.S.C. 1760(c)) is amended by striking "neither the Secretary nor the State shall" and inserting "the Secretary shall not".

(c) DEFINITIONS.—Section 12(d) of the National School Lunch Act (42 U.S.C. 1760(d)), as amended by section 701(b), is amended—

(1) in paragraph (1), by striking "the Trust Territory of the Pacific Islands" and inserting "the Commonwealth of the Northern Mariana Islands";

(2) by striking paragraphs (3) and (4); and

(3) by redesignating paragraphs (1), (2), and (5) through (9) as paragraphs (6), (7), (3), (4), (2), (5), and (1), respectively, and rearranging the paragraphs so as to appear in numerical order.

(d) ADJUSTMENTS TO NATIONAL AVERAGE PAYMENT RATES.—Section 12(f) of the National School Lunch Act (42 U.S.C. 1760(f)) is amended by striking "the Trust Territory of the Pacific Islands,".

(e) EXPEDITED RULEMAKING.—Section 12(k) of the National School Lunch Act (42 U.S.C. 1760(k)) is amended—

(1) by striking paragraphs (1), (2), and (5);

(2) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively; and

(3) in paragraph (1), as redesignated by paragraph (2), by striking "Guidelines" and inserting "guidelines contained in the most recent 'Dietary Guidelines for Americans' that is published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 5341)".

(f) WAIVER.—Section 12(l) of the National School Lunch Act (42 U.S.C. 1760(l)) is amended—

(1) in paragraph (2)(A)—

(A) in clause (iii), by adding "and" at the end;

(B) in clause (iv), by striking the semicolon at the end and inserting a period; and

(C) by striking clauses (v) through (vii);

(2) in paragraph (3)—

(A) in subparagraph (A), by striking "(A)"; and

(B) by striking subparagraphs (B) through (D);

(3) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking "of any requirement relating" and inserting "that increases Federal costs or that relates";

(B) by striking subparagraph (D);

(C) by redesignating subparagraphs (E) through (N) as subparagraphs (D) through (M), respectively; and

(D) in subparagraph (L), as redesignated by subparagraph (C), by striking "and" at the end and inserting "or"; and

(4) in paragraph (6)—

(A) by striking "(A)(i)" and all that follows through "(B)"; and

(B) by redesignating clauses (i) through (iv) as subparagraphs (A) through (D), respectively.

SEC. 706. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) ESTABLISHMENT OF PROGRAM.—Section 13(a) of the National School Lunch Act (42 U.S.C. 1761(a)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking "initiate, maintain, and expand" and inserting "initiate and maintain"; and

(B) in subparagraph (E) of the second sentence, by striking "the Trust Territory of the Pacific Islands,"; and

(2) in paragraph (7)(A), by striking "Except as provided in subparagraph (C), private" and inserting "Private".

(b) SERVICE INSTITUTIONS.—Section 13(b) of the National School Lunch Act (42 U.S.C. 1761(b)) is amended by striking "(b)(1)" and all that follows through the end of paragraph (1) and inserting the following:

"(b) SERVICE INSTITUTIONS.—

"(1) PAYMENTS.—

"(A) IN GENERAL.—Except as otherwise provided in this paragraph, payments to service institutions shall equal the full cost of food service operations (which cost shall include the costs of obtaining, preparing, and serving food, but shall not include administrative costs).

"(B) MAXIMUM AMOUNTS.—Subject to subparagraph (C), payments to any institution under subparagraph (A) shall not exceed—

"(i) $1.97 for each lunch and supper served;

"(ii) $1.13 for each breakfast served; and

"(iii) 46 cents for each meal supplement served.

"(C) ADJUSTMENTS.—Amounts specified in subparagraph (B) shall be adjusted on January 1, 1997, and each January 1 thereafter, to the nearest lower cent increment to reflect changes for the 12-month period ending the preceding November 30 in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor. Each adjustment shall be based on the unrounded adjustment for the prior 12-month period.".

(c) ADMINISTRATION OF SERVICE INSTITUTIONS.—Section 13(b)(2) of the National School Lunch Act (42 U.S.C. 1761(b)(2)) is amended—

(1) in the first sentence, by striking "four meals" and inserting "3 meals, or 2 meals and 1 supplement,"; and

(2) by striking the second sentence.

(d) REIMBURSEMENTS.—Section 13(c)(2) of the National School Lunch Act (42 U.S.C. 1761(c)(2)) is amended—

(1) by striking subparagraphs (A), (C), (D), and (E);

(2) by striking "(B)";

(3) by striking ", and such higher education institutions,"; and

(4) by striking "without application" and inserting "on showing residence in areas in which poor economic conditions exist or on the basis of income eligibility statements for children enrolled in the program".

(e) ADVANCE PROGRAM PAYMENTS.—Section 13(e)(1) of the National School Lunch Act (42 U.S.C. 1761(e)(1)) is amended—

(1) by striking "institution: *Provided*, That (A) the" and inserting "institution. The";

(2) by inserting "(excluding a school)" after "any service institution"; and

(3) by striking "responsibilities, and (B) no" and inserting "responsibilities. No".

(f) FOOD REQUIREMENTS.—Section 13(f) of the National School Lunch Act (42 U.S.C. 1761(f)) is amended—

(1) by redesignating the first through seventh sentences as paragraphs (1) through (7), respectively;

(2) by striking paragraph (3), as redesignated by paragraph (1);

(3) in paragraph (4), as redesignated by paragraph (1), by striking "the first sentence" and inserting "paragraph (1)";

(4) in subparagraph (B) of paragraph (6), as redesignated by paragraph (1), by striking "that bacteria levels" and all that follows through the period at the end and inserting "conformance with standards set by local health authorities."; and

(5) by redesignating paragraphs (4) through (7), as redesignated by paragraph (1), as paragraphs (3) through (6), respectively.

(g) PERMITTING OFFER VERSUS SERVE.—Section 13(f) of the National School Lunch Act (42 U.S.C. 1761(f)), as amended by subsection (f), is amended by adding at the end the following:

"(7) OFFER VERSUS SERVE.—A school food authority participating as a service institution may permit a child attending a site on school premises operated directly by the authority to refuse 1 or more items of a meal that the child does not intend to consume, under rules that the school uses for school meals programs. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal.".

(h) RECORDS.—The second sentence of section 13(m) of the National School Lunch Act (42 U.S.C. 1761(m)) is amended by striking "at all times be available" and inserting "be available at any reasonable time".

(i) REMOVING MANDATORY NOTICE TO INSTITUTIONS.—Section 13(n)(2) of the National School Lunch Act (42 U.S.C. 1761(n)(2)) is amended by striking ", and its plans and schedule for informing service institutions of the availability of the program".

(j) PLAN.—Section 13(n) of the National School Lunch Act (42 U.S.C. 1761(n)), as amended by subsection (i), is amended—

(1) in paragraph (2), by striking ", including the State's methods of assessing need";

(2) by striking paragraph (3);

(3) in paragraph (4), by striking "and schedule"; and

(4) by redesignating paragraphs (4) through (7) as paragraphs (3) through (6), respectively.

(k) MONITORING AND TRAINING.—Section 13(q) of the National School Lunch Act (42 U.S.C. 1761(q)) is amended—

(1) by striking paragraphs (2) and (4);

(2) in paragraph (3), by striking "paragraphs (1) and (2) of this subsection" and inserting "paragraph (1)"; and

(3) by redesignating paragraph (3) as paragraph (2).

(l) EXPIRED PROGRAM.—Section 13 of the National School Lunch Act (42 U.S.C. 1761) is amended—

(1) by striking subsection (p); and

(2) by redesignating subsections (q) and (r) as subsections (p) and (q), respectively.

(m) EFFECTIVE DATE.—The amendments made by subsection (b) shall become effective on January 1, 1997.

SEC. 707. COMMODITY DISTRIBUTION.

(a) CEREAL AND SHORTENING IN COMMODITY DONATIONS.—Section 14(b) of the National School Lunch Act (42 U.S.C. 1762a(b)) is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

(b) STATE ADVISORY COUNCIL.—Section 14(e) of the National School Lunch Act (42 U.S.C. 1762a(e)) is amended to read as follows:

"(e) Each State agency that receives food assistance payments under this section for any school year shall consult with representatives of schools in the State that participate in the school lunch program with respect to the needs of such schools relating to the manner of selection and distribution of commodity assistance for such program.".

(c) CASH COMPENSATION FOR PILOT PROJECT SCHOOLS.—Section 14(g) of the National School Lunch Act (42 U.S.C. 1762a(g)) is amended by striking paragraph (3).

SEC. 708. CHILD AND ADULT CARE FOOD PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended in the first sentence of subsection (a), by striking "initiate, maintain, and expand" and inserting "initiate and maintain".

(b) PAYMENTS TO SPONSOR EMPLOYEES.—Paragraph (2) of the last sentence of section 17(a) of the National School Lunch Act (42 U.S.C. 1766(a)) is amended—

(1) in subparagraph (B), by striking "and" at the end;

(2) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(D) in the case of a family or group day care home sponsoring organization that employs more than 1 employee, the organization does not base payments to an employee of the organization on the number of family or group day care homes recruited.".

(c) TECHNICAL ASSISTANCE.—The last sentence of section 17(d)(1) of the National School Lunch Act (42 U.S.C. 1766(d)(1)) is amended by striking ", and shall provide technical assistance" and all that follows through "its application".

(d) REIMBURSEMENT OF CHILD CARE INSTITUTIONS.—Section 17(f)(2)(B) of the National School Lunch Act (42 U.S.C. 1766(f)(2)(B)) is amended by striking "two meals and two supplements or three meals and one supplement" and inserting "2 meals and 1 supplement".

(e) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—

(1) RESTRUCTURED DAY CARE HOME REIMBURSEMENTS.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)) is amended by striking "(3)(A) Institutions" and all that follows through the end of subparagraph (A) and inserting the following:

"(3) REIMBURSEMENT OF FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

"(A) REIMBURSEMENT FACTOR.—

"(i) IN GENERAL.—An institution that participates in the program under this section as a family or group day care home sponsoring organization shall be provided, for payment to a home sponsored by the organization, reimbursement factors in accordance with this subparagraph for the cost of obtaining and preparing food and prescribed labor costs involved in providing meals under this section.

"(ii) TIER I FAMILY OR GROUP DAY CARE HOMES.—

"(I) DEFINITION OF TIER I FAMILY OR GROUP DAY CARE HOME.—In this paragraph, the term 'tier I family or group day care home' means—

"(aa) a family or group day care home that is located in a geographic area, as defined by the Secretary based on census data, in which at least 50 percent of the children residing in the area are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9;

"(bb) a family or group day care home that is located in an area served by a school enrolling elementary students in which at least 50 percent of the total number of children enrolled are certified eligible to receive free or reduced price school meals under this Act or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

"(cc) a family or group day care home that is operated by a provider whose household meets the income eligibility guidelines for free or reduced price meals under section 9 and whose income is verified by the sponsoring or organization of the home under regulations established by the Secretary.

"(II) REIMBURSEMENT.—Except as provided in subclause (III), a tier I family or group day care home shall be provided reimbursement factors under this clause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

"(III) FACTORS.—Except as provided in subclause (IV), the reimbursement factors applied to a home referred to in subclause (II) shall be the factors in effect on July 1, 1996.

"(IV) ADJUSTMENTS.—The reimbursement factors under this subparagraph shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this subparagraph shall be rounded to the nearest lower cent increment and based on the unrounded adjustment in effect on June 30 of the preceding school year.

"(iii) TIER II FAMILY OR GROUP DAY CARE HOMES.—

"(I) IN GENERAL.—

"(aa) FACTORS.—Except as provided in subclause (II), with respect to meals or supplements served under this clause by a family or group day care home that does not meet the criteria set forth in clause (ii)(I), the reimbursement factors shall be 95 cents for lunches and suppers, 27 cents for breakfasts, and 13 cents for supplements.

"(bb) ADJUSTMENTS.—The factors shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this item shall be rounded down to the nearest lower cent increment and based on the unrounded adjustment for the preceding 12-month period.

"(cc) REIMBURSEMENT.—A family or group day care home shall be provided reimbursement factors under this subclause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 9.

"(II) OTHER FACTORS.—A family or group day care home that does not meet the criteria set forth in clause (ii)(I) may elect to be provided reimbursement factors determined in accordance with the following requirements:

"(aa) CHILDREN ELIGIBLE FOR FREE OR REDUCED PRICE MEALS.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 9, the family or group day care home shall be provided reimbursement factors set by the Secretary in accordance with clause (ii)(III).

"(bb) INELIGIBLE CHILDREN.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes do not meet the income eligibility guidelines, the family or group day care home shall be provided reimbursement factors in accordance with subclause (I).

"(III) INFORMATION AND DETERMINATIONS.—

"(aa) IN GENERAL.—If a family or group day care home elects to claim the factors described in subclause (II), the family or group day care home sponsoring organization serving the home shall collect the necessary income information, as determined by the Secretary, from any parent or other caretaker to make the determinations specified in subclause (II) and shall make the determinations in accordance with rules prescribed by the Secretary.

"(bb) CATEGORICAL ELIGIBILITY.—In making a determination under item (aa), a family or group day care home sponsoring organization may consider a child participating in or subsidized under, or a child with a parent participating in or subsidized under, a federally or State supported child care or other benefit program with an income eligibility limit that does not exceed the eligibility standard for free or reduced price meals under section 9 to be a child who is a member of a household whose income meets the income eligibility guidelines under section 9.

"(cc) FACTORS FOR CHILDREN ONLY.—A family or group day care home may elect to receive the reimbursement factors prescribed under clause (ii)(III) solely for the children participating in a program referred to in item (bb) if the home elects not to have income statements collected from parents or other caretakers.

"(IV) SIMPLIFIED MEAL COUNTING AND REPORTING PROCEDURES.—The Secretary shall prescribe simplified meal counting and reporting procedures for use by a family or group day care home that elects to claim the factors under subclause (II) and by a family or group day care home sponsoring organization that sponsors the home. The procedures the Secretary prescribes may include 1 or more of the following:

"(aa) Setting an annual percentage for each home of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under clause (ii)(III) and an annual percentage of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under subclause (I), based on the family income of children enrolled in the home in a specified month or other period.

"(bb) Placing a home into 1 of 2 or more reimbursement categories annually based on the percentage of children in the home whose households have incomes that meet the income eligibility guidelines under section 9, with each such reimbursement category carrying a set of reimbursement factors such as the factors prescribed under clause (ii)(III) or subclause (I) or factors established within the range of factors prescribed under clause (ii)(III) and subclause (I).

"(cc) Such other simplified procedures as the Secretary may prescribe.

"(V) MINIMUM VERIFICATION REQUIREMENTS.—The Secretary may establish any minimum verification requirements that are necessary to carry out this clause.".

(2) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)) is amended by adding at the end the following:

"(D) GRANTS TO STATES TO PROVIDE ASSISTANCE TO FAMILY OR GROUP DAY CARE HOMES.—

"(i) IN GENERAL.—

"(I) RESERVATION.—From amounts made available to carry out this section, the Secretary shall reserve $5,000,000 of the amount made available for fiscal year 1997.

"(II) PURPOSE.—The Secretary shall use the funds made available under subclause (I) to provide grants to States for the purpose of providing—

"(aa) assistance, including grants, to family and day care home sponsoring organizations and other appropriate organizations, in securing and providing training, materials, automated data processing assistance, and other assistance for the staff of the sponsoring organizations; and

"(bb) training and other assistance to family and group day care homes in the implementation of the amendment to subparagraph (A) made by section 708(e)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

"(ii) ALLOCATION.—The Secretary shall allocate from the funds reserved under clause (i)(I)—

"(I) $30,000 in base funding to each State; and

"(II) any remaining amount among the States, based on the number of family day care homes participating in the program in a State during fiscal year 1995 as a percentage of the number of all family day care homes participating in the program during fiscal year 1995.

"(iii) RETENTION OF FUNDS.—Of the amount of funds made available to a State for fiscal year 1997 under clause (i), the State may retain not to exceed 30 percent of the amount to carry out this subparagraph.

"(iv) ADDITIONAL PAYMENTS.—Any payments received under this subparagraph shall be in addition to payments that a State receives under subparagraph (A).".

(3) PROVISION OF DATA.—Section 17(f)(3) of the National School Lunch Act (42 U.S.C. 1766(f)(3)), as amended by paragraph (2), is amended by adding at the end the following:

"(E) PROVISION OF DATA TO FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

"(i) CENSUS DATA.—The Secretary shall provide to each State agency administering a child and adult care food program under this section data from the most recent decennial census survey or other appropriate census survey for which the data are available showing which areas in the State meet the requirements of subparagraph (A)(ii)(I)(aa). The State agency shall provide the data to family or group day care home sponsoring organizations located in the State.

"(ii) SCHOOL DATA.—

"(I) IN GENERAL.—A State agency administering the school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall provide to approved family or group day care home sponsoring organizations a list of schools serving elementary school children in the State in which not less than ½ of the children enrolled are certified to receive free or reduced price meals. The State agency shall collect the data necessary to create the list annually and provide the list on a timely basis to any approved family or group day care home sponsoring organization that requests the list.

"(II) USE OF DATA FROM PRECEDING SCHOOL YEAR.—In determining for a fiscal year or other annual period whether a home qualifies as a tier I family or group day care home under subparagraph (A)(ii)(I), the State agency administering the program under this section, and a family or group day care home sponsoring organization, shall use the most current available data at the time of the determination.

"(iii) DURATION OF DETERMINATION.—For purposes of this section, a determination that a family or group day care home is located in an area that qualifies the home as a tier I family or group day care home (as the term is defined in subparagraph (A)(ii)(I)), shall be in effect for 3 years (unless the determination is made on the basis of census data, in which case the determination shall remain in effect until more recent census data are available) unless the State agency determines that the area in which the home is located no longer qualifies the home as a tier I family or group day care home.".

(4) CONFORMING AMENDMENTS.—Section 17(c) of the National School Lunch Act (42 U.S.C. 1766(c)) is amended by inserting "except as provided in subsection (f)(3)," after "For purposes of this section," each place it appears in paragraphs (1), (2), and (3).

(f) REIMBURSEMENT.—Section 17(f) of the National School Lunch Act (42 U.S.C. 1766(f)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (B), by striking the third and fourth sentences; and

(B) in subparagraph (C)(ii), by striking "conduct outreach" and all that follows through "may become" and inserting "assist unlicensed family or group day care homes in becoming"; and

(2) in the first sentence of paragraph (4), by striking "shall" and inserting "may".

(g) NUTRITIONAL REQUIREMENTS.—Section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)) is amended—

(1) in subparagraph (A), by striking the second sentence; and

(2) in subparagraph (B), by striking the second sentence.

(h) ELIMINATION OF STATE PAPERWORK AND OUTREACH BURDEN.—Section 17 of the National School Lunch Act (42 U.S.C. 1766) is amended by striking subsection (k) and inserting the following:

"(k) TRAINING AND TECHNICAL ASSISTANCE.—A State participating in the program established under this section shall provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the program. The Secretary shall assist the State in developing plans to fulfill the requirements of this subsection.".

(i) RECORDS.—The second sentence of section 17(m) of the National School Lunch Act (42 U.S.C. 1766(m)) is amended by striking "at all times" and inserting "at any reasonable time".

(j) UNNEEDED PROVISION.—Section 17 of the National School Lunch Act is amended by striking subsection (q).

(k) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall become effective on the date of enactment of this Act.

(2) IMPROVED TARGETING OF DAY CARE HOME REIMBURSEMENTS.—The amendments made by paragraphs (1) and (4) of subsection (e) shall become effective on July 1, 1997.

(3) REGULATIONS.—

(A) INTERIM REGULATIONS.—Not later than January 1, 1997, the Secretary of Agriculture shall issue interim regulations to implement—

(i) the amendments made by paragraphs (1), (3), and (4) of subsection (e); and

(ii) section 17(f)(3)(C) of the National School Lunch Act (42 U.S.C. 1766(f)(3)(C)).

(B) FINAL REGULATIONS.—Not later than July 1, 1997, the Secretary of Agriculture shall issue final regulations to implement the provisions of law referred to in subparagraph (A).

(l) STUDY OF IMPACT OF AMENDMENTS ON PROGRAM PARTICIPATION AND FAMILY DAY CARE LICENSING.—

(1) IN GENERAL.—The Secretary of Agriculture, in conjunction with the Secretary of Health and Human Services, shall study the impact of the amendments made by this section on—

(A) the number of family day care homes participating in the child and adult care food program established under section 17 of the National School Lunch Act (42 U.S.C. 1766);

(B) the number of day care home sponsoring organizations participating in the program;

(C) the number of day care homes that are licensed, certified, registered, or approved by each State in accordance with regulations issued by the Secretary;

(D) the rate of growth of the numbers referred to in subparagraphs (A) through (C);

(E) the nutritional adequacy and quality of meals served in family day care homes that—

(i) received reimbursement under the program prior to the amendments made by this section but do not receive reimbursement after the amendments made by this section; or

(ii) received full reimbursement under the program prior to the amendments made by this section but do not receive full reimbursement after the amendments made by this section; and

(F) the proportion of low-income children participating in the program prior to the amendments made by this section and the proportion of low-income children participating in the program after the amendments made by this section.

(2) REQUIRED DATA.—Each State agency participating in the child and adult care food program under section 17 of the National School Lunch Act (42 U.S.C. 1766) shall submit to the Secretary of Agriculture data on—

(A) the number of family day care homes participating in the program on June 30, 1997, and June 30, 1998;

(B) the number of family day care homes licensed, certified, registered, or approved for service on June 30, 1997, and June 30, 1998; and

(C) such other data as the Secretary may require to carry out this subsection.

(3) SUBMISSION OF REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary of Agriculture shall submit the study required under this subsection to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 709. PILOT PROJECTS.

(a) UNIVERSAL FREE PILOT.—Section 18(d) of the National School Lunch Act (42 U.S.C. 1769(d)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(b) DEMONSTRATION PROJECT OUTSIDE SCHOOL HOURS.—Section 18(e) of the National School Lunch Act (42 U.S.C. 1769(e)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking "(A)"; and

(ii) by striking "shall" and inserting "may"; and

(B) by striking subparagraph (B); and

(2) by striking paragraph (5) and inserting the following:

"(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 1997 and 1998.".

SEC. 710. REDUCTION OF PAPERWORK.

Section 19 of the National School Lunch Act (42 U.S.C. 1769a) is repealed.

SEC. 711. INFORMATION ON INCOME ELIGIBILITY.

Section 23 of the National School Lunch Act (42 U.S.C. 1769d) is repealed.

SEC. 712. NUTRITION GUIDANCE FOR CHILD NUTRITION PROGRAMS.

Section 24 of the National School Lunch Act (42 U.S.C. 1769e) is repealed.

Subtitle B—Child Nutrition Act of 1966

SEC. 721. SPECIAL MILK PROGRAM.

Section 3(a)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1772(a)(3)) is amended by striking "the Trust Territory of the Pacific Islands" and inserting "the Commonwealth of the Northern Mariana Islands".

SEC. 722. FREE AND REDUCED PRICE POLICY STATEMENT.

Section 4(b)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)) is amended by adding at the end the following:

"(E) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a school food authority shall not be required to submit a free and reduced price policy statement to a State educational agency under this Act unless there is a substantive change in the free and reduced price policy of the school food authority. A routine change in the policy of a school food authority, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the school food authority to submit a policy statement.".

SEC. 723. SCHOOL BREAKFAST PROGRAM AUTHORIZATION.

(a) TRAINING AND TECHNICAL ASSISTANCE IN FOOD PREPARATION.—Section 4(e)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(e)(1)(B)) is amended by striking the second sentence.

(b) EXPANSION OF PROGRAM; STARTUP AND EXPANSION COSTS.—

(1) IN GENERAL.—Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) is amended by striking subsections (f) and (g).

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall become effective on October 1, 1996.

SEC. 724. STATE ADMINISTRATIVE EXPENSES.

(a) USE OF FUNDS FOR COMMODITY DISTRIBUTION ADMINISTRATION; STUDIES.—Section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended—

(1) by striking subsections (e) and (h); and

(2) by redesignating subsections (f), (g), and (i) as subsections (e), (f), and (g), respectively.

(b) APPROVAL OF CHANGES.—Section 7(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(e)), as so redesignated, is amended—

(1) by striking "each year an annual plan" and inserting "the initial fiscal year a plan"; and

(2) by adding at the end the following: "After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.".

SEC. 725. REGULATIONS.

Section 10(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1779(b)) is amended—

(1) in paragraph (1), by striking "(1)"; and

(2) by striking paragraphs (2) through (4).

SEC. 726. PROHIBITIONS.

Section 11(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1780(a)) is amended by striking "neither the Secretary nor the State shall" and inserting "the Secretary shall not".

SEC. 727. MISCELLANEOUS PROVISIONS AND DEFINITIONS.

Section 15 of the Child Nutrition Act of 1966 (42 U.S.C. 1784) is amended—

(1) in paragraph (1), by striking "the Trust Territory of the Pacific Islands" and inserting "the Commonwealth of the Northern Mariana Islands"; and

(2) in the first sentence of paragraph (3)—

(A) in subparagraph (A), by inserting "and" at the end; and

(B) by striking ", and (C)" and all that follows through "Governor of Puerto Rico".

SEC. 728. ACCOUNTS AND RECORDS.

The second sentence of section 16(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1785(a)) is amended by striking "at all times be available" and inserting "be available at any reasonable time".

SEC. 729. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN.

(a) DEFINITIONS.—Section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) is amended—

(1) in paragraph (15)(B)(iii), by inserting "of not more than 365 days" after "accommodation"; and

(2) in paragraph (16)—

(A) in subparagraph (A), by adding "and" at the end; and

(B) in subparagraph (B), by striking "; and" and inserting a period; and

(C) by striking subparagraph (C).

(b) SECRETARY'S PROMOTION OF WIC.—Section 17(c) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(c)) is amended by striking paragraph (5).

(c) ELIGIBLE PARTICIPANTS.—Section 17(d) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)) is amended by striking paragraph (4).

(d) NUTRITION EDUCATION.—Section 17(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(e)) is amended—

(1) in paragraph (2), by striking the third sentence;

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking "shall";

(B) by striking subparagraph (A);

(C) by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(D) in subparagraph (A), as so redesignated—

(i) by inserting "shall" before "provide"; and

(ii) by striking "and" at the end;

(E) in subparagraph (B), as so redesignated—

(i) by inserting "shall" before "provide"; and

(ii) by striking the period at the end and inserting "; and"; and

(F) by adding at the end the following:

"(C) may provide a local agency with materials describing other programs for which a participant in the program may be eligible.";

(3) in paragraph (5), by striking "The State agency shall ensure that each" and inserting "Each"; and

(4) by striking paragraph (6).

(e) STATE PLAN.—Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A)—

(i) by striking "annually to the Secretary, by a date specified by the Secretary, a" and inserting "to the Secretary, by a date specified by the Secretary, an initial"; and

(ii) by adding at the end the following: "After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.";

(B) in subparagraph (C)—

(i) by striking clause (iii) and inserting the following:

"(iii) a plan to coordinate operations under the program with other services or programs that may benefit participants in, and applicants for, the program;";

(ii) in clause (vi), by inserting after "in the State" the following: "(including a plan to improve access to the program for participants and prospective applicants who are employed, or who reside in rural areas)";

(iii) in clause (vii), by striking "to provide program benefits" and all that follows through "emphasis on" and inserting "for";

(iv) by striking clauses (ix), (x), and (xii);

(v) in clause (xiii), by striking "may require" and inserting "may reasonably require";

(vi) by redesignating clauses (xi) and (xiii), as so amended, as clauses (ix) and (x), respectively; and

(vii) in clause (ix), as so redesignated, by adding "and" at the end;

(C) by striking subparagraph (D); and

(D) by redesignating subparagraph (E) as subparagraph (D);

(2) by striking paragraphs (6) and (22);

(3) in the second sentence of paragraph (5), by striking "at all times be available" and inserting "be available at any reasonable time";

(4) in paragraph (9)(B), by striking the second sentence;

(5) in the first sentence of paragraph (11), by striking ", including standards that will ensure sufficient State agency staff";

(6) in paragraph (12), by striking the third sentence;

(7) in paragraph (14), by striking "shall" and inserting "may";

(8) in paragraph (17), by striking "and to accommodate" and all that follows through "facilities";

(9) in paragraph (19), by striking "shall" and inserting "may"; and

(10) by redesignating paragraphs (7) through (21) as paragraphs (6) through (20), and paragraphs (23) and (24) as paragraphs (21) and (22), respectively.

(f) INFORMATION.—Section 17(g) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(g)) is amended—

(1) in paragraph (5), by striking "the report required under subsection (d)(4)" and inserting "reports on program participant characteristics"; and

(2) by striking paragraph (6).

(g) PROCUREMENT OF INFANT FORMULA.—

(1) IN GENERAL.—Section 17(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)) is amended—

(A) in paragraph (4)(E), by striking "and, on" and all that follows through "(d)(4)"; and

(B) in paragraph (8)—

(i) by striking subparagraphs (A), (C), and (M);

(ii) in subparagraph (G)—

(I) in clause (i), by striking "(i)"; and

(II) by striking clauses (ii) through (ix);

(iii) in subparagraph (I), by striking "Secretary—" and all that follows through "(v) may" and inserting "Secretary may";

(iv) by redesignating subparagraphs (B) and (D) through (L) as subparagraphs (A) and (B) through (J), respectively;

(v) in subparagraph (A)(i), as so redesignated, by striking "subparagraphs (C), (D), and (E)(iii), in carrying out subparagraph (A)," and inserting "subparagraphs (B) and (C)(iii),";

(vi) in subparagraph (B)(i), as so redesignated, by striking "subparagraph (B)" each place it appears and inserting "subparagraph (A)"; and

(vii) in subparagraph (C)(iii), as so redesignated, by striking "subparagraph (B)" and inserting "subparagraph (A)".

(2) APPLICATION.—The amendments made by paragraph (1) shall not apply to a contract for the procurement of infant formula under section 17(h)(8) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(8)) that is in effect on the date of enactment of this subsection.

(h) NATIONAL ADVISORY COUNCIL ON MATERNAL, INFANT, AND FETAL NUTRITION.—Section 17(k)(3) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(k)(3)) is amended by striking "Secretary shall designate" and inserting "Council shall elect".

(i) COMPLETED STUDY; COMMUNITY COLLEGE DEMONSTRATION; GRANTS FOR INFORMATION AND DATA SYSTEM.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) is amended by striking subsections (n), (o), and (p).

(j) DISQUALIFICATION OF VENDORS WHO ARE DISQUALIFIED UNDER THE FOOD STAMP PROGRAM.—Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), as amended by subsection (i), is amended by adding at the end the following:

"(n) DISQUALIFICATION OF VENDORS WHO ARE DISQUALIFIED UNDER THE FOOD STAMP PROGRAM.—

"(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this section of an approved vendor that is disqualified from accepting benefits under the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

"(2) TERMS.—A disqualification under paragraph (1)—

"(A) shall be for the same period as the disqualification from the program referred to in paragraph (1);

"(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

"(C) shall not be subject to judicial or administrative review.".

SEC. 730. CASH GRANTS FOR NUTRITION EDUCATION.

Section 18 of the Child Nutrition Act of 1966 (42 U.S.C. 1787) is repealed.

SEC. 731. NUTRITION EDUCATION AND TRAINING.

(a) FINDINGS.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended—

(1) in subsection (a), by striking "that—" and all that follows through the period at the end and inserting "that effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs should be encouraged."; and

(2) in subsection (b), by striking "encourage" and all that follows through "establishing" and inserting "establish".

(b) USE OF FUNDS.—Section 19(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(f)) is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (B); and

(B) in subparagraph (A)—

(i) by striking "(A)";

(ii) by striking clauses (ix) through (xix);

(iii) by redesignating clauses (i) through (viii) and (xx) as subparagraphs (A) through (H) and (I), respectively;

(iv) in subparagraph (I), as so redesignated, by striking the period at the end and inserting "; and"; and

(v) by adding at the end the following:

"(J) other appropriate related activities, as determined by the State.";

(2) by striking paragraphs (2) and (4); and

(3) by redesignating paragraph (3) as paragraph (2).

(c) ACCOUNTS, RECORDS, AND REPORTS.—The second sentence of section 19(g)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(g)(1)) is amended by striking "at all times be available" and inserting "be available at any reasonable time".

(d) STATE COORDINATORS FOR NUTRITION; STATE PLAN.—Section 19(h) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(h)) is amended—

(1) in the second sentence of paragraph (1)—

(A) by striking "as provided in paragraph (2) of this subsection"; and

(B) by striking "as provided in paragraph (3) of this subsection";

(2) in paragraph (2), by striking the second and third sentences; and

(3) by striking paragraph (3).

(e) AUTHORIZATION OF APPROPRIATIONS.—Section 19(i) of the Child Nutrition Act of 1966 (42 U.S.C. 1788(i)) is amended—

(1) in the first sentence of paragraph (2)(A), by striking "and each succeeding fiscal year";

(2) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(3) by inserting after paragraph (2) the following:

"(3) FISCAL YEARS 1997 THROUGH 2002.—

"(A) IN GENERAL.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 1997 through 2002.

"(B) GRANTS.—

"(i) IN GENERAL.—Grants to each State from the amounts made available under subparagraph (A) shall be based on a rate of 50 cents for each child enrolled in schools or institutions within the State, except that no State shall receive an amount less than $75,000 per fiscal year.

"(ii) INSUFFICIENT FUNDS.—If the amount made available for any fiscal year is insufficient to pay the amount to which each State is entitled under clause (i), the amount of each grant shall be ratably reduced.".

(f) ASSESSMENT.—Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended by striking subsection (j).

(g) EFFECTIVE DATE.—The amendments made by subsection (e) shall become effective on October 1, 1996.

Subtitle C—Miscellaneous Provisions

SEC. 741. COORDINATION OF SCHOOL LUNCH, SCHOOL BREAKFAST, AND SUMMER FOOD SERVICE PROGRAMS.

(a) COORDINATION.—

(1) IN GENERAL.—The Secretary of Agriculture shall develop proposed changes to the regulations under the school lunch program under the National School Lunch Act (42 U.S.C. 1751 et seq.), the summer food service program under section 13 of that Act (42 U.S.C. 1761), and the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), for the purpose of simplifying and coordinating those programs into a comprehensive meal program.

(2) CONSULTATION.—In developing proposed changes to the regulations under paragraph (1), the Secretary of Agriculture shall consult with local, State, and regional administrators of the programs described in such paragraph.

(b) REPORT.—Not later than November 1, 1997, the Secretary of Agriculture shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Economic and Educational Opportunities of the House of Representatives a report containing the proposed changes developed under subsection (a).

SEC. 742. REQUIREMENTS RELATING TO PROVISION OF BENEFITS BASED ON CITIZENSHIP, ALIENAGE, OR IMMIGRATION STATUS UNDER THE NATIONAL SCHOOL LUNCH ACT, THE CHILD NUTRITION ACT OF 1966, AND CERTAIN OTHER ACTS.

(a) SCHOOL LUNCH AND BREAKFAST PROGRAMS.—Notwithstanding any other provision of this Act, an individual who is eligible to receive free public education benefits under State or local law shall not be ineligible to receive benefits provided under the school lunch program under the National School Lunch Act (42 U.S.C. 1751 et seq.) or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) on the basis of citizenship, alienage, or immigration status.

(b) OTHER PROGRAMS.—

(1) IN GENERAL.—Nothing in this Act shall prohibit or require a State to provide to an individual who is not a citizen or a qualified alien, as defined in section 431(b), benefits under programs established under the provisions of law described in paragraph (2).

(2) PROVISIONS OF LAW DESCRIBED.—The provisions of law described in this paragraph are the following:

(A) Programs (other than the school lunch program and the school breakfast program) under the National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(B) Section 4 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note).

(C) The Emergency Food Assistance Act of 1983 (7 U.S.C 612c note).

(D) The food distribution program on Indian reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C 2013(b)).

TITLE VIII—FOOD STAMPS AND COMMODITY DISTRIBUTION

Subtitle A—Food Stamp Program

SEC. 801. DEFINITION OF CERTIFICATION PERIOD.

Section 3(c) of the Food Stamp Act of 1977 (7 U.S.C. 2012(c)) is amended by striking "Except as provided" and all that follows and inserting the following: "The certification period shall not exceed 12 months, except that the certification period may be up to 24 months if all adult household members are elderly or disabled. A State agency shall have at least 1 contact with each certified household every 12 months.".

SEC. 802. DEFINITION OF COUPON.

Section 3(d) of the Food Stamp Act of 1977 (7 U.S.C. 2012(d)) is amended by striking "or type of certificate" and inserting "type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number,".

SEC. 803. TREATMENT OF CHILDREN LIVING AT HOME.

The second sentence of section 3(i) of the Food Stamp Act of 1977 (7 U.S.C. 2012(i)) is amended by striking "(who are not themselves parents living with their children or married and living with their spouses)".

SEC. 804. ADJUSTMENT OF THRIFTY FOOD PLAN.

The second sentence of section 3(o) of the Food Stamp Act of 1977 (7 U.S.C. 2012(o)) is amended—

(1) by striking "shall (1) make" and inserting the following: "shall—

"(1) make";

(2) by striking "scale, (2) make" and inserting the following: "scale;

"(2) make";

(3) by striking "Alaska, (3) make" and inserting the following: "Alaska;

"(3) make"; and

(4) by striking "Columbia, (4) through" and all that follows through the end of the subsection and inserting the following: "Columbia; and

"(4) on October 1, 1996, and each October 1 thereafter, adjust the cost of the diet to reflect the cost of the diet in the preceding June, and round the result to the nearest lower dollar increment for each household size, except that on October 1, 1996, the Secretary may not reduce the cost of the diet in effect on September 30, 1996.".

SEC. 805. DEFINITION OF HOMELESS INDIVIDUAL.

Section 3(s)(2)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2012(s)(2)(C)) is amended by inserting "for not more than 90 days" after "temporary accommodation".

SEC. 806. STATE OPTION FOR ELIGIBILITY STANDARDS.

Section 5(b) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking "(b) The Secretary" and inserting the following:

"(b) ELIGIBILITY STANDARDS.—Except as otherwise provided in this Act, the Secretary".

SEC. 807. EARNINGS OF STUDENTS.

Section 5(d)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(7)) is amended by striking "21" and inserting "17".

SEC. 808. ENERGY ASSISTANCE.

(a) IN GENERAL.—Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)) is amended by striking paragraph (11) and inserting the following: "(11)(A) any payments or allowances made for the purpose of providing energy assistance under any Federal law (other than part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)), or (B) a 1-time payment or allowance made under a Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device,".

(b) CONFORMING AMENDMENTS.—Section 5(k) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking "plan for aid to families with dependent children approved" and inserting "program funded"; and

(B) in subparagraph (B), by striking ", not including energy or utility-cost assistance,";

(2) in paragraph (2), by striking subparagraph (C) and inserting the following:

"(C) a payment or allowance described in subsection (d)(11);"; and

(3) by adding at the end the following:

"(4) THIRD PARTY ENERGY ASSISTANCE PAYMENTS.—

"(A) ENERGY ASSISTANCE PAYMENTS.—For purposes of subsection (d)(1), a payment made under a State law (other than a law referred to in paragraph (2)(H)) to provide energy assistance to a household shall be considered money payable directly to the household.

"(B) ENERGY ASSISTANCE EXPENSES.—For purposes of subsection (e)(7), an expense paid on behalf of a household under a State law to provide energy assistance shall be considered an out-of-pocket expense incurred and paid by the household.".

SEC. 809. DEDUCTIONS FROM INCOME.

(a) IN GENERAL.—Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014) is amended by striking subsection (e) and inserting the following:

"(e) DEDUCTIONS FROM INCOME.—

"(1) STANDARD DEDUCTION.—The Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States of $134, $229, $189, $269, and $118, respectively.

"(2) EARNED INCOME DEDUCTION.—

"(A) DEFINITION OF EARNED INCOME.—In this paragraph, the term 'earned income' does not include—

"(i) income excluded by subsection (d); or

"(ii) any portion of income earned under a work supplementation or support program, as defined under section 16(b), that is attributable to public assistance.

"(B) DEDUCTION.—Except as provided in subparagraph (C), a household with earned income shall be allowed a deduction of 20 percent of all earned income to compensate for taxes, other mandatory deductions from salary, and work expenses.

"(C) EXCEPTION.—The deduction described in subparagraph (B) shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner.

"(3) DEPENDENT CARE DEDUCTION.—

"(A) IN GENERAL.—A household shall be entitled, with respect to expenses (other than excluded expenses described in subparagraph (B)) for dependent care, to a dependent care deduction, the maximum allowable level of which shall be $200 per month for each dependent child under 2 years of age and $175 per month for each other dependent, for the actual cost of payments necessary for the care of a dependent if the care enables a household member to accept or continue employment, or training or education that is preparatory for employment.

"(B) EXCLUDED EXPENSES.—The excluded expenses referred to in subparagraph (A) are—

"(i) expenses paid on behalf of the household by a third party;

"(ii) amounts made available and excluded, for the expenses referred to in subparagraph (A), under subsection (d)(3); and

"(iii) expenses that are paid under section 6(d)(4).

"(4) DEDUCTION FOR CHILD SUPPORT PAYMENTS.—

"(A) IN GENERAL.—A household shall be entitled to a deduction for child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.

"(B) METHODS FOR DETERMINING AMOUNT.—The Secretary may prescribe by regulation the methods, including calculation on a retrospective basis, that a State agency shall use to determine the amount of the deduction for child support payments.

"(5) HOMELESS SHELTER ALLOWANCE.—Under rules prescribed by the Secretary, a State agency may develop a standard homeless shelter allowance, which shall not exceed $143 per month, for such expenses as may reasonably be expected to be incurred by households in which all members are homeless individuals but are not receiving free shelter throughout the month. A State agency that develops the allowance may use the allowance in determining eligibility and allotments for the households. The State agency may make a household with extremely low shelter costs ineligible for the allowance.

"(6) EXCESS MEDICAL EXPENSE DEDUCTION.—

"(A) IN GENERAL.—A household containing an elderly or disabled member shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess medical expense deduction for the portion of the actual costs of allowable medical expenses, incurred by the elderly or disabled member, exclusive of special diets, that exceeds $35 per month.

"(B) METHOD OF CLAIMING DEDUCTION.—

"(i) IN GENERAL.—A State agency shall offer an eligible household under subparagraph (A) a method of claiming a deduction for recurring medical expenses that are initially verified under the excess medical expense deduction in lieu of submitting information on, or verification of, actual expenses on a monthly basis.

"(ii) METHOD.—The method described in clause (i) shall—

"(I) be designed to minimize the burden for the eligible elderly or disabled household member choosing to deduct the recurrent medical expenses of the member pursuant to the method;

"(II) rely on reasonable estimates of the expected medical expenses of the member for the certification period (including changes that can be reasonably anticipated based on available information about the medical condition of the member, public or private medical insurance coverage, and the current verified medical expenses incurred by the member); and

"(III) not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period.

"(7) EXCESS SHELTER EXPENSE DEDUCTION.—

"(A) IN GENERAL.—A household shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.

"(B) MAXIMUM AMOUNT OF DEDUCTION.—In the case of a household that does not contain an elderly or disabled individual, in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, the excess shelter expense deduction shall not exceed—

"(i) for the period beginning on the date of enactment of this subparagraph and ending on December 31, 1996, $247, $429, $353, $300, and $182 per month, respectively;

"(ii) for the period beginning on January 1, 1997, and ending on September 30, 1998, $250, $434, $357, $304, and $184 per month, respectively;

"(iii) for fiscal years 1999 and 2000, $275, $478, $393, $334, and $203 per month, respectively; and

"(iv) for fiscal year 2001 and each subsequent fiscal year, $300, $521, $429, $364, and $221 per month, respectively.

"(C) STANDARD UTILITY ALLOWANCE.—

"(i) IN GENERAL.—In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance that does not fluctuate within a year to reflect seasonal variations.

"(ii) RESTRICTIONS ON HEATING AND COOLING EXPENSES.—An allowance for a heating or cooling expense may not be used in the case of a household that—

"(I) does not incur a heating or cooling expense, as the case may be;

"(II) does incur a heating or cooling expense but is located in a public housing unit that has central utility meters and charges households, with regard to the expense, only for excess utility costs; or

"(III) shares the expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.

"(iii) MANDATORY ALLOWANCE.—

"(I) IN GENERAL.—A State agency may make the use of a standard utility allowance mandatory for all households with qualifying utility costs if—

"(aa) the State agency has developed 1 or more standards that include the cost of heating and cooling and 1 or more standards that do not include the cost of heating and cooling; and

"(bb) the Secretary finds that the standards will not result in an increased cost to the Secretary.

"(II) HOUSEHOLD ELECTION.—A State agency that has not made the use of a standard utility allowance mandatory under subclause (I) shall allow a household to switch, at the end of a certification period, between the standard utility allowance and a deduction based on the actual utility costs of the household.

"(iv) AVAILABILITY OF ALLOWANCE TO RECIPIENTS OF ENERGY ASSISTANCE.—

"(I) IN GENERAL.—Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating or cooling costs, the standard utility allowance shall be made available to households receiving a payment, or on behalf of which a payment is made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if the household still incurs out-of-pocket heating or cooling expenses in excess of any assistance paid on behalf of the household to an energy provider.

"(II) SEPARATE ALLOWANCE.—A State agency may use a separate standard utility allowance for households on behalf of which a payment described in subclause (I) is made, but may not be required to do so.

"(III) STATES NOT ELECTING TO USE SEPARATE ALLOWANCE.—A State agency that does not elect to use a separate allowance but makes a single standard utility allowance available to households incurring heating or cooling expenses (other than a household described in subclause (I) or (II) of clause (ii)) may not be required to reduce the allowance due to the provision (directly or indirectly) of assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

"(IV) PRORATION OF ASSISTANCE.—For the purpose of the food stamp program, assistance provided under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be prorated over the entire heating or cooling season for which the assistance was provided.".

(b) CONFORMING AMENDMENT.—Section 11(e)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(3)) is amended by striking ". Under rules prescribed" and all that follows through "verifies higher expenses".

SEC. 810. VEHICLE ALLOWANCE.

Section 5(g) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)) is amended by striking paragraph (2) and inserting the following:

"(2) INCLUDED ASSETS.—

"(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall, in prescribing inclusions in, and exclusions from, financial resources, follow the regulations in force as of June 1, 1982 (other than those relating to licensed vehicles and inaccessible resources).

"(B) ADDITIONAL INCLUDED ASSETS.—The Secretary shall include in financial resources—

"(i) any boat, snowmobile, or airplane used for recreational purposes;

"(ii) any vacation home;

"(iii) any mobile home used primarily for vacation purposes;

"(iv) subject to subparagraph (C), any licensed vehicle that is used for household transportation or to obtain or continue employment to the extent that the fair market value of the vehicle exceeds $4,600 through September 30, 1996, and $4,650 beginning October 1, 1996; and

"(v) any savings or retirement account (including an individual account), regardless of whether there is a penalty for early withdrawal.

"(C) EXCLUDED VEHICLES.—A vehicle (and any other property, real or personal, to the extent the property is directly related to the maintenance or use of the vehicle) shall not be included in financial resources under this paragraph if the vehicle is—

"(i) used to produce earned income;

"(ii) necessary for the transportation of a physically disabled household member; or

"(iii) depended on by a household to carry fuel for heating or water for home use and provides the primary source of fuel or water, respectively, for the household.".

SEC. 811. VENDOR PAYMENTS FOR TRANSITIONAL HOUSING COUNTED AS INCOME.

Section 5(k)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(k)(2)) is amended—

(1) by striking subparagraph (F); and

(2) by redesignating subparagraphs (G) and (H) as subparagraphs (F) and (G), respectively.

SEC. 812. SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED.

Section 5 of the Food Stamp Act of 1977 (7 U.S.C. 2014), as amended by title I, is amended by adding at the end the following:

"(m) SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED.—

"(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall establish a procedure by which a State may submit a method, designed to not increase Federal costs, for the approval of the Secretary, that the Secretary determines will produce a reasonable estimate of income excluded under subsection (d)(9) in lieu of calculating the actual cost of producing self-employment income.

"(2) INCLUSIVE OF ALL TYPES OF INCOME OR LIMITED TYPES OF INCOME.—The method submitted by a State under paragraph (1) may allow a State to estimate income for all types of self-employment income or may be limited to 1 or more types of self-employment income.

"(3) DIFFERENCES FOR DIFFERENT TYPES OF INCOME.—The method submitted by a State under paragraph (1) may differ for different types of self-employment income.".

SEC. 813. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS.

Section 6(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)) is amended—

(1) in clause (i), by striking "six months" and inserting "1 year"; and

(2) in clause (ii), by striking "1 year" and inserting "2 years".

SEC. 814. DISQUALIFICATION OF CONVICTED INDIVIDUALS.

Section 6(b)(1)(iii) of the Food Stamp Act of 1977 (7 U.S.C. 2015(b)(1)(iii)) is amended—

(1) in subclause (II), by striking "or" at the end;

(2) in subclause (III), by striking the period at the end and inserting "; or"; and

(3) by inserting after subclause (III) the following:

"(IV) a conviction of an offense under subsection (b) or (c) of section 15 involving an item covered by subsection (b) or (c) of section 15 having a value of $500 or more.".

SEC. 815. DISQUALIFICATION.

(a) IN GENERAL.—Section 6(d) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)) is amended by striking "(d)(1) Unless otherwise exempted by the provisions" and all that follows through the end of paragraph (1) and inserting the following:

"(d) CONDITIONS OF PARTICIPATION.—

"(1) WORK REQUIREMENTS.—

"(A) IN GENERAL.—No physically and mentally fit individual over the age of 15 and under the age of 60 shall be eligible to participate in the food stamp program if the individual—

"(i) refuses, at the time of application and every 12 months thereafter, to register for employment in a manner prescribed by the Secretary;

"(ii) refuses without good cause to participate in an employment and training program established under paragraph (4), to the extent required by the State agency;

"(iii) refuses without good cause to accept an offer of employment, at a site or plant not subject to a strike or lockout at the time of the refusal, at a wage not less than the higher of—

"(I) the applicable Federal or State minimum wage; or

"(II) 80 percent of the wage that would have governed had the minimum hourly rate under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) been applicable to the offer of employment;

"(iv) refuses without good cause to provide a State agency with sufficient information to allow the State agency to determine the employment status or the job availability of the individual;

"(v) voluntarily and without good cause—

"(I) quits a job; or

"(II) reduces work effort and, after the reduction, the individual is working less than 30 hours per week; or

"(vi) fails to comply with section 20.

"(B) HOUSEHOLD INELIGIBILITY.—If an individual who is the head of a household becomes ineligible to participate in the food stamp program under subparagraph (A), the household shall, at the option of the State agency, become ineligible to participate in the food stamp program for a period, determined by the State agency, that does not exceed the lesser of—

"(i) the duration of the ineligibility of the individual determined under subparagraph (C); or

"(ii) 180 days.

"(C) DURATION OF INELIGIBILITY.—

"(i) FIRST VIOLATION.—The first time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

"(I) the date the individual becomes eligible under subparagraph (A);

"(II) the date that is 1 month after the date the individual became ineligible; or

"(III) a date determined by the State agency that is not later than 3 months after the date the individual became ineligible.

"(ii) SECOND VIOLATION.—The second time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

"(I) the date the individual becomes eligible under subparagraph (A);

"(II) the date that is 3 months after the date the individual became ineligible; or

"(III) a date determined by the State agency that is not later than 6 months after the date the individual became ineligible.

"(iii) THIRD OR SUBSEQUENT VIOLATION.—The third or subsequent time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

"(I) the date the individual becomes eligible under subparagraph (A);

"(II) the date that is 6 months after the date the individual became ineligible;

"(III) a date determined by the State agency; or

"(IV) at the option of the State agency, permanently.

"(D) ADMINISTRATION.—

"(i) GOOD CAUSE.—The Secretary shall determine the meaning of good cause for the purpose of this paragraph.

"(ii) VOLUNTARY QUIT.—The Secretary shall determine the meaning of voluntarily quitting and reducing work effort for the purpose of this paragraph.

"(iii) DETERMINATION BY STATE AGENCY.—

"(I) IN GENERAL.—Subject to subclause (II) and clauses (i) and (ii), a State agency shall determine—

"(aa) the meaning of any term used in subparagraph (A);

"(bb) the procedures for determining whether an individual is in compliance with a requirement under subparagraph (A); and

"(cc) whether an individual is in compliance with a requirement under subparagraph (A).

"(II) NOT LESS RESTRICTIVE.—A State agency may not use a meaning, procedure, or determination under subclause (I) that is less restrictive on individuals receiving benefits under this Act than a comparable meaning, procedure, or determination under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

"(iv) STRIKE AGAINST THE GOVERNMENT.—For the purpose of subparagraph (A)(v), an employee of the Federal Government, a State, or a political subdivision of a State, who is dismissed for participating in a strike against the Federal Government, the State, or the political subdivision of the State shall be considered to have voluntarily quit without good cause.

"(v) SELECTING A HEAD OF HOUSEHOLD.—

"(I) IN GENERAL.—For purposes of this paragraph, the State agency shall allow the household to select any adult parent of a child in the household as the head of the household if all adult household members making application under the food stamp program agree to the selection.

"(II) TIME FOR MAKING DESIGNATION.—A household may designate the head of the household under subclause (I) each time the household is certified for participation in the food stamp program, but may not change the designation during a certification period unless there is a change in the composition of the household.

"(vi) CHANGE IN HEAD OF HOUSEHOLD.—If the head of a household leaves the household during a period in which the household is ineligible to participate in the food stamp program under subparagraph (B)—

"(I) the household shall, if otherwise eligible, become eligible to participate in the food stamp program; and

"(II) if the head of the household becomes the head of another household, the household that becomes headed by the individual shall become ineligible to participate in the food stamp program for the remaining period of ineligibility.".

(b) CONFORMING AMENDMENT.—

(1) The second sentence of section 17(b)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(2)) is amended by striking "6(d)(1)(i)" and inserting "6(d)(1)(A)(i)".

(2) Section 20 of the Food Stamp Act of 1977 (7 U.S.C. 2029) is amended by striking subsection (f) and inserting the following:

"(f) DISQUALIFICATION.—An individual or a household may become ineligible under section 6(d)(1) to participate in the food stamp program for failing to comply with this section.".

SEC. 816. CARETAKER EXEMPTION.

Section 6(d)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(2)) is amended by adding at the end the following: "A State that requested a waiver to lower the age specified in subparagraph (B) and had the waiver denied by the Secretary as of August 1, 1996, may, for a period of not more than 3 years, lower the age of a dependent child that qualifies a parent or other member of a household for an exemption under subparagraph (B) to between 1 and 6 years of age.".

SEC. 817. EMPLOYMENT AND TRAINING.

(a) IN GENERAL.—Section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)) is amended—

(1) by striking "(4)(A) Not later than April 1, 1987, each" and inserting the following:

"(4) EMPLOYMENT AND TRAINING.—

"(A) IN GENERAL.—

"(i) IMPLEMENTATION.—Each";

(2) in subparagraph (A)—

(A) by inserting "work," after "skills, training,"; and

(B) by adding at the end the following:

"(ii) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—Each component of an employment and training program carried out under this paragraph shall be delivered through a statewide workforce development system, unless the component is not available locally through such a system.";

(3) in subparagraph (B)—

(A) in the matter preceding clause (i), by striking the colon at the end and inserting the following: ", except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application:";

(B) in clause (i), by striking "with terms and conditions" and all that follows through "time of application"; and

(C) in clause (iv)—

(i) by striking subclauses (I) and (II); and

(ii) by redesignating subclauses (III) and (IV) as subclauses (I) and (II), respectively;

(4) in subparagraph (D)—

(A) in clause (i), by striking "to which the application" and all that follows through "30 days or less";

(B) in clause (ii), by striking "but with respect" and all that follows through "child care"; and

(C) in clause (iii), by striking ", on the basis of" and all that follows through "clause (ii)" and inserting "the exemption continues to be valid";

(5) in subparagraph (E), by striking the third sentence;

(6) in subparagraph (G)—

(A) by striking "(G)(i) The State" and inserting "(G) The State"; and

(B) by striking clause (ii);

(7) in subparagraph (H), by striking "(H)(i) The Secretary" and all that follows through "(ii) Federal funds" and inserting "(H) Federal funds";

(8) in subparagraph (I)(i)(II), by striking ", or was in operation," and all that follows through "Social Security Act" and inserting the following: "), except that no such payment or reimbursement shall exceed the applicable local market rate";

(9)(A) by striking subparagraphs (K) and (L) and inserting the following:

"(K) LIMITATION ON FUNDING.—Notwithstanding any other provision of this paragraph, the amount of funds a State agency uses to carry out this paragraph (including funds used to carry out subparagraph (I)) for participants who are receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not exceed the amount of funds the State agency used in fiscal year 1995 to carry out this paragraph for participants who were receiving benefits in fiscal year 1995 under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.)."; and

(B) by redesignating subparagraphs (M) and (N) as subparagraphs (L) and (M), respectively; and

(10) in subparagraph (L), as so redesignated—

(A) by striking "(L)(i) The Secretary" and inserting "(L) The Secretary"; and

(B) by striking clause (ii).

(b) FUNDING.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended by striking "(h)(1)(A) The Secretary" and all that follows through the end of paragraph (1) and inserting the following:

"(h) FUNDING OF EMPLOYMENT AND TRAINING PROGRAMS.—

"(1) IN GENERAL.—

"(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies from funds made available for each fiscal year under section 18(a)(1) the amount of—

"(i) for fiscal year 1996, $75,000,000;

"(ii) for fiscal year 1997, $79,000,000;

"(iii) for fiscal year 1998, $81,000,000;

"(iv) for fiscal year 1999, $84,000,000;

"(v) for fiscal year 2000, $86,000,000;

"(vi) for fiscal year 2001, $88,000,000; and

"(vii) for fiscal year 2002, $90,000,000.

"(B) ALLOCATION.—The Secretary shall allocate the amounts reserved under subparagraph (A) among the State agencies using a reasonable formula (as determined by the Secretary) that gives consideration to the population in each State affected by section 6(o).

"(C) REALLOCATION.—

"(i) NOTIFICATION.—A State agency shall promptly notify the Secretary if the State agency determines that the State agency will not expend all of the funds allocated to the State agency under subparagraph (B).

"(ii) REALLOCATION.—On notification under clause (i), the Secretary shall reallocate the funds that the State agency will not expend as the Secretary considers appropriate and equitable.

"(D) MINIMUM ALLOCATION.—Notwithstanding subparagraphs (A) through (C), the Secretary shall ensure that each State agency operating an employment and training program shall receive not less than $50,000 for each fiscal year.".

(c) ADDITIONAL MATCHING FUNDS.—Section 16(h)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(2)) is amended by inserting before the period at the end the following: ", including the costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work".

(d) REPORTS.—Section 16(h) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)) is amended—

(1) in paragraph (5)—

(A) by striking "(5)(A) The Secretary" and inserting "(5) The Secretary"; and

(B) by striking subparagraph (B); and

(2) by striking paragraph (6).

SEC. 818. FOOD STAMP ELIGIBILITY.

The third sentence of section 6(f) of the Food Stamp Act of 1977 (7 U.S.C. 2015(f)) is amended by inserting ", at State option," after "less".

SEC. 819. COMPARABLE TREATMENT FOR DISQUALIFICATION.

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015) is amended by adding at the end the following:

"(i) COMPARABLE TREATMENT FOR DISQUALIFICATION.—

"(1) IN GENERAL.—If a disqualification is imposed on a member of a household for a failure of the member to perform an action required under a Federal, State, or local law relating to a means-tested public assistance program, the State agency may impose the same disqualification on the member of the household under the food stamp program.

"(2) RULES AND PROCEDURES.—If a disqualification is imposed under paragraph (1) for a failure of an individual to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to impose the same disqualification under the food stamp program.

"(3) APPLICATION AFTER DISQUALIFICATION PERIOD.—A member of a household disqualified under paragraph (1) may, after the disqualification period has expired, apply for benefits under this Act and shall be treated as a new applicant, except that a prior disqualification under subsection (d) shall be considered in determining eligibility.".

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)) is amended—

(1) in paragraph (24), by striking "and" at the end;

(2) in paragraph (25), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(26) the guidelines the State agency uses in carrying out section 6(i); and".

(c) CONFORMING AMENDMENT.—Section 6(d)(2)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(2)(A)) is amended by striking "that is comparable to a requirement of paragraph (1)".

SEC. 820. DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 819, is amended by adding at the end the following:

"(j) DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS.—An individual shall be ineligible to participate in the food stamp program as a member of any household for a 10-year period if the individual is found by a State agency to have made, or is convicted in a Federal or State court of having made, a fraudulent statement or representation with respect to the identity or place of residence of the individual in order to receive multiple benefits simultaneously under the food stamp program.".

SEC. 821. DISQUALIFICATION OF FLEEING FELONS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 820, is amended by adding at the end the following:

"(k) DISQUALIFICATION OF FLEEING FELONS.—No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is—

"(1) fleeing to avoid prosecution, or custody or confinement after conviction, under the law of the place from which the individual is fleeing, for a crime, or attempt to commit a crime, that is a felony under the law of the place from which the individual is fleeing or that, in the case of New Jersey, is a high misdemeanor under the law of New Jersey; or

"(2) violating a condition of probation or parole imposed under a Federal or State law.".

SEC. 822. COOPERATION WITH CHILD SUPPORT AGENCIES.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 821, is amended by adding at the end the following:

"(l) CUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

"(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), no natural or adoptive parent or other individual (collectively referred to in this subsection as 'the individual') who is living with and exercising parental control over a child under the age of 18 who has an absent parent shall be eligible to participate in the food stamp program unless the individual cooperates with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

"(A) in establishing the paternity of the child (if the child is born out of wedlock); and

"(B) in obtaining support for—

"(i) the child; or

"(ii) the individual and the child.

"(2) GOOD CAUSE FOR NONCOOPERATION.—Paragraph (1) shall not apply to the individual if good cause is found for refusing to cooperate, as determined by the State agency in accordance with standards prescribed by the Secretary in consultation with the Secretary of Health and Human Services. The standards shall take into consideration circumstances under which cooperation may be against the best interests of the child.

"(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

"(m) NONCUSTODIAL PARENT'S COOPERATION WITH CHILD SUPPORT AGENCIES.—

"(1) IN GENERAL.—At the option of a State agency, subject to paragraphs (2) and (3), a putative or identified noncustodial parent of a child under the age of 18 (referred to in this subsection as 'the individual') shall not be eligible to participate in the food stamp program if the individual refuses to cooperate with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

"(A) in establishing the paternity of the child (if the child is born out of wedlock); and

"(B) in providing support for the child.

"(2) REFUSAL TO COOPERATE.—

"(A) GUIDELINES.—The Secretary, in consultation with the Secretary of Health and Human Services, shall develop guidelines on what constitutes a refusal to cooperate under paragraph (1).

"(B) PROCEDURES.—The State agency shall develop procedures, using guidelines developed under subparagraph (A), for determining whether an individual is refusing to cooperate under paragraph (1).

"(3) FEES.—Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

"(4) PRIVACY.—The State agency shall provide safeguards to restrict the use of information collected by a State agency administering the program established under part

D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to purposes for which the information is collected.”.

SEC. 823. DISQUALIFICATION RELATING TO CHILD SUPPORT ARREARS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 822, is amended by adding at the end the following:

“(n) DISQUALIFICATION FOR CHILD SUPPORT ARREARS.—

“(1) IN GENERAL.—At the option of a State agency, no individual shall be eligible to participate in the food stamp program as a member of any household during any month that the individual is delinquent in any payment due under a court order for the support of a child of the individual.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply if—

“(A) a court is allowing the individual to delay payment; or

“(B) the individual is complying with a payment plan approved by a court or the State agency designated under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to provide support for the child of the individual.”.

SEC. 824. WORK REQUIREMENT.

(a) IN GENERAL.—Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 823, is amended by adding at the end the following:

“(o) WORK REQUIREMENT.—

“(1) DEFINITION OF WORK PROGRAM.—In this subsection, the term ‘work program’ means—

“(A) a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

“(B) a program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); and

“(C) a program of employment and training operated or supervised by a State or political subdivision of a State that meets standards approved by the Governor of the State, including a program under subsection (d)(4), other than a job search program or a job search training program.

“(2) WORK REQUIREMENT.—Subject to the other provisions of this subsection, no individual shall be eligible to participate in the food stamp program as a member of any household if, during the preceding 36-month period, the individual received food stamp benefits for not less than 3 months (consecutive or otherwise) during which the individual did not—

“(A) work 20 hours or more per week, averaged monthly;

“(B) participate in and comply with the requirements of a work program for 20 hours or more per week, as determined by the State agency;

“(C) participate in and comply with the requirements of a program under section 20 or a comparable program established by a State or political subdivision of a State; or

“(D) receive benefits pursuant to paragraph (3), (4), or (5).

“(3) EXCEPTION.—Paragraph (2) shall not apply to an individual if the individual is—

“(A) under 18 or over 50 years of age;

“(B) medically certified as physically or mentally unfit for employment;

“(C) a parent or other member of a household with responsibility for a dependent child;

“(D) otherwise exempt under subsection (d)(2); or

“(E) a pregnant woman.

“(4) WAIVER.—

“(A) IN GENERAL.—On the request of a State agency, the Secretary may waive the applicability of paragraph (2) to any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside—

“(i) has an unemployment rate of over 10 percent; or

“(ii) does not have a sufficient number of jobs to provide employment for the individuals.

“(B) REPORT.—The Secretary shall report the basis for a waiver under subparagraph (A) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

“(5) SUBSEQUENT ELIGIBILITY.—

“(A) REGAINING ELIGIBILITY.—An individual denied eligibility under paragraph (2) shall regain eligibility to participate in the food stamp program if, during a 30-day period, the individual—

“(i) works 80 or more hours;

“(ii) participates in and complies with the requirements of a work program for 80 or more hours, as determined by a State agency; or

“(iii) participates in and complies with the requirements of a program under section 20 or a comparable program established by a State or political subdivision of a State.

“(B) MAINTAINING ELIGIBILITY.—An individual who regains eligibility under subparagraph (A) shall remain eligible as long as the individual meets the requirements of subparagraph (A), (B), or (C) of paragraph (2).

“(C) LOSS OF EMPLOYMENT.—

“(i) IN GENERAL.—An individual who regained eligibility under subparagraph (A) and who no longer meets the requirements of subparagraph (A), (B), or (C) of paragraph (2) shall remain eligible for a consecutive 3-month period, beginning on the date the individual first notifies the State agency that the individual no longer meets the requirements of subparagraph (A), (B), or (C) of paragraph (2).

“(ii) LIMITATION.—An individual shall not receive any benefits pursuant to clause (i) for more than a single 3-month period in any 36-month period.

“(6) OTHER PROGRAM RULES.—Nothing in this subsection shall make an individual eligible for benefits under this Act if the individual is not otherwise eligible for benefits under the other provisions of this Act.”.

(b) TRANSITION PROVISION.—The term “preceding 36-month period” in section 6(o) of the Food Stamp Act of 1977, as added by subsection (a), does not include, with respect to a State, any period before the earlier of—

(1) the date the State notifies recipients of food stamp benefits of the application of section 6(o); or

(2) the date that is 3 months after the date of enactment of this Act.

SEC. 825. ENCOURAGEMENT OF ELECTRONIC BENEFIT TRANSFER SYSTEMS.

(a) IN GENERAL.—Section 7(i) of the Food Stamp Act of 1977 (7 U.S.C. 2016(i)) is amended—

(1) by striking “(i)(1)(A) Any State” and all that follows through the end of paragraph (1) and inserting the following:

“(i) ELECTRONIC BENEFIT TRANSFERS.—

“(1) IN GENERAL.—

“(A) IMPLEMENTATION.—Not later than October 1, 2002, each State agency shall implement an electronic benefit transfer system under which household benefits determined under section 8(a) or 26 are issued from and stored in a central databank, unless the Secretary provides a waiver for a State agency that faces unusual barriers to implementing an electronic benefit transfer system.

“(B) TIMELY IMPLEMENTATION.—Each State agency is encouraged to implement an electronic benefit transfer system under subparagraph (A) as soon as practicable.

“(C) STATE FLEXIBILITY.—Subject to paragraph (2), a State agency may procure and implement an electronic benefit transfer system under the terms, conditions, and design that the State agency considers appropriate.

“(D) OPERATION.—An electronic benefit transfer system should take into account generally accepted standard operating rules based on—

“(i) commercial electronic funds transfer technology;

“(ii) the need to permit interstate operation and law enforcement monitoring; and

“(iii) the need to permit monitoring and investigations by authorized law enforcement agencies.”;

(2) in paragraph (2)—

(A) by striking “effective no later than April 1, 1992,”;

(B) in subparagraph (A)—

(i) by striking “, in any 1 year,”; and

(ii) by striking “on-line”;

(C) by striking subparagraph (D) and inserting the following:

“(D)(i) measures to maximize the security of a system using the most recent technology available that the State agency considers appropriate and cost effective and which may include personal identification numbers, photographic identification on electronic benefit transfer cards, and other measures to protect against fraud and abuse; and

“(ii) effective not later than 2 years after the date of enactment of this clause, to the extent practicable, measures that permit a system to differentiate items of food that may be acquired with an allotment from items of food that may not be acquired with an allotment;”;

(D) in subparagraph (G), by striking “and” at the end;

(E) in subparagraph (H), by striking the period at the end and inserting “; and”; and

(F) by adding at the end the following:

“(I) procurement standards.”; and

(3) by adding at the end the following:

“(7) REPLACEMENT OF BENEFITS.—Regulations issued by the Secretary regarding the replacement of benefits and liability for replacement of benefits under an electronic benefit transfer system shall be similar to the regulations in effect for a paper-based food stamp issuance system.

“(8) REPLACEMENT CARD FEE.—A State agency may collect a charge for replacement of an electronic benefit transfer card by reducing the monthly allotment of the household receiving the replacement card.

“(9) OPTIONAL PHOTOGRAPHIC IDENTIFICATION.—

“(A) IN GENERAL.—A State agency may require that an electronic benefit card contain a photograph of 1 or more members of a household.

“(B) OTHER AUTHORIZED USERS.—If a State agency requires a photograph on an electronic benefit card under subparagraph (A), the State agency shall establish procedures to ensure that any other appropriate member of the household or any authorized representative of the household may utilize the card.

“(10) APPLICABLE LAW.—Disclosures, protections, responsibilities, and remedies established by the Federal Reserve Board under section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) shall not apply to benefits under this Act delivered through any electronic benefit transfer system.

“(11) APPLICATION OF ANTI-TYING RESTRICTIONS TO ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

"(A) DEFINITIONS.—In this paragraph:

"(i) AFFILIATE.—The term 'affiliate' has the meaning provided the term in section 2(k) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(k)).

"(ii) COMPANY.—The term 'company' has the meaning provided the term in section 106(a) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1971), but shall not include a bank, a bank holding company, or any subsidiary of a bank holding company.

"(iii) ELECTRONIC BENEFIT TRANSFER SERVICE.—The term 'electronic benefit transfer service' means the processing of electronic transfers of household benefits, determined under section 8(a) or 26, if the benefits are—

"(I) issued from and stored in a central databank;

"(II) electronically accessed by household members at the point of sale; and

"(III) provided by a Federal or State government.

"(iv) POINT-OF-SALE SERVICE.—The term 'point-of-sale service' means any product or service related to the electronic authorization and processing of payments for merchandise at a retail food store, including credit or debit card services, automated teller machines, point-of-sale terminals, or access to on-line systems.

"(B) RESTRICTIONS.—A company may not sell or provide electronic benefit transfer services, or fix or vary the consideration for electronic benefit transfer services, on the condition or requirement that the customer—

"(i) obtain some additional point-of-sale service from the company or an affiliate of the company; or

"(ii) not obtain some additional point-of-sale service from a competitor of the company or competitor of any affiliate of the company.

"(C) CONSULTATION WITH THE FEDERAL RESERVE BOARD.—Before promulgating regulations or interpretations of regulations to carry out this paragraph, the Secretary shall consult with the Board of Governors of the Federal Reserve System.".

(b) SENSE OF CONGRESS.—It is the sense of Congress that a State that operates an electronic benefit transfer system under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) should operate the system in a manner that is compatible with electronic benefit transfer systems operated by other States.

SEC. 826. VALUE OF MINIMUM ALLOTMENT.

The proviso in section 8(a) of the Food Stamp Act of 1977 (7 U.S.C. 2017(a)) is amended by striking ", and shall be adjusted" and all that follows through "$5".

SEC. 827. BENEFITS ON RECERTIFICATION.

Section 8(c)(2)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)(2)(B)) is amended by striking "of more than one month".

SEC. 828. OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.

Section 8(c) of the Food Stamp Act of 1977 (7 U.S.C. 2017(c)) is amended by striking paragraph (3) and inserting the following:

"(3) OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.—A State agency may provide to an eligible household applying after the 15th day of a month, in lieu of the initial allotment of the household and the regular allotment of the household for the following month, an allotment that is equal to the total amount of the initial allotment and the first regular allotment. The allotment shall be provided in accordance with section 11(e)(3) in the case of a household that is not entitled to expedited service and in accordance with paragraphs (3) and (9) of section 11(e) in the case of a household that is entitled to expedited service.".

SEC. 829. FAILURE TO COMPLY WITH OTHER MEANS-TESTED PUBLIC ASSISTANCE PROGRAMS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by striking subsection (d) and inserting the following:

"(d) REDUCTION OF PUBLIC ASSISTANCE BENEFITS.—

"(1) IN GENERAL.—If the benefits of a household are reduced under a Federal, State, or local law relating to a means-tested public assistance program for the failure of a member of the household to perform an action required under the law or program, for the duration of the reduction—

"(A) the household may not receive an increased allotment as the result of a decrease in the income of the household to the extent that the decrease is the result of the reduction; and

"(B) the State agency may reduce the allotment of the household by not more than 25 percent.

"(2) RULES AND PROCEDURES.—If the allotment of a household is reduced under this subsection for a failure to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to reduce the allotment under the food stamp program.".

SEC. 830. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by adding at the end the following:

"(f) ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS.—

"(1) IN GENERAL.—In the case of an individual who resides in a center for the purpose of a drug or alcoholic treatment program described in the last sentence of section 3(i), a State agency may provide an allotment for the individual to—

"(A) the center as an authorized representative of the individual for a period that is less than 1 month; and

"(B) the individual, if the individual leaves the center.

"(2) DIRECT PAYMENT.—A State agency may require an individual referred to in paragraph (1) to designate the center in which the individual resides as the authorized representative of the individual for the purpose of receiving an allotment.".

SEC. 831. CONDITION PRECEDENT FOR APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS.

Section 9(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)(1)) is amended by adding at the end the following: "No retail food store or wholesale food concern of a type determined by the Secretary, based on factors that include size, location, and type of items sold, shall be approved to be authorized or reauthorized for participation in the food stamp program unless an authorized employee of the Department of Agriculture, a designee of the Secretary, or, if practicable, an official of the State or local government designated by the Secretary has visited the store or concern for the purpose of determining whether the store or concern should be approved or reauthorized, as appropriate.".

SEC. 832. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS.

Section 9(a) of the Food Stamp Act of 1977 (7 U.S.C. 2018(a)) is amended by adding at the end the following:

"(3) AUTHORIZATION PERIODS.—The Secretary shall establish specific time periods during which authorization to accept and redeem coupons, or to redeem benefits through an electronic benefit transfer system, shall be valid under the food stamp program.".

SEC. 833. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION.

Section 9(c) of the Food Stamp Act of 1977 (7 U.S.C. 2018(c)) is amended—

(1) in the first sentence, by inserting ", which may include relevant income and sales tax filing documents," after "submit information"; and

(2) by inserting after the first sentence the following: "The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with appropriate agencies and to obtain corroborating documentation from other sources so that the accuracy of information provided by the stores and concerns may be verified.".

SEC. 834. WAITING PERIOD FOR STORES THAT FAIL TO MEET AUTHORIZATION CRITERIA.

Section 9(d) of the Food Stamp Act of 1977 (7 U.S.C. 2018(d)) is amended by adding at the end the following: "A retail food store or wholesale food concern that is denied approval to accept and redeem coupons because the store or concern does not meet criteria for approval established by the Secretary may not, for at least 6 months, submit a new application to participate in the program. The Secretary may establish a longer time period under the preceding sentence, including permanent disqualification, that reflects the severity of the basis of the denial.".

SEC. 835. OPERATION OF FOOD STAMP OFFICES.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020), as amended by sections 809(b) and 819(b), is amended—

(1) in subsection (e)—

(A) by striking paragraph (2) and inserting the following:

"(2)(A) that the State agency shall establish procedures governing the operation of food stamp offices that the State agency determines best serve households in the State, including households with special needs, such as households with elderly or disabled members, households in rural areas with low-income members, homeless individuals, households residing on reservations, and households in areas in which a substantial number of members of low-income households speak a language other than English.

"(B) In carrying out subparagraph (A), a State agency—

"(i) shall provide timely, accurate, and fair service to applicants for, and participants in, the food stamp program;

"(ii) shall develop an application containing the information necessary to comply with this Act;

"(iii) shall permit an applicant household to apply to participate in the program on the same day that the household first contacts a food stamp office in person during office hours;

"(iv) shall consider an application that contains the name, address, and signature of the applicant to be filed on the date the applicant submits the application;

"(v) shall require that an adult representative of each applicant household certify in writing, under penalty of perjury, that—

"(I) the information contained in the application is true; and

"(II) all members of the household are citizens or are aliens eligible to receive food stamps under section 6(f);

"(vi) shall provide a method of certifying and issuing coupons to eligible homeless individuals, to ensure that participation in the food stamp program is limited to eligible households; and

"(vii) may establish operating procedures that vary for local food stamp offices to reflect regional and local differences within the State.

"(C) Nothing in this Act shall prohibit the use of signatures provided and maintained electronically, storage of records using automated retrieval systems only, or any other feature of a State agency's application system that does not rely exclusively on the collection and retention of paper applications or other records.

"(D) The signature of any adult under this paragraph shall be considered sufficient to comply with any provision of Federal law requiring a household member to sign an application or statement;";

(B) in paragraph (3)—

(i) by striking "shall—" and all that follows through "provide each" and inserting "shall provide each"; and

(ii) by striking "(B) assist" and all that follows through "representative of the State agency;";

(C) by striking paragraphs (14) and (25);

(D)(i) by redesignating paragraphs (15) through (24) as paragraphs (14) through (23), respectively; and

(ii) by redesignating paragraph (26), as paragraph (24); and

(2) in subsection (i)—

(A) by striking "(i) Notwithstanding" and all that follows through "(2)" and inserting the following:

"(i) APPLICATION AND DENIAL PROCEDURES.—

"(1) APPLICATION PROCEDURES.—Notwithstanding any other provision of law,"; and

(B) by striking "; (3) households" and all that follows through "title IV of the Social Security Act. No" and inserting a period and the following:

"(2) DENIAL AND TERMINATION.—Except in a case of disqualification as a penalty for failure to comply with a public assistance program rule or regulation, no".

SEC. 836. STATE EMPLOYEE AND TRAINING STANDARDS.

Section 11(e)(6) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(6)) is amended—

(1) by striking "that (A) the" and inserting "that—

"(A) the";

(2) by striking "Act; (B) the" and inserting "Act; and

"(B) the";

(3) in subparagraph (B), by striking "United States Civil Service Commission" and inserting "Office of Personnel Management"; and

(4) by striking subparagraphs (C) through (E).

SEC. 837. EXCHANGE OF LAW ENFORCEMENT INFORMATION.

Section 11(e)(8) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)) is amended—

(1) by striking "that (A) such" and inserting the following: "that—

"(A) the";

(2) by striking "law, (B) notwithstanding" and inserting the following: "law;

"(B) notwithstanding";

(3) by striking "Act, and (C) such" and inserting the following: "Act;

"(C) the"; and

(4) by adding at the end the following:

"(D) notwithstanding any other provision of law, the address, social security number, and, if available, photograph of any member of a household shall be made available, on request, to any Federal, State, or local law enforcement officer if the officer furnishes the State agency with the name of the member and notifies the agency that—

"(i) the member—

"(I) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime (or attempt to commit a crime) that, under the law of the place the member is fleeing, is a felony (or, in the case of New Jersey, a high misdemeanor), or is violating a condition of probation or parole imposed under Federal or State law; or

"(II) has information that is necessary for the officer to conduct an official duty related to subclause (I);

"(ii) locating or apprehending the member is an official duty; and

"(iii) the request is being made in the proper exercise of an official duty; and

"(E) the safeguards shall not prevent compliance with paragraph (16);".

SEC. 838. EXPEDITED COUPON SERVICE.

Section 11(e)(9) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(9)) is amended—

(1) in subparagraph (A), by striking "five days" and inserting "7 days";

(2) by striking subparagraph (B);

(3) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C);

(4) in subparagraph (B), as redesignated by paragraph (3), by striking "five days" and inserting "7 days"; and

(5) in subparagraph (C), as redesignated by paragraph (3), by striking ", (B), or (C)" and inserting "or (B)".

SEC. 839. WITHDRAWING FAIR HEARING REQUESTS.

Section 11(e)(10) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(10)) is amended by inserting before the semicolon at the end a period and the following: "At the option of a State, at any time prior to a fair hearing determination under this paragraph, a household may withdraw, orally or in writing, a request by the household for the fair hearing. If the withdrawal request is an oral request, the State agency shall provide a written notice to the household confirming the withdrawal request and providing the household with an opportunity to request a hearing".

SEC. 840. INCOME, ELIGIBILITY, AND IMMIGRATION STATUS VERIFICATION SYSTEMS.

Section 11 of the Food Stamp Act of 1977 (7 U.S.C. 2020) is amended—

(1) in subsection (e)(18), as redesignated by section 835(1)(D)—

(A) by striking "that information is" and inserting "at the option of the State agency, that information may be"; and

(B) by striking "shall be requested" and inserting "may be requested"; and

(2) by adding at the end the following:

"(p) STATE VERIFICATION OPTION.—Notwithstanding any other provision of law, in carrying out the food stamp program, a State agency shall not be required to use an income and eligibility or an immigration status verification system established under section 1137 of the Social Security Act (42 U.S.C. 1320b–7).".

SEC. 841. INVESTIGATIONS.

Section 12(a) of the Food Stamp Act of 1977 (7 U.S.C. 2021(a)) is amended by adding at the end the following: "Regulations issued pursuant to this Act shall provide criteria for the finding of a violation and the suspension or disqualification of a retail food store or wholesale food concern on the basis of evidence that may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through a transaction report under an electronic benefit transfer system.".

SEC. 842. DISQUALIFICATION OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS.

Section 12(b) of the Food Stamp Act of 1977 (7 U.S.C. 2021(b)) is amended—

(1) in paragraph (2), by striking "and" at the end;

(2) in paragraph (3), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(4) for a reasonable period of time to be determined by the Secretary, including permanent disqualification, on the knowing submission of an application for the approval or reauthorization to accept and redeem coupons that contains false information about a substantive matter that was a part of the application.".

SEC. 843. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.

Section 12 of the Food Stamp Act of 1977 (7 U.S.C. 2021) is amended by adding at the end the following:

"(g) DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM.—

"(1) IN GENERAL.—The Secretary shall issue regulations providing criteria for the disqualification under this Act of an approved retail food store or a wholesale food concern that is disqualified from accepting benefits under the special supplemental nutrition program for women, infants, and children established under section 17 of the Child Nutrition Act of 1966 (7 U.S.C. 1786).

"(2) TERMS.—A disqualification under paragraph (1)—

"(A) shall be for the same length of time as the disqualification from the program referred to in paragraph (1);

"(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

"(C) notwithstanding section 14, shall not be subject to judicial or administrative review.".

SEC. 844. COLLECTION OF OVERISSUANCES.

(a) COLLECTION OF OVERISSUANCES.—Section 13 of the Food Stamp Act of 1977 (7 U.S.C. 2022) is amended—

(1) by striking subsection (b) and inserting the following:

"(b) COLLECTION OF OVERISSUANCES.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, a State agency shall collect any overissuance of coupons issued to a household by—

"(A) reducing the allotment of the household;

"(B) withholding amounts from unemployment compensation from a member of the household under subsection (c);

"(C) recovering from Federal pay or a Federal income tax refund under subsection (d); or

"(D) any other means.

"(2) COST EFFECTIVENESS.—Paragraph (1) shall not apply if the State agency demonstrates to the satisfaction of the Secretary that all of the means referred to in paragraph (1) are not cost effective.

"(3) MAXIMUM REDUCTION ABSENT FRAUD.—If a household received an overissuance of coupons without any member of the household being found ineligible to participate in the program under section 6(b)(1) and a State agency elects to reduce the allotment of the household under paragraph (1)(A), the State agency shall not reduce the monthly allotment of the household under paragraph (1)(A) by an amount in excess of the greater of—

"(A) 10 percent of the monthly allotment of the household; or

"(B) $10.

"(4) PROCEDURES.—A State agency shall collect an overissuance of coupons issued to a household under paragraph (1) in accordance with the requirements established by the State agency for providing notice, electing a means of payment, and establishing a time schedule for payment."; and

(2) in subsection (d)—

(A) by striking "as determined under subsection (b) and except for claims arising from an error of the State agency," and inserting ", as determined under subsection (b)(1),"; and

(B) by inserting before the period at the end the following: "or a Federal income tax refund as authorized by section 3720A of title 31, United States Code".

(b) CONFORMING AMENDMENTS.—Section 11(e)(8)(C) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)(8)(C)) is amended—

(1) by striking "and excluding claims" and all that follows through "such section"; and

(2) by inserting before the semicolon at the end the following: "or a Federal income tax refund as authorized by section 3720A of title 31, United States Code".

(c) RETENTION RATE.—The proviso of the first sentence of section 16(a) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)) is amended by striking "25 percent during the period beginning October 1, 1990" and all that follows through "section 13(b)(2) which arise" and inserting "35 percent of the value of all funds or allotments recovered or collected pursuant to sections 6(b) and 13(c) and 20 percent of the value of any other funds or allotments recovered or collected, except the value of funds or allotments recovered or collected that arise".

SEC. 845. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW.

Section 14(a) of the Food Stamp Act of 1977 (7 U.S.C. 2023(a)) is amended—

(1) by redesignating the first through seventeenth sentences as paragraphs (1) through (17), respectively; and

(2) by adding at the end the following:

"(18) SUSPENSION OF STORES PENDING REVIEW.—Notwithstanding any other provision of this subsection, any permanent disqualification of a retail food store or wholesale food concern under paragraph (3) or (4) of section 12(b) shall be effective from the date of receipt of the notice of disqualification. If the disqualification is reversed through administrative or judicial review, the Secretary shall not be liable for the value of any sales lost during the disqualification period.".

SEC. 846. EXPANDED CRIMINAL FORFEITURE FOR VIOLATIONS.

(a) FORFEITURE OF ITEMS EXCHANGED IN FOOD STAMP TRAFFICKING.—The first sentence of section 15(g) of the Food Stamp Act of 1977 (7 U.S.C. 2024(g)) is amended by striking "or intended to be furnished".

(b) CRIMINAL FORFEITURE.—Section 15 of the Food Stamp Act of 1977 (7 U.S.C. 2024) is amended by adding at the end the following:

"(h) CRIMINAL FORFEITURE.—

"(1) IN GENERAL.—In imposing a sentence on a person convicted of an offense in violation of subsection (b) or (c), a court shall order, in addition to any other sentence imposed under this section, that the person forfeit to the United States all property described in paragraph (2).

"(2) PROPERTY SUBJECT TO FORFEITURE.—All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation (other than a misdemeanor) of subsection (b) or (c), or proceeds traceable to a violation of subsection (b) or (c), shall be subject to forfeiture to the United States under paragraph (1).

"(3) INTEREST OF OWNER.—No interest in property shall be forfeited under this subsection as the result of any act or omission established by the owner of the interest to have been committed or omitted without the knowledge or consent of the owner.

"(4) PROCEEDS.—The proceeds from any sale of forfeited property and any monies forfeited under this subsection shall be used—

"(A) first, to reimburse the Department of Justice for the costs incurred by the Department to initiate and complete the forfeiture proceeding;

"(B) second, to reimburse the Department of Agriculture Office of Inspector General for any costs the Office incurred in the law enforcement effort resulting in the forfeiture;

"(C) third, to reimburse any Federal or State law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and

"(D) fourth, by the Secretary to carry out the approval, reauthorization, and compliance investigations of retail stores and wholesale food concerns under section 9.".

SEC. 847. LIMITATION ON FEDERAL MATCH.

Section 16(a)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2025(a)(4)) is amended by inserting after the comma at the end the following: "but not including recruitment activities,".

SEC. 848. STANDARDS FOR ADMINISTRATION.

(a) IN GENERAL.—Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025) is amended by striking subsection (b).

(b) CONFORMING AMENDMENTS.—

(1) The first sentence of section 11(g) of the Food Stamp Act of 1977 (7 U.S.C. 2020(g)) is amended by striking "the Secretary's standards for the efficient and effective administration of the program established under section 16(b)(1) or".

(2) Section 16(c)(1)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)(1)(B)) is amended by striking "pursuant to subsection (b)".

SEC. 849. WORK SUPPLEMENTATION OR SUPPORT PROGRAM.

Section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025), as amended by section 848(a), is amended by inserting after subsection (a) the following:

"(b) WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—

"(1) DEFINITION OF WORK SUPPLEMENTATION OR SUPPORT PROGRAM.—In this subsection, the term 'work supplementation or support program' means a program under which, as determined by the Secretary, public assistance (including any benefits provided under a program established by the State and the food stamp program) is provided to an employer to be used for hiring and employing a public assistance recipient who was not employed by the employer at the time the public assistance recipient entered the program.

"(2) PROGRAM.—A State agency may elect to use an amount equal to the allotment that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, for the purpose of subsidizing or supporting a job under a work supplementation or support program established by the State.

"(3) PROCEDURE.—If a State agency makes an election under paragraph (2) and identifies each household that participates in the food stamp program that contains an individual who is participating in the work supplementation or support program—

"(A) the Secretary shall pay to the State agency an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;

"(B) the State agency shall expend the amount received under subparagraph (A) in accordance with the work supplementation or support program in lieu of providing the allotment that the household would receive but for the operation of this subsection;

"(C) for purposes of—

"(i) sections 5 and 8(a), the amount received under this subsection shall be excluded from household income and resources; and

"(ii) section 8(b), the amount received under this subsection shall be considered to be the value of an allotment provided to the household; and

"(D) the household shall not receive an allotment from the State agency for the period during which the member continues to participate in the work supplementation or support program.

"(4) OTHER WORK REQUIREMENTS.—No individual shall be excused, by reason of the fact that a State has a work supplementation or support program, from any work requirement under section 6(d), except during the periods in which the individual is employed under the work supplementation or support program.

"(5) LENGTH OF PARTICIPATION.—A State agency shall provide a description of how the public assistance recipients in the program shall, within a specific period of time, be moved from supplemented or supported employment to employment that is not supplemented or supported.

"(6) DISPLACEMENT.—A work supplementation or support program shall not displace the employment of individuals who are not supplemented or supported.".

SEC. 850. WAIVER AUTHORITY.

Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) in subparagraph (A)—

(A) in the first sentence, by striking "benefits to eligible households, including" and inserting the following: "benefits to eligible households, and may waive any requirement of this Act to the extent necessary for the project to be conducted.

"(B) PROJECT REQUIREMENTS.—

"(i) PROGRAM GOAL.—The Secretary may not conduct a project under subparagraph (A) unless—

"(I) the project is consistent with the goal of the food stamp program of providing food assistance to raise levels of nutrition among low-income individuals; and

"(II) the project includes an evaluation to determine the effects of the project.

"(ii) PERMISSIBLE PROJECTS.—The Secretary may conduct a project under subparagraph (A) to—

"(I) improve program administration;

"(II) increase the self-sufficiency of food stamp recipients;

"(III) test innovative welfare reform strategies; or

"(IV) allow greater conformity with the rules of other programs than would be allowed but for this paragraph.

"(iii) RESTRICTIONS ON PERMISSIBLE PROJECTS.—If the Secretary finds that a project under subparagraph (A) would reduce benefits by more than 20 percent for more than 5 percent of households in the area subject to the project (not including any household whose benefits are reduced due to a failure to comply with work or other conduct requirements), the project—

"(I) may not include more than 15 percent of the State's food stamp households; and

"(II) shall continue for not more than 5 years after the date of implementation, unless the Secretary approves an extension requested by the State agency at any time.

"(iv) IMPERMISSIBLE PROJECTS.—The Secretary may not conduct a project under subparagraph (A) that—

"(I) involves the payment of the value of an allotment in the form of cash, unless the project was approved prior to the date of enactment of this subparagraph;

"(II) has the effect of substantially transferring funds made available under this Act to services or benefits provided primarily through another public assistance program, or using the funds for any purpose other than the purchase of food, program administration, or an employment or training program;

"(III) is inconsistent with—

"(aa) the last 2 sentences of section 3(i);

"(bb) the last sentence of section 5(a), insofar as a waiver denies assistance to an otherwise eligible household or individual if the household or individual has not failed to comply with any work, behavioral, or other conduct requirement under this or another program;

"(cc) section 5(c)(2);

"(dd) paragraph (2)(B), (4)(F)(i), or (4)(K) of section 6(d);

"(ee) section 8(b);

"(ff) section 11(e)(2)(B);

"(gg) the time standard under section 11(e)(3);

"(hh) subsection (a), (c), (g), (h)(2), or (h)(3) of section 16;

"(ii) this paragraph; or

"(jj) subsection (a)(1) or (g)(1) of section 20;

"(IV) modifies the operation of section 5 so as to have the effect of—

"(aa) increasing the shelter deduction to households with no out-of-pocket housing costs or housing costs that consume a low percentage of the household's income; or

"(bb) absolving a State from acting with reasonable promptness on substantial reported changes in income or household size (except that this subclause shall not apply with regard to changes related to food stamp deductions);

"(V) is not limited to a specific time period; or

"(VI) waives a provision of section 26.

"(v) ADDITIONAL INCLUDED PROJECTS.—A pilot or experimental project may include";

(B) by striking "to aid to families with dependent children under part A of title IV of the Social Security Act" and inserting "are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)"; and

(C) by striking "coupons. The Secretary" and all that follows through "Any pilot" and inserting the following: "coupons.

"(vi) CASH PAYMENT PILOT PROJECTS.—Any pilot".

SEC. 851. RESPONSE TO WAIVERS.

Section 17(b)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2026(b)(1)), as amended by section 850, is amended by adding at the end the following:

"(D) RESPONSE TO WAIVERS.—

"(i) RESPONSE.—Not later than 60 days after the date of receiving a request for a waiver under subparagraph (A), the Secretary shall provide a response that—

"(I) approves the waiver request;

"(II) denies the waiver request and describes any modification needed for approval of the waiver request;

"(III) denies the waiver request and describes the grounds for the denial; or

"(IV) requests clarification of the waiver request.

"(ii) FAILURE TO RESPOND.—If the Secretary does not provide a response in accordance with clause (i), the waiver shall be considered approved, unless the approval is specifically prohibited by this Act.

"(iii) NOTICE OF DENIAL.—On denial of a waiver request under clause (i)(III), the Secretary shall provide a copy of the waiver request and a description of the reasons for the denial to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.".

SEC. 852. EMPLOYMENT INITIATIVES PROGRAM.

Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended by striking subsection (d) and inserting the following:

"(d) EMPLOYMENT INITIATIVES PROGRAM.—

"(1) ELECTION TO PARTICIPATE.—

"(A) IN GENERAL.—Subject to the other provisions of this subsection, a State may elect to carry out an employment initiatives program under this subsection.

"(B) REQUIREMENT.—A State shall be eligible to carry out an employment initiatives program under this subsection only if not less than 50 percent of the households in the State that received food stamp benefits during the summer of 1993 also received benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) during the summer of 1993.

"(2) PROCEDURE.—

"(A) IN GENERAL.—A State that has elected to carry out an employment initiatives program under paragraph (1) may use amounts equal to the food stamp allotments that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, to provide cash benefits in lieu of the food stamp allotments to the household if the household is eligible under paragraph (3).

"(B) PAYMENT.—The Secretary shall pay to each State that has elected to carry out an employment initiatives program under paragraph (1) an amount equal to the value of the allotment that each household participating in the program in the State would be eligible to receive under this Act but for the operation of this subsection.

"(C) OTHER PROVISIONS.—For purposes of the food stamp program (other than this subsection)—

"(i) cash assistance under this subsection shall be considered to be an allotment; and

"(ii) each household receiving cash benefits under this subsection shall not receive any other food stamp benefit during the period for which the cash assistance is provided.

"(D) ADDITIONAL PAYMENTS.—Each State that has elected to carry out an employment initiatives program under paragraph (1) shall—

"(i) increase the cash benefits provided to each household participating in the program in the State under this subsection to compensate for any State or local sales tax that may be collected on purchases of food by the household, unless the Secretary determines on the basis of information provided by the State that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and

"(ii) pay the cost of any increase in cash benefits required by clause (i).

"(3) ELIGIBILITY.—A household shall be eligible to receive cash benefits under paragraph (2) if an adult member of the household—

"(A) has worked in unsubsidized employment for not less than the preceding 90 days;

"(B) has earned not less than $350 per month from the employment referred to in subparagraph (A) for not less than the preceding 90 days;

"(C)(i) is receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

"(ii) was receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) at the time the member first received cash benefits under this subsection and is no longer eligible for the State program because of earned income;

"(D) is continuing to earn not less than $350 per month from the employment referred to in subparagraph (A); and

"(E) elects to receive cash benefits in lieu of food stamp benefits under this subsection.

"(4) EVALUATION.—A State that operates a program under this subsection for 2 years shall provide to the Secretary a written evaluation of the impact of cash assistance under this subsection. The State agency, with the concurrence of the Secretary, shall determine the content of the evaluation.".

SEC. 853. REAUTHORIZATION.

The first sentence of section 18(a)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2027(a)(1)) is amended by striking "1991 through 1997" and inserting "1996 through 2002".

SEC. 854. SIMPLIFIED FOOD STAMP PROGRAM.

(a) IN GENERAL.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) is amended by adding at the end the following:

"SEC. 26. SIMPLIFIED FOOD STAMP PROGRAM.

"(a) DEFINITION OF FEDERAL COSTS.—In this section, the term 'Federal costs' does not include any Federal costs incurred under section 17.

"(b) ELECTION.—Subject to subsection (d), a State may elect to carry out a Simplified Food Stamp Program (referred to in this section as a 'Program'), statewide or in a political subdivision of the State, in accordance with this section.

"(c) OPERATION OF PROGRAM.—If a State elects to carry out a Program, within the State or a political subdivision of the State—

"(1) a household in which no members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) may not participate in the Program;

"(2) a household in which all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall automatically be eligible to participate in the Program;

"(3) if approved by the Secretary, a household in which 1 or more members but not all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) may be eligible to participate in the Program; and

"(4) subject to subsection (f), benefits under the Program shall be determined under rules and procedures established by the State under—

"(A) a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

"(B) the food stamp program; or

"(C) a combination of a State program funded under part A of title IV of the Social

Security Act (42 U.S.C. 601 et seq.) and the food stamp program.

"(d) APPROVAL OF PROGRAM.—

"(1) STATE PLAN.—A State agency may not operate a Program unless the Secretary approves a State plan for the operation of the Program under paragraph (2).

"(2) APPROVAL OF PLAN.—The Secretary shall approve any State plan to carry out a Program if the Secretary determines that the plan—

"(A) complies with this section; and

"(B) contains sufficient documentation that the plan will not increase Federal costs for any fiscal year.

"(e) INCREASED FEDERAL COSTS.—

"(1) DETERMINATION.—

"(A) IN GENERAL.—The Secretary shall determine whether a Program being carried out by a State agency is increasing Federal costs under this Act.

"(B) NO EXCLUDED HOUSEHOLDS.—In making a determination under subparagraph (A), the Secretary shall not require the State agency to collect or report any information on households not included in the Program.

"(C) ALTERNATIVE ACCOUNTING PERIODS.—The Secretary may approve the request of a State agency to apply alternative accounting periods to determine if Federal costs do not exceed the Federal costs had the State agency not elected to carry out the Program.

"(2) NOTIFICATION.—If the Secretary determines that the Program has increased Federal costs under this Act for any fiscal year or any portion of any fiscal year, the Secretary shall notify the State not later than 30 days after the Secretary makes the determination under paragraph (1).

"(3) ENFORCEMENT.—

"(A) CORRECTIVE ACTION.—Not later than 90 days after the date of a notification under paragraph (2), the State shall submit a plan for approval by the Secretary for prompt corrective action that is designed to prevent the Program from increasing Federal costs under this Act.

"(B) TERMINATION.—If the State does not submit a plan under subparagraph (A) or carry out a plan approved by the Secretary, the Secretary shall terminate the approval of the State agency operating the Program and the State agency shall be ineligible to operate a future Program.

"(f) RULES AND PROCEDURES.—

"(1) IN GENERAL.—In operating a Program, a State or political subdivision of a State may follow the rules and procedures established by the State or political subdivision under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under the food stamp program.

"(2) STANDARDIZED DEDUCTIONS.—In operating a Program, a State or political subdivision of a State may standardize the deductions provided under section 5(e). In developing the standardized deduction, the State shall consider the work expenses, dependent care costs, and shelter costs of participating households.

"(3) REQUIREMENTS.—In operating a Program, a State or political subdivision shall comply with the requirements of—

"(A) subsections (a) through (g) of section 7;

"(B) section 8(a) (except that the income of a household may be determined under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.));

"(C) subsection (b) and (d) of section 8;

"(D) subsections (a), (c), (d), and (n) of section 11;

"(E) paragraphs (8), (12), (16), (18), (20), (24), and (25) of section 11(e);

"(F) section 11(e)(10) (or a comparable requirement established by the State under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

"(G) section 16.

"(4) LIMITATION ON ELIGIBILITY.—Notwithstanding any other provision of this section, a household may not receive benefits under this section as a result of the eligibility of the household under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), unless the Secretary determines that any household with income above 130 percent of the poverty guidelines is not eligible for the program.".

(b) STATE PLAN PROVISIONS.—Section 11(e) of the Food Stamp Act of 1977 (7 U.S.C. 2020(e)), as amended by sections 819(b) and 835, is amended by adding at the end the following:

"(25) if a State elects to carry out a Simplified Food Stamp Program under section 26, the plans of the State agency for operating the program, including—

"(A) the rules and procedures to be followed by the State agency to determine food stamp benefits;

"(B) how the State agency will address the needs of households that experience high shelter costs in relation to the incomes of the households; and

"(C) a description of the method by which the State agency will carry out a quality control system under section 16(c).".

(c) CONFORMING AMENDMENTS.—

(1) Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017), as amended by section 830, is amended—

(A) by striking subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

(2) Section 17 of the Food Stamp Act of 1977 (7 U.S.C. 2026) is amended—

(A) by striking subsection (i); and

(B) by redesignating subsections (j) through (l) as subsections (i) through (k), respectively.

SEC. 855. STUDY OF THE USE OF FOOD STAMPS TO PURCHASE VITAMINS AND MINERALS.

(a) IN GENERAL.—The Secretary of Agriculture, in consultation with the National Academy of Sciences and the Center for Disease Control and Prevention, shall conduct a study on the use of food stamps provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) to purchase vitamins and minerals.

(b) ANALYSIS.—The study shall include—

(1) an analysis of scientific findings on the efficacy of and need for vitamins and minerals, including—

(A) the adequacy of vitamin and mineral intakes in low-income populations, as shown by research and surveys conducted prior to the study; and

(B) the potential value of nutritional supplements in filling nutrient gaps that may exist in the United States population as a whole or in vulnerable subgroups in the population;

(2) the impact of nutritional improvements (including vitamin or mineral supplementation) on the health status and health care costs of women of childbearing age, pregnant or lactating women, and the elderly;

(3) the cost of commercially available vitamin and mineral supplements;

(4) the purchasing habits of low-income populations with regard to vitamins and minerals;

(5) the impact of using food stamps to purchase vitamins and minerals on the food purchases of low-income households; and

(6) the economic impact on the production of agricultural commodities of using food stamps to purchase vitamins and minerals.

(c) REPORT.—Not later than December 15, 1998, the Secretary shall report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 856. DEFICIT REDUCTION.

It is the sense of the Committee on Agriculture of the House of Representatives that reductions in outlays resulting from this title shall not be taken into account for purposes of section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902).

Subtitle B—Commodity Distribution Programs

SEC. 871. EMERGENCY FOOD ASSISTANCE PROGRAM.

(a) DEFINITIONS.—Section 201A of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended to read as follows:

"SEC. 201A. DEFINITIONS.

"In this Act:

"(1) ADDITIONAL COMMODITIES.—The term 'additional commodities' means commodities made available under section 214 in addition to the commodities made available under sections 202 and 203D.

"(2) AVERAGE MONTHLY NUMBER OF UNEMPLOYED PERSONS.—The term 'average monthly number of unemployed persons' means the average monthly number of unemployed persons in each State during the most recent fiscal year for which information concerning the number of unemployed persons is available, as determined by the Bureau of Labor Statistics of the Department of Labor.

"(3) ELIGIBLE RECIPIENT AGENCY.—The term 'eligible recipient agency' means a public or nonprofit organization that—

"(A) administers—

"(i) an emergency feeding organization;

"(ii) a charitable institution (including a hospital and a retirement home, but excluding a penal institution) to the extent that the institution serves needy persons;

"(iii) a summer camp for children, or a child nutrition program providing food service;

"(iv) a nutrition project operating under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), including a project that operates a congregate nutrition site and a project that provides home-delivered meals; or

"(v) a disaster relief program;

"(B) has been designated by the appropriate State agency, or by the Secretary; and

"(C) has been approved by the Secretary for participation in the program established under this Act.

"(4) EMERGENCY FEEDING ORGANIZATION.—The term 'emergency feeding organization' means a public or nonprofit organization that administers activities and projects (including the activities and projects of a charitable institution, a food bank, a food pantry, a hunger relief center, a soup kitchen, or a similar public or private nonprofit eligible recipient agency) providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons, including low-income and unemployed persons.

"(5) FOOD BANK.—The term 'food bank' means a public or charitable institution that maintains an established operation involving the provision of food or edible commodities, or the products of food or edible commodities, to food pantries, soup kitchens, hunger relief centers, or other food or feeding centers that, as an integral part of their normal activities, provide meals or food to feed needy persons on a regular basis.

"(6) FOOD PANTRY.—The term 'food pantry' means a public or private nonprofit organization that distributes food to low-income and unemployed households, including food from sources other than the Department of Agriculture, to relieve situations of emergency and distress.

"(7) POVERTY LINE.—The term 'poverty line' has the meaning provided in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)).

"(8) SOUP KITCHEN.—The term 'soup kitchen' means a public or charitable institution that, as an integral part of the normal activities of the institution, maintains an established feeding operation to provide food to needy homeless persons on a regular basis.

"(9) TOTAL VALUE OF ADDITIONAL COMMODITIES.—The term 'total value of additional commodities' means the actual cost of all additional commodities that are paid by the Secretary (including the distribution and processing costs incurred by the Secretary).

"(10) VALUE OF ADDITIONAL COMMODITIES ALLOCATED TO EACH STATE.—The term 'value of additional commodities allocated to each State' means the actual cost of additional commodities allocated to each State that are paid by the Secretary (including the distribution and processing costs incurred by the Secretary).".

(b) STATE PLAN.—Section 202A of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended to read as follows:

"SEC. 202A. STATE PLAN.

"(a) IN GENERAL.—To receive commodities under this Act, a State shall submit a plan of operation and administration every 4 years to the Secretary for approval. The plan may be amended at any time, with the approval of the Secretary.

"(b) REQUIREMENTS.—Each plan shall—

"(1) designate the State agency responsible for distributing the commodities received under this Act;

"(2) set forth a plan of operation and administration to expeditiously distribute commodities under this Act;

"(3) set forth the standards of eligibility for recipient agencies; and

"(4) set forth the standards of eligibility for individual or household recipients of commodities, which shall require—

"(A) individuals or households to be comprised of needy persons; and

"(B) individual or household members to be residing in the geographic location served by the distributing agency at the time of applying for assistance.

"(c) STATE ADVISORY BOARD.—The Secretary shall encourage each State receiving commodities under this Act to establish a State advisory board consisting of representatives of all entities in the State, both public and private, interested in the distribution of commodities received under this Act.".

(c) AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE FUNDS.—Section 204(a)(1) of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence, by striking "for State and local" and all that follows through "under this title" and inserting "to pay for the direct and indirect administrative costs of the States related to the processing, transporting, and distributing to eligible recipient agencies of commodities provided by the Secretary under this Act and commodities secured from other sources"; and

(2) by striking the fourth sentence.

(d) DELIVERY OF COMMODITIES.—Section 214 of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) by striking subsections (a) through (e) and (j);

(2) by redesignating subsections (f) through (i) as subsections (a) through (d), respectively;

(3) in subsection (b), as redesignated by paragraph (2)—

(A) in the first sentence, by striking "subsection (f) or subsection (j) if applicable," and inserting "subsection (a),"; and

(B) in the second sentence, by striking "subsection (f)" and inserting "subsection (a)";

(4) by striking subsection (c), as redesignated by paragraph (2), and inserting the following:

"(c) ADMINISTRATION.—

"(1) IN GENERAL.—Commodities made available for each fiscal year under this section shall be delivered at reasonable intervals to States based on the grants calculated under subsection (a), or reallocated under subsection (b), before December 31 of the following fiscal year.

"(2) ENTITLEMENT.—Each State shall be entitled to receive the value of additional commodities determined under subsection (a)."; and

(5) in subsection (d), as redesignated by paragraph (2), by striking "or reduce" and all that follows through "each fiscal year".

(e) TECHNICAL AMENDMENTS.—The Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note) is amended—

(1) in the first sentence of section 203B(a), by striking "203 and 203A of this Act" and inserting "203A";

(2) in section 204(a), by striking "title" each place it appears and inserting "Act";

(3) in the first sentence of section 210(e), by striking "(except as otherwise provided for in section 214(j))"; and

(4) by striking section 212.

(f) REPORT ON EFAP.—Section 1571 of the Food Security Act of 1985 (Public Law 99–198; 7 U.S.C. 612c note) is repealed.

(g) AVAILABILITY OF COMMODITIES UNDER THE FOOD STAMP PROGRAM.—The Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), as amended by section 854(a), is amended by adding at the end the following:

"SEC. 27. AVAILABILITY OF COMMODITIES FOR THE EMERGENCY FOOD ASSISTANCE PROGRAM.

"(a) PURCHASE OF COMMODITIES.—From amounts made available to carry out this Act, for each of fiscal years 1997 through 2002, the Secretary shall purchase $100,000,000 of a variety of nutritious and useful commodities of the types that the Secretary has the authority to acquire through the Commodity Credit Corporation or under section 32 of the Act entitled 'An Act to amend the Agricultural Adjustment Act, and for other purposes', approved August 24, 1935 (7 U.S.C. 612c), and distribute the commodities to States for distribution in accordance with section 214 of the Emergency Food Assistance Act of 1983 (Public Law 98–8; 7 U.S.C. 612c note).

"(b) BASIS FOR COMMODITY PURCHASES.—In purchasing commodities under subsection (a), the Secretary shall, to the extent practicable and appropriate, make purchases based on—

"(1) agricultural market conditions;

"(2) preferences and needs of States and distributing agencies; and

"(3) preferences of recipients.".

(h) EFFECTIVE DATE.—The amendments made by subsection (d) shall become effective on October 1, 1996.

SEC. 872. FOOD BANK DEMONSTRATION PROJECT.

Section 3 of the Charitable Assistance and Food Bank Act of 1987 (Public Law 100–232; 7 U.S.C. 612c note) is repealed.

SEC. 873. HUNGER PREVENTION PROGRAMS.

The Hunger Prevention Act of 1988 (Public Law 100–435; 7 U.S.C. 612c note) is amended—

(1) by striking section 110;

(2) by striking subtitle C of title II; and

(3) by striking section 502.

SEC. 874. REPORT ON ENTITLEMENT COMMODITY PROCESSING.

Section 1773 of the Food, Agriculture, Conservation, and Trade Act of 1990 (Public Law 101–624; 7 U.S.C. 612c note) is amended by striking subsection (f).

Subtitle C—Electronic Benefit Transfer Systems

SEC. 891. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.

Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) by striking "(d) In the event that" and inserting "(d) APPLICABILITY TO SERVICE PROVIDERS OTHER THAN CERTAIN FINANCIAL INSTITUTIONS.—

"(1) IN GENERAL.—If"; and

(2) by adding at the end the following:

"(2) STATE AND LOCAL GOVERNMENT ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

"(A) DEFINITION OF ELECTRONIC BENEFIT TRANSFER SYSTEM.—In this paragraph, the term 'electronic benefit transfer system'—

"(i) means a system under which a government agency distributes needs-tested benefits by establishing accounts that may be accessed by recipients electronically, such as through automated teller machines or point-of-sale terminals; and

"(ii) does not include employment-related payments, including salaries and pension, retirement, or unemployment benefits established by a Federal, State, or local government agency.

"(B) EXEMPTION GENERALLY.—The disclosures, protections, responsibilities, and remedies established under this title, and any regulation prescribed or order issued by the Board in accordance with this title, shall not apply to any electronic benefit transfer system established under State or local law or administered by a State or local government.

"(C) EXCEPTION FOR DIRECT DEPOSIT INTO RECIPIENT'S ACCOUNT.—Subparagraph (B) shall not apply with respect to any electronic funds transfer under an electronic benefit transfer system for a deposit directly into a consumer account held by the recipient of the benefit.

"(D) RULE OF CONSTRUCTION.—No provision of this paragraph—

"(i) affects or alters the protections otherwise applicable with respect to benefits established by any other provision Federal, State, or local law; or

"(ii) otherwise supersedes the application of any State or local law.".

TITLE IX—MISCELLANEOUS

SEC. 901. APPROPRIATION BY STATE LEGISLATURES.

(a) IN GENERAL.—Any funds received by a State under the provisions of law specified in subsection (b) shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under such provisions of law.

(b) PROVISIONS OF LAW.—The provisions of law specified in this subsection are the following:

(1) Part A of title IV of the Social Security Act (relating to block grants for temporary assistance for needy families).

(2) The Child Care and Development Block Grant Act of 1990 (relating to block grants for child care).

SEC. 902. SANCTIONING FOR TESTING POSITIVE FOR CONTROLLED SUBSTANCES.

Notwithstanding any other provision of law, States shall not be prohibited by the Federal Government from testing welfare recipients for use of controlled substances nor from sanctioning welfare recipients who test positive for use of controlled substances.

SEC. 903. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) ELIGIBILITY FOR ASSISTANCE.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 6(l)—

(A) in paragraph (5), by striking "and" at the end;

(B) in paragraph (6), by striking the period at the end and inserting "; and"; and

(C) by inserting immediately after paragraph (6) the following new paragraph:

"(7) provide that it shall be cause for immediate termination of the tenancy of a public housing tenant if such tenant—

"(A) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(2) is violating a condition of probation or parole imposed under Federal or State law."; and

(2) in section 8(d)(1)(B)—

(A) in clause (iii), by striking "and" at the end;

(B) in clause (iv), by striking the period at the end and inserting "; and"; and

(C) by adding after clause (iv) the following new clause:

"(v) it shall be cause for termination of the tenancy of a tenant if such tenant—

"(I) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(II) is violating a condition of probation or parole imposed under Federal or State law;".

(b) PROVISION OF INFORMATION TO LAW ENFORCEMENT AGENCIES.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended by adding at the end the following:

"SEC. 27. EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.

"Notwithstanding any other provision of law, each public housing agency that enters into a contract for assistance under section 6 or 8 of this Act with the Secretary shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of assistance under this Act, if the officer—

"(1) furnishes the public housing agency with the name of the recipient; and

"(2) notifies the agency that—

"(A) such recipient—

"(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

"(ii) is violating a condition of probation or parole imposed under Federal or State law; or

"(iii) has information that is necessary for the officer to conduct the officer's official duties;

"(B) the location or apprehension of the recipient is within such officer's official duties; and

"(C) the request is made in the proper exercise of the officer's official duties.".

SEC. 904. SENSE OF THE SENATE REGARDING THE INABILITY OF THE NONCUSTODIAL PARENT TO PAY CHILD SUPPORT.

It is the sense of the Senate that—

(a) States should diligently continue their efforts to enforce child support payments by the non-custodial parent to the custodial parent, regardless of the employment status or location of the non-custodial parent; and

(b) States are encouraged to pursue pilot programs in which the parents of a non-adult, non-custodial parent who refuses to or is unable to pay child support must—

(1) pay or contribute to the child support owed by the non-custodial parent; or

(2) otherwise fulfill all financial obligations and meet all conditions imposed on the non-custodial parent, such as participation in a work program or other related activity.

SEC. 905. ESTABLISHING NATIONAL GOALS TO PREVENT TEENAGE PREGNANCIES.

(a) IN GENERAL.—Not later than January 1, 1997, the Secretary of Health and Human Services shall establish and implement a strategy for—

(1) preventing out-of-wedlock teenage pregnancies, and

(2) assuring that at least 25 percent of the communities in the United States have teenage pregnancy prevention programs in place.

(b) REPORT.—Not later than June 30, 1998, and annually thereafter, the Secretary shall report to the Congress with respect to the progress that has been made in meeting the goals described in paragraphs (1) and (2) of subsection (a).

SEC. 906. SENSE OF THE SENATE REGARDING ENFORCEMENT OF STATUTORY RAPE LAWS.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that States and local jurisdictions should aggressively enforce statutory rape laws.

(b) JUSTICE DEPARTMENT PROGRAM ON STATUTORY RAPE.—Not later than January 1, 1997, the Attorney General shall establish and implement a program that—

(1) studies the linkage between statutory rape and teenage pregnancy, particularly by predatory older men committing repeat offensives; and

(2) educates State and local criminal law enforcement officials on the prevention and prosecution of statutory rape, focusing in particular on the commission of statutory rape by predatory older men committing repeat offensives, and any links to teenage pregnancy.

(c) VIOLENCE AGAINST WOMEN INITIATIVE.—The Attorney General shall ensure that the Department of Justice's Violence Against Women initiative addresses the issue of statutory rape, particularly the commission of statutory rape by predatory older men committing repeat offensives.

SEC. 907. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS.

Section 904 of the Electronic Fund Transfer Act (15 U.S.C. 1693b) is amended—

(1) by striking "(d) In the event" and inserting "(d) APPLICABILITY TO SERVICE PROVIDERS OTHER THAN CERTAIN FINANCIAL INSTITUTIONS.—

"(1) IN GENERAL.—In the event"; and

(2) by adding at the end the following new paragraph:

"(2) STATE AND LOCAL GOVERNMENT ELECTRONIC BENEFIT TRANSFER PROGRAMS.—

"(A) EXEMPTION GENERALLY.—The disclosures, protections, responsibilities, and remedies established under this title, and any regulation prescribed or order issued by the Board in accordance with this title, shall not apply to any electronic benefit transfer program established under State or local law or administered by a State or local government.

"(B) EXCEPTION FOR DIRECT DEPOSIT INTO RECIPIENT'S ACCOUNT.—Subparagraph (A) shall not apply with respect to any electronic funds transfer under an electronic benefit transfer program for deposits directly into a consumer account held by the recipient of the benefit.

"(C) RULE OF CONSTRUCTION.—No provision of this paragraph may be construed as—

"(i) affecting or altering the protections otherwise applicable with respect to benefits established by Federal, State, or local law; or

"(ii) otherwise superseding the application of any State or local law.

"(D) ELECTRONIC BENEFIT TRANSFER PROGRAM DEFINED.—For purposes of this paragraph, the term 'electronic benefit transfer program'—

"(i) means a program under which a government agency distributes needs-tested benefits by establishing accounts to be accessed by recipients electronically, such as through automated teller machines, or point-of-sale terminals; and

"(ii) does not include employment-related payments, including salaries and pension, retirement, or unemployment benefits established by Federal, State, or local governments.".

SEC. 908. REDUCTION OF BLOCK GRANTS TO STATES FOR SOCIAL SERVICES; USE OF VOUCHERS.

(a) REDUCTION OF GRANTS.—Section 2003(c) of the Social Security Act (42 U.S.C. 1397b(c)) is amended—

(1) by striking "and" at the end of paragraph (4); and

(2) by striking paragraph (5) and inserting the following:

"(5) $2,800,000,000 for each of the fiscal years 1990 through 1995;

"(6) $2,381,000,000 for the fiscal year 1996;

"(7) $2,380,000,000 for each of the fiscal years 1997 through 2002; and

"(8) $2,800,000,000 for the fiscal year 2003 and each succeeding fiscal year.".

(b) AUTHORITY TO USE VOUCHERS.—Section 2002 of such Act (42 U.S.C. 1397a) is amended by adding at the end the following:

"(f) A State may use funds provided under this title to provide vouchers, for services directed at the goals set forth in section 2001, to families, including—

"(1) families who have become ineligible for assistance under a State program funded under part A of title IV by reason of a durational limit on the provision of such assistance; and

"(2) families denied cash assistance under the State program funded under part A of title IV for a child who is born to a member of the family who is—

"(A) a recipient of assistance under the program; or

"(B) a person who received such assistance at any time during the 10-month period ending with the birth of the child.".

SEC. 909. RULES RELATING TO DENIAL OF EARNED INCOME CREDIT ON BASIS OF DISQUALIFIED INCOME.

(a) REDUCTION IN DISQUALIFIED INCOME THRESHOLD.—

(1) IN GENERAL.—Paragraph (1) of section 32(i) of the Internal Revenue Code of 1986 (relating to denial of credit for individuals having excessive investment income) is amended by striking "$2,350" and inserting "$2,200".

(2) ADJUSTMENT FOR INFLATION.—Subsection (j) of section 32 of such Code is amended to read as follows:

"(j) INFLATION ADJUSTMENTS.—

"(1) IN GENERAL.—In the case of any taxable year beginning after 1996, each of the dollar amounts in subsections (b)(2) and (i)(1) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) ROUNDING.—

"(A) IN GENERAL.—If any dollar amount in subsection (b)(2), after being increased under paragraph (1), is not a multiple of $10, such dollar amount shall be rounded to the nearest multiple of $10.

"(B) DISQUALIFIED INCOME THRESHOLD AMOUNT.—If the dollar amount in subsection (i)(1), after being increased under paragraph (1), is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(3) CONFORMING AMENDMENT.—Paragraph (2) of section 32(b) of such Code is amended to read as follows:

"(2) AMOUNTS.—The earned income amount and the phaseout amount shall be determined as follows:

In the case of an eligible individual with:	The earned income amount is:	The phaseout amount is:
1 qualifying child	$6,330	$11,610
2 or more qualifying children	$8,890	$11,610
No qualifying children	$4,220	$ 5,280".

(b) DEFINITION OF DISQUALIFIED INCOME.—Paragraph (2) of section 32(i) of such Code (defining disqualified income) is amended by striking "and" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting a comma, and by adding at the end the following new subparagraphs:

"(D) the capital gain net income (as defined in section 1222) of the taxpayer for such taxable year, and

"(E) the excess (if any) of—

"(i) the aggregate income from all passive activities for the taxable year (determined without regard to any amount included in earned income under subsection (c)(2) or described in a preceding subparagraph), over

"(ii) the aggregate losses from all passive activities for the taxable year (as so determined).

For purposes of subparagraph (E), the term 'passive activity' has the meaning given such term by section 469.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 910. MODIFICATION OF ADJUSTED GROSS INCOME DEFINITION FOR EARNED INCOME CREDIT.

(a) IN GENERAL.—Subsections (a)(2)(B), (c)(1)(C), and (f)(2)(B) of section 32 of the Internal Revenue Code of 1986 are each amended by striking "adjusted gross income" each place it appears and inserting "modified adjusted gross income".

(b) MODIFIED ADJUSTED GROSS INCOME DEFINED.—Section 32(c) of such Code (relating to definitions and special rules) is amended by adding at the end the following new paragraph:

"(5) MODIFIED ADJUSTED GROSS INCOME.—

"(A) IN GENERAL.—The term 'modified adjusted gross income' means adjusted gross income determined without regard to the amounts described in subparagraph (B).

"(B) CERTAIN AMOUNTS DISREGARDED.—An amount is described in this subparagraph if it is—

"(i) the amount of losses from sales or exchanges of capital assets in excess of gains from such sales or exchanges to the extent such amount does not exceed the amount under section 1211(b)(1),

"(ii) the net loss from estates and trusts,

"(iii) the excess (if any) of amounts described in subsection (i)(2)(C)(ii) over the amounts described in subsection (i)(2)(C)(i) (relating to nonbusiness rents and royalties), and

"(iv) 50 percent of the net loss from the carrying on of trades or businesses, computed separately with respect to—

"(I) trades or businesses (other than farming) conducted as sole proprietorships,

"(II) trades or businesses of farming conducted as sole proprietorships, and

"(III) other trades or businesses.

For purposes of clause (iv), there shall not be taken into account items which are attributable to a trade or business which consists of the performance of services by the taxpayer as an employee.".

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1995.

(2) ADVANCE PAYMENT INDIVIDUALS.—In the case of any individual who on or before June 26, 1996, has in effect an earned income eligibility certificate for the individual's taxable year beginning in 1996, the amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 911. FRAUD UNDER MEANS-TESTED WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

(a) IN GENERAL.—If an individual's benefits under a Federal, State, or local law relating to a means-tested welfare or a public assistance program are reduced because of an act of fraud by the individual under the law or program, the individual may not, for the duration of the reduction, receive an increased benefit under any other means-tested welfare or public assistance program for which Federal funds are appropriated as a result of a decrease in the income of the individual (determined under the applicable program) attributable to such reduction.

(b) WELFARE OR PUBLIC ASSISTANCE PROGRAMS FOR WHICH FEDERAL FUNDS ARE APPROPRIATED.—For purposes of subsection (a), the term "means-tested welfare or public assistance program for which Federal funds are appropriated" includes the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), any program of public or assisted housing under title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), and any State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

SEC. 912. ABSTINENCE EDUCATION.

Title V of the Social Security Act (42 U.S.C. 701 et seq.) is amended by adding at the end the following section:

"SEPARATE PROGRAM FOR ABSTINENCE EDUCATION

"SEC. 510. (a) For the purpose described in subsection (b), the Secretary shall, for fiscal year 1998 and each subsequent fiscal year, allot to each State which has transmitted an application for the fiscal year under section 505(a) an amount equal to the product of—

"(1) the amount appropriated in subsection (d) for the fiscal year; and

"(2) the percentage determined for the State under section 502(c)(1)(B)(ii).

"(b)(1) The purpose of an allotment under subsection (a) to a State is to enable the State to provide abstinence education, and at the option of the State, where appropriate, mentoring, counseling, and adult supervision to promote abstinence from sexual activity, with a focus on those groups which are most likely to bear children out-of-wedlock.

"(2) For purposes of this section, the term 'abstinence education' means an educational or motivational program which—

"(A) has as its exclusive purpose, teaching the social, psychological, and health gains to be realized by abstaining from sexual activity;

"(B) teaches abstinence from sexual activity outside marriage as the expected standard for all school age children;

"(C) teaches that abstinence from sexual activity is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other associated health problems;

"(D) teaches that a mutually faithful monogamous relationship in context of marriage is the expected standard of human sexual activity;

"(E) teaches that sexual activity outside of the context of marriage is likely to have harmful psychological and physical effects;

"(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences for the child, the child's parents, and society;

"(G) teaches young people how to reject sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

"(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.

"(c)(1) Sections 503, 507, and 508 apply to allotments under subsection (a) to the same extent and in the same manner as such sections apply to allotments under section 502(c).

"(2) Sections 505 and 506 apply to allotments under subsection (a) to the extent determined by the Secretary to be appropriate.

"(d) For the purpose of allotments under subsection (a), there is appropriated, out of any money in the Treasury not otherwise appropriated, an additional $50,000,000 for each of the fiscal years 1998 through 2002. The appropriation under the preceding sentence for a fiscal year is made on October 1 of the fiscal year.".

SEC. 913. CHANGE IN REFERENCE.

Effective January 1, 1997, the third sentence of section 1902(a) and section 1908(e)(1) of the Social Security Act (42 U.S.C. 1396a(a), 1396g–1(e)(1)) are each amended by striking "The First Church of Christ, Scientist, Boston, Massachusetts" and inserting "The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc." each place it appears.

And the Senate agree to the same.

John R. Kasich,
Bill Archer,
William F. Goodling,
Pat Roberts,
Tom Bliley,
E. Clay Shaw, Jr.,
James Talent,
Jim Nussle,
Tim Hutchinson,
Jim McCrery,
Michael Bilirakis,
Lamar Smith,
Nancy L. Johnson,
Dave Camp,
Gary A. Franks,
"Duke" Cunningham,
Mike Castle,
Bob Goodlatte,
Managers on the Part of the House.

From the Committee on the Budget:
Pete V. Domenici,
D. Nickles,
Phil Gramm,
Jim Exon,

From the Committee on Agriculture, Nutrition, and Forestry:
Richard G. Lugar,
Jesse Helms,
Thad Cochran,
Rick Santorum,

From the Committee on Finance:
William V. Roth, Jr.,
John H. Chafee,
Chuck Grassley,
Orrin Hatch,
Al Simpson,

From the Committee on Labor and Human Resources:
Nancy Landon Kassebaum,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3734) to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

EXPLANATION OF THE CONFERENCE AGREEMENT

Principal Components of the Conference Agreement

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 puts in place the most fundamental reform of welfare since the program's inception. It promotes work over welfare and self-reliance over dependency, thereby showing true compassion for those in America who need a helping hand, not a handout. It takes the historic step of eliminating a Federal entitlement program—Aid to Families with Dependent Children—and replacing it with a block grant that restores the States' fundamental role in assisting needy families. It makes substantial reforms in the Food Stamp Program, cracking down on fraud and abuse and applying tough work standards. It reforms the Supplemental Security Income [SSI] disability program to strengthen eligibility requirements and eliminating incentives for coaching children to misbehave so they can qualify for benefits. It makes sweeping reforms relating to benefits for noncitizens, strengthening the principle that immigrants come to America to work, not to collect welfare benefits.

The legislation does not abandon those Americans who truly need a helping hand. It retains protections for those who experience genuine and intractable hardship. Above all, it recognizes the vulnerability of America's children. It guarantees that they will continue to receive the support they need. Indeed, by discouraging illegitimacy and promoting stable families, this bill vastly improves the prospects of children in welfare families. But for most, welfare should mean temporary assistance for those striving to return to self-sufficiency.

The legislation is the first of three reconciliation bills called for in the reconciliation directives contained in the fiscal year 1997 budget resolution (H. Con. Res. 178). The measure will slow the growth of Federal welfare spending, but still maintain sufficient increases to protect vulnerable populations. According to preliminary estimates, welfare spending would grow from approximately $83 billion this year to about $107 billion in 2002, excluding the effects of Earned Income Credit [EIC] outlays. When EIC outlays are included, the preliminary estimates show welfare spending growing from about $99 billion this year to roughly $128 billion in 2002. The Federal Government still will spend nearly $600 billion on welfare programs not counting the EIC, and nearly $700 billion when the EIC is included. Either way, when compared with Federal spending projections for the current welfare program, this legislation will reduce the Federal budget deficit by about $55 billion to $56 billion over 6 years.

The importance of these budgetary effects is matched by the historic transformation of the welfare program embraced in this legislation. This measure rests on five principles that are the pillars of the welfare reform strategy in the 104th Congress:

Welfare Should Not Be a Way of Life. The legislation assures that welfare will be a helping hand, not a lifetime handout, by imposing a 5-year lifetime limit on benefits (although as many as 20 percent of families may be allowed exceptions for conditions of hardship).

Work, Not Welfare. For the first time ever, able-bodied welfare recipients will be required to work for their benefits. At least one person in every family must be working within 2 years after receiving welfare or lose benefits, and States are required to have at least half of their single-parent welfare recipients working by 2002.

No More Welfare for Noncitizens and Felons. Most welfare (except emergency benefits) ends for most non-citizens during their first 5 years in the United States. Exceptions are made for refugees, persons who have worked and paid taxes in the United States for 10 years, and those who have served in the U.S. military. States will have the option of denying Medicaid eligibility to noncitizens who enter the United States after enactment. The legislation also terminates benefits for fugitive felons fleeing from prosecution or imprisonment or violating parole, and offers financial incentives to local corrections authorities to report persons incarcerated in their jails who are improperly receiving welfare checks.

Power and Flexibility to the States. The best welfare solutions come from those closest to the problems—not from bureaucrats in Washington. The legislation creates broad cash welfare and child care block grants providing maximum flexibility so that States can reform welfare in ways that are appropriate for them, and can move families into jobs.

Encouraging Personal Responsibility to Halt Rising Illegitimacy Rates. As a result of the current welfare system, which discourages two-parent families, today's illegitimacy rate among welfare families is almost 50 percent and is rising. This legislation seeks to reverse the trend by boosting efforts to establish paternity and make fathers pay child support. As an added incentive, States that reduce out-of-wedlock births will receive added cash grants.

This legislation reforms welfare to make it more consistent with fundamental American values—by rewarding work and self-reliance, encouraging personal responsibility, and restoring a sense of hope in the future.

Title I: Block Grant for Temporary Assistance for Needy Families

1. FINDINGS

Present law

No provision.

House bill

Congress finds that marriage is the foundation of a successful society and an essential institution that promotes the interests of children. Promotion of responsible fatherhood and motherhood is integral to successful child-rearing and the well-being of children. It is the sense of Congress that prevention of out-of-wedlock pregnancy and reduction on out-of-wedlock birth are very important government interests and that the policy outlined in the provisions of this title is intended to address the crisis.

Senate amendment

Adds that an effective strategy to combat teenage pregnancy must deal with the issue of male responsibility, including statutory rape culpability and prevention. Finds protection of teenage girls from pregnancy as well as predatory sexual behavior to be very important Government interests.

Conference agreement

The conference agreement follows the Senate amendment.

2. REFERENCE TO THE SOCIAL SECURITY ACT

Present law

No provision

House bill

Unless otherwise specified, any reference in this title to an amendment to or repeal of a section or other provision is to the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. BLOCK GRANT TO STATES; PURPOSE

Present law

Title IV–A of the Social Security Act, which provides grants to States for aid and services to needy families with children (AFDC), is designed to encourage care of dependent children in their own homes by enabling States to provide cash aid and services, maintain and strengthen family life, and help parents attain maximum self-support consistent with maintaining parental care and protection.

House bill

Block grants for temporary assistance for needy families (TANF), which replace Title IV–A of the Social Security Act, are established to increase the flexibility of States in operating a program designed to provide assistance to needy families; end dependence on government benefits by promoting job preparation, work and marriage; prevent and reduce the incidence of out-of-wedlock pregnancies; and encourage the formation and maintenance of two-parent families.

This part shall not be interpreted to entitle any individual or family to assistance under any State program funded under this part.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

4. ELIGIBLE STATES—STATE PLAN REQUIREMENTS

Present law

A State must have an approved State plan for aid and services to needy families containing 43 provisions, ranging from single-agency administration to overpayment recovery rules. State plans explain the aid and services that are offered by the State. Aid is defined as money payments. For most parents without a child under age 3, States must provide education, work, or training under the JOBS program to help needy families with children avoid long-term welfare dependence. Note: work and education requirements of JOBS are subject to two conditions—State resources must permit them and the program must be available in the recipient's political subdivision. To receive Federal funds, States must share in program costs. The Federal share of costs (matching rate) varies among States and is inversely related to the square of State per capita income. For AFDC benefits and child care, the Medicaid matching rate is used. This rate now ranges from 50 percent to 78 percent among States and averages about 55 percent. For JOBS activities, the rate averages 60 percent; for administrative costs, 50 percent. The general JOBS participation rate, which expired September 30, 1995, required 20 percent of employable (nonexempt) adult recipients to participate in education, work, or training under JOBS, in fiscal year 1995. In fiscal year 1996, at least one parent in 60 percent of unemployed-parent families must participate at least 16 hours weekly in an unpaid work experience or other work program. States must restrict disclosure of information to purposes directly connected to administration of the program and to any connected investigation, prosecution, legal proceeding or audit. Each State must offer family planning services to all "appropriate" cases, including minors considered sexually active. State may not require acceptance of these services. Regulations require that States determine need and amount of eligibility on an objective and equitable basis.

House bill

An "eligible State" is a State that, during the 2-year period immediately preceding the fiscal year, has submitted a plan to the Secretary of HHS that the Secretary has found includes a written document describing how the State will:

1. conduct a program, designed to serve all political subdivisions in the State, that provides cash assistance to needy families with (or expecting) children, and that provides parents with work and support services to enable them to become self-sufficient;
2. require a parent or a caretaker receiving assistance to engage in work as defined by the State once the parent or caretaker has received assistance for 24 months (whether or not consecutive) or earlier;
3. ensure that parents and caretakers engage in work activities as described below;
4. take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about recipients of assistance attributable to funds provided by the Federal government.
5. no provision. (See purpose above.)

Further, the document must:

6. indicate whether the State intends to treat families moving into the State differently; and, if so, how.
7. indicate whether it intends to aid noncitizens.
8. set forth objective criteria for delivery of benefits and determinations of eligibility, and for fair and equitable treatment, including an explanation of how it will provide opportunities for adversely affected recipients to be heard in a State administrative or appeal process;
9. no provision;
10. no provision;
11. no provision.

Senate amendment

1. Same.
2. Similar provision.
3. Same.
4. Same.
5. Establish goals and take action to prevent and reduce the incidence of pregnancies outside marriage, and establish numerical goals for reducing the proportion of births out of wedlock for calendar years 1996 through 2005.

Further, the document must:

6. Same.
7. Same.
8. outline how the State intends to determine, on an objective and equitable basis, the needs of and amount of aid to be provided to needy families; and, except as allowed for incoming families and noncitizens (items 6 and 7) to treat families of similar needs and circumstances similarly.
9. outline how it will grant opportunity for a fair hearing to anyone adversely affected or whose application is not acted on promptly.
10. require, not later than 1 year after enactment, a parent or caretaker is not engaged in work or exempt from work requirements and who has received assistance for more than 2 months to participate in community service. States may opt out of this requirement by notifying the Secretary.
11. outline how the State will conduct a program, designed to reach States and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded to include men.

Conference agreement

In general, the conference agreement follows the Senate amendment, except that the Senate recedes on requirements 2, 8, and 9. Requirement 10 is modified to provide that a State may opt out of this requirement by submitting a letter from the Governor to the Secretary.

5. ELIGIBLE STATES—CERTIFICATIONS

Present law

States must have in effect an approved child support program. States must also have an approved plan for foster care and adoption assistance. States must have an income and verification system covering AFDC, Medicaid, unemployment compensation, food stamps, and—in outlying areas—adult cash aid.

House bill

State plans must include the following certifications:

1. that the State will operate a child support enforcement program;
2. that the State will operate a child protection program under Title IV–B (child welfare services and family preservation);
3. specifying which State agency or agencies will administer and supervise the State plan, and assurances that local governments and private sector organizations have been consulted and have had an opportunity to submit comments on the plan; and
4. that the State will provide Indians with equitable access to assistance.
5. no provision.
6. no provision.

Senate amendment

1. Same.
2. that the State will operate a foster care and adoption assistance program under Title IV–E and ensure medical assistance for the children;
3. Same.
4. Same.
5. that the State has established standards to ensure against fraud and abuse.

6. that the State has established and is enforcing standards and procedures to screen for and identify recipients with a history of domestic violence, will refer them to counseling and supportive services, and will waive program requirements that would make it more difficult for these persons to escape violence.

Conference agreement

The conference agreement generally follows the Senate amendment, except that the certification that the State establish and enforce standards and special procedures regarding recipients with a history of domestic violence is made a State option.

6. ELIGIBLE STATES—PUBLIC AVAILABILITY OF STATE PLAN SUMMARY

Present law

Federal regulations require that State program manuals and other policy issuances, which reflect the State plan, be maintained in the State office and in each local and district office for examination on regular workdays.

House bill

The State shall make available to the public a summary of the State plan.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. GRANTS TO STATES—FAMILY ASSISTANCE GRANT

Present law

AFDC entitles States to Federal matching funds. Current law provides permanent authority for appropriations without limit for grants to States for AFDC benefits, administration, and AFDC-related child care. Over the years, because of court rulings, AFDC has evolved into an entitlement for qualified individuals to receive cash benefits. In general, States must give AFDC to all persons whose income and resources are below State-set limits if they are in a class or category eligible under Federal rules.

House bill

Each eligible State and Territory is entitled to receive a grant from the Secretary for each of 6 fiscal years (1996 through 2001) in an amount equal to the State family assistance grant for the fiscal year.

A State's family assistance grant is equal to the highest of former Federal payments to the State for AFDC benefits, AFDC Administration, Emergency Assistance, and JOBS during (1) fiscal years 1992 through 1994, on average; (2) fiscal year 1994 plus, under certain circumstances, 85 percent of increased fiscal year 1995 spending for emergency assistance, or (3) fiscal year 1995.

If a State fails to make qualified State expenditures for eligible families under all State programs equal to at least 75 percent of its fiscal year 1994 spending level (or at least 80 percent, if the State fails to meet its mandatory work requirements) for AFDC benefits, AFDC Administration, Emergency Assistance, JOBS, AFDC-related child care, and at-risk child care, its family assistance grant is reduced by the shortfall (see the discussion of penalties below).

Senate amendment

Same, except raises required State expenditures to 80 percent of fiscal year 1994 level.

Conference agreement

The conference agreement follows the House bill.

8. GRANTS TO STATES—GRANT TO REWARD STATES THAT REDUCE OUT-OF-WEDLOCK BIRTHS

Present law

No provision.

House bill

For each fiscal year beginning with 1998, a State's grant amount is increased by 5 or 10 percent if the State "illegitimacy ratio" is 1 or 2 percentage points, respectively, lower in that year than its 1995 illegitimacy ratio. Only States in which the rate of abortion falls below the 1995 level are eligible for these additional grants.

The term "illegitimacy ratio" means, during a fiscal year, the number of out-of-wedlock births that occurred in the State divided by the number of births. In calculating grants, the Secretary must disregard any difference in illegitimacy ratios or abortion rates attributable to a change in State methods of reporting data.

Senate amendment

Follows the House bill, except that for each of 5 fiscal years (1999 through 2003) the Secretary shall make a grant of up to $20 million for each of the 5 States that demonstrate the greatest decrease in out-of-wedlock births during the most recent 2-year period for which the information is available. If fewer than 5 States are eligible, the amount of such grants shall be $25 million.

Conference agreement

The conference agreement follows the Senate amendment, with the modification that funds are available between 1999 and 2002.

9. GRANTS TO STATES—SUPPLEMENTAL GRANT FOR POPULATION INCREASES AND LOW FEDERAL SPENDING PER POOR PERSON IN CERTAIN STATES

Present Law

There is no adjustment for population growth. Instead, current law provides unlimited matching funds. When AFDC enrollment climbs, Federal funding automatically rises.

House bill

Subject to the eligibility criteria below, each qualifying State (for purposes of this section, the term "State" is limited to the 50 States and the District of Columbia) is entitled to receive from the Secretary supplemental grants to assist in making cash welfare payments for 4 years, fiscal years 1997-2000. For fiscal year 1997 the supplemental grant equals 2.5 percent of Federal payments to the qualifying State during fiscal year 1994 for AFDC benefits, AFDC Administration, Emergency Assistance, JOBS and AFDC-related child care. For fiscal years 1998 through 2000, each qualifying State is entitled to receive an amount equal to the supplemental grant for the immediately preceding year plus, if it continues to meet the eligibility criteria below, an annual increase. States that no longer meet the qualification criteria are entitled to receive the prior year's grant without increase. A State is a qualifying State for a fiscal year if average Federal welfare spending per poor person is less than the national average and State population growth exceeds the average for all States. States must qualify during fiscal year 1997 in order to qualify during later years. Certain States (i.e. those in which Federal welfare spending per poor person for fiscal year 1994 was less than 35 percent of the fiscal year 1994 national average or in which population has increased by more than 10 percent from April 1, 1990 to July 1, 1994) are deemed to qualify for supplemental grants in each year between fiscal year 1997 and 2000. A total of $800 million is appropriated for this purpose. If this sum is insufficient for full supplemental grants for all qualifying States, pro rata reductions will be made. (p. 244)

Senate amendment

Same except for change in years of possible supplemental grants: fiscal years 1998 through 2001 (instead of 1997 through 2000). States must qualify during fiscal year 1998 in order to do so in later years.

Conference agreement

The conference agreement follows the Senate amendment.

10. GRANTS TO STATES—BONUS TO REWARD HIGH PERFORMANCE STATES

Present law

No provision.

House bill

Certain "high performing" States (i.e. those most successful in achieving the purposes of the block grant program) are entitled to receive additional payments of up to five percent of their State family assistance grant. The formula for measuring State performance shall be developed by the Secretary in consultation with the National Governors' Association and the American Public Welfare Association. A total of $0.5 billion is appropriated for high performance bonuses to States during 5 fiscal years, 1999 through 2003, and average annual performance bonuses are to equal $100 million.

Note.—In addition, required maintenance-of-effort spending is to be reduced for States that achieve performance scores above a threshold set by the Secretary.

Senate amendment

Appropriates twice as much money for high performance bonuses—$1 billion—and provides that average annual bonuses are to equal $175 million for fiscal years 1999 through 2002 and $300 million for fiscal year 2003.

Conference agreement

The conference agreement follows the Senate amendment regarding funding (total of $1 billion) and follows the House bill regarding the criteria for awarding bonuses to "high performance" States. The provision allowing certain high performance States to meet a lower maintenance of effort requirement is dropped (see below).

11. GRANTS TO STATES—CONTINGENCY FUND FOR STATE WELFARE PROGRAMS

Present law

No provision. Current law provides unlimited matching funds.

House bill

To assist States (for purposes of this section, the term "State" is limited to the 50 States and the District of Columbia) with increased welfare needs, the House proposal establishes a contingency fund for matching grants and appropriates up to $2 billion over a total of 5 fiscal years (1997 through 2001) for the fund. Eligible States may receive contingency fund payments totaling up to 20 percent of their annual family assistance grant in any single year (in any single month, States cannot receive more than 1/12 of 20 percent of the annual family assistance grant). States are to submit requests for payment of contingency funds, and the Secretary of the Treasury must make payments to eligible States in the order in which requests are received.

States are eligible to receive payments if State unemployment is high (at or above 6.5 percent in the most recent three-month period) and rising relative to previous years (at least 10 percent above the comparable level in either or both of two preceding years). States also are eligible to receive payments if food stamp participation in the State in the most recent three-month period has risen at least 10 percent from the average monthly number of recipients who would have participated in the comparable quarter of fiscal year 1994 or fiscal year 1995, as determined by the Secretary of Agriculture, if amendments made by this proposal to the food stamp program (including optional food stamp block grant provisions) and to eligibility of noncitizens had been in effect throughout fiscal year 1994 and 1995. States must maintain 100 percent of historic State welfare spending (generally, the amount of State funds spent in fiscal year 1994 for AFDC benefits and administration, AFDC-related child care, at-risk child care, Emergency Assistance, and JOBS) during years in which contingency fund payments are made, or repay an amount reflecting the shortfall. States must share in the cost of contingency funds at their fiscal year 1995 Medicaid matching rate. To smooth their transition to recovery, States that have been receiving contingency fund payments will continue to receive payments for one month after they no longer meet the criteria described above.

Senate amendment

Contingency fund of $2 billion covers 4 fiscal years (1998 through 2001) rather than 5. (Because of the Byrd rule, the provision specifying that the CBO baseline is to assume that no grant will be made after 2001 is deleted.)

Conference agreement

The conference agreement follows the House bill, with the modification that, notwithstanding section 257(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985, the baseline shall assume that no grant shall be made under this subsection after fiscal year 2001.

12. GRANTS TO STATES—WORK PROGRAM GRANT

Present law

House bill

To assist States in meeting the work requirements, eligible States may receive funds from a supplemental grant for the operation of work programs. To be eligible, a State's total expenditures for the fiscal year to meet work participation requirements must exceed its total jobs spending for fiscal year 1994, its TANF work programs must be coordinated with job training programs of Title II of the Job Training Partnership Act (JTPA), or its successor, and the State must need the extra funds to meet TANF work requirements or certify that it intends to exceed participation requirements. The Secretary is to issue regulations for equitable distribution of the grants. For these supplemental grants, $3 billion is authorized for fiscal year 1999 (amounts appropriated are authorized to remain available until spent).

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

13. USE OF GRANTS—IN GENERAL

Present law

AFDC and JOBS funds are to be used in conformity with State plans. A State may replace a caretaker relative with a protective payee or a guardian or legal representative.

House bill

Grants may be used in any manner reasonably calculated to accomplish the purposes of this title, including activities now authorized under Titles IV-A and IV-F of the Social Security Act, or to provide low-income households with assistance in meeting home heating and cooling costs.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

14. USE OF GRANTS—LIMITATION ON ADMINISTRATIVE SPENDING

Present law

No provision.

House bill

States may not use more than 15 percent of the family assistance grant for administrative purposes. However, this cap does not apply to spending for information technology and computerization needed to implement the tracking and monitoring required by this title.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

15. USE OF GRANTS—RECIPIENTS MOVING INTO THE STATE FROM ANOTHER STATE

Present law

The Social Security Act forbids the Secretary to approve a plan that denies AFDC eligibility to a child unless he has resided in the State for 1 year. The U.S. Supreme Court has invalidated some State laws that withheld aid from persons who had not resided there for at least 1 year. It has not ruled on the question of paying lower amounts of aid for incoming residents.

House bill

States may impose program rules and benefit levels of the State from which a family moved if the family has lived in the State for fewer than 12 months.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

16. USE OF GRANTS—TRANSFER OF FUNDS

Present law

No provision.

House bill

States may transfer up to 30 percent of funds paid under this section to carry out a State program under Part B (child welfare and family preservation) or Part E (foster care and adoption assistance), the social services block grant, and the child care and development block grant. Of the 30 percent that may be transferred, not more than one-third (that is, not more than 10 percent of the total block grant) may be transferred into the Social Services Block Grant. Amounts transferred to the Social Services Block Grant must be spent on programs and services for children or their families.

Senate amendment

States may transfer up to 30 percent of funds only to the child care and development block grant.

Conference agreement

The conference agreement follows the House bill, except that the provision allowing transfers into the child protection block grant, which was deleted, is dropped. The conference agreement adds the modification that funds transferred into the Title XX Social Services Block Grant must be spent on families with incomes that do not exceed 200 percent of the poverty level (as determined annually by the Federal Office of Management and Budget).

17. USE OF GRANTS—RESERVATION OF FUNDS

Present law

No provision.

House bill

A State may reserve amounts paid to the State for any fiscal year for the purpose of providing assistance under this part. Reserve funds can be used in any fiscal year.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

18. USE OF GRANTS—AUTHORITY TO OPERATE AN EMPLOYMENT PLACEMENT PROGRAM

Present law

Required JOBS services include job development and job placement. The State agency may provide services directly or through arrangements or under contracts with public agencies or private organizations.

House bill

States may use a portion of the family assistance grant to make payments (or provide job placement vouchers) to State-approved agencies that provide employment services to recipients of cash aid.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

19. USE OF GRANTS—IMPLEMENTATION OF ELECTRONIC BENEFIT TRANSFER SYSTEM

Present law

Regulations permit States to receive Federal reimbursement funds (50 percent administrative cost- sharing rate) for operation of electronic benefit systems. To do so, States must receive advance approval from HHS and must comply with automatic data processing rules.

House bill

States are encouraged to implement an electronic benefit transfer (EBT) system for providing assistance under the State program funded under this part, and may use the grant for such purpose. (The food stamp title of the bill exempts any EBT system distributing need-tested benefits established or administered by a State from Federal Reserve Board rules known collectively as "Regulation E." The most important Regulation E provision requires that lost/stolen benefits be restored; individuals with accounts are responsible only for the first $50 of any loss, when reported in a timely fashion.)

Senate amendment

Same (in Miscellaneous chapter).

Conference Agreement

The conference agreement follows the House bill. Conferees also agreed to put comprehensive language on EBT and Regulation E in the food stamps section of this legislation.

20. USE OF GRANTS—INDIVIDUAL DEVELOPMENT ACCOUNTS

Present law

No provision.

House bill

No provision.

Senate amendment

Authorizes a State to use TANF funds to fund individual development accounts established by recipients for specified purposes: postsecondary educational expenses, first-home purchase, business capitalization. Terms include: contributions must be from earned income, withdrawals would be allowed only for the above purposes, and Federal benefit programs must disregard funds in the account in determining eligibility and amount of aid.

Conference agreement

The conference agreement follows the Senate amendment.

21. ADMINISTRATIVE PROVISIONS

Present law

The Secretary pays AFDC funds to the State on a quarterly basis.

House bill

The Secretary shall make each grant payable to a State in quarterly installments. The Secretary is to estimate each State's payment on the basis of a report about expected expenditures from the State and to certify to the Secretary of the Treasury the amount estimated, adjusted if needed for overpayments or underpayments for any past quarter. The Secretary must notify States not later than three months in advance of any quarterly payment that will be reduced to reflect payments made to Indian tribes in the State. Under certain circumstances, overpayments to individuals no longer receiving temporary family assistance will be collected from Federal income tax refunds and repaid to affected States.

Senate amendment

Same, except the provision regarding "Collection of State Overpayments to Families from Federal Tax Refunds" was deleted because of the Byrd rule.

Conference agreement

The conference agreement follows the Senate amendment.

22. FEDERAL LOANS FOR STATE WELFARE PROGRAMS

Present law

No provision. Instead, current law provides unlimited matching funds.

House bill

The proposal establishes a $1.7 billion revolving loan fund from which eligible States may borrow funds to meet the purposes of this title. States that have been penalized for misspending block grant funds as determined by an audit are ineligible for loans. Loans are to mature in 3 years, at the latest, and the cumulative amount of all loans to a State during fiscal years 1997 through 2001 cannot exceed 10 percent of its basic block grant. The interest rate shall equal the current average market yield on outstanding U.S. securities with a comparable remaining maturity length. States face penalties for failing to make timely payments on their loan.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

23. MANDATORY WORK REQUIREMENTS—PARTICIPATION RATE REQUIREMENTS

Present law

The following minimum percentage of nonexempt AFDC families must participate in JOBS:

	Minimum percentage
Fiscal year:	
1995	20
1996 and thereafter (no requirement).	0

The following minimum percentages of two-parent families receiving cash assistance must participate in specified work activities:

	Minimum percentage
Fiscal year:	
1995	50
1996	60
1997	75
1998 (last year)	75
1999 and thereafter (no requirement).	0

House bill

The following minimum percentages of all families receiving assistance funded by the family assistance grant (except those with a child under 1, if exempted by the State) must participate in work activities:

	Minimum percentage
Fiscal year:	
1997	25
1998	30
1999	35
2000	40
2001	45
2002 or thereafter 50	

The following minimum percentages of two-parent families receiving cash assistance must participate in specified work activities:

	Minimum percentage
Fiscal year:	
1996	50
1997	75
1998	75
1999 and thereafter 90.	

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

24. MANDATORY WORK REQUIREMENTS—CALCULATION OF PARTICIPATION RATES

Present law

Participation rates for all families are calculated for each month. A State's rate, expressed as a percentage, equals the number of actual JOBS participants divided by the number of AFDC recipients required to participate (nonexempt from JOBS). In calculating a State's overall JOBS participation rate, a standard of 20 hours per week is used. The welfare agency is to count as participants the largest number of persons whose combined and averaged hours in JOBS activities during the month equal 20 per week.

Participation rates for two-parent families for a month equal the number of parents who participate divided by the number of principal earners in AFDC-UP families (but excluding families who received aid for two months or less, if one parent engaged in intensive job search).

House bill

1. The participation rate (for all families and for two-parent families) for a State for the fiscal year is the average of the participation rates for each month in the fiscal year. The monthly participation rate for a State is a percentage obtained by dividing the number of families receiving assistance that include an adult who is engaged in work by the number of families receiving assistance (not counting those subject to a recent sanction for refusal to work).

2. The required participation rate for a year is to be adjusted down one percentage point for each percentage point that the average monthly caseload is below fiscal year 1995 levels, unless the Secretary finds that the decrease was required by Federal law or results from changes in State eligibility criteria (which must be proved by the Secretary). The Secretary is to prescribe regulations for this adjustment.

3. States have the option of counting individuals receiving assistance under a tribal family assistance plan towards the State work participation requirement.

4. States have the option of not requiring single parents of children under age one to engage in work and may disregard these parents in determining work participation rates.

Senate amendment

1. Same.
2. Same.
3. Same.
4. Allows a parent to receive this exemption only for a total of 12 months, whether or not consecutive.

Conference agreement

The conference agreement follows the Senate amendment, with a modification. For item 1, the conference agreement includes minor heads of households along with adults in the calculation of State work participation rates (in both the numerator and denominator of the calculation).

25. MANDATORY WORK REQUIREMENTS—OPTIONAL INDIVIDUAL RESPONSIBILITY PLAN

Present law

States must make an initial assessment of the educational, child care, and other supportive service needs, and of the skills and employability of each JOBS participant. In consultation with the participant, the agency shall develop an employability plan for the participant, which shall not be considered a contract. After these steps, the State agency may require the participant to negotiate and enter into an agreement that specifies matters such as the participant's obligations, duration of participation, and services to be provided.

House bill

States are required to make an initial assessment of the skills, work experience, and employability of each recipient of assisting under the block grant who is over age 17 or has not completed high school or the equivalent, and is not attending secondary school. States may develop individual responsibility plans setting forth employment goals, obligations of the individual, and services the State will provide. In addition to other penalties that may apply, States may reduce assistance to families that include an individual who fails to comply with the terms of such plans.

Senate amendment

Requires States to require TANF recipient families to enter into a personal responsibility agreement, as developed by the State. The agreement means a binding contract. It is to include a negotiated individual time limit for benefit eligibility, outline steps the family and State will take to move the family to self-sufficiency, provide for sanctions if the individual fails to sign the agreement or comply with its terms and shall be invalid if the State fails to comply with its terms.

Conference agreement

The conference agreement follows the House bill.

26. MANDATORY WORK REQUIREMENTS—ENGAGED IN WORK

Present law

Not relevant. (As discussed below, required activities in State JOBS programs are education, jobs skills training, job readiness, job development and job placement and two of these four: job search, on-the-job training, work supplementation, and community work experience, or other approved work experience. In general, to be counted as a JOBS participant, a person must be engaged in a JOBS activity for an average of 20 hours weekly.)

House bill

To be counted as engaged in work for a month, a recipient must be participating for at least the minimum average number of hours per week shown in the table below in one or more of these activities: unsubsidized employment, subsidized (private or public) employment, work experience, on-the-job training, job search and job readiness assistance, community service programs, or vocational educational training (12 months maximum).

	Minimum average weekly hours
Fiscal year:	
1996	20
1997	20
1998	20
1999	25
2000	30

Exceptions to the above table: (1) to be considered engaged in work, an adult in a two-parent family must make progress in work activities at least 35 hours per week, with not fewer than 30 hours attributable to the work activities cited above; (2) an individual in job search may be counted as engaged in work for up to 8 weeks, no more than 4 of which may be consecutive; (3) a State may count a single parent with a child under age 11 as engaged in work for a month if the parent works an average of 20 hours weekly in all years (the hourly minimum does not rise for these parents); (4) not more than 20 percent of adults in all families and in two-parent families determined to be engaged in work in the State for a month may meet the work requirement through participation in vocational educational training; (5) teen parents (under age 20) who head their households are considered to be engaged in work if they maintain satisfactory attendance at secondary school or participate in work-related education for at least the minimum average number of hours in the table; and (6) no provision.

Senate amendment

Changes list of work activities by substituting "educational training (not to exceed 24 months with respect to any individual)" for "vocational educational training (not to exceed 12 months with respect to any individual)." (Also, as the table below shows, required weekly hours of work rise to 35 in fiscal year 2002 and thereafter.)

	Minimum average weekly hours
Fiscal year:	
1996	20
1997	20
1998	20
1999	25
2000	30
2001	30
2002 and thereafter	35

Exceptions to the above table: (1) an adult in a two-parent family is considered engaged in work if he/she works at least 35 hours weekly, with at least 30 hours attributable to one of the activities cited above, and, if the family receives federally-funded child care, the second parent makes satisfactory progress for at least 20 hours weekly in employment, work experience, on-the-job training, or community service; (2) an individual in job search may be counted as engaged in work for only 4 weeks (12 weeks if the State unemployment rate exceeds the national average); (3) same as House provision; (4) not more than 30 percent of adults in all families and in 2-parent families may meet the work activity requirement through participation in vocational educational training (note: bill language refers to vocational educational training, although references elsewhere are to educational training—see above); (5) teen parents (under age 20) who head their households are considered to be engaged in work if they maintain satisfactory attendance at secondary school or the equivalent during the month or participate in education directly related to employment for at least the minimum average number of hours per week in the table; and (6) a person participating in a community service program may be treated as being engaged in work if she provides child care services to another participant in the community service program for the period of time each week determined by the State.

Conference agreement

The conference agreement follows the house bill and the Senate amendment as follows:

First, the conference agreement follows the House bill regarding vocational educational training as a work activity which is creditable for up to 12 months.

Second, the conference agreement follows the House bill regarding the minimum average weekly hours of work required.

Finally, regarding exceptions to the work hour requirements, the conference agreement: (1) follows the Senate amendment on hours of work for adults in a 2-parent family, with the modification exempting the second parent, if such parent is disabled or caring for a severely disabled child; (2) follows the Senate amendment regarding job search, with the modification that a total of 6 weeks is allowed, of which not more than 4 may be consecutive (and, in the case of States in which the unemployment rate is at least 50 percent above the national average, a total of 12 weeks is allowed); in addition an individual may count a partial week of job search as a full week of work limited to one occasion; (3) follows the House bill in permitting States to count certain single parents as engaged in work if the parent works for 20 hours per week, with the modification that the parent's child must be under age 6 (however, the conference agreement follows the Senate amendment regarding the requirement that States may not disregard such an adult in calculating their work rates); (4) follows the House bill regarding the limitation on the number of parents countable if in vocational education; (5) follows the Senate amendment on teen parents and education, with the modification that teen parents meeting the work requirement in this way are counted towards the 20 percent limitation on vocational education (see above); and (6) follows the Senate amendment on persons providing child care, with the clarification that such hours spent providing child care count towards fulfillment of the hours of work required.

27. MANDATORY WORK REQUIREMENTS—WORK ACTIVITIES DEFINED

Present law

JOBS programs must include specified educational activities (high school or equivalent education, basic and remedial education, and education for those with limited English proficiency); job skills training, job readiness activities, and job development and placement. In addition, States must offer at least two of these four items: group and individual job search; on-the-job training; work supplementation or community work experience program (or another work experience program approved by the HHS Secretary). The State also may offer postsecondary education in "appropriate" cases.

House bill

"Work activities" are defined as unsubsidized employment, subsidized private sector employment, subsidized public sector employment, work experience if sufficient private sector employment is not available, on-the-job training, job search and job readiness assistance, community service programs, vocational educational training (1 year maximum), jobs skills training directly related to employment, education directly related to employment in the case of a recipient who lacks a high school diploma or equivalency, and satisfactory attendance at secondary school for a recipient who has not completed high school.

Senate amendment

Same as House provision except for last two items in list of "work activities." These activities (work-related education and secondary school attendance) are creditable as "work" only for persons under age 20.

Conference agreement

The conference agreement follows the House bill, with the modification to include the provision of child care services to an individual who is participating in a community service program.

28. MANDATORY WORK REQUIREMENTS—PENALTIES AGAINST INDIVIDUALS

Present law

For failure to meet JOBS requirements without good cause, AFDC benefits are denied to the offending parent and payments for the children are made to a third party. In a two-parent family, failure of one parent to meet JOBS requirements without good cause results in denial of benefits for both parents (unless the other parent participates) and third-party payment on behalf of the children. Repeated failures to comply bring potentially longer penalty periods.

House bill

If an adult recipient refuses to engage in required work, the State shall reduce the amount of assistance to the family pro rata (or more, at State option) with respect to the period of work refusal, or shall discontinue aid, subject to good cause and other exceptions that the State may establish. In addition, if block grant recipients fail to meet any of the work requirements, States may terminate their coverage under the Medicaid program. A State may not penalize a single parent caring for a child under age eleven for refusal to work if the parent proves a demonstrated inability to obtain needed child care for specified reasons.

Senate amendment

Same as House provision except that Senate does not provide that States may end Medicaid for block grant recipients who fail to meet any of the work requirements in the act.

Conference agreement

The conference agreement follows the House bill with the modification that, if benefits are terminated under the work requirements of section 407 of this part, States may end Medicaid eligibility for adults made ineligible, but not children in the family. In addition, modifies the House bill and Senate amendment so that States may not penalize a single parent caring for a child under age 6 for refusal to work if the parent proves a demonstrated inability to obtain needed child care for specified reasons.

29. MANDATORY WORK REQUIREMENTS—NONDISPLACEMENT IN WORK ACTIVITIES

Present law

Under JOBS law, no work assignment may displace any currently employed worker or position (including partial displacement such as a reduction in hours of non-overtime work, wages, or employment benefits). Nor may a JOBS participant fill a position vacant because of layoff or because the employer has reduced the workforce with the effect of creating a position to be subsidized.

House bill

In general, an adult in a family receiving IV-A assistance may fill a work vacancy. However, no adult in a Title IV-A work activity shall be employed or assigned when another person is on layoff from the same or a substantially equivalent job, or when the employer has terminated the employment of a regular worker or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy thus created with a subsidized worker. This provision does not preempt or supersede any State or local law providing greater protection from displacement.

Senate amendment

In general, an adult in a family receiving IV-A assistance may fill a work vacancy. However, no IV-A work assignment may displace a currently employed worker (including any partial displacement such as a reduction in hours of overtime work, wages, or employment benefits), impair an existing contract or collective bargaining agreement, or result in ending a regular worker's employment. States must establish and maintain a grievance procedure, including hearing opportunity, for resolving complaints and providing remedies for violations. This section does not preempt or supersede any State or local law providing greater protection from displacement.

Conference agreement

The conference agreement follows the House bill, with the modification to include a requirement that States establish a grievance procedure for workers adversely affected pursuant to this section.

30. MANDATORY WORK REQUIREMENTS—SENSE OF THE CONGRESS THAT STATE SHOULD PLACE A PRIORITY ON PLACING CERTAIN PARENTS IN WORK

Present law

As a condition of receiving full matching funds, a State must use 55 percent of its JOBS spending for these target groups: persons who have received aid for any 36 of the 60 preceding months, parents under age 24 who failed to complete high school, and parents whose youngest child is within 2 years of becoming ineligible for aid (i.e., whose youngest child is, usually, at least 16).

House bill

It is the sense of Congress that States should give highest priority to requiring adults in two-parent families and adults in single-parent families with children that are older than preschool age to engage in work activities.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

31. MANDATORY WORK REQUIREMENTS—SENSE OF THE CONGRESS THAT STATES SHOULD IMPOSE CERTAIN REQUIREMENTS ON NONCUSTODIAL, NONSUPPORTING MINOR PARENTS

Present law

No provision.

House bill

It is the sense of the Congress that States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

32. MANDATORY WORK REQUIREMENTS—REVIEW OF IMPLEMENTATION OF STATE WORK PROGRAMS

Present law

No provision.

House bill

During fiscal year 1999, the Committees on Ways and Means and Finance must hold hearings to review the implementation by States of the mandatory work requirements, and may introduce legislation to remedy any problems found.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

33. PROHIBITIONS; REQUIREMENTS—FAMILIES WITH NO MINOR CHILDREN

Present law

Only families with dependent children (under age 18, or 19 at State option if the child is still in secondary school or in the equivalent level of vocational or technical training) can participate in the program.

House bill

Only families with a minor child (who resides with a custodial parent or other adult caretaker relative of the child) or a pregnant individual may receive assistance under this part.

Senate amendment

Adds prohibition against assistance to a family in which an adult already has received 60 months of assistance attributable to Federal funds. See also item 41.

Conference agreement

The conference agreement follows the House bill and the Senate amendment. Conferees note that the 5-year time limit on benefits applies only to benefits provided using Temporary Assistance for Needy Families (TANF) Block Grant funds. Other Federal funds, such as Title XX Social Services Block Grants and support through the expanded Child Care and Development Block Grant, are not restricted for families that have already received 5 years of TANF support.

34. PROHIBITIONS; REQUIREMENTS—NO ADDITIONAL CASH ASSISTANCE FOR CHILDREN BORN TO FAMILIES RECEIVING ASSISTANCE

Present law

No provision.

House bill

1. Block grant funds may not be used to provide cash benefits for a child born to a recipient of cash welfare benefits or an individual who received cash benefits at any time during the 10-month period ending with the birth of the child. This prohibition does not apply to children born as a result of rape or incest. Block grant funds can be used to provide noncash (voucher) assistance for particular goods and services suitable for the care of the child.

2. States that pass a law specifically exempting their own programs from this national rule may use Federal funds to increase cash benefits for families that have additional children while on welfare.

3. If a State has a family cap policy under a section 1115 waiver on the date of enactment, it may continue terms of those family caps.

Senate amendment

1. Same family cap provision except that Senate amendment does not explicitly provide for use of block grant funds to give voucher assistance for care of the excluded child. (This provision was deleted because of the Byrd rule.)

2. Same.

3. Same provision, but adds permission for States to continue terms of family caps resulting from State law passed within 2 years of enactment.

Conference agreement

This provision was deleted due to the Byrd rule.

35. PROHIBITIONS; REQUIREMENTS—NONCOOPERATION IN CHILD SUPPORT

Present law

As a condition of eligibility, applicants or recipients must cooperate in establishing paternity of a child born out-of-wedlock, in obtaining support payments, and in identifying any third party who may be liable to pay for medical care and services for the child.

House bill

The State must stop paying the parent's share of the family welfare benefit if the parent fails to cooperate in establishing paternity, or in establishing, modifying or enforcing a child support order, and the individual does not qualify for a good cause or other exception; the State may deny benefits to the entire family for the parent's failure to cooperate.

Senate amendment

If a parent fails to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order, and the individual does not qualify for a good cause or other exception, the State shall reduce the family's benefit by at least 25 percent. It may reduce the benefit to zero.

Conference agreement

The conference agreement follows the Senate amendment.

36. PROHIBITIONS; REQUIREMENTS—FAILURE TO ASSIGN CERTAIN SUPPORT RIGHTS TO THE STATE

Present law

As a condition of AFDC eligibility, applicants must assign child support and spousal support rights to the State.

House bill

Block grant funds may not be used to provide cash benefits to a family with an adult who has not assigned to the State rights to child support or spousal support.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

37. PROHIBITIONS; REQUIREMENTS—SCHOOL ATTENDANCE REQUIRED FOR ADULTS WITHOUT A DIPLOMA

Present law

No provision.

House bill

No provision.

Senate amendment

Prohibits any TANF-funded assistance to the family of an adult older than 20 but younger than 51 who has received IV-A aid or food stamps if the person does not have, or is not working toward, a secondary school diploma or its equivalent. An exception is made for a person determined to lack the capacity to successfully complete the course of study.

Conference agreement

The conference agreement follows the Senate amendment.

38. PROHIBITIONS; REQUIREMENTS—SCHOOL ATTENDANCE REQUIRED FOR MINOR CHILDREN

Present law

No provision.

House bill

No provision.

Senate amendment

Prohibits any TANF-funded aid to a family that includes an adult who has received IV-A benefits or food stamps unless the adult ensures that the family's minor dependent children attend school as required by the law of their State.

Provides that a State shall not be prohibited from sanctioning a family with an adult who fails to meet this requirement.

Conference agreement

The conference agreement follows the Senate amendment.

39. PROHIBITIONS; REQUIREMENTS—UNWED MINOR PARENT NOT ATTENDING HIGH SCHOOL OR NOT LIVING WITH AN ADULT

Present law

States may require unwed parents under age 18 to live with an adult in order to receive AFDC. They must require a custodial parent who is under 20 years old and who has not completed high school to participate in an educational activity under the JOBS program.

House bill

States have the option of using Federal funds to provide cash welfare payments to unmarried minors only under specified conditions. States may not use Federal family assistance grant funds to provide assistance to unwed parents under age 18 who have a child at least 12 weeks of age and did not complete high school unless they attend high school or an alternative educational or training program. States may not use Federal funds to provide assistance to unmarried parents under age 18 unless they live with a parent or in another adult-supervised setting; States may, under certain circumstances, use Federal funds to assist teen parents in locating and providing payment for a second chance home or other adult-supervised living arrangement.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

40. PROHIBITIONS; REQUIREMENTS—MEDICAL SERVICES

Present law

States must assure that family planning services are offered to all AFDC recipients who request them. (The Secretary is to reduce AFDC payments by 1 percent for failure to offer and provide family planning services to those requesting them.)

House bill

Federal family assistance grants may not be used to provide medical services; Federal funds may, however, be used to provide prepregnancy family planning services.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

41. PROHIBITIONS; REQUIREMENTS—TIME-LIMITED BENEFITS

Present law

No provision.

House bill

Federal family assistance grants may not be used to provide assistance for the family of a person who has received block grant aid for 60 months (or fewer, at State option), whether or not consecutive. States may give hardship exemptions in a fiscal year to up to 20 percent of their average monthly caseload, including individuals who have been battered or subjected to sexual abuse (but States are not required to exempt these persons). When considering an individual's length of stay on welfare, States are to count only time during which the individual received assistance as the head of household or as the spouse of the household head. Any State funds spent to aid persons no longer eligible for TANF after 5 years of benefits may be counted toward the maintenance-of-effort requirement.

This part shall not be interpreted to prohibit a State from using State funds not originating with the Federal government to aid families that lose eligibility for the block grant program because of the 5-year time limit.

Senate amendment

Same, except adds an exemption from the time limit for persons who live on a reservation of an Indian tribe with a population of at least 1,000 persons and with at least 50 percent of the adult population not employed.

Conference agreement

The conference agreement follows the House bill and the Senate amendment on the time limit policy, and includes the Senate provision on exceptions for certain Indian populations and the House provision specifying States' authority to use State and local funds to provide support, including cash assistance, after 5 years. (For a description of other Federal funds that may be provided such families, see the conference agreement description of item 33 above.)

42. PROHIBITIONS; REQUIREMENTS—FRAUDULENT MISREPRESENTATION OF RESIDENCE IN TWO STATES

Present law

No provision.

House bill

Any person convicted in Federal court or State court of having fraudulently misrepresented residence in order to obtain benefits or services in two or more States from the family assistance grant, Medicaid, Food Stamps, or Supplemental Security Income programs is ineligible for family assistance grant aid for 10 years.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

43. PROHIBITIONS; REQUIREMENTS—FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS

Present law

States may provide a recipient's address to a State or local law enforcement officer who furnishes the recipient's name and social security number and demonstrates that the recipient is a fugitive felon and that the officer's official duties include locating or apprehending the felon.

House bill

No assistance may be provided to an individual who is fleeing to avoid prosecution, custody or confinement after conviction for a crime (or an attempt to commit a crime) that is a felony (or, in New Jersey, a high misdemeanor), or who violates probation or parole imposed under Federal or State law.

Any safeguards established by the State against use or disclosure of information about individual recipients shall not prevent the agency, under certain conditions, from providing the address of a recipient to a law enforcement officer who is pursuing a fugitive felon or parole or probation violator. This provision applies also to a recipient sought by an officer not because he is a fugitive but because he has information that the officer says is necessary for his official duties. In both cases the officer must notify the State that location or apprehension of the recipient is within his official duties.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

44. PROHIBITIONS; REQUIREMENTS—MINOR CHILDREN ABSENT FROM HOME FOR A SIGNIFICANT PERIOD

Present law

Regulations allow benefits to continue for children who are "temporarily absent" from home.

House bill

No assistance may be provided for a minor child who has been absent from the home for 45 consecutive days or, at State option, between 30 and 180 consecutive days. States may establish a good cause exemption as long as it is detailed in the State report to the Secretary. No assistance can be given to a parent or caretaker who fails to report a missing minor child within five days of the time when it is clear (to the parent) that the child will be absent for the specified time.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

45. PROHIBITIONS; REQUIREMENTS—MEDICAL ASSISTANCE REQUIRED TO BE PROVIDED FOR FAMILIES BECOMING INELIGIBLE FOR ASSISTANCE DUE TO INCREASED EARNINGS OR COLLECTION OF CHILD SUPPORT

Present law

States must continue Medicaid (or pay premiums for employer-provided health insurance) for 6 months to a family that loses

AFDC eligibility because of hours of, or income from, work of the caretaker relative, or because of loss of the earned income disregard after 4 months of work. States must offer an additional 6 months of medical assistance, for which it may require a premium payment if the family's income after child care expenses is above the poverty guideline. For extended medical aid, families must submit specified reports. States must continue Medicaid for 4 months to those who lose AFDC because of increased child or spousal support.

House bill

States must provide medical assistance for 1 year to families that become ineligible for block grant assistance because of increased earnings, provided they received cash block grant assistance in at least 3 of the 6 months before the month in which they became ineligible and their income is below the poverty line. For purposes of determining family income to compare with the Federal poverty line, States have the authority to set their own definition of income except that income from the Earned Income Tax Credit must be disregarded. States also must provide medical assistance for 4 months to families that leave welfare (after being enrolled for at least 3 of the previous 6 months) because of increased income from child support or spousal support.

Senate amendment

Same as current law.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with the modification that income restrictions conform to current law. Transitional Medicaid coverage is extended through the life of the block grant.

46. PROHIBITIONS; REQUIREMENTS—MEDICAID

Present law

States must provide Medicaid to all AFDC recipients and to some AFDC-related groups who do not receive cash aid. Examples include persons who do not receive a monthly payment because the amount would be below $10 (Federal law prohibits payments this small) and persons whose payments are reduced to zero in order to recover previous overpayments.

States must continue Medicaid for specified periods for certain families who lose AFDC benefits. If the family loses AFDC benefits because of increased earnings or hours of employment, Medicaid coverage must be extended for 12 months. (During the second 6 months a premium may be imposed, the scope of benefits may be limited, or alternate delivery systems may be used.) If the family loses AFDC because of increased child or spousal support, coverage must be extended for 4 months. States are also required to furnish Medicaid to certain two-parent families whose principal earner is unemployed and who are not receiving cash assistance because the State has set a time limit on their AFDC coverage.

House bill

States must provide medical assistance to persons who would be eligible for AFDC cash benefits (under terms of July 16, 1996) if that program still were in effect.

A State may increase the AFDC income standard above that of July 16, 1996 by the percentage increase in the consumer price index for all urban consumers over the same period.

Senate amendment

States must provide medical assistance to persons who would be eligible for AFDC (under terms of July 1, 1996) as if that program were still in effect. Simplifies standards to make it easier for States to administer. States would have the option to: (1) lower their income standard, but not below those in effect on May 1, 1988; and (2) use income and resource standards and methodologies that are less restrictive than those in effect on July 1, 1996.

In order to provide States additional flexibility, States may use 1 application form and may administer the program through either its title IV agency or its title XIX agency.

Families would receive transitional Medicaid benefits as under current law.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with the modification that States must retain the income and resource standards they had for AFDC eligibility on July 16, 1996. States may terminate Medicaid eligibility for an adult who is terminated from TANF because of failure to work. Conferees are concerned that the conference agreement may require States to maintain a dual-eligibility determination system. Conferees, however, lacked adequate information to determine the true nature and extent of this problem. Thus, conferees recommend that the Committees on Ways and Means, Commerce, and Finance conduct hearings in the next Congress to carefully examine this problem. If the committees determine that the dual-eligibility system does in fact impose additional administrative costs on the States, Congress should consider Federal-State cost-sharing schemes and other legislative solutions. In the meantime, conferees are establishing a fund of $.5 billion in entitlement spending that will be distributed among States that experience additional administrative expenses directly attributable to conducting a dual-eligibility system.

47. PROHIBITIONS; REQUIREMENTS—STATE DISREGARD OF INCOME SECURITY PAYMENTS

Present law

AFDC benefits may not be paid to a recipient of old-age assistance (predecessor to Supplemental Security Income (SSI) and now available only in Puerto Rico, Guam, and the U.S. Virgin Islands), SSI, or AFDC foster care payments.

House bill

This provision allows States to disregard payments from old age and survivors' insurance (social security), disability insurance, old-age assistance, foster care, and Supplemental Security Income in determining the amount of block grant cash assistance to be provided to a family.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

48. PROHIBITIONS; REQUIREMENTS—NONDISCRIMINATION

Present law

No explicit provision in current AFDC/JOBS law.

House bill

No provision.

Senate amendment

States that have any program or activity that receives block grant funds for Temporary Assistance for Needy Families shall be subject to enforcement authorized under the Age Discrimination Act of 1975, the Rehabilitation Act of 1973 (sec. 504), and the Civil Rights Act of 1964 (Title VI).

Conference agreement

The conference agreement follows the Senate amendment.

49. PROHIBITIONS; REQUIREMENTS—DENIAL OF BENEFITS FOR CERTAIN DRUG-RELATED CONVICTIONS

Present law

No explicit provision.

House bill

No provision.

Senate amendment

An individual convicted under Federal or State law of any crime related to illegal possession, use, or distribution of a drug is ineligible for any Federal means-tested benefit (for 5 years for a misdemeanor and for life for a felony). Family members or dependents of the individual are exempted, and individuals made ineligible would continue to be eligible for emergency benefits, including emergency medical services.

Conference agreement

The conference agreement follows the Senate amendment, with the modification that only TANF block grant benefits and food stamps are denied and that the denial is only for a felony offense.

50. PENALTIES—USE OF GRANT IN VIOLATION OF THIS PART

Present law

If the Secretary finds that a State has failed to comply with the State plan, she is to withhold all payments from the State (or limit payments to categories not affected by noncompliance).

House bill

Note.—Before imposing any of the penalties below, the Secretary shall notify the State of the violation and allow the State to enter into a corrective action plan (item 60). Also, except for items 51 and 52, the Secretary may not impose a penalty if she finds that the State has reasonable cause for its failure to comply.

If an audit finds that a State has used Federal funds in violation of the purposes of this title, the Secretary shall reduce the following quarter's payment by the amount misused. If the State cannot prove that the misuse was unintentional, the State's following quarter payment will be reduced by an additional five percent.

Senate amendment

Same. See also item 57, Failure to Comply with Provisions of IV–A or State Plan.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

51. PENALTIES—FAILURE TO SUBMIT REQUIRED REPORT

Present law

There is no specific penalty for failure to submit a report, although the general noncompliance penalty could apply.

House bill

If a State fails to submit a required quarterly report within one month after the end of a fiscal quarter, the Secretary shall reduce by four percent the block grant amount otherwise payable to the State for the next fiscal year. However, the penalty shall be rescinded if the State submits the report before the end of the fiscal quarter succeeding the one for which the report was due.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

52. PENALTIES—FAILURE TO SATISFY MINIMUM PARTICIPATION RATES

Present law

If a State fails to achieve the JOBS participation rate specified in law, the Secretary is to reduce to 50 percent the Federal matching rate for JOBS activities and for full-time personnel costs, which now ranges from 60 percent to 78 percent among States. (However, see item 54, "Corrective Compliance," for penalty waiver authority.)

House bill

If a State fails to achieve its required work participation rate for the fiscal year, the Secretary shall reduce the following year's block grant by up to five percent, with the percentage cut based on the "degree of noncompliance." The Secretary has the authority to reduce the penalty if the State economy is in recession. In addition, failure to meet required work participation requirements results in States' being required to maintain 80 percent of historic spending levels, instead of 75 percent.

Senate amendment

Imposes a graduated penalty on each consecutive failure by a State to meet the work participation standard. The Senate amendment also does not authorize the Secretary to reduce the penalty for States with high unemployment.

Conference agreement

On penalty amounts, the conference agreement follows the Senate amendment with the modification that there is a graduated penalty of 5 percent the first year and 2 percent in addition to the prior year's penalty in subsequent years (so annual penalties in consecutive years would be 5 percent in the first year, 7 percent in the second, 9 percent in the third, and so on), with a maximum cumulative penalty of 21 percent. The conference agreement follows the House bill in authorizing the Secretary to reduce the penalty for needy States as defined under the contingency fund eligibility criteria.

53. FAILURE TO PARTICIPATE IN THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM

Present law

States must have in effect an Income and Eligibility Verification System covering AFDC, Medicaid, unemployment compensation, the Food Stamp program, and adult cash aid in the outlying areas. There is no specific penalty for failure to comply.

House bill

If the State fails to participate in the Income and Eligibility Verification System (IEVS) designed to reduce welfare fraud, the Secretary shall reduce by up to two percent the annual family assistance grant of the State.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

54. FAILURE TO COMPLY WITH PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT REQUIREMENTS

Present law

The penalty against a State for noncompliance with child support enforcement rules—loss of AFDC matching funds—shall be suspended if a State submits and implements a corrective action plan.

House bill

If the Secretary determines that a State does not enforce penalties requested by the Title IV–D child support enforcement agency against recipients of cash aid who fail to cooperate in establishing paternity or in establishing, modifying, or enforcing a child support order under Title IV–D (and who do not qualify for any good cause or other exception), the Secretary shall reduce the cash assistance block grant by up to five percent.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

55. FAILURE TO TIMELY REPAY A FEDERAL LOAN FUND FOR STATE WELFARE PROGRAMS

Present law

No provision.

House bill

If a State fails to pay any amount borrowed from the Federal Loan Fund for State Welfare Programs within the maturity period, plus any interest owed, the Secretary shall reduce the State's family assistance block grant for the immediately succeeding fiscal year quarter by the outstanding loan amount, plus the interest owed on it. The Secretary may not forgive these overdue debts.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

56. FAILURE OF ANY STATE TO MAINTAIN CERTAIN LEVEL OF HISTORIC EFFORT

Present law

No provision.

House bill

If in fiscal years 1997 through 2001 a State fails to spend a sum equal to at least 75 percent of its "historic level" (generally fiscal year 1994 expenditures for AFDC, JOBS, Emergency Assistance, AFDC-related child care and "at-risk" child care) of State spending on specified programs, the Secretary shall reduce the following year's family assistance grant (that is, in fiscal years 1998 through 2002) by the difference between the 75 percent requirement and what the State actually spent. However, States that fail to meet required work participation rates must maintain 80 percent of historic spending levels.

Qualified State expenditures that count toward the 75 percent (or 80 percent) spending requirement are all State-funded expenditures under all State programs that provide any of the following assistance to families eligible for family assistance benefits (and those no longer eligible because of the 5-year time limit or ineligible because of the Act's treatment of noncitizens): cash and child care assistance; educational activities designed to increase self-sufficiency, job training and work (excluding any expenditure for public education in the State other than expenditures for services or assistance to a member of an eligible family that is not generally available to other persons); administrative costs not to exceed 15 percent of the total amount of qualified State expenditures; and any other use of funds reasonably calculated to accomplish purposes of the temporary family assistance. Qualified expenditures exclude spending from funds transferred from State or local programs except those that exceed the amount expended in 1996 or those for which the State is entitled to a Federal payment under former AFDC/JOBS law (as in effect just before enactment).

The Secretary is to reduce the 75 percent (or 80 percent) maintenance of effort spending requirement by up to eight percentage points (i.e., to no lower than 67 percent or 72 percent) for States that achieve "high performance" scores, based on a threshold to be set by the Secretary, for achieving the goals of the program of Temporary Assistance for Needy Families (TANF).

Senate amendment

Raises required State spending to 80 percent of the "historic" level for all States. (Does not distinguish between States that meet or fail work participation rates in maintenance-of-effort rule.)

The Secretary is to reduce the 80 percent spending requirement by up to 8 percentage points (to as low as 72 percent) for States with high performance scores. (This provision was deleted because of the Byrd rule.)

Conference agreement

The conference agreement follows the House bill, except that the provision allowing reduction of required State spending for high performance States is dropped. Conferees note that State spending on programs that promote self-sufficiency and prevent welfare dependence including, but not limited to, substance abuse treatment, teen parenting and pregnancy prevention shall count towards a State's maintenance of effort. The fact that such funds are spent through or by State or local education agencies should not prevent their being counted towards the State maintenance of effort.

57. SUBSTANTIAL NONCOMPLIANCE OF STATE CHILD SUPPORT ENFORCEMENT PROGRAM REQUIREMENTS

Present law

If a State child support program is found not to be in substantial compliance with Federal requirements, the Secretary is to reduce AFDC matching funds: by 1–2 percent for first finding of noncompliance, by 2–3 percent for second consecutive finding, and by 3–5 percent for third or subsequent finding. (See "corrective compliance" item 54.) Note: State child support plans must undertake to establish paternity of children born out-of-wedlock for whom AFDC is sought, and AFDC law requires the parent to cooperate in establishing paternity. Failure to cooperate makes the parent ineligible for AFDC.

House bill

If a State child support enforcement program is found by review not to have complied with Title IV–D requirements, and the Secretary determines that the program is not in compliance at the time the finding is made, then the Secretary will reduce the State's quarterly block grant payment for each quarter during which the State is not in compliance. For the first finding of noncompliance, the reduction will be between one and two percent; for the second consecutive finding, between two and three percent; for the third or subsequent findings, between three and five percent. Non-compliance of a technical nature is to be disregarded.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

58. FAILURE OF STATE RECEIVING AMOUNTS FROM CONTINGENCY FUND TO MAINTAIN 100 PERCENT OF HISTORIC EFFORT

Present law

Not relevant.

House bill

If the Secretary determines that a State failed to maintain 100 percent of historic

State spending, as required during a year in which contingency funds are paid to the State, the following year's block grant payment to the State is to be reduced by the amount of contingency funds paid.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

59. REQUIRED REPLACEMENT OF GRANT FUND REDUCTIONS CAUSED BY PENALTIES

Present law

Not applicable.

House bill

If a State's block grant is reduced as a result of one of the above penalties, the State must, during the following fiscal year, replace the penalized funds using State funds.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

60. PENALTIES—FAILURE TO PROVIDE MEDICAL ASSISTANCE TO FAMILIES BECOMING INELIGIBLE FOR ASSISTANCE UNDER THIS PART DUE TO INCREASED EARNINGS FROM EMPLOYMENT OR COLLECTION OF CHILD SUPPORT

Present law

If the Secretary finds that a State fails to comply substantially with any required provision of its Medicaid plan (including transitional benefits for former AFDC families), she shall withhold all payments to the State (or limit payments to categories not affected by the noncompliance).

House bill

If the Secretary determines that a State does not comply with the requirement to provide extended medical assistance for certain families that become ineligible for block grant assistance due to increased earnings or the collection of child support, the Secretary must reduce the State's block grant by up to 5 percent (depending on the severity of the violation).

Senate amendment

No specific provision about failure to comply with requirement for extended medical assistance, but see item below.

Conference agreement

The conference agreement follows the Senate amendment.

61. PENALTIES—FAILURE TO COMPLY WITH PROVISIONS OF IV-A OR STATE PLAN

Present law

If the Secretary finds that a State has failed to comply with the State plan, she is to withhold all payments from the State (or limit payments to categories not affected by noncompliance). (Item 46 above.)

House bill

No general penalty for failure to comply with State plan.

Senate amendment

If the Secretary, after notice and hearing, finds that a State has not substantially complied with any provision of IV-A or the State plan during a fiscal year, she shall (if a preceding penalty paragraph does not apply) reduce the grant for the next year by up to 5 percent and shall continue an annual reduction of up to 5 percent until she determines that the State no longer is out of compliance.

Conference agreement

The conference agreement follows the House bill, with the modification that a new penalty provision is added for States that fail to meet the requirement to not sanction, for failure to perform work, single parents who prove they cannot find child care for a child under age 6.

62. PENALTIES—FAILURE TO COMPLY WITH 5-YEAR LIMIT ON ASSISTANCE

Present law

Not relevant.

House bill

No specific provision.

Senate amendment

If the Secretary determines that a State during a fiscal year has not complied with the 5-year time limit (for TANF-funded aid), she is to reduce the basic TANF grant for the next year by 5 percent.

Conference agreement

The conference agreement follows the Senate amendment.

63. PENALTIES—REASONABLE CAUSE EXCEPTION

Present law

Not applicable. (States are eligible for unlimited funds, but must match every dollar at a prescribed rate.)

House bill

The Secretary may (except for failure to timely repay the loan fund, failure to meet the maintenance-of-effort requirement and requirement to replace grant reductions caused by penalties) withhold penalties against a State if she determines that the State had reasonable cause for failing to comply with the requirement.

Senate amendment

The Secretary may (except for failure to timely repay the loan fund or failure to meet the maintenance-of-effort requirement) withhold penalties against a State if she determines that the State had reasonable cause for the failure.

Conference agreement

The conference agreement follows the House bill.

64. PENALTIES—CORRECTIVE COMPLIANCE PLAN

Present law

The penalty against a State for substantial noncompliance with child support rules is loss of AFDC matching funds. That penalty shall be suspended if a State submits and implements a corrective action plan. Also, if a State fails to achieve the JOBS participation rate specified in law, the Secretary may waive, in whole or part, the reduction in matching funds, provided the State has submitted a proposal likely to achieve the applicable participation rate for the current year.

House bill

Before assessing a penalty against a State under any program established or modified by this Act, the Secretary must notify the State of the violation and allow the State an opportunity to enter into a corrective compliance plan within 60 days of the notification. The Federal government will have 60 days within which to accept or reject the plan; if it accepts the plan, and if the State corrects the violation, no penalty will be assessed. A plan submitted by a State is deemed to be accepted if the Secretary does not accept or reject the plan during the 60-day period after the plan is submitted.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

65. PENALTIES—LIMITATION ON AMOUNT OF PENALTY

Present law

If the Secretary finds that a State has failed to comply with the State AFDC plan, he is to withhold all AFDC payments from the State (or limit payments to categories not affected by the noncompliance.)

House bill

In imposing the penalties described above, a State's quarterly family assistance grant cannot be reduced by more than a total of 25 percent; if necessary, penalties in excess of 25 percent will be carried forward to the immediately following fiscal year.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

66. APPEAL OF ADVERSE DECISION

Present law

Current law (sec. 1116 of the Social Security Act) entitles a State to a reconsideration, which HHS must grant upon request, of any disallowed reimbursement claim for an item or class of items. The section also provides for administrative and judicial review, upon petition of a State, of HHS decisions about approval of State plans. At the option of a State, any plan amendment may be treated as the submission of a new plan.

House bill

The Secretary is required to notify the Governor of a State within five days of any adverse decision or action under Title IV–A, including any decision about the State's plan or imposition of a penalty. This section provides for administrative review by a Departmental Appeals Board within HHS, requires a Board decision within 60 days after an appeal is filed, and provides for judicial review (by a United States district court) within 90 days after a final decision by the Board. The proposal also repeals the reference to Title IV–A in section 1116.

Senate agreement

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

67. DATA COLLECTION AND REPORTING—GENERAL REPORTING REQUIREMENT

Present law

States are required to report the average monthly number of families in each JOBS activity, their types, amounts spent per family, length of JOBS participation and the number of families aided with AFDC/JOBS child care services, the kinds of child care services provided, and sliding fee schedules. States that disallow AFDC for minor mothers in their own living quarters are required to report the number living in their parent's home or in another supervised arrangement. States also must report data (including numbers aided, types of families, how long aided, payments made) for families who receive transitional Medicaid benefits.

House bill

The National Integrated Quality Control System draws monthly samples of AFDC cases and reports extensive background information about each case in the sample. JOBS regulations require States to submit a sample of monthly unaggregated case record data.

Senate amendment

Each eligible State must collect on a monthly basis, and report to the Secretary on a quarterly basis, the following information on individual families receiving assistance:

1. the county of residence of the family;

2. whether a child receiving assistance or an adult in the family is disabled;

3. the ages of family members;

4. the number of individuals in the family, and the relationship of each member to the youngest child;

5. the employment status and earnings of the employed adult;

6. the marital status of adults, including whether they are never married, widowed, or divorced;

7. the race and educational status of each adult;

8. the race and educational status of each child;

9. whether the family received subsidized housing, Medicaid, food stamps, or subsidized child care, and if the latter two, the amount received;

10. the number of months the family has received each type of assistance under the program;

11. if the adults participated in, and the number of hours per week of participation in, the following activities: education; subsidized private sector employment; unsubsidized employment; public sector employment, work experience, or community service; job search; job skills training or on-the-job training; and vocational education;

12. information necessary to calculate the State work participation rates;

13. the type and amount of assistance received under the program, including the amount of and reason for any reduction of assistance (including sanctions);

14. any amount of unearned income received by any family member; and

15. the citizenship of family members.

In addition to data on individual cases, States must report, on a sample of cases closed during the quarter, whether families left welfare because of employment, marriage, the five-year time limit on benefits, sanction, or State policy.

States may use scientifically acceptable sampling methods approved by the Secretary to estimate the required data elements. The Secretary shall provide States with case sampling plans and data collection procedures deemed necessary for statistically valid estimates.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

68. OTHER STATE REPORTING REQUIREMENTS

Present law

Regulations require each State to submit quarterly estimates of the total amount (and the Federal share) of expenditures for AFDC benefits and administration. Required quarterly reports include estimates of the Federal share of child support collections made by the State.

House bill

The above quarterly report submitted by the State must also include:

1. a statement of the percentage of the funds paid to the State that is used to cover administrative costs or overhead;

2. a statement of the total amount expended by the State during the quarter on programs for needy families;

3. the number of noncustodial parents in the State who participated in work activities as defined in the proposal during the quarter; and

4. the total amount spent by the State for providing transitional services to a family that no longer receives assistance because of employment, along with a description of those services.

The Secretary shall prescribe regulations necessary to define the data elements.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

69. DATA COLLECTION AND REPORTING—ANNUAL REPORTS TO THE CONGRESS BY THE SECRETARY

Present law

The law requires the HHS Secretary to report promptly to Congress the results of State reevaluations of AFDC need standards and payment standards required at least every 3 years. The Secretary is to annually compile and submit to Congress annual State reports on at-risk child care. The Family Support Act requires the Secretary to submit recommendations regarding JOBS performance standards by a deadline that was extended.

House bill

Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall send Congress a report describing:

1. whether States are meeting minimum participation rates and whether they are meeting objectives of increasing employment and earnings of needy families, increasing child support collections, and decreasing out-of-wedlock pregnancies and child poverty;

2. demographic and financial characteristics of applicant families, recipient families, and those no longer eligible for temporary family assistance;

3. characteristics of each State program funded under this part; and

4. trends in employment and earnings of needy families with minor children.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

70. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES—GRANTS FOR INDIAN TRIBES

Present law

No provision for AFDC administration by Indian tribes. Indian and Alaska families with children receive AFDC benefits on the same terms as other families in their States, from State or local AFDC agencies.

More than 80 tribes and native organizations in 24 States are JOBS grantees, having applied to conduct JOBS within 6 months of enactment of the law establishing it. Their JOBS allocation of funds is deducted from that of their State.

House bill

For each fiscal year 1997 through 2000, the Secretary shall pay tribal family assistance grants to eligible Indian tribes (and shall reduce the family assistance grant for the State(s) in which the tribe's service area lies accordingly). The tribal family assistance grant is equal to the total amount of Federal payments to the State for fiscal year 1994 in AFDC benefits, AFDC Administration, Emergency Assistance, and JOBS funds for Indian families residing in the tribal service area. The Secretary shall pay tribes that participated in the JOBS program in fiscal year 1995 a grant equal to their fiscal year 1994 JOBS funding ($7.6 million). This sum is appropriated for each of six fiscal years, 1996 through 2001.

Senate amendment

Same as the House bill, except for adding a fifth year, 2001, for tribal family assistance grants.

Conference agreement

The conference agreement follows the Senate amendment.

71. DIRECT FUNDING AND ADMINISTRATION BY INDIAN TRIBES—THREE-YEAR TRIBAL FAMILY ASSISTANCE PLAN

Present law

Not applicable.

House bill

Indian tribes must submit a tribal family assistance plan to be eligible to receive a tribal family assistance grant. The plan must outline the tribe's approach to providing welfare services during the 3-year period, specify how services will be provided, identify populations and areas served, provide that families will not receive duplicate assistance from a State or other tribal assistance plan, identify employment opportunities in the service area, and apply fiscal accountability provisions of the Indian Self-Determination and Education Assistance Act relating to the submission of a single-agency audit report required under current law.

The Secretary must approve tribal family assistance plans that meet the above requirements. For each tribe receiving a family assistance grant and with the participation of the tribe, the Secretary shall establish minimum work requirements, time limits, and penalties that are consistent with provisions of this Act and the economic conditions and resources of the tribe. Tribes will be subject to the same penalties as States for misusing funds, failing to pay back Federal loan funds, and failing to meet work participation rates. Tribes will also be required to abide by the same data collection and reporting requirements as States.

Unless excepted through a waiver, tribes in Alaska that receive tribal family assistance grants must operate a program comparable to the temporary family assistance program of the State of Alaska.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

72. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—RESEARCH

Present law

Section 1110 of the Social Security Act authorizes and appropriates "such sums as the Congress may determine" for making grants and contracts to (or jointly financed arrangements with) States and public or private organizations for cooperative research or demonstration projects, such as those relating to the prevention and reduction of dependency.

House bill

The Secretary shall conduct research on the effects, benefits, and costs of operating State programs of Temporary Assistance for Needy Families, including time limits for eligibility. The research shall include studies on the effects of different programs and the impacts of the programs on welfare dependency, illegitimacy, teen pregnancy, employment rates, child well-being, and other appropriate issues.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

73. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—DEVELOPMENT AND EVALUATION OF INNOVATIVE APPROACHES TO REDUCING WELFARE DEPENDENCY AND INCREASING CHILD WELL-BEING

Present law

Section 1115 of the Social Security Act authorizes waiver of specified provisions of AFDC law for State experimental, pilot or demonstration projects to promote objectives of the law, including self-support of parents and stronger family life.

House bill

The Secretary may assist States in developing, and shall evaluate, innovative approaches for reducing welfare dependency and increasing the well-being of minor children, using random assignments in these evaluations to the maximum extent feasible.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

74. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—DISSEMINATION OF INFORMATION

Present law

No provision.

House bill

The Secretary shall develop innovative methods of disseminating information on research, evaluations, and studies, including ways to facilitate sharing of information via computers and other technologies.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

75. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—ANNUAL RANKINGS OF STATES AND REVIEW OF MOST AND LEAST SUCCESSFUL WORK PROGRAMS

Present law

No provision.

House bill

The Secretary shall rank annually States receiving family assistance grants in the order of their success in moving families off welfare and into work, reducing the caseload, and, when a practicable method of calculation becomes available, diverting persons from applying to the program. The Secretary shall review annually the three most and three least successful programs under these criteria.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

76. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—ANNUAL RANKINGS OF STATES AND REVIEW OF ISSUES RELATING TO OUT-OF-WEDLOCK BIRTHS

Present law

No provision.

House bill

The Secretary shall rank States annually on the percentage of births to families on welfare that are out-of-wedlock and on net changes in the percentage of out-of-wedlock births to families on welfare. The Secretary must review the programs of the five highest and five lowest ranking States under these criteria.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

77. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—STATE-INITIATED EVALUATIONS

Present law

In a 1994 public notice, HHS stated that it is committed to a broad range of evaluation strategies, including true experimental, quasi-experimental, and qualitative designs, for demonstrations operating under waivers. Section 1115(d) of the Social Security Act required the Secretary to enter into agreements with up to eight applicant States to conduct demonstration projects testing more liberal treatment of unemployed 2-parent families. The law stipulated that the States must evaluate costs and work effort results by use of experimental and control groups.

House bill

A State is eligible to receive funding to evaluate its family assistance program if it submits an evaluation design determined by the Secretary to be rigorous and likely to yield credible and useful information. The State must pay 10 percent of the study's cost, unless the Secretary waives this rule.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

78. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—REPORT ON CIRCUMSTANCES OF CERTAIN CHILDREN AND FAMILIES

Present law

No provision.

House bill

Beginning 3 years after enactment, the Secretary shall submit an annual report to 4 congressional committees (Ways and Means, Economic and Educational Opportunities, Finance, and Labor and Human Resources) about children whose families reached the cash assistance time limit of TANF, families that include a child ineligible because of the family cap, children born to teenaged parents, and persons who became parents as teenagers after enactment. For each of these four groups, detailed information is required, including percentages that dropped out of school, are employed, have been convicted of a crime or judged delinquent, continue to participate in TANF, have health insurance (and whether from private entity or government), and average family incomes.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the House bill.

79. RESEARCH, EVALUATIONS, AND NATIONAL STUDIES—FUNDING OF STUDIES AND DEMONSTRATIONS

Present law

See "Research" above. For Section 1115(a) "waiver" projects ("Innovative Approaches" above) Federal cost neutrality over the life of a demonstration project is required.

Note: The annual budgets of HHS request funds for policy research. The fiscal year 1997 budget seeks $9 million and lists these priority issues: issues related to welfare reform, health care, family support and independence, poverty, at-risk children and youth, aging and disability, science policy, and improved access to health care and support services.

House bill

For research, development and evaluation of innovative approaches, State-initiated evaluation studies of the family assistance program, and for costs of operating and evaluating demonstration projects begun under the AFDC waiver process, this section authorizes to be appropriated, and appropriates, a total of $15 million annually for 6 fiscal years, 1996 through 2001. Half of this sum is allocated to the purposes described above in "Research" and "Innovative Approaches" and half to the other purposes.

The Secretary may implement and evaluate demonstrations of innovative and promising strategies that provide one-time capital funds to establish, expand, or replicate programs, test performance-based funding, and test strategies in multiple States and types of communities.

Senate amendment

Same, except provides funding only in 4 fiscal years, 1998 through 2001.

Conference agreement

The conference agreement follows the House bill, with the modification to appropriate for the years 1996 through 2002.

80. CHILD POVERTY RATES

Present law

No provision.

House bill

No provision.

Senate amendment

Not later than 90 days after enactment, the governor of a State shall submit to the Secretary a statement of the child poverty rate in the State. Annually thereafter, the governor shall report the child poverty rate to the Secretary. If the rate increases by 5 percent or more as a result of changes made by the Act, the State shall prepare a corrective action plan to reduce the incidence of child poverty.

Conference agreement

The conference agreement follows the Senate amendment on the submission of reports on child poverty rates and the corrective action plans. The conference agreement follows the House bill on provisions in the Senate amendment that provide the Secretary of HHS with the authority to alter State plans.

81. STUDY BY THE CENSUS BUREAU

Present law

No provision.

House bill

The Census Bureau must expand the Survey of Income and Program Participation (SIPP) to evaluate the impact of welfare reforms made by this title on a random national sample of recipients and, as appropriate, other low-income families. The study should focus on the impact of welfare reform on children and families, and should pay particular attention to the issues of out-of-wedlock birth, welfare dependency, the beginning and end of welfare spells, and the causes of repeat welfare spells. $10 million per year for 7 years (1996–2002) is appropriated for this study.

Senate amendment

Same provision, except that the $10 million annual appropriation is for only 5 years (fiscal years 1998–2002).

Conference agreement

The conference agreement follows the House bill.

82. WAIVERS

Present law

Section 1115 of the Social Security Act authorizes the HHS Secretary to waive specified requirements of State AFDC plans in order to enable a State to carry out any experimental, pilot, or demonstration project that the Secretary judges likely to assist in promoting the program's objectives. Some 38 States have received waivers from the Clinton Administration for welfare reforms, as of late May 1996.

House bill

This section provides that terms of AFDC waivers in effect, or approved, as of September 30, 1995, will continue until their expiration, except that beginning with fiscal year 1996 a State operating under a waiver shall receive the block grant described under Section 403 in lieu of any other payment provided for in the waiver. The section also allows for continuation, under certain conditions of waivers on or approved before July 1, 1997, on the basis of applications made before enactment of the new program.

States have the option to terminate waivers before their expiration, but projects that are ended prematurely must be summarized in written reports. A State that submits a request to end a waiver within 90 days after the adjournment of the first regular session of the State legislature that begins after the date of enactment will be held harmless for accrued cost neutrality liabilities incurred under the waiver.

The Secretary is directed to encourage any State now operating a waiver to continue the project and to evaluate its result or effect. A State may elect to continue one or more individual waivers.

Senate amendment

Same.

Conference agreement

The conference agreement follows the Senate amendment, with the modification that such waivers may only apply to the geographical areas of the State and to the specific program features for which the waiver was granted. All geographical areas of the State and program features of the State program not specifically covered by the waiver must conform to this part. Conferees urge the Secretary to approve the Wisconsin comprehensive welfare reform waiver request (published in the Federal Register on June 10, 1996) by September 1, 1996.

83. ADMINISTRATION (AND REDUCTION IN FEDERAL WORKFORCE)

Present law

An Assistant Secretary for Family Support, appointed by the President by and with consent of the Senate, is to administer AFDC, child support enforcement, and the Jobs Opportunities and Basic Skills (JOBS) program.

House bill

The provision for an Assistant Secretary for Family Support now found in section 417 of Part A of the Social Security Act is retained but modified to remove the reference to the JOBS program, which is repealed.

No requirements to reduce workforce at HHS.

Senate amendment

The Temporary Assistance for Needy Families (TANF) block grant program and the child support enforcement program shall be administered by an Assistant Secretary for Family Support. The HHS Secretary must reduce the number of positions within the Department by 245 equivalent full-time equivalent (FTE) positions related to the conversion of AFDC, Emergency Assistance, and Jobs into TANF and by 60 FTE managerial positions. In general, it requires the Secretary to reduce by 75 percent the number of FTE positions that relate to any direct spending program, or any program funded through discretionary spending that is converted into a block grant program under the bill and to reduce FTE department management positions similarly (on the basis of the portion of the Department's total appropriation represented by programs converted to block grants).

Conference agreement

The conference agreement follows the Senate amendment.

84. LIMITATION ON FEDERAL AUTHORITY

Present law

No provision.

House bill

No officer or employee of the Federal Government may regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

85. DEFINITIONS—ADULT

Present law

No provision.

House bill

An individual who is not a minor child.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

86. DEFINITIONS—MINOR CHILD

Present law

No provision. A dependent child is defined as a needy child who is under age 18 (19, at State option, if a full time student in a secondary school or equivalent level of vocational and technical training and expected to complete school before age 19).

House bill

An individual who has not attained 18 years of age or has not attained 19 years of age and is a full-time student in a secondary school (or in the equivalent level of vocational or technical training).

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

87. DEFINITIONS—FISCAL YEAR

Present Law

No provision.

House Bill

Any 12-month period ending on September 30 of a calendar year.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

88. DEFINITIONS—INDIAN, INDIAN TRIBE, AND TRIBAL ORGANIZATION

Present law

For JOBS purposes, an Indian tribe is defined as any tribe, band, Nation, or other organized group of Indians that is recognized as eligible for special programs and services of the U.S. because of their status as Indians. An Alaska native organization is any organized group of Alaska natives eligible to operate a Federal program under P.L. 93-638 or that group's designee.

House bill

With the exception of specified Indian tribes in Alaska, these terms have the meaning given in the Indian Self-Determination and Education Assistance Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

89. DEFINITIONS—STATE

Present law

For purposes of AFDC, the term "State" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa. The last jurisdiction has not implemented AFDC.

House bill

Except as otherwise specifically provided (e.g., regarding the provision of population growth funds and contingency funds), the term "State" means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

Senate amendment

Same, except adds to this definition an option for a State to contract to provide services: The term "State" includes administration and provision of services under the family assistance program and under the programs of child welfare, foster care and adoption assistance, family preservation, and independent living, through contracts with charitable, religious or private organizations, and provision of aid by means of certificates, vouchers, or other forms of disbursement redeemable by these organizations. See item 92.

Conference agreement

The conference agreement follows the House bill.

90. ADDITIONAL GRANTS TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA; LIMITATION ON TOTAL PAYMENTS

Present law

Under current law, the territories are eligible for 75 percent matching grants for their expenditures on cash welfare for adult assistance (i.e., assistance for needy persons who are aged, blind, or disabled), Aid to Families with Dependent Children (AFDC), Emergency Assistance (EA), Foster Care and Adoption Assistance, the Job Opportunities and Basic Skills (JOBS) program, and the Family Preservation program (Title IV–B, subpart 2). These matching grants are limited by caps on Federal payments. The territories also receive grants under the child welfare services (Title IV–B, subpart 1) program.

[Note.—Although eligible, territories do not claim foster care and adoption assistance funds.]

The law places a ceiling on total payments for AFDC, aid to needy aged, blind or disabled adults, and foster care and adoption assistance to Puerto Rico—$82 million, the Virgin Islands—$2.8 million, Guam—$3.8 million, and American Samoa (AFDC, foster care, and adoption assistance)—$1 million.

House bill

The proposal retains but increases aggregate welfare ceilings in each of the territories and combines the individual programs into a single block grant. The new ceilings would apply to aggregate spending for cash aid for needy families (TANF), cash aid to needy aged, blind or disabled adults, and child protection (child welfare and family preservation services). The proposal authorizes territories to transfer funds among these programs. Maximum potential fiscal year payments (including both the capped mandatory payments listed below and the authorization of discretionary grants) are as follows: Puerto Rico—$113.5 million; Guam—$5.2 million; U.S. Virgin Islands—$4.0 million; and American Samoa—$1.3 million.

To receive mandatory ceiling amounts (capped entitlements), territories must spend from their own funds in a fiscal year as much as they did in fiscal year 1995 for cash aid to needy families, and cash aid to needy aged, blind, or disabled adults. Federal matching funds, at a 75 percent rate, would reimburse territories for expenditures above their fiscal year 1995 base level, but below the Federal cap. Mandatory ceiling amounts: Puerto Rico—$105.5 million; Guam, $4.9 million; Virgin Islands, $3.7 million; and American Samoa, $1.1 million.

Senate amendment

The proposal retains but increases aggregate welfare ceilings in each of the territories and, in effect, combines all but IV–B services (child welfare services and family preservation) into a single block grant. The new ceilings would apply to aggregate spending for cash aid for needy families (TANF), cash aid to needy aged, blind, or disabled adults, and foster care and adoption assistance. The proposal authorizes territories to transfer funds among these programs.

To receive the new ceiling amounts (capped entitlements), territories must spend from their own funds in a fiscal year for cash aid to needy families and cash aid to needy aged, blind, or disabled adults. Federal matching funds, at a 75 percent rate, would reimburse them for expenditures above their fiscal year 1995 base level, but below the Federal cap. Mandatory ceiling amounts—Puerto Rico—$102 million; Guam, $4.7 million; Virgin Islands, $3.6 million; and American Samoa, $1 million. (Current law and funding arrangements are retained for IV–B programs.)

Conference agreement

The conference agreement generally follows the Senate amendment. The conference agreement adds a provision specifying that States may use Title XX funds to provide vouchers to families losing TANF block grant assistance due to a State-imposed family cap.

91. REPEAL OF PROVISIONS REQUIRING DISAPPROVAL OF MEDICAID PLANS OR DENIAL OF SAME MEDICAID PAYMENTS TO STATES THAT REDUCE WELFARE PAYMENT LEVELS

Present law

If a State reduces AFDC "payment levels" below those of May 1, 1988, the Secretary shall not approve the State's Medicaid plan.

If a State reduces AFDC payment levels below those of July 1, 1987, Medicaid matching funds shall be disallowed for required services to pregnant women and children not enrolled in AFDC but eligible for Medicaid on grounds of low income.

House bill

The House proposal repeals provisions that impose Medicaid sanctions upon States that reduce AFDC payment levels.

Senate amendment

Same.

Conference Agreement

The conference agreement follows the House bill and the Senate amendment.

92. SERVICES PROVIDED BY CHARITABLE, RELIGIOUS, AND PRIVATE ORGANIZATIONS

Present law

The Child Care and Development Block Grant (CCDBG) Act prohibits use of any financial assistance provided through any grant or contract for any sectarian purpose or activity. In general, the CCDBG requires religious nondiscrimination, but it does allow a sectarian organization to require employees to adhere to its religious tenets and teachings.

House bill

The proposal authorizes States to administer and provide family assistance services (and services under SSI, the child protection block grant program, foster care, adoption assistance, and independent living programs) through contracts with charitable, religious, or private organizations. Under this provision, religious organizations would be eligible, on the same basis as any other private organization, to provide assistance as contractors or to accept certificates and vouchers so long as their programs are implemented consistent with the Establishment Clause of the Constitution. States may pay recipients by means of certificates, vouchers, or other forms of disbursement that are redeemable with such private organizations.

The proposal provides that, except as otherwise allowed by law, a religious organization administering the program may not discriminate against beneficiaries on the basis of religious belief or refusal to participate in a religious practice. States must provide an alternative provider for a beneficiary who objects to the religious character of the designated organization.

Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that prohibits or restricts the expenditure of State funds in or by religious organizations.

Senate amendment

Same provision, except that administration by charitable, religious, and private organizations is authorized only for TANF and SSI.

Conference agreement

The conference agreement follows the House bill.

93. CENSUS DATA ON GRANDPARENTS AS PRIMARY CAREGIVERS FOR THEIR GRANDCHILDREN

Present law

No provision.

House bill

The Secretary of Commerce shall expand the Census Bureau's question (for the decennial census and the mid-decade census) concerning households with both grandparents and their grandchildren so as to distinguish between households in which a grandparent temporarily provides a home and those where the grandparent serves as primary caregiver.

Senate amendment

Same.

Conference Agreement

The conference agreement follows the House bill and the Senate amendment.

94. REPORT ON DATA PROCESSING

Present Law

No provision. (State child support plans may provide for establishment of a statewide automated data processing and information retrieval system.)

House bill

The Secretary must report to Congress within six months on the status of automatic data processing systems in the States and on what would be required to produce a system capable of tracking participants in public programs over time and checking case records across States to determine whether some individuals are participating in public programs in more than one State. The report should include a plan for building on the current automatic data processing system to produce a system capable of performing these functions as well as an estimate of the time required to put the system in place and the cost of the system.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

95. STUDY ON ALTERNATIVE OUTCOMES MEASURES

Present law

The Family Support Act required the Secretary to submit to Congress recommendations for JOBS performance standards regarding "specific measures of outcomes". It said the standards should not be measured solely by levels of activity or participation. (The report, due Oct. 1, 1993, was submitted 1 year late.)

House bill

The Secretary must, in cooperation with the States, study and analyze measures of program outcomes (as an alternative to minimum participation rates) for evaluating the success of State block grant programs in helping recipients leave welfare. The study must include a determination of whether outcomes measures should be applied on a State or national basis and a preliminary assessment of the job placement performance bonus established in the Act. The Secretary must report findings to the Committee on Finance and the Committee on Ways and Means not later than September 30, 1998.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

96. WELFARE FORMULA FAIRNESS COMMISSION

Present law

No provision. AFDC funds are not distributed by formula. States are entitled to reimbursement, at matching rates inversely related to their per capita income squared, for all AFDC benefits and AFDC- related child care spending (but not "at-risk" child care). Federal funds received by a State are a function of its AFDC benefit levels, caseloads, and matching rate.

House bill

No provision.

Senate amendment

Establishes a welfare formula fairness commission to make recommendations on funding formulas, bonus payments, and work requirements of the new TANF program. Commission is to have 15 members, 3 each appointed by the President, Senate Majority Leader, Senate Minority Leader, House Speaker, and House Minority Leader. It is to report to Congress by Sept. 1, 1998, either making recommendations for change or giving notice that none is needed.

Conference agreement

The conference agreement follows the House bill.

97. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT

Present law

No provision.

House bill

This section makes a series of technical amendments, including the repeal of the JOBS program, that conform provisions of the proposal with various titles of the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

98. CONFORMING AMENDMENTS TO THE FOOD STAMP ACT OF 1977 AND RELATED PROVISIONS

Present law

No provision.

House bill

This section makes a series of technical amendments that conform provisions of the proposal with various titles of the Food Stamp Act and other related provisions.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

99. CONFORMING AMENDMENTS TO OTHER LAWS

Present law

No provision.

House bill

This section makes a series of amendments that conform provisions of the proposal to the Unemployment Compensation Amendments of 1976, the Omnibus Budget Reconciliation Act of 1987, the Housing and Urban-Rural Recovery Act of 1983, the Tax Equity and Fiscal Responsibility Act of 1982, the Social Security Amendments of 1967, the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, the Higher Education Act of 1965, the Carl D. Perkins Vocational and Applied Technology Education Act, the Elementary and Secondary Education Act of 1965, Public Law 99-88, the Internal Revenue Code of 1986, the Wagner-Peyser Act, the Job Training Partnership Act, the Low-Income Home Energy Assistance Act of 1981, the Family Support Act of 1988, the Balanced Budget and Emergency Deficit Control Act of 1985, the Immigration and Nationality Act, the Head Start Act, and the School-to-Work Opportunities Act of 1994.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

100. DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD REQUIRED

Present law

No provision.

House bill

The Commissioner of Social Security is required to develop a prototype of a counterfeit-resistant Social Security card. The Commissioner must report to Congress on the cost of issuing a tamper-proof card for all persons over a three, five, and 10-year period.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

101. COMMUNITY STEERING COMMITTEES DEMONSTRATION PROJECTS

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Secretary to enter into agreements with up to 5 applicant States to conduct demonstration projects designed to help TANF parents move into the nonsubsidized workforce. Duties of the committee: identify and create unsubsidized jobs for TANF recipients; propose and implement solutions to work barriers; assess needs of the children and provide services to ensure that the children enter school ready to learn and stay in school. A primary responsibility of the committee shall be to help assure that parents who have obtained work retain their jobs. Activities may include counseling, emergency day care, sick day care, transportation, provision of clothing, housing assistance, or any other needed help. Not later than Oct. 1, 2002, the Secretary shall report to congress on the project results.

Conference agreement

The conference agreement follows the House bill.

102. DISCLOSURE OF RECEIPT OF FEDERAL FUNDS

Present law

No provision.

House bill

Under certain circumstances specified public funds received by nonprofit, tax-exempt 501(c) organizations, must be publicly disclosed. When a 501(c) organization that accepts Federal funds under the Personal Responsibility and Work Opportunity Act (other than those provided under Titles IV, XVI, and XX of the Social Security Act) makes any communication intended to promote public support or opposition to any governmental policy (Federal, State or local) through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public advertising, the communication must state: "This was prepared and paid for by an organization that accepts taxpayer dollars."

Senate amendment

Applies the fund disclosure rule to all Federal funds under the Personal Responsibility and Work Opportunity Act. (This provision was deleted because of the Byrd rule.)

Conference agreement

The conference agreement follows the Senate amendment (no provision as a result of the Byrd rule).

103. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAMS

Present law

The Family Support Act of 1988 (Sec. 505) directed the Secretary to enter into agreement with between 5 and 10 nonprofit organizations to conduct demonstrations to create job opportunities for AFDC recipients and other low-income persons. For these projects, $6.5 million was authorized to be appropriated for each fiscal year, 1990–1992.

House bill

The word "demonstration" is struck from the description of these projects; the projects are converted to grant status. The provision requires the Secretary to enter into agreements with nonprofit organizations to conduct projects that create job opportunities for recipients of family assistance and other persons with income below the poverty guideline. $25 million annually is authorized for these projects.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

104. CONFORMING AMENDMENTS TO MEDICAID

Present law

House bill

Provides for continued application of AFDC standards and methodologies for certain families, entitling them to Medicaid. Allows cost-of-living adjustments in income standards above level of July 16, 1996. See "Prohibitions; Requirements—Medicaid" above.

Senate amendment

Same except that States may use less restrictive income standards and methodologies than under current law.

Conference agreement

The conference agreement follows the House bill.

105. EFFECTIVE DATE; TRANSITION RULE

Present law

No provision.

House bill

Except as otherwise provided, this title and the amendments made by it take effect on July 1, 1997. Penalties (with the major exception of penalties for misuse of Federal family assistance grant funds) will not take effect until July 1, 1997, or six months after the State plan is received by the Secretary, whichever is later.

Within 90 days of enactment, the Secretary of HHS, the Commissioner of Social Security and other heads of appropriate agencies shall submit to appropriate congressional committees. Necessary technical and conforming amendments.

States may opt to begin their block grant program before July 1, 1997, in which case the State is entitled to receive no more than the State family assistance grant for the entire fiscal year; block grant payments will be made pro rata based on the number of days remaining in the fiscal year after the Secretary first received the State plan. The submission of a State plan is deemed to constitute the State's acceptance of the family assistance grant (including pro rata reductions for a partial fiscal year) and the termination of the individual entitlement to benefits under the AFDC program. Effective October 1, 1996, no individual or family shall be entitled to any benefits or services under any State plan under part A or F of Title IV of the Social Security Act (as in effect on September 30, 1995).

The amendments made do not apply with respect to powers, duties, penalties and other considerations applicable to aid, assistance or services provided before the effective date, or with respect to administrative actions and proceedings that commenced before the effective date. Federal and State officials may use scientifically acceptable statistical sampling techniques in closing out accounts. Each State shall complete the filing of all claims within 2 years after the date of enactment. The person serving as Assistant Secretary for Family Support within HHS on the day before the effective date of this title will continue to serve in that position until a successor is named, performing functions provided under current law and having powers and duties provided in Section 103 of this bill.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE II: SUPPLEMENTAL SECURITY INCOME

1. REFERENCE TO THE SOCIAL SECURITY ACT

Present law

No provision.

House bill

Any reference in this title expressed in terms of an amendment to or repeal of a section or other provision is made to the Social Security Act.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

Subtitle A—Eligibility Restrictions

2. DENIAL OF SSI BENEFITS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OF MORE STATES

Present law

Current law states that any person who knowingly and willfully makes or causes to be made any false statements or misrepresentations in applying for or continuing to receive Supplemental Security Income (SSI) payments may be subject to a civil monetary penalty or be fined or imprisoned pursuant to title 18, U.S. Code.

House bill

Any person convicted in Federal court or State court of having fraudulently misrepresented residence in order to obtain benefits or services from two or more States under title IV, title XV, title XIX, or the Food Stamp Act of 1977, or benefits in 2 or more States from the SSI program, is ineligible for SSI benefits for 10 years. In addition, an official of the court in which the individual was convicted is required to notify the Commissioner of such conviction.

Senate amendment

Identical to House Bill.

Conference agreement

The conference agreement follows the House bill.

3. DENIAL OF SSI BENEFITS FOR FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS

Present law

Current law provides safeguards which restrict the use or disclosure of information concerning SSI applicants or recipients to purposes directly connected with the administration of the SSI program or other federally-funded programs.

House bill

No individual who is fleeing to avoid prosecution, custody or confinement after conviction for a crime (or an attempt to commit a crime) that is a felony (or, in New Jersey, a high misdemeanor), or who violates probation or parole imposed under Federal or State, law shall be eligible for SSI benefits.

The Social Security Administration (SSA) shall furnish the current address, Social Security number, and photograph (if applicable) of a recipient to any Federal, State, or local law enforcement officer who is pursuing a fugitive felon or parole or probation violator. This provision applies also to a recipient sought by an officer because the recipient has information necessary to the officer's official duties.

Senate amendment

Identical to House Bill.

Conference agreement

The conference agreement follows the House bill with technical modification.

4. TREATMENT OF PRISONERS

Implementation of Prohibition Against Payment of Benefits to Prisoners

Present law

Current law prohibits prisoners from receiving benefits while incarcerated. Federal, State, or county or local prisons are required to make available, upon written request, the name and Social Security account number of any individual who is confined in a penal institution or correctional facility and convicted of any crime punishable by imprisonment of more than 1 year.

House bill

The Commissioner shall enter into an agreement with any interested State or local institution (defined as a jail, prison, other correctional facility, or institution where the individual is confined due to court order) under which the institution shall provide monthly the names, Social Security account numbers, dates of birth, confinement dates, and other identifying information. The Commissioner shall pay to the institution for each eligible individual who becomes ineligible $400 if the information is provided within 30 days of the individual becoming an inmate. The payment is $200 if the information is furnished after 30 days but within 90 days.

In addition, the Computer Matching and Privacy Protection Act of 1988 shall not apply to the information exchanged pursuant to this contract.

The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements to any Federal or federally assisted cash, food, or medical assistance program for eligibility purposes.

The dollar amounts paid to the institution shall be reduced by 50 percent if the Commissioner is also required to make a payment with respect to the same individual based on eligibility for Social Security disability insurance benefits.

Payments to institutions shall be made from funds otherwise available for the payment of benefits.

Senate amendment

The Senate amendment is similar to the House bill, however, it deletes all references to OASDI programs (due to Senate rule) and does not include the provision for the Commissioner to provide information to other Federal or federally assisted programs.

Conference agreement

The conference agreement follows the House bill, except that all OASDI references are deleted.

Denial of SSI Benefits for 10 Years to a Person Found to Have Fraudulently Obtained SSI Benefits While in Prison

Present law

No provision.

House bill

No provision.

Senate amendment

Denies benefits for 10 years (beginning the date of release from prison) to a person found to have fraudulently obtained SSI benefits while in prison. This provision is effective on the date of enactment.

Conference agreement

The conference agreement follows the House bill (i.e., no provision).

Elimination of OASDI Requirement that Confinement Stem From Crimes Punishable by Imprisonment for More Than 1 Year

Present law

Bars Social Security benefits from prisoners convicted of any crime punishable by imprisonment of more than a year, not just felonies.

House bill

Replaces "an offense punishable by imprisonment for more than 1 year" with "a criminal offense" and deletes other language. Effective for benefits payable more than 180 days after the date of enactment. It bars Social Security benefits from persons confined, throughout a month, to (1) a penal institution or (2) other institution if the person is found guilty but insane.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Study of Other Potential Improvements in the Collection of Information Respecting Public Inmates

Present law

No provision.

House bill

The Commissioner shall conduct a study of the desirability, feasibility, and cost of establishing a system for courts to furnish the Commissioner information regarding court orders and requiring that State and local jails, prisons, and other institutions enter into agreements with the Commissioner by means of an electronic or similar data exchange system. The report of this study shall be submitted to the responsible Committees not later than 1 year after enactment.

Not later than October 1, 1998, the Commissioner of Social Security shall provide to the responsible Committees of Congress a list of institutions that are and are not providing information to the Commissioner in accordance with these provisions.

Senate amendment

The Senate amendment is identical to the House bill except uses the term "contract" instead of "agreement."

There is no provision for the Commissioner to provide a list of institutions who are or are not in compliance with these provisions.

Conference agreement

The conference agreement follows the House bill.

5. EFFECTIVE DATE OF APPLICATION FOR BENEFITS

Present law

The application of an individual for SSI benefits is effective on the later of the date the application is filed or the date the individual first becomes eligible for such benefits.

House bill

Changes the effective date of application to the later of the first day of the month following the date the application is filed or the date the individual first becomes eligible for such benefits. The provision expands SSA's authority to issue an immediate cash advance to individuals faced with financial emergencies. Effective for applications filed on or after the date of enactment.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill with technical modifications.

Subtitle B—Benefits for Disabled Children

6. DEFINITION AND ELIGIBILITY RULES

Definition of Childhood Disability

Present law

There is no definition of childhood disability in the statute. Instead, the statute prescribes that an individual under age 18 shall be considered disabled for purposes of eligibility for SSI if that individual has an impairment or combination of impairments of "comparable severity" which would result in a work disability in an adult. This impairment or combination of impairments must be expected to result in death or to last for a continuous period of not less than 12 months.

House bill

This section adds a new statutory definition of childhood disability: an individual under the age of 18 is considered as disabled if the individual has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, and which can be expected to result in death or which has lasted or can be expected to last for at least a continuous period of not less than 12 months.

The Commissioner shall ensure that the combined effects of all physical or mental impairments of an individual are taken into account in determining whether an individual is disabled. In addition, the Commissioner shall ensure that the regulations prescribed by these provisions provide for the evaluation of children who cannot be tested because of their young age.

Senate amendment

Identical to House bill regarding the new definition of disability. The provision does not include language regarding combined impairments or evaluation of children who cannot be tested because of their young age.

Conference agreement

The conference agreement follows the Senate amendment. The conferees intend that only needy children with severe disabilities be eligible for SSI, and the Listing of Impairments and other current disability determination regulations as modified by these provisions properly reflect the severity of disability contemplated by the new statutory definition. In those areas of the Listing that involve domains of functioning, the conferees expect no less than two marked limitations as the standard for qualification. The conferees are also aware that SSA uses the term "severe" to often mean "other than minor" in an initial screening procedure for disability determination and in other places. The conferees, however, use the term "severe" in its common sense meaning.

In addition, the conferees expect that SSA will properly observe the requirements of section 1614 (a)(3)(F) of the Social Security Act and ensure that the combined effects of all the physical or mental impairments of an individual under age 18 are taken into account in making a determination regarding eligibility under the definition of disability. The conferees note that the 1990 Supreme Court decision in *Zebley* established that SSA had been previously remiss in this regard. The conferees also expect SSA to continue to use criteria in its Listing of Impairments and in the application of other determination procedures, such as functional equivalence, to ensure that young children, especially children too young to be tested, are properly considered for eligibility of benefits.

The conferees recognize that there are rare disorders or emerging disorders not included in the Listing of Impairments that may be of sufficient severity to qualify for benefits. Where appropriate, the conferees remind SSA of the importance of the use of functional equivalence disability determination procedures.

Nonetheless, the conferees do not intend to suggest by this definition of childhood disability that every child need be especially evaluated for functional limitations, or that this definition creates a supposition for any such examination. Under current procedures for writing individual listings, level of functioning is an explicit consideration in deciding which impairment, with certain medical or other findings, is of sufficient severity to be included in the Listing. Nonetheless, the conferees do not intend to limit the use of functional information, if reflecting sufficient severity and is otherwise appropriate.

The conferees contemplate that Congress may revisit the definition of childhood disability and the scope of benefits, if deemed appropriate, and have provided elsewhere for studies on these issues.

Requests for Comments to Improve Disability Evaluation

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Commissioner to request comments in the Federal Register regarding improvements to the disability evaluation and determination procedures for individuals under age 18 to ensure the comprehensive assessment of such individuals.

Conference agreement

The conference agreement follows the House bill (i.e., no provision).

Changes to SSI Childhood Regulations

Present law

Under the disability determination process for children, SSA first determines if a child meets or equals the "Listing of Impairments" in Federal regulations. Under the Listings that relate to mental disorders, maladaptive behavior may be scored twice, in domains of social functioning and of personal/behavior functioning.

Under the disability determination process for children, individuals who do not meet or equal the Listing of Impairments are subject to an "Individualized Functional Assessment" (IFA). This assessment is intended to determine whether, or to what extent, a child can engage in age-appropriate activities. If the child cannot, the child may be determined disabled.

House bill

The Commissioner of Social Security shall eliminate references in the Listing of Impairments to maladaptive behavior among medical criteria for evaluation of mental and emotional disorders in the domain of personal/behavioral function.

The Commissioner of Social Security shall discontinue use of the Individualized Functional Assessment for children set forth in the Code of Federal Regulations.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

Medical Improvement Review Standard as it Applies to Individuals Under the Age of 18

Present law

No provision.

House bill

This section contains technical modifications to the medical improvement review standard based on the new definition of childhood disability.

Senate amendment

Identical to the House bill.

Conference agreement

The conference agreement follows the House bill.

Effective dates

Present law

No provision.

House bill

Changes in eligibility rules apply to new applications and pending requests for administrative or judicial review on or after the date of enactment, without regard to whether regulations have been issued.

No later than 1 year after the date of enactment, the Commissioner shall redetermine the eligibility of any child receiving benefits on the date of enactment who would lose eligibility under these provisions.

Benefits of current recipients will continue until their redetermination. Should a child be found ineligible, their benefits will end following redetermination.

No later than January 1, 1997, the Commissioner must notify individuals whose eligibility for SSI benefits will terminate.

The Commissioner must report to Congress within 180 days regarding progress made in implementing the SSI children's provisions.

The Commissioner shall submit final regulations to the Committees of jurisdiction of Congress for their review at least 45 days before they become effective.

Senate amendment

Identical to the House bill, except that benefits of current recipients will continue until the later of July 1, 1997, or the date of redetermination. The Senate amendment also includes language which authorizes and appropriates $300 million to remain available for fiscal year 1997–1999 for the Commissioner to conduct continuing disability reviews (CDRs) and redeterminations.

Conference agreement

The conference agreement follows the Senate amendment with modification to authorize additional administrative funding for SSA: $150 million for fiscal year 1997 and $100 million for fiscal year 1998, to conduct SSI CDRs and redeterminations. The funding of CDRs and redeterminations will follow the usual appropriation process, except that the amounts above a base funding level will not be subject to discretionary caps.

7. ELIGIBILITY REDETERMINATIONS AND CONTINUING DISABILITY REVIEWS

Present law

Current law specifies that the Commissioner must reevaluate under adult disability criteria the eligibility of at least one-third of SSI children who turn age 18 in each of the fiscal years 1996, 1997, and 1998 (the CDR must be completed before these children reach age 19) and report to Congress no later than October 1, 1998.

House bill

At least once every 3 years the Commissioner must conduct CDRs of children receiving SSI benefits. For children who are eligible for benefits and whose medical condition is not expected to improve, the requirement to perform such reviews does not apply (unless the Commissioner decides otherwise). At the time of review the parent or guardian must present evidence demonstrating that the recipient is and has been receiving appropriate treatment for her disability.

The eligibility for all children qualifying for SSI benefits must be redetermined using the adult criteria within 1 year after turning 18 years of age. The review will be considered a substitute for any other review required under the changes made in this section. The "minimum number of reviews" and the "sunset" provisions of section 207 of the Social Security Independence and Program Improvements Act of 1994 are eliminated.

A review must be conducted 12 months after the birth of a child whose low birth weight is a contributing factor to the child's disability. At the time of review, the parent or guardian must present evidence demonstrating that the recipient is and has been receiving appropriate treatment for his disability.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

8. ADDITIONAL ACCOUNTABILITY REQUIREMENTS

Disposal of Resources for Less Than Fair Market Value

Present law

No provision.

House bill

The bill delays eligibility for any child applicant whose parents or guardians, in order to qualify a child for benefits, dispose of assets for less than fair market value within 36 months of the date of application. The provision stipulates that any assets in a trust in which the child (i.e., parent or representative payee) has control shall be considered assets of the child and subject to the 36-month "look-back" rule. The delay (in months) is equal to the amount of assets divided by the SSI standard benefit. This provision is effective 90 days after the date of enactment.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Treatment of Assets Held in Trust

Present law

No provision. Under current operating policy, a trust is not considered a resource if the SSI recipient does not have the legal authority to access trust assets for his or her own food, clothing, or shelter.

House bill

Stipulates that in determining the resources of an individual under the age of 18, a revocable trust (i.e., the person has legal access to the assets of the trust) must be considered a resource available to the individual. In the case of an irrevocable trust, if there are any circumstances under which payment from the trust could be made to or for the benefit of the individual, then such payments are to be considered as resource available to the individual. The Commissioner of Social Security may waive these provisions if the Commissioner determines, on the basis of criteria prescribed in regulations, that such application would be an undue hardship on the individual.

Any earnings of, or additions to the principal of the trust would be considered income if they are available to the individual.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Requirement to Establish Account

Present law

No provision.

House Bill

Requires the representative payee (i.e., the parent) of an individual under the age of 18 to establish an account in a financial institution for the receipt of past-due SSI payments if the lump-sum payment amounts to more than 6 times the maximum monthly SSI payment (including any State supplement). A representative payee shall use the funds in the account for the following expenses: education or job skills training; personal needs assistance; special equipment or housing modifications related to the child's disability; medical treatment; appropriate therapy or rehabilitation; or any other item or service that the Commissioner determines is appropriate.

Once the account is established the representative payee may deposit any past-due benefits owed to the recipient and any other funds representing an SSI underpayment provided the amount is more than the maximum monthly SSI benefit payment.

The funds in these accounts would not be counted as a resource and the interest and other earnings on the account would not be considered income in determining SSI eligibility.

Senate amendment

Identical to House provision, except allows rather than mandates the representative payee to use the funds for allowable expenses.

Conference agreement

The conference agreement follows the House bill.

9. REDUCTION IN CASH BENEFITS PAYABLE TO INSTITUTIONALIZED INDIVIDUALS WHOSE MEDICAL COSTS ARE COVERED BY PRIVATE INSURANCE

Present law

Federal law stipulates that when individuals enter a hospital or other medical institution for which more than half of the bill is paid by the Medicaid program, their monthly SSI benefit is reduced to $30 per month. This personal needs allowance is intended to pay for small personal expenses, with the cost of maintenance and medical care provided by the Medicaid program.

House bill

Children in medical institutions whose medical costs are covered by private insurance would be treated the same as children whose bills are currently paid by Medicaid (that is, their monthly SSI cash benefit would be reduced to $30 per month).

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

10. REGULATIONS

Present law

No provision.

House bill

The Commissioner of Social Security and the Secretary of HHS will prescribe necessary regulations within three months after enactment.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

Subtitle C—Additional Enforcement Provisions

11. INSTALLMENT PAYMENT OF LARGE PAST-DUE SSI BENEFITS

Present law

No provision.

House bill

If an individual is eligible for past-due benefits (after any withholding for reimbursement to a State for interim assistance) in an amount which exceeds 12 times the maximum monthly benefit payable to an eligible individual (currently $470) or couple (currently $705) (plus any State supplementary payments), benefits will be paid in 3 installments made at 6-month intervals. The first and second installments may not exceed 12 times the maximum monthly benefit payable. Installment caps may be extended by certain debt (food, clothing, shelter, or medically necessary services, supplies, or equipment, or medicine) or the purchase of a home. Installment payments shall not apply to individuals whose medical impairment is expected to result in death in 12 months or for an individual who is ineligible and is likely to remain ineligible for the next 12 months.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

12. RECOVERY OF SSI OVERPAYMENTS FROM SOCIAL SECURITY BENEFITS

Present law

Generally, when an overpayment of Social Security benefits is made, recovery shall be made by adjusting future payments or by recovering the overpayment from the individual.

House bill

If the Commissioner is unable to recover the overpayment through future payment adjustments or direct recovery, the Commissioner may decrease any OASI or SSDI payment to the individual or their estate. As a result of this action, no individual may become eligible for SSI or eligible for increased SSI benefits.

Senate amendment

No provision (due to Senate rule).

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

13. REGULATIONS

Present Law

No provision.

House bill

The Commissioner of Social Security and the Secretary of HHS will prescribe necessary regulations within 3 months after enactment.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

14. REPEAL OF MAINTENANCE OF EFFORT REQUIREMENTS APPLICABLE TO OPTIONAL STATE PROGRAMS FOR SUPPLEMENTATION OF SSI

Present law

Since the beginning of the SSI program, States have had the option to supplement (with State funds) the Federal SSI payment. Subsequently, Congress passed section 1618 of the Social Security Act which in effect requires States to maintain such optional payments or lose eligibility for Medicaid funds. The purpose of section 1618 of the Social Security Act was to encourage States to pass along to SSI recipients the amount of any Federal SSI benefit increase. Section 1618 allows States to comply with the "pass along/maintenance of effort" provision by either maintaining their State supplementary payment levels at or above March 1983, levels or by maintaining their supplementary payment spending so that total annual Federal and State expenditures will be at least equal to what they were in the prior 12-month period, plus any Federal cost-of-living increase, provided the State was in compliance for that period.

House bill

Repeals the maintenance of effort requirements in Section 1618 applicable to optional State programs for supplementation of SSI benefits, effective on the date of enactment.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

Subtitle D—Studies Regarding Supplemental Security Income Program

15. ANNUAL REPORT ON THE SUPPLEMENTAL SECURITY INCOME PROGRAM

Present law

The Social Security Administration collects and publishes limited data on the SSI program.

House bill

The Commissioner of Social Security must prepare and provide to the President and the Congress an annual report on the SSI program, which includes specified information and data. The report is due May 30 of each year.

Senate amendment

Identical to the House bill, except stipulates the inclusion of historical and correct data on prior enrollment by public assistance recipients.

Conference agreement

The conference agreement follows the House bill, modified by the Senate amendment.

16. STUDY OF DISABILITY DETERMINATION PROCESS

Present law

No provision.

House bill

Within 90 days of enactment, the Commissioner must contract with the National Academy of Sciences or another independent entity to conduct a comprehensive study of the disability determination process for SSI and SSDI. The study must examine the validity, reliability and consistency with current scientific standards of the Listings of Impairments cited above. The study must also examine the appropriateness of the definitions of disability (and possible alternatives) used in connection with SSI and SSDI, and the operation of the disability determination process, including the appropriate method of performing comprehensive assessments of individuals under age 18 with physical or mental impairments. The Commissioner must issue interim and final reports of the findings and recommendations of the study within 18 months and 24 months, respectively, from the date of contract for the study.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

17. STUDY BY GENERAL ACCOUNTING OFFICE

Present law

No provision.

House bill

No later than January 1, 1999, the Comptroller General of the United States must study and report on the impact of the amendments and provisions made by this bill, and extra expenses incurred by families of children receiving benefits not covered by other Federal, State, or local programs.

Senate amendment

Identical to House bill.

Conference agreement

The conference agreement follows the House bill.

18. NATIONAL COMMISSION ON THE FUTURE OF DISABILITY

Present law

No provision.

House bill

This section establishes a new Commission on the future of disability.

The Commission must study all matters related to the nature, purpose and adequacy of all Federal programs for the disabled (and especially SSI and SSDI), including: projected growth in the number of individuals with disabilities; possible performance standards for disability programs; the adequacy of Federal rehabilitation research and training; and the adequacy of policy research available to the Federal government and possible improvements. The Commission must submit to the President and the proper Congressional committees recommendations and possible legislative proposals effecting needed program changes.

The Commission is to be composed of 15 members who are appointed by the President and Congressional leadership and who serve for the life of the Commission. Members are to be chosen based on their education, training or experience, with consideration for representing the diversity of individuals with disabilities in the U.S. The Commission membership will also reflect the general interests of the business and taxpaying community.

The Commission will have a director, appointed by the Chair, and appropriate staff, resources, and facilities.

The Commission may conduct public hearings and obtain information from Federal agencies necessary to perform its duties.

The Commission must issue an interim report to Congress and the President not later than 1 year prior to terminating. A final public report must be submitted prior to termination.

The Commission will terminate 2 years after first having met and named a chair and vice chair.

This section authorizes the appropriation of such funds as are necessary to carry out the purposes of the Commission.

Senate amendment

No provision, due to Senate rule.

Conference agreement

The conference agreement follows the Senate amendment (i.e., no provision).

TITLE III: CHILD SUPPORT ENFORCEMENT

1. REFERENCE TO THE SOCIAL SECURITY ACT

Present law

No provision.

House bill

Unless otherwise specified, any reference in this title to an amendment to or repeal of a section or other provision is to the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle A—Eligibility for Services; Distribution of Payments

2. STATE OBLIGATION TO PROVIDE CHILD SUPPORT ENFORCEMENT SERVICES

Present law

States are required to establish paternity for children born out of wedlock if they are recipients of AFDC or Medicaid, and to obtain child and spousal support payments from noncustodial parents of children receiving AFDC, Medicaid benefits, or foster care maintenance payments. States must provide child support collection or paternity determination services to persons not otherwise eligible if the person applies for services. Federal law requires States to cooperate with other States in establishing paternity (if necessary), locating absent parents, collecting child support payments, and carrying out other child support enforcement functions. In cases in which a family ceases to receive AFDC, States are required to provide appropriate notice to the family and continue to provide child support enforcement services without requiring the family to apply for services or charging an application fee.

House bill

States must provide services, including paternity establishment and establishment, modification, or enforcement of support obligations, for children receiving benefits from the Temporary Assistance for Needy Families block grant (TANF), foster care maintenance payments, Medicaid, and any child of an individual who applies for services. States must enforce support obligations with respect to children in their caseload and the custodial parents of such children. States must also make child support enforcement services available to individuals not residing within the State on the same terms as to individuals residing within the State. States are not required to provide services to families if the State determines, taking into account the best interests of the child, that good cause and other exceptions exist. The provision also makes minor technical amendments to section 454 of the Social Security Act.

When a family ceases to receive benefits from the TANF block grant, States are required to provide appropriate notice to the family and continue to provide child support enforcement services without requiring the family to apply for services or charging an application fee.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. DISTRIBUTION OF CHILD SUPPORT COLLECTIONS

Present law

Federal law requires that child support collections be distributed as follows: First, up to the first $50 in current support is paid to the AFDC family (a "disregard" that does not affect the family's AFDC benefit or eligibility status). Second, the Federal and State governments are reimbursed for the AFDC benefit paid to the family in that month. Third, if there is money left, the family receives it up to the amount of the current month's child support obligation. Fourth, if there is still money left, the State keeps it to reimburse itself for any arrearages owed to it under the AFDC assignment (with appropriate reimbursement of the Federal share of the collection to the Federal government). If no arrearages are owed the State, the money is used to pay arrearages to the family; such moneys are considered income under the AFDC program and would reduce the family's AFDC benefit.

To receive AFDC benefits, a custodial parent must assign to the State any right to collect child support payments. This assignment covers current support and any arrearages that accumulated before the family began receiving public assistance, and lasts as long as the family receives AFDC.

Some States are required to provide monthly supplemental payments to AFDC recipients who have less disposable income now than they would have had in July 1975 because child support is paid to the child support agency instead of directly to the family. States required to make these supplemental payments are often referred to as "fill-the-gap" States. These States pay less assistance than their full need standard, and allow recipients to use child support income to make up all or part of the difference between the payment made by the State and the State's need standard.

House bill

Several changes in the distribution rules under current law are made by this section. The $50 passthrough to families on AFDC is ended. In addition, distribution law is changed so that, beginning October 1, 1997, collections on arrearages that accumulated during the period after the family leaves welfare are paid to the State if the money was collected through the tax intercept and to the family if collected by any other method. Distribution law is also changed so that beginning on October 1, 2000, arrearages that accumulated during the period before the family went on welfare are paid to the State if the money was collected through the tax intercept and to the family if collected by any other method. (Note: These new distribution rules require the assignment rules for pre-welfare arrearages to be changed so that families can be paid before States if the money was collected by a method other than the tax intercept; this change in assignment rules was made in Title I and will appear in Section 408(a)(3)(B) of the revised Social Security Act.)

By October 1, 1998, the Secretary must present a report to the Congress concerning whether post-assistance arrearages have helped mothers avoid welfare and about the effectiveness of the new distribution rules.

All assignments of support in effect when this proposal is enacted must remain in effect.

Several terms, including "assistance from the State", "Federal share", and "State share" are defined.

If States retain less money from collections than they retained in fiscal year 1995, States are allowed to retain the amount retained in fiscal year 1995.

If a State follows a "fill-the-gap" policy as outlined above, that State can continue to distribute funds to the family up to the amount needed to fill the gap. The provision also clarifies the relationship between gap payments and both the $50 passthrough and the State hold harmless provision.

Senate amendment

Same, except Senate adds provision that stipulates that in the case of a family receiving assistance from an Indian tribe, the State distribute any support collected in accordance with any cooperative agreement between the State and the tribe.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the House accepts the Senate provision on Indian tribes.

4. PRIVACY SAFEGUARDS

Present law

Federal law limits the use or disclosure of information concerning recipients of Child Support Enforcement Services to purposes connected with administering specified Federal welfare programs.

House bill

States must implement safeguards against unauthorized use or disclosure of information related to proceedings or actions to establish paternity or to establish or enforce child support. These safeguards must include prohibitions on release of information where there is a protective order or where the State has reason to believe a party is at risk of physical or emotional harm from the other party. This provision is effective October 1, 1997.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

5. RIGHT TO NOTIFICATION OF HEARING

Present law

Most States have procedural due process requirements with respect to wage withholding. Federal law requires States to carry out withholding in full compliance with all procedural due process requirements of the State.

House bill

Parties to child support cases under Title IV–D must receive notice of proceedings in which child support might be established or modified and must receive a copy of orders establishing or modifying child support (or a notice that modification was denied) within 14 days of issuance.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle B—Locate and Case Tracking

6. STATE CASE REGISTRY

Present law

Federal law requires that wage withholding be administered by a public agency capable of documenting payments of support and tracking and monitoring such payments.

Federal law requires that child support orders be reviewed and adjusted, as appropriate, at least once every three years.

House bill

States must establish an automated State Case Registry that contains a record on each case in which services are being provided by the State agency, as well as each support order established or modified in the State on or after October 1, 1998.

The Registry may be established by linking local case registries of support orders through an automated information network.

The registry record will contain data elements on both parents, such as names, Social Security numbers and other uniform identification numbers, dates of birth, case identification numbers, and any other data the Secretary may require.

Each case record will contain the amount of support owed under the order and other amounts due or overdue (including interest or late payment penalties and fees), any amounts that have been collected and distributed, the birth date of any child for whom the order requires the provision of support, and the amount of any lien imposed by the State.

The State agency operating the registry will promptly establish, maintain, update and regularly monitor case records in the registry with respect to which services are being provided under the State plan. Establishing and updating support orders will be based on administrative actions and administrative and judicial proceedings and orders relating to paternity and support, as well as on information obtained from comparisons with Federal, State, and local sources of information, information on support collections and distributions, and any other relevant information.

The State automated system will be used to extract data for purposes of sharing and matching with Federal and State data bases and locator services, including the Federal Case Registry of Child Support Orders, the Federal Parent Locator Service, and Temporary Assistance for Needy Families and Medicaid agencies, as well as for conducting intrastate and interstate information comparisons.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS

Present law

No provision, but States may provide that, at the request of either parent, child support payments be made through the child support enforcement agency or the agency that administers the State's income withholding system regardless of whether there is an arrearage. States must charge the parent who requests child support services a fee equal to the cost incurred by the State for these services, up to a maximum of $25 per year.

House bill

By October 1, 1998, State child support agencies are required to operate a centralized, automated unit for collection and disbursement of payments on child support orders enforced by the child support agency and payments on orders issued after December 31, 1993 which are not enforced by the State agency but for which income is subject to withholding. The specifics of how States will establish and operate their State Disbursement Unit must be outlined in the State plan.

The State Disbursement Unit must be operated directly by the State agency, by two or more State agencies under a regional cooperative agreement, or by a contractor responsible directly to the State agency. The State Disbursement Unit may be established by linking local disbursement units through an automated information network if the Secretary agrees that the system will not cost more, take more time to establish, nor take more time to operate that a single State system. All States, including those that operate a linked system, must give employers one and only one location for submitting withheld income.

The Disbursement Unit must be used to collect and disburse support payments, to generate orders and notices of withholding to employers, to keep an accurate identification of payments, to promptly distribute money to custodial parents or other States, and to furnish parents with a record of the current status of support payments (but States are not responsible for records that predate passage of this legislation). The Unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical.

The Disbursement Unit must distribute all amounts payable within 2 business days after receiving money and identifying information from the employer or other source of periodic income, if sufficient information identifying the payee is provided. The Unit may retain arrearages in the case of appeals until they are resolved.

States must use their automated system to facilitate collection and disbursement including at least:

(1) transmission of orders and notices to employers within 2 days after receipt of the withholding notice;

(2) monitoring to identify missed payments of support; and

(3) automatic use of enforcement procedures when payments are missed.

It is the sense of Congress that in establishing a centralized unit for the collection of support payments, a State should choose the method of compliance which best meets the needs of parents, employers, and children.

This section of the proposal will go into effect on October 1, 1998. States that process child support payments through local courts can continue court payments until September 30, 1999.

Senate amendment

Same, except Senate uses the term "wages" rather than "income" throughout this section. Senate amendment does not include the provision that States are not responsible for records that predate passage.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the term "income" rather than "wages" is used throughout this section. In addition, the House "sense of the Congress" language was deleted.

8. STATE DIRECTORY OF NEW HIRES

Present law

In general, no provision. Section 1128 of the Social Security Act is an antifraud provision which excludes individuals and entities that have committed fraud from participation in medicare and State health care programs. Section 1128A pertains to civil monetary penalties and describes the appropriate procedures and proceedings for such penalties.

House bill

State plans must include the provision that by October 1, 1997 States will operate a Directory of New Hires.

Establishment. States are required to establish a State Directory of New Hires to which employers and labor organizations in the State must furnish a report for each newly hired employee, unless reporting could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission as determined by the head of an agency. States that already have new hire reporting laws may continue to follow the provisions of their own law until October 1, 1998, at which time States must conform to Federal law.

Employer Information. Employers must furnish to the State Directory of New Hires the name, address, and Social Security number of every new employee and the name, address, and identification number of the employer. Multistate employers that report electronically or magnetically may report to the single State they designate; such employers must notify the Secretary of the name of the designated State. Agencies of the U.S. Government must report directly to the National Directory of New Hires (see below).

Timing of Report. Employers must report new hire information within 20 days of the date of hire. Employers that report new hires electronically or by magnetic tape must file twice per month; reports must be separated by not less than 12 days and not more than 16 days.

Reporting Format and Method. The report required in this section will be made on a W-4 form or the equivalent, and can be transmitted magnetically, electronically, or by first class mail. The decision of which reporting method to use is up to employers.

Civil Money Penalties on Noncomplying Employers. States have the option of setting a civil money penalty which shall be not less than $25 or $500 if, under State law, the failure is the result of a conspiracy between the employer and employee.

Entry of Employer Information. New hire information must be entered in the State data base within 5 business days of receipt from employer.

Information Comparisons. By May 1, 1998, each State Directory of New Hires must conduct automated matches of the Social Security numbers of reported employees against the Social Security numbers of records in the State Case Registry being enforced by the State agency and report the name, address, Social Security number, and the employer name, address, and identification number on matches to the State child support agency.

Transmission of Information. Within 2 business days of the entry of data in the registry, the State must transmit a withholding order directing the employer to withhold wages in accord with the child support order. Within 3 days, the State Directory of New Hires must furnish employee information to the National Directory of New Hires for matching with the records of other State case registries. The State Directory of New Hires must also report quarterly to the National Directory of New Hires information on wages and unemployment compensation taken from the quarterly report to the Secretary of Labor now required by Title III of the Social Security Act.

Other Uses of New Hire Information. The State child support agency must use the new hire information to locate individuals for purposes of establishing paternity as well as establishing, modifying, and enforcing child support obligations. New hire information must also be disclosed to the State agency administering the Temporary Assistance for Needy Families, Medicaid, Unemployment Compensation, Food Stamp, SSI, and territorial cash assistance programs for income eligibility verification, and to State agencies administering unemployment and workers' compensation programs to assist determinations of the allowability of claims. State and local government agencies must participate in quarterly wage reporting to the State employment security agency unless the agency performs intelligence or counterintelligence functions and it is determined that wage reporting could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission. States may disclose new hire information to agencies working under contract with the child support agency.

Disclosure to Certain Agents. States using private contractors are allowed to share information obtained from the Directory of New Hires with private entities working under contract with the State agency. Private contractors must comply with privacy safeguards.

Senate amendment

Same, except under "Other Uses of New Hire Information" Senate Amendment has no provision allowing States to share information with agencies working under contract with the State.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the House provision allowing private entities working under contract with child support agencies access to child support information is included.

9. AMENDMENTS CONCERNING INCOME WITHHOLDING

Present law

Since November 1, 1990, all new or modified child support orders that were being enforced by the State's child support enforcement agency have been subject to immediate income withholding. If the noncustodial parent's wages are not subject to income withholding (pursuant to the November 1, 1990 provision), such parent's wages would become subject to withholding on the date when support payments are 30 days past due. Since January 1, 1994, the law has required States to use immediate income withholding for nearly all new or modified support orders, regardless of whether a parent has applied for child support enforcement services. There are two circumstances in which income withholding does not apply: 1) one of the parents argues, and the court or administrative agency agrees, that there is good cause not to do so, or 2) a written agreement is reached between both parents which provides for an alternative arrangement. States must implement procedures under which income withholding for child support can occur without the need for any amendment to the support order or for any further action by the court or administrative entity that issued the order. States are also required to implement income withholding in full compliance with all procedural due process requirements of the State, and States must send advance notice to each nonresident parent to whom income withholding applies (with an exception for some States that had income withholding before enactment of this provision that met State due process requirements). States must extend their income withholding systems to include out-of-State support orders.

House bill

States must have laws providing that all child support orders issued or modified before October 1, 1996, which are not otherwise subject to income withholding, will become subject to income withholding immediately if arrearages occur, without the need for judicial or administrative hearing. State law must also allow the child support agency to execute a withholding order through electronic means and without advance notice to the obligor. Employers must remit to the State Disbursement Unit, in a format prescribed by the Secretary, income withheld within five working days after the date such amount would have been paid to the employee. Employers cannot take disciplinary action against employees subject to wage withholding. All child support orders subject to income withholding, including those which are not part of the State IV-D program, must be processed through the State Disbursement Unit. In addition, States must notify noncustodial parents that income withholding has commenced and inform them of procedures for contesting income withholding. Employers must follow the withholding terms and conditions stated in the order; if the terms and conditions are not specified employers should follow those of the State in which the obligor lives. The section includes a definition of income to be used in interstate withholding and several conforming amendments to section 466 of the Social Security Act.

Senate amendment

Same, except employers must remit income withheld to the State disbursement unit within 7 rather than 5 days. There are also minor wording differences in the rules relating to income withholding. There is also a difference in the House and Senate definitions of income.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modifications that employers are given 7 days rather than 5 days to remit withheld income and that the House definition of income is followed. With respect to this provision, "timely-paid" is demonstrated by postmark, or in the case of electronic payment, the date the electronic transmission is proven to have been initiated by the employer.

10. LOCATOR INFORMATION FROM INTERSTATE NETWORKS

Present law

No provision.

House bill

All State and the Federal Child Support Enforcement agencies must have access to the motor vehicle and law enforcement locator systems of all States.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

11. EXPANSION OF THE FEDERAL PARENT LOCATOR SERVICE

Present law

The law requires that the Federal Parent Locator Service (FPLS) be used to obtain and transmit information about the location of any absent parent when that information is to be used for the purpose of enforcing child support. Federal law also requires departments or agencies of the United States to be reimbursed for costs incurred in providing requested information to the FPLS.

Information Comparisons and Other Disclosures. Upon request, the Secretary must provide to an "authorized person" (i.e., an employee or attorney of a child support agency, a court with jurisdiction over the parties involved, the custodial parent, the legal guardian, or the child's attorney) the most recent address and place of employment of any nonresident parent if the information is contained in the records of the Department of Health and Human Services or can be obtained from any other department or agency of the United States or of any State. The FPLS also can be used in connection with the enforcement or determination of child custody, visitation, and parental kidnapping. Federal law requires the Secretary of Labor and the Secretary of Health and Human Services to enter into an agreement to give the FPLS prompt access to wage and unemployment compensation claims information useful in locating a noncustodial parent or his employer.

Fees. "Authorized persons" who request information from FPLS must be charged a fee.

Restriction on Disclosure and Use. Federal law stipulates that no information shall be disclosed if the disclosure would contravene the national policy or security interests of the United States or the confidentiality of Census data.

Quarterly Wage Reporting. The Secretary of Labor must provide prompt access by the Secretary of HHS to wage and unemployment compensation claims information and data maintained by the Labor Department or State employment security agencies.

House bill

The purposes of the Federal Parent Locator Service are expanded. For the purposes of establishing parentage, establishing support orders or modifying them, or enforcing support orders, the Federal Parent Locator Service will provide information to locate individuals who owe child support or against whom an obligation is sought or to whom such an obligation is owed. Information in the FPLS includes Social Security number, address, name and address of employer, wages and employee benefits (including information about health care coverage), and information about assets and debts. The provision also clarifies the statute so that parents with orders providing child custody or visitation rights are given access to information from the FPLS unless the State has notified the Secretary that there is reasonable evidence of domestic violence or child abuse or that the information could be harmful to the custodial parent or child.

The Secretary is authorized to set reasonable rates for reimbursing Federal and State agencies for the costs of providing information to the FPLS and to set reimbursement rates that State and Federal agencies that use information from the FPLS must pay to the Secretary.

Federal Case Registry of Child Support Orders. Establishes within the FPLS an automated registry known as the Federal Case Registry of Child Support Orders. The Federal Case Registry contains abstracts of child support orders and other information specified by the Secretary (such as names, Social Security numbers or other uniform identification numbers, and State case identification numbers) to identify individuals who owe or are owed support, or for or against whom support is sought to be established, and the State which has the case. States must begin reporting this information in accord with regulations issued by the Secretary by October 1, 1998.

National Directory of New Hires. This provision establishes within the FPLS a National Directory of New Hires containing information supplied by State Directories of New Hires. When fully implemented, the Federal Directory of New Hires will contain identifying information on virtually every person who is hired in the United States. In addition, the FPLS will contain quarterly data supplied by the State Directory of New Hires on wages and Unemployment Compensation paid. The Secretary of the Treasury must have access to information in the Federal Directory of New Hires for the purpose of administering section 32 of the Internal Revenue Code and the Earned Income Credit. The information for the National Directory of New Hires must be entered within 2 days of receipt, and requires the Secretary to maintain within the National Directory of New Hires a list of multistate employers that choose to send their report to one State and the name of the State so elected. The Secretary must establish a National Directory of New Hires by October 1, 1997.

Information Comparisons and Other Disclosures. The Secretary must verify the accuracy of the name, Social Security number, birth date, and employer identification number of individuals in the Federal Parent Locator Service with the Social Security Administration. The Secretary is required to match data in the National Directory of New Hires against the child support order abstracts in the Federal Case Registry at least every 2 working days and to report information obtained from matches to the State child support agency responsible for the case within 2 days. The information is to be used for purposes of locating individuals to establish paternity, and to establish, modify, or enforce child support orders. The Secretary may also compare information across all components of the FPLS to the extent and with the frequency that the Secretary determines will be effective. The Secretary will share information from the FPLS with several potential users including State agencies administering the Temporary Assistance for Needy Families program, the Commissioner of Social Security (to determine the accuracy of Social Security and Supplemental Security Income), and researchers under some circumstances.

Fees. The Secretary must reimburse the Commissioner of Social Security for costs incurred in performing verification of Social Security information and States for submitting information on New Hires. States or Federal agencies that use information from FPLS must pay fees established by the Secretary.

Restriction on Disclosure and Use. Information from the FPLS cannot be used for purposes other than those provided in this section, subject to section 6103 of the Internal Revenue Code (confidentiality and disclosure of returns and return information).

Information Integrity and Security. The Secretary must establish and use safeguards to ensure the accuracy and completeness of information from the FPLS and restrict access to confidential information in the FPLS to authorized persons and purposes.

Federal Government Reporting. Each department of the U.S. must submit the name, Social Security number, and wages paid the employee on a quarterly basis to the FPLS. Quarterly wage reporting must not be filed for a Federal or State employee performing intelligence or counter-intelligence functions if it is determined that filing such a report could endanger the employee or compromise an ongoing investigation.

Conforming Amendments. This section makes several conforming amendments to Titles III and IV of the Social Security Act, to the Federal Unemployment Tax Act, and to the Internal Revenue Code. Among the more important are that: State employment security agencies are required to report quarterly wage information to the Secretary of HHS or suffer financial penalties and that private agencies working under contract to State child support agencies can have access to certain specified information from IRS records under some circumstances.

Requirement for Cooperation. The Secretaries of HHS and Labor must work together to develop cost-effective and efficient methods of accessing information in the various directories required by this title; they must also consider the need to ensure the proper and authorized use of wage record information.

Senate amendment

Same, except under "Information Comparisons and Other Disclosures" the Senate amendment drops the requirement that the Social Security Administration must determine the accuracy of payments under the Social Security and SSI programs.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with the modification that the agreement follows the Senate provision dropping the requirement that the Social Security Administration determine the accuracy of Social Security and SSI payments.

12. COLLECTION AND USE OF SOCIAL SECURITY NUMBERS FOR USE IN CHILD SUPPORT ENFORCEMENT

Present law

Federal law requires that in the administration of any law involving the issuance of a birth certificate, States must require each parent to furnish their Social Security number for the birth records. The State is required to make such numbers available to child support agencies in accordance with Federal or State law. States may not place Social Security numbers directly on birth certificates.

House bill

States must have procedures for recording the Social Security numbers of applicants on the application for professional licenses, commercial driver's licenses, occupational licenses, and marriage licenses. States must also record Social Security numbers in the records of divorce decrees, child support orders, and paternity determination or acknowledgment orders. Individuals who die will have their Social Security number placed in the records relating to the death and recorded on the death certificate. There are several conforming amendments to title II of the Social Security Act.

Senate amendment

Same, except difference in conforming amendment to Social Security Act.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle C—Streamlining and Uniformity of Procedures

13. ADOPTION OF UNIFORM STATE LAWS

Present law

States have several options available for pursuing interstate child support cases including direct income withholding, interstate income withholding, and long-arm statutes which require the use of the court system in the State of the custodial parent. In addition, States use the Uniform Reciprocal Enforcement of Support Act (URESA) and the Revised Uniform Reciprocal Enforcement of Support Act (RURESA) to conduct interstate cases. Federal law imposes a Federal criminal penalty for the willful failure to pay past-due child support to a child who resides in a State other than the State of the obligor. In 1992, the National Conference of Commissioners on State Uniform Laws approved a new model State law for handling interstate child support cases. The new Uniform Interstate Family Support Act (UIFSA) is designed to deal with desertion and nonsupport by instituting uniform laws in all 50 States that limit control of a child support case to a single State. This approach ensures that only one child support order from one court or child support agency will be in effect at any given time. It also helps to eliminate jurisdictional disputes between States that are impediments to locating parents and enforcing child support orders across State lines. As of February 1996, 26 States and the District of Columbia had enacted UIFSA.

House bill

By January 1, 1998, all States must have enacted the Uniform Interstate Family Support Act (UIFSA) and any amendments officially adopted by the National Conference of Commissioners of Uniform State Laws before January 1, 1998, and have the procedures required for its implementation in effect. States are allowed flexibility in deciding which specific interstate cases are pursued by using UIFSA and which cases are pursued using other methods of interstate enforcement. States must provide that an employer that receives an income withholding order follow the procedural rules that apply to the order under the laws of the State in which the noncustodial parent works.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with additional clarifying provisions that conferees agreed to include at the request of the National Conference of Commissioners of Uniform State Laws. The Commissioners asked conferees to make two changes in House and Senate provisions. More specifically, conferees agreed to drop language in the section on income withholding in interstate cases and to insert replacement language approved by the Commissioners. This provides specific instructions to employers for rules to follow in processing interstate cases. Employers following these instructions are also provided with legal immunity.

14. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS

Present law

Federal law requires States to treat past-due support obligations as final judgments that are entitled to full faith and credit in every State. This means that a person who has a support order in one State does not have to obtain a second order in another State to obtain support due should the debtor parent move from the issuing court's jurisdiction. P.L. 103-383 restricts a State court's ability to modify a support order issued by another State unless the child and the custodial parent have moved to the State where the modification is sought or have agreed to the modification.

House bill

The provision clarifies the definition of a child's home State, makes several revisions to ensure that full faith and credit laws can be applied consistently with UIFSA, and clarifies the rules regarding which child support orders States must honor when there is more than one order.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

15. ADMINISTRATIVE ENFORCEMENT IN INTERSTATE CASES

Present law

No provision.

House bill

States are required to have laws that permit them to send orders to and receive orders from other States. The transmission of the order itself serves as certification to the responding State of the arrears amount and of the fact that the initiating State met all procedural due process requirements. In addition, each responding State must, without requiring the case to be transferred to their State, match the case against its data bases, take appropriate action if a match occurs, and send the collections, if any, to the initiating State. States must keep records of the number of requests they receive, the number of cases that result in a collection, and the amount collected. States must respond to interstate requests within five days.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

16. USE OF FORMS IN INTERSTATE ENFORCEMENT

Present law

No provision.

House bill

The Secretary of HHS, in consultation with State child support directors and not later than October 1, 1996, must issue forms that States must use for income withholding, for imposing liens, and for issuing administrative subpoenas in interstate cases. States must be using the forms by March 1, 1997.

Senate amendment

Same, except minor differences in wording.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

17. STATE LAWS PROVIDING EXPEDITED PROCEDURES

Present law

States must have procedures under which expedited processes are in effect under the State judicial system or under State administrative processes for obtaining and enforcing support orders and for establishing paternity.

Federal regulations provide a number of safeguards in expedited cases, such as requiring that the due process rights of the parties involved be protected.

The Employee Retirement Income Security Act (ERISA) of 1974 supersedes any and all State laws. Under ERISA a noncustodial parent's pension benefits can only be garnished or withheld if the custodial parent has a qualified domestic relations order. Similarly, a pension plan administrator is obligated to adhere to medical support requirements only if the custodial parent has a qualified medical child support order.

House bill

States must adopt a series of procedures to expedite both the establishment of paternity and the establishment, enforcement, and modification of support. These procedures must give the State agency the authority to take the following actions, subject to due process safeguards, without the necessity of obtaining an order from any other judicial or administrative tribunal:

(1) ordering genetic testing in appropriate cases;

(2) issuing subpoenas to obtain information necessary to establish, modify or enforce an order, with appropriate sanctions for failure to respond to the subpoena;

(3) requiring all entities in the State (including for-profit, nonprofit, and governmental employers) to provide information on employment, compensation and benefits of any employee or contractor in response to a request from the State IV-D agency or the IV-D agency of any other State, and to sanction failure to respond to such request;

(4) obtaining access to a variety of public and private records including: vital statistics, State and local tax records, real and personal property, occupational and professional licenses and records concerning ownership and control of corporations, partnerships and other business entities, employment security records, public assistance records, motor vehicle records, corrections records, and, subject to the nonliability of these private entities and the issuance of an administrative subpoena, information in the customer records of public utilities and cable TV companies, and records of financial institutions;

(5) directing the obligor or other payor to change the payee to the appropriate government entity in cases in which support is subject to an assignment or to a requirement to pay through the State Disbursement Unit;

(6) ordering income withholding in certain IV-D cases;

(7) securing assets to satisfy arrearages: by intercepting or seizing periodic or lump sum payments from States or local agencies including Unemployment Compensation, workers' compensation, judgements, settlements, lottery winnings, assets held by financial institutions, and public and private retirement funds; by attaching and seizing assets held in financial institutions; by attaching public and private retirement funds; and by imposing liens to force the sale of property; and

(8) increasing automatically the monthly support due to include amounts to offset arrears.

Expedited procedures must include the following rules and authority applicable with respect to proceedings to establish paternity or to establish, modify, or enforce support orders:

(1) Locator Information and Notice. Parties in paternity and child support actions must file and update information about identity, address, and employer with the tribunal and with the State Case Registry upon entry of the order. The tribunal can deem due process requirements for notice and service of process to be met in any subsequent action upon delivery of written notice to the most recent residential or employer address filed with the tribunal.

(2) Statewide Jurisdiction. The child support agency and any administrative or judicial tribunal have the authority to hear child support and paternity cases, to exert Statewide jurisdiction over the parties, and to grant orders that have Statewide effect; cases can also be transferred between local jurisdictions without additional filing or service of process.

Except to the extent that the provisions related to expedited procedures are consistent with requirements of the ERISA qualified domestic relations orders and the qualified medical child support orders, the expedited procedures do not alter, amend, modify, invalidate, impair or supersede ERISA requirements.

The automated systems being developed by States are to be used, to the maximum extent possible, to implement expedited procedures.

Senate amendment

Same, except for a modification that alters the nonliability of entities that share information with child support officials and eliminates the reference to administrative subpoenas.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the agreement included the House provision strengthening the nonliability of entities that share information with child support officials.

Subtitle D—Paternity Establishment

18. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT

Present law

Establishment Process Available from Birth Until Age 18. Federal law requires States to have laws that permit the establishment of paternity until the child reaches age 18. As of August 16, 1984, these procedures would apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because of statute of limitations of less than 18 years was then in effect in the State.

Procedures Concerning Genetic Testing. Federal law requires States to implement laws under which the child and all other parties must undergo genetic testing upon the request of a party in contested cases.

Voluntary Paternity Acknowledgement. Federal law requires States to implement procedures for a simple civil process for voluntary paternity acknowledgment, including hospital-based programs.

Status of Signed Paternity Acknowledgement. Federal law requires States to implement procedures under which the voluntary acknowledgment of paternity creates a rebuttable presumption, or at State option, a conclusive presumption of paternity.

Bar on Acknowledgement Ratification Proceedings. Federal law requires States to implement procedures under which voluntary acknowledgment is admissible as evidence of paternity and the voluntary acknowledgment of paternity must be recognized as a basis for seeking a support order without requiring any further proceedings to establish paternity.

Admissibility of Genetic Testing Results. Federal law requires States to implement procedures which provide that any objection to genetic testing results must be made in writing within a specified number of days before any hearing at which such results may be introduced into evidence. If no objection is made, the test results must be admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy.

Presumption of Paternity in Certain Cases. Federal law requires States to implement procedures which create a rebuttable or, at State option, conclusive presumption of paternity based on genetic testing results indicating a threshold probability that the alleged father is the father of the child.

Default Orders. Federal law requires States to implement procedures that require a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

House Bill

Establishment Process Available from Birth Until Age 18. States are required to have laws that permit paternity establishment until at least age 18 (or a higher limit at State option) even in cases that were previously dismissed because a statute of limitations of less than 18 years was then in effect.

Procedures Concerning Genetic Testing. The child and all other parties, unless good cause provisions are met, must undergo genetic testing upon the request of a party if the request is supported by a sworn statement establishing a reasonable possibility of parentage or nonparentage. When the tests are ordered by the State agency, States must pay the costs, subject to recoupment at State option from the father if paternity is established. Upon the request and advance payment by the contestant, States must seek additional testing if the original test result is contested.

Voluntary Paternity Acknowledgement.

(1) Simple Civil Process. States must have procedures that create a simple civil process for voluntary acknowledging paternity under which benefits, rights, and responsibilities of acknowledgement are explained to unwed parents before the acknowledgement is signed.

(2) Hospital Program. States must have procedures that establish a paternity acknowledgement program through hospitals.

(3) Paternity Services. States must have procedures that require the agency responsible for maintaining birth records to offer voluntary paternity establishment services. The Secretary must issue regulations governing voluntary paternity establishment services, including regulations on State agencies that may offer voluntary paternity acknowledgement services and the conditions such agencies must meet.

(4) Affidavit. States must develop their own voluntary acknowledgment form but the form must contain all the basic elements of a form developed by the Secretary. States must give full faith and credit to the forms of other States.

Status of Signed Paternity Acknowledgement.

(1) Inclusion in Birth Records. States must include the name of the father in the record of births to unmarried parents only if the father and mother have signed a voluntary acknowledgement of paternity or a court or administrative agency has issued an adjudication of paternity.

(2) Legal Finding. States must have procedures under which a signed acknowledgement of paternity is considered a legal finding of paternity unless rescinded within 60 days or the date of a judicial or administrative proceeding to establish a support order.

(3) Contest. States must have procedures under which a paternity acknowledgement can be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof on the challenger.

Bar on Acknowledgement Ratification Proceedings. No judicial or administrative proceedings are required or permitted to ratify a paternity acknowledgement which is not challenged by the parents.

Admissibility of Genetic Testing Results. States must have procedures for admitting into evidence accredited genetic tests, unless any objection is made in writing within a specified number of days, and if no objection is made, clarifying that test results are admissible without the need for foundation or other testimony.

Presumption of Paternity in Certain Cases. States must have laws that create a rebuttable or, at State option, conclusive presumption of paternity when results from genetic testing indicate a threshold probability that the alleged father is the father of the child.

Default Orders. A default order must be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by the State law.

No Right to Jury Trial. State laws must state that parties in a contested paternity action are not entitled to a jury trial.

In addition to all the above provisions that strengthen similar provisions of current law, the Committee report contains a number of new provisions that have no direct parallel in current law. These include:

Temporary Support Based on Probable Paternity. Upon motion of a party, State law must require issuance of a temporary support order pending an administrative or judicial determination of parentage if paternity is indicated by genetic testing or other clear and convincing evidence.

Proof of Certain Support and Paternity Establishment Costs. Bills for pregnancy, childbirth, and genetic testing must be admissible in judicial proceedings without foundation testimony and must constitute prima facie evidence of the cost incurred for such services.

Standing of Putative Fathers. Putative fathers must have a reasonable opportunity to initiate a paternity action.

Filing of Acknowledgement and Adjudications in State Registry of Birth Records. Both voluntary acknowledgements and adjudications of paternity must be filed with the State registry of birth records for data matches with the central Case Registry of Child Support Orders.

National Paternity Acknowledgement Affidavit. The Secretary is required to develop, in consultation with the States, the minimum requirements of an affidavit which includes the Social Security number of each parent to be used by States for voluntary acknowledgement of paternity.

Senate amendment

Same, except under "Voluntary Paternity Acknowledgement," the Senate amendment includes good cause exceptions.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with modification that the good cause exceptions are dropped.

19. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT

Present law

States are required to regularly and frequently publicize, through public service announcements, the availability of child support enforcement services.

House bill

States must publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

20. COOPERATION BY APPLICANTS FOR AND RECIPIENTS OF TEMPORARY FAMILY ASSISTANCE

Present law

AFDC applicants and recipients are required to cooperate with the State in establishing the paternity of a child and in obtaining child support payments unless the applicant or recipient is found to have good cause for refusing to cooperate. Under the "good cause" regulations, the child support agency may determine that it is against the best interests of the child to seek to establish paternity in cases involving incest, rape, or pending procedures for adoption. Moreover, the agency may determine that it is against the best interest of the child to require the mother to cooperate if it is anticipated that such cooperation will result in the physical or emotional harm of the child, parent, or caretaker relative.

House bill

Individuals or their children who apply for or receive public assistance under the Temporary Assistance for Needy Families (TANF) program or the Medicaid program must cooperate, as determined by the State child support agency, with State efforts to establish paternity and establish, modify, or enforce a support order. State procedures must require both that applicants and recipients provide specific identifying information about the other parent and that applicants appear at interviews, hearings, and legal proceedings, unless the applicant or recipient is found to have good cause for refusing to cooperate. States must have "good cause" exceptions and they must take into account the best interests of the child. The definition of good cause, and the determination of good cause in specific cases, can be accomplished by the State agency administering TANF, child support enforcement, or Medicaid. States also must require the custodial parent and child to submit to genetic testing. States may not require the noncustodial parent to sign an acknowledgement of paternity or relinquish the right to genetic testing as a condition of cooperation. The State child support agency must notify the agencies administering the TANF Block Grant and Medicaid programs if noncooperation is determined.

Senate amendment

Same, except imposes a penalty for noncooperation. If it is determined that an individual is not cooperating, and the individual does not qualify for any good cause or other exception, then the State must deduct not less than 25 percent of the Title IV–A assistance that otherwise would be provided to the family of the individual; and the State may deny the family any Title IV–A assistance. The Senate amendment also has references to Title XV not found in the House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the Senate penalty of 25 percent is included. This provision is included in Title I (Block Grants for Temporary Assistance for Needy Families) of the bill.

Subtitle E—Program Administration and Funding

21. PERFORMANCE-BASED INCENTIVES AND PENALTIES

Present law

Incentive Adjustments to Federal Matching Rate. The Federal government reimburses approved administrative expenditures of States at a rate of 66 percent. In addition, the Federal government pays States an incentive amount ranging from six percent to 10 percent of both AFDC and non-AFDC collections.

Conforming Amendments. No provision.

Calculation of IV-D Paternity Establishment Percentage. States are required to meet Federal standards for the establishment of paternity. The major standard relates to the percentage obtained by dividing the number of children in the State who are born out of wedlock, are receiving AFDC or child support enforcement services, and for whom paternity has been established by the number of children who are born out of wedlock and are receiving AFDC or child support enforcement services. To meet Federal requirements, this percentage in a State must be at least 75 percent or meet the following standards of improvement from the preceding year: (1) if the State paternity establishment ratio is between 50 and 75 percent, the State ratio must increase by 3 or more percentage points from the ratio of the preceding year; (2) if the State ratio is between 45 and 50, the ratio must increase at least 4 percentage points; (3) if the State ratio is between 40 and 45 percent, it must increase at least 5 percentage points; and (4) if the State ratio is below 40 percent, it must increase at least 6 percentage points. If an audit finds that the State's child support enforcement program has not substantially complied with the requirements of its State plan, the State is subject to a penalty. In accord with this penalty, the Secretary must reduce a State's AFDC benefit payment by not less than one percent nor more than 2 percent for the first failure to comply; by not less than 2 percent nor more than three percent for the second consecutive failure to comply; and by not less than three percent nor more than five percent for third or subsequent consecutive failure to comply.

House bill

Incentive Adjustments to Federal Matching Rate. The Secretary, in consultation with State child support directors, must develop a proposal for a new incentive system that provides additional payments to States (i.e., above the base matching rate of 66 percent) based on performance and report details of the new system to the Committees on Ways and Means and Finance by March 1, 1997. The Secretary's new system must be revenue neutral. The current incentive system remains effective for fiscal years beginning before 2000.

Conforming Amendments. Conforming amendments are made in Sections 458 of the Social Security Act.

Calculation of IV-D Paternity Establishment Percentage. States have the option of calculating the paternity establishment rate by either counting only unwed births in the State IV-D caseload or by counting all unwed births in the State. The IV-D paternity establishment percentage for a fiscal year is equal to: (1) the total number of children in the State who were born out-of-wedlock, and who receive services under Part A or, at State option, Part D, and for whom paternity is acknowledged or established during the fiscal year, divided by (2) the total number of children born out-of-wedlock who receive services under Part A or E or, at State option, Part D. The Statewide paternity establishment percentage is similar except that all out-of-wedlock births in the fiscal year in the State are in the denominator and all paternities established are in the numerator. The requirements for meeting the standard are the same as current law except the 75 percent rule is increased to 90 percent. States with a paternity establishment percentage of between 75 percent and 90 percent must improve their performance by at least two percentage points per year. The noncompliance provisions of the child support program are modified so that the Secretary must take overall program performance into account.

Senate amendment

Same, except minor wording difference in amendment of Section 452(g)(2).

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

22. FEDERAL AND STATE REVIEW AND AUDITS

Present law

States are required to maintain a full record of child support collections and disbursements and to maintain an adequate reporting system.

The Secretary must collect and maintain, on a fiscal year basis, up-to-date State-by-State statistics on each of the services provided under the child support enforcement program. The Secretary is also required to evaluate the implementation of State child support enforcement programs and conduct audits of these programs as necessary, but not less often than once every 3 years (or annually if a State has been found to be out of compliance with program rules).

House bill

States are required to annually review and report to the Secretary, using data from their automatic data processing system, both information adequate to determine the State's compliance with Federal requirements for expedited procedures and timely case processing as well as the information necessary to calculate their levels of accomplishment and rates of improvement on the performance indicators in the proposal.

The Secretary is required to determine the amount (if any) of incentives or penalties. The Secretary must also review State reports on compliance with Federal requirements and provide States with recommendations for corrective action. Audits must be conducted at least once every 3 years, or more often in the case of States that fail to meet Federal requirements. The purpose of the audits is to assess the completeness, reliability, and security of data reported for use in calculating the performance indicators and to assess the adequacy of financial management of the State program.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

23. REQUIRED REPORTING PROCEDURES

Present law

The Secretary is required to assist States in establishing adequate reporting procedures and must maintain records of child support enforcement operations and of amounts collected and disbursed, including costs incurred in collecting support payments.

House bill

The Secretary is required to establish procedures and uniform definitions for State collection and reporting of information necessary to measure State compliance with expedited processes.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

24. AUTOMATED DATA PROCESSING REQUIREMENTS

Present law

Federal law (P.L. 104-35) requires that by October 1, 1997, States have an operational automated data processing and information retrieval system designed to control, account for, and monitor all factors in the support enforcement and paternity determination process, the collection and distribution of support payments, and the costs of all services rendered.

The automated data processing system must be capable of providing management information on all IV-D cases from initial referral or application through collection and enforcement. The automated data processing system must also be capable of providing security against unauthorized access to, or use of, the data in such system. To establish these automated data systems, the Federal government provided States with a 90 percent matching rate for the costs of development. This enhanced matching money expired on October 1, 1995.

House bill

States are required to have a single Statewide automated data processing and information retrieval system which has the capacity to perform the necessary functions and with the required frequency, as described in this section. The State data system must be used to perform functions the Secretary specifies, including controlling and accounting for the use of Federal, State, and local funds and maintaining the data necessary to meet Federal reporting requirements in carrying out the program. The system must maintain the requisite data for Federal reporting, calculate the State's performance for purposes of the incentive and penalty provisions, and have in place systems controls to ensure the completeness, reliability, and accuracy of the data.

To promote security of information, the State agency must have safeguards to protect the integrity, accuracy, and completeness of, and access to and use of, data in the automated systems including restricting access to passwords, monitoring of access to and use of the system, conducting automated systems training, and imposing penalties for unauthorized use or disclosure of confidential data. The Secretary must prescribe final regulations for implementation of this section no later than 2 years after the date of the enactment of this Act.

The statutory provisions for State implementation of Federal automatic data processing requirements are revised to provide that, first, all requirements enacted on or before the date of enactment of the Family Support Act of 1988 are to be met by October 1, 1997. The requirements enacted on or before the date of enactment of this proposal must be met by October 1, 1999. The October 1, 1999 deadline will be extended by one day for each day by which the Secretary fails to meet the 2-year deadline for regulations. The Federal government will continue the 90 percent matching rate for 1996 and 1997 in the case of provisions outlined in advanced planning documents submitted before September 30, 1995; the enhanced match is also provided retroactively for funds expended since expiration of the enhanced rate on October 1, 1995. For fiscal years 1996 through 2001, the matching rate for the provisions of this section will be 80 percent.

The Secretary must create procedures to cap payments to States to meet the new requirements at $400,000,000 over 6 years (fiscal years 1996-2001) to be distributed among States by a formula set in regulations which takes into account the relative size of State caseloads and the level of automation needed to meet applicable automatic data processing requirements.

Senate amendment

Same, except that requirements enacted after the Family Support Act must be met by October 1, 2000 (rather than October 1, 1999). Also, a difference in wording about payments in fiscal year 1998.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

25. TECHNICAL ASSISTANCE (AND FUNDING OF PARENT LOCATOR SERVICE)

Present law

Annual appropriations are made to cover the expenses of the Administration for Children and Families, which includes the Federal Office of Child Support Enforcement (OCSE). Among OCSE's administrative expenses are the costs of providing technical assistance to the States.

House bill

The Secretary can use 1 percent of the Federal share of child support collections on behalf of families in the Temporary Assistance for Needy Families program the preceding year to provide technical assistance to the States. Technical assistance can include training of State and Federal staff, research and demonstration programs, special projects of regional or national significance, and similar activities. The Secretary will receive 2 percent of the Federal share of collections on behalf of TANF recipients the preceding year for operation of the Federal Parent Locator Service to the extent that costs of the Parent Locator Service are not recovered by user fees.

Senate amendment

Same, except the effective date is October 1, 1997.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the House effective date is followed.

26. REPORTS AND DATA COLLECTION BY THE SECRETARY

Present law

The Secretary is required to submit to Congress, not later than 3 months after the end of the fiscal year, a complete report on all child support enforcement activities.

House bill

In addition to current reporting requirements, the Secretary is required to report the following data to Congress in her annual report each fiscal year:

(1) the total amount of child support payments collected;

(2) the cost to the State and Federal governments of furnishing child support services;

(3) the number of cases involving families that became ineligible for aid under part A with respect to whom a child support payment was received;

(4) the total amount of current support collected and distributed;

(5) the total amount of past due support collected and distributed; and

(6) the total amount of support due and unpaid for all fiscal years.

The Secretary also must report the compliance, by State, with IV-D standards for responding to requests for child support assistance from other States and standards for distributing child support collections.

Senate amendment

Same, except minor difference in wording in amendment to Section 452(a)(10).

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

27. CHILD SUPPORT DELINQUENCY PENALTY

Present law

No provision.

House bill

States must impose an annual penalty of 10 percent on overdue support owed by noncustodial parents. The penalty is paid after the family has been repaid all arrearages and after the State has been repaid for welfare payments, if any, made to families.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment by dropping this penalty provision.

Subtitle F—Establishment and Modification of Support Orders

28. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS

Present law

A child support order legally obligates noncustodial parents to provide financial support for their child and stipulates the amount of the obligation and how it is to be paid. In 1984, P.L. 98–378 required States to establish guidelines for establishing child support orders. In 1988, P.L. 100–485 made the guidelines binding on judges and other officials who had authority to establish support orders. P.L. 100–485 also required States to review and adjust individual child support orders once every three years under some circumstances. States are required to notify both resident and nonresident parents of their right to a review.

House bill

States must review and, as appropriate, adjust child support orders at the request of the parents. In the case of orders being enforced against parents whose children are receiving benefits under Title IV–A of the Social Security Act, States may also review the order at their own option. No proof of change of circumstances is needed to initiate the review. States may adjust child support orders by either applying the State guidelines and updating the award amount or by applying a cost of living increase to the order. In the latter case, both parties must be given 30 days after notice of adjustment to contest the results. States may use automated methods to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders based on the threshold established by the State. States are required to give parties one notice of their right to request review and adjustment, which may be included in the order establishing the support amount.

Senate amendment

Major differences in the review and adjustment provisions; the House makes reviews optional while the Senate retains mandatory 3-year reviews of IV–A cases as under current law; also other differences in wording.

Conference agreement

The conference agreement follows the House bill and the Senate amendment. The compromise provision preserves the mandatory review every 3 years if parents request a review but allows States some flexibility in reviewing child support cases in their welfare caseload.

29. FURNISHING CONSUMER REPORTS FOR CERTAIN PURPOSES RELATING TO CHILD SUPPORT

Present law

The Fair Credit Act requires consumer reporting agencies to include in any consumer report information on child support delinquencies provided by or verified by a child support enforcement agency, which antedates the report by 7 years.

House bill

This section amends the Fair Credit Reporting Act. In response to a request by the head of a State or local child support agency (or a State or local government official authorized by the head of such an agency), consumer credit agencies must release information if the person making the request makes all of the following certifications: that the consumer report is needed to establish an individual's capacity to make child support payments or determine the level of payments; that paternity has been established or acknowledged; that the consumer has been given at least 10 days notice by certified or registered mail that the report is being requested; and that the consumer report will be kept confidential, will be used solely for child support purposes, and will not be used in connection with any other civil, administrative, or criminal proceeding or for any other purpose. Consumer reporting agencies must also give reports to a child support agency for use in setting an initial or modified award.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

30. NONLIABILITY FOR FINANCIAL INSTITUTIONS PROVIDING FINANCIAL RECORDS

Present law

No provision.

House bill

Financial institutions are not liable to any person for information provided to child support agencies. Child support agencies can disclose information obtained from depository institutions only for child support purposes. There is no liability for disclosures that result from good faith but erroneous interpretation of this statute. However, individuals who knowingly disclose information from financial records can have civil actions brought against them in Federal district court; the maximum penalty is $1,000 for each disclosure or actual damages plus, in the case of willful disclosure resulting from gross negligence, punitive damages, plus the costs of the action. Definitions of "financial institution" and "financial record" are included in this section.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle G—Enforcement of Support Orders

31. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES

Present law

If the amount of overdue child support is at least $750, the Internal Revenue Service (IRS) can enforce the child support obligation through its regular collection process, which may include seizure of property, freezing accounts, or use of other procedures if child support agencies request assistance according to prescribed rules (e.g., certifying that the delinquency is at least $750, etc.)

House bill

The Internal Revenue Code is amended so that no additional fees can be assessed for adjustment to previously certified amounts for the same obligor.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

32. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES

Present law

Federal law allows the wages of Federal employees to be garnished to enforce legal obligations for child support or alimony. Federal law provides that moneys payable by the United States to any individual are subject to being garnished in order to meet an individual's legal obligation to provide child support or make alimony payments. An executive order issued on February 27, 1995 establishes the Federal government as a model employer in promoting and facilitating the establishment and enforcement of child support. Under the terms of the Executive Order, all Federal agencies, including the Uniformed Services, are required to cooperate fully in efforts to establish paternity and child support and to enforce the collection of child and medical support. All Federal agencies are to review their wage withholding procedures to ensure that they are in full compliance. Beginning no later than July 1, 1995, the Director of the Office of Personnel Management must publish annually in the Federal Register the list of agents (and their addresses) designated to receive service of withholding notices for Federal employees. Federal law states that neither the United States nor any disbursing officer or government entity shall be liable with respect to any payment made from moneys due or payable from the United States pursuant to the legal process. Federal law provides that money that may be garnished includes compensation for personal services, whether such compensation is denominated as wages, salary, commission, bonus, pay, or otherwise, and includes but is not limited to, severance pay, sick pay, incentive payments, and periodic payments. Includes definitions of "United States", "child support", "alimony", "private person", and "legal process".

House bill

Consolidation and Streamlining of Authorities:

(1) Federal employees are subject to wage withholding and other actions taken against them by State child support enforcement agencies.

(2) Federal agencies are responsible for the same wage withholding and other child support actions taken by the State as if they were a private employer.

(3) The head of each Federal agency must designate an agent and place the agent's name, title, address, and telephone number in the Federal Register annually. The agent must, upon receipt of process, send written notice to the individual involved as soon as possible, but no later than 15 days, and to comply with any notice of wage withholding or respond to other process within 30 days. The agent also must respond to any order, process, or interrogatory about child support or alimony within 30 days after effective service of such requests.

(4) Current law governing allocation of moneys owed by a Federal employee is amended to give priority to child support, to require allocation of available funds, up to the amount owed, among child support claimants, and to allocate remaining funds to other claimants on a first-come, first-served basis.

(5) A government entity served with notice of process for enforcement of child support is not required to change its normal pay and disbursement cycle to comply with the legal process.

(6) Similar to current law, the U.S., the government of the District of Columbia, and

disbursing officers are not liable for child support payments made in accord with this section; nor is any Federal employee subject to disciplinary action or civil or criminal liability for disclosing information while carrying out the provisions of this section.

(7) The President has the authority to promulgate regulations to implement this section as it applies to Federal employees of the Administrative branch of government; the President Pro Tempore of the Senate and Speaker of the House can issue regulations governing their employees; and the Chief Justice can issue regulations applicable to the Judicial branch.

(8) This section broadens the definition of income to include, in addition to wages, salary, commissions, bonus pay, allowances, severance pay, sick pay, and incentive pay, funds such as insurance benefits, retirement and pension pay (including disability pay if the veteran has waived a portion of retirement pay to receive disability pay), survivor's benefits, compensation for death and black lung disease, veteran's benefits, and workers' compensation; but to exclude from income funds paid to defray expenses incurred in carrying out job duties; amounts owed to the U.S. or used to pay Federal employment taxes, fines, or forfeitures ordered by court martial; and amounts withheld for tax purposes, for health insurance or life insurance premiums, for retirement contributions, or for life insurance premiums.

(9) This section includes definitions of "United States", "child support", "alimony", "private person", and "legal process".

Conforming Amendments. The House provision makes several conforming amendments to Title IV-D of the Social Security Act and Title 5 of the United States Code.

Military Retired and Retainer Pay. The definition of "court" in the Armed Forces title of the U.S. Code (title 10) is amended to include an administrative or judicial tribunal of a State which is competent to enter child support orders, and clarifies the definition of "court order." The Secretary of Defense is required to send withheld amounts for child support to the appropriate State Disbursement Unit. The provision also clarifies that military personnel who have never been married to the parent of their child are under jurisdiction of the State child support program and the terms of section 459 of the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

33. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES

Present law

Availability of Locator Information. The Executive Order issued February 27, 1995 requires a study which would include recommendations on how to improve service of process for civilian employees and members of the Uniformed Services stationed outside the United States.

Facilitating Granting of Leave for Attendance at Hearings. No provision.

Payment of Military Retired Pay in Compliance with Child Support Orders. Federal law requires allotments from the pay and allowances of any member of the uniformed service when the member fails to pay child (or child and spousal) support payments.

House bill

Availability of Locator Information. The Secretary of Defense must establish a central personnel locator service that contains residential or, in specified instances, duty addresses of every member of the Armed Services (including members of the Coast Guard, if requested). The locator service must be updated within 30 days of the time an individual establishes a new address. Information from the locator service must be made available upon request to the Federal Parent Locator Service.

Facilitating Granting of Leave for Attendance at Hearings. The Secretary of each military department must issue regulations to facilitate granting of leave for members of the Armed Services to attend hearings to establish paternity or to establish child support orders. The terms "court" and "child support" are defined.

Payment of Military Retired Pay in Compliance with Child Support Orders. Child support orders received by the Secretary do not have to have been recently issued. The Secretary of each branch of the Armed Forces (including retirees, the Coast Guard, the National Guard, and the Reserves) is required to make child support payments from military retirement pay directly to any State to which a custodial parent has assigned support rights as a condition of receiving public assistance. Payments to satisfy current support or child support arrears must be made from disposable retirement pay. Payroll deductions must begin within 30 days or the first pay period after 30 days of receiving a wage withholding order.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

34. VOIDING OF FRAUDULENT TRANSFERS

Present law

No provision.

House bill

States must have in effect the Uniform Fraudulent Conveyance Act of 1981, the Uniform Fraudulent Transfer Act of 1984, or an equivalent law providing for voiding transfers of income or property that were made to avoid payment of child support. States also must have in effect procedures under which the State must seek to void a fraudulent transfer or obtain a settlement in the best interest of the child support creditor.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

35. WORK REQUIREMENT FOR PERSONS OWING PAST-DUE CHILD SUPPORT

Present law

Public Law 100-485 required the Secretary to grant waivers to up to five States allowing them to provide JOBS services on a voluntary or mandatory basis to noncustodial parents who are unemployed and unable to meet their child support obligations. (In their report the conferees noted that the demonstrations would not grant any new powers to the States to require participation by noncustodial parents. The demonstrations were to be evaluated.)

House bill

States must have procedures under which the State has the authority to issue an order or request that a court or administrative process issue an order that requires individuals owing past-due child support for a child receiving assistance under the Temporary Family Assistance program either to pay the support due, to have and be in compliance with a plan to pay child support, or to participate in work activities as deemed appropriate by the court or the child support agency. "Past-due support" is defined and a conforming amendment is made to sec. 466 of the Social Security Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

36. DEFINITION OF SUPPORT ORDER

Present law

No provision.

House bill

A support order is defined as a judgement, decree, or order (whether temporary, final, or subject to modification) issued by a court or an administrative agency for the support (monetary support, health care, arrearages, or reimbursement) of a child (including a child who has reached the age of majority under State law) or of a child and the parent with whom the child lives, and which may include costs and fees, interest and penalties, income withholding, attorney's fees, and other relief.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

37. REPORTING ARREARAGES TO CREDIT BUREAUS

Present law

Federal law requires States to implement procedures which require them to periodically report to consumer reporting agencies the name of debtor parents owing at least 2 months of overdue child support and the amount of child support overdue. However, if the amount overdue is less than $1,000, information regarding it shall be made available only at the option of the State. Moreover, information may only be made available after the noncustodial parent has been notified of the proposed action and has been given reasonable opportunity to contest the accuracy of the claim against him. States are permitted to charge consumer reporting agencies that request child support arrearage information a fee that does not exceed actual costs.

House bill

States are required to periodically report to consumer credit reporting agencies the name of any noncustodial parent who is delinquent in the payment of support and the amount of overdue support owed by the parent. Before such a report can be sent, the obligor must have been afforded all due process rights, including notice and reasonable opportunity to contest the claim of child support delinquency.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

38. LIENS

Present law

Federal law requires States to implement procedures under which liens are imposed against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State.

House bill

States must have procedures under which liens arise by operation of law against property for the amount of overdue support. States must grant full faith and credit to liens of other States if the originating State agency or party has complied with procedural rules relating to the recording or serving of liens, except such rules cannot require judicial notice or hearing prior to enforcement of the lien.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

39. STATE LAW AUTHORIZING SUSPENSION OF LICENSES

Present law

No provision.

House bill

States must have the authority to withhold, suspend, or restrict the use of drivers' licenses, professional and occupational licenses, and recreational licenses of individuals owing past-due support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

40. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT

Present law

No provision.

House bill

If an individual owes arrearages in excess of $5,000 of child support, the Secretary of HHS must request that the State Department deny, revoke, restrict, or limit the individual's passport. State child support agencies must have procedures for certifying to the Secretary arrearages in excess of $5,000 and for notifying individuals who are in arrears and providing them with an opportunity to contest. These provisions become effective on October 1, 1997.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

41. INTERNATIONAL CHILD SUPPORT ENFORCEMENT

Present law

No provision.

House bill

(1) The Secretary of State, with concurrence of the Secretary of HHS, is authorized to declare reciprocity with foreign countries having requisite procedures for establishing and enforcing support orders. The Secretary may revoke reciprocity if she determines that the enforcement procedures do not continue to meet the requisite criteria.

(2) The requirements for reciprocity include procedures in the foreign country for U.S. residents—available at no cost—to establish parentage, to establish and enforce support orders for children and custodial parents, and to distribute payments.

(3) An agency of the foreign country must be designated a central authority responsible for facilitating support enforcement and ensuring compliance with standards by both U.S. residents and residents of the foreign country.

(4) The Secretary in consultation with the States, may establish additional standards that she judges necessary to promote effective international support enforcement.

(5) The Secretary of HHS is required to facilitate enforcement services in international cases involving residents of the United States and of foreign reciprocating countries, including developing uniform forms and procedures, providing information from the FPLS on the State of residence of the obligor, and providing such other oversight, assistance, or coordination as she finds necessary and appropriate.

(6) Where there is no Federal reciprocity agreement, States are permitted to enter into reciprocal agreements with foreign countries.

(7) The State plan must provide that request for services in international cases be treated the same as interstate cases, except that no application will be required and no costs will be assessed against the foreign country or the obligee (costs may be assessed at State option against the obligor).

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

42. FINANCIAL INSTITUTION DATA MATCHES

Present law

No provision.

House bill

States are required to implement procedures under which the State child support agency must enter into agreements with financial institutions doing business within the State to develop and operate a data match system, using automated data exchanges to the maximum extent feasible, in which such financial institutions are required to provide for each calendar quarter the name, address, Social Security number, and other identifying information for each noncustodial parent identified by the State who has an account at the institution and owes past-due child support. In response to a notice of lien or levy, the financial institution must encumber or surrender assets held by the institution on behalf of the noncustodial parent who is subject to the child support lien. The State agency may pay a fee to the financial institution. The financial institution is not liable for activities taken to implement the provisions of this section. Definitions of the terms "financial institution" and "account" are included.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

43. ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS

Present law

No provision. However, Wisconsin and Hawaii have State laws that make grandparents financially responsible for their minor children's dependents.

House bill

With respect to a child of minor parents receiving support from the Temporary Assistance for Needy Families Block Grant, States have the option to enforce a child support order against the parents of the minor noncustodial parent.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

44. NONDISCHARGEABILITY IN BANKRUPTCY OF CERTAIN DEBTS FOR THE SUPPORT OF A CHILD

Present law

Although child support payments may not be discharged in a filing of bankruptcy (i.e., the debtor parent cannot escape her child support obligation by filing a bankruptcy petition), a bankruptcy filing may cause long delays in securing child support payments. Pursuant to P.L. 103-394, a filing of bankruptcy will not stay a paternity, child support, or alimony proceeding. In addition, child support and alimony payments will be priority claims and custodial parents will be able to appear in bankruptcy court to protect their interests without paying a fee or meeting any local rules for attorney appearances.

House bill

Title 11 of the U.S. Code and Title IV-D of the Social Security Act are amended to ensure that a debt owed to the State "that is in the nature of support and that is enforceable under this part" cannot be discharged in bankruptcy proceedings. This amendment applies only to cases initiated under Title 11 after enactment of this Act.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

45. CHILD SUPPORT ENFORCEMENT FOR INDIAN TRIBES

Present law

There are about 340 federally recognized Indian tribes in the 48 contiguous States. Among these tribes there are approximately 130 tribal courts and 17 Courts of Indian Offenses. Most tribal codes authorize their courts to hear parentage and child support matters that involve at least one member of the tribe or person living on the reservation. This jurisdiction may be exclusive or concurrent with State court jurisdiction, depending on specified circumstances.

House bill

No provision.

Senate amendment

Any State that has Indian country may enter into a cooperation agreement with an Indian tribe if the tribe demonstrates that it has an established tribal court system with several specific characteristics. The Secretary may make direct payments to Indian tribes that have approved child support enforcement plans. Conforming amendments are included.

Conference agreement

The conference agreement follows the Senate amendment.

Subtitle H—Medical Support

46. CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER

Present law

Public Law 103-66 requires States to adopt laws that require health insurers and employers to enforce orders for medical and child support and that forbid health insurers from denying coverage to children who are not living with the covered individual or who were born outside of marriage. Under Public Law 103-66, group health plans are required to honor "qualified medical child support orders."

House bill

This provision expands the definition of medical child support order in ERISA to clarify that any judgement, decree, or order that is issued by a court of competent jurisdiction or by an administrative process has the force and effect of law.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

47. ENFORCEMENT OF ORDERS FOR HEALTH CARE COVERAGE

Present law

Federal law requires the Secretary to require IV-D agencies to petition for the inclusion of medical support as part of child support whenever health care coverage is available to the noncustodial parent at reasonable cost.

House bill

All orders enforced under this part must include a provision for health care coverage. If the noncustodial parent changes jobs and the new employer provides health coverage, the State must send notice of coverage, which shall operate to enroll the child in the health plan, to the new employer.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

SUBTITLE I—ENHANCING RESPONSIBILITY AND OPPORTUNITY FOR NON-RESIDENTIAL PARENTS

48. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS

Present law

In 1988, Congress authorized the Secretary to fund for fiscal year 1990 and fiscal year 1991 demonstration projects by States to help divorcing or never-married parents cooperate with each other, especially in arranging for visits between the child and the nonresident parent.

House bill

This proposal authorizes grants to States for access and visitation programs including mediation, counseling, education, development of parenting plans, and visitation enforcement. Visitation enforcement can include monitoring, supervision, neutral drop-off and pick-up, and development of guidelines for visitation and alternative custody agreements. An annual entitlement of $10 million is appropriated for these grants.

The amount of the grant to a State is equal to either 90 percent of the State expenditures during the year for access and visitation programs or the allotment for the State for the fiscal year. The allotment to the State bears the same ratio to the amount appropriated for the fiscal year as the number of children in the State living with one biological parent divided by the national number of children living with one biological parent. The Administration for Children and Families must adjust allotments to ensure that no State is allotted less than $50,000 for fiscal years 1997 or 1998 or less than $100,000 for any year after 1998. Projects are required to supplement rather than supplant State funds. States may use the money to create their own programs or to fund grant programs with courts, local public agencies, or nonprofit organizations. The programs do not need to be Statewide. States must monitor, evaluate, and report on their programs in accord with regulations issued by the Secretary.

Senate amendment

Same, except delays the effective date for 1 year.

Conference agreement

The conference agreement follows the House bill and the Senate amendment except that the House effective date is followed.

SUBTITLE J—EFFECTIVE DATES AND CONFORMING AMENDMENTS

49. EFFECTIVE DATES AND CONFORMING AMENDMENTS

Present law

No provision.

House bill

Except as noted in the text of the House proposal for specific provisions, the general effective date for provisions in the proposal is October 1, 1996. However, given that many of the changes required by this proposal must be approved by State Legislatures, the proposal contains a grace period tied to the meeting schedule of State Legislatures. In any given State, the proposal becomes effective either on October 1, 1996 or on the first day of the first calendar quarter after the close of the first regular session of the State Legislature that begins after the date of enactment of the proposal. In the case of States that require a constitutional amendment to comply with the requirements of the proposal, the grace period is extended either for one year after the effective date of the necessary State constitutional amendment or five years after the date of enactment of the proposal. This section contains several conforming amendments to title IV-D of the Social Security Act. This section also replaces the term "absent parent" with "noncustodial parent" each place it occurs in title IV-D.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE IV: RESTRICTING WELFARE AND PUBLIC BENEFITS FOR ALIENS

1. STATEMENTS OF NATIONAL POLICY CONCERNING WELFARE AND IMMIGRATION

Present law

No provision.

House bill

The Congress makes several statements concerning national policy with respect to welfare and immigration. These include the affirmation that it continues to be the immigration policy of the United States that noncitizens within the Nation's borders not depend on public resources, that noncitizens nonetheless have been applying for and receiving public benefits at increasing rates, and that it is a compelling government interest to enact new eligibility and sponsorship rules to assure that noncitizens become self-reliant and to remove any incentive for illegal immigration.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle A—Eligibility for Federal Benefits

2. ALIENS WHO ARE NOT QUALIFIED ALIENS INELIGIBLE FOR FEDERAL PUBLIC BENEFITS

Present law

Current law limits alien eligibility for most major Federal assistance programs, including restrictions on, among other programs, Supplemental Security Income, Aid to Families with Dependent Children, housing assistance, and Food Stamps programs. Current law is silent on alienage under, among other programs, school lunch and nutrition, the Special Supplemental Food Program for Women, Infants, and Children (WIC), Head Start, migrant health centers, and the earned income credit. Under the programs with restrictions, benefits are generally allowed for permanent resident aliens (also referred to as immigrants and green card holders), refugees, asylees, and parolees, but benefits (other than emergency Medicaid) are denied to nonimmigrants (or aliens lawfully admitted temporarily as, for example, tourists, students, or temporary workers) and illegal aliens. Benefits are permitted under AFDC, SSI, unemployment compensation, and nonemergency Medicaid to other aliens permanently residing in the United States under color of law (PRUCOL).

House bill

Noncitizens who are "not qualified aliens" (generally, illegal immigrants and nonimmigrants such as students) are ineligible for all Federal public benefits, with limited exceptions for emergency medical services, emergency disaster relief, immunizations and testing and treatment of symptoms of communicable diseases, community programs necessary for the protection of life or safety, certain housing benefits (only for current recipients), licenses and benefits directly related to work for which a nonimmigrant has been authorized to enter the U.S, and certain Social Security retirement benefits protected by treaty or statute.

Federal public benefits include: any grant, contract, loan, professional license or commercial license, and any retirement, welfare, health, disability, food assistance, unemployment or similar benefit provided by an agency or appropriated funds of the United States.

Senate amendment

Similar to House, except that the exception for communicable diseases is limited to treatment of the disease itself and must be triggered by a finding by HHS that testing and treatment of a particular disease is necessary to prevent its spread.

Conference agreement

The conference agreement follows the House bill.

The allowance for treatment of communicable diseases is very narrow. The conferees intend that it only apply where absolutely necessary to prevent the spread of such diseases. This is only a stop-gap measure until the deportation of a person or persons unlawfully here. It is not intended to provide authority for continued treatment of such diseases for a long term.

The allowance for emergency medical services under Medicaid is very narrow. The conferees intend that it only apply to medical care that is strictly of an emergency nature, such as medical treatment administered in an emergency room, critical care unit, or intensive care unit. The conferees do not intend that emergency medical services include pre-natal or delivery care assistance that is not strictly of an emergency nature as specified herein.

The intent of the conferees is that title I, part A of the Elementary and Secondary Education Act would not be affected by section 401 because the benefit is not provided to an individual, household, or family eligibility unit.

3. LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR CERTAIN FEDERAL PROGRAMS

Present law

With the exception of certain buy-in rights under Medicare, immigrants (or aliens) lawfully admitted for permanent residence are eligible for major Federal benefits, but the ability of some immigrants to meet the needs tests for SSI, AFDC, and food stamps may be affected by the sponsor-to-alien deeming provisions discussed below. Refugees, asylees, and parolees also generally are eligible. Benefits are permitted under AFDC, SSI, unemployment compensation, and nonemergency Medicaid to other aliens permanently residing in the United States under color of law (PRUCOL).

House bill

Legal noncitizens who are "qualified aliens" (i.e., permanent resident aliens, refugees, asylees, aliens paroled into the United States for a period of at least 1 year, and aliens whose deportation has been withheld) are ineligible for SSI, Medicaid, and food stamp benefits until they attain citizenship, with exceptions noted below. States are given the option of similarly restricting Federal cash welfare and Title XX benefits for qualified aliens, with the exception of those who are receiving benefits on the date of enactment as described below.

Refugees, asylees, and aliens whose deportation has been withheld are excepted for 5 years after being granted their respective statuses. Also excepted are legal permanent residents who have worked (in combination with their spouse and parents) for at least 10 years, and noncitizens who are veterans or on active duty or their spouse or unmarried child.

To allow individuals time to adjust to the revised policy, otherwise restricted aliens who are receiving SSI, food stamps, cash welfare, Medicaid or Title XX benefits on the date of enactment would remain eligible for at most 1 year after enactment. However, if a review determines the noncitizen would be ineligible if enrolling under the revised standards for SSI, Medicaid, and food stamps (for example, because the noncitizen failed to qualify under the refugee or work exemptions) such benefits would cease immediately. States have the option of ending cash welfare and social services benefits for current recipients after January 1, 1997.

Senate amendment

Similar to House bill, except that Medicaid is included among the programs subject to State option rather than a blanket bar.

Conference agreement

The conference agreement follows the Senate amendment.

4. FIVE-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS FOR FEDERAL MEANS-TESTED PUBLIC BENEFIT

Present law

See above.

House bill

The proposal restricts most Federal means-tested benefits (including SSI, food stamps, cash welfare, Medicaid, and title XX social services benefits) for permanent resident aliens who arrive after the date of enactment for their first 5 years in the United States. Programs that are not restricted to legal noncitizens arriving in the future include emergency medical services, non-cash emergency disaster relief, school lunch and child nutrition benefits, immunizations and testing and treatment for symptoms of communicable diseases, foster care and adoption payments under parts B and E of Title IV of the Social Security Act, community programs for the protection of life or safety, certain elementary and secondary education programs, Head Start, the Job Training Partnership Act, and higher education grants and loans.

Exceptions are made for refugees, asylees, aliens whose deportation is being withheld, and noncitizens who are veterans, on active duty, or the spouse or unmarried child of such an individual.

Senate amendment

Excepted programs are similar to the House with the following differences:

(1) benefits under Head Start Act and the Job Training Partnership Act are not excepted;

(2) the exception for foster care and adoption assistance is limited to Part E of Title IV of the Social Security Act;

(3) the exception for testing and treatment of communicable diseases is more limited and must be triggered by a finding by HHS that detection and treatment of a particular disease is necessary to prevent its spread; and

(4) includes an exception for education assistance under titles III, VII, and VIII of the Public Health Service Act.

Excepted classes are similar to House bill.

Conference agreement

The conference agreement follows the House bill and Senate amendment as follows. (1) The definition of Federal Means Tested Public Benefit (defined as "a public benefit (including cash, medical, housing, and food assistance and social services) of the Federal Government in which the eligibility of an individual, household, or family eligibility unit for benefits, or the amount of such benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit") was deleted due to the Byrd rule. It is the intent of conferees that this definition be presumed to be in place for purposes of this title. (2) Regarding excepted programs, the conference agreement follows the House bill on testing and treatment of communicable diseases and by adding Head Start and the Job Training Partnership Act as excepted programs; the conference agreement adds refugee and entrant assistance as an excepted program; and the conference agreement follows the Senate amendment by adding education assistance under titles III, VII, and VIII of the Public Health Services Act as an excepted program.

5. NOTIFICATION AND INFORMATION REPORTING

Present law

Notification. Under regulation, individual advance written notice must be given of an intent to suspend, reduce, or terminate SSI benefits.

Information Reporting. AFDC and SSI restrict the use or disclosure of information concerning applicants and recipients to purposes connected to the administration of needs-based Federal programs.

House bill

Each Federal agency that administers an affected program shall post information and provide general notification to the public and to program recipients of changes regarding eligibility.

Agencies that administer SSI, housing assistance programs under the United States Housing Act of 1937, or block grants for temporary assistance for needy families (the successor program to AFDC) are required to furnish information about aliens they know to be unlawfully in the United States to the Immigration and Naturalization Service (INS) at least four times annually and upon INS request.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle B—Eligibility for State and Local Public Benefits Programs

6. ALIENS WHO ARE NOT QUALIFIED ALIENS OR NONIMMIGRANTS INELIGIBLE FOR STATE AND LOCAL PUBLIC BENEFITS

Present law

Under *Plyler* vs. *Doe* (457 U.S. 202 (1982)), States may not deny illegal alien children access to a public elementary education without authorization from Congress. However, the narrow 5-4 Supreme Court decision may imply that illegal aliens may be denied at least some State benefits and that Congress may influence the eligibility of illegal aliens for State benefits. Many, but not all, State general assistance laws currently deny illegal aliens means-tested general assistance.

House bill

Illegal aliens are ineligible for all State and local public benefits, with limited exceptions for emergency medical services, emergency disaster relief, immunizations and testing and treatment for symptoms of communicable diseases, and programs necessary for the protection of life or safety. States may, however, pass laws after the date of enactment that specify that illegal aliens may be eligible for certain State or local benefits that otherwise would be denied under this section.

Senate amendment

Similar to House bill, except that the exception for communicable diseases is more limited and must be triggered by a finding by HHS that testing and treatment of a particular disease is necessary to prevent its spread.

Conference agreement

The conference agreement follows the House bill.

No current State law, State constitutional provision, State executive order or decision of any State or Federal court shall provide a sufficient basis for a State to be relieved of the requirement to deny benefits to illegal aliens. Laws, ordinances, or executive orders passed by county, city or other local officials will not allow those entities to provide benefits to illegal aliens. Only the affirmative enactment of a law by a State legislature and signed by the Governor after the date of enactment of this Act, that references this provision, will meet the requirements of this section.

The phrase "affirmatively provides for such eligibility" means that the State law enacted must specify that illegal aliens are eligible for State or local benefits. Persons residing under color of law shall be considered to be aliens unlawfully present in the United States and are prohibited from receiving State or local benefits, as defined, regardless of the enactment of any State law.

The conference agreement provides that no State or local government entity shall prohibit, or in any way restrict, any entity or official from sending to or receiving from the INS information regarding the immigration status of an alien or the presence, whereabouts, or activities of illegal aliens. It does not require, in and of itself, any government agency or law enforcement official to communicate with the INS.

The conferees intend to give State and local officials the authority to communicate with the INS regarding the presence, whereabouts, or activities of illegal aliens. This provision is designed to prevent any State or local law, ordinance, executive order, policy, constitutional provision, or decision of any Federal or State court that prohibits or in any way restricts any communication between State and local officials and the INS. The conferees believe that immigration law enforcement is as high a priority as other aspects of Federal law enforcement, and that illegal aliens do not have the right to remain in the United States undetected and unapprehended.

7. STATE AUTHORITY TO LIMIT ELIGIBILITY OF QUALIFIED ALIENS FOR STATE PUBLIC BENEFITS

Present law

Under *Graham* v. *Richardson* (403 U.S. 365 (1971)), States may not deny legal permanent residents State-funded assistance that is provided to equally needy citizens without authorization from Congress.

Currently, there is no Federal law barring legal temporary residents (i.e., nonimmigrants) from State and local needs-based programs. In general, States are restricted in denying assistance to nonimmigrants where the denial is inconsistent with the terms under which the nonimmigrants were admitted. Where a denial of benefits is not inconsistent with Federal immigration law, however, States have broader authority to deny benefits and States often do deny certain benefits to nonimmigrants. Also, aliens in most nonimmigrant categories generally may have difficulty qualifying for many State and local benefits because of requirements that they be State "residents."

House bill

States are authorized to determine the eligibility of "qualified aliens," nonimmigrants, and aliens paroled into the United States for less than 1 year for any State or local means-tested public benefit program. Noncitizens receiving State and local benefits on the date of enactment would remain eligible for benefits until January 1, 1997.

Exceptions to State authority to deny benefits are made for refugees, asylees and aliens whose deportation has been withheld (for 5 years), permanent resident aliens who have worked in the United States (in combination with their spouse or parents) for at least 10 years, and noncitizens who are veterans or on active duty or their spouse or unmarried child.

Senate amendment

Similar to House bill, except that under Byrd rule the definition of "State public benefits" (sec. 2412(c)) is deleted.

Conference agreement

The conference agreement follows the House bill and the Senate amendment. The conference agreement does not include a definition of State public benefits in this section because the definition was dropped due to the Byrd rule. However, it is the intent of House and Senate conferees that the following definition be used by States in carrying out the authority granted by this section: "STATE PUBLIC BENEFITS DEFINED.—The term 'State public benefits' means any means-tested public benefits of a State or political subdivision of a State under which the State or political subdivision specifies the standards for eligibility, and does not include any Federal public benefit."

Subtitle C—Attribution of Income and Affidavits of Support

8. FEDERAL ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO ALIEN

Present law

Federal Benefits. In determining whether an alien meets the means test for AFDC, SSI (except in cases of blindness or disability occurring after entry), and food stamps, the resources and income of an individual who filed an affidavit of support ("sponsor") for the alien (and the income and resources of the individual's spouse) are taken into account during a designated period after entry. Sponsor-to-alien deeming provisions were added to these three programs in part because several courts have found that affidavits of support, under current practice, do not obligate sponsors to reimburse government agencies for benefits provided to sponsored aliens. See below.

Amounts of Income and Resources Deemed. While the offset formulas vary among the programs, the amount of income and resources deemed under AFDC, SSI, and Food Stamps is reduced by certain offsets to provide for some of the sponsor's own needs.

Length of Deeming Period. For AFDC and Food Stamps, sponsor-to-alien deeming applies to a sponsored alien seeking assistance within 3 years of entry. Through September 1996, sponsor-to-alien deeming applies to a sponsored alien seeking SSI within 5 years of entry, after which the deeming period reverts to 3 years.

Review Upon Reapplication. Regulations implementing the food stamp program expressly require providing information on a sponsor's resources as part of recertification.

Application. No provision.

House bill

Federal Benefits. During the applicable deeming period (see "Length of Deeming Period" below), the income and resources of a sponsor and the sponsor's spouse are to be taken into account under all Federally-funded means-tested programs (with the exception of the programs below) in determining the sponsored individual's neediness. Excepted programs are emergency medical services, emergency disaster relief, school lunch and child nutrition assistance, immunizations and testing and treatment for symptoms of communicable diseases, certain programs that protect life, safety, or public health, certain foster care and adoption assistance, Head Start, Job Training Partnership Act programs, certain elementary and secondary education programs, and higher education grants and loans.

Amounts of Income and Resources Deemed. The full income and resources of the sponsor and the sponsor's spouse are deemed to be that of the sponsored alien.

Length of Deeming Period. Deeming extends until citizenship, unless the noncitizen has worked for at least 10 years in the United States (either individually or in combination with the noncitizen's spouse and parents).

Review Upon Reapplicaiton. Whenever a sponsored noncitizen is required to reapply for benefits under any Federal means-tested public benefits program, the agency must review the income and resources deemed to the sponsored noncitizen.

Application. For programs that already deem income and resources on the date of enactment, the changes in this section apply immediately; other programs must implement changes required within 180 days after the date of enactment.

Senate amendment

Federal Benefits. Under the Byrd rule, the definition of "Federal means-tested program" (sec. 2403(c)(1)) is deleted.

Otherwise similar to House bill, with differences in exceptions to Federal means-tested programs noted above for the 5-year bar.

Amounts of Income and Resources Deemed. Similar to House bill.

Length of Deeming Period. Similar to House bill.

Review Upon Reapplication. Similar to House bill.

Application. Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment, with the modification of certain additional excepted programs as noted in item 4 above.

The allowance for treatment of communicable diseases is very narrow. The conferees intend that it only apply where absolutely necessary to prevent the spread of such diseases. This is only a stop-gap measure until the deportation of a person or persons unlawfully here. It is not intended to provide authority for continued treatment of such diseases for a long term.

The allowance for emergency medical services under Medicaid is very narrow. The conferees intend that it only apply to medical care that is strictly of an emergency nature, such as medical treatment administered in an emergency room, critical care unit, or intensive care unit. The conferees do not intend that emergency medical services include pre-natal or delivery care assistance that is not strictly of an emergency nature as specified herein.

9. AUTHORITY FOR STATES TO PROVIDE FOR ATTRIBUTION OF SPONSOR'S INCOME AND RESOURCES TO THE ALIEN WITH RESPECT TO STATE PROGRAMS

Present law

The highest courts of at least two States have held that the Supreme Court decision barring State discrimination against legal aliens in providing State benefits without Federal authorization (*Graham* v. *Richardson*, 403 U.S. 365 (1971)) prohibits State sponsor-to-alien deeming requirements for State benefits.

House bill

State and local governments may, for the deeming period that applies to Federal benefits, deem a sponsor's income and resources (and those of the sponsor's spouse) to a sponsored individual in determining eligibility for and the amount of needs-based benefits. State and local governments may not require deeming for the following State public benefits: emergency medical services, emergency disaster relief, school lunch and child nutrition assistance, immunizations and testing and treatment for symptoms of communicable diseases, foster care and adoption payments, and certain programs to protect life and safety.

Senate amendment

Similar to House bill, except that the exception for communicable diseases is limited to testing and treatment of the disease itself and must be triggered by a finding by the chief State health official that it is necessary to prevent spread of the disease.

Conference agreement

The conference agreement follows the House bill.

10. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF SUPPORT

Present law

In General. Administrative authorities may request an affidavit of support on behalf of an alien seeking permanent residency pursuant to regulation. Requirements for affidavits of support are not specified by statute.

Under the Immigration and Nationality Act, an alien who is likely to become a public charge may be excluded from entry unless this restriction is waived, as is the case for refugees. By regulation and administrative practice, the State Department and the Immigration and Naturalization Service permit a prospective permanent resident alien (also immigrant or green card holder) who otherwise would be excluded as a public charge (i.e., because of insufficient means or prospective income) to overcome exclusion through an affidavit of support or similar document executed by an individual in the United States commonly called a "sponsor." It has been reported that roughly one-half of the aliens who obtain legal permanent resident status have had affidavits of support filed on their behalf.

Various State court decisions and decisions by immigration courts have held that the affidavits of support, as currently constituted, do not impose a binding obligation on the sponsor to reimburse State agencies providing aid to the sponsored alien.

Forms. No statutory provision. The Department of Justice issues a form (Form I-134) that complies with current sponsorship guidelines.

Notification of Change of Address. There is no express requirement under current administrative practice that sponsors inform welfare agencies of a change in address. However, a sponsored alien who applies for benefits for which deeming is required must provide various information regarding the alien's sponsor.

Reimbursement of Government Expenses. Various State court decisions and decisions by immigration courts have held that these affidavits, as currently constituted, do not impose a binding obligation on the sponsor to reimburse State agencies providing aid to the sponsored alien.

Definitions. There are no firm administrative restrictions on eligibility to execute an affidavit of support. There is no definition of "Means-tested Public Benefits Program".

Effective Date. No provision.

Benefits Not Subject to Reimbursement. No provision.

House bill

In General. The proposal provides that when affidavits of support are required, they must comply with the following:

Affidavits of support must be executed as contracts that are legally enforceable against sponsors by Federal, State, and local agencies with respect to any means-tested benefits (with exceptions noted below) paid to sponsored aliens before they become citizens.

Affidavits of support must be enforceable against the sponsor by the sponsored alien.

Reimbursement shall be requested for all Federal, State or local need-based programs with the exceptions noted below.

To qualify to execute an affidavit of support, an individual must meet the revised definition of sponsor below.

Governmental entities that provide benefits may seek reimbursement up to 10 years after a sponsored alien last receives benefits.

Sponsorship extends until the alien becomes a citizen.

Forms. The Attorney General, in consultation with the Secretary of State and the Secretary of HHS, shall formulate an affidavit of support within 90 days after enactment, consistent with this section.

Notification of Change of Address. Until they no longer are potentially liable for reimbursement of benefits paid to sponsored individuals, sponsors must notify the Attorney General and the State, district, territory or possession in which the sponsored individual resides of any change of their address within 30 days of moving. Failure to notify may result in a civil penalty of up to $2,000 or, if the failure occurs after knowledge that the sponsored individual has received a reimbursable benefit, of up to $5,000.

Reimbursement of Government Expenses. If a sponsored alien receives any benefit under any means-tested public assistance program, the appropriate Federal, State, or local official shall request reimbursement by the sponsor in the amount of such assistance. Thereafter the official may seek reimbursement in court if the sponsor fails to respond within 45 days of the request that the sponsor is willing to begin repayments. The official also may seek reimbursement through the courts within 60 days after a sponsor fails to comply with the terms of repayment. The Attorney General in consultation with the Secretary of HHS, shall prescribe regulations on requesting reimbursement. No action may be brought later than 10 years after the alien last received benefits.

Definitions. A "sponsor" is a citizen or an alien lawfully admitted to the United States for permanent residence who petitioned for immigration preference for the sponsored alien, is at least 18 years of age, and resides in any State.

A "Means-Tested Public Benefits Program" is a program of public benefits of the Federal, State or local government in which eligibility for or the amount of, benefits or both are determined on the basis of income, resources, or financial need.

Effective Date. The changes regarding affidavits of support shall apply to affidavits of support executed no earlier than 60 days or later than 90 days after the Attorney General promulgates the form.

Benefits Not Subject to Reimbursement. Governmental entities cannot seek reimbursement with respect to:

emergency medical services;

emergency disaster relief;

school lunch and child nutrition assistance;

payments for foster care and adoption assistance;

immunizations and testing for and treatment of communicable diseases;

certain programs that protect life, safety, or public health;

postsecondary education benefits;

means-tested elementary and secondary education programs;

Head Start; and

Job Training Partnership Act programs.

Senate amendment

In General. Under the Byrd rule, the definition of "means-tested public benefits program" (sec. 2423(a)) is deleted. Otherwise similar to House bill.

Forms. Similar to House bill.

Notification of Change of Address. Similar to House bill.

Reimbursement of Government Expenses. Similar to House bill.

Definitions. Similar to House bill. Definition for "Means-tested public benefits program" deleted under the Byrd rule.

Effective Date. Similar to House bill.

Benefits Not Subject to Reimbursement. Similar to House bill except:

does not add Head Start and Job Training Partnership Act programs to the list of excepted programs;

the exception for foster care and adoption assistance is limited to part E of Title IV of the Social Security Act;

the exception for testing and treatment of a communicable disease is more limited and must be triggered by a finding by HHS that it is necessary to prevent the disease's spread; and

adds exception for education assistance under titles III, VII, and VIII of the Public Health Service Act.

Conference agreement

The conference agreement generally follows the House bill and Senate amendment. The definition of Means-Tested Public Benefits Program (defined as "a public benefit (including cash, medical, housing, and food assistance and social services) of the Federal Government or of a State or political subdivision of a State in which the eligibility of an individual, household, or family eligibility unit for benefits under the program, or the amount of such benefits, or both are determined on the basis of income, resources, or financial need of the individual, household, or unit") for purposes of this section was deleted due to the Byrd rule. It is the intent of conferees that this definition be presumed to be in place for purposes of this title. With regard to excepted programs, the conference agreement follows the House bill on testing and treatment of communicable diseases and by adding Head Start and Job Training Partnership Act as excepted programs; the conference agreement follows the Senate amendment by adding education assistance under titles III, VII, and VIII of the Public Health Services Act as an excepted program.

Subtitle D—General Provisions

11. DEFINITIONS

Present law

In General. Federal assistance programs that have alien eligibility restrictions generally reference specific classes defined in the Immigration and Nationality Act.

Qualified Alien. Some programs allow benefits for otherwise eligible aliens who are "permanently residing under color of law (PRUCOL)." This term is not defined under the Immigration and Nationality Act, and there has been some inconsistency in determining which classes of aliens fit within the PRUCOL standard.

House bill

In General. Unless otherwise provided, the terms used in this title have the same meaning as defined in Section 101(a) of the Immigration and Nationality Act.

Qualified Alien. An alien who is a lawful permanent resident, refugee, asylee, or an alien who has been paroled into the United States for at least 1 year.

Senate amendment

In General. Similar to House bill.

Qualified Alien. Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

12. VERIFICATION OF ELIGIBILITY FOR FEDERAL PUBLIC BENEFITS

Present law

State agencies that administer most major Federal programs with alienage restrictions generally use the SAVE (Systematic Alien Verification for Entitlements) system to verify the immigration status of aliens applying for benefits.

House bill

The Attorney General must adopt regulations to verify the lawful presence of applicants for Federal benefits no later than 18 months after enactment. States must have a verification system that complies with these regulations within 24 months of their adoption, and must authorize necessary appropriations.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

13. STATUTORY CONSTRUCTION

Present law

No provision.

House bill

This title addresses only program eligibility based on alienage and does not address whether any individual meets other eligibility criteria. This title does not address alien eligibility for basic education or for any program of foreign assistance.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

14. COMMUNICATION BETWEEN STATE AND LOCAL GOVERNMENT AGENCIES AND THE IMMIGRATION AND NATURALIZATION SERVICE

Present law

The confidentiality provisions of various State statutes may prohibit disclosure of immigration status obtained under them. Some Federal laws, including the Family Education Rights and Protection Act, may deny funds to certain State and local agencies that disclose a protected individual's immigration status. Various localities have enacted laws preventing local officials from disclosing the immigration status of individuals to INS.

House bill

No State or local government entity may be prohibited, or in any way restricted, from sending to or receiving from the Immigration and Naturalization Service information regarding the immigration status, lawful or unlawful, of an alien in the United States.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

15. QUALIFYING QUARTERS

Present law

No provision.

House bill

In determining whether an alien may qualify for benefits under the exception for individuals who have worked at least 40 quarters while in the United States (see sections 402 and 421 above), work performed by parents and spouses may be credited to aliens under certain circumstances. Each quarter of work performed by the parent while an alien was under the age of 18 is credited to the alien, provided the parent did not receive any Federal public benefits during the quarter. Similarly, each quarter of work performed by a spouse of an alien during their marriage is credited to the alien, if the spouse did not receive any Federal public benefits during the quarter.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle E—Conforming Amendments

16. CONFORMING AMENDMENTS RELATING TO ASSISTED HOUSING

Present law

No provision.

House bill

This section consists of a series of technical and conforming amendments.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

Subtitle F—Earned Income Credit Denied to Unauthorized Employees

17. EARNED INCOME CREDIT DENIED TO INDIVIDUALS NOT AUTHORIZED TO BE EMPLOYED IN THE UNITED STATES

[NOTE.—For further description of this and additional earned income credit provisions, see Title IX: Miscellaneous below.]

Present law

Certain eligible low-income workers are entitled to claim a refundable credit of up to $3,556 in 1996 on their income tax return. The amount of the credit an eligible individual may claim depends upon whether the individual has one, more than one, or no qualifying children and is determined by multiplying the credit rate by the taxpayer's earned income up to an earned income amount. The maximum amount of the credit is the product of the credit rate and the earned income amount. For taxpayers with earned income (or adjusted gross income (AGI), if greater) in excess of the beginning of the phaseout range, the maximum credit amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For taxpayers with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed.

In order to claim the credit, an individual must either have a qualifying child or meet other requirements. A qualifying child must meet a relationship test, an age test, an identification test, and a residence test. In order to claim the credit without a qualifying child, an individual must not be a dependent and must be over age 24 and under age 65.

To satisfy the identification test, individuals must include on their tax return the name and age of each qualifying child. For returns filed with respect to tax year 1996, individuals must provide a taxpayer identification number (TIN) for all qualifying children born on or before November 30, 1996. For returns filed with respect to tax year 1997 and all subsequent years, individuals must provide TINs for all qualifying children, regardless of their age. An individual's TIN is generally that individual's social security number.

The Internal Revenue Service may summarily assess additional tax due as a result of a mathematical or clerical error without sending the taxpayer a notice of deficiency and giving the taxpayer an opportunity to petition the Tax Court. Where the IRS uses the summary assessment procedure for mathematical or clerical errors, the taxpayer must be given an explanation of the asserted error and a period of 60 days to request that the IRS abate its assessment. The IRS may not proceed to collect the amount of the assessment until the taxpayer has agreed to it or has allowed the 60-day period for objecting to expire. If the taxpayer files a request for abatement of the assessment specified in the notice, the IRS must abate the assessment. Any reassessment of the abated amount is subject to the ordinary deficiency procedures. The request for abatement of the assessment is the only procedure a taxpayer may use prior to paying the assessed amount in order to contest an assessment arising out of a mathematical or clerical error. Once the assessment is satisfied, however, the taxpayer may file a claim for refund if he or she believes the assessment was made in error.

House bill

Individuals are not eligible for the credit if they do not include their taxpayer identification number (and, if married, their spouse's taxpayer identification number) on their tax return. Solely for these purposes and for purposes of the present-law identification test for a qualifying child, a taxpayer identification number is defined as a social security number issued to an individual by the Social Security Administration other than a number issued under section 205(c)(2)(B)(i)(II) (or that portion of sec. 205(c)(2)(B)(i)(III) relating to it) of the Social Security Act (regarding the issuance of a number to an individual applying for or receiving Federally funded benefits).

If an individual fails to provide a correct taxpayer identification number, such omission will be treated as a mathematical or clerical error. If an individual who claims the credit with respect to net earnings from self-employment fails to pay the proper amount of self-employment tax on such net earnings, the failure will be treated as a mathematical or clerical error for purposes of the amount of credit allowed.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE V: CHILD PROTECTION BLOCK GRANT PROGRAMS AND FOSTER CARE, ADOPTION ASSISTANCE, AND INDEPENDENT LIVING PROGRAMS

Subtitle A—Child Protection Block Grant Program and Foster Care, Adoption Assistance, and Independent Living Programs

Present law

Under current law, there are at least 36 programs designed to help children who are victims of abuse or neglect. These programs address the child protection issue by supporting abuse reporting and investigation; abuse prevention; child and family assessment, preservation, and support; foster care; adoption; and training of social workers, foster parents, judges, and others. These programs can be divided into two general categories. The first are entitlement programs under jurisdiction of the Committee on Ways and Means and the Finance Committee, nearly all of which provide unlimited funding for foster and adoption maintenance payments, administrative costs, and training. The two exceptions are the Family Preservation and Support Program which provides capped entitlement funds to help States provide services that keep families together and prevent abuse, and the Independent Living program which provides capped entitlement funds to help children in foster care make the transition to living on their own. The second group of programs are appropriated programs. These programs are smaller and, except the Child Welfare Services Program, are generally under the jurisdiction of the Economic and Educational Opportunities Committee and the Labor and Human Resources Committee.

House bill

The House provision retains all the open-ended entitlement programs to ensure that States have adequate resources to help abused children that must be removed from their homes. The provision also combines the two capped entitlement programs and many of the smaller programs into two block grants that will simplify administration, promote flexibility, and increase efficiency. Working in conjunction with the Committee on Economic and Educational Opportunity, the Ways and Means Committee has created a block grant that is identical to a block grant created by the Opportunities Committee. Across the two Committees, a total of 11 programs are combined into the new block grant structure. Programs under jurisdiction of the Opportunities Committee are mentioned briefly below to clarify the structure of the overall Federal program for helping abused children and their families.

Senate amendment

The Senate amendment does not include the block grant; the amendment makes no changes in current law.

Conference agreement

The conference agreement follows the Senate amendment.

Chapter 1—Block Grants to States for the Protection of Children

1. PURPOSE

Present law

Child Welfare Services, now provided for in Title IV–B of the Social Security Act, are designed to help States provide child welfare services, family preservation, and community-based family support services.

House bill

The proposed Child Protection Block Grant would replace current law under Title IV–B. The purpose of the Child Protection Block Grant is to:

(1) identify and assist families at risk of abusing or neglecting their children;

(2) operate a system for receiving reports of abuse or neglect of children;

(3) improve the intake, assessment, screening, and investigation of reports of abuse and neglect;

(4) enhance the general child protective system by improving risk and safety assessment tools and protocols;

(5) improve legal preparation and representation, including procedures for appealing and responding to appeals of substantiated reports of abuse and neglect;

(6) provide support, treatment, and family preservation services to families which are, or are at risk of, abusing or neglecting their children;

(7) support children who must be removed from or who cannot live with their families;

(8) make timely decisions about permanent living arrangements for children who must be removed from or who cannot live with their families;

(9) provide for continuing evaluation and improvement of child protection laws, regulations, and services;

(10) develop and facilitate training protocols for individuals mandated to report child abuse or neglect; and

(11) develop and enhance the capacity of community-based programs to integrate shared leadership strategies between parents and professionals to prevent and treat child abuse and neglect at the neighborhood level.

Senate amendment

The amendment does not change current law.

Conference agreement

The conference agreement follows the Senate amendment.

2. ELIGIBLE STATES

Present law

To be eligible for funding under Title IV–B and IV–E, States must have State plans, developed jointly with the Secretary under Title IV–B, and approved by the Secretary under Title IV–E. In addition, to receive funds under the Child Abuse Prevention and Treatment Act (CAPTA), States must comply with certain requirements including submission of a State plan.

States must have a child welfare services plan developed jointly by the Secretary and the relevant State agency which provides for single agency administration and which describes services to be provided and geographic areas where services will be available. The State plan also must meet many other requirements, such as setting forth a 5-year statement of goals for family preservation and family support and assuring the review of progress toward those goals. For foster care and adoption assistance, States must submit for approval a Title IV–E plan providing for a foster care and adoption assistance program and satisfying numerous requirements. The Child Abuse Prevention and Treatment Act (CAPTA) requires States to have in effect a law for reporting known and suspected child abuse and neglect as well as providing for prompt investigation of child abuse and neglect reports, among many other requirements.

To receive funding under Title IV–B and IV–E of the Social Security Act, States must comply with certain procedures for removal of children from their families when necessary, must develop case plans for each child that are reviewed at least every 6 months and contain specified information, and must establish specific goals for the maximum number of eligible children who will remain in foster care for more than 24 months.

Under Title IV–B, for fiscal years beginning on or after April 1, 1996, State plans must provide assurances that:

(1) the State has completed an inventory of all children who, before the inventory, had been in foster care under the responsibility of the State for six months or more, which determined: (i) the appropriateness of, and necessity for, the foster care placement; (ii) whether the child could or should be returned to the parents of the child or should be freed for adoption or other permanent placement; and (iii) the services necessary to facilitate the return of the child or the placement of the child for adoption or legal guardianship;

(2) the State is operating to the satisfaction of the Secretary: (i) a statewide information system on children who are or have been in foster care in the last year; (ii) a case review system for each child receiving foster care under the supervision of the State; (iii) a service program designed to help children return to families from which they have been removed; or be placed for adoption; (iv) a preplacement preventive service program designed to help children at risk remain with their families; and

(3) the State has reviewed State policies and procedures in effect for children abandoned at birth; and is implementing (or, will implement by October 31, 1996) such policies or procedures to enable permanent decisions with respect to the placement of such children to be made expeditiously. (For fiscal years beginning before April 1, 1996, these standards were incentive funding requirements that States had to meet to receive their full Title IV–B allotment, and were known as section 427 protections.)

Title IV–E State plans must provide that reasonable efforts will be made prior to the placement of a child in foster care to prevent or eliminate the need for removal of the child from her home and to make it possible for the child to return to her home.

Title IV–E State plans must provide that, where appropriate, all steps will be taken, including cooperative efforts with State AFDC and child support enforcement agencies, to secure an assignment of any rights to support of a child receiving foster care maintenance payments under Title IV–E.

House bill

An "Eligible State" is one that has submitted to the Secretary, not later than October 1, 1996, and every 3 years thereafter, a plan which has been signed by the Chief Executive Officer of the State. The plan must outline the State's Child Protection Program and provide several certifications regarding the nature of its child protection program.

A State plan must thoroughly describe the State Child Protection Program by describing State activities and procedures to be used for:

(1) receiving and assessing reports of child abuse or neglect;

(2) investigating such reports;

(3) with respect to families in which abuse or neglect has been confirmed, providing services or referral for services for families and children where the State makes a determination that the child may safely remain with the family;

(4) protecting children by removing them from dangerous settings and ensuring their placement in a safe environment;

(5) providing training for individuals mandated to report suspected cases of child abuse or neglect;

(6) protecting children in foster care;

(7) promoting timely adoptions;

(8) protecting the rights of families, using adult relatives as the preferred placement for children separated from their parents if such relatives meet all relevant standards; and

(9) providing services aimed at preventing child abuse and neglect.

The State plan must also certify that the State:

(1) has in effect laws that require reporting of child abuse and neglect;

(2) has in effect procedures for the immediate screening, safety assessment, and prompt investigation of child abuse or neglect reports;

(3) has in effect procedures for the removal and placement of abused or neglected children;

(4) has in effect laws requiring immunity from prosecution under State and local laws for individuals making good faith reports of suspected or known cases of child abuse or neglect;

(5) has in effect no later than 2 years after enactment, laws and procedures affording individuals an opportunity to appeal an official finding of abuse or neglect;

(6) has in effect procedures for developing and reviewing written plans for the permanent placement of each child removed from the family that: specify the goal for achieving a permanent placement for the child in a timely fashion; ensure that the plan is reviewed every 6 months; and ensure that information about the child is gathered regularly and placed in the case record.

(7) has in effect a program to provide independent living services to 16-19 year old youths (and, at State option, youths up to age 22) who are in the foster care system but

have no family to support them. (Under the proposal, States also will continue to receive capped entitlement grants for Independent Living services as under current law.)

(8) has in effect procedures or programs (or both) to respond to reports of medical neglect of disabled infants;

(9) has quantitative goals of the State child protection program;

(10) will comply with respect to fiscal years beginning on or after April 1, 1996, with the same child protection standards as under current law. Standards related to abandoned children must be met by October 1, 1997;

(11) will make reasonable efforts to prevent the placement of children in foster care and to make it possible for the child to return home. Each State must also certify that it provides services for children and families where maltreatment has been confirmed but the child remained with the family;

(12) will take all appropriate steps, including cooperative efforts, to secure an assignment to the State of any rights to support on behalf of each child receiving foster care maintenance payments; and

(13) has in effect requirements for disclosure of records only to specified individuals and entities, and provisions that allow for public disclosure of findings or information about cases of child abuse or neglect that have resulted in a child fatality or near fatality (except that such disclosure shall not include identifying information about the individual initiating a report of suspected child abuse or neglect).

The Secretary of HHS must determine whether the State plan includes the required materials and certifications (except material related to the certification of State procedures to respond to reporting of medical neglect of disabled infants). The Secretary cannot add new elements beyond those listed above.

Senate amendment

The amendment does not change current law, except to require that the State plan for foster care and adoption assistance provide for the protection of the rights of families, using adult relatives as the preferred placement for children separated from their parents where such relatives meet the relevant State child protection standards (see item 8).

Conference agreement

The conference agreement follows the Senate amendment with a modification to delete the proposed amendment dealing with adult relative preferences.

3. GRANTS TO STATES FOR CHILD PROTECTION

Present law

Title IV–B of the Social Security Act contains both discretionary and capped entitlement funding for helping States provide assistance to troubled families and their children. Of capped entitlement funding for family preservation and support, 1 percent is reserved for Indians. For child welfare services under Title IV–B, $325 million is authorized annually. For family preservation and support services, $225 million is authorized in fiscal year 1996; $240 million in fiscal year 1997; and $255 million in fiscal year 1998. State allotments for child welfare services are based on the State's child population and per capita income. State allotments for family preservation and support are based on the number of children in the State receiving Food Stamps. Funds must be used for: "protecting and promoting the welfare of children * * * preventing unnecessary separation of children from their families * * * restoring children to their families if they have been removed * * * family preservation services * * * community-based family support services to promote the well-being of children and families and to increase parents' confidence and competence."

For-profit foster care providers are not eligible for Federal funding under Title IV-E.

Section 1123 of the Social Security Act requires the Secretary to establish by regulation a new Federal review system for child welfare which would allow penalties for misuse of funds. Regulations are expected to be published during the summer of 1996. (This provision would not be affected by the House proposal.)

House bill

The block grant contains both entitlement and appropriated funds. From the entitlement funds, each eligible State must receive from the Secretary an amount equal to the State share of the Child Protection Block Grant amount for the fiscal year (see below). A set-aside is provided for Indians equal to 1 percent of the entitlement money flowing into the block grant.

Each eligible State is also given funds equal to the State share of the authorization component of the block grant that is appropriated each year. Indians are given 0.36 percent of the appropriated money flowing into the block grant. Funds for the authorization component of the block grant under this section are not to exceed $325 million each year. No funds from the block grant can be used to pay for foster care or adoption maintenance payments.

The term "child protection amount" means: $240 million for fiscal year 1997; $255 million for fiscal year 1998; $262 million for fiscal year 1999; $270 million for fiscal year 2000; $278 million for fiscal year 2001; $286 million for fiscal year 2002.

The term "State share" means the qualified child protection expenses of a State divided by the sum of the qualified child protection expenses of all of the States. The term "qualified State expenditure" means Federal grants to the State under the Child Welfare Services Grant and the Family Preservation and Support Services Grant in fiscal year 1994 or the average of 1992-94, whichever is greater. In determining amounts for fiscal years 1992 through 1994, the Secretary shall use information listed as actual amounts in the Justification for Estimates for Appropriation Committees of the Administration for Children and Families for fiscal years 1994 through 1996.

A State to which funds are paid under this section may use the money in any manner the State deems appropriate to accomplish the purposes of this part, but the funds must be expended not later than the end of the immediately succeeding fiscal year.

For-profit, foster care facilities are eligible to receive funds from the block grant.

Under the terms and conditions of the block grant, States are subject to several penalties:

(1) *For misuse of funds.* If an audit determines that any amounts provided to a State have been spent in violation of this part, the Secretary must reduce the grant otherwise payable for the next fiscal year by the amount of the misspent funds, plus 5 percent of the grant;

(2) *For failure to maintain effort.* If States fail to maintain State spending equal to State expenditures under Part B of Title IV in fiscal year 1994, the Secretary must reduce the grant payable under this section by an amount equal to the previous year's shortfall in maintenance of effort. A penalty of 5 percent of the State grant must also be imposed. States must maintain 100 percent of prior effort in fiscal years 1997 and 1998; and 75 percent in fiscal years 1999 through 2002;

(3) *For failure to submit report.* If the Secretary determines that the State has not submitted mandatory adoption and foster care data reports within 6 months of the end of the fiscal year, the Secretary must reduce by 3 percent the amount of the State's block grant. If the report is submitted before the end of the immediately succeeding fiscal year, the Secretary shall rescind the penalty.

Except in the case of failure to maintain effort, the Secretary may not impose a penalty if the determination is made that the State has reasonable cause for failing to comply with the requirement. Further, a State must be informed before any penalty is imposed and be given an opportunity to enter into a corrective compliance plan. The provision includes a series of deadlines for submission of such corrective compliance plans and review by the Federal government. No quarterly payment can be reduced by more than 25 percent; penalty amounts above 25 percent must be carried forward to subsequent quarters.

Each territory is entitled to receive from the Secretary for any fiscal year an amount equal to the total obligations due to the territory under the Social Security Act for fiscal year 1995.

Except as expressly provided in this Act, the Secretary may not regulate the conduct of States under this part or enforce any provision of this Act.

Senate amendment

The amendment does not change current law, except that it would amend the definition of "child care institution" to include for-profit providers (see item 6).

Conference agreement

The conference agreement follows the Senate amendment.

4. DATA COLLECTION AND REPORTING

Present law

In 1986, Congress established the National Advisory Committee on Adoption and Foster Care Information to assist HHS in designing a new comprehensive nationwide data collection system with full system implementation expected to be completed by October 1991. However, final regulations were not issued until December 1993 with the first transmission of data due May 1995. All States are now participating in the Adoption and Foster Care Analysis and Reporting System (AFCARS). HHS is currently analyzing the first datasets transmitted from the States. The final rules require semi-annual reporting on all children in foster care. The data collection is child and case specific and is intended to yield a semi-annual snapshot of child welfare trends. It is also intended to yield information that will enable policymakers to "track" children in care and find out the reasons why children enter foster care, how long children stay in foster care, and what happens to children while in foster care as well as after they leave foster care.

In 1993, Congress authorized enhanced funding of 75 percent for both the AFCARS system and for several additional functions not originally envisioned as part of AFCARS capability. These new functions included electronic data exchange within the State, automated data collection on all children in foster care, collection and management of information necessary to facilitate delivery of child welfare services and to determine eligibility for such services, case management, case plan development and monitoring, and information security. Enhanced funding of 75 percent for this second data system, which HHS calls the Statewide Automated Child Welfare Information System (SACWIS), expires on October 1, 1996.

House bill

The House provision leaves unaltered the current State data reporting system on child protection. The enhanced funding rate of 75 percent for the Statewide Automated Child Welfare Information System (SACWIS) is extended for 1 additional year, through fiscal year 1997.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

5. FUNDING FOR STUDIES OF CHILD WELFARE

Present law

Sec. 426 authorizes discretionary funding for child welfare research and demonstration projects. No funds were appropriated in 1996.

House bill

The Secretary is entitled to receive, for each of fiscal years 1996 through 2002, $6 million to conduct a national study based on random samples of children who are at risk of child abuse or neglect, and $10 million for other research.

Senate amendment

The amendment does not change current law.

Conference agreement

The conference agreement follows the House bill. The conferees recommend that the Secretary, in conducting the random sample study, require that the study have a longitudinal component and yield data that is reliable at the State level for as many States as she determines is feasible. The conferees also recommend that the Secretary carefully consider selecting the sample from cases of confirmed abuse or neglect and follow each case for several years while obtaining information on, among other things, the type of abuse or neglect involved, the frequency of contact with State or local agencies, whether the child involved has been separated from the family, and, if so, under what circumstances, the number, type, and characteristics of out-of-home placements of the child, and the average duration of each placement.

6. DEFINITIONS

Present law

The term "child care institution" means a licensed nonprofit private or public facility which accommodates no more than 25 children. The term does not apply to detention facilities, forestry camps, training schools, or centers for delinquent children.

House bill

Same as present law, except the word "nonprofit" is deleted.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. CONFORMING AMENDMENTS

Present law

House bill

This section makes a series of technical and conforming amendments to the Social Security Act and the Omnibus Budget Reconciliation Act of 1986.

Senate amendment

The amendment redesignates section 1123 (42 U.S.C. 1320a–1a) the second place it appears as section 1123A.

Conference agreement

The conference agreement follows the Senate amendment.

Chapter 2—Foster Care, Adoption Assistance, and Independent Living Programs

8. CHANGES IN TITLE IV–E OF THE SOCIAL SECURITY ACT

Present law

Title IV–E Foster Care and Title IV–E Adoption Assistance are intended to help States finance foster care and adoption assistance maintenance payments, administration, child placement services, and training related to foster care and adoption assistance.

The purpose of the Title IV–E Independent Living Program is to help older foster children make the transition to independent living.

House bill

The most notable feature of House action on Title IV–E is that all the entitlement programs remain intact. In addition, the House retains the provision of current law that guarantees Medicaid coverage for children who receive maintenance payments from either the foster care or adoption programs. On the other hand, the House provision does change current law in three ways.

First, the current law guarantee of eligibility for foster care and adoption maintenance payments for children eligible for the Aid to Families with Dependent Children (AFDC) program was disrupted because the AFDC statute was completely rewritten to give States the authority to establish their own welfare programs. To ensure that the eligibility of poor children for maintenance payments continues, the House provision guarantees eligibility for all children from families that would have been eligible for the AFDC program as it existed in each State on the day before enactment of this legislation.

Second, the House provision allows States to use private for-profit foster care facilities. The House believes that States should be allowed to use private child care organizations because they are fully capable of providing quality services. States are responsible for ensuring that children are in safe and reliable care whether it is provided by public or private entities. The House can see no reason to automatically refuse participation by an entire sector of the child caring community.

Third, the House provided enhanced funding for the Statewide Automated Child Welfare Information System (SACWIS) because automation is a vital part of providing quality child protection services. The House has investigated progress by the States in creating SACWIS and has found that several States are now ready to begin actual implementation and that as many as half the States can be expected to have operational systems by next year if funding remains available. Thus, the House is extending the enhanced funding rate of 75 percent to encourage States to invest money in these important systems.

Senate amendment

The amendment amends Title IV–E to include for-profit providers in the definition of "child care institutions" (see item 6). The provision also amends Title IV–E to require that the State plan for foster care and adoption assistance provide for the protection of the rights of families, using adult relatives as the preferred placement for children separated from their parents where such relatives meet the relevant State child protection standards.

Conference agreement

The conference agreement follows the Senate amendment with a modification to delete the proposed amendment dealing with adult relative preference.

Chapter 3—Miscellaneous

9. SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL FOR TECHNICAL AND CONFORMING AMENDMENTS

Present law

No provision.

House bill

Not later than 90 days after the date of enactment, the Secretary of Health and Human Services must submit to Congress a legislative proposal providing for technical and conforming amendments required by the changes made in this subtitle of the proposal.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

10. SENSE OF THE CONGRESS REGARDING TIMELY ADOPTION OF CHILDREN

Present law

No provision.

House bill

This section expresses the sense of Congress that too many adoptable children are spending too much time in foster care, that States must take steps to increase the number of children who are adopted in a timely manner, and that States could achieve savings if they offered incentives for the adoption of special needs children, among other provisions.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

11. EFFECTIVE DATE; TRANSITION RULES

Present law

No provision.

House bill

The changes made in this subtitle will be effective on or after October 1, 1996. Provisions that authorize and appropriate funds in fiscal year 1996 for research and court improvements, and certain technical and conforming amendments are effective upon enactment. The proposal establishes transition rules for pending claims, actions and proceedings, and closing out accounts for programs that are terminated or substantially modified.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

Subtitle B—Child and Family Services Block Grant

Present law

No provision.

House bill

The block grant and associated activities under Subtitle B are under the jurisdiction of the Economic and Educational Opportunities Committee in the House and the Labor and Human Resources Committee in the Senate. The Child and Family Services Block Grant created by Subtitle B consolidates the following programs into a single block grant:

The Child Abuse Prevention and Treatment Act, the Abandoned Infants Assistance Act, adoption opportunities under the Child Abuse Prevention and Treatment and Adoption Reform Act, the family support centers under the McKinney Homeless Assistance Act, and the Temporary Child Care and Crisis Nurseries Act. The Child and Family Services Block Grant has the same State plan and certification requirements as the Child Protection Block Grant created by Subtitle A. The two Block Grants also have the same data collection and reporting requirements for child abuse incidence data and for the implementation of foster care and adoption tracking systems. The Child and Family Services Block Grant is authorized at $230 million for fiscal year 1996 and "such sums as may be necessary" are authorized for fiscal year 1997 through fiscal year 2002. Title II of the Child and Family Services Block Grant provides that funds be available for research, demonstrations, training and technical assistance to better protect children from maltreatment. Funds under this block grant also will establish a National Clearinghouse for Information Relating to Child Abuse, provide demonstration grants for the development of innovative programs, provide technical assistance to States to assist with child abuse investigation and the termination of parental rights proceedings, and provide training for professionals in related fields. For these Title II activities, 12 percent of the $230 million provided for this Block Grant is authorized of which 40 percent must be available for demonstration projects. The Missing Children's Assistance Act and the Victims of Child Abuse Act of 1990 are both reauthorized.

Senate amendment

No provision.

Conference agreement

The conference agreement follows the Senate amendment.

TITLE VI: CHILD CARE

1. SHORT TITLE AND REFERENCES

Present law

No provision.

House bill

Short Title: Child Care and Development Block Grant Amendments of 1996. Unless otherwise specified, references should be considered as made to the Child Care and Development Block Grant Act of 1990.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

2. GOALS

Present law

No provision.

House bill

This section establishes the following goals for the Child Care and Development Block Grant:

(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within the State;

(2) to promote parental choice in making decisions on the child care that best suits their family's needs;

(3) to encourage States to provide consumer information to help parents make informed child care choices;

(4) to assist States in providing child care to parents trying to become independent of public assistance; and

(5) to assist States in implementing the health, safety, licensing and registration standards established in State regulations.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. AUTHORIZATION OF APPROPRIATIONS AND ENTITLEMENT AUTHORITY

Present law

The authorization of appropriations for the Child Care and Development Block Grant expires at the end of fiscal year 1995. Appropriations in fiscal year 1996 are $935 million. (Sec. 658B of the CCDBG Act)

[Note: In addition to appropriated funds, entitlement funds are available for the Child Care Block Grant under the AFDC Child Care, Transitional Child Care, and At-Risk Child Care programs authorized by Title IV-A of the Social Security Act.]

House bill

Authorization of Appropriations. There are authorized to be appropriated $1,000,000,000 for each of fiscal years 1996 through 2002. (Additional mandatory funding will be provided for child care under the Social Security Act so that a total of $22 billion will be provided for child care over the 7-year period fiscal years 1996–2002.)

Child Care Entitlement. The proposal establishes a single child care block grant and State administrative system by adding mandatory funds to the existing Child Care and Development Block Grant (CCDBG). Specifically, one discretionary and two mandatory streams of funding will be consolidated in a reconstituted CCDBG.

a. State General Entitlement. From the stream of entitlement funding, each State will receive the amount of funds it received for child care under all of the entitlement programs currently under Title IV-A of the Social Security Act (AFDC Child Care, Transitional Child Care, and At-Risk Child Care) in fiscal year 1994, in fiscal year 1995, or the average amount in fiscal years 1992 through 1994, whichever is greater. This source of funds will provide States with approximately $1.2 billion for child care each year between 1997 and 2002.

b. Remainder. The mandatory funds remaining after the allocation to Indians (see below) and the State General Entitlement (see above) will be distributed among the States based on the formula currently used in the Title IV-A At-Risk Child Care Grant. Specifically, funds will be distributed based on the proportion of the number of children under age 13 residing in the State to the number of all of the Nation's children under age 13. States must provide matching funds at the fiscal year 1995 State Medicaid rate to receive these funds and must maintain spending at their fiscal year 1994 or 1995 level, whichever is greater, under the Title IV-A child care programs. The money available to States through this source of funds for fiscal years 1997 through 2002, respectively, will be: $0.76 billion, $0.86 billion, $0.96 billion, $1.16 billion, $1.36 billion, and $1.51 billion.

If a State does not use its full portion of funds, the remaining portion will be redistributed to other States according to section 402(i) of the At-Risk Child Care Grant (as such section was in effect before October 1, 1995). Thus, each State applying for these remaining funds will receive the percentage of funds that equals the percentage of children under age 13 residing in that State of all children under age 13 residing in all the States that apply for funds. The Secretary must determine whether States will use their entire portion of funds no later than the end of the first quarter of the subsequent fiscal year.

c. Appropriation. Total child care funds under this proposal will equal $22 billion for child care over the 7-year period fiscal years 1996–2002, including both the $15 billion in mandatory funds discussed above and $7 billion in discretionary funds. Under current law for the three existing AFDC-related child care programs, $1.1 billion in mandatory funds will be spent in fiscal year 1996. In addition, a total of $13.85 billion in mandatory funds would be authorized for child care in fiscal years 1997–2002, starting at $2.0 billion in fiscal year 1997 and rising to $2.7 billion in fiscal year 2002. Finally, as stated earlier, $1 billion will be authorized annually in discretionary funds for the Child Care and Development Block Grant.

d. Indian Tribes. One percent of all funds under the section are provided to Indian tribes.

Use of Funds. Funds shall only be used to provide child care assistance. Amounts received by a State, based on the amounts received in previous years, shall be available for use by the State without fiscal year limitation. All funds from both mandatory and discretionary sources must be transferred to the lead agency under the Child Care and Development Block Grant and integrated into the State child care programs.

Not less than 70 percent of the total amount of mandatory funds received by the State in a fiscal year must be used to provide child care assistance to families that are receiving assistance under a State program, families that are attempting to transition off public assistance, and families at risk of becoming dependent on public assistance.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and Senate amendment, with a modification. The Secretary shall reserve not less than 1 percent and not more than 2 percent of the total amount appropriated (both mandatory and discretionary) in each fiscal year for payments to Indian tribes and tribal organizations.

4. LEAD AGENCY

Present Law

The Chief Executive Officer of a State is required to designate an appropriate State agency to act as the lead agency in administering financial assistance under the Act. (Sec. 658D of the CCDBG Act)

House bill

The proposal requires States to identify a lead agency to administer all the child care funds received under the Act, including funds received through other "governmental or nongovernmental" agencies (instead of other "State" agencies). States must ensure that "sufficient time and statewide distribution of the notice" be given of the public hearing on the development of the State plan. This section strikes language in current law specifying issues that may be considered during consultation with local governments on development of the State plan.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

5. APPLICATION AND PLAN

Present law

States are required to prepare and submit to the Secretary an application that includes a State plan. The initial plan must cover a 3-year period, and subsequent plans must cover 2-year periods. Required contents of the plan include designation of a lead agency; outline of policies and procedures regarding parental choice of providers, summary of policies that guarantee unlimited parental access, parental complaints, and consumer education; and overview of policies that ensure compliance with State and local regulatory requirements, establishment of and compliance with health and safety requirements, and review of State licensing and regulatory requirements.

In addition, the State plan must provide that all funds will be used for child care services, and that 25 percent of funds will be reserved for activities to improve the quality of child care and to increase the availability of early childhood development and before- and after-school child care. (Sec. 658E of the CCDBG Act)

State plans must also assure that payment rates will be adequate to provide eligible children with equal access to child care as compared with children whose families are not eligible for subsidies, and must assure that the State will establish and periodically revise a sliding fee scale that provides for cost sharing by families that receive child care subsidies.

House bill

The proposal requires the State plan to cover a 2-year period. States must provide a detailed description of procedures to be used to assure parental choice of providers. Instead of "providing assurances," States must "certify" that procedures are in effect within the State to ensure unlimited parental access to the families providing care to children and to ensure parental choice of child care provider; the proposal also requires that the State plan provide a detailed description of such procedures. Instead of "providing assurances," a State must "certify" that it maintains a record of parental complaints and requires the State to provide a detailed description of how such a record is maintained and made available. The proposal changes the consumer education part of the State plan to require assurances that the State will collect and disseminate consumer education information. States must certify that they have in effect child care licensing requirements and provide a detailed description of the requirements and how they are enforced. This provision does not require that licensing requirements be applied to specific types of child care providers.

States must "certify" that procedures are in effect to ensure that child care providers receiving funds under this Act comply with applicable State or local health and safety requirements. The Secretary is required to develop minimum standards for Indian tribes and tribal organizations receiving assistance.

The proposal eliminates review of State licensing and regulatory requirements, notification to the Department of Health and Human Services (HHS) when standards are reduced, and supplementation. The proposal also eliminates the requirement that unlicensed providers be registered. The House decided to retain a current law requirement that all States establish health and safety standards. The House provision does not specify the particular standards that must be established, but all States must have requirements on prevention and control of infectious diseases (including immunizations), building and physical premises safety, and minimum health and safety training.

A summary of the facts relied upon by the State to determine that payment rates are sufficient to ensure equal access to child care must be included in the State plan. Funds must be used for child care services, for activities to improve the quality and availability of such services, and for any other activity that the State deems appropriate to realize the goals specified above. The proposal deletes the current law requirement that States reserve 25 percent of funds for activities to improve the quality of child care and to increase availability of early childhood development and before- and after-school care. States may spend no more than 5 percent on administrative costs.

States must spend a substantial portion of the amounts available to provide child care to low-income working families who are not working their way off welfare or are at risk of becoming welfare dependent. However, States first must comply with requirement that at least 70 percent of mandatory funds must be used for welfare or at-risk families. States must demonstrate how they will meet the child care needs of welfare and at-risk families.

Senate amendment

Same, except the Senate maintains current law (which requires States to "provide assurances" that child care providers receiving funds under this Act comply with applicable State or local health and safety requirements).

Conference agreement

The conference agreement follows the House bill with a modification. The provision requires States to "certify" that health and safety requirements are in effect within a State applicable to child care providers.

Nothing in the legislation either prohibits or requires States to differentiate between federally subsidized child care and non-subsidized child care regarding the application of specific standards and regulations. The cap of 5 percent on administrative costs is included in both the House and Senate passed bills. To help States implement this provision, the Department of Health and Human Services should issue regulations, in a timely manner and prior to the deadline for submission of State plans, that define and determine true administrative costs, as distinct from expenditures for services. Eligibility determination and redetermination, preparation and participation in judicial hearings, child care placement, the recruitment, licensing, inspection, reviews and supervision of child care placements, rate setting, resource and referral services, training, and the establishment and maintenance of computerized child care information are an integral part of service delivery and should not be considered administrative costs.

6. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE

Present law

As stated above, 25 percent of State allotments must be reserved for activities to improve child care quality and to increase the availability of early childhood development and before- and after-school child care. Section 658G specifies how these funds are to be used. Of reserved funds, States are required to use no less than 20 percent for improving the quality of care, including resource and referral programs, making grants or loans to assist providers in meeting State and local standards, monitoring of compliance with licensing and regulatory requirements, training of child care personnel, and improving compensation for child care personnel. (Sec. 658G of the CCDBG Act).

House bill

A State that receives child care funds must use at least 4 percent of all funds received (both mandatory and discretionary) for activities designed to provide comprehensive consumer education to parents and the public, for activities that increase parental choice, and for activities designed to improve the quality and availability of child care.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

7. REPEAL OF EARLY CHILDHOOD DEVELOPMENT AND BEFORE- AND AFTER-SCHOOL CARE REQUIREMENT

Present law

States are required to use no less than 75 percent of funds reserved for quality improvement for activities to expand and conduct early childhood development programs and before- and after-school child care. (Sec. 658H of the CCDBG Act)

House bill

The set-aside for early childhood development programs and before- and after-school care is repealed.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

8. ADMINISTRATION AND ENFORCEMENT

Present law

The Secretary of Health and Human Services (HHS) is required to coordinate HHS and other Federal child care agencies, to collect and publish a list of State child care standards every 3 years, and to provide technical assistance to States. The Secretary must also review, monitor, and enforce compliance with the Act and the State plan by withholding payments and imposing additional sanctions in certain cases. (Sec. 658I of the CCDBG Act)

House bill

This section strikes the current law requirement that the Secretary withhold further payments to a State in case of a finding of noncompliance until the noncompliance is corrected. Instead, the Secretary is authorized, in such cases, to require that the State reimburse the Secretary for any improperly spent funds, or the Secretary may deduct from the administrative portion of the State's subsequent allotment an amount equal to or less than the misspent funds, or a combination of such options.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

9. PAYMENTS

Present law

Payments received by a State for a fiscal year may be expended in that fiscal year or in the succeeding 3 fiscal years. (Sec. 658J of the CCDBG Act)

House bill

The bill replaces the word "expended" with "obligated". However, the bill contains a drafting error. A provision that would have struck "3 fiscal years" and inserted "fiscal year" was inadvertently dropped.

Senate amendment

The Senate amendment contains the same drafting error.

Conference agreement

The conference agreement corrects a previous drafting error by striking "3 fiscal years" and inserting "fiscal year".

10. ANNUAL REPORT AND AUDITS

Present law

States must prepare and submit to the Secretary every year a report specifying how funds are used; presenting data on the manner in which the child care needs of families in the State are being fulfilled, including information on the number of children served, child care programs in the State, compensation provided to child care staff, and activities to encourage public-private partnerships in child care; describing the extent to which affordability and availability of child care has increased; summarizing findings from a review of State licensing and regulatory requirements, if applicable; explaining any action taken by the State to reduce standards, if applicable; and describing standards and health and safety requirements applied to child care providers in the State, including a description of efforts to improve the quality of child care. (Sec. 658K of the CCDBG Act)

House bill

The title of the section is changed from "Annual Report and Audits" to "Reports and Audits." States must collect on a monthly basis, and report to HHS on a quarterly basis, the following information on each family receiving assistance:

(1) family income;

(2) county of residence;

(3) the gender, race, age of children receiving benefits;

(4) whether the family includes only one parent;

(5) the sources of family income, including:

(a) the amount obtained from employment, including self-employment;

(b) cash assistance or other assistance under Part A;

(c) housing assistance;

(d) food stamps; and

(e) other public assistance;

(6) the number of months the family has received benefits;

(7) the type of care in which the child was enrolled (family day care, center, own home);

(8) whether the provider was a relative;

(9) the cost of care; and

(10) the average hours per week of care.

Twice each year, the State must submit the following aggregate data to HHS:

(1) the number of providers separately identified in accord with each type of provider that received funding under this subchapter;

(2) the monthly cost of child care services and the portion of such cost paid with assistance from this Act by type of care;

(3) the number of payments by the State in vouchers, contracts, cash, and disregards from public benefit programs by type of care;

(4) the manner in which consumer education information was provided and the number of parents who received it; and

(5) total number (unduplicated) of children and families served.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

11. REPORT BY THE SECRETARY

Present law

The Secretary is required to prepare and submit an annual report, summarizing and analyzing information provided by States, to the House Education and Labor Committee and the Senate Labor and Human Resources Committee. This report must contain an assessment and, where appropriate, recommendations to Congress regarding efforts that should be taken to improve access of the public to quality and affordable child care. (Sec. 658L of the CCDBG Act)

House bill

The Secretary must prepare and submit biennial reports, rather than annual reports, with the first report due no later than July 31, 1997; the reference to the House Education and Labor Committee is replaced with the House Economic and Educational Opportunities Committee.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

12. ALLOTMENTS

Present law

The Secretary must reserve one-half of 1 percent of appropriations for payment to Guam, American Samoa, the Virgin Islands, the Northern Marianas, and the Trust Territory of the Pacific Islands. The Secretary also must reserve no more than 3 percent for payment to Indian tribes and tribal organizations with approved applications. Remaining funds are allocated to the States based on the States' proportion of children under age 5 and the number of children receiving free or reduced-price school lunches, as well as the States' per capita income. Any portion of a State's reallotment that the Secretary determines is not needed by the State to carry out its plan for the allotment period must be reallotted by the Secretary to the other States in the same proportion as the original allotments. (Sec. 658O of the CCDBG Act)

House bill

Set-asides for the Territories, Indian tribes, and tribal organizations are maintained, except that the Trust Territory of the Pacific Islands is deleted from the set-aside for Territories. Indian tribes are provided with a 1 percent set-aside of all funds, both entitlement and appropriated, authorized by this section each year. Under some circumstances, and with approval from the Secretary, Indian tribes are authorized to use a portion of their funds for renovation and construction of child care facilities. Within the overall block grant for social programs provided to the territories, each territory is authorized to spend whatever portion they choose of their capped amount on child care (for additional details see item 79 of Title I). Allotments to States were described in item 3 above.

Senate amendment

Same as the House bill except the Indian tribes are provided with a 3-percent set-aside for child care.

Conference agreement

The conference agreement follows the House bill with a modification. The Secretary shall reserve not less that 1 percent and not more than 2 percent of the total amount appropriated (both mandatory and discretionary) in each fiscal year for payments to Indian tribes and tribal organizations.

13. DEFINITIONS

Present law

The following terms are defined: caregiver, child care certificate, elementary school, eligible child, eligible child care provider, family child care provider, Indian tribe, lead agency, parent, secondary school, Secretary, sliding fee scale, State, and tribal organization. (Sec. 658P of the CCDBG Act)

House bill

Child care deposits are added as an allowable use of a child care certificate. The definition of "eligible child" is revised to one whose family income does not exceed 85 percent of the State median, instead of 75 percent. The definition of "relative child care provider" is revised by adding great grandchild and sibling (if the provider lives in a separate residence) to the list of eligible relative providers and the requirement that relatives providing care be registered is struck. Relative providers are required to comply with any applicable requirements governing child care provided by a relative, rather than State requirements. The definition for elementary and secondary school is eliminated. The Trust Territory of the Pacific Islands is dropped from the definition of "State." Native Hawaiian Organization is added to the definition of "tribal organization."

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

14. REPEALS

Present law

No provision.

House bill

The proposal repeals the following programs: (1) Child Development Associate (CDA) Scholarship Assistance; (2) State Dependent Care Development Grants; (3) Programs of National Significance under Title X of the Elementary and Secondary Education Assistance Act of 1965 (child care related to Cultural Partnerships for At-Risk Children and Youth, and Urban and Rural Education Assistance); and (4) Native-Hawaiian Family-Based Education Centers.

[Note.—Title I of the proposal also repeals child care assistance provided under current law by Title IV-A of the Social Security Act. This assistance is provided under three programs known as AFDC Child Care, Transitional Child Care, and At-Risk Child Care. Thus, the total number of child care programs merged into the Child Care and Development Block Grant is seven.]

Senate amendment

The Senate amendment does not repeal the following programs: (1) Child Development Associate (CDA) Scholarship Assistance; (2) State Dependent Care Development Grants; (3) Programs of National Significance under Title X of the Elementary and Secondary education Assistance Act of 1965; and (4) Native Hawaiian Family-Based Education Centers.

Conference agreement

The conference agreement follows the Senate amendment.

15. EFFECTIVE DATE

Present law

No provision.

House bill

This title and the amendments made by this title take effect on October 1, 1996; the authorization of appropriations and entitlement authority under section 8103(a) take effect on the date of enactment.

Senate amendment

Same.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

TITLE VII: CHILD NUTRITION PROGRAMS

Subtitle A—National School Lunch Act

1. STATE DISBURSEMENT TO SCHOOLS

Present law

State Agency Authority. The provision of law requiring that agreements between State education agencies and schools be permanent may not be "construed" as limiting the ability of State agencies to suspend or terminate agreements in accordance with the Secretary's regulations. [Sec. 8 of the NSLA]

Technical Amendments. "Child" for purposes of the NSLA is defined to include individuals, regardless of age, who are (a) determined to have 1 or more disabilities and (b) attending an institution for the purpose of participating in a program for individuals with mental or physical disabilities. [Sec. 8 of the NSLA]

House bill

State Agency Authority. Clarifies State education agencies' authority to terminate or suspend agreements with schools participating in school meal programs. [Sec. 3401]

Technical Amendments. Makes a technical amendment placing this definition of child in the section of the NSLA containing other general definitions. [Sec. 3401]

[Note.—Sec. 3401 also makes conforming amendments to cross-references in sec. 8 of the NSLA.]

Senate amendment

State Agency Authority. Same provision. [Sec. 1201]

Technical Amendments. Same provision with technical differences. [Sec. 1201]

Conference agreement

The conference agreement adopts the provisions that are common to both bills regarding State Agency Authority and adopts the Senate provision on Technical Amendments. [Sec. 701]

2. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

Present law

Lowfat Cheese Purchases. Each calendar year, the Secretary is required to purchase specific amounts of lowfat cheese on a bid basis. [Sec. 9(a)(2) of the NSLA]

Food Waste Procedures. The Secretary is required to establish administrative procedures designed to diminish food waste in schools. [Sec. 9(a)(3) of the NSLA]

Announcing Guidelines. Each school year, State education agencies and schools are required to announce income eligibility guidelines to be used for free and reduced price lunches. [Sec. 9(b)(2) of the NSLA]

Commodities. Schools in the school lunch program are required to use, as far as practicable, commodities designated by the Secretary as being in "abundance."

The Secretary is authorized to prescribe terms and conditions under which donated commodities will be used in schools and other participating institutions. [Sec. 9(c) of the NSLA]

Nutrition Information/Requirements. By the first day of the 1996–1997 school year, the Secretary, State education agencies, schools, and school food service authorities are required, to the maximum extent practicable, to inform students and parents of the nutrition content of school meals and their consistency with the most recent Dietary Guidelines for Americans. [Sec. 9(f)(1) of the NSLA]

Unless a waiver is granted by a State education agency, schools must serve meals that are consistent with the Dietary Guidelines for Americans (using the weekly average nutrient content of the meals) by the beginning of the 1996–1997 school year. [Sec. 9(f)(2) of the NSLA]

Use of Resources. State education agencies may use resources provided under the nutrition education and training program for training aimed at improving the quality and acceptance of school meals. [Sec. 9(h) of the NSLA]

House bill

Lowfat Cheese Purchases. Deletes the lowfat cheese purchase requirement. [Sec. 3402(a)]

Food Waste Procedures. Deletes the requirement for the Secretary to establish procedures to diminish food waste. [Sec. 3402(a)]

Announcing Guidelines. Deletes the requirements to annually announce income eligibility guidelines. [Sec. 3402(b)]

Commodities. Deletes the requirement to use foods designated as abundant.

Deletes the authority for the Secretary to prescribe terms and conditions for the use of commodities. [Sec. 3402(c)]

Technical/Conforming Changes. Makes a technical/conforming amendment consistent with the elimination of the requirement to announce guidelines. Makes a technical/conforming amendment to delete a provision dealing with discrimination against and identification of children receiving free or reduced price lunches found elsewhere in the law. [Sec. 3402(b) & (d)]

Nutrition Information/Requirements. Deletes the requirement to inform students and parents about the nutrition content of meals and their consistency with the Dietary Guidelines. [Sec. 3402(e)]

Replaces the existing requirement to serve meals consistent with the Dietary Guidelines. Unless a waiver is granted by a State education agency, schools must serve meals that are consistent with the Dietary Guidelines by the beginning of the 1996–1997 school year. The meals must provide, on average over each week, at least one-third of the National Academy of Sciences' daily recommended dietary allowances (in the case of lunches) or one-quarter of the allowances (in the case of breakfasts). [Sec. 3402(e)]

Use of Resources. Deletes the authority to use nutrition education and training funding for improving school meals (this authority is provided elsewhere in law). [Sec. 3402(f)]

Senate amendment

Lowfat Cheese Purchases. Same provision. [Sec. 1202(a) & (c)]

Food Waste Procedures. Same provision. [Sec. 1202(a)]

Announcing Guidelines. No provision.

Commodities. Same provisions. [Sec. 1202(b)]

Technical/Conforming Changes. No provisions.

Nutrition Information/Requirements. Same provision. [Sec. 1202(d)]

Use of Resources. Same provision. [Sec. 1201(e)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With respect to Announcing Guidelines, the conference agreement adopts the Senate provision. [Sec.702]

3. FREE AND REDUCED PRICE POLICY STATEMENT

Present law

No provision.

House bill

Provides that schools may not be required to submit free and reduced price "policy statements" to State education agencies unless there is a substantive change in the free and reduced price policy of the school. Routine changes (e.g., adjusting income eligibility standards) are not sufficient cause for requiring a school to submit a policy statement. [Sec. 3403]

Senate amendment

Same provisions with a technical difference clarifying that school food authorities, rather than schools, are the entities that may not be required to submit a policy statement. [Sec. 1203]

Conference agreement

The conference agreement adopts the Senate provisions. [Sec.703]

4. SPECIAL ASSISTANCE

Present law

"Provision 2." Schools electing to serve all children free meals for 3 successive years may be paid special assistance payments for free and reduced price meals based on the number of meals served free or at a reduced price in the first year ("provision 2"). Schools electing this option as of November 1994 may receive a 2-year extension from the State if it determines that the income level of the school's population has remained stable. Schools receiving a 2-year extension may receive subsequent 5-year extensions (except that the Secretary may require that applications be taken at the beginning of any 5-year period). [Sec. 11(a)(1) of the NSLA]

Terms and Conditions. The terms and conditions governing the operation of the school lunch program (set forth in other sections of the NSLA, except for matching requirements) apply to special assistance under the school lunch program, to the extent they are not inconsistent with the express requirements of the section governing special assistance. [Sec. 11(d) of the NSLA]

Monthly Reports. State education agencies must report each month the average number of children receiving free and reduced price lunches during the immediately preceding month. [Sec. 11(e)(2) of the NSLA]

House bill

"Provision 2." Allows all "provision 2" schools to qualify for extensions. [Sec. 3404(a)]

Terms and Conditions. Deletes "terms and conditions" requirements. [Sec. 3404(b)]

Monthly Reports. Removes the requirement for monthly reports and replaces it with a provision to report this information at the Secretary's request. [Sec. 3404(b)]

Senate amendment

"Provision 2." Same provision. [Sec. 1204(a)]

Terms and Conditions. Same provision. [Sec. 1204(b)]

Monthly Reports. Same provision. [Sec. 1204(b)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec.704]

5. MISCELLANEOUS PROVISIONS AND DEFINITIONS

Present law

Accounts and Records. States, State education agencies, and schools must make accounts and records available for inspection and audit by the Secretary "at all times." [Sec. 12(a) of the NSLA]

Restrictions on Requirements. Neither the Secretary nor States may impose any requirement with respect to teaching personnel, curriculum, and instruction in any school when carrying out the provisions of the NSLA. [Sec. 12(c) of the NSLA]

Definitions. "State" is defined to include the Trust Territory of the Pacific Islands. [Sec. 12(d)(1) of the NSLA]

"Participation rate" is defined as the number of lunches served in the second prior fiscal year. [Sec. 12(d)(3) of the NSLA]

"Assistance need rate" is defined as a rate relative to States' annual per capita income. [Sec. 12(d)(4) of the NSLA]

The Secretary is permitted to adjust reimbursement rates for Alaska, Hawaii, and outlying areas (including the Trust Territory of the Pacific Islands). [Sec. 12(f) of the NSLA]

Expedited Rulemaking. The Secretary is required to issue proposed regulations on food-based menu systems prior to the publication of final regulations for compliance with the Dietary Guidelines for Americans and must hold public meetings on the proposed regulations. Final regulations must reflect public comments. [Sec. 12(k) of the NSLA]

Waivers. The Secretary may waive any Federal requirements if the requesting State or service provider demonstrates, to the Secretary's satisfaction, that the waiver will not increase the overall Federal cost of the program and, if it does increase costs, they will be paid from non-Federal funds.

Waiver applications must describe "management goals" to be achieved, a timetable for implementation, and the process to be used for monitoring progress in implementing the waiver (including cost implications).

The Secretary must state in writing the expected outcome of any approved waivers.

The results of the Secretary's decision on any waiver must be disseminated through "normal means of communication."

Waivers may not exceed 3 years (unless extended by the Secretary).

Waivers may not be granted with respect to "offer versus serve" rules.

Service providers must annually submit reports describing the use of their waivers and evaluating how the waiver contributed to improved services. States must annually submit a summary of providers' reports to the Secretary. The Secretary must annually submit reports to Congress summarizing the use of waivers and describing whether waivers resulted in improved services, the impact of waivers on the provision of nutritional meals, and how waivers reduced paperwork. [Sec. 12(l) of the NSLA]

Food and Nutrition Programs. The Secretary is required to award grants to private nonprofit organizations or education institutions for "food and nutrition projects" that are fully integrated with elementary school curricula. Subject to appropriations, the Secretary must make grants to each of 3 organizations or institutions in amounts between $100,000 and $200,000 for each of fiscal years 1995 through 1998. [Sec. 12(m) of the NSLA]

Simplified Administration of School Meal and Other Nutrition Programs. No provisions in current law; therefore, no citizenship or immigration status tests apply to programs under the NSLA or CNA, or to commodity assistance programs.

House bill

Accounts and Records. Revises the requirement to make accounts and records available at all times to a requirement that they be available at "any reasonable time." [Sec. 3405(a)]

Restrictions on Requirements. Removes the prohibition on States imposing personnel, curriculum, and instruction requirements. [Sec. 3405(b)]

Definitions. Replaces "Trust Territory of the Pacific Islands" with "Commonwealth of the Northern Mariana Islands."

Deletes the out-of-date definition of participation rate.

Deletes the out-of-date definition of assistance need rate.

Replaces the reference to the Trust Territory of the Pacific Islands with a reference to the "Commonwealth of the Northern Mariana Islands." [Sec. 3405(c) & (d)]

Expedited Rulemaking. Deletes the noted out-of-date requirements for regulations. [Sec. 3405(e)]

Waivers. Adds a bar against the Secretary granting any waiver that increases Federal costs.

Deletes the noted waiver requirements in present law.

Deletes the noted outcome requirement in present law.

Deletes the noted dissemination requirement in present law.

Deletes the noted time limit requirement in present law.

Deletes the noted offer versus serve prohibition in present law.

Deletes requirements for waiver reports by service providers and States, but not the Secretary's. [Sec. 3405(f)]

Food and Nutrition Programs. Deletes authority for food and nutrition project grants. [Sec. 3405(g)]

Simplified Administration of School Meal and Other Nutrition Programs. No provisions in the child nutrition provisions of the bill. However, other provisions of the bill would bar the eligibility of illegal aliens for programs under the NSLA and the CNA.

Senate amendment

Accounts and Records. Same provision. [Sec. 1205(a)]

Restrictions on Requirements. Same provision. [Sec. 1205(b)]

Definitions. Same provisions. [Sec. 1205(c) & (d)]

Expedited Rulemaking. Same provision. [Sec. 1205(e)]

Waivers. Same provisions. [Sec. 1205(f)]

Food and Nutrition Programs. No provision.

Simplified Administration of School Meal and Other Nutrition Programs. Notwithstanding any other provision of law, no assistance or benefits provided under the NSLA or CNA or commodity assistance programs may be contingent on citizenship or immigration status. [Sec. 1205(g)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 705] The conference agreement also adopts the Senate provision on Food and Nutrition Projects, and adopts the House provision on Simplified Administration of School Meal and Other Nutrition Programs with an amendment stating that individuals who are ineligible for free public education benefits under State or local law are also ineligible for school meal benefits under the National School Lunch Act and the Child Nutrition Act of 1966. The amendment also states that "nothing in this Act shall prohibit or require a State to provide to an individual who is not a citizen qualified alien, as defined elsewhere in the law, benefits ***" under programs other than school lunch and breakfast program under the National School Lunch Act and the Child Nutrition Act of 1966, the Commodity Supplemental Food Program, TEFAP and the food distribution program on Indian reservations.[Sec. 742]

6. SUMMER FOOD SERVICE PROGRAM FOR CHILDREN

Present law

Establishment of Program. The Secretary is authorized to carry out a summer food service program to assist States to initiate, maintain, and expand nonprofit food service programs for children. [Sec. 13(a) of the NSLA]

Service Institutions: Payments. Payments to summer food service institutions may not exceed specific amounts set by law and indexed for inflation. For the summer of 1996, these rates are: $2.1675 for each lunch/supper, $1.2075 for each breakfast, and 57 cents for each supplement (snack). Rates are adjusted each January to reflect changes (for the 12 months ending the preceding November) in the food away from home component of the CPI-U. Each adjustment is rounded to the nearest quarter cent. [Sec. 13(b)(1) of the NSLA]

Administration of Service Institutions. Payments to summer camps and service institutions that primarily serve migrant children may be made for up to 4 meals/supplements each day. [Sec. 13(b)(2) of the NSLA]

Reimbursements: National Youth Sports Program. Higher education institutions operating under the National Youth Sports Program (NYSP) may receive reimbursements for meals/supplements served in months other than May through September, but for not more than 30 days for each child.

NYSP children and institutions are eligible to participate "without application."

NYSP institutions receive reimbursements for breakfasts and supplements equal to the "severe need" rate for school breakfasts.

Advance Program Payments. In general, 3 advance payments to summer food service program service institutions are required during any summer program. The second advance payment may not be released to any service institution that has not certified it has held training sessions for its own personnel and site personnel. [Sec. 13(e)(1) of the NSLA]

Food Requirements. The Secretary is required to provide "additional technical assistance" to those service institutions and private nonprofit organizations that are having difficulty in maintaining compliance with nutritional requirements.

Service institutions' contracts with food service management companies must require that bacteria levels conform to the standards applied by the local health authority. [Sec. 13(f) of the NSLA]

Permitting "Offer versus Serve". The "offer versus serve" option is not permitted in the summer food service program.

Food Service Management Companies. In accordance with the Secretary's regulations, service institutions must make positive efforts to use small and minority-owned businesses as sources of supplies and services.

States are required to establish a standard form of contract for use by service institutions and food service management companies. [Sec. 13(l) of the NSLA]

Records. States and service institutions must make accounts and records available for inspection and audit by the Secretary "at all times." [Sec. 13(m) of the NSLA]

Removing Mandatory Notice to Institutions. States' plans must include its plans and schedule for informing service institutions of the availability of the summer food service program. [Sec. 13(n) of the NSLA]

Plan. State plans must include: (1) the State's method of assessing need, (2) the State's best estimate of the number/character of service institutions/sites to be approved, and children and meals to be served, as well as its estimating methods, and (3) a schedule for providing technical assistance and training to service institutions. [Sec. 13(n) of the NSLA]

Monitoring and Training. With the Secretary's assistance, States must establish and implement an ongoing training and technical assistance program for private nonprofit organizations. [Sec. 13(q) of the NSLA]

Expired Program. During fiscal years 1990 and 1991, the Secretary and States must carry out a program to disseminate information to private nonprofit organizations about the amendments made by the Child Nutrition and WIC Reauthorization Act of 1989. [Sec. 13(p) of the NSLA]

House bill

Establishment of Program. Removes the reference to the Secretary's authority to carry out a program to assist States to "expand" summer food services. [Sec. 3406(a)]

[Note.—Sec. 3406(a) also makes technical amendments deleting a reference to the Trust Territory of the Pacific Islands and an unnecessary cross-reference in present law.]

Service Institutions: Payments. Establishes new maximum rates for summer food service institutions. They are: $1.82 for each lunch/supper, $1.13 for each breakfast, and 46 cents for each supplement (snack). These new rates, adjusted for inflation, first apply to the summer of 1997. They are adjusted on January 1, 1997, and each January 1 thereafter, to reflect changes (for the 12 months ending the preceding November) in the food away from home component of the CPI–U. Each adjustment is based on unrounded rates for the prior 12-month period, then rounded down to the nearest lower cent increment. [Sec. 3406(b) & (n)]

[Note.—Separate administrative cost reimbursement rates are not changed.]

Administration of Service Institutions. Limits payments to summer camps and institutions serving migrant children to 3 meals, or 2 meals and a supplement, each day. [Sec. 3406(c)]

Reimbursements: National Youth Sports Program. Deletes authority for reimbursements to NYSP institutions for months other than May through September.

Requires that NYSP children be eligible on showing residence in an area of poor economic conditions or on the basis of an income eligibility statement.

Requires that NYSP institutions receive reimbursements for breakfasts and supplements equal to the regular free school breakfast reimbursement rates.

Advance Program Payments. Limits to nonschool providers the prohibition on releasing the second advance payment without having certified training has been held. [Sec. 3406(e)]

Food Requirements. Deletes the requirement for additional technical assistance in present law.

Replaces the requirement that contracts require bacteria levels to conform to standards applied by the local health authority with a requirement that contracts be in conformance with standards set by local health authorities. [Sec. 3406(f)]

Permitting "Offer versus Serve." Adds authority for school food authorities participating as a summer food service institution to permit children attending a site on school premises operated directly by the school food authority to refuse 1 item of a meal without affecting reimbursement for the meal. [Sec. 3406(g)]

Food Service Management Companies. Deletes requirement for positive efforts to use small and minority-owned businesses in present law.

Deletes requirement for a standard form of contract in present law. [Sec. 3406(h)]

Records. Revises the requirement to make accounts and records available at all times to a requirement that they be available at "any reasonable time." [Sec. 3406(i)]

Removing Mandatory Notice to Institutions. Deletes the requirement for a plan/schedule for informing service institutions of the availability of the summer food service program. [Sec. 3406(j)]

Plan. Deletes State plan requirements for a method of assessing need, estimates of service institutions/sites to be approved and children and meals to be served, and a schedule for providing technical assistance/training. [Sec. 3406(k)]

Monitoring and Training. Deletes requirement for ongoing training and technical assistance for private nonprofit organizations. [Sec. 3406(l)]

Expired Program. Deletes out-of-date requirement to disseminate information. [Sec. 3406(m)]

Senate amendment

Establishment of Program. No provision.

Service Institutions: Payments. No provisions.

Administration of Service Institutions. No provision.

Reimbursements: National Youth Sports Program. No provision.

Advance Program Payments. No provision.

Food Requirements. No provision.

Permitting "Offer versus Serve." No provision

Food Service Management Companies. No provision.

Records. No provision.

Removing Mandatory Notice to Institutions. No provision.

Plan. No provision.

Monitoring and Training. No provision.

Expired Program. No provision.

Conference agreement

Establishment of Program. The conference agreement adopts the House provision.

Service Institutions: Payments. The conference agreement adopts the House provisions with an amendment that sets the reimbursement rate for lunches at $1.97.

Administration of Service Institutions. The conference agreement adopts the House provisions.

Reimbursements: National Youth Sports Program. The conference agreement adopts the House provisions with amendments that: delete the provision of present law allowing institutions to participate without application; require that all reimbursements to NYSP institutions be at the regular summer food service program rates; and delete special meal standard and compatibility requirements for NYSP institutions.

Advance Program Payments. The conference agreement adopts the House provisions.

Food Requirements. The conference agreement adopts the House provisions.

Permitting "Offer versus Serve." The conference agreement adopts the House provisions with an amendment allowing school food authorities to permit the refusal of 1 or more items under rules that the school uses for school meal programs.

Food Service Management Companies. The conference agreement adopts the Senate provisions.

Records. The conference agreement adopts the House provision.

Removing Mandatory Notice to Institutions. The conference agreement adopts the House provision.

Plan. The conference agreement adopts the House provisions.

Monitoring and Training. The conference agreement adopts the House provision.

Expired Program. The conference agreement adopts the House provision. [Sec. 706]

7. COMMODITY DISTRIBUTION

Present law

Cereal and Shortening in Commodity Donations. Cereal and shortening and oil products must be included among products donated to the school lunch program. [Sec. 14(b) of the NSLA]

Impact Study and Purchasing Procedures. By May 1979, the Secretary must report on the effect of changes in commodity procurement established under 1977 amendments to the NSLA.

The Secretary must establish procedures to ensure that purchase contracts are not entered into unless the previous history and current patterns of the contracting party (with respect to compliance with meat inspection and other food wholesomeness standards) are taken into account. [Sec. 14(d) of the NSLA]

Cash Compensation for Pilot Project Schools. The Secretary must provide cash compensation to certain schools participating in a "cash/CLOC" pilot project to make up for losses sustained. Compensation is provided to schools applying before the end of 1990. [Sec. 14(g) of the NSLA]

State Advisory Council. State education agencies receiving food assistance must establish an advisory council composed of school representatives. The council advises the agency on schools' needs relating to the manner of selecting and distributing commodities. [Sec. 14(e) of the NSLA]

House bill

Cereal and Shortening in Commodity Donations. Deletes the requirement to include cereal and shortening and oil products in school lunch program donations. [Sec. 3407(a)]

Impact Study and Purchasing Procedures. Deletes out-of-date commodity procurement report requirement.

Deletes requirement for purchase procedures that take into account contractors' compliance with meat inspection/food wholesomeness standards. [Sec. 3407(b)]

Cash Compensation for Pilot Project Schools. Deletes an out-of-date requirement for compensation to certain schools in a pilot project. [Sec. 3407(c)]

State Advisory Council. Deletes the requirement for State commodity assistance advisory councils. [Sec. 3407(d)]

Senate amendment

Cereal and Shortening in Commodity Donations. Same provision. [Sec. 1206(a)]

Impact Study and Purchasing Procedures. No provisions.

Cash Compensation for Pilot Project Schools. Same provision. [Sec. 1206(c)]

State Advisory Council. Provides that any State agency receiving food assistance must establish an advisory council (i.e., deletes the specific reference to State education agencies in present law). [Sec. 1206(b)]

Conference agreement

Cereal and Shortening in Commodity Donations. The conference agreement adopts the provision that is common to both bills.

Impact Study and Purchasing Procedures. The conference agreement adopts the Senate provision.

Cash Compensation for Pilot Project Schools. The conference agreement adopts the provision that is common to both bills.

State Advisory Council. The conference agreement adopts the House provisions, with an amendment to replace the requirement for a formal advisory council with a requirement that State agencies to meet with local school food service personnel when making decisions regarding commodities used in meal programs. [Sec. 707]

8. CHILD CARE FOOD PROGRAM

Present law

Establishment of Program. The Secretary is authorized to carry out a program to assist States to initiate, maintain, and expand nonprofit food service for children in child care institutions. [Sec. 17(a) of the NSLA]

Payments to Sponsor Employees. No provision.

Technical Assistance. If necessary, States must provide technical assistance to institutions submitting incomplete applications to participate. [Sec. 17(d) of the NSLA]

Reimbursement of Child Care Institutions. Day care centers may be provided reimbursement for up to 2 meals and 2 supplements (or 3 meals and 1 supplement) each day for children in a child care setting for 8 or more hours a day. [Sec. 17(f)(2) of the NSLA]

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. Reimbursements for family or group day care homes are specific amounts set by law and indexed for inflation. All homes receive the same reimbursements, and reimbursements are not differentiated by family income of the child receiving a subsidized meal/supplement. For July 1996 through June 1997, these rates are: $1.575 for each lunch/supper, 86.25 cents for each breakfast, and 47 cents for each supplement.

Rates are adjusted each July to reflect changes in the food away from home component of the CPI-U for the most recent 12-month period for which data are available. Each adjustment is rounded to the nearest quarter cent. [Sec. 17(f)(3)(A) of the NSLA]

Improved Targeting of Day Care Home Reimbursements: Grants to States. No provision.

Improved Targeting of Day Care Home Reimbursements: Provision of Data. No provision.

Reimbursement. The Secretary is required to reduce administrative payments to day care home sponsors as of August 1981 so as to achieve a 10 percent reduction in the total level of payments. [Sec. 17(f)(3)(B) of the NSLA]

Funds for administrative expenses may be used by day care home sponsors to conduct outreach and recruitment to unlicensed day care homes so that they may become licensed. [Sec. 17(f)(3)(C) of the NSLA]

States must provide monthly advance payments to approved day care institutions in an amount that reflects the full level of valid claims customarily received (or the State's best estimate in the case of newly participating institutions). [Sec. 17(f)(4)]

Nutritional Requirements. Meals served under the child and adult care food program must be "served free to needy children."

The Secretary is required to provide "additional technical assistance" to institutions and day care home sponsors that are having difficulty maintaining compliance with nutrition requirements. [Sec. 17(g)(1) of the NSLA]

Elimination of State Paperwork/Outreach Burden. States must take affirmative action to expand availability of the child and adult care food program benefits, including annual notification of all nonparticipating day care home providers. The Secretary must conduct demonstration projects to test approaches to removing or reducing barriers to participation by homes that operate in low-income areas or primarily serve low-income children. The Secretary and States must provide training and technical assistance to assist day care home sponsors in reaching low-income children. The Secretary must instruct States to provide information and training about child health and development through day care home sponsors. [Sec. 17(k) of the NSLA]

Records. States and institutions must make accounts and records available for inspection and audit by the Secretary and others "at all times." [Sec. 17(m) of the NSLA]

Modification of Adult Care Food Program. Nonresidential adult day care centers (including group living arrangements) serving chronically impaired disabled adults or persons 60 years of age or older are eligible institutions under the child and adult care food program. Reimbursements are provided for meals served to chronically disabled adults and those 60 or older in these centers. [Sec. 17(o) of the NSLA]

Unneeded Provision. The Secretary is required to provide State child and adult care food service agencies with basic information about the WIC program. State agencies must provide child care institutions with specific materials about the WIC program, annually update the materials, and ensure that at least once a year the institutions provide specific written information to parents about the WIC program. [Sec. 17(q) of the NSLA]

Effective Date. No provision.

Study. No provision.

House bill

Establishment of Program. Removes the reference to the Secretary's authority to carry out a program to assist States to "expand" child care food services. [Sec. 3408(a)]

Payments to Sponsor Employees. Prohibits payments to day care home sponsors that base payments to employees on the number of homes recruited. [Sec. 3408 (b)]

Technical Assistance. Deletes the requirement to provide technical assistance in cases of incomplete applications. [Sec. 3408(c)]

Reimbursement of Child Care Institutions. Removes authority for reimbursement for more than 2 meals and 1 supplement for children in care for 8 or more hours. [Sec. 3408(d)]

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. Establishes new reimbursement rates for day care homes as follows:

"Tier I" homes receive the meal/supplement rates in effect on July 1, 1996 (see present law), adjusted annually for inflation.

"Tier I" homes are (1) those located in areas, defined by the Secretary based on Census data, in which at least 50 percent of children are in households with income below 185 percent of the Federal poverty guidelines, (2) those located in an area served by a school enrolling elementary students in which at least 50 percent of the children are certified eligible to receive free or reduced price school meals, or (3) those operated by a provider whose household income is verified by a sponsor (under the Secretary's regulations) to be below 185 percent of the poverty guidelines.

"Tier II" homes are homes that do not meet tier I standards, but they may, at their option, receive the substantially higher tier I reimbursement rates under certain conditions (see below).

In general, tier II home rates are 90 cents for each lunch/supper, 25 cents for each breakfast, and 10 cents for each supplement, adjusted annually for inflation. Tier II homes can elect to receive higher tier I rates for meals/supplements served to children who are members of households with income below 185 percent of the Federal poverty guidelines, if the sponsor collects the necessary income information and makes the appropriate eligibility determinations in accordance with the Secretary's rules. Tier II homes also can elect to receive tier I rates for meals/supplements served to children (or children whose parents are) participating in or subsidized under a federally or State-supported child care or other benefit program with an income eligibility limit that does not exceed 185 percent of the poverty guidelines, and may restrict their claim for tier I reimbursements to these children if they choose not to collect income statements from all parents/caretakers.

The Secretary is required to prescribe simplified meal counting and reporting procedures for use by tier II homes (and their sponsors) that elect to claim tier I reimbursements for children meeting the income or program participation requirements. These procedures can include (1) setting an annual percentage of meals/supplements to be reimbursed at tier I rates based on the family income of children enrolled in a specific month or other period, (2) placing a home in a reimbursement category based on the percentage of children with household income below 185 percent of the poverty guidelines, or (3) other procedures determined by the Secretary.

The Secretary is authorized to establish minimum requirements for verifying income and program participation for tier II homes electing to claim tier I reimbursement rates.

Inflation indexing of rates for day care homes also is revised. The rates set for tier I homes (see present law) and the new tier II rates are adjusted July 1, 1997, and each July thereafter, based on the unrounded rates for the previous 12-month period, then rounded down to nearest lower cent increment. Inflation adjustments are based on changes in the food at home component of the CPI-U for the most recent 12-month period for which data are available. [Sec. 3408(e)(1)]

Improved Targeting of Day Care Home Reimbursements: Grants to States. Provides grants to States to assist family or group day care homes and their sponsors in implementing the new reimbursement rate system. For fiscal year 1997, the Secretary is required to reserve for this purpose $5 million of the amounts made available for the child care food program and allocate it to States based on the number of homes participating in fiscal year 1995 (with a minimum of $30,000 for each State). [Sec. 3408(e)(2)]

Improved Targeting of Day Care Home Reimbursements: Provision of Data. Requires that the Secretary provide Census data necessary for determining homes' tier I/II status and that States provide school enrollment data necessary to determine tier I/II status. In determining homes' tier I/II status, the most current available data (Census, enrollment, income) must be used. In general, a determination that a home is located in a tier I area is effective for 3 years. [Sec. 3408(e)(3)]

Reimbursement. Deletes the out-of-date requirement to reduce administrative payments to sponsors.

Deletes the authority to use administrative expense funding for outreach and recruitment.

Makes the provision of advance payments a State option. [Sec. 3408(f)]

Nutritional Requirements. Deletes a redundant provision requiring that free meals be served to needy children (this requirement is found elsewhere in law).

Deletes the requirement to provide additional technical assistance. [Sec. 3408(g)]

Elimination of State Paperwork/Outreach Burden. Removes the noted requirements in present law and replaces them with a requirement that States provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the child care food program. Requires the Secretary to assist States in developing plans to do so. [Sec. 3408(h)]

Records. Revises the requirement to make accounts and records available at all times to a requirement that they be available at "any reasonable time." [Sec. 3408(i)]

Modification of Adult Care Food Program. Deletes authority for reimbursements for meals to those in adult day care centers who are not chronically impaired disabled persons. Deletes authority for any reimbursements to adult day care centers that do not serve chronically impaired disabled persons. [Sec. 3408(j)]

[Note.—Section 3408(a) & (l) make conforming amendments.]

Unneeded Provision. Deletes requirements to provide WIC information through the child care food program. [Sec. 3408(k)]

Effective Date. Establishes effective dates for changes affecting the child care food program. In general, they are effective on enactment, but amendments restructuring day care home reimbursement rates are effective July 1, 1997.

Requires the Secretary to issue interim regulations related to restructuring day care home reimbursement rates, provision of data to implement the restructured rates, and changes to sponsors' use of administrative funds by January 1, 1997. Final regulations on these changes must be issued by July 1, 1997. [Sec. 3408(m)]

Study. Requires the Secretaries of Agriculture and Health and Human Services to undertake a study of the effects of amendments restructuring day care home reimbursements, due 2 years after enactment. Requires State agencies to provide certain data to support the study. [Sec. 3408(n)]

Senate amendment

Establishment of Program. Same provisions. [Sec. 1207(a)]

Payments to Sponsor Employees. Same provision. [Sec. 1207(b)]

Technical Assistance. Same provision. [Sec. 1207(c)]

Reimbursement of Child Care Institutions. Same provision. [Sec. 1207(d)]

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. Same provisions, except that the new rates for tier II homes are $1 for lunches/suppers, 30 cents for breakfasts, and 15 cents for supplements. [Sec. 1207(e)(1)]

The conferees understand that the Secretary has historically provided different family and group day care home payments in Alaska and Hawaii. The conferees expect that the tier I and tier II reimbursements provided for in this measure also will be varied for Alaska and Hawaii.

Improved Targeting of Day Care Home Reimbursements: Provision of Data. Same provisions. [Sec. 1207(e)(3)]

Reimbursement. Same provisions, except replaces the existing permission to use funds for outreach/recruitment with permission to use funds to assist unlicensed homes in becoming licensed. [Sec. 1207(f)]

Nutritional Requirements. Same provisions. [Sec. 1207(g)]

Elimination of State Paperwork/Outreach Burden. Same provisions. [Sec. 1207(h)]

Records. Same provision. [Sec. 1207(i)]

Modification of Adult Care Food Program. No provision.

Unneeded Provision. Replaces the existing requirement for providing WIC information with a requirement that State agencies ensure that, at least once a year, child care institutions provide written information to parents that includes basic WIC information. [Sec. 1207(j)]

Effective Date. Same provisions. [Sec. 1207(k)]

Study. Same provisions. [Sec. 1207(l)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With respect to the provisions in disagreement:

Improved Targeting of Day Care Home Reimbursements: Restructured Day Care Home Reimbursements. The conference agreement adopts the House provisions with an amendment setting the reimbursement rate at 95 cents for lunches/suppers, 27 cents for breakfasts, and 13 cents for supplements.

Reimbursement. The conference agreement adopts the Senate provisions.

Modification of Adult Care Food Program. The conference agreement adopts the Senate provision.

Unneeded Provision. The conference agreement adopts the House provision. [Sec. 708]

9. PILOT PROJECTS

Present law

"Universal free lunch" pilots, similar to "provision 2" authority found elsewhere in law, are required. [Sec. 18(d) of the NSLA]

A demonstration project for grants to provide meals and supplements to adolescents in programs outside school hours is required; assistance is in accordance with that provided under the child and adult care food program. For each of fiscal years 1996 and 1997, the Secretary must expend $475,000 ($525,000 in 1998), unless there is an insufficient number of suitable applicants. [Sec. 18(e) of the NSLA]

Pilot projects are authorized to evaluate the effects of contracting with private organizations to act as a State agency in cases where the Secretary is administering a child nutrition program in place of a State. [Sec. 18(a) of the NSLA]

A pilot project is authorized to assist schools in offering students additional choices of fruits, vegetables, legumes, cereals, and grain-based products (including organically produced commodities). [Sec. 18(g) of the NSLA]

A pilot project is authorized to assist schools in offering students additional choices of dairy products, lean meat, and poultry products (including organically produced commodities). [Sec. 18(h) of the NSLA]

Pilots are authorized to reduce paperwork, application, and meal counting requirements, and make program changes that will increase school meal program participation—while receiving Federal payments equal to the prior year adjusted for inflation/enrollment. [Sec. 18(i) of the NSLA]

House bill

Deletes separate authority for the "universal free lunch" projects, which are similar to "provision 2" authority found elsewhere in the law. [Sec. 3409(a)]

Makes the pilot demonstration project for grants to provide meals and supplements to adolescents in programs outside school hours optional and authorizes "such sums as are necessary" for fiscal years 1997 and 1998. [Sec. 3409(b)]

Deletes authority for the pilot projects to: evaluate effects of contracting with private organizations; assist schools in offering students additional choices of fruits, vegetables, legumes, cereals and grain-based products, dairy products, lean meat and poultry products (including organically produced commodities); reduce paperwork, application and meal counting requirements and make program changes to increase school meal program participation. [Sec. 3409(c)]

Senate amendment

The Senate amendment contains the same provisions that delete authority for the "universal free lunch" projects and make the pilot demonstration project for grants to provide meals and supplements to adolescents in programs outside school hours optional (authorizing "such sums as are necessary" for fiscal 1997 and 1998). [Sec. 1208(a), (b)] The Senate amendment does not contain the House provisions that delete authority for the pilot projects to: evaluate effects of contracting with private organizations; assist schools in offering students additional choices of fruits, vegetables, legumes, cereals and grain-based products, dairy products, lean meat and poultry products (including organically produced commodities); reduce paperwork, application and meal counting requirements and make program changes to increase school meal program participation.

Conference agreement

The conference agreement adopts the provisions. [Sec. 709]

10. REDUCTION OF PAPERWORK

Present law

In carrying out the NSLA and the CNA, the Secretary is required to reduce paperwork required of State and local agencies and others (e.g., parents) to the maximum extent practicable. In carrying out this requirement, the Secretary is required to consult with State/local administrators and convene a meeting of these administrators (not later than September 1990), and obtain suggestions from members of the public on reducing paperwork. By November 1990, the Secretary is required to report to Congress concerning the extent to which reduction in paperwork has occurred. [Sec. 19 of the NSLA]

House bill

Deletes out-of-date paperwork reduction requirements. [Sec. 3410]

Senate amendment

Same provision. [Sec. 1209]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 710]

11. INFORMATION ON INCOME ELIGIBILITY

Present law

The Secretary is required to provide State agencies with information needed to determine income eligibility for free or reduced price meal. It must be provided by May 1990. Not later than July 1990, the Secretary must review model application forms under the NSLA and the CNA and simplify the format/instructions for these forms. [Sec. 23 of the NSLA]

House bill

Deletes out-of-date income verification and application form requirements. [Sec. 3411]

Senate amendment

Same provision. [Sec. 1210]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 711]

12. NUTRITION GUIDANCE FOR CHILD NUTRITION PROGRAMS

Present law

By November 1991, the Secretary and the Secretary of Health and Human Services are required to develop a "nutrition guidance" publication. They must distribute it within 6 months. The Secretary must revise menu planning guides to include recommendations for implementing the nutrition guidance in the publication. In carrying out any school meal program, summer program, or child care food program, school food authorities must apply the published nutrition guidance, and the Secretary must ensure that meals and supplements are consistent with the nutrition guidance. The Secretary and the Secretary of Health and Human Services may jointly update the guidance publication. [Sec. 24 of the NSLA]

House bill

Deletes the noted provisions of present law dealing with development and implementation of a nutrition guidance. [Sec. 3412]

Senate amendment

Same provision. [Sec. 1211]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 712]

13. INFORMATION CLEARINGHOUSE

Present law

The Secretary is required to enter into a contract with a nongovernmental organization to establish and maintain a clearinghouse for information for nongovernmental groups on food assistance and self-help initiatives. The clearinghouse is required to be funded at $200,000 in fiscal year 1996, $150,000 in 1997, and $100,000 in 1998. [Sec. 26 of the NSLA]

House bill

Deletes the requirement for funding of a nutrition information clearinghouse. [Sec. 3413]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

SUBTITLE B—CHILD NUTRITION ACT OF 1966

14. SPECIAL MILK PROGRAM

Present law

"United States" is defined to include the Trust Territory of the Pacific Islands. [Sec. 3(a)(3) of the CNA]

House bill

Replaces Trust Territory of the Pacific Islands with "Commonwealth of the Northern Mariana Islands." [Sec. 3421]

Senate amendment

Same provision. [Sec. 1251]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec 721]

15. FREE AND REDUCED PRICE POLICY STATEMENT

Present law

No provision.

House bill

Provides that schools may not be required to submit a free and reduced price "policy statement" to State education agencies unless there is a substantive change in the free and reduced price policy of the school. Routine changes (e.g., adjusting income eligibility standards) are not sufficient cause for requiring a school to submit a policy statement. [Sec. 3422]

Senate amendment

Similar provisions with a technical amendment clarifying that school food authorities, rather than schools, are the entities that may be required to submit a policy statement. [Sec. 1252]

Conference agreement

The conference agreement adopts the Senate provision. [Sec. 722]

16. SCHOOL BREAKFAST PROGRAM AUTHORIZATION

Present law

Training and Technical Assistance. Through State education agencies, the Secretary must provide technical assistance and training to school breakfast program schools to assist them in complying with nutrition requirements and providing appropriate meals to children with medically certified special dietary needs. The Secretary also must provide additional technical assistance to schools that are having difficulty maintaining compliance with nutrition requirements. [Sec. 4(e)(1) of the CNA]

Startup and Expansion. The Secretary and State education agencies are directed to carry out information, promotion, and outreach programs to further the policy of expanding the school breakfast program to all schools where it is needed, including the use of "language appropriate" materials. The Secretary is to report to Congress no later than October 1, 1993, concerning efforts to increase school participation. [Sec. 4(f) of the CNA]

The Secretary is required to use $5 million a year (through fiscal year 1997), $6 million in 1998, and $7 million in each subsequent year to fund a program of competitively bid grants to State education agencies for the purpose of initiating or expanding the school breakfast and summer food service programs. [Sec. 4(g) of the CNA]

House bill

Training and Technical Assistance. Deletes technical assistance and training requirements. [Sec. 3423(a)]

Startup and Expansion. Effective October 1, 1996, deletes the requirement for information, promotion, and outreach grants to expand the school breakfast program. [Sec. 3423(b)]

Senate amendment

Training and Technical Assistance. Deletes the requirement to provide additional technical assistance. [Sec. 1253(a)]

Startup and Expansion. Same provision. [Sec. 1253(b)]

Conference agreement

The conference agreement adopts the startup and expansion provisions that are common to both bills and adopts the Senate provision regarding Training and Technical Assistance. [Sec. 723]

17. STATE ADMINISTRATIVE EXPENSES

Present law

Commodity Distribution Administration. States are permitted to use a portion of the funds available for State administrative expenses to assist in administering the commodity distribution program. [Sec. 7(e) of the CNA]

Studies. The Secretary may not provide State administrative expense funding to a State unless the State agrees to participate in any study or survey of NSLA or CNA programs conducted by the Secretary. [Sec. 7(h) of the CNA]

Approval of Changes. States must annually submit a plan for the use of State administrative expense funds. [Sec. 7(f) of the CNA]

House bill

Commodity Distribution Administration. Deletes specific authority to use State administrative expense money for commodity distribution administration (this authority is found elsewhere in law). [Sec. 3424(a)]

Studies. Deletes the provision barring State administrative expense funding when a State fails to agree to participate in a study or survey. [Sec. 3424(a)]

Approval of Changes. Removes the requirement for annual plans for State administrative expense funds and replaces it with a requirement to submit any substantive plan changes for the Secretary's approval. [Sec. 3424(b)]

Senate amendment

Commodity Distribution Administration. Same provision. [Sec. 1254(a)]

Studies. Same provision. [Sec. 1254(a)]

Approval of Changes. Same provisions. [Sec. 1254(b)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 724]

The conference agreement repeals Section 7(e) of the Child Nutrition Act so as to simplify the language in, and eliminate redundant provisions of, the Act. The managers note that no provisions of the Child Nutrition Act prohibit States from using State administrative expense (SAE) funds to administer the Commodity Distribution Program, which is authorized through the National School Lunch Act, and stress that the repeal of Section 7(e) should not be construed as barring or discouraging States from using SAE funds for this purpose.

18. REGULATIONS

Present law

The Secretary is required to develop, and provide to State agencies for distribution to schools, model language that bans the sale of competitive foods of minimal nutritional value, along with a copy of the regulations concerning competitive foods. [Sec. 10(b) of the CNA]

House bill

Deletes the out-of-date requirement for model language on competitive foods. [Sec. 3425]

Senate amendment

Same provision. [Sec. 1255]

Conference agreement

The conference agreement adopts provisions common to both bills. [Sec. 725]

19. PROHIBITIONS

Present law

Neither the Secretary nor the States may impose any requirement with respect to teaching personnel, curriculum, or instruction in any school when carrying out the provisions of the special milk and school breakfast programs. [Sec. 11(a) of the CNA]

House bill

Removes the prohibition on States imposing personnel, curriculum, and instruction requirements. [Sec. 3426]

Senate amendment

Same provision. [Sec. 1256]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 726]

20. MISCELLANEOUS PROVISIONS AND DEFINITIONS

Present law

"State" is defined to include the Trust Territory of the Pacific Islands. [Sec. 15(1) of the CNA]

"School" is defined to include nonprofit child care centers in Puerto Rico. [Sec. 15(3) of the CNA]

House bill

Replaces the reference to the Trust Territory of the Pacific Islands with a reference to the Commonwealth of the Northern Mariana Islands. [Sec. 3427]

Makes a conforming amendment deleting the inclusion of nonprofit child care centers as schools in Puerto Rico. [Sec. 3427]

Senate amendment

Same provisions. [Sec. 1257]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 727]

21. ACCOUNTS AND RECORDS

Present law

States, State education agencies, schools, and nonprofit institutions must make accounts and records available for inspection by the Secretary "at all times." [Sec. 16(a) of the CNA]

House bill

Revises the requirement to make accounts and records available at all times to a requirement that they be available at "any reasonable time." [Sec. 3428]

Senate amendment

Same provision. [Sec. 1258]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 728]

22. SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN

Present law

Definitions. "Homeless individual" is defined to include an individual whose primary nighttime residence is a temporary accommodation in the residence of another. [Sec. 17(b)(15) of the CNA]

Secretary's Promotion of WIC. The Secretary must "promote" the WIC program by producing and distributing materials, including public service announcements in English and other appropriate languages. [Sec. 17(c)(5) of the CNA]

Eligible Participants. The Secretary must report biennially to Congress and the National Advisory Council on Maternal, Infant, and Fetal Nutrition on the income and nutritional risk characteristics of WIC participants, participation by migrants, and other appropriate matters. [Sec. 17(d)(4) of the CNA]

Nutrition and Drug Abuse Education. State agencies must ensure that drug abuse education is provided to all pregnant, postpartum, and breastfeeding WIC participants, and to parents/caretakers of WIC children.

Nutrition education and breastfeeding promotion and support must be evaluated annually by State agencies.

State agencies must ensure that written information about food stamps, AFDC, and the child support enforcement program is provided to WIC applicants and participants.

Each local WIC agency may use a master file to document and monitor the provision of nutrition education to individuals that are required to be included in group nutrition education classes.

State agencies must ensure that local agencies maintain and make available a list of local resources for substance abuse counseling and treatment. [Sec. 17(e) of the CNA]

State Plan. State agencies must annually submit a State plan for WIC operations and administration.

State agency WIC plans must include a plan to coordinate operations with special counseling services such as the expanded food and nutrition education program, immunization programs, local breastfeeding promotion programs, prenatal care, well-child care, family planning, drug abuse education, substance abuse counseling and treatment, child abuse counseling, AFDC, food stamps, maternal and child health care, and Medicaid (including Medicaid programs that use "coordinated care providers").

State agency WIC plans must include a plan to provide benefits to unserved and underserved areas in the State if sufficient funds are available.

State agency WIC plans must include a plan to provide benefits to those most in need and to provide eligible individuals not participating with program information, with an emphasis on reaching and enrolling eligible women in the early months of pregnancy and including provisions to reach and enroll eligible migrants.

State agency WIC plans must include a specific plan for provision of WIC benefits to incarcerated persons if they opt to provide benefits to these persons.

State agency WIC plans must include a plan to improve access to participants and applicants who are employed or reside in rural areas by addressing their needs through procedures/practices that minimize the time they must spend away from work and the distances they must travel.

State agency WIC plans must include an estimate of the increased participation that will result from cost-saving initiatives (including an explanation of how the estimate was developed) if the State chooses to request "funds conversion authority" (using food money for administration).

State agency WIC plans must include other information "as the Secretary may require."

State agencies must establish procedures under which members of the general public are provided an opportunity to comment on the development of the State plan.

State agencies must, on receiving a completed local agency application, notify the applicant in writing within 30 days of the approval or disapproval of the application (accompanied by a statement of reasons for any disapproval). Within 15 days of receiving an incomplete application, the State agency must notify the applicant of added information need to complete the application.

State agencies must, in cooperation with local WIC agencies, publicly announce and distribute information at least annually on the availability of WIC benefits to offices and organizations that deal with significant numbers of potentially eligible individuals. The information must be distributed in a manner designed to provide it to those most in need of benefits, including pregnant women in the early months of pregnancy. Local agencies with cooperative arrangements with hospitals must advise potentially eligible persons of the availability of benefits and provide them with the opportunity to be certified as eligible in the hospital.

State agency plans for fiscal year 1994 must advise the Secretary of procedures for reducing the purchase of low-iron infant formula.

State and local WIC agencies must make accounts and records available for inspection and audit by the Secretary "at all times."

Notices issued to WIC participants who are suspended or terminated during their certification period because of a shortage of funds must include the categories of participants whose benefits are being suspended or terminated (in addition to other information required by the Secretary).

The Secretary must establish standards for proper, efficient, and effective administration, including standards that will ensure sufficient State agency staff.

Products specifically designed for pregnant, postpartum, and breastfeeding women, or infants, are to be made available at the Secretary's discretion if they are commercially available or are approved by the Secretary based on clinical tests.

State agencies must (a) provide nutrition education, breastfeeding promotion, and drug abuse education in languages other than English and (b) use appropriate foreign language materials in areas where a substantial number of low-income households speak a language other than English.

State agencies may adopt methods of delivering benefits to accommodate the special needs and problems of incarcerated individuals.

Local agencies must provide information about other potential sources of food assistance to WIC applicants who apply but cannot be served. [Sec. 17(f) of the CNA]

Information. On completion of the 1990 Census, the Secretary must make available an estimate (by State and county) of the number of women, infants, and children who are members of families with incomes below 185 percent of the Federal poverty guidelines. [Sec. 17(g)(6) of the CNA]

Procurement of Infant Formula. The Secretary must require State agencies to report breastfeeding data for the biennial report by the Secretary on participant characteristics.

No State may receive a WIC allocation unless it meets certain conditions related to cost containment prior to September 1989.

States having cost-containment contracts in effect in 1989 need not meet new cost containment provisions until the term of the contract runs out.

The Secretary is required to establish pilot projects to determine the feasibility of using "universal product codes" to aid vendors in providing the correct infant formula to WIC participants.

The Secretary must follow certain specific rules in soliciting cost containment bids for infant formula on behalf of States.

The Secretary must promote the joint purchase of infant formula by States, encourage the purchase of supplemental foods other than infant formula under cost containment procedures, inform States of the benefits of cost containment, and provide technical assistance related to cost containment.

The Secretary must use $10 million a year (from carryover funds) for infrastructure development, special projects of regional or national significance, and special breastfeeding support and promotion projects. [Sec. 17(h) of the CNA]

National Advisory Council. The Secretary designates the Chairman and Vice-Chairman of the National Advisory Council on Maternal, Infant, and Fetal Nutrition. [Sec. 17(k) of the CNA]

Completed Study; Community College Demonstration; Grants for Information and Data Systems. The Secretary must, by May 1989, conduct a study on appropriate methods of drug abuse education instruction. The

Secretary must prepare and distribute drug abuse education materials. Specific appropriations for the study and materials are authorized for fiscal year 1989, and, for later years, "such sums as may be necessary" are authorized for distributing drug abuse education materials and making referrals under drug abuse education programs. [Sec. 17(n) of the CNA]

The Secretary is authorized to conduct a pilot project for WIC clinics in community colleges offering nursing education programs. [Sec. 17(o) of the CNA]

The Secretary is authorized to make grants to State agencies to improve WIC information and data systems. Appropriations for this are authorized through fiscal year 1994. [Sec. 17(p) of the CNA]

House bill

Definitions. Makes clear that, after 365 days in a temporary accommodation, individuals will not be considered homeless. [Sec. 3429(a)]

[Note.—Sec. 3429(a) also makes a technical/conforming amendment to the definition of "drug abuse education."

Secretary's Promotion of WIC. Deletes the requirement that the Secretary promote the WIC program. [Sec. 3429(b)]

Eligible Participants. Deletes the requirement for the Secretary's biennial report on participants. [Sec. 3429(c)]

Nutrition and Drug Abuse Education. Makes provision of drug abuse education optional.

Deletes the requirement to annually evaluate nutrition education and breastfeeding promotion/support.

Removes the requirement for providing information about food stamps, AFDC, and child support enforcement. Replaces it with authority for State agencies to provide local agencies with materials describing other programs for which WIC participants may be eligible.

Deletes the specific authority for using a nutrition education master file.

Requires that local agencies maintain and make available lists of local substance abuse counseling and treatment resources. [Sec. 3429(d)]

State Plan. Revises the State plan submission requirement to stipulate that State agencies only be required to submit substantive changes in their plan for the Secretary's approval.

Removes the noted specific State plan requirements for coordination. Replaces them with a requirement that State plans include a plan to coordinate WIC operations with other services or programs that may benefit WIC participants and applicants.

Adds a requirement that State WIC plans include a plan to improve access for those who are employed, or who reside in rural areas.

Removes the noted specific State plan requirements for reaching those most in need and not participating. Retains a requirement that State plans include a plan for reaching and enrolling women in the early months of pregnancy and migrants.

Deletes the noted specific State plan requirements as to how incarcerated persons will be provided benefits.

Deletes the noted specific State plan requirements as to improving program access for the employed and rural residents. [Note.—An earlier provision adds a general State plan requirement for improved access for these persons.]

Deletes the noted State plan requirement for an estimate of increased participation when funds conversion authority is chosen by the State.

Revises authority for the Secretary to require other information as the Secretary may require to a stipulation that plans must include other information as the Secretary may "reasonably" require.

Makes a conforming amendment deleting a provision that permits State agencies to submit only those parts of plans that differ from previous years.

Deletes the public comment procedures requirement.

Deletes these processing requirements for local WIC agency applications.

Deletes the noted requirements for announcing and distributing information and certification in hospitals.

Deletes an out-of-date requirement that States advise the Secretary on procedures to reduce purchases of low-iron infant formula.

Revises the requirement to make accounts and records available at all times to a requirement that they be available at "any reasonable time."

Deletes noted requirements as to the content of suspension/termination notices.

Deletes the requirement for staffing standards

Deletes the noted provision stipulating that products designed for women and infants may be made available in the WIC program if commercially available or approved based on tests.

Makes optional the provision of services and use of materials in languages other than English.

Deletes specific authority for delivery methods to accommodate incarcerated individuals.

Makes optional the requirement to provide information about other potential sources of food assistance. [Sec. 3429(e)]

Information. Deletes out-of-date requirement for a report on those income-eligible for the WIC program based on the 1990 Census. [Sec. 3429(f)]

Procurement of Infant Formula. Deletes the requirement for States to report data on breastfeeding for a biennial report that is eliminated elsewhere in the bill.

Deletes an out-of-date requirement to meet cost containment conditions.

Deletes an out-of-date provision relating to cost containment contracts.

Deletes the requirement for universal product code pilots.

Deletes conditions on the Secretary when soliciting infant formula bids on behalf of States.

Deletes noted requirements of the Secretary related to promoting cost containment.

Removes breastfeeding promotion and support projects as a use for the Secretary's special fund of $10 million a year.

None of the amendments affecting procurement practices are to apply to contracts for infant formula in effect on enactment. [Sec. 3429(g)]

National Advisory Council. Provides that the Advisory Council elect its Chairman and Vice-Chairman. [Sec. 3429(h)]

Completed Study; Community College Demonstration; Grants for Information and Data Systems. Deletes requirements for a 1989 drug abuse education study and preparation of materials. Deletes funding for distributing materials and referrals. [Sec. 3429(I)]

Deletes authority for a pilot for WIC clinics in community colleges. [Sec. 3429(I)]

Deletes out-of-date authority for information and data system improvement grants. [Sec. 3429(I)]

Disqualification of WIC Vendors. Adds provisions for disqualifying WIC vendors that have been disqualified from participation in the Food Stamp Program. Disqualification is for the same period as the food stamp disqualification and is not subject to separate administrative and judicial review. [Sec. 3429(j)]

Senate amendment

Definitions. Same provisions. [Sec. 1259(a)]

Secretary's Promotion of WIC. Same provision. [Sec. 1259(b)]

Eligible Participants. Same provision. [Sec. 1259(c)]

Nutrition and Drug Abuse Education. No provision.

State Plan. Same provisions, except the Senate amendment (1) requires plans for improving access to those who are employed, or who reside, in rural areas; (2) includes no provisions to delete the public comment procedures requirement, delete requirements for announcing and distributing information and certification in hospitals, or to make optional the provision requiring services and use of materials in languages other than English. [Sec. 1259(d)]

Information. Same provision. [Sec. 1259(e)]

Procurement of Infant Formula. Same provisions, except that the Senate amendment has no provision to remove breastfeeding promotion and support projects as a use for the Secretary's special fund. [Sec. 1259(f)]

National Advisory Council. Same provision. [Sec. 1259(g)]

Completed Study; Community College Demonstration; Grants for Information and Data Systems. Same provisions. [Sec. 1259(h)]

Disqualification of WIC Vendors. Same provisions. [Sec. 1259(i)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With respect to provisions in disagreement:

Nutrition Education and Drug Abuse Education. The conference agreement adopts the House provision with an amendment retaining the requirement for drug abuse education.

State Plan. The conference agreement: adopts the House provision regarding plans to improve access to the employed and those in rural areas; adopts the Senate provision on requirements for public comment procedures and for announcing and distributing information and certification in hospitals, and; adopts the House provision making optional the provision requiring services and use of materials in languages other than English.

Procurement of Infant Formula. The conference agreement adopts the Senate provision retaining breastfeeding promotion and support projects as a use for the Secretary's special fund. [Sec. 729]

23. CASH GRANTS FOR NUTRITION EDUCATION

Present law

The Secretary is authorized to make cash grants to State education agencies for demonstration projects in nutrition education. [Sec. 18 of the CNA]

House bill

Deletes authority for cash grants for nutrition education demonstration projects. [Sec. 3430]

Senate amendment

Same provision. [Sec. 1260]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 730]

24. NUTRITION EDUCATION AND TRAINING

Present law

Findings. Congress finds that:

the proper nutrition of children is a matter of highest priority;

the lack of understanding of good nutrition principles and their relation to health can contribute to children's rejection of nutritious foods and plate waste;

many school food service personnel and teachers do not have adequate training;

the lack of parental knowledge of nutrition can be detrimental on children's nutritional development; and

there is a need to create opportunities for children to learn about good nutrition. [Sec. 19(a) of the CNA]

It is the purpose of the provisions for a nutrition education and training program to (a) encourage dissemination of information to children and (b) establish a system of grants to State education agencies for nutrition education and training programs. [Sec. 19(b) of the CNA]

Use of Funds. State agencies may use nutrition education and training funds for:

funding a nutrition component in consumer homemaking and health education programs;

instructing teachers and school staff on how to promote better nutritional health and motivate children from a variety of linguistic and cultural backgrounds to practice sound eating habits;

develop means of providing nutrition education in "language appropriate" materials through after-school programs;

training related to healthy and nutritious meals;

creating instructional programming on the "Food Guide Pyramid" (including language appropriate materials) for teachers, food service staff, and parents;

funding aspects of the Secretary's "Strategic Plan for Nutrition Education;"

encouraging public service advertisements to promote healthy eating habits for children, including language appropriate materials and advertisements;

coordinating and promoting nutrition education and training activities in local school districts;

contracting with public and private nonprofit education institutions to conduct nutrition education and training;

increasing public awareness of the importance of breakfasts; and

coordinating and promoting nutrition education and training activities (including those under the summer and child care food programs). [Sec. 19(f) of the CNA]

States may receive planning and assessment grants for nutrition education and training. [Sec. 19(f) of the CNA]

Nothing in the provisions for a nutrition education and training program prohibits agencies from making available or distributing materials, resources, activities, or programs to adults. [Sec. 19(f) of the CNA]

Accounts, Records, and Reports. State education agencies must make accounts and records available for inspection and audit by the Secretary "at all times." [Sec. 19(g) of the CNA]

State Coordinators for Nutrition; State Plan. A State nutrition coordinator's assessment of the nutrition education and training needs of the State must include identification of all students in need of nutrition education and identification of State and local resources for materials, facilities, staff, and methods for nutrition education. [Sec. 19(h) of the CNA]

State nutrition coordinators' comprehensive plans for nutrition education (prepared after receiving a planning and assessment grant) must meet certain specific standards. [Sec. 19(h) of the CNA]

Authorization of Appropriations. Funding for the nutrition education and training program is permanently appropriated at $10 million a year. State grants are based on a rate of 50 cents for each child enrolled, except that no State may receive less than $62,500. [Sec. 19(I) of the CNA]

Assessment. By October 1, 1990, each State must assess its nutrition education and training program. [Sec. 19(j) of the CNA]

House bill

Findings. Deletes the noted findings in present law and replaces them with a finding that "effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs should be encouraged." [Sec. 3431(a)]

Removes provisions referring to dissemination of information from the statement of purpose (they are included in the findings as noted above). [Sec. 3431(a)]

Use of Funds. Deletes the noted provisions for use of nutrition education and training funds. Adds a provision allowing funds to be used for "other appropriate activities, as determined by the State." [Sec. 3431(b)]

Deletes authority for nutrition education and training planning and assessment grants. [Sec. 3431(b)]

Deletes the noted provision relating to materials and activities for adults. [Sec. 3431(b)]

Accounts, Records, and Reports. Revises the requirement to make accounts and records available at all times to a requirement that they be available at "any reasonable time." [Sec. 3431(c)]

State Coordinators for Nutrition; State Plan. Deletes the noted specific requirements for nutrition education and training State assessments. [Sec. 3431(d)]

Deletes all specific requirements on comprehensive nutrition education plans prepared after a planning and assessment grant (these grants are eliminated elsewhere in the bill). [Sec. 3431(d)]

Authorization of Appropriations. Beginning with fiscal year 1997, appropriations are authorized at $10 million a year (through 2002). State grants are based on a rate of 50 cents for each child enrolled, except that no State will receive less than $75,000. If funds are insufficient to provide grants based on the 50 cent/$75,000 rule, the amount of each State's grant is ratably reduced. [Sec. 3431(e) & (g)]

Assessment. Deletes the out-of-date requirement for State assessments of their nutrition education and training programs. [Sec. 3431(f)]

Senate amendment

Findings. Same provisions. [Sec. 1261(a)]

Use of Funds. Same provisions. [Sec. 1261(b)]

Accounts, Records, and Reports. Same provision. [Sec. 1261(c)]

State Coordinators for Nutrition; State Plan. Same provisions. [Sec. 1261(d)]

Authorization of Appropriations. Same provisions. [Sec. 1261(e) & (g)]

Assessment. Same provision. [Sec. 1261(f)]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 731]

Subtitle C—Miscellaneous Provisions

25. COORDINATION OF SCHOOL LUNCH, SCHOOL BREAKFAST, AND SUMMER FOOD SERVICE PROGRAMS

Present law

No provisions.

House bill

Requires the Secretary to develop proposed changes to regulations under the school lunch, school breakfast, and summer food service programs for the purpose of simplifying and coordinating them into a comprehensive meal program. Requires that the Secretary consult with local, State, and regional administrators in developing the proposed changes. Not later than November 1, 1997, the Secretary must submit to Congress a report on the proposed changes. [Sec. 3441]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provisions. [Sec. 741]

26. ROUNDING RULES

Present law

When indexed, reimbursement rates for the school lunch, school breakfast, special milk, and commodity assistance programs are rounded to the nearest quarter cent. [Sec. 3 and 4 of the CNA; Sec. 6 and 11 of the NSLA]

House bill

No provision. [Note: Provisions amending the law governing the summer food service program and the child and adult care food program require that, when indexed, their reimbursement rates be rounded down to the nearest lower cent increment.]

Senate amendment

Requires that, when indexed, reimbursement rates for the school breakfast, school lunch, special milk, and commodity assistance programs be rounded down to the nearest lower cent increment. [Sec. 1262]

[Note.—As with the House bill, amendments affecting the summer food service program and the child and adult care food program include comparable rounding rules.]

Conference agreement

The conference agreement adopts the Senate provisions with an amendment making the new rounding rules applicable only to full price meals in the school breakfast and school lunch programs and full price meals in child care centers. [Sec. 704]

TITLE VIII—FOOD STAMPS AND COMMODITIES DISTRIBUTION

Subtitle A—Food Stamp Program

1. DEFINITION OF CERTIFICATION PERIOD

Present law

For households subject to periodic (monthly) reporting, eligibility certification periods must be 6–12 months, but the Secretary may waive this rule. For households receiving federally aided public assistance or general assistance, certification periods must coincide with the certification periods for the other public assistance programs. For other households, certification periods generally must not be less than 3 months—but they can be (1) up to 12 months for those consisting entirely of unemployable, elderly, or primarily self-employed persons or (2) as short as circumstances require for those with a substantial likelihood of frequent changes in income or other circumstances and for any household on initial determination. The Secretary may waive the maximum 12-month period to improve program administration. [Sec. 3(c)]

House bill

Replaces existing provisions as to certification periods with a requirement that certification periods not exceed 12 months—but can be up to 24 months if all adult household members are elderly or disabled. Requires that State agencies have at least 1 contact with each certified household every 12 months. [Sec. 1011]

Senate amendment

Same provision. [Sec. 1111]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 801]

2. DEFINITION OF COUPON

Present law

"Coupon" is defined to mean any coupon, stamp, or type of certificate issued under provisions of the Food Stamp Act. [Sec. 3(d)]

House bill

Expands the definition of coupon to include: authorization cards, cash or checks issued in lieu of a coupon, or access devices (including an electronic benefit transfer card or personal identification number). [Sec. 1012]

Senate amendment

Same provision. [Sec. 1112]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 802]

3. TREATMENT OF CHILDREN LIVING AT HOME

Present law

Parents and their children 21 years of age or younger who live together must apply for food stamps as a single household (thereby reducing aggregate household benefits)—except for children who are themselves parents living with their children and children who are married and living with their spouses. [Sec. 3(i)]

House bill

Removes the exception, from the requirement that related persons apply together as a single household, for children who are themselves parents living with their children and children who are married and living with their spouses. [Sec. 1013]

Senate amendment

Same provision. [Sec. 1113]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 803]

4. OPTIONAL ADDITIONAL CRITERIA FOR SEPARATE HOUSEHOLD DETERMINATIONS

Present law

Certain persons who live together may apply for food stamps as separate households (thereby increasing aggregate household benefits) if they purchase food and prepare meals separately and (1) are unrelated or (2) are related but are not spouses or children living with their parents [see item 3 for the proposed change in the household definition]. In addition, elderly persons who live with others and cannot purchase food and prepare meals separately because of a substantial disability may apply as separate "households" as long as their co-residents' income is below prescribed limits. [Sec. 3(i)]

House bill

Permits States to establish criteria that prescribe when persons who live together (and might otherwise be allowed to apply as separate households) must apply for food stamps as a single household—without regard to common purchase of food and preparation of meals. [Sec. 1014]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

5. ADJUSTMENT OF THE THRIFTY FOOD PLAN

Present law

Maximum food stamp benefits are defined as 103 percent of the cost of the Agriculture Department's "Thrifty Food Plan," adjusted for food-price inflation each October to reflect the plan's cost in the immediately preceding June—and rounded down to the nearest dollar. [Sec. 3(o)]

House bill

Sets maximum monthly food stamp benefits at 100 percent of the cost of the Thrifty Food Plan, effective October 1, 1996, adjusted annually as under present law. Requires that the October 1996 adjustment not reduce maximum benefit levels. [Sec. 1015]

Senate amendment

Same provision. [Sec. 1114]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 804]

6. DEFINITION OF HOMELESS INDIVIDUAL

Present law

For food stamp eligibility and benefit determination purposes, a "homeless individual" is a person lacking a fixed/regular nighttime residence or one whose primary nighttime residence is a shelter, a residence intended for those to be institutionalized, a temporary accommodation in the residence of another, or a public or private place not designed to be a regular sleeping accommodation for humans. [Sec. 3(s)]

House bill

Provides that persons whose primary nighttime residence is a temporary accommodation in the home of another may only be considered homeless if the accommodation is for no more than 90 days. [Sec. 1016]

Senate amendment

Same provision. [Sec. 1115]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 805]

7. STATE OPTION FOR ELIGIBILITY STANDARDS

Present law

The Secretary is directed to establish uniform national standards of eligibility for food stamps, with certain variations allowed for Alaska, Hawaii, Guam, and the Virgin Islands, and in other cases (e.g., imposition of monthly reporting requirements). States may not impose any other standards of eligibility as a condition of participation in the program. [Sec. 5(b)]

House bill

Explicitly permits nonuniform standards of eligibility for food stamps. [Sec. 1017]

Senate amendment

Same provision. [Sec. 1116]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 806]

8. EARNINGS OF STUDENTS

Present law

The earnings of an elementary/secondary student are disregarded as income until the student's 22nd birthday. [Sec. 5(d)(7)]

House bill

Provides an earnings disregard for elementary/secondary students until the student's 20th birthday. [Sec. 1018]

Senate amendment

Same provision, except that during fiscal year 2002 earnings will be disregarded until the student's 18th birthday. [Sec. 1117]

Conference agreement

The conference agreement adopts the House provision with an amendment providing for the counting of earnings of elementary/secondary students once they reach age 18. [Sec. 807]

9. ENERGY ASSISTANCE

Present law

Payments or allowances for energy assistance provided by State or local law are, under rules set by the Secretary, disregarded as income. [Sec. 5(d)(11) and 5(k)]

Payments or allowances for energy assistance provided by State or local law are, under rules set by the Secretary, disregarded as income. [Sec. 5(d)(11) and 5(k)]

Federal Low-Income Home Energy Assistance Program (LIHEAP) benefits are disregarded as income. [Sec. 5(d)(11) and 5(k) of the Food Stamp Act and sec. 2605(f) of the Low-Income Home Energy Assistance Act]

Certain utility allowances/reimbursements under Department of Housing and Urban Development (HUD) programs are disregarded as income. [Sec. 5(d)(11) and 5(k)]

Shelter expense deductions may be claimed for utility costs covered by LIHEAP benefits, but not in the case of other disregarded energy assistance—unless the household has out-of-pocket expenses. [Sec. 5(e) of the Food Stamp Act and sec. 2605(f) of the Low-Income Home Energy Assistance Act]

House bill

Requires that State/local energy assistance be counted as income. [Sec. 1019]

Requires an income disregard for one-time payments/allowances under a Federal or State law for the costs of weatherization or emergency repair/replacement of unsafe/inoperative furnaces or other heating/cooling devices. [Sec. 1019]

Requires that LIHEAP benefits be counted as income. [Sec. 1019]

Requires that HUD utility allowances/reimbursements be counted as income. [Sec. 1019]

Allows claiming shelter expense deductions for utility costs covered directly or indirectly by the LIHEAP or other counted energy assistance. [Sec. 1019]

[Note: Sec. 2131 amends sec. 2605(f) of the Low-Income Home Energy Assistance Act to delete that Act's requirement that LIHEAP recipients must be allowed to claim the amount of their LIHEAP benefits as a shelter expense.]

Senate amendment

State/local assistance. Same provision (technical differences). [Sec. 1118]

Weatherization assistance. Same provision (technical differences). [Sec. 1118]

LIHEAP. Present law (technical differences). [Sec. 1118]

HUD assistance. Present law (technical differences). [Sec. 1118]

Shelter expense deductions. Present law (technical differences). [Sec. 1118]

Conference agreement

The conference agreement adopts the Senate provisions with a technical amendment. [Sec. 808]

10. DEDUCTIONS FROM INCOME

Present law

Standard Deductions. All households are allowed standard deductions from their otherwise countable income. Standard deductions are indexed annually (each October) for inflation based on the Consumer Price Index for urban wage earners (CPI-U) for items other than food and rounded down to the nearest dollar. For fiscal year 1995, standard deductions were: $134 a month for the 48 contiguous States and the District of Columbia, $229 for Alaska, $189 for Hawaii, $269 for Guam, and $118 for the Virgin Islands. For fiscal year 1996, they were "scheduled" to rise to: $138, $236, $195, $277, and $122, respectively. This was barred by the fiscal year 1996 appropriations measure, and fiscal year 1996 standard deduction levels are at the fiscal year 1995 amounts. [Sec. 5(e)]

Earned Income Deduction. Households may claim a deduction for 20 percent of any earnings. This deduction is not allowed with respect to any income that a household willfully or fraudulently fails to report in a timely manner, as proven in a fraud hearing proceeding (i.e., it is not allowed when determining the amount of a benefit overissuance). [Sec. 5(e)]

Homeless Shelter Allowance. For homeless households not receiving free shelter throughout the month, States may develop a homeless shelter expense estimate (a standard allowance) to be used in calculating an excess shelter expense deduction. States must use this amount unless the household verifies higher expenses. The Secretary may prohibit the use of the allowance for households with extremely low shelter costs. The maximum allowance amount is inflation indexed annually and currently stands at $143 a month (fiscal year 1996). [Sec. 11(e)(3)]

Excess Shelter Expense Deduction. Households may claim excess shelter expense deductions from their otherwise countable income—in the amount of any shelter expenses (including utility costs) above 50 percent of their countable income after all other deductions have been applied. For households with elderly or disabled members, these deductions are unlimited. For other households, they are limited to: $247 a month in the 48 contiguous States and the District of Columbia, $429 in Alaska, $353 in Hawaii, $300 in Guam, and $182 in the Virgin Islands. Effective January 1, 1997, these limits on excess shelter expense deductions for households without elderly or disabled members are lifted. [Sec. 5(e)]

States may develop and use "standard utility allowances" (as approved by the Secretary) in calculating households' shelter expenses. However, households may (1) claim actual expenses instead of the allowance and (2) switch between an actual expense claim and the standard allowance at the end of any certification period and 1 additional time during any 12-month period. [Sec. 5(e)]

House bill

Standard Deductions. Indefinitely freezes standard deduction amounts at their present levels (e.g., $134 for the 48 contiguous States and the District of Columbia). [Sec. 1020]

Earned Income Deduction. Disallows an earned income deduction for any income not reported in a timely manner and for the public assistance portion of income earned under a work supplementation/support program. [Sec. 1020]

Homeless Shelter Allowance. Indefinitely freezes the maximum homeless shelter allowance at its present level ($143). States may use it in calculating an excess shelter expense deduction (without regard to actual costs) and may prohibit its use for households with extremely low shelter costs. [Sec. 1020]

Excess Shelter Expense Deduction. Indefinitely retains current limits on excess shelter expense deductions for households without elderly or disabled members (e.g., $247 for the 48 contiguous States and the District of Columbia). [Sec. 1020]

Permits States to make use of standard utility allowances mandatory for all households if (1) the State has developed separate standards that do and do not include the cost of heating and cooling and (2) the Secretary finds that the standards will not result in increased Federal costs. [Sec. 1020]

Senate amendment

Standard Deductions. Extends the present standard deduction levels (e.g., $134 for the 48 contiguous States) through November 1996. For December 1996 through September 2001, sets standard deduction at $120, $206, $170, $242, and $106. For October 2001 through August 2002, sets standard deductions at $113, $193, $159, $227, and $100. For September 2002, sets standard deductions at $120, $206, $170, $242, and $106. Beginning with fiscal year 2003, standard deductions are indexed for inflation as under present law. [Sec. 1119]

Earned Income Deduction. Same provision. [Sec. 1119]

Homeless Shelter Allowance. Same provision. [Sec. 1119]

Excess Shelter Expense Deduction. Effective January 1, 1997, increases the current limits on excess shelter expense deductions to $342 in the 48 contiguous States and the District of Columbia, $594 in Alaska, $489 in Hawaii, $415 in Guam, and $252 in the Virgin Islands. No further increases are provided. [Sec. 1119]

Includes the same provision as in the House bill in regard to mandatory standard utility allowances. [Sec. 1119]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. With regard to the provisions in disagreement:

the conference agreement adopts the House provision as to standard deductions; and

the conference agreement adopts the Senate provision as to limits on the excess shelter expense deduction with an amendment (1) requiring that they continue at their present-law levels (e.g. $247 for the 48 contiguous States and the District of Columbia) through December 31, 1996, (2) for January 1, 1997, through fiscal year 1998, increasing the limits to $250 for the 48 States and the District of Columbia, $434 for Alaska, $357 for Hawaii, $304 for Guam, and $184 for the Virgin Islands, (3) for fiscal years 1999 and 2000, increasing the limits to $275, $478, $393, $334, and $203, and (4) for fiscal years 2001, 2002, and each subsequent fiscal year, increasing the limits to $300, $521, $429, $364, and $221. [Sec. 809]

11. VEHICLE ALLOWANCE

Present law

In determining a household's liquid assets for food stamp eligibility purposes, a vehicle's fair market value in excess of $4,600 is counted. This threshold is scheduled to rise to an estimated $5,150 on October 1, 1996, and be adjusted each October thereafter to reflect changes in the new car component of the CPI-U for the 12-month period ending the immediately preceding June (rounded to the nearest $50). Excluded from this rule are vehicles used to produce income, necessary for transportation of a disabled household member, or depended on to carry fuel or water. [Sec. 5(g)]

House bill

Retains the threshold above which the fair market value of a vehicle is counted as a liquid asset at the current level—$4,600. [Sec. 1021]

Senate amendment

Effective October 1, 1996, sets the threshold above which the fair market value of a vehicle is counted as a liquid asset to $4,650. No further increases are provided. [Sec. 1120]

Conference agreement

The conference agreement adopts the Senate provision. [Sec. 810]

12. VENDOR PAYMENTS FOR TRANSITIONAL HOUSING COUNTED AS INCOME

Present law

AFDC, or general assistance housing aid, provided to a third party on behalf of a food stamp household is considered paid directly to the household (and thus counted as household income) unless, among other exceptions, it is housing assistance paid on behalf of households residing in "transitional housing for the homeless." [Sec. 5(k)]

House bill

Removes the exception for vendor payments for transitional housing for the homeless. [Sec. 1022]

Senate amendment

Same provision. [Sec. 1121]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 811]

13. SIMPLIFIED CALCULATION OF INCOME FOR THE SELF-EMPLOYED

Present law

The cost of producing self-employment income is disregarded (subtracted out) in calculating household income. [Sec. 5(d)]

House bill

No provision.

Senate amendment

Provides that the Secretary establish a procedure (designed not to increase Federal costs) by which States may use a reasonable estimate of the cost of producing self-employment income in lieu of calculating actual costs, not later than 1 year after enactment. The procedure must allow States to estimate costs for all types of self-employment income and may differ for different types of self-employment income. [Sec. 1122]

Conference agreement

The conference agreement adopts the Senate provision with an amendment providing that the Secretary establish a procedure by which States may submit a method for determining reasonable estimates of the cost of producing self-employment income designed not to increase Federal costs. [Sec. 812]

14. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP PROGRAM REQUIREMENTS

Present law

The disqualification period for the first intentional violation of program requirements is 6 months. The penalty for a second intentional violation (and the first violation involving trading of a controlled substance) is 1 year. [Sec. 6(b)(1)]

House bill

Increases the disqualification penalty for a first intentional violation to 1 year. Increases the penalty for a second intentional violation (and the first involving a controlled substance) to 2 years. [Sec. 1023]

Senate amendment

Same provision. [Sec. 1123]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 813]

15. DISQUALIFICATION OF CONVICTED INDIVIDUALS

Present law

Permanent disqualification is required for the third intentional violation of program requirements, the second violation involving trading of a controlled substance, and the first violation involving trading of firearms, ammunition, or explosives. [Sec. 6(b)(1)]

House bill

Adds a requirement for permanent disqualification of persons convicted of trafficking in food stamp benefits where the benefits have a value of $500 or more. [Sec. 1024]

Senate amendment

Same provision. [Sec. 1124]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 814]

16. DISQUALIFICATION

Present law

Conditions of Participation. Non-exempt individuals between 16 and 60 are ineligible if they: (1) refuse to register for employment, (2) refuse without good cause (including lack of adequate child care) to participate in an employment or training program when required to do so by the State, or (3) refuse, without good cause, a job offer meeting minimum standards. In addition, if the individual is head of household and fails to comply with one of the above-noted conditions or voluntarily quits a job without good cause, the entire household is ineligible. [Sec. 6(d)(1)]

Duration of Ineligibility/Household Ineligibility. Disqualification periods for failure to meet work/training conditions of participation are (1) 2 months or until compliance (whichever is first) for most failures and (2) 90 days in the case of a voluntary quit. [Sec. 6(d)(1)]

House bill

Conditions of Participation. Adds conditions making individuals ineligible if they (1) refuse without good cause to provide sufficient information to allow the State agency to determine their employment status or job availability or (2) voluntarily and without good cause reduce work effort and (after the reduction) are working less than 30 hours a week. Makes ineligibility for failure to comply with workfare requirements explicit and covered by new (see below) duration of ineligibility rules. Adds a condition making all individuals (in addition to heads of household) ineligible if they voluntarily quit a job without good cause. Lack of adequate child care, as an explicit good cause exemption for refusal to participate in an employment or training program, is removed. [Sec. 1025]

Duration of Ineligibility/Household Ineligibility. Establishes new mandatory minimum disqualification periods for individuals failing to comply with any work/training condition of participation. For the first violation, individuals are ineligible until they fulfill work/training conditions, for 1 month, or for a period (determined by the State) not to exceed 3 months—whichever is later. For the second violation, individuals are ineligible until they fulfill work/training conditions, for 3 months, or for a period (determined by the State) not to exceed 6 months—whichever is later. For a third or subsequent violation, individuals are ineligible until they fulfill work/training conditions, for 6 months, until a date set by the State agency, or (at State option) permanently. [Sec. 1025]

Establishes a new household ineligibility rule: if any individual who is head of household is disqualified under a work/training condition of participation, the entire household is, at State option, ineligible for a period not to exceed the lesser of the duration of the individual's ineligibility or 180 days. [Sec. 1025]

Administration. In establishing cases of good cause, voluntary quit, and reduction of work effort, the Secretary determines the meaning of the terms. States determine the meaning of other terms related to work/training conditions of participation and the procedures for making compliance decisions, but cannot make determinations that are less restrictive than a comparable one under the State's family assistance block grant (TANF) program. [Sec. 1025]

Senate amendment

Conditions of Participation. Same provision. [Sec. 1125]

Duration of Ineligibility/Household Ineligibility. Same provision. [Sec. 1125]

Administration. Same provision. [Sec. 1125]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 815]

17. CARETAKER EXEMPTION

Present law

Parents or other household members with responsibility for the care of a dependent child under age 6 are exempt from food stamp work/training conditions of participation. [Sec. 6(d)(2)]

House bill

Permits States to lower the age at which a child "exempts" a parent or caretaker from age 6 to not under the age of 1. [Sec. 1026]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment to permit a State to lower the age at which a child exempts a parent or caretaker from age 6 to not under age 1, if the State requested a waiver to lower the age of a dependent child that exempts the parent or caretaker and had the waiver denied by the Secretary as of August 1, 1996. The State may lower the age of the child for not more than 3 years. [Sec. 816]

18. EMPLOYMENT AND TRAINING

Present law

Programs. States must operate employment and training programs for nonexempt food stamp recipients and place a minimum proportion of those covered in a program component. Program components can range from job search or education activities to work experience/training and workfare assignments.

Work experience/training program components must limit assignments to projects serving a useful public purpose, use the prior training/experience of assignees, not provide work that has the effect of replacing others, and provide the same benefits and working conditions provided others.

States and political subdivisions also may operate workfare programs under which nonexempt recipients may be required to perform work in return for the minimum wage equivalent of their household's monthly food stamp allotment. Workfare assignments may not replace or prevent the employment of others and must provide the same benefits and working conditions provided others.

The total hours of work required of a household under an employment/training program (including workfare) cannot exceed the minimum wage equivalent of the household's monthly allotment. Monthly participation in an employment/training program required of any household member cannot exceed 120 hours (when added to other work). And workfare hours (when added to other work) cannot exceed 30 hours a week for a household member.

Under employment and training programs for food stamp recipients, States must provide or pay for transportation and other costs directly related to participation (up to $25 a month for each participant) and necessary dependent care expenses (in general, up to local market rates). Under workfare program, States must reimburse participants for transportation and other costs directly related to participation (up to $25 a month for each participant). [Sec. 6(d)(4) and sec. 20]

Funding. To support employment and training programs for food stamp recipients, States receive a formula share of required spending of $75 million a year. Each State's share is based on its share of nonexempt recipients and its share of those placed in employment/training program components. [Sec. 16(h)]

In addition, States receive a 50 percent match for any additional administrative or participant support costs. [Sec. 16(h)]

House bill

Programs. Revises the existing requirements for State-operated employment and training programs for food stamp recipients:

makes clear that work experience is a purpose of employment and training programs;

requires that each component of an employment/training program be delivered through a "statewide workforce development system," unless the component is not available locally through the system;

expands the existing State option to apply work/training requirements to applicants to include all work/training requirements, not only job search;

removes specific Federal rules governing job search components (i.e., those tied to rules in the AFDC program);

removes provisions for employment/training components related to work experience requiring that they be in public service work and use recipients' prior training/experience;

removes specific Federal rules as to States' authority to exempt categories and individuals from employment/training requirements, giving States full latitude to determine exemptions;

removes a requirement to serve volunteers;

removes the requirement for "conciliation procedures" for resolving disputes involving participation in employment/training programs;

limits employment and training funding provided by the food stamp program for services to family assistance block grant (TANF) recipients to the amount used by the State for AFDC recipients in fiscal year 1995; and

removes provisions for Federal performance standards on States. [Sec. 1027]

Funding. Provides for required Federal spending of increasing amounts for employment and training programs: $79 million in fiscal year 1997, $81 million in 1998, $84 million in 1999, $86 million in 2000, $88 million in 2001, and $90 million in 2002. State allocations are based on a "reasonable formula" (determined by the Secretary) that gives consideration to each State's population of persons subject to the new work requirement (see item 25). [Sec. 1027]

Provides that the 50 percent match for additional administrative costs can include costs for case management/casework to facilitate the transition from economic dependency to self-sufficiency through work. [Sec. 1027]

Deletes a requirement for a report from the Secretary on modifying Federal employment and training program payments to States to reflect their effectiveness in carrying out employment and training programs. [Sec. 1027]

Senate amendment

Programs. Same provisions. [Sec. 1126]

Funding. Same provisions, except that required Federal spending is $85 million a year for fiscal years 1997–2002. [Sec. 1126]

Conference agreement

The conference agreement adopts the provisions that are common to both bills and adopts House provision with regard to Funding. [Sec. 817]

19. FOOD STAMP ELIGIBILITY

Present law

The income and resources of aliens ineligible under Food Stamp Act provisions are counted as available to the remainder of the household, less a pro rata share for the ineligible alien. [Sec. 6(f)]

House bill

Permits States the option to count all of the income and resources of an alien ineligible under Food Stamp Act provisions as available to the remainder of the household. [Sec. 1066]

Senate amendment

Same provision, with technical differences. [Sec. 1127]

Conference agreement

The conference agreement adopts the Senate provision. [Sec. 818]

20. COMPARABLE TREATMENT FOR DISQUALIFICATION

Present law

Households penalized for an intentional failure to comply with a Federal, State, or local welfare program may not, for the duration of the penalty, receive an increased food stamp allotment because the welfare payment has been reduced. [Sec. 8(d)]

Persons are exempt from food stamp work/training conditions of participation if they are currently subject to and complying with AFDC or unemployment insurance work registration requirements. Failure to comply with an AFDC/unemployment insurance work registration requirement that "is comparable to" a food stamp work requirement results in disqualification as if the food stamp requirement had been violated. [Sec. 6(d)(2)]

House bill

If an individual is disqualified for failure to perform an action required under a Federal, State, or local law relating to means-tested public assistance, the State agency is permitted to impose the same disqualification for food stamps.

If a disqualification is imposed under the family assistance block grant (TANF) rules, States are permitted to use the TANF rules and procedures to impose the same disqualification for food stamps.

Permits individuals disqualified from food stamps because of failure to perform a required action under another public assistance program to apply for food stamps as new applicants after the disqualification period has expired, except that a prior disqualification under food stamp program work/training rules must be considered in determining eligibility.

Requires States to include in their State plans the guidelines they use in carrying out food stamp disqualification for failure to perform another program's required action(s). [Sec. 1028]

Removes the requirement that an AFDC/unemployment insurance work requirement be "comparable" to a food stamp requirement to bring on disqualification from food stamps. [Sec. 1028]

Senate amendment

Same provisions. [Sec. 1128]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 819]

21. DISQUALIFICATION FOR RECEIPT OF MULTIPLE FOOD STAMP BENEFITS

Present law

No comparable provision.

House bill

Adds a provision making individuals ineligible for 10 years if they are found by a State agency (or Federal or State court) to have made a fraudulent statement with respect to identity or residence in order to receive multiple food stamp benefits simultaneously. [Sec. 1029]

Senate amendment

Same provision. [Sec. 1129]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 820]

The conferees note that State agency hearing processes have sufficient recipient protections to warrant a decision to impose a 10-year disqualification in these cases.

22. DISQUALIFICATION OF FLEEING FELONS

Present law

No provision.

House bill

Adds a provision making individuals ineligible while they are fleeing to avoid prosecution, custody, or confinement for a felony or attempted felony or violating a condition of probation or parole. [Sec. 1030]

Senate amendment

Same provision. [Sec. 1130]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 821]

23. COOPERATION WITH CHILD SUPPORT AGENCIES

Present law

Custodial Parents. No provisions.

Noncustodial Parents. No provisions.

House bill

Custodial Parents. Permits States to disqualify custodial parents of children under the age of 18 who have an absent parent, unless the parent cooperates with the State child support agency in establishing the child's paternity and obtaining support for the child and the parent. Cooperation is not required if the State finds there is good cause (in accordance with Federal standards taking into account the child's best interest). Fees or other costs for services may not be charged. [Sec. 1031]

Noncustodial Parents. Permits States to disqualify putative or identified noncustodial parents of children under 18 if they refuse to cooperate with the State child support agency in establishing the child's paternity and providing support for the child. The Secretary and the Secretary of Health and Human Services must develop guidelines as to what constitutes a refusal to cooperate, and States must develop procedures (using these guidelines) for determining whether there has been a refusal to cooperate. Fees or other costs for services may not be charged. States must provide privacy safeguards. [Sec. 1031]

Senate amendment

Custodial Parents. Same provisions. [Sec. 1131]

Noncustodial Parents. Same provisions. [Sec. 1131]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 822]

24. DISQUALIFICATION RELATING TO CHILD SUPPORT ARREARS

Present law

No provisions.

House bill

Allows States to disqualify individuals during any period in which the individual is delinquent in any court-ordered child support payment, unless the court is allowing a delay or the individual is complying with a payment plan approved by the court or a State child support agency. [Sec. 1032]

Senate amendment

Same provision. [Sec. 1132]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 823]

25. WORK REQUIREMENT

Present law

No comparable provisions.

House bill

Requirement. After the date of enactment, no nonexempt individual may be eligible for food stamps for more than 3 months during which the individual does not (1) work at least 20 hours a week (averaged monthly), (2) participate in and comply with a "work program" for at least 20 hours a week (as determined by the State agency), or (3) participate in a workfare program. A work program is defined as a program under the Job Training Partnership Act, a Trade Adjustment Assistance Act program, or a program of employment and training operated or supervised by a State or political subdivision that meets standards approved by the Governor (including a Food Stamp Act employment and training program), other than job search or job search training. [Sec. 1033]

General Exemptions. The new work requirement does not apply to (1) those under 18 or over 50, (2) those who are medically certified as physically or mentally unfit for employment, (3) parents or other household members with the responsibility for a dependent child, (3) those otherwise exempt from work registration requirements (e.g., those caring for incapacitated persons), and (4) pregnant women. [Sec. 1033]

Other Provisions. On a State agency's request, the Secretary may waive application of the new work requirement to any group of individuals if the Secretary determines that the area where they reside (1) has an unemployment rate over 10 percent or (2) does not have a sufficient number of jobs to provide them employment. The Secretary must report the basis for any waiver to Congress. [Sec. 1033]

Senate amendment

Requirement. No nonexempt individual may be eligible for food stamps if, during the preceding 12-month period, the individual received food stamp benefits for 4 months or more while not (1) working at least 20 hours a week (averaged monthly), (2) participating in and complying with a "work program" for at least 20 hours a week (as determined by the State agency), or (3) participating in and complying with a workfare program. A work program is defined as in the House bill, with a technical difference. [Sec. 1133]

General Exemptions. Same provisions. [Sec. 1133]

Other Provisions. Provisions for unemployment-rate and job-availability waivers are the same as in the House bill, except that the Secretary must respond to a State agency request within 15 days. [Sec. 1133]

The disqualification imposed under the new work requirement ceases to apply if, during a 30-day period, an individual works 80 hours or more, participates in and complies with a work program (defined above) for at least 80 hours, or participates in and complies with a workfare program. After regaining eligibility, the individual again is subject to the new work requirement, except that a new 12-month period begins. [Sec. 1133]

State agencies may exempt an individual from the new work requirement: (1) by reason of "hardship" or (2) for up to 2 months (in any 12-month period), if the individual participates in and complies with a job search or job search training program under the Food Stamp Act's employment and training program provisions that requires an average of at least 20 hours a week of participation. The fiscal year average monthly number of individuals participating because of a hardship exemption may not exceed 20 percent of the fiscal year average number of individuals receiving food stamps who are not exempt from the new work requirement because of the general exemptions or waivers (noted above). [Sec. 1133]

Provides for a transition to the new work requirement. Prior to 1 year after enactment, administrators would not "look back" a full 12 months; they would look back only to the date of enactment. [Sec. 1133]

Conference agreement

The conference agreement adopts the provisions that are common to both bills: General Exemptions and provisions for waivers in cases of high unemployment and lack of sufficient jobs. With respect to the provisions in disagreement, the conference agreement adopts the Senate provisions with an amendment:

No nonexempt individual may be eligible for food stamps if, during the preceding 36-month period, the individual received food stamp benefits for 3 months or more while not (1) working at least 20 hours a week (averaged monthly), (2) participating in and complying with a work program for at least 20 hours a week (as determined by the State agency), or (3) participating in and complying with a workfare program. A work program is defined as in the House bill. Receipt of benefits while exempt (including participation under the additional 3-month eligibility provision described below) or covered by a waiver would not count toward an individual's basic 3-month eligibility period.

Individuals denied eligibility under the new work rule would regain eligibility if, during a 30-day period, the individual (1) works 80 or more hours, (2) participates in and complies with the requirements of a work program for 80 or more hours (as determined by the State agency), or (3) participates in and complies with the requirements of a workfare program. After having met this 30-day work/training requirement, the individual could remain eligible for a consecutive period of 3 months without working at least 20 hours a week or participating in an employment/training or workfare program. For example, if an individual works 20 hours a week for at least 30 days and then loses a job, the individual could retain food stamp eligibility for 3 consecutive months without working or being in a training/workfare program.

But individuals could not take advantage of this provision for an additional 3 months of eligibility, while not working or in an employment/training or workfare program, for more than a single 3-month period in a 36-month period. Individuals regaining eligibility also would remain eligible as long as they continued to meet requirements to work at least 20 hours a week or participate in a training/workfare program.

Transition provisions are included that provide that the 36-month period established by the new work requirement will not include any period before the earlier of the date the State notifies recipients (through means such as individual notices at certification, recertification, otherwise, mass mailings, media announcements, or otherwise) about the new work requirement or 3 months after enactment.

[Sec. 824]

26. ENCOURAGEMENT OF ELECTRONIC BENEFIT TRANSFER SYSTEMS

Present law

Rules for EBT Systems. State agencies, with the Secretary's approval, may implement on-line electronic benefit transfer (EBT) systems for delivering food stamp benefits. No State may implement or expand an EBT system without prior approval from the Secretary. States are responsible for 50 percent of EBT system costs. The Secretary's regulations for approval must include (1) standards that require that, in any 1 year, the operational cost of an EBT system does not exceed costs of prior issuance systems and (2) system security standards. [Sec. 7(i)]

Regulation E. The Federal Reserve Board has ruled that, as of March 1997 (and with some minor modifications), its "Regulation E" will apply to EBT systems. Regulation E provides certain protections for consumers using cards to access their accounts. It limits the liability of cardholders for unauthorized withdrawals (to $50 if timely notification is made) and requires periodic account statements and certain error resolution procedures. [Federal Register of March 7, 1994]

Anti-tying Restrictions. No provision.

House bill

Rules for EBT Systems. Provides that States must implement EBT systems (on-line or off-line) before October 1, 2002, unless the Secretary waives the requirement because a State agency faces unusual barriers to implementation. States are encouraged to implement an EBT system as soon as practicable. [Sec. 1034]

Subject to Federal standards, permits State agencies to procure and implement an EBT system under the terms, conditions, and design the agency considers appropriate. Adds a new requirement for Federal procurement standards and deletes the requirement for the Secretary's prior approval. [Sec. 1034]

Adds a requirement for EBT standards following generally accepted operating rules based on commercial technology, the need to permit interstate operation and law enforcement, and the need to permit monitoring and investigations by law enforcement officials. [Sec. 1034]

Adds requirements that the Secretary's standards include (1) measures to maximize security and (2) effective not later than 2 years after enactment, measures to permit EBT systems to differentiate among food items. [Sec. 1034]

Deletes the requirement that EBT systems be cost neutral in any one year. [Sec. 1034]

Adds a requirement that regulations regarding the replacement of benefits and liability for replacement under an EBT system be similar to those in effect for a paper food stamp issuance system. [Sec. 1034]

Permits State agencies to collect a charge for replacing EBT cards by reducing allotments. [Sec. 1034]

Permits State agencies to require that EBT cards contain a photograph of one or more household members and requires that, if a State requires a photograph, it must establish procedures to ensure that other appropriate members of the household and authorized representatives may use the card. [Sec. 1034]

Declares it the sense of Congress that States operate EBT systems that are compatible with other States' systems. [Sec. 1034]

Regulation E. Provides that Regulation E will not apply to any EBT system, established under, or administered by, State or local governments, distributing needs-tested benefits. [Sec. 1091]

Anti-tying Restrictions. Provides that a company may not sell or provide EBT services, or fix or vary the consideration for such services, on the condition or requirement that the customer obtain, or not obtain, some additional point-of-sale service from the company or any affiliate. Requires the Secretary to consult with the Governors of the Federal Reserve before issuing regulations to carry out this provision. [Sec. 1034]

Senate amendment

Rules for EBT Systems. Same provisions. [Sec. 1134]

Regulation E. Same provision. [Sec. 2809]

Also provides that Regulation E will not apply to food stamp benefits delivered through an EBT system. [Sec. 1134]

Anti-tying Restrictions. No provision.

Conference agreement

The conference agreement adopts the provisions that are common to both bills, with a technical amendment, and adopts the Senate provision providing that Regulation E will not apply to food stamp benefits. The conferees intend that regulations issued by the Secretary regarding the replacement of benefits and liability for replacement of benefits under an EBT system will not require greater replacement of benefits or impose greater liability than those regulations in effect for a paper-based food stamp issuance system. [Sec. 825 and sec. 891]

The conference agreement also adopts the House provision applying anti-tying restrictions of the Bank Holding Company Act Amendments of 1970 to EBT services offered by nonbanks. The conferees intend that, in applying the anti-tying restrictions to nonbanks, the Secretary implement the anti-tying provision consistent with the anti-tying restrictions that apply to banks. [Sec. 825]

27. VALUE OF MINIMUM ALLOTMENT

Present law

The minimum monthly allotment for 1- and 2-person households is set at $10. It is indexed for inflation and rounded to the nearest $5. [Sec. 8(a)]

House bill

Deletes the requirement for inflation indexing of the minimum allotment. [Sec. 1035]

Senate amendment

Same provision. [Sec. 1135]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 826]

28. BENEFITS ON RECERTIFICATION

Present law

Recipient households not fulfilling eligibility recertification requirements in the last month of their certification period are allowed a 1-month "grace period" in which to fulfill the requirements before their benefits are pro-rated (reduced) to reflect the delay. [Sec. 8(c)]

House bill

For those who do not complete all eligibility recertification requirements in the last month of their certification period, but are then determined to be eligible after their certification period has expired, requires that they receive reduced benefits in the first month of their new certification period (i.e., their benefits would be pro-rated to the date they met the requirements and were judged eligible). [Sec. 1036]

Senate amendment

Same provision. [Sec. 1136]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 827]

29. OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS

Present law

For households applying after the 15th of the month, States may provide an allotment that is the aggregate of the initial (prorated) allotment and the first regular allotment. However, combined allotments must be provided to households applying after the 15th who are entitled to expedited service. [Sec. 8(c)]

House bill

Makes provision of combined allotments a State option both for regular and expedited service applicants. [Sec. 1037]

Senate amendment

Same provision. [Sec. 1137]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 828]

30. FAILURE TO COMPLY WITH OTHER MEANS-TESTED PUBLIC ASSISTANCE PROGRAMS

Present law

Households penalized for intentional failure to comply with a Federal, State, or local welfare program may not, for the duration of the penalty, receive an increased food stamp allotment because their welfare income has been reduced. [Sec. 8(d)]

House bill

Bars increased food stamp allotments when the benefits of a household are reduced under a Federal, State, or local means-tested public assistance program for failure to perform a required action. Permits States also to reduce a household's food stamp allotment by up to 25 percent. If the allotment is reduced for failure to perform an action under a family assistance block grant (TANF) program, the State may use the rules and procedures of that program to reduce the food stamp allotment. [Sec. 1038]

Senate amendment

Same provision. [Sec. 1138]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 829]

31. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN CENTERS

Present law

Residential substance abuse centers may be designated as recipients' authorized representatives, and benefits generally are provided to the center.

House bill

Permits State agencies to divide a month's food stamp benefits between the center and an individual who leaves the center and permits States to require center residents to designate centers as authorized representatives. [Sec. 1039]

Senate amendment

Same provisions. [Sec. 1139]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 830]

32. CONDITION PRECEDENT FOR APPROVAL OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS

Present law

No provisions.

House bill

Provides that no food concerns (of a type determined by the Secretary based on factors including size, location, and types of items sold) be approved for participation unless visited by an Agriculture Department employee (or, whenever possible, a State or local government official designated by the Secretary). [Sec. 1040]

Senate amendment

Same provision. [Sec. 1140]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 831]

33. AUTHORITY TO ESTABLISH AUTHORIZATION PERIODS

Present law

No provisions.

House bill

Requires the Secretary to establish specific time periods during which retail food stores' and wholesale food concerns' authorization to accept and redeem food stamp benefits will be valid. [Sec. 1041]

Senate amendment

Same provision. [Sec. 1141]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 832]

34. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION

Present law

No provisions.

House bill

Permits the Secretary to require that retailers and wholesalers seeking approval to accept and redeem food stamp benefits submit relevant income and sales tax filing documents. Permits regulations requiring retailers and wholesalers to provide written authorization for the Secretary to verify all relevant tax filings and to obtain corroborating documentation from other sources in order to verify the accuracy of information provided by the retailer/wholesaler. [Sec. 1042]

Senate amendment

Same provision. [Sec. 1142]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 833]

35. WAITING PERIOD FOR STORES THAT FAIL TO MEET AUTHORIZATION CRITERIA

Present law

No provisions.

House bill

Provides that retailers and wholesalers that have failed to be approved for participation may not submit a new application to participate for at least 6 months. The Secretary may establish a longer period (including permanent disqualification) that reflects the severity of the basis of the denial. [Sec. 1043]

Senate amendment

Same provision. [Sec. 1143]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 834]

36. OPERATION OF FOOD STAMP OFFICES

Present law

State Plans. States must:

allow households contacting a food stamp office in person during office hours to make an oral/written request for aid and receive and file an application on the same day;

use a simplified, uniform, federally designed application, unless a waiver is approved;

include certain, specific information in applications;

waive in-person interviews under certain circumstances and use telephone interviews or home visits instead;

provide for telephone contact and mail application by households with transportation or similar difficulties;

require an adult representative of the household to certify as to household members' citizenship/alien status;

assist households in obtaining verification and completing applications;

not require additional verification of currently verified information (unless there is reason to believe that the information is inaccurate, incomplete, or inconsistent);

not deny an application solely because a nonhousehold member fails to cooperate;

process applications if the household meets cooperation requirements; provide households with a statement of reporting responsibilities at certification and recertification;

provide a toll-free or local telephone number at which households can reach State agency personnel;

display and make available nutrition information; and

use mail issuance in rural areas where low-income households face substantial difficulties in obtaining transportation. [Sec. 11(e) (2), (14), & (25)]

Application and Denial Procedures. A single interview for determining AFDC and food stamp benefits is required. Food stamp applications generally are required to be contained in public assistance applications, and applications and information about how to apply for food stamps must be provided local assistance applicants. Applicants (including those who have recently lost or been denied public assistance) must be certified eligible for food stamps based on their public assistance casefile (to the extent it is reasonably verified). No household may be terminated from or denied food stamps solely on the basis of termination/denial of other public assistance without a separate food stamp determination. [Sec. 11(i)]

House bill

State Plans. Replaces noted existing State plan requirements with requirements that the State:

establish procedures governing the operation of food stamp offices that it determines best serve households in the State, including those with special needs (such as households with elderly or disabled members, those in rural areas, the homeless, households residing on reservations, and households speaking a language other than English);

provide timely, accurate, and fair service to applicants and participants;

permit applicants to apply and participate on the same day they first contact a food stamp office during office hours;

consider an application filed on the date the applicant submits an application with the applicant's name, address, and signature;

require that an adult representative certify as to the truth of the information on the application and citizenship/alien status; and

have a method for certifying homeless households. [Sec. 1044]

Permits States to establish operating procedures that vary for local food stamp offices. [Sec. 1044]

Stipulates that the signature of a single adult will be sufficient to comply with any provision of Federal law requiring applicant signatures. [Sec. 1044]

Makes clear that nothing in the Food Stamp Act prohibits electronic storage of application and other information. [Sec. 1044]

Application and Denial Procedures. Deletes noted existing requirements for single interviews, applications, and food stamp determinations based on public assistance information. Permits disqualification for food stamps based on another public assistance program's disqualification for failure to comply with its rules or regulations. [Sec. 1044]

Senate amendment

State Plans. Same provisions. [Sec. 1144]

Application and Denial Procedures. Same provisions. [Sec. 1144]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 835]

37. STATE EMPLOYEE AND TRAINING STANDARDS

Present law

States must employ agency personnel responsible for food stamp certifications in accordance with current Federal "merit system" standards. States must provide continuing, comprehensive training for all certification personnel. States may undertake intensive training of personnel to ensure they are qualified for certifying farm households. States may provide or contract for the provision of training and assistance to persons working with volunteer or nonprofit organizations that provide outreach and eligibility screening. [Sec. 11(e)(6)]

House bill

Deletes training provisions. [Sec. 1045]

Senate amendment

Same provision. [Sec. 1145]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 836]

38. EXCHANGE OF LAW ENFORCEMENT INFORMATION

Present law

No provisions.

House bill

Requires State food stamp agencies to make available to law enforcement officers the address, social security number, and a photograph (when available) of a food stamp recipient if the officer furnishes the recipient's name and notifies the agency that the individual is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or has information necessary for the officer to conduct an official duty related to a felony/parole violation. [Sec. 1046]

Senate amendment

Same provision. [Sec. 1146]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 837]

39. EXPEDITED COUPON SERVICE

Present law

States must provide expedited benefits to applicant households that (1) have gross income under $150 a month (or are "destitute" migrant or seasonal farmworker households) and have liquid resources of no more than $100, (2) are homeless, or (3) have combined gross income and liquid resources less than the household's monthly shelter expenses. Expedited service means providing an allotment no later than 5 days after application. [Sec. 11(e)(9)]

House bill

Deletes noted requirements to provide expedited service to the homeless and those with shelter expenses in excess of their income/resources. Lengthens the period in which expedited benefits must be provided to 7 days. [Sec. 1047]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provisions with an amendment to retain the requirement for expedited service to those with income and liquid resources less than their monthly shelter expenses. [Sec. 838]

40. WITHDRAWING FAIR HEARING REQUESTS

Present law

No provisions.

House bill

At State option, permits households to withdraw fair hearing requests orally or in writing. If it is an oral request, the State must provide written notice confirming the request and providing the household with another chance to request a fair hearing. [Sec. 1048]

Senate amendment

Same provision. [Sec. 1147]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 839]

41. INCOME, ELIGIBILITY, AND IMMIGRATION STATUS VERIFICATION SYSTEMS

Present law

States must use the "income and eligibility verification systems" established under section 1137 of the Social Security Act to assist in verifying household circumstances; this includes a system for verifying financial circumstances (IEVS) and a system for verifying alien status (SAVE). [Sec. 11(e)(19)]

House bill

Makes use of IEVS and SAVE optional with the States. [Sec. 1049]

Senate amendment

Same provision. [Sec. 1148]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 840]

42. DISQUALIFICATION OF RETAILERS WHO INTENTIONALLY SUBMIT FALSIFIED APPLICATIONS

Present law

No provisions.

House bill

Retailers/wholesalers who knowingly submit an application to accept and redeem food stamp benefits that contains false information about a substantive matter must be disqualified for a reasonable period of time to be determined by the Secretary (including permanent disqualification). [Sec. 1050]

Senate amendment

Same provision. [Sec. 1149]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 842]

43. DISQUALIFICATION OF RETAILERS WHO ARE DISQUALIFIED UNDER THE WIC PROGRAM

Present law

No provisions.

House bill

Requires the Secretary to issue regulations providing criteria for disqualifying from food stamp program participation retailers/wholesalers disqualified from the WIC program. Disqualification must be for the same length of time, may begin at a later date, and is not subject to separate food stamp administrative/judicial review provisions. [Sec. 1051]

Senate amendment

Same provisions. [Sec. 1150]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 843]

44. COLLECTION OF OVERISSUANCES

Present law

In the case of overissuances due to an intentional program violation, households must agree to repayment by either a reduction in future benefits or cash repayment; States also are required to collect overissuances to these households through other means such as tax refund or unemployment compensation collections if other repayment is not forthcoming (unless they demonstrate that the other means are not cost effective). In cases of overissuance because of inadvertent household error, States must collect the overissuance through a reduction in future benefits, except that households must be given 10 days notice to elect another means and collections are limited to 10 percent of the monthly allotment or $10 a month (whichever would result in faster collection). Otherwise uncollected overissued benefits, except those arising from State agency error, may be recovered from Federal pay or pensions. [Sec. 13(b) & (d) and sec. 11(e)(8)]

States may retain 25 percent of "nonfraud" collections not arising from State agency error and 50 percent of "fraud" collections (increased from 10 percent and 25 percent on October 1, 1995). [Sec. 16(a)]

House bill

Replaces existing overissuance collection rules with provisions requiring States to collect any overissuance by reducing future benefits, withholding unemployment compensation, recovering from Federal pay or income tax refunds, or any other means—unless the State demonstrates that all of the means are not cost effective. Limits benefit reductions (absent intentional program violation) to the greater of 10 percent of the monthly allotment or $10 a month. Provides that States must collect overissued benefits in accordance with State-established requirements for notice, electing a means of payment, and setting a schedule for payment. [Sec. 1052]

Permits States to retain 25 percent of all collections other than those arising from State agency error. [Sec. 1052]

Senate amendment

Same provision, except permits States to retain 20 percent of nonfraud collections other than those arising from State agency error and 35 percent of fraud collections. [Sec. 1151]

Conference agreement

The conference agreement adopts the Senate provisions. [Sec. 844]

45. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW

Present law

No provisions.

House bill

Requires that any permanent disqualification of a retailer/wholesaler be effective from the date of receipt of the notice of disqualification. If the disqualification is reversed through administrative or judicial review, the Secretary is not liable for lost sales. [Sec. 1053]

Senate amendment

Same provision. [Sec. 1152]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 845]

46. EXPANDED CRIMINAL FORFEITURE FOR CRIMINAL VIOLATIONS

Present law

"Administrative forfeiture" rules allow the Secretary to subject property involved in a program violation to forfeiture to the United States. [Sec. 15(g)]

House bill

Establishes "criminal forfeiture" rules. Requires courts, in imposing sentence on those convicted of trafficking in food stamps, to order that the person forfeit property to the United States. Property subject to forfeiture would include all property (real and personal) used in a transaction (or attempted transaction) to commit (or facilitate the commission of) a trafficking violation (other than a misdemeanor); proceeds traceable to the violation also would be subject to forfeiture. An owner's property interest would not be subject to forfeiture if the owner establishes that the violation was committed without the owner's knowledge or consent.

Requires that the proceeds from any sale of forfeited property, and any money forfeited, be used to reimburse Federal and State agencies for costs and, by the Secretary, to carry out store monitoring activities. [Sec. 1054]

Senate amendment

Same provisions. [Sec. 1153]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 846]

47. LIMITATION OF FEDERAL MATCH

Present law

If a State opts to conduct informational ("outreach") activities for the food stamp program, the Federal government shares half the cost. [Sec. 11(e)(1) and sec. 16(a)]

House bill

Terminates the Federal share for any "recruitment activities." [Sec. 1055]

Senate amendment

Same provision. [Sec. 1154]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 847]

48. STANDARDS FOR ADMINISTRATION

Present law

The Secretary is required to (1) establish standards for efficient and effective administration of the program, including standards for review of food stamp office hours to ensure that employed individuals are adequately served and (2) instruct States to submit reports on administrative actions taken to meet the standards. [Sec. 16(b)]

House bill

Deletes the noted requirements relating to Federal standards for efficient and effective administration. [Sec. 1056]

Senate amendment

Same provision. [Sec. 1155]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 848]

49. WORK SUPPLEMENTATION OR SUPPORT PROGRAM

Present law

No provisions.

House bill

Establishes a new option for States to operate work supplementation or support programs under which the value of public assistance benefits are provided to employers who hire recipients and, in turn, use the benefits to supplement the wages paid the recipient. Work supplementation/support programs would have to adhere to standards set by the Secretary, be available for new employees only, and not displace employment of those who are not supplemented/supported. The food stamp benefit value of the supplement could not be considered income for other purposes. Opting States would be required to provide a description of how recipients in their program will, within a specific period of time, be moved to unsubsidized employment. [Sec. 1057]

Senate amendment

Same provision. [Sec. 1156]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 849]

50. WAIVER AUTHORITY

Present law

The Secretary may waive Food Stamp Act requirements to the degree necessary to conduct pilot/demonstration projects, but, in general, no project may be implemented that would lower or further restrict food stamp income/resource eligibility standards or benefit levels. [Sec. 17(b)(1)]

House bill

Permits the Secretary to conduct pilot and demonstration projects and waive Food Stamp Act requirements as long as the project is consistent with the food stamp program goal of providing food to increase the level of nutrition among low-income individuals. The Secretary is permitted to conduct projects that will improve the administration of the program, increase self-sufficiency of food stamp participants, test innovative welfare reform strategies, or allow greater conformity among public assistance programs than is otherwise allowed under the Food Stamp Act. The Secretary is not permitted to conduct projects that involve issuing benefits in cash (beyond those approved at enactment), substantially transfer program benefits to other public assistance programs, or are not limited to specific time periods. [Sec. 1058]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment. The Secretary is permitted to conduct pilot and demonstration projects and waive Food Stamp Act requirements to the extent necessary, with certain limitations and conditions. Projects must be consistent with the food stamp program goal of providing food assistance to raise levels of nutrition among low-income individuals and must include an evaluation.

Permissible projects are those that will improve the administration of the program, increase self-sufficiency of food stamp participants, test innovative welfare reform strategies, or allow greater conformity with the rules of other programs than is otherwise allowed under the Food Stamp Act. However, if the Secretary finds that a project would require the reduction of benefits by more than 20 percent, for more than 5 percent of households subject to the project (not including those whose benefits are reduced because of a failure to comply with work or other conduct requirements), the project (1) cannot include more than 15 percent of the State's food stamp population and (2) is limited to 5 years (unless an extension is approved).

The Secretary may not conduct a project that (1) involves the payment of food stamp allotments in cash (unless the project was approved prior to enactment), (2) has the effect of substantially transferring food stamp funds to services or benefits provided through another public assistance program, (3) has the effect of using food stamp funds for any purpose other than the purchase of food, program administration, or an employment or training program, (4) has the effect of granting or increasing shelter expense deductions to households with either no out-of-pocket shelter expenses or shelter expenses that represent a low percentage of their income, (5) has the effect of absolving the State from acting with reasonable promptness on substantial reported changes in income or household size (other than those related to deductions), (6) is not limited to a specific time period, or (7) waives a simplified food stamp program provision in carrying out a simplified program.

The Secretary also may not conduct a project that is inconsistent with certain Food Stamp Act requirements: (1) the bar against providing benefits to those in institutions (with certain exceptions), (2) the requirement to provide assistance to all those eligible, so long as they have not failed to comply with any food stamp or other program's work, behavioral, or other conduct requirements, (3) the gross income eligibility limit (130 percent of the Federal poverty guidelines) for households without elderly or disabled members, (4) the rule that no parent or caretaker of a dependent child under age 6 will be subject to work/training requirements [see item 17], (5) the rule that total hours of work required in an employment/

training or workfare program be limited to the household's allotment divided by the minimum wage, (6) the limit on the amount of employment and training funding under the Food Stamp Act that can be used for TANF recipients, (7) the requirement that the value of food stamp benefits not be considered income or resources for any other purpose, (8) application and application processing requirements (including the rule that benefits must be provided within 30 days, but not including expedited service requirements), (9) Federal-State cost-sharing rules (including those for computerization, employment and training programs, and workfare), (10) "quality control" requirements, and (11) the waiver limits set in law. [Sec. 850]

51. RESPONSE TO WAIVERS

Present law

No provisions.

House bill

Requires that, not later than 60 days after receiving a demonstration project waiver request, the Secretary must (1) approve the request, (2) deny it and explain any modifications needed for approval, (3) deny it and explain the grounds for denial, or (4) ask for clarification of the request. If a response is not forthcoming in 60 days, the waiver is considered approved. If a waiver is denied, the Secretary must provide a copy of the request and the grounds for denial to Congress. [Sec. 1059]

Senate amendment

Same provision. [Sec. 1157]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 851]

52. EMPLOYMENT INITIATIVES PROGRAM

Present law

No provisions.

House bill

Provides a new option for a limited number of States (those with not less than half of their food stamp households receiving AFDC benefits in 1993) to issue food stamps in cash to households participating in both the State's family assistance block grant (TANF) program and food stamps, if a member of the household has been working for at least 3 months and earns at least $350 a month in unsubsidized employment. Households receiving cash payments may continue to receive them after leaving a TANF program because of increased earnings, and a household eligible to receive its allotment in cash may opt for food stamps instead. States opting for these cash payments must increase food stamp benefits (and pay for the increase) to compensate for State/local sales taxes on food purchases and must provide a written evaluation. [Sec. 1060]

Senate amendment

Same provisions. [Sec. 1158]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 852]

53. REAUTHORIZATION

Present law

Food Stamp Act appropriations are authorized through fiscal year 1997. [Sec. 18(a)]

House bill

Extends the Food Stamp Act authorization of appropriations through fiscal year 2002. [Sec. 1061]

Senate amendment

Same provision. [Sec. 1159]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 853]

54. SIMPLIFIED FOOD STAMP PROGRAM

Present law

No provision.

House bill

Permits States to determine food stamp benefits for households receiving family assistance block grant (TANF) aid using TANF rules and procedures, food stamp rules/procedures, or a combination of both. States may operate a simplified program statewide or in regions of the State and may standardize deductions. However, States must comply with the following food stamp rules:

requirements governing issuance procedures;

the requirement that benefits be calculated by subtracting 30 percent of household income (as determined by State-established, not Federal, rules under the simplified program option) from the maximum food stamp benefit;

the bar against counting food stamp benefits as income or resources in other programs;

requirements that State agencies assume responsibility for eligibility certification and issuance of benefits and keep records for inspection and audit;

the bar against discrimination by reason of race, sex, religious creed, national origin, or politics;

requirements related to submission and approval of plans of operation and administration of the food stamp program on Indian reservations;

limits on the use and disclosure of information about food stamp households;

requirements for notice to and fair hearings for aggrieved households (or comparable requirements established by the State);

requirements for submission of reports and other information required by the Secretary;

the requirement to report illegal aliens to the INS;

provisions for the use of certain Federal and State data sources in verifying eligibility;

requirements to ensure that households are not receiving duplicate benefits; and

requirements for the provision of social security numbers as a condition of eligibility and for their use by State agencies.

Households may not receive benefits under a simplified program unless the Secretary determines that any household with income above 130 percent of the Federal poverty guidelines is ineligible for the program.

The Secretary must determine whether a simplified program is increasing Federal costs above costs incurred in operations for the fiscal year prior to implementation, adjusted for changes in participation, the income of participants not attributable to public assistance, and the cost of the thrifty food plan. The determination is made for each fiscal year, not later than 90 days after the end of the year.

If the Secretary determines that there has been a cost increase, the State must be notified within 30 days. If a State does not then submit or carry out a "corrective action" plan approved by the Secretary to prevent increased Federal costs, approval of the State's simplified program is terminated, and the State is ineligible for further operation of a simplified program.

States opting for a simplified program must include in their State plans the rules and procedures to be followed, how they will address the needs of households with high shelter costs, and a description of the method by which they will carry out their quality control obligations. [Sec. 1062]

Senate amendment

Same provisions, except that the Senate amendment (1) stipulates that only households in which "all members" receive TANF benefits may receive benefits under a simplified program and (2) requires that States opting for a simplified program follow food stamp rules regarding providing benefits within 30 days of application. Also provides that (1) the Secretary will determine whether a simplified program is increasing Federal costs, (2) States will not be required to collect information on households not in the simplified program in cost increase determinations, and (3) the Secretary may approve "alternative accounting periods" in making cost determinations. [Sec. 1160]

Conference agreement

The conference agreement adopts the House provision with an amendment providing that: (1) only households in which all members receive TANF benefits may receive benefits under a simplified program, (2) the Secretary will determine whether a simplified program is increasing Federal costs, (3) States will not be required to collect information on households not in the simplified program in cost increase determinations, and (4) the Secretary may approve alternative accounting periods in making cost determinations. In addition, the conference agreement adopts an amendment that provides that a simplified program may include households in which 1 or more members are not TANF recipients, if approved by the Secretary. The conferees encourage the Secretary to work with States to test methods for applying a single set of rules and procedures to households in which some, but not all, members receive cash welfare benefits under State rules. [Sec. 854]

55. STATE FOOD ASSISTANCE BLOCK GRANT

Present law

No provision.

House bill

Establishes an optional food assistance block grant. States that meet one of three conditions may elect to receive the block grant in lieu of participating in the regular food stamp program. The conditions are: (1) a statewide EBT system, (2) a payment error rate of 6 percent or less, or (3) if there is a payment error rate of higher than 6 percent, payment to the Federal government of the benefit cost of the difference. States electing a block grant would receive the greater of: (1) the amount received for benefits in fiscal year 1994 (or the 1992–1994 average) plus (2) the amount received for administration in fiscal year 1994 (or the 1992–1994 average). States electing a block grant and then terminating their option may not again elect a block grant.

Block grant funding may only be used for food assistance to needy persons and administrative costs for providing the assistance—so long as not more than 6 percent of total funds expended (other than State funds not otherwise required to be spent) are used for administrative costs and limits on carryover funds are followed. While States have control over most features of their block grant program, certain rules specified in law must be followed: provisions for notice and hearing for those aggrieved; bars against receipt of benefits in more than 1 jurisdiction, benefits for fleeing felons, and benefit for aliens otherwise barred under Federal law; privacy and nondiscrimination safeguards; and quality control requirements of the Food Stamp Act. In addition, States opting for a block grant would continue to be covered under the Food Stamp Act's employment and training program provisions (and receive separate funding for this) and would be required to bar benefits to those not meeting food stamp work requirements (including the new requirement). [Sec. 1063]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

56. A STUDY OF THE USE OF FOOD STAMPS TO PURCHASE VITAMINS AND MINERALS

Present law

No provision.

House bill

Requires the Secretary, in consultation with the National Academy of Sciences and the Centers for Disease Control and Prevention, to conduct a study of the use of food stamps to purchase vitamins and minerals and report to the House Committee on Agriculture not later than December 15, 1996. [Sec. 1064]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with an amendment requiring a report to both the Senate Committee on Agriculture, Nutrition, and Forestry and the House Committee on Agriculture not later than December 15, 1998. [Sec. 855]

57. INVESTIGATIONS

Present law

No provision.

House bill

Requires that regulations provide criteria for the finding of violations (and suspension/disqualification) of retailers and wholesalers on the basis of evidence which may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through EBT transaction reports. [Sec. 1065]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision. [Sec. 841]

58. REPORT BY THE SECRETARY

Present law

No provision.

House bill

Permits the Secretary to report to the House Committee on Agriculture (not later than January 1, 2000) on the effect of the food stamp reforms in this act and the ability of State and local governments to deal with people in poverty. [Sec. 1067]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the Senate provision.

59. DEFICIT REDUCTION

Present law

No provision.

House bill

Declares it the sense of the House Committee on Agriculture that outlay reductions resulting from the food stamp title not be taken into account under section 552 of the Balanced Budget and Emergency Deficit Control Act. [Sec. 1068]

Senate amendment

No provision.

Conference agreement

The conference agreement adopts the House provision with a technical amendment. [Sec. 856]

Subtitle B—Commodity Distribution Programs

1. SHORT TITLE

Present law

The Emergency Food Assistance Act (EFAA), The Hunger Prevention Act of 1988, The Charitable Assistance and Food Bank Act of 1987, the Food, Agriculture, Conservation, and Trade (FACT) Act of 1990.

House bill

Amends the EFAA and Section 110 of the Hunger Prevention Act of 1988 to combine the Emergency Food Assistance Program (TEFAP) and the soup kitchen/food bank program and create a new TEFAP; repeals the expired food bank demonstration project under the Charitable Assistance and Food Bank Act of 1987; and repeals a requirement for a previously completed report on entitlement commodity processing under the FACT Act of 1990. [Sec. 1071, 1072, 1073, & 1074]

Senate amendment

Same provisions. [Sec. 1171, 1172, 1173, & 1174]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871-874]

2. ELIGIBLE RECIPIENT AGENCIES

Present law

Defines "eligible recipient agencies" and "emergency feeding organizations". [Sec. 201A]

Defines "Additional commodities", "average monthly number of unemployed persons", "poverty line", "Total value of additional commodities", Value of additional commodities." [Sec. 214 of EFAA]

House bill

Incorporates into one section current law and regulatory definitions of terms used in TEFAP and section 110 of the Hunger Prevention Act. Definitions include "eligible recipient agencies", as well as "emergency feeding organization," "additional commodities", "average monthly number of unemployed persons", "food bank", "food pantry", "poverty line", "soup kitchen", "total value of additional commodities", and "value of additional commodities allocated to each State." [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

3. AVAILABILITY OF CCC COMMODITIES

Present law

Outlines conditions under which the Secretary is to donate CCC commodities or other agricultural commodities, the varieties of commodities to be made available; requires semi-annual report on types of commodities made available; prohibits declines in dairy product donations, and requires that emergency feeding organizations have the same access to excess CCC commodities as other domestic food programs.

House bill

Maintains current law provisions. [Sec. 1071]

Senate Amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

4. AVAILABILITY OF CCC FLOUR, CORNMEAL, AND CHEESE

Present law

Provides for additional distribution in FY1988 of flour, cheese, and cornmeal when excess amounts are available from CCC holdings.

House bill

Strikes obsolete provision and moves definitions to a new section of the Act (see item 2 above). Replaces Sec.202A with new provisions governing State plans (See item 5 below). [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

5. STATE PLAN

Present law

Requires Secretary to expedite distribution of commodities to agencies designated by the Governor, or directly distribute commodities to eligible recipient agencies engaged in national commodity processing; allows States to give priority for donations to existing food bank networks serving low-income households. Requires States to expeditiously distribute commodities to eligible recipient agencies, and to encourage distribution to rural areas. Also requires Secretary to distribute commodities only to agencies that serve needy persons and set their own need criteria, with the approval of the Secretary. [Sec.203B (a) and (c) of EFAA]

House bill

Requires States seeking commodities under the new EFA program to submit a plan of operation and administration every 4 years for approval by the Secretary and allows amendment of the plan at any time.

Requires that at a minimum the State receiving commodities include in its plan: designation of responsible State agency; plan of operation and administration to expeditiously distribute commodities; standards of eligibility for recipient agencies; individual and household eligibility standards that require that they be needy and residing in the geographic area served by the recipient agency. [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

6. ADVISORY BOARD

Present law

No provision.

House bill

Requires Secretary to encourage States to establish advisory boards consisting of representatives of all interested entities, public and private, in the distribution of commodities. [Sec. 1071]

Senate amendment

Same provision. [Sec. 1171]

Conference agreement

The conference agreement adopts the provision that is common to both bills. [Sec. 871]

7. AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE FUNDS

Present law

Authorizes $50 million annually for fiscal year 1991–2002 for Secretary to make available to States for State and local costs associated with the distribution of commodities. Requires that funds be distributed on an advance basis in the same proportion as commodities are distributed. Allows for reallocation of unused funds among other States. Specifically allows States to use funds to help with distribution of commodities provided to soup kitchens and food banks under section 110 of the Hunger Prevention Act.

House bill

Revises language regarding availability of funds to States for State and local costs to require that such funds be used "to pay for the direct and indirect administrative costs of the State related to processing, transporting, and distributing [commodities] to eligible recipient agencies." Drops separate reference to soup kitchen and food banks because this program is incorporated into the new TEFAP. [Sec. 1071]

Senate amendment

Same provisions. [Sec. 1171]

Conference agreement

The conference agreement adopts the provisions that are common to both bills. [Sec. 871]

8. REQUIRED PURCHASES OF COMMODITIES

Present law

Authorizes $175 million for fiscal year 1991, $190 million for FY 1992, and $200 million for each of fiscal years 1993 through 2002 for the Secretary to purchase, process and distribute additional commodities to the extent that appropriations are provided. Establishes a formula for distribution of commodities to States whereby 60 percent of commodities are allocated based on a State's share of persons in households with incomes below the poverty level and 40 percent upon a State's share of unemployed persons, and defines related terms.

House bill

Strikes provisions authorizing funds for commodity purchases. Instead, amends the Food Stamp Act to add a new section 28 requiring the Secretary to spend $300 million annually for each of fiscal years 1997 through 2002 from funds appropriated under the Food Stamp Act to buy commodities for the new TEFAP; requires the Secretary to take into account agricultural market conditions, and State, agency, and recipient preferences when buying commodities with these funds. Specifies that these commodities be distributed under the current-law allocation formula. [Sec. 1071]

Senate amendment

Similar to House bill, except that $100 million is required to be used from food stamp funds annually to buy commodities for the new TEFAP. [Sec.]

Conference agreement

The conference agreement adopts the Senate provision with a technical amendment. [Sec. 871]

Subtitle C—Electronic Benefit Transfer System

See Item 26 of Subtitle A—Food Stamp Program for a description of the conference agreement on this subtitle.

TITLE IX: MISCELLANEOUS

1. APPROPRIATION BY STATE LEGISLATURES

Present law

According to the National Conference of State Legislatures, there are six States in which under court rulings of interpretations of State constitutions, certain Federal funds are controlled by the Executive branch rather than the State legislature. (An example would be action on funds when the legislature is out of session.) These States are Arizona, Colorado, Connecticut, Delaware, New Mexico, and Oklahoma.

House bill

The proposal stipulates that funds from certain Federal block grants to the States are to be expended in accordance with the laws and procedures applicable to the expenditure of the State's own resources (i.e., appropriated through the State legislature in all States). This provision applies to the following block grants: temporary assistance to needy families block grant, the optional State food assistance block grant, and the child care block grant. Thus, in the States in which the Governor previously had exclusive control over Federal block grant funds, the State legislatures now would share control through the appropriations process. However, States would continue to spend Federal funds in accord with Federal law.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

2. SANCTIONING FOR TESTING POSITIVE FOR CONTROLLED SUBSTANCES

Present law

Eligibility and benefit status for most Federal welfare programs are not affected by a recipient's use of illegal drugs.

House bill

States are not prohibited by the Federal Government from testing welfare recipients for use of controlled substances nor for sanctioning welfare recipients who test positive for the use of controlled substances.

Senate amendment

Identical provision.

Conference agreement

The conference agreement follows the House bill and the Senate amendment.

3. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS

Present law

No provision.

House bill

No provision.

Senate amendment

Ends eligibility for public housing and Section 8 housing assistance of a person who is fleeing to avoid prosecution after conviction for a crime, or attempt to commit a crime, that is a felony where committed (or, in the case of New Jersey, is a high misdemeanor), or who is violating a condition of probation or parole. The amendment states that the person's flight shall be cause for immediate termination of their housing aid.

Requires specified public housing agencies to furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, social security number, and photograph (if applicable) of any SSI recipient, if the officer furnishes the public housing agency with the person's name and notifies the agency that the recipient is a fugitive felon (or in the case of New Jersey a person fleeing because of a high misdemeanor) or a probation or parole violator or that the person has information that is necessary for the officer to conduct his official duties, and the location or apprehension of the recipient is within the officer's official duties.

Conference agreement

The conference agreement follows the Senate amendment.

4. SENSE OF THE SENATE REGARDING ENTERPRISE ZONES

Present law

No specific provision. However, as stated, the provisions outlined in the Sense of the Senate language already can be done under present law.

House bill

No provision.

Senate amendment

Outlines some findings related to urban centers and empowerment zones and includes sense of the Senate language that urges the 104th Congress to pass an enterprise zone bill that provides Federal tax incentives to increase the formation and expansion of small businesses and to promote commercial revitalization; allows localities to request waivers to accomplish the objectives of the enterprise zones; encourages resident management of public housing and home ownership of public housing; and authorizes pilot projects in designated enterprise zones to expand the educational opportunities for elementary and secondary school children.

Conference agreement

The conference agreement follows the House bill.

5. SENSE OF THE SENATE REGARDING THE INABILITY OF THE NON-CUSTODIAL PARENT TO PAY CHILD SUPPORT

Present law

No provision.

House bill

No provision.

Senate amendment

It is the Sense of the Senate that States should pursue child support payments under all circumstances even if the noncustodial parent is unemployed or his or her whereabouts are unknown; and that States are encouraged to pursue pilot programs in which the parents of a minor non-custodial parent who refuses or is unable to pay child support contribute to the child support owed.

Conference agreement

The conference agreement follows the Senate amendment.

6. ESTABLISHING NATIONAL GOALS TO PREVENT TEENAGE PREGNANCIES

Present law

No provision.

House bill

No provision.

Senate amendment

Requires the Secretary to establish and implement by January 1, 1997, a strategy to: (1) prevent a 2 percent increase in out-of-wedlock teenage pregnancies, and (2) assure that at least 25 percent of U.S. communities have teenage pregnancy programs in place. HHS is required to report to Congress by June 30, 1998, on progress made toward meeting these 2 goals.

Conference agreement

The conference agreement generally follows the Senate amendment, except a specified level of reduction is not established.

7. SENSE OF THE SENATE REGARDING ENFORCEMENT OF STATUTORY RAPE LAWS

Present law

No provision.

House bill

No provision.

Senate amendment

Includes language that states that it is the sense of the Senate that States and local jurisdictions should aggressively enforce statutory rape laws.

Not later than January 1, 1997, the Attorney General shall establish and implement a program that studies the linkage between statutory rape and teenage pregnancy and educates States and local criminal law enforcement officials on the prevention and prosecution of statutory rape. The Attorney General shall ensure the DOJ Violence Against Women initiative addresses the issue of statutory rape.

Conference agreement

The conference agreement follows the Senate amendment.

8. PROVISIONS TO ENCOURAGE ELECTRONIC BENEFIT TRANSFER SYSTEMS

Present law

In 1978, Congress passed the Electronic Fund Transfer Act to provide a basic framework establishing the rights, liabilities, and responsibilities of participants in electronic fund transfer systems and required the Federal Reserve Board to develop implementing regulations, which generally are referred to as Regulation E.

House bill

See food stamp title, which exempts from Regulation E any food stamp electronic benefit transfers.

Senate amendment

Exempts from Regulation E requirements any electronic benefit transfer program (distributing needs-tested benefits) established under State or local law or administered by a State or local government.

Conference agreement

The conference agreement follows the Senate amendment.

9. REDUCTION OF BLOCK GRANTS TO STATES FOR SOCIAL SERVICES; USE OF VOUCHERS

Present law

The Social Services Block Grant (Title XX) provides funds to States in order to provide a wide variety of social services, including child care, family planning, protective services for children and adults, services for children and adults on foster care, and employment services. States have wide discretion over how they use Social Services Block Grant funds. States set their own eligibility requirements and are allowed to transfer up to 10 percent of their allotment to certain Federal health block grants, and for low-income home energy assistance (LIHEAP). Funding for the Social Services Block Grant is capped at $2.8 billion a year. Funds are allocated among States according to the State's share of its total population. No State matching funds are required to receive Social Services Block Grant money.

House bill

For fiscal years 1997 through 2002, the Social Services Block Grant is reduced by 10 percent.

Senate amendment

For fiscal years 1997 through 2002, the Social Services Block Grant is reduced by 20 percent.

Requires that States receiving Title XX funds to dedicate 1 percent to programs and services for minors to avoid out-of-wedlock pregnancies.

Conference agreement

The conference agreement follows the House bill and the Senate amendment regarding the reduction in funding for the Social Services block grant, with the modification that the reduction is 15 percent. The conference agreement follows the House bill so that there is no special dedication of funds for programs and services for minors. The agreement specifically states that Title XX funds may be used to provide assistance to families who have lost assistance because of time limits on benefits.

10. EARNED INCOME CREDIT PROVISIONS

A. Deny earned income credit to individuals not authorized to be employed in the United States

(Note.—For additional discussion of this provision, refer to Title IV: Restricting Welfare and Public Benefits for Aliens, above.)

Present law

In general. Certain eligible low-income workers are entitled to claim a refundable credit on their income tax return. The amount of the credit an eligible individual may claim depends upon whether the individual has one, more than one, or no qualifying children and is determined by multiplying the credit rate by the individual's[1] earned income up to an earned income amount. The maximum amount of the credit is the product of the credit rate and the earned income amount. For individuals with earned income (or adjusted gross income (AGI), if greater) in excess of the beginning of the phaseout range, the maximum credit amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For individuals with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed.

The parameters for the credit depend upon the number of qualifying children the individual claims. For 1996, the parameters are given in the following table:

	Two or more children	One qualifying child	No qualifying children
Credit rate (percent)	40.00	34.00	7.65
Earned income amount	$8,890	$6,330	$4,220
Maximum credit	$3,556	$2,152	$323
Phaseout begins	$11,610	$11,610	$5,280
Phaseout rate (percent)	21.06	15.98	7.65
Phaseout ends	$28,495	$25,078	$9,500

For years after 1996, the credit rates and the phaseout rates will be the same as in the preceding table. The earned income amount and the beginning of the phaseout range are indexed for inflation; because the end of the phaseout range depends on those amounts as well as the phaseout rate and the credit rate, the end of the phaseout range will also increase if there is inflation.

In order to claim the credit, an individual must either have a qualifying child or meet other requirements. A qualifying child must meet a relationship test, an age test, an identification test, and a residence test. In order to claim the credit without a qualifying child, an individual must not be a dependent and must be over age 24 and under age 65.

To satisfy the identification test, individuals must include on their tax return the name and age of each qualifying child. For returns filed with respect to tax year 1996, individuals must provide a taxpayer identification number (TIN) for all qualifying children born on or before November 30, 1996. For returns filed with respect to tax year 1997 and all subsequent years, individuals must provide TINs for all qualifying children, regardless of their age. An individual's TIN is generally that individual's social security number.

An individual with qualifying children may elect to receive a portion of the credit on an advance basis by furnishing an advance payment certificate to his or her employer. For such an individual, the employer makes an advance payment of the credit at the time wages are paid. The amount of advance payment allowable in a taxable year is limited to 60 percent of the maximum credit available to an individual with one qualifying child.

Mathematical or clerical errors. The Internal Revenue Service may summarily assess additional tax due as a result of a mathematical or clerical error without sending the taxpayer a notice of deficiency and giving the taxpayer an opportunity to petition the Tax Court. Where the IRS uses the summary assessment procedure for mathematical or clerical errors, the taxpayer must be given an explanation of the asserted error and a period of 60 days to request that the IRS abate its assessment. The IRS may not proceed to collect the amount of the assessment until the taxpayer has agreed to it or has allowed the 60-day period for objecting to expire. If the taxpayer files a request for abatement of the assessment specified in the notice, the IRS must abate the assessment. Any reassessment of the abated amount is subject to the ordinary deficiency procedures. The request for abatement of the assessment is the only procedure a taxpayer may use prior to paying the assessed amount in order to contest an assessment arising out of a mathematical or clerical error. Once the assessment is satisfied, however, the taxpayer may file a claim for refund if he or she believes the assessment was made in error.

House bill

Individuals are not eligible for the credit if they do not include their taxpayer identification number (and, if married, their spouse's taxpayer identification number) on their tax return. Solely for these purposes and for purposes of the present-law identification test for a qualifying child, a taxpayer identification number is defined as a social security number issued to an individual by the Social Security Administration other than a number issued under section 205(c)(2)(B)(i)(II) (or that portion of sec. 205(c)(2)(B)(i)(III) relating to it) of the Social Security Act (regarding the issuance of a number to an individual applying for or receiving Federally funded benefits).

If an individual fails to provide a correct taxpayer identification number, such omission will be treated as a mathematical or clerical error. If an individual who claims the credit with respect to net earnings from self-employment fails to pay the proper amount of self-employment tax on such net earnings, the failure will be treated as a mathematical or clerical error for purposes of the amount of credit allowed.

Effective date. The provision is effective for taxable years beginning after December 31, 1995.

---

[1] In the case of a married individual who files a joint return with his or her spouse, the income for purposes of these tests is the combined income of the couple.

Senate amendment

The provision in the Senate amendment is identical to that in the House bill.

Conference agreement

The conference agreement follows the House bill and the Senate amendment with a modification to the effective date. The conference agreement is effective with respect to returns the due date for which (without regard to extensions) is more than 30 days after the date of enactment of this Act.

B. Change disqualified income test for earned income credit

Present law

For taxable years beginning after December 31, 1995, an individual is not eligible for the earned income credit if the aggregate amount of "disqualified income" of the taxpayer for the taxable year exceeds $2,350. This threshold is not indexed. Disqualified income is the sum of:

(1) interest (taxable and tax-exempt),

(2) dividends, and

(3) net rent and royalty income (if greater than zero).

House bill

No provision.

Senate amendment

For purposes of the disqualified income test for the earned income credit, the following items are added to the definition of disqualified income: capital gain net income and net passive income (if greater than zero) that is not self-employment income.

The threshold above which an individual is not eligible for the credit is reduced from $2,350 to $2,200, and the threshold is indexed for inflation after 1996.

Effective date. The provision generally is effective for taxable years beginning after December 31, 1995. For individuals who, as of June 26, 1996, had made an election to receive the current-year credit on an advance basis, the provision is effective for taxable years beginning after December 31, 1996.

Conference agreement

The conference agreement follows the Senate amendment.

C. Modify definition of adjusted gross income used for phasing out the earned income credit

Present law

For taxpayers with earned income (or AGI, if greater) in excess of the beginning of the phaseout range, the maximum earned income credit amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For taxpayers with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed.

House bill

No provision.

Senate amendment

The provision modifies the definition of AGI used for phasing out the earned income credit by including certain nontaxable income and by disregarding certain losses. The nontaxable items included are:

(1) tax-exempt interest, and

(2) nontaxable distributions from pensions, annuities, and individual retirement arrangements (but only if not rolled over into similar vehicles during the applicable rollover period).

The losses disregarded are:

(1) net capital losses (if greater than zero),

(2) net losses from trusts and estates,

(3) net losses from nonbusiness rents and royalties, and

(4) net losses from businesses, computed separately with respect to sole proprietorships (other than in farming), sole proprietorships in farming, and other businesses.

For purposes of item (4), above, amounts attributable to a business that consists of the performance of services by the taxpayer as an employee are not taken into account.

Effective date. The provision generally is effective for taxable years beginning after December 31, 1995. For individuals who, as of June 26, 1996, had made an election to receive the current-year credit on an advance basis, the provision is effective for taxable years beginning after December 31, 1996.

Conference agreement

The conference agreement modifies the definition of AGI used for phasing out the earned income credit by disregarding certain losses. The losses disregarded are:

(1) net capital losses (if greater than zero),

(2) net losses from trusts and estates,

(3) net losses from nonbusiness rents and royalties, and

(4) 50 percent of the net losses from businesses, computed separately with respect to sole proprietorships (other than in farming), sole proprietorships in farming, and other businesses.

For purposes of item (4), above, amounts attributable to a business that consists of the performance of services by the taxpayer as an employee are not taken into account.

Effective date. Same as the Senate amendment provision.

D. Suspend inflation adjustments for earned income credit for individuals with no qualifying children

Present law

To claim the earned income credit, an individual must either have a qualifying child or meet other requirements. In order to claim a credit without a qualifying child, an individual must not be a dependent and must be over age 24 and under age 65.

The earned income amount and the beginning of the phaseout range are indexed for inflation; because the end of the phaseout range depends on these amounts as well as the phaseout rate and the credit rate, the end of the phaseout range will also increase if there is inflation.

House bill

No provision.

Senate amendment

In the case of individuals with no qualifying children there will be no adjustment for inflation after 1996 to the earned income amount or the beginning of the phaseout range.

Effective date. The provision is effective for taxable years beginning after December 31, 1996.

Conference agreement

The conference agreement follows the House bill (no provision).

11. REDUCTIONS IN FEDERAL GOVERNMENT POSITIONS

A. Reductions

Present law

No provision

House bill

A covered activity is defined as one that the Department must carry out under a provision of this Act or a provision of Federal law that is amended or repealed by the Act. It also requires the Secretaries of Agriculture, Education, Labor, HHS, and Housing and Urban Development to report to Congress by December 31, 1996 on the number of full-time equivalent (FTE) positions required to carry out "covered" activities before and after enactment of the amendment and to reduce the number of employees by the difference in numbers. The Comptroller General of the United States shall prepare and submit to Congress by July 1, 1997, a report analyzing the determinations made by each Secretary.

Senate amendment

Similar to House bill, except:

requires the Secretaries to report the number of FTEs not later than December 31, 1996 (rather than January 1, 1997);

requires the Secretaries to prepare and submit a report of changes not later than December 31, 1997 (rather than December 31, 1996); and

adjusts discretionary spending limits downward for fiscal years 1997 and 1998 to account for savings achieved by this provision. (This provision was deleted due to the Byrd Rule.)

Conference agreement

This provision was deleted due to the Byrd rule. For additional discussion of related provisions, see Title I: Block Grants for Temporary Assistance for Needy Families, above.

B. Reductions in Federal Bureaucracy

Present law

No provision

House bill

The Department of Health and Human Services (HHS) reports that 118 employees in the Office of Family Assistance (OFA) work on AFDC and 209 (full-time equivalent positions) in regional offices of the Administration on Children and Families. The OFA employees include 30 who spend some time interpreting AFDC/JOBS policy and participating with States in State plan development.

Senate amendment

Similar to House bill. (This provision was deleted due to the Byrd Rule.)

Conference agreement

This provision was deleted due to the Byrd rule. For additional discussion of related provisions, see Title I: Block Grants for Temporary Assistance for Needy Families, above.

C. Reducing Personnel in Washington, D.C. Area

Present law

No provision.

House bill

The Secretary is encouraged to reduce personnel in the Washington, D.C. office (agency headquarters) before reducing field personnel.

Senate amendment

Similar to House bill. (This provision was deleted due to the Byrd Rule.)

Conference agreement

This provision was deleted due to the Byrd rule. For additional discussion of related provisions, see Title I: Block Grants for Temporary Assistance for Needy Families, above.

12. REFORM OF PUBLIC HOUSING

A. Fraud under Means-Tested Welfare and Public Assistance Programs

Present law

No provision.

House bill

If a person's means-tested benefits from a Federal, State, or local welfare program are reduced because of an act of fraud, their benefits from public or assisted housing may not be increased in response to the income loss caused by the penalty.

Senate amendment

Similar to House bill.

Conference agreement

The conference agreement follows the House bill.

B. Failure to Comply with other Welfare and Public Assistance Programs

Present law

If a family's adjusted cash income declines—no matter what the reason—its housing benefit is increased (that is, its rental payment is decreased, by 30 cents per dollar). This applies to cash income from any source, including means-tested benefit programs. However, the housing programs take no account of noncash income. Thus, if food stamp benefits decline, housing benefits are unaffected.

House bill

No provision.

Senate amendment

Provides that there be no reduction in public or assisted housing rents in response to a tenant's reduced income resulting from noncompliance with welfare or public assistance program requirements; permits reduction where State or local law limits the period during which benefits may be provided.

Conference agreement

The conference agreement follows the House bill (no provision).

13. ABSTINENCE EDUCATION

Present law

The Maternal and Child Health (MCH) block grants (title V of the SSA, 42 USC 701) provides grants to States and insular areas to fund a broad range of preventive health and primary care activities to improve the health status of mothers and children, with a special emphasis on those with low income or with limited availability of health services. Sec. 502 includes a set-aside program for projects of national or regional significance. (The FY1995 appropriation for MCH was $684 million.) See also: Title XX of the Public Health Service Act establishes the Adolescent Family Life (AFL) program to encourage adolescents to delay sexual activity and to provide services to alleviate the problems surrounding adolescent parenthood. One-third of all funding for AFL program services go to projects that provide "prevention services." The purpose of the prevention component is to find effective means within the context of the family of reaching adolescents, both male and female, before they become sexually active to maximize the guidance and support of parents and other family members in promoting abstinence from adolescent premarital sexual relations. (The FY1995 appropriation for AFL was $6.7 million.)

House bill

Increases the authorization level to $761 million for FY 96 and each subsequent fiscal year. Adds abstinence education to the services to be provided. Defines abstinence education as an educational or motivational program which:

(A) teaches the gains to be realized by abstaining from sexual activity;

(B) teaches abstinence from sexual activity outside of marriage as the expected standard for all school age children;

(C) teaches that abstinence is the only certain way to avoid out-of-wedlock pregnancy, sexually transmitted diseases, and other health problems;

(D) teaches that a monogamous relationship in context of marriage is expected standard of human sexual activity;

(E) teaches that sexual activity outside of marriage is likely to have harmful effects;

(F) teaches that bearing children out-of-wedlock is likely to have harmful consequences;

(G) teaches young people how to avoid sexual advances and how alcohol and drug use increases vulnerability to sexual advances; and

(H) teaches the importance of attaining self-sufficiency before engaging in sexual activity.

Senate amendment

Amends the Maternal and Child Health (MCH) block grants (title V of the SSA) to set aside $75 million to provide abstinence education—defined as an educational or motivational program that has abstaining from sexual activity as its exclusive purpose—and to provide at the option of the State mentoring, counseling and adult supervision to promote abstinence with a focus on those groups most likely to bear children out-of-wedlock. Also increases the authorization level of MCH to $761 million. (This provision was deleted due to the Byrd Rule.)

Conference agreement

The conference agreement follows the House bill with modification that $50 million for each of fiscal years 1998-2002 is directly appropriated for this purpose.

14. CHURCH OF CHRIST, SCIENTIST

Present law

Sections 1902(a) and 1908(e)(1) of the Social Security Act (relating to Medicaid) reference the Church of Christ, Scientist.

House bill

No provision.

Senate amendment

No provision.

Conference agreement

Changes Medicaid references in Social Security Act from Church of Christ, Scientist, to the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.

JOHN R. KASICH,
BILL ARCHER,
WILLIAM F. GOODLING,
PAT ROBERTS,
TOM BLILEY,
E. CLAY SHAW, JR.,
JAMES TALENT,
JIM NUSSLE,
TIM HUTCHINSON,
JIM MCCRERY,
MICHAEL BILIRAKIS,
LAMAR SMITH,
NANCY L. JOHNSON,
DAVE CAMP,
GARY A. FRANKS,
"DUKE" CUNNINGHAM,
MIKE CASTLE,
BOB GOODLATTE,
Managers on the Part of the House.

From the Committee on the Budget:
PETE V. DOMENICI,
D. NICKLES,
PHIL GRAMM,
JIM EXON,
From the Committee on Agriculture, Nutrition, and Forestry:
RICHARD G. LUGAR,
JESSE HELMS,
THAD COCHRAN,
RICK SANTORUM,
From the Committee on Finance:
WILLIAM V. ROTH, Jr.,
JOHN H. CHAFEE,
CHUCK GRASSLEY,
ORRIN HATCH,
AL SIMPSON,
From the Committee on Labor and Human Resources:
NANCY LANDON KASSEBAUM,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 3517

Mrs. VUCANOVICH submitted the following conference report and statement on the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-721)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3517) "making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 15, 19, 35, 37, and 38.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 7, 8, 9, 12, 13, 16, 24, 26, 29, and 36, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$565,688,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$50,538,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$707,094,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$49,927,000*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$754,064,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$50,687,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$763,922,000*; and the Senate agree to the same.

Amendment numbered 17:

That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

DEPARTMENT OF DEFENSE MILITARY UNACCOMPANIED HOUSING IMPROVEMENT FUND

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense Military Unaccompanied Housing Improvement Fund, $5,000,000, to remain available until expended: Provided, That subject to thirty days prior notification to the Committees on Appropriations, such additional amounts as may be determined by the Secretary of Defense may be transferred to the Fund from amounts appropriated for the acquisition or construction of military unaccompanied housing in "Military Construction" accounts, to be merged with and to be made available for the same purposes and for the same period of time as amounts appropriated directly to the Fund: Provided further, That appropriations made available for the Fund in this Act shall be available to cover the costs, as defined in section 502(5) of the Congressional Budget Act of 1974, of direct loans and loan guarantees issued by the Department of Defense pursuant to the provisions of subchapter IV of chapter 169 of title 10, United States Code, pertaining to alternative means of acquiring and improving military unaccompanied housing and ancillary supporting facilities.

And the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$78,086,000*; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$189,855,000*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$55,543,000*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$37,579,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$52,805,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$158,503,000*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,370,969,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$499,886,000*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,514,127,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$317,507,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$816,509,000*; and the Senate agree to the same.

Amendment numbered 33:

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$1,134,016,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *$25,000,000* ; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment, insert: *123* ; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 124. It is the sense of the Congress that the Secretary of the Army should name buildings numbered 5308 and 5309 at Redstone Arsenal, Alabama, as the Howell Heflin Complex.

And on page 19, line 12 of the House engrossed bill, H.R. 3517, strike "Sec. 123." and insert "Sec. 125." ; and the Senate agree to the same.

BARBARA F. VUCANOVICH,
SONNY CALLAHAN,
JOHN T. MYERS,
JOHN EDWARD PORTER,
DAVID L. HOBSON,
ROGER F. WICKER,
BOB LIVINGSTON,
W.G. (BILL) HEFNER,
THOMAS M. FOGLIETTA,
ESTEBAN EDWARD TORRES,
NORMAN D. DICKS,
DAVID R. OBEY,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
HARRY REID,
DANIEL K. INOUYE,
HERB KOHL
ROBERT BYRD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3517) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1997, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying report.

ITEMS OF GENERAL INTEREST

Matters Addressed by Only One Committee.—The language and allocations set forth in House Report 104-591 and Senate Report 104-287 should be complied with unless specifically addressed to the contrary in the conference report and statement of the managers. Report language included by the House which is not changed by the report of the Senate or the conference, and Senate report language which is not changed by the conference is approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases in which the House or the Senate have directed the submission of a report from the Department of Defense, such report is to be submitted to both House and Senate Committees on Appropriations.

Base Realignment and Closure.—The conferees agree to provide specific approval and appropriated funds for all Base Realignment and Closure construction projects as listed in House Report 104-591.

National Foreign Intelligence Requirements.—The conferees expect any military construction requirements related to the National Foreign Intelligence Program to be subject to the same level of scrutiny and justification as any other Defense requirement coming before the Military Construction Appropriations Subcommittees. Insufficient review within the Department and disregard for congressional authorization and appropriation procedures has created a number of misunderstandings, which the conferees expect will be avoided in the future.

Rescissions.—The conferees recommend a total of $22,428,000 in rescissions of prior-year appropriations for the military services and defense agencies as proposed by the Senate, rather than a total of $12,000,000 as proposed by the House. The rescissions recommended in the bill include the following items which have contract savings or which were previously approved and now are no longer needed:

Army 1994–1998:	
Kwajalein Atoll—Roi Namur Island: Sewage treatment facility	$2,028,000
Navy 1993–1997:	
Virginia—Norfolk NSC: Cold storage warehouse ..	3,000,000
Virginia—Intelligence Training Center, Norfolk: Applied instruction building addition	6,000,000
Navy 1994–1998:	
Pennsylvania—Philadelphia NS: Asbestos removal facility	2,300,000
Air Force 1995–1999:	
Germany—Spangdahlem AB: Upgrade sewage and storm water system	2,100,000
Defense-wide 1996–2000:	
Program Re-estimate	7,000,000
Total	$22,428,000

Hurricane Bertha.—The conferees are aware that military family housing units sustained significant damage from Hurricane Bertha on July 12, 1996. The conferees will consider any reprogramming that may be submitted for repair of these family housing units.

Historic Preservation.—In addition to the directive contained in Senate Report 104-287, the conferees direct the Department to consult with the Advisory Council on Historic Preservation and other relevant organizations with preservation expertise in developing this report.

MILITARY CONSTRUCTION, ARMY

Amendment No. 1

Insert the center heading "(Including Rescissions)" as proposed by the Senate.

Amendment No. 2

Appropriates $565,688,000 for Military Construction, Army instead of $603,584,000 as proposed by the House and $448,973,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

California—Fort Irwin: Land Acquisition.—The conferees recognize that the Army must acquire additional territory adjacent to the National Training Center at Fort Irwin, California, in order to maintain the excellence to training operations at this unique installation. Recent information has shown that environmental mitigation could be performed to permit expansion to the south of the National Training Center, long considered to be the most militarily advantageous option. Therefore, the conferees direct the Army to analyze expansion to the south, to update its cost analysis and economic study of acquiring property to the south, and to report its findings to the Committees on Appropriations no later than March 15, 1997.

Amendment No. 3

Earmarks $50,538,000 for study, planning, design, architect and engineer services, and host nation support instead of $54,384,000 as proposed by the House and $20,723,000 as proposed by the Senate.

Amendment No. 4

Inserts a provision proposed by the Senate which would rescind $2,028,000 in funds appropriated for "Military Construction Army" under Public Law 103–110.

MILITARY CONSTRUCTION, NAVY

Amendment No. 5

Appropriates $707,094,000 for Military Construction, Navy instead of $724,476,000 as proposed by the House and $642,484,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

California—Twentynine Palms Air-Ground Combat Center: MWR-Funded Facilities.—The conferees encourage the Marine Corps to program and budget for adequately-sized recreational facilities for the Twentynine Palms Air-Ground Combat Center in order to address current deficiencies, within amounts available for non-appropriate Morale, Welfare, and Recreation facilities.

Amendment No. 6

Earmarks $49,927,000 for study, planning, design, architect and engineer services instead of $50,959,000 as proposed by the House and $44,809,000 as proposed by the Senate.

Amendment No. 7

Deletes a provision proposed by the House and stricken by the Senate which would rescind $6,900,000 in funds appropriated for "Military Construction, Navy" under Public Law 102–136.

Amendment No. 8

Inserts a provision proposed by the Senate which would rescind $9,000,000 in funds appropriated for "Military Construction, Navy" under Public Law 102–380, rather than $2,800,000 as proposed by the House.

MILITARY CONSTRUCTION, AIR FORCE

Amendment No. 9

Inserts the center heading "(Including Rescissions)" as proposed by the Senate.

Amendment No. 10

Appropriates $754,064,000 for Military Construction, Air Force instead of $678,914,000 as proposed by the House and $704,689,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 11

Earmarks $50,687,000 for study, planning, design, architect and engineer services instead of $47,387,000 as proposed by the House and $29,797,000 as proposed by the Senate.

Amendment No. 12

Inserts a provision proposed by the Senate which would rescind $2,100,000 in funds appropriated for "Military Construction, Air Force" under Public Law 103–307.

MILITARY CONSTRUCTION, DEFENSE-WIDE

Amendment No. 13

Inserts the words "And Rescissions" in the center heading as proposed by the Senate.

Amendment No. 14

Appropriates $763,922,000 for Military Construction, Defense-Wide instead of $772,345,000 as proposed by the House and $771,758,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Energy Conservation Improvement Program.—The conferees agree to provide the budget request of $47,765,000 for the Energy Conservation Improvement Program, provided that the Department of Defense submits project-specific justification via forms 1390/1391 not less than 21 days prior to the execution of any project. In addition, the conferees direct that future budget requests for this program will be supported by forms 1390/1391 as part of the justification of budget estimates. These forms shall include the location, the nature or category of the project, the cost, and the expected payback using the most current technological and economic information available.

Amendment No. 15

Earmarks $12,239,000 for study, planning, design, architect and engineer services as proposed by the House instead of $17,139,000 as proposed by the Senate.

Amendment No. 16

Inserts a provision proposed by the Senate which would rescind $7,000,000 in funds appropriated for "Military Construction, Defense-Wide" under Public Law 104–32.

DEPARTMENT OF DEFENSE MILITARY UNACCOMPANIED HOUSING IMPROVEMENT FUND

Amendment No. 17

Restores language proposed by the House and stricken by the Senate, amended to provide an appropriation of $5,000,000 instead of $10,000,000 as proposed by the House, and amended to strike the words "in this Act" in reference to the transfer of funds into this Fund.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

Amendment No. 18

Appropriates $78,086,000 for Military Construction, Army National Guard instead of $41,316,000 as proposed by the House and $142,948,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

Amendment No. 19

Restores the words "September 30, 2001." as proposed by the House and stricken by the Senate, and deletes language proposed by the Senate which provides $10,800,000 be made available under minor construction for the construction of phase III, at the Western Kentucky Training Site.

Alabama—Mobile: Army Aviation Support Facility.—The conferees note that permanent law provides "appropriations shall be applied only to the objects for which the appropriations were made . . ." (31 U.S.C. 1301(a)). The fiscal year 1995 Military Construction Appropriations Act (Public Law 103–307) included $7,200,000 for an Army Aviation Support Facility at Mobile, Alabama, and these funds are available only for that purpose. The conferees encourage the Army National Guard to explore any cost savings option(s) available in providing this facility, including the acquisition of an existing facility, if one is available which can be acquired and converted for less cost to the federal government than the construction of a new facility.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

Amendment No. 20

Appropriates $189,855,000 for Military Construction, Air National Guard instead of $118,394,000 as proposed by the House and $224,444,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, ARMY RESERVE

Amendment No. 21

Appropriates $55,543,000 for Military Construction, Army Reserve instead of

$50,159,000 as proposed by the House and $75,474,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, NAVAL RESERVE

Amendment No. 22

Appropriates $37,579,000 for Military Construction, Naval Reserve instead of $33,169,000 as proposed by the House and $49,883,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

Amendment No. 23

Appropriates $52,805,000 for Military Construction, Air Force Reserve instead of $51,655,000 as proposed by the House and $67,805,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

Amendment No. 24

Appropriates $172,000,000 for the North Atlantic Treaty Organization Security Investment Program as proposed by the Senate, instead of $177,000,000 as proposed by the House.

FAMILY HOUSING, ARMY

Amendment No. 25

Appropriates $158,503,000 for Construction, Family Housing, Army instead of $176,603,000 as proposed by the House and $189,319,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provided for construction improvements:

Alabama—Fort Rucker (228 units)	$16,000,000
Alaska—Fort Richardson (48 units)	7,800,000
Alaska—Fort Wainwright (52 units)	8,600,000
Kentucky—Fort Campbell (102 units)	9,600,000
Louisiana—Fort Polk (250 units)	7,200,000
Pennsylvania—Tobyhanna (42 units)	2,300,000
Germany—Stuttgart (120 units)	7,300,000
Germany—Baumholder (64 units)	4,600,000
Germany—Mannheim (136 units)	8,200,000

Amendment No. 26

Appropriates $1,212,466,000 for Operations and Maintenance, Family Housing, Army as proposed by the Senate instead of $1,257,466,000 as proposed by the House.

Amendment No. 27

The conference agreement appropriates a total of $1,370,969,000 for Family Housing, Army Instead of $1,434,069,000 as proposed by the House and $1,401,785,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 25 and 26.

FAMILY HOUSING, NAVY AND MARINE CORPS

Amendment No. 28

Appropriates $499,886,000 for Construction, Family Housing, Navy and Marine Corps instead of $532,456,00 as proposed by the House and $418,326,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provide for construction improvements:

Mississippi—NAS Meridian (160 units)	$6,600,000
South Carolina—MCAS Beaufort (1,257 units)	5,900,000
Texas—JRB Fort Worth (55 units)	2,400,000
Washington—NAS Whidbey Island (100 units)	7,000,000

Amendment No. 29

Appropriates $1,014,241,000 for Operation and Maintenance, Family Housing, Navy and Marine Corps as proposed by the Senate instead of $1,058,241,000 as proposed by the House.

Amendment No. 30

The conference agreement appropriates a total of $1,514,127,000 for Family Housing, Navy and Marine Corps instead of $1,590,697,000 as proposed by the House and $1,432,567,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 28 and 29.

FAMILY HOUSING, AIR FORCE

Amendment No. 31

Appropriates $317,507,000 for Construction, Family Housing, Air Force instead of $304,068,000 as proposed by the House and $291,464,000 as proposed by the Senate. Funding for specific projects agreed to by the conferees is displayed in the table at the end of this report.

CONSTRUCTION IMPROVEMENTS

The following projects are to be accomplished within the amount provided for construction improvements:

Florida—Eglin AFB (112 units)	$8,600,000
Ohio—Wright-Patterson AFB (52 units)	6,000,000
Texas—Laughlin AFB (133 units)	13,000,000
Utah—Hill AFB (92 units)	7,500,000

Amendment No. 32

Appropriates $816,509,000 for Operation and Maintenance, Family Housing, Air Force instead of $840,474,000 as proposed by the House and $829,474,000 as proposed by the Senate.

Amendment No. 33

The conference agreement appropriates a total of $1,134,016,000 for Family Housing, Air Force instead of $1,144,542,000 as proposed by the House and $1,120,938,000 as proposed by the Senate. This sum is derived from the conference agreement on amendments numbered 31 and 32.

DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

Amendment No. 34

Appropriates $25,000,000 for Department of Defense Family Housing Improvement Fund instead of $35,000,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 35

Deletes the words "September 30, 2001" as proposed by the Senate, and restores the word "expended" as proposed by the House, permitting funds appropriated under this account to remain available until expended.

Amendment No. 36

Deletes the words "in this Act" as proposed by the Senate in reference to funds available for transfer into this Fund.

GENERAL PROVISIONS

Amendment No. 37

Restores a provision proposed by the House and stricken by the Senate which would prohibit the expenditure of funds except in compliance with the Buy American Act.

Amendment No. 38

Restores a provision proposed by the House and stricken by the Senate which states the Sense of the Congress notifying recipients of equipment or products authorized to be purchased with financial assistance provided in this Act to purchase American-made equipment and products.

Amendment No. 39

Inserts a provision proposed by the Senate which requires the National Guard Bureau to annually prepare a future years defense plan and to present it to the Committees of Congress concurrent with the President's budget submission and makes a technical correction to the section number.

Amendment No. 40

Deletes a provision proposed by the Senate prohibiting Base Realignment and Closure funds from being used to pay for fines or penalties resulting from violations of any law pertaining to the environment. Inserts a provision, which was not included in either the House or Senate bills, stating the sense of the Congress regarding the naming of facilities at Redstone Arsenal, Alabama. And, makes a technical correction to a section number.

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
ALABAMA		
ARMY		
FORT RUCKER		
AIR TRAFFIC CONTROL TOWERS	---	3,250
AIR FORCE		
MAXWELL AFB		
OTS ACADEMIC FACILITY	7,875	7,875
DEFENSE-WIDE		
MAXWELL AIR FORCE BASE		
AMBULATORY HEALTH CARE CENTER (PHASE II)	25,000	25,000
ARMY NATIONAL GUARD		
BIRMINGHAM		
JOINT MEDICAL TRAINING FACILITY	---	4,600
TOTAL, ALABAMA	32,875	40,725
ALASKA		
AIR FORCE		
EIELSON AFB		
CONVENTIONAL MUNITIONS SHOP	---	3,900
ELMENDORF AFB		
HANGAR/SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	19,435	19,435
UPGRADE STORM DRAINAGE SYSTEM	2,095	2,095
KING SALMON		
AIRFIELD PAVEMENTS REPAIR	---	5,700
DEFENSE-WIDE		
DFSC ELMENDORF AFB		
HYDRANT FUEL SYSTEM	18,000	18,000
FUEL FARM (PHASE I)	---	3,000
ARMY NATIONAL GUARD		
FAIRBANKS		
READINESS CENTER EXPANSION	---	4,955
TOTAL, ALASKA	39,530	57,085
ARIZONA		
NAVY		
CAMP NAVAJO NAVY DETACHMENT		
MAGAZINE MODIFICATIONS (PHASE I)	3,920	3,920
AIR FORCE		
DAVIS-MONTHAN AFB		
CONSOLIDATED MATERIAL PROCESSING FACILITY	5,590	5,590
EC-130 AIRCRAFT MAINTENANCE FACILITY	4,330	4,330
LUKE AFB		
DORMITORY	---	6,700
TOTAL, ARIZONA	13,840	20,540
ARKANSAS		
AIR FORCE		
LITTLE ROCK AFB		
ADD/ALTER FIELD TRAINING FACILITY	1,525	1,525
C-130 SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	14,045	14,045
UPGRADE SANITARY SEWER SYSTEM	2,535	2,535
DEFENSE-WIDE		
PINE BLUFF ARSENAL		
AMMUNITION DEMILITARIZATION FACILITY (PHASE III)	46,000	46,000
TOTAL, ARKANSAS	64,105	64,105
CALIFORNIA		
ARMY		
CAMP ROBERTS		
ELECTRICAL DISTRIBUTION SYSTEM	5,500	5,500
CONCORD NAVAL WEAPONS STATION		
AMMUNITION PIER (DBOF)	27,000	27,000
NAVY		
CAMP PENDLETON MARINE CORPS AIR STATION		
AIRCRAFT PARKING APRON AND TAXIWAY	2,600	2,600
RUNWAY IMPROVEMENTS	1,390	1,390
TRANSPORTATION INFRASTRUCTURE	2,250	2,250
CAMP PENDLETON MARINE CORPS BASE		
AUTOMATED FIELD FIRING RANGE	4,020	4,020
BACHELOR ENLISTED QUARTERS	10,100	10,100
BACHELOR ENLISTED QUARTERS	11,800	11,800
BACHELOR ENLISTED QUARTERS REPLACEMENT	12,500	12,500

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
PHYSICAL FITNESS CENTER	4,150	4,150
TACTICAL VEHICLE MAINTENANCE FACILITY	9,060	9,060
NORTH ISLAND NAVAL AIR STATION		
DREDGING	59,502	59,502
SHIP MAINTENANCE FACILITY	27,000	27,000
PORT HUENEME NCBC		
BACHELOR ENLISTED QUARTERS	---	7,700
SAN CLEMENTE ISLAND NAVAL FACILITY		
BACHELOR ENLISTED QUARTERS AND MESSHALL	17,000	17,000
SAN DIEGO MARINE CORPS DEPOT		
COMBAT TRAINING TANK	---	8,150
SAN DIEGO NAVAL STATION		
OILY WASTE COLLECTION FACILITY	7,050	7,050
SAN DIEGO NAV CMD CTRL AND OCEAN SUR CEN RDTE DIV		
PIER (SAN CLEMENTE)	1,960	1,960
TWENTYNINE PALMS MARCORP AIR-GRND COMB CTR		
CHILD DEVELOPMENT CENTER	4,020	4,020
AIR FORCE		
BEALE AFB		
CARS DEPLOYABLE GROUND STATION SUPPORT FACILITY	7,690	7,690
LANDFILL CLOSURE	6,735	6,735
EDWARDS AFB		
ADD/ALTER ANECHOIC CHAMBER	4,890	4,890
CONVERT BOILERS	3,120	3,120
F-22 ALTER AIRCRAFT MAINTENANCE FACILITY	4,390	4,390
RENOVATE AIRCRAFT MAINTENANCE FACILITY	7,680	7,680
MCCLELLAN AFB		
FLOOD CONTROL MEASURES	8,795	---
TRAVIS AFB		
DORMITORY	7,980	7,980
DORMITORY	---	7,000
VANDENBERG AFB		
SATELLITE PROCESSING FACILITY	3,290	3,290
DEFENSE-WIDE		
CAMP PENDLETON MARINE CORPS BASE		
BRANCH MEDICAL CLINIC (EDSON RANGE)	3,300	3,300
DEF DISTRIBUTION (SAN DIEGO) (DDDC)		
REPLACE GENERAL PURPOSE WAREHOUSE (DBOF)	15,700	15,700
DFSC EL CENTRO NAF		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	5,700	5,700
DFSC TRAVIS AFB		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	15,200	15,200
NAVAL AIR STATION LEMOORE		
HOSPITAL REPLACEMENT	38,000	38,000
NAVAL AMPHIBIOUS BASE, CORONADO		
SOF-OPERATIONS AND LOGISTICS SUPPORT FACILITY	7,700	7,700
NORTON AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMINISTRATIVE USE	13,800	13,800
TOTAL, CALIFORNIA	360,872	374,927
COLORADO		
ARMY		
FORT CARSON		
CHILD DEVELOPMENT CENTER	---	4,550
WHOLE BARRACKS COMPLEX RENEWAL (PHASE II)	13,000	13,000
AIR FORCE		
BUCKLEY ANG BASE		
BASE SUPPLY AND EQUIPMENT WAREHOUSE	3,500	3,500
SPACE-BASED INFRARED SYS OPS FACILITY	14,460	14,460
FALCON AFS		
ALTER DINING FACILITY/SAFETY UPGRADE	2,095	2,095
PETERSON AFB		
DORMITORY	8,350	8,350
MISSION SUPPORT FACILITY	12,370	12,370
US AIR FORCE ACADEMY		
FAMILY SUPPORT CENTER	---	2,100
UPGRADE ACADEMIC FACILITY	10,065	10,065
DEFENSE-WIDE		
PUEBLO DEPOT		
AMMUNITION DEMILITARIZATION FACILITY (PHASE I)	17,497	---
AIR NATIONAL GUARD		
BUCKLEY ANGB		
INFRASTRUCTURE IMPROVEMENTS	---	4,450

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
AIR FORCE RESERVE		
PETERSON AFB		
COMPOSITE MAINTENANCE FACILITY	3,200	3,200
TOTAL, COLORADO	84,537	78,140
CONNECTICUT		
NAVY		
NEW LONDON NAVAL SUBMARINE BASE		
BACHELOR ENLISTED QUARTERS	10,600	10,600
HAZARDOUS MATERIAL WAREHOUSE	3,230	3,230
ARMY NATIONAL GUARD		
GROTON		
AVIATION CLASSIFICATION REPAIR ACTIVITY DEPOT	---	5,647
WINDSOR LOCKS		
FIRE SUPPRESSION	---	3,045
TOTAL, CONNECTICUT	13,830	22,522
DELAWARE		
AIR FORCE		
DOVER AFB		
C-5 AERIAL DELIVERY FACILITY	7,980	7,980
VISITING OFFICER QUARTERS	---	12,000
AIR NATIONAL GUARD		
NEW CASTLE COUNTY AIRPORT (WILMINGTON)		
FIRE STATION, AGE, AND AGU COMPLEX	---	2,800
TOTAL, DELAWARE	7,980	22,780
DISTRICT OF COLUMBIA		
ARMY		
FORT LESLEY J MCNAIR		
NATIONAL DEFENSE UNIVERSITY FACILITY (PHASE II)	6,900	6,900
NAVY		
WASHINGTON COMMANDANT NAVAL DISTRICT		
BACHELOR ENLISTED QUARTERS COMPLEX	19,300	19,300
DEFENSE-WIDE		
BOLLING AFB		
RECONFIGURATION DIAC	6,790	---
NAVAL RESERVE		
NAVAL AIR FACILITY WASHINGTON (ANDREWS AFB)		
ADDITION TO HANGAR 12	640	640
TRAINING BUILDING ADDITION	1,465	1,465
TOTAL, DISTRICT OF COLUMBIA	35,095	28,305
FLORIDA		
NAVY		
KEY WEST NAVAL AIR STATION		
FITNESS CENTER	2,250	2,250
MAYPORT NS		
WHARF STRUCTURE IMPROVEMENT	---	2,800
AIR FORCE		
EGLIN AFB		
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	4,590	4,590
EGLIN AFB AUXILIARY FIELD 9		
TRANSIENT PERSONNEL QUARTERS	6,825	6,825
PATRICK AFB		
CONTROL TOWER	2,595	2,595
TYNDALL AFB		
AIRCRAFT EQUIPMENT MAINTENANCE SHOP	---	3,600
DEFENSE-WIDE		
KEY WEST NAVAL AIR STATION		
MEDICAL/DENTAL CLINIC REPLACEMENT	13,600	13,600
MACDILL AFB		
ADD TO USSOCOM COMMAND AND CONTROL FACILITY	---	9,600
ORLANDO NTC (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	2,600	2,600
ARMY NATIONAL GUARD		
MACDILL AFB		
ARMY AVIATION SUPPORT FACILITY	---	4,248
AIR NATIONAL GUARD		
JACKSONVILLE IAP		
UPGRADE HEATING PLANTS AND CHILLERS	680	680

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
NAVAL RESERVE		
NAV RES READINESS CDM (JACKSONVILLE)		
RESERVE CENTER ADDITION	770	770
AIR FORCE RESERVE		
HOMESTEAD AFB		
FIRE TRAINING FACILITY	1,300	1,300
TOTAL, FLORIDA	35,210	55,458
GEORGIA		
ARMY		
FORT BENNING		
RAIL LOADING FACILITY	9,400	9,400
WHOLE BARRACKS COMPLEX RENEWAL	44,000	44,000
FORT MCPHERSON (FORT GILLEM)		
MILITARY ENTRANCE PROCESSING FACILITY	---	3,500
FT STEWART/HUNTER AAF		
CLOSE COMBAT TACTICAL TRAINING BUILDING	6,000	6,000
NAVY		
KINGS BAY NSB		
CHILD DEVELOPMENT CENTER ADDITION	---	1,550
AIR FORCE		
MOODY AFB		
C-130 PARKING RAMP EXPANSION	---	3,350
ROBINS AFB		
JSTARS ADD/ALTER AIRCRAFT MAINTENANCE SHOPS	1,645	1,645
JSTARS ADD/ALTER APRON/HYDRANT FUEL SYSTEM	6,585	6,585
JSTARS SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	8,270	8,270
CHILD DEVELOPMENT CENTER	2,145	2,145
UPGRADE TWO DORMITORIES	---	6,400
AIR NATIONAL GUARD		
ROBINS AFB		
B-1 AGE AND MUNITIONS TRAILER MAINTENANCE COMPLEX	2,800	2,800
B-1 AIRCRAFT PARK APRON AND RELOCATE TAXIWAY	8,800	8,800
B-1 COMPOSITE AIRCRAFT MAINTENANCE COMPLEX	12,400	12,400
B-1 SITE IMPROVEMENTS ROADS AND UTILITIES	5,500	5,500
NAVAL RESERVE		
ATLANTA NAS		
BACHELOR ENLISTED QUARTERS	---	3,250
AIR FORCE RESERVE		
DOBBINS AFB		
ADD/ALTER COMMUNICATIONS FACILITY	1,137	1,137
UPGRADE STORM WATER SYSTEM	---	1,150
TOTAL, GEORGIA	108,682	127,882
HAWAII		
ARMY		
SCHOFIELD BARRACKS		
WHOLE BARRACKS COMPLEX RENEWAL (PHASE I)	---	10,600
NAVY		
KANEOHE BAY MCAS		
BACHELOR ENLISTED QUARTERS	---	20,080
PEARL HARBOR NAVAL STATION		
BACHELOR ENLISTED QUARTERS MODERNIZATION	19,600	19,600
PEARL HARBOR NAVAL SUBMARINE BASE		
BACHELOR ENLISTED QUARTERS	30,500	30,500
BACHELOR ENLISTED QUARTERS MODERNIZATION	5,390	5,390
DEFENSE-WIDE		
PEARL HARBOR (FORD ISLAND)		
SOF-ADVANCED SEAL DELIVERY SYSTEM FACILTY	12,800	12,800
ARMY NATIONAL GUARD		
HILO		
ADD/ALTER ARMY AVIATION SUPPORT FACILITY	---	5,900
AIR NATIONAL GUARD		
HICKAM AFB		
ALTER AVIONICS SHOP	1,000	1,000
SQUADRON OPERATIONS FACILITY ALTERATION	---	9,000
TOTAL, HAWAII	69,290	114,870

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
IDAHO		
NAVY		
NAVAL SURFACE WEAPONS CENTER, BAYVIEW		
SHIPS MODEL ENGINEERING AND TEST FACILITY.........	7,150	7,150
AIR FORCE		
MOUNTAIN HOME AFB		
CORROSION CONTROL FACILITY..........................	---	9,400
FLIGHTLINE FIRE STATION.............................	6,545	6,545
AIR NATIONAL GUARD		
GOWEN FIELD (BOISE)		
C-130 ENGINE AND PROPELLER SHOPS....................	---	1,500
FUEL SYSTEM MAINTENANCE AND CORROSION CONTROL FAC.	4,500	4,500
TOTAL, IDAHO..	18,195	29,095
ILLINOIS		
NAVY		
GREAT LAKES NAVAL HOSPITAL		
BACHELOR ENLISTED QUARTERS (PHASE I)................	---	10,000
GREAT LAKES NAVAL TRAINING CENTER		
BACHELOR ENLISTED QUARTERS..........................	22,900	22,900
DEFENSE-WIDE		
ROCK ISLAND ARSENAL (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)...	14,400	14,400
AIR NATIONAL GUARD		
GREATER PEORIA AIRPORT		
FUEL SYSTEM MAINTENANCE AND CORROSION CONTROL FAC.	4,200	4,200
AIR FORCE RESERVE		
SCOTT AFB		
CONSOLIDATED MEDICAL TRAINING FACILITY..............	2,300	2,300
TOTAL, ILLINOIS.....................................	43,800	53,800
INDIANA		
NAVY		
CRANE NSWC		
BACHELOR ENLISTED QUARTERS..........................	---	5,000
ARMY NATIONAL GUARD		
MARION		
ORGANIZATIONAL MAINTENANCE SHOP.....................	---	1,121
CAMP ATTERBURY		
CENTRAL VEHICLE WASH FACILITY.......................	---	4,747
AIR NATIONAL GUARD		
FT WAYNE IAP		
BASE SUPPLY COMPLEX.................................	---	4,150
UPGRADE DRAINAGE SYSTEM.............................	480	480
HULMAN FIELD (TERRE HAUTE)		
EXTEND CROSS WIND RUNWAY............................	---	7,000
TOTAL, INDIANA......................................	480	22,498
IOWA		
AIR NATIONAL GUARD		
DES MOINES IAP		
AIRCRAFT ARRESTING SYSTEM...........................	---	2,350
KANSAS		
ARMY		
FORT RILEY		
WHOLE BARRACKS COMPLEX RENEWAL......................	26,000	26,000
AIR FORCE		
MCCONNELL AFB		
CONSOLIDATED EDUCATION CENTER.......................	---	6,700
DORMITORY...	8,480	8,480
DORMITORY...	---	7,100
FLIGHT SIMULATOR TRAINING FACILITY..................	---	3,550
DEFENSE-WIDE		
DFSC MCCONNELL AFB		
ADD/ALTER JET FUEL STORAGE FACILITY (DBOF)........	2,200	2,200
ARMY RESERVE		
WICHITA		
ADD/ALTER USARC/NEW OMS/AMSA........................	5,670	5,670
TOTAL, KANSAS.......................................	42,350	59,700

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
KENTUCKY		
ARMY		
FORT CAMPBELL		
RAIL SPUR	16,100	16,100
WHOLE BARRACKS COMPLEX RENEWAL (PHASE II)	35,000	35,000
FORT KNOX		
URBAN TRAINING COMPLEX	---	13,000
WHOLE BARRACKS COMPLEX RENEWAL (PHASE I)	---	10,000
DEFENSE-WIDE		
FORT CAMPBELL		
SOF-SUPPLY SUPPORT FACILITY	4,200	4,200
TOTAL, KENTUCKY	55,300	78,300
LOUISIANA		
AIR FORCE		
BARKSDALE AFB		
COMMUNICATIONS SYSTEMS SQUADRON COMPLEX	2,500	2,500
UPGRADE SANITARY SEWER SYSTEM	2,390	2,390
DEFENSE-WIDE		
DFSC BARKSDALE AFB		
JET FUEL OFFLOAD FACILITY (DBOF)	4,300	4,300
NAVAL RESERVE		
NEW ORLEANS NAVAL AIR STATION		
BACHELOR ENLISTED QUARTERS	---	4,800
NEW ORLEANS NAVAL SUPPORT ACTIVITY		
APPLIED INSTRUCTION FACILITY	---	3,650
BACHELOR ENLISTED QUARTERS	---	8,956
CHILD DEVELOPMENT CENTER ADDITION	---	1,330
TOTAL, LOUISIANA	9,190	27,926
MAINE		
DEFENSE-WIDE		
LORING AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	6,900	6,900
AIR NATIONAL GUARD		
BANGOR		
UPGRADE BASE FACILITIES (PHASE I)	---	7,000
TOTAL, MAINE	6,900	13,900
MARYLAND		
NAVY		
PATUXENT RIVER NAVAL AIR STATION		
WASTEWATER TREATMENT PLANT UPGRADE	1,270	1,270
PATUXENT RIVER NAWC		
ANTE-CHAMBER AND LABORATORY SPACE	---	10,000
US NAVAL ACADEMY		
CHILLER SYSTEM UPGRADE (PHASE I)	---	5,000
AIR FORCE		
ANDREWS AFB		
ALTER DORMITORY	5,990	5,990
FAMILY SUPPORT CENTER	---	2,150
DEFENSE-WIDE		
ANDREWS AIR FORCE BASE		
LIFE SAFETY/EMERGENCY ROOM UPGRADE	15,500	15,500
DFSC ANDREWS AFB		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	12,100	12,100
FOREST GLEN (WRAIR)		
ARMY INSTITUTE OF RESEARCH (PHASE IV)	92,000	72,000
FORT MEADE		
FRIENDSHIP ANNEX III PURCHASE	25,200	---
AIR NATIONAL GUARD		
ANDREWS AFB		
MUNITIONS TRAILER MAINTENANCE FACILITY	500	500
AIR FORCE RESERVE		
ANDREWS AFB		
CONSOLIDATED MEDICAL TRAINING	2,600	2,600
TOTAL, MARYLAND	155,160	127,110

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
MASSACHUSETTS		
AIR NATIONAL GUARD		
BARNES MAP (WESTFIELD)		
UPGRADE HEATING DISTRIBUTION SYSTEM...............	500	500
MILFORD ANGS		
VEHICLE MAINTENANCE COMPLEX........................	---	1,900
TOTAL, MASSACHUSETTS..............................	500	2,400
MICHIGAN		
AIR NATIONAL GUARD		
W. K. KELLOGG AIRPORT (BATTLE CREEK)		
COMPOSITE SUPPORT COMPLEX..........................	---	6,000
SELFRIDGE ANGB (MT CLEMENS)		
UPGRADE HEATING SYSTEMS............................	3,000	3,000
AIR FORCE RESERVE		
SELFRIDGE ANGB (MT CLEMENS)		
FUEL SYSTEM MAINTENANCE HANGAR.....................	6,000	6,000
TOTAL, MICHIGAN...................................	9,000	15,000
MINNESOTA		
ARMY RESERVE		
BUFFALO		
USARC/OMS...	4,260	4,260
MISSISSIPPI		
NAVY		
PASCAGOULA NS		
EXTEND WEST QUAYWALL................................	---	4,990
STENNIS SPACE CENTER (BAY ST LOUIS)		
OCEAN ACOUSTICS RESEARCH LABORATORY................	---	7,960
AIR FORCE		
KEESLER AFB		
STUDENT DORMITORY...................................	14,465	14,465
ARMY NATIONAL GUARD		
CAMP SHELBY		
MULTI PURPOSE RANGE COMPLEX (PHASE II)............	---	5,000
AIR NATIONAL GUARD		
GULFPORT-BILOXI REGIONAL AIRPORT		
RELOCATE HEWES ROAD (PHASE II).....................	---	5,400
THOMPSON FIELD (JACKSON)		
ALTERATION TO OPERATIONS AND TRAINING FACILITY....	---	1,350
TOTAL, MISSISSIPPI................................	14,465	39,165
MISSOURI		
AIR NATIONAL GUARD		
ROSECRANS AIRPORT (ELWOOD)		
VEHICLE MAINT AND AVIATION GROUND EQUIP COMPLEX...	---	4,000
MONTANA		
AIR FORCE		
MALMSTROM AFB		
DORMITORY...	---	6,300
AIR NATIONAL GUARD		
GREAT FALLS IAP		
COMPOSITE SUPPORT FACILITY.........................	---	5,400
TOTAL, MONTANA....................................	---	11,700
NEBRASKA		
DEFENSE-WIDE		
OFFUTT AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)...	7,000	7,000
AIR NATIONAL GUARD		
LINCOLN MAP		
COMPOSITE SUPPORT FACILITIES COMPLEX...............	---	7,300
TOTAL, NEBRASKA...................................	7,000	14,300
NEVADA		
NAVY		
FALLON NAVAL AIR STATION		
BACHELOR ENLISTED QUARTERS..........................	---	14,800

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
CHILD DEVELOPMENT CENTER	---	1,030
ENGINE TEST CELL/AIRCRAFT TEST ENCLOSURE	---	5,800
AIR FORCE		
INDIAN SPRINGS		
UAV OPERATIONS AND MAINTENANCE FACILITIES	4,690	4,690
NELLIS AFB		
DORMITORY	---	9,900
DEFENSE-WIDE		
DFSC FALLON NAVAL AIR STATION		
ADDITION TO HOT REFUELING AREA	2,100	2,100
AIR NATIONAL GUARD		
RENO IAP		
C-130 AIRCRAFT PARKING APRON ADDITION	---	1,400
FUEL SYSTEM MAINTENANCE/CORROSION CONTROL HANGAR	4,600	4,600
TOTAL, NEVADA	11,390	44,320
NEW HAMPSHIRE		
ARMY RESERVE		
MANCHESTER		
ARMED FORCES RESERVE CENTER (PHASE II)	---	5,315
NEW JERSEY		
ARMY		
PICATINNY ARSENAL		
UPGRADE ELECTRICAL POWER SYSTEM (PHASE III)	---	5,000
AIR FORCE		
MCGUIRE AFB		
DORMITORY	8,080	8,080
ARMY NATIONAL GUARD		
FORT DIX		
TRAINING/TRAINING TECHOLOGY BATTLE LAB (PHASE I)	---	2,000
AIR NATIONAL GUARD		
ATLANTIC CITY		
ADD/ALTER MEDICAL TRAINING FACILITY	380	380
MCGUIRE AFB		
CONSOLIDATED SQUADRON OPERATIONS FACILITY	---	9,900
TOTAL, NEW JERSEY	8,460	25,360
NEW MEXICO		
ARMY		
WHITE SANDS MISSILE RANGE		
NATIONAL RANGE CONTROL CENTER (PHASE I)	---	10,000
AIR FORCE		
CANNON AFB		
LOGISTICS ADMINISTRATION FACILITY	---	7,100
KIRTLAND AFB		
ADVANCED LASER RESEARCH FACILITY	---	10,000
AIR NATIONAL GUARD		
KIRTLAND AFB		
MUNITIONS MAINTENANCE AND STORAGE COMPLEX	3,000	3,000
TOTAL, NEW MEXICO	3,000	30,100
NEW YORK		
ARMY		
FORT DRUM		
RANGE CONTROL FACILITY	---	3,800
RAPID DEPLOYMENT OPERATIONS FACILITY	---	7,600
DEFENSE-WIDE		
GRIFFISS AFB (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	10,200	10,200
AIR NATIONAL GUARD		
FRANCIS S. GABRESKI AIRPORT (SUFFOLK COUNTY)		
AIRCRAFT WASH AND DEICING FACILITY	659	659
HANCOCK AIRPORT (SYRACUSE)		
COMPOSITE OPERATIONS AND TRAINING FACILITY	---	4,500
STEWART AIRPORT (NEWBURGH)		
C-5 FLIGHT SIMULATOR FACILITY	3,000	3,000
LANDFILL CLOSURE	---	2,200
AIR FORCE RESERVE		
NIAGARA FALLS IAP		
DEICING FACILITY	342	342
FIRE TRAINING SYSTEM	1,600	1,600
TOTAL, NEW YORK	15,801	33,901

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
NORTH CAROLINA		
ARMY		
FORT BRAGG		
LAND ACQUISITION (PHASE II)	---	14,000
NAVY		
CAMP LEJEUNE MARINE CORPS BASE		
BACHELOR ENLISTED QUARTERS	5,190	5,190
PHYSICAL FITNESS CENTER	2,530	2,530
TRAINING RANGE FACILITIES	9,800	9,800
WASTEWATER TREATMENT PLANT (PHASE III)	3,230	3,230
CHERRY POINT MARINE CORPS AIR STATION		
TACTICAL MISSION PLANNING FACILITY	1,630	1,630
NEW RIVER MARINE CORPS AIR STATION		
AVIATION ARMAMENT SHOPS	4,140	4,140
CHILD DEVELOPMENT CENTER	---	3,250
CORROSION CONTROL HANGAR	12,900	12,900
AIR FORCE		
POPE AFB		
C-130 ADD/ALTER SQUADRON OPERATIONS AMU FACILITY	3,850	3,850
UPGRADE SANITARY SEWER SYSTEM	2,065	2,065
SEYMOUR JOHNSON AFB		
F-15 AGE FACILITY/POD STORAGE	2,405	2,405
F-15 SQUADRON OPERATIONS/AMU/ACADEMIC FACILITY	3,490	3,490
F-15E ADD/ALTER FLIGHT SIMULATOR FACILITIES	3,460	3,460
F-15E STUDENT OFFICER QUARTERS	1,925	1,925
DEFENSE-WIDE		
FORT BRAGG		
SOF-COMPANY OPERATIONS AND SUPPLY COMPLEX	14,000	14,000
CONSOL TROOP MEDICAL CLINIC (SMOKE BOMB HILL)	11,400	11,400
HOSPITAL REPLACEMENT (PHASE IV)	89,000	89,000
AIR NATIONAL GUARD		
STANLY COUNTY AIRPORT (ALBEMARLE)		
COMPOSITE MAINTENANCE FACILITY	---	5,000
PARALLEL TAXIWAY	---	1,850
ARMY RESERVE		
FORT BRAGG		
ADD/ALTER USARC/OMS	9,966	9,966
TOTAL, NORTH CAROLINA	180,981	205,081
NORTH DAKOTA		
AIR FORCE		
GRAND FORKS AFB		
DINING FACILITY	5,985	5,985
KC-135 SQUADRON OPERATIONS/AIRCRAFT MAINTENANCE	6,485	6,485
MINOT AFB		
UNDERGROUND FUEL STORAGE TANKS, MISSILE FACILITY	3,940	3,940
TOTAL, NORTH DAKOTA	16,410	16,410
OHIO		
AIR FORCE		
WRIGHT-PATTERSON AFB		
ADD/ALTER ENGINEERING RESEARCH LAB	7,400	7,400
DEFENSE-WIDE		
COLUMBUS CENTER (DFAS)		
DFAS OPERATIONS FACILITY (PHASE II)	20,822	20,822
DEFENSE CONSTRUCTION SUPPLY CENTER (COLUMBUS)		
CONSTRUCT ENTRANCE ROADWAY (DBOF)	600	600
GENTILE AIR FORCE STATION (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)	11,400	11,400
AIR NATIONAL GUARD		
MANSFIELD LAHM AIRPORT (MANSFIELD)		
COMPOSITE OPERATIONS AND TRAINING FACILITY	---	4,550
RICKENBACKER ANGB		
COMPOSITE SQUADRON OPERATIONS AND HEADQUARTERS FAC	---	6,100
AIR FORCE RESERVE		
YOUNGSTOWN MAP		
FIRE TRAINING SYSTEM	1,500	1,500
CONSOLIDATED MAINTENANCE FACILITY	3,600	3,600
WING HEADQUARTERS FACILITY	5,300	5,300
TOTAL, OHIO	50,622	61,272

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
OKLAHOMA		
AIR FORCE		
TINKER AFB		
CONSOLIDATED VEHICLE MAINTENANCE/METALS FACILITY..	9,880	9,880
DEPOT AIRCRAFT CORROSION CONTROL FAC (PHASE II)...	---	5,400
DEFENSE-WIDE		
DFSC ALTUS AFB		
UPGRADE C-5 HYDRANT SYSTEM (PHASE I) (DBOF).......	3,200	3,200
FORT SILL (DFAS)		
DFAS REGIONAL FINANCE CENTER......................	---	12,864
ARMY NATIONAL GUARD		
CAMP GRUBER		
MODIFIED RECORD FIRE RANGE........................	---	1,551
AIR NATIONAL GUARD		
WILL ROGERS WORLD AIRPORT (OKLAHOMA CITY)		
ADD/ALTER SECURITY POLICE FACILITY................	570	570
ARMY RESERVE		
MUSKOGEE		
ADD/ALTER USARC/OMS...............................	3,125	3,125
AIR FORCE RESERVE		
TINKER AFB		
ALTER FACILITIES FOR CONVERSION...................	5,700	5,700
K-135 OPERATIONS AND TRAINING FACILITIES..........	3,400	3,400
TOTAL, OKLAHOMA...................................	25,875	45,690
OREGON		
DEFENSE-WIDE		
UMATILLA DEPOT		
AMMUNITION DEMILITARIZATION FACILITY (PHASE II)...	64,000	64,000
AIR NATIONAL GUARD		
KLAMATH FALLS IAP		
INFRASTRUCTURE UPGRADES...........................	---	2,500
TOTAL, OREGON.....................................	64,000	66,500
PENNSYLVANIA		
NAVY		
PHILADELPHIA NS		
FOUNDRY IMPROVEMENTS..............................	---	8,300
ARMY RESERVE		
GENEVA		
ECS/AMSA/WAREHOUSE................................	9,352	9,352
ST MARYS		
ADD/ALTER USARC/OMS...............................	2,333	2,333
NAVAL RESERVE		
NAS WILLOW GROVE		
AIRCRAFT RINSE FACILITY...........................	750	750
NMCRC PITTSBURGH		
PURCHASE RESERVE CENTER BUILDING AND LAND.........	3,480	3,480
TOTAL, PENNSYLVANIA...............................	15,915	24,215
RHODE ISLAND		
NAVY		
NEWPORT NWC		
STRATEGIC MARITIME RESEARCH CENTER (PHASE II).....	---	8,000
SOUTH CAROLINA		
NAVY		
PARRIS ISLAND MCRD		
RECRUIT BATTALION OPERATIONS FACILITY.............	---	2,540
AIR FORCE		
CHARLESTON AFB		
C-17 ADD/ALTER AIRCRAFT MAINTENANCE/NDI SHOP......	4,590	4,590
C-17 ADD/ALTER APRON/HYDRANT SYSTEM...............	13,170	13,170
C-17 AIRCRAFT MAINTENANCE FACILITY................	5,785	5,785
C-17 SQUADRON OPS/AIRCRAFT MAINTENANCE UNIT FAC...	5,685	5,685
DORMITORY...	8,180	8,180
SHAW AFB		
ALTER DORMITORIES.................................	---	8,800
SECURITY POLICE OPERATIONS........................	3,300	3,300
UPGRADE SANITARY SEWER SYSTEM.....................	2,365	2,365
DEFENSE-WIDE		
CHARLESTON NAVAL SHIPYARD (DFAS)		
RENOVATE EXISTING FACILITY FOR ADMIN USE (DBOF)...	6,200	6,200

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
CHARLESTON AIR FORCE BASE		
WRM/BEE FACILITY	1,300	1,300
DFSC SHAW AFB		
RAILROAD JET FUEL FACILITY (DBOF)	2,900	2,900
AIR NATIONAL GUARD		
MCENTIRE ANGB		
COMPOSITE SECURITY POLICE FACILITY	---	1,500
TOTAL, SOUTH CAROLINA	53,475	66,315
SOUTH DAKOTA		
AIR FORCE		
ELLSWORTH AFB		
ADD/ALTER CHILD DEVELOPMENT CENTER	---	4,150
ARMY NATIONAL GUARD		
RAPID CITY		
ARMY AVIATION SUPPORT FACILITY RAMP	---	4,329
TOTAL, SOUTH DAKOTA	---	8,479
TENNESSEE		
AIR FORCE		
ARNOLD ENGINEERING DEV CENTER		
UPGRADE ETF REFRIG SYSTEM PLANT	3,790	3,790
UPGRADE JET ENGINE AIR INDUCTION SYSTEM	2,991	8,691
TOTAL, TENNESSEE	6,781	12,481
TEXAS		
ARMY		
FORT HOOD		
CLOSE COMBAT TACTICAL TRAINING BUILDING II	5,900	5,900
WHOLE BARRACKS COMPLEX RENEWAL (PHASE II)	35,000	35,000
ORGANIZATIONAL MOTOR POOL	---	6,400
FORT SAM HOUSTON		
DINING FACILITY MODERNIZATION	---	3,100
NAVY		
INGLESIDE NAVAL STATION		
BACHELOR ENLISTED QUARTERS (PHASE III)	9,600	9,600
MAGNETIC RANGE FACILITY AND LAND ACQUISITION	7,250	7,250
KINGSVILLE NAVAL AIR STATION		
COMBINED FIRE/CRASH RESCUE STATION	1,810	1,810
AIR FORCE		
BROOKS AFB		
STUDENT DORMITORY	---	5,400
DYESS AFB		
ADD/ALTER DORMITORIES	5,895	5,895
CONSOLIDATED DINING HALL	---	6,400
KELLY AFB		
WING SUPPORT FACILITY (DBOF)	3,250	3,250
LACKLAND AFB		
PIF COMBAT ARMS TRAINING FACILITY	4,800	4,800
UPGRADE RECRUIT DORMITORY	4,613	4,613
SHEPPARD AFB		
CONSOLIDATED LOGISTICS COMPLEX	9,400	9,400
DEFENSE-WIDE		
FORT BLISS		
LIFE SAFETY UPGRADE	6,600	6,600
FORT HOOD		
SOCIAL WORK SERVICES CLINIC	1,950	1,950
ARMY NATIONAL GUARD		
BRYAN		
ORGANIZATIONAL MAINTENANCE SHOP	---	1,358
AIR NATIONAL GUARD		
FORT WORTH JRB		
FUEL CELL AND CORROSION CONTROL FACILITY	3,450	4,500
NAVAL RESERVE		
DYESS AFB		
MARINE CORPS RESERVE CENTER	---	3,100
TOTAL, TEXAS	99,518	126,326
UTAH		
AIR FORCE		
HILL AFB		
CORRECT FIRE PROTECTION DEFICIENCIES	3,690	3,690
AIR NATIONAL GUARD		

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
SALT LAKE CITY IAP		
ELECTRONICS SECURITY SQUADRON COMPLEX.............	2,250	2,250
NAVAL RESERVE		
MARCORESCEN CAMP WILLIAMS		
RESERVE TRAINING CENTER............................	1,994	1,994
TOTAL, UTAH..	7,934	7,934
VERMONT		
ARMY NATIONAL GUARD		
JERICHO		
UPGRADE TRAINING RANGES............................	---	746
VIRGINIA		
ARMY		
CHARLOTTESVILLE (DIA)		
LAND ACQUISITION, NATIONAL GROUND INTELLIGENCE CTR	---	1,000
FORT EUSTIS		
CHILD DEVELOPMENT CENTER...........................	---	3,550
NAVY		
DAHLGREN NSWC		
BACHELOR ENLISTED QUARTERS.........................	---	8,030
NORFOLK NAV ADMIN COM ARMED FORCES COLLEGE		
WARGAMING AND RESEARCH CENTER......................	12,900	12,900
NORFOLK NAVAL STATION		
CONTROLLED INDUSTRIAL FACILITY.....................	16,500	16,500
CRANE RAIL INTERCONNECT............................	---	14,400
OILY WASTE COLLECTION SYSTEM.......................	10,200	10,200
PIER ELECTRICAL IMPROVEMENTS.......................	---	6,200
SHORE INTERMEDIATE MNT ACT ADDN AND UPGRADE........	8,820	8,820
QUANTICO MARINE CORPS COMBAT DEV COMMAND		
AMMUNITION STORAGE MAGAZINES (PHASE II)............	2,060	2,060
BATTLE STAFF TRAINING FACILITY.....................	3,580	3,580
SANITARY LANDFILL..................................	8,930	8,930
AIR FORCE		
LANGLEY AFB		
ALTER HQ AIR COMBAT FACILITIES.....................	5,160	5,160
UPGRADE SANITARY SEWER SYSTEM......................	2,845	2,845
DEFENSE-WIDE		
DFSC OCEANA NAS		
JET FUEL STORAGE TANK (DBOF).......................	1,500	1,500
NORFOLK NAVAL AIR STATION		
ENVIRONMENTAL PREVENTIVE MED UNIT ADDITION.........	1,250	1,250
PORTSMOUTH NAVAL HOSPITAL		
HOSPITAL REPLACEMENT (PHASE VIII)..................	24,000	24,000
ARMY NATIONAL GUARD		
DANVILLE		
ADD/ALTER READINESS CENTER.........................	---	1,789
ARMY RESERVE		
FORT EUSTIS		
USARC/OMS..	10,273	10,273
TOTAL, VIRGINIA....................................	108,018	142,987
WASHINGTON		
ARMY		
FORT LEWIS		
READINESS DEPLOYMENT FACILITY......................	3,600	3,600
TANK TRAIL EROSION MITIGATION (YAKIMA).............	2,000	2,000
WHOLE BARRACKS COMPLEX RENEWAL.....................	49,000	49,000
NAVY		
NAVAL STATION, EVERETT		
BACHELOR ENLISTED QUARTERS.........................	10,940	10,940
BERTHING PIER......................................	14,800	14,800
KEYPORT NUWC		
ENVIRONMENTAL TEST FACILITY........................	---	6,800
AIR FORCE		
FAIRCHILD AFB		
KC-135 HYDRANT FUELING SYSTEM......................	10,875	10,875
KC-135 SQUADRON OPS AIRCRAFT MAINTENANCE UNIT......	7,280	7,280
MCCHORD AFB		
C-17 ADD TO FLIGHT SIMULATOR.......................	2,095	2,095
C-17 ADD/ALTER AVIONICS MAINTENANCE FACILITY.......	1,300	1,300
C-17 ALTER HYDRANT FUELING SYSTEM..................	1,100	1,100
C-17 BEDDOWN SUPPORT UTILITIES.....................	5,985	5,985
C-17 CORROSION CONTROL FACILITY....................	11,570	11,570
C-17 FUEL CELL MAINTENANCE FACILITY................	7,480	7,480

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
C-17 MAINTENANCE TRAINING FACILITY	5,685	5,685
C-17 MODULAR REPLACEMENT CENTER	16,460	16,460
DORMITORY	5,390	5,390
TOTAL, WASHINGTON	155,560	162,360
WISCONSIN		
AIR NATIONAL GUARD		
VOLK FIELD (CAMP DOUGLAS)		
UPGRADE SANITARY SEWER SYSTEM	850	850
AIR FORCE RESERVE		
BILLY MITCHELL FIELD (MILWAUKEE)		
IMPROVE STORM DRAINAGE SYSTEM	950	950
MEDICAL TRAINING FACILITY	2,500	2,500
TOTAL, WISCONSIN	4,300	4,300
WYOMING		
AIR FORCE		
FE WARREN AFB		
CHILD DEVELOPMENT CENTER	---	3,700
CONUS CLASSIFIED		
ARMY		
CLASSIFIED LOCATIONS		
CLASSIFIED PROJECT	4,600	4,600
BAHRAIN ISLAND		
NAVY		
ADMINISTRATIVE SUPPORT UNIT		
QUALITY OF LIFE IMPROVEMENTS	5,980	5,980
DEFENSE-WIDE		
ASU BAHRAIN		
MEDICAL/DENTAL CLINIC	4,600	4,600
TOTAL, BAHRAIN ISLAND	10,580	10,580
GERMANY		
ARMY		
MANNHEIM		
BEQ RENOVATION (TAYLOR BARRACKS)	---	9,300
BEQ RENOVATION (SPINELLI BARRACKS)	---	8,100
DARMSTADT		
CHILD DEVELOPMENT CENTER (LINCOLN VILLAGE)	---	7,300
AIR FORCE		
RAMSTEIN AB		
DORMITORY	5,370	5,370
SPANGDAHLEM AB		
FIRE STATION	1,890	1,890
TOTAL, GERMANY	7,260	31,960
GREECE		
NAVY		
SOUDA BAY CRETE NAVAL SUPPORT ACTIVITY		
BACHELOR ENLISTED QUARTERS REPLACEMENT	7,050	7,050
TOTAL, GREECE	7,050	7,050
ITALY		
ARMY		
CAMP EDERLE (VINCENZA)		
UPGRADE WATER SYSTEM	3,100	3,100
NAVY		
NAPLES NAVAL SUPPORT ACTIVITY		
AIR CARGO TERMINAL	8,620	8,620
SIGONELLA NAVAL AIR STATION		
BACHELOR ENLISTED QUARTERS REPLACEMENT	15,700	15,700
AIR FORCE		
AVIANO AB		
CONSOLIDATED SUPPORT CENTER	5,225	5,225
UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	1,935	1,935
UPGRADE FLIGHTLINE WATER DISTRIBUTION SYSTEM	2,900	2,900
DEFENSE-WIDE		
DFSC SIGONELLA NAS		
EXTEND HYDRANT FUEL SYSTEM (DBOF)	6,100	6,100

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
TOTAL, ITALY	43,580	43,580
KOREA		
ARMY		
CAMP CASEY		
WHOLE BARRACKS COMPLEX RENEWAL	16,000	16,000
CAMP RED CLOUD		
WHOLE BARRACKS COMPLEX RENEWAL	14,000	14,000
AIR FORCE		
OSAN AB		
DORMITORY	9,780	9,780
TOTAL, KOREA	39,780	39,780
PUERTO RICO		
AIR NATIONAL GUARD		
PUERTO RICO IAP (SAN JUAN)		
REFUELING VEHICLE SHOP AND PAINT BAY	450	450
SPAIN		
DEFENSE-WIDE		
DFSC MORON AIR BASE		
REPLACE HYDRANT FUEL SYSTEM (DBOF)	12,958	12,958
TURKEY		
AIR FORCE		
INCIRLIK AB		
ADD/ALTER PHYSICAL FITNESS CENTER	1,740	1,740
BASE OPS AND CONTROL TOWER COMPLEX	3,680	3,680
ADD/ALTER TRANSIENT DORMITORY	1,740	1,740
TOTAL, TURKEY	7,160	7,160
UNITED KINGDOM		
NAVY		
ST MAWGAN JOINT MARITIME COMMUNICATION CTR		
ADD/ALTER PHYSICAL FITNESS CENTER	4,700	4,700
AIR FORCE		
RAF CROUGHTON		
FIRE STATION	1,740	1,740
RAF LAKENHEATH		
DORMITORY	7,950	7,950
DORMITORY	4,260	4,260
F-15E ADD/ALTER WEAPONS RELEASE FACILITY	2,615	2,615
F-15E ADD TO JET ENGINE SHOP	2,700	2,700
RAF MILDENHALL		
DORMITORY	6,195	6,195
TOTAL, UNITED KINGDOM	30,160	30,160
OVERSEAS CLASSIFIED		
ARMY		
OVERSEAS CLASSIFIED		
STRATEGIC LOGISTICAL PREPO COMPLEX (PHASE II)	64,000	64,000
AIR FORCE		
OVERSEAS CLASSIFIED		
MUNITIONS STORAGE IGLOOS	6,735	6,735
SPECIAL TACTICAL UNIT DETACHMENT FACILITY	3,680	3,680
WAR READINESS MATERIAL WAREHOUSE	2,215	2,215
WAR READINESS MATERIAL WAREHOUSE	5,765	5,765
TOTAL, OVERSEAS CLASSIFIED	82,395	82,395
NATO		
NATO SECURITY INVESTMENT PROGRAM	197,000	172,000
WORLDWIDE UNSPECIFIED		
ARMY		
UNSPECIFIED WORLDWIDE LOCATIONS		
HOST NATION SUPPORT	20,000	20,000
PLANNING AND DESIGN	23,623	30,538
UNSPECIFIED MINOR CONSTRUCTION	5,000	5,000
NAVY		
UNSPECIFIED WORLDWIDE LOCATIONS		
ACCESS ROADS	300	300
PLANNING AND DESIGN	42,559	49,927

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
UNSPECIFIED MINOR CONSTRUCTION	5,115	5,115
AIR FORCE		
UNSPECIFIED WORLDWIDE LOCATIONS		
UNSPECIFIED MINOR CONSTRUCTION	9,328	9,328
PLANNING AND DESIGN	43,387	50,687
DEFENSE-WIDE		
UNSPECIFIED WORLDWIDE LOCATIONS		
ENERGY CONSERVATION IMPROVEMENT PROGRAM	47,765	47,765
CONTINGENCY CONSTRUCTION	9,500	4,500
PLANNING AND DESIGN		
SPECIAL OPERATIONS COMMAND	2,305	2,305
CHEMICAL DEMILITARIZATION PROGRAM	4,124	4,124
DEFENSE FINANCE AND ACCOUNTING SERVICE	862	862
DEFENSE LEVEL ACTIVITIES	4,948	4,948
SUBTOTAL, PLANNING AND DESIGN	12,239	12,239
UNSPECIFIED MINOR CONSTRUCTION		
SPECIAL OPERATIONS COMMAND	4,000	4,000
DEFENSE MEDICAL SUPPORT ACTIVITY	5,142	5,142
JOINT CHIEFS OF STAFF	6,128	6,128
DEFENSE LEVEL ACTIVITIES	3,200	3,200
DOD DEPENDENT SCHOOLS	2,000	2,000
BALLISTIC MISSILE DEFENSE ORGANIZATION	1,404	1,404
SUBTOTAL, UNSPECIFIED MINOR CONSTRUCTION	21,874	21,874
DEPARTMENT OF DEFENSE		
MILITARY UNACCOMPANIED HOUSING IMPROVEMENT FUND	---	5,000
ARMY NATIONAL GUARD		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	2,100	20,000
UNSPECIFIED MINOR CONSTRUCTION	5,500	5,500
ACCESS ROADS	---	1,550
AIR NATIONAL GUARD		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	7,725	12,036
UNSPECIFIED MINOR CONSTRUCTION	4,100	4,100
ARMY RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	3,480	5,249
NAVAL RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	1,884	3,394
AIR FORCE RESERVE		
UNSPECIFIED WORLDWIDE LOCATIONS		
PLANNING AND DESIGN	5,900	5,900
UNSPECIFIED MINOR CONSTRUCTION	4,326	4,326
TOTAL, WORLDWIDE UNSPECIFIED	275,705	319,328
WORLDWIDE VARIOUS		
ARMY		
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1994	---	-2,028
NAVY		
REDUCTIONS		
REDUCTION FOR PRIOR YEAR SAVINGS	-12,000	---
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1993	---	-9,000
RESCISSION, FISCAL YEAR 1994	---	-2,300
AIR FORCE		
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1995	---	-2,100
DEFENSE-WIDE		
VARIOUS LOCATIONS		
RESCISSION, FISCAL YEAR 1996	---	-7,000
TOTAL, WORLDWIDE VARIOUS	-12,000	-22,428
FAMILY HOUSING, ARMY		
HAWAII		
SCHOFIELD BARRACKS (54 UNITS)	10,000	10,000
NORTH CAROLINA		
FORT BRAGG (88 UNITS)	9,800	9,800
PENNSYLVANIA		
TOBYHANNA AD (ACQUIRE AND DEMOLISH 200 UNITS)	---	890

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
TEXAS		
FORT BLISS (64 UNITS) (PHASE I)	---	11,000
FORT HOOD (140 UNITS)	18,500	18,500
CONSTRUCTION IMPROVEMENTS	33,750	105,350
PLANNING	2,963	2,963
SUBTOTAL, CONSTRUCTION	75,013	158,503
OPERATION AND MAINTENANCE		
SERVICES ACCOUNT	53,684	53,684
FURNISHINGS ACCOUNT	49,057	49,057
UTILITIES ACCOUNT	270,391	270,391
MISCELLANEOUS ACCOUNT	1,241	1,241
LEASING	227,515	227,515
MANAGEMENT ACCOUNT	84,678	84,678
MAINTENANCE OF REAL PROPERTY	525,893	525,893
INTEREST PAYMENTS	7	7
SUBTOTAL, OPERATION AND MAINTENANCE	1,212,466	1,212,466
TOTAL, FAMILY HOUSING, ARMY	1,287,479	1,370,969
FAMILY HOUSING, NAVY		
ARIZONA		
YUMA MCAS (COMMUNITY CENTER)	709	709
CALIFORNIA		
CAMP PENDLETON MARINE CORPS BASE (202 UNITS)	19,483	29,483
LEMOORE NAVAL AIR STATION (276 UNITS)	39,837	39,837
SAN DIEGO PUBLIC WORKS CENTER (366 UNITS)	48,719	48,719
TWENTYNINE PALMS MARCOR AIR-GRND COMB CTR (COMMUNITY CENTER)	1,982	1,982
TWENTYNINE PALMS MARCOR AIR-GRND COMB CTR (HOUSING OFFICE)	956	956
FLORIDA		
MAYPORT NS (100 UNITS)	---	10,000
HAWAII		
KANEOHE BAY MARINE CORPS AIR STATION (54 UNITS)	11,676	11,676
PEARL HARBOR PUBLIC WORKS CENTER (264 UNITS)	52,586	52,586
MAINE		
BRUNSWICK NAS (72 UNITS) (PHASE I)	---	10,925
MARYLAND		
PATUXENT RIVER NAVAL AIR TEST CTR (COMMUNITY CENTER)	1,233	1,233
NORTH CAROLINA		
CAMP LEJEUNE MARINE CORPS BASE (COMMUNITY CENTER)	845	845
CAMP LEJEUNE MARINE CORPS BASE (94 UNITS)	---	10,110
SOUTH CAROLINA		
BEAUFORT MCAS (140 UNITS)	---	14,000
TEXAS		
CORPUS CHRISTI NAVAL COMPLEX (104 UNITS)	---	11,675
KINGSVILLE NAS (32 UNITS) (PHASE I)	---	7,550
VIRGINIA		
CHESAPEAKE NSGA NORTHWEST VA (COMMUNITY CENTER)	741	741
WALLOPS ISLAND AEGIS CSC (20 UNITS)	2,975	2,975
WASHINGTON		
BANGOR NAVAL SUBMARINE BASE (HOUSING OFFICE)	934	934
EVERETT NAVAL STATION PUGET SOUND (100 UNITS)	15,015	15,015
CONSTRUCTION IMPROVEMENTS	183,483	205,383
PLANNING	22,552	22,552
SUBTOTAL, CONSTRUCTION	403,726	499,886
OPERATION AND MAINTENANCE		
MISCELLANEOUS ACCOUNT	1,290	1,290
FURNISHINGS ACCOUNT	34,621	34,621
UTILITIES ACCOUNT	204,967	204,967
SERVICES ACCOUNT	67,413	67,413
MANAGEMENT ACCOUNT	88,707	88,707
MAINTENANCE OF REAL PROPERTY	508,632	508,632
LEASING	108,531	108,531
MORTGAGE INSURANCE PREMIUMS	80	80
SUBTOTAL, OPERATION AND MAINTENANCE	1,014,241	1,014,241

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
TOTAL, FAMILY HOUSING, NAVY	1,417,967	1,514,127
FAMILY HOUSING, AIR FORCE		
ALASKA		
EIELSON AFB (FIRE STATION)	2,950	2,950
EIELSON AFB (72 UNITS)	21,127	21,127
CALIFORNIA		
BEALE AFB (56 UNITS)	8,893	8,893
LOS ANGELES AFB (25 UNITS)	---	6,425
TRAVIS AFB (70 UNITS)	8,631	8,631
VANDENBERG AFB (112 UNITS)	20,891	20,891
DISTRICT OF COLUMBIA		
BOLLING AFB (40 UNITS)	5,000	5,000
FLORIDA		
EGLIN AFB (HURLBURT FIELD) (1 UNIT)	249	---
MACDILL AFB (56 UNITS)	8,822	8,822
PATRICK AFB (HOUSING MAINTENANCE FACILITY)	853	853
PATRICK AFB (HOUSING SUPPLY AND STORAGE FACILITY)	756	756
PATRICK AFB (HOUSING OFFICE)	821	821
TYNDALL AFB (42 UNITS)	---	6,000
GEORGIA		
ROBINS AFB (46 UNITS)	---	5,252
LOUISIANA		
BARKSDALE AFB (80 UNITS)	9,570	9,570
MASSACHUSETTS		
HANSCOM AFB (32 UNITS) (PHASE III)	---	5,100
MISSOURI		
WHITEMAN AFB (68 UNITS)	9,600	9,600
MONTANA		
MALMSTROM AFB (98 UNITS)	---	15,688
NEVADA		
NELLIS AFB (50 UNITS) (PHASE III)	---	7,955
NEW MEXICO		
KIRTLAND AFB (50 UNITS)	5,450	5,450
NORTH DAKOTA		
GRAND FORKS AFB (66 UNITS)	7,784	7,784
MINOT AFB (46 UNITS)	8,740	8,740
TEXAS		
LACKLAND AFB (HOUSING OFFICE)	450	450
LACKLAND AFB (HOUSING MAINTENANCE FACILITY)	350	350
LACKLAND AFB (82 UNITS)	6,500	11,500
WASHINGTON		
MCCHORD AFB (40 UNITS)	5,659	5,659
CONSTRUCTION IMPROVEMENTS	88,550	123,650
PLANNING	9,590	9,590
SUBTOTAL, CONSTRUCTION	231,236	317,507
OPERATION AND MAINTENANCE		
MISCELLANEOUS ACCOUNT	5,619	5,619
MORTGAGE INSURANCE PREMIUMS	30	30
MANAGEMENT ACCOUNT	51,185	51,185
UTILITIES ACCOUNT	167,985	155,020
SERVICES ACCOUNT	32,257	32,257
FURNISHINGS ACCOUNT	36,228	36,228
LEASING	108,083	108,083
MAINTENANCE OF REAL PROPERTY	428,087	428,087
SUBTOTAL, OPERATION AND MAINTENANCE	829,474	816,509
TOTAL, FAMILY HOUSING, AIR FORCE	1,060,710	1,134,016

MILITARY CONSTRUCTION (IN THOUSANDS OF DOLLARS)

INSTALLATION & PROJECT	BUDGET REQUEST	CONFERENCE AGREEMENT
FAMILY HOUSING, DEFENSE-WIDE		
CONSTRUCTION IMPROVEMENTS (NSA)	50	50
CONSTRUCTION IMPROVEMENTS (DLA)	3,821	3,821
PLANNING AND DESIGN (DLA)	500	500
SUBTOTAL, CONSTRUCTION	4,371	4,371
OPERATION AND MAINTENANCE		
SERVICES ACCOUNT (NSA)	355	355
SERVICES ACCOUNT (DLA)	137	137
UTILITIES ACCOUNT (NSA)	500	500
UTILITIES ACCOUNT (DLA)	405	405
MISCELLANEOUS ACCOUNT (NSA)	35	35
LEASING (DIA)	14,366	14,366
LEASING (NSA)	11,271	11,271
FURNISHINGS ACCOUNT (NSA)	184	184
FURNISHINGS ACCOUNT (DIA)	2,262	2,262
FURNISHINGS ACCOUNT (DLA)	32	32
MANAGEMENT ACCOUNT (NSA)	70	70
MANAGEMENT ACCOUNT (DLA)	206	206
MAINTENANCE OF REAL PROPERTY (DLA)	616	616
MAINTENANCE OF REAL PROPERTY (NSA)	524	524
SUBTOTAL, OPERATION AND MAINTENANCE	30,963	30,963
TOTAL, FAMILY HOUSING, DEFENSE-WIDE	35,334	35,334
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND		
DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND	20,000	25,000
HOMEOWNERS ASSISTANCE FUND		
HOMEOWNERS ASSISTANCE FUND	36,181	36,181
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II		
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART II	352,800	352,800
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III		
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III	971,925	971,925
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV		
BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV	1,182,749	1,182,749
TOTAL, BASE REALIGNMENT AND CLOSURE ACCOUNT	2,507,474	2,507,474
GRAND TOTAL	9,132,309	9,982,309

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	$11,177,009,000
Budget estimates for new (obligational) authority, fiscal year 1996	9,132,309,000
House bill, fiscal year 1996	10,032,309,000
Senate bill, fiscal year 1996	9,832,309,000
Conference agreement, fiscal year 1996	9,982,309,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	−1,194,700,000
Budget estimates for new (obligational) authority, fiscal year 1996	+850,000,000
House bill, fiscal year 1996	−50,000,000
Senate bill, fiscal year 1996	+150,000,000

BARBARA F. VUCANOVICH,
SONNY CALLAHAN,
JOHN T. MYERS,
JOHN EDWARD PORTER,
DAVID L. HOBSON,
ROGER F. WICKER,
BOB LIVINGSTON,
W.G. (BILL) HEFNER,
THOMAS M. FOGLIETTA,
ESTEBAN EDWARD TORRES,
NORMAN D. DICKS,
DAVID OBEY,
Managers on the Part of the House.

CONRAD BURNS,
TED STEVENS,
JUDD GREGG,
BEN NIGHTHORSE CAMPBELL,
MARK O. HATFIELD,
HARRY REID,
DANIEL K. INOUYE,
HERB KOHL,
ROBERT BYRD,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 3603

Mr. SKEEN submitted the following conference report and statement on the bill (H.R. 3603) making appropriations for agriculture, rural development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1997, and for other purposes:

CONFERENCE REPORT (H. REPT. 104–726)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3603) "making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 8, 17, 18, 19, 21, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 47, 50, 51, 53, 55, 57, 61, 71, 72, 73, 79, 87, 97, 102, 107, 109, 110, 112, 116, 118, 119, 124, 128, 129, 132, 134, 135, 136, 137, 139, 140, 141, 142, and 143.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 7, 10, 12, 13, 14, 20, 22, 23, 27, 52, 54, 63, 65, 66, 68, 69, 78, 84, 85, 89, 90, 93, 94, 95, 100, 101, 103, 104, 105, 106, 108, 113, 114, 115, 117, 120, 121, 122, 123, 127, 130, 138, 144, 146, 147, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows:

Restore the matter stricken, amended to read as follows: *: Provided, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104–127*; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$23,505,000*; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$144,053,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$716,826,000*; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$69,100,000*; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$49,767,000*; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$94,203,000*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$10,249,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$421,504,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$61,591,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$2,000,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$12,066,000*; and the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$425,520,000*; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate number 46, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$434,909,000*; and the Senate agree to the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate number 48, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$38,507,000*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate number 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$23,128,000*; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate number 56, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$34,653,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate number 58, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$499,000*; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate number 59, and agree to the same with an amendment, as follows:

Delete the matter proposed and restore the matter stricken by said amendment, amended as follows:

In lieu of the first sum named in the matter restored, insert: *$64,000,000*; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate number 60, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$619,742,000*; and the Senate agree to the same.

Amendment numbered 62:

That the House recede from its disagreement to the amendment of the Senate numbered 62, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$12,381,000*; and the Senate agree to the same.

Amendment numbered 64:

That the House recede from its disagreement to the amendment of the Senate numbered 64, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *130,433,000*; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$60,743,000*; and the Senate agree to the same.

Amendment numbered 70:

That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$7,000,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, a follows:

In lieu of the sum proposed by said amendment, insert: *$9,000,000*; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$566,935,000*; and the Senate agree to the same.

Amendment numbered 76:

That the House recede from its disagreement to the amendment of the Senate numbered 76, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$5,200,000*; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$8,750,000*; and the Senate agree to the same.

Amendment numbered 80:

That the House recede from its disagreement to the amendment of the Senate numbered 80, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$8,653,297,000*; and the Senate agree to the same.

Amendment numbered 81:

That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$3,219,544,000*; and the Senate agree to the same.

Amendment numbered 82:

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$1,000,000*; and the Senate agree to the same.

Amendment numbered 83:

That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *: Provided further, That once the amount of fiscal year 1996 carryover funds has been determined by the Secretary, any fund in excess of $100,000,000 may be transferred by the Secretary of Agriculture to the Rural Utilities Assistance Program and/or to the Rural Housing Insurance Fund for the cost of direct section 502 loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974*; and the Senate agree to the same.

Amendment numbered 86:

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$27,618,029,000*; and the Senate agree to the same.

Amendment numbered 88:

That the House recede from its disagreement to the amendment of the Senate numbered 88, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment, insert: *$3,000,000*; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$106,128,000*; and the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$135,561,000*; and the Senate agree to the same.

Amendment numbered 96:

That the House recede from its disagreement to the amendment of the Senate numbered 96, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$226,900,000*; and the Senate agree to the same.

Amendment numbered 98:

That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$185,589,000*; and the Senate agree to the same.

Amendment numbered 99:

That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: *$1,780,000*; and the Senate agree to the same.

Amendment numbered 111:

That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

After "2249" insert: *: Provided, That this limitation shall not apply to expenses associated with receiverships*; and the Senate agree to the same.

Amendment numbered 125:

That the House recede from its disagreement to the amendment of the Senate numbered 125, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 735. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment; and the Senate agree to the same.

Amendment numbered 126:

That the House recede from its disagreement to the amendment of the Senate numbered 126, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 736. Section 747 of the Federal Agriculture Improvement and Reform Act of 1996 is amended by inserting, "effective October 1, 1996," following "The Secretary shall make grants" in section 310B(e)(2) of the Consolidated Farm and Rural Development Act: Provided, That this section shall take effect upon enactment of this Act into law; and the Senate agree to the same.

Amendment numbered 131:

That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 741. RURAL HOUSING PROGRAM EXTENSIONS.

(a) EXTENSION OF MULTIFAMILY RURAL HOUSING LOAN PROGRAM.—

(1) AUTHORITY TO MAKE LOANS.—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1996" and inserting "September 30, 1997".

(2) SET-ASIDE FOR NONPROFIT ENTITIES.—The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking "fiscal year 1996" and inserting "fiscal year 1997".

(b) EXTENSION OF HOUSING IN UNDERSERVED AREAS PROGRAM.—The first sentence of section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended by striking "fiscal year 1996" and inserting "fiscal year 1997".

(c) REFORMS FOR MULTIFAMILY RURAL HOUSING LOAN PROGRAM.—

(1) LIMITATION ON PROJECT TRANSFERS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended by inserting after subsection (g) the following new subsection:

"(h) PROJECT TRANSFERS.—After the date of the enactment of the Act entitled 'An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes', the ownership or control of a project for which a loan is made or insured under this section may be transferred only if the Secretary determines that such transfer would further the

provision of housing and related facilities for low-income families or persons and would be in the best interests of residents and the Federal Government.''.

(2) EQUITY LOANS.—Section 515(t) of the Housing Act of 1949 (42 U.S.C. 1485(t)) is amended—

(A) by striking paragraphs (4) and (5); and

(B) by redesignating paragraphs (6) through (8) as paragraphs (4) through (6), respectively.

(3) EQUITY TAKEOUT LOANS TO EXTEND LOW-INCOME USE.—

(A) AUTHORITY AND LIMITATION.—Section 502(c)(4)(B)(iv) of the Housing Act of 1949 (42 U.S.C. 1472(c)(4)(B)(iv)) is amended by inserting before the period at the end the following: ''or under paragraphs (1) and (2) of section 514(j), except that an equity loan referred to in this clause may not be made available after the date of the enactment of the Act entitled 'An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes', unless the Secretary determines that the other incentives available under this subparagraph are not adequate to provide a fair return on the investment of the borrower, to prevent prepayment of the loan insured under section 514 or 515, or to prevent the displacement of tenants of the housing for which the loan was made''.

(B) APPROVAL OF ASSISTANCE.—Section 502(c)(4)(C) of the Housing Act of 1949 (42 U.S.C. 1472(c)(4)(C)) is amended by striking ''(C)'' and all that follows through ''provided—'' and inserting the following:

''(C) APPROVAL OF ASSISTANCE.—The Secretary may approve assistance under subparagraph (B) for assisted housing only if the restrictive period has expired for any loan for the housing made or insured under section 514 or 515 pursuant to a contract entered into after December 21, 1979, but before the date of the enactment of the Department of Housing and Urban Development Reform Act of 1989, and the Secretary determines that the combination of assistance provided—''.

(C) TECHNICAL CORRECTION.—Section 515(c)(1) of the Housing Act of 1949 (42 U.S.C. 1485(c)(1)) is amended by striking ''December 21, 1979'' and inserting ''December 15, 1989''.

(d) REFORM OF SECTION 515.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended—

(1) by striking subsection (r) and inserting the following:

''(r)(1) The Secretary—

''(A) may require that the initial operating reserve under this section may be in the form of an irrevocable letter of credit; and

''(B) except as provided in paragraph (2), may require not more than a 3 percent contribution to equity, except that the Secretary shall require a 5 percent contribution in the case of a project that is allocated a low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986.

''(2) The Secretary may adjust the amount of equity contribution to ensure that assistance provided is not more than is necessary to provide affordable housing after taking account of assistance from all Federal, State, and local sources.

''(3) Not later than 60 days after the date of enactment of the Act entitled 'An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes', the Secretary shall issue regulations to implement subsection (r)(2) in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5, United States Code: Provided, That if the negotiated rulemaking is not completed within the designated time, the Secretary shall proceed to promulgate regulations under the rulemaking authority contained in 5 U.S.C. 557.''; and

(2) by striking subsection (z).

(e) EQUITY SKIMMING PENALTIES.—

(1) INSURANCE OF LOANS FOR THE PROVISION OF HOUSING AND RELATED FACILITIES FOR DOMESTIC FARM LABOR.—Section 514 of the Housing Act of 1949 (42 U.S.C. 1484) is amended by adding at the end the following new subsection:

''(j) EQUITY SKIMMING PENALTY.—Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a loan made or insured under this section willfully uses, or authorizes the use, of any part of the rents, assets, proceeds, income, or other funds derived from such property, for any purpose other than to meet actual or necessary expenses of the property, or for any other purpose not authorized by this title or the regulations adopted pursuant to this title, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.''.

(2) DIRECT AND INSURED LOANS TO PROVIDE HOUSING AND RELATED FACILITIES FOR ELDERLY PERSONS AND FAMILIES IN RURAL AREAS.—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485), as amended by subsection (d)(2) of this section, is amended by adding at the end the following new subsection:

''(z) EQUITY SKIMMING PENALTY.—Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a loan made or insured under this section willfully uses, or authorizes the use, of any part of the rents, assets, proceeds, income, or other funds derived from such property, for any purpose other than to meet actual or necessary expenses of the property, or for any other purpose not authorized by this title or the regulations adopted pursuant to this title, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.''.

(f) PRIORITIZATION OF ASSISTANCE.—Section 532 of the Housing Act of 1949 (42 U.S.C. 1490l) is amended—

(1) in subsection (a), by striking ''The Secretary'' and inserting ''Except as otherwise provided in subsection (c), the Secretary''; and

(2) by adding at the end the following new subsection:

''(c) PRIORITIZATION OF SECTION 515 HOUSING ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall make assistance under section 515 available pursuant to an objective procedure established by the Secretary, under which the Secretary shall identify counties and communities having the greatest need for such assistance and designate such counties and communities to receive such assistance.

''(2) OBJECTIVE MEASURES.—The Secretary shall use the following objective measures to determine the need for rental housing assistance under paragraph (1):

''(A) The incidence of poverty.

''(B) The lack of affordable housing and the existence of substandard housing.

''(C) The lack of mortgage credit.

''(D) The rural characteristics of the location.

''(E) Other factors as determined by the Secretary, demonstrating the need for affordable housing.

''(3) INFORMATION.—In administering this subsection, the Secretary shall use information from the most recent decennial census of the United States, relevant comprehensive affordable housing strategies under section 105 of the Cranston-Gonzalez National Affordable Housing Act, and other reliable sources obtained by the Secretary which demonstrate the need for affordable housing in rural areas.

''(4) DESIGNATION.—A designation under this subsection shall not be effective for a period of more than 3 years, but may be renewed by the Secretary in accordance with the procedure set forth in this subsection. The Secretary shall take such other reasonable actions as the Secretary considers to be appropriate to notify the public of such designations.''.; and the Senate agree to the same.

Amendment numbered 133:

That the House recede from its disagreement to the amendment of the Senate numbered 133, and agree to the same with an amendment, as follows:

Retain the matter proposed by said amendment, amended as follows:

On page 38, line 14, of the Senate engrossed amendments, insert after ''chapter 83''; *or chapter 84*; and the Senate agree to the same.

Amendment numbered 145:

That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with an amendment, as follows:

In lieu of the first sum named in said amendment, insert the following: *$32,244,000*.

In lieu of the second sum named in said amendment, insert the following: *$110,000,000*; and the Senate agree to the same.

JOE SKEEN,
JOHN T. MYERS,
JAMES T. WALSH,
JAY DICKEY,
JACK KINGSTON,
FRANK RIGGS,
GEORGE R. NETHERCUTT, Jr.,
BOB LIVINGSTON,
RICHARD J. DURBIN,
MARCY KAPTUR,
RAY THORNTON,
VIC FAZIO,
DAVID R. OBEY,
Managers on the Part of the House.

THAD COCHRAN,
CHRISTOPHER BOND,
SLADE GORTON,
MITCH MCCONNELL,
CONRAD BURNS,
MARK O. HATFIELD,
DALE BUMPERS,
TOM HARKIN,
J. ROBERT KERREY,
J. BENNETT JOHNSTON,
HERB KOHL,
ROBERT C. BYRD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3603) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon the managers and recommended in the accompanying conference report.

CONGRESSIONAL DIRECTIVES

The conferees agree that executive branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intentions—that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated, as required by section 1301 of title 31 of the United States Code, which provides: ''Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law.''

Report language included by the House which is not changed by the report of the Senate, and Senate report language which is not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

Amendment No. 1: Deletes House language limiting the detail or assignment of personnel to any Under Secretary or Assistant Secretary office to not more than 30 days. The Senate bill and the conference agreement address this issue in Amendment No. 125. The conference agreement also removes a restriction on the amount of funding for rural housing that may be made available from the Fund for Rural America.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Amendment No. 2: Provides $23,505,000 for repairs, renovations, and construction of USDA buildings and facilities instead of $5,000,000 as proposed by the House and $23,505,400 as proposed by the Senate.

Amendment No. 3: Appropriates $144,053,000 for Agriculture Buildings and Facilities and Rental Payments instead of $125,548,000 as proposed by the House and $144,053,400 as proposed by the Senate.

DEPARTMENTAL ADMINISTRATION

Amendment No. 4: Appropriates $30,529,000 for Departmental Administration as proposed by the Senate instead of $28,304,000 as proposed by the House.

Amendment No. 5: Deletes Senate language earmarking not less than $11,774,000 of the amount appropriated for Departmental Administration for civil rights enforcement. The conferees expect that not less than $11,774,000 of the amount appropriated will be directed to civil rights enforcement.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

Amendment No. 6: Appropriates $3,668,000 for the Office of the Assistant Secretary for Congressional Relations as proposed by the Senate instead of $3,728,000 as proposed by the House.

ECONOMIC RESEARCH SERVICE

Amendment No. 7: Appropriates $53,109,000 for the Economic Research Service as proposed by the Senate instead of $54,176,000 as proposed by the House.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Amendment No. 8: Appropriates $100,221,000 for the National Agricultural Statistics Service as proposed by the House instead of $98,121,000 as proposed by the Senate.

AGRICULTURAL RESEARCH SERVICE

Amendment No. 9: Appropriates $716,826,000 for the Agricultural Research Service instead of $702,831,000 as proposed by the House and $722,839,600 as proposed by the Senate.

The following table reflects the conference agreement:

[In thousands of dollars]

	1997 request	House bill	Senate bill	Conference agreement
FY 1996 appropriation	710,000	710,000	710,000	710,000
Transfer: working capital fund	55	55	55	55
Adjusted fiscal year 1996 appropriation	709,945	709,945	709,945	709,945
Food safety research	7,500	4,000	7,500	5,500
Genetic resources & biodiversity	2,400	500	500	500
Integrated pest management, biocontrol of pests	6,932	3,000	3,000 (1)	3,000 (2)
Alternatives to methyl bromide	1,000	1,000	1,000	1,000
Integrated farming systems	3,500	500	1,000	1,000
Waste management	2,000	....	500	....
South Florida everglades ecosystem	2,000	(2,000)	(2,000)	(2,000)
Biomass (electricity generation)	2,000	....	2,000	....
Binational agricultural research and development (BARD)	2,500	....	....	....
Operational requirements (pay costs, retirement, adm. O/H reduction)	6,576	....	....	....
Termination/reduction of ongoing projects	(−14,353)	(−10,224)	(−7,864.8)	(−3,646.8)
General reduction	(−5,647)	(−7,140)	(−1,265.6)	(−5,647.2)
Budget amendment (program support of aquaculture facilities at Stuttgart, AR and Marion, AL)	2,500	....	....	....
Alfalfa, Manhattan, KS	....	....	300	250
Aquaculture, Pine Bluff, AR	....	....	250	150
Arkansas Children's Hospital, Little Rock, AR	....	100	425	500
Club Wheat, Pullman, OR	....	....	450	350
Emerging infectious diseases	....	300	....	300
Fish farming experiment lab, Stuttgart, AR	....	....	250	150
Floriculture/horticulture	....	200	....	200
Lower MS delta nutrition initiative	....	....	2,000	750
NW small fruits research, Corvallis, OR	....	200	450	325
Peanuts, Stillwater, OR	....	....	250	150
Phytoestrogens, New Orleans, LA	....	450	....	350
Plant stress, Lubbock, TX	....	....	150	....
Poultry disease (PEMS) research	....	....	200	100
Sugarcane (biotechnology), Houma, LA	....	....	500	400
Warmwater aquaculture, MS	....	....	1,300	1,200
Total fiscal year 1997 appropriation	728,853	702,831	722,839.6	716,826

[1] 400 for tamarisks–NV.

[2] No earmarks.

The conferees provide continued funding at the fiscal year 1996 level for the following areas of research; management systems to ameliorate soils stress, Auburn, AL ($406,000); yellow star thistle integrated pest management, Albany, CA ($93,900); sugar beet research, Ft. Collins, CO ($626,700); global change research, Ft. Collins, CO ($1,000,000); management of termites as urban pests in the American Pacific, Gainesville, FL ($145,500); manage diseases in forage and turf ecosystems, Tifton, GA ($141,000); aquaculture productivity reassert, Hilo, HI ($1,628,900); nontoxic control methods of fruit fly, Hilo, HI ($316,500); development and use of molecular techniques in oat enhancement, Aberdeen, ID ($162,300); animal health consortium, Peoria, IL ($929,300); forage research, Ames, IA ($172,800); genetic characterization of soybean germplasm, Ames, IA ($180,700); genetic engineering of fungal phytase to reduce groundwater contamination, New Orleans, LA ($597,000); lyme disease research, Beltsville, MD ($172,900); apple research, Beltsville, MD ($841,200); remote sensing and associated technologies for production, Beltsville, MD ($206,000); production and evaluation of tissue-cultured fruit crops, Beltsville, MD ($240,400); National Turfgrass Evaluation Program, Beltsville, MD ($55,800); wild rice research, St. Paul, MN ($150,300); herbicide research to improve weed control and crop productivity, St. Paul, MN ($196,600); optimization of bacterial fibrolytic activity in heat animals, Clay Center, NE ($236,800); influence of gastrointestinal neuroendocrine peptides on food intake and growth of swine, Clay Center, NE ($210,600); genetic improvement of perennial grass germplasm, Lincoln, NE ($270,100); biocontrol agents of pest insects of agricultural crops, Ithaca, NY ($50,100); texture control of sweet potato products, Raleigh, NC ($219,400); role of molybdenum-independent nitrogenases in nature, Raleigh, NC ($235,000); development of soybean germplasm and production systems for high yield and drought-prone environments, Wooster, OH ($212,300); development of efficient kenal production systems, Lane, OK ($152,300); partitioning of photosynthate, Corvallis, OR ($177,600); characterization of environment and nutritional induced cytokinin changes in wheat, Corvallis, OR ($217,000); biology, ecology, and control of plant parasitic nematodes in field and range plants, Logan, UT ($149,800); and processing of forages to increase values, Madison, WI ($311,500).

Amendment No. 10: Retains language proposed by the Senate transferring the property known as the National Agricultural Water Quality Laboratory in Durant, Oklahoma, to Southeastern Oklahoma State University. The House bill contained no similar provision.

BUILDINGS AND FACILITIES

Amendment No. 11: Appropriates $69,100,000 for Agricultural Research Service, Buildings and Facilities instead of $59,600,000 as proposed by the House and $59,200,000 as proposed by the Senate.

The following table reflects the conference agreement:

[In thousands of dollars]

	1997 request	House	Senate	Conference
California:				
U.S. Horticultural Crop and Water Management Research Laboratory, Parlier	22,000	....	11,000	....
Western Regional Research Center, Albany	4,600	4,000	....	4,000
Florida:				
Horticultural Research Laboratory, Fort Pierce	29,800	27,000	14,900	27,000
Melaleuca Research and Quarantine Facility, Fort Lauderdale	4,000	....	....	....
Illinois:				
National Center for Agricultural Utilization Research, Peoria	1,500	1,500	1,500	1,500
Ethanol pilot plant	....	1,500	....	1,500
Kansas:				
U.S. Grain Marketing Research Laboratory, Manhattan	....	....	500	500
Maryland:				
Agricultural Research Center, Beltsville	4,500	4,500	4,500	4,500
New York:				
Plum Island Animal Disease Center, Greenport	5,000	5,000	5,000	5,000
Pennsylvania:				
Eastern Regional Research Center, Philadelphia	4,700	4,000	4,700	4,000
South Carolina:				
U.S. Vegetable Laboratory, Charleston	....	....	3,000	3,000
Texas:				
Plant Stress and Water Conservation Laboratory, Lubbock	....	8,100	8,100	8,100
Subtropical Agricultural Research Laboratory, Weslaco	4,000	4,000	....	4,000
West Virginia:				
National Center for Cool and Cold Water Aquaculture, Leetown	....	....	6,000	6,000
Total, ARS, B&F	80,100	59,600	59,200	69,100

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

Amendment No. 12: Provides $168,734,000 for payments under the Hatch Act as proposed by the State instead of $163,671,000 as proposed by the House.

Amendment No. 13: Provides $20,497,000 for cooperative forestry research as proposed by the Senate instead of $19,882,000 as proposed by the House.

Amendment No. 14: Provides $27,735,000 for payments to 1890 land-grant colleges and Tuskegee University as proposed by the Senate instead of $26,902,000 as proposed by the House.

Amendment No. 15: Provides $49,767,000 for special research grants instead of $44,235,000 as proposed by the House and $47,080,000 as proposed by the Senate.

Amendment No. 16: Provides $94,203,000 for competitive research grants instead of $96,735,000 as proposed by the House and $93,935,000 as proposed by the Senate.

Amendment No. 17: Provides $4,775,000 for animal and health disease programs as proposed by the House instead of $5,051,000 as proposed by the Senate.

Amendment No. 18: Provides $650,000 for supplemental and alternative crops as proposed by the House instead of $500,000 as proposed by the Senate. The conference agreement includes $500,000 for canola research and $150,000 for hesperaloe research.

Amendment No. 19: Provides $500,000 for the Critical Agricultural Materials Act as proposed by the House instead of $700,000 as proposed by the Senate.

Amendment No. 20: Provides $1,500,000 for education grants for Hispanic-serving Institutions as proposed by the Senate instead of $2,000,000 as proposed by the House.

Amendment No. 21: Provides $8,000,000 for the sustainable agriculture research and education as proposed by the House instead of $8,100,000 as proposed by the Senate.

Amendments No. 22 and 23: Insert and delete a U.S. Code citation for capacity building grants for 1890 land-grant colleges as proposed by the Senate.

Amendment No. 24: Provides $10,249,000 for Federal administration instead of $9,605,000 as proposed the House and $10,644,000 as proposed by the Senate.

Amendment No. 25: Appropriates $421,504,000 for Cooperative State Research, Education, and Extension Service, Research and Education Activities instead of $411,849,000 as proposed by the House and $419,370,000 as proposed by the Senate.

SCIENCE AND EDUCATION

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
COOPERATE STATE RESEARCH SERVICE			
Payments Under Hatch Act	163,671	168,734	168,634
Cooperative forestry research (McIntire-Stennis)	19,882	20,497	20,497
Payments to 1890 colleges and Tuskegee	26,902	27,735	27,735
Special Research Grants (P.L. 89–106):			
Aflatoxin (IL)	113	....	113
Agricultural diversification (HI)	131	131	131
Alliance for food protection (NE, GA)	300	300	300
Alternative cropping systems (Southeast)	....	232	....
Alternative crops (ND)	550	550	550
Alternative crops for arid lands (TX)	85	....	85
Alternative Marine and Fresh Water Species (MS)	308	308	308
Apple fire blight (NY, MI)	325	350	325
Aquaculture (IL)	169	169	169
Aquaculture (LA)	330	330	330
Aquaculture (MS)	592	592	592
Aquaculture (NC)	150	....	150
Aquaculture marketing (RI, AR)	....	250	....
Asian Products lab (OR)	212	....	....
Babcock Institute (WI)	....	312	312
Barley feed for rangeland cattle (MT)	250	500	500
Binational agriculture research and development	2,500	2,500	2,000
Biodiesel research (MO)	150	152	152
Biotechnology (OR)	217	250	250
Broom snakeweed (NM)	175	169	175
Canola (KS)	85	85	85
Center for animal health and productivity (PA)	113	....	113
Center for innovative food technology (OH)	181	....	181
Center for rural studies (VT)	....	32	32
Chesapeake Bay aquaculture	370	370	370
Coastal cultivars	200	....	200
Competitiveness of agricultural products (WA)	677	677	677
Cool season legume research (ID, WA)	329	329	329
Cranberry/blueberry disease and breeding (NJ)	220	220	220
Dairy and meat goat research (TX)	....	63	63
Delta rural revitalization (MS)	148	148	148
Drought mitigation (NE)	200	200	200
Environmental research (NY)	486	....	486
Environmental risk factors/cancer (NY)	100	....	100
Expanded wheat pasture (OK)	285	285	285
Farm and rural business finance (IL, AR)	106	106	106
Floriculture (HI)	....	250	250
Food and Agriculture Policy Institute (IA, MO)	800	850	800
Food irradiation (IA)	....	201	201

SCIENCE AND EDUCATION—Continued

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Food marketing policy center (CT)	332	332	332
Food processing center (NE)	....	42	42
Food safety consortium (AR, KS, IA)	1,690	1,743	1,690
Food systems research group (WI)	221	221	221
Forestry (AR)	523	723	523
Fruit and vegetable market analysis (AZ, MO)	296	....	296
Generic commodity promotion research and evaluation (NY)	212	....	212
Global change	1,567	1,615	1,567
Global marketing support service (AR)	....	92	92
Grain sorghum (KA)	....	106	106
Grass seed cropping systems for a sustainable agriculture (WA, OR, ID)	....	423	423
Human nutrition (AR)	425	....	....
Human nutrition (IA)	473	473	473
Human nutrition (LA)	752	752	752
Human nutrition (NY)	622	....	622
Illinois-Missouri Alliance for Biotechnology	1,316	1,357	1,316
Improved dairy management practices (PA)	296	....	296
Improved fruit practices (MI)	445	445	445
Institute for Food Science and Engineering (AR)	750	750	750
Integrated production systems (OK)	161	161	161
International arid lands consortium	329	....	329
Iowa biotechnology consortium	....	1,792	1,738
Jointed goatgrass (WA)	296	296	296
Landscaping for water quality (GA)	300	300	300
Livestock and dairy policy (NY, TX)	445	445	445
Lowbush blueberry research (ME)	220	220	220
Maple research (VT)	....	84	84
Michigan biotechnology consortium	750	750	750
Midwest advanced food manufacturing alliance	423	423	423
Midwest agricultural products (IA)	592	592	592
Milk safety (PA)	....	268	268
Minor use animal drug	550	550	550
Molluscan shellfish (OR)	300	400	400
Multi-commodity research (OR)	....	264	364
Multi-cropping strategies for aquaculture (HI)	....	127	127
National biological impact assessment	254	254	254
Nematode resistance genetic engineering (NM)	127	127	127
Non-food agricultural products (NE)	....	64	64
North central biotechnology initiative	1,940	....	1,940
Oil resources from desert plants (NM)	175	169	175
Organic waste utilization (NM)	100	....	100
Pasture and forage research (UT)	....	200	200
Peach tree short life (SC)	....	162	162
Pest control alternatives (SC)	....	106	106
Phytophthora root rot (NM)	127	127	127
Postharvest rice straws (CA)	100	....	100
Potato cultivars (AK)	....	120	120
Potato research	1,214	1,214	1,214
Preharvest food safety (KS)	212	212	212
Preservation and processing research (OK)	226	....	226
Red River Corridor (NM, ND)	....	169	169

SCIENCE AND EDUCATION—Continued

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Regional barley gene mapping project	348	348	348
Regionalized implications of farm programs (MO, TX)	294	294	294
Rice Modeling (AR)	395	395	395
Rural development centers (PA, IA (ND), MS, OR)	423	423	423
Rural policies institute (NE, MO)	644	644	644
Russian wheat aphid (WA, OR, CO, CA, ID)	....	455	....
Seafood and aquaculture harvesting, processing, and marketing (MS)	305	305	305
Small fruit research (OR, WA, ID)	212	212	212
Southwest consortium for plant genetics and water resources	338	338	338
Soybean cyst nematode (MO)	303	303	303
Spatial technologies for agriculture (MS)	....	500	350
STEEP II—water quality in Northwest	500	500	500
Sunflower insects (ND)	....	127	....
Sustainable agriculture (MI)	445	445	445
Sustainable agriculture and natural resources (PA)	....	94	94
Sustainable agriculture systems (NE)	....	59	59
Sustainable pest management for dryland wheat (MT)	....	350	200
Swine waste management (NC)	150	280	215
Tillage, silviculture, waste management (LA)	212	212	212
Tropical and subtropical	2,724	2,809	2,724
Urban pests (GA)	64	64	64
Viticulture consortium (NY, CA)	500	500	500
Water conservation (KS)	79	79	79
Water quality	2,757	2,757	2,757
Weed control (ND)	....	423	423
Wheat genetic research (KS)	176	176	176
Wood utilization research (OR, MS, NC, MN, ME, MI)	3,536	3,758	3,536
Wool research (TX, MT, WY)	212	212	212
Total, Special Research Grants.	44,235	47,080	49,767
Improved pest control:			
Critical issues	200	200	200
Emerging pest and disease issues	1,623	1,623	1,623
Expert IPM and decision support issues	177	177	177
Integrated pest management	2,731	2,731	2,731
Pesticide clearance (IR–4)	5,711	5,711	5,711
Pesticide impact assessment	1,327	1,327	1,327
Total, Improved pest control	11,769	11,769	11,769
Competitive research grants:			
Plant systems	37,000	35,744	36,044
Animal systems	23,750	23,136	23,104
Nutrition, food quality and health	7,400	7,209	7,209
Natural resources and the environment	17,650	17,194	17,194
Processes and new products	6,935	6,755	6,755
Markets, trade and policy	4,000	3,897	3,897
Total, Competitive research grants	96,735	93,935	94,203
Animal Health and Disease (Sec. 1433)	4,775	5,051	4,775
Critical Agricultural Materials Act	500	700	500
Aquaculture Centers (Sec. 1475)	4,000	4,000	4,000
Rangeland Research Grants (Sec. 1480)	475	475	475
Alternative Crops	650	500	650
Low-input agriculture	8,000	8,100	8,000
Capacity building grants	9,200	9,200	9,200
Payments to the 1994 Institutions	1,450	1,450	1,450
Graduate fellowship grants	3,000	3,000	3,000
Institution challenge grants	4,000	4,000	4,000
Multicultural scholars program	1,000	1,000	1,000
Hispanic-serving institutions	2,000	1,500	1,500
Federal Administration:			
Agriculture development in American Pacific	564	564	564
Alternative fuels characterization lab (ND)	218	218	218
Center for Agricultural and Rural Development (IA)	655	655	355
Center for North American Studies (TX)	87	87	87
Data information system	400	400	400
Geographic information system	750	939	844
Mississippi Valley State University	583	583	583
Nat'l Education Ctr for Agricultural Safety (IA)	....	300	300
Office of grants and program systems	310	310	310
Pay costs and FERS (prior)	833	833	833
Peer panels	350	350	350
PM–10 study (CA, WA)	873	873	873
Rural partnership (NE)	....	250	250
Shrimp aquaculture (AZ, HI, MS, MA, SC)	3,054	3,354	3,354
Water quality (IL)	492	492	492
Water quality (ND)	436	436	436
Total, Federal Administration	9,605	10,644	10,249
Total, Cooperative State Research Service	411,849	419,370	421,504

Potato research.—The conferees expect the Department to ensure that funds provided to CSREES for potato research are utilized for varietal development/testing. Further, these funds are to be awarded competitively after review by the USDA Potato Industry Working Group.

Corn genome mapping.—The conference agreement provides no specific earmark for corn genome mapping but the conferees urge the Department to provide increased attention to this effort and develop a long-term approach for corn genome mapping.

BUILDINGS AND FACILITIES

Amendment No. 26: Appropriates $61,591,000 for Cooperative State Research, Education, and Extension Service, Buildings and Facilities instead of $30,449,000 as proposed by the House and $55,668,000 as proposed by the Senate.

As stated in the fiscal year 1996 conference report, the conferees, within available resources, would provide for completion of as many university facilities as possible during fiscal year 1997. Fourteen facilities are completed by this appropriation. The conferees expect any unfinished university project to obtain additional funding from other than Federal sources. The Department should not release additional funds to incomplete projects until all funding for completion is in place. The conferees expect universities to obtain funding within three years. It is anticipated that all unused funds would be rescinded. The conferees also agree with the reprogramming of funds as proposed by the Senate.

The following table reflects the conference agreement:

SCIENCE AND EDUCATION

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
BUILDINGS AND FACILITIES			
Alabama:			
Poultry science facility, Auburn University	....	4,140	4,140
California:			
Alternative Pest Control Containment and Quarantine Facility, University of California	5,000	....	3,500
Colorado:			
Animal Reproduction and Biotechnology Laboratory, Colorado State University	1,100	1,100	1,100
Connecticut:			
Agricultural biotechnology building, University of Connecticut	....	4,000	2,000
Idaho:			
Biotechnology facility, University of Idaho	....	3,544	3,544
Illinois:			
Biotechnology Center, Northwestern University	1,000	5,464	2,000
Science facility, DePaul University	2,000	....	4,565
Maryland:			
Institute for Natural Resources and Environmental Science, University of Maryland	2,288	2,288	2,288
Massachusetts:			
Center for Hunger, Poverty and Nutrition Policy, Tufts University	....	1,641	820
Missouri:			
Center for Plant Biodiversity, St. Louis	500	3,161	3,161
New Jersey:			
Plant Bioscience Facility, Rutgers University	3,850	1,000	1,000
New Mexico:			
Center for Arid Land Studies, New Mexico State University	7,318	5,044	5,044
North Carolina:			
Bowman-Gray Center, Wake Forest	1,000	1,000	1,000
Ohio:			
Lake Erie Soil and Water Research and Education Center	2,308	....	2,308
Oregon:			
Forest Ecosystem Research Lab, Oregon State University	....	5,000	5,000
South Dakota:			
Animal Resource Wing, South Dakota State University	....	2,700	2,700
Tennessee:			
Agricultural, Biological and Environmental Research Complex, University of Tennessee in Knoxville	....	3,500	2,750
Horse Science and Teaching Center, Middle Tennessee State University	2,585	....	2,585
Texas:			
Southern crop improvement, Texas A&M	....	4,508	4,508
Washington:			
Animal Disease Biotechnology Facility, Washington State University	1,500	7,578	7,578
Total, Buildings and facilities	30,449	55,668	61,591

EXTENSION ACTIVITIES

Amendment No. 27: Provides $268,493,000 for section 3(b) and 3(c) of the Smith-Lever Act as proposed by the Senate instead of $260,438,000 as proposed by the House.

Amendment No. 28: Provides $2,000,000 for extension work at the 1994 Institutions instead of $2,500,000 as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 29: Provides $58,695,000 for the expanded food and nutrition education program (EFNEP) as proposed by the House instead of $60,510,000 as proposed by the Senate.

Amendment No. 30: Provides $2,855,000 for farm safety as proposed by the House instead of $2,943,000 as proposed by the Senate. The conference agreement earmarks $1,910,000 of the total for the AgrAbility project.

Amendment No. 31: Provides $3,214,000 for pesticide impact assessment as proposed by the House instead of $3,313,000 as proposed by the Senate.

Amendment No. 32: Provides $7,549,000 for 1890 facilities grants as proposed by the House instead of $7,782,000 as proposed by the Senate.

Amendment No. 33: Deletes Senate language providing $1,700,000 for 1994 Institutions facilities grants. The House bill contained no similar provision.

Amendment No. 34: Provides $908,000 for rural development centers as proposed by the House instead of $936,000 as proposed by the Senate.

Amendment No. 35: Provides $10,733,000 for water quality as proposed by the House instead of $11,065,000 as proposed by the Senate.

Amendment No. 36: Provides $1,167,000 for agricultural telecommunications as proposed by the House instead of $1,203,000 as proposed by the Senate.

Amendment No. 37: Provides $9,554,000 for youth-at-risk programs as proposed by the House instead of $9,850,000 as proposed by the Senate.

Amendment No. 38: Provides $2,365,000 for food safety as proposed by the House instead of $2,438,000 as proposed by the Senate.

Amendment No. 39: Provides $3,192,000 for the Renewable Resources Extension Act as proposed by the House instead of $3,291,000 as proposed by the Senate.

Amendment No. 40; Provides $1,672,000 for Indian reservation agents as proposed by the House instead of $1,724,000 as proposed by the Senate.

Amendment No. 41: Provides $3,309,000 for sustainable agriculture programs as proposed by the House instead of $3,411,000 as proposed by the Senate.

Amendment No. 42: Provides $2,628,000 for rural health and safety education as proposed by the House instead of $2,709,000 as proposed by the Senate. The conference agreement earmarks $2,150,000 of the total for the rural health program in Mississippi and $478,000 for the rural health and outreach initiative in Louisiana.

Amendment No. 43: Provides $24,337,000 for the 1890 colleges and Tuskegee University as proposed by the House instead of $25,090,000 as proposed by the Senate.

Amendment No. 44: Provides $12,066,000 for Federal administration of Extension Activities instead of $6,271,000 as proposed by the House and $11,381,000 as proposed by the Senate.

Amendment No. 45: Appropriates $425,520,000 for Extension Activities instead of $409,670,000 as proposed by the House and $431,122,000 as proposed by the Senate.

The following table reflects the conference agreement:

SCIENCE AND EDUCATION

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
EXTENSION ACTIVITIES			
Smith Lever 3(b) & 3(c)	260,438	268,493	268,493
Smith Lever: 3(d):			
Pest management	10,783	10,783	10,783
Water quality	10,733	11,065	10,733
Farm safety	2,855	2,943	2,855
Food and nutrition education (EFNEP)	58,695	60,510	58,695
Pesticide impact assessment	3,214	3,313	3,214
Rural development centers	908	936	908
Sustainable agriculture	3,309	3,411	3,309
Food safety	2,365	2,438	2,365
Youth at risk	9,554	9,850	9,554
Indian reservation agents	1,672	1,724	1,672
1890's Colleges and Tuskegee	24,337	25,090	24,337
1890's facilities grants	7,549	7,782	7,549
1994 institutions facilities grants		1,700	
Renewable Resources Extension Act	3,192	3,291	3,192
Agricultural telecommunications	1,167	1,203	1,167
Rural health and safety education	2,628	2,709	2,628
Extension services at the 1994 institutions		2,500	2,000
Subtotal	403,399	419,741	413,454
Federal Administration and special grants:			
General administration	4,995	5,162	4,995
Pilot tech. transfer (OK, MS)		326	326
Pilot tech. transfer (WI)	163		163
Rural rehabilitation (GA)		246	246
Income enhancement demonstration (OH)	246		246
Rural development (NM)	227	227	227
Rural development (NE)		386	386
Rural development (OK)		296	296
Beef producers' improvement (AR)		197	197
Integrated cow/calf resources management (IA)		345	345
Extension specialist (AR)		99	99
Extension specialist (MS)		50	50
Rural center for the study and promotion of HIV/STD prevention (IN)	246		246
Delta teachers academy		3,850	3,850
Wood biomass as an alternative farm product (NY)	197		197
Range improvement (NM)	197	197	197
Total, Federal Administration	6,271	11,381	12,066
Total, Extension Activities	409,670	431,122	425,520

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

Amendment No. 46: Appropriates $434,909,000 for Animal and Plant Health Inspection Service, Salaries and Expenses instead of $435,428,000 as proposed by the House and $432,103,000 as proposed by the Senate.

The conference agreement includes $500,000 for increased domestic agricultural quarantine inspection services in Hawaii instead of $700,000 as proposed by the Senate.

The conference agreement includes $455,000 to maintain pesticide data program personnel at the Gulfport, Mississippi, Laboratory.

The conference agreement includes $200,000, the same as the fiscal year 1996 level, for ongoing work at the University of Arkansas at Monticello for fire ant control methods and dissemination of information to the public.

The conference agreement also includes increases of $100,000 for the wolf reintroduction program; $100,000 for ADC activities in the Western region; $125,000 for beaver damage control in Mississippi; and $100,000 for goatsrue eradication in Utah.

Amendment No. 47: Provides $4,500,000 for the contingency fund of the Animal and Plant Health Inspection Service as proposed by the House instead of $5,000,000 as proposed by the Senate.

The following table reflects the conference agreement:

[In thousands of dollars]

	FY 1996 enacted	House bill	Senate bill	Conference agreement
PEST AND DISEASE EXCLUSION				
Agricultural quarantine inspection	24,914	26,047	26,747	26,547
User fees	100,254	98,000	98,000	98,000
Subtotal, Agricultural quarantine inspection	125,168	124,047	124,747	124,547
Cattle ticks	4,537	4,537	4,537	4,537
Foot-and-mouth disease	3,991	3,991	3,991	3,991
Import-export inspection	6,528	6,847	6,847	6,847
International programs	6,100	6,643	6,643	6,643
Fruit fly exclusion and detection	16,151	21,161	21,161	21,161
Screwworm	33,969	31,713	31,713	31,713
Tropical bont tick	452	452	452	452
Total, Pest and disease exclusion	196,896	199,391	200,091	199,891
PLANT AND ANIMAL HEALTH MONITORING				
Animal health monitoring and surveillance	59,276	60,831	60,831	60,831
Animal and plant health regulatory enforcement	5,855	5,855	5,855	5,855
Pest detection	4,202	4,202	4,202	4,202
Total, Plant and animal health monitoring	69,333	70,888	70,888	70,888
PEST AND DISEASE MANAGEMENT PROGRAMS				
Animal damage control—operations	26,642	26,842	26,842	26,967
Aquaculture	470	571	571	571
Biocontrol	6,290	6,290	6,290	6,290
Boll weevil	18,084	16,209	16,209	16,209
Brucellosis eradication	23,360	23,360	19,962	21,661
Golden nematode	435	444	444	444
Grasshopper and Mormon cricket				
Gypsy moth	4,367	4,367	4,367	4,367
Imported fire ant	1,000	1,000	800	1,000
Miscellaneous plant diseases	1,516	1,516	1,516	1,516
Noxious weeds	338	304	404	404
Pink bollworm	1,069	1,069	1,069	1,069
Pseudorabies	4,543	4,518	4,518	4,518
Scrapie	2,967	2,967	2,967	2,967
Sweet potato whitefly	2,398	1,888	1,888	1,888
Tuberculosis	4,609	4,948	4,609	4,948
Witchweed	1,663	1,662	1,662	1,662
Total, Pest and disease management programs	99,751	97,955	94,118	96,481
ANIMAL CARE				
Animal welfare	9,185	9,185	9,185	9,185
Horse protection	362	360	360	360
Total, Animal care	9,547	9,545	9,545	9,545
SCIENTIFIC AND TECHNICAL SERVICES				
ADC methods development	9,665	10,591	10,591	10,591
Biotechnology/environmental protection	7,677	7,677	7,677	8,132
Integrated systems acquisition project	4,055	4,000	4,000	4,000
Plant methods development laboratories	5,053	5,048	5,048	5,048
Veterinary biologics	10,360	10,360	10,360	10,360
Veterinary diagnostics	14,785	15,473	14,785	15,473
Total, Scientific and technical services	51,595	53,149	52,461	53,604
Contingency fund	4,799	4,500	5,000	4,500
Total, Salaries and expenses	431,921	435,428	432,103	434,909

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Amendment No. 48: Appropriates $38,507,000 for Agricultural Marketing Service, Marketing Services instead of $37,592,000 as proposed by the House and $46,767,000 as proposed by the Senate. The conference agreement does not include funds to continue the Pesticide Data program. Funds have been included to provide an orderly shutdown of the program.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

Amendment No. 49: Appropriates $23,128,000 for the Grain Inspection, Packers and Stockyards Administration instead of $22,728,000 as proposed by the House and $23,928,000 as proposed by the Senate. The conference agreement includes $400,000 to carryout recommendations of the Agricultural Concentration Committee.

FOOD SAFETY AND INSPECTION SERVICE

Amendment No. 50: Appropriates $574,000,000 for the Food Safety and Inspection Service as proposed by the House instead of $557,697,000 as proposed by the Senate.

The conferees have recently become aware that, in planning for the location of field offices for the Food Safety and Inspection Service, a decision on the location of offices in Pennsylvania was reversed based on criteria other than the implementation of food safety standards and economies of operation. The conferees expect the Department to reconsider this decision.

The following table reflects the conference agreement:

	Budget request	Senate	House	Conference
Slaughter Inspection	$325,283,000	$322,218,000		$325,283,000
Processing Inspection	135,771,000	134,400,000		135,771,000
Egg Products Inspection	11,272,000	11,272,000		
Import/Export Inspection	12,674,000	12,674,000		12,674,000
Laboratory Services	19,845,000	19,845,000		19,845,000
Pathogen Reduction Program	18,902,000	15,560,000		18,902,000
Field Automation and Information Management Project	8,525,000			8,525,000
Grants to States	41,728,000	41,728,000		41,728,000
	$574,000,000	$557,697,000	$574,000,000	$574,000,000

Amendment No. 51: Deletes Senate language earmarking up to $1,500,000 to establish a National Farm Identification Pilot Program for dairy cows to be conducted jointly by the Food Safety and Inspection Service (FSIS) and the Animal and Plant Health Inspection Service (APHIS). The conferees expect such a pilot program to be established with not to exceed $1,500,000 of the funds appropriated to the FSIS account.

The conferees have provided the full budget request for FSIS and expect the agency to manage its resources in such a way as to eliminate the need for supplemental funding.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

Amendment No. 52: Makes a technical correction as proposed by the Senate to correct the official name of the Farm Service Agency. The conferees concur with the Senate report language relating to the criteria to be used for acreage bids and rebids into the Conservation Reserve Program.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

Amendment No. 53: Appropriates $746,440,000 for Farm Service Agency, Salaries and Expenses as proposed by the House instead of $725,000,000 as proposed by the Senate.

STATE MEDIATION GRANTS

Amendment No. 54: Appropriates $2,000,000 for State Mediation Grants as proposed by the Senate. The House bill contained no similar provision.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

Amendment No. 55: Provides a total of $25,000,000 for emergency insured loans as proposed by the House instead of $75,000,000 as proposed by the Senate.

Amendment No. 56: Provides a loan level of $34,653,000 for a pilot program for boll weevil eradication instead of $15,384,000 as proposed by the Senate. The conferees believe this program has merit and provides potential to reduce long-term costs associated with the boll weevil eradication efforts. The conference agreement provides a small amount of startup funding and will evaluate the effectiveness of the loan program during fiscal year 1997. The House bill contained no similar provision.

Amendment No. 57: Appropriates $6,365,000 for the subsidy cost of emergency insured loans as proposed by the House instead of $19,095,000 as proposed by the Senate.

Amendment No. 58: Appropriates $499,000 for the subsidy cost of boll weevil eradication loans instead of $2,000,000 as proposed by the Senate. The House bill contained no similar provision.

OFFICE OF RISK MANAGEMENT

Amendment No. 59: Restores and amends House language for the Office of Risk Management appropriating $64,000,000 instead of $62,198,000 as proposed by the House and $70,000,000 as proposed by the Senate. The Senate proposed language making the funds available subject to an official budget request.

TITLE II—CONSERVATION PROGRAMS

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

Amendment No. 60: Appropriates $619,742,000 for Natural Resources Conservation Service, Conservation Operations instead of $619,392,000 as proposed by the House and $638,954,000 as proposed by the Senate.

The conference agreement includes a total funding level of $350,000 for the Great Lakes Basin Program for Soil and Erosion Sediment Control; $550,000 for design and technical assistance in Franklin County, Mississippi; $125,000 for Golden Meadows, Louisiana, Plant Materials Center; and $350,000 for technical assistance to the Embarras River watershed project.

The conferees expect the Department to construct the plant materials center in Monroe County, West Virginia, from funds earmarked for this purpose in previous appropriations.

The conferees expect progress to continue to complete the Upper Trinity River Basin cooperative study from funds available in the Watershed Surveys and Planning account.

The conference agreement includes $200,000 under Conservation Operations, the same as the fiscal year 1996 amount, for technical assistance of the Multi-year Rural Recycling and Water Resources Protection Initiative in the Mississippi Delta. Funding for the water quality incentives program is now included under the environmental quality incentives program is now included under the environmental quality incentives program. The conferees direct that $2,800,000 of this program, the same as the fiscal year 1996 amount, be provided for financial assistance of the Multi-year Rural Recycling and Water Resources Protection Initiative in the Mississippi Delta.

The conferees agree that funds provided for Conservation Operations are not to supplant use of Commodity Credit Corporation funds for the full implementation of the Wetlands Reserve Program and the Conservation Reserve Program. Both the Wetlands Reserve Program and the Conservation Reserve Program were previously funded through appropriated accounts, but the Federal Agriculture Improvement and Reform Act provides that these programs now be administered through funds provided directly from the Commodity Credit Corporation.

Amendment No. 61: Deletes Senate language earmarking up to $250,000 for the National Natural Resources Conservation Foundation. The House bill contained no similar provision.

WATERSHED SURVEYS AND PLANNING

Amendment No. 62: Appropriates $12,381,000 for Watershed Surveys and Planning instead of $10,762,000 as proposed by the House and $14,000,000 as proposed by the Senate.

The conferees expect NRCS to complete innovative community-based comprehensive resource management plans for communities devastated by the 1996 historical floods in West Virginia.

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conferees encourage the Department to give consideration to the outstanding watershed needs of 26 Mississippi counties when allocating funds to the states.

TITLE III—RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

Amendment No. 63: Deletes House language providing that no funds for new construction for section 515 rental housing be available in fiscal year 1997 as proposed by the Senate.

RURAL HOUSING ASSISTANCE PROGRAM

Amendment No. 64: Appropriates $130,433,000 for the Rural Housing Assistance Program instead of $73,190,000 as proposed by the House and $136,435,000 as proposed by the Senate.

Amendment No. 65: Adds Senate language including new construction of section 515 rental housing as eligible for program funds. The House bill contained no similar provision.

Amendment No. 66: Deletes House language providing that no funds for new construction of section 515 rental housing be available in fiscal year 1997 as proposed by the Senate.

SALARIES AND EXPENSES

Amendment No. 67: Appropriates $60,743,000 for Rural Housing Service, Salaries and Expenses instead of $53,889,000 as proposed by the House and $66,354,000 as proposed by the Senate.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

Amendment No. 68: Appropriates a subsidy cost of $17,270,000 for the Rural Development Loan Fund Program Account as proposed by the Senate instead of $18,400,000 as proposed by the House.

Amendment No. 69: Provides for a loan level of $37,544,000 for Rural Development Loan Fund Program Account as proposed by the Senate instead of $40,000,000 as proposed by the House.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION REVOLVING FUND

Amendment No. 70: Appropriates $7,000,000 for the Alternative Agricultural Research and Commercialization Revolving Fund instead of $6,000,000 as proposed by the House and $10,000,000 as proposed by the Senate.

RURAL BUSINESS-COOPERATIVE ASSISTANCE PROGRAM

Amendment No. 71: Appropriates a subsidy cost of $51,400,000 for the Rural Business-Cooperative Assistance Program as proposed by the House instead of $53,750,000 as proposed by the Senate. Of the total amount appropriated, the conference agreement provides not to exceed $1,300,000 through a cooperative Agreement for the Appropriate Technology Transfer for Rural Areas program; not to exceed $3,000,000 for cooperative development, as authorized under section 747 of Public Law 104–127; $250,000 through a cooperative agreement for an agribusiness and cooperative development program at Mississippi State University; and not less than $2,000,000 for grants in accordance with section 310B(f) of the Consolidated Farm and Rural Development Act.

The Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127) authorizes a demonstration using Federal business and industry loan guarantees to attract venture funds to rural areas. The Conferees urge the Secretary to allocate the necessary resources to implement this demonstration and to designate at least 10 percent of the funds to venture projects which already receive support from the Department's venture capital entity.

Amendment No. 72: Deletes Senate language making funds available for cooperative development subject to provisions of Public Law 104–127. The House bill contained no similar provision.

Amendment No. 73: Deletes Senate language earmarking $1,300,000 for the Appropriate Technology Transfer for Rural Areas program and $2,000,000 for grants in accordance with section 310B(f) of the Consolidated Farm and Rural Development Act. The House bill contained no similar provision.

RURAL UTILITIES SERVICE

DISTANCE LEARNING AND MEDICAL LINK PROGRAM

Amendment No. 74: Appropriates $9,000,000 for the Distance Learning and Medical Link

Program instead of $7,500,000 as proposed by the House and $10,000,000 as proposed by the Senate.

RURAL UTILITIES ASSISTANCE PROGRAM

Amendment No. 75: Appropriates a subsidy cost of $566,935,000 for the Rural Utilities Assistance Program instead of $496,868,000 as proposed by the House and $656,742,000 as proposed by the Senate.

Amendment No. 76: Provides $5,200,000 of the total amount appropriated for the Rural Utilities Assistance Program for a circuit rider program instead of $5,000,000 as proposed by the House and $5,400,000 as proposed by the Senate.

Amendment No. 77: Provides $8,750,000 of the total amount appropriated for the Rural Utilities Assistance Program for water and waste disposal systems pursuant to section 757 of Public Law 104–127 instead of $10,000,000 as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 78: Inserts Senate language providing that Berlin, New Hampshire, is eligible for Rural Utilities Assistance Program grants.

TITLE IV.—DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

Amendment No. 79: Appropriates $454,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services as proposed by the House instead of $554,000 as proposed by the Senate.

CHILD NUTRITION PROGRAMS

Amendment No. 80: Provides a total of $8,653,297,000 for Child Nutrition Programs instead of $8,652,597,000 as proposed by the House and $8,654,797,000 as proposed by the Senate.

Amendment No. 81: Provides that $3,219,544,000 for Child Nutrition Programs is hereby appropriated instead of $3,218,844,000 as proposed by the House and $3,221,044,000 as proposed by the Senate.

Amendment No. 82: Provides that not to exceed $1,000,000 of the Child Nutrition Program funds shall be used for studies and evaluations instead of $2,000,000 as proposed by the Senate. The House bill provided no funds for new studies and evaluations.

The conference agreement provides for the Child Nutrition Programs at the following annual rates:

TOTAL OBLIGATIONAL AUTHORITY

[In thousands of dollars]

	FY 1996 enacted	House bill	Senate bill	Conference agreement
Child Nutrition Programs:				
School lunch program	$4,547,201	$4,922,926	$4,922,926	$4,922,926
School breakfast program	1,160,218	1,264,949	1,264,949	1,264,949
State administrative expenses	98,468	108,874	108,874	108,874
Summer food service program	264,558	288,920	288,920	288,920
Child and adult care food program	1,578,112	1,739,767	1,739,767	1,739,767
Commodity procurement, processing, and computer support	278,841	312,830	312,830	312,830
Nutrition studies and surveys	4,162		2,000	1,000
Coordinated review system	3,964	4,031	4,031	4,031
School meals initiative	10,500	10,300	10,500	10,000

The conference agreement provides $10,000,000 for the school meals initiative. Included in this amount is $4,000,000 for food service training grants to states; $2,500,000 for in-school education materials; $2,300,000 for technical assistance materials; $800,000 for NFSMI cooperative agreements for Food service; and $400,000 for print and electronic food service resource systems.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

Amendment No. 83: Inserts language to allow any fiscal year 1996 carryover funds in excess of $100,000,000 to be transferred to the Rural Housing Service section 502 program and/or the Rural Utilities Assistance Program. The House bill allowed fiscal year 1996 carryover funds in excess of $100,000,000 to be transferred to any program in the Department, excluding the Forest Service, with prior notification to the House and Senate Appropriations Committees. The Senate bill allowed for fiscal year 1996 carryover funds in excess of $100,000,000 to be used for any loan program of the Department and/or to make available up to $10,000,000 for the WIC farmers' market nutrition program.

Amendment No. 84: Adds Senate language requiring state agencies to award infant formula purchase contracts to the company offering the lowest net price, unless the state agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the state does not vary by more than five percent. The House bill contained no similar provision.

FOOD STAMP PROGRAM

Amendment No. 85: Makes a technical change to the U.S. code citation as proposed by the Senate.

Amendment No. 86: Appropriates $27,618,029,000 for the Food Stamp Program instead of $27,615,029,000 as proposed by the House and $28,521,029,000 as proposed by the Senate.

Amendment No. 87: Provides $100,000,000 for a food stamp contingency reserve as proposed by the House instead of $1,000,000,000 as proposed by the Senate.

Amendment No. 88: Provides that not to exceed $3,000,000 of the Food Stamp Program funds shall be used for studies and evaluations instead of $6,000,000 as proposed by the Senate. The House bill provided no funds for new studies and evaluations.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

Amendment No. 89: Deletes the statutory citation for the food distribution program on Indian reservations as proposed by the Senate. The conferees note that authority for the program exists under the Food Stamp Program authorization.

Amendment No. 90: Appropriates $141,250,000 for the Food Donations Programs for Selected Groups as proposed by the Senate instead of $205,000,000 as proposed by the House.

FOOD PROGRAM ADMINISTRATION

Amendment No. 91: Appropriates $106,128,000 for Food Program Administration instead of $104,487,000 as proposed by the House and $107,769,000 as proposed by the Senate. The conference agreement includes not more than $2,218,000 for the Center for Nutrition Policy and Promotion.

The conference agreement provides a reduction from the budget request for studies and evaluations under the Child Nutrition Programs and the Food Stamp Program. The conferees direct the Department to devote additional staff time to working directly with states to reduce error rates in the Food Stamp Program and, thereby, reduce the amount budgeted for erroneous benefits.

TITLE V.—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

Amendment No. 92: Appropriates $135,561,000 for the Foreign Agricultural Service and General Sales Manager instead of $128,005,000 as proposed by the House and $138,561,000 as proposed by the Senate. The conference agreement includes $27,500,000 for the cooperator program; the full request for international cooperation and development; $2,428,000 for the Cochran Fellowship Program; and $1,500,000 for expansion of offices overseas. The conferees direct the Department to give priority to posts serving expanding markets in Asia and Latin America in budgeting for overseas expansion. The conference agreement does not provide funding for the proposed Distributor Development Program.

Amendment No. 93: Provides for a transfer of $3,231,000 from the Export Loan Program Account as proposed by the Senate instead of $2,792,000 as proposed by the House.

Amendment No. 94: Provides for a transfer of $1,035,000 from the Public Law 480 Program Account as proposed by the Senate instead of $1,005,000 as proposed by the House.

Amendment No. 95: Deletes House language establishing competitive bidding in the award of cooperator/foreign market development program funds. The conferees expect the Department to develop procedures and criteria for a competitive bidding process for consideration by appropriate committees of the Congress.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

Amendment No. 96: Provides $226,900,000 for Public Law 480 title I programs instead of $216,400,000 as proposed by the House and $218,944,000 as proposed by the Senate.

Amendment No. 97: Appropriates $29,500,000 for Public Law 480 title III programs as proposed by the House instead of $40,000,000 as proposed by the Senate.

Amendment No. 98: Appropriates $185,589,000 for credit modification costs of Public Law 480 programs instead of $177,000,000 as proposed by the House and $179,082,000 as proposed by the Senate.

Amendment No. 99: Appropriates $1,780,000 for administrative expenses of Public Law 480 programs instead of $1,750,000 as proposed by the House and $1,818,000 as proposed by the Senate.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

Amendment No. 100: Appropriates $3,820,000 for administrative expenses of the Commodity Credit Corporation Export Loans Program Account as proposed by the Senate instead of $3,381,000 as proposed by the House.

Amendment No. 101: Provides for a transfer of $3,231,000 of the total amount appropriated for the Commodity Credit Corporation Export Loans Program Account to the Foreign Agricultural Service as proposed by the Senate instead of $2,792,000 as proposed by the House.

TITLE VI.—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 102: Deletes Senate language providing that funds be used to ensure compliance with statutory deadlines set forth in section 505(j)(4)(A) of the Federal Food, Drug, and Cosmetic Act. The FDA is directed to use available funds to ensure compliance with its 180 day statutory review period for generic drug applications. The conferees agree with the Senate proposals for reprogramming and allocations for FDA offices and activities as set forth in the Senate report.

Amendment No. 103: Deletes House language restricting a proposed rule entitled, "The Prescription Drug Product Labeling; Medication Guide Requirements," as proposed by the Senate. The Senate bill addressed this same issue in Amendment No. 105.

GENERAL PROVISIONS

Amendment No. 104: Adds the heading "General Provisions" as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 105: Inserts Senate language providing that all relevant parties in industry and government develop a set of effective medication guides for prescription drug use.

Amendments No. 106 and 107: Add a new section number as proposed by the Senate and provide for an extension on a moratorium related to the use of saccharin until May 1, 2002, as proposed by the House instead of May 1, 1998, as proposed by the Senate.

Amendment No. 108: Makes technical changes to the Imports for Exports Program of the Federal Food, Drug, and Cosmetics Act as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 109: Deletes Senate language directing the Food and Drug Administration to do a feasibility study related to crab meat. The conferees expect the Commissioner to report to the appropriate committees of the Congress on the feasibility of applying DNA or other suitable testing procedures to determine both the wholesomeness of crab meat and the need to differentiate between types of crab meat offered for sale in the United States. The conferees also expect the Commissioner to report on the feasibility of developing a database of imported crab in order to better aid enforcement and public health.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

Amendment No. 110: Appropriates $55,101,000 for the Commodity Futures Trading Commission as proposed by the House instead of $56,601,000 as proposed by the Senate.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Amendment No. 111: Restores and amends House language limiting expenses of the Farm Credit Administration not to exceed $37,478,000, with an exemption for expenses for receiverships.

TITLE VII—GENERAL PROVISIONS

Amendment No. 112: Restores House language making obligational authority for the Food Safety and Inspection Service field automation and information management project available until expended.

Amendment No. 113: Retains Senate language prohibiting the use of funds to transfer from the Rural Telephone Bank to the Treasury or to the Federal Financing Bank any unobligated balance of the liquidating account in excess of current requirements and requiring that such balance received interest.

Amendment No. 114: Inserts a provision limiting acreage in excess of 130,000 acres to be enrolled in the wetlands reserve program, but allowing additional acreage to be enrolled in the program to the extent that non-Federal funds available to the Secretary are used to compensate these additional enrollments as proposed by the Senate and limits the number of acres to be enrolled through temporary easements to at least 31,667 acres before permanent easement agreements can be entered into. The conference agreement deletes House language that just limited enrollment to 130,000 acres.

Amendment No. 115: Inserts Senate language adding "and panels used to evaluate competitively awarded grants" to exceed the limitation on necessary expenses for advisory committees. The House bill contained no similar provision.

Amendment No. 116: Restores House language limiting funds available in fiscal year 1997 to not more than $2,000,000 for a farmland protection program.

Amendment No. 117: Deletes House language prohibiting funds in this Act to pay personnel who carry out a wildlife habitat incentives program as proposed by the Senate.

Amendment No. 118: Restores House language limiting funds available in fiscal year 1997 to not more than $2,000,000 for a conservation farm option program.

Amendment No. 119: Restores House language regarding the use of agricultural lands and production flexibility contract payments. The conference agreement prohibits the use of funds provided by this Act to pay to salaries and expenses of employees of the Department of Agriculture who make payments pursuant to a production flexibility contract under section 111 of Public Law 104–127 if the land covered by that production flexibility contract is not being used for the production of an agricultural commodity or is not devoted to a conserving use, unless it is determined that the lack of agricultural production or the lack of a conserving use is a consequence of drought, flood, or other natural disaster. It is not intended for this provision to be interpreted in a way which would require additional regulations to USDA regulations amending 7 CFR part 2 et al., as published on July 18, 1996. It also is not intended for this provision to require amendments to the procedures for implementing the Agricultural Market Transition Program contained in FSA Handbook 1–PF, as published on May 21, 1996. Further, this provision is not to be interpreted in a way which results in additional reporting or certification procedures for owners, producers, or the Secretary.

Amendment No. 120: Deletes House language providing a cap on the price of raw cane sugar. The Secretary shall report to the House and Senate Appropriations Committees biannually during fiscal year 1997 as to whether the prices of raw cane and beet sugar are sufficient to prevent forfeitures, and that the stock/use ratio is sufficient to ensure stable and adequate supplies to consumers and refiners with consideration of its impact on growers, producers, processors, and users.

Amendment No. 121: Deletes House language extending that patent for a nonsteroidal anti-inflammatory drug as proposed by the Senate.

Amendment No. 122: Inserts Senate language providing that the use of appropriated funds for incidental expenses for USDA volunteers is permanent law.

Amendment No. 123: Deletes House language providing a sense of the Congress for a detailed plan for compensating wheat farmers and handlers affected by the karnal bunt quarantine in certain California counties as proposed by the Senate. The conferees agree that the Department should develop a consistent compensation plan for karnal bunt-infected areas of the country.

Amendment No. 124: Deletes Senate language providing for the transfer of not to exceed 10 percent of amounts made available among rural assistance programs. The House bill contained no similar provision.

Amendment No. 125: Provides language restricting the use of assignments of Department of Agriculture personnel beyond 30 days without reimbursement to the employee's agency or office. The House bill addressed this issue in Amendment No. 1.

Amendment No. 126: Inserts and amends language proposed by the Senate to delay the authority of the Secretary of Agriculture to make rural cooperative development grants until October 1, 1996, effective upon the date of enactment of this Act into law. The House bill contained no similar provision.

Amendment No. 127: Inserts a provision prohibiting the use of funds to implement or enforce the final rule on the labeling of raw poultry products promulgated by the Food Safety and Inspection Service on August 25, 1995, and prohibiting the final rule from being in effect during fiscal year 1997 as proposed by the Senate. The conference agreement also requires the Secretary of Agriculture to issue a revised final rule regarding the labeling of raw poultry products not later than 90 days after the enactment of this Act. The House bill contained no similar provision.

Amendment No. 128: Deletes Senate language regarding the replacement of lost benefits related to the Food Stamp Program electronic benefit transfer program.

Amendment No. 129: Deletes Senate language amending the United States Warehouse Act.

Amendment No. 130: Inserts Senate language which makes permanent a provision to provide that the inspection of fish products should be in compliance with the Food and Drug Administration standards as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 131: Inserts and amends Senate language extending authority to make multifamily rural housing loans until September 30, 1997. The conference agreement provides a set-aside for nonprofit entities; extends the authorization for housing in underserved areas through fiscal year 1997; makes certain reforms in the multifamily rural housing loan program; and provides for penalties for misuse of funds related to the program. The conference agreement includes language which gives the Secretary of Agriculture authority regarding operating reserves and prioritization of assistance. The conference agreement also requires the Secretary to issue regulations, subject to negotiated rulemaking procedures, on certain of these provisions within 60 days of enactment of this Act.

Amendment No. 132: Deletes Senate language which reauthorized the National Aquaculture Act of 1980. The House bill contained no similar provision.

Amendment No. 133: Inserts a provision providing the Department of Agriculture the authority to make voluntary separation incentive payments as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 134: Deletes Senate language regarding the seasonal base plan for milk marketing orders expiration. The House bill contained no similar provision.

Amendment No. 135: Deletes Senate language providing a sense of the Senate requiring the Comptroller General to review the effectiveness of the H-2A nonimmigrant worker program. The House bill contained no similar provision. The conferees agree that the Comptroller General should review the H-2A nonimmigrant worker program to ensure that the program provides a workable safety valve in the event of future shortages of domestic workers after enactment of this Act.

Amendment No. 136: Deletes Senate language which authorized a Northern Forest Stewardship Program. The House bill contained no similar provision.

Amendment No. 137: Deletes Senate language providing additional funds for barley payments. The conferees encourage the House and Senate authorizing committees to revisit the barley payment discrepancy and instruct the Secretary to use means within the USDA to address the current inequity. The House bill contained no similar provision.

Amendment No. 138: Provides Senate language for a two-month extension of an interim moratorium on bypass flows. The House bill contained no similar provision.

Amendment No. 139: Deletes Senate language prohibiting the use of funds to establish certain easements on inventoried property. The House bill contained no similar provision.

Amendment No. 140: Deletes Senate language providing that grants for precision agricultural technologies be eligible for funding under provisions of Public Law 104-127. The House bill contained no similar provision.

Amendment No. 141: Deletes the Senate language providing a sense of the Congress that the United States Trade Representative (USTR) should monitor the export of wheat and barley from western Canada to the United States. The House bill contained no similar provision. The conferees agree that the USTR should monitor Canadian grain policy changes and be prepared to enforce appropriate trade laws if action by the Canadian government, acting through the Canadian Wheat Board, leads to unfair and injurious exports of Canadian grain to the United States.

Amendment No. 142: Deletes Senate language regarding the planting of fruits and vegetables on contract acreage. The House bill contained no similar provision.

Amendment No. 143: Deletes Senate language regarding the payment of funds related to wild rice crops. The House bill contained no similar provision.

TITLE VIII—SUPPLEMENTAL APPROPRIATIONS AND RESCISSION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996

Amendment No. 144: Inserts a new heading for supplemental appropriations as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 145: Amends language proposed by the Senate providing a loan level of $110,000,000 and a subsidy level of $32,244,000 for emergency disaster loans. The Senate bill proposed $85,208,000 in loans and $25,000,000 in subsidy. The House bill contained no similar provision.

Amendment No. 146: Inserts a provision appropriating an additional $12,011,000 for Salaries and Expenses of the Bureau of Alcohol, Tobacco, and Firearms and rescinding $16,500,000 from the Internal Revenue, Information Systems account as proposed by the Senate. The House bill contained no similar provision.

Amendment No. 147: Inserts a provision that this Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1997" as proposed by the Senate. The House bill contained no similar provision.

CONFERENCE TOTAL.—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995 ...	$63,323,678,000
Budget estimates of new (obligational) authority, fiscal year 1996	58,317,314,000
House bill, fiscal year 1996	53,052,037,000
Senate bill, fiscal year 1996	54,296,303,000
Conference agreement, fiscal year 1996	53,279,873,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995 ...	−10,043,805,000
Budget estimates of new (obligational) authority, fiscal year 1996	−5,037,441,000
House bill, fiscal year 1996	+227,836,000
Senate bill, fiscal year 1996	−1,016,430,000

JOE SKEEN,
JOHN T. MYERS,
JAMES T. WALSH,
JAY DICKEY,
JACK KINGSTON,
FRANK RIGGS,
GEORGE R. NETHERCUTT, Jr.,
BOB LIVINGSTON,
RICHARD J. DURBIN,
MARCY KAPTUR,
RAY THORNTON,
VIC FAZIO,
DAVID R. OBEY,
Managers on the Part of the House.

THAD COCHRAN,
CHRISTOPHER BOND,
SLADE GORTON,
MITCH MCCONNELL,
CONRAD BURNS,
MARK O. HATFIELD,
DALE BUMPERS,
TOM HARKIN,
J. ROBERT KERREY,
J. BENNETT JOHNSTON,
HERB KOHL,
ROBERT C. BYRD,
Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. LINCOLN (at the request of Mr. GEPHARDT) for today and the balance of the week, on account of medical reasons.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today, on account of personal business.

Mrs. MEEK of Florida (at the request of Mr. GEPHARDT) for today, on account of a family emergency.

Mr. YOUNG of Florida (at the request of Mr. ARMEY) for today and for the balance of the week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Mrs. COLLINS of Illinois, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes today.

Mr. BROWN of California, for 5 minutes, today.

Ms. JACKSON-LEE, for 5 minutes, today.

(The following members (at the request of Mr. STEARNS) to revise and extend their remarks and include extraneous material:)

Mr. METCALF, for 5 minutes, today.

Mr. HORN, for 5 minutes, today.

Mr. MCINTOSH for 5 minutes, on August 1.

Mr. RIGGS, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. TORKILDSEN, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. FOX of Pennsylvania, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) and to include extraneous matter:)

Mr. SANDERS.
Mr. LANTOS.
Mr. MARTINEZ.
Mr. TOWNS.
Mr. MILLER of California.
Mr. GEJDENSON.
Mrs. LOWEY.
Mr. JACOBS.
Mr. LIPINSKI.
Ms. HARMAN.
Mrs. MALONEY.
Mrs. MINK of Hawaii.
Mr. SERRANO.

(The following Members (at the request of Mr. STEARNS) and to include extraneous matter:)

Mr. SMITH of Michigan.
Mr. MCKEON.
Mr. THOMAS.
Mr. GINGRICH.
Mr. SOUDER.
Mr. FIELDS of Texas.
Mr. SKEEN.
Mr. GILMAN, in three instances.
Mr. KING.
Mrs. SMITH of Washington.
Mr. KOLBE.
Mr. FORBES, in three instances.
Mrs. JOHNSON of Connecticut.
Mr. RIGGS.
Mr. LEWIS of California.

(The following Members (at the request of Mr. KASICH) and to include extraneous matter:)

Mr. DOYLE.
Ms. WOOLSEY.
Mr. KNOLLENBERG.
Mr. JACOBS.
Mr. HORN.
Mrs. SEASTRAND.
Mrs. MORELLA.
Ms. MOLINARI.
Mr. TORRES.
Mr. ENGEL in two instances.

ADJOURNMENT

Mr. KASICH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 31, 1996, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4429. A letter from the Secretary of Agriculture, transmitting the annual animal welfare enforcement report for fiscal year 1995, pursuant to 7 U.S.C. 2155; to the Committee on Agriculture.

4430. A letter from the Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Irish Potatoes Grown in Certain Designated Counties in Idaho, and Malheur County, Oregon; Assessment Rate [Docket No. FV96–945–1 IFR] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4431. A letter from the Secretary of the Treasury, transmitting a report on the Mint's numismatice public enterprise fund for fiscal year 1995, pursuant to Public Law 102–390, section 221(a) (106 Stat. 1627); to the Committee on Banking and Financial Services.

4432. A letter from the Managing Director, Federal Communications Commission, transmitting the Commission's final rule—Bell Operating Company Provision of Out-of-Region Interstate, Interchange Services [CC Docket No. 96–21] received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

4433. A letter from the Acting Director, Office of Management and Information, National Marine Fisheries Committee, transmitting the Service's final rule—West Coast Salmon Fisheries; Northwest Emergency Assistance Plan (NEAP) [Docket No. 960412111–6202–02; I.D. 040596B] (RIN: 0648–ZA20) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4434. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Bering Sea and Aleutian Islands Area; Atka Mackerel in the Central Aleutian District of the Bering Sea and Aleutian Islands [Docket No. 960129019–6019–01; I.D. 071296A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4435. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Scallop Fishery Off Alaska; Management Measures; 1996–97 Harvest Specifications [Docket No. 960502124–6190–02; I.D. 042396B] (RIN: 0648–AF81) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4436. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Shortraker/Rougheye Rockfish Species Group in the Eastern Gulf of Alaska [Docket No. 960129018–6018–01; I.D. 071296C] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4437. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Pacific Ocean Perch in the Central Regulatory Area [Docket No. 960129018–6018–01; I.D. 07229A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4438. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Groundfish of the Gulf of Alaska; Northern Rockfish in the Central Gulf of Alaska [Docket No. 960129018–6018–01; I.D. 07199A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4439. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—International Fisheries Regulations; 1996 Halibut Report No. 5 [Docket No. 960111003–6068–03; I.D. 072496A] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4440. A letter from the Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sablefish in the West Yakutat District [Docket No. 960129018–6018–01; I.D. 07219B] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4441. A letter from the Program Management Officer, National Marine Fisheries Service, transmitting the Service's final rule—Fisheries of the Exclusive Economic Zone off Alaska; Salmon Donation Program [Docket No. 960503125–6191–02; I.D. 040996A] (RIN: 0648–AH03) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

4442. A letter from the Director, Federal Bureau of Prisons, transmitting the Bureau's final rule—Use of Force and Application of Restraints [BOP–1053–F] (RIN: 1120–AA41) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

4443. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD–11 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–211–AD; Amendment 39–9702; AD 96–16–02] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4444. A letter from the General Counsel, Department of Trnasportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–10–10 and DC–10–15 Series Airplanes (Federal Aviation Administration) [Docket No. 96–NM–39–AD; Amendment 39–9701; AD 96–16–01] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4445. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–200 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–267–AD; Amendment 39–9703; AD 96–16–03] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4446. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F28 Mark 0100 and 0070 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–171–AD; Amendment 39–9700; AD 96–15–10] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A): to the Committee on Transportation and Infrastructure.

4447. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 Series Airplanes Equipped With BF Goodrich Evacuation Slide/Rafts (Federal Aviation Administration) [Docket No. 95–NM–218–AD; Amendment 39–9698; AD96–15–08] (RIN: 2120–AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4448. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320–111, –211, and –231 Series Airplanes (Federal Aviation Administration) [Docket No. 95–NM–208–AD; Amendment 39–9699; AD 96–15–09] (RIN: 2120–

AA64) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4449. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Colstrip, Montana (Federal Aviation Administration) [Airspace Docket No. 95–ANM–22] received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4450. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Advanced Simulation Plan Revisions (Federal Aviation Administration) [Docket No. 28072; Amendment No. 121–258] (RIN: 2120–AF29) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4451. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Federal Motor Vehicle Safety Standards; Door Locks and Door Retention Components (National Highway Traffic Safety Administration) [Docket No. 94–70, Notice 4] (RIN: 2127–AF35) received July 29, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4452. A letter from the Director, Office of Regulations Management Department of Veterans Affairs, transmitting the Department's final rule—Schedule for Rating Disabilities; Infectious Diseases, Immune Disorders and Nutritional Deficiencies (Systemic Conditions) (RIN: 2900–AE95) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4453. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Weighted Average Interest Rate Update (Notice 96–38) received July 30, 1996, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

4454. A letter from the Clerk of the Court, United States Court of Federal Claims, transmitting an Advisory Opinion; Cable TV on Military Bases; Termination for Convenience (No. 96–133X), pursuant to Public Law 104–106 section 823 (110 Stat. 399); jointly, to the Committees on National Security, the Judiciary, Commerce, and Government Reform and Oversight.

4455. A letter from the Chairperson, National Council on Disability, transmitting progress made in implementing recommendations contained in its report of July 26, 1996, "Achieving Independence"; concurrent status and trends in the status of individuals with disabilities, pursuant to 29 U.S.C. 781(b)(1); jointly, to the Committees on Economic and Educational Opportunities, the Judiciary, Transportation and Infrastructure, and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BLILEY: Committee on Commerce. H.R. 3867. A bill to amend the Developmental Disabilities Assistance and Bill of Rights Act to extend the act, and for other purposes (Rept. 104–719). Referred to the Committee of the Whole House on the State of the Union.

Mr. McINNIS: Committee on Rules. House Resolution 492. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of a certain resolution reported from the Committee on Rules (Rept. 104–720). Referred to the House Calendar.

Mrs. VUCANOVICH: Committee of Conference. Conference report on H.R. 3517. A bill making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for fiscal year ending September 30, 1997, and for other purposes (Rept. 104–721). Ordered to be printed.

Mr. GILMAN: Committee on International Relations. H.R. 3759. A bill to extend the authority of the Overseas Private Investment Corporation, and for other purposes; with an amendment (Rept. 104–722). Referred to the Committee of the Whole House on the State of the Union.

Mr. GOODLING: Committee on Economic and Educational Opportunities. H.R. 123. A bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States; with an amendment (Rept. 104–723). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee of Conference. Conference report on H.R. 3230. A bill to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal year 1997, and for other purposes (Rept. 104–724). Ordered to be printed.

Mr. KASICH: Committee on Conference. Conference report on H.R. 3734. A bill to provide for reconciliation pursuant to section 201(a)(1) of the concurrent resolution on the budget for fiscal year 1997 (Rept. 104–725). Ordered to be printed.

Mr. SKEEN: Committee on Conference. Conference report on H.R. 3603. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1997, and for other purposes (Rept. 104–726). Ordered to be printed.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Ways and Means discharged from further consideration. H.R. 3539 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GILMAN (for himself, Mr. ANDREWS, and Mr. FOX):

H.R. 3916. A bill to make available certain Voice of America and Radio Marti multilingual computer readable text and voice recordings; to the Committee on International Relations.

By Mr. MILLER of California (for himself, Mr. VENTO, Mr. HINCHEY, Mr. GEJDENSON, Mr. STUDDS, and Mr. OLVER):

H.R. 3917. A bill to require full cost pricing for irrigation water delivered by the Bureau of Reclamation from new projects under new long-term contracts, and for other purposes; to the Committee on Resources.

By Ms. NORTON:

H.R. 3918. A bill to amend title 5, United States Code, to treat employees of the Government of the District of Columbia in the same manner as employees of State and local governments are treated for the purposes of the Hatch Act; to the Committee on Government Reform and Oversight.

By Mr. OBEY (for himself, Mr. CLAY, Mr. MILLER of California, Mr. YATES, Mr. BROWN of California, Mr. FROST, Mr. LIPINSKI, Ms. DELAURO, and Mr. HINCHEY):

H.R. 3919. A bill to provide financial aid grants for college and technical school education; to the Committee on Economic and Educational Opportunities.

By Mr. PETRI:

H.R. 3920. A bill to amend chapter 35 of title 44, United States Code, popularly known as the Paperwork Reduction Act, to require that collections of information that ask a respondent to specify a racial classification or ethnic classification from among a list of classifications shall provide an opportunity for the respondent to specify, respectively, multiracial or multiethnic; to the Committee on Government Reform and Oversight.

By Ms. WOOLSEY:

H.R. 3921. A bill to recognize businesses which show an exemplary commitment to participating with schools to enhance educators' technology capabilities and to make every student technologically literate; to the Committee on Economic and Educational Opportunities.

By Ms. WOOLSEY (for herself, Mrs. MORELLA, Mrs. MALONEY, Mr. DELLUMS, Mr. BERMAN, Mr. BARRETT of Wisconsin, Mr. NADLER, Mr. TORRICELLI, Mr. STOCKMAN, Mr. GEJDENSON, and Mr. FRANK of Massachusetts):

H. Con. Res. 205. Concurrent resolution expressing the sense of the Congress that the German Government should investigate and prosecute Dr. Hans Joachim Sewering for his war crimes of euthanasia committed during World War II; to the Committee on International Relations.

By Mr. DORNAN:

H. Res. 493. Resolution urging that certain actions be taken with respect to Vietnamese asylum seekers; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAYNE of New Jersey (for himself, Mr. PORTER, Mr. LANTOS, Ms. PELOSI, Mr. HASTINGS of Florida, Mr. ACKERMAN, Mr. FATTAH, Mr. TORRICELLI, Mrs. CLAYTON, Mr. OLVER, Mr. EVANS, and Ms. WATERS):

H. Res. 494. Resolution expressing the sense of the House of Representatives that criminals from the genocide in Rwanda should be brought to justice by the International Criminal Tribunal for Rwanda; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANADY:

H.R. 3915. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade, in the fisheries, and on the Great Lakes and their tributary and connecting waters in trade with Canada, for the vessel *Maralinda;* to the Committee on Transportation and Infrastructure.

By Mr. McCOLLUM:

H.R. 3922. A bill for the relief of Juice Farms, Inc.; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 103: Mr. GUTKNECHT and Ms. LOFGREN.
H.R. 132: Ms. NORTON.
H.R. 206: Mr. WATTS of Oklahoma.
H.R. 447: Mr. GILLMOR.
H.R. 561: Mr. DEFAZIO.
H.R. 580: Mr. MEEHAN.
H.R. 911: Mr. DUNCAN.
H.R. 941: Mr. CONDIT.
H.R. 1325: Mr. BACHUS, Mr. BORSKI, and Mr. LATOURETTE.
H.R. 1406: Mr. ACKERMAN, Mr. BEILENSON, Mr. DURBIN, Mr. QUILLEN, and Mr. MARTINEZ.
H.R. 1560: Mr. VENTO.
H.R. 1863: Mr. GEPHARDT and Mr. BROWN of Ohio.
H.R. 2026: Mr. ALLARD.
H.R. 2167: Mrs. MORELLA.
H.R. 2270: Mr. HASTINGS of Washington.
H.R. 2421: Mr. FRANKS of New Jersey.
H.R. 2654: Mr. HILLIARD.
H.R. 2748: Mr. DIXON.
H.R. 2849: Mr. MANTON.
H.R. 2892: Mr. YATES.
H.R. 2900: Mr. COBLE, Mr. JEFFERSON, and Mr. VENTO.
H.R. 2913: Mr. VENTO.
H.R. 3000: Mr. CLYBURN and Mr. JACKSON.
H.R. 3117: Ms. PRYCE.
H.R. 3142: Mr. JACOBS, Mr. DICKS, and Mr. DOOLEY.
H.R. 3195: Mr. SOUDER.
H.R. 3207: Mr. PASTOR.
H.R. 3213: Mr. ACKERMAN.
H.R. 3455: Ms. ROYBAL-ALLARD and Ms. SLAUGHTER.
H.R. 3518: Mr. DOOLEY.
H.R. 3521: Ms. DELAURO.
H.R. 3560: Mr. ACKERMAN, Mr. BARRETT of Wisconsin, Mr. BISHOP, Ms. BROWN of Florida, Mr. BROWN of California, Mr. CLAY, Mrs. CLAYTON, Mr. CLYBURN, Mr. CUMMINGS, Miss COLLINS of Michigan, Mr. CONYERS, Mr. COSTELLO, Mr. DEFAZIO, Mr. DE LA GARZA, Mr. DELLUMS, Mr. DINGELL, Mr. DIXON, Mr. ENGEL, Mr. FALEOMAVAEGA, Mr. FATTAH, Mr. FIELDS of Louisiana, Mr. FILNER, Mr. FORBES, Mr. FLAKE, Mr. FOX, Mr. FRANK of Massachusetts, Mr. FRAZER, Mr. FROST, Mr. GEPHARDT, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HILLIARD, Mr. HINCHEY, Mr. JACKSON, Ms. JACKSON-LEE, Mr. JEFFERSON, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. KENNEDY of Massachusetts, Mr. KENNEDY of Rhode Island, Mrs. KENNELLY, Mr. KING, Mr. LAFALCE, Mrs. LOWEY, Mr. MARKEY, Mrs. MALONEY, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mr. MINGE, Mr. MCDERMOTT, Ms. MILLENDER-MCDONALD, Mr. MCINTOSH, Mr. MCNULTY, Mrs. MEEK of Florida, Mr. NADLER, Ms. NORTON, Mr. OWENS, Mr. PAYNE of New Jersey, Mr. POSHARD, Mr. RUSH, Mr. SERRANO, Mr. SCHUMER, Mrs. SCHROEDER, Mr. SCOTT, Ms. SLAUGHTER, Mr. STOKES, Mr. THOMPSON, Mr. TORRES, Mr. TOWNS, Mr. TRAFICANT, Ms. VELAZQUEZ, Ms. WATERS, Mr. WATT of North Carolina, Mr. WATTS of Oklahoma, Mr. WAXMAN, Mr. WYNN, and Mr. YATES.
H.R. 3619: Ms. NORTON.
H.R. 3621: Mr. FRELINGHUYSEN and Mr. LAFALCE.
H.R. 3631: Mr. STUMP, Mr. TORRICELLI, Ms. ROS-LEHTINEN, Mr. HASTINGS of Florida, Mr. BRYANT of Texas, Mr. CONDIT, Mrs. MEEK of Florida, Mr. FRAZER, Ms. BROWN of Florida, Mr. TORRES, Mr. BISHOP, Mr. PASTOR, and Mr. GENE GREEN of Texas.
H.R. 3656: Mr. BONIOR, Mr. STARK, and Ms. NORTON.
H.R. 3700: Mrs. MALONEY.
H.R. 3710: Mr. CLEMENT, Mr. CUMMINGS, Mrs. LOWEY, Mr. MICA, Ms. FURSE, Mr. BECERRA, Ms. NORTON, Mr. BREWSTER, Ms. ROS-LEHTINEN, Ms. ESHOO, and Mr. BARCIA of Michigan.
H.R. 3713: Mr. FLANAGAN, Mr. FALEOMAVAEGA, and Mr. GONZALEZ.
H.R. 3775: Mr. DUNCAN.
H.R. 3783: Mr. ENGLISH of Pennsylvania, Mr. BEREUTER, Mr. NORWOOD, Mr. CONDIT, and Mr. POMEROY.
H.R. 3795: Mr. HUTCHINSON, Mr. LUCAS, Mr. TRAFICANT, Mr. STEARNS, and Mr. LEACH.
H.R. 3798: Mrs. KENNELLY and Ms. NORTON.
H.R. 3856: Mr. CONDIT.
H.R. 3896: Mr. NEY and Mr. SOLOMON.
H.R. 3907: Mrs. ROUKEMA, Mr. FRELINGHUYSEN, Mr. BOEHLERT, Mrs. KELLY, Mr. GILMAN, and Mr. FRANKS of New Jersey.
H. Con. Res. 100: Mr. SKELTON.
H. Con. Res. 190: Mr. OWENS, Mrs. MORELLA, and Mr. FRANKS of New Jersey.
H. Res. 452: Mr. RADANOVICH.
H. Res. 478: Mr. CANADY.
H. Res. 480: Ms. GREENE of Utah.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3481: Mr. CHRYSLER.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 123

OFFERED BY: MR. CONYERS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 2: Page 6, after line 5, insert the following (and redesignate any subsequent paragraphs accordingly):

"(2) to affect the bilingual election requirements of the Voting Rights Act of 1965;".

Beginning on page 8, strike line 11 and all that follows through page 10, line 3.

H.R. 123

OFFERED BY: MR. CUNNINGHAM

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 3: Page 6, after line 5, insert the following (and redesignate any subsequent paragraphs accordingly):

"(2) to limit the preservation or use of Native American languages;".

Page 7, after line 3, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(B) requirements under the Individuals with Disabilities Education Act;".

H.R. 123

OFFERED BY: MR. CUNNINGHAM

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 4: Page 7, line 20, strike "documents that utilize" and insert "using".

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 5: Page 4, line 12, after the period, insert the following:

In order for the Federal Government to meet its obligation of encouraging individuals to learn the English language, this chapter shall take effect only after the date of the enactment of an appropriation act which provides funding for State programs under the Adult Education Act at a level that exceeds $500,000,000.

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 6: Page 5, strike lines 6 through 9.

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 7: Page 7, after line 3, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(B) educational programs;".

H.R. 123

OFFERED BY: MR. GREEN OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 8: Page 8, strike lines 8 through 10, and insert the following:

The amendments made by section 102 shall take effect only after the date of the enactment of an appropriation act which provides funding for title VII of the Elementary and Secondary Education Act of 1965 at a level that exceeds $500,000,000.

H.R. 123

OFFERED BY: MS. JACKSON-LEE OF TEXAS

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 9: Page 7, after line 10, insert the following (and redesignate the following accordingly):

"(D) ballots for Federal elections;".

Beginning on page 8, strike line 11 and all that follows through the end.

H.R. 123

OFFERED BY: MR. MARTINEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 10: Page 7, line 1, strike "income tax forms,".

Page 7, after line 10, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(D) actions and documents that inform individuals of their rights and responsibilities under the Internal Revenue Code of 1986;".

H.R. 123

OFFERED BY: MR. MARTINEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 11: Page 7, after line 10, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(D) actions and documents that inform individuals of benefits under the Social Security Act;".

H.R. 123

OFFERED BY: MR. RICHARDSON

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 12: Page 7, after line 15, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(F) planning sessions for and events and ceremonies at any Olympic games;".

H.R. 123

OFFERED BY: MR. RICHARDSON

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 13: Beginning on page 8, strike line 11 and all that follows through page 10, line 3.

H.R. 123

OFFERED BY: MR. ROMERO-BARCELÓ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 14: Page 6, after line 5, insert the following (and redesignate the subsequent paragraphs accordingly):

"(2) to prohibit an agency from communicating in a language other than English, either orally or in writing, if such agency determines that communicating in a language other than English will assist the agency in carrying out its duties in a more efficient manner;".

H.R. 123

OFFERED BY: MR. SERRANO

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 15: Page 5, after line 23, insert the following (and make any necessary conforming changes):

"(b) APPLICATION TO CAMPAIGNS.—The requirements of this chapter apply to Presidential campaigns and the Federal Election Campaign fund.".

H.R. 123

OFFERED BY: MR. SERRANO

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 16: Page 8, before line 4, insert the following new section:

SEC. 103. PROHIBITION AGAINST COMBAT DUTY FOR MEMBERS OF THE ARMED FORCES NOT FLUENT IN ENGLISH.

A member of the Armed Forces who is not fluent in the English language in accordance with section 165(a) may not be assigned to combat duty.

H.R. 123

OFFERED BY: MR. UNDERWOOD

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 17: Page 4, strike lines 8 through 12, and insert "promote the role of English as the language of the Federal Government, and encourage greater opportunities for individuals to learn the English language.".

Page 5, line 19, strike "Except" and insert "(a) Except".

Page 5, after line 23, insert the following:

"(b) The provisions of this chapter shall not apply to Guam, American Samoa, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands.

Page 6, line 4, strike "orally" and insert "in oral, electronic, multi-media, or broadcast form".

Page 6, after line 5, insert the following (and redesignate subsequent paragraphs accordingly):

"(2) to prevent officials of the Federal Government from communicating in a language other than English, when such communicating facilitates the efficiency of government;

"(3) to affect the languages used by families;

"(4) to limit the promotion, preservation, instruction, or use of languages indigenous to the United States;

"(5) to limit the access to the Federal Government by the elderly;

"(6) to limit the access to the Federal Government of the disabled;".

Page 6, strike lines 12 and 13, and insert the following:

"Nothing in this chapter shall be construed to violate the rights and protections afforded under the 1st, 5th, and 14th amendments of the Constitution of the United States.

Page 7, strike line 3, and insert the following:

"(A) education and training, including early childhood education, bilingual education, adult education, and special education;

"(B) actions, documents, or policies necessary for communication in Braille or American Sign Language;

"(C) religious materials and observances;

"(D) artistic, cultural, and sporting events;

"(E) all actions involving law enforcement, including the Federal Bureau of Investigation and the Drug Enforcement Agency;

Page 7, line 4, strike "(B)" and insert "(F)".

Page 7, line 6, strike "or".

Page 7, line 8, insert "or" after the semicolon.

Page 7, line 8, insert the following:

"(iii) broadcasting, telecommunications, multi-media, and the internet;

Page 7, strike lines 9 and 10, and insert the following (and redesignate subsequent subparagraphs accordingly):

"(G) public documents, acts, statements, votes, hearings, and proceedings for the protection of individual or public health, safety, and entitlements;

"(H) activities related to disaster relief, natural or manmade;".

H.R. 123

OFFERED BY: MR. UNDERWOOD

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 18: Page 6 after line 13, insert the following (redesignating any subsequent sections accordingly and conforming the table of contents):

§ 169. Affirmation of indigenous languages

"Nothing in this chapter shall be construed to limit the promotion, preservation, instruction, or use of languages indigenous to the United States.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 19: Page 4, strike lines 24 through 25, and insert the following:

"(1) to communicate in any form with representatives of the Federal Government in the language in which the person feels most comfortable;"

Page 5, after line 5, insert the following:

"(d) ELECTED OFFICIALS.—Every elected offical is entitled to communicate in any form with constituents in the language in which the elected official feels most comfortable;".

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 20: Page 7, after line 8, insert the following (and redesignate any subsequent subparagraphs accordingly):

"(C) actions or documents that the Veterans Administration considers necessary to carry out its functions in an efficient manner;".

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 21: Page 8, before line 4, insert the following new section:

SEC. 103. EFFECT OF ENGLISH FLUENCY REQUIREMENTS ON MEMBERS OF THE ARMED FORCES.

No person may be compelled to serve as a member of the Armed Forces of the United States unless that person is fluent in the English language in accordance with section 165(a). Persons who are members of the Armed Forces as of the date of the enactment of this Act shall have the opportunity to receive an honorable discharge from the Armed Forces if the member is not fluent in the English language in accordance with section 165(a).

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 22: Insert at end of Title II, the following new section:

SEC. . This Act shall not take effect until Congress has funded bilingual education for three consecutive years at the amount requested by the President's annual budget request.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 23: Insert at end of Title II, the following new section:

SEC. . PROTECTION OF CIVIL RIGHTS.

No provisions of this Act shall take effect on the date of enactment if the Attorney General determines that implementation of these provisions may increase discrimination based on race, nationality or ancestry.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 24: Insert at end of Title II, the following new section:

SEC. . LIMITATION OF BURDEN TO TAXPAYERS.

No provisions of this Act shall take effect on the date of enactment if the Director of the Office of Management and Budget determines that implementation of these provisions will increase the tax burden of taxpayers.

H.R. 123

OFFERED BY: MS. VELÁZQUEZ

(Page and line number references are to H.R. 3898)

AMENDMENT NO. 25:

SEC. 203. LIMITATION.

This title and the amendments made by this title do not apply with respect to any State, county, or other similar political subdivision, if the Attorney General determines that the voter turnout in the most recent election in that State, county, or subdivision was below the national average.

EXTENSIONS OF REMARKS

TRIBUTE AND FAREWELL TO HIS EXCELLENCY ITAMAR RABINOVICH, AMBASSADOR OF ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LANTOS. Mr. Speaker, today with a number of our distinguished colleagues from both Chambers of the Congress, I am hosting a farewell reception to honor and bid goodbye to the distinguished Ambassador of the State of Israel, my dear friend Itamar Rabinovich. The Ambassador will return to Israel before the Congress returns from its August recess, and this is our last opportunity to bid him farewell while we are all still here in Washington.

Mr. Speaker, joining me in hosting this reception are our colleagues from the other body, Senators MITCH MCCONNELL of Kentucky and JOSEPH BIDEN of Delaware. From the House, the hosts are Congressmen HOWARD BERMAN of California, BENJAMIN A. GILMAN of New York, and BILL PAXON of New York.

Ambassador Rabinovich was named Ambassador of Israel to the United States in November 1992, and he has served with great distinction during this past 4 years—a particularly significant time in United States-Israel relations. He was on hand for the transition in U.S. administrations when President Clinton replaced President Bush in January 1993. Later in September of that year on the South Lawn of the White House, President Clinton hosted the signing ceremony of the agreement between the State of Israel and the PLO which led to the major breakthrough in the peace process. He continued to play an important role coordinating efforts between the United States and Israel as the peace process moved forward with the signature of the treaty of peace with Jordan and a number of other important steps toward regional accommodation.

Mr. Speaker, we in the Congress have had ample opportunity to judge the quality of his representational skills. He has been a frequent visitor to my office and to the offices of a great many of us here on Capitol Hill. He has been a forceful advocate and a skilled representative. He has played a critical role in further strengthening the already strong ties between our two countries, and all of us owe him a debt of gratitude for his dedicated conscientious and intelligent service.

In addition to his critical role as the principal point of contact with our own Government, however, Itamar served simultaneously as chief negotiator with Syria, a position to which he was appointed in August 1992, just a few months before his appointment as Ambassador to the United States. As a highly regarded academic specialist on Syria, Ambassador Rabinovich played a key role in the extended series of negotiations with the Damascus government. Either position—as Ambassador to the United States or as chief negotiator with Syria—is a full time position. Not only did Itamar handle then both, he handled them with great skill and he did an excellent job in giving justice to both positions.

Itamar Rabinovich is a distinguished scholar with an international reputation. Before his appointment as Ambassador to the United States, he was rector of Tel Aviv University. He was also a professor of Middle Eastern studies and the former head of the Dayan Center for Middle Eastern and African Studies at the university. As an academic specialist on Syria, he is the author of Syria Under the Baath, 1963–66, The War for Lebanon, 1970–82, and The Road Not Taken: Early Arab-Israeli Negotiation.

Mr. Speaker, I invite my colleagues in the Congress to join me in paying tribute and expressing our gratitude for the distinguished diplomatic service of our friend, Ambassador Itamar Rabinovich, and in wishing a successful and happy future to Itamar and his lovely wife, Efrat, and their family.

IN SUPPORT OF PRESIDENT CLINTON'S VETO OF H.R. 1833

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. LOWEY. Mr. Speaker, I would like to refer you to this moving letter from Diane Reiner in support of President Clinton's veto of H.R. 1833. Mrs. Reiner, like so many of the women we have heard from, discovered late in her wanted pregnancy that the fetus she was carrying was terribly deformed and would not survive. After carefully weighing all of the options, Mrs. Reiner and her husband decided to have an abortion. As I, and others, have stated throughout the debate on this bill—this tragic decision must belong to the woman, her husband, her doctor, her clergy and the friends and family that she chooses to consult. The one group of people it clearly does not belong to is the Congress.

JULY 25, 1990.

Hon. NITA LOWEY,
U.S. House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE LOWEY: I am writing to let you know that I have tremendous respect for your efforts in standing up for women and our right to choose. I thought you would be interested in seeing this letter that I sent to President Clinton to thank him for his brave and compassionate veto of H.R. 1833.

Thank you for your courage and hard work.

Sincerely,

DIANE REINER.

DEAR PRESIDENT CLINTON: Thank you for vetoing H.R. 1833, the Canady/Smith bill.

I am a 43-year-old woman who had a late abortion in 1988. I was married and pregnant with a wanted child, but my husband and I discovered at a routine sonogram that our child was fatally deformed—that it had no proper brain, no proper lungs, that its organs were not properly inside its body cavity, that its spine was bent at a 45-degree angle, and that its extremities were also deformed. The only reason it was alive inside of me was because it was dependent upon my body as its life support system—through the umbilical cord. It would not have been able to live on its own for more than a few seconds, if that, after birth since its own lungs and brain could never function. (I use the pronoun "it" because we never were able to discover the gender of our unborn child.)

This was a total tragedy, of course. We are very loving people who wanted children very much. We had been trying for several years to have a child. We were devastated. We took a week to decide whether or not we could stand to have an abortion, or whether we should carry the doomed child to full term (it would very possibly have made it to full term and then died at birth, we were told). I decided that to save my sanity I would take the very grave step of aborting. I didn't think I could stand to carry my baby 3 more months, waiting for it to die. This decision filled me with a certain type of grief, and it felt like it was almost too much to have to make this choice, but my husband and I actually prayed about this (we are not members of any one particular religion, but we are spiritual people) and were led to our ultimate decision.

The abortion method used in my case was a bit different than the one at issue in H.R. 1833, but it was similar. The whole thing was infinitely sad and torturous to go through, but I thanked the doctor who was willing and able to perform such a difficult (emotionally difficult) procedure. He was my angel of mercy, Mr. Clinton!

It is people in situations such as the one I and my husband went through who need these rare late-term abortion procedures. We are not murderers. We are grief-stricken, would-be parents who are in a horrible crisis and are trying to take the best course possible. If we did not have the technology which allows us to see inside a pregnant woman in her 6th month then perhaps we wouldn't be discussing late-term abortion procedures. But we do have this technology, for better or worse, and if we can discover at 6 months that our baby will die at birth, how can it be a sin to terminate the life at that point rather than waiting a few more agonizing months for the same outcome?

I particularly commend you on vetoing H.R. 1833 since I realize that it is a risky business for you politically at this point, it being an election year during which certain conservative forces are making their presence clearly known. So thank you again. . . . on behalf of me, my husband, and the other women and couples who have had and will have need for this merciful procedure.

Sincerely,

DIANE REINER.

P.S. I now have a wonderful 6-year-old daughter.

COMMEMORATING ROGER TORY PETERSON

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GEJDENSON. Mr. Speaker, I rise today in memory of Mr. Roger Tory Peterson, a long-time resident of Old Lyme, CT., who passed away on July 28 at the age of 87. Mr. Peterson, often referred to as the modern Audubon, produced the first Wildlife-related field guide designed for ordinary Americans. In so doing, he revolutionized how citizens across this country experience, view, and appreciate our bountiful natural resources.

Mr. Peterson was born in Jamestown, NY, in 1908. He explained years later how a personal experience with an injured bird and encouragement from his seventh-grade science teacher led him to begin drawing birds. He recalled that soon thereafter he was drawing and photographing virtually every bird in sight. His big break came in 1934 when William Vogt, the first editor of Audubon Magazine, approached him about illustrating a pocket-sized guide to North American birds. This request resulted in the first Peterson Field Guide, which catalogued birds of the eastern United States. Initially, publishers showed little interest in the publication. In the end, Houghton Mifflin agreed in Mr. Peterson's words "to take a chance on me" and printed 2,000 copies. Book stores sold each and every volume in about a week and were soon clamoring for additional copies.

The "Peterson Field Guide" was not the first publication providing detailed descriptions of birds and other wildlife. We are all familiar with the pioneering works of John James Audubon. What set Peterson's work apart from previous publications was how it blended intricate detail, demanded by biologists, ornithologists, and other scientists, with easy to understand narrative and arrows identifying the distinguishing features of particular species. Mr. Peterson remarked the use of arrows seemed so simple, but no one had used them before. The first field guide evolved into a series of 48 volumes spanning a host of topics, including wildflowers, bird songs, shells, butterflies, mammals, rocks and minerals, animal tracks, fish, and stars and planets. Mr. Peterson illustrated, wrote or edited each and every volume. Every new "Field Guide" followed the original format combining detailed illustrations with easy to understand explanations and commonsense hints to assist nonscientists in identifying particular species. To date, more than 8 million copies of the "Peterson Field Guide" to eastern United States birds alone have been published. It remains the most popular guide to birds more than 60 years after the first edition was released.

Roger Tory Peterson helped millions of Americans to gain a better appreciation of the natural assets which make our country special. President Jimmy Carter recognized Mr. Peterson's contributions to the country by awarding him the Medal of Freedom, the Nation's highest civilian honor, in 1980. The President noted Mr. Peterson had "furthered the study, appreciation and protection of birds the world over." Mr. Peterson's contributions have been recognized worldwide, including two nominations for the Nobel Peace Prize. He received honorary degrees from 22 universities. Recently, The New York City Public Library listed the "Peterson Field Guide" as one of the most influential books of the past century. The Roger Tory Peterson Institute for Natural History was formed in 1984 as a national center for teacher enhancement and training. Among other things, the institute assists teachers in incorporating natural resources in their curriculums and serves as a museum to display Mr. Peterson's works.

Mr. Speaker, I know Americans from coast to coast join me in extending our condolences to Virginia Peterson and the other members of the Peterson family. Mr. Peterson's legacy will endure through the "Peterson Field Guide" and his numerous other works spanning six decades. Roger Tory Peterson was an extraordinary individual who helped Americans better understand and appreciate their natural surroundings. We will fondly remember him when we pick up the "Peterson Field Guide" to identify a bird at the feeder, a flower in the woods, a shell on the beach, or a star high above.

70TH ANNIVERSARY OF CICERO-BERWYN ELKS LODGE NO. 1510

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LIPINSKI. Mr. Speaker, I would like to pay tribute to an outstanding organization in my district that is celebrating 70 years of service to its community this year, the Cicero-Berwyn Elks Lodge No. 1510.

For seven decades, the members of the Cicero-Berwyn Elks Lodge have worked to improve the lives of their fellow citizens. The members of this Elks Lodge have truly lived up to the benevolent and protective aspect of their name.

Lodge members make weekly visits to patients at Hines Veterans Hospital, distribute food baskets to those in need, and provide scholarships to worthy students in their community. In addition, they don furry suits in the spring as part of their Easter Bunny program and visit senior citizens and children in nursing homes and local hospitals.

Mr. Speaker, I commend the Cicero-Berwyn Elks Lodge No. 1510 on 70 years of doing good work for their community, and wish them many more years of service to their community.

COL. ALFRED T. ROSSI PROMOTED TO BRIGADIER GENERAL

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GILMAN. Mr. Speaker, it gives me great pleasure to recognize Gen. Alfred T. Rossi of Nanuet, NY, on the occasion of his promotion to the rank of brigadier general in the U.S. Army Reserve.

General Rossi was commissioned as a Second Lieutenant in the Corps of Engineers in 1967. Since that time, he has served as an instructor at the Engineer School at Fort Belvoir, VA and as a platoon leader in Company B, Battalion Civil Engineer and subsequently as Battalion Commander in the 854th Engineer Battalion. During his service as Battalion Commander, he was recalled to active duty and served in Saudi Arabia during operations Desert Shield and Desert Storm. General Rossi also served as Deputy Division Commander for Mobilization and Reserve Affairs, North Atlantic Division, U.S. Army Corps of Engineers from September 1991 through August 1995. He is currently Commander of the 411th Engineer Brigade.

During General Rossi's 29 years of outstanding service, he has received numerous military decorations, including the Bronze Star, Meritorious Service Medal with Oak Leaf Cluster, Army Commendation Medal with two Silver Oak Leaf Clusters, Army Reserve Components Achievement Medal with two Oak Leaf Clusters, National Defense Service Medal with Service Star, Southwest Asia Service Medal with two Service Stars, Armed Forces Reserve Medal with Hourglass Device, Army Service Ribbon, Army Reserve Components Overseas Training Ribbon, Kuwait Liberation Medal (Saudi Arabia), Kuwait Liberation Medal (Kuwait), and the New York State Conspicuous Service Medal.

Mr. Speaker, General Rossi clearly exemplifies the ideals of the U.S. Armed Forces. He has committed his life to the service of both his country and his community. He is fully deserving of our respect and tribute. Accordingly, Mr. Speaker, I am pleased to take this opportunity to commend and thank General Rossi for his outstanding dedication and service to our Nation and to the greater New York Metropolitan area.

BUSINESS AND EDUCATION SHARING TECHNOLOGY ACT

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. WOOLSEY. Mr. Speaker, I rise to introduce the Business and Education Sharing Technology Act [BEST].

As a member of the Committee on Economic and Educational Opportunities, and as the Representative from one of the most technologically literate congressional districts, I know that technology is the future of education in America.

Education technology has the potential to ensure that every student in America achieves the highest learning goals. However, education technology can accomplish this goal only if every student has access to technology and all educators know how to use it.

President Clinton has endorsed this goal in his Technology Literacy Challenge. The Technology Literacy Challenge asks public and private resources to join together to ensure that all children in America are technologically literate by the 21st century. The BEST Act supports the Technology Literacy Challenge by recognizing businesses which show an exemplary commitment to joining with local schools to improve the teaching and use of education technology.

Members of the House and Senate who choose to participate in this program ask local and State education agencies and schools for nominations. The business to be honored is then chosen by a board of qualified individuals. All the businesses which are chosen are honored locally by the participating Member of the House or Senate. In addition, each year the White House holds a national ceremony to give recognition to these businesses. It is important to note, however, that no taxpayer funds are used for this ceremony. My bill specifically states that the ceremony does not take place unless all costs are donated by private contributions.

Mr. Speaker, education has always been a bipartisan issue in Congress. Last year, when the Committee on Economic and Educational Opportunities and the Science Committee held a joint hearing on education technology, Members on both sides of the aisle were excited to hear about the ways education technology is being used in many schools right now to help students achieve the kind of critical thinking they need to perform in the high skill jobs of today. But, it is not enough for a few lucky schools to offer education technology to their students. The BEST Act will encourage public/private partnerships in every community and every State that will ensure that all of our students and their teachers have the equipment and the know-how they need today to learn to the standards of tomorrow.

I hope my colleagues from both sides of the aisle will cosponsor the BEST Act. Join with me, schools, and businesses across the Nation to make sure that every school in America has the education technology it needs to make American students the best in the world.

NEW WEAPON FOR FIGHTING DOMESTIC VIOLENCE

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GINGRICH. Mr. Speaker, I would like to take this opportunity to inform my colleagues of a new initiative in the fight against domestic violence.

Six municipal police departments in Cobb County, which is in the 6th District of Georgia, are being equipped with special instant camera packages for use in their police cars. The camera packages, which are being purchased with donations as part of a public/private partnership, will be used to document cases of domestic violence, leading to undeniable proof of abusive activity.

As we are all aware, domestic violence can cause irreparable harm with the most devastating effects on our children. Children who grow up in an abusive home environment often demonstrate abusive relationships later in life with their spouses or children. It's important that we break the cycle of violence that is so damaging to the families of America.

I believe that the use of the camera packages will be of great assistance to police officers in their fight against domestic violence, and I commend Solicitor General Ben Smith, the Polaroid Corp., and citizens and civic groups like the Acworth Carrie Dyer Woman's Club for their efforts in this endeavor. I would encourage all of my colleagues to support similar programs in their own districts.

[From the Marietta Daily Journal, Apr. 25, 1996]

USING PICTURES TO PROSECUTE

POLICE USE CAMERAS TO BATTLE ABUSE

(By Dennis Smith)

In the early morning of July 20, 1994, Glen Troy Bramlett entered the Paulding County home of his estranged wife, Nancy, and their three children, bent on making good on a previous threat to kill his wife.

Armed with a shotgun, a .44-magnum pistol, a knife and nearly three gallons of gasoline, the Smyrna man murdered his wife of 22 years with two 12-gauge shotgun blasts as the victim slept next to their 2-year-old daughter.

The slaying occurred just days after Nancy Bramlett filed for divorce, seeking an end to a long and abusive marriage. The toddler was not injured, but evidence at the scene indicated Bramlett intended to kill his children as well. But those plans changed, and Bramlett shot and killed himself instead.

On Wednesday morning, 16-year-old Jessica Bramlett recounted the story of her shattered family to about 20 elected officials and about 30 city and county police officers, as well as a handful of domestic violence victims.

The group had gathered in a Cobb County courtroom to kick off a fundraising campaign, as both county and municipal officials are focusing their efforts on domestic violence with plans to equip every police cruiser in the county with a new weapon—a Polaroid Instamatic camera.

Through a public/private partnership with Polaroid, officials hope to raise funds to buy the cameras through donations.

In honor of Mrs. Bramlett and other victims of domestic violence, authorities are hoping both individuals and businesses will contribute to the Nancy Bramlett Domestic Violence Memorial Fund—which is set up to fund the purchase of at least 230 Polaroid police packages.

The price tag for each camera package—which includes special lenses, film and other tools for police to gather domestic violence evidence—has been reduced from more than $200 to $59.95.

The Polaroid Corp. also has agreed to train officers in use of the cameras, which officials say will be used to take pictures of battered women to be used in the prosecution of the men who inflicted the wounds.

The officers present Wednesday got a crash course in use of the cameras and were allowed to practice their skills on models, whose faces were made up with fake bruises and bloody cuts.

Cobb Solicitor General Ben Smith, whose office prosecutes most cases of domestic violence and is spearheading the fundraising effort, said the cameras are an important tool in making the case against a wife beater.

"Cases of domestic violence are the most difficult to prosecute," said Smith, referring to victims who often refuse to cooperate with authorities after the initial incident.

As an assistant district attorney in 1991, Smith prosecuted Bramlett for making terroristic threats, as the man told his wife he would shoot her when she picked up their children from an elementary school in Smyrna. When Bramlett was arrested at that time, he was armed with two handguns.

Smyrna police had also investigated incidents of spousal abuse at the couple's home.

"Nancy did not want to prosecute," Smith said. "All she would tell me was, 'Mr. Smith, you simply don't understand.' "

"Hard evidence is the way to solve these problems," Superior Court Judge Mary Staley told the group of officers. "When you show [the pictures] to a person and say, 'You did this!'", it's a very powerful message."

Once each police car in Cobb and its six cities is equipped with a camera, Cobb County will be the first community in Georgia and one of only 15 nationwide which have cameras in every police cruiser, said Barbara Poremba, a marketing representative with Polaroid.

Only a handful of other Georgia communities use instant photography in documenting domestic violence injuries, she said.

Angela Straker, who survived a gunshot wound to the head that was inflicted by her husband, suffered years of torment at the hands of Charles B. Straker. She told the officers that victims are often reluctant to come forward because they are in an embarrassing situation.

"It's very difficult. It's much different than trying to stop a cigarette habit . . . it's like brainwashing," said Ms. Straker, who was nearly paralyzed and still has a bullet lodged in her head.

"Whenever you're in a situation where you're being choked, beaten," she said, "it's humiliating. It has destroyed my whole life, my whole family".

Mrs. Straker, choking back tears, added that when her husband is released from his 20-year prison sentence, her "nightmare" will begin all over again.

Those who wish to contribute to the camera fund can call Jennifer Christian in the Cobb Solicitor's Office at 528-8554. Smith said those purchasing a camera can dedicate that purchase in memory or honor of a family member or friend, and an inscription will be placed on that camera.

TRIBUTE TO DR. LEO CORBIE AND DR. CAROLYN GRUBBS WILLIAMS

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Dr. Leo Corbie for his dedicated service as acting president of Bronx Community College. I will also like to honor Dr. Carolyn Grubbs Williams, who is succeeding Dr. Corbie as president of Bronx Community College.

Dr. Corbie was born in New York City. He moved to the Bronx after spending his early childhood in Harlem. He received a bachelor of arts from Central State College and then went on to earn a master's degree in social work from Fordham University and a doctoral degree in social welfare policy and planning from Columbia University.

Dr. Corbie joined The City University of New York in 1969 as a counselor in the Seek program at Lehman college and became director of the program that same year. The Seek program provides financial and academic assistance to students in need. Dr. Corbie has served as the vice chancellor for student affairs for the City University, from 1981 to 1991.

In June 1993, Dr. Corbie was named acting president of the Bronx Community College. He took over the college at a time of instability and uncertainty. Through his leadership and dedication, Dr. Corbie managed to continue the Bronx Community College tradition of excellence and educational opportunity for all who seek to improve themselves.

Today, Bronx Community College welcomes their new president, Dr. Carolyn Grubbs Williams. Dr. Williams has been president of Los Angeles Southwest College of the Los Angeles Community College district since 1992. In her first year, she eliminated a budget deficit of $1.6 million and increased student enrollment by 9 percent. She was able to obtain funding and State approval for three major construction projects.

Dr. Williams earned her bachelor's degree in sociology, mater's degree in urban planning/social planning and her doctoral degree in higher education from Wayne State University in Detroit.

Dr. Williams leadership has shaped Los Angeles Southwest Community College into an outstanding institution. Her outstanding record has earned her numerous accolades and has been elected to the board of directors of the American Association of Community Colleges and the AACC's National Council on Black American Affairs.

Bronx Community College has benefited from the expertise and outstanding record of Dr. Corbie, and will surely continue to prosper under President Williams. Mr. Speaker I ask my colleagues to join me in recognizing Dr. Leo Corbie and Dr. Carolyn Grubbs Williams for their commitment to the advancement of higher education.

PROUD TO BE AN AMERICAN

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. McKEON. Mr. Speaker, I recently completed my latest series of town meetings across California's 25th Congressional District. These meetings not only provide my constituents the opportunity to discuss issues of national and local concern, but they give me the chance to meet and interact with the citizens I represent as well. Recently, I had the honor of meeting Mr. Howard F. Simmon of Lancaster, CA. Mr. Simon had never before been to a town hall meeting, yet managed to attend this latest round of discussions. His dedication to this Nation is embodied in a poem he presented me at this latest series of meetings. I would like to read that poem today.

Justly be proud of America,
"Tis all that it is, and more,
The land of the free,
And the home of the brave,
As 'twas said in the olden lore;
So justly be proud of America,
And rest on it, it's true,
Where the sky spans o'er,
From shore to shore
It's a beautiful land,
A wonderful land,
The land of the free, and more.

IN HONOR OF HENRY LEGRAND SMITH

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1996

Mr. SMITH of Michigan. Mr. Speaker, my wife Bonnie and I were blessed with a new grandson on July 20 at 12:29 a.m. His name is Henry LeGrand Smith. He weighed 8 lbs. 6 oz. He is the fifth child of Bradley LeGrand Smith and Margaret Diane Smith. My namesake, Nick Smith is 9, Emily is 7 years old. Claire is 4 years old, and George is 2 years old.

Bonnie and I join Henry's other grandparents, Neville and Jennifer Monteith from Orillia, ON, in welcoming Henry to this world.

Like his brothers and sisters, Henry is going to have a tough time paying back all the money the Federal Government is borrowing. If we don't change our ways, Henry will have to pay $187,000 in taxes over his lifetime just to cover his share of the interest on the national debt.

I would conclude by asking all the parents and grandparents now in Congress to work with me to minimize the debt which our children and grandchildren will have to pay back for our undisciplined deficit spending.

THANK YOU, CYNDY WILKINSON, FOR YOUR LOYAL SERVICE

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. FIELDS of Texas. Mr. Speaker, it was with mixed emotions that I announced last December 11 my decision to retire from the House at the conclusion of my current term. As I explained at the time, the decision to retire was made more difficult because of the loyalty and dedication of my staff, and because of the genuine friendship I feel for each of them. They have served the men and women of Texas' 8th Congressional District in an extraordinary way.

Today, I want to thank one member of my staff—Cyndy Wilkinson, a counsel with the House Telecommunications and Finance Subcommittee, who formerly served as chief minority counsel on the House Merchant Marine and Fisheries Committee, on which I was the ranking minority member.

A native of Galveston, TX, Cyndy is a 1970 graduate of Lamar University. She graduated with honors from the Potomac School of Law, where she attended classes at night while working on Capitol Hill during the day.

Cyndy has a long and distinguished record of service on Capitol Hill, having served on the staffs of U.S. Reps. Jack Brooks, D–TX, from 1970 to 1971, and Mario Biaggi D–NY, from 1971 to 1978 prior to joining the staff of the Merchant Marine and Fisheries Committee.

On the Merchant Marine and Fisheries Committee, Cyndy's knowledge of, and advice on, maritime and environmental issues was widely respected by Democratic and Republican members of the committee. Indeed, she served as a member of the Democratic committee staff in a variety of capacities from 1978 to 1993. In 1993, she joined the Republican staff as minority chief counsel.

In her various capacities, she worked to pass the Oil Pollution Act of 1990, which greatly enhanced the Nation's ability to prevent and respond to oil spills and other threats to our maritime environment. She also worked to reform the Endangered Species Act, enhance private property rights related to Federal wetlands regulations, and promote cruise ship safety. Her breadth of knowledge of maritime and maritime-related issues, her keen political acumen, and her eagerness to achieve consensus on vital issues affecting the maritime industry won her many friends in the merchant marine industry, including management and labor, and among Coast Guard officials.

In the 104th Congress, when I assumed the chairmanship of the House Telecommunications and Finance Subcommittee, I asked Cyndy to become a counsel on the House Commerce Committee. In that position she has worked on legislation to reform public broadcasting, and reduce its reliance on Federal funding. Due to Cyndy's hard work, public broadcasters reached an agreement for the first time ever on a legislative proposal to make their industry more financially self-reliant.

Cyndy is one of those hard-working men and women who make all of us in this institution look better than we deserve. I know she has done that for me, and I appreciate this opportunity to publicly thank her for the dedication, loyalty, and professionalism she has exhibited throughout the time I have worked with her.

Cyndy's future plans after I retire are as yet uncertain, but knowing her as well as I do, I am confident that the skills and professionalism she has demonstrated in the past will lead to continued success in the future.

Mr. Speaker, I know you join with me in saying thank you to Cyndy Wilkinson for her loyal service to me, to the men and women of Texas' 8th Congressional District, and to this great institution. And I know you join with me today in wishing Cyndy a very happy birthday.

TRIBUTE TO DONALD MATTEO

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GEJDENSON. Mr. Speaker, I rise to pay special tribute to Mr. Donald Matteo, the executive director of the submarine directorate of the Naval Sea Systems Command. On the occasion of his retirement, I ask that you and the other Members of this distinguished body, join me to pay special tribute to his extraordinary achievements in the service of our great Nation.

Don Matteo manages our Nation's most critical strategic, tactical, and special purpose programs—the design, acquisition, maintenance, and modernization of the Navy's attack and strategic submarines and deep submergence systems. His contributions to the Navy span a civil service career of over 36 years, 15 of which have been as a member of the Senior Executive Service.

Don Matteo has been honored with numerous impressive awards. He is the recipient of the Presidential Distinguished Executive Award, and has been honored on many occasions with the Presidential Meritorious Rank Award, the Navy Superior Civilian Service Award, and the Navy Special Act or Service Award.

A native of Brooklyn, NY, Don is a graduate of the U.S. Merchant Marine Academy. He began his civil service career as a marine engineer at Pearl Harbor Naval Shipyard. During the course of his distinguished career, Don Served as the program manager for acquisition of the SSBN–726 class trident submarines, and as the program manager for acquisition of SSN–688 Los Angeles class attack submarines. Don Matteo's leadership has been central to the tremendous success of our Nation's strategic and fast attack submarines. His expertise and innovative approaches to both management and technical issues continue to manifest themselves in the cost effectiveness and quality of Navy programs and products.

Don Matteo provided a major contribution to the successful termination of cold war hostilities. He worked closely in negotiations with numerous government agencies, and in collaborative operations with representatives at the highest levels of international navies and the defense communities. His cooperation with our allies, including the British, Australian, and Egyptian navies, set the tone for an emerging new era of peace. His vision and personal efforts to maximize the submarine strategic deterrence mission helped facilitate the Strategic Arms Reduction Talks [START] and the Strategic Arms Limitation Talks [SALT] Accords.

Don Matteo epitomizes the best of a modern executive. The high regard in which he is held throughout the Defense establishment and in private industry marks Don as one of our most effective and respected Navy civilian leaders. He is known throughout the Department of Defense for his technical expertise and insightful leadership. He has inspired and mentored many executives, and is a highly respected role model for many young managers. Don has led the way in achieving the goals of the President's National Performance Review. He was on the forefront of Navy initiatives to rightsize the submarine community to meet changing national strategic goals, while minimizing adverse effects.

Mr. Speaker, during the course of his career, Don Matteo has faced tremendous engineering, technical, and fiscal challenges. His leadership and personal fortitude have been central to the operational effectiveness and reliability of all submarines, and to our national security strategy which they enable and support. The recent highly successful maiden voyage of the PCU *Seawolf*, the first of a new class of attack submarines to set sail in over 20 years, is but one example of the results of the tremendous leadership of Don Matteo. Although he will be sorely missed in the Department of Defense, Don Matteo's vision, leadership, and personal style will continue to have a great impact in our Navy, and on our Nation for years to come.

Mr. Speaker, on behalf of my colleagues and the citizens of this great country, I am proud to have the opportunity to honor Mr. Donald Matteo on this momentous occasion with Bravo Zulu for a job well done. I ask that you and my distinguished colleagues join me to wish Mr. Matteo "Fair Winds and Following Seas" as he begins his next voyage.

IN HONOR OF MAY DEL RIO

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. LOWEY. Mr. Speaker, I join you here today to tell you that an era is coming to an end. For the last 30 years, May Del Rio has been on the frontlines of the battle to protect women's reproductive rights. She has been a leader in this fight on both the national and local levels. Next month, May will retire from Planned Parenthood-New York City.

I would like to congratulate May on her incredible career—a career that has literally made the difference between American women having access to safe, legal abortions and being forced to the back alley. I have to admit, though, that my happiness for May is tinged by a little sadness. I will miss working with her. In addition to being a valued colleague in the fight for the right to choose, May is also someone that I have come to know as a friend.

Anyone who has had the honor of spending time with May will tell you that her great gift—aside from her obvious intelligence, tenacity and with—is her warmth. May has an incredible spirit, and she radiates with kindness and enthusiasm. No wonder may has been so successful at lobbying, what legislator could say no to her?

May began her work on behalf of reproductive rights in 1965, when abortion was still illegal. She tells me that one of her proudest and happiest days was April 9, 1970. She was in the gallery of the New York State Legislature when the bill legalizing abortion in New York was passed. That day was the fruition of years of work for May, and the beginning of a new mission for her—assuring that every women had access to that hard-won right.

May has worked for Planned Parenthood for the past 18 years. She began working at Planned Parenthood-New York City as its director of public issues and action in 1978. In that role, she lobbied legislators in both Albany and Washington to raise funds for family planning services and to assure that poor women had access to abortion services. In 1989, May moved to Planned Parenthood Federation of America as the national director of field operations.

Eventually, May returned to Planned Parenthood-New York City as vice president of public affairs. There, she has continued to fight on behalf of a women's right to obtain safe, affordable, and legal reproductive health services—including abortion. May has spent a lifetime protecting the rights of American women. Those of us who have had the honor or working with her will miss her greatly, and we wish her nothing but the best in her future endeavors.

KIWANIS CLUB OF LA GRANGE CELEBRATES 70TH ANNIVERSARY

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to an outstanding community service organization in my congressional district, the Kiwanis Club of La Grange on its 70th anniversary.

From its beginnings on a May night at the old Masonic Temple on La Grange Road 70 years ago, the Kiwanis Club of La Grange has grown with its community during the last seven decades.

The club, sponsored by the Berwyn Kiwanis Club, was organized by 42 people, including some of La Grange's leading citizens, on April 15, 1926. On May 11, 300 Kiwanians from as far away as DeKalb attended a charter night celebration at the Masonic Temple. Otis Townsley was elected the club's first president. Over the years, individuals from numerous professional backgrounds have served the club stop post.

Soon after the club was established, it made its first contribution to the community, $25 to the La Grange Civic Club for its village beautification program. Philanthropy has been the cornerstone of the club ever since as La Grange Kiwanis has plowed more than half a million dollars into worthy causes in its 70 years. Starting in 1928, with the club's decision to establish a milk fund for needy children served by the La Grange Community Nurse and Service Association, much of Kiwanis' charitable efforts have been directed to the young people of the area.

As the club grew, so did its fundraising projects. In 1951, on its 25th anniversary, La Grange Kiwanis held its first Pancake Day. This event raised $1,800 for community projects. Pancake Day has grown into one of the top community events in La Grange each year, and along with Peanut Day, is the club's top fundraiser.

In 1976, the club purchased an empty lot at La Grange Road and Elm Avenue and developed a park for the entire community to enjoy. It has been used for weddings, parties, and quiet reflection.

The club went through many changes over the years, but has always grown stronger. Perhaps the biggest change occurred in 1987 when Kiwanis initiated its first woman member of the club, Lee Welker of La Grange, who had served as club secretary for many years.

Mr. Speaker, I congratulate Kiwanis Club of La Grange on 70 years of service to its community.

TRIBUTE TO RETIRING MARINE CORPS MAJ. WALLACE W. HILLS

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to Marine Corps Maj. Wallace W. Hills, of Albany, NY, who is retiring this August after a 19-year career. Major Hills has served his country with honor and dedicated service and I would like to ask my colleagues in the U.S. House of Representatives to join me in saluting him.

A native of Lake Ronkonkoma, Long Island, where he attended Sachem High School, Major Hills is departing as the Commanding Officer of the Marine Corps Recruiting Station in Albany on Saturday, July 20. Under his command, Recruiting Station Albany has earned four consecutive Commandant of the Marine Corps' Superior Achiever Awards for recruiting excellence, an indication of the overall excellence with which Major Hills has served his country.

Major Hills joined the U.S. Marine Corps after graduating from East Stroudsburg University in Pennsylvania, in December of 1976 with a bachelor of arts degree in history and political science. At East Stroudsburg University, he earned All-Conference and All-Pennsylvania honors as a member of the 1975 undefeated championship football team.

He completed Basic School for Marine Crops officers in May 1977, and has served in a variety of commands and assignments during a distinguished and decorated career. Upon graduating Naval Air Training Command, he served as an A–6 pilot with the Marine All Weather Attack Squadron 121. After two deployments in the western Pacific, where he made the Marine Attack Squadron of the Year, he transferred to Recruiting Station-Northern New Jersey for 3 years. He returned to the Fleet Marine Force in July of 1986, where he became Commanding Officer of Combat Service Support Detachments 24 and 27. Between August 1990 to April of 1991, Major Hills participated in operations Desert Shield, Desert Storm and Eastern Exit—the evacuation of the U.S. Embassy in Somalia.

During his career, Major Hills garnered many decorations and awards, including: the Navy Commendation Medal with gold star; the Navy Achievement Medal; the Navy Unit Citation with bronze star; the Meritorious Unit Citation with three bronze stars; the National Defense Medal; the Southwest Asia Service Medal with two bronze stars—signifying service during Desert Shield and Desert Storm; the Kuwait Liberation Medal; and the Sea Service Deployment Ribbon with two bronze stars.

Major Hills is married to the former Kathryn Gaughan, of Scranton, PA, who is a first-grade teacher at the Albany Academy for Girls. They have two sons, David and John, who are a senior and a freshman, respectively, at Shaker High School, in Loudonville, NY. Upon his retirement Major Hills will serve as the senior Marine instructor and teach leadership science for the Marine Corps Junior ROTC unit at Amsterdam High School, in Amsterdam, NY.

The men and women in the Armed Forces, like Maj. Wallace W. Hills, perform a service for this country that too often goes unrecognized. America has achieved and maintained a position of leadership and respect throughout the world because of the sacrifice and effort offered by our Armed Forces. The rest of America should pause more frequently to think of these men and women in uniform who keep this Republic safe, so we may enjoy the fruits of democracy. That is why I urge my colleagues in the House of Representatives to take a moment and recognize Maj. Wallace W. Hills for his service to America.

AVAILABILITY OF VOA, RADIO MARTI MULTILINGUAL COMPUTER READABLE TEXT AND VOICE RECORDINGS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GILMAN. Mr. Speaker, today I am introducing a bill H.R. 3916 along with my colleagues Mr. ANDREWS of New Jersey and Mr. FOX of Pennsylvania to provide university level linguistic researchers the use of Voice of America transcripts for the purpose of research. This authority sunsets in 5 years.

This legislation is necessary since the U.S. Information Agency is banned from domestic dissemination of the materials they produce. The legislation waives this prohibition allowing USIA to provide computer readable multilingual text and recorded speech in various languages specifically to the University of Pennsylvania's Linguistic Data Consortium. The authority to release the VOA transcripts is carefully targeted to the university-level research community.

All the data to be received by the consortium will be processed in electronic form by computers to create statistical tables and models of speech and written language, in which content is not even recoverable. Thus there is no question of the data being redistributed as news or as any kind of product other than a data base for linguistic research and development.

The Linguistic Data Consortium is a nonprofit organization founded in 1992 with a mission to make resources for research in linguistic technologies widely available. About 80 companies, universities, and government agencies are members of the consortium.

Accordingly, I urge our colleagues to support this measure.

H.R. —.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AVAILABILITY OF VOICE OF AMERICA AND RADIO MARTI MULTILINGUAL COMPUTER READABLE TEXT AND VOICE RECORDINGS.

(a) IN GENERAL.—Notwithstanding section 208 of the Foreign Relations Authorization Act, Fiscal Years 1986 and 1987 (22 U.S.C. 1461–1a) and the second sentence of section 501 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1461), the Director of the United States Information Agency is authorized to make available, upon request, to the Linguistic Data Consortium of the University of Pennsylvania computer readable multilingual text and recorded speech in various languages. The Consortium shall, directly or indirectly as appropriate, reimburse the Director for any expenses involved in making such materials available.

(b) TERMINATION.—Subsection (a) shall cease to have effect 5 years after the date of the enactment of this Act.

NORTH BONNEVILLE, FEDERAL GOVERNMENT RESOLVE DISPUTE

HON. LINDA SMITH

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. SMITH of Washington. Mr. Speaker, I am pleased that the House of Representatives has approved my legislation to resolve a long-standing dispute between the Federal Government and the city of North Bonneville.

The city has been embroiled in a conflict with the Army Corps of Engineers since 1972, when the city was relocated to accommodate the construction of the Bonneville Dam powerhouse. Everyone agrees that it is time to resolve all of the outstanding issues between the Corps of Engineers and the city. The legislation that is part of the Water Resources Development Act will finally put this controversy to rest and most importantly, move Skamania County into an era of economic recovery.

A key provision in this bill will transfer certain lands to the city for their long-term economic development plans. Skamania County has a tremendous amount of Federal and State-owned lands. There is very little property in the county with developed infrastructure to attract business to this beautiful area. The transfer of land to the county for development will be a real shot in the arm for an area that has suffered severe unemployment with the downturn in the timber industry. The citizens of the area will have economic opportunity and the county will have an expanded tax base.

I want to take this opportunity to thank Mayor Keith Chamberlain, the Skamania County Commission, Rep. Marc Boldt and all the other individuals who have helped me convince my colleagues that this bill should be given high priority in the House of Representatives.

I will be working in the final days of the 104th Congress to make sure this bill is signed into law by the President.

DR. J. EDWARD ROUSH'S ENDURING LEGACY TO INDIANA'S FOURTH DISTRICT

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SOUDER. Mr. Speaker, on April 22, 1996, I respectfully requested that when the

Committee on Transportation and Infrastructure met to consider the Water Resources Development Act, that the Huntington Reservoir in Huntington County, IN be renamed in honor of a distinguished citizen and former Indiana Congressman, Dr. J. Edward Roush of Huntington, IN. This provision has eventually become section 505 of the bill before us today.

Dr. Roush's entire life has been dedicated to the advancement of the interests of the Hoosier State and our great country. His service began early in his life, when he fought for 4 years in World War II. At the conclusion of that cataclysmic conflict, Dr. Roush was elected to the Indiana General Assembly, where he served from 1949–1950. In 1950 he was once again called to duty to defend his country, this time serving 2 years in the Korean war. He returned to Huntington after his second military tour to practice law, and became the prosecuting attorney of Huntington County. He served in this capacity from 1955–1959.

Dr. Roush's sights were set higher. He was elected to the U.S. House of Representatives in 1958, and served the people of Northeastern Indiana until 1969. In 1970, he was reelected as a Representative of our district, and served until 1976. Mr. Roush's initiatives on behalf of his constituents are too numerous to mention. Among his many contributions, Dr. Roush established the 5th district scholarship program, which brought high school students from each of the schools in his congressional district to Washington for seminars on the governmental process, was instrumental in establishing the 911 emergency telephone hotline, and he inaugurated an institute on the legislative process for high school government teachers and an annual legislative seminar for women.

From 1977 to 1979, Dr. Roush was appointed by President Carter to serve as Director of the Office of Regional and Intergovernmental Operations of the Environmental Protection Agency. Additionally, he has served as both a member and chairman on the board of directors of the Huntington College, as a member of the board of directors of the Merry Lea Environmental Center in Albion, IN, as a member of various veterans' organizations, and as a member of the Indiana Society of Washington.

Mr. Speaker, such dedication deserves recognition. Dr. Roush's service to what is now the Fourth District of Indiana should be memorialized for generations to come. Changing the name of Huntington Reservoir to Roush Lake would ensure that Dr. Roush is duly recognized for his many contributions as a statesman. I urge my colleagues to support this provision of H.R 3816.

CALL FOR REFORM OF THE ENDANGERED SPECIES ACT

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. THOMAS. Mr. Speaker, in the 20 years since its inception, the implementation of the Endangered Species Act has undermined the rights of private landowners and is jeopardizing the Nation's food supply.

The people of the Central Valley of California, in which my district is located, have on more than one occasion been penalized for simply trying to irrigate, cultivate, or otherwise use their own property. This illustrates one fundamental flaw in the Endangered Species Act: one section of the population is paying a disproportionate share of the cost of protecting endangered species. We, the people of the United States, decided to protect endangered species. Yet, while the farmers and business people of the Central Valley pay the cost of administering endangered species habitats on their property, those Americans who do not own and work the land are exempted from the cost of protecting endangered species.

A second, and more disturbing, result of the implementation of the act is that it threatens America's food supply. Tulare and Kern Counties, both located within my district, are the second and third largest agricultural producing counties in the United States. Tulare County annually produces over 260,000 bales of cotton, over 1 million tons of citrus, over 340,000 head of cattle, and over 568 million gallons of milk. Kern County produces over 730,000 tons of grapes, over 590,000 bales of cotton, over 600,000 tons of citrus, and over 104 million gallons of milk. The Central Valley of California feeds the Nation. In enforcing the Endangered Species Act, the Government is not only acting against the property rights of private landowners, it is also hindering the production of the Nation's food. Let me give some examples.

Federal and State agents force landowners to pay outrageous fees and penalties in order to resolve concerns for the well-being of endangered species, including various rodents and lizards, living on private property.

One farmer who tried to build a turkey ranch had to forfeit some of his land to the Government and pay $50,000 for the management of a habitat for the Tipton Kangaroo Rat, among other species.

One farmer, hoping to build a dairy, plowed 160 acres of his own land. The Fish and Wildlife Service did not approve, fearing for the kangaroo rat, and the farmer was forced to sell the Government 112 acres of his land and provide $14,000 for the area's management.

On yet another occasion, an environmental assessment was required during the sale of land in southern Tulare County. The assessment team found no endangered species on the property in question, but, as they were returning to their car, they spied a Swainson's Hawk, a threatened species, flying overhead. The hawk never landed on the property, but the team still believed it might feed on rodents living on the property. As a consequence, the farmer who owned the land had to pay an outrageous $165,000 in mitigation fees.

These fees not only represent an exorbitant cost for the farmers involved, they also show how a small group of citizens are paying for a solution to a problem we as a society decided to address. In reforming the Endangered Species Act we must balance the rights of landowners with the rights of threatened animals, and we must ensure that society as a whole contributes to the cost of protecting such animals.

The Endangered Species Act not only poses a threat to the California farmer and businessperson, it poses a threat to all citizens. Production in the richest agricultural region in the United States has time and again been obstructed by overzealous Government agents enforcing the act.

In 1991 California farmers were in the middle of a 6-year drought, and the Kern County Water Agency proposed drilling emergency wells to irrigate crops. Before it could begin to recover much-needed groundwater, however, the Water Agency was forced to complete surveys for the presence of the kangaroo rat, at a cost of over $27,000. Not a single endangered species was ever identified. The environmental assessment caused a delay of 3 months in the drilling of the wells, and thousands of acres of valuable crops were put in jeopardy.

In another incident, the Kern County Water Agency, along with the State of California, purchased 20,000 acres of land to construct an underground reservoir. "Water banks" such as these are a very cost-effective way of collecting water for irrigation, and California taxpayers invested close to $60 million in the project. The Water Agency, regardless of the fact that it spent over $100,000 on a comprehensive conservation plan for the area, was told it must set aside 12,000 acres for an endangered species habitat, leaving only 8,000 acres for the water bank. The Water Agency understandably believed this was unreasonable and abandoned the project.

I support H.R. 2275, the Endangered Species Conservation and Management Act, which says those who enforce the Endangered Species Act must consider economic impacts and property owners' rights when taking action to protect endangered species. The bill would require the Government to pay landowners fair market value when, in creating and administering habitats for endangered species, it causes the value of the property to diminish.

H.R. 2275 also requires that the Secretary of Interior use only the best scientific or commercial data in determining which species are threatened or endangered, delegates authority to the individual States to protect endangered species that reside within each State, and establishes a National Biological Diversity Reserve to help preserve the existence of threatened and endangered species.

Effective reform of the Endangered Species Act should be on our agenda. I urge support for the Endangered Species Conservation and Management Act to better protect the property rights of landowners and preserve agricultural production in the Central Valley, while accommodating the society-wide goal of preserving truly endangered species.

RESOLUTION TO BRING DR. HANS JOACHIM SEWERING TO JUSTICE

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. WOOLSEY. Mr. Speaker, today, I am introducing a concurrent resolution with Senator RICK SANTORUM calling for an official investigation of Dr. Hans Joachim Sewering by the German Government. At the time of Hitler's reign in Germany, Dr. Sewering was a member of the Nazi SS and the medical director of the Schenbrunn Sanitarium in Bavaria, Germany. During his tenure at this clinic for mentally and physically handicapped children, Dr. Sewering ordered the deaths of 909 innocent children.

After the war, Dr. Sewering was not punished. His crimes were never even acknowledged by the German Government. In fact, Dr. Sewering went on to achieve a successful medical career in the German State of Bavaria. He thought that the world had forgotten the children that he sent to death.

But, in 1993, four Franciscan nuns who were witnesses to this atrocity broke their vow of silence in order to bring Dr. Sewering to justice. Yet, to date, the Bavarian Government refuses to investigate this matter or press charges.

Thanks to the Anti-Defamation League and my constituent, Michael Franzblau, M.D., the world has not forgotten the helpless children who dies at the hands of this man.

Dr. Hans Joachim Sewering must be exposed for what he is, a Nazi war criminal. Please join me, and this resolution's 10 original cosponsors, in calling for the investigation and prosecution of Dr. Sewering for his crimes against humanity during the Second World War.

TRIBUTE TO BISHOP DAVID C. WALLACE

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. TOWNS. Mr. Speaker, it gives me great pleasure to take this opportunity to recognize and congratulate the accomplishments of Bishop David C. Wallace. A graduate of the City University of New York, where he majored in social sciences, Bishop Wallace has a longstanding commitment to the ministry and the Brooklyn community.

Upon his return from college, Bishop Wallace continued theological studies at the New York School of the Bible. While completing his apprenticeship under the late Bishop F.D. Washington, Pastor Wallace would serve as special assistant to the music department of eastern New York, chairman of the Ordination Council, president of the State Youth Department of the Church of God in Christ Fourth Ecclesiastical Jurisdiction of eastern New York, and senior Pastor of the Agape Christian Fellowship Family Worship Center.

Bishop Wallace's community involvement and civic contributions demonstrate that he is a man of great vision and excellence. Bishop Wallace is indeed a leader for this time, and the 21st century.

Mr. Speaker, I join in the celebration with the friends and family members of Bishop Wallace as they anticipate with great excitement the continued efforts and contributions of Bishop Wallace to the Brooklyn community.

LIVONIA SWIMMER GOOD AS GOLD

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. KNOLLENBERG. Mr. Speaker, I rise today to honor a special person and true hero—Livonia native and Olympic champion—Sheila Taormina.

A member of the United States' winning 4 by 200-meter freestyle relay team, Taormina is an example of perseverance, dedication, and training. At 27, Taormina is somewhat of a veteran in her sport. With teenagers winning medals in handfuls, Sheila stands out as the first American masters swimmer to win gold.

Swimming the third leg of the relay, she helped the U.S. team set an Olympic and American record.

Not only did the Clarenceville High School graduate grab Olympic gold, she also shared her victory on the pool deck with her teammates and President Clinton and his family.

Swimming at the Clarenceville Swim Club, Sheila and her coach Greg Phill worked hard to make the Olympic team.

Sheila also owes a debt of gratitude to her employers at Northern Engraving Corp., in Livonia. After deciding to quit her job at Northern Engraving, her bosses Aurel Mailath and Philip Gelatt decided to give her a leave of absence, allowing Sheila the flexibility to pursue her dream of Olympic glory.

And now it has paid off with gold.

Sheila is hero for our community and our country. Her hard work, dedication, and Olympic victory is an inspiration not only to everyone at the Clarenceville Swim Club, but all swimmers, young and old, throughout the United States. I am proud of Sheila. Her great, golden effort has made our community smile.

TRIBUTE TO THE SAN BERNARDINO COUNTY SUN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. LEWIS of California. Mr. Speaker, I am honored to rise today to pay tribute to some of the finest journalists I know—men and women from the San Bernardino County Sun newspaper in my hometown of San Bernardino, CA. These talented professionals have achieved distinction in their field and have been recently recognized as some of the most talented journalists in our country by Gannett News Service.

The San Bernardino County Sun, under the stewardship of editor Arne Garson, was named a gold medal winner and a finalist for the outstanding achievement award for best news performance. Garson, for whom I have tremendous admiration and respect, was also selected as a finalist in the editor of the year category.

A number of fine journalists from the Sun were also recognized in a variety of categories: Mark Muckenfuss for investigative reporting; Cassie MacDuff, Michael Diamond, and John Whitehair for business and consumer reporting; Mickey Enkoji for feature writing; and Mark Zaleski for color photography. All of these professionals were selected as among the best journalists in the country by a respected panel of their peers.

Mr. Speaker, once again the San Bernardino County Sun has distinguished itself as one of the best newspapers in the United States. I ask that you join me and our colleagues today in recognizing Arne Garson and his fine staff at the Sun for their continuing commitment to excellence in journalism.

THE ENGLISH LANGUAGE EMPOWERMENT ACT AMENDMENT

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. MARTINEZ. Mr. Speaker, I propose the following two amendments to H.R. 123, the English Language Empowerment Act.

The first amendment provides an exemption under the definition of official business for actions or documents related to Social Security entitlements. The amendment inserts a new subparagraph on page 7, line 10—of the text of H.R. 3898—which would read as follows: "actions and documents that inform individuals of benefits under the Social Security Act." Legal residents of the United States, who have not been required to learn English because they have not participated in naturalization procedures, are entitled to know about the benefits they have accrued by working in this country.

The second amendment provides an exemption for actions or documents related to the Internal Revenue Code. The amendment insert a new subparagraph on page 7, line 10 which would read as follows: "actions and documents that inform individuals of their rights and responsibilities under the Internal Revenue Code of 1986." Legal residents who work in the United States should be informed in the language that they understand of their responsibilities to pay taxes.

I urge my colleagues to support these amendments.

AN END TO WATER WELFARE AS WE KNOW IT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. MILLER of California. Mr. Speaker, this week I released a report from the General Accounting Office that details the failure of the Reclamation Program to recover the cost of water projects from irrigation water users. This report for the first time sets forth the total amount of the taxpayers' money spent to build 133 water projects in 17 Western States, and the status of payments received from irrigators.

The record revealed by the GAO is largely one of failed repayment. Although these projects have been promoted to the public and to Congress as sound investments whose capital will be repaid, an array of statutory policies and generous interpretations by the Bureau of Reclamation have reduced repayment to a fraction of the cost.

We have spent $21.8 billion on irrigation-related projects since 1902. Out of that total, only $7 billion has been attributed to irrigators for repayment. And less than $1 billion has been repaid to date. Almost half of the irrigators' $7 billion obligation has been transferred to project power purchasers, but less than 1 percent of that money has been repaid.

The real message of this report is that the policies of the past have failed to recover the taxpayers' investment. Although the vast array of subsidies for irrigation were justified during the initial period of westward expansion and economic development of the West, they cannot be sustained under current budgetary constraints to reduce the Federal deficit.

These projects have done their jobs. The West is settled. The projects have produced nearly $200 billion in income for their beneficiaries. At a time when Congress has told farmers in other parts of the country to give up their heavy diet of Federal subsidies, we cannot leave untouched the water subsidies benefiting their competitors—Federal irrigation farmers in the West.

It is time to say, "Enough is enough." Today I am introducing a bill to eliminate irrigation subsidies on new Reclamation projects. This legislation will have no effect on completed projects, or on projects where irrigators have already executed contracts to repay the Federal investment. But it will require that water users pay the full cost for water from new projects, or new units of existing projects.

The Congress is about to pass legislation that curtails welfare payments after 2 years. I recognize that farmers work hard and provide for the Nation. But with all due respect, after nearly 100 years of multibillion dollar irrigation subsidies, the time for water welfare must come to an end.

When the taxpayers pay to construct a water supply, project beneficiaries should pay back that investment with interest. Doing so will encourage the Congress only to fund those projects that make sound economic and environmental sense, not those that can survive only with massive infusions of Federal taxpayer dollars.

I hope that other members will join me in promoting fairness for farmers and taxpayers, and that my bill will receive an early hearing in the Committee on Resources.

CONGRATULATIONS TO TUCSON ELECTRIC POWER

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. KOLBE. Mr. Speaker, 2 weeks ago I was pleased to welcome to Washington several constituents from my district. They were representing Tucson Electric Power [TEP]. They came to Washington to receive the Edison Electric Institute's Common Goals Award for Community Responsibility/Special Needs, presented in recognition of TEP's work in helping to establish the southern Arizona anti-DUI task force.

The delegation was led by, TEP Chairman, President and Chief Executive Officer, Charles E. Bayless, who received the award from EEI President Thomas R. Kuhn in a ceremony on Capitol Hill that included more than 200 friends and colleagues. Other members of the TEP delegation who have worked on this project and attended include, George W. Miraben, Senior Vice President, Human Resources and Public Affairs; Jay Gonzales, Manager of Public Affairs; Betsy Bolding, Director, Consumer Affairs; and Sharon Foltz, Director, Community Relations.

In his acceptance of the award, Mr. Bayless spoke about the double tragedy that caused TEP to launch the campaign. Two company linemen were killed while on duty, but in separate accidents, by two drunk drivers. As a result of these dual tragedies, TEP, in cooperation with 18 law enforcement jurisdictions, helped organizes the southern Arizona anti-DUI task force. Due in part to this program, alcohol-related traffic problems have plunged 60 percent in the Tucson area. This year's high school graduation and prom season was free of DUI incidents for the first time in 20 years.

While we all mourn the loss of the two TEP employees and fellow Tucson citizens, we congratulate TEP and the law enforcement agencies of southern Arizona on making something positive out of the tragedy by taking the initiative against drunk driving. This effort is not only making a difference in Tucson, AZ, it is touching the lives of every one of us. I congratulate TEP on winning the Edison Electric Institute's Common Goals Award and salute them for their community involvement.

COMMEND LEO R. McDONOUGH OF THE SMC BUSINESS COUNCIL

HON. MICHAEL F. DOYLE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. DOYLE. Mr. Speaker, I wish to commend one of my constituents, Mr. Leo McDonough, for his numerous years of dedication to the small business community of Pennsylvania.

As president of the SMC Business Councils, Mr. McDonough has been an effective advocate for the more than 4,800 owners of small businesses in the Commonwealth. More than 123,000 persons rely on those businesses for their employment, which is a remarkable proof that small business is the backbone of the national economy.

Leo McDonough served his Nation in the U.S. Navy in the South Pacific during World War II. He pitched for the Pittsburgh Pirates and later worked in the insurance business.

For more than 27 years, my Swissvale Borough neighbor, Leo McDonough has worked tirelessly on behalf of the small business movement. From the moment he assumed the helm of the Service, Manufacturing, and Commercial Business Councils, Leo McDonough compelled many Americans to value the role of the small business in our Nation.

Former Governor Robert P. Casey appointed Leo McDonough as a member of the Health Policy Board of the Commonwealth of Pennsylvania in April 1993. He also was in the forefront of organizing the Governor's Small Business Conferences in Pennsylvania and served on the Governor's Small Business Advisory Council.

He achieved many other goals and received awards for service to business too numerous to mention. I join many from western Pennsylvania in wishing him the rewards of an enjoyable retirement. Thank you, Leo, for your steadfast work.

ANSWERING AMERICA'S CALL

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SANDERS. Mr. Speaker, for the benefit of my colleagues I would like to insert into the RECORD the following statement by Meika Ferland.

Ms. Ferland is a student from Barton, VT, and her script was the 1996 Vermont State winner in the Veterans of Foreign Wars Voice of Democracy broadcast scripwriting contest.

ANSWERING AMERICA'S CALL

(By Meika Ferland)

George Washington. Bob Hope. Betsy Ross. What do these Americans have in common? Each answered America's call in his or her own way. George Washington was the first commander-in-chief of troops as well as America's first President. Bob Hope entertained soldiers during several wars. And Betsy Ross sewed the famous red, white, and blue flag that would come to represent the best nation in the world. Each of these patriots made a memorable contribution to America's history.

Although we remember these important people and the roles they played in helping our country become great and strong, thousands of others have helped in their own small ways. The boys who beat the drums to maintain the soldier's pace. The women who made bandages and nursed the wounded. The crowds that gave a hero's welcome during a parade to honor returning troops—each of these is answering America's call by contributing to the morale and the needs of the time.

Today's citizens can also answer America's call. A young man can register with the Selective Service and be ready to fight if called upon during a national emergency. A young woman can volunteer to serve a meal at the local soup kitchen. A senior citizen can swing a hammer on a crew building a house in the Habitat for Humanity project. Each of these activities can make a difference and every person can make a contribution. The contribution does not have to make a huge impression like finding a cure for cancer or signing a peace treaty with a foreign nation. Each of us can answer the call in our own way no matter how humble. It is important to remember that every effort no matter how small makes a difference. I have learned this myself first hand.

At my local high school I am a volunteer in the Big Brother/Big Sister program. In this program a high school student is paired with an elementary student from one of the graded schools. These children are usually needy kids who lack someone special in their lives. As a volunteer I spend part of an afternoon each week trying to be a positive role model who provides attention and security in an otherwise troubled life.

Sometimes I help my little sister with her homework or we play games on the computer. She especially likes it when I read to her. Whatever we do, I can see a twinkle in my little sister's eye. I know she is thrilled while I am there. Her smile never leaves her face and when it's time to say good-bye, I know she is looking forward to next week wondering if I'll bring her a package of M & M's or a new book to read.

My little sister is not the only one who benefits from our friendship. It warms my heart to know that I can have such an impact on a ten-year-old. I am contributing a little bit to society by being a Big Sister but I am also reaping the rewards of doing something good for someone else.

In my own way I'm answering America's call. It is a minute contribution in relation to the whole country but it is my part, my effort. I believe that each of us has something worthwhile to contribute and it is up to each of us to do so. If every American were to do just a little bit towered answering America's call the United States would be an even greater place than it is today.

TRIBUTE TO U.S. AIR FORCE CAPT. CHRISTOPHER ADAMS

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. KING. Mr. Speaker, I rise today to pay tribute to one of my constituents who gave his life in defense of our Nation. U.S. Air Force Capt. Christopher Adams of Massapequa, NY, tragically lost his life in the brutal terrorist attack on the United States military installation in Dhahran, Saudi Arabia.

A decorated officer who flew dangerous missions following the conclusion of the gulf war, and more recently over Bosnia, Captain Adams, in the words of the President, "represented the best in America and gave America his best." He did indeed.

The Korean War Memorial—one of the newest and most visually striking and emotionally moving monuments in Washington, DC—bears the words: "Freedom is not free." The terrorist attack on Dhahran drove home the meaning of those words.

Throughout our Nation's history, brave men and women like Capt. Christopher Adams have understood that freedom is not free and put their lives on the line in defense of our liberty. In a world that remains a very dangerous place, we have great need of such individuals.

Capt. Christopher Adams died in the service of his country and gave his life in the name of all for which America stands. It would be a great dishonor to his memory if, as some have suggested, the United States withdraw from the Middle East and other international flashpoints, and generally turn inward, away from the rest of the world. To do so would only play into the hands of terrorist murderers responsible for the Dhahran bombing. The United States of America must continue to play its vital role on the world stage.

I extend my most heartfelt condolences to the family and loved ones of Captain Adams. They will be in my prayers, as will all those courageous and dedicated men and women in uniform who protect our freedom and defend our interests, both here and overseas.

ORANGE AND ROCKLAND UTILITIES, PEARL RIVER, NY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GILMAN. Mr. Speaker, it gives me great pleasure to recognize the Orange and Rockland Utilities Co., Pearl River, NY, upon receipt of the Edison Electric Institutes' Common Goals Special Distinction Award for outstanding achievements in the field of environmental partnerships.

O&R teamed up with the Rockland County Association for Retarded Citizens to initiate a highly successful recycling investment recovery program, recycling more than 2,200 tons of materials and in the process saving more than 480,000 cubic feet of precious landfill. the program was not only self-sustaining; it turned a profit.

Mr. Speaker, I commend Orange and Rockland for their commitment and dedication to the community. I am grateful for their continuous efforts to conserve the precious environment that we live in. It is refreshing to know that there are such companies realizing the importance of placing equal emphasis on the need to preserve the environment while turning a profit. I am pleased to take this opportunity to praise the employees of Orange and Rockland who helped to implement this recovery program.

SCANA CORP. RECEIVES THE COMMON GOALS AWARD

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. SPENCE. Mr. Speaker, I rise to recognize the SCANA Corp., which serves the Second Congressional District of South Carolina, for receiving the Common Goals Award from the Edison Electric Institute [EEI] last week in Washington. The award, which was given for outstanding achievement in the field of educational partnerships, was bestowed on the SCANA Corp. for its sponsorship of "The Coach," a computer equipped traveling classroom. "The Coach," which is staffed with State adult literacy specialists, travels throughout South Carolina to offer free training to employers for the development of adult literacy programs for their employees. In presenting the award, EEI President Tom Kuhn noted that, "by helping people improve themselves, SCANA opens the way to a more highly skilled workforce, a more competitive economy, and a better quality of life."

Mr. Speaker, the SCANA Corp. is to be commended on the contributions that "The Coach" has made to increasing adult literacy in South Carolina. As it celebrates its 150th anniversary, the SCANA Corp. can take great pride in its history of service to the people of the Palmetto State.

HONORING RAYMOND TORRES

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. ENGEL. Mr. Speaker, Raymond Torres is a banker with long experience in the city of Yonkers and more importantly, a man who has given his experience and talent to the YWCA and many other community organizations. He has instilled a keen sensitivity to the community into his corporate activities, giving both expertise and financial assistance to organizations who need it. His contributions have enhanced the abilities of nonprofit organizations to provide critical services and programs for the people of Yonkers.

By his work he has helped to stabilize the southwest segment of the city and strengthen the city's economic base. His community activities also include serving as vice chairman of the community school board. Mr. Torres, branch manager of the Hudson Valley Bank, and his wife Aurelia have two daughters. He is a YWCA Man of the Year and Yonkers is fortunate to have among its citizens the likes of Raymond Torres.

HONORING LOUIS VLAHOPOULOS

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. ENGEL. Mr. Speaker, a community is most fortunate when it has among its citizens, those who make things happen. Louis Vlahopoulos is such a person.

He emigrated from Greece in 1970 and since his arrival operated a wholesale ice cream distributorship, a parking and garage repair shop and, finally, a restaurant—the Galaxy restaurant in Getty Square, Yonkers downtown heart. The restaurant has grown over the years so that five extra people are now employed to serve all those to come to enjoy their food and to catch up on the news of the day.

Mr. Vlahopoulos has deeply involved himself in community projects such as the Downtown Yonkers Management Association. He has worked diligently with the city to get more police in the area and to clean the streets. His support of the YWCA has earned him the title of Man of the Year. He and his wife have three children. He makes Yonkers a better place to live and work.

HONORING THE WHITTIER-RIO HONDO AIDS PROJECT

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. TORRES. Mr. Speaker, I rise today to recognize the Whittier-Rio Hondo AIDS Project

[WRHAP], a benevolent undertaking with a noble cause.

WRHAP, established in 1991, is dedicated to assisting adults and children who are living with HIV in southeastern Los Angeles County. Its founder and current executive director is Doris Wahl, whose son died of AIDS in August of 1989. Since then, she has selflessly dedicated enormous amounts of time and energy in providing services for individuals with HIV and AIDS.

As much as a support group was necessary to help those with HIV, Doris and her staff realized that this was not enough. The members of the support group were in need of comprehensive HIV services, including case management, legal and psychological counseling. Prior to these efforts, services did not exist in the Whittier-Rio Hondo area.

In 1992, WRHAP formalized as a task force allowing it to operate as a nonprofit organization, and in 1993 it became a nonprofit California corporation allowing it to be eligible for grant funding to provide necessary services for clients. Currently, WRHAP provides intensive case management, resource referrals and crisis intervention to 50 individual and 20 family clients. Twenty-five percent of WRHAP's clientele are Spanish speakers, and all services are provided on Spanish, English, and sign language.

The majority of WRHAP's support programs are staffed with volunteers. They provide respite care for the primary care givers of patients, form supportive friendships with the patients, or work with the staff in the office. Mental health care is provided on site once a week for clients and their families.

Mr. Speaker, it is with pride that I rise to recognize the Whittier-Rio Hondo AIDS Project for its ceaseless efforts to assist those with HIV and educate the community on the realities of AIDS. I ask my colleagues to join me in recognizing Doris Wahl and WRHAP for their invaluable contributions to our community.

NATIONAL RAIL STRIKE AVERTED

HON. SUSAN MOLINARI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Ms. MOLINARI. Mr. Speaker, I am pleased to announce that rail labor and management have resolved their disputes through collective bargaining and have pledged that they will not engage in strikes or lockouts during the August recess while these agreements are being ratified.

This announcement is the culmination of almost 2 years of negotiations between the unions and railroads. The negotiations have followed Railway Labor Act procedures and have involved mediation before the National Mediation Board and ultimately appointment by President Clinton of three Presidential emergency boards. I am gratified that the collective bargaining process has worked and that the parties have been able to reach agreement without congressional intervention.

This result would not have been possible without the bipartisan support of House and Senate Members, including Chairman BUD SHUSTER, ranking committee member Mr. OBERSTAR, and ranking subcommittee member, Mr. WISE and Senators KASSEBAUM and KENNEDY. I also want to recognize the valuable input and coordination we have had from the White House and the Department of Transportation in this effort. Finally, I want to thank the Transportation and Infrastructure Committee staff, who worked many hours and over the weekend in an effort to resolve these issues—especially Jack Schenendorf, Bob Bergman, Glenn Scammel, Alice Davis, and Susan Lent. this was truly a team effort and we should congratulate ourselves on the fact that we avoided congressional intervention because of our success in persuading the parties to reach a voluntary agreement.

Given the devastating impact of a national rail strike on the Nation's economy, it was critical that Congress receive assurances from the parties that they would not engage in strikes or lock-outs during the August recess. Overall, some $2.7 billion of goods move by rail every day. Many industries rely heavily on rail transportation, including automobile manufacturing, paper, chemicals, and coal. Because many industries rely heavily on just-in-time manufacturing processes, a strike of even a few days would have a serious impact. A strike also would stop service on many Amtrak and commuter rail lines, which not only would impact railroads financially, but would strand passengers.

In closing, I want to express my optimism that the parties to all of the open disputes will be able to ratify their agreements. However, in the event that these agreements are not ratified, I will not hesitate to bring legislation to the floor that will bring closure to these disputes. In fashioning this legislation, I would not foreclose consideration of last-best-offer arbitration, which Congress imposed on the parties to settle the 1992 rail labor dispute. I hope that this will not be necessary and that the union members will ratify their agreements, providing closure to this process.

IN SUPPORT OF HOUSE CONCURRENT RESOLUTION 191

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. HORN. Mr. Speaker, the Filipino veterans of World War II hold a special place in the hearts of the American people. Many stood shoulder to shoulder with American forces on Bataan, Corregidor, and Luzon. We remember their brave sacrifices—in battle and out of battle—on behalf of freedom. Their actions will forever stand as a model of courage, bravery, and total commitment.

The Second World War was a tragic time for the world. Only through the patience and bravery of those who fought for freedom did we achieve victory. The Filipino veterans of World War II were strong participants in that fight. May we always remember their sacrifices made to preserve democracy and freedom.

It was a fitting tribute to those wonderful supporters of freedom that yesterday this House unanimously passed House Concurrent Resolution 191.

PERSONAL EXPLANATION

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. MORELLA. Mr. Speaker, because of my husband's major surgery last Monday, I missed eight votes. For the benefit of my constituents, I ask that the RECORD reflect that I would have voted as follows:

Rollcall No. 332, D.C. Appropriations, Norton amendment, "yea"; rollcall No. 333, D.C. Appropriations, Gutknecht amendment, "no"; rollcall 334, D.C. Appropriations, final passage, "yea"; rollcall 335, Child Pilots, "yea"; rollcall 336, Pilot Hiring, "yea"; rollcall 337, National Transportation Safety Board authorization, "yea"; rollcall 346, Commerce-Justice-State Appropriations, Goss amendment, "no"; rollcall 347, Commerce-Justice-State Appropriations, Allard amendment, "no."

LEAH BREMER, HAWAII STATE INSTITUTE OF PEACE ESSAY WINNER

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mrs. MINK of Hawaii. Mr. Speaker, I would like to take this opportunity to salute an outstanding young woman from the State of Hawaii, Ms. Leah Bremer. I recently met Leah during her visit to Washington, DC, in June when she represented Hawaii as the State winner for the U.S. Institute of Peace national essay contest. Leah will be a senior at Punahou School on Oahu and is planning to attend college in California after she graduates.

Leah's essay is entitled, "Promoting Peace After the Cold War" and I am pleased to share with you her award-winning entry.

PROMOTING PEACE AFTER THE COLD WAR

(By Leah Bremer)

During the cold war the United States' national security interests focused on the direct military threat posed by the Soviet Union and on preventing the spread of communism. During the last decade, the Soviet Union has crumbled and the United States has become the world's dominant military power. Our government must now redefine and re-focus its national security interests to assure regional, global, and domestic stability in this new world. The United States should move toward a long-term policy emphasizing diplomatic rather than military intervention. As the political crisis in Haiti has demonstrated, the diplomatic process can serve as an effective way to resolve a conflict.

A key factor determining national security interests is the stability of neighboring nations. A crisis occurring nearby could cause instability in the United States. The United States supports harmony and democracy in its own region because, "As Haiti and Cuba, have shown, stability in the Caribbean doesn't stay there—it washes up, dead or alive, on the Florida shore." Unrest rarely remains with a nation's borders; one country's crisis can rapidly spread to a neighboring country.

While fifty years ago, such concern focused mainly on the countries nearest our own, advances in technology, and international trade have created a global system in which countries that once had no affect on one another are now related. Moreover, the dismantling of the Soviet empire has created an underground market in which relatively small powers can purchase nuclear weapons. Because of these factors, turmoil in a seemingly remote region of the world such as Somalia could have important consequences for the United States' national security interests.

In addition to maintaining global stability, the United States government must be sensitive to the interests of the American people. It is an important part of the democratic process to ensure that the people have a say in their government's actions. The crisis in Haiti created two major issues for the American public. On one hand, groups such as the Black Caucus pushed for the restoration of democratic rule in Haiti. At the same time, the political crisis brought many Haitian refugees to the United States. Many American citizens opposed this immigration, and domestic pressure pushed the government to take action. President Clinton responded by sending refugee boats back to Haiti, but as the number of seaborne refugee ships increased so did the domestic pressure for some sort of action to stop the flow of refugees, or the mistreatment of these refugees.

Likewise, the mass starvation and genocide in Somalia also concerned American citizens. Media made the American public aware of the nation's suffering, and groups such as the Black Caucus again pushed the American government to intervene. In cooperation with the United Nations, the White House responded to this domestic pressure by intervening in Somalia for humanitarian purposes.

If the demands of the American public are not met, conflicts within the United States borders could arise. In Haiti, when General Cedras' military coup overthrew President Aristide and committed countless human rights' abuses, the Congressional Black Caucus supported United States' intervention, and "urged applying any pressure, including an invasion to bring down Cedras." Clinton chose to support their demands for action in Haiti. As Elliot stated, "it will often be in the 'national interest' to take an action about which one group feels passionately while others acquiesce."

Once it has been established that a situation may pose a threat to national security, the government must decide what type of action to take. The type of intervention, whether it be military, economic, humanitarian, or diplomatic, is extremely important as the outcome depends upon the resource used. The government may use a combination of these measures, as was the case in Haiti and Somalia.

Although economic sanctions are often thought of as a way for the United States to effectively resolve a conflict without becoming too involved in the situation, some theorists see sanctions as an "over-rated tool politicians use to make them look decisive while they avoid tough decisions about foreign policy." Sanctions are less effective now than they were forty years ago because, with the rise of competing economic powers and a more global economy countries tend to be less dependent on United States' goods. Furthermore, poorly patrolled borders may also lessen the sanction's impact. For instance, the economic sanctions imposed on Haiti lost influence because Haiti could still trade with the Dominican Republic and obtain U.S. goods through the black market. Economic sanctions also may not directly harm the leaders initiating the crisis. In countries like Somalia, Haiti, and other dictatorships, the common people have no way to voice their discontent" Economic actions may back fire in dealing with human rights violations as they end up hurting those people the sanctions were initially designed to help.

Many times the United States sends troops into a country as a "last resort." Although the U.S. needs to have a strong military to back up its diplomatic claims, the use of the military should be reduced and replaced by diplomatic intervention. In July 1994, as domestic pressure increased concerning Haiti and the U.S. government acknowledged that economic sanctions were not working, the United States began training an invasion force and obtained a United Nations Security Council resolution authorizing the use of force as "last resort" to remove Cedras and restore Aristide to the presidency. In training an invasion force, however, the Clinton administration maintained diplomacy as an alternative. Dante Caputo, an Argentine diplomat appointed as the United Nations' representative in Haiti tried for two years to negotiate Aristide's return. Caputo was unsuccessful. But in 1994 after obtaining reluctant White House approval former President Carter, accompanied by Senator Sam Nunn and General Colin Powell, met with Cedras. After two days of negotiations in mid-September Cedras agreed to step down by October 15th, 1994. When the troops arrived in Haiti the Haitians cheered. Cedras kept his word and stepped down on October 15th.

Carter was successful in negotiating with Cedras because he gave him an opportunity to leave honorably. As Smith states, "Carter described Cedras as a man of honor and praised the beauty of Mrs. Cedras." In return for his keeping his word, Cedras received financial compensation from the United States and was flown to Panama with his family. Carter's strategy didn't back Cedras into a corner, but allowed him to step down without a fight.

In Somalia, however, the warlords were never given an opportunity to step down honorably. Sending troops to distribute food to the starving Somalis was well-intentioned, but the underlying problem of clan warfare was overlooked. The United Nations military presence complicated the situation. The troops became like another warring clan. As, "Initially presented as a purely humanitarian mission, Operation Restore Hope gradually shifted from feeding Somalis to fighting them." The focus changed from feeding the starving Somalis to capturing General Aidid. United Nations Secretary General Butros-Butros Gali's obsession with capturing General Aidid as a way to resolve the conflicts was not effective as, "In Somali culture, the worst thing you can do is humiliate them, to do something to them you are not doing to another clan."

When the United States government first intervened in Somalia, they began with peace talks between the two dominant clan leaders, Ali Mahdi, and Aidid. After two days a cease fire was declared. The cease fire, however was not implemented, and peace talks never resumed. The United States and the United Nations immediately sent in troops, thus not giving the warlords an honorable way to reconcile.

The United States has made many diplomatic mistakes which have led indirectly to some form of crisis later. In Somalia, the former dictator, Siad Barre, received more than 700,000,000 dollars in economic and military aid from the Reagan administration. Aid continued despite the fact that most analysts in 1989 judged Barre as a cruel dictator about to fall. A survey by Africa Watch in February , 1992, showed that this aid "helped lay the groundwork for the country's destruction today." The United States should be more careful in choosing which governments to support.

As the recent conflicts in Somalia and Haiti demonstrate, the national security interests of the United States government lie not only in deterring military attack, but also maintaining, global, regional, and domestic stability. After determining that a situation affects national security, the United States must choose what measures to take whether economic, diplomatic, humanitarian, or military. Each type of intervention has limitations and may not be appropriate for all situations. Economic sanctions, for instance may increase suffering under a totalitarian government, such as that of Cedras in Haiti. Likewise, military intervention may succeed in delivering food supplies to people in Somalia, but it may not be able to resolve a complicated conflict. As the Haitian situations reveals, one type of successful intervention may combine sustained diplomatic negotiations with limited military action.

ANSWERING AMERICA'S CALL

HON. SAM GEJDENSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. GEJDENSON. Mr. Speaker, I rise today to congratulate Peter Lakes, a constituent of mine from Putnam, CT, in placing fourth in the Veterans of Foreign Wars Voice of Democracy script-writing contest. 116,000 secondary school students were asked to write a short script with the theme: "Answering America's Call."

Mr. Speaker, the lesson of Peter's script is that it is our responsibility to pursue our dreams and make them real. Your dreams may be large or small, but achieving your dreams is what America is all about.

Mr. Speaker, I am proud of Peter's achievement and salute him. We can all do well by reading what he has written, and being as inspired by it as I am.

I ask unanimous consent that Peter's script be included in the RECORD.

ANSWERING AMERICA'S CALL

(By Peter Lakes)

This past summer, my seven-year-old sister and I took on the endeavor of completing a thousand-piece puzzle. Hundreds of pieces were laying across the small table. My sister and I spent much of the first attempt staring at the cover of the box, baffled that the scrambled pieces would later fit together to form a complete picture. I'd guess that about seven hundred of those miniature pieces were blue. This large number of blue pieces troubled me. I held one in my hand. I know that there were four other blue pieces that would lock together with this very piece. The intimidating thought turned me off. I considered giving up. Much to my surprise, my sister had already put three pieces together. She looked at me with those strong willed, independent eyes and said, "Are you going to hold that all day? Looking at it won't make it happen."

After days and months of meager progress, the day of completion was near. My sister and I gazed confidently at the small pile of unsatisfied pieces. We attacked what we dreamed would be the beginning of the end.

The moment had arrived. The final piece was in my sister's hand. Seizing the moment, I diverted my eyes from the lonely pieces and instantly directed my attention to its vacant plot. At that moment, I realized that the vacant plot which I had so easily found, was not the only vacant plot. Furiously, we scanned the floor. We looked everywhere. The piece in my sister's hand was not the last piece.

Luckily, I had spent the last two months developing enough patience for this very moment. My sister took the uncertain piece, placed it in the box, and within five easy minutes, the puzzle was disassembled.

I took a moment to look over the past few months. It was an experience to remember. There were moments of progress and of frustration. I had to keep reminding myself that "nothing comes easy." After a while, the final picture wasn't important to me, but rather the process and the experience. I got to spend time; valuable time with my sister. She taught me the art of being patient, together.

Our goal had been achieved. We attained success. The missing piece does not create failure, but rather highlight the achievement. This is America's call. As individuals, it is our responsibility to pursue our dreams and make them a reality. We are all given the right to be someone, not something. We all have a part in completing the puzzle.

An American by the name of Charles Lindbergh heard this call. As a boy, he enjoyed the art of flight. After two years at the University of Wisconsin, Charles withdrew and followed his dream. He attended a flying school. Little did he know that five years later, he would be the first man to fly across the Atlantic Ocean. After the thirty-three and a half hour flight, it is no wonder why Lindbergh was greeted as a hero. He sought out his dream. He found enough courage, love and strength to make his dream a reality.

Often, opportunity helps propel a dream. When Columbus discovered the New World in 1492, Europeans had the opportunity to start a new life. Many of them were poor and felt life's course was beyond them. Many realized the risk, but could see the vast opportunity. Those that came to America pursued their chance. They found enough courage, love and strength to take their dream, and make it their reality.

This is the call of America. Fulfill your dream to be a leader. Fulfill your dream to start a family. Fulfill your dream! I'm going to fulfill mine. I often blame my failure on time and frustration. I accuse the course of life of stealing my dreams. But I am accusing the wrong person. I am the guilty suspect. I must listen to America's call. Only one person can create my dream, destroy my dream and transform my dream into my reality. Myself.

This call is telling America to go out. Don't look on the outside for courage, look within yourself. Your dream might not be to fly across the Atlantic, or to start a new life. Your dream might be small. But every single piece of the puzzle is small. Every time a piece is fit, it had an impact on the big picture. As author Wayne Dyer writes in his novel "The Sky Is The Limit;"—"Your ability to be a No-Limit person, and to go beyond even your most imaginative expectations for yourself, is right in your own hands." The only limit is the one you create. Focus your dream, and strive for its achievement.

Answer America's call—your dream is waiting on the other line.

CHILDREN ARE THE ONES WHO PAY

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 30, 1996

Mr. JACOBS. Mr. Speaker, the following is the David Mannweiler column from the Indianapolis News edition of July 23, 1996.

The column is, of course, disturbing to any citizen of conscience. It is also somewhat ironic with regard to my experience with Congress.

In 1962 when I first ran for the Congress, Mr. Mannweiler's predecessor, Bill Wildhack suggested a pledge that I should make in my campaign, to wit:

I'll never vote to send a child to bed hungry.

I hope that an analysis of the votes I have cast on behalf of Indianapolis in the Congress over this third of a century will show that I have kept that pledge.

[From the Indianapolis News, July 23, 1996]

CHILDREN THE ONES WHO PAY

(By David Mannweiler)

On my plane trip home Saturday, I read the New York Times.

Maybe it was that thin air they pump inside planes these days, but I found myself wondering if there could be a link someday between two stories I read.

One story was about the Senate's vote Friday to give states a lump sum to run their own welfare and work programs. That idea was approved.

What wasn't approved was a proposal requiring the secretary of Health and Human Services to study whether the legislation, if passed, causes an increase in poverty among children in the next two years.

Also rejected was a proposal requiring states to provide vouchers to meet "the basic subsistence needs" of children in families that would be removed from the dole if mom or dad didn't have a job after two years on welfare.

Republicans said vouchers would undermine the five-year limit by allowing children to receive aid for much longer.

Hey, no undermining. Clearly, children should be punished for their parents' shortcomings. And no whining about the world's richest country no longer guaranteeing poor kids will eat. A line must be drawn somewhere.

IT'D BE A GRATE-FULL NATION

Sen. Daniel Patrick Moynihan, D-N.Y., whined, of course. He said if the six-decade-old federal guarantee to feed poor children is ended, "we will be making cruelty to children an instrument of social policy. We will have children sleeping on grates."

He said a million additional children would be thrown into poverty—we have 9 million already—and "there will be an urban crisis unlike anything we have known since the 1960s."

The second story I found interesting concerned Mexican peasants reacting to the wide disparity between the rich and the poor in their country.

The Mexican government says 22 million Mexicans are living in "extreme poverty," an increase of 5 million in the last 15 months. United Nations figures show the army of children living and working on the streets of Mexico City has doubled in three years.

WHEN IT TRAINS, IT POURS

Recently, the story said, residents of a shanty town on the outskirts of the wealthy city of Monterrey stopped a freight train at night and removed—OK, stole—grain to make tamales and tortillas.

A former mayor of Mexico City said a recent poll showed 22 percent of the capital's residents believe violence is justified to correct social imbalances. That's the highest figure in a decade.

In the name of saving money and ending welfare as we know it, children may go hungry in this country. In an effort to feed their children, most parents would break the law, I believe.

It might come to that here, too.